City of Sacramento

Proposed Budget

FISCAL YEAR 2019/20

PROPOSED

CITY OF SACRAMENTO
FISCAL YEAR 2019/20 BUDGET

DARRELL STEINBERG
Mayor

ANGELIQUE ASHBY
Mayor Pro Tempore, District 1

ALLEN WARREN
Councilmember, District 2

JEFF HARRIS
Councilmember, District 3

STEVE HANSEN
Councilmember, District 4

JAY SCHENIRER
Councilmember, District 5

ERIC GUERRA
Vice Mayor, District 6

RICK JENNINGS, II
Councilmember, District 7

LARRY CARR
Councilmember, District 8

HOWARD CHAN
City Manager

CHRISTOPHER C. CONLIN
Assistant City Manager

MICHAEL JASSO
Assistant City Manager

LEYNE MILSTEIN
Assistant City Manager

VACANT
Assistant City Manager

Prepared by
DEPARTMENT OF FINANCE
BUDGET, POLICY and STRATEGIC PLANNING DIVISION

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In conjunction with Department Staff

CITY HALL
915 I STREET, 5TH FLOOR
SACRAMENTO, CA 95814

City of Sacramento - Organization Chart

(updated 02.15.2019)

MAYOR / CITY COUNCIL

Public Safety Accountability
Francine Tournour

City Attorney
Susana Alcala Wood

Community Advocacy & Public Safety
General Counsel & Advisory
Litigation & Human Resources
Strategic Projects & Research

City Auditor / Independent Budget Analyst
Jorge Oseguera

Performance Auditing
Research & Budget Analysis

City Clerk
Mindy Cuppy

Bids and Contracts
Boards & Commissions
Elections
Legislative Support
Records

City Manager
Howard Chan

Cannabis Policy and Enforcement
Diversity & Equity
Executive Administration
Government Affairs / Media Communications
Homeless Services
Innovation and Economic Development
Office of Emergency Services
Office of Violence Prevention
Performance Measures
Youth Development

City Treasurer
John Colville

Citywide Banking
Debt Management
Investments

OPERATIONS

Community Development
Ryan DeVore
Director

Animal Care Services
Building
Business Compliance
Housing & Dangerous Buildings
Neighborhood Code Enforcement
Planning

Convention & Cultural Services
Jody Ulich
Director

Center for Sacramento History
Crocker Art Museum
Discovery Science & Space Center
Fairytale Town
Metropolitan Arts Commission
Old Sacramento Historic District
Sacramento Convention Center
Sacramento History Museum
Sacramento Zoo

Fire
Gary Loesch
Chief

Emergency Services
Fire Prevention
Fire Suppression

Police
Daniel Hahn
Chief

Investigations
Operations
Specialized Services

Public Works
Hector Barron
Director

Engineering Services
Facilities / Real Property Management
Fleet Management
Maintenance Services
Parking Services
Solid Waste
Transportation

Utilities
William Busath
Director

Business & Integrated Planning
Engineering & Water Resources
Government Affairs
Operations & Maintenance
Public Affairs
Sustainability

Youth, Parks, & Community Enrichment
Shannon Brown
Interim Director

Capital City Golf
Historic City Cemetery
Neighborhood Services & Special Events
Park Maintenance Services
Park Planning & Development Services
Recreation

SUPPORT

Finance
Dawn Holm
Director

Accounting
Budget, Policy and Strategic Planning
Payroll
Procurement Services
Public Improvement Financing
Revenue

Human Resources
Shelley Banks-Robinson
Director

Benefit & Retirement
Employment & Classification
Equal Employment Opportunity
Labor Relations
Risk Management

Information Technology
Maria MacGunigal
Director

311 Center
Applications & Data Managment
Enterprise Business Systems
Geographical Information Systems
IT Customer Service
Technical Support Services
Technology Administration

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SECTION – 1
Budget Message

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City of
SACRAMENTO
Office of the City Manager

Howard Chan
City Manager

City Hall
915 I Street, Fifth Floor
Sacramento, CA 95814-2604
916-808-5704

April 24, 2019

Honorable Mayor and City Council
Sacramento, California

Dear Mayor and Members of the City Council:

I am pleased to present a balanced budget for fiscal year (FY) 2019/20 totaling $1.2 billion for operations and capital improvement projects. The budget represents the City's financial plan for the upcoming year and reflects an increase of $64.8 million or 6% compared to the FY2018/19 Approved Budget. The combined General Fund and Measure U Fund budget of $588.5 million represents an increase of $53.3 million or 10% compared to the prior year approved budget. The Measure U programming reflects new revenues from the sales tax increase approved by voters in November 2018, effective April 1, 2019.

This budget offers a road map for the City's efforts to successfully bolster and expand the delivery of vital core services while also focusing on Council's commitment to inclusive economic development and increased youth programming. It is important to keep in mind that, like most California municipalities, Sacramento continues to face aging infrastructure, increasing retirement costs and obligations, which put pressure on our finances. However, because of thoughtful planning, deliberate use of resources and creative partnerships, the City's budget forecast is balanced over the next five fiscal years.

With the passage of the expanded Measure U sales tax, Sacramento voters demonstrated their desire to invest more in their city's future. The newly formed Measure U Advisory Committee, consisting of community members, will work in tandem with City staff to make recommendations to the City Council how best to program this new funding.

This past year, inclusive economic development and youth services have remained priorities of the City Council. The proposed FY2019/20 budget allocates nearly $29 million to these areas, funding more than 85 positions to establish a new Neighborhood Economic Development Planning Team and expand initiatives such as youth sports and the City's Hot Spot program. The money will allow for an increase in community center operating hours and programming to reduce gang violence. The City, and its Youth, Parks and Community Enrichment Department in particular, stands steadfast in its commitment to empower youth, strengthen neighborhoods and help residents of all ages realize and reach their fullest potential.

Sacramento is experiencing a period of sustained growth and transformation, having become an epicenter for new opportunities and a testing ground for technological innovations. The development of the Downtown Railyards is reaching new levels of partnership and momentum, companies such as Centene Corporation are bringing thousands of high-paying, quality jobs to the area, and the expansion/renovation of civic amenities such as the Sacramento Convention Center, Community Center Theater and the Old Sacramento Waterfront are writing the next chapter of activity and vibrancy for our city.

These examples underscore the City's ongoing strategy of diversifying employment and expanding our tax base. With lower costs when compared to other California cities, Sacramento now is recognized as a place where businesses want to relocate, and employees want to live. Moving forward, we will continue to seek and leverage new growth opportunities and revenue streams -- such as the cannabis industry -- to increase our economic stability.

In my third year as City Manager, I am proud to offer this balanced budget for your consideration, one that combines and prioritizes our City's values of inclusive growth and delivery of quality community services. I would like to thank Council for your leadership and continued commitment to the budget process, and I look forward to collaborating with you as we work together to build a healthy, prosperous future for our great city and all its residents.

Respectfully submitted,

Howard Chan
City Manager

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Operating Budget Excellence Award

California Society of
Municipal Finance Officers

Certificate of Award

Excellence Award for
Fiscal Year 2018-2019 Operating Budget

Presented to the

City of Sacramento

For meeting the criteria established to achieve the CSMFO Excellence Award for Budgeting.

December 19, 2018

Margaret Moggia
CSMFO President

Sara Roush, Chair
Recognition Committee

Dedicated Excellence in Municipal Financial Reporting

The City's FY2018/19 Approved Operating Budget received the Operating Budget Excellence Award from the California Society of Municipal Finance Officers (CSMFO). The award process includes peer reviews of cities' operating budget. Peer review methods are employed to maintain standards, improve performance, and provide credibility.

In preparing the FY2019/20 Budget document, the award criteria were followed and prepared in accordance with generally accepted accounting principles. This document will be submitted to the CSMFO for consideration for the Fiscal Year 2019/20 Operating Budget Excellence Award.

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SECTION – 2
Budget Overview

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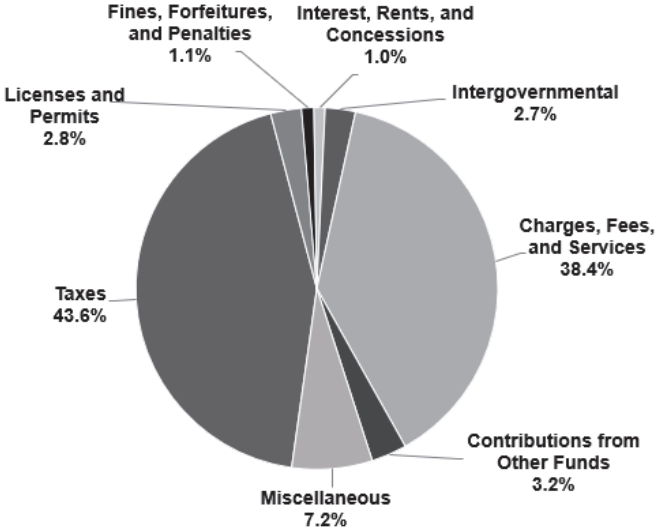
Proposed Budget Overview

INTRODUCTION

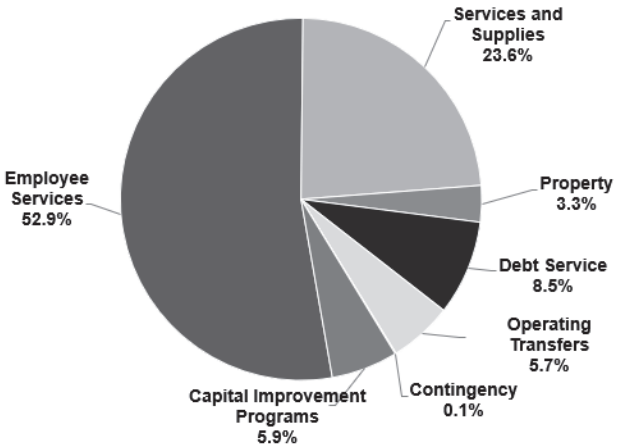
The FY2019/20 Proposed Budget (Budget) is balanced and reflects adopted Council policies, goals, and planning/programming guides. The Budget outlines anticipated revenues and program/service resource allocation recommendations.

The Budget totals approximately $1.2 billion from all funding sources and supports 4,773.24 full-time equivalent (FTE) positions. This includes $588.5 million for General and Measure U (G/MU) Funds operations and capital projects, and $563.2 million for operations and capital projects for the City's Enterprise Funds and other fund activities. The following charts provide a summary of the Budget:

Revenues



Expenditures



Note: The above charts do not include other sources and uses as represented in Schedules 2A and 2B.

History of the City of Sacramento

The City of Sacramento was established in 1849 and became the capital for the State of California in 1854. Sacramento also serves as the seat of Sacramento County government. It is the seventh largest city in California with a population estimated at 501,344[1]. The population of the County of Sacramento is estimated at 1,514,770.[1] Sacramento encompasses 100.1 square miles and is located in the northern section of California's Central Valley.

Sacramento is a charter city and operates under a Council-Manager form of government that currently provides for a nine-member elected City Council (Council), including an elected Mayor. There are no other elected City officials. Members of the Council serve alternating terms of four years, with the Mayor and Councilmembers representing even numbered districts up for reelection in calendar year 2020 and the Councilmembers representing odd numbered districts up for reelection in 2022. All registered voters in the City vote for the Mayor, while Councilmembers are elected by voters in specific districts. The Council appoints the City Manager, City Attorney, City Auditor, City Clerk, and the City Treasurer to carry out its adopted policies.

The City provides a full range of municipal services including police, fire, water, sewer, storm drainage, solid waste, code enforcement, construction and maintenance of parks and streets, planning and development, recreation and cultural activities, and general administration.

The Sacramento City Charter requires that the City Manager submit a proposed budget to the Council at least 60 days prior to the commencement of each fiscal year. Once approved by Council, this annual budget serves as the foundation for the City of Sacramento's financial planning and control. Budgetary control is maintained at the department level, by fund. Budgetary control for capital improvement projects is maintained at the individual project level.

The following information summarizes the City's key demographics and community profile.

[1] Based on California Department of Finance estimates as of January 1, 2018.

Demographics

The information presented is based on the 2013-2017 American Community Survey (ACS) five-Year Estimates from the United States Census Bureau unless indicated otherwise.

Population by Sex

Percent female persons	51.2%
Percent male persons	48.8%

Race and Origin

White	33.1%
Hispanic or Latino (of any race)	28.3%
Asian	18.4%
Black or African American	13.1%
Two or more races	4.7%
Native Hawaiian and Other Pacific Islander	1.6%
Some other race	0.5%
American Indian and Alaska Native	0.4%

Housing Status

Total	194,917
Occupied	181,690
Owner-occupied	85,910
Renter-occupied	95,780

Average Household Size

Owner-occupied unit	2.74
Renter-occupied unit	2.57

Residential Vacancy Rate

Vacant	13,227
Homeowner vacancy rate	1.2%
Rental vacancy rate	4.4%

Home Values

Median value of owner-occupied units	$287,600
Occupied units paying rent	93,417
Median gross rent	$1,114

Commuting to Work

Mean travel time to work in minutes	25.4

Occupation

Management, business, science, and arts occupations	85,928
Service occupations	44,203
Sales and office occupations	53,809
Natural resources, construction, and maintenance occupations	16,430
Production, transportation, and material moving occupations	20,992

Household Income

Total households	181,690
Median household income	$54,615
Mean household income	$74,469

Individual Income

Per capita income	$28,671
Median earnings for workers	$32,113

Education

Percent high school graduate or higher	84.4%
Percent bachelor's degree or higher	31.5%

Community Profile

The majority of the information presented is based on the City of Sacramento's Comprehensive Annual Financial Report (CAFR) for the fiscal year ending June 30, 2018.

Principal Employers

State of California	75,801
UC Davis Health System	12,840
Sacramento County	12,208
Kaiser Permanente	11,005
U.S. Government	10,325
Sutter Health	8,177
Dignity Health	7,000
Elk Grove Unified School District	6,210
Intel Corporation	6,000
Apple, Inc.	5,000
City of Sacramento	4,556

Capital Asset Statistics

Police:

Number of stations	4
Number of patrol units	229
Number of aircraft	5
Number of watercraft	4

Fire:

Number of stations	24
Number of fire suppression, support or prevention vehicles	162
Number of watercraft	6

Public Works:

Miles of streets	3,118
Number of street lights	43,223
Number of City parking spaces	4,775
Miles of off-street bikeways	88
Number of City garages and open parking lots	7

Youth, Parks, & Community Enrichment:

Number of parks	228
Park acreage	3,177
Number of community centers	14
Number of swimming pools (including wading pools)	27

Utilities:

Miles of water mains and distribution lines	1,607
Miles of sanitary sewers and storm drainage	1,960

Miscellaneous:

Number of boat harbor slips	475
Number of Community Convention Center events	372
Community Convention Center event attendance	1,034,980
Number of Zoo attendance	500,535

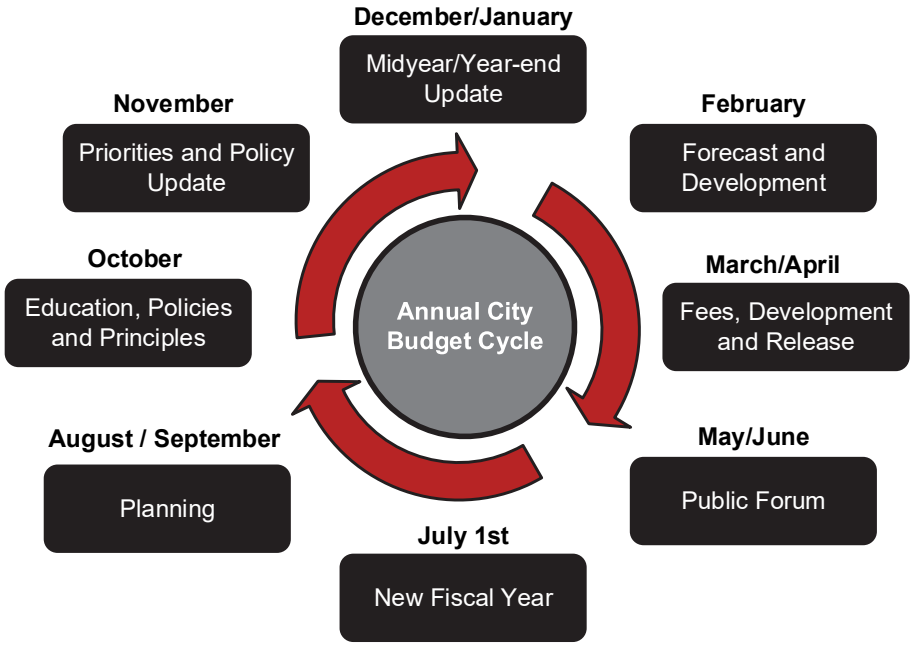
Budget Presentation

The presentation of the Budget is included in two documents: the FY2019/20 Proposed Operating Budget and the 2019-2024 Proposed Capital Improvement Program (CIP), which includes the FY2019/20 CIP Budget. The Budget documents are available on the City's website at: www.cityofsacramento.org/finance/budget.

The Budget includes the technical information concerning operating departments and estimated citywide revenues and expenses. The Forecast section provides an outline of anticipated revenue, including an explanation of assumptions and a five-year G/MU Fund forecast (revenues and expenditures). The department sections provide a summary of appropriations and source of funds including the change from the prior year budget, as well as a summary of FTE positions. The Budget Schedules include detailed information on staffing, revenue estimates and proposed expenditures for the Governmental Funds, the Enterprise Funds, and other special revenue funds. The Staffing section provides a list of authorized positions for each department, by classification, including the changes in FTE.

The Budget Process

The Council continued efforts to engage in the budget process by having the Council as a whole serve as the Budget and Audit Committee (Committee) starting in January 2019. The revised format for these meetings allows all members of the Council to discuss, request information and provide direction on budgetary issues in advance of items being presented to and voted on by the City Council. The following graphic represents the City's budget/program planning cycle:



The City's fiscal year is July 1 through June 30. As such, the Council adopts the City's operating and capital budgets for a single fiscal year beginning July 1 and ending June 30 in the subsequent calendar year.

To establish the annual budget, the Budget, Policy and Strategic Planning Division of the Finance Department, in coordination with the City Manager and the City's operating departments, develops a proposed revenue and expenditure plan for the coming fiscal year. The existing approved expenditure plan is carried over from the prior year and:

- Labor costs are updated to reflect current salaries, minimum wage changes and adjustments for taxes as well as salary and benefit changes called for in union contracts. Estimates are also established for unrepresented employees.
- Cost Plan allocations which reimburse the General Fund for support provided to the enterprise funds are updated based on services (accounting, budget, facility maintenance, human resources, information technology (IT), payroll as well as Council and Charter Offices) provided.
- Debt service is updated to reflect the actual payments required.
- Fleet (City vehicles) expenditures including vehicle acquisition, fuel, operations and maintenance, and motor pool are updated based on established replacement schedules, prior year actual costs/usage and anticipated cost increases.
- General Liability and Auto Liability insurance costs are updated based on annual experience and exposure cost allocation studies.
- Retiree health care costs and pension payments for the Sacramento City Employees' Retirement System (SCERS) are updated based on actuarial reports.

Departments are also provided with an opportunity to request budget changes to address ongoing initiatives like body worn cameras, IT security, utilities and staffing needs. These requests are submitted and reviewed by the City Manager's Office. Those that are approved are included in the proposed budget augmentation summary in this section and detailed in charts included in the department operating budget sections.

A five-year revenue model is developed based on prior year actual revenue receipts and economic and revenue indicators to determine what resources, tax revenues, and other discretionary revenues will be available to support operating requirements. Detailed information on the revenue forecast is included in the Forecast Section. Similarly, capital improvement programs and projects are identified and funded with available G/MU Funds, Enterprise Funds, Internal Service Funds, grants, transportation, and other funding sources as identified in Schedule 4 and detailed in the CIP.

This process creates the Budget that is presented to the Council for consideration in April through June. The direction provided by the Council during this public process may result in changes to the Budget. The City's Approved Budget reflects the Budget as proposed and changes directed by the Council.

Financial Management Policies

The City of Sacramento develops its annual budget according to Council-adopted sustainable budget policies. These policies call for one-time funding sources to only be used for one-time operating and capital expenditures. Ongoing expenditures are to be matched with ongoing financing sources. Reserves are to be used in a planned and strategic manner. The five-year forecast of the G/MU Funds will be updated as new information becomes available. Full reviews of revenue receipts in comparison to the budgetary estimates are performed and corrective actions recommended, if necessary.

The ongoing core of the Council's budget philosophy continues to be sustainability. The Council has adopted the following financial management policies that guide the development of the Budget, financial decision making, and fund management:

- General Fund Economic Uncertainty Reserve (EUR)
- Budget Control
- Debt Management
- Pension Funding
- Emergency Medical Services (EMS) Revenue Recovery
- Development Stabilization Contingency Reserve (DSCR) and Development Services Fund Management
- Interfund Loans
- Investment
- Measure U Financial Management
- Other Post-Employment Benefits (OPEB)
- Risk Management Funding and Reserve

These policies are included in the Financial Policy Section of the document.

With the passage of Measure U in November 2018, the Council directed the City Manager on February 5, 2019, to amend the EUR policy to include Measure U resources in determining the amount to be set aside in reserves. Staff will be presenting a revised G/MU Fund EUR Policy and recommending that the Measure U Financial Management Policy be rescinded as part of the budget hearing process.

Budget Hearings

On April 30, 2019, the Committee will hold the first public hearing on the Budget. The Council will consider the Budget in May and June with adoption scheduled for June 11, 2019. These meetings provide the Council and public with an opportunity to provide input on the Budget. The following reflects the planned hearing schedule. It is important to note that meeting dates may change as needed to address other City business.

FY2019/20 Budget Hearing Schedule[1]

Date	Day	Time	Legislative Body	Subject
04/30/19	Tuesday	3:00 PM	Budget and Audit Committee	FY2019/20 Proposed Budget Overview and Fees & Charges Report
05/14/19	Tuesday	5:00 PM	City Council	(1) FY2019/20 Proposed Budget Overview and (2) Consolidated Department Budgets
05/21/19	Tuesday	2:00 PM	City Council	(1) 2019-2024 Capital Improvement Program, (2) Citywide Fees and Charges, and (3) YPCE Department budget update
05/21/19	Tuesday	5:00 PM	City Council	(1) Fire Department budget update, (2) Police Department budget update
06/04/19	Tuesday	2:00 PM	Budget and Audit Committee	Adoption of the FY2019/20 Budget
06/11/19	Tuesday	5:00 PM	City Council	Adoption of the FY2019/20 Budget

[1]Schedule is subject to change, refer to agendas at: http://sacramento.granicus.com/View Publisher.php?view _id=21

Council Priorities

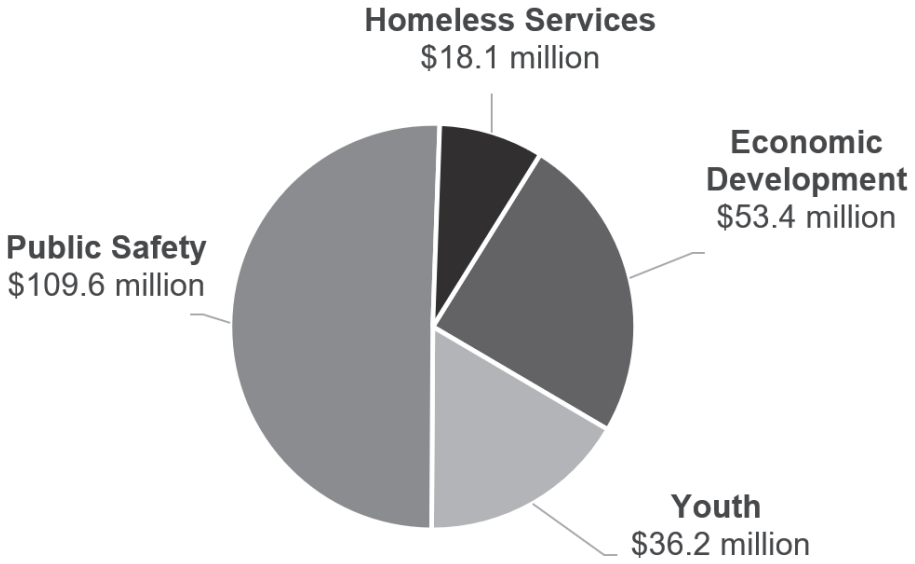
On February 14, 2017, the Council adopted the following Core Budget Policies and Guidelines (Resolution 2017-0078) for the annual Budget.

Core Budget Policies
1. City Council must adopt a balanced budget.
2. Funding decisions should be consistent with Council adopted policies.
3. The Economic Uncertainty Reserve shall be maintained at a minimum of 10% of budgeted General Fund revenues. Resources shall be added to maintain this level through the budget and midyear processes as necessary.

Budget Guidelines
1. Maintain a fiscally sustainable, balanced budget.
2. The Mayor and Council's priorities, based on community input, should drive the budget creation.
3. Continue a community-based budget process where city residents are engaged and educated on budget processes and provide feedback on budget priorities.
4. Look for ways to grow the reserve beyond its current goal.
5. All budget actions must be considered in a five-year context, with new revenues not counted or spent until realized. One-time resources should be used for one-time needs, not ongoing expenses.
6. Do not make spending decisions in isolation. Avoid spending money on one-off projects or without looking at the big picture. Understand long-term consequences and opportunity costs.

Budget Guidelines
7. Keep Council informed on the fiscal condition of the City and conduct continuous evaluations for efficiencies and effectiveness.
8. The City must consistently look for opportunities to proactively grow revenues instead of being reactive.
9. Make every effort to identify private financing or federal and state grant opportunities before using City resources. Pursue new and enhance existing revenue sources.
10. Before new expenditures are made, identify return on investments and impacts; fiscal and social benefits.
11. Address unfunded long-term liabilities.
12. Remain a full-service city.

In the past year, the City Council's priorities were focused on finding creative ways to grow the City's economic base, improve service delivery, and tackle key priorities like inclusive economic development, youth, public safety, and the homelessness crisis. Following the voter approval of Measure U in November 2018, the City has been focused on identifying resources to address these key priorities. The following chart represents $217.3 million in funding commitments for these priorities that have either already been approved and/or are included in the Budget and five-year citywide funding plans beginning with the approval of the 2019 Midyear Report in February 2019.



These funding commitments include:

- Homeless Services
  - $15.7 million for shelters throughout our community.
  - $1 million for shelters/transitional housing for women and families with children.
  - $1.4 million for homeless mitigation activities

- Economic Development
  - **Business** - $8.9 million to address "Business" including increased development staff, an Inclusive Economic Development framework study, marketing and communications, Sacramento Entrepreneur Development Academy and the Sacramento Economic Gardening three-year demonstration project.
  - **People** - $7.1 million to establish a financial empowerment center and to establish a Community Engagement team focused on Inclusive Economic Development.
  - **Place** - $37.4 million to establish a Neighborhood Community Economic Development Team, address automation and innovation in the development process, add a Chief Housing Officer, and fund critical infrastructure improvements citywide.

- Youth
  - $17.6 million for increased youth/teen programming including the expansion of Hot Spots and Prime Time Teen programs, increased community center hours, aquatics programs and START.
  - $10.8 million in capital improvements to build, restore and improve playgrounds, sports fields/multi-purpose courts, tot lots, and restrooms.
  - $6.7 million to address violence prevention.
  - $600,000 for a student internship program.
  - $500,000 for continued support of the FUEL (Family, Unity, Education and Legal) Network.

- Public Safety
  - $28.4 million for Police Department staffing including an additional Impact Team, 15.0 FTE Police Officer positions, and 22.0 FTE Community Service Officers to continue the department's efforts in increasing diversity and funding to address increased overtime costs.
  - $28.7 million for Fire Department staffing including the restoration of Battalion 4, 15.5 FTE for the training academy, 6.0 FTE for Medic 15, establishment of a Bike Medic Unit, staffing for the professional standards/media and communications unit, and funding to address increased overtime costs.

- $27.7 million for fire suppression apparatus/equipment, advanced life support apparatus/equipment and facility repair/replacement.
- $14.3 million for police equipment, fleet, mobile data computers, in-car cameras, police observation devices and critical IT infrastructure.
- $9.7 million to support the Body Worn Camera Program and increased workload associated with statewide legislation related to the release of videos and documents.
- $475,000 to address Community Against Sexual Harm (CASH).
- $400,000 to support the Animal Shelter volunteer program.

After funding existing programs and services, as well as the recommended program expansions, approximately $51.9 million in available one-time resources will remain in G/MU Funds. These resources include:

- $23.3 million in revenues net of expenses
- $17.8 million in G/MU Fund commitments that are no longer required to balance the budget:
  - Pensions ($13.5 million)
  - FY2018/19 Labor Agreements ($4.3 million)
- $10.8 million in FY2018/19 midyear resources

The use of these resources will be discussed during the budget hearing process. The budget hearings scheduled in April through June include an opportunity for the Council to review and provide direction on these policies and guidelines as well as other citywide priorities.

FY2019/20 Program and Service Improvements

The addition of ongoing positions/costs was limited, to the extent possible, to areas of critical operational need offset by increased revenues or cost recovery to minimize growth in G/MU Funds. Limited use of one-time resources for one-time expenditures has also been proposed to address critical needs in several operating departments, invest in the City's infrastructure, and continued investment in energy and technology improvements focused on streamlining processes and implementing efficiencies.

A summary of the significant program and service improvements included in the Budget for the G/MU Funds and the Enterprise Funds is provided below and additional information is provided in department sections.

G/MU Funds

Department	Request	FTE Change	Net Budget Change
City Manager	Funding for key programs that focus on inclusive economic development and youth development and violence prevention.	12.00	3,895,020
Community Development	Funding for inspection services, an electronic application process and Neighborhood Community Economic Development planning.	9.00	1,838,131
Fire	Restore the 4th Battalion, establish a Bike Medic program, and provide positions (FTE) for the recruit academy, Medic 15 and administrative functions.	30.50	2,656,196
Human Resources	Funding for recruitment and hiring in all departments, labor negotiations and to conduct a comprehensive citywide classification study that will focus on removing barriers in diversifying our workforce.	4.00	3,608,287
Information Technology	Funding and staffing to address increasing IT infrastructure costs, maintain the student internship program, and offset reduced reimbursements from the START Fund and Body Worn Cameras Grant.	4.00	1,290,683
Police	Funding to expand the hiring pipeline by adding community services officers, expand the use of the ShotSpotter gunfire detection system, support the Community Against Sexual Harm (CASH) program, support increasing IT needs and to accept the 2017 COPS Hiring Program grant which will provide funding for 15 new Police Officers.	37.00	5,840,906
Public Works	Funding for the sustainability program, increased maintenance and repair services for City libraries and for homeless mitigation/illegal dumping activities.	-	882,000
Youth, Parks, and Community Enrichment	Funding to expand youth recreation programs and maintenance of our parks, offset the loss of funding for the 4th R Program due to the inability to meet mandatory state teaching requirements, and to fund a contract for the continued operation of the William Land Park Golf course.	51.70	3,408,648
Citywide and Community Support	Funding for the City's agreement with the Downtown Sacramento Partnership for ongoing programming and activity along the waterfront.	-	55,000
	Total General/Measure U Funds	**148.20**	**$23,474,871**

Other Funds

Department (Fund)	Request	FTE Change	Expenditure Change
City Manager's Office (Innovation and Growth)	Funding for the following economic development initiatives: the Sacramento Entrepreneur Development Academy, the Sacramento Economic Gardening and the Sacramento Story Projects.	-	1,261,000
Public Works (Solid Waste)	Add a position (1.0 FTE Engineering Technician I) to assist with expanding monitoring and maintenance activities at the 28th Street Landfill per State mandate.	1.00	125,811
Utilities (Storm Drainage)	Add staffing to maintain the increasing number of emergency generators for the City and allow for constant monitoring of all wastewater, water reservoir, and potable well sites.	2.00	396,068

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Other Funds (continued)

Department (Fund)	Request	FTE Change	Expenditure Change
Utilities (Wastewater)	Add staffing and services and supplies to increase service level of wastewater collection system maintenance and increase preventive maintenance and operations of various pumps.	3.00	420,710
Utilities (Water)	Add staffing and services and supplies to meet service level performances goals, ensure regulatory compliance, and promote overall energy efficiency and sustainability for facilities and operations.	8.00	2,631,796
	Total Other Funds	**14.00**	**$ 4,835,385**

2019-2024 CIP

The FY2019/20 CIP Budget totals $77.3 million, funding 110 projects in all program areas in various geographic areas of the City. This includes $16.5 million in G/MU Funds. The five-year program totals $284.9 million from all funding sources. The five-year program includes $58.9 million in G/MU Funds. The following chart highlights several new and/or significant investments included in the FY2019/20 CIP Budget.

G/MU Funds

CIP Name / (Number)	Description	Budget
311 Mobile Application Modernization (A07001300)	New program with one-time funding to upgrade and modernize 311 mobile applications to enhance and integrated experience for citizens and visitors.	106,615
Advance Life Support Equipment (F12000200)	Funding for the replacement of Advance Life Support (ALS) equipment for medical and ambulances.	2,400,000
Body Worn Camera Program (F11100500)	Funding for the replacement of camera equipment, storage, and technology.	1,165,500
Fire Station Replacement Program (F13000800)	Funding for the purchase of land, replacement and/or station repairs necessary to address facilities that have become operationally obsolete and to meet seismic requirements.	3,500,000
New Generation Firewall Replacement (A07001400)	New project with one-time funding to replace firewall equipment for improved network security.	825,000
PD Equipment and Technology (F11100700)	Funding for the replacement of mobile data computers, in-car camera systems and wireless connection devices.	2,166,389
	Total General/Measure U Funds	**$10,163,504**

Other Funds

CIP Name / (Number) (Fund Name)	Description	Budget
Airfield Park Phase One (L19102100) (Park Dev. Impact Fee)	Funding to support phase one park construction including grading, irrigation, landscaping, a children's tot lot, a group picnic area, sports courts and other amenities.	1,800,000
Bell Avenue - Complete Street Rehabilitation (T15145600) (Federal Capital Grants)	Funding for the rehabilitation of and to provide continuous sidewalk and bike lanes on Bell Avenue.	4,845,024
Broadway Complete Streets (T15175300) (Federal Capital Grants)	Funding to improve access for all transporation modes to create better balance for pedestrians, cyclists and drivers along Broadway from 3rd Street to 29th Street.	2,410,000
Northwood School Access Improvements (T15186100) (Federal Capital Grants)	Funding to construct and improve sidewalks, curbs, gutters, signal modifications and crosswalks.	1,468,000
Transporation Corridor Program (R15200000) (Gas Tax)	Funding for corridor rehabilitation to improve pavement conditions and mobility options, incorporate or expand active transporation elements, address safety concerns and provide urban greening elements.	9,446,373
	Total Other U Funds	**$19,969,397**

Performance Measurement

A performance management program is an important tool in city management. It offers a method of measuring the success of programs and activities in achieving outcomes that reflect public priorities. The establishment and evaluation of performance metrics and business improvement activities will serve to inform operational and strategic decision-making throughout the organization. As a management tool, it will aid in evaluating how well programs are providing quality services.

The National Performance Management Advisory Commission's *"A Performance Management Framework for State and Local Government,"* provides a model for public sector performance management based on seven key principles, which can be applied to local government planning, budgeting, management, and evaluation to bring together critical processes and decision making to improve results. The seven principles ensure that:

1. ***A results focus permeates strategies, processes, the organization culture, and decisions***. While compliance with prescribed processes can assure fairness, fiscal integrity, or adherence to the law, it does not necessarily result in substantial benefits to the public. Performance management assures that the organization's culture and processes are aligned with the goals the organization wishes to achieve.

2. ***Information, measures, goals, priorities, and activities are relevant to the priorities and well-being of the government and the community***. To achieve results, an organization must first establish goals and performance targets that

are relevant to stakeholders. It then must ensure that all levels of the organization (e.g., policy makers, managers, staff, and others) understand how to implement performance management tools that will achieve those goals.

3. ***Information related to performance, decisions, regulations, and processes is transparent, i.e., easy to access, use, and understand***. The transparency (i.e., completeness, organization, and understandability) of performance information is critical to fostering evidence-based planning, budget, and decision making.

4. ***Goals, programs, activities, and resources are aligned with priorities and desired results***. Effective performance management systems ensure alignment among an organization's goals, priorities, programs, activities, resources, and desired results.

5. ***Decisions and processes are driven by timely, accurate, and meaningful data***. Collecting, storing, and applying performance data is essential to tracking and understanding results.

6. ***Practices are sustainable over time and across organizational changes***. "Performance management is not an event, a program, or a quick fix…" Efforts must be sustainable, flexible, and adaptable enough to keep up with inevitable changes, whether those changes take place within the organization's leadership or the community in which the organization is located.

7. ***Performance management transforms the organization, its management, and the policy-making process.*** An organization that has been truly transformed by performance management uses evidence-based planning and management, objective goal setting, and alignment of its structure, systems, and resources to achieve its desired results.

The City has been working on performance management with departments to identify measures that address these principles. While department sections include a few key measures, there are many additional measures being tracked citywide. The City Manager's Office directly oversees this program and is working on strengthening existing measures and adding measures that are important to the Council, our community, and the operating departments/management.

On the Horizon – Future Fiscal Challenges

Although there is good news relative to revenue growth, it is important that residents, Council, and staff keep in mind the challenges ahead. Familiar topics such as increasing labor costs and liabilities continue to compete with Council and community needs and priorities. The following summarizes a few of the challenges ahead, which could impact not only the G/MU Funds but the Enterprise Funds as well.

Rising Labor Costs
Council approved the current labor agreements with seven of the City's nine recognized employee organizations (REOs) in FY2017/18, the majority of which were two-year contracts expiring in FY2019/20. The City is currently in negotiations with the Sacramento Area Fire Fighters Local 522 (Local 522) and is the early stages of negotiations with the Sacramento Police Officers Association (SPOA) and Stationary Engineers, Local 39. Assumptions for future labor cost increases have not been included in the FY2019/20 budget or five-year forecast.

Annual Pension Costs–California Public Employees' Retirement System (CalPERS)
CalPERS employer retirement contribution rates have increased significantly as a result of recent changes in mortality assumptions and lowered expectations for future investment returns (discount rate). Based on estimated rates provided by CalPERS, the City's pension cost in the General Fund alone will increase by $39 million over the next five years. The impact of the discounted rate is $64 million over the eight-year phase in which began in FY2017/18.

While the legislative changes implemented through the California's Public Employees' Pension Reform Act (PEPRA) will help in reducing the growth in pension costs over the long-term, as employees hired after December 31, 2012 receive a reduced tier of benefits. These changes were implemented to address the financial sustainability of the pension system. However, increasing payments are creating financial challenges for many cities across the state, and the City will also be challenged to address these rising pension costs. The Forecast section of the Budget provides additional information on pension cost increases.

General Liability and Auto Liability Insurance (GL&AL)
Insurance premiums have been rising in recent years, primarily excess liability premiums resulting from the City's loss history, which has seen an increase in large liability losses since FY2011/12. Additionally, the excess liability insurance market for public entities has tightened nationwide due to challenges related to recent highly publicized liability claims.

Consistent with Council's adopted Risk Management Funding and Reserve Policy, the General Fund contribution to the GL&AL Fund was increased from $15.7 million in FY2018/19 to $19 million in FY2019/20. Risk Management is projecting annual increases to the GL&AL of 5% to 10% and a 10% increase in workers' compensation and property premiums over the next couple of years. The Forecast section of the Budget provides additional information on GL&AL cost increases.

Other Post-Employment Benefits (OPEB)
The City currently provides a medical insurance subsidy to retirees who meet certain longevity standards, on a pay as you go basis. This benefit was eliminated for all new hires between 2012 and 2014, except for employees in Local 522.

Several years ago, the Governmental Accounting Standards Board (GASB) set new standards (GASB Statement 45, subsequently updated by GASB Statements 74 and 75) that require reporting of the cost of the retiree medical benefit on an accrued actuarial basis and to put forward a plan to fund the benefit. At one point, the unfunded accrued liability for retiree benefits was projected to be $452 million (June 2014). In an effort to address this liability, the City began including contributions to the City's OPEB Trust (Trust) in the FY2014/15 budget. In FY2015/16 the City adopted the OPEB Funding Policy. This policy directed staff to continue efforts to reduce and eventually eliminate this liability. Council also authorized the transfer of any available resources in the CalPERS budget accounts at the end of the fiscal year to the Trust.

Continuation of this funding is included in the Budget ($1 million in General Funds and $191,000 from all other funds) and is assumed in the G/MU five-year forecast. The current estimated Actuarial Accrued Liability is $429 million as of June 30, 2018 and the Trust has $38.6 million to fund this liability.

Transportation Funds

Dedicated transportation funds include state gas tax apportionments, newly adopted revenue through SB 1, the California Road Repair and Accountability Act (adopted April 6, 2017), and the City's share of countywide transportation sales tax. These are used to sustain operational needs, emergency repairs, comply with regulatory requirements, and where available to replace and modernize aging infrastructure and equipment. Historically, about 70% of transportation funding has been used to maintain ongoing operations funding staff, equipment, vehicles, materials, and supplies needed to maintain the system used by hundreds of thousands of automobiles, trucks, cyclists, buses, and pedestrians daily. The Budget focuses on funding critical and mandated day-to-day transportation operations, critical projects, and key priorities, including active transportation, transportation technology, and safety improvements.

The City is increasingly utilizing state and federal grant programs to fund needed transportation improvements and upgrades. Most of the transportation improvement projects currently in development include a grant funding component in order to maximize the value of available local transportation dollars. However, most of these grant funds are accessed through competitive programs that require a local match commitment, and a lack of local transportation dollars limits the City's ability to apply for and secure grant funding, which in turn limits the amount and scope of the capital improvement projects the City can implement. A lack of local transportation funding and a reliance on grant funding may also focus capital improvement efforts on priorities set by regional and state agencies rather than local communities.

In order to maintain ongoing capital implementation efforts new matching sources will need to be identified. The City will need to continue to pursue funding solutions to expand the bikeway network, replace traffic control equipment, build bridges, and other transportation improvements while also identifying funding solutions to modernize existing transportation facilities.

Golf Special Revenue Fund
Beginning in FY2000/01 the revenues in the Golf Fund were insufficient to support operational and capital expenditures. Over the course of five years, five loans totaling $6.2 million were made from the City's Risk Fund to cover capital improvements and bridge the gap between revenues and expenditures. Efforts to right-size the fund included changing from an enterprise fund to a special revenue fund in FY2005/06 to reduce administrative costs associated with operating an Enterprise Fund ($800,000 annual savings). Subsequently in October 2011, the City entered into a public/private partnership with Morton Golf, LLC to maintain the City's golf courses as Morton was able to demonstrate that it could deliver these services, absent the existing operating debt, within program revenues.

Currently, there are two existing loans from the Risk Fund, one for capital and one for operations. With interest these loans now total $6.8 million. The capital loan has a current balance of $2.1 million and is being paid from revenues received from Morton Golf. The operating loan has a current balance of $4.7 million and the General Fund is making interest only payments.

Based on a review of the existing debt and lease agreement it does not appear that there will be adequate resources in the Golf Fund to repay this operating loan until FY2021/22, provided the terms of the agreement with Morton Golf, LLC are not modified.

General Fund Revenues: Options and Opportunities

Budget sustainability requires that annual operating cost increases be held to a level at or below annual revenue growth and/or cutting, reducing or eliminating expenditures. As stewards of the City's resources, the Council must consider all options and opportunities to ensure that the City's financial position is sustainable over the long-term.

- **Evaluate revenue potential related to the regulation of the cannabis industry:** As the City moves forward with the implementation of regulations on the cannabis industry additional Business Operations Tax (BOT) and Sales Tax revenues will be received. Staff will develop a model to estimate revenues based on applications received and permits issued for the various types of businesses that will be regulated. For FY2019/20, Cannabis BOT has been increased to $9.4 million.

- **Update BOT (requires voter approval):** In 2010 the national consulting firm Management Partners recommended that the City pursue changes to Sacramento's BOT. BOT rates have not been adjusted since 1991. During the 2010 budget hearings the changes were briefly considered but were subsequently withdrawn from consideration by the Council at the request of the business community. Options include, but are not limited to: providing for a cost-of-living adjustment and resetting the BOT minimums and caps.

- **Direct revenue from redevelopment dissolution to the General Fund:** Council adopted Resolution 2015-0172 directing the revenue resulting from the dissolution of redevelopment to the Innovation and Growth Fund. These are General Fund revenues and could be used to support the City's ongoing programs and services.

- **Support state legislative efforts to maximize sales and property taxes for local government:** The City will continue to oppose legislation that calls for additional unfunded mandates on local governments. Further, the City will support legislation that increases and protects state-shared revenue, expands local opportunities for public-private partnerships, and collection of revenue from non-traditional vendors in the areas of transient occupancy taxes for online travel companies and Utility User Tax (UUT). The City will also advocate for a solution to disabled parking placard abuse to ensure access for those with disabilities and to collect meter revenue lost due to ongoing abuse.

- **Negotiate additional cost sharing of CalPERS cost increases:** The majority of the City's current REO contracts include a requirement for employees to pay a portion of the City's increased costs to CalPERS. As costs continue to increase many cities have been successful in negotiating with their REOs for employees to share in the burden of the cost increases to reduce costs to the City.

Conclusion

While revenues continue to experience strong growth, increasing pension costs and labor contract pressures will challenge General Fund budget sustainability over the long-term.

3

SECTION – 3
The Forecast

Proposed Financial Forecast

Financial Forecast

The purpose of financial forecasting is to evaluate current and future fiscal trends and conditions to serve as a guide for policymakers in the consideration and prioritization of policy and programmatic decisions. The financial forecast is a fiscal management tool that presents estimated information based on past, current, and projected financial conditions. This tool helps identify future revenue and expenditure trends that may have an immediate or long-term influence on government policies, strategic goals, or community programs and services.

General and Measure U Funds Overview

This section includes a five-year forecast for the G/MU Funds combined, and the City's Enterprise Funds. It is important to note that while Measure U supports many positions throughout the City, the positions are budgeted in the General Fund. The information in these forecasts provides a current picture of the fiscal condition of the fund, establishing an important context to the decision-making necessary in efforts to maintain both essential community services and fiscal stability.

With robust revenue growth that reflects a stronger economy, revenues grew by $78.9 million or 15% compared to the FY2018/19 Approved Budget. This positive revenue growth is mainly attributed to the passage of Measure U in November 2018. This additional half-cent increase in the Transactions and Use Tax is approximately $50 million. However, expenditure growth increased by $53.3 million or 10% over the prior year primarily due to labor growth (salaries, pensions and new positions).

The forecast does not include future labor growth related to upcoming contract negotiations. The labor contract with the Sacramento Area Firefighters (Local 522) expired in December 2018 and negotiations are ongoing. The labor contracts with the following eight units will expire on June 21, 2019: Local 39 Miscellaneous; Local 39 Plant Operators; Local 39 General Supervisors; Western Council of Engineers; Sacramento Police Officers Association; International Association of Machinist and Aerospace; Sierra Building Trades; and Plumbers and Pipefitters 447. Additionally, the labor contract with the Auto Marine and Specialty Painters unit will expire on December 22, 2019.

The Five-Year General and Measure U Fund Forecast

Given the Council's sustainable budget policy, proposed fiscal actions are evaluated in both a short and longer-term context. The five-year forecast is an essential tool in the City's long-range financial planning process, providing a multi-year view of revenues and expenditures, allowing an assessment of the fiscal consequences of both prior and current funding decisions in the context of forecasted revenues and expenditures. The forecast is based on the most recent national, state, regional and local economic data and changes in both economic conditions and anticipated future costs are key components of the long-range forecasting process. The forecast is developed during the

annual budget process and updated at midyear based on identified changes to revenue and expenditure indicators and trends. The five-year forecast allows the City to anticipate potential challenges and make course corrections through budget and operational adjustments. Additionally, if there are significant changes to either revenues and/or expenditures during the year the impact of those changes would be reported to Council as soon as practicable.

The FY2019/20 Budget is balanced and provides $23.3 million in one-time resources (revenues in excess of expenditures). In addition to these resources the following one-time resources are also available to address one-time needs:

- $10.8 million projected FY2018/19 year-end fund balance
- $13.5 million commitment to cover growing pension costs
- $4.3 million commitment for approved labor agreements

The total available to address one-time needs is approximately $51.9 million. The use of these funds by Council during the budget hearing process would require Council to amend the budget resolution to include the commitment of FY2018/19 year-end fund balance and the release of the other two commitments.

The current five-year forecast is presented below:

5-Year Forecast General (G) and Measure U (MU) Funds	FY2018/19	FY2019/20	FY2020/21	FY2021/22	FY2022/23	FY2023/24
	Amended	**Proposed**	**Projection**	**Projection**	**Projection**	**Projection**
Revenues						
Revenues	551,748	608,962	621,110	631,915	643,016	654,415
Other Sources[1]	59,456	7,399	-	-	-	-
Total Revenues/Resources	**611,204**	**616,361**	**621,110**	**631,915**	**643,016**	**654,415**
Expenditures						
Department Operating	525,372	544,427	565,380	586,137	606,240	619,150
Capital Projects, MYOPs and Debt	43,604	44,048	32,317	30,030	30,732	30,376
Other Uses[1]	32,889	1,595	-	-	-	-
Total Expenditures/Uses	**601,865**	**590,070**	**597,697**	**616,167**	**636,973**	**649,526**
Contribution to EUR (0.5% of Expenses)	-	2,950	2,988	3,081	3,185	3,248
Net Resources *(revenues less expenditures)*	**10,763**	**23,340**	**20,425**	**12,667**	**2,859**	**1,641**
One-Time Resources						
1) Projected FY19 Year-end Fund Balance	-	10,763	-	-	-	-
2) Reserve for Pension Growth	-	13,500	-	-	-	-
3) Reserve for Approved Labor Agreements	-	4,256	-	-	-	-
Subtotal One-time Resources	**-**	**28,519**	**-**	**-**	**-**	**-**
Total Resources Available	**-**	**51,859**	20,425	12,667	2,859	1,641

[1] Other Sources/Uses include Midyear Actions and use of committed fund balance

While we will operate with a structurally balanced budget this year, even with the passage of Measure U, our five-year budget outlook continues to show that the City will face increasing cost pressures going forward that must be addressed in future years. The following challenges in the forecast are familiar:

- CalPERS pension costs will increase by $39 million or 42% over the next five years.
- Workers' compensation insurance cost increases, FY2019/20 costs are $1.7 million (17%) higher than FY2018/19.
- Increased self-insurance claims continue to add significant costs to premiums which increased by $3.3 million (26%) in FY2019/20 and are projected to add an additional $4 million over the term of the forecast.
- Rising OPEB costs as more employees transition into retirement.
- Increased support to address fiscal challenges at Sacramento Public Library Authority
- Labor contracts with 10 units will be negotiated during FY2019/20 and could add additional ongoing expenditures to the G/MU Fund not currently included in the forecast.

With the exception of the labor contracts being negotiated, estimates for the above challenges have been included in the forecast as presented. While revenues are anticipated to exceed expenditures for the term of the forecast it is important to remember that the addition of any ongoing expenditures including salary adjustments will create challenges in the outyears of the forecast.

General and Measure U Fund Expenditures

The single largest expenditure in the G/MU is the cost of our employees who support department operations through the delivery of programs and services to the community. The Budget and forecast include scheduled salary increases based on existing labor agreements. As mentioned above, the forecast does not include future labor cost growth related to upcoming contract negotiations. In FY2019/20 labor costs increased by approximately 6.6% compared to the FY2018/19 Approved Budget as a result of approved salary increases, movement of employees through salary steps, pension cost increases, and new positions.

On February 5, 2019, the Council directed the City Manager to amend the EUR policy to include Measure U resources in determining the amount to be set aside in reserves. The current City Council adopted General Fund EUR policy recommends a minimum of 10% of revenues with the goal of achieving 17% of General Fund expenditures. The Council will consider the amended G/MU Fund EUR Policy as part of the budget hearing process.

The Budget includes a $2.9 million contribution (0.5% of budgeted expenditures) to the EUR in an effort to address the combining of the General Fund and Measure U. With this contribution the EUR is projected to be 9.5% of budgeted revenues. These funds will be transferred to the EUR provided they are not needed during the fiscal year.

CalPERS

On December 21, 2016, the CalPERS Board of Administration (Board) voted to lower the discount rate (earnings assumption) from 7.5% to 7%. This change was approved

by the Board to address the funded status of the retirement system and was based on projected investment return rates over the next decade, an overview of CalPERS assets and liabilities, and discussions with stakeholders. The CalPERS Board last lowered the discount rate, from 7.75% to 7.5%, in 2012.

The reduction plan approved is as follows, with each change phased in over five years:

FY2018/19: 7.375%
FY2019/20: 7.250%
FY2020/21: 7.000%

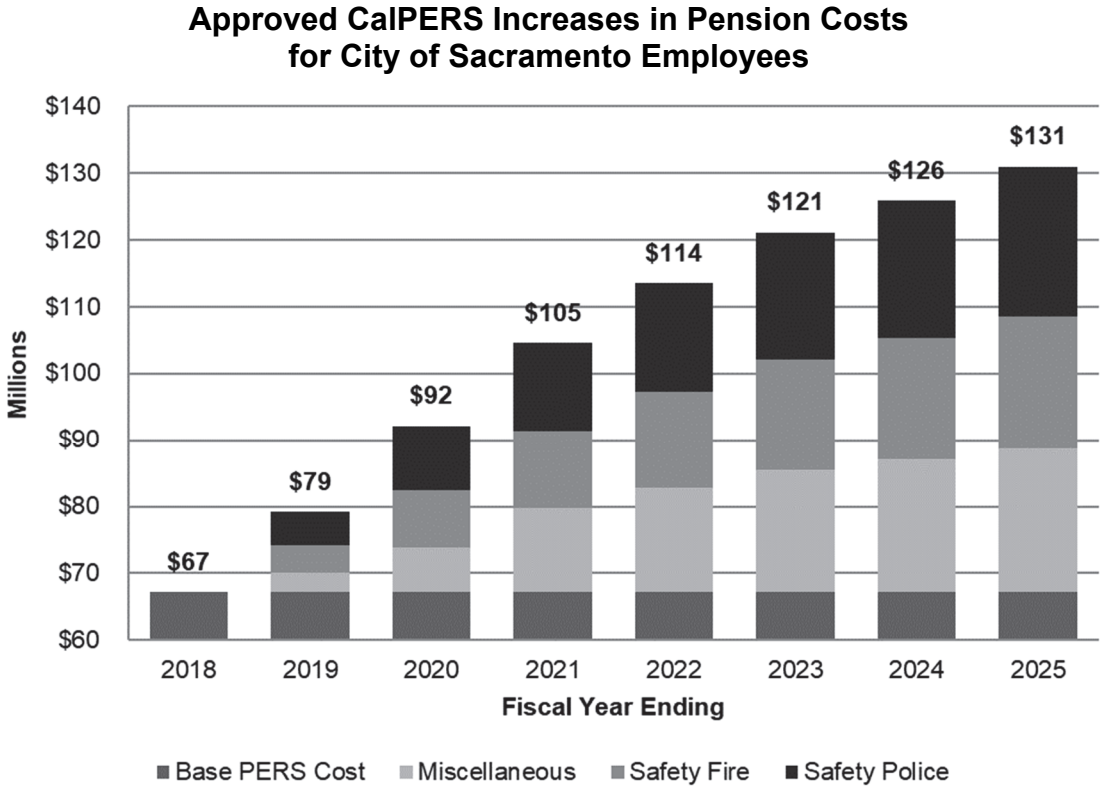
On December 19, 2017, the Board adopted new actuarial assumptions based on the recommendations in the December 2017 CalPERS Experience Study and Review of Actuarial Assumptions. This study reviewed the retirement rates, termination rates, mortality rates, rates of salary increases and inflation assumption for Public Agencies. These new assumptions are incorporated in the actuarial valuations and impact the City's required contributions for FY2019/20. In addition, the Board adopted a new asset portfolio as part of its Asset Liability Management. The new asset mix supports a 7% discount rate. The reduction of the inflation assumption will be implemented in two steps in conjunction with the decreases in the discount rate. For the June 30, 2017 valuation an inflation rate of 2.625% was used and a rate of 2.50% percent will be used in the following valuation.

The effect of these changes will be an increase in employer rates, and the associated cost increases will be phased in over an eight-year period. The pension cost (normal cost and unfunded liability combined) in the G/MU alone is projected to be $131 million in FY2024/25 when the rate change is completely phased in. This reflects an increase of more than $63.8 million (95% increase) FY2017/18 to FY2024/25.

In addition, in February 2018, CalPERS changed their amortization policy effective June 30, 2019. These changes are summarized below:

- The period over which actuarial gains and losses are amortized will be shortened from 30 years to 20 years. This change applies only to new gains/losses established on or after the effective date of the policy change.
- Amortization payments for all unfunded accrued liability (UAL) bases will be computed to remain a level dollar amount throughout the amortization period. This change applies only to new UAL bases established on or after the effective date of the policy change.
- The five-year ramp-up and ramp-down on UAL bases attributable to assumption changes and non-investment gains/losses established on or after the effective date of the policy change will be removed.
- The five-year ramp-down on investment gains/losses established on or after the effective date of the policy change will be removed.

The following chart reflects the anticipated G/MU Fund cost increases for the City's CalPERS pension benefit based on the City's latest actuarial reports.



Pension cost increases continue to be unsustainable despite significant revenue growth over the past few fiscal years**.** Increasing employer contribution levels continue to put financial stress on many employers. In addition to the overall level of the contributions, sudden sharp increases in employer contribution rates remain a concern as well. The greatest risk to the system continues to be the ability of employers to make their required contributions.

Given the current revenue forecast, the City alone cannot absorb the increased costs of providing retirement benefits. Staff will continue to work on strategies to address these cost increases that balances the City's financial capacity with the value of the benefit to our employees. Additional and/or updated information will be provided to Council when it becomes available.

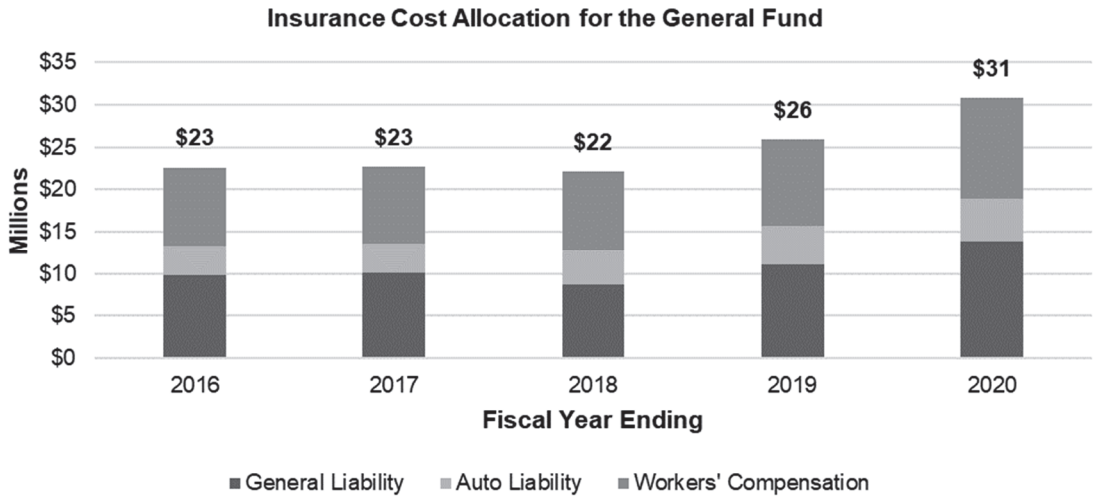
GL&AL and Workers' Compensation Insurance

The City contracts with Bickmore Risk Services (Bickmore) to develop an actuarial estimate which establishes the appropriate amount to budget for claim costs for the coming fiscal year as well as the program's liability for outstanding claims. Bickmore utilizes historical City loss data to forecast the upcoming fiscal year's cost of claims and expenses and the City utilizes the actuary's forecast at the recommended 80% confidence level when budgeting for claim costs and expenses. This means that the

calculated amounts should be sufficient 80% of the time to cover the fiscal year's costs for the Workers' Compensation (WC) and GL&AL Funds. Consistent with Council's adopted policy, to maintain this funding level, the G/MU contribution to the GL&AL Fund was increased from $15.71 million in FY2018/19 to $18.97 million in FY2019/20.

Insurance premiums have risen in recent years, primarily our cost for excess liability premiums. These increases are driven by the City's loss history, which has seen an increase in large liability losses since FY2011/12. Additionally, the excess liability insurance market for public entities has tightened nationwide due to challenges related to highly publicized liability claims.

The following graph details the GL&AL and workers' compensation cost allocations for the General Fund over the past five fiscal years.



Measure U Programming - $81.6 million

Voter approval of the City of Sacramento Essential Services Protection Measure (Measure U) in November 2018 authorized the extension and expansion of the City's Measure U transaction and use tax from a half-cent to a full cent effective April 1, 2019. The half-cent Measure U tax generated approximately $47 million a year. The full-cent tax is projected to generate approximately $97 million.

Programs and Services:

The Budget includes $81.6 million and 571.28 FTE for ongoing programs and services in the Fire, Police, and Youth, Parks, & Community Enrichment (YPCE) departments as well as funding for Economic Development, and the Sacramento Public Library Authority.

FIRE DEPARTMENT – $18.3 MILLION, 114.5 FTE

- Resources to staff all companies, run recruit academies and retain positions associated with the staffing for Fire Emergency Response (SAFER) grant.

POLICE DEPARTMENT– $40.7 MILLION, 236.0 FTE

- Match/retention funding associated with grant-funded police officer positions, add Community Service Officers, continue capital investments in technology including the Body Worn Camera program and increase funding of the ShotSpotter gunfire detection system.

YPCE DEPARTMENT– $13.9 MILLION, 188.78 FTE

- Resources to restore park maintenance operations and park security, operation of 12 City swimming pools and five stand-alone wading pools, children's summer programs, and year-round sports camps, extension of hours, and programs at the City's community centers for youth and older adults.

ECONOMIC DEVELOPMENT - $4.8 MILLION, 17.0 FTE

- Resources to expand the economic development initiative, including funding for housing, community engagement and community investment.

MISCELLANEOUS - $3.4 MILLION, 15.0 FTE

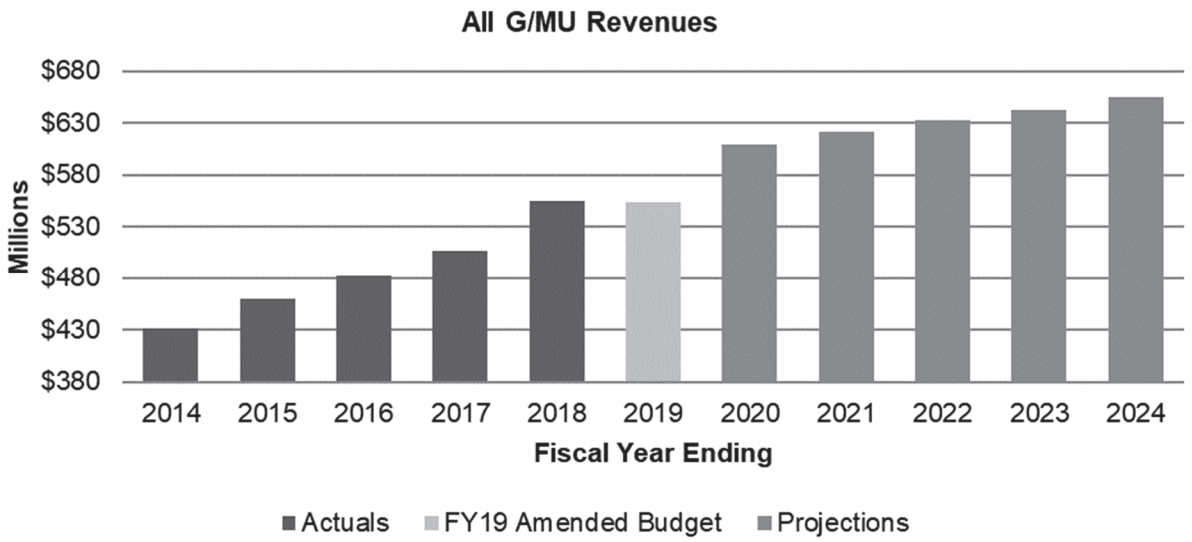
- Resources for illegal dumping, animal shelter, library maintenance and gang prevention and expansion of the Sacramento City 311 Call Center.

SACRAMENTO PUBLIC LIBRARY AUTHORITY (SPLA) - $0.5 MILLION

- Restoration of the General Fund Maintenance of Effort (MOE) requirement. Additional information on the MOE is provided in the Citywide and Community Support section of the Budget.

General Fund and Measure U Revenues

A major highlight in the Budget is that the City's General Fund revenue stream continues to grow across most categories. The two major drivers of the City's improved economic condition continue to be exceptional property and sales tax growth. These two taxes comprise 50% of all General Fund revenue (33% property taxes, 17% sales taxes) and are anticipated to grow 5.5% and 5.1% respectively in the budget year. Rounding out the top three revenue sources is the Utility User Tax (UUT), at 12%, with no estimated growth for reasons detailed in the UUT section below. Overall General Fund revenues are projected to grow in FY2019/20 by 3.2% compared to the FY2018/19 Amended Budget. With the passage of Measure U in November 2018, revenues are projected to increase by $39 million compared to the FY2018/19 Amended Budget.



The following chart provides a summary of the City's major revenue sources. A detailed explanation, including the current indicators guiding the development of the forecast for specific revenues is included below.

Revenue Source	FY2018/19 Amended	FY2019/20 Proposed	FY2020/21 Projected	FY2021/22 Projected	FY2022/23 Projected	FY2023/24 Projected
Property Tax	160,375	168,351	174,638	179,530	184,593	189,829
Measure U Transaction & Use Tax	58,199	97,264	99,598	101,989	104,436	106,943
General Sales & Use Tax	82,371	86,572	89,602	92,558	95,520	98,481
Utility User Tax	60,038	61,288	61,288	61,288	61,288	61,288
Other Revenue/Other Sources	192,941	195,487	195,984	196,550	197,179	197,874
Total General/Measure U Revenue	**553,924**	**608,962**	**621,110**	**631,915**	**643,016**	**654,415**

Property Tax

Property taxes account for 33% of all General Fund revenues. Revenues related to property taxes are affected by fluctuations in the real estate market, levels of new construction activity, and the corresponding changes to the assessed value of those properties on the tax roll.

According to the Urban Land Institute's Emerging Trends in Real Estate 2019 report, the Sacramento local housing market is still affordable compared to surroundings areas and may benefit from higher costs in other markets as companies and employees look for more affordable alternatives to the Bay Area and Silicon Valley. Sacramento continues to see development trends adjust to technology requirements and also an influence of coworking space on the market. Rising costs and regulations in core cities are increasing the discussion around transit node development and the urbanization of the suburbs.

Overall Real Estate Prospects for the Sacramento Region

Category	National Rank
5 Year Projected Population Growth	17th
Median Homes Price 2018-2019 % Change	18th
Development/Redevelopment Opportunities	39th
Homebuilding Prospects	41st
Overall Real Estate Prospects	57th
Investor Demand	59th
Data provided by the Urban Land Institute 2019 Emerging Trends in Real Estate	

The Sacramento Business Review reported slowing job growth with declines in both consumer and business confidence. While the commercial real estate market remains strong, the housing market is exhibiting weakness. Small businesses are expecting a challenging revenue environment and difficult business conditions ahead. Potential changes to pro-growth polices threaten to push the local economy into a recession sooner than anticipated. Despite all of the potential threats, the Sacramento unemployment rate remains at the lowest level in fifteen years and median household income growth is at an eight-year high.

Consistent with current Council budget guidelines, property tax growth in the former redevelopment areas will accrue to the Innovation and Growth Fund, except for the amount required for the possessory interest tax paid on the Golden 1 Center, which will be used for the associated debt service payment.

Total assessed value for Sacramento County's 2018-19 secured and unsecured roll surpassed $168 billion, an increase of 6.75% countywide. Additionally, the Sacramento County Assessor's (Assessor) 2018 Annual Report and monthly reports have highlighted several positive barometers for the City of Sacramento as follows:

- Total gross assessed value of secured/unsecured properties in the City grew 8% from FY2017/18 to FY2018/19.
- Proposition 8 assessments (temporary reduction in property taxes due) continued to return to their full Proposition 13 values, adding $214 million to the City's secured roll over the past twelve months.
- City properties with Proposition 8 assessments decreased from 11,332 in March 2018 to 9,116 in March 2019, a 19.6% decrease.

The graph below illustrates the assessed roll value that remains to be restored because of the housing crash during the recession. Restoration of Proposition 13 values happens annually, while reductions as the result of a Proposition 8 appeal can be applied to the tax roll at any time during the year. Therefore, the reduction in pending appeals limits the City's exposure to a reduction in roll value.

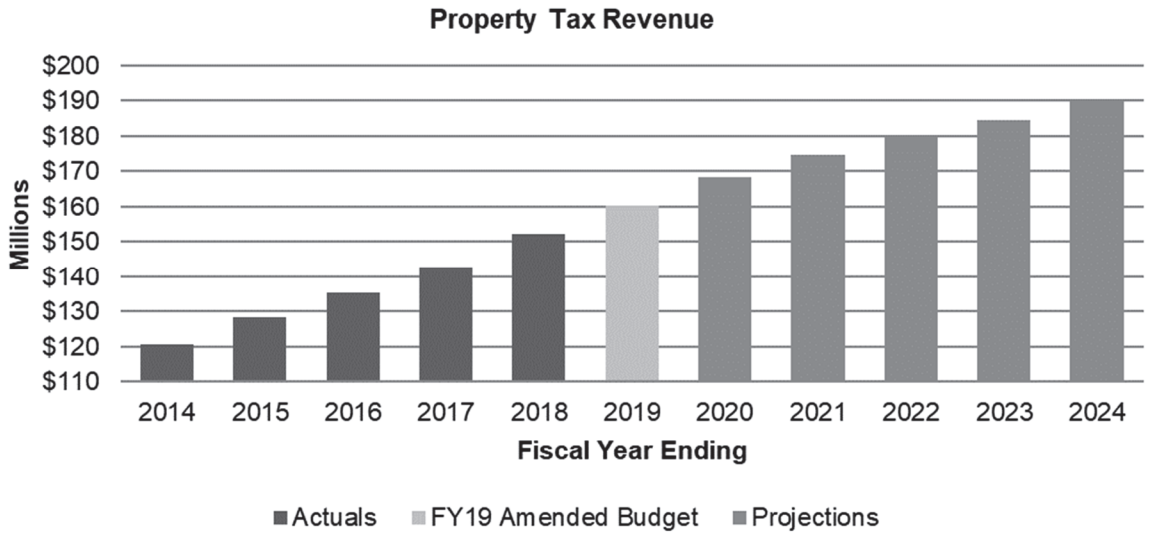
Summary of Proposition 8 Assessments by Land Use

Property Type	Prop 8	Prop 13	% of Full Value
Single-Family Residence	2,740,262,674	3,424,719,634	80%
Commercial	2,098,902,152	2,806,539,994	75%
Multi-Family Residence	316,199,150	484,531,327	65%
Industrial	286,748,077	365,940,235	78%
Others	66,134,178	123,097,158	54%
City Total	**5,508,246,231**	**7,204,828,348**	**76%**

Early indications from the Assessor are positive and when the 2019 property tax valuations are finalized in early July the City will continue to see Proposition 8 values decrease. Because the Assessor does not complete work on the tax roll until after the Budget is adopted, the forecast for property tax revenues is based on the Assessor's "work in progress" and will be re-evaluated when final information is received in July. Any significant variance will be reported as part of the FY2019/20 Midyear Report.

Based on the most recent data from the Assessor and the improving economy in the region, the property tax secured roll forecast for FY2019/20 is 5.5% higher than the FY2018/19 Amended Budget and estimates over the term of the forecast include 4% growth in FY2020/21 and annual growth of 3% from FY2021/22 through FY2023/24, assuming the application of the full 2% for the Proposition 13 growth factor and that Proposition 8 properties will continue to be restored to their Proposition 13 values on the tax roll over time.

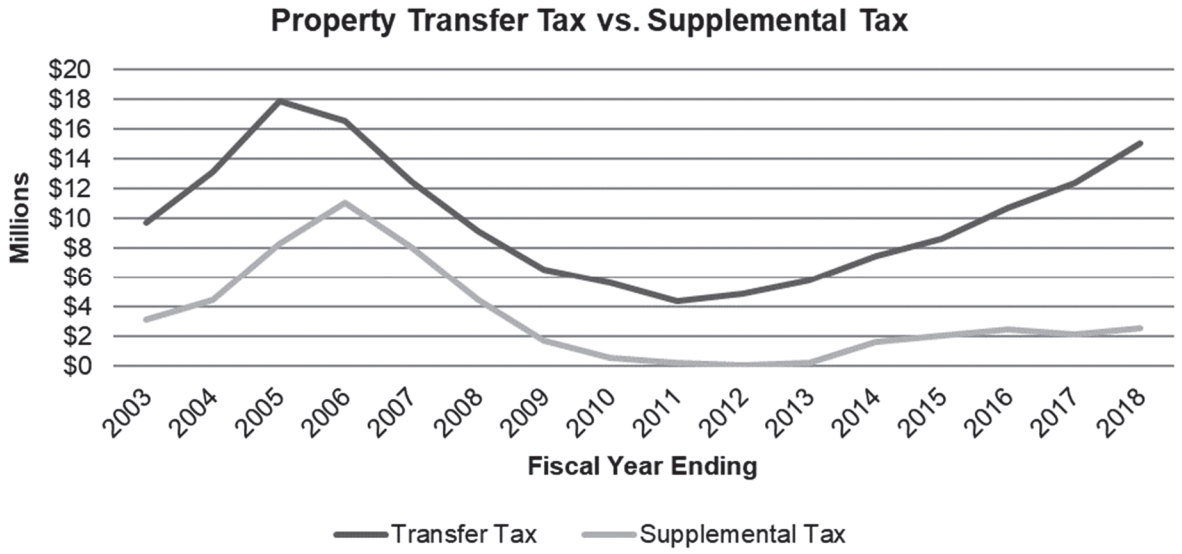
Property Tax In-Lieu of Vehicle License Fees: As part of the FY2018/19 Midyear Report, staff recommended a $2.5 million revenue budget increase based on information provided by the County of Sacramento Audit-Controller Division on October 31, 2018 indicating the City will receive higher than estimated revenues, 7.9% compared to FY2017/18 collections. The recommended increase was 5.6% higher than the Approved Budget. All Cities within the county experienced growth of 6.9%.



What are Property Transfer Tax and Supplemental Property Tax?
Real Property Transfer Tax - A charge imposed by the City upon the passing of title from one owner to another. The City charges $2.75 for every $1,000 of the property's sale price (0.00275%). This revenue stream has fluctuated significantly ranging as high as $18 million in FY2004/05 to a low of $4.4 million in FY2010/11.

Supplemental Property Tax - A supplemental tax bill is generated when a property is reassessed due to a change in ownership (a sale, transfer, or transfer of fractional interest) or the result of new construction. The supplemental tax bill reflects any increase or decrease in property tax generated by the supplemental event.

These two sources of revenue can be very volatile, fluctuating with the housing market, reaching a combined high of $27.7 million in FY2005/06 and a low of $4.6 million in FY2010/11. While we remain confident that the Real Property Transfer Tax and the Supplemental Property Tax will continue to rebound from their FY2010/11 low points, the volatility of these revenues make them very challenging to forecast. Both revenue streams are experiencing their eighth consecutive year of growth but remain just 64% of their highs in FY2005/06. The following graph reflects the significant effect the recession had on these revenue sources and the gradual rebound over the past four years. Given the volatility of these revenues it is especially important to be aware of market trends and adjust the forecast early should overall sales volume and price decrease dramatically.

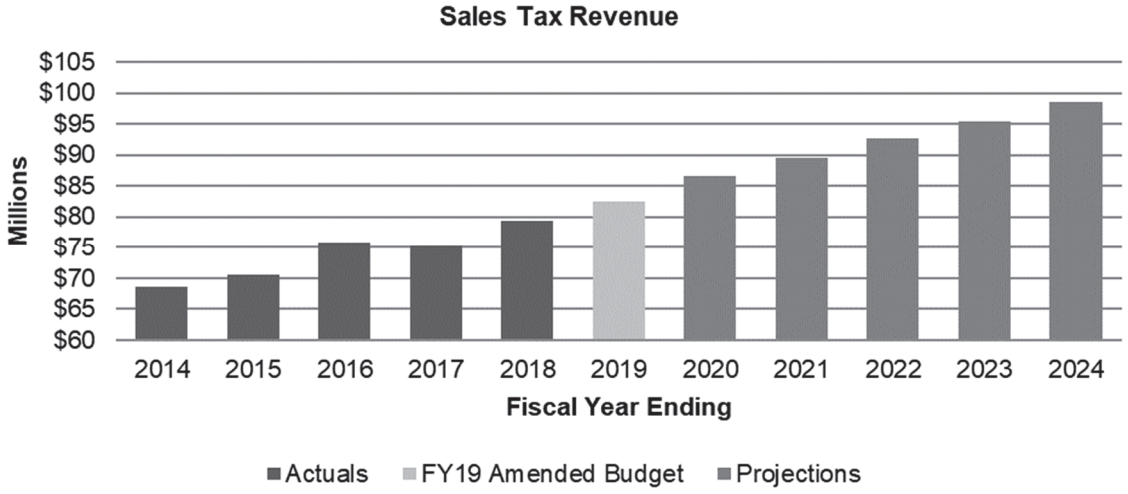


Sales and Use Tax (Sales Tax)
General Fund Sales Tax - this tax is imposed on all retailers for the privilege of selling tangible personal property in the state, whereas use tax is imposed on the purchase for storage, use, or other consumption of tangible personal property purchased from any retailer within the city. Sales tax accounts for 17% of all General Fund revenue. The General Fund receives only one cent of every 8.75 cents paid per dollar sale in Sacramento.

Over the last four quarters (1st Quarter 2018 – 4th Quarter 2018), the City's sales tax has increased 5.9% compared to the prior four quarters. Statewide sales tax increased by 1.2% during the same period. For the benchmark year ending 4th Quarter 2018, the City has seen its highest level of sales tax receipts compared to the previous seven benchmark years across several economic segments including restaurants, wholesale building materials, department stores, food markets, heavy industry, furniture/appliance, light industry, retail building materials, used auto sales, leasing, business services, chemical products, food processing equipment, and liquor stores.

Sales Tax Breakdown by Economic Segment	
General Retail	26.0%
Food Products	23.6%
Transportation	18.7%
Business to Business	17.8%
Construction	12.3%
Miscellaneous	1.6%
Total	**100.0%**

Based on the most recent information from the City's sales tax consultant, growth projections are estimated at 5.1% in FY2019/20 and 3.1% - 3.5% annually from FY2020/21 through FY2023/24.

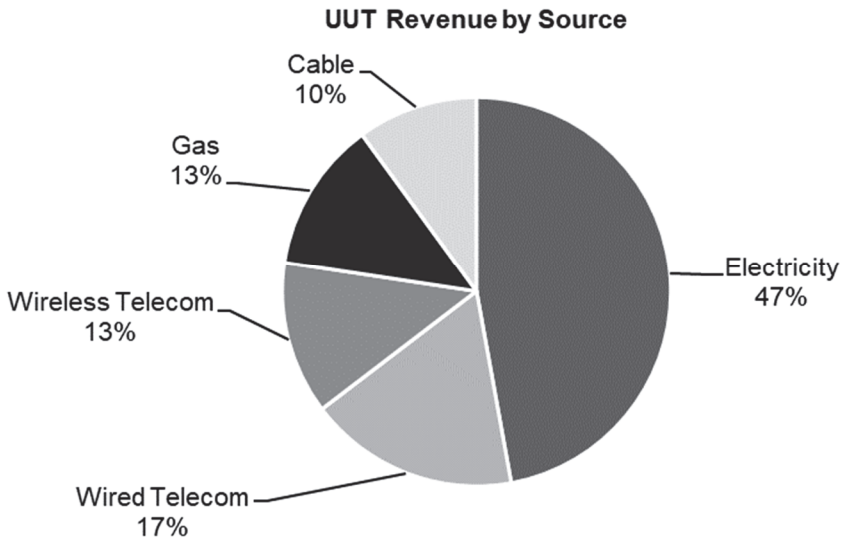


Measure U Transactions and Use Tax: this tax is imposed on the purchase for storage, use, or other consumption of tangible personal property purchased from any retailer within the city and/or delivered to a location in the City. With the passage of Measure U in November 2018 the tax was increased from 0.5% (half a cent) to 1.0% (one cent) effective April 1, 2019. This is the only revenue sources for the Measure U Fund.

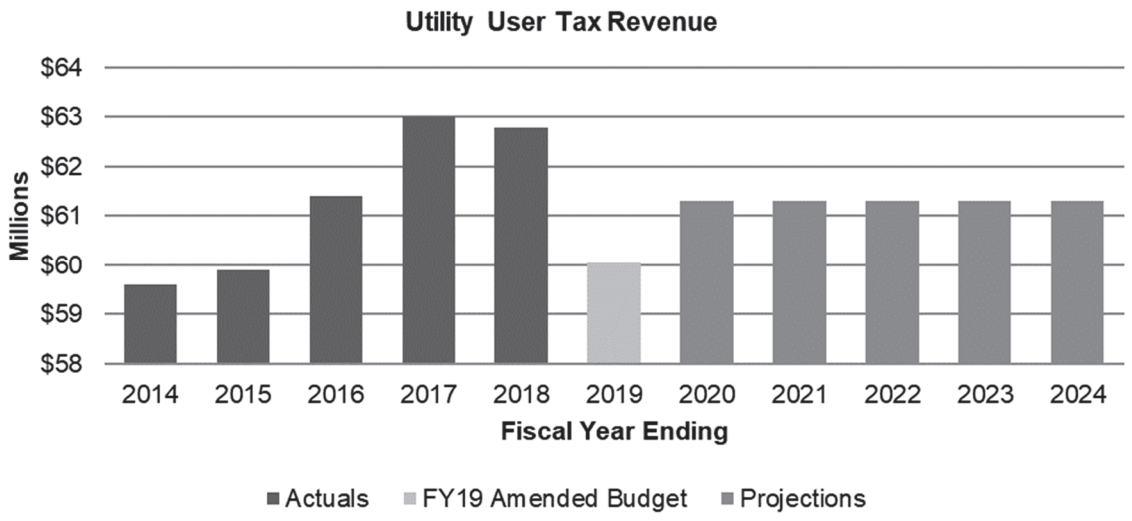
Based on the most recent information available growth projections are estimated at 2.4% a year through the term of the forecast. We will continue to monitor this revenue stream closely and recommend midyear adjustments if significant changes are identified.

UUT

UUT is a usage tax on communication, electric, and gas charges billed to a billing or service address in the City as authorized by City Code (Section 3.32). Measure O was approved by the voters in November 2008, reducing the 7.5% tax rate to 7% on telecommunication services, but was expanded to include Voice over Internet Protocol (VoIP), text messaging, and many other previously excluded technologies. The 7.5% tax rate continues to be in effect for gas, electric, and cable services. UUT is the City's third largest revenue source, accounting for 12% of all General Fund revenue. UUT has been the most consistent revenue stream over the past five years but also faces the most adversity with industry regulation and the market growth of unregulated media platforms. The following graph represents the UUT revenues by source:



As part of the FY2018/19 Midyear Report, UUT revenue was reduced by $2.5 million based on projections of revenue shortfalls across all segments. All UUT revenue components continue to face regulatory and fiscal pressure across their respective industries. The City has reduced UUT revenue projections for the term of the five-year forecast as all segments are underperforming compared to prior projections. FY2017/18 was the first decline in UUT revenue since FY2011/12. Based on revenues collected during the first seven months of FY2018/19, UUT is decreasing by 2.0% in FY2019/20 with no annual growth projected from FY2020/21 through FY2021/24 as reflected in the following chart.



We will continue to monitor this revenue stream closely and recommend midyear adjustments if significant changes are identified. Details on each of the five components that comprise the UUT is provided below.

Cable Subscriptions – Despite the ongoing decline in traditional cable subscribers "cord-cutting" through 2018, the combination of increased cable rates and reduced promotional discounts have led to a slight increase in cable revenues in 2018 compared to 2017 across the industry. Over the top (OTT) service providers like Direct TV Now and Sling TV have started remitting cable UUT and the hope is other OTT providers will follow suite to minimize compliance lawsuits down the road. This trend contributed to a $400,000 revenue increase or 6.6% from FY2016/17 to FY2017/18. However, the City's cable revenue has decreased by 7.6%, or $286,000, during the first seven months of FY2018/19 versus the same period in FY2017/18.

Electricity – According to the most recent data from the Energy Information Administration (EIA), the average U.S. retail price of electricity to the residential sector is projected to be 13.32 cents per kilowatt hours (kWh) in 2019 compared to 12.93 cents in 2018, a 3.0% increase. During the first seven months of FY2018/19, the City's electricity UUT revenue decreased by 4.4% compared to the same period in FY2017/18. A one-time payment in the amount of $588,000 from solar panel installations contributed to the spike in revenues in September 2017, which returned to normal levels in 2018. Electricity is the largest component of UUT revenue, accounting for approximately 47% of the revenue stream. SMUD recently announced rate increases of 4.75% in 2020 and 4.50% in 2021 which should create stability within this UUT revenue segment.

Natural Gas – The California Climate Credit is part of the California cap-and-trade program which was designed to reduce the state's greenhouse gas (GHG) emissions to 1990 levels by 2020. For the City of Sacramento, PG&E processed $272,511 in UUT credits associated with the California Climate Credit in October 2018. Going forward, customers will receive gas and electric climate credits in April and electric climate

credits in October through 2020. Natural gas continues to surpass coal as the number one source of fuel generation and the gap will continue to increase in 2019. The recent wildfires in Northern California could create potential financial challenges for PG&E. If they are found liable and ordered to pay damages, they could pass these costs on through increased gas rates and/or fees. UUT gas collections were up 1% during the first seven months of FY2019/20 compared to FY2018/19, offsetting the climate credits as the region experienced a cold winter.

Wired Telecommunications – Wired telecom revenues are forecasted to reflect a continued decrease for 2019 due to increased competition among existing and new providers and the lack of product and service differentiation. Existing residential customers will continue to migrate towards either wireless or move to cable providers (via phone, cable, and internet bundles) for VOIP as less expensive alternatives. In the business sector, wireline companies will continue to face aggressive competition from the cable operators which are building their market share through modernizing their underlying infrastructure through cable and/or fiber placement and software updates. Wired UUT revenue accounts for approximately 17% of the total UUT base; however, the revenue stream has decreased by 40% since FY1999/00. Through the first seven months of FY2018/19 wired telecom revenue is down $293,000 or 4.6% compared to the same period in FY2017/18.

Wireless Telecommunications – Wireless revenue decreased by 15% in FY2017/18 or $1.2 million. For 2019, the outlook is a continuation of developments that took place in 2018 such as intensified market competition as services are indistinguishable between providers. The regulatory environment favoring more competition will limit industry consolidation and market share imbalances will prevent significant improvements in short-term industry profitability. Throughout 2018, major providers like Sprint, MetroPCS, and T-Mobile updated their respective valuations of their bundled packages which consist of voice, text, and data. The updated valuations have led to a greater weight towards data which is not taxable and less towards data and voice which are taxable for the UUT. During the first seven months of FY2018/19, wireless UUT revenues have decreased by 8.0% or $317,000 versus the same period in FY2017/18.

Fees and Charges

Local government has the ability to implement fees to fund City facilities, infrastructure, and services. There are five main categories of fees that the City currently implements:

- Impact/Development fees
- Penalties/Fines
- Regulatory fees
- Rental fees
- Service fees

On February 7, 2006 (Resolution 2006-106), the Council formally adopted a citywide Fees and Charges Policy. This policy ensures that fees and charges reflect the Council's direction regarding recovery of costs related to providing programs and services. The policy sets the guidelines for cost recovery goals, determines the categories of cost recovery levels and allows for establishment and modification for fees

and charges. If a fee is not adjusted in the budget process, to the extent feasible and/or appropriate, it should be increased biennially by a CPI factor to keep pace with inflation.

Beginning in FY2014/15 the City used the State of California Department of Industrial Relations CPI, which is the same index used by the County Assessor to adjust the annual property tax roll for inflation. As part of the annual budget process, the Finance Department takes a report to the Budget and Audit Committee in early May to discuss proposed changes to citywide fees and charges. After the Committee's feedback is incorporated, the report goes to the Council for adoption as part of the budget hearings. The annual review of citywide fees and charges helps to ensure that the City's recovery of costs for services keeps pace with changes in the cost-of-living index, as well as changes in methods or levels of service delivery. Fees and charges make up approximately 12% of General Fund revenues.

Enterprise Funds

Enterprise Funds reflect the anticipated revenues and expenditures necessary to sustain operational needs, replace aging infrastructure, comply with regulatory mandates, and maintain the financial stability of the funds.

The following chart provides an overview of the proposed changes included in the FY2019/20 Budget for the Enterprise Funds:

Department	Description	Fund	Expenditure Change	FTE Change
Public Works	Add a position (1.0 FTE Engineering Technician I) to assist with expanding monitoring and maintenance activities at the 28th Street Landfill per State mandate.	Solid Waste	125,811	1.00
Utilities	Add staffing to maintain the increasing number of emergency generators for the City and allow for constant monitoring of all wastewater, water reservoir, and potable well sites.	Storm Drainage	396,068	2.00
Utilities	Add staffing and services and supplies to increase service level of wastewater collection system maintenance and increase preventive maintenance and operations of various pumps.	Wastewater	420,710	3.00
Utilities	Add staffing and services and supplies to meet service level performances goals, ensure regulatory compliance, and promote overall energy efficiency and sustainability for facilities and operations.	Water	2,631,796	8.00
		Total Change	**$ 3,574,385**	**14.00**

Additional information on each of these initiatives can be found in the related department sections.

Operational descriptions and updates of each of the City's Enterprise Funds are shown on the following pages, including a five-year forecast for each fund. The following chart summarizes the status of the Enterprise Funds.

Fund	Status
Community Center	The Convention Center and Community Center Theater will be closed for renovation in FY2019/20, which will result in a reduction in the user fees collected for FY2019/20 compared to previous fiscal years. Transient Occupancy Tax (TOT) revenues are projected to grow by 9.5% in FY2019/20 compared to the FY2018/19 Approved Budget. Expenditures are continually monitored to ensure prudent use of resources and an appropriate fund balance.
Parking	The fund is balanced over the five-year period based on stable revenue growth due to expected occupancy rates, anticipated revenues from the Golden 1 Center, and new leases for tenant spaces. Revenues are projected to remain steady in FY2019/20 and then increase by 1% annually. Expenditures are projected to grow by approximately 2% annually. Debt service costs are expected to decrease beginning in FY2020/21.
Solid Waste	The anticipated revenue from the three-year rate adjustment approved in FY2015/16 did not meet the City's 2035 General Plan growth forecast. As a result, expenditures are continuing to exceed revenues. The use of fund balance is helping to bridge the gap. However, as reflected in the forecast, fund balance will be depleted in FY2022/23 unless rate increases or program changes are approved.
Storm Drainage	A rate increase is not included in the five-year forecast. As such, the budget continues to rely on the use of reserves to cover expenditures that exceed revenues. Pursuant to Proposition 218, a voter-approved ballot measure is required to increase rates, which will be necessary in order to sustain operational, capital, and regulatory requirements as fund reserves are diminishing.
Wastewater	The anticipated revenue from the four-year rate increase approved by Council beginning in FY2016/17 (9% per year) are included in the forecast. The additional revenues will provide sufficient resources to continue critical infrastructure repair and rehabilitation, as well as to ensure compliance with state and federal regulations.
Water	The anticipated revenue from the four-year rate increase approved by Council beginning in FY2016/17 (10% per year) are included in the forecast. The additional revenues will provide sufficient resources to continue critical infrastructure repair and rehabilitation, as well as to ensure compliance with state and federal regulations.

The following charts provide a snapshot of the five-year forecast for each of the Enterprise Funds. Additional information for each of the forecasts can be found in the following pages.

Community Center Fund

	FY19 Approved	FY20 Proposed	FY21 Projection	FY22 Projection	FY23 Projection	FY24 Projection
Beginning Fund Balance	8,929	38,903	32,498	21,303	19,148	17,873
Revenue	34,607	30,218	36,884	38,245	39,660	41,128
Expenditures	29,118	36,373	47,829	40,150	40,685	41,738
Other Source/(Use)	(250)	(250)	(250)	(250)	(250)	(250)
Ending Funding Balance	**14,169**	**32,498**	**21,303**	**19,148**	**17,873**	**17,013**

Parking Fund

	FY19 Approved	FY20 Proposed	FY21 Projection	FY22 Projection	FY23 Projection	FY24 Projection
Beginning Fund Balance	5,235	2,622	1,792	1,457	2,019	2,446
Revenue	19,818	19,818	19,986	20,207	20,215	20,223
Expenditures	20,612	20,648	20,321	19,645	19,788	19,941
Other Source/(Use)	-	-	-	-	-	-
Ending Funding Balance	**4,441**	**1,792**	**1,457**	**2,019**	**2,446**	**2,728**

Solid Waste Fund

	FY19 Approved	FY20 Proposed	FY21 Projection	FY22 Projection	FY23 Projection	FY24 Projection
Beginning Fund Balance	19,125	21,162	16,900	10,806	1,562	(9,552)
Revenue	63,412	64,357	64,991	65,632	66,279	66,932
Expenditures	67,425	68,619	71,085	74,876	77,392	83,666
Other Source/(Use)	-	-	-	-	-	-
Ending Funding Balance	**15,112**	**16,900**	**10,806**	**1,562**	**(9,552)**	**(26,286)**

Storm Drainage Fund

	FY19 Approved	FY20 Proposed	FY21 Projection	FY22 Projection	FY23 Projection	FY24 Projection
Beginning Fund Balance	18,969	25,090	24,833	23,640	23,282	20,696
Revenue	37,589	38,201	38,208	38,230	38,242	38,249
Expenditures	39,564	38,458	39,401	38,588	40,828	43,259
Other Source/(Use)	(133)	-	-	-	-	-
Ending Funding Balance	**16,861**	**24,833**	**23,640**	**23,282**	**20,696**	**15,687**

Wastewater Fund

	FY19 Approved	FY20 Proposed	FY21 Projection	FY22 Projection	FY23 Projection	FY24 Projection
Beginning Fund Balance	11,542	14,818	17,571	13,148	13,139	15,523
Revenue	40,875	44,423	44,717	44,987	45,123	45,260
Expenditures	40,174	41,671	49,139	44,995	42,739	44,293
Other Source/(Use)	(23)	-	-	-	-	-
Ending Funding Balance	**12,220**	**17,571**	**13,148**	**13,139**	**15,523**	**16,490**

Water Fund

	FY19 Approved	FY20 Proposed	FY21 Projection	FY22 Projection	FY23 Projection	FY24 Projection
Beginning Fund Balance	64,199	105,402	89,094	94,627	99,804	99,205
Revenue	127,223	139,776	139,804	139,832	139,860	139,887
Expenditures	116,091	120,316	124,023	134,654	140,459	145,302
Other Source/(Use)	(374)	(35,768)	(10,248)	-	-	-
Ending Funding Balance	**74,957**	**89,094**	**94,627**	**99,804**	**99,205**	**93,791**

Community Center Fund (6010)

The Community Center Fund supports the operation, debt service, and Capital Improvement Project for the Sacramento Convention Center Complex, which includes the Convention Center, Memorial Auditorium, and Community Center Theater. The fund also provides support to cultural partners and the General Fund. The operational/financial goals for the Community Center Fund include maintaining successful financial performance as an enterprise fund, optimizing facility utilization through aggressive marketing, exceeding industry standards for customer service and facility maintenance, stimulating hotel market demand to generate TOT revenues, and offering a premier venue to contribute to the economic vitality of Sacramento and the downtown region.

Over two-thirds of fund revenues are provided by TOT. The City has seen record growth in hotel occupancy rates along with higher average daily rates in recent years, leading to increased TOT revenues. In FY2019/20, revenues are projected to grow by 9.5% compared to the FY2018/19 Approved Budget. Despite this, projected revenue growth in future fiscal years has been conservatively estimated at 3.4%, a rate that more closely aligns with historical data.

In 1997, to maintain the financial integrity of the Community Center Fund, the City Council approved a loan of up to $12 million from the Risk Fund, if needed, to offset any year-end deficit. Total borrowing was $10.4 million, including interest. Repayment of the interfund loan began in FY2005/06 and has continued each year. An annual payment of $250,000 is budgeted in FY2019/20 with payments continuing in future years. As of the beginning of FY2018/19, there was a remaining balance of approximately $5.4 million.

The City remains committed to providing an accessible, attractive, and competitive complex for clients and patrons. On October 18, 2016, City Council directed staff to move forward with the Community Center Theater Renovation and Memorial Auditorium Upgrade projects, and to continue to refine the concept plans for the Convention Center Expansion project. On September 25, 2018, the Council authorized the issuance of $285.2 million in TOT revenue bonds for the Convention Center Complex Renovation Project.

Over the past year, the Council has approved guaranteed maximum prices (GMPs) for the construction phase of each of the buildings in the Convention Center Complex. The GMP for Memorial Auditorium was approved on May 22, 2018 for approximately $10.7 million. The GMP for the Convention Center was approved on November 13, 2018 for approximately $182.5 million. Finally, the GMP for the Community Center Theater was approved on March 26, 2019 for approximately $72.9 million.

Starting in late July 2019, the Convention Center and Community Center Theater will both be closed for renovations and are scheduled to reopen in FY2020/21. This will result in fewer events at the Sacramento Convention Center Complex and an anticipated reduction in the user fees collected in the Community Center Fund.

Community Center Fund (Fund 6010)
Revenue and Expenditure Five-Year Forecast
Dollars in Thousands

	FY19 Approved	FY20 Proposed	FY21 Projection	FY22 Projection	FY23 Projection	FY24 Projection
BEGINNING FUND BALANCE	**8,929**	**38,903**	**32,498**	**21,303**	**19,148**	**17,873**
REVENUES						
TOT[1]	26,033	28,518	29,487	30,489	31,526	32,598
Charges, Fees, and/or Services[2]	7,740	1,500	7,197	7,556	7,934	8,330
Interest	200	200	200	200	200	200
Other (Facility Fee)	634	-	-	-	-	-
TOTAL REVENUES	**34,607**	**30,218**	**36,884**	**38,245**	**39,660**	**41,128**
EXPENDITURES						
Operating - Employee Services	7,579	5,954	9,148	9,605	10,085	10,589
Operating - Other	8,780	6,506	9,686	10,027	10,528	11,055
Debt Service[3][4]	8,170	22,050	27,120	19,218	19,222	19,219
Multi-Year Operating Projects	-	-	-	-	-	-
Capital Improvements	4,589	1,863	1,875	1,300	850	875
TOTAL EXPENDITURES	**29,118**	**36,373**	**47,829**	**40,150**	**40,685**	**41,738**
ANNUAL SURPLUS/(DEFICIT)	**5,490**	**(6,155)**	**(10,945)**	**(1,905)**	**(1,025)**	**(610)**
Other Source/(Use)	(250)	(250)	(250)	(250)	(250)	(250)
ENDING FUND BALANCE[5]	**14,169**	**32,498**	**21,303**	**19,148**	**17,873**	**17,013**

[1] TOT projection amounts are based on percentage increase provided by CBRE on 1/25/2018.

[2] The Convention Center and Community Center Theater will be closed starting late July 2019 and reopening in FY2020/21.

[3] This includes debt service payments for the 2018 TOT Revenue bonds, which begins in FY2019/20.

[4] The final debt service payments of the 1993 Series A & B bonds on 5/1/2020 and 11/1/2020 will be offset by the Reserve Fund.

[5] The difference between FY2018/19 ending fund balance and FY2019/20 beginning fund balance is primarily due to the repayment of interfund loans not included in this forecast.

Parking Fund (Fund 6004)

The City of Sacramento operates five City parking garages and 10 City-owned surface lots as well as 58 garages and surface parking lots that are managed for private owners to increase parking availability for residents and visitors. The Parking Services Division also manages over 60,000 square feet of retail space within various City parking structures.

Revenues are projected to remain unchanged from FY2018/19 budget. Growth is projected to increase at a rate of 1% annually in FY2020/21 and FY2021/22 as a result of anticipated revenues from Golden 1 Center events and growth in the number of private lots managed. No growth is projected in the absence of rate adjustments beginning in FY2022/23 as current garages and lots are operating near maximum occupancy.

Rental revenue is based on current and anticipated leases of commercial spaces. Based on with an 8% increase in FY2019/20 due to new leases and CPI increases, a 7% increase in FY2020/21 in anticipation of increased occupancy and CPI increases, and 1% increases annually thereafter.

Expenses have a 1% increase in FY2019/20, 2% and 3% decreases in FY2020/21 and FY2021/22, respectively, due to the retirement of two debt service capital leases and are then projected to grow at 1% annually. Debt service will steadily decrease beginning in FY2020/21.

Capital Improvement Project funding is for anticipated technology upgrades and replacement/upgrades of current infrastructure. Funding increases in FY2021/22 remains consistent in out years as revenue increases and debt service obligations are retired.

Parking Fund (Fund 6004)
Revenue and Expenditure Five-Year Forecast
Dollars in Thousands

	FY19 Approved	FY20 Proposed	FY21 Projection	FY22 Projection	FY23 Projection	FY24 Projection
BEGINNING FUND BALANCE	**5,235**	**2,622**	**1,792**	**1,457**	**2,019**	**2,446**
REVENUES						
Parking Fees	18,120	18,120	18,232	18,401	18,401	18,401
Administrative Fees	424	424	424	424	424	424
Interest (Operating Funds)	600	600	600	600	600	600
Real Property Rental	674	674	730	782	790	798
TOTAL REVENUES	**19,818**	**19,818**	**19,986**	**20,207**	**20,215**	**20,223**
EXPENDITURES						
Operating - Employee Services	5,302	5,502	5,612	5,724	5,839	5,956
Operating - Other	1,907	1,968	1,969	2,030	2,754	3,093
Debt Service	12,345	12,323	11,909	10,976	10,280	10,077
Multi-Year Operating Projects	321	321	321	200	200	100
Capital Improvements	737	534	510	715	715	715
TOTAL EXPENDITURES	**20,612**	**20,648**	**20,321**	**19,645**	**19,788**	**19,941**
ANNUAL SURPLUS/(DEFICIT)	**(794)**	**(830)**	**(335)**	**562**	**427**	**282**
Other Source/Use						
ENDING FUND BALANCE[1]	**4,441**	**1,792**	**1,457**	**2,019**	**2,446**	**2,728**

[1]The difference between FY2018/19 ending fund balance and FY2019/20 beginning fund balance is due to budget adjustments not included in this forecast.

Solid Waste Fund (6007)

The revenues in the Solid Waste Fund are generated through user service fees collected for residential solid waste management services. The Recycling and Solid Waste Division (RSWD) manages the collection and disposal of garbage and yard waste and the collection of recyclables. In addition to direct solid waste services, the Division provides ongoing post-closure monitoring of landfills, street sweeping, hazardous waste disposal services, code enforcement services, and illegal dumping cleanups. To meet the state mandated waste diversion requirements, the Division provides public outreach to educate residents on recycling to reduce contamination, composting and proper disposal of hazardous household waste.

The five-year forecast for the Solid Waste Fund presents the following assumptions:

- Projecting modest revenue growth to reflect slower residential development growth (versus that included in the General Plan) and no rate increases. This growth pattern will continue to impact Solid Waste revenue projections in the out years of the forecast.
- Declining reserves and existing revenues are not enough to cover current operating and capital expenses.
- Rising legacy landfill related expenses over the next three to five years as the City implements a compliance plan to address state mandated post-closure regulatory requirements. Over $11 million is included in the forecast to fund these landfill projects.
- Increasing labor costs due to labor contract increases, growing pension contributions, and higher premiums on general liability and workers' compensation insurances.
- Increasing general inflation costs on items vital to providing solid waste services such as vehicles, operations and maintenance, fuel, and in-region disposal fees.
- New costs associated with securing long-term yard waste and organics disposal locations to meet state diversion requirements.
- Providing new funding for the replacement of the City's billing system and construction of a Compressed Natural Gas (CNG) facility at the Meadowview City Service Complex.
- Establishing inter-agency partnerships and implementing new collection strategies to address illegal dumping issues.

As the cost of solid waste and recycling operations continue to rise and state and federal governments add more stringent regulations, RSWD will continue to evaluate opportunities and collaborate with regional solid waste agencies. The purpose of this is to increase efficiencies and reduce costs by continual assessment and modifications to

daily collection routes, procurement of cost-efficient CNG vehicles, and developing a robust safety training program.

The following chart provides a five-year forecast, which assumes no rate adjustments and continued use of fund reserves. However, as stated above, expenditures continue to exceed revenues and the fund is projected to be in a deficit position beginning in FY2022/23. RSWD will continue to work with the Utility Rate Advisory Commission (URAC) and seek approval from the City Council for a rate adjustment in FY2019/20.

Solid Waste Fund (Fund 6007)
Revenue and Expenditure Five-Year Forecast
Dollars in Thousands

	FY19 Approved	FY20 Proposed	FY21 Projection	FY22 Projection	FY23 Projection	FY24 Projection
BEGINNING FUND BALANCE	**19,125**	**21,162**	**16,900**	**10,806**	**1,562**	**(9,552)**
REVENUES						
Charges, Fees, and/or Services	62,750	63,417	64,051	64,692	65,339	65,992
Interest						
Other (Intergovernmental)	662	940	940	940	940	940
TOTAL REVENUES	**63,412**	**64,357**	**64,991**	**65,632**	**66,279**	**66,932**
EXPENDITURES						
Operating - Employee Services	19,256	19,334	20,403	21,525	22,709	23,958
Operating - Other	41,775	43,032	45,764	48,769	50,600	55,741
Debt Service	1,732	1,693	1,688	1,677	1,678	1,567
Multi-Year Operating Projects	1,000	200	200	900	900	900
Capital Improvements	3,662	4,360	3,030	2,005	1,505	1,500
TOTAL EXPENDITURES	**67,425**	**68,619**	**71,085**	**74,876**	**77,392**	**83,666**
ANNUAL SURPLUS/(DEFICIT)	**(4,013)**	**(4,262)**	**(6,094)**	**(9,244)**	**(11,113)**	**(16,734)**
Other Source/Uses						
ENDING FUND BALANCE(1)	**15,112**	**16,900**	**10,806**	**1,562**	**(9,552)**	**(26,286)**

(1) The difference between FY2018/19 ending fund balnace and FY2019/20 beginning fund balance is due to budget amendments not included in this forecast.

Storm Drainage Fund (Fund 6011)

Revenue generated for the purpose of providing storm drainage services is deposited in the Storm Drainage Fund. Revenues are derived primarily from customer service fees and interest earnings. Storm Drainage Fund revenues cover the cost of storm drainage operations for pumping stations, wet weather treatment and storage, collection system maintenance, related engineering services, flood plain management, customer service and billing, education programs, water quality monitoring, innovative green infrastructure programs, regulatory compliance, and a Capital Improvement Program. Fund expenditures are divided among operating costs, debt service, and capital improvement and multi-year operating projects. Challenges facing the Storm Drainage Fund include the following:

- Declining reserves, as the existing revenue is not sufficient to cover current operating and capital expenses
- Upgrading drainage service to areas outside of the City's Combined Sewer System (CSS) to meet citywide standards
- Improving drainage system reliability and contributing to the combined wastewater system repair, rehabilitation, and improvements
- Maintaining state and federal regulatory compliance, e.g., National Pollution Discharge Elimination System (NPDES), and supporting regional flood control efforts
- Implementing low impact development standards, green infrastructure, in order to further minimize urban runoff, conserve water, and preserve resources

Unlike the water and wastewater utilities, rate adjustments for the storm drainage utility are subject to a citizen vote. Storm drainage user charges have not been increased since 1996, prior to the implementation of Proposition 218. For this reason, revenue collection has not kept pace with storm drainage system costs, and the utility has been historically underfunded. The City has delayed repair and replacement of critical infrastructure in order to bridge funding shortfalls.

The following chart provides a five-year forecast, which assumes no rate adjustments and continued use of fund reserves. However, as stated above, expenditures continue to exceed revenues and the fund is projected to be in a deficit position in the near-term.

Storm Drainage Fund (Fund 6011)
Revenue and Expenditure Five-Year Forecast
Dollars in Thousands

	FY19 Approved	FY20 Proposed	FY21 Projection	FY22 Projection	FY23 Projection	FY24 Projection
BEGINNING FUND BALANCE	**18,969**	**25,090**	**24,833**	**23,640**	**23,282**	**20,696**
REVENUES						
Charges, Fees, and/or Services	37,142	37,754	37,761	37,783	37,795	37,802
Interest	422	422	422	422	422	422
Other (Intergovernmental)	25	25	25	25	25	25
TOTAL REVENUES	**37,589**	**38,201**	**38,208**	**38,230**	**38,242**	**38,249**
EXPENDITURES						
Operating - Employee Services	16,628	14,959	15,707	16,493	17,317	18,183
Operating - Other	16,739	17,459	18,320	19,236	20,198	21,208
Debt Service	3,534	3,509	3,242	235	235	235
Multi-Year Operating Projects	1,839	1,760	1,882	2,374	2,828	3,383
Capital Improvements	824	770	250	250	250	250
TOTAL EXPENDITURES	**39,564**	**38,458**	**39,401**	**38,588**	**40,828**	**43,259**
ANNUAL SURPLUS/(DEFICIT)	**(1,975)**	**(257)**	**(1,193)**	**(358)**	**(2,586)**	**(5,009)**
Other Source/(Use)[1]	(133)	-	-	-	-	-
ENDING FUND BALANCE[2]	**16,861**	**24,833**	**23,640**	**23,282**	**20,696**	**15,687**

[1] Other fund uses reflect required SCERS payment in FY2018/19.

[2] The difference between FY2018/19 ending fund balance and FY2019/20 beginning fund balance is due to budget amendments not included in this forecast.

Wastewater Fund (Fund 6006)

Revenue generated for the purpose of providing wastewater collection service is deposited in the Wastewater Fund. Revenues are derived from customer service fees, recovery of Sacramento Regional County Sanitation District (SRCSD)-related operation and maintenance costs paid for by the fund, interest earnings, and connection charges. Wastewater Fund revenues cover the cost of wastewater collection and maintenance, storage and treatment of wet weather combined sewage, installation of new services, operation of sanitary pumping stations, related engineering services, customer service and billing, and the monitoring of discharge into the wastewater collection system. Fund expenditures are generally divided among operating costs, debt service, capital improvement, and multi-year operating projects.

As the City continues its innovative water quality programs under the Municipal Stormwater NPDES permit, green infrastructure will continue to become a more prominent feature. Green infrastructure strives to prevent and reduce stormwater pollution, flooding, and water use through water management practices that more closely mimic the natural water cycle than typical grey infrastructure (pipes, pumps, etc.). Green infrastructure, when used in conjunction with grey infrastructure can be both cost effective and more community friendly. Examples of green infrastructure to be implemented include conjunctive use storage projects, turf replacement programs, rain barrels, and enhanced water conservation measures.

The City-operated wastewater collection system consists of a combined wastewater system and a separated wastewater system that, together, serve approximately 60% of the city, primarily the northeastern, central, and southern sections of the city. The SRCSD is the wastewater collection system provider for the other areas of the city. While the City is responsible for limited treatment of its combined wastewater, it partners with SRCSD to treat the majority of the city's wastewater. The City provides SRCSD with billing and collection services for properties within the service area in which wastewater collection is provided by the City.

The Wastewater Fund presents unique challenges due to the system's growth potential and the age and nature of the system's infrastructure. On March 29, 2016, Council approved increases to wastewater rates (9% per year) for FY2016/17 through FY2019/20. Issues facing the Wastewater Fund include:

- Compliance with state and federal regulations, including state mandated rehabilitation of the central city. The Combined Sewer System (CSS) collects wastewater from homes and businesses, as well as storm water and urban runoff.
- Continued rehabilitation of the City's separated wastewater service area. A separated wastewater system collects wastewater from homes and businesses and does not collect storm water.
- Incorporating growth of new wastewater services and the increasing costs for repair and reconstruction of the aging system.

- Maintaining the financial strength of the fund for the purpose of raising sufficient capital to finance rehabilitation of the CSS.

In the past, combined system projects were partially funded by the Storm Drainage Fund. However, as the Storm Drainage Fund has become increasingly underfunded the Wastewater Fund has borne more of these costs, increasing pressure on the Wastewater Fund.

The following chart provides a five-year forecast for the Wastewater Fund to address anticipated cost increases and meet regulatory requirements, and includes the following assumptions:

- In FY2018/19, bond financing in the amount of $32 million, was secured to partially finance the Wastewater Capital Improvement Program.

- The rate adjustments adopted for FY2016/17 through FY2019/20 will allow the City to invest in mandated system improvements as required, and CSS improvements not funded by financing, as well as make progress towards reaching a 100-year replacement schedule for aging pipes.

Wastewater Fund (Fund 6006)
Revenue and Expenditure Five-Year Forecast
Dollars in Thousands

	FY19 Approved	FY20 Proposed	FY21 Projection	FY22 Projection	FY23 Projection	FY24 Projection
BEGINNING FUND BALANCE	**11,542**	**14,818**	**17,571**	**13,148**	**13,139**	**15,523**
REVENUES						
Charges, Fees, and/or Services[1]	39,471	43,019	43,105	43,191	43,277	43,364
Interest	392	392	559	701	707	711
Other (Intergovernmental)	1,013	1,013	1,053	1,095	1,139	1,185
TOTAL REVENUES	**40,875**	**44,423**	**44,717**	**44,987**	**45,123**	**45,260**
EXPENDITURES						
Operating - Employee Services	9,803	10,202	10,935	11,372	11,827	12,300
Operating - Other	19,676	20,256	21,683	21,900	22,119	23,004
Debt Service	2,841	4,061	4,086	4,206	4,209	4,208
Multi-Year Operating Projects	2,555	2,362	2,432	2,505	2,581	2,658
Capital Improvements	5,300	4,790	10,003	5,012	2,003	2,123
TOTAL EXPENDITURES	**40,174**	**41,671**	**49,139**	**44,995**	**42,739**	**44,293**
ANNUAL SURPLUS/(DEFICIT)	**701**	**2,753**	**(4,423)**	**(9)**	**2,384**	**966**
Other Fund Sources/Uses[2]	(23)	-	-	-	-	-
ENDING FUND BALANCE[3]	**12,220**	**17,571**	**13,148**	**13,139**	**15,523**	**16,490**

[1] City Council approved 9% rate increases in each of the years FY2018/19 and FY2019/20.

[2] Other sources/(uses) reflect required SCERS payment in FY2018/19.

[3] The difference between FY2018/19 ending fund balance and FY2019/20 beginning fund balance is due to budget amendments not included in this forecast.

Water Fund (Fund 6005)

Revenue generated for the purpose of providing water service is deposited in the Water Fund. Revenues are derived from customer fees, interest earnings, development fees, tap sales, and reimbursements from other entities for services provided. Water Fund revenues are structured to cover the costs of providing water service to customers. Services include water treatment, plant maintenance, water distribution system repair and maintenance, water conservation and education programs, water quality monitoring, related engineering services, customer service and billing, the City's cost share for the City-County Office of Metropolitan Water Planning, and capital improvements. Fund expenditures are summarized and reflected as operating costs, debt service, capital improvement costs, and multi-year operating projects.

The Water Fund faces significant challenges over the next five years. On March 29, 2016, Council approved increases to water rates for FY2016/17 through FY2019/20. Key issues for the Water Fund include the following:

- Ongoing replacement and maintenance of aging infrastructure to provide safe and reliable drinking water to the community and meet state and federal standards.
- Accelerated implementation of the Residential Water Meter Installation Program in support of full meter installation by December 2020, ahead of the state mandated date of 2025.
- Maintaining state and federal regulatory compliance.
- Continued implementation of an aggressive water conservation program consistent with the Water Forum Agreement, integrating actions necessary for providing a regional solution to water shortages, environmental damage, and groundwater contamination.
- Support of regional, long-term water supply planning.
- Development of wholesale and wheeling agreements in support of effective regional water management.
- Meeting future debt service requirements related to the rehabilitation and improvement of intake structures and treatment plants.

The chart below provides a five-year forecast for the Water Fund to address anticipated cost increases and meet regulatory requirements. It also includes the following assumptions:

- Capital spending reflects continued implementation of the mandated water meter program and ongoing infrastructure repair and rehabilitation.
- Financing from the State Revolving Fund (SRF) loan program and bond proceeds will fund the water meter program. The pay go funding will fund other

needed infrastructure, repair and rehabilitation projects, and smooth the rate increases required to implement these projects.

- Due to the nature of the SRF loan, debt service payments consist of interest only until FY2021/22. Estimated debt service payments including principal are estimated to be $10.3 million annually beginning in FY2021/22 through FY2040/41. Proceeds of this loan are reimbursements of actual costs of the project. Accordingly, the department is required to fund project costs with the Water Fund until reimbursement has been received.

- While prior rate adjustments have helped address operational costs, the water meter retrofit program and some level of capital replacement, they have not provided sufficient resources to fund major capital replacement projects. The rate adjustments for FY2016/17 through FY2019/20 will allow the City to continue with the mandated water meter program, as well as make progress towards reaching a 100-year replacement schedule for aging pipes.

- Costs for items that are vital to the collection, purification, and delivery of water, and to meet levels of service, continue to rise. The most significant cost increases are for sludge dewatering, and replacement and maintenance of water meters.

Water Fund (Fund 6005)
Revenue and Expenditure Five-Year Forecast
Dollars in Thousands

	FY19 Approved	FY20 Proposed	FY21 Projection	FY22 Projection	FY23 Projection	FY24 Projection
BEGINNING FUND BALANCE	**64,199**	**105,402**	**89,094**	**94,627**	**99,804**	**99,205**
REVENUES						
Charges, Fees, and/or Services[1]	126,638	139,191	139,219	139,247	139,275	139,302
Interest	400	400	400	400	400	400
Other (Intergovernmental)	185	185	185	185	185	185
TOTAL REVENUES	**127,223**	**139,776**	**139,804**	**139,832**	**139,860**	**139,887**
EXPENDITURES						
Operating - Employee Services	41,485	46,409	48,730	51,166	53,724	56,411
Operating - Other	29,870	29,679	33,656	35,339	37,106	38,962
Debt Service[2]	29,807	32,224	32,595	40,012	39,401	39,394
Multi-Year Operating Projects	2,895	2,565	3,041	3,133	3,227	3,323
Capital Improvements	12,034	9,439	6,001	5,004	7,001	7,212
TOTAL EXPENDITURES	**116,091**	**120,316**	**124,023**	**134,654**	**140,459**	**145,302**
ANNUAL SURPLUS/(DEFICIT)	**11,132**	**19,460**	**15,781**	**5,178**	**(600)**	**(5,414)**
Other Source/(Use)[3]	(374)	(35,768)	(10,248)	-	-	-
ENDING FUND BALANCE[4]	**74,957**	**89,094**	**94,627**	**99,804**	**99,205**	**93,791**

[1] City Council approved 10% rate increases in each of the years FY2018/19 and FY2019/20.

[2] Debt service payments consist of interest only until FY2021/22 for SRF Drinking Water Loan.

[3] Other fund uses reflect required SCERS payment in FY2018/19; SRF expenses unreimbursed at yearend; and deposit to rate stabilization fund in FY2020/21.

[4] The difference between FY2018/19 ending fund balance and FY2019/20 beginning fund balance is due to budget amendments not included in this forecast.

4

SECTION – 4
How to Read This Document

HOW TO READ THIS DOCUMENT

The Budget for each department is presented in a format that includes the following:

- Department mission statement (if available)
- Budget/staffing changes
- A department level budget summary table showing budget for:
  - FY2016/17 Actuals
  - FY2017/18 Actuals
  - FY2018/19 Approved Budget
  - FY2018/19 Amended Budget (as of February 2019)
  - FY2019/20 Proposed Budget
  - Variance

  The summary table shows for each year:
  - Budgeted expenditures by category
  - Funding sources and amounts
- A division level summary budget table:
  - FY2016/17 Actuals
  - FY2017/18 Actuals
  - FY2018/19 Approved Budget
  - FY2018/19 Amended Budget (as of February 2019)
  - FY2019/20 Proposed Budget
  - Variance
- A division level summary staffing table:
  - FY2016/17 Actuals
  - FY2017/18 Actuals
  - FY2018/19 Approved Budget
  - FY2018/19 Amended Budget (as of February 2019)
  - FY2019/20 Proposed Budget
  - Variance

DEPARTMENT BUDGET SUMMARY TABLE

The Budget for each department is compared with the prior year amended. A sample is as follows:

Human Resources Budget Summary	FY2016/17 Actuals	FY2017/18 Actuals	FY2018/19 Approved	FY2018/19 Amended	FY2019/20 Proposed	Change More/(Less) Proposed/Amended
Employee Services	8,328,721	8,784,907	10,338,140	10,338,140	10,937,869	599,729
Other Services and Supplies	33,836,653	22,320,438	27,916,713	27,938,870	31,105,722	3,166,852
City Property	98,264	35,082	114,500	39,500	193,200	153,700
Transfers	(46,235)	(75,987)	-	-	-	-
Labor and Supply Offset	3,338,149	3,914,783	3,556,573	3,655,573	3,442,522	(213,051)
Operating Transfers	(55,000)	-	-	-	-	-
Total	**45,500,552**	**34,979,223**	**41,925,926**	**41,972,083**	**45,679,313**	**3,707,230**

Funding Summary by Fund/Special District	FY2016/17 Actuals	FY2017/18 Actuals	FY2018/19 Approved	FY2018/19 Amended	FY2019/20 Proposed	Change More/(Less) Proposed/Amended
General Fund	3,219,318	3,369,837	4,205,623	4,227,780	4,328,897	101,117
Fleet Management	59,614	59,614	59,614	59,614	59,614	-
Interdepartmental Service	1,471,678	1,071,544	1,280,301	1,280,301	1,557,484	277,183
Recycling and Solid Waste	117,545	110,625	117,545	117,545	117,545	-
Risk Mgmt	26,361,469	19,322,799	22,657,532	22,681,532	25,231,572	2,550,040
Storm Drainage	45,189	45,189	45,189	45,189	45,189	-
Wastewater	18,585	18,585	18,585	18,585	18,585	-
Water	57,700	57,700	57,700	57,700	57,700	-
Worker's Compensation	14,149,455	10,923,330	13,483,837	13,483,837	14,262,728	778,891
Total	**45,500,552**	**34,979,223**	**41,925,926**	**41,972,083**	**45,679,313**	**3,707,230**

Column 1 – FY2016/17 actual expenditures by category and funding amounts by source.

Column 2 – FY2017/18 actual expenditures by category and funding amounts by source.

Column 3 – FY2018/19 Approved Budget by category and funding amounts by source.

Column 4 – FY2018/19 Amended Budget by category and funding amounts by source.

Column 5 – FY2019/20 Proposed Budget by category and funding amounts by source.

Column 6 – The budget change between the FY2019/20 Proposed and the FY2018/19 Amended budget.

DIVISION BUDGET SUMMARY TABLE

The Division Budget Summary table shows proposed expenditures for each division in the department. The tables look like the one below:

Human Resources Division Budgets	FY2016/17 Actuals	FY2017/18 Actuals	FY2018/19 Approved	FY2018/19 Amended	FY2019/20 Proposed	Change More/(Less) Proposed/Amended
Benefits Services Division	-	798,899	956,236	966,236	1,044,482	78,246
HR Administration Division	4,419,959	1,934,130	2,202,489	2,189,646	2,105,709	(83,937)
HRIS Division	-	350,790	403,029	403,029	-	(403,029)
Labor Relations Division	733,196	851,216	1,264,470	1,264,470	1,443,868	179,398
Recruitment/Organizational Development Divison	-	973,870	1,176,008	1,201,008	1,814,989	613,981
Risk Management Administration Division	38,166,195	27,700,572	33,260,053	33,284,053	36,308,983	3,024,930
Workers' Compensation Division	2,181,203	2,369,746	2,663,641	2,663,641	2,961,283	297,642
Total	**45,500,552**	**34,979,223**	**41,925,926**	**41,972,083**	**45,679,313**	**3,707,230**

Column 1 – FY2016/17 actual expenditures by division.

Column 2 – FY2017/18 actual expenditures by division.

Column 3 – FY2018/19 Approved Budget by division.

Column 4 – FY2018/19 Amended Budget by division.

Column 5 – FY2019/20 Proposed Budget by division.

Column 6 – The budget change between the FY2019/20 Proposed and the FY2018/19 Amended Budget.

STAFFING LEVELS SUMMARY TABLE

The Staffing Levels Summary table shows proposed Full-Time Equivalent (FTE) positions for each division in the department. The tables look like the one below:

Human Resources Division Budgets	FY2016/17 Actuals	FY2017/18 Actuals	FY2018/19 Approved	FY2018/19 Amended	FY2019/20 Proposed	Change More/(Less) Proposed/Amended
Benefits Services Division	-	8.00	9.00	9.00	9.00	-
HR Administration Division	33.00	11.00	11.00	10.00	10.00	-
HRIS Division	-	3.00	3.00	4.00	-	(4.00)
Labor Relations Division	5.92	9.00	9.00	9.00	10.00	1.00
Recruitment/Organizational Development Divison	-	9.00	10.00	11.00	15.00	4.00
Risk Management Administration Division	15.00	17.00	17.00	17.00	17.00	-
Workers' Compensation Division	20.00	19.00	19.00	19.00	19.00	-
Total	**73.92**	**76.00**	**78.00**	**79.00**	**80.00**	**1.00**

Column 1 – FTEs by division in FY2016/17.

Column 2 – FTEs by division in FY2017/18.

Column 3 – FTEs by division in the FY2018/19 Approved Budget.

Column 4 – FTEs by division for the FY2018/19 Amended Budget.

Column 5 – FTEs by division as Proposed for FY2019/20.

Column 6 – The budget change in FTEs by division between the FY2019/20 Proposed and the FY2018/19 Amended Budget.

FINANCIAL INFORMATION

Budget Basis

The City's annual budget is prepared on a modified accrual basis of accounting. Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the City considers revenues to be available if they are collected within 60 days of the end of the current fiscal period.

Property taxes, franchise taxes, licenses, intergovernmental revenue, special assessments, charges for services, and interest associated with the current fiscal period are all considered to be susceptible to accrual, and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the government.

Expenditures are generally recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Budgets are modified throughout the year when the tax base changes, fees are modified, new revenue sources are identified, or programs are changed. The City Manager is authorized to administratively amend the budget during the year for transactions up to $100,000 without Council approval. All other appropriation adjustments during the year require Council approval. Unencumbered annual budget appropriations lapse at fiscal year-end except as specifically identified in the annual budget resolution. Multi-year budget appropriations are automatically carried over into the next fiscal year.

Fund Structure

The City uses fund accounting to assure and demonstrate compliance with finance-related legal requirements. A fund is defined as a separate accounting entity with a self-balancing set of accounts recording cash and other financial resources together with related liabilities. Each fund was established for the purpose of accounting for specific activities in accordance with applicable regulations, restrictions or limitations. The City has three types of funds:

- *Governmental Funds* — Account for activities which are primarily supported by taxes or other mandatory payments. Most of the City's basic services are included in governmental funds. There are three categories of Governmental Funds:

- The General Fund is the primary operating fund of the City and accounts for all financial resources except for those that are required to be accounted for in separate funds. Sources of General Fund revenues include taxes, licenses, permits, fees, fines, intergovernmental revenues, and charges for services, special assessments, interest income, and other resources available for discretionary funding.

  The General Fund EUR was established to provide resources for the Mayor and Council to manage the impact of economic fluctuations that negatively impact the City's revenues.

  - The Council-adopted EUR Policy (April 26, 2016 – Motion Order Number 2016-00440) established a minimum reserve level equal to 10% of annual General Fund revenues and a target reserve level equal to two months of regular ongoing General Fund expenditures, including transfers (17% of General Fund expenditures). Resources to fund this reserve will be identified on an ongoing basis and can include positive year-end results or other one-time resources available to the General Fund.

- The Measure U Fund (Fund 2401) was established to account for revenues collected from the transactions and use tax voted in on November 6, 2018. Measure U was approved as a general tax and can be used for any general government purpose. This one cent tax is charged on each dollar of taxable sales of goods purchased from retailers within the City of Sacramento, and on the taxable storage, use, or consumption of goods purchased outside the City and delivered to a location within the City.

- Other Governmental Funds include:

  - Special Revenue Funds are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects. These funds are generally required by statute, charter, or ordinance to finance specific governmental functions.

  - Debt Service Funds are used to account for and report financial resources that are restricted, committed, or assigned to expenditure for principal and interest, or that are being accumulated for principal and interest maturing in future years.

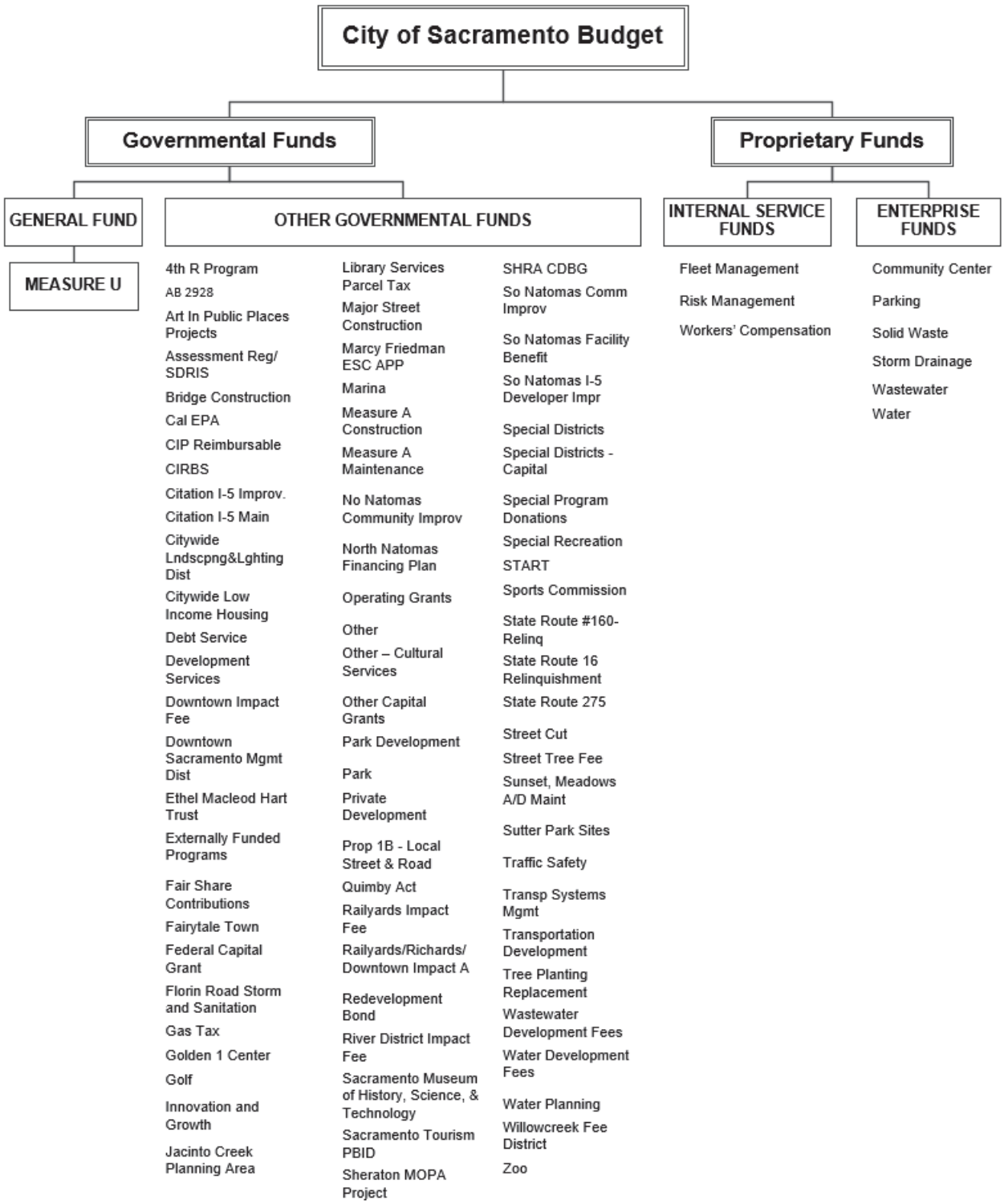
  - Capital Projects Funds are used to account for and report financial resources that are restricted, committed, or assigned to expenditure for governmental capital assets.

- *Proprietary Funds* — Account for services for which customer fees are intended to finance the costs of operations. There are two types of Proprietary Funds:

- Enterprise Funds account for programs and services financed and operated similar to business-type activities which include services rendered to the general public on a fee basis.
    - Community Center Fund accounts for the operation and maintenance of the City's Convention Center Complex, including the Convention Center Theater, Memorial Auditorium and the Community Center.
    - Parking Fund accounts for the operation and maintenance of five City parking garages and 43 surface parking lots (including lots owned by the State of California and numerous private owners).
    - Solid Waste Fund accounts for the collection and disposal of refuse throughout the City and for landfill closure.
    - Storm Drainage Fund accounts for the operation and maintenance of the City's surface drainage system.
    - Wastewater accounts for the operation and maintenance of the City's wastewater system.
    - Water Fund accounts for the operation and maintenance of the City's water treatment and water transmission and distribution systems.
- Internal Service Funds, i.e. the City's Fleet Fund and Risk Management Fund, account for the activities that provide services delivered by one department to another department on a cost reimbursement basis.

- *Fiduciary Funds* — Account for activities that most closely resemble not-for-profit organizations, including trusts and agency activities. The City is:
    - *The* trustee, or *fiduciary*, for its closed (effective January 1977) defined benefit pension plan – Sacramento City Employees' Retirement System (SCERS).
    - Responsible for other assets, held on behalf of investors, in the City's investment pool and individual investment accounts.
    - Responsible for the assets received by the Successor Agency from the City's former Assembly Bill X1 26 which dissolved redevelopment agencies in California.
    - The agent for bonded assessment and community facilities districts and responsible for ensuring the assets reported in these funds are used for their intended purposes.

Annual budgets are adopted for the General Fund, Enterprise Funds and Special Revenue Funds, and Internal Service Funds. Expenditures are appropriated on a modified accrual basis, except that commitments related to purchase orders and contracts are treated as expenditures in the year of commitment.


City of Sacramento Budget
Governmental Funds
Proprietary Funds
GENERAL FUND
MEASURE U
OTHER GOVERNMENTAL FUNDS
4th R Program
AB 2928
Art In Public Places Projects
Assessment Reg/ SDRIS
Bridge Construction
Cal EPA
CIP Reimbursable
CIRBS
Citation I-5 Improv.
Citation I-5 Main
Citywide Lndscpng&Lghting Dist
Citywide Low Income Housing
Debt Service
Development Services
Downtown Impact Fee
Downtown Sacramento Mgmt Dist
Ethel Macleod Hart Trust
Externally Funded Programs
Fair Share Contributions
Fairytale Town
Federal Capital Grant
Florin Road Storm and Sanitation
Gas Tax
Golden 1 Center
Golf
Innovation and Growth
Jacinto Creek Planning Area
Library Services Parcel Tax
Major Street Construction
Marcy Friedman ESC APP
Marina
Measure A Construction
Measure A Maintenance
No Natomas Community Improv
North Natomas Financing Plan
Operating Grants
Other
Other – Cultural Services
Other Capital Grants
Park Development
Park
Private Development
Prop 1B - Local Street & Road
Quimby Act
Railyards Impact Fee
Railyards/Richards/ Downtown Impact A
Redevelopment Bond
River District Impact Fee
Sacramento Museum of History, Science, & Technology
Sacramento Tourism PBID
Sheraton MOPA Project
SHRA CDBG
So Natomas Comm Improv
So Natomas Facility Benefit
So Natomas I-5 Developer Impr
Special Districts
Special Districts - Capital
Special Program Donations
Special Recreation
START
Sports Commission
State Route #160- Relinq
State Route 16 Relinquishment
State Route 275
Street Cut
Street Tree Fee
Sunset, Meadows A/D Maint
Sutter Park Sites
Traffic Safety
Transp Systems Mgmt
Transportation Development
Tree Planting Replacement
Wastewater Development Fees
Water Development Fees
Water Planning
Willowcreek Fee District
Zoo
INTERNAL SERVICE FUNDS
Fleet Management
Risk Management
Workers' Compensation
ENTERPRISE FUNDS
Community Center
Parking
Solid Waste
Storm Drainage
Wastewater
Water

5

SECTION – 5
Budget Schedules

Schedule 1A
Current Operations – Appropriations by Fund (in 000s)

	FY2016/17 Actuals	FY2017/18 Actuals	FY2018/19 Approved	FY2018/19 Amended	FY2019/20 Proposed	Change Proposed/ Amended
Governmental Funds						
General Fund	426,898	413,879	478,748	473,837	491,357	17,520
Measure U	506	506	47,328	506	80,644	80,138
Subtotal Governmental Funds	**427,404**	**414,385**	**526,076**	**474,344**	**572,001**	**97,658**
Enterprise Funds						
Community Center	18,007	11,910	24,529	24,532	34,510	9,978
Parking	18,433	18,044	19,862	19,759	20,115	355
Solid Waste	53,020	51,387	63,548	57,082	64,259	7,177
Storm Drainage	33,467	30,788	38,740	37,944	37,688	(256)
Wastewater	26,164	26,459	34,875	33,066	36,880	3,814
Water	85,264	98,872	104,057	102,809	110,877	8,067
Subtotal Enterprise Funds	**234,355**	**237,461**	**285,611**	**275,192**	**304,328**	**29,136**
Internal Service Funds						
Fleet Management	34,845	40,826	47,888	49,339	50,234	895
Risk Management	41,711	31,361	37,236	37,260	40,711	3,451
Subtotal Internal Service Funds	**76,556**	**72,187**	**85,124**	**86,599**	**90,945**	**4,346**
Other Governmental Funds						
4th R Program	5,956	5,945	6,337	6,301	5,821	(480)
Art In Public Places Projects	-	-	-	(190)	-	190
Assessment Reg and SDRIS	62	61	148	148	-	(148)
Cal EPA	2	1	-	-	-	-
CIP Reimbursable	38	65	-	-	-	-
Citation I-5 Maintenance	42	50	63	63	40	(23)
Citywide Low Income Housing	2,843	1,989	2,100	2,100	2,300	200
Cultural Services - Other	154	90	149	149	149	-
Debt Service Funds	13,761	34,115	17,490	17,679	13,013	(4,666)
Development Services	(1,085)	(913)	2,000	2,000	2,000	-
Downtown Impact Fee	-	-	100	100	50	(50)
Downtown Management District	3,015	3,062	3,094	3,208	3,208	-
Externally Funded Programs	16	32	-	-	-	-
Fair Share Contributions	-	-	-	(50)	-	50
Fairytale Town	56	57	50	50	50	-
GasTax	9,587	11,444	9,736	8,946	8,774	(172)
Golf	1,372	1,381	1,317	1,067	1,057	(11)
Innovation and Growth	3,828	127	983	3,183	5,027	1,844
Jacinto Creek	34	5	45	45	100	55
Land Park	85	93	192	192	192	-
Library Services Parcel Tax	7,267	7,535	7,949	7,949	8,274	325
Landscaping and Lighting	14,156	15,040	16,262	16,262	17,358	1,095
Major Street Construction	-	517	-	-	-	-
Marina	1,399	1,617	2,111	2,111	2,133	22
Measure A Maintenance	8,442	8,931	10,683	10,683	11,929	1,246
North Natomas Financing Plan	8,165	7,689	1,733	1,733	1,130	(603)
Operating Grants	35	75	-	-	-	-
Other	211	733	76	76	76	-
Park Development	1,512	480	173	173	173	-
Private Development	44	175	-	50	-	(50)
Quimby Act	4	6	10	10	10	-
Railyards Impact Fee	-	-	-	-	50	50
Redevelopment Bond Funds	-	(1,772)	9	9	9	-
River District Impact Fee	-	-	-	-	50	50
Sheraton MOPA Project	174	225	-	-	-	-
SHRA CDBG	-	29	29	29	29	-
Special Districts	17,075	18,803	18,874	20,091	20,699	608
Special Districts - Capital	22	97	12	62	62	-
Special Program Donations	-	-	250	250	250	-
START	3,064	531	1,019	1,014	1,129	115

Schedule 1A (continued)
Current Operations – Appropriations by Fund (in 000s)

	FY2016/17 Actuals	FY2017/18 Actuals	FY2018/19 Approved	FY2018/19 Amended	FY2019/20 Proposed	Change Proposed/ Amended
Other Governmental Funds (continued)						
State Route 160	1	1	-	-	-	-
State Route 275	14	3	-	-	-	-
Transportation Development Impact Fee	-	39	-	-	-	-
Traffic Safety	765	503	500	500	531	31
Water Planning	962	1,297	1,837	1,852	1,349	(503)
Zoo	54	55	50	50	50	-
Subtotal Other Governmental Funds	**103,132**	**120,214**	**105,380**	**107,894**	**107,070**	**(824)**
Total	**841,447**	**844,247**	**1,002,191**	**944,029**	**1,074,344**	**130,315**

Schedule 1B
Current Operations – Appropriations by Department (in 000s)

	FY2016/17 Actuals	FY2017/18 Actuals	FY2018/19 Approved	FY2018/19 Amended	FY2019/20 Proposed	Change Proposed/ Amended
Mayor Offices						
Mayor/Council	6,506	6,611	7,307	7,829	6,151	(1,678)
Subtotal Mayor Offices	**6,506**	**6,611**	**7,307**	**7,829**	**6,151**	**(1,678)**
Charter Offices						
City Auditor	-	-	-	-	1,382	1,382
City Attorney	8,058	7,963	9,071	9,128	9,744	615
City Clerk	2,222	2,253	2,595	2,595	2,711	116
City Manager	3,320	4,298	9,273	9,314	10,834	1,520
City Treasurer	2,078	2,006	2,453	2,453	2,605	152
Subtotal Charter Offices	**15,678**	**16,521**	**23,393**	**23,490**	**27,277**	**3,786**
Operating Offices						
Community Development	30,072	31,504	38,998	38,345	41,090	2,745
Convention and Cultural Services	18,497	18,250	20,380	20,380	16,203	(4,177)
Economic Development	2,144	-	-	-	-	-
Finance	8,768	10,079	11,303	11,605	11,777	172
Fire	113,263	111,957	118,040	118,634	122,653	4,019
Human Resources	45,501	34,979	41,926	41,972	45,679	3,707
Information Technology	15,985	19,725	22,950	23,247	24,772	1,525
Police	130,706	120,708	147,252	143,233	146,765	3,532
Public Works	134,681	140,104	166,868	161,156	173,663	12,507
Utilities	107,546	108,121	140,521	136,633	149,045	12,413
Youth, Parks, and Community Enrichment	35,852	32,568	37,663	38,023	39,126	1,103
Subtotal Operating Offices	**643,017**	**627,997**	**745,901**	**733,227**	**770,775**	**37,548**
Other Offices						
Citywide and Community Support	86,472	89,518	145,628	99,521	183,787	84,266
Debt Service	101,427	120,567	101,975	101,975	110,160	8,185
Non-Appropriated	(11,653)	(16,967)	(22,013)	(22,013)	(23,805)	(1,792)
Subtotal Other Offices	**176,246**	**193,119**	**225,590**	**179,483**	**270,142**	**90,659**
Total	**841,447**	**844,247**	**1,002,191**	**944,029**	**1,074,344**	**130,315**

Schedule 1C
Staffing by Department (in Full-time Equivalents)

	FY2016/17 Actuals	FY2017/18 Actuals	FY2018/19 Approved	FY2018/19 Amended	FY2019/20 Proposed	Change Proposed/ Amended
Mayor/Council						
Mayor/Council	45.00	45.00	45.00	45.00	36.00	(9.00)
Subtotal Mayor Offices	**45.00**	**45.00**	**45.00**	**45.00**	**36.00**	**(9.00)**
Charter Offices						
City Auditor	-	-	-	-	9.00	9.00
City Attorney	50.00	51.00	52.00	54.00	58.00	4.00
City Clerk	18.00	17.00	17.00	17.00	17.00	-
City Manager	15.00	36.00	48.00	49.00	69.00	20.00
City Treasurer	13.00	13.00	14.00	14.00	14.00	-
Subtotal Charter Offices	**96.00**	**117.00**	**131.00**	**134.00**	**167.00**	**33.00**
Operating Departments						
Community Development	239.00	272.00	272.50	283.00	288.00	5.00
Convention and Cultural Services	115.69	116.19	115.19	115.19	115.19	-
Economic Development	11.00	-	-	-	-	-
Finance	89.00	97.00	91.00	91.00	91.00	-
Fire	678.00	674.00	681.00	681.00	711.50	30.50
Human Resources	73.92	76.00	78.00	79.00	80.00	1.00
Information Technology	141.40	182.50	185.50	191.50	195.50	4.00
Police	1,058.46	1,026.46	1,034.46	1,040.46	1,070.46	30.00
Public Works	725.35	729.35	735.35	738.35	736.35	(2.00)
Utilities	527.90	546.90	561.90	561.90	574.90	13.00
Youth, Parks, and Community Enrichment	689.21	625.20	619.08	651.64	702.34	50.70
Subtotal Operating Offices	**4,348.93**	**4,345.60**	**4,373.98**	**4,433.04**	**4,565.24**	**132.20**
Other						
Citywide and Community Support	5.00	5.00	5.00	5.00	5.00	-
Subtotal Other Offices	**5.00**	**5.00**	**5.00**	**5.00**	**5.00**	**-**
Total	**4,494.93**	**4,512.60**	**4,554.98**	**4,617.04**	**4,773.24**	**156.20**

*On April 3, 2019, the Compensation Commission changed Councilmember FTE to 1.0 and adjusted salaries. Funding is included in the Proposed Budget and the Approved Budget will reflect 40.0 authorized FTE for Mayor/Council.

Schedule 1D
Staffing by Fund (in Full-Time Equivalents)

	FY2016/17 Actuals	FY2017/18 Actuals	FY2018/19 Approved	FY2018/19 Amended	FY2019/20 Proposed	Change Proposed/ Amended
Governmental Funds						
General Fund						
Mayor/Council	45.00	45.00	45.00	45.00	36.00	(9.00)
City Auditor	-	-	-	-	9.00	9.00
City Attorney	50.00	51.00	52.00	54.00	58.00	4.00
City Clerk	18.00	17.00	17.00	17.00	17.00	-
City Manager	15.00	33.00	45.00	46.00	66.00	20.00
City Treasurer	13.00	13.00	14.00	14.00	14.00	-
Citywide and Community Support	1.00	1.00	1.00	1.00	1.00	-
Community Development	239.00	272.00	272.50	283.00	288.00	5.00
Convention and Cultural Services	25.20	26.20	25.20	25.20	25.20	-
Economic Development	11.00	-	-	-	-	-
Finance	89.00	97.00	91.00	91.00	91.00	-
Fire	678.00	674.00	681.00	681.00	711.50	30.50
Human Resources	38.92	40.00	42.00	43.00	44.00	1.00
Information Technology	141.40	182.50	185.50	191.50	195.50	4.00
Police	1,058.46	1,026.46	1,034.46	1,040.46	1,070.46	30.00
Public Works	411.00	416.00	421.00	421.00	420.00	(1.00)
Youth, Parks, and Community Enrichment	462.21	473.56	480.39	500.95	551.65	50.70
Subtotal Governmental Funds	**3,296.19**	**3,367.72**	**3,407.05**	**3,454.11**	**3,598.31**	**144.20**
Enterprise Funds						
Community Center						
Convention and Cultural Services	90.49	89.99	89.99	89.99	89.99	-
Parking						
Public Works	61.25	61.25	61.25	61.25	61.25	-
Solid Waste						
Public Works	160.30	160.30	161.30	164.30	165.30	1.00
Storm Drainage						
Utilities	127.00	130.00	136.00	136.00	114.00	(22.00)
Wastewater						
Utilities	80.18	80.18	82.18	81.18	83.18	2.00
Water						
Utilities	320.72	336.72	343.72	344.72	377.72	33.00
Subtotal Enterprise Funds	**839.94**	**858.44**	**874.44**	**877.44**	**891.44**	**14.00**
Internal Service Funds						
Fleet Management						
Public Works	86.00	85.00	85.00	85.00	83.00	(2.00)
Risk Management						
Human Resources	15.00	17.00	17.00	17.00	17.00	-
Workers' Compensation						
Human Resources	20.00	19.00	19.00	19.00	19.00	-
Subtotal Internal Service Funds	**121.00**	**121.00**	**121.00**	**121.00**	**119.00**	**(2.00)**
Other Government Funds						
4th R Program						
Youth, Parks, and Community Enrichment	117.55	122.45	122.45	134.45	134.45	-
Cty/Cnty Office-Water Planning						
Citywide and Community Support	4.00	4.00	4.00	4.00	4.00	-
Golf						
Youth, Parks, and Community Enrichment	1.00	1.00	-	-	-	-
Innovation and Growth						
City Manager	-	3.00	3.00	3.00	3.00	-
Marina						
Public Works	6.80	6.80	6.80	6.80	6.80	-
START						
Youth, Parks, and Community Enrichment	108.45	28.19	16.24	16.24	16.24	-
Subtotal Other Governmental Funds	**237.80**	**165.44**	**152.49**	**164.49**	**164.49**	**-**
Total	**4,494.93**	**4,512.60**	**4,554.98**	**4,617.04**	**4,773.24**	**156.20**

*On April 3, 2019, the Compensation Commission changed Councilmember FTE to 1.0 and adjusted salaries. Funding is included in the Proposed Budget and the Approved Budget will reflect 40.0 authorized FTE for Mayor/Council.

Schedule 2A
Summary of Revenues, Appropriations, & Changes in Fund Balance (in 000s)

	Governmental** Funds	Enterprise Fund	Internal Service	Other Gov't Funds	Gross Total	Net* Total
Current Resources						
Revenues						
Taxes	455,967	28,515	-	17,880	502,362	502,362
Licenses and Permits	26,583	96	-	5,085	31,763	31,763
Fines, Forfeitures, and Penalties	12,093	3	-	500	12,596	12,596
Interest, Rents, and Concessions	654	2,763	1,145	6,860	11,422	10,277
Intergovernmental	13,287	1,597	-	16,255	31,138	31,138
Charges, Fees, and Services	63,440	303,818	6,979	67,939	442,175	435,196
Contributions from Other Funds	36,454	-	-	-	36,454	36,454
Miscellaneous Revenue	485	-	81,773	343	82,601	828
Total Current Resources	**608,962**	**336,792**	**89,897**	**114,861**	**1,150,513**	**1,060,615**
Current Requirements						
Current Operations						
Employee Services	566,294	101,107	13,313	7,252	687,965	674,653
Other Services and Supplies	145,726	73,464	49,924	37,628	306,740	256,817
City Property	8,181	13,043	20,482	626	42,332	21,850
City Debt Service	20,315	72,195	67	17,583	110,160	110,093
Transfers	(2,008)	1,705	118	185	-	(118)
Labor and Supply Offset	(173,076)	13,419	7,041	44,560	(108,057)	(115,098)
Contingency	1,000	-	-	-	1,000	1,000
Operating Transfers	5,570	29,396	-	(762)	34,203	34,203
Subtotal Current Operations	**572,001**	**304,328**	**90,945**	**107,070**	**1,074,344**	**983,400**
Capital Improvements	16,473	21,756	202	38,875	77,307	77,104
Total Current Requirements	**588,475**	**326,084**	**91,147**	**145,945**	**1,151,651**	**1,060,504**
Other Fund Sources (Uses)	5,804	(250)	708	15,257	21,518	20,811
Total Surplus (Deficit)	**26,291**	**10,457**	**(542)**	**(15,827)**	**20,380**	**20,922**
Beginning Fund Balance	10,763	207,997	1,432	155,249	375,441	374,009
Ending Fund Balance	**37,054**	**218,454**	**890**	**139,422**	**395,821**	**394,931**

* Net Total excludes Internal Service Funds (ISF).

** Governmental Funds reflect General and Measure U Funds comined.

Schedule 2B
Detail of Revenues, Appropriations, and Changes in Fund Balance (in 000s)

	Resources	Requirements					Fund Balance	
	Total Revenues	Current Operations	CIP	Total	Other Sources (Uses)	Surplus/ (Deficit)	Beginning	Ending
Governmental Funds								
General Fund	511,698	491,357	12,835	504,192	3,104	10,610	8,893	19,503
Measure U	97,264	80,644	3,639	84,283	2,700	15,681	1,870	17,551
Subtotal Governmental Funds	**608,962**	**572,001**	**16,473**	**588,475**	**5,804**	**26,291**	**10,763**	**37,054**
Enterprise Funds								
Community Center	30,218	34,510	1,863	36,372	(250)	(6,405)	38,903	32,498
Parking	19,818	20,115	534	20,648	-	(830)	2,622	1,792
Solid Waste	64,357	64,259	4,360	68,619	-	(4,262)	21,162	16,900
Storm Drainage	38,201	37,688	770	38,458	-	(257)	25,090	24,833
Wastewater	44,423	36,880	4,790	41,671	-	2,753	14,818	17,571
Water	139,776	110,877	9,439	120,316	-	19,459	105,402	124,861
Subtotal Enterprise Funds	**336,792**	**304,328**	**21,756**	**326,084**	**(250)**	**10,457**	**207,997**	**218,454**
Internal Service Funds								
Fleet Management	49,894	50,234	202	50,436	-	(542)	1,432	890
Risk Management	40,003	40,711	-	40,711	708	-	-	-
Subtotal Internal Service Funds	**89,897**	**90,945**	**202**	**91,147**	**708**	**(542)**	**1,432**	**890**
Other Governmental Funds								
4th R Program	5,821	5,821	-	5,821	-	-	2,108	2,108
Art In Public Places Projects	-	-	-	-	-	-	19	19
Assessment Reg and SDRIS	-	-	-	-	-	-	122	122
Cal EPA	172	-	-	-	-	172	790	962
CIP Reimbursable	-	-	46	46	46	-	-	-
CIRBS	-	-	-	-	-	-	133	133
Citation I-5 Maintenance	-	40	-	40	-	(40)	735	695
Citation I-5 Improvements	-	-	-	-	-	-	395	395
Citywide Low Income Housing	2,300	2,300	-	2,300	-	-	1,198	1,198
Cultural Services - Other	155	149	-	149	-	6	1,035	1,041
Debt Service Funds	8,502	13,013	-	13,013	4,419	(92)	2,077	1,985
Development Services	3,387	2,000	1,387	3,387	-	-	-	-
Downtown Impact Fee	-	50	-	50	-	(50)	515	465
Downtown Management District	3,208	3,208	-	3,208	-	-	49	49
Ethel Macleod Hart Trust	-	-	-	-	-	-	1,016	1,016
Fair Share Contributions	529	-	-	-	-	529	4,774	5,303
Federal Capital Grant	-	-	10,792	10,792	10,792	-	-	-
Florin Road Storm and San	-	-	-	-	-	-	5	5
GasTax	10,665	8,774	2,723	11,497	-	(832)	5,698	4,866
Fairytale Town	50	50	-	50	-	-	3	3
Golf	1,155	1,057	-	1,057	-	98	(6,086)	(5,988)
Innovation and Growth	-	5,027	-	5,027	-	(5,027)	17,439	12,412
Jacinto Creek	-	100	-	100	-	(100)	2,126	2,026
Land Park	91	192	-	192	-	(101)	336	235
Library Services Parcel Tax	8,274	8,274	-	8,274	-	-	-	-
Landscaping and Lighting	17,528	17,358	665	18,023	-	(494)	5,094	4,600
Major Street Construction	3,095	-	6,697	6,697	-	(3,602)	14,504	10,902
Marcy Friedman ESC APP	-	-	-	-	-	-	9	9
Marina	1,590	2,133	60	2,193	-	(603)	(2,376)	(2,979)
Measure A Maintenance	12,025	11,929	300	12,229	-	(204)	676	472
Museum of History, Science, & Tech	-	-	-	-	-	-	14	14
NMA Traffic Control & Safety	1,219	-	1,259	1,259	-	(40)	186	146
NMA Safety, Streets, Ped, Bic	1,690	-	1,433	1,433	-	257	228	485
North Natomas Financing Plan	-	1,130	12	1,141	-	(1,141)	33,155	32,014
Other	-	76	-	76	-	(76)	4,749	4,673
Park Development	229	173	3,409	3,582	-	(3,352)	15,484	12,132
Quimby Act	100	10	510	520	-	(420)	3,990	3,570
Railyards Impact Fee	50	50	-	50	-	-	-	-
Redevelopment Bond Funds	-	9	-	9	-	(9)	4,168	4,159
River District Impact Fee	-	50	-	50	-	(50)	654	604
SHRA CDBG	29	29	-	29	-	-	-	-
So Natomas Comm Improv	-	-	300	300	-	(300)	300	-
So Natomas Facility Benefit	-	-	220	220	-	(220)	2,542	2,322
So Natomas I-5 Developer Impr	-	-	-	-	-	-	586	586
Special Districts	20,544	20,699	-	20,699	-	(154)	6,426	6,272
Special Districts - Capital	12	62	-	62	-	(50)	2,118	2,068
Special Program Donations	250	250	-	250	-	-	439	439

Schedule 2B (continued)
Detail of Revenues, Appropriations, and Changes in Fund Balance (in 000s)

	Resources	Requirements					Fund Balance	
	Total Revenues	Current Operations	CIP	Total	Other Sources (Uses)	Surplus/ (Deficit)	Beginning	Ending
Other Governmental Funds (continued)								
START	607	1,129	-	1,129	-	(522)	150	(372)
Street Cut	150	-	158	158	-	(8)	8	-
Sunset, Meadowns A/D Maint	-	-	-	-	-	-	57	57
Transportation Development	376	-	378	378	-	(2)	2	-
65th Street Area Impact Fee	-	-	-	-	-	-	396	396
Transportation Development Impact Fee	1,000	-	-	-	-	1,000	1,554	2,554
Traffic Safety	500	531	-	531	-	(31)	76	45
Transportation System Management	-	-	-	-	-	-	3	3
Wastewater Development Fees	-	-	-	-	-	-	615	615
Water Development Fees	-	-	-	-	-	-	22,080	22,080
Water Planning	1,134	1,349	-	1,349	-	(215)	1,646	1,431
Willowcreek Fee District	-	-	-	-	-	-	328	328
Zoo	50	50	-	50	-	-	-	-
Subtotal Other Governmental Funds	**114,861**	**107,070**	**38,875**	**145,945**	**15,257**	**(15,827)**	**155,249**	**139,422**
Total	**1,150,513**	**1,074,344**	**77,307**	**1,151,651**	**21,518**	**20,380**	**375,441**	**395,821**

Schedule 2C
Summary of Revenues, Expenditures, and Budgeted Fund Balances (in 000s)

	FY2015/16 Approved	FY2016/17 Approved	FY2017/18 Approved	FY2018/19 Approved	FY2019/20 Proposed
Governmental Funds*					
Revenues	441,255	477,155	509,846	530,092	608,962
Total Resources	**441,255**	**477,155**	**509,846**	**530,092**	**608,962**
Expenses					
Operations	434,440	471,307	498,073	526,076	572,001
CIP	18,643	16,580	23,937	-	16,473
Total Requirements	**453,083**	**487,887**	**522,010**	**526,076**	**588,475**
Other Fund Sources (Uses)	1,242	5,485	(5,000)	-	5,804
Beginning Fund Balance	**43,980**	**42,969**	**34,676**	**-**	**10,763**
Ending Fund Balance	**33,394**	**37,721**	**17,512**	**4,016**	**37,054**
Enterprise Funds					
Revenues	270,298	289,188	303,659	323,524	336,792
Total Resources	**270,298**	**289,188**	**303,659**	**323,524**	**336,792**
Expenses					
Operations	263,460	267,590	269,457	285,611	304,328
CIP	40,901	23,124	23,935	-	21,756
Total Requirements	**304,361**	**290,714**	**293,393**	**285,611**	**326,084**
Other Fund Sources (Uses)	(250)	(250)	(250)	-	(250)
Beginning Fund Balance	**110,324**	**95,429**	**120,183**	**-**	**207,997**
Ending Fund Balance	**76,011**	**93,653**	**130,199**	**37,913**	**218,454**
Other Governmental Funds					
Revenues	97,346	93,475	97,236	113,994	114,861
Total Resources	**97,346**	**93,475**	**97,236**	**113,994**	**114,861**
Expenses					
Operations	90,931	96,995	102,845	105,380	107,070
CIP	32,688	31,377	43,358	-	38,875
Total Requirements	**123,619**	**128,373**	**146,203**	**105,380**	**145,945**
Other Fund Sources (Uses)	15,178	2,256	27,500	-	15,257
Beginning Fund Balance	**108,215**	**148,511**	**159,235**	**-**	**155,249**
Ending Fund Balance	**97,120**	**115,869**	**137,768**	**8,614**	**139,422**
Internal Service Funds					
Revenues	66,129	69,952	80,657	83,276	89,897
Total Resources	**66,129**	**69,952**	**80,657**	**83,276**	**89,897**
Expenses					
Operations	69,888	71,087	83,599	85,124	90,945
CIP	653	313	445	-	202
Total Requirements	**70,541**	**71,400**	**84,043**	**85,124**	**91,147**
Other Fund Sources (Uses)	4,547	2,047	3,628	-	708
Beginning Fund Balance	**252**	**2**	**3**	**-**	**1,432**
Ending Fund Balance	**387**	**600**	**245**	**(1,848)**	**890**

*Governmental Funds reflect General and Measure U Funds combined.

Schedule 3
Contributions to General Fund Support (in 000s)

	Cost Allocation Plan		In-Lieu Property Tax		In-Lieu Franchise Tax		Voter Approved General Tax	
Fund	**FY2018/19**	**FY2019/20**	**FY2018/19**	**FY2019/20**	**FY2018/19**	**FY2019/20**	**FY2018/19**	**FY2019/20**
Enterprise Funds								
Community Center	1,195	1,477	461	461	1,265	720	-	-
Parking	1,309	1,565	230	242	1,820	1,812	-	-
Solid Waste	3,169	3,622	-	-	-	-	6,850	6,962
Storm Drainage	2,033	2,162	-	-	-	-	4,068	4,135
Wastewater	2,351	2,538	-	-	-	-	4,315	4,706
Water	6,788	7,008	-	-	-	-	13,784	15,165
Total Enterprise Funds	**16,845**	**18,372**	**691**	**703**	**3,085**	**2,532**	**29,017**	**30,968**
Internal Service Funds								
Fleet Management	1,550	2,026	-	-	-	-	-	-
Risk Management	3,510	3,175	-	-	-	-	-	-
Total Internal Service Funds	**5,060**	**5,201**	**-**	**-**	**-**	**-**	**-**	**-**
GRAND TOTAL	**21,905**	**23,573**	**691**	**703**	**3,085**	**2,532**	**29,017**	**30,968**

Schedule 4
Summary of Capital Funding by Funding Source (in 000s)

Fund	Description	Budget Through 02/2019	FY2019/20	FY2020/21	FY2021/22	FY2022/23	FY2023/24	Total Five-year Funding
1001	General Fund	140,114	12,835	7,870	8,306	8,345	8,445	45,800
2001	Sacto Transp.Sales Tax-Cip.	3,551	-	-	-	-	-	-
2002	Gas Tax 2106	10,340	2,723	1,209	649	649	649	5,879
2005	Sacto Transp.Sales Tax-Maint.	350	-	-	-	-	-	-
2007	Major Street Construction	24,738	6,697	5,567	-	3,000	-	15,264
2008	Street Cut	749	158	158	158	158	158	789
2010	State Route 160	22	-	-	-	-	-	-
2012	Transportation System Management	681	-	-	-	-	-	-
2013	Transportation Development	1,458	378	378	378	378	378	1,888
2016	Development Services	13,497	1,387	1,179	1,105	1,056	1,056	5,783
2020	So Natomas Comm Improv	2,557	300	-	-	-	-	300
2021	So Natomas Facility Benefit	1,452	220	-	-	-	-	220
2023	New Measure A Specific Project	13,019	-	-	-	-	-	-
2024	Historic Places	50	-	-	-	-	-	-
2025	New Measure A Construction	4,185	-	-	-	-	-	-
2026	New Measure A Maintenance	3,843	300	325	325	325	325	1,600
2028	Prop 1B - Local Street & Road	21	-	-	-	-	-	-
2030	Sheraton MOPA Project	1,500	-	-	-	-	-	-
2031	Innovation and Growth	10,223	-	-	-	-	-	-
2032	Fair Share Contributions	951	-	-	-	-	-	-
2034	State Route 16 Relinquishment	456	-	-	-	-	-	-
2035	Tree Planting Replacement	730	127	127	127	127	127	636
2036	Road Maint and Rehabilitation	10,084	8,400	8,400	8,400	8,400	8,400	42,002
2038	NMA Traffic Control & Safety	3,728	1,259	1,294	1,330	1,368	1,368	6,618
2039	NMA Safety, Streets, Ped, Bic	6,691	1,433	2,051	1,791	1,844	1,901	9,019
2220	Sunset, Meadowns A/D Maint	1,600	-	-	-	-	-	-
2230	N Natomas Lands CFD 3	7	-	-	-	-	-	-
2232	Landscaping and Lighting	3,997	665	665	665	665	665	3,325
2235	Florin Road Storm and San	90	-	-	-	-	-	-
2401	Measure U	31,996	3,639	2,366	2,366	2,366	2,366	13,101
2504	Special Recreation	842	-	-	-	-	-	-
2507	Land Park	43	-	-	-	-	-	-
2508	Quimby Act	5,094	510	-	-	-	-	510
2601	Old Sac Market	30	-	-	-	-	-	-
2603	Golf	228	-	-	-	-	-	-
2605	Zoo	1	-	-	-	-	-	-
2607	Art In Public Places Projects	26	-	-	-	-	-	-
2608	Marina	881	60	60	60	60	60	300
2609	Marcy Friedman ESC APP	1,000	-	-	-	-	-	-
2700	Block Grant/Housing & Redev	3,617	-	-	-	-	-	-
2701	Disaster Relief Act	3	-	-	-	-	-	-
2702	Operating Grants	3,479	-	-	-	-	-	-
2703	Externally Funded Programs	1,217	-	-	-	-	-	-
2801	Cal EPA	1,587	-	-	-	-	-	-
3001	1993 Series B Cop	600	-	-	-	-	-	-
3002	2002 Capital Improv. Revenue Bonds	602	-	-	-	-	-	-
3003	2003 Capital Improv. Revenue Bonds	23,049	-	-	-	-	-	-
3004	2006 CIRB - Tax Exempt	4,525	-	-	-	-	-	-
3005	2006 CIRB - Taxable	1,383	-	-	-	-	-	-
3006	2006 CIRBs Ser C Cap Projs	338	-	-	-	-	-	-
3008	Willowcreek Fee District	788	-	-	-	-	-	-
3020	Golden 1 Center	223,130	-	-	-	-	-	-
3201	N. Natomas Financial Plan	7,631	-	-	-	-	-	-
3202	Railyards/Richards/Downtown	359	-	-	-	-	-	-
3204	Park Development	23,652	3,409	-	-	-	-	3,409
3206	NNFP Public Facilities Fee	6,992	12	12	12	12	12	58
3210	Downtown Impact Fee	533	-	-	-	-	-	-
3212	River District Impact Fee	350	-	-	-	-	-	-
3215	Transportation Development Impact Fee	548	-	-	-	-	-	-
3311	N Laguna Creek Park CFD	77	-	-	-	-	-	-
3314	N Natomas Drng CFD 97-01	418	-	-	-	-	-	-
3323	CFD 97-01 Series C	68	-	-	-	-	-	-
3328	N Natomas Drng 2005 CFD 97-01	551	-	-	-	-	-	-

Schedule 4 (continued)
Summary of Capital Funding by Funding Source (in 000s)

Fund	Description	Budget Through 02/2019	FY2019/20	FY2020/21	FY2021/22	FY2022/23	FY2023/24	Total Five-year Funding
3333	CFD 97-01 Construction	247	-	-	-	-	-	-
3701	Sacto Housing & Redev Agency	8,865	-	-	-	-	-	-
3702	CIP Reimbursable	28,895	46	46	46	46	46	229
3703	Federal Capital Grant	26,035	10,792	14,514	11,521	7,625	-	44,452
3704	Other Capital Grants	51,565	-	-	-	-	-	-
3801	2003 Alkali Flat TE	386	-	-	-	-	-	-
3802	2006 Army Depot TA	1,479	-	-	-	-	-	-
3803	2006 Army Depot TE	715	-	-	-	-	-	-
3818	2006 River Dist TA	600	-	-	-	-	-	-
3820	800K/L Merged Downtown TE	6,968	-	-	-	-	-	-
6001	Water Development Fee	27,134	-	-	-	-	-	-
6002	Wastewater Development Fees	1,290	-	-	-	-	-	-
6004	Parking	40,107	534	510	715	715	715	3,189
6005	Water	86,576	9,439	6,001	5,004	7,001	7,212	34,657
6006	Wastewater	33,853	4,790	10,003	5,012	2,003	2,123	23,930
6007	Recycling and Solid Waste	23,828	4,360	3,030	2,005	1,505	1,500	12,400
6008	Landfill Closure	5,195	-	-	-	-	-	-
6009	Sacramento Marina	874	-	-	-	-	-	-
6010	Community Center	24,262	1,863	1,875	1,300	850	875	6,763
6011	Storm Drainage	16,819	770	250	250	250	250	1,770
6012	4th R Program	300	-	-	-	-	-	-
6205	Water Grant Reimbursement	3,592	-	-	-	-	-	-
6206	Wastewater Grant Reimbursement	3,085	-	-	-	-	-	-
6207	Solid Waste Grant Reimbursement	721	-	-	-	-	-	-
6211	Storm Drainage Grant Reimbursement	125	-	-	-	-	-	-
6310	Water Revenue Bonds	169,740	-	-	-	-	-	-
6311	Water Revenue Bonds Ser. 2017	62,600	-	-	-	-	-	-
6312	Drinking Water SRF Loan	409,067	-	-	-	-	-	-
6320	Wastewater Revenue Bonds	498	-	-	-	-	-	-
6330	2018 TOT Revenue Bonds, Tax Exempt	285,200	-	-	-	-	-	-
6501	Fleet Management	8,241	202	202	209	202	202	1,017
6502	Risk Mgmt	12	-	-	-	-	-	-
	Total	**1,935,194**	**77,307**	**68,090**	**51,732**	**48,947**	**38,831**	**284,907**

Schedule 5
Article XIIIB Appropriation Limit Calculation (in 000s)

"GANN" Appropriations Limit

In November 1979, the voters of the State of California approved Proposition 4, commonly known as the "Gann Initiative." The Proposition created Article XIIIB of the State Constitution, placing certain limits on the amount of revenue that can be appropriated each fiscal year. The limit is based on actual appropriations during FY1978/79 (base year) and is recalculated each fiscal year based on certain inflation and population factors. Only those revenues that are considered "proceeds of taxes" are subject to the limit. Proceeds of taxes are, however, allowed to be spent on several types of appropriations that do not count against the limit, including voter approved debt, the costs of complying with court orders and federal mandates, and expenditures for qualified capital outlays. The City is in compliance with Article XIIIB for each of the fiscal years as shown below.

APPROPRIATION LIMIT (Section 1)	**FY2015/16**	**FY2016/17**	**FY2017/18**	**FY2018/19**	**FY2019/20**
Prior year limit	655,648	686,752	728,551	766,162	805,638
Multiply by:					
Change in CPI or Per Capita Personal Income	1.0382	1.0537	1.0369	1.0367	1.0367
Change in Population	1.0089	1.0068	1.0142	1.0143	1.0143
Total Appropriation Limit	**686,752**	**728,551**	**766,162**	**805,638**	**847,149**
PROCEEDS OF TAXES (Section 2)					
Total govermental revenue	538,601	570,630	607,082	644,086	723,823
Add taxes in enterprise funds:					
Transient Occupancy Tax	19,407	21,738	22,477	25,948	28,433
Add user fees in excess of cost:	-	-	-	-	-
Deduct:					
Non-proceeds of tax revenue	(196,873)	(207,715)	(220,766)	(251,415)	(248,308)
General obligation debt svcs	-	-	-	-	-
Qualified capital outlay	(27,266)	(31,653)	(15,570)	(18,544)	(12,005)
Total Proceeds of Taxes	**333,869**	**353,000**	**393,223**	**400,075**	**491,943**
APPROPRIATIONS SUBJECT TO LIMIT (Section 3)					
Total Governmental Funds:					
Operating appropriations	525,371	568,302	600,917	631,456	679,072
CIP appropriations	51,331	47,958	67,295	57,237	55,348
Add:					
Enterprise fund tax approp.	19,407	21,738	22,477	25,948	28,433
User fees in excess of cost					
Current proceeds of taxes appropriated to reserves	32,656	36,647	18,351	20,535	38,807
Deduct:					
Non-proceeds of tax revenue	(196,873)	(207,715)	(220,766)	(251,415)	(248,308)
General obligation debt svcs	-	-	-	-	-
Qualified capital outlay	(27,266)	(31,653)	(15,570)	(18,544)	(12,005)
Total Appropriations Subject to Limit	**404,626**	**435,277**	**472,704**	**465,217**	**541,347**

Schedule 6
Revenue Budget (in 000s)

	FY2016/17 Actuals	FY2017/18 Actuals	FY2018/19 Approved	FY2018/19 Amended	FY2019/20 Proposed
Governmental Funds					
Taxes					
Property Taxes - Current Secured	96,163	101,993	107,956	107,956	113,894
Property Taxes - Current Unsecured	3,637	3,675	3,669	3,669	3,669
Property Taxes - In Lieu VLF	38,706	41,487	42,259	44,759	46,095
Property Taxes - Prior Secured	843	856	906	906	933
Property Taxes - Prior Unsecured	51	105	34	34	35
Property Taxes - Redevelopment Passthrough	1,212	1,729	800	800	1,700
Property Taxes - Supplemental	2,199	2,560	2,250	2,250	2,025
Subtotal Property Taxes	**142,811**	**152,407**	**157,875**	**160,375**	**168,351**
Business Operations Tax (BOT)	7,986	8,868	7,289	7,289	7,362
Cannabis BOT	4,825	6,881	4,961	4,961	9,426
General Sales & Use Tax	75,166	79,310	82,371	82,371	86,572
Measure U Transactions & Use Tax	45,164	46,484	36,543	58,199	97,264
Property Taxes - Resident Development	845	939	429	429	407
Public Safety Sales Tax	5,230	5,577	5,161	5,161	5,316
Real Property Transfer Tax	12,375	15,068	14,375	14,375	14,806
Transient Occupancy Tax	4,751	5,330	5,005	5,005	5,175
Transient Occupancy Tax - Prior	23	37	-	-	-
Utility Users Tax - Current	62,993	62,822	62,538	60,038	61,288
Utility Users Tax - Prior	4	167	-	-	-
Subtotal Other Taxes	**219,362**	**231,482**	**218,672**	**237,828**	**287,615**
Total Taxes	**362,173**	**383,889**	**376,546**	**398,202**	**455,967**
Licenses and Permits					
Alley Parking Permits	2	3	7	7	7
Animal Licenses	250	452	473	473	473
Building Trades Certification	-	-	1	1	1
Burglar Alarm Permits	1,059	1,086	1,000	1,000	1,000
Business Permits and Licenses	644	371	540	540	540
Cellular Revocable Permits	1,856	1,639	1,681	1,681	1,697
Construction Permits	8,793	10,125	10,444	10,444	10,052
Dance Permits	63	39	10	10	10
Emergency Permits	6	8	7	7	7
Excavation Permits	66	20	25	25	25
Home Occupation Permits	57	191	80	80	80
Marijuana Cultivation Permit	919	1,360	2,894	2,894	1,100
Marijuana Delivery Permit	-	687	105	105	77
Marijuana Dispensary Permit	80	659	624	624	624
Marijuana Manufacturing Permit	31	532	419	419	184
Marijuana Other Business Permit	-	434	353	418	134
Miscellaneous Licenses and Permits	8	9	-	-	-
On-Site Plan Review Permit	-	1	87	87	87
Park Impact Fee	25	-	-	-	-
Plan Check Fees	4,261	7,837	5,687	5,687	5,738
Sign and Billboard Permit	113	111	87	87	87
Sign and Billboard Permits	268	220	240	240	240
Special Event Permits	302	309	394	394	453
Special Use Permits	2,097	3,660	3,303	3,303	3,760
Street Vendor Permits	44	46	19	19	19
Taxi Permits	146	83	142	142	142
Towing Vehicle Permits	41	38	45	45	45
Tree Fee	31	11	-	-	-
Subtotal Licenses and Permits	**21,162**	**29,929**	**28,665**	**28,730**	**26,583**
Fines, Forfeitures, and Penalties					
Delinquency Charges	(6)	87	-	-	-
Fines and Penalties	10,920	11,988	13,543	12,043	12,093
Transient Occupancy Tax - Penalty	-	(5)	-	-	-
Subtotal Fines, Forfeitures, and Penalties	**10,913**	**12,070**	**13,543**	**12,043**	**12,093**

Schedule 6 (continued)
Revenue Budget (in 000s)

	FY2016/17 Actuals	FY2017/18 Actuals	FY2018/19 Approved	FY2018/19 Amended	FY2019/20 Proposed
Governmental Funds (continued)					
Interest, Rents, and Concessions					
Interest Income - LAIF	2	-	-	-	-
Interest on Investments	1,465	1,986	300	300	300
Interest on Receivables	337	(36)	125	125	125
Real Property Rental	300	266	229	229	229
Subtotal Interest, Rents, and Concessions	**2,104**	**2,217**	**654**	**654**	**654**
Intergovernmental					
Fire District Reimbursement	5,055	6,534	4,370	4,370	4,370
Miscellaneous Governmental Revenue	3,852	3,996	2,928	2,928	2,962
Miscellaneous Other Federal	3,358	7,708	1,210	1,210	1,210
Other Agency Payments	1,504	2,031	1,449	1,425	1,426
Other Agency Training Reimbursement	2	-	-	-	-
Other County Payments	384	14	330	330	330
Other Recoveries	274	407	230	230	230
Other State Payments	723	2,782	76	121	76
P.O.S.T. Reimbursement	29	156	167	167	167
Planning Technology Fee	1,274	1,315	-	-	-
Redevelopment Agency Services	665	638	645	645	645
Sacramento County Support - Metro Arts	100	100	100	100	-
Sacramento County Support - Museums	429	459	459	459	459
State Government Grants - Op - Ncat	4	36	-	-	-
State Homeowners Property Tax	1,119	1,112	1,200	1,200	1,200
State Mandated Reimbursement SB 90	79	214	212	212	212
State Motor Vehicle In Lieu Tax	218	260	-	-	-
Subtotal Intergovernmental	**19,069**	**27,762**	**13,376**	**13,397**	**13,287**
Charges, Fees, and Services					
Administrative Fee	119	863	432	542	432
ALS Fees	17,778	21,877	22,961	23,706	23,686
Animal Shelter Fees and Charge	276	308	230	230	280
Appeal Fees	-	9	-	-	-
City Attorney Fees	7	1	-	-	-
Code Enforcement Fee	2,873	2,768	2,798	2,984	3,287
Community Services Fees	2,011	2,128	2,239	2,239	2,333
Compliance Fee	15	8	5	5	5
Concessions	205	202	130	130	130
Demolition Charges	643	568	599	599	599
DUI Fees	94	152	67	67	67
Facility Use Fees	2,080	2,285	1,141	1,141	1,141
Fire Permit Fees	780	940	800	800	859
Fire Report Fees	5	6	1	1	1
Franchise Fees	6,680	6,769	7,459	7,459	6,608
Housing and Dangerous Buildings	134	154	182	182	182
Insurance Fee	1	-	-	-	-
Jail Booking Fee Recovery	197	175	210	210	210
Miscellaneous Proprietary Revenue	49	37	32	32	32
Other Departmental Service	10,583	9,272	10,091	10,178	8,843
Other Fees	216	162	-	-	-
Other General Fees and Charges	122	131	23	23	23
Parking Fees	4	4	1	1	1
Parking Meter Receipts	10,609	11,834	9,291	11,629	11,629
Parking Meter Removal Fees	231	286	282	282	282
Recyclables Sales	7	-	15	15	15
Registration Fees	209	151	277	277	277
Residential Plan Review	-	3	-	-	-
Service Fees	177	177	35	35	35
Special Assessments - Administ	169	291	74	74	74
Special Assessments - Service SD	97	-	-	-	-

Schedule 6 (continued)
Revenue Budget (in 000s)

	FY2016/17 Actuals	FY2017/18 Actuals	FY2018/19 Approved	FY2018/19 Amended	FY2019/20 Proposed
Governmental Funds (continued)					
Street Sidewalk and Curb Repair	1,737	1,900	1,550	1,550	1,525
Subdivision Map Processing - Planning	-	-	30	30	30
Swimming Pool Fees	154	166	396	519	448
Third Party Recoveries - Property	6	8	-	-	-
Third Party Recoveries - Vehicle	286	153	-	-	-
Tour Fees	30	30	-	-	-
Vehicle Abatement SAVSA	701	395	405	405	405
Subtotal Charges, Fees, and Services	**59,287**	**64,212**	**61,755**	**65,344**	**63,440**
Contributions from Other Funds					
Enterprise Fund General Tax Co	26,074	27,758	29,017	29,017	30,968
In-Lieu Franchise Fee	3,187	3,229	3,085	3,085	2,532
In-Lieu Property Tax	700	701	691	691	703
Investment Fees	2,213	2,462	2,251	2,251	2,251
Subtotal Contributions from Other Funds	**32,173**	**34,150**	**35,043**	**35,043**	**36,454**
Miscellaneous Revenues					
Escheat	198	257	154	154	154
Gifts and Donations	15	9	-	-	-
Other Departmental Services	-	-	357	357	332
Sale of Real or Personal Property	62	44	-	-	-
Subtotal Miscellaneous Revenue	**276**	**311**	**510**	**510**	**485**
Total Governmental Funds	**507,157**	**554,539**	**530,092**	**553,924**	**608,962**

Schedule 6 (continued)
Revenue Budget (in 000s)

	FY2016/17 Actuals	FY2017/18 Actuals	FY2018/19 Approved	FY2018/19 Amended	FY2019/20 Proposed
Enterprise Funds					
Community Center					
Box Office Fees	905	1,168	754	754	179
Catering Fees	1,163	1,220	1,160	1,160	-
Concessions	970	1,019	713	713	-
Facility Use Fees	4,151	4,155	3,726	3,726	976
Insurance Fee	5	3	5	5	5
Interest on Investments	333	564	200	200	200
Miscellaneous Governmental Revenue	77	65	73	73	13
Other Departmental Service	-	3	-	-	-
Other Fees	683	764	634	634	-
Real Property Rental	850	766	818	818	75
Registration Fees	-	4	-	-	-
Royalties	-	-	15	15	-
Service Fees	476	479	475	475	250
Transient Occupancy Tax	23,752	26,651	25,948	25,948	28,433
Transient Occupancy Tax - Penalty	2	4	3	3	3
Transient Occupancy Tax - Prior	113	184	83	83	83
Subtotal Community Center	**33,481**	**37,048**	**34,607**	**34,607**	**30,218**
Parking					
Administrative Fee	395	396	424	424	424
Delinquency Charges	(1)	1	-	-	-
Interest on Investments	341	407	600	600	600
Interest on Receivables	(3)	-	-	-	-
Miscellaneous Governmental Revenue	1	5	-	-	-
Miscellaneous Proprietary Revenue	85	-	-	-	-
Other Fees	20	37	-	-	-
Other General Fees and Charges	(7)	(12)	-	-	-
Other Recoveries	-	5	-	-	-
Parking Fees	17,509	17,892	18,120	18,120	18,120
Real Property Rental	419	611	674	674	674
Royalties	57	61	-	-	-
Sale of Real or Personal Property	18	-	-	-	-
Vehicle or Equipment Rental	-	44	-	-	-
Subtotal Parking	**18,835**	**19,446**	**19,818**	**19,818**	**19,818**
Solid Waste					
Facility Use Fees	150	150	150	150	170
Fines and Penalties	7	8	-	-	-
Interest on Investments	491	649	-	-	-
Interest on Receivables	4	4	-	-	-
Miscellaneous Governmental Revenue	133	135	-	-	-
Miscellaneous Proprietary Revenue	23	16	-	-	-
Other Agency Payments	27	154	283	458	458
Other Departmental Services	-	55	-	-	-
Other Recoveries	-	5	-	-	-
Recyclables Sales	544	654	500	500	300
Sale of Real or Personal Property	47	31	-	-	-
Service Fees	84	64	12	12	12
Third Party Recoveries - Vehicle	5	134	-	-	-
Utility Service Extensions	39	31	-	-	-
Utility Services Charges	60,630	62,230	62,467	62,467	63,417
Subtotal Solid Waste	**62,184**	**64,321**	**63,412**	**63,587**	**64,357**
Storm Drainage					
Compliance Fee	132	153	30	30	30
Drainage Impact Fee	(15)	85	-	-	-
Interest on Investments	441	605	-	-	-
Interest on Receivables	87	77	422	422	422
Miscellaneous Governmental Revenue	8	7	-	-	-
Miscellaneous Proprietary Revenue	9	24	15	15	15
Other Fees	46	48	-	-	-

Schedule 6 (continued)
Revenue Budget (in 000s)

	FY2016/17 Actuals	FY2017/18 Actuals	FY2018/19 Approved	FY2018/19 Amended	FY2019/20 Proposed
Enterprise Funds (continued)					
Plan Check Fees	41	56	25	25	25
Service Fees	29	31	15	15	15
Subdivision Map Processing - Engineering	2	3	-	-	-
Third Party Recoveries - Vehicle	4	-	-	-	-
Utility Service Extensions	12	10	-	-	-
Utility Services Charges	37,567	37,872	37,082	37,082	37,694
Subtotal Storm Drainage	**38,364**	**38,970**	**37,589**	**37,589**	**38,201**
Wastewater					
Interest on Investments	450	651	-	-	-
Interest on Receivables	15	12	392	392	392
Miscellaneous Governmental Revenue	-	12	-	-	-
Miscellaneous Proprietary Revenue	25	15	23	23	23
Regional Sanitation District	1,006	860	1,013	1,013	1,013
Service Fees	80	61	-	-	-
Sewer Permits	66	88	-	-	-
Subdivision Map Processing - Engineering	2	3	-	-	-
Utility Service Extensions	62	51	27	27	27
Utility Services Charges	33,229	36,617	39,421	39,421	42,968
Subtotal Wastewater	**34,935**	**38,370**	**40,875**	**40,875**	**44,423**
Water					
Appeal Fees	-	2	-	-	-
Cellular Revocable Permits	62	42	71	71	71
Fines and Penalties	57	-	-	-	-
Fire Hydrant Use Fee	147	163	79	79	79
Interest Income - LAIF	14	25	-	-	-
Interest on Investments	1,383	2,497	-	-	-
Interest on Receivables	-	-	400	400	400
Miscellaneous Governmental Revenue	103	145	75	75	75
Miscellaneous Proprietary Revenue	218	204	51	51	51
Other Agency Payments	81	159	39	39	39
Other Bonds Issued	52,610	3,843	-	-	-
Other General Fees and Charges	(1)	-	-	-	-
Other Recoveries	29	49	-	-	-
Premium on Bond Sales	10,192	-	-	-	-
Public Facilities Impact Fee	-	144	-	-	-
Real Property Rental	1	-	-	-	-
Residential Construction Water	180	250	-	-	-
Sale of Real or Personal Property	-	424	-	-	-
Service Fees	96	98	70	70	70
Subdivision Map Processing - Engineering	2	3	-	-	-
Utility Service Extensions	54	46	36	36	36
Utility Services Charges	106,546	116,722	125,830	125,830	138,383
Utility Shut-Off Fee	92	103	-	-	-
Water Flow Test Fee	136	175	85	85	85
Water Tap Sales	1,438	1,551	486	486	486
Subtotal Water	**173,440**	**126,645**	**127,223**	**127,223**	**139,776**
Total Enterprise Funds	**361,240**	**324,800**	**323,524**	**323,699**	**336,792**

Schedule 6 (continued)
Revenue Budget (in 000s)

	FY2016/17 Actuals	FY2017/18 Actuals	FY2018/19 Approved	FY2018/19 Amended	FY2019/20 Proposed
Internal Service Funds					
Fleet Management					
Fleet Charges Accident Repair	590	629	482	482	638
Fleet Charges O & M	19,018	19,202	20,593	20,593	21,484
Fleet Vehicle Revenue	19,872	29,521	19,493	20,045	20,008
Gasoline and Oil Sales	5,362	6,342	6,523	7,423	6,729
Interest on Investments	131	216	-	-	-
Miscellaneous Governmental Revenue	12	4	-	-	-
Miscellaneous Other Federal	453	492	-	-	-
Other Agency Payments	47	1	-	-	-
Other Recoveries	7	9	-	-	-
Sale of Real or Personal Property-Salvage	488	573	461	461	461
Vehicle or Equipment Rental	674	659	809	809	574
Subtotal Fleet Management	**46,653**	**57,648**	**48,361**	**49,813**	**49,894**
Risk Management					
Interest on Investments	1,524	1,626	500	500	500
Interest on Receivables	-	-	-	-	71
Other Agency Payments	2	-	-	-	-
Other Departmental Services	1,149	1,075	-	-	-
Other Recoveries	12	4	-	-	-
Real Property Transfer Taxes	-	-	-	-	-
Risk Fund In-Lieu Insurance	31,283	30,200	34,065	34,065	39,182
Service Fees	-	-	100	-	-
State Mandated Reimbursement SB 90	7	18	-	-	-
Third Party Recoveries - Property	354	746	250	250	250
Third Party Recoveries - Vehicle	2	-	-	-	-
Third Party Recoveries Workers' Compensation	3	9	-	-	-
Subtotal Risk Management	**34,338**	**33,679**	**34,915**	**34,815**	**40,003**
Total Internal Service Funds	**80,991**	**91,326**	**83,276**	**84,627**	**89,897**

Schedule 6 (continued)
Revenue Budget (in 000s)

	FY2016/17 Actuals	FY201718 Actuals	FY2018/19 Approved	FY2018/19 Amended	FY2019/20 Proposed
Other Governmental Funds					
CIRBS	42	26	-	-	-
GasTax	9,573	10,740	11,408	11,408	10,665
65th Street Area Impact Fee	-	198	-	-	-
4th R Program	6,348	6,925	6,338	6,338	5,821
Art In Public Places Projects	4	24	-	-	-
Assessment Reg and SDRIS	3	3	-	-	-
Cal EPA	202	204	172	172	172
CIP Reimbursable	38	65	-	-	-
Citation I-5 Improvements	4	6	-	-	-
Citation I-5 Maintenance	10	12	-	-	-
Citywide Low Income Housing	3,478	2,317	2,100	2,100	2,300
Cultural Services - Other	241	185	155	155	155
Debt Service Funds	31,899	6,273	12,482	12,482	8,502
Development Services	7,843	3,674	2,992	992	3,387
Downtown Impact Fee	92	154	-	-	-
Downtown Management District	2,935	3,054	3,094	3,208	3,208
Ethel Macleod Hart Trust	152	182	-	-	-
Externally Funded Programs	16	32	-	-	-
Fair Share Contributions	523	205	-	529	529
Fairytale Town	56	57	50	50	50
Florin Road Storm and San	1	1	-	-	-
Golden 1 Center	39	51	-	-	-
Golf	1,361	1,553	1,430	1,180	1,155
I-5 Subregional Corridor Mitig	-	84	-	-	-
Innovation and Growth	5,495	6,753	-	-	-
Jacinto Creek	723	350	-	-	-
Land Park	131	132	91	91	91
Landscaping and Lighting	15,666	16,316	16,814	16,814	17,528
Library Services Parcel Tax	7,261	7,541	7,949	7,949	8,274
Major Street Construction	4,264	5,090	3,095	3,095	3,095
Marcy Friedman ESC APP	2	1	-	-	-
Marina	1,842	1,886	1,377	1,377	1,590
Measure A Construction	2,617	1,804	-	-	-
Measure A Maintenance	10,733	11,348	11,378	11,378	12,025
Museum of History, Science, & Tech	4	5	-	-	-
NMA Safety, Streets, Ped, Bic	-	583	1,559	1,559	1,690
NMA Traffic Control & Safety	-	424	1,136	1,136	1,219
North Natomas Financing Plan	11,496	15,020	-	-	-
Operating Grants	35	75	-	-	-
Other	222	1,130	-	-	-
Park Development	12,833	10,389	63	229	229
Private Development	67	155	-	-	-
Quimby Act	1,256	955	100	100	100
Railyards Impact Fee	-	-	-	-	50
Redevelopment Bond Funds	3,231	2,513	-	-	-
River District Impact Fee	8	21	-	-	-
Road Maint and Rehabilitation	-	2,892	8,240	8,240	8,249
Sheraton MOPA Project	174	225	-	-	-
SHRA CDBG	-	29	29	29	29
So Natomas Comm Improv	17	20	-	-	-
So Natomas Facility Benefit	499	511	-	-	-
So Natomas I-5 Developer Impr	7	9	-	-	-
Special Districts	17,830	19,394	18,760	19,977	20,544
Special Districts - Capital	710	207	-	-	12
Special Program Donations	4	-	250	-	250
START	3,079	412	612	607	607
State Route 16 Relinquishment	5	7	-	-	-
State Route 160	1	-	-	-	-
State Route 275	3	1	-	-	-
Street Cut	396	87	150	150	150
Sunset, Meadowns A/D Maint	18	24	-	-	-

Schedule 6 (continued)
Revenue Budget (in 000s)

	FY2016/17 Actuals	FY201718 Actuals	FY2018/19 Approved	FY2018/19 Amended	FY2019/20 Proposed
Other Governmental Funds (continued)					
Traffic Safety	524	578	500	500	500
Transportation Development	379	405	350	350	376
Transportation Development Impact Fee	-	1,315	-	-	1,000
Transportation System Management	2	3	-	-	-
Tree Planting Replacement	182	431	120	120	125
Wastewater Development Fees	875	1,923	-	-	-
Water Development Fees	4,523	5,763	-	-	-
Water Planning	1,172	1,400	1,151	1,166	1,134
Willowcreek Fee District	9	12	-	-	-
Zoo	54	55	50	50	50
Total Other Governmental Funds	**173,210**	**154,222**	**113,994**	**113,530**	**114,861**

Schedule 7
Operating Grants - $7.5 million

This section provides an overview of significant grant activities that departments conduct with federal, state, and local sponsorship to advance City objectives and supplement City programs. Grant payments for non-labor items are charged directly to the grant fund. Grant payments for labor are noted in the grant fund and also show as a grant recovery in the General Fund or other funds to which the employees are assigned. This information is not all-inclusive and is intended as a general summary of the City's success in receiving grants. Resources for capital programs are also included in the 2019-2024 CIP. Significant grant amounts that will benefit FY2019/20 are summarized by department below.

FIRE DEPARTMENT - $1,193,990

Urban Search and Rescue (US&R) $1,193,990

The National US&R system is a cooperative effort between the Department of Homeland Security (DHS), participating state emergency management agencies, and local public safety agencies across the country. The system is built around a core of sponsoring agencies prepared to deploy US&R task forces immediately and initiate US&R operations at DHS's direction. US&R operational activities include locating, extricating, and providing on-site medical treatment to victims trapped in collapsed structures, victims of weapons of mass destruction (WMD) events, victims of major flooding and, when assigned, performing incident command or other operational activities. California has eight of the 28 US&R Task Forces. The City of Sacramento's Fire Department (SFD) is the sponsoring agency of California Task Force 7 (CA-TF7). DHS provides financial support in the form of grants/cooperative agreements to each of the Sponsoring Agencies. SFD is solely responsible for the administrative management of CA-TF7. As required by the cooperative agreement, SFD will use this grant to: train task force personnel; maintain a state of readiness; and acquire necessary equipment and supplies. Funding is included to staff the following positions: a Battalion Chief, an Administrative Analyst, an Administrative Technician, and two Cache Logisticians. Funding for this program, which varies annually, is provided on an annual basis from DHS.

POLICE DEPARTMENT - $5,289,372

FY2017 Urban Area Security Initiative $2,369,600

This program provides funding from the Department of Homeland Security through the State of California to enhance the five mission areas of the National Preparedness Goal: Prevention, Protection, Mitigation, Response and Recovery.

Citizens' Option for Public Safety Program $1,129,667
This program provides funding from the state through Sacramento County to law enforcement jurisdictions to support law enforcement activities. This funding is determined by the City's relative population, which is based on the most recent January estimate by the population research unit of the California Department of Finance.

FY15 Community Oriented Policing (COPS) Hiring Program Grant $128,645
FY17 Community Oriented Policing (COPS) Hiring Program Grant $656,250
This federal program provides funding directly to law enforcement agencies to create and preserve jobs, and to increase community policing capacity and crime-prevention efforts, especially gun violence. The department is using these grants to hire and retain 30.0 FTE Police Officers. The awards fund entry-level salaries and benefits for the officers over a three-year period, up to $125,000 per position for the entire three-year term. Compensation costs in excess of the three-year grant period and one-year retention period are supported with Measure U resources. Without Measure U resources, the City would be unable to accept the award.

FY17 Edward Byrne Memorial Justice Assistance Program $248,327
FY18 Edward Byrne Memorial Justice Assistance Program $252,397
This federal program provides annual funding to state and local governments to support a broad range of activities to prevent and control crime and to improve the criminal justice system. These awards are being used to support the department's Air Operations Program. Expenses include fuel, regular inspections and repair, and the overhaul and replacement of equipment.

State of California - Gang Violence Suppression $403,660
The purpose of this program is to reduce the level of gang violence in target areas and to divert potentially dangerous gang activity. The City partners with the Sacramento County District Attorney's Office, Sacramento County Probation Office, Sacramento City Unified School District, Another Choice Another Chance, and La Familia to achieve program goals.

Selective Traffic Enforcement Program $100,826
This state program exists to increase traffic safety enforcement, outreach, and engagement activities to reduce motorist, bicyclist, and pedestrian injuries and fatalities attributable to driving under the influence (DUI) and unsafe driving (e.g., speeding, texting, etc.).

YOUTH, PARKS, & COMMUNITY ENRICHMENT - $1,041,827

START (Students Today Achieving Results for Tomorrow) $606,789
START has funding of $606,789 from the California Department of Education (DOE) After School Education and Safety (ASES) grant for this after-school literacy and enrichment program that serves over 415 elementary school children daily in the Robla Unified School District.

Workforce Innovation and Opportunity Act (WIOA)/Youth Program Development **$151,701**

The Sacramento Employment and Training Agency provides funding to support 60 in-school youth (ages 16-21 years old) each year. Activities are individualized and may include paid work experience, tutoring, leadership development opportunities, adult mentoring, comprehensive guidance and counseling, and a minimum of one year of follow-up services.

PASSage and ASES Program **$283,337**

Grant funding from the DOE provides after-school academic support, enrichment activities, recreation, and sports for students at middle schools in the Sacramento City Unified School District (SCUSD) and Elk Grove Unified School District (EGUSD). The school districts are the “grantees” who contract with the City for the delivery of the program.

Schedule 8
Reclassification Requests (in Full-Time Equivalents)
all requests are subject to Human Resources approval

Departments have submitted position study requests for the following positions. The Human Resources Department will complete position reviews to determine the appropriate classification. If the proposed classification results in a change of bargaining unit, Human Resources will notify the appropriate employee organization.

Department Budgeted Classification	Union (Rep. Unit #)	FTE
City Auditor		
Assistant City Auditor	N/A (21)	1.00
Senior Auditor	N/A (21)	2.00
Finance		
Administrative Analyst	SCXEA (14)	2.00
Program Specialist	SCXEA (01)	3.00
Special Districts Manager	SCXEA (01)	1.00
Fire		
Account Clerk II	L39 (16)	3.00
Program Analyst	SCXEA (14)	1.00
Human Resources		
Administrative Analyst	SCXEA (14)	1.00
Information Technology		
Website Administrator	SCXEA (01)	1.00
Police		
Police Clerk II	L39 (16)	1.00
Public Works		
Assistant Civil Engineer	WCE (11)	1.00
Customer Service Representative	L39 (16)	1.00
Customer Service Specialist	L39 (16)	1.00
Senior Maintenance Worker	L39 (03)	1.00

Information Technology - Classification and Compensation Study

The Human Resources Department is authorized to work with the Department of Finance, Information Technology (IT) Department, and representatives from SCXEA, Local 39, and WCE to review existing IT job classifications and compensation structure to ensure that all IT positions within the City are equitable, externally competitive, and consistent with other government agencies that are similar in size, economic climate, and population with the City of Sacramento.

Union	Rep. Unit #	Represented Unit
L39	03	Stationary Engineers, Local 39 (Operations and Maintenance)
L39	16	Stationary Engineers, Local 39 (Office & Technical)
N/A	21	Mayor/Council Support
SCXEA	10	Sacramento City Exempt Employees Association (Confidential/Administrative)
SCXEA	14	Sacramento City Exempt Employees Association (Exempt Management Support)
WCE	11	Western Council of Engineers

Schedule 9
Multi-year Operating Projects (MYOPs)

Project Name	Project Number	Fund Name	Fund #	Project Budget as of March 2019	Estimated Balance as of March 2019	FY2019/20 Funding	
Cannabis Policy and Enforcement	I06420000	General Fund	1001	11,582,683	10,491,957	840,000	
Citywide Classification Study	I08000400	General Fund	1001	-	-	3,000,000	3
Citywide Litigation Project	I80310000	General Fund	1001	520,000	153,554	500,000	
Creative Edge	I02181100	General Fund	1001	-	-	580,000	3
Cultural Arts Awards	I17000700	General Fund	1001	1,450,000	382,200	114,000	
Electrical Safety Program	I13000100	General Fund	1001	500,000	146,708	100,000	
Gang Prevention and Intervention	I02000600	General Fund	1001	3,808,099	169,515	965,152	1
General Plan Update	I22000000	General Fund	1001	7,748,578	3,571,212	110,000	
Homeless Housing Initiative	I02000200	General Fund	1001	31,129,814	18,571,716	2,146,098	1
Illegal Dumping	I15200200	General Fund	1001	-	-	382,000	3
Police Impact Teams	I11002400	General Fund	1001	1,150,000	1,060,319	575,000	
Powerhouse Science Center	E18000400	General Fund	1001	760,000	706,559	600,000	
Successor Agency (RASA) Support	I80005010	General Fund	1001	-	-	500,000	3
Utility Rate Assistance Program	I14130100	General Fund	1001	10,118,761	4,953,638	3,772,720	
Webgrant Restructuring Program	I07000900	General Fund	1001	589,558	99,389	100,000	
					Subtotal General Fund:	**$ 14,284,970**	
Economic Development Initiatives	I02181000	Measure U	2401	-	-	500,000	3
FY2020 City Attorney's Office	I80030800	Measure U	2401	-	-	310,880	3
FY2020 City Manager Youth Programs	I80020800	Measure U	2401	-	-	250,000	3
FY2020 Community Development Measure U	I80210800	Measure U	2401	-	-	672,502	3
FY2020 Economic Development Measure U	I80180800	Measure U	2401	-	-	3,697,861	3
FY2020 Fire Measure U	I80120800	Measure U	2401	-	-	18,291,044	3
FY2020 Information Technology Measure U	I80070800	Measure U	2401	-	-	443,053	3
FY2020 Police Measure U	I80110800	Measure U	2401	-	-	35,604,073	3
FY2020 Public Works Measure U	I80150800	Measure U	2401	-	-	1,000,000	3
FY2020 YPCE Measure U	I80190800	Measure U	2401	-	-	13,909,643	3
Financial Empowerment	I02182000	Measure U	2401	-	-	300,000	3
Gang Prevention and Intervention	I02000600	Measure U	2401	-	-	605,000	
Police Information Technology Infrastructure	I11002700	Measure U	2401	-	-	1,090,595	3
Police Observation Devices (PODs)	I11002300	Measure U	2401	-	-	157,500	
Police ShotSpotter Gunshot Detection System	I11002500	Measure U	2401	-	-	306,000	
Sacramento Riverfront	I02180200	Measure U	2401	677,339	677,339	300,000	
					Subtotal Measure U Fund:	**$ 77,438,151**	
					Subtotal General/Measure U :	**$ 91,723,121**	

[1]Funding for positions to support this effort is included in the City Manager's Office.

[2]These are reimbursable projects and have corresponding revenue budgets.

[3]New MYOPs

Schedule 9 (continued)
Multi-year Operating Projects (MYOPs)

Project Name	Project Number	Fund Name	Fund #	Project Budget as of March 2019	Estimated Balance as of March 2019	FY2019/20 Funding	
Central City Fee District	I06132110	Downtown Fee District	3210	-	-	50,000	3
City Hall Tech Program	I02001500	Innovation and Growth	2031	125,000	64,500	125,000	
City of Festivals Program	I15001211	Parking	6004	1,139,000	116,140	100,000	
Fleet Acquisitions	I06000999	Various Funding Sources		-	-	18,175,447	
F.O.C.A.S.	I13000400	Special Program Donatio	2502	2,293,407	548,392	250,000	2
Forgivable Loan	I02180400	Innovation and Growth	2031	201,500	201,500	500,000	
General Plan Update	I22000000	Development Services	2016	7,411,178	3,346,197	2,000,000	2
Jacinto Creek Planning Area Administrative (JCPA)	I22205100	JCPA	3203	344,999	78,725	100,000	
Powerhouse Science Center	E18000400	Innovation and Growth	2031	4,850,000	400,000	400,000	
RAILS Grant Program	I18000100	Innovation and Growth	2031	1,970,709	73,915	1,000,000	
Railyards Fee District	I06132100	Railyards Impact Fee	3211	-	-	50,000	3
River Fee District	I06132120	River District Impact Fee	3212	-	-	50,000	3
Sacramento Economic Gardening 3 Year	I02184000	Innovation and Growth	2031	-	-	436,000	3
Sacramento Entrepreneur Dev Academy Ph 1	I02183000	Innovation and Growth	2031	-	-	750,000	3
Solid Waste Outreach	I14120200	Solid Waste	6007	2,668,834	737,000	200,000	
Storm Drainage Planning and Management	I14100000	Storm Drainage	6011	15,681,382	3,831,762	1,760,218	
SVS Operations and Management	I15001000	Parking	6004	271,000	124,624	221,000	
Wastewater Planning and Management	I14600000	Wastewater	6006	15,763,826	5,347,554	2,361,609	
Water Planning and Management	I14400000	Water	6005	16,024,365	6,060,627	2,564,664	
					Subtotal Other Funds:	**$ 31,093,938**	
					Total	**$ 122,817,059**	

[1]Funding for positions to support this effort is included in the City Manager's Office.

[2]These are reimbursable projects and have corresponding revenue budgets.

[3]New MYOPs

Schedule 10
Five-Year Projected Net Debt Service by Fund (in 000s)

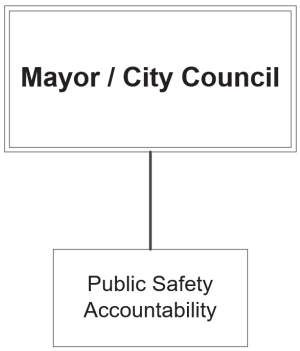
Fund Type	FY2019/20	FY2020/21	FY2021/22	FY2022/23	FY2023/24
Governmental Funds					
General Fund	20,315	19,155	16,431	17,095	16,639
Subtotal Governmental Funds:	**20,315**	**19,155**	**16,431**	**17,095**	**16,639**
Enterprise Funds					
Community Center	22,050	27,120	19,218	19,222	19,219
Parking	12,323	11,909	10,976	10,280	10,077
Solid Waste	1,693	1,688	1,677	1,678	1,677
Storm Drainage	3,509	3,242	235	235	235
Wastewater	2,827	2,733	1,999	2,002	2,003
Water	29,792	29,773	29,764	29,154	29,147
Subtotal Enterprise Funds:	**72,195**	**76,464**	**63,869**	**62,570**	**62,358**
Internal Service Funds					
Fleet Management	67	46	46	46	46
Worker's Compensation	71	71	71	66	60
Subtotal Internal Service Funds:	**138**	**117**	**117**	**112**	**106**
Other Governmental Funds					
2006 CIRBs, Series B (CRCIP)	2,717	2,719	2,718	2,723	2,715
2006 CIRBs (Refunding), Series E	250	205	207	503	463
2015 Golden 1 Center Revenue Bonds	17,199	17,279	15,312	16,149	16,581
2016 Lease Financing-H Street	1,349	1,343	1,345	1,347	1,339
Golf	1,167	1,166	442	435	435
Marina	1,172	1,083	1,083	1,013	944
NNFP Public Facilities Fee	708	636	581	586	587
NNFP Reg Park Land Acquisition	422	422	837	843	846
Subtotal Other Governmental Funds:	**26,085**	**25,951**	**23,625**	**24,700**	**25,010**
Total:	**118,733**	**121,687**	**104,042**	**104,478**	**104,113**

6

SECTION – 6
Mayor and City Council

Mayor and City Council

The Mayor and City Council, consisting of the Mayor and eight Councilmembers, are the policy-making body for the City of Sacramento. The goal of the Council is to govern the City in a manner that is both responsive to the needs and concerns of City residents and financially sound.



The **Mayor and City Council (Council)** pass City ordinances, provide administrative direction and authority by resolution, approve new programs, and approve the annual budget. The Council acts as Sacramento's Financing Authority, Housing Authority, Public Financing Authority, and Redevelopment Agency Successor Agency. They also appoint the City's Charter Officers (City Attorney, City Auditor, City Clerk, City Manager, and City Treasurer) and the Director of the Office of Public Safety Accountability.

- Mayor and City Council: The governing body of the City. The Mayor is elected by all city voters and Councilmembers are elected by voters in each specific Council District. The Mayor appoints Councilmembers to serve on various regional boards, commissions, and joint powers authorities.

- Public Safety Accountability: Provides an independent review of complaints involving police and fire employees as a means of furthering relationships between the City's public safety departments and the community.

PROGRAMS/SERVICE HIGHLIGHTS

- Provide work experience opportunities in the Mayor's and City Council Offices to high school and college youth through the City's volunteer internship program and various university and fellowship programs.

- Sponsor and/or organize community events such as movie nights, musical entertainment, holiday celebrations, and farmer's markets to enhance the communities experience of living in the City.

- Financially support community organizations that provide services to City residents in the areas of health and wellness, homelessness, teen learning, arts and culture, and youth sports.
- Hold ongoing community meetings throughout the City to share information and gather ideas that support and connect the citizenry to local government.
- Through the ceremonial resolution process, recognize community-oriented civic celebrations, causes, issues, companies, organizations, and individual residents that have achieved notable milestones or made contributions to the city and/or community. Also, to honor and recognize the passing of citizens.
- Issue keys to the City via the Mayor's Office for residents reaching the 100-year milestone birthday.

DEPARTMENT EFFICIENCIES

- Relocated staff to provide better coordination and communication in the Mayor's Office.

OBJECTIVES FOR FY2019/20

- Continue providing work experience opportunities (internships) to college and high school students focused on building meaningful skill sets that will aid the student in obtaining full-time employment.
- Continue using electronic communications whenever possible to limit the use of printed materials. Printed materials will be made available to constituent communities if necessary.
- Continue evaluating new and existing information technology tools to achieve sustainable services and increase transparency.
- Continue using websites and social media to share information and to communicate in a timely fashion with citizens on issues of interest.

REORGANIZATION

With the passing of the Sacramento City Government Accountability and Efficiency Act (Measure K) in November 2018, the City Auditor was established as a charter officer and the duties of the City Auditor and the Independent Budget Analyst were combined. As part of the FY2019/20 Budget, 9.0 FTE positions (6.0 FTE - Office of the City Auditor and 3.0 FTE – Independent Budget Analyst) and the associated budgets were moved from Mayor/City Council to the Office of the City Auditor.

Department Budget Summary

Mayor/Council Budget Summary	FY2016/17 Actuals	FY2017/18 Actuals	FY2018/19 Approved	FY2018/19 Amended*	FY2019/20 Proposed	Change More/(Less) Proposed/Amended
Employee Services	5,539,823	5,875,947	6,053,889	6,052,389	5,026,482	(1,025,907)
Other Services and Supplies	892,712	749,320	1,244,053	1,769,507	1,122,760	(646,747)
City Property	47,394	21,974	9,100	7,000	2,000	(5,000)
Labor and Supply Offset	26,131	(36,493)	-	-	-	-
Total	**6,506,060**	**6,610,748**	**7,307,042**	**7,828,896**	**6,151,242**	**(1,677,654)**

*The Amended FY2018/19 Budget includes carryover of unspent FY2017/18 Budget and/or transfers to capital projects.

Funding Summary by Fund/Special District	FY2016/17 Actuals	FY2017/18 Actuals	FY2018/19 Approved	FY2018/19 Amended*	FY2019/20 Proposed	Change More/(Less) Proposed/Amended
General	4,650,963	4,813,339	5,419,909	5,941,763	4,569,316	(1,372,447)
Innovation and Growth	102,356	-	-	-	-	-
Interdepartmental Service	1,535,478	1,700,987	1,775,341	1,775,341	1,581,926	(193,415)
Risk Mgmt	119,837	-	-	-	-	-
Storm Drainage	21,434	21,213	24,594	24,594	-	(24,594)
Wastewater	18,511	18,320	21,241	21,241	-	(21,241)
Water	57,481	56,889	65,957	65,957	-	(65,957)
Total	**6,506,060**	**6,610,748**	**7,307,042**	**7,828,896**	**6,151,242**	**(1,677,654)**

*The Amended FY2018/19 Budget includes carryover of unspent FY2017/18 Budget and/or transfers to capital projects.

Division Budget Summary

Mayor/Council Division Budgets	FY2016/17 Actuals	FY2017/18 Actuals	FY2018/19 Approved	FY2018/19 Amended*	FY2019/20 Proposed**	Change More/(Less) Proposed/Amended
Office of the Mayor	1,546,846	1,523,097	1,676,700	1,756,651	784,256	(972,395)
City Council District 1	532,633	408,151	461,385	516,076	478,750	(37,326)
City Council District 2	493,667	494,718	461,385	461,385	219,427	(241,958)
City Council District 3	393,412	454,197	461,385	584,307	478,750	(105,557)
City Council District 4	440,069	454,631	461,385	462,094	219,427	(242,667)
City Council District 5	437,237	462,413	461,385	570,285	478,750	(91,535)
City Council District 6	447,953	419,306	461,385	644,302	219,427	(424,875)
City Council District 7	454,723	418,190	461,385	473,554	478,750	5,196
City Council District 8	445,937	417,418	461,385	463,980	219,427	(244,553)
Independent Budget Analyst	435,032	249,421	455,397	412,397	-	(412,397)
Mayor Council Operations	-	-	-	-	1,964,139	1,964,139
Office of City Auditor Division	747,572	818,030	890,274	890,274	-	(890,274)
Office of Public Safety Accountability	130,978	491,176	593,591	593,591	610,139	16,548
Total	**6,506,060**	**6,610,748**	**7,307,042**	**7,828,896**	**6,151,242**	**(1,677,654)**

*The Amended FY2018/19 Budget includes carryover of unspent FY2017/18 Budget and/or transfers to capital projects.

**The Proposed FY2019/20 Budgets for the Mayor, Districts 2, 4, 6, & 8 have been reduced to five and half months until after the November election. These resources are included in the Mayor Council Operations Division.

Staffing Levels

Mayor/Council Division Budgets	FY2016/17 Actuals	FY2017/18 Actuals	FY2018/19 Approved	FY2018/19 Amended	FY2019/20 Proposed	Change More/(Less) Proposed/Amended
Office of the Mayor	12.00	12.00	12.00	12.00	12.00	-
City Council District 1	2.50	2.50	2.50	2.50	2.50	-
City Council District 2	2.50	2.50	2.50	2.50	2.50	-
City Council District 3	2.50	2.50	2.50	2.50	2.50	-
City Council District 4	2.50	2.50	2.50	2.50	2.50	-
City Council District 5	2.50	2.50	2.50	2.50	2.50	-
City Council District 6	2.50	2.50	2.50	2.50	2.50	-
City Council District 7	2.50	2.50	2.50	2.50	2.50	-
City Council District 8	2.50	2.50	2.50	2.50	2.50	-
Independent Budget Analyst	3.00	3.00	3.00	3.00	-	(3.00)
Office of City Auditor Division	6.00	6.00	6.00	6.00	-	(6.00)
Office of Public Safety Accountability	4.00	4.00	4.00	4.00	4.00	-
Total	**45.00**	**45.00**	**45.00**	**45.00**	**36.00**	**(9.00)**

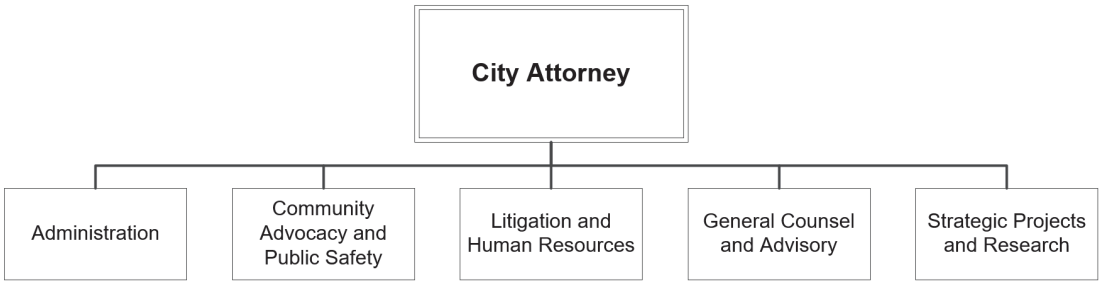
*On April 3, 2019, the Compensation Commission changed Councilmember FTE to 1.0 and adjusted salaries. Funding is included in the Proposed Budget and the Approved Budget will reflect 40.0 authorized FTE for Mayor/Council.

7

SECTION – 7
City Attorney

City Attorney

The mission of the Sacramento City Attorney's Office is to provide the highest quality legal services to the City of Sacramento.



The **City Attorney** serves as the legal advisor to the Council, City Officers, Department staff, boards and commissions as well as the Administration, Investment and Fiscal Management Board (AIFM), Sacramento City Financing Authority, and Sacramento Regional Arts Facilities Financing Authority. The City Attorney's Office provides legal representation in criminal, civil and administrative litigation, renders advice and counsel, and prepares ordinances, resolutions, contracts, opinions, and other legal documents for the City and related entities. The City Attorney's Office is organized into four operational sections and administration.

- Administration: Develop and implement office policies and procedures, monitor overall office performance, prepare and administer the office budget, handle all personnel hiring and other personnel matters, assemble and analyze office productivity data, including production of an annual report, and engage in long-range planning.
- Community Advocacy and Public Safety Division: Work collaboratively with City Departments on code enforcement, social nuisance abatement, public safety issues, including prosecuting code violations through administrative, civil, or criminal proceedings, and social nuisances through civil litigation and training, and advising staff on enforcement matters.
- Litigation and Human Resources Division: Defend and prosecute civil litigation cases on behalf of the City and its officers and employees acting in the course and scope of employment; and provide legal support to Human Resources.

• General Counsel and Advisory Division:	Provide advisory support to all Charter Offices and City Departments on ordinance drafting, transaction and contract negotiations, and provide legal advice regarding a wide range of City issues, including planning, utilities, public works projects, and elections.
• Strategic Projects and Research Division:	Provide strategic support to the Council's policymaking function by providing legal advice and response on current counsel initiatives and issues including homelessness, affordable housing, economic development, and the cannabis industry.

PROGRAMS/SERVICE HIGHLIGHTS

Community Advocacy and Public Safety:

- Enforced the illegal cannabis grow house ordinance to combat and close illegal residential grow houses and collect a substantial amount of administrative and civil penalties.
- Led the Justice for Neighbors team to abate social and physical nuisance properties throughout the City.
- Assisted the City Manager's Office in crafting Administrative Orders to respond to the City's Declaration of Shelter Crisis.
- Assisted the Police Department in developing protocols and procedures for responding to new state laws that require the production of certain peace officer personnel records related to officer involved shootings and use of deadly force.

Litigation and Human Resources:

- Obtained judgment for the City at the demurrer stage, in a case alleging wrongful arrest and excessive force stemming from a vehicle stop in which officers realized the plaintiff was carrying a concealed firearm, preventing the need for discovery or other investigatory expense.
- Obtained court dismissal due to plaintiff's failing to properly comply with claims statutes, in a case where the plaintiff claimed she was falsely arrested on a felony vandalism charge.
- Successful Motion for Summary Judgment leading to voluntary dismissal of a case where the plaintiff claimed he was the subject of discriminatory treatment and retaliation based on protected activities while employed by the City.

- Voluntary dismissal of a case by the plaintiff where she alleged injury by police officers during her arrest following a traffic stop. After viewing video of the arrest captured by dashboard camera of the police vehicle, the plaintiff realized inconsistencies with her deposition testimony and dismissed her complaint.

General Counsel and Advisory:

- Assisted in updating the City's Mills Act program and regulations, allowing owners of qualified historical properties to enter into an agreement with the City in which an owner agrees to restore and preserve the property in exchange for favorable property tax treatment under the Revenue and Taxation Code.

- Assisted in the drafting and adoption of the City's transit-oriented development ordinance, which will encourage pedestrian-friendly and transit-oriented development near the City's transit stations and reduce auto-oriented development, thereby reducing the City's carbon footprint.

- Assisted and advised on approval of the Central City Specific Plan Environmental Impact Report (EIR) to provide California Environmental Quality Act (CEQA) tiering, streamlining, and exemption opportunities for housing in the central city.

- Assisted the Community Development Department with local amendments to the California Building Code and California Residential Code concerning adding appendices to the codes with relaxed building regulations during a declared shelter crisis.

- Provided legal advice to the Public Works Department concerning the ability of the city to utilize gas tax funds for the City's alley closure and abatement program.

- Provided legal guidance to the Homeless Services Division regarding implementation of the City's Whole Person Care program and homeless triage shelters, which provide housing and supportive services to improve health outcomes for vulnerable populations and address the community impacts of unsheltered homelessness.

- Provided legal advice to Public Works staff regarding major City construction projects, including the Memorial Auditorium renovation, Community Center Theater renovation, Convention Center renovation, and proposed construction of the North Natomas Community Center and Aquatic Complex.

- Assisted Public Works staff regarding proposed property acquisition and environmental compliance for the Sacramento River Parkway project, which will eventually provide a continuous levee-top trail for public use from the American River to the Pocket community.

- Assisted in the development of revised regulations for shared-rideables to address scooters in more detail and to provide the city with additional enforcement tools to manage and maintain the public right of way.
- Defended a CEQA lawsuit regarding the McKinley Water Vault Project. The court denied the petitioner's motion which has allowed the Department of Utilities (DOU) to move forward with the project.
- Helped DOU staff and project managers to negotiate and resolve outstanding contractor claims on the City's Accelerated Water Meter Program.
- Provided legal guidance to Convention and Cultural Services staff in securing the loan and temporary installation of nine pieces of artwork for display in the center of Capitol Mall, several of which have become a popular tourist attraction and location for taking pictures.
- Assisted Recycling and Solid Waste staff in avoiding litigation by entering into an agreement to share in the monitoring and closure costs of a former City landfill site, saving potentially hundreds of thousands of dollars in litigation costs.

Strategic Projects and Research:

- Advised the Mayor and Homeless Coordination staff on initiatives to end homelessness, such as the winter shelter and the City's participation in the Homeless Emergency Aid Program and advised and coordinated with the City Manager on implementation of the shelter crisis.
- Assisted the City Treasurer's Office on the issuance of $283 million in transient occupancy tax revenue bonds for the renovation of the Convention Center Complex.
- Advised Council on the next phase of the Nexus Study for cannabis businesses. Advised staff and Council on the implementation of the CORE program.
- Provided legal support to multiple City Departments in negotiating the deal to facilitate Kaiser Permanente's construction of a new hospital and medical center in the Railyards.
- Provided legal advice and support to the Council's Policy Advisory Commission.

DEPARTMENT EFFICIENCIES

- Consolidated legal file storage and renovated the existing office space to increase efficiency and productivity.

OBJECTIVES FOR FY2019/20

- Continue to guide the Council and City Departments through the changing laws and regulations related to cannabis regulation and enforcement. To successfully navigate these changes it will be essential to clarify the City's ability to address implementation issues, neighborhood impact issues, and enforcement issues.
- Assist the Council and City Manager with researching and advising on all options available to the City in the pursuit of securing additional resources and avenues for the provision of services and housing to the City's homeless population.
- Assist the Council and City Manager by analyzing, researching and advising on a wide variety of issues related to Use of Force policies.
- Initiate efforts to engage in affirmative litigation efforts to address community issues related to improving health, welfare and safety.

Department Budget Summary

City Attorney Budget Summary	FY2016/17 Actuals	FY2017/18 Actuals	FY2018/19 Approved	FY2018/19 Amended	FY2019/20 Proposed	Change More/(Less) Proposed/Amended
Employee Services	7,545,165	7,754,254	8,949,797	9,275,850	10,409,545	1,133,695
Other Services and Supplies	516,264	411,720	317,278	305,946	301,661	(4,285)
City Property	35,099	13,592	13,750	13,750	13,750	-
Labor and Supply Offset	(38,860)	(216,490)	(209,855)	(467,196)	(981,291)	(514,095)
Total	**8,057,668**	**7,963,076**	**9,070,970**	**9,128,350**	**9,743,665**	**615,315**

Funding Summary by Fund/Special District	FY2016/17 Actuals	FY2017/18 Actuals	FY2018/19 Approved	FY2018/19 Amended	FY2019/20 Proposed	Change More/(Less) Proposed/Amended
General Fund	5,521,629	5,082,981	5,935,241	5,992,621	7,199,893	1,207,272
Cty/Cnty Office-Water Planning	10,000	10,000	10,000	10,000	10,000	-
Interdepartmental Service	2,315,948	2,660,004	2,915,638	2,915,638	2,323,681	(591,957)
Storm Drainage	42,018	42,018	42,018	42,018	42,018	-
Wastewater	42,018	42,018	42,018	42,018	42,018	-
Water	126,055	126,055	126,055	126,055	126,055	-
Total	**8,057,668**	**7,963,076**	**9,070,970**	**9,128,350**	**9,743,665**	**615,315**

Division Budget Summary

City Attorney Division Budgets	FY2016/17 Actuals	FY2017/18 Actuals	FY2018/19 Approved	FY2018/19 Amended	FY2019/20 Proposed	Change More/(Less) Proposed/Amended
Office of the City Attorney	8,057,668	7,963,076	9,070,970	9,128,350	9,743,665	615,315
Total	**8,057,668**	**7,963,076**	**9,070,970**	**9,128,350**	**9,743,665**	**615,315**

Staffing Levels

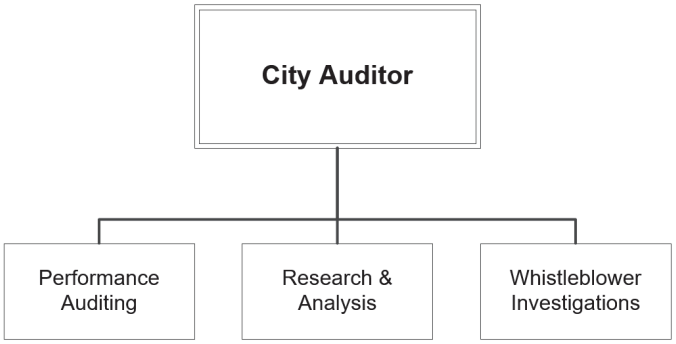
City Attorney Division Budgets	FY2016/17 Actuals	FY2017/18 Actuals	FY2018/19 Approved	FY2018/19 Amended	FY2019/20 Proposed	Change More/(Less) Proposed/Amended
Office of the City Attorney	50.00	51.00	52.00	54.00	58.00	4.00
Total	**50.00**	**51.00**	**52.00**	**54.00**	**58.00**	**4.00**

8

SECTION – 8
City Auditor

City Auditor

The mission of the Office of the City Auditor is to provide a catalyst for improvements of municipal operations, promote credible, efficient, effective, fair, focused, transparent, and a fully accountable City Government.



The **Office of the City Auditor** is an essential element of the City of Sacramento's public accountability, built on the standards of independence, objectivity, and technical accuracy. The audit process involves verifying compliance with laws and regulations, identifying internal control weaknesses and failures, and assessing whether the City has acquired and used its resources efficiently. The Office of the City Auditor conducts performance audits in accordance with Generally Accepted Government Auditing Standards and has strict quality assurance programs to ensure that staff exercise due professional care, adequately plan audits, and prepare work papers that contain sufficient and compelling evidence to support any statements of fact in its audit reports. The Office of the City Auditor consists of the following operations:

- Performance Audit: Provides independent, objective, and reliable information regarding the City's ability to meet its goals and objectives and establish an adequate system of internal controls.
- Research and Analysis: Provides independent research and analysis related to fiscal issues, including the City's past, current, and proposed revenues and expenditures.
- Whistleblower Investigations: Investigates allegations of potential fraud, waste, and abuse reported through the City's whistleblower hotline.

PROGRAMS/SERVICE HIGHLIGHTS

- Developed an annual workplan using a number of techniques, sources, and stakeholder input to identify areas of high audit and research potential that can be completed or initiated during the fiscal year with the resources available.

- Issued a Preliminary Assessment of the City's On-Street Parking Meters to independently evaluate allegations of erroneous meter citations and to identify areas for improvement.

- Issued an Audit of On-Street Parking Meters that independently evaluated the reliability of on-street parking meter technology and made 10 recommendations to improve the customer experience.

- Issued an Audit of the Department of Utilities Workplace Safety that explored the Utilities Department's safety practices. This audit made 22 recommendations aimed at improving workplace safety compliance and accountability.

- Issued an Audit of the City's Gender and Ethnic Diversity which provided an update to the prior year's diversity study on the gender and ethnic composition of City employees compared to City residents.

- Performed an analysis and issued a report on the number, ethnicity, and income level of unserved preschool-age children in the City of Sacramento.

- Received an Exemplary Knighton award from the Association of Local Government Auditors for the Audit of the Fire Department Overtime Use.

- Partnered with the National Research Center to conduct a *Citizen Survey* to learn about the "livability" of Sacramento by capturing residents' opinions regarding the overall quality of life in Sacramento and a range of community issues and services provided by the City.

- Monitored the status of over 200 open audit recommendations by conducting follow-up reviews every six months.

- Investigated a number of whistleblower allegations regarding fraud, waste, and abuse.

- Procured ACL Robotics software to aid in performing advanced analytics, continuous monitoring, and identifying anomalies. This software is designed to help free up staff time to focus on more strategic and complex audit issues.

- Highlighted the work of the Office of the City Auditor, provided training, and presented on audit topics at a number of engagements including Sacramento State University, San Francisco State University, League of California Cities, Institute of Internal Auditors Sacramento Chapter, Summit for Government Performance and Innovation, Western intergovernmental Audit Forum, and the Association of Local Government Auditors.

- Provided internship and fellowship opportunities for four individuals at the high-school and the college level. These internships provide individuals with exposure to a wide variety of government operations, critical thinking skills, and opportunities to apply data analysis techniques.

DEPARTMENT EFFICIENCIES

- Entered into an agreement with Missionmark to explore the potential for developing audit software that will streamline internal audit processes and reduce processing time. Areas for improvement currently under review include report indexing, supporting documentation referencing, supervisory review, and recommendation follow up.

OBJECTIVES FOR FY2019/20

- Obtain a peer review and continue to maintain our certification of compliance with Government Auditing Standards from the Association of Local Government Auditors.
- Continue to improve the efficiency and effectiveness of City operations by performing audits, conducting independent analysis and research, and investigating whistleblower allegations.
- Add features to the City Auditor's website that will improve citywide transparency and accountability by referencing open audit recommendations by department.
- Continue providing work experience opportunities (internships) to college and high school students focused on building meaningful skill sets that will aid the students in obtaining full-time employment.

REORGANIZATION

With the passing of the Sacramento City Government Accountability and Efficiency Act (Measure K) in November 2018, the City Auditor was established as a charter officer and the duties of the City Auditor and the Independent Budget Analyst were combined. As part of the FY2019/20 Budget, 9.0 FTE positions (6.0 FTE - Office of the City Auditor and 3.0 FTE – Independent Budget Analyst) and the associated budgets were moved from Mayor/City Council to the Office of the City Auditor.

POSITION CHANGES

- A vacant position (1.0 FTE Independent Budget Analyst) was deleted and a new position (1.0 FTE Principal Fiscal Policy Analyst) was added to align with the new organizational structure.

Department Budget Summary

Office of the City Auditor Budget Summary	FY2016/17 Actuals	FY2017/18 Actuals	FY2018/19 Approved	FY2018/19 Amended	FY2019/20 Proposed	Change More/(Less) Proposed/Amended
Employee Services	-	-	-	-	1,245,639	1,245,639
Other Services and Supplies	-	-	-	-	131,581	131,581
City Property	-	-	-	-	5,000	5,000
Total	**-**	**-**	**-**	**-**	**1,382,220**	**1,382,220**

Funding Summary by Fund/Special District	FY2016/17 Actuals	FY2017/18 Actuals	FY2018/19 Approved	FY2018/19 Amended	FY2019/20 Proposed	Change More/(Less) Proposed/Amended
General Fund	-	-	-	-	843,937	843,937
Interdepartmental Service	-	-	-	-	431,185	431,185
Storm Drainage	-	-	-	-	23,562	23,562
Wastewater	-	-	-	-	20,349	20,349
Water	-	-	-	-	63,187	63,187
Total	**-**	**-**	**-**	**-**	**1,382,220**	**1,382,220**

Division Budget Summary

Office of the City Auditor Division Budgets	FY2016/17 Actuals	FY2017/18 Actuals	FY2018/19 Approved	FY2018/19 Amended	FY2019/20 Proposed	Change More/(Less) Proposed/Amended
Performance Auditing Division	-	-	-	-	909,715	909,715
Research & Analysis Division	-	-	-	-	472,506	472,506
Total	**-**	**-**	**-**	**-**	**1,382,220**	**1,382,220**

Staffing Levels

Office of the City Auditor Division Budgets	FY2016/17 Actuals	FY2017/18 Actuals	FY2018/19 Approved	FY2018/19 Amended	FY2019/20 Proposed	Change More/(Less) Proposed/Amended
Performance Auditing Division	-	-	-	-	6.00	6.00
Research & Analysis Division	-	-	-	-	3.00	3.00
Total	**-**	**-**	**-**	**-**	**9.00**	**9.00**

* Prior year information on budget and staffing levels can be found in the Mayor and City Council section of the document.

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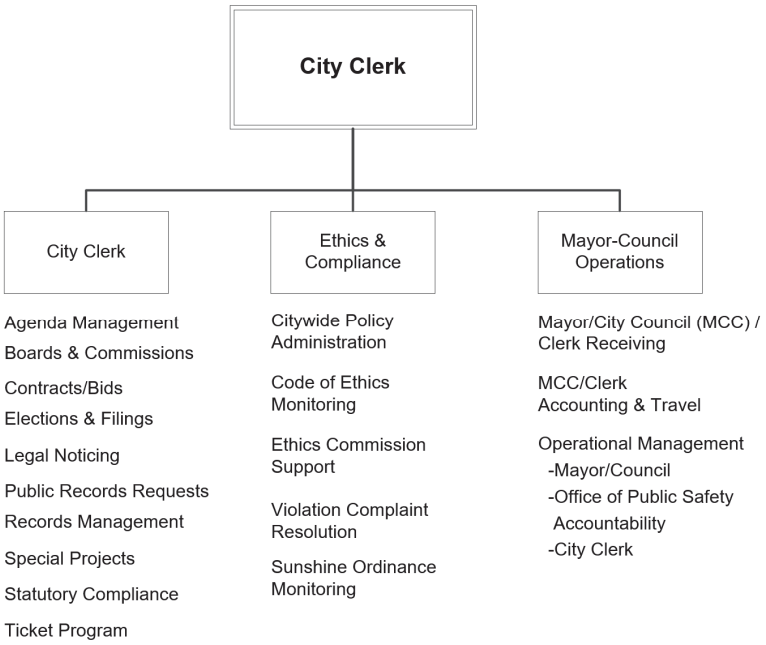
SECTION – 9
City Clerk

City Clerk

The mission of the City Clerk's Office is to provide quality public service and connect the public with the legislative process. We strive to ensure that the City's legislative processes are open and public by providing a link between citizens and government with processes aimed toward transparency. Through efficient use of City resources, we are able to ensure the preservation of Sacramento's legislative history.



The **City Clerk** serves as the Clerk of the Council and is responsible for the preparation of agendas, the recording and maintenance of all Council actions, and the preparation and filing of public notices.

- Office of the City Clerk: The office through which the Council, City Departments, and the public look for general information regarding the City. As the official records keeper for the City, the Clerk is responsible for the coordination and administration of all City records, documents, and public files. The City Clerk manages Public Records Act (PRA) requests, administers the City ticket policy and regulatory ticket distribution filings, conducts all bid openings, maintains the City's municipal code and charter, receives all claims filed against the City, researches issues related to Council and Committee actions, maintains contract and agreement files, registers lobbyists, manages online campaign filings and campaign finance submissions, administers City board and commission files, administers oaths of office, presides as the Elections

	Official for the City and the Filing Officer for Fair Political Practices Commission requirements, and serves as the official custodian of the City Seal.
• Mayor-Council Operations:	Manages the administrative, personnel, and fiscal operations of the City Clerk's Office, Offices of the Mayor and Council, including the City Auditor, and Office of Public Safety Accountability.
• Good Governance and Compliance:	This office supports the Ethics Commission and focuses on reviewing existing City codes and policies, and educating and training staff, public officials and the community to ensure compliance. These guidelines are found in the City Code and in adopted citywide policies.

PROGRAMS/SERVICE HIGHLIGHTS

- Continued to hire and train a diverse staff in the responsibilities and requirements of the City Clerk's Office.

DEPARTMENT EFFICIENCIES

- Continued the review of operations in the City Clerk's Office and Offices of the Mayor and Council for implementation of "best practices" for a more efficient workflow and accurate deliverables.
- Continued utilization of the Citywide Content Management System (CCM) as a tool in the implementation of a records management program focused on moving the City toward consistent administration and appropriate handling of the agency's records and provide increased access to agency records to both internal and external customers.
- Provided training opportunities to City staff on procedures and resources associated with the Clerk's Office to maintain institutional knowledge that will be lost as employees leave City service and remaining employees take on new responsibilities.
- Provided training on new policy and legal requirements to ensure compliance.
- Continued evaluation of new and existing information technology tools to achieve sustainable services, increase transparency, and provide new records and data to the public.
- Developed a new workflow to automate the approval process for requests to destroy or transfer City records that are not stored in CCM.

- Automated the process for contracts that are not submitted through the Automated Bid, Contract, and Digital Signatures (ABCDs) platform.
- Automated the submittal of Arguments and Rebuttals for Measures being submitted for an upcoming election.
- Relocated operational staff workstations to more effectively support fifth floor reception and receiving.

OBJECTIVES FOR FY2019/20

- Continue providing work experience opportunities (internships) to college and high school students focused on building meaningful skill sets that will aid the student in obtaining full-time employment.
- Continue to utilize social media to communicate in a timely fashion with citizens on issues managed by the Clerk's Office.
- Implement the ABCDs project, develop training materials and train staff on the use of the program.
- Develop training objectives for the Good Governance program.
- Utilize new functionality in the Office 365 suite to reduce duplication and improve responses to Public Records Act requests.
- Continue to expand utilization of the CCM.
- Refine our Boards and Commissions recruiting, onboarding, and ongoing training.
- Develop a system to accept online payment for Lobbyist registrations.
- Optimize webpages associated with the Office of the City Clerk.

Department Budget Summary

City Clerk Budget Summary	FY2016/17 Actuals	FY2017/18 Actuals	FY2018/19 Approved	FY2018/19 Amended	FY201920 Proposed	Change More/(Less) Proposed/Amended
Employee Services	1,852,474	1,873,416	2,025,788	2,025,788	2,117,606	91,818
Other Services and Supplies	359,451	365,663	559,211	559,211	588,111	28,900
City Property	4,820	10,937	6,000	6,000	5,000	(1,000)
Labor and Supply Offset	5,644	2,937	4,000	4,000	500	(3,500)
Total	**2,222,388**	**2,252,954**	**2,594,999**	**2,594,999**	**2,711,217**	**116,218**

Funding Summary by Fund/Special District	FY2016/17 Actuals	FY2017/18 Actuals	FY2018/19 Approved	FY2018/19 Amended	FY201920 Proposed	Change More/(Less) Proposed/Amended
General Fund	1,523,962	1,478,216	1,645,274	1,645,274	1,609,875	(35,399)
Interdepartmental Service	698,426	774,738	949,725	949,725	1,101,342	151,617
Total	**2,222,388**	**2,252,954**	**2,594,999**	**2,594,999**	**2,711,217**	**116,218**

Division Budget Summary

City Clerk Division Budgets	FY2016/17 Actuals	FY2017/18 Actuals	FY2018/19 Approved	FY2018/19 Amended	FY201920 Proposed	Change More/(Less) Proposed/Amended
Office of the City Clerk	1,860,915	1,725,512	1,836,730	1,836,730	1,951,896	115,166
Office of Ethics & Compliance	-	171,407	345,181	345,181	314,785	(30,396)
Mayor-Council Operations	361,473	356,035	413,088	413,088	444,536	31,448
Total	**2,222,388**	**2,252,954**	**2,594,999**	**2,594,999**	**2,711,217**	**116,218**

Staffing Levels

City Clerk Division Budgets	FY2016/17 Actuals	FY2017/18 Actuals	FY2018/19 Approved	FY2018/19 Amended	FY201920 Proposed	Change More/(Less) Proposed/Amended
Office of the City Clerk	14.00	13.00	13.00	13.00	13.00	-
Office of Ethics & Compliance	1.00	1.00	1.00	1.00	1.00	-
Mayor-Council Operations	3.00	3.00	3.00	3.00	3.00	-
Total	**18.00**	**17.00**	**17.00**	**17.00**	**17.00**	**-**

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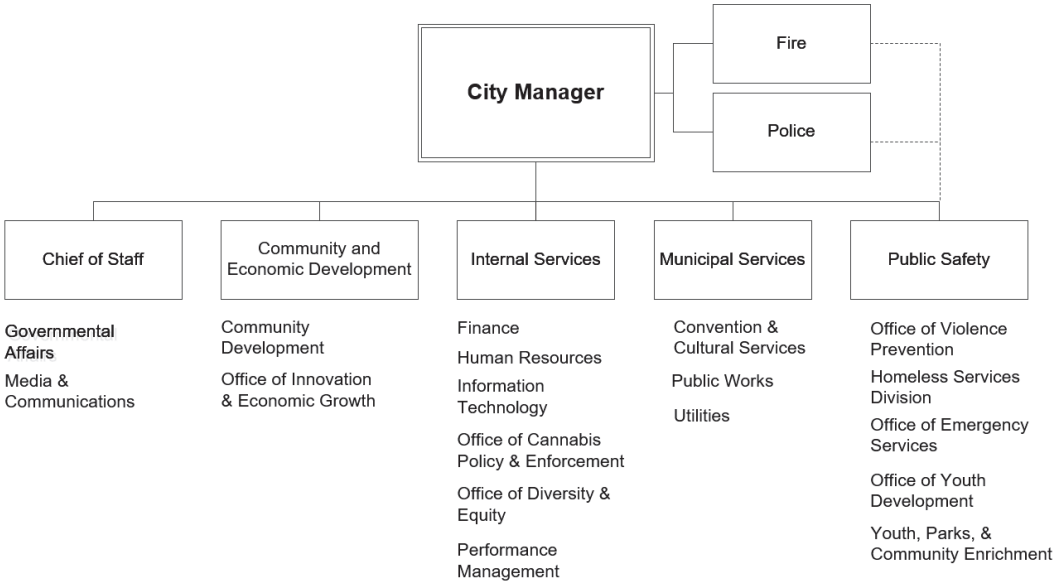
SECTION – 10
City Manager

City Manager

The **City Manager** is the Chief Executive Officer of the City and is responsible for the leadership and direction of all operations, programs and services per City Charter. The City Manager facilitates the implementation of Council's policies and priorities, provides policy recommendations to the Council concerning the operation, annual budget, future needs of the City, and oversight of all City Departments. The Office of the City Manager contains a wide-range of high-profile Division and Programs that handle issue-specific needs such as: Innovation and Economic Development, Homeless Coordination, Violence Prevention, Media and Communication, Cannabis Policy and Enforcement, Government Affairs, Emergency Management, Youth Development, Diversity and Equity, and Performance Management.



PROGRAMS/SERVICE HIGHLIGHTS

- The Office of Innovation and Economic Growth focused on opportunities to support and increase job creation, business growth, and development activities. Accomplishments for the office in the last fiscal year include breaking ground on three notable projects; 1) the new Centene Corporation West Campus in North Natomas; 2) the new Powerhouse Science Center on the riverfront; and 3) the new Hyatt Centric at 7th and L Streets. The office also awarded more than $900,000 in funding to 14 projects through the Rapid Acceleration, Innovation, and Leadership in Sacramento (RAILS) Grant Program. The FY2018/19 RAILS grant awards provided underserved communities access to Sacramento's innovation ecosystem and advance inclusive economic and workforce development.

- The City's Homeless Services Division oversaw the City's response to homelessness, including working with the City's internal and external stakeholders to implement innovative and effective solutions. This past fiscal year, the Homeless Services Division lead the City in implementing two unprecedented projects in the Sacramento community; 1) Pathways to Health + Home (the City of Sacramento's Whole Person Care program), which is a multi-year pilot to improve the health, quality of life, and housing stability for the City's most vulnerable individuals experiencing, or at-risk of experiencing, homelessness; and 2) The City's Railroad Triage Shelter, a service-rich, low barrier shelter, operating 24 hours a day with accommodations for up to 200 persons, their pets, partners, and personal belongs. The Homeless Services Division was also responsible for leading the development and implementation of sheltering and re-housing programs under the new state funding program, the Homeless Emergency Aid Program, which brought over $18 million in one-time funding to Sacramento, $5.6 million directly to the City of Sacramento.

- The Youth Development Policy Manager was appointed and charged with overseeing implementation of the Citywide Youth Development Plan and Framework for Children and Youth Programs (Plan). The Plan is steeped in research that proves only high-quality programming produces positive outcomes. Therefore, the initial phase of implementation has focused on assessing, strengthening and identifying the internal systems needed to support high-quality, data-informed children and youth investments. The following are a few of the key steps taken; 1) interdepartmental collaboration on the contract and development of a Citywide Youth Data Portal and Management System; 2) Plan integration through internal alignment and facilitation of standing interdepartmental youth programs workgroups and; 3) partnering across departments and sectors to secure key grants that align with multiple goals laid out in the Plan.

- The Diversity and Equity Manager was appointed and charged with overseeing the development of a Race and Gender Equity Action Plan (Plan). The Plan will utilize assessment measures based on the Global Diversity and Inclusion Benchmarks framework to build a systemic approach to produce positive outcomes that inform our workforce equity efforts by 1) Improved Online Hiring System that enhances workforce data collection capabilities; 2) Drafting the Citywide Recruitment and Hiring Manual to identify best practices and policies that relate to the entire workforce development hiring/separation continuum; 3) Completing the Government Alliance on Race and Equity 12-member city cohort to articulate strategic goals for implementation as part of the Plan; and 4) Pilot an Equity and Inclusion Leadership Series "Awake to Woke to Work" that offers workforce trainings throughout 2019 on the complexities of diversity and responsibility of staff leaders to operationalize workplace inclusion.

- The Office of Violence Prevention worked collaboratively with 21 non-profit organizations to deliver 141,881 direct service hours to 5,001 gang impacted youth. Program services for the youth focused on life skills, academic achievement, crisis response and workforce readiness. An additional 2,087

family members, or other adults in the community received 20,902 collective hours of program services to empower them to support the City's violence prevention efforts.

- The Office of Cannabis Policy and Enforcement developed, implemented and administered permits, and provided enforcement and regulations for commercial cannabis in the City. This includes the oversight and coordination of an interdepartmental team to ensure the safe and legal operation of cannabis businesses.

- The City Manager's Office will continue to lead the City's efforts on the Community Center Theater renovation, the remodeling of the Memorial Auditorium, and the expansion of the Sacramento Convention Center projects.

- The Office of Governmental Affairs provided oversight and coordinated and developed policies for local, state, and federal legislative activities including management of the City's contract lobbyists. The office serves as staff to Council's Law and Legislation Committee, is responsible for the design and implementation of the annual state and federal legislative and policy platform and all Fair Political Practice Commission reporting.

- The Office of Emergency Services (OES) coordinated the planning, preparedness, communication, response, and recovery during man-made or natural catastrophes for the City. OES also has oversight over the Emergency Operations Center (EOC). The EOC is activated to support on-scene response during an escalating incident. The EOC is a physical location staffed with personnel trained for and equipped with mechanisms for communicating with staff on scene and obtaining resources.

- The Performance Management program infuses accountability into City services at every level of the organization, increases transparency, and supports data-based decision-making informing the City's operations and serves the community in the most effective and efficient way possible.

- Media and Communications coordinated with all departments to share information, support events and engage with citizens about City services and projects. This year the team informed and engaged citizens about important initiatives including the City's efforts to solve homelessness, its renovation/expansion of the Community Center Complex, its rollout of 5G technology and its work with shared "rideable" solutions such as bikes and e-scooters. Materials created and disseminated by Media and Communications fostered neighborhood/community involvement, promoted access to recreational and educational resources and encouraged a safe environment for all.

DEPARTMENT EFFICIENCIES

- The City has embarked on a comprehensive management plan for the operations of the Sacramento Convention Center Complex including the Memorial Auditorium, the Community Center Theater, and the Convention Center. The goal is to ensure that the facilities are managed in the most efficient manner possible and continue to provide a high level of quality and service once the Theater and Convention Center reopen in 2020.

OBJECTIVES FOR FY2019/20

- Produce performance outcomes for all Measure U Community Advisory Committee programs and funding recommendations.
- Develop and implement the Five-year Race and Gender Equity Action Plan to increase diversity and inclusion using a systemic approach.
- Continue to build infrastructure to support high-quality, data-informed children and youth program investments. Introduce and implement a set of policies and strategies that enable equitable, research-based supports, opportunities and pathways for young people to succeed.
- Introduce and implement a set of priorities to grow Sacramento's economy, which includes a refocus on strengthening Sacramento's neighborhoods and increasing inclusive approaches and local capacity.
- Continue to work closely with the Council in developing sound policies related to the emerging cannabis industry and protect public health by ensuring cannabis products sold are safe, properly packaged and labeled, and only sold to qualified adults or patients.
- Educate and inform young people about the potential hazards of cannabis use/misuse.
- Provide a fair and transparent regulatory environment that facilitates the transition of the cannabis industry into a legal framework while ensuring opportunity for a diverse group of industry participants.
- Successful implementation of the Advance Peace strategy to effectively reduce gun violence in overly impacted neighborhoods.
- Relocate performing arts groups from the Community Center Theater to the Memorial Auditorium beginning summer of 2019. Renovate the Theater while it is shutdown from summer 2019 until the end of 2020.

- Develop and implement a robust response to homelessness in the City of Sacramento, considering the needs of the homeless population, the impacts on businesses and neighborhoods and leveraging the strengths of non-profits providers.

- Strategically use City, state, and federal funding to provide crisis response, supportive services and re-housing assistance through key initiatives, including the Pathways to Health + Home program, the City's triage sheltering system, and strengthen connectivity to larger systems of care, including county services, education and employment resources, the criminal justice system, and health care.

BUDGET CHANGES

Division	Description	Fund	Revenue/ Offset Adjustment	Expenditure Change	FTE Change
Office of Innovation and Economic Development	Provide funding for the Sacramento Entrepreneur Development Academy Phase 1.	Innovation and Growth	-	750,000	-
Office of Innovation and Economic Development	Provide funding for the Sacramento Economic Gardening Three-Year Demonstration Project.	Innovation and Growth	-	436,000	-
Office of Innovation and Economic Development	Provide funding for marketing and communication for the Sacramento Story Project Phase 1.	Innovation and Growth	-	75,000	-
Office of Innovation and Economic Development	Add a position (1.0 FTE Chief Housing Officer -Staff Aide) to focus on a citywide housing policy and finding avenues to promote development of additional housing.	Measure U	-	141,929	1.00
Office of Innovation and Economic Development	Provide funding for consulting services to establish a Financial Empowerment Center.	Measure U	-	300,000	-
Office of Innovation and Economic	Provide funding for the Sacramento Riverfront Project (I02180200) Phase 2.	Measure U	-	300,000	-
Office of Innovation and Economic Development	Provide funding to support key initiatives for economic development, including project planning and implementation.	Measure U	-	500,000	-
Office of Innovation and Economic Development	Add positions (3.0 FTE Junior Development Project Managers) for the Neighborhood Action Team to address economic and community development needs across the City's neighborhoods.	Measure U	-	414,843	3.00
Office of Innovation and Economic Development	Add a position (1.0 FTE Junior Development Project Manager - Ombudsman) to focus on Downtown and the urban core, taking advantage of an enhanced market and growth emanating from City investments in the Golden 1 Center, Sacramento Convention Center, the Memorial Auditorium, and the Community Center Theater.	Measure U	-	138,281	1.00
Office of Innovation and Economic Development	Add a position (1.0 FTE Operations Manager) to assist in the management and direction of operations in the Office of Innovation and Economic Development.	Measure U	-	194,124	1.00

BUDGET CHANGES (continued)

Division	Description	Fund	Revenue/ Offset Adjustment	Expenditure Change	FTE Change
Office of Innovation and Economic Development	Provide funding for the Community Engagement Team and add staffing (1.0 FTE Program Specialist, 1.0 FTE Administrative Analyst, 4.0 FTE Staff Aides) for engagement and outreach expansion.	Measure U	-	1,050,843	6.00
Office of Violence Prevention	Provide funding for key programs, including gun violence intervention, youth development grants and evaluation, regional summit, and Strategic Plan implementation.	Measure U	-	605,000	-
Office of Youth Development	Provide funding for youth development, training for staff working with children and youth, youth data portal and data management software, and grants management software.	Measure U	-	250,000	-
		Total Change	**$ -**	**$ 5,156,020**	**12.00**

POSITION CHANGES

- A vacant position (1.0 FTE Special Projects Manager) was deleted and a new position (1.0 FTE Staff Aide - Management) was added for the Office of Homeless Services.
- A vacant position (1.0 FTE Neighborhood Services Coordinator II) was deleted from the Youth, Parks, and Community Enrichment Department and a new position (1.0 FTE Staff Aide – Management) was added to the City Manager's Office to manage the new Community Engagement team.
- A position (1.0 FTE Administrative Analyst) was transferred from the Department of Finance to the City Manager's Office to provide administrative and fiscal support to the Economic Development Division.

Department Budget Summary

City Manager Budget Summary	FY2016/17 Actuals	FY2017/18 Actuals	FY2018/19 Approved	FY2018/19 Amended	FY2019/20 Proposed	Change More/(Less) Proposed/Amended
Employee Services	2,666,764	5,188,425	7,519,712	7,557,528	9,943,947	2,386,419
Other Services and Supplies	595,761	1,407,341	1,862,665	1,865,165	2,781,367	916,202
City Property	10,783	40,988	18,326	18,326	27,826	9,500
Transfers	48,583	6,528	-	-	-	-
Labor and Supply Offset	(1,741)	(347,751)	(127,227)	(127,227)	(1,919,043)	(1,791,816)
Operating Transfers	-	(1,997,049)	-	-	-	-
Total	**3,320,150**	**4,298,483**	**9,273,476**	**9,313,792**	**10,834,097**	**1,520,305**

Department Budget Summary (continued)

Funding Summary by Fund/Special District	FY2016/17 Actuals	FY2017/18 Actuals	FY2018/19 Approved	FY2018/19 Amended	FY2019/20 Proposed	Change More/(Less) Proposed/Amended
General Fund	2,151,309	4,321,464	6,863,852	6,904,168	8,299,549	1,395,381
2003 North Sac TE TABS	-	-	9,000	9,000	9,000	-
800K/L Merged Downtown TE	-	(1,772,229)	-	-	-	-
Block Grant/Housing & Redev	-	29,250	29,250	29,250	29,250	-
Innovation and Growth	-	127,174	583,019	583,019	716,343	133,324
Interdepartmental Service	1,168,840	1,592,824	1,788,355	1,788,355	1,779,954	(8,401)
Total	**3,320,150**	**4,298,483**	**9,273,476**	**9,313,792**	**10,834,097**	**1,520,305**

Division Budget Summary

City Manager Division Budgets	FY2016/17 Actuals	FY2017/18 Actuals	FY2018/19 Approved	FY2018/19 Amended	FY2019/20 Proposed	Change More/(Less) Proposed/Amended
Office of Cannabis Policy and Enforcement	-	-	1,050,492	1,090,808	2,118,130	1,027,322
Office of Innovation & Economic Development	-	149,059	3,144,966	3,144,966	3,521,663	376,697
Office of Emergency Services	-	325,879	559,979	559,979	587,000	27,021
Office of Homeless Services	-	-	484,669	484,669	390,903	(93,766)
Office of Media & Communications	293,626	412,986	429,354	429,354	467,287	37,933
Office of the City Manager	2,903,507	3,410,559	3,404,489	3,404,489	3,511,514	107,025
Office of Violence Prevention	-	-	199,527	199,527	237,598	38,071
Public Safety Accountability	123,017	-	-	-	-	-
Total	**3,320,150**	**4,298,483**	**9,273,476**	**9,313,792**	**10,834,097**	**1,520,305**

Staffing Levels

City Manager Division Budgets	FY2016/17 Actuals	FY2017/18 Actuals	FY2018/19 Approved	FY2018/19 Amended	FY2019/20 Proposed	Change More/(Less) Proposed/Amended
Office of Cannabis Policy and Enforcement	-	-	6.00	6.00	8.00	2.00
Office of Innovation & Economic Development	-	14.00	16.00	16.00	30.00	14.00
Office of Emergency Services	-	4.00	4.00	4.00	4.00	-
Office of Homeless Services	-	-	4.00	5.00	5.00	-
Office of Media & Communications	2.00	3.00	3.00	3.00	3.00	-
Office of the City Manager	13.00	15.00	13.00	13.00	13.00	-
Office of Violence Prevention	-	-	2.00	2.00	2.00	-
Total	**15.00**	**36.00**	**48.00**	**49.00**	**65.00**	**16.00**

PERFORMANCE MEASURES

Key Measure	FY16 Actuals	FY17 Actuals	FY18 Actuals	FY19 Estimate	FY20 Target
Number of businesses in the city*	20,389	17,879	17,968	18,147	18,328

The Office of Innovation and Economic Development promotes a 'business-friendly' environment and provides assistance to encourage business growth and development. Tracking the number of businesses located in the city is a good indicator of a business-friendly environment. Source: ESRI Business Analyst**

	FY16 Actuals	FY17 Actuals	FY18 Actuals	FY19 Estimate	FY20 Target
Number of jobs in the city	285,704	280,504	281,907	284,726	287,573

In supporting the growth of business activity, Economic Development seeks to increase the number of job opportunities available to city residents. Tracking the total number of jobs in the city is a good indicator of increased opportunity for employment. Source: ESRI Business Analyst**

	FY16 Actuals	FY17 Actuals	FY18 Actuals	FY19 Estimate	FY20 Target
Employment rate	93.7%	95.0%	95.4%	95.9%	96.3%

Changes in employment rates that correlate with job growth indicate job creation that is in harmony with the workforce needs. Source: State of California Employment Development Department, Labor Market Information Division

	FY16 Actuals	FY17 Actuals	FY18 Actuals	FY19 Estimate	FY20 Target
Total investments made in Sacramento, by building permit valuation	$783 million	$1.3 billion	$1.4 billion	$1.5 billion	$1.7 billion

The department promotes and facilitates investment and development opportunities within the City to revitalize targeted commercial areas. Continued physical development and investment in the City remains essential to create jobs, improve quality of life, and provide the necessary infrastructure to attract development and businesses. Tracking building valuation and monitoring its trend line is an indicator of economic growth.

**Number of businesses in the city could be tracked by new versus renewal, gross receipts, and gross payroll if the City's BOT processing system and software is updated.*

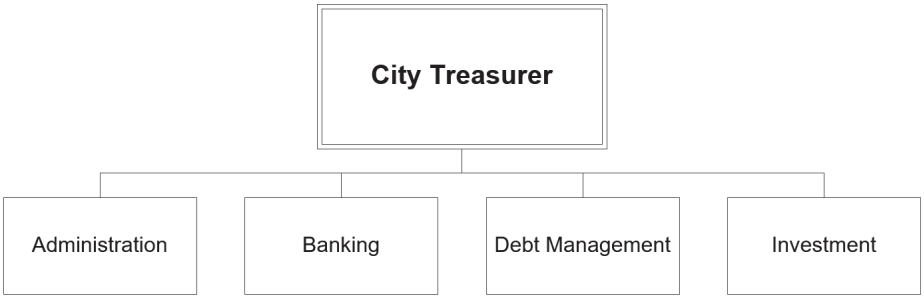
***ERSI is an international supplier of geographic information software system, geodatabase management, and business analytics data. ERSI extracts its business data from Dunn & Bradstreet.*

11

SECTION – 11
City Treasurer

City Treasurer

Provide banking, investment, and debt financing services for and to protect the fiscal integrity of the City of Sacramento.



The **City Treasurer** is responsible for the deposit and investment of all City funds. The City Charter also provides that the City Treasurer keep the Council informed regarding the status of investments and City funds. Additionally, Council has directed that the City Treasurer shall also provide public finance and debt issuance services for the City.

PROGRAMS/SERVICE HIGHLIGHTS

Banking

- Ensured deposits with financial institutions were fully secured and/or insured by the Federal Deposit Insurance Corporation (FDIC) as mandated by the California Government Code and City Charter.
- Provided and supported banking services for all City Departments, Visit Sacramento, and Gifts to Share.
- Coordinated and co-led team to a Clean Report of Compliance, using established Payment Card Industry Data Security Standard (PCI DSS) Policy and Procedures.

Debt Management

- Analyzed and compared alternative debt structures and other financing instruments, as well as obligations that the City assumed with debt financing, and provided other as-needed financial analyses.
- Assisted with redevelopment-related matters in the City's role of the Redevelopment Agency Successor Agency (RASA) on Sacramento Housing and Redevelopment Agency's (SHRA) prior issuance of tax allocation bonds.
- Ensured full and timely payment of approximately $175 million in debt service payments to bondholders and private placement investors in FY2017/18.
- Evaluated the feasibility of refinancing opportunities that would benefit the General Fund, Enterprise Funds, or constituents in parts of the City (Mello-Roos Districts) to achieve debt service savings.

- Managed compliance with post-debt issuance regulatory and disclosure matters in accordance with the Internal Revenue Service, the Municipal Securities Rulemaking Board, and other regulatory bodies, including new regulatory reporting requirements that became effective in FY2017/18 and FY2018/19.

- Obtained credit rating upgrades in August 2018 from S&P for the 2018 Special Tax Revenue Refunding Bonds (Westlake CFD/Regency Park CFD), and in February 2019 from Moody's of the 2005 Tax Allocation Revenue Bonds, Series A.

- Led the issuance of the 2018 TOT Revenue Bonds in the amount of $283.3 million to finance a portion of the costs of renovating the City's Convention Center, Community Center Theater, Memorial Auditorium, and other eligible projects.

- Worked with the Sacramento Kings to complete the payoff of the 1997 Lease Revenue Bonds (2017 Remarketing) issuance in January 2019.

- Provided debt financing services for the City as well as for various Community Facilities Districts, which provided funding for facility development, land purchases, improvements, and the acquisition of equipment.

- Updated the City's Debt Policy and Supplemental Policy on Disclosure to reflect changes in regulatory requirements.

- Organized a periodic disclosure training for certain staff in the Department of Finance, City Attorney's Office, and Utilities Department.

- Led the issuance of Wastewater Revenue Bonds, Series 2019 which provided $32 million in bond proceeds for the rehabilitation and replacement of aging wastewater system infrastructure.

- Actively tracked and managed bonded Assessment District and Community Facilities Districts Debt Funds.

Investments

- Implemented a community investment program with local banks that pledge to invest 50% of our deposits within the city limits of Sacramento. Deposits were placed with three local community banks for a total of $75 million. These banks are required to pledge assets over 100% of the City's deposits to ensure against default for all funds in excess of the FDIC limits as per the California Government Code.

- Managed all investments and cash flow for the City, SHRA, SPLA, the RASA, various nonprofit trust funds, and the City's closed-end pension system - SCERS.

- Managed the cash flow for the City, SCERS, SHRA, SPLA, and other trust funds between the bank and the investment pools to gain interest earnings and provide liquidity in a prudent manner. Consistently one of the top performing municipalities in the State of California.

DEPARTMENT EFFICIENCIES

- Automated the daily cash flow process that links the City and banking data in real-time, thus improving accuracy and efficiencies.
- Streamlined trade processing and implemented new reconciliation methods and procedures to ensure validity and reliability of investment records.

OBJECTIVES FOR FY2019/20

- Continue to work with the Council, City Manager's Office, City Departments, and other stakeholders on financing the transformation of the Community Center Theater, renovation of the Memorial Auditorium, and expansion of the Convention Center.
- Continue to work with the developer of the Railyards and the Utilities Department on the 3rd Street Sewer Improvement financing through a tax allocation bond issuance. The bond issuance will finance the 3rd Street Relief Sewer Project that will provide relief for sanitary sewer flows from planned development in the Railyards Development and River District areas, as needed.
- Continue to provide training and support to client departments to ensure appropriate cash and non-cash handling controls are in place.
- Continue to analyze banking systems and processes to ensure efficient and cost - effective uses of available products while maintaining and/or reducing costs.
- Continue to work with departments to support evolving digital transactions for all City sites accepting payment cards.
- In conjunction with IT, develop and automate the City's Payment Card Industry (PCI) program to streamline the annual audit and improve monitoring and compliance gaps.
- Continue to coordinate and support PCI DSS assessments to produce a Report on Compliance audit that ensures the city remains compliant with all new and ongoing payment card regulations.
- Continue to work with IT to implement a viable payment system for the City that would consolidate and streamline the process while enhancing the customer experience.
- Establish fraud prevention procedures to ensure increased phishing attempts do not result in the unauthorized disbursement of funds.
- Establish citywide banking policies and procedures; these will complement existing procedures for client departments.

- Continue to maintain investor and rating agency relations to maintain or improve our current ratings.
- Continue to comply with all bond covenants and regulatory requirements, to maintain the City's tax-exempt status.
- Continue to evaluate refinancing opportunities on outstanding bond issuances for cost savings.
- Continue to support (as needed) the United Way's efforts to expand banking access for consumers outside the financial mainstream through the Bank On program and the City's Financial Empowerment Center (FEC).
- Continue to actively manage the SCERS portfolio prudently with the objective to meet or exceed the 6.5% actuarial assumed rate of return. Continue the use of equity option strategies to increase the cash yield of the SCERS portfolio while reducing overall volatility.
- Develop and update data tracking mechanisms to ensure proper documentation of existing processes including record-retention, transaction details, and inception-to-date reporting to meet the demands of growing regulatory requirements.
- Employ industry-leading technology to assist the investment staff in making sound, prudent investment decisions. The City's Investment Pool A has consistently been one of the highest yielding municipal investment pools in California.
- Continue our commitment to invest Pool A assets in the programs of local independent banks to facilitate local economic growth, including the new RISE program and other local community investments.
- Continue to annually educate and advise Pool A participants and Trustee Accounts on important market and economic indicators as they relate to fund investments.
- Continue to hold open quarterly investment committee meetings to provide frequent updates to all Pool participants on Pool performance.
- Cross train staff on cash management procedures, in the event of an emergency, for continuity purposes.
- Update and edit the internal procedures manual for both Pool A/D portfolios and SCERS portfolios.
- Begin to explore Liability Driven Investment Options (LDI) on the SCERS portfolios as the fund moves towards both a higher funded status and reduced active participants.
- Utilize financial software to develop models used in performing feasibility and sensitivity analyses of active and/or potential projects.

- Utilize a variety of investment information and analytical sites and tools, including Bloomberg terminals, various print and online publications, online research portals, record-keeping programs, and social media sites.
- Work with departments in obtaining cost-effective financing to pay for infrastructure or equipment acquisition costs.
- Work with developers on infill and greenfield Mello-Roos community facilities districts (CFDs) to pay for the costs of acquiring or reimbursing development infrastructure costs including development-related fees:
  - Curtis Park CFD
  - Sacramento Tourism Infrastructure District financing – ballroom component of the Convention Center
  - Delta Shores CFD
  - Greenbriar CFD
  - Natomas Meadows CFD (Improvement Area 2)
  - Railyards CFD

Department Budget Summary

City Treasurer Budget Summary	FY2016/17 Actuals	FY2017/18 Actuals	FY2018/19 Approved	FY2018/19 Amended	FY2019/20 Proposed	Change More/(Less) Proposed/Amended
Employee Services	1,851,412	1,818,137	2,158,137	2,158,137	2,319,045	160,908
Other Services and Supplies	274,139	196,396	290,272	290,272	276,047	(14,225)
City Property	5,007	5,564	4,500	4,500	10,000	5,500
Labor and Supply Offset	(52,693)	(14,081)	350	350	350	-
Total	**2,077,865**	**2,006,016**	**2,453,259**	**2,453,259**	**2,605,442**	**152,183**

Funding Summary by Fund/Special District	FY2016/17 Actuals	FY2017/18 Actuals	FY2018/19 Approved	FY2018/19 Amended	FY2019/20 Proposed	Change More/(Less) Proposed/Amended
General Fund	1,876,434	1,863,238	2,141,221	2,141,221	2,353,687	212,466
Interdepartmental Service	201,431	142,778	312,038	312,038	251,755	(60,283)
Total	**2,077,865**	**2,006,016**	**2,453,259**	**2,453,259**	**2,605,442**	**152,183**

Division Budget Summary

City Treasurer Division Budgets	FY2016/17 Actuals	FY2017/18 Actuals	FY2018/19 Approved	FY2018/19 Amended	FY2019/20 Proposed	Change More/(Less) Proposed/Amended
Office of the City Treasurer	2,077,865	2,006,016	2,453,259	2,453,259	2,605,442	152,183
Total	**2,077,865**	**2,006,016**	**2,453,259**	**2,453,259**	**2,605,442**	**152,183**

Staffing Levels

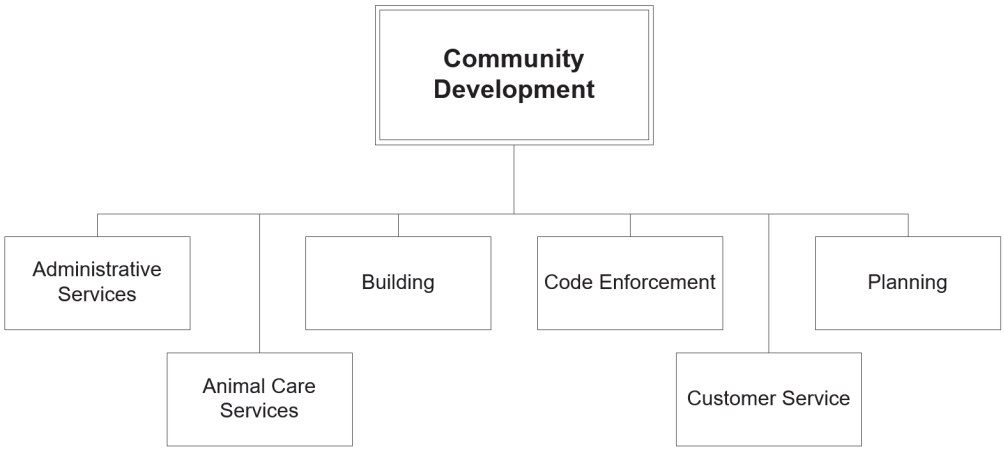
City Treasurer Division Budgets	FY2016/17 Actuals	FY2017/18 Actuals	FY2018/19 Approved	FY2018/19 Amended	FY2019/20 Proposed	Change More/(Less) Proposed/Amended
Office of the City Treasurer	13.00	13.00	14.00	14.00	14.00	-
Total	**13.00**	**13.00**	**14.00**	**14.00**	**14.00**	**-**

12

SECTION – 12
Community Development

Community Development

We help plan, build, and maintain a great city.



The **Community Development Department** plans for growth, development, and prosperity in Sacramento; reviews and approves development applications and building permits; responds to issues related to the Health and Safety Code while ensuring well-maintained properties and preserving the existing housing stock; and provides animal care services. The Community Development Department consists of the following divisions.

- Administrative Services: Provide centralized support for department budgeting, accounting, personnel services, procurement, boards and commissions, and marketing.
- Animal Care Services: Provide animal care services through enforcement of City codes with emphasis on public safety, cruelty and abuse investigations, sheltering, adoption, and community outreach, along with a robust volunteer program affording a high level of community engagement.
- Building: Protect public health and safety by regulating construction and development through provision of permits, plan review, and building inspections.
- Code Enforcement: Promote and maintain a safe and desirable living and working environment in the City through enforcement of City and state codes. Programs and services include neighborhood and business code compliance, graffiti abatement, weed abatement, (substandard/ dangerous and vacant buildings), and rental housing inspection.

- Customer Service: Provide planning and building permit services and project management services.
- Planning: Provide a vision for a great city by leading the City's planning, development, urban design, and historic preservation efforts. Guide development for public and private sector investment throughout our community.

PROGRAMS/SERVICE HIGHLIGHTS

- Launched 2040 General Plan Update, Climate Action Plan Update, and coordinated with Mayor's Climate Commission to set ambitious greenhouse gas reduction goals.
- Re-launched the Historic Places Grant Program with additional funding in the current fiscal year.
- Completed annexation of Aspen 1 (near Jackson Hwy/S. Watt Avenue) into the City limits.
- Adopted the Transit Oriented Development Ordinance which preserves higher density development opportunities near light rail stations and reduced/eliminated parking minimums.
- Provided animal care support to over 300 animals through the Winter Triage Center and provided emergency treatment to over 30 animals, along with spaying and neutering the vast majority of animals in the shelter.
- Petco Satellite adoption center had the highest adoption rate in the nation.
- Animal licensing compliance doubled throughout the city leading to an increase in the number of animals redeemed by owners via improved identification measures.
- Front Street Animal Shelter received $250,000 in Petco Foundation's Innovation Showdown competition for their "Lost2Found" text messaging app idea to help reunite lost pets with their owners, which will reduce the number of animals in the shelter.
- Front Street Animal Shelter received $100,000 in grant funds to provide support and care to pets of people experiencing homelessness.
- Code Enforcement conducted abandoned vehicle sweeps resulting in vehicles being towed and vehicles voluntarily removed by owners.

- Code Enforcement took part in a neighborhood clean-up which resulted in 34 tons of junk and debris being removed. The clean-up area involved a total of 690 properties. 124 of the 690 properties were in violation and issued notices.

- Permits were issued on key projects: Natomas Crossings/Centene, Crocker Village, 19J Residential Project, and the Convention Center Expansion project.

- Field Inspections met its goal of providing a minimum amount of unmet inspection requests. During the last two quarters positive results have been provided with over a 97% success rate.

- Hosted Meet the Chief Building Official and Meet the Planning Director meetings, providing an opportunity for customers to understand their roles and ask questions about development processes.

DEPARTMENT EFFICIENCIES

- Increased exemptions to the Site Plan and Design Review Process including minor projects like windows or siding, gas meters, on-demand exterior water heaters, and work outside of the public view.

- Launched Inspection Summary Report, an online search tool for customers to easily look up their scheduled inspection and building inspector contract information.

- Site Plan and Design Review staff implemented review resolution meetings with applicants to streamline approvals.

- The Field Inspections section integrated technology into the workplace by providing building inspectors with up to date software including Plan Grid, Accela Wireless and mapping programs. A pilot program that includes FaceTime inspections has been successfully implemented and a drone inspection program has been initialized.

- In coordination with the Department of Public Works, department-wide gas vehicles were replaced with electric vehicles. Fifteen vehicles have been replaced to date.

- The Building Division implemented a requirement for all Facility Permit Program and Master Plan submittals to be submitted electronically through the Electronic Plan Check system. This is more economical and a streamlined submission for customers and staff.

- Preservation staff was added, which increased preservation review process workflow.

- Customer wait times were reduced at the public counter with a new drop-off process for planning entitlement applications.
- Development Tracker was launched and provides transparency to constituents about planning and building activities, and history for specific properties or areas within the City.
- A new web tool, Housing Now, was launched to assist developers and any interested parties with finding new sites for housing development in the Central City.
- The Front Street Animal Shelter implemented a comprehensive focus on owner redemption efforts in order to get lost pets back home where they truly belong. The return to owner rate has gradually increased.

OBJECTIVES FOR FY2019/20

- Initiate the development of Neighborhood Plans which are anticipated to identify opportunity sites for housing, transit-oriented development, prioritize infrastructure improvements, and provide environmental review streamlining for both new development and City infrastructure.
- Enhance the City's electronic submittal process by expanding this option for residential and planning projects, offering developers and builders a more streamlined and cost-efficient process.
- Implement the Vacant Lot Program which will require property owners to register all vacant lots in the city, encourage monitoring and maintenance, and prevent blight.
- Implement a proactive plan to address the growing volume of abandoned vehicles throughout the city which will improve response times, improve public safety, and reduce blight.
- Develop and implement a mediation program supporting the Tenant Protection Act.
- Reduce animal intake by 400 animals and decrease length of stay by two days for both species (cats/dogs) combined.
- Implement "Street Beat" Animal Control Enforcement team community outreach efforts in neighborhoods that result in the highest intake by offering resources to pet owners.
- Provide two Sunday community cat spay and neuter clinics for low income city residents in order to reduce the cat population in Sacramento.

BUDGET CHANGES

Division	Description	Fund	Revenue/ Offset Adjustment	Expenditure Change	FTE Change
Animal Care	Add a position (1.0 FTE Staff Aide) to support the robust volunteer program at Front Street Animal Shelter.	Measure U	-	80,290	1.00
Building	Add positions (2.0 FTE Building Inspector I) to maintain the inspection service level and keep pace with development and construction activities. Costs are offset by revenue generated from service fees.	General	(188,549)	188,549	2.00
Planning	Add positions (2.0 FTE Associate Planners and a vehicle) to improve the electronic application process and timeliness. Costs are offset by revenues generated from service fees.	General	(265,675)	265,675	2.00
Planning	Add positions (1.0 FTE Senior Planner and 3.0 FTE Associate Planners) for the Neighborhood Community Economic Development Planning Team; includes $1.2 million for consultant services.	Measure U	-	1,757,841	4.00
		Total Change	**$ (454,224)**	**$ 2,292,355**	**9.00**

POSITION CHANGES

- A vacant position (1.0 FTE Customer Services Specialist) was deleted and a new position (1.0 FTE Customer Service Supervisor) was added to provide additional supervisory support.
- A vacant position (1.0 FTE Code Enforcement Officer) was deleted and a new position (1.0 FTE Building Inspector III) was added to provide support for the Residential Rental Housing Inspection Program.

Department Budget Summary

Community Development Budget Summary	FY2016/17 Actuals	FY2017/18 Actuals	FY2018/19 Approved	FY2018/19 Amended	FY2019/20 Proposed	Change More/(Less) Proposed/Amended
Employee Services	23,642,650	24,535,696	30,052,072	30,114,101	32,555,713	2,441,612
Other Services and Supplies	7,976,648	8,179,565	10,065,169	10,142,080	10,394,717	252,637
City Property	157,074	245,533	758,534	138,534	697,534	559,000
City Debt Service	10,566	-	-	-	-	-
Transfers	(24,478)	116,332	237,676	237,676	279,809	42,133
Labor and Supply Offset	(1,690,897)	(1,573,004)	(2,115,449)	(2,287,666)	(2,837,603)	(549,937)
Total	**30,071,561**	**31,504,122**	**38,998,002**	**38,344,725**	**41,090,170**	**2,745,445**

Funding Summary by Fund/Special District	FY2016/17 Actuals	FY2017/18 Actuals	FY2018/19 Approved	FY2018/19 Amended	FY2019/20 Proposed	Change More/(Less) Proposed/Amended
General Fund	28,383,635	30,703,964	34,443,577	33,790,300	36,340,170	2,549,870
Citywide Low Income Housing	2,842,615	1,989,395	2,100,000	2,100,000	2,300,000	200,000
Development Services	(1,274,452)	(1,314,947)	2,000,000	2,000,000	2,000,000	-
Landscaping and Lighting	119,764	125,710	204,425	204,425	200,000	(4,425)
Special Program Donations	-	-	250,000	250,000	250,000	-
Total	**30,071,561**	**31,504,122**	**38,998,002**	**38,344,725**	**41,090,170**	**2,745,445**

Division Budget Summary

Community Development Division Budgets	FY2016/17 Actuals	FY2017/18 Actuals	FY2018/19 Approved	FY2018/19 Amended	FY2019/20 Proposed	Change More/(Less) Proposed/Amended
Administration Division	1,756,732	1,687,750	2,291,100	2,311,717	2,447,752	136,035
Building Division	7,910,969	8,032,988	9,745,117	9,655,117	10,435,493	780,376
Code Enforcement Division	7,667,746	8,394,755	9,504,973	9,166,079	9,872,930	706,851
Customer Service Division	2,850,204	2,979,416	3,351,412	3,351,412	3,765,502	414,090
Animal Care Services Division	4,670,512	4,769,259	5,886,991	5,641,991	5,954,302	312,311
Planning Division	5,215,398	5,639,954	8,218,409	8,218,409	8,614,192	395,783
Total	**30,071,561**	**31,504,122**	**38,998,002**	**38,344,725**	**41,090,170**	**2,745,445**

Staffing Levels

Community Development Division Budgets	FY2016/17 Actuals	FY2017/18 Actuals	FY2018/19 Approved	FY2018/19 Amended	FY2019/20 Proposed	Change More/(Less) Proposed/Amended
Administration Division	13.00	15.00	15.00	15.00	15.00	-
Building Division	43.00	52.00	52.00	51.00	52.00	1.00
Code Enforcement Division	70.00	75.00	77.50	86.50	83.50	(3.00)
Customer Service Division	25.00	30.00	29.00	30.00	31.00	1.00
Animal Care Services Division	45.00	53.00	53.00	54.50	54.50	-
Planning Division	43.00	47.00	46.00	46.00	52.00	6.00
Total	**239.00**	**272.00**	**272.50**	**283.00**	**288.00**	**5.00**

PERFORMANCE MEASURES

Animal Care Services Division

Key Measure	FY16 Actuals	FY17 Actuals	FY18 Actuals	FY19 Estimate	FY20 Target
Percent of animals that are adopted, transferred, sent to rescue, or returned to owner (live release rate)	76%	85%	86%	87%	88%

The live release rate is a key measure of the Front Street Animal Shelter's success in achieving its mission of saving lives. The live release rate can be affected by a variety of factors including the health of animals upon intake, the number of animals received due to bite/abuse/neglect investigations, staffing levels, and volunteer/community involvement.

Building Division

Key Measure	FY16 Actuals	FY17 Actuals	FY18 Actuals	FY19 Estimate	FY20 Target
Percent of development inspections performed on the day scheduled	97%	98%	97%	97%	97%

Most inspections are completed on the day that they are scheduled. Development activity is increasing which will result in more inspections, especially as development resumes in North Natomas.

Key Measure	FY16 Actuals	FY17 Actuals	FY18 Actuals	FY19 Estimate	FY20 Target
Percentage of residential building permits issued within two days	86%	86%	82%	87%	87%

Most residential permits are minor in nature and may be approved at the permit counter or via the online permitting platform. This measure is tracked nationally and offers a means of comparison with other agencies.

Code Enforcement Division

Key Measure	FY16 Actuals	FY17 Actuals	FY18 Actuals	FY19 Estimate	FY20 Target
Vehicle cases closed within 21 days	89%	85%	83%	66%	90%

Abandoned or inoperable vehicles are investigated by Neighborhood Code Compliance. When a Code Enforcement Officer confirms a vehicle violation, the vehicle is marked and the registered owner of the vehicle has three days to remove the vehicle or it may be towed.

Customer Service Division

Key Measure	FY16 Actuals	FY17 Actuals	FY18 Actuals	FY19 Estimate	FY20 Target
Percentage of respondents rating the public counter service as good or excellent	98%	98%	94%	95%	95%

Surveys were created to obtain a more immediate response and feedback of the permit counter and plan review sections. Customer service survey cards are available at all public stations (receptionist, cashier, building, planning and over the counter). In addition, there is a drop box near the counter area exit. A plan review satisfaction survey link is available on all correction notices the City provides to customers, including those reviewed by outside consultants.

Planning Division

Key Measure	FY16 Actuals	FY17 Actuals	FY18 Actuals	FY19 Estimate	FY20 Target
Percent of director-level planning files completed within 90 days	50%	55%	29%	28%	29%

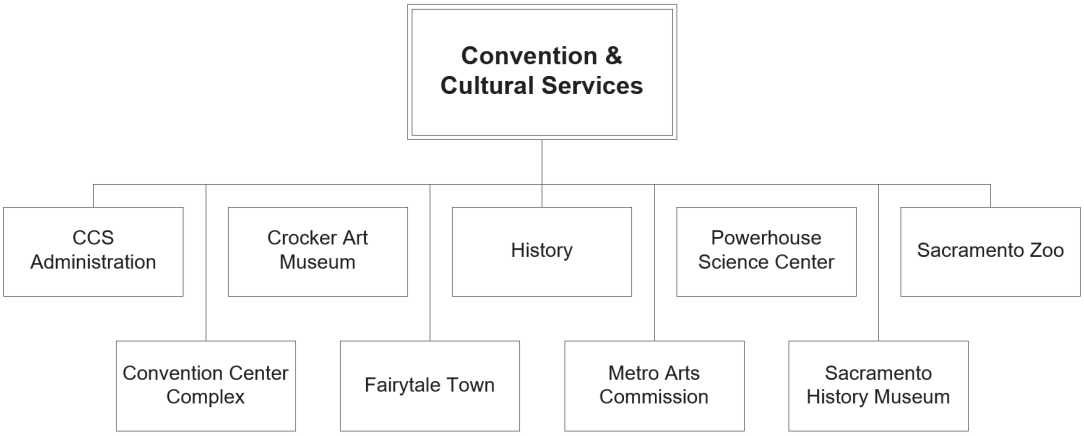
The Planning Division tracks and reports on the time it takes to approve a staff hearing-level review. This review includes a technical analysis of the project to determine compliance with guidelines and standards, is noticed to the public, and is presented in a public hearing to the Zoning Administrator, Design Director, or Preservation Director.

13

SECTION – 13
Convention and Cultural Services

Convention and Cultural Services

The mission of the Convention and Cultural Services Department is to promote and preserve our unique culture and heritage by delivering accessible arts, leisure and educational experiences to enrich people's lives and enhance the metropolitan area.



The **Convention and Cultural Services Department (CCS)** provides exceptional cultural, artistic, and leisure opportunities that enrich the quality of life and contribute to a vibrant metropolitan region. As key contributors to the region's quality of life, our "Sacramento Treasures" serve residents and visitors. Significant economic impact can be attributed directly to the numerous educational, cultural, and recreational events offered. These experiences are provided by our divisions and nonprofit partners. The Department includes the following operations and programs/services:

- CCS Administration: Provides overall department policy, oversees department financial transactions, and assists divisions with human resources functions.
- Convention Center Complex: Consists of the Convention Center, Community Center Theater, and Memorial Auditorium. The complex is the venue for a variety of events including major conventions, trade shows, performing arts, concerts, sporting events, seminars, weddings, banquets, and high school graduations.
- Crocker Art Museum: The Crocker Art Museum features the world's foremost display of California art and is renowned for its holdings of master drawings. Other major collection areas include international ceramics, European paintings and Asian, African, and Oceanic art. The Museum serves as the primary regional resource for the study and appreciation of

fine art and offers a diverse spectrum of exhibitions, events, and programs to augment its collections, including films, concerts, studio classes, lectures, children's activities, and more.

- Fairytale Town: Fairytale Town has offered children and families a safe place to imagine, play, and learn for over 50 years. It is a nonprofit children's storybook park and education center dedicated to promoting the imagination, creativity, and education of children.
- History: The Center for Sacramento History, the official repository for the City's archives, was established to educate and enrich the public. Through collecting, preserving, and making accessible the region's vast cultural heritage the public, academics, students, genealogists, and filmmakers all may utilize the Center's rich collections. This division also serves as the administrator for the Old Sacramento Historic District, which is the City's largest tourist attraction.
- Metro Arts Commission: The Sacramento Metropolitan Arts Commission is devoted to supporting, promoting, and advocating for the arts in the Sacramento region through grants, arts education, and public art opportunities.
- Powerhouse Science Center: Discovery Campus is operated by the Powerhouse Science Center and was formerly part of the Sacramento Museum of History, Science and Technology (SMHST). Powerhouse Science Center focuses on natural, physical, space, and laboratory sciences. The science center features temporary exhibits, a nature discovery center, planetarium and the Challenger Learning Center, a space simulation program modeled after the Space Shuttle.
- Sacramento History Museum: The Sacramento History Museum is dedicated to Sacramento's rich and diverse history. The museum's galleries and exhibits explore the history and stories of the area's first inhabitants, the pioneers who settled here, life on the farm, and more. The museum's extensive school programs serve thousands of students each year. In addition, the museum offers tours of Old Sacramento for school groups and adults.

- Sacramento Zoo: The Sacramento Zoo is one of the region's top attractions, with an annual attendance of 500,000. The Zoo's collection consists of more than 500 animals, diverse botanical life, and several specialized gardens.

PROGRAMS/SERVICE HIGHLIGHTS

- Began the renovation and expansion of the Sacramento Convention Center, the Memorial Auditorium, and the Community Center Theater. Worked alongside Downtown Sacramento Partnership, Midtown Business Association, and Visit Sacramento to create and develop community-based outreach events to help create synergy while the Community Center Theater and Convention Center are closed for renovation/expansion.

- Replaced and added security cameras throughout the Convention Center Complex to enhance safety measures and to assist in keeping the facilities safe for City employees and patrons. Enhanced safety measures at the Convention Center by limiting the number of entry points into the building and adding badge access points for Convention Center employees to utilize for entry.

- Completed restoration of the Community Center Theater roof.

- Adopted the Creative Edge Plan, a new blueprint for growth in the arts and culture of our city for the next five to seven years. The plan is the product of an extensive community involvement process that included 10 district community forums, two town halls, and a survey of over 1,700 City residents.

- Continued management of the Operation Support grants for more than 50 established and emerging organizations. The Creative Economy Pilot Project transitioned from the Office of Innovation and Economic Development to the Metro Arts Commission, and a program assessment was conducted for 57 new projects granted in the community.

- Developed the Sacramento Arts Education Consortium and collaborated with 13 school districts, the Mayor’s office, the County Office of Education, Friends of the Arts Commission, and the Sacramento Region Community Foundation to support the implementation of arts education throughout the Capital Region.

- Fostered the Sacramento Youth Creativity Summit in conjunction with Community Works, a Los Angeles-based nonprofit education organization. 300 high school students participated in a daylong event dedicated to exploring creativity through arts, science, and the creative economy.

- Completed the RCAF Mural located inside the Golden 1 Arena, 46 Community Box wraps created by local artists, and Regional Transit Train Wraps through the Art in Public Places Program. The River Crossing Public Art Master Plan was included in the City's Central City Specific Plan, providing guidelines and recommendation for the placement of Public Art in the downtown area and its connection with West Sacramento. 110 artists were showcased in the Exhibition Program in three gallery spaces.

- Continued ongoing work with CNN, HLN, and HBO for documentary films on the Golden State Killer.

- Continued digitizing archival collections including 19th century historical documents and maps increasing online use and requests.

- Served over 500,000 visitors at the Zoo to be entertained by, educated by, and connected to wildlife. School and group field trips brought over 50,000 children and adults out to experience the Zoo. The Zoo introduced popular meerkats and the rare and endangered okapi to Sacramento this year.

- Served around 250,000 guests at Fairytale Town's storybook park and through offsite educational programs. Fairytale Town was awarded the Business Hall of Fame award from the Sacramento Metro Chamber of Commerce and the Regional Treasure award from the California Parks and Recreation Society's Hall of Honor. Unveiled expansion plans for Fairytale Town and a capital campaign to the public.

- The Crocker Art Museum organized and hosted over 20 major exhibitions and attracted visitors from across the nation and around the world to Sacramento. The Museum served over 275,000 visitors on-site, and nearly 50,000 people attended education programs on-site and in area schools.

- Sacramento History Alliance expanded its tour season to year-round and had the most successful fundraising event to date, celebrated eight local businesses with the Burnett Awards, and celebrated 10 years of Underground Tours in Old Sacramento. Thirty thousand guests toured with our character guides to learn how Sacramento overcame years of flooding.

- Powerhouse Science Center delivered over 1,175 science, technology, engineering and math (STEM) based educational programs to elementary schools in Northern California. Powerhouse hosted over 70,000 visitors who enjoyed hands-on exhibit experiences and weekend programming. Powerhouse also engaged community members in over 4,700 hours of volunteer work.

DEPARTMENT EFFICIENCIES

- Implemented enhancements and refinements to event booking software (VenueOps) to streamline data entry and workflows, capture more data points, and implement new reporting methods.

- Completed a Convention Center Complex Staffing Strategy report which follows the City's decision to continue operating the facilities with its own staff, after considering a transition to private operations.

- Implemented a new grantmaking platform (Go Smart) to increase efficiency for grantees. Acquired an online management application (Submittables) for the selection of artists for Public Art projects which can be reviewed by panelists online. Established a Public Art tracker that prioritizes projects and their timelines.

- Received three grants to digitize film collections and place them on a national database (Archive.org). Film usage has tripled due to digitization grants which increased public access.

- Removed the escalator from the Sacramento History Museum, maximizing exhibit space on both the first and third floors and reducing electrical use.

- Continued the Powerhouse Science Center's migration to Blackbaud Altru systems, consolidating admissions, membership, fundraising, merchandising, and marketing into one cloud-based solution.

OBJECTIVES FOR FY2019/20

- Continue to work on the Convention Center Complex renovation and expansion to provide a clean, well-maintained facility and ensure visitors' comfort and enjoyment. Develop new policies and procedures to enhance the level of customer service when the Complex is fully renovated.

- Accomplish the recommendations of the Cultural Equity Audit. Further develop the Youth Creativity Summit with local and national partners to become an annual event in Sacramento. Establish a Collection Management Maintenance and Conservation policy.

- Continue to work on transforming Crocker Park from an unimproved lot into a great civic amenity to enrich the intellectual and cultural life of the community.

- Partner with Capitol Public Radio and KVIE to expand the City's historical collections to better document Sacramento's diverse communities and history.

Partner with Sacramento Pioneer Association to create the documentary film "Guardians of the Past: The Sacramento Pioneer Association."

- Rebrand the Sacramento History Museum with a new website, graphics, signage, and marketing materials. Create a special exhibit gallery with semi-annually changing exhibits, named in memory of Burnett Miller, long-time board member, former Sacramento Mayor, and philanthropist.

- Continue to inspire appreciation and respect for wildlife and nature through education, recreation, and conservation at the Zoo. The Zoo will maximize its educational and entertainment value to the public while exploring strategic opportunities to reach even more people within the Sacramento region and beyond.

- Continue constructing the new science center at the Powerhouse Science Center. This 50,000 square foot building includes the renovation of the historic PG&E power station building with 22,000 square foot of exhibition space, new entry pavilion, offices, classrooms and 46-foot diameter digital planetarium seating 120 visitors. The building is planned to be complete in late 2020.

Department Budget Summary

Convention and Cultural Services Budget Summary	FY2016/17 Actuals	FY2017/18 Actuals	FY2018/19 Approved	FY2018/19 Amended	FY2019/20 Proposed	Change More/(Less) Proposed/Amended
Employee Services	8,440,849	7,863,581	10,017,216	10,017,216	8,564,990	(1,452,226)
Other Services and Supplies	7,169,730	7,220,667	7,625,838	7,625,838	5,304,219	(2,321,619)
City Property	43,856	16,866	140,000	140,000	172,904	32,904
Transfers	(57,563)	(126,735)	-	-	-	-
Labor and Supply Offset	1,052,956	1,372,074	871,685	871,685	980,413	108,728
Operating Transfers	1,847,424	1,903,815	1,725,700	1,725,700	1,180,900	(544,800)
Total	**18,497,252**	**18,250,268**	**20,380,439**	**20,380,439**	**16,203,426**	**(4,177,013)**

Funding Summary by Fund/Special District	FY2016/17 Actuals	FY2017/18 Actuals	FY2018/19 Approved	FY2018/19 Amended	FY2019/20 Proposed	Change More/(Less) Proposed/Amended
General Fund	8,504,929	4,707,906	5,292,796	5,292,796	4,980,730	(312,066)
Alice Miller Trust	7,485	-	-	-	-	-
Community Center	5,808,202	2,176,594	14,696,904	14,696,904	10,833,923	(3,862,981)
Fairytale Town	55,911	57,326	50,000	50,000	50,000	-
H Street Theater	16,543	14,105	45,000	45,000	45,000	-
Innovation and Growth	3,800,000	-	-	-	-	-
Old Sac Market	137,151	75,699	104,000	104,000	104,000	-
Old Sacto Maint Dist	67,931	65,443	65,781	65,781	63,816	(1,965)
Water	-	11,075,170	-	-	-	-
Winchester G & Mary Alice Felt	45,124	23,101	75,958	75,958	75,958	-
Zoo	53,977	54,924	50,000	50,000	50,000	-
Total	**18,497,252**	**18,250,268**	**20,380,439**	**20,380,439**	**16,203,426**	**(4,177,013)**

*The Convention Center and Community Center Theater will both be closed for renovation in FY2019/20, which will result in a reduction in user fees collected for FY2019/20 compared to previous fiscal years.

Division Budget Summary

Convention and Cultural Services Division Budgets	FY2016/17 Actuals	FY2017/18 Actuals	FY2018/19 Approved	FY2018/19 Amended	FY2019/20 Proposed	Change More/(Less) Proposed/Amended
CCS Administration Division	1,183,022	1,449,754	1,916,792	1,916,792	1,981,654	64,862
Convention Center Complex Division	11,760,056	11,214,722	12,327,640	12,327,640	8,399,796	(3,927,844)
Crocker Art Museum Division	1,933,493	1,949,629	2,025,395	2,025,395	2,120,645	95,250
Fairytale Town Division	68,156	70,363	62,245	62,245	62,245	-
History Division	2,092,650	1,961,446	2,144,265	2,144,265	2,257,887	113,622
Metro Arts Commission Division	424,767	639,320	1,023,254	1,023,254	494,300	(528,954)
Powerhouse Science Center Division	238,337	239,122	238,337	238,337	238,337	-
Sacramento History Museum Division	251,674	254,706	251,528	251,528	251,528	-
Sacramento Zoo Division	545,097	471,205	390,983	390,983	397,033	6,050
Total	**18,497,252**	**18,250,268**	**20,380,439**	**20,380,439**	**16,203,426**	**(4,177,013)**

*The Convention Center and Community Center Theater will both be closed for renovation in FY2019/20, which will result in a reduction in user fees collected for FY2019/20 compared to previous fiscal years.

Staffing Levels

Convention and Cultural Services Division Budgets	FY2016/17 Actuals	FY2017/18 Actuals	FY2018/19 Approved	FY2018/19 Amended	FY2019/20 Proposed	Change More/(Less) Proposed/Amended
CCS Administration Division	8.00	8.00	8.00	8.00	8.00	-
Convention Center Complex Division	82.49	81.99	81.99	81.99	81.99	-
Crocker Art Museum Division	6.00	6.00	6.00	6.00	6.00	-
History Division	6.20	7.20	8.20	8.20	8.20	-
Metro Arts Commission Division	8.00	8.00	8.00	8.00	8.00	-
Sacramento Zoo Division	5.00	5.00	3.00	3.00	3.00	-
Total	**115.69**	**116.19**	**115.19**	**115.19**	**115.19**	**-**

PERFORMANCE MEASURES

Convention Center Complex Division

Key Measure	FY16 Actuals	FY17 Actuals	FY18 Actuals	FY19 Estimate	FY20 Target
Total events and performances	501	516	454	318	150
Number of tickets sold	300,926	292,614	316,583	285,000	200,000

The Convention Center Complex provides both ticketed and free events to the public. Ticketed events include theater performances and consumer shows such as the Broadway Series, home-shows, concerts, conventions, and festivals. An increase in tickets sold is an indicator of the strength of the shows and the demand for the events. These shows bring local attendees and visitors to the downtown core, which supports the economic vitality of Sacramento. Overall demand for event and production space at the Convention Center Complex, which includes the Community Center Theater and Memorial Auditorium, continues to grow. In June 2018, the Memorial Auditorium closed for renovations and is set to reopen for events in June 2019. In July-August 2019, the Convention Center and Community Center Theater will both be closed for renovations for the remainder of FY2019/20.

Key Measure	FY16 Actuals	FY17 Actuals	FY18 Actuals	FY19 Estimate	FY20 Target
Total revenue of in-house vendors	9,412,249	10,608,342	11,246,325	11,000,000	1,000,000

The Sacramento Convention Center has followed a national trend in awarding exclusive contracts for many services provided at the facility. Currently, the City has contracts with Classique Catering for food and beverage; PSAV Presentation Services for audio-visual; Wombo for telecommunications; and Tickets.com for ticketing. These exclusive contracts provide for consistent high levels of customer service, a financial return for the City, and a significant vendor investment to a City asset. The revenue generated is an indicator of the strength of our Convention Center business primarily with conventions, conferences, tradeshows, and meetings. With approximately 400 events and nearly 800,000 visitors annually, these events are vital to the local economy bringing visitors to the downtown area supporting hotels, restaurants, and retail businesses. In June 2018, the Memorial Auditorium closed for renovations and is set to reopen for events in June 2019. In July-August 2019, the Convention Center and Community Center Theater will both be closed for renovations for the remainder of FY2019/20.

Crocker Art Museum Division

Key Measure	FY16 Actuals	FY17 Actuals	FY18 Actuals	FY19 Estimate	FY20 Target
Attendance	277,178	258,997	274,488	250,000	255,000
Membership	11,877	12,717	13,359	12,500	13,000

The attendance figures are a direct reflection of the exhibition and programmatic schedule. They show the Crocker's dedication to promoting an awareness and enthusiasm for the human experience through art. The membership numbers are an indication of a strong retention rate. The increase is based upon the acquisitions run in conjunction with exhibitions and programs.

Center for Sacramento History Division

Key Measure	FY16 Actuals	FY17 Actuals	FY18 Actuals	FY19 Estimate	FY20 Target
Number of researchers assisted	14,440	57,829	118,713	158,500	198,000

As of FY2017, CSH is now tracking digital assets and how they are being used. The Center for Sacramento History is an important source of accurate information about Sacramento and its past. The Center continues to respond to increasing research requests and anticipates those requests will grow due to exposure from events and digitization projects placing more of our collections on national databases. By providing prompt and accurate research, Sacramento history is featured in films and on HBO, HLN, NBC and in local news reporting and academic papers, raising the profile of the city both nationally and internationally. Currently we are working with HBO on a six-part documentary on the Golden State Killer to be aired early in 2020.

Key Measure	FY16 Actuals	FY17 Actuals	FY18 Actuals	FY19 Estimate	FY20 Target
Number of items listed in collection's databases	95,636	107,827	115,115	122,403	135,000

The inventory in the Center for Sacramento History consists of the following catalogued items: artifacts; photographs; government, business, and organizational records; personal and family manuscripts; and library books. Adding to the inventory every year will make these items more accessible to the public through the searchable online database and to in-house researchers looking for information. The CSH is currently is working with the University of California digitizing multiple collections including our increasingly used KCRA film collection.

Metro Arts Commission Division
Public Art Program

Key Measure	FY16 Actuals	FY17 Actuals	FY18 Actuals	FY19 Estimate	FY20 Target
Number of exhibitions produced	12	13	13	11	12
Number of artworks conserved, maintained, or repaired	10	10	42	30	30
Number of public art projects completed (installed)	10	10	11	10	10
Number of permanent public art projects in progress	36	40	36	30	35

The Art in Public Places program is funded through an ordinance that requires at least two percent of eligible City and County capital improvement project budgets be set aside for public art. Several of the objects in the City and County public art collection have been recognized nationally. The number of projects in progress may vary significantly year-to-year based on funding for new construction. Project timelines are generally multi-year and undergo an extensive public process of artist selection, community input, and oversight by Arts Commission staff. Gallery exhibitions are also produced as part of the program and funded by the City, County, and the Sacramento Municipal Utilities District (SMUD). The City and County public art collection includes more than 675 objects. Public artworks that are maintained or conserved year-to-year may vary due to funding and/or project complexity.

Any Given Child Program

Key Measure	FY16 Actuals	FY17 Actuals	FY18 Actuals	FY19 Estimate	FY20 Target
Number of arts education school assemblies organized	68	120	148	155	180
Number of participants reached through above events	20,400	25,000	38,901	38,622	43,000
Number of professional development events for artists and classroom teachers	12	11	8	9	15
Number of artists and classroom teachers served in professional development	145	242	130	240	270
Number of students served in six- or 10-week residences	1,020	1,575	1,925	2,000	2,100

A program developed by the John F. Kennedy Center for Performing Arts, Any Given Child, provides equitable access to arts education experiences for K-8 students during the school day. Services offered under the program include in-class arts residencies, school assemblies delivered by local arts organizations, and professional development workshops for teachers, school administrators, and artists. In FY2016/17, the structure of the fees-for-service menu distributed to participating school districts changed. Districts now purchase a specific number of Teaching Artist Residencies, Arts Exposure Events (assemblies), and seats at Professional Development workshops, to be used throughout the year. Due to the logistical difficulty for schools to coordinate field trips and small group workshops, as well as low requests for these two types of activities, they were no longer offered in FY2016/17. This allowed the program to focus on assemblies and residencies in schools.

Cultural Arts Awards (CAA) Program

Key Measure	FY16 Actuals	FY17 Actuals	FY18 Actuals	FY19 Estimate	FY20 Target
Number of Cultural Arts Award (CAA) grantees	53	53	57	57	57
CAA grant allocation	$439,724	$450,000	$485,950	$500,000	$450,000
Grantee operating budgets (CAA)	$52,108,754	$49,927,612	$65,186,266	$50,000,000	$50,000,000
Number of Cultural Equity Grant grantees	23	27	0	0	50
Cultural Equity Grant allocation	$245,741	$249,005	0	0	$500,000

The Grants and Cultural Program provides support to Sacramento City and County nonprofit arts and cultural organizations through a diverse grant program. The number of grants awarded varies due to the results of the panel process and City/County funding allocations.

The Cultural Arts Awards (CAA) grants, our premier grant, offers general operating support or project support with grants that typically range from $1,000 to $25,000. The CAA grant is funded by both the County and City of Sacramento through the annual Transient Occupancy Tax (TOT) allocation during the annual budget process. The amount available to grant will increase as the TOT allocation increases.

The Cultural Equity (CE) grant provides project support or capacity building support with grants that range from $2,000 to $20,000. The CE grant was funded by a one-time allocation in FY2015/16. The current available grant funds will be depleted by FY2017/18.

The Artists in the Community grant funds arts education projects led by regional artists in partnership with community non-arts organizations to reach underserved populations of all ages. Funding for this program has, in the past, been awarded partially through a state grant. FY2015/16 was the last year that grants under this program will be awarded.

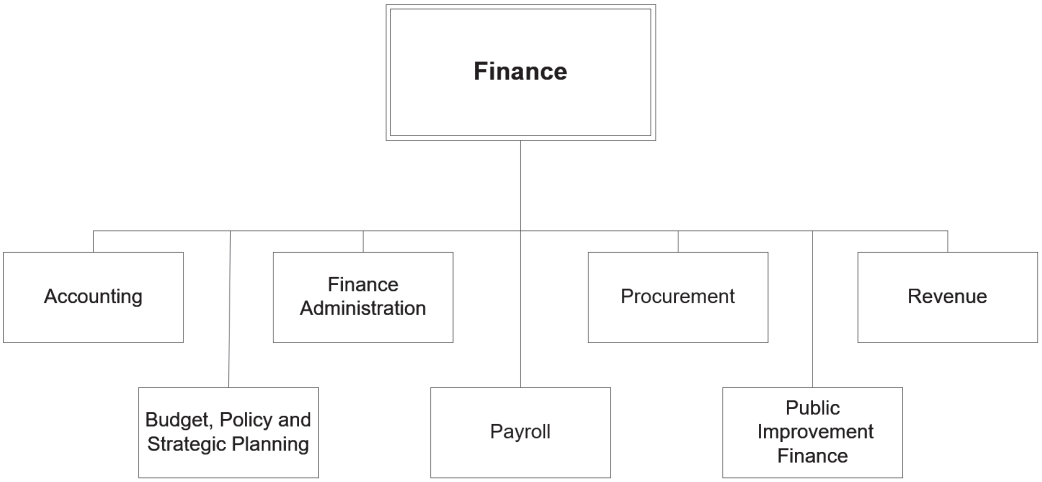
Per the Americans for the Arts & Economic Prosperity Calculator, the economic impact of the Arts Commission's nonprofit grantees is significant to the local economy, generating over $2 million in local government revenue and providing over 1,700 full-time equivalent jobs in the region.

14

SECTION – 14
Finance

Finance

The mission of the Finance Department is to educate, inform, and provide excellent internal and external customer service with integrity, efficiency, and quality.



The **Finance Department** is responsible for overseeing the financial management of the City. The Finance Department currently provides accounting, budgeting, payroll, public improvement financing, procurement, billing, collection, parking citation and revenue collection. Internal services and programs include strategic planning and policy analysis.

- Accounting: Responsible for providing oversight for the system of internal controls to safeguard City assets and preparing annual financial statements.
- Budget, Policy and Strategic Planning: Responsible for the development and preparation of the annual operating budget, five-year capital improvement program and quarterly financial reports. Supports the Council, charter offices, and operating departments with budgeting, financial support, forecasting, analysis on special projects, and labor negotiations.
- Finance Administration: Responsible for enhancing and maintaining the fiscal stability of the City.
- Payroll: Responsible for maintaining and monitoring internal controls to ensure transactions comply with labor agreements, policies, rules, and regulations.

- Procurement Services: Responsible for the development, implementation and compliance with citywide policies for the acquisition of goods and services through competitive bidding, as well as contract and purchase order administration.
- Public Improvement Finance: Responsible for the formation and administration of financing plans, assessment districts, tax districts and fee districts for development, and the continuance of services in support of goals to achieve sustainability and enhance livability.
- Revenue: Responsible for the coordination and collection of major taxes, fees, and citations citywide, as well as management of business permits.

PROGRAMS/SERVICE HIGHLIGHTS

- Assisted departments with establishing, adjusting, and managing operating and capital improvement program budgets.
- Assisted the City Manager, City Treasurer, Council, and departments with capital project financing, debt management, and long-term asset acquisition.
- Assisted with citywide special projects and assignments.
- Audited and enforced a variety of City codes to ensure compliance.
- Completed the annual district budget process and levied taxes and assessments efficiently and effectively.
- Continued tax and assessment audits and other quality controls for all Mello-Roos, assessment, and fee districts.
- Coordinated and prepared the City's quarterly financial reports.
- Coordinated with departments to close the City's financial books and produced the Comprehensive Annual Financial Report and Single Audit Report.
- Formed new special districts to implement financing plans, fund maintenance services throughout the City, and finance public improvements.
- Maintained and monitored internal controls to ensure financial transactions comply with rules, regulations, and policies.
- Managed all finance plans and districts to ensure best management practices.

- Processed and issued 22,886 business operations tax certificates and 1,205 business permits.
- Processed over 4,600 City employee paychecks bi-weekly and over 1,000 SCERS retiree paychecks monthly.
- Processed over 92,000 payments to vendors for various goods and services and over 4,800 reimbursements to City employees for work-related expenses.
- Issued 5,217 purchase orders and executed 64 citywide contracts for goods and services.
- Provided customer service to employees at all levels of the City.

DEPARTMENT EFFICIENCIES

- Implemented delinquent collection tools on bills owed to the City.
- Looked for ways to optimize the use of districts and finance plans to build priority public improvements, fund services, and encourage private investment in the City.
- Implemented Automated Clearing House (ACH) payments with city vendors to reduce printing and processing time, improve productivity by automating a manual process, and realizing cost savings by reducing check processing.

OBJECTIVES FOR FY2019/20

- Complete and update financing plans for high priority development areas: A Broadway Specific Plan Area, Delta Shores, Greenbriar, Panhandle and others.
- Complete Mello-Roos formation, bond issuance, and associated agreements to facilitate development projects: The Crocker Village, Delta Shores, The Railyards, Greenbriar, and others.
- Implement new accounting and financial reporting standards including Governmental Accounting Standards Board (GASB) Statement No. 83, 84, 88, and 90.
- Launch the Automated Bids Contracts and Digital Signatures (ABCDs) project and provide training and assistance to departments and vendors.
- Provide departments and fund managers with the tools necessary to forecast labor growth, especially as it relates to retirement and other post-employment benefit costs.
- Provide fiscal support for contract negotiations with recognized labor groups including forecasting the current and future costs of proposals.

POSITION CHANGES

- A position (1.0 FTE Administrative Analyst) was transferred from the Finance Department to the City Manager's Office to provide financial resources to the Economic Development Division.
- Two vacant positions (2.0 FTE Accountant Auditor) were deleted and two positions (2.0 FTE Senior Accountant Auditor) were added to provide the appropriate classifications needed to advise City Departments in accounting activities and oversight.

Department Budget Summary

Finance Budget Summary	FY2016/17 Actuals	FY2017/18 Actuals	FY2018/19 Approved	FY2018/19 Amended	FY2019/20 Proposed	Change More/(Less) Proposed/Amended
Employee Services	8,557,479	8,880,145	9,654,274	9,675,961	10,193,853	517,892
Other Services and Supplies	1,703,835	2,313,932	2,644,306	2,946,337	2,662,356	(283,981)
City Property	38,958	40,413	44,400	44,400	44,400	-
Transfers	114,461	110,884	64,003	64,003	64,003	-
Labor and Supply Offset	(1,411,426)	(1,266,185)	(1,104,200)	(1,125,905)	(1,187,321)	(61,416)
Operating Transfers	(234,940)	-	-	-	-	-
Total	**8,768,368**	**10,079,189**	**11,302,783**	**11,604,796**	**11,777,291**	**172,495**

Funding Summary by Fund/Special District	FY2016/17 Actuals	FY2017/18 Actuals	FY2018/19 Approved	FY2018/19 Amended	FY2019/20 Proposed	Change More/(Less) Proposed/Amended
General Fund	4,376,622	5,013,555	6,536,593	6,556,840	6,975,043	418,203
12th Street Maint Benefit Area	1,934	3,194	3,237	3,237	4,404	1,167
Central Midtown Restaurant BID	-	119,919	-	210,000	210,000	-
Cty/Cnty Office-Water Planning	39,000	39,000	39,000	39,000	39,000	-
Curtis Park CFD 2013-03	-	-	3,179	3,179	3,203	24
Curtis Park Village CFD 2014-02	-	-	-	50,000	50,000	-
Del Paso Nuevo Landscaping CFD	2,089	3,740	2,595	2,595	2,861	266
Del Paso PBID	33,692	13,267	-	-	-	-
Del Paso Prop & Business Imprv	5,261	1,976	1,976	3,617	3,617	-
Disaster Relief Act	-	9,930	-	-	-	-
Downtown Impact Fee	-	-	100,000	100,000	50,000	(50,000)
Downtown Management District	9,439	4,921	4,921	8,038	8,038	-
Downtown Plaza PBID	46,923	17,565	-	-	-	-
Franklin Blvd PBID	74,002	53,233	-	-	-	-
Franklin Boulevard PBID	1,470	1,604	1,604	3,383	3,383	-
Greater Broadway PBID	1,119	1,342	1,342	2,459	2,459	-
Handle BID No 2011-04	226,944	237,562	200,000	200,000	200,000	-
Interdepartmental Service	2,827,077	2,929,058	2,846,134	2,846,134	3,024,965	178,831
Jacinto Creek	-	-	45,000	45,000	100,000	55,000
Laguna Creek Maint Dist	9,910	13,511	13,547	13,547	13,931	384
Landscaping and Lighting	233,049	311,074	319,912	319,912	347,519	27,607
Mack Road PBID	3,985	2,535	2,535	2,294	2,294	-
Major Street Construction	-	516,666	-	-	-	-
Midtown Sacramento PBID	1,960	11,345	11,345	5,713	5,713	-
N Nat Lndscp 99-02	13,596	17,614	20,641	20,641	27,942	7,301
N Natomas Lands CFD 3	22,739	38,478	34,975	34,975	52,657	17,682
N Natomas Transp Mgmt Assoc	19,698	28,322	28,898	28,898	44,098	15,200
Natomas Central CFD 2006-02	11,735	11,735	11,735	11,735	11,735	-
Natomas Meadows CFD 2007-01	10,590	-	-	-	-	-
Neighborhood Lighting Dist	12,987	15,927	15,973	15,973	18,516	2,543
Neighborhood Park Maint CFD	16,759	24,796	30,024	30,024	37,981	7,957
Neighborhood Water Quality Dist	9,588	12,613	12,671	12,671	12,792	121

Department Budget Summary (continued)

Funding Summary by Fund/Special District	FY2016/17 Actuals	FY2017/18 Actuals	FY2018/19 Approved	FY2018/19 Amended	FY2019/20 Proposed	Change More/(Less) Proposed/Amended
NNFP Public Facilities Fee	-	-	400,000	400,000	-	(400,000)
Northside Subdiv Maint Dist	4,617	5,098	5,194	5,194	5,208	14
NW Land Park CFD 2013-02	4,119	4,569	5,797	5,797	20,913	15,116
Oak Park PBID	2,171	4,546	4,546	3,664	3,664	-
Old Sacramento PBID	154,948	65,032	-	-	-	-
Old Sacto Maint Dist	2,129	4,617	4,279	4,279	6,244	1,965
Parking	93,333	93,333	93,333	93,333	-	(93,333)
Power Inn Area Prop & Business	3,908	2,337	2,337	3,735	3,735	-
Power Inn Rd Md 2003-01	3,114	4,446	3,880	3,880	4,629	749
Railyards Impact Fee	-	-	-	-	50,000	50,000
Railyards Maint CFD No 2014-04	1,504	1,578	3,671	3,671	4,667	996
River District Impact Fee	-	-	-	-	50,000	50,000
Sac Tourism Marketing District	124,590	140,183	128,000	146,000	146,000	-
SacMaintCFD2014-04 Annex Areas	-	3,425	4,073	4,073	5,618	1,545
SacMaintCFD2014-04 Area 01	34,330	6,109	6,243	6,243	6,461	218
Special District Info/Rpt Sys	61,657	61,451	147,993	147,993	-	(147,993)
Stockton Blvd BIA	54,204	27,990	-	-	-	-
Stockton Blvd PBID	1,084	1,445	1,445	2,438	2,438	-
Subdiv Lndscpng Maint Dist	23,451	31,422	25,162	25,162	28,093	2,931
Sutter Business Imprvmt Area	164,520	142,146	150,000	150,000	150,000	-
The River District PBID	1,701	1,555	1,555	2,031	2,031	-
Township 9 CFD No. 2012-06	1,208	1,434	5,176	5,176	5,176	-
Village Garden N.-Mtce Dist #1	9,853	10,291	10,327	10,327	15,596	5,269
Willowcreek Assmnt Md	7,432	9,009	9,045	9,045	9,181	136
Willowcreek Lndscpng CFD	2,327	2,689	2,890	2,890	5,486	2,596
Total	**8,768,368**	**10,079,189**	**11,302,783**	**11,604,796**	**11,777,291**	**172,495**

Division Budget Summary

Finance Division Budgets	FY2016/17 Actuals	FY2017/18 Actuals	FY2018/19 Approved	FY2018/19 Amended	FY2019/20 Proposed	Change More/(Less) Proposed/Amended
Accounting Division	2,875,311	2,137,536	2,734,571	2,739,894	2,931,426	191,532
Budget Office Division	1,049,124	1,066,325	1,320,109	1,320,109	1,372,407	52,298
Cannabis Policy & Enforcement Division	78,371	610,613	-	-	-	-
Finance Administration Division	586,100	505,790	757,900	757,900	606,509	(151,391)
Payroll Division	-	679,289	793,084	793,084	984,474	191,390
Procurement Division	483,480	742,041	803,116	823,800	879,281	55,481
Public Improvement Finance Division	710,328	689,990	1,546,638	1,599,644	1,355,472	(244,172)
Revenue Division	2,985,655	3,647,603	3,347,365	3,570,365	3,647,722	77,357
Total	**8,768,368**	**10,079,189**	**11,302,783**	**11,604,796**	**11,777,291**	**172,495**

Staffing Levels

Finance Division Budgets	FY2016/17 Actuals	FY2017/18 Actuals	FY2018/19 Approved	FY2018/19 Amended	FY2019/20 Proposed	Change More/(Less) Proposed/Amended
Accounting Division	26.00	20.00	20.00	20.00	20.00	-
Budget Office Division	7.00	7.00	7.00	7.00	7.00	-
Cannabis Policy & Enforcement Division	2.00	6.00	-	-	-	-
Finance Administration Division	3.00	5.00	5.00	5.00	3.00	(2.00)
Payroll Division	-	7.00	7.00	7.00	8.00	1.00
Procurement Division	6.00	7.00	7.00	7.00	7.00	-
Public Improvement Finance Division	5.00	6.00	6.00	6.00	6.00	-
Revenue Division	40.00	39.00	39.00	39.00	40.00	1.00
Total	**89.00**	**97.00**	**91.00**	**91.00**	**91.00**	**-**

PERFORMANCE MEASURES

Accounting Division

Key Measure	FY16 Actuals	FY17 Actuals	FY18 Actuals	FY19 Estimate	FY20 Target
Percent of vendors paid within 30 days	70%	85%	90%	90%	90%
Number of days for Accounting to review and approve a vendor invoice and process a payment	4	4	4	4	4
"Prompt Payment" discounts taken	$197,000	$215,000	$235,000	$240,000	$240,000
"Prompt Payment" discounts lost	$73,000	$60,000	$5,000	$5,000	$5,000
Percent of discounts taken	74%	78%	98%	98%	98%

Review and approval of vendor payments is centralized in order to ensure consistency with generally accepted accounting principles and the City's procurement policies. Timely vendor payments fulfill the City's obligations relative to contract compliance and in some circumstances, allow the City to take advantage of prompt payment discounts. The Accounts Payable Automation Project is expected to improve the timeliness of vendor payments.

Finance Administration Division

Key Measure	FY16 Actuals	FY17 Actuals	FY18 Actuals	FY19 Estimate	FY20 Target
Obtain unmodified audit opinion on CAFR	Yes	Yes	Yes	Yes	Yes
Obtain GFOA Certificate of Achievement for CAFR	Yes	Yes	Yes	Yes	Yes
Proposed balanced budget presented to City Council 60 days prior to the beginning of the fiscal year	Yes	Yes	Yes	Yes	Yes
Obtain CSMFO Capital Budgeting Award	Yes	Yes	Yes	Yes	Yes

Delivering timely and quality financial planning and reporting documents is important to the City's goals of transparency and prudent financial management.

Procurement Division

Key Measure	FY16 Actuals	FY17 Actuals	FY18 Actuals	FY19 Estimate	FY20 Target
Number of days for Procurement Services to review a requisition and issue a purchase order	3	3	3	3	3

Issuing centralized purchase orders ensures compliance with the City's procurement policies and procedures. Timely review and issue of purchase orders is critical to fulfilling the purchasing needs of the City's departments for program and service delivery. To improve the performance, the following steps are in process: improve communication of requirements to the requestor, document the process, provide documentation, and require consistent location of required information in the requisition.

Revenue Division

Key Measure	FY16 Actuals	FY17 Actuals	FY18 Actuals	FY19 Estimate	FY20 Target
Percent of delinquent receivables collected	50%	53%	43%	50%	55%

Collection of revenues associated with the provision of specific programs and services reflects prudent financial management and is necessary to achieve the resources included in the City's annual budget. Invoices unpaid for 30 days or longer are considered delinquent. Collection efforts on delinquent invoices are initiated centrally by the Revenue Division to recover funds owed to the City for services provided.

15

SECTION – 15
Fire

Fire

Committed to excellence in enhancing and protecting life, property and the environment.

The **Fire Department** first began serving the residents of Sacramento in 1850 as a volunteer organization. In 1872, it became the first paid professional fire department west of the Mississippi. The department responds to many types of emergencies including fires, emergency medical calls, hazardous materials incidents, and specialized rescues, such as water, vertical, confined space, and animals. The department provides emergency services, fire code enforcement, public education, and fire investigations.

- Office of the Chief: Responsible for developing and providing direction for the Fire Department.
- Fire Administrative Services: Responsible for departmental support of budget, revenues, accounts payable, procurement, contracts, council reports and grants. Provides personnel services including hiring, payroll, workers' compensation, and testing.
- Fire/Emergency Medical Services: Responds to fires, technical rescues, hazardous materials incidents, wildland fires, and other emergencies. Provides emergency medical services including advanced life support and transportation.
- Technical Services: Provide essential support functions to all divisions, which includes acquisition and repairs of necessary equipment, and information technology; coordination of all facility maintenance, repairs, and construction; and fleet maintenance, repairs, and acquisition. Enforces

	codes and ordinances related to fire and life safety issues, completes plan reviews and conducts inspections of construction projects, coordinates annual life safety inspections of commercial buildings, and investigates fires.
• Training/Professional Standards:	Responsible for essential fire recruit training including in-service, continuing education, and outreach/recruitment. Provides oversight and investigative services related to personnel and civilian complaints and disciplinary actions.

PROGRAMS/SERVICE HIGHLIGHTS

- Hosted its first ever Sacramento Area Girls Camp introducing the profession of firefighting to teenage girls in grades 9 - 12.
- Partnered with California Professional Firefighters Joint Apprenticeship Committee to host the first community Emergency Medical Technician Academy.
- Hosted its first 9-week pilot Firefighter Youth Academy focusing on at-risk youth from five local high schools.
- Entered into High School Career and Technical Education (CTE) Partnerships with the Elk Grove and Natomas Unified School Districts for the department's pathway to employment.
- Assisted with development of an education program for the cannabis industry relating to fire and life safety inspections and regulations.
- Completed the construction of and opened Fire Station 15 at its new location.
- Completed the installation of an exhaust capture system for 10 of the 16 fire stations.
- Partnered with Facility Maintenance staff to complete a renovation of Fire Station 16, including the installation of new station alerting equipment.

DEPARTMENT EFFICIENCIES

- Partnered with regional fire agencies to reduce the number of dispatches for department ambulances and Battalion Chiefs for calls determined to be low acuity or identified as a high probability of being a false alarm.
- Utilized technology to transition all Patient Care Reports (PCRs) and billing information to 100% paperless, decreasing billing time and reducing waste.

- Upgraded tracking and inventory system of controlled substance inventory utilizing Operative IQ software in alignment with the City Auditor's recommendations.
- Purchased additional gas-powered ambulances to replace diesel powered vehicles which have higher repair costs.
- Implemented new policies to utilize electronic forms to reduce fire inspection paperwork.
- Initiated the upgrade of outdated station alerting systems in all fire stations.
- Purchased two fixed compressor Self Contained Breathing Apparatus (SCBA) fill stations.
- Added an additional medic with the opening of Station 15, providing better medic coverage for the area.

OBJECTIVES FOR FY2019/20

- Continue to develop and formalize youth and outreach programs and add department staff to support the increased workload.
- Begin the construction of new Fire Station 14.
- Continue to partner with regional public safety agencies to develop a comprehensive response to intentional mass casualty incidents.
- Complete installation of the new Station Alerting equipment at all fire stations.
- Complete installation of Exhaust Capture systems for the remaining six fire stations.
- Replace 35 aging M7 Mobile Data Computers (MDC) with new M8 MDCs.
- Increase productivity and efficiencies through the use of new technologies.
- Streamline electronic plan review process to include both onsite and offsite projects.

POSITION CHANGES

- Two positions (1.0 FTE Support Services Manager and 1.0 FTE Staff Aide – Management) were deleted and two positions (2.0 FTE Administrative Officers) were added to align with the restructure of the administrative functions of the department.

BUDGET CHANGES

Division	Description	Fund	Revenue/ Offset Adjustment	Expenditure Change	FTE Change
Emergency Medical Services	Add positions (6.0 FTE Firefighters) to staff Medic 15.	General	(985,024)	985,024	6.00
Emergency Medical Services	Provide funding for the Bike Medic Program. This program will allow for the deployment of a team during special events such as CIM and AMGEN races, music festivals or other large gatherings.	General	-	27,750	-
Fire Suppression	Add positions (3.0 FTE Battalion Chiefs) to restore Battalion 4.	Measure U	-	796,381	3.00
Logistics	Add a position (1.0 FTE Stores Administrator) to manage and supervise all warehouse operations.	Measure U	-	124,759	1.00
Logistics	Add positions (2.0 FTE Staff Aides) to deliver equipment and supplies to Fire Stations throughout the City and contracted districts.	Measure U	-	129,349	2.00
Office of the Chief	Add a position (1.0 FTE Media & Communications Specialist) to serve as a public information officer for the Department.	Measure U	-	134,879	1.00
Operations Administration	Add a position (1.0 FTE Administrative Technician) to perform daily staffing, creation of monthly transfer lists, bid notifications, and medic relief team assignments.	Measure U	-	99,404	1.00
Professional Standards	Add a position (1.0 FTE Administrative Analyst) to perform professional-level analytical and technical work for the Professional Standards Unit.	Measure U	-	124,759	1.00
Training	Staffing for the Recruit Academy, in-service training (4.0 FTE Captains), and funding for 25 recruit positions at 40 hours per week for 24 weeks (0.46 FTE per position).	Measure U	-	1,218,915	15.50
		Total Change:	**$ (985,024)**	**$ 3,641,220**	**30.50**

CAPITAL IMPROVEMENT PROGRAM (CIP)

Fire Safety Equipment Program

Funding of $825,000 ($600,000 from intergovernmental transfer [IGT] resources) is included in the 2019-2024 CIP for personal protective equipment necessary to meet state and federal regulatory requirements.

Advanced Life Support (ALS) Equipment Program

Funding of $2.4 million ($1.75 million from IGT resources) is included in the 2019-2024 CIP for the purchase of medical equipment and ambulances for use in ALS services.

Fire Apparatus Program

Funding of $2.5 million is included in the 2019-2024 CIP for the purchase of emergency response vehicles including fire trucks, engines, hazardous materials vehicles and other large apparatus purchases.

Fire Station Replacement Program

Funding of $3.5 million from IGT resources is included in the 2019-2024 CIP for the Fire Station Replacement Program.

Department Budget Summary

Fire Budget Summary	FY2016/17 Actuals	FY2017/18 Actuals	FY2018/19 Approved	FY2018/19 Amended	FY2019/20 Proposed	Change More/(Less) Proposed/Amended
Employee Services	112,606,734	111,757,366	117,573,906	118,098,906	125,241,378	7,142,472
Other Services and Supplies	13,300,369	13,194,720	13,551,296	13,619,796	13,830,707	210,911
City Property	662,250	325,924	909,113	909,113	1,306,113	397,000
Transfers	282,650	7,175	-	-	-	-
Labor and Supply Offset	(13,588,923)	(13,327,810)	(13,994,196)	(13,994,196)	(17,725,416)	(3,731,220)
Total	**113,263,080**	**111,957,375**	**118,040,119**	**118,633,619**	**122,652,782**	**4,019,163**

Funding Summary by Fund/Special District	FY2016/17 Actuals	FY2017/18 Actuals	FY2018/19 Approved	FY2018/19 Amended	FY2019/20 Proposed	Change More/(Less) Proposed/Amended
General Fund	112,763,080	111,457,375	117,540,119	118,133,619	122,152,782	4,019,163
Risk Mgmt	500,000	500,000	500,000	500,000	500,000	-
Total	**113,263,080**	**111,957,375**	**118,040,119**	**118,633,619**	**122,652,782**	**4,019,163**

Division Budget Summary

Fire Division Budgets	FY2016/17 Actuals	FY2017/18 Actuals	FY2018/19 Approved	FY2018/19 Amended	FY2019/20 Proposed	Change More/(Less) Proposed/Amended
Fire Administrative Services Division	1,540,495	1,405,451	1,855,349	1,855,349	1,836,470	(18,879)
Fire Ops/EMS Division	91,274,238	91,577,465	94,710,147	95,305,147	98,332,828	3,027,681
Office of the Fire Chief Division	709,555	659,384	612,210	612,210	628,222	16,012
Tech Services Division	17,930,423	16,537,696	18,888,395	18,886,895	19,786,685	899,790
Training/Professional Standards Divsion	1,808,370	1,777,381	1,974,018	1,974,018	2,068,577	94,559
Total	**113,263,080**	**111,957,375**	**118,040,119**	**118,633,619**	**122,652,782**	**4,019,163**

Staffing Levels

Fire Division Budgets	FY2016/17 Actuals	FY2017/18 Actuals	FY2018/19 Approved	FY2018/19 Amended	FY2019/20 Proposed	Change More/(Less) Proposed/Amended
Fire Administrative Services Division	14.00	14.00	14.00	14.00	14.00	-
Fire Ops/EMS Division	603.00	601.00	606.00	607.00	617.00	10.00
Office of the Fire Chief Division	3.00	2.00	2.00	2.00	3.00	1.00
Tech Services Division	47.00	46.00	48.00	47.00	50.00	3.00
Training/Professional Standards Divsion	11.00	11.00	11.00	11.00	27.50	16.50
Total	**678.00**	**674.00**	**681.00**	**681.00**	**711.50**	**30.50**

PERFORMANCE MEASURES

Emergency Operations Division

Key Measure	FY16 Actuals	FY17 Actuals	FY18 Actuals	FY19 Estimate	FY20 Target
Average Response Time	5 minutes 17 seconds	5 minutes 29 seconds	5 minutes 25 seconds	5 minutes 0 seconds	5 minutes 0 seconds

The accepted national standard for response times is 5:00 minutes in an urban environment. Response time is defined by 4:00 minutes travel time plus 1:00 minute turnout time, which is the time from dispatch received until time leaving the station.

Key Measure	FY16 Actuals	FY17 Actuals	FY18 Actuals	FY19 Estimate	FY20 Target
Unit Hour Utilization (UHU)	0.56	0.54	0.54	0.50	0.45

The acceptable standard measurement of ambulance usage is UHU. UHU is the ratio of the number of hours spent delivering emergency medical services to the total number of hours the medic units are available. For example, a UHU of 0.50 indicates that a unit was utilized 50% of the total amount of time available throughout the year. A high UHU means lower availability for calls. Poor availability can negatively affect response times.

The ambulance industry has utilized the following general scale when evaluating overall UHU:

Unit Hour	Utilization Range
0.55-0.45	High Utilization
0.45-0.35	Above Average Utilization
0.35-0.25	Average Utilization
0.25-0.15	Below Average Utilization
0.15-0.01	Low Utilization

The Fire Department's goal over the next two years is to lower its ambulance UHU to an acceptable level while maximizing efficiency and capturing lost revenue. This will be accomplished by revamping the current emergency medical services (EMS) deployment model. The department will also continue to work with its EMS partners in the surrounding area to develop a priority dispatch system that would distribute EMS calls according to the urgency and severity of the call, helping to further reduce UHU.

Fire Administration Division

Key Measure	FY16 Actuals	FY17 Actuals	FY18 Actuals	FY19 Estimate	FY20 Target
Percent of fire plan reviews completed on time	93%	90%	94%	95%	95%

The Division is responsible for performing fire plan review services. Over the last year, fire plan review services were on time at a rate of over 90%. Although this is an impressive statistic, the reality is that each customer expects their projects to be reviewed within our published turnaround times. Moreover, the department is working on implementing an expedited plan review service (for customers willing to pay for a faster turnaround time).

Key Measure	FY16 Actuals	FY17 Actuals	FY18 Actuals	FY19 Estimate	FY20 Target
Development Services Fire Inspections conducted	4,273	6,378	9,300	9,500	9,500

The Fire Prevention Division is responsible for inspecting new construction and tenant improvement projects. This year the department is projected to increase the amount of inspections conducted as the construction forecast continues to accelerate. By 2020, the Division is projected to have higher inspection numbers due to the volume of new construction projects and the improved local economy.

16

SECTION – 16
Human Resources

Human Resources

The Department of Human Resources delivers programs and services to customers which result in a positive experience.

The **Department of Human Resources (HR)** is responsible for providing responsive employment and personnel services to the City's managers and employees as well as providing information and assistance to external customers and job applicants. The department is responsible for comprehensive human resources services and programs to enhance efficiency and effectiveness of the organization.

- Benefits Services: Provide employee and retiree benefit administration and new employee benefit orientations.
- HR Administration: Provide contracting, legislative support, budgeting, special projects, development of policies and procedures, and provide oversight of the City's Volunteer Program.
- Labor Relations: Provide employee contract negotiation, implementation of labor agreements, discipline, grievance administration, Citywide leave policies, equal employment opportunity, and Americans with Disabilities Act (ADA) coordination.
- Recruitment/Organizational Development: Provide recruiting, testing, classification, compensation, and citywide training and organizational development.
- Risk Management/ Workers' Compensation: Provide loss prevention, insurance, workers' compensation, and liability claims.

PROGRAMS/SERVICE HIGHLIGHTS

- Posted 418 job recruitments; received and screened 35,843 applications.
- Attended job fairs throughout the Sacramento and surrounding regions:
    - 18th Annual Diversity Employment Day Career Fair
    - Greater Sacramento Urban League Diversity Job Fair
    - Greater Sacramento Veterans Job Fair
    - Summer @ City Hall College and Career Fair
    - Sacramento State's Pathway to Public Service
    - Tri-County Job Fair
    - Instituto Mazatlán de Bellas Artes Community Event and Job Fair
    - Youth Job and Resource Fair
    - SacJobs.com Career Fair
    - La Familia Career Fair
- Coordinated and deployed citywide training for employees. Baseline training topics included: Lean White Belt, Emotional Intelligence, and Essential Analytical Skills.
- Partnered with the City Manager's Office and Diversity & Equity Manager to strategize and develop a diversity, inclusion, and equity training plan and program for managers/supervisors and all other employees for implementation in 2019.
- Developed Starting Salary Determination Guidelines and shared with the City executive team.
- Initiated a citywide workgroup to develop a workforce planning, recruitment, and hiring manual to promote consistency, transparency, and equitable processes, procedures, and practices for all City Departments.
- Kicked off participation with the Government Alliance on Race and Equity (GARE), a national network of governments working to achieve racial equity and advance opportunities for all.
- Initiated efforts to review the Request for Proposal process for executive recruitment firms to revisit solicitation procedures, requirements, and scope of work criteria to increase diversity accountability and gender representation among applicants.
- Implemented a new nationwide medical plan for Medicare retirees.
- Completed audit of 4,170 retiree dental enrollments and 2,160 vision enrollments.

- Formed the Defined Contribution Plans Committee to provide advisory oversight of the City's 401(a), 457(b), and Health Reimbursement Account plans.
- Implemented a citywide driver training program to complement the training provided at the Sacramento Regional Driver Training Facility.
- Ranked sixth out of 41 entities audited based on the State Audit results for the Workers' Compensation division.
- Updated Emergency Action Plans citywide and provided the necessary training.
- Investigated 73 allegations of discrimination, harassment or retaliation by the Equal Employment Office (EEO) for calendar year 2018, which was a significant increase compared to previous years. Despite the 73 allegations, there were no "Quid Pro Quo" sexual harassment complaints among them.
- Provided in-person EEO training to 925 employees in calendar year 2018. Additionally, 37 employees took EEO training using the Target Solutions on-line platform in calendar year 2018.
- Achieved a score of 100 from the Human Rights Campaign's 2018 Municipality Index.
- Processed over 173 formal discipline cases and 20 formal grievances in the Labor Relations division.

DEPARTMENT EFFICIENCIES

- Partnered with the Information Technology Department to develop and launch an online platform for administration of civil service examinations, resulting in decreased facility expenses, reduction in the amount of time in which employees are required to be away proctoring examinations, and increased efficiency and flexibility for test takers.
- Streamlined internal processes and procedures related to recruitment/ employment, classification studies, and exam development resulting in new timelines favorable to customers.
- Implemented a paperless software application to track and manage chemicals citywide.
- Automated workers' compensation claim reports to monitor claim activity and identify claim trends.
- Implemented a new pharmacy management program resulting in faster delivery of medications to injured workers.
- Created an Employee Orientation webpage to welcome newly hired employees to the City and provide them with relevant resources and information.

OBJECTIVES FOR FY2019/20

- Integrate the ABCDs contract program with our certificate of insurance management monitoring software.
- Establish new employee on-boarding safety training.
- Reduce the number of closed workers' compensation claim files in storage by scanning files into our claims' software program.
- Streamline new employee orientations through the Lean White Belt process.
- Negotiate successor Memorandums of Understanding with the City's recognized employee organizations.
- Continue to offer citywide in-person sexual harassment and hostile work environment trainings.
- Increase efforts to attract and retain historically underrepresented groups, as well as other diverse groups.
- Improve the representation of diversity at all levels of the organization and integrate the Lesbian, Gay, Bisexual, Transgender, Queer/Questioning, Intersex, and Allies (LGBTQIA) community, people with disabilities, and veterans by driving talent acquisition and management practices to achieve results.
- Create an inclusive work environment that fosters creativity and innovation, promote colleague engagement through awareness and inclusive leadership skills training, promoting work-life flexibility, and supporting employee resource groups.
- Continue to evaluate pay equity issues for women and minority employees.
- Respect the individual character, personal beliefs, differences, and privacy and other rights of all City employees.
- Ensure that diversity, equity and inclusion initiatives, actions, and results are transparent to all key stakeholders.
- Provide access to a spectrum of professional development and training opportunities for all employees.

BUDGET CHANGES

Division	Description	Fund	Revenue/ Offset Adjustment	Expenditure Change	FTE Change
Recruitment & Organizational Development	Add positions (2.0 FTE Personnel Analysts and 1.0 FTE Personnel Technician) to support recruitment, training, exam development, and project administration.	General	-	344,544	3.00
Recruitment & Organizational Development	Funding for a comprehensive review of over 700 job classification specifications. Many of the classifications were last updated over 30 years ago. These outdated classification specifications are no longer relevant and impact the City's ability to attract and retain a talented and diverse workforce.	General	-	3,000,000	-
Human Resources Administration	Funding for services and supplies budgets for training, printing/postage and outside legal services.	General	-	107,500	-
Labor Relations	Add a position (1.0 FTE Labor Relations Officer) to provide oversight and guidance on employee disciplinary actions, grievance arbitration hearings, and labor contract negotiations and enforcement.	General	-	156,243	1.00
		Total Change	**$ -**	**$ 3,608,287**	**4.00**

POSITION CHANGES

- Three positions (1.0 FTE Program Manager, 1.0 FTE Program Specialist, and 1.0 FTE Program Analyst) were transferred from Human Resources (HR) to Information Technology as part of a larger consolidation effort to improve service delivery and HR systems support. This action is also in alignment with recent business process improvements and training investments being made with the City's Financial and Human Resources System (eCAPS).

Department Budget Summary

Human Resources Budget Summary	FY2016/17 Actuals	FY2017/18 Actuals	FY2018/19 Approved	FY2018/19 Amended	FY2019/20 Proposed	Change More/(Less) Proposed/Amended
Employee Services	8,328,721	8,784,907	10,338,140	10,338,140	10,937,869	599,729
Other Services and Supplies	33,836,653	22,320,438	27,916,713	27,938,870	31,105,722	3,166,852
City Property	98,264	35,082	114,500	39,500	193,200	153,700
Transfers	(46,235)	(75,987)	-	-	-	-
Labor and Supply Offset	3,338,149	3,914,783	3,556,573	3,655,573	3,442,522	(213,051)
Operating Transfers	(55,000)	-	-	-	-	-
Total	**45,500,552**	**34,979,223**	**41,925,926**	**41,972,083**	**45,679,313**	**3,707,230**

Department Budget Summary (continued)

Funding Summary by Fund/Special District	FY2016/17 Actuals	FY2017/18 Actuals	FY2018/19 Approved	FY2018/19 Amended	FY2019/20 Proposed	Change More/(Less) Proposed/Amended
General Fund	3,219,318	3,369,837	4,205,623	4,227,780	4,328,897	101,117
Fleet Management	59,614	59,614	59,614	59,614	59,614	-
Interdepartmental Service	1,471,678	1,071,544	1,280,301	1,280,301	1,557,484	277,183
Recycling and Solid Waste	117,545	110,625	117,545	117,545	117,545	-
Risk Mgmt	26,361,469	19,322,799	22,657,532	22,681,532	25,231,572	2,550,040
Storm Drainage	45,189	45,189	45,189	45,189	45,189	-
Wastewater	18,585	18,585	18,585	18,585	18,585	-
Water	57,700	57,700	57,700	57,700	57,700	-
Worker's Compensation	14,149,455	10,923,330	13,483,837	13,483,837	14,262,728	778,891
Total	**45,500,552**	**34,979,223**	**41,925,926**	**41,972,083**	**45,679,313**	**3,707,230**

Division Budget Summary

Human Resources Division Budgets	FY2016/17 Actuals	FY2017/18 Actuals	FY2018/19 Approved	FY2018/19 Amended	FY2019/20 Proposed	Change More/(Less) Proposed/Amended
Benefits Services Division	-	798,899	956,236	966,236	1,044,482	78,246
HR Administration Division	4,419,959	1,934,130	2,202,489	2,189,646	2,105,709	(83,937)
HRIS Division	-	350,790	403,029	403,029	-	(403,029)
Labor Relations Division	733,196	851,216	1,264,470	1,264,470	1,443,868	179,398
Recruitment/Organizational Development Divison	-	973,870	1,176,008	1,201,008	1,814,989	613,981
Risk Management Administration Division	38,166,195	27,700,572	33,260,053	33,284,053	36,308,983	3,024,930
Workers' Compensation Division	2,181,203	2,369,746	2,663,641	2,663,641	2,961,283	297,642
Total	**45,500,552**	**34,979,223**	**41,925,926**	**41,972,083**	**45,679,313**	**3,707,230**

Staffing Levels

Human Resources Division Budgets	FY2016/17 Actuals	FY2017/18 Actuals	FY2018/19 Approved	FY2018/19 Amended	FY2019/20 Proposed	Change More/(Less) Proposed/Amended
Benefits Services Division	-	8.00	9.00	9.00	9.00	-
HR Administration Division	33.00	11.00	11.00	10.00	10.00	-
HRIS Division	-	3.00	3.00	4.00	-	(4.00)
Labor Relations Division	5.92	9.00	9.00	9.00	10.00	1.00
Recruitment/Organizational Development Divison	-	9.00	10.00	11.00	15.00	4.00
Risk Management Administration Division	15.00	17.00	17.00	17.00	17.00	-
Workers' Compensation Division	20.00	19.00	19.00	19.00	19.00	-
Total	**73.92**	**76.00**	**78.00**	**79.00**	**80.00**	**1.00**

PERFORMANCE MEASURES

HR Administration Division

Key Measure	FY16 Actuals	FY17 Actuals	FY18 Actuals	FY19 Estimate	FY20 Target
Percentage of EEO and ADA complaints resolved without resulting in cause and/or monetary settlements	80%	90%	67%	80%	90%

The percentage of Equal Employment Opportunity (EEO) or Americans with Disabilities Act (ADA) complaints resolved without filings resulting in cause or monetary settlements. The City's liability is reduced by maintaining policies and educating staff, therefore creating an inclusive and productive work environment. The City has required all employees to receive in-person EEO training, and it will continue to provide in-person training to comply with state law as well as to provide training to new employees on at least a quarterly basis.

Labor Relations Division

Key Measure	FY16 Actuals	FY17 Actuals	FY18 Actuals	FY19 Estimate	FY20 Target
Percentage of grievances that come to the Department and are resolved internally	100%	100%	90%	95%	95%

The department makes every effort to resolve each labor grievance it receives. By resolving grievances internally, the City demonstrates its commitment to upholding the terms of the memorandums of understandings (MOUs) with employee organizations. In addition, the City saves time and other resources by handling grievances internally rather than through arbitration. Human Resources will continue to handle grievances expeditiously and with great diligence in order to achieve 100% resolution rate.

Risk Management Administration Division

Key Measure	FY16 Actuals	FY17 Actuals	FY18 Actuals	FY19 Estimate	FY20 Target
Maintain number of City-owned vehicle related claims filed against the City to under 110.	113	103	110	109	113

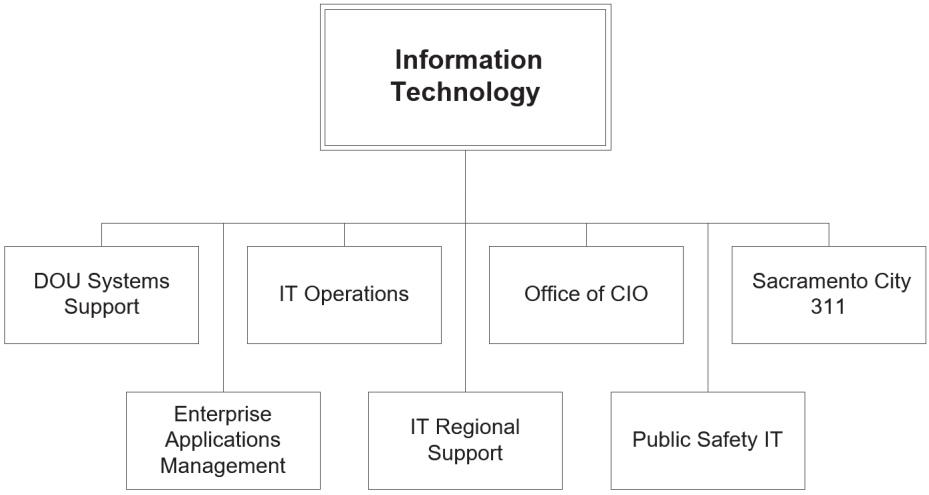
One of the most significant risks of injury to Sacramento citizens and employees is vehicle accidents. With the support of City leadership and effective driver training through the Sacramento Regional Driver Training Facility, the number of City-owned vehicle liability claims have been reduced even as more miles are being driven each year. The number of City vehicle-related liability claims had been as high as 224 in 1997 and has been reduced dramatically since that time.

17

SECTION – 17
Information Technology

Information Technology

The Department of Information Technology (IT) is committed to ensuring IT investments and strategic business technologies deliver the highest possible value to the City and its constituents.



The **IT Department** manages a full range of information technology and related services for all City Departments and the public 24 hours a day, seven days a week. These IT systems, infrastructure, and information range from relatively simple to extremely complex.

The IT Department is divided into seven areas:

- Department of Utilities IT Systems Support: Responsible for providing a full range of IT services to support the Department of Utilities.
- Enterprise Applications Management: Responsible for the development and management of citywide software systems, data, and applications.
- IT Operations: Responsible for IT infrastructure services such as security, networks, telecommunications, servers, storage and backup to support City business functions.
- IT Regional Support: Responsible for managing the centralized IT help desk, desktop support operations and departmental systems.
- Office of the Chief Information Officer: Responsible for the strategic planning, fiscal, human capital resources, and administrative management of the IT Department.

- Public Safety Information Technology: Responsible for application development, network infrastructure, and help desk and desktop support for the Sacramento Police and Fire Departments.
- Sacramento City 311: Responsible for assisting the public and internal departments with all non-public safety service requests, and questions regarding City services and policies.

PROGRAMS/SERVICE HIGHLIGHTS

- Sacramento continued its emergence as a leader and innovator by becoming one of the first cities in the world to deliver commercially available 5G to the community.
- Upgraded the City's current utility billing system. This upgrade allows the City to provide a modern framework for city business functions, improved productivity, the ability to institute industry best practices, and significantly improve customer service.
- Recognized by e.Republic's Center for Digital Government's "Top 10 Cities" five consecutive years for enhancing the public's online access to information and services.
- Developed a Wireless Master Plan to leverage City infrastructure assets (e.g., fiber, buildings, poles, conduit, towers) to be used strategically to build a public-private wireless network that would provide cost effective wireless internet services in Sacramento. This initiative is part of a larger vision of connectivity for our city, bridging the digital divide, and ensuring that our communities have access to information.
- Established a Public-Private Partnership (PPP) with Verizon for the development of smart cities technologies and to facilitate the installation of fiber optic and wireless infrastructure throughout the City to improve the quality of life for residents, reduce costs to the City, and deliver services to the community in smart and effective ways.
- Developed better pathways for historically underrepresented candidates to enter the City's IT workforce through student internship programs and IT trainee job classifications.
- An active leader in promoting the field of technology to traditionally underrepresented populations. A great example of this is the hosting of the Annual Sacramento DigiGirlz Camp. DigiGirlz is a program that gives middle and high school girls opportunities to learn about careers in technology and participate in hands-on computer and technology workshops.

DEPARTMENT EFFICIENCIES

- The City IT Department has consolidated IT operations and centralized all IT staff to effectively and efficiently manage and deliver IT services.
- The City's IT Department is committed to improving energy consumption and supporting the City's green initiatives. City IT has reduced the number of physical servers by 92%, resulting in significant savings.
- Implemented a data warehouse to store the Department of Utilities performance and efficiency metrics.
- Implemented over 500 electronic forms for the community and City staff to more easily request and process service requests digitally. This expands access for internal and external customers 24/7 for commonly requested services and information. It eliminates the need for community members or staff to drive to City offices, reduces errors, improves accuracy, and saves time and effort.
- Transitioned to an enterprise campus network architecture design that improved reliability, flexibility, and cost effectiveness of city network services. The cost to migrate to the equipment needed in the campus design was less than half of the cost to replace the end of life equipment from the former design, saving the city close to $150,000 over the life of the equipment.
- Implemented Automated Clearing House (ACH) payments with city vendors to reduce printing and processing time, improve productivity by automating a manual process, and realizing cost savings by reducing check processing.

OBJECTIVES FOR FY2019/20

- 311/CRM system replacement will allow for expanded access to information, improved automation, and increased efficiency to better process service requests and inquiries from residents, visitors, and employees.
- Implementation of a 311 Workforce Management System to support shift scheduling and work assignments to ensure 311 is properly resourced with the right amount of staffing during peak operational times.
- Implementation of a new Security Camera Monitoring System (SCMS) so that staff may efficiently and effectively maintain and operate a rapidly growing number of security cameras throughout the City.
- Upgrade the current telephone system infrastructure to meet the changing business needs of the City.
- Continuity of business operations during the planned power outage at the City's main data center. Infrastructure will be configured at the backup data center to

allow critical workloads to migrate from site to site without being affected by the planned power outage.

- Leverage City assets by building strategic partnerships to assist the City in developing low cost solutions to connect City services, devices, and remote buildings with high-speed connectivity.
- Streamline the City's permitting operations by consolidating the various permitting processes into a single solution and creating efficiencies in the overall process.
- Upgrade the Enterprise Resources Planning (ERP) system to meet the full spectrum of the City's needs. Focusing on improving the existing business processes, identify pain-points, and looking for opportunities to provide efficiencies and streamline business functions.
- Implement a citywide Software Asset Management System (SAMS) to effectively manage and support hundreds of software tools used daily by staff and the public for thousands of transactions daily.
- Modernize the City's public website to provide additional functionality, improved look/feel, and enhancements to better serve the public.

BUDGET CHANGES

Division	Description	Fund	Revenue/ Offset Adjustment	Expenditure Change	FTE Change
Citywide IT Maintenance & Supplies	Provide funding to cover annual licenses and subscriptions for radio rate increases, Cisco Umbrella, citywide software, and ServiceNow Software.	General	-	615,000	-
Enterprise Applications Mgmt	Add a position (1.0 FTE Applications Developer) to support the Human Resources Workers' Compensation Division Case Management System, offset by Workers' Compensation Fund.	General	(125,840)	125,840	1.00
IT Operations	Add a position (1.0 FTE Senior Systems Engineer) for the IT security team.	General	-	140,118	1.00
IT Operations	Add a position (1.0 FTE Senior Applications Developer) to support the Hyperion application as well as backfill for the eCAPs team.	General	-	139,683	1.00
IT Regional Support	Add a position (1.0 FTE Systems Engineer) for the IT Regional Support Team to provide administrative oversight on the management of the security cameras throughout the City.	General	-	127,435	1.00
Office of the CIO	Provide one-time funding for an IT Training Development Plan.	General	-	75,000	-

BUDGET CHANGES (continued)

Division	Description	Fund	Revenue/ Offset Adjustment	Expenditure Change	FTE Change
Office of the CIO	Provide funding for the Student Internship Training Program.	Measure U	-	120,000	-
PD Systems Support / IT Regional Support	Offset reduced reimbursements from the START Fund and Body-Worn Cameras Grant.	Measure U	-	73,447	-
		Total Change	**$ (125,840)**	**$ 1,416,523**	**4.00**

POSITION CHANGES

- Three positions (1.0 FTE Program Manager, 1.0 FTE Program Specialist, and 1.0 FTE Program Analyst) and the associated budgets were transferred from Human Resources (HR) to Information Technology as part of a larger consolidation effort to improve service delivery and HR systems support. This action is also in alignment with recent business process improvements and training investments being made with the City's Financial and Human Resources System (eCAPS).

- Three vacant limited-term positions (1.0 FTE Senior Applications Developer and 2.0 FTE Senior Department Systems Specialists) were deleted.

- A vacant position (1.0 FTE Senior Applications Developer) was deleted and a new position (1.0 FTE Principal Applications Developer) was added to provide technical leadership dedicated to the City's Financial and Budget applications.

CAPITAL IMPROVEMENT PROGRAM (CIP)

Firewall Replacement and Security Enhancements
Funding of $715,452 was included in the 2019-2024 CIP for the planned implementation of a new next generation firewall system that will offer a new and innovative approach to network security management that automates integrations across security products and network infrastructure already in place and accelerates key security operations functions such as detection, investigation, and remediation.

311 Mobile Application
Funding of $106,615 was included in the 2019-2024 CIP for the City's 311 Mobile Application (App) upgrade and modernization to keep pace with changes in mobile communication device technology. This project will provide a smoother and more integrated experience for submitting service requests or reporting issues via smartphone or other mobile devices by citizens, visitors and customers. The 311 Mobile App will also enable quick reporting from anywhere, allowing residents to better track progress, improve communication with citizens, and reduce costs to the city for processing service requests.

Department Budget Summary

Information Technology Budget Summary	FY2016/17 Actuals	FY2017/18 Actuals	FY2018/19 Approved	FY2018/19 Amended	FY2019/20 Proposed	Change More/(Less) Proposed/Amended
Employee Services	15,893,607	19,643,810	23,266,582	23,494,742	25,537,121	2,042,379
Other Services and Supplies	507,859	985,832	599,603	753,274	520,603	(232,671)
City Property	186,246	224,545	369,195	414,195	369,195	(45,000)
Transfers	(113,341)	(506,776)	(702,334)	(702,334)	(744,467)	(42,133)
Labor and Supply Offset	(488,902)	(622,490)	(583,025)	(713,139)	(910,382)	(197,243)
Total	**15,985,470**	**19,724,921**	**22,950,021**	**23,246,738**	**24,772,070**	**1,525,332**

Funding Summary by Fund/Special District	FY2016/17 Actuals	FY2017/18 Actuals	FY2018/19 Approved	FY2018/19 Amended	FY2019/20 Proposed	Change More/(Less) Proposed/Amended
General Fund	9,099,455	11,835,844	13,613,228	13,751,452	14,787,386	1,035,934
4th R Program	16,000	16,000	16,000	16,000	16,000	-
Community Center	431,898	1,403	4,301	7,391	680	(6,711)
Fleet Management	76,176	-	-	-	-	-
Gas Tax 2106	90,250	86,818	106,943	106,943	116,938	9,995
Interdepartmental Service	1,901,387	6,063,484	7,560,104	7,560,104	7,965,791	405,687
Parking	128,377	62,005	71,897	80,376	73,086	(7,290)
Recycling and Solid Waste	1,466,215	1,113,818	1,212,055	1,322,450	1,269,056	(53,394)
START	40,000	40,000	40,000	40,000	5,000	(35,000)
Storm Drainage	484,498	102,048	80,735	86,352	56,926	(29,426)
Wastewater	999,021	133,858	67,136	73,961	88,696	14,735
Water	1,252,193	269,643	177,622	201,709	266,671	64,962
Worker's Compensation	-	-	-	-	125,840	125,840
Total	**15,985,470**	**19,724,921**	**22,950,021**	**23,246,738**	**24,772,070**	**1,525,332**

Division Budget Summary

Information Technology Division Budgets	FY2016/17 Actuals	FY2017/18 Actuals	FY2018/19 Approved	FY2018/19 Amended	FY2019/20 Proposed	Change More/(Less) Proposed/Amended
DOU Systems Support Division	-	3,028,976	3,901,640	3,897,190	3,825,447	(71,743)
Enterprise Applications Management Division	3,167,059	2,763,401	3,526,865	3,517,865	5,314,311	1,796,446
IT Operations Division	2,600,196	3,590,878	4,293,731	4,333,805	4,259,792	(74,013)
IT Regional Support Division	3,598,147	2,738,605	3,195,077	3,195,077	2,539,487	(655,590)
Office of CIO Division	4,410,253	1,900,825	1,387,772	1,525,030	1,709,460	184,430
Public Safety IT Division	-	3,305,812	3,966,072	3,972,072	4,165,866	193,794
Sacramento City 311 Division	2,209,815	2,396,424	2,678,864	2,805,699	2,957,707	152,008
Total	**15,985,470**	**19,724,921**	**22,950,021**	**23,246,738**	**24,772,070**	**1,525,332**

Staffing Levels

Information Technology Division Budgets	FY2016/17 Actuals	FY2017/18 Actuals	FY2018/19 Approved	FY2018/19 Amended	FY2019/20 Proposed	Change More/(Less) Proposed/Amended
DOU Systems Support Division	-	30.00	30.00	30.00	27.00	(3.00)
Enterprise Applications Management Division	28.40	30.00	32.00	32.00	43.00	11.00
IT Operations Division	19.00	27.00	29.00	29.00	28.00	(1.00)
IT Regional Support Division	30.00	24.00	25.00	25.00	20.00	(5.00)
Office of CIO Division	33.00	7.00	5.00	5.00	7.00	2.00
Public Safety IT Division	-	29.00	29.00	29.00	29.00	-
Sacramento City 311 Division	31.00	35.50	35.50	41.50	41.50	-
Total	**141.40**	**182.50**	**185.50**	**191.50**	**195.50**	**4.00**

PERFORMANCE MEASURES

IT 311 Division

Key Measure	FY16 Actuals	FY17 Actuals	FY18 Actuals	FY19 Estimate	FY20 Target
Percent of 311 calls that are answered	80%	64%	66%	70%	80%

The percent of calls answered is a measure of call center staffing, self-service effectiveness, and the demand for the services offered by the City.

IT Regional Support Division

Key Measure	FY16 Actuals	FY17 Actuals	FY18 Actuals	FY19 Estimate	FY20 Target
Respondents rating the quality of IT service as good or excellent	98.5%	99%	99%	99%	99%

The IT Department tracks support requests and regularly surveys internal customer satisfaction. Satisfaction survey requests are automatically generated for all customers who contact the department for IT support.

Technology Infrastructure Services Division

Key Measure	FY16 Actuals	FY17 Actuals	FY18 Actuals	FY19 Estimate	FY20 Target
Network services available					
Public Safety systems	99.69%	99%	99%	99%	99%
All other systems	99.84%	99%	99%	99%	99%

The IT Operations Division and Public Safety IT Division maintain and operate the City's network, telecommunications, and fiber systems that support enterprise voice and data systems. Network and telecommunication systems are mission critical and an integral part of City business operations. This performance measure captures the network system availability/uptime percentages excluding scheduled maintenance periods.

Enterprise Applications Management Division

Key Measure	FY16 Actuals	FY17 Actuals	FY18 Actuals	FY19 Estimate	FY20 Target
Data published on Open Data	79	79	74	74	85

The objective of the Open Data Initiative is to promote increased transparency, accountability, and efficiencies by making public data available in a reliable standardized electronic form. The site contains options for citizens to request new datasets, easily embed data in websites, and share information with social media networks. This performance measure reports and tracks the number of datasets published.

Key Measure	FY16 Actuals	FY17 Actuals	FY18 Actuals	FY19 Estimate	FY20 Target
Enterprise database system available	99.9%	99.9%	99.9%	99.9%	99.9%

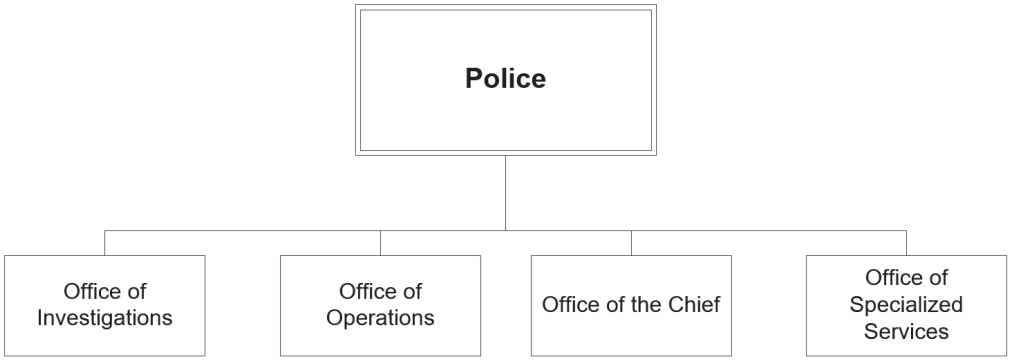
The Enterprise Applications Management Division manages and maintains a wide variety of data and systems that house critical mission information for City business systems. This performance measure tracks the system uptime/availability percentage rate for the enterprise database systems.

18

SECTION – 18
Police

Police

The mission of the Police Department is to work in partnership with the community to protect life and property, solve neighborhood problems, and enhance the quality of life in our City.



The **Police Department** (PD) is dedicated to the philosophy and principles of community policing and endeavors to build public trust with all members of the community, including children, youth, and adults. The department is committed to transparency, fairness, and impartiality and supports accountability at all levels of the organization. The men and women of the PD are a professional and well-trained police force (747 sworn positions and 323 professional staff positions). All PD employees value the diversity of the public they serve and strive to provide a strong fabric of public safety through the implementation of best practices and dedicated service.

- Office of Investigations: Responsible for developing information leading to the arrest of criminal offenders. This office also oversees forensics, evidence and property, records, emergency services, administrative services, human resources, and research, development and training.
- Office of Operations: Responsible for providing frontline police services, including the patrol division (located at three neighborhood substations) and the communications division (911 Center).
- Office of the Chief: Responsible for developing and communicating the vision for the department. This office oversees the public information office, governmental affairs, internal affairs, and special projects.

- Office of Specialized Services: Responsible for outreach and engagement, support services, public safety information technology, and the metro division which includes specialty teams such as the K9 unit, and Special Weapons and Tactics (SWAT).

PROGRAMS/SERVICE HIGHLIGHTS

- Expanded community engagement training for recruits in the academy. To provide new police recruits an additional foundation in community policing, the department has added a community service project to both the police academy and the field training program. Examples of community service projects include partnering with local schools to interact with students, conducting safety presentations, and assisting school staff with special projects. More specifically, once the recruits graduate from the academy, they complete a day of service alongside non-profit partners to help those in need in neighborhoods across the city.

- Established the Sac PD Bootcamp program to help future police officers train for the physical demands of the profession. This program allows anyone interested in joining the PD to come out and speak to a recruiter or current officer, participate in a free workout, and ask questions about the hiring process or any other law-enforcement related topic. Participants obtain great insight into the PD and receive personal attention from police employees. The workouts, typically run every Wednesday night, are held at community centers and parks throughout the city.

- Continued the “Walk In My Shoes” program, which was originally developed as a partnership between the community and officers. The purpose of the program is to build stronger relationships and foster a better understanding between officers and community members. Community members are paired one-on-one with an officer to engage in an open dialogue about the role of law enforcement in Sacramento and discuss how the police can better serve the community. Topics of discussion can include experiences, perspectives, and challenges facing community members. The overall goal of the program is to have honest conversations that lead to the development of a greater understanding of each other as individuals and result in a collaborative relationship between the PD and community.

- Continued evaluation of the Body Worn Camera (BWC) program, monitoring compliance, and enhancing policies based on best practices.

- Continued the Start Smart drivers’ education program. This program trains new drivers and their parents and focuses on the common causes of collisions.

- Continued to establish the foundational policies and procedures for the creation of an Unmanned Aerial System (UAS) program.

- Improved facility security at the Public Safety Administrative Building, police sub-stations, evidence, and property building, and the 911 center through the installation of security camera systems.

- Expanded Impact Team coverage from four days a week to seven days a week. This expansion has significantly increased the department's ability to conduct homeless engagement activities including bike patrols, community meetings, and geographically-focused programming. The department has also partnered with several homeless assistance providers to provide medical assistance, veterinary services, housing navigation and veteran services.

- Continued to expand the Hiring Pipeline Program to help transition young adults from, including but not limited to, the Criminal Justice Magnet Academy, Police Cadet Program, local junior colleges, and local universities, into careers in law enforcement.

- Continued to partner with local Community Based Organizations to provide training and mentoring, known as Links for Law Enforcement, to potential law enforcement applicants. The training encompasses multi-week sessions geared for a wide variety of targeted demographics. After the sessions, graduates have a better understanding of the entire hiring process, as well as having acquired skills to assist with their ability to be viable law enforcement candidates.

- Continued to expand connections with the community through the Neighborhood Watch program. The department has established a citywide coordinator for the program, developed a strong partnership with NextDoor.com, and has required that all patrol personnel actively participate in community meetings, neighborhood associations and support the many community events that occur throughout the year.

- Continued implementation of Crisis Intervention Training (CIT) program. All sworn staff have participated in a 40-hour Police Officers Standards and Training (POST) certified course, widely accepted as the "gold standard," that will increase the likelihood of a positive outcome in responding to calls involving individuals experiencing a crisis. Also, this training will ensure officers meet and exceed state standards for mental health training.

- Continued the Law Enforcement Candidates Scholar (LECS) partnership program with CSUS. A select group of CSUS students passed a rigorous application process and began the program. The program involves various educational and occupational training classes related to law enforcement and working with the community. The initial cohort completed the program requirements in the spring of 2018 and transitioned to the police academy in July 2018.

- Continued redeployment of the Problem Oriented Policing (POP) teams throughout the city. The POP teams, which had been extremely successful in both community engagement and enforcement functions, were disbanded during the recession. Existing personnel assigned to other units were repurposed to mitigate the effect on patrol staffing. Although the POP teams are not as robust as when deployed initially, the teams will provide the basic framework of the POP philosophy for city residents and assist patrol in working with the community.

- Expanded deployment of less-than-lethal equipment and improved medical response in the field. The department leveraged existing resources and replaced outdated equipment to ensure that all patrol vehicles contain at least one less-than-lethal option and a ballistic shield designed to protect against weapons and projectiles. In addition, the department provided medical kits to all patrol officers that contain the supplies necessary to triage medical emergencies until medical personnel arrive.

- Continued to strive to be a progressive leader among law enforcement agencies in transparency. Transparency encourages inclusion, keeps residents better informed about department operations, and encourages them to help us keep their community safe. The department uses a variety of delivery methods including social media, the department website, and face-to-face contact through regular and special meetings with community members.

- Purchased and deployed a new Bell 505 Jet Ranger X helicopter. It was named "Halo" in honor of fallen Davis Police Officer Natalie Corona by the 6th grade class at Bell Elementary School. The purchase is an investment in the future safety of our community and law enforcement officers on the ground.

- Purchased and deployed a new Mobile Incident Command Center (MICC). It will be used at large scale events and major incidents, as well as be a presence in the community.

DEPARTMENT EFFICIENCIES

- Continued to evaluate and implement improvements to the backgrounds process. The department is collaborating with the Department of Human Resources and the State Commission on Peace Officer Standards and Training (POST) to propose an electronic Police Entry Level Law Enforcement Test (PELLET-B). This computerized test will eventually replace the current paper tests and reduce the wait time for test results.

- Completed installation of ShotSpotter in the east, north and south areas of the City. ShotSpotter is a gunfire-detection system able to pinpoint the location of a gunshot. This information is relayed to the Communications Center and all patrol units within the district in less than 60 seconds. The system significantly increases the ability of the department to respond to gunshots promptly, solve the crime that has been committed, and recover the firearm. The department is

also using the ShotSpotter notifications to engage neighborhoods impacted by often unreported crimes involving guns.

- Continued to expand the use of video technology to prevent and solve crimes. Police Obesrvation Devices (PODs) equipped with a combination of surveillance cameras and License Plate Readers (LPRs) are affixed to city street light standards at various locations across the City. The primary goal of these devices is to serve as a highly visible crime deterrent, but recorded video can also be reviewed for potential evidence if a crime occurs.

- Implemented Text-to-911 service. The PD Dispatch Center is now equipped to receive and respond to mobile phone Text-to-911 messages sent by community members who are deaf or hard-of-hearing as well as those situations where it is too dangerous to call 911.

- Expanded the use of predictive crime analysis using crime pattern data, mapping, and reporting. This information allows the department to align resources with crime hotspots strategically.

OBJECTIVES FOR FY2019/20

- Build a trusting, collaborative relationship between the community and the department through:
    - The “Walk in My Shoes” program for Field Training Officers and recruits graduating from the academy;
    - The Academy community engagement program;
    - Transparency by maintaining, enhancing, and expanding the department transparency webpage;
    - The release of videos that are of public interest in addition to videos involving officer involved shootings;
    - The implementation of an annual community survey;
    - The addition of professional staff to expedite SB1421 and other Public Records Act requests; and
    - Continued collaboration with the Sacramento Community Police Review Commission.

- Increase staffing that represents the community by:
    - Continuing the SacPDStrong Bootcamp program at various locations throughout the City;
    - Continuing the CSUS LECS program and expand it to include Sacramento City College and Cosumnes River College;
    - Continuing the pre-hire and Community Service Officer Academies; and
    - Improving the efficiency and effectiveness of the recruitment, background, and hiring process.

- Implement an implicit bias training program within the department by:
    - Developing a curriculum with the American Leadership Forum (ALF), Sierra Health Foundation, and universities, including UC Berkeley and Stanford;
    - Developing a "train the trainer" program for department personnel as well as community members; and
    - Providing training for all department personnel and community groups.

- Improve morale within the department by valuing employees and providing the best possible training, resources, and leadership by:
    - Identifying and promoting employee appreciation;
    - Providing mentoring for employees at all levels; and
    - Increasing transparency within the department and community.

BUDGET CHANGES

Division	Description	Fund	Revenue/ Offset Adjustment	Expenditure Change	FTE Change
Office of the Chief	Provide funding to purchase, implement, and maintain Lexipol policy management software and on-going associated licensing and software costs.	Measure U	-	144,395	-
Office of Investigations	Provide funding to partner with CASH.	Measure U	-	95,000	-
Office of Investigations	Provide funding to expand the Police Observation Devices (PODs) program.	Measure U	-	157,500	-
Office of Operations	Provide funding to maintain the ShotSpotter gunfire detection systems in East Sacramento.	Measure U	-	126,000	-
Office of Operations	Add staffing (7.0 FTE Community Service Officer I and 15.0 FTE Community Service Officer II positions), to expand the Hiring Pipeline program.	Measure U	-	1,976,320	22.00
Office of Operations	Provide funding and staff for the 2017 COPS Hiring Program (CHP) Grant. This will fund 15.0 FTE Police Officer positions, vehicles and service and supplies to address gun violence in Sacramento. Partially offset by the CHP grant.	Measure U	(656,250)	2,332,346	15.00
Office of Specialized Services	Provide funds to continue the expansion of Impact Teams from four days to seven days a week.	General	-	575,000	-
Office of Specialized Services	Provide funds to support information technology service contracts and software licensing increases; network security enhancements; and evolving technologies.	Measure U	-	1,090,595	-

POSITION CHANGES

- A vacant position (1.0 FTE Police Officer) was deleted and a new position (1.0 FTE Media and Communications Specialist) was added to address the growing need for public outreach and transparency.

CAPITAL IMPROVEMENT PROGRAM (CIP)

IT Critical Infrastructure

Ongoing funds in the amount of $200,000 were added to the 2019-2024 CIP for CISCO Network Infrastructure and Licensing.

Body Worn Cameras

Funding in the amount of $1,165,500 for the department's Body Worn Camera program was added to the 2019-2024 CIP for equipment and data storage.

Police Department Fleet Equipment and Technology

Funding in the amount of $2,166,389 was added to the 2019-2024 CIP to replace/upgrade the mobile data computers, in-car camera systems and ballistic door panels.

Department Budget Summary

Police Budget Summary	FY2016/17 Actuals	FY2017/18 Actuals	FY2018/19 Approved	FY2018/19 Amended	FY2019/20 Proposed	Change More/(Less) Proposed/Amended
Employee Services	142,551,197	135,016,528	161,887,243	162,215,803	170,706,828	8,491,025
Other Services and Supplies	10,190,692	10,516,112	10,629,965	9,458,696	10,650,444	1,191,748
City Property	718,915	533,761	3,483,793	502,614	3,790,980	3,288,366
Transfers	(350,458)	(64,478)	-	-	-	-
Labor and Supply Offset	(22,403,904)	(25,293,522)	(28,749,273)	(28,944,391)	(38,418,040)	(9,473,649)
Total	**130,706,442**	**120,708,401**	**147,251,728**	**143,232,722**	**146,730,212**	**3,497,490**

Funding Summary by Fund/Special District	FY2016/17 Actuals	FY2017/18 Actuals	FY2018/19 Approved	FY2018/19 Amended	FY2019/20 Proposed	Change More/(Less) Proposed/Amended
General Fund	130,007,062	120,202,646	146,698,800	142,679,794	146,175,515	3,495,721
Interdepartmental Service	187,037	-	-	-	-	-
Risk Mgmt	512,343	505,754	552,928	552,928	554,697	1,769
Total	**130,706,442**	**120,708,401**	**147,251,728**	**143,232,722**	**146,730,212**	**3,497,490**

Division Budget Summary

Police Division Budgets	FY2016/17 Actuals	FY2017/18 Actuals	FY2018/19 Approved	FY2018/19 Amended	FY2019/20 Proposed	Change More/(Less) Proposed/Amended
Office of Investigations Division	33,649,993	30,434,067	32,932,984	32,932,984	34,227,918	1,294,934
Office of Operations Division	62,390,671	56,748,989	73,864,238	72,985,963	71,134,871	(1,851,092)
Office of Specialized Services Division	22,745,111	17,554,670	18,300,437	18,387,756	20,071,425	1,683,669
Office of the Chief Division	11,920,666	15,970,675	22,154,069	18,926,019	21,295,999	2,369,980
Total	**130,706,442**	**120,708,401**	**147,251,728**	**143,232,722**	**146,730,212**	**3,497,490**

Staffing Levels

Police Division Budgets	FY2016/17 Actuals	FY2017/18 Actuals	FY2018/19 Approved	FY2018/19 Amended	FY2019/20 Proposed	Change More/(Less) Proposed/Amended
Office of Investigations Division	252.00	222.40	216.50	214.40	216.40	2.00
Office of Operations Division	604.50	614.50	621.50	625.50	661.50	36.00
Office of Specialized Services Division	147.66	109.66	108.66	109.66	115.66	6.00
Office of the Chief Division	54.30	79.90	87.80	90.90	76.90	(14.00)
Total	**1,058.46**	**1,026.46**	**1,034.46**	**1,040.46**	**1,070.46**	**30.00**

PERFORMANCE MEASURES

Department-wide

Key Measure	FY16 Actuals	FY17 Actuals	FY18 Actuals	FY19 Estimate	FY20 Target
Part 1 Crimes Reported per 1,000 Residents	30.3	38.16	38.25	35.28	35.25

Ranking*	City	Part 1 Crimes Reported per 1,000 Residents
1	San Diego	10.96
2	Anaheim	14.08
3	San Jose	14.55
4	Los Angeles	16.09
5	Long Beach	16.20
6	**Sacramento**	**18.51**
7	Fresno	19.22
8	Bakersfield	24.24
9	San Francisco	30.21
10	Oakland	31.42

*Top ten cities in California by Population - from the 2018 Preliminary Semiannual Uniform Crime Report (UCR)

Key Measure	FY16 Actuals	FY17 Actuals	FY18 Actuals	FY19 Estimate	FY20 Target
Part 1 Crimes Reported per Sworn FTE Position	22.6	24.46	28.24	25.85	25.5

Workload Measure Ranking*	City	Part 1 Crimes Reported per Sworn FTE**	Sworn FTE per 1,000 Residents**
1	Los Angeles	6.23	2.58
2	San Diego	7.56	1.45
3	Long Beach	8.96	1.81
4	Anaheim	12.20	1.15
5	Fresno	12.32	1.56
6	**Sacramento**	**12.46**	**1.49**
7	San Jose	13.14	1.11
8	San Francisco	13.51	2.24
9	Oakland	16.88	1.86
10	Bakersfield	22.71	1.07

*Population from the 2018 Semiannual UCR Data

**Sworn FTE data is based on FY2018/19 Adopted Budgets

The measure of crime is an indication of the overall safety in a community. Safe neighborhoods and safe public spaces create a sense of well-being to citizens and visitors. Crime rate comparisons to similarly-sized California cities provide a baseline to measure progress in controlling crime. The universal benchmark of crime is referred to as Part 1 crime. Part 1 crimes are reported to the U.S. Department of Justice as part of the Uniform Crime Reporting (UCR) system and include: Homicide, Rape, Robbery, Aggravated (Felony) Assault, Burglary, Larceny (Theft), Motor Vehicle Theft, and Arson.

Part 1 crime statistics are based off the Preliminary Semiannual Uniform Crime Report (UCR) - January through June 2018. Population data is from the U.S. Census Bureau. Sworn FTE data is based off FY 2018/19 Adopted Budgets.

Key Measure	FY16 Actuals	FY17 Actuals	FY18 Actuals	FY19 Estimate	FY20 Target
Percentage sworn SPD employees who are women or minorities	39%	39%	38%	39%	40%
Percentage of new hires into sworn or Hiring Pipeline Program vacancies that are women or minorities	64%	61%	59%	71%	65%

The department recognizes that a workforce that mirrors the community it serves is important. The department has developed a four-point plan to specifically increase diversity. The four areas are marketing, recruiting, process improvements and establishment of a Hiring Pipeline Program. The first measure reflects the percentage diversity among all department employees. Currently, approximately 39 percent of sworn employees are women or minorities. The second measure reflects the percentage of new hires into sworn and Hiring Pipeline vacancies. In FY2019/20, the SPD anticipates continuing to increase the number of women and minority new hires into sworn and Hiring Pipeline vacancies.

Field Services Division

Key Measure	FY16 Actuals	FY17 Actuals	FY18 Actuals	FY19 Estimate	FY20 Target
Key Measure in minutes					
Median response time for priority 2 and 3 calls (mm:ss)	10:50	11:07	11:00	11:09	11:00

The timely arrival of a police officer to a reported crime is vital to prevent injury or death, apprehend suspected criminals, identify witnesses and evidence, and enhance the solvability of the crime. The SPD prioritizes all calls for service with emergency and in-progress crimes given the highest priority. The response time of all calls is tracked by the SPD Communications Center. The projections for the remainder of FY2018/19 and FY2019/20 are based on current trends. The SPD anticipates that response times will be reduced in future years as sworn vacancies are filled and new police officers are trained. Comparable jurisdictional data is not available as each agency uses different criteria and policies governing the definition of priority calls for service.

Key Measure	FY16 Actuals	FY17 Actuals	FY18 Actuals	FY19 Estimate	FY20 Target
Percentage of 911 calls answered within 15 seconds	83%	83%	98%	98%	95%

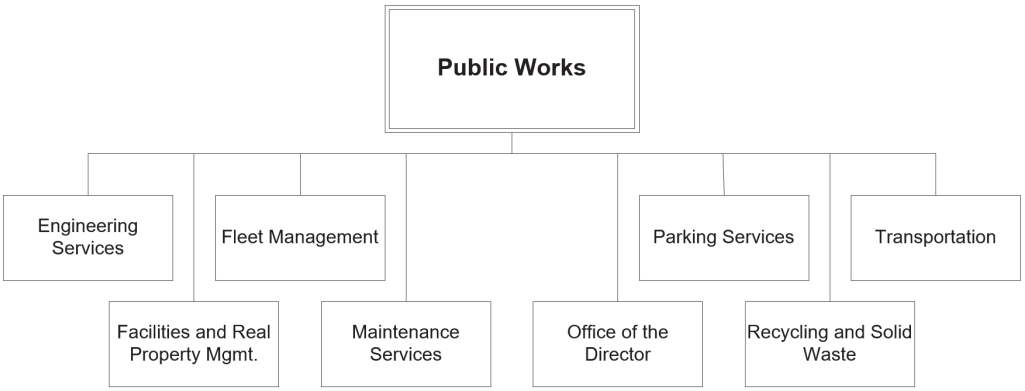
The faster a call to 911 is answered the faster units can be dispatched and made available at the scene of an emergency. The state standard is answering 95% of all 911 calls within 15 seconds. Call answer times are tracked by the SPD Communications Center. The projection for the remainder of FY2018/19 fiscal year is based on prior month averages. The projection for FY2019/20 is based on the state standard. Actual results will vary depending on the call volume and available staffing.

19

SECTION – 19
Public Works

Public Works

We provide innovative and sustainable public infrastructure and services toward preserving and enhancing quality of life.



The **Public Works Department** focuses on delivering public projects in a timely manner, managing parking resources to meet the needs of residents, businesses, employers, and visitors, maintaining transportation infrastructure, planning for long-range transportation needs, maintaining the City's urban forest, managing the City's fleet, facilities and real property assets, and providing recycling and solid waste services. These services are the responsibility of the following divisions:

- Engineering Services: Responsible for transportation funding support, project development, design and construction, survey and inspection, plan check, and maps.
- Facilities and Real Property Management: Responsible for facility maintenance, design and construction, real estate, ADA barrier removal, and citywide mail services.
- Fleet Management: Responsible for purchases, maintenance, and management of all fleet assets and citywide fueling infrastructure.
- Maintenance Services: Responsible for maintenance of roads and bridges, sidewalks, curbs, gutters, and streetscapes, tree health and maintenance, and right-of-way coordination.
- Office of the Director: Responsible for policy, legislative support, funding, special projects, sustainability efforts, employee enrichment, and department-wide support.

• Parking Services:	Responsible for curb management, parking enforcement, parking meters, retail lease space, parking garages and lots, and operation of the Sacramento Marina.
• Recycling and Solid Waste Services:	Responsible for recycling and refuse collection, yard waste collection, household hazardous waste collection, household junk pickup, street sweeping, illegal dumping cleanup, and landfill post-closure maintenance and monitoring.
• Transportation:	Responsible for maintenance and operations of streetlights and traffic signals, entitlements, traffic studies and investigations, traffic control devices, and long-range transportation planning including active transportation and design for traffic safety.

PROGRAMS/SERVICE HIGHLIGHTS

- Supported the implementation of the Verizon public-private-partnership 5G launch to help Sacramento become one of the first 5G cities in the world.
- Delivered $13 million in road resurfacing for the preservation and restoration of arterial and neighborhood streets. Provided accessibility improvements, improved bicycle facilities, and other improvements.
- Completed a Floodgate Assessment of the City's 18 floodgates. Information gathered from this assessment will help guide the City on prioritizing needed restoration to maintain the system in a state of good repair.
- Implemented the City's first parking protected bikeways in downtown and successfully secured $5 million of state funds for further expanding the network.
- Launched the SACOG Regional Bike Share Program with JUMP electric assist bikes in May 2018. Staff sited and permitted over 60 bike share hubs with over 660 parking spaces. JUMP users in the Sacramento region made more than 500,000 trips and traveled more than 725,000 miles in the first seven months of activity.
- Received and recommended for approximately $21 million in transportation grants to help meet critical mobility and safety needs.
- Hired T.Y. Lin International to lead the design effort of the first new bridge over the Sacramento River in 50 years.

- Completed the Old Sacramento embarcadero along the Sacramento River waterfront.
- Established Car Share and Curbside Electric Vehicle (EV) Charging Parking Permits and led the adoption of Curbside Electric Vehicle Charging Design Guidance.
- Supported the launch of Envoy and Gig electric vehicle car share programs.
- Received the No. 2 Green Fleet in North America Award for 2018.
- Amended parking regulations to provide four additional free meter holidays during the year and implemented a pilot program for educational institutions to facilitate a balance of the parking supply between schools and residents in high impact areas.
- Completed the Ramona Avenue extension project, which improves pedestrian, bicycle, and vehicular connectivity across US-50 between the Sacramento Center for Innovation and Sacramento State University.
- Completed the Folsom Boulevard Complete Streets Rehabilitation Project to enhance safety for all modes of travel.
- Completed the R Street Phase III Project, from 13th Street to 16th Street. This is the third and final phase of revitalization of R Street in Downtown Sacramento, including colored concrete, new trees, streetlighting, parking, and storm drainage improvements.
- Leased nearly 10,000 square feet of space at the Sacramento Valley Station to McClatchy.
- Completed Fire Station 15 at 1640 West El Camino Avenue. This 9,311 square foot station accommodates ten staff and was built to LEED Silver standards.
- Improved the parking at Fairytale Town to ensure that the on-street disabled parking and the walkway at 15th Avenue and Land Park Drive is code compliant.
- Implemented Construction Management Integrated Software (CMIS), a web-based and data-based platform that allows construction inspection reporting to be more efficient and user-friendly.
- Installed 26 new electric vehicle chargers at the 300 Richards Boulevard Building to support the deployment of electric fleet vehicles to be used by the Public Works Department and the Community Development Department.
- Installed energy-efficient lighting upgrades at the following facilities: Del Paso Library, McKinley Library, South Natomas Library, Clunie Community Center, Hagginwood Community Center, Oak Park Community Center, Samuel C. Pannell Community Center, and South Natomas Community Center. The LED

retrofit reduces energy consumption, reduces maintenance costs, and improves the overall lighting of the community centers and libraries.

- Implemented a validation program for non-gated off-street parking lots, allowing businesses to offer validated parking to customers and employees.
- Expanded on-street pay-by-plate parking to support protected bike lanes.
- Introduced new parking enforcement handhelds that are wirelessly connected to the various parking providers, allowing officers to confirm whether a vehicle has parking rights at its current location.
- Added nine new managed locations, representing over 2,000 parking spaces, to optimize parking supply utilization and provide more parking options to citizens and visitors of the City.
- Implemented three pay-by-plate machines/kiosks in Miller Regional Park and the Sacramento Marina to enhance parking access for park and marina visitors.
- Implemented Police Observation Devices (PODs) in strategic locations. The PODs are a highly visible crime deterrent which continuously record and allow officers to retrieve needed data for police related incidents or investigations.
- Enhanced public safety at the marina by installing nine safety throw rings in selected locations throughout the marina property.
- Received re-certification for the Sacramento Marina as a Clean Marina through the Clean Marina Program, an ongoing endeavor by a marina industry alliance determined to provide environmentally clean facilities and protect coastal and inland waters from pollution through compliance of best management practices.
- Removed the escalator in the Sacramento History Museum and in doing so opened up additional floor spaces for a better experience when entering the Museum.
- Installed a new 2,880 square foot portable building in Shasta Park next to Valley Hi Library to house the Boys & Girls Clubs of Greater Sacramento.
- Remodeled the current office spaces that Sacramento City 311 occupies to accommodate additional staff, modernizing the work environment and updating the over 60-year-old electrical service.
- Completed the Central Library Water Intrusion Project, fixing major water leaks in the basement of the Library building and added a decorative fence around the courtyard for Library functions.
- Installed 4,000 feet of new waterline for the City of Sacramento Softball Complex providing potable water for drinking fountains and, on site food service.

- Installed vehicle exhaust extraction systems at 10 fire stations, removing contamination risks and improving indoor air quality throughout the stations and the general health and safety of our fire staff.
- Replaced the historic stair railing at the Crocker Art Museum.
- Renovated Fire Station 16 and extended its overall useful life by replacing the kitchen, flooring, and alerting system, remodeling the bathroom, and laying new asphalt in the parking lot.
- Responded to a Cleanup and Abatement Order from the State Water Resources Control Board by installing 36 gas wells, nine sumps, and other equipment at the 28th Street Landfill.
- Relocated the water tower at McKinley Village to Sutter's Landing Corporation Yard.

DEPARTMENT EFFICIENCIES

- Managed development of a system to determine costs for on-street parking for GPS-equipped fleet vehicles, allowing fleet operators to automatically pay the proper amounts for parking after the fact.
- Coordinated the services of an Urban Forestry Arborist to assist the Youth, Parks, and Community Enrichment Department in ensuring consistency and mutual aid between the two departments regarding the evaluation and management of the City's trees.
- Purchased 25 Chevy Bolt zero emission electric vehicles for various City Departments, including the Public Works Department, the Community Development Department, and the Department of Utilities.
- Implemented Zipcar automated car sharing service for City motor pool vehicles.
- Installed Reviver smart license plates on City fleet electric vehicles to accurately track mileage and usage.
- Continued the practice of using on-call consultants for inspection, maintenance, repairs, and upgrades to handle peak workloads without permanent increases in staffing.
- Purchased four mobile surface computers to test a paperless work order process which allows staff to remotely access real-time work order system information and to update work orders in the field. This prevents spending additional time at a computer in the office at the end of the day and allows staff to be able to remotely address issues in a timelier manner.
- Refined appliance/e-waste collection by developing collection zones which reduced drive time and customer wait time from eight weeks to two weeks.

- Improved point to point routing for refuse pickup services with the most current authoritative street network, reducing use of paper by approximately 50% and reducing drive times.
- Completed outreach and began implementation of new monthly restricted parking in the Central City Services area, allowing sweepers to access curbs and improve service.
- Improved leaf season collection by meeting the 14-day level of service 90% of the time.
- Replaced 14 new side loaders and one new rear loader for improved reliability and carbon emissions reduction in waste pickup.
- Installed wi-fi hotspots in supervisor trucks, improving communications and zonar capability (remote vehicle performance tracking) in the field.

OBJECTIVES FOR FY2019/20

- Implement the Sacramento EV Blueprint to guide further adoption of electric vehicles in Sacramento.
- Find new alternative fuel purchase options to help the City reach Fleet Sustainability policy goals.
- Develop a policy for the implementation of principles mandated by Senate Bill 743 to include analysis and reduction of vehicle miles traveled (VMT) in the environmental analysis.
- Implement program to integrate food waste collection as a part of green waste and develop policies and services to achieve organics diversion and reduce levels of statewide disposal of organic waste.
- Continue to reduce recyclable contamination rate through educational outreach activities.
- Complete public outreach and adopt Urban Forest Master Plan update.
- Adopt a Vision Zero Implementation Plan with strategies to eliminate traffic-related fatalities and severe injuries by 2027. The plan will focus on the five corridors with the highest incidences of traffic incidents involving serious injuries or fatalities as well as traffic safety in the vicinity of local schools.
- Support a comprehensive update of the General Plan Mobility Element to better recognize the vital role of technology, Vision Zero, strategies to reduce VMT, and better integrate transit and active transportation.
- Introduce additional EV charging facilities and programs.

- Implement a comprehensive parking strategy for the Sacramento Marina to safeguard parking for marina users.
- Introduce additional payment mechanisms to make it easier for customers to pay for their parking sessions.
- Implement further enhancements to the Parking Access and Revenue Control System (PARCS) in garages, including expansion of PARCS to additional facilities.
- Continue to work with state and local legislative counsel to advance initiatives to reduce disabled placard abuse.
- Publish a five-year pavement maintenance program.
- Continue to provide support and advocacy for transportation funding solutions at the federal, state, and local levels to provide sufficient resources for ongoing maintenance, operations, and modernization of transportation infrastructure and services in the City.
- Continue progress in successful delivery of major projects, including the I Street Bridge Replacement, the Sacramento Valley Station Phase 3, and regional bike trails including the Two Rivers Trail, Sacramento River Parkway, and Del Rio Trail.
- Support the development of City-sponsored homeless shelters.
- Develop a recycling and solid waste rate adjustment proposal for public consideration.

BUDGET CHANGES

Division	Description	Fund	Revenue/ Offset Adjustment	Expenditure Change	FTE Change
Facilities & Real Property Management	Increase funding for the maintenance and repair of City-owned libraries.	Measure U	-	200,000	-
Office of the Director	Provide funding for the Sustainability Program to implement cost-saving energy programs for City facilities and manage and implement policy direction from the City's Climate Action Plan to reduce the City's greenhouse gas emissions as required by state law.	Measure U	-	300,000	-
Recycling & Solid Waste	Increase funding for continued support of homeless mitigation/illegal dumping activities previously approved by Council.	General	-	382,000	-
Recycling & Solid Waste	Add a position (1.0 Engineering Technician I) to assist with expanding monitoring and maintenance activities at the 28th Street Landfill per state mandate.	Solid Waste	-	125,811	1.00
		Total Change	**$ -**	**$ 1,007,811**	**1.00**

Department Budget Summary

Public Works Budget Summary	FY2016/17 Actuals	FY2017/18 Actuals	FY2018/19 Approved	FY2018/19 Amended	FY2019/20 Proposed	Change More/(Less) Proposed/Amended
Employee Services	64,059,292	63,576,490	75,104,556	74,928,134	77,457,454	2,529,320
Other Services and Supplies	69,564,462	73,402,609	73,831,326	76,334,829	77,032,769	697,940
City Property	8,879,999	12,869,730	27,938,579	20,422,804	28,756,561	8,333,757
Transfers	60,750	342,255	400,655	415,655	400,655	(15,000)
Labor and Supply Offset	(16,957,029)	(19,533,562)	(19,306,792)	(19,844,905)	(19,001,131)	843,774
Operating Transfers	9,073,978	9,446,335	8,899,300	8,899,300	9,016,500	117,200
Total	**134,681,453**	**140,103,857**	**166,867,624**	**161,155,817**	**173,662,808**	**12,506,991**

Funding Summary by Fund/Special District	FY2016/17 Actuals	FY2017/18 Actuals	FY2018/19 Approved	FY2018/19 Amended	FY2019/20 Proposed	Change More/(Less) Proposed/Amended
General Fund	11,377,420	8,495,997	12,756,030	13,071,780	13,561,434	489,654
12th Street Maint Benefit Area	11,045	7,776	8,400	8,400	8,400	-
Cal EPA	1,900	1,248	-	-	-	-
Citation I-5 Maintenance	42,043	50,238	62,500	62,500	40,000	(22,500)
Del Paso Nuevo Landscaping CFD	-	1,516	9,000	9,000	9,000	-
Disaster Relief Act	-	156,439	-	-	-	-
Fair Share Contributions	-	-	-	(50,000)	-	50,000
Fleet Management	33,880,179	39,948,129	47,180,863	48,632,016	49,626,484	994,468
Gas Tax 2106	9,492,859	11,353,500	9,629,083	8,838,733	8,657,036	(181,697)
Interdepartmental Service	2,101,794	1,524,163	1,221,701	1,221,701	2,069,268	847,567
Laguna Creek Maint Dist	43,200	37,998	43,000	43,000	46,870	3,870
Land Park	23,360	52,850	52,850	52,850	52,850	-
Landscaping and Lighting	10,511,517	10,925,072	12,275,009	12,275,009	12,970,000	694,991
Marina	739,368	753,783	789,527	789,527	960,571	171,044
N Nat Lndscp 99-02	336,263	457,663	439,980	439,980	491,796	51,816
N Natomas Lands CFD 3	410,500	410,500	432,000	432,000	550,000	118,000
Neighborhood Lighting Dist	20,860	25,009	25,009	25,009	25,009	-
Neighborhood Water Quality Dist	24,995	25,894	37,500	37,500	45,577	8,077
New Measure A Maintenance	8,442,429	8,930,697	10,683,277	10,683,277	11,929,071	1,245,794
Northside Subdiv Maint Dist	4,001	4,075	4,500	4,500	5,850	1,350
Parking	11,182,888	10,551,824	12,174,261	12,063,051	12,562,789	499,738
Power Inn Rd Md 2003-01	5,313	5,725	8,500	8,500	13,625	5,125
Private Development	-	-	-	50,000	-	(50,000)
Railyards Maint CFD No 2014-04	46,364	60,722	99,542	99,542	107,056	7,514
Recycling and Solid Waste	44,602,443	45,127,846	57,696,959	51,119,809	58,573,828	7,454,019
SacMaintCFD2014-04 Annex Areas	-	14,919	33,500	33,500	65,095	31,595
SacMaintCFD2014-04 Area 01	33,538	50,686	82,500	82,500	82,500	-
State Route 160	690	734	-	-	-	-
State Route 275	13,798	2,845	-	-	-	-
Storm Drainage	195,000	195,000	226,000	226,000	226,000	-
Street Tree Fee	8	-	-	-	-	-
Subdiv Lndscpng Maint Dist	254,738	272,036	282,033	282,033	297,747	15,714
Township 9 CFD No. 2012-06	-	-	2,000	2,000	2,000	-
Traffic Safety	764,629	503,441	500,000	500,000	531,213	31,213
Transportation Development Impact Fee	-	38,656	-	-	-	-
Village Garden N.-Mtce Dist #1	14,454	16,499	17,500	17,500	19,900	2,400
Willowcreek Assmnt Md	25,182	17,673	11,600	11,600	18,000	6,400
Willowcreek Lndscpng CFD	78,676	82,703	83,000	83,000	113,840	30,840
Total	**134,681,453**	**140,103,857**	**166,867,624**	**161,155,817**	**173,662,808**	**12,506,991**

Division Budget Summary

Public Works Division Budgets	FY2016/17 Actuals	FY2017/18 Actuals	FY2018/19 Approved	FY2018/19 Amended	FY2019/20 Proposed	Change More/(Less) Proposed/Amended
Engineering Services Division	(237,438)	(1,110,590)	(245,076)	(245,076)	(156,675)	88,401
Facilities & Real Property Mgmt Division	4,481,052	4,909,781	5,528,188	5,360,938	6,078,645	717,707
Fleet Management Division	33,880,179	39,948,129	47,180,863	48,632,016	49,626,484	994,468
Maintenance Services Division	20,441,326	20,340,077	22,998,970	22,423,620	24,533,948	2,110,328
Office of the Director	2,365,632	1,964,641	2,268,032	2,268,032	2,343,116	75,084
Parking Services Division	19,949,460	19,609,613	21,172,236	21,579,026	22,438,734	859,708
Recycling & Solid Waste Division	45,251,626	45,769,519	58,363,559	51,786,409	59,246,828	7,460,419
Transportation Division	8,549,615	8,672,687	9,600,852	9,350,852	9,551,729	200,877
Total	**134,681,453**	**140,103,857**	**166,867,624**	**161,155,817**	**173,662,808**	**12,506,991**

Staffing Levels

Public Works Division Budgets	FY2016/17 Actuals	FY2017/18 Actuals	FY2018/19 Approved	FY2018/19 Amended	FY2019/20 Proposed	Change More/(Less) Proposed/Amended
Engineering Services Division	75.00	78.00	81.00	81.00	81.00	-
Facilities & Real Property Mgmt Division	65.00	67.00	70.00	70.00	70.00	-
Fleet Management Division	86.00	85.00	85.00	85.00	83.00	(2.00)
Maintenance Services Division	123.00	123.00	123.00	123.00	123.00	-
Office of the Director	17.00	14.00	13.00	13.00	12.00	(1.00)
Parking Services Division	130.05	130.05	130.05	130.05	131.05	1.00
Recycling & Solid Waste Division	160.30	160.30	161.30	164.30	165.30	1.00
Transportation Division	69.00	72.00	72.00	72.00	71.00	(1.00)
Total	**725.35**	**729.35**	**735.35**	**738.35**	**736.35**	**(2.00)**

PERFORMANCE MEASURES

Facilities & Real Property Management Division

Key Measure	FY16 Actuals	FY17 Actuals	FY18 Actuals	FY19 Estimate	FY20 Target
Percent of all facility work order requests completed within the performance standard	44%	53%	60%	65%	64%

This measure indicates how quickly work order requests are completed. Work order categories include 'emergency' with a one-day performance standard, 'priority' with a seven-day performance standard, and 'standard' with a 30-day performance standard.

Fleet Management Division

Key Measure	FY16 Actuals	FY17 Actuals	FY18 Actuals	FY19 Estimate	FY20 Target
Percent of City vehicles available at 6:00 AM	96%	94%	94%	94%	95%

This measure indicates what percentage of overall City vehicles are available to operators for City services. The division is collecting information to measure staffing ratios and estimated service demands for each shop to appropriately staff each shop to sustain adequate vehicle availability.

Key Measure	FY16 Actuals	FY17 Actuals	FY18 Actuals	FY19 Estimate	FY20 Target
Percent of alternative fuel vehicles purchased	N/A	N/A	38%	33%	26%

The California Global Warming Solutions Act of 2006 (Assembly Bill 32) requires California to reduce its GHG emissions to 1990 levels by 2020. The City's Fleet Management Division Sustainability Policy states that annual purchases of fleet replacement vehicles will include a minimum commitment of 50% for alternative fuel and/or alternatively powered vehicle replacements by 2018, and 75% by 2025. FY20 target includes renewable diesel purchases, not previously included.

Maintenance Services Division

Key Measure	FY16 Actuals	FY17 Actuals	FY18 Actuals	FY19 Estimate	FY20 Target
Percentage of roads with a Pavement Condition Index above 70 (good rating)	N/A	46%	44%	43%	42%

The Maintenance Services Division is responsible for the City's street infrastructure system which includes over 3,065 lane miles of paved roadway. The Maintenance Services Division's goal is to work towards a Pavement Condition Index of 70 (good) from its current rating of 66 (fair). Beginning in FY17 the City updated the method of calculating pavement condition from the Pavement Quality Index to the industry standard Pavement Condition Index.

Key Measure	FY16 Actuals	FY17 Actuals	FY18 Actuals	FY19 Estimate	FY20 Target
Percentage of 311 service requests for potholes responded to within 48 hours	69%	80%	79%	85%	85%

The Maintenance Services Division is responsible for the street infrastructure system which includes the maintenance of 3,065 lane miles of paved roadway. Patching potholes is an essential service and on average, the Maintenance Services Division patches 1,452 potholes per month. Our customer commitment is to respond to 311 complaints for potholes within 48 hours of receiving the request.

Key Measure	FY16 Actuals	FY17 Actuals	FY18 Actuals	FY19 Estimate	FY20 Target
Percentage of tree inventory pruned per annual cycle	84%	104%	91%	95%	95%

The City's Urban Forestry Program maintains, sustains and enhances Sacramento's tree canopy through a variety of programs. Urban Forestry staff (internal and contractors) prune 890 trees monthly on average consistent with our goal of maintaining a less than seven-year pruning cycle for all of our 75,000 plus public trees.

Parking Services Division

Key Measure	FY16 Actuals	FY17 Actuals	FY18 Actuals	FY19 Estimate	FY20 Target
Revenue generated per parking meter	$1,210	$1,742	$1,892	$1,988	$2,005

The Parking Division is responsible for the collection and maintenance of over 6,000 paid on-street parking spaces within the Central City. It is estimated that within the next five years, the meter program will expand its infrastructure by adding up to 300 new paid spaces. In the last two years the division has implemented Tier Based Pricing, adjusted rates to market conditions, and increased the hours of operation. Throughout the City, there are over 5 million parking meter customer transactions per year.

Key Measure	FY16 Actuals	FY17 Actuals	FY18 Actuals	FY19 Estimate	FY20 Target
Marina slips occupancy rate	71%	78%	80%	81%	83%

The Sacramento Marina has 475 available boat slips, which can accommodate boats varying in length from 25 to 50 feet. Historically, the Marina had an average 94 percent occupancy rate; however, during the Great Recession the occupancy rate dipped as low as 44 percent. With the improved economy, new management, and new amenities in place, the Marina had a 14 percent increase in occupancy rates from FY2016 to FY2019.

Recycling & Solid Waste Division

Key Measure	FY16 Actuals	FY17 Actuals	FY18 Actuals	FY19 Estimate	FY20 Target
Percent of City collected waste diverted from landfill	41%	43%	42%	42%	42%

California state law requires that at least 50 percent of the waste generated within the city limits be diverted from landfills. While the percent of City-collected residential waste diverted from landfill is below the state threshold (as shown above), as a jurisdiction, the City government collection rate exceeds the state requirement at 64 percent diversion. The difference is largely due to the recycling of construction and demolition material collected by commercial waste haulers, which is not part of the City's residential collection service. Educating customers on proper recycling is central to seeing these percentages grow. Over 50 percent of the Division's annual outreach expenditures are spent on increasing diversion.

Key Measure	FY16 Actuals	FY17 Actuals	FY18 Actuals	FY19 Estimate	FY20 Target
Number of complaints of missed pickups (per 10,000 containers)	7%	11%	12%	11%	11%

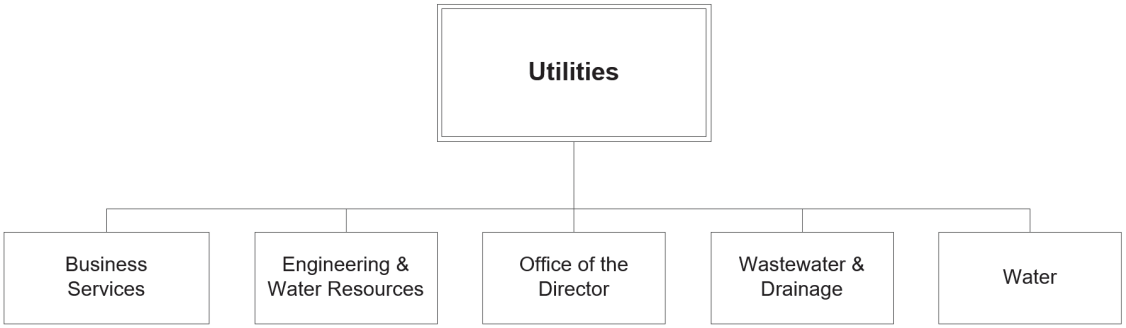
In a given year, City Integrated Waste Equipment Operators service almost 17 million garbage, recycling, and yard waste containers. Complaints of missed collections represent the highest volume of solid waste related calls to City 311; however, the actual number of verifiable service misses represents only a fraction of one percent of the total containers collected annually. In FY2017/18 the department redefined the term "misses" to include "kicks," which is when the driver goes back the same day to collect the missed containers if the incident is reported prior to 2:00 pm. The total number of complaints of missed pickups per 10,000 containers serviced increased in FY2017/18 due to the inclusion of the "kicks."

20

SECTION – 20
Utilities

Utilities

The Department of Utilities provides dependable, high quality water, wastewater, and storm drainage services in a fiscally and environmentally sustainable manner.



The **Department of Utilities (DOU)** provides and maintains water, wastewater, and storm drainage services and facilities for its customers, city ratepayers. These services are crucial to safeguard the health and safety of the public, support economic development, protect the environment, and improve the quality of life in our city. DOU works in conjunction with other City Departments as well as regional, state, and federal agencies in the operation, maintenance, development, and rehabilitation of water resources infrastructure.

DOU is organized into four operating divisions and the Office of the Director. The operating divisions consist of Business Services, Engineering and Water Resources, Water and Wastewater & Drainage. This organizational structure allows for increased collaboration across business functions and enables the department to focus efforts on customer priorities.

- Business Services: Provides fiscal and employee services support by enhancing and maintaining the financial stability of our Water, Wastewater, and Drainage Funds through accounting, budgeting, logistics and long-range financial planning; and provides utility customers with customer service and billing services.
- Engineering and Water Resources: Provides engineering support for capital projects and plant and field support units; and in collaboration with the Water and Wastewater and Drainage Divisions, ensures compliance with state and federal regulations.
- Office of the Director: Provides department leadership and direction including fostering a healthy work environment, focusing on innovation, resiliency and excellent customer service,

engaging in local, state and national legislation and policy, furthering public education and stakeholder outreach; and planning for current and future generations by protecting, preserving and enhancing water resources, the environment, and the community.

- Water: Operates and maintains facilities for water production and water distribution; performs water quality monitoring, research and development to ensure compliance with all state and federal drinking water regulations.

- Wastewater & Drainage: Operates and maintains facilities for wastewater and storm drainage pumping, wet weather combined wastewater treatment, wastewater and storm drainage collection systems, and transmission systems.

PROGRAMS/SERVICE HIGHLIGHTS

- The Accelerated Water Meter Program (AWMP) constructed 26.5 miles of pipelines and installed 20,900 water meters bringing the City metered total to 85 percent. Local hire on the construction contract was 27.3% in 2018.

- On October 23rd, FEMA's Region IX Administrator presented City Council with a plaque to celebrate the City's achievements in the Community Rating System (CRS) program. CRS is a program that evaluates a community's floodplain management activities related to public outreach, mapping, mitigation, and response preparedness. The City's rating will advance from its current Class 5 status to a Class 2 community. The City will be one of six communities in the nation to achieve a Class 2 rating and is in the top 1% of National Flood Insurance Program communities.

- The Customer Care & Billing project was identified to upgrade the department Customer Information and Billing System that was rapidly becoming obsolete, with no vendor support. The project is scheduled to go live on May 9, 2019 and will support our customers and departmental goals for the foreseeable future by improving our customer service, business processes, security, billing accuracy and system reliability.

- The Wastewater Capital Program completed the installation of the 9th Street combined system pipeline that consisted of 2,200 linear feet of 60-inch diameter combined sewer pipeline in 9th Street from G to L Street. Completed the design

on the 3rd Street combined system pipeline that consists of 5,700 linear feet of 42-inch combed sewer pipeline in 3rd Street from I to U Street. Completed the design on the McKinley Vault six-million-gallon combined system storage vault that will be located in McKinley Park.

- Updated the Strategic Plan by engaging staff to identify a shared vision of the department's future and current priorities.
- Worked with the City Treasurer's office to issue the 2019 Wastewater Revenue Bonds in the amount of $32 million with a 20-year term. Based on the timing and market conditions, the City will be financing a Par value of about $27 million to receive net proceeds of $32 million.
- The City successfully secured a State Revolving Fund (SRF) loan in the amount of $173.1 million in FY2017/18. There have been seven reimbursement claims submitted totaling over $74 million with $14 million being reimbursed in FY2018/19. The City also completed an SRF audit and the department was determined to be in compliance.
- Continued review of Enterprise Fund rates and long-term financing strategies for capital improvements and operations and maintenance of the water, wastewater, and storm drainage facilities.
- Processed a total of $2.2 million in Sacramento Utility Rate Assistance (SURA) participant discounts; 28% more than the previous fiscal year.
- Participated in the Gold Shovel media event at City Hall. Utilities coordinated with Public Works and PG&E on this event. The purpose of this press conference was to demonstrate the City's commitment to reduce dig-ins and protect underground gas pipelines during construction projects.
- The *Your Partner Report* debuted in February 2018. The department has provided these quarterly reports throughout FY2018/19, covering a variety of topics, from the department's wastewater system, water efficiency to water quality. Copies of the report are provided at public counters, emailed to Mayor and Council, posted on the department's website and promoted on social media.
- January 2019, the department launched the Water Quality Web Portal (www.sacramentowaterquality.com) a data visualization tool to help customers understand their drinking water more thoroughly. The web portal provides ongoing information to the public about our drinking water and helps to improve transparency of services provided.
- Completed the Statewide Trash Amendments - Track 2 Implementation Plan, Stormwater NPDES and CSS NPDES Delta Methylmercury TMDL Phase 1 Final Feasibility Reports, and the 2017/2018 Stormwater NPDES Permit Annual Reports as required by the State Regional Water Board.

- Completed CSS NPDES Permit, 2017/2018 Nine Minimum Controls Annual Progress Report and the Annual Long-Term Control Program Progress Report as required by the State Regional Water Board.
- Completed the American River Watershed Sanitary Survey 2018 Update Report for the State Department of Drinking Water (DDW).
- Maintained water, wastewater, and storm drainage pump stations, wells, reservoirs and treatment plants. A total of over 200 major pieces of infrastructure, some over 100-years old, are operated and maintained by DOU staff.
- Ensured compliance with the requirements of seven active grant funding agreements.
- Planned long-range growth, rehabilitation and maintenance of City infrastructure.
- Provided reliable water services to 142,308 service accounts.
- Provided reliable wastewater services to 77,907 service accounts.
- Provided drainage services to 142,227 service accounts.
- Completed 2,559 residential and 935 commercial building permits, 164 residential and 113 commercial building plan checks, and 126 encroachment permits to assure consistency with City standards and compliance with federal, state, and local codes.
- Completed an update to the City's Design and Procedures Manual Sections 9 (Sewer), 11 (Drainage) and 13 (Water).
- Completed 100% of state mandated Lead in Schools testing by coordinating with local public-school districts to sample and test for lead at 125 schools. Also completed testing for private schools in our jurisdiction when requested.
- Completed regulatory reports, safety audits, and inspections for the Water Division. These include requirements by the Department of Water Resources, Division of Drinking Water (DDW), Sacramento County Emergency Management Division (EMD), Environmental Protection Agency and the State Water Resources Control Board (SWRCB).
- Completed the annual Consumer Confidence Report (CCR).
- Participated in State Water Resources Control Board "Lab to State Portal" pilot program wherein the state is preparing for an eventual Safe Drinking Water Information System-compliant drinking water data solution.
- Researching the impacts of wildfire on source water quality and treatability at our treatment plant intakes. Participated in a Water Research Foundation (WRF) project on this topic in partnership with water utilities nationwide.

- Successfully completed a laboratory compliance audit from the Environmental Laboratory Accreditation Program (ELAP) based on new standards.
- Delivered the Leadership Program, to 64 participants in four sessions, providing an understanding of the principles and practices of leadership.
- Successfully delivered the DWR $2.5 million Water-Energy Grant Project. Designed and implemented water efficiency projects for District Metered Areas (DMAs) setup within disadvantaged area communities (DACs) to help identify existing leaks within the water distribution system and funded both City-asset and customer-side leak repairs.
- Formed a Water Quality Team in the Distribution Section of the Water Division for flushing, valve exercising, hydrant replacement, and proactive leak detection to ensure protection of water quality and water conservation.
- Completed an operation manual for the Sacramento River Water Treatment Plant facility.
- Re-formed the safety committees and developed a safety committee charter.
- Developed the Atmospheric Gas Monitor Use Accountability Policy, the Standby/On-Call Vehicle Retention Policy, and the Conferences, Trainings, and Competitions Policy.

DEPARTMENT EFFICIENCIES

- On an annual and ongoing basis, delinquent utility service charges are sent to the County of Sacramento for placement on the property tax bill through a special assessment process. Delinquent charges sent to the county have steadily decreased from $11.3 million in 2010 to $3.3 million in 2018 resulting in increased cash flows.
- Successfully implemented an automated recertification process for the SURA program using the established SMUD data exchange, which reduced the manual recertifications by approximately 50%.
- Converted water conservation rebate applications into online webforms that improved the customer experience and doubled the applications received.
- Participating in the area Meter Consortium to learn best practices for meter replacement. Established ongoing mechanisms for customer meter accuracy testing, active leakage control and infrastructure monitoring.
- Partnered with SMUD to provide instant online rebates for smart irrigation controllers on SMUD Energy Store, a utility marketplace. The partnership has been very successful with residents buying more than 1,000 smart irrigation controllers within the first few months of the program launch.

- Launched the Landscape Design Assistance rebate program which helps homeowners consult with a professional landscape designer for two hours. The City will rebate the consultation fee of $150 after project completion. This program is for single family homeowners, who are participating in the turf conversion rebates.

- Launched the Leak Free Sacramento Program, a no-cost direct install program that helps residents in disadvantaged area communities fix their leaks and install water efficient fixtures, both inside and outside of the home for free.

- Established an online dashboard to monitor and evaluate Water Loss in DMAs. The Non-Revenue Water (NRW) Manager is a tool that enables DOU to determine the current levels of leakage and to subsequently prioritize leakage location activities and identify the presence of new leaks so that leakage can be maintained at the optimum level, reducing system vulnerability.

- Participated in American Water Works Association (AWWA) Audit Validation Training for improved water audit management and examined water audit inputs to improve the water audit's accuracy and document the uncertainty associated with water audit data.

- Completion of $2.5 million in Department of Water Resources (DWR) Water-Energy Grant Projects to implement water efficiency projects and meet the goal of reducing water use, energy use, and greenhouse gas emissions. This project met goals and saves water and energy: 151.7 million gallons (MG), 151,500-kilowatt hour (kWh), and 35,800-kilogram (kg) Carbon Dioxide equivalent (CO_2e) annually. The savings throughout the life of the project is 15,170 MG of water, 15,154,900 kWh of energy, and 3,584,900 kg CO_2e greenhouse.

OBJECTIVES FOR FY2019/20

- Communicate and implement the first year of action from the newly revised strategic plan.

- Identify opportunities to improve energy efficiencies at our pump stations, treatment plants, wells and other facilities to reduce operation and maintenance costs and improve operational reliability.

- Improve Supervising Control and Data Acquisition (SCADA) performance and resiliency through network upgrades, radio replacements, and fiber optic connectivity per the SCADA Master Plan.

- Compliance with legislative, environmental and regulatory mandates and regulations.

- Deliver the FY2019/20 CIP water and wastewater infrastructure programs on schedule and within budget.

- Improve customer service through training, recognition and measuring customer satisfaction.
- Maintain reliable and high-quality utility services.
- Move the City toward industry best practices for infrastructure replacement and maintenance.
- Use performance measures to track and improve effectiveness and efficiency.
- Initiate a New Employee Orientation Program.
- Complete a Risk and Resiliency Assessment based on the new federal law.
- Purchase of a Neutral Output – Discharge Elimination System (NoDes) Truck for the improvement of water quality and reduction of water wasted during flushing.
- Develop formal flushing program and valve exercising program.
- Develop a department-wide Ethics Program.
- Startup and operation of the Shasta Park Water Treatment Plant which contains two wells and one reservoir.
- Update the Water Distribution Policy and Procedures Manual.
- Develop and implement procedures and policies related to the safety audit recommendations by the City Auditor.
- Develop a Water Emergency Response Plan to address physical issues that could arise in the system.
- Continue development of the Pilot Plant project. Once completed, the Pilot Plant will allow the Water Division to optimize the water treatment process to enhance water quality, improve operational efficiency, test new products, and train new operators
- Completion of Automation of Chemical Dosing at the Sacramento River Water Treatment Plant

BUDGET CHANGES

Division	Description	Fund	Revenue/ Offset Adjustment	Expenditure Change	FTE Change
Engineering & Water Resources	Add a position (1.0 FTE Associate Electrical Engineer) to develop, implement and deliver a DOU Energy Management Plan with performance metrics and cost effective energy efficient projects.	Water	-	129,801	1.00
Engineering & Water Resources	Add two Instrument Technician vehicles to improve operational efficiency by providing transportation.	Water	-	74,722	-
Office of Director	Add a position (1.0 FTE Program Analyst) to support the Sustainability Program for long-range planning and development of projects and programs that promote water conservation, water quality, adaptation to climate change and improvement of the overall energy efficiency and sustainability for DOU facilities and operations.	Water	-	119,856	1.00
Wastewater & Drainage Operations & Maintenance	Add positions (2.0 FTE Machinist Helpers) and vehicles to help facilitate the upkeep with service demands for plant expansion, additional wells, and the new Shasta Treatment Facility.	Water	-	299,940	2.00
Wastewater & Drainage Operations & Maintenance	Add a position (1.0 FTE Junior Plant Operator) to support everyday upkeep, preventative maintenance and operation of Pioneer Reservoir, Plant Sumps 1, 1A and 1B and 12 smaller pumps to decrease equipment downtime and fewer emergency repairs.	Wastewater	-	77,919	1.00
Wastewater & Drainage Operations & Maintenance	Add positions (2.0 FTE Utilities O&M Leadworkers) to increase service level of wastewater collection system maintenance in the Combined Sewer System which includes, Downtown, Midtown, Land Park, Oak Park, River Park, and Tahoe Park.	Wastewater	-	194,671	2.00
Wastewater & Drainage Operations & Maintenance	Provide funding for two vehicles for cleaning sewer lines without the need to shut down and ensure continued operations.	Wastewater	-	148,120	-
Wastewater & Drainage Operations & Maintenance	Add a position (1.0 FTE Plant Operator and a vehicle) for the Control 12 Operations Support Program which will allow for constant monitoring of all wastewater, water reservoir, and potable well remote sites and emergencies.	Storm Drainage	-	163,452	1.00
Wastewater & Drainage Operations & Maintenance	Add a position (1.0 FTE Generator Technician and a vehicle) to provide support and maintenance on the emergency generators and to meet regulatory and service demands.	Storm Drainage	-	232,616	1.00
Wastewater & Drainage Operations & Maintenance	Add a position (1.0 FTE Utilities Locator) for the USA Program to support service demands and to meet the legal mandated 48 hour turnaround time.	Water	-	90,919	1.00
Water Operations & Maintenance	Provide funding for the Drinking Water System Risk Assessment, implementation of the tasks identified in the safety audit, certification training, and actively participate in Safe Drinking Water Partnership.	Water	-	754,092	-
Water Operations & Maintenance	Add positions (1.0 FTE Supervising Plant Operator and 2.0 Plant Operators) and vehicles to ensure regulatory compliance, document management, reduce overtime and facilitate operational support across water plants, wells, and reservoirs.	Water	-	380,050	3.00
Water Operations & Maintenance	Provide funding for six vehicles for routine maintenance and operations at the two water treatment plants.	Water	-	782,416	-
		Total Change	**$ -**	**$ 3,448,574**	**13.00**

Department Budget Summary

Utilities Budget Summary	FY2016/17 Actuals	FY2017/18 Actuals	FY2018/19 Approved	FY2018/19 Amended	FY2019/20 Proposed	Change More/(Less) Proposed/Amended
Employee Services	55,161,038	53,276,850	66,248,140	66,895,398	69,950,509	3,055,111
Other Services and Supplies	29,099,735	29,684,149	41,179,858	40,547,608	41,318,407	770,799
City Property	3,031,185	1,520,998	5,024,439	1,121,116	5,913,844	4,792,728
City Debt Service	143	-	-	-	-	-
Transfers	(349,712)	(806,097)	-	-	-	-
Labor and Supply Offset	699,111	3,018,030	5,403,398	5,402,980	7,364,286	1,961,306
Operating Transfers	19,904,825	21,427,422	22,665,589	22,665,589	24,498,357	1,832,768
Total	**107,546,324**	**108,121,352**	**140,521,424**	**136,632,691**	**149,045,403**	**12,412,712**

Funding Summary by Fund/Special District	FY2016/17 Actuals	FY2017/18 Actuals	FY2018/19 Approved	FY2018/19 Amended	FY2019/20 Proposed	Change More/(Less) Proposed/Amended
General Fund	81,352	67,231	122,410	122,410	122,410	-
Community Center	4,983	4,983	4,983	4,983	4,983	-
Disaster Relief Act	-	271,013	-	-	-	-
Fleet Management	133,046	114,654	147,729	147,729	147,729	-
Golf	4,374	3,992	8,550	8,550	8,550	-
Landscaping and Lighting	41,768	41,564	40,000	40,000	40,000	-
N Natomas Lands CFD 3	279,775	138,251	300,000	300,000	300,000	-
Neighborhood Water Quality Dist	-	-	3,000	3,000	3,000	-
Northside Subdiv Maint Dist	-	-	8,000	8,000	8,000	-
Parking	1,447	1,436	1,359	1,359	1,359	-
Recycling and Solid Waste	1,759,653	1,155,296	1,372,481	1,372,481	1,462,768	90,287
SacMaintCFD2014-04 Area 01	-	-	298,120	298,120	298,120	-
Storm Drainage	28,310,579	26,160,520	34,219,426	33,417,511	33,351,892	(65,619)
Township 9 CFD No. 2012-06	-	-	9,000	9,000	9,000	-
Wastewater	21,675,435	22,911,403	31,529,772	29,714,122	33,582,730	3,868,608
Water	55,239,417	57,216,664	72,436,594	71,165,426	79,684,088	8,518,662
Willowcreek Assmnt Md	14,493	34,345	20,000	20,000	20,774	774
Total	**107,546,324**	**108,121,352**	**140,521,424**	**136,632,691**	**149,045,403**	**12,412,712**

Division Budget Summary

Utilities Division Budgets	FY2016/17 Actuals	FY2017/18 Actuals	FY2018/19 Approved	FY2018/19 Amended	FY2019/20 Proposed	Change More/(Less) Proposed/Amended
Business Services Division	7,921,630	7,582,654	9,321,871	9,276,871	10,231,146	954,275
Engineering & Water Resources Division	9,917,556	10,743,482	14,735,031	14,382,331	15,779,651	1,397,320
Office of the Director	35,223,417	38,355,175	52,950,882	52,860,882	55,017,501	2,156,619
Wastewater& Drainage Ops & Maint Division	28,632,784	26,353,491	34,588,087	31,970,522	35,977,156	4,006,634
Water Operations & Maintenance Division	25,850,937	25,086,550	28,925,553	28,142,085	32,039,950	3,897,865
Total	**107,546,324**	**108,121,352**	**140,521,424**	**136,632,691**	**149,045,403**	**12,412,712**

Staffing Levels

Utilities Division Budgets	FY2016/17 Actuals	FY2017/18 Actuals	FY2018/19 Approved	FY2018/19 Amended	FY2019/20 Proposed	Change More/(Less) Proposed/Amended
Business Services Division	71.00	78.00	81.00	81.00	81.00	-
Engineering & Water Resources Division	98.72	101.72	107.72	107.72	107.72	-
Office of the Director	19.18	20.18	21.18	21.18	22.18	1.00
Wastewater& Drainage Ops & Maint Division	180.00	180.00	195.00	194.00	201.00	7.00
Water Operations & Maintenance Division	159.00	167.00	157.00	158.00	163.00	5.00
Total	**527.90**	**546.90**	**561.90**	**561.90**	**574.90**	**13.00**

PERFORMANCE MEASURES

Engineering & Water Resources Division

Key Measure	FY16 Actuals	FY17 Actuals	FY18 Actuals	FY19 Estimate	FY20 Target
Number of water meters installed/year	15,200	1,800	13,619	17,507	7,899

*Implementation of the accelerated water meter program is contingent upon proposed rate adjustments to be approved by Council. Upon rate adoption, the FY17 goal will be 25,000.

The number of water meters installed is monitored to gauge the City's progress toward meeting the state mandate that all water utility customers have meters installed no later than 2025. In February 2015 Council approved an acceleration of the City's meter program, which is expected to result in the City meeting the state mandate by December 2021. Water meter installation supports the City's Sustainability Master Plan by improving water conservation awareness through metered billing with a monthly statement of water usage to customers, enhances leak detection and furthers the City's progress toward implementing the CA Urban Water Conservation Council Best Management Practices.

Office of the Director Division

Key Measure	FY16 Actuals	FY17 Actuals	FY18 Actuals	FY19 Estimate	FY20 Target
% water conservation achieved (year-over-year)	27%	26%	26%	24%	20%

*The drought and state reporting purposes the City measures conservation achieved on a calendar year basis. For calendar year 2014, 18.8% water conservation when measured against calendar year 2013.

**From March2015 to February 2016, the City was mandated to achieve 28% water conservation. The City achieved over 28% water conservation for the same period.

The percentage of water conservation achieved citywide is not only a required performance measure to comply with City Council Resolution for water conservation, but also a key performance indicator to measure effectiveness of the department's water conservation outreach and enforcement efforts.

Operations & Maintenance Division

Key Measure	FY16 Actuals	FY17 Actuals	FY18 Actuals	FY19 Estimate	FY20 Target
Number of sanitary sewer (wastewater) overflows	2.54 per 100 miles	2.70 per 100 miles	3.47 per 100 miles	3.125 per 100 miles	3.125 per 100 miles

*The terms of the consent decree described below require the City to reduce its SSO's to 5 per 100 miles of pipe by FY17.

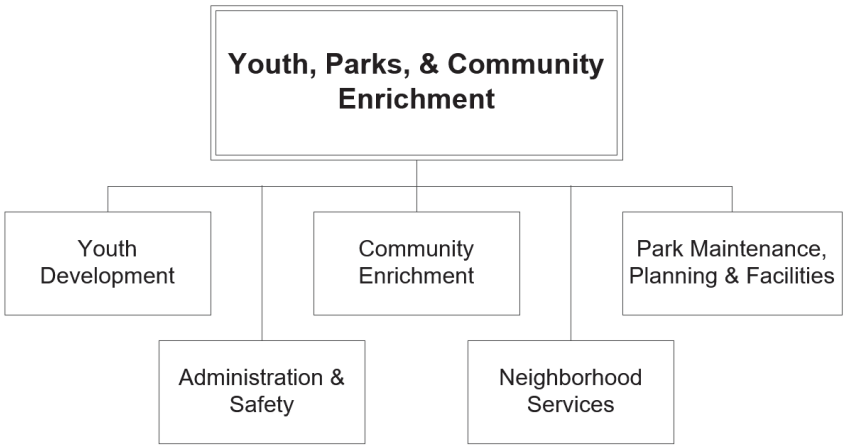
The number of sanitary sewer overflows (SSOs) is measured to ensure regulatory compliance and to gauge the effectiveness of operational activities and capital improvements that have been implemented to achieve this compliance. The primary permit with respect to the separated system is the waste discharge requirements permit issued by the state Water Resources Control Board. The goal of this permit is to minimize SSOs from the separated system. Additionally, the City must also comply with the requirements of a consent decree entered into on January 9, 2012, in which the City agreed to meet specified SSO reduction standards by implementing specific operational activities and capital improvements through a multi-year funding plan. The consent decree requires that the City reduce its SSOs to five per 100 miles of pipe by FY2016/17, which was achieved ahead of schedule.

21

SECTION – 21
Youth, Parks, & Community Enrichment

Youth, Parks, & Community Enrichment

To empower our youth, strengthen neighborhoods, and provide life-enriching programs for a beautiful livable community.



The City's **Youth, Parks, & Community Enrichment (YPCE)** department provides residents and visitors with beautiful parks and enriching programs to create a thriving community with healthy, strong, and cohesive neighborhoods. Directed by the Council through the approval of the Parks and Recreation Master Plan, program development and service delivery for the Department of Youth, Parks, & Community Enrichment are guided by the following primary themes: empowering and enriching Sacramento youth, protecting the City's green infrastructure, and optimizing the experience of living through people, parks, and programs.

Department services are structured as listed below.

- Youth Development: Responsible for operating all 4th 'R' licensed, year-round child care for kindergarten through 6th grade at 19 sites, START before and after school programming focusing on academic assistance, fitness and nutrition education, STEM (science, technology, engineering and math), and structured recreation activities to help students grow socially, emotionally, physically, and mentally. Also, youth-centric programs and activities within the department, which include youth job readiness and employment services such as Landscape and Learning, Young Leaders of Tomorrow, Prime Time Teen, and the Junior Recreation Aide Program. This division is also responsible for administering the Sacramento Youth Commission, middle and elementary school sports, summer camps, and high

	school internship programs (Summer at City Hall) and after school education and safety funded programs at middle schools.
• Administration	Responsible for department-wide support of fiscal management and administrative operations including human resources, grant management, and commission administration. Manages the contract for the City's four golf courses.
• Safety:	Responsible for the safety of our park guests and preservation of our park land. Park Rangers are sworn peace officers in the State of California. The Park Safety Division patrols 228 parks and parkways totaling nearly 3,400 acres of land.
• Community Enrichment:	Responsible for providing recreation programs, leisure enrichment classes, and services for residents and visitors alike. This includes operating 17 aquatic facilities, Access Leisure, Camp Sacramento, Ethel MacLeod Hart Senior Center, three Triple "R" adult day care centers, and 16 community centers located throughout the city that offer numerous health and fitness, disability, adult sports, and enrichment programs as well as facility rentals for parties, receptions, classes, meetings, and more.
• Neighborhood Services:	Responsible for community and neighborhood outreach to over 130 neighborhoods, meeting facilitation and developing partnership opportunities between citizens, City officials, and stakeholders. This division implements a series of neighborhood engagement services and programs throughout the year, including the City Management Academy.
• Park Maintenance, Planning & Facilities:	Responsible for planning and maintaining 228 parks and 3,400 acres of open space, turf landscape, structures, and park amenities citywide. Services provided by this division include mowing, weeding, litter removal, playground inspections, and irrigation repair as well as organizing community gardens and volunteer activities. They are also responsible for park planning, parkland acquisition, park master planning, and the design and development of new or renovation of existing neighborhood, community, and regional parks.

PROGRAMS/SERVICE HIGHLIGHTS

- Youth Workforce Development: 397 young people participated in youth workforce development programs offered by YPCE:
    - 200 completed paid work experiences as City of Sacramento employees
    - 197 completed 48 hours of work readiness training

- 4th "R" and START partnered with the United Way and Sacramento City Unified School District to offer free supper and lunch programs to hundreds of students at over 10 school sites in the Sacramento area during both school year and summer programs. These nutrition programs provide access to free meals that participants may not have had access to otherwise.

- The Aquatics Division opened all 17 neighborhood pools, providing a safe, supervised environment to over 80,000 recreational swim participants. The division employed 150 youth as lifeguards and swim instructors, responsible for teaching over 2,500 participants in water safety education programs and classes.

- Over 2,090 maintenance projects were completed in 2018 including the renovation of over 30 ballfields. This is a 72% increase on the number of projects completed compared to 2017 and assisted in slowing the depreciation of the City's park infrastructure.

- Improvements to River Cats Independence Field, including resurfacing, new striping and shade canopies. The field's rubberized surface is ideal for players who use manual or powered wheelchairs, walkers, or crutches.

DEPARTMENT EFFICIENCIES

- The Youth Division restructure was completed aligning all youth programs under one division thus enabling a stronger continuum of programs and services.

- Established "The Big 3" (YPCE, Police, Fire) bi-monthly meetings to strengthen and leverage youth opportunities in all three departments.

- Implemented changes to the Park Impact Fee and Parkland Dedication Ordinances that reflect City's General Plan Policies, providing consistent measures for department staff and the public.

- Implemented $2 million Urban Greening Grant at Sacramento Northern Bikeway allowing the department to replace bikeway and park trail greenspace with groundcover that requires less maintenance, reducing greenhouse gas emissions, and increasing energy and water efficiency.

OBJECTIVES FOR FY2019/20

- Develop and implement Program Quality Standards and measures for all youth programs receiving City funding.
- Train City and Community Based Organization staff on Program Quality Standards, assessment, and action planning to achieve continuous program improvement process.
- Continue update efforts for the Parks and Recreation Master Plan, including developing a recreation needs assessment.
- Establish and document Policies and Procedures.
- Complete a department-wide cost recovery analysis.

BUDGET CHANGES

Division	Description	Fund	Revenue/ Offset Adjustment	Expenditure Change	FTE Change
Administration and Safety	Fund a contract for the continued operation of the William Land Park Golf course.	General	-	250,000	-
Administration and Safety	Add a position (1.0 FTE Administrative Analyst) to support the personnel functions necessary for the increase in staffing due to program expansions.	Measure U	-	124,759	1.00
Community Enrichment	Increase funding to provide staff and resources to expand the Hot Spots programs, Prime Teen programs and to expand hours at the community centers.	Measure U	-	2,393,615	44.90
Park Maintenance & Planning	Realign staffing by eliminating 12 positions (0.60 FTE vacant Park Maintenance Workers per position) and adding eight full time positions (1.0 FTE Park Maintenance Workers per position) that will increase maintenance coverage of parks. The cost will be offset by reducing services and supplies.	Measure U	(40,461)	40,461	0.80
Youth	Provide one-time funding for the 4th R program due to the loss of the California Department of Education subsidy that expires June 2019. The funding will allow the subsidy program to continue until June 2020.	Measure U	-	367,240	-
Youth	Add a position (1.0 FTE Program Specialist) to provide support for the programmatic functions of the Youth Division that includes grant management, training and performance measures.	Measure U	-	150,170	1.00
Youth	Add ten positions (0.40 FTE Recreation Aides per position) to implement and staff youth sports programs.	Measure U	-	122,864	4.00
		Total Change	**$ (40,461)**	**$ 3,449,109**	**51.70**

POSITION CHANGES

- A vacant position (1.0 FTE Neighborhood Resources Coordinator II) was deleted in YPCE and a new position (1.0 FTE Staff Aide – Management) was added in the City Manager's Office to manage and administer the Community Engagement Division.

Department Budget Summary

Youth, Parks, and Community Enrichment Budget Summary	FY2016/17 Actuals	FY2017/18 Actuals	FY2018/19 Approved	FY2018/19 Amended	FY2019/20 Proposed	Change More/(Less) Proposed/Amended
Employee Services	30,880,751	28,208,074	34,173,258	34,722,022	38,629,266	3,907,244
Other Services and Supplies	11,644,830	12,913,617	12,057,513	12,499,185	12,299,579	(199,606)
City Property	190,479	163,889	800,192	172,692	685,692	513,000
City Debt Service	1,344,602	328,532	-	-	-	-
Transfers	4,246	42,523	-	-	-	-
Labor and Supply Offset	(8,212,813)	(9,088,354)	(9,368,211)	(9,381,656)	(12,488,100)	(3,106,444)
Operating Transfers	-	-	-	11,148	-	(11,148)
Total	**35,852,096**	**32,568,281**	**37,662,752**	**38,023,391**	**39,126,437**	**1,103,046**

Funding Summary by Fund/Special District	FY2016/17 Actuals	FY2017/18 Actuals	FY2018/19 Approved	FY2018/19 Amended	FY2019/20 Proposed	Change More/(Less) Proposed/Amended
General Fund	19,612,333	18,941,430	23,479,231	24,130,777	25,051,842	921,065
4th R Program	5,836,281	5,845,278	6,289,065	6,253,162	5,766,346	(486,816)
Disaster Relief Act	-	110,696	-	-	-	-
Golf	187,302	208,729	140,914	(109,086)	(119,086)	(10,000)
Laguna Creek Maint Dist	100,000	59,135	145,000	145,000	195,000	50,000
Land Park	61,751	40,414	139,000	139,000	139,000	-
Landscaping and Lighting	3,250,000	3,636,863	3,422,744	3,422,744	3,800,000	377,256
N Natomas Lands CFD 3	1,051,458	1,487,508	1,487,667	1,487,667	1,487,667	-
Neighborhood Park Maint CFD	1,200,000	1,245,000	1,380,000	1,380,000	1,482,000	102,000
Neighborhood Water Quality Dist	17,641	20,251	24,000	24,000	24,000	-
Park Development	1,512,195	480,365	172,837	172,837	172,837	-
Quimby Act	4,285	6,271	10,000	10,000	10,000	-
START	3,018,851	486,341	970,294	965,290	1,114,831	149,541
Township 9 CFD No. 2012-06	-	-	2,000	2,000	2,000	-
Total	**35,852,096**	**32,568,281**	**37,662,752**	**38,023,391**	**39,126,437**	**1,103,046**

Division Budget Summary

Youth, Parks, and Community Enrichment Division Budgets	FY2016/17 Actuals	FY2017/18 Actuals	FY2018/19 Approved	FY2018/19 Amended	FY2019/20 Proposed	Change More/(Less) Proposed/Amended
Administration & Safety Division	1,968,252	1,909,725	1,976,964	2,092,596	2,100,373	7,777
Community Enrichment Division	9,201,491	9,418,261	11,396,367	11,710,770	12,193,283	482,513
Neighborhood Services Division	755,718	668,708	470,120	673,336	623,963	(49,373)
Park Maintenance & Planning Division	12,867,713	12,557,152	14,383,466	13,693,061	14,616,206	923,145
Youth Division	11,058,922	8,014,434	9,435,835	9,853,628	9,592,611	(261,016)
Total	**35,852,096**	**32,568,281**	**37,662,752**	**38,023,391**	**39,126,437**	**1,103,046**

Staffing Levels

Youth, Parks, and Community Enrichment Division Budgets	FY2016/17 Actuals	FY2017/18 Actuals	FY2018/19 Approved	FY2018/19 Amended	FY2019/20 Proposed	Change More/(Less) Proposed/Amended
Administration & Safety Division	24.00	24.00	22.00	22.00	22.00	-
Community Enrichment Division	216.44	223.75	234.32	247.74	291.64	43.90
Neighborhood Services Division	10.47	9.45	5.95	5.95	4.95	(1.00)
Park Maintenance & Planning Division	140.84	145.84	147.84	148.84	149.64	0.80
Youth Division	297.46	222.16	208.97	227.11	234.11	7.00
Total	**689.21**	**625.20**	**619.08**	**651.64**	**702.34**	**50.70**

PERFORMANCE MEASURES

Park Maintenance and Planning Division

Key Measure	FY16 Actuals	FY17 Actuals	FY18 Actuals	FY19 Estimate	FY20 Target
Park maintenance cost per acre	$3,368	$3,568	$4,666	$5,039	$5,356

Currently, the Park Maintenance Division maintains in excess of 3,400 acres of open space, turf, landscape, structures, and park amenities citywide. Services provided by this division include mowing, weeding, litter removal, playground inspections, irrigation repair, and restroom cleaning.

Key Measure	FY16 Actuals	FY17 Actuals	FY18 Actuals	FY19 Estimate	FY20 Target
Number of developed park acres maintained per FTE	23.18	21.92	23.80	20.92	20.80

The department has established minimum service levels to ensure safe, clean parks and facilities. To accomplish this, each fulltime equivalent Park Maintenance staff is generally assigned a service area. On average, a fulltime equivalent staff's service area is approximately 26 acres. Any increase to park acreage, given existing staffing, has a direct negative impact on service levels.

Key Measure	FY16 Actuals	FY17 Actuals	FY18 Actuals	FY19 Estimate	FY20 Target
Number of volunteer hours managed per developed park acre	9.82	7.74	7.61	12.88	13.00

Over 3000 volunteer hours are regularly provided by various groups, including Adopt-a-Park, park ambassadors, and countless cemetery volunteers each month. Volunteers supplement the department's routine park maintenance and beautification. Maintenance staff provides volunteers with supervision, tools, garbage removal services, and horticultural expertise.

Key Measure	FY16 Actuals	FY17 Actuals	FY18 Actuals	FY19 Estimate	FY20 Target
Number of irrigation service requests responded to per irrigation FTE	79.27	80.40	179	180	180

The Park Maintenance Division responds to irrigation service requests ranging from routine preventative maintenance to emergency mainline leaks. The number of irrigation requests responded to by staff can range from over 50 calls a month during the summer to less than 10 calls per month during the winter. Due to the ongoing drought restrictions, the division expects an increase in workload and demand for shorter response times to resolve leaks and/or water wasting issues.

Administration and Safety Division

Key Measure	FY16 Actuals	FY17 Actuals	FY18 Actuals	FY19 Estimate	FY20 Target
Number of safety calls responded to per Park Ranger	486	324	460	500	500

The Park Safety Rangers provide security response to service requests received via 311 calls, routinely patrol areas of all parks, and when requested provide security support to City special events. In addition, the Park Rangers frequently address issues regarding vagrancy, homeless camping, suspicious criminal activity, and emergency assistance within city park areas. A full-time ranger can handle 450 calls per year. As we add more staff, it will help distribute the workload.

Youth Division

Key Measure	FY16 Actuals	FY17 Actuals	FY18 Actuals	FY19 Estimate	FY20 Target
Percent of respondents rating the quality of Measure U funded Middle School Intramural Sports Programs as good or excellent	97%	97%	99%	99%	99%

Funded by Measure U, the Intramural Sports Program offers students in grades 6-8 opportunities to engage in instructional sports clinics and leagues involving a variety of team sports. Sports such as flag football, basketball, tennis, kickball, ultimate Frisbee, volleyball and dodge ball are provided at five community centers and four middle schools throughout Sacramento. Students have the opportunity to learn fundamental skills and strategies of each sport, develop teamwork, and improve physical fitness through weekly instruction and practice.

22

SECTION – 22
Citywide and Community Support

Citywide and Community Support

Citywide Support

This section includes City costs and programs that are not directly associated with an individual department. Examples of expenditures budgeted in this Division are provided below:

Employee Benefits and Insurance

Employee Benefits and General Insurance: this program funds costs associated with:

- Employee Benefits ($2.8 million General Fund): this funding is used to address:
    - Employee leave payouts authorized by labor contracts;
    - The 2020 minimum wage increase from $12 to $13 an hour;
    - Vacation/sick leave termination payoffs; and
    - Unrepresented employee labor adjustments.

  Budget is transferred from this program to departments to reimburse actual costs incurred. Reimbursements are done on a proportional basis, if the actual costs incurred by departments exceed the available resources in the Citywide and Community Support budget.

- GL&AL ($19 million General Fund): the City contracts with Bickmore Risk Services (Bickmore), to estimate the annual budget needed to cover claim costs and expenses that will occur in the coming fiscal year and the program's liability for outstanding claims. Bickmore utilizes historical City loss data to forecast the upcoming fiscal year's cost of claims and expenses at various confidence levels. The City uses the recommended 80 percent confidence level when budgeting for claim costs and expenses. The General Fund contribution for GL&AL is budgeted in this Division, while contributions from the other funds ($5 million) are budgeted in the managing department's section (e.g., Solid Waste Fund contributions are in Public Works).

Citywide Maintenance Contracts and Utilities

- Information Technology Maintenance and Support Contracts ($2.7 million): funds major contracts and support for the City's human resources, financial and budgeting systems. The non-General Fund costs associated with these services are recovered through the cost allocation plan. Based on a review of prior year actuals and anticipated needs in FY2019/20, the budget was increased by $615,000.

- Multi-tenant City-owned Buildings ($3.6 million): this budget covers anticipated expenses associated with janitorial, security, utilities and pest management services at various multi-tenant City-owned buildings (e.g., City Hall complex). The costs for non-General Fund operations are recovered through the City's cost

allocation plan. Based on a review of prior year actuals and anticipated needs in FY2019/20, the budget was increased by $200,000.

Multi-Year Operating Projects (MYOP)

The Citywide Support budget includes $92.8 million ($9.1 million in the General Fund, $80.1 million in Measure U Fund, $3.2 million in Innovation and Growth Fund, and $321,000 in the Parking Fund). These projects support operating activities that cross fiscal years (fleet acquisitions, utility rate assistance program, Measure U programs, studies, etc.) and are detailed on Schedule 9. Additional funding for departmental MYOPs is included in the various department operating budgets. Funding for these programs is moved into specific projects after the budget is approved.

Miscellaneous

- Elections ($500,000) – The elections budget is used to fund the cost of regular and special elections, as well as increased costs associated with special ballot measures and petition verification. Based on a review of prior year actuals, no changes are recommended to this budget.

- Litigation ($60,000) – The litigation budget covers the cost of citywide litigation, used annually as necessary.

- RASA – In response to AB 26 which eliminated all redevelopment agencies in California, the City became the recognized RASA effective February 1, 2012, for all non-housing functions and obligations. As the RASA, the City is entitled to be reimbursed for administrative costs associated with managing the transfer of non-housing assets, legal concerns, cash and debt management, and other administrative obligations. Under AB 26, the administrative budget to pay for staff costs to perform RASA duties is limited to 3% of the property tax allocated to the RASA.

  The City receives $500,000 in revenue for staff support provided by the City Attorney's Office, Finance, and other departments. The revenues are budgeted in this section, however the expenditure budget used to reimburse departments is provided in the RASA MYOP (I80005010).

Transient Occupancy Tax (TOT):

The City's TOT rate is currently 12%. The General Fund receives 2% of the 12% tax rate ($5.17 million in FY2019/20); the balance goes to the Community Center Fund. A portion of these revenues are used to support the Sacramento Metropolitan Arts Commission (SMAC) and Visit Sacramento as detailed in the Community Support section. The remainder are used to offset the increased cost of providing public services to local tourists.

Community Support

The City provides administrative and financial support to various local and regional operations.

City/County

City/County Office of Metropolitan Water Planning (CCOMWP, 4.0 FTE) – The Water Fund provides reimbursements to CCOMWP for the City's share of costs associated with this joint effort with the County of Sacramento and other cost-share partners. The City recovers the costs associated with providing administrative and financial support to CCOMWP.

Local Partners

The following is a list of our local partners and the City's contribution that is included in the Budget.

- Property and Business Improvement Districts (PBIDs) ($17 million): PBIDs were created as a financing mechanism where property and business owners approve a special assessment to improve their commercial districts. The City currently collects and remits the assessments for 17 different PBIDs throughout the City.

- Visit Sacramento ($2.1 million): Visit Sacramento receives $1.49 million from the 10% TOT that is deposited in the Community Center Fund (amount and increases are voter approved) and $639,848 from the two percent TOT allocated to the General Fund.

- SMAC Funding ($1.3 million): The City's funding contribution for SMAC comes from the two percent TOT allocated to the General Fund. Prior to the recession the City was allocating 0.50% of this funding to SMAC (0.50% of the General Fund TOT is currently $1.29 million).

  SMAC funding includes: $358,758 for professional services, grant programming and education; $150,000 for administration budgeted in the Convention and Cultural Services Department ($50,000 of this is to match Sacramento County funding); $100,000 to match county funding for a grant program (included in the Citywide Budget); $114,000 for the Cultural Arts MYOP (I17000700); and one-time funding in the amount of $580,000 is included in Schedule 9 for the Creative Edge Plan (I02181100).

- Sacramento Public Library Authority (SPLA) ($18.9 million): The City has 12 libraries located within the City boundaries which are operated by the SPLA under a Joint Powers Agreement (JPA).

  The library's mission is to provide the residents of Sacramento the services they expect while focusing on community needs for reading, learning needs of our youngest residents, creating welcoming spaces and providing experiences that include Science, Technology, Engineering, and Mathematics (STEM) and Science, Technology, Engineering, the Arts, and Mathematics (STEAM) learning

opportunities for the entire community as well as our most vulnerable populations.

Prior to the "Great Recession" the General Fund provided approximately $9.4 million for the operation of nine libraries. During the recession, the City added three new libraries: Valley Hi-North Laguna (August 2009), North Natomas (January 2010), and Robbie Waters Pocket Greenhaven (August 2010) and reduced funding to the JPA by almost 24% by FY2011/12.

In 2014 and 2016, voters in the City of Sacramento have declared their support for the Sacramento Public Library by passing two parcel taxes for Library services:

- Measure B, approved by a margin of 73.01% on June 3, 2014.
    - Measure B was designed to stabilize and sustain library operations in the 12 City libraries.

- Measure X, previously approved in 1996 and 2004, was renewed by a margin of 79.12% on June 7, 2016.

    - Measure X was very specific in that it could only be used for added services, staff and technology and provided approximately 33% of the City's contribution for library services and currently bears the burden of operating the three new City libraries.

    - The renewed measure provides more flexibility in that it allows the funds to be used to maintain and add services, staff and technology.

These parcel taxes combined, provide approximately $8.2 million, an increase of almost $325,000 from FY2018/19. Both measures include a Maintenance of Effort (MOE) provision that requires prior-year reductions to General Fund operating revenue to be restored if the City provides additional funding to its non-public safety programs.

Despite these victories at the ballot box, the Library continues to face financial challenges. The Library is currently utilizing reserves to operate the City's libraries. The SPLA General Fund reserves are so low that in FY2016/17 and FY2017/18 the Library Authority Board waived the requirement to maintain the 10% Economic Uncertainty Reserve (*separate from the City's General Fund EUR*) established for City library operations.

Because the SPLA is operating 12 City facilities with a budget designed for nine, service levels are tightly managed. The Library has used various strategies to maintain high levels of services for all City residents, including assessing and repurposing staffing levels; utilizing on-call and temporary staff; reallocating hours in all locations; leveraging value-added services to provide enhanced

customer experiences; renegotiating service agreements and changing operations to satisfy the demands of the diverse communities served by the Library.

In an effort to address these fiscal challenges, the FY2019/20 G/MU Fund budget for library operations was increased to $10.1 million, $250,000 more than FY2018/19. An additional $400,000 is budgeted in the Public Works Measure U MYOP (I80150800) to address critical facility needs at the City's libraries. Additionally, the five-year G/MU Fund forecast includes the following increases for the library:

- $1.25 million in FY2020/21
- $2.00 million in FY2021/22
- $2.50 million in FY2022/23

While these increases will help address some of the financial challenges with operating the City's library, it does not completely address the ongoing structural deficits as well as operational and capital needs for the City's libraries. City staff will continue to work with library staff to identify opportunities to address the structural gap between revenues and expenditures.

Separate Legal Entities

The City provide administrative and financial support to the Sacramento Local Agency Formation Commission (LAFCo, 1.0 FTE). All costs associated with this support are fully reimbursed by LAFCo.

County Property Taxes and Charges

Sacramento County Charges and Assessments – State law authorizes counties to charge other local government entities for the cost of assessing and collecting property tax revenues, for property-related assessments including flood control, and for costs associated with county jail operations (jail booking fees). In addition, the City pays its fair share of property-based assessments for various improvement districts and taxes on property owned by the City but located outside of City boundaries.

Fund Contingency (Reserves)

Administrative Contingency

The General Fund Administrative Contingency may be used during the course of the year, in accordance with Sections 3, 4, and 6 of the Budget Resolution, to adjust budgets for unforeseen expenses. The Administrative Contingency is $1 million.

Economic Uncertainty Reserve (EUR)

The EUR was established in FY1983/84 and on April 26, 2016, the Council revised the EUR Policy (included in the Financial Policies section) which established:

- A minimum reserve level of 10% of budgeted General Fund revenues; and

- A goal of achieving and maintaining the value of two months of regular ongoing General Fund expenditures (approximately 17% of General Fund revenues) in the reserve.

The EUR balance is estimated to be $55.2 million on July 1, 2019, which is approximately 11.2% of estimated FY2019/20 General Fund revenues.

However, on February 5, 2019, the Council directed the City Manager to amend the EUR policy to include Measure U resources in determining the amount to be set aside in reserves. To maintain the minimum reserve level of 10% of budgeted G/MU revenues, the reserve would need to be increased by $5.7 million. The Budget includes a recommendation to transfer $2.95 million to the reserve at year-end provided these resources are not needed during the year. Staff will present a revised General/Measure U Fund EUR Policy as part of the budget hearing process.

Other Sources and Uses

Other sources and uses in the Governmental, Enterprise, Internal and Other Governmental Funds total $21.5 million.

Beginning Fund Balances

Beginning Fund balances of the Governmental, Enterprise, Internal, and Other Governmental Funds total $375.4 million which represent available resources from the FY2018/19 CAFR and anticipated activity in FY2018/19. Beginning balance by fund is included in the Budget Schedules section (Schedules 2A-2C).

Ending Fund Balances

Projected ending fund balances of the Governmental, Enterprise, Internal, and Other Governmental Funds total $395.8 million. Ending balance by fund is included in the budget schedules section (Schedules 2A-2C). The available balance of Enterprise and Internal Service Funds may only be used for the specific purpose of the individual fund.

Major Tax Revenues

Major Tax Revenues: All discretionary tax revenues including property, sales, and UUT are budgeted in this Division. Additional detailed information is available in Schedule 6. The expenditure budget in this section represents consultant contracts for providing sales tax and UUT revenue estimates.

Retired/Transfer Employee Benefits

The costs associated with retired and transferred employee retirement and healthcare benefits are included in this Division. Contributions to CalPERS are included in each department budget.

- OPEB - $11.3 million ($9.5 million General Funds): The cost of retiree/beneficiary health (1,847 participants), dental (2,573 participants), vision (1,145 participants), and out-of-area (189 participants) insurance benefits as of June 30, 2017.

- SCERS - $4.4 million ($3 million General Funds): This represents required contributions to ensure the continued stability of the program. As of March 2019, there were 1,038 participants (10 active) in SCERS.

- OPEB Trust - $1.5 million ($1 million General Funds) contribution: This represents funding to address the City's OPEB liability (estimated at $429 million as of June 30, 2018) and $0.3 million for the City's contribution to the OPEB Trust for fire employees.

Citywide and Community Support Budget Summary

Citywide and Community Support Budget Summary	FY2016/17 Actuals	FY2017/18 Actuals	FY2018/19 Approved	FY2018/19 Amended	FY2019/20 Proposed	Change More/(Less) Proposed/Amended
Employee Services	27,957,120	27,243,610	67,698,897	22,697,558	86,596,576	63,899,018
Other Services and Supplies	56,046,806	58,543,588	77,306,614	76,140,911	96,419,282	20,278,371
City Property	1,826,743	1,821,797	304,000	186,748	303,000	116,252
City Debt Service	345,066	65,583	-	-	-	-
Labor and Supply Offset	547,144	336,394	(183,298)	(183,298)	(39,330)	143,968
Contingency	-	-	1,000,000	1,177,165	1,000,000	(177,165)
Operating Transfers	(251,063)	1,507,019	(498,089)	(498,089)	(492,557)	5,532
Total	**86,471,816**	**89,517,991**	**145,628,124**	**99,520,995**	**183,786,971**	**84,265,976**

Funding Summary by Fund/Special District	FY2016/17 Actuals	FY2017/18 Actuals	FY2018/19 Approved	FY2018/19 Amended	FY2019/20 Proposed	Change More/(Less) Proposed/Amended
General Fund	54,280,144	54,331,259	64,617,915	63,118,710	66,354,399	3,235,689
4th R Program	103,488	83,896	31,971	31,971	38,292	6,321
Community Center	1,467,532	1,544,898	1,652,427	1,652,427	1,620,312	(32,115)
Cty/Cnty Office-Water Planning	454,304	656,492	988,044	988,044	726,935	(261,109)
Del Paso PBID	-	19,883	42,000	35,224	35,224	-
Del Paso Prop & Business Imprv	472,387	485,526	477,820	474,427	474,427	-
Development Services	189,124	401,498	-	-	-	-
Downtown Management District	3,005,885	3,057,061	3,088,780	3,199,807	3,199,807	-
Downtown Plaza PBID	-	29,135	43,163	48,692	48,692	-
Fleet Management	586,082	608,573	402,806	402,806	333,272	(69,534)
Franklin Blvd PBID	-	18,581	44,441	77,000	77,000	-
Franklin Boulevard PBID	146,731	148,041	146,442	144,663	144,663	-
Golf	3,588	435	-	-	-	-
Greater Broadway PBID	269,754	295,550	289,798	288,681	288,681	-
Habitat Management Element	459,062	592,005	799,750	814,750	573,347	(241,403)
Innovation and Growth	-	-	400,000	1,500,000	3,211,000	1,711,000
Interdepartmental Service	1,203,793	1,553,854	1,363,844	1,363,844	1,718,037	354,193
Library Services Parcel Tax	7,267,441	7,534,521	7,948,650	7,948,650	8,273,511	324,861
Mack Road PBID	629,189	653,562	666,574	666,817	666,817	-
Marina	230	3,755	-	-	-	-
Measure U	506,061	506,060	47,328,178	506,061	80,644,212	80,138,151
Midtown Sacramento PBID	1,466,913	1,528,887	1,558,327	1,594,405	1,594,405	-
N Natomas Transp Mgmt Assoc	1,200,001	1,250,000	1,310,000	1,310,000	1,400,000	90,000
Oak Park PBID	306,811	322,449	313,608	311,783	311,783	-
Old Sacramento PBID	-	74,179	160,000	165,000	165,000	-
Parking	275,992	264,925	475,835	475,835	454,130	(21,705)
Power Inn Area Prop & Business	518,590	528,280	516,288	522,567	522,567	-
Private Development	85,513	142,643	-	-	-	-
Recycling and Solid Waste	1,620,529	1,677,343	1,416,964	1,416,964	1,142,434	(274,530)
Risk Mgmt	15,679	25,189	16,294	16,294	17,030	736
Sac Tourism Marketing District	6,104,916	6,868,989	6,272,000	7,154,000	7,154,000	-
Sheraton MOPA Project	174,311	224,820	-	-	-	-
START	4,917	4,447	8,612	8,612	9,001	389
Stockton Blvd BIA	-	28,659	53,000	53,000	53,000	-
Stockton Blvd PBID	344,244	343,851	340,242	349,997	349,997	-
Storm Drainage	741,145	707,508	568,073	568,073	432,558	(135,515)
The River District PBID	468,679	578,038	520,192	545,805	545,805	-
Wastewater	490,429	543,915	355,423	355,423	300,700	(54,723)
Water	1,553,125	1,791,534	1,385,123	1,385,123	887,079	(498,044)
Worker's Compensation	55,229	87,752	25,540	25,540	18,855	(6,685)
Total	**86,471,816**	**89,517,991**	**145,628,124**	**99,520,995**	**183,786,971**	**84,265,976**

Division Budget Summary

Citywide and Community Support Division Budgets	FY2016/17 Actuals	FY2017/18 Actuals	FY2018/19 Approved	FY2018/19 Amended	FY2019/20 Proposed	Change More/(Less) Proposed/Amended
Citywide Support Division	22,954,606	23,852,811	84,344,064	36,987,177	123,280,706	86,293,529
Community Support Division	27,334,488	29,203,560	37,786,194	38,858,787	39,658,641	799,854
County Property Taxes & Charges	2,360,301	2,313,580	2,595,000	2,595,000	2,620,000	25,000
Fund Contingency Division	-	-	1,000,000	1,177,165	1,000,000	(177,165)
Major Tax Revenues Division	6,423,155	7,518,885	375,000	375,000	375,000	-
Retired/Transfer Emp Benefit 1530	27,399,266	26,629,154	19,527,866	19,527,866	16,852,624	(2,675,242)
Total	**86,471,816**	**89,517,991**	**145,628,124**	**99,520,995**	**183,786,971**	**84,265,976**

Staffing Levels

Citywide and Community Support Division Budgets	FY2016/17 Actuals	FY2017/18 Actuals	FY2018/19 Approved	FY2018/19 Amended	FY2019/20 Proposed	Change More/(Less) Proposed/Amended
Community Support Division	5.00	5.00	5.00	5.00	5.00	-
Total	**5.00**	**5.00**	**5.00**	**5.00**	**5.00**	**-**

23

SECTION – 23
Debt Service

Debt Service

The **Debt Service Program** finances the cost of capital improvements through revenue bonds, capital leases, notes payable, special tax bonds, or advances from other funds. Debt service payments are generally made in semi-annual installments. This budget contains debt service payments for all funds. A five-year projection on net debt service by fund is included in the Budget Schedules section (Schedule 10).

Central to debt management is ensuring the City's compliance with federal, state and local regulations. Other debt management functions include:

- Making bond payments
- Maintaining credit ratings
- Facilitating project fund draws to ensure spend down pursuant to Internal Revenue Services (IRS) expenditure requirements
- Monitoring private activity/private use of tax-exempt financed assets and remediation as necessary
- Meeting the reporting requirements of the Municipal Securities Rulemaking Board and the IRS and the California Debt and Investment Advisory Commission
- Levy of special assessments and special taxes
- Managing the delinquency and foreclosure process

The City Treasurer is responsible for issuing debt on behalf of City Departments, City agencies, assessment districts, community facilities districts and other qualified entities. Additionally, the City Treasurer's Office provides support to the City Finance Department and Office of Innovation and Economic Growth on the maintenance of redevelopment-related debt. Typical debt structures include revenue bonds, lease revenue bonds, land-based financings, notes, and small-equipment leases (direct placement loans). Debt may be issued with fixed or variable rate interest structures.

Debt Limit

The City had approximately $1.2 billion in General Fund lease obligations ($298.4 million net of offsets) as of June 30, 2018. State law sets the bonded limit for General Obligation bonds at 15% of the total assessed valuation of all real and personal property within the City. As of June 30, 2018, the City had no General Fund Obligation Bonds outstanding and had a total debt limit of $7.0 billion associated with general obligation debt.

Summary of the City and Related Agencies Outstanding Debt

The following summarizes what is included in the Debt Service Divisions:

- **1993 Lease Revenue Refunding Bonds, Series A & B** – Refinanced the 1986 Certificates of Participation, 1989 Certificates of Participation, and the 1991 Revenue Bonds; savings benefited the City's Community Center Fund, Parking Fund, Storm Drainage Fund, and Golf Fund.
- **2006 Capital Improvement Revenue Bonds (CIRBs), Series B, and E** - included General Fund backed lease revenue bonds for CRCIP projects supporting community non-profit organizations *(Crocker Art Museum Association, B Street Theater, Studio for Performing Arts, community non-profit organizations for the arts and youth)* which included loan agreements for some of the borrowed debt, and (2) refinancing of remaining debt associated with the 2001 CIRBs *(water and golf capital improvement projects [CIPs])*, 2002 CIRBs *(Civic Center, SHRA projects and other CIPs)*, and the 2003 CIRB *(911 call center and other CIPs)*.
    - Consistent with prior Council direction, approximately $312,000 in revenues from the land sale of property at the auto dealership sites on Fulton Avenue have been appropriated to reduce General Fund debt service associated with the 2006 Series B Capital Improvement Revenue Bonds (CIRBs).
- **2013 Wastewater Revenue Bonds** - Financed the electrical rehabilitation and reconstruction of wastewater sumps and motor-control centers, replacement of aging infrastructure, Combined Sewer System pipelines and addition of a regional storage facility.
- **2013 Water Revenue Bonds** - Financed the rehabilitation of significant components of the City's water treatment plants, acquisition and installation of water meters, replacement of aging pipelines, rehabilitation of groundwater wells and other miscellaneous projects.
- **2015 Golden 1 Center (G1C) Lease Revenue Bonds** - Financed the acquisition, construction, installation, and equipping of the Golden 1 Center in downtown.
- **2015 Refunding Revenue Bonds** - Refunded (1) 2002 CIRB Series A which financed City Hall and SHRA Capital Improvement (CIPs), (2) 2003 CIRB which financed the 911 call center and other CIPs, (3) 2005 Refunding Revenue Bonds for solid waste, redevelopment and master lease program facilities, and (4) 2006 CIRB Series A & C which included General Fund backed lease revenue bonds to finance Tier 1 Community Reinvestment Capital Improvement Program (CRCIP) projects *(three new libraries, four community center renovations, regional park improvements, a new cattery building, and improvements to fairytale town, discovery museum, neighborhood/community lighting and transportation facilities)* for the City and SHRA CIPs.

- **2016 H Street Refunding Bonds** – Refinanced the 2002 Certificates of Participation issued jointly by the City of Sacramento and County of Sacramento to finance the construction of the California Musical Theater; savings from the refinancing benefited the California Musical Theater via lower debt service payments.
- **2017 Water Revenue Bonds** – Financed the continuation of the City's Accelerated Water Meter Program, replacement of aging pipelines, rehabilitation of certain components of the City's water treatment plants, and miscellaneous capital projects.
- **2018 Transient Occupancy Tax Revenue Bonds** – Financed the renovation of the Convention Center, the Community Center Theater, and the Memorial Auditorium.
- **2019 Wastewater Revenue Bonds** – Financed the rehabilitation of various wastewater sumps, rehabilitation of infrastructure in the combined sewer system and the separated system, as well as in-line and underground storage structures.
- **CA Department of Boating and Waterways Loan** - Financed the expansion of the north and south basins of the City's Marina.
- **Miscellaneous Debt (New Money)** - Financing for the acquisition, replacement, restoration, modification and improvement of various equipment (fleet, vehicles, parking meters, garbage cans, and elevator equipment). Included in this are the (1) American Recovery and Reinvestment Act (ARRA), Marina, and CIEDB loans, (2) financed improvements in assessment and community facilities districts, and (3) financed improvement in various redevelopment project areas.
- **Miscellaneous Debt (Refunding) –** Refinanced numerous land-secured districts, primarily in Council District 1; savings benefit constituents who are part of those land-secured districts by way of reduced property taxes.
- **State Revolving Fund Loans** (**Clean Water Program)** - Financed various wastewater improvements associated with Sump 2, Tahoe Park/Broadway Parallel, UC Davis Medical Center Storage, and the Land Park Sewer.
- **State Revolving Fund Loan (Drinking Water Program) –** Financed the Meter and Pipe Installation Project which benefited numerous areas throughout the city.

Department Budget Summary

Debt Service Budget Summary	FY2016/17 Actuals	FY2017/18 Actuals	FY2018/19 Approved	FY2018/19 Amended	FY2019/20 Proposed	Change More/(Less) Proposed/Amended
Other Services and Supplies	288,775	18,924	-	-	-	-
City Debt Service	101,098,390	120,548,423	101,975,246	101,975,246	110,160,117	8,184,871
Labor and Supply Offset	40,000	-	-	-	-	-
Total	**101,427,165**	**120,567,347**	**101,975,246**	**101,975,246**	**110,160,117**	**8,184,871**

Funding Summary by Fund/Special District	FY2016/17 Actuals	FY2017/18 Actuals	FY2018/19 Approved	FY2018/19 Amended	FY2019/20 Proposed	Change More/(Less) Proposed/Amended
General Fund	27,445,144	27,575,006	27,436,175	26,336,175	25,615,184	(720,991)
2006 CIRBs, Series B (CRCIP)	1,554,592	1,518,853	1,522,207	1,522,207	1,514,383	(7,824)
2006 CIRBs (Refunding), Series E	151,044	104,760	123,592	123,592	125,055	1,463
2006 CIRBs Ser D	22	-	-	-	-	-
2015 Golden 1 Center Revenue Bonds	5,019,969	6,738,499	11,195,874	11,385,390	10,699,224	(686,166)
2015 Refunding Revenue Bond	22,867	1,660	1	1	-	(1)
2016 Lease Financing-H Street	1,010,211	669,939	672,443	672,443	674,592	2,149
Art In Public Places Projects	-	-	-	(189,516)	-	189,516
Community Center	10,290,566	8,182,292	8,169,996	8,169,996	22,049,610	13,879,614
Debt Service - Other City Debt	102,599	102,599	102,586	102,586	-	(102,586)
Debt Service-93 Series A	(198,005)	16,884	-	-	-	-
Debt Service-93 Series B	10,123	46,169	-	-	-	-
Debt Service-CFD#2 Lease	292,472	-	-	-	-	-
Fleet Management	95,030	95,079	96,914	96,914	67,072	(29,842)
Golf	1,176,985	1,168,298	1,167,932	1,167,932	1,167,267	(665)
Innovation and Growth	-	-	-	1,100,000	1,100,000	-
Kings-Arco Arena Acquisition	5,795,355	24,915,609	3,873,000	3,873,000	-	(3,873,000)
Marina	659,885	859,885	1,321,730	1,321,730	1,172,247	(149,483)
NNFP Public Facilities Fee	1,890,668	1,899,316	910,526	910,526	707,901	(202,625)
NNFP Public Land Acquisition Fee	1,891,573	2,029,574	-	-	-	-
NNFP Reg Park Land Acquisition	422,228	422,103	422,046	422,046	422,046	-
Parking	6,750,842	7,074,380	7,045,407	7,045,407	7,023,446	(21,961)
Recycling and Solid Waste	3,395,078	2,298,919	1,732,258	1,732,258	1,693,104	(39,154)
Storm Drainage	3,669,220	3,656,889	3,534,193	3,534,193	3,509,449	(24,744)
Wastewater	3,032,820	2,883,698	2,840,890	2,840,890	2,827,386	(13,504)
Wastewater Revenue Bonds	1,500	9	-	-	-	-
Water	26,682,006	28,317,080	29,807,476	29,807,476	29,792,151	(15,325)
Water Revenue Bonds	66,110	(15,663)	-	-	-	-
Water Revenue Bonds Ser. 2017	196,261	5,509	-	-	-	-
Total	**101,427,165**	**120,567,347**	**101,975,246**	**101,975,246**	**110,160,117**	**8,184,871**

Division Budget Summary

Debt Service Division Budgets	FY2016/17 Actuals	FY2017/18 Actuals	FY2018/19 Approved	FY2018/19 Amended	FY2019/20 Proposed	Change More/(Less) Proposed/Amended
2006 CIRBs Series B, D, E	13,536,282	13,044,915	13,492,762	13,492,762	13,521,196	28,434
2013 Wastewater Revenue Bonds	1,956,931	1,960,281	1,957,031	1,957,031	1,957,931	900
2013 Water Revenue Bonds	14,019,288	14,020,150	14,014,750	14,014,750	14,017,000	2,250
2015 G1C Lease Revenue Bonds	10,519,969	13,138,499	18,295,874	18,295,874	18,299,224	3,350
2015 Refunding Revenue Bonds	24,779,816	23,715,963	22,218,713	22,218,713	21,259,138	(959,575)
2017 Water Revenue Bonds	489,186	1,811,035	3,375,787	3,375,787	3,375,538	(249)
2018 TOT Revenue Bonds	-	-	-	-	13,890,862	13,890,862
CA Department of B&W Loan	102,599	772,538	102,586	102,586	-	(102,586)
Kings/Arco Arena	5,798,805	24,915,609	3,873,000	3,873,000	-	(3,873,000)
Miscellaneous Division-Debt Service	26,787,352	23,751,563	21,373,454	21,373,454	20,567,940	(805,514)
State Revoloving Fund Loan	3,436,938	3,436,794	3,271,289	3,271,289	3,271,288	(1)
Total	**101,427,165**	**120,567,347**	**101,975,246**	**101,975,246**	**110,160,117**	**8,184,871**

24

SECTION – 24
Staffing

Citywide Staffing Summary

Department	FY2018/19 Amended	FY2018/19 Council Action[1]	FY2019/20 Other[2]	FY2019/20 Re-organization	FY2019/20 Add/Delete	FY2019/20 Augmentation	FY2019/20 Proposed
Mayor/Council	45.00	-	-	(9.00)	-	-	36.00
City Attorney	54.00	4.00	-	-	-	-	58.00
City Auditor	-	-	-	9.00	-	-	9.00
City Clerk	17.00	-	-	-	-	-	17.00
City Manager[1]	49.00	6.00	-	1.00	1.00	12.00	69.00
City Treasurer	14.00	-	-	-	-	-	14.00
Community Development	283.00	(2.00)	(2.00)	-	-	9.00	288.00
Convention and Cultural Services	115.19	-	-	-	-	-	115.19
Finance	91.00	1.00	-	(1.00)	-	-	91.00
Fire	681.00	-	-	-	-	30.50	711.50
Human Resources	79.00	-	-	(3.00)	-	4.00	80.00
Information Technology	191.50	-	-	3.00	(3.00)	4.00	195.50
Police	1,040.46	3.00	(10.00)	-	-	37.00	1,070.46
Public Works	738.35	-	-	-	(3.00)	1.00	736.35
Utilities	561.90	-	-	-	-	13.00	574.90
Youth, Parks, and Community Enrichmer	651.64	-	-	-	(1.00)	51.70	702.34
Citywide and Community Support	5.00	-	-	-	-	-	5.00
Total	**4,617.04**	**12.00**	**(12.00)**	**-**	**(6.00)**	**162.20**	**4,773.24**

[1] Council action (R2017-0093) FY2019/20 phase-in positions and Council action (R2019-0048) revised staffing plan for Office of Cannabis Policy and Enforcement. Also includes council action (R2019-0082), adding 4.0 FTE for Office of Homeless Services.

[2] Police - delete 9.0 FTE positions funded by the Sacramento Unified School District and delete 1.0 FTE position funded by the Office of Traffic Safety. CDD - delete 2.0 FTE limited-term positions based on a two-year funding program.

Mayor/Council	FY2018/19 Amended	FY2019/20 Proposed	Change
Assistant City Auditor	1.00	-	(1.00)
Auditor	2.00	-	(2.00)
Chief of Staff to the Mayor	1.00	1.00	-
City Auditor	1.00	-	(1.00)
City Council	4.00	4.00	-
Director of Public Safety Accountability	1.00	1.00	-
Executive Assistant (MC)	13.00	13.00	-
Fiscal Policy Analyst	1.00	-	(1.00)
Independent Budget Analyst	1.00	-	(1.00)
Mayor	1.00	1.00	-
OPS Accountability Analyst	1.00	1.00	-
OPS Accountability Specialist	1.00	1.00	-
Senior Advisor to the Mayor	3.00	3.00	-
Senior Auditor	2.00	-	(2.00)
Senior Council Representative	8.00	8.00	-
Senior Fiscal Policy Analyst	1.00	-	(1.00)
Special Assistant to the Mayor	1.00	1.00	-
Staff Aide (MCSA)	2.00	2.00	-
Total	**45.00**	**36.00**	**(9.00)**

*On April 3, 2019, the Compensation Commission changed Councilmember FTE to 1.0 and adjusted salaries. Funding is included in the Proposed Budget and the Approved Budget will reflect 40.0 authorized FTE for Mayor/Council.

City Attorney	FY2018/19 Amended	FY2019/20 Proposed	Change
Assistant City Attorney	2.00	2.00	-
City Attorney	1.00	1.00	-
Deputy City Attorney II	3.00	3.00	-
Investigator	1.00	1.00	-
Law Office Administrator	1.00	1.00	-
Legal Secretary (Ex)	7.00	8.00	1.00
Legal Staff Assistant (Ex)	1.00	2.00	1.00
Paralegal (Ex)	5.00	6.00	1.00
Paralegal Technical Support	1.00	1.00	-
Senior Deputy City Attorney	24.00	25.00	1.00
Senior Legal Staff Asst (Ex)	1.00	1.00	-
Special Assistant to City Attorney	1.00	1.00	-
Supervising Deputy City Attorney	4.00	4.00	-
Supervising Legal Secretary	2.00	2.00	-
Total	**54.00**	**58.00**	**4.00**

City Auditor	FY2018/19 Amended	FY2019/20 Proposed	Change
Assistant City Auditor	-	1.00	1.00
Auditor	-	2.00	2.00
City Auditor	-	1.00	1.00
Fiscal Policy Analyst	-	1.00	1.00
Principal Fiscal Policy Analyst	-	1.00	1.00
Senior Auditor	-	2.00	2.00
Senior Fiscal Policy Analyst	-	1.00	1.00
Total	**-**	**9.00**	**9.00**

City Clerk	FY2018/19 Amended	FY2019/20 Proposed	Change
Assistant City Clerk	1.00	1.00	-
City Clerk	1.00	1.00	-
Council Operations Manager	1.00	1.00	-
Deputy City Clerk	6.00	6.00	-
Ethics Program Compliance Officer	1.00	1.00	-
Program Specialist	2.00	2.00	-
Senior Deputy City Clerk	3.00	3.00	-
Staff Assistant-Mayor Council	1.00	1.00	-
Ticket Policy and Event Services Manager	1.00	1.00	-
Total	**17.00**	**17.00**	**-**

City Manager	FY2018/19 Amended	FY2019/20 Proposed	Change
Administrative Analyst	1.00	3.00	2.00
Administrative Analyst (Rep 20)	1.00	1.00	-
Administrative Officer	1.00	2.00	1.00
Administrative Technician	5.00	6.00	1.00
Assistant City Manager	4.00	4.00	-
Assistant to the City Manager	1.00	1.00	-
City Manager	1.00	1.00	-
Customer Service Specialist	-	2.00	2.00
Director of Emergency Management	1.00	1.00	-
Director of Governmental Affairs	1.00	1.00	-
Diversity and Equity Manager	1.00	1.00	-
Economic Development Manager	2.00	2.00	-
Executive Assistant (CMO)	2.00	2.00	-
Graphic Designer	1.00	1.00	-
Junior Development Project Manager	4.00	8.00	4.00
Marijuana Policy and Enforcement Manager	1.00	1.00	-
Media and Communications Officer	1.00	1.00	-
Media and Communications Specialist	1.00	1.00	-
Operations Manager	-	1.00	1.00
Principal Planner	1.00	1.00	-
Program Analyst	3.00	4.00	1.00
Program Manager	1.00	2.00	1.00
Program Specialist	1.00	3.00	2.00
Senior Accountant Auditor	-	1.00	1.00
Senior Development Project Manager	5.00	5.00	-
Senior Staff Assistant	1.00	1.00	-
Special Projects Manager	4.00	4.00	-
Staff Aide (Management)	4.00	4.00	-
Staff Aide (tbd HR)	-	4.00	4.00
Total	**49.00**	**69.00**	**20.00**

City Treasurer	FY2018/19 Amended	FY2019/20 Proposed	Change
Administrative Analyst	1.00	1.00	-
Banking Operations Manager	1.00	1.00	-
Chief Investment Officer	1.00	1.00	-
City Treasurer	1.00	1.00	-
Investment Officer	1.00	1.00	-
Investment Operations Analyst	1.00	1.00	-
Senior Debt Analyst	2.00	2.00	-
Senior Investment Officer	1.00	1.00	-
Treasury Analyst	3.00	3.00	-
Treasury Assistant	1.00	1.00	-
Treasury Manager	1.00	1.00	-
Total	**14.00**	**14.00**	**-**

Community Development	FY2018/19 Amended	FY2019/20 Proposed	Change
Account Clerk II	4.00	4.00	-
Accountant Auditor	1.00	1.00	-
Accounting Technician	4.00	4.00	-
Administrative Analyst	3.00	3.00	-
Administrative Assistant	2.00	2.00	-
Administrative Technician	2.00	2.00	-
Animal Care Services Manager	1.00	1.00	-
Animal Care Technician	18.00	18.00	-
Animal Control Officer I	3.00	2.00	(1.00)
Animal Control Officer II	6.00	6.00	-
Animal Services Adoption Coordinator	1.00	1.00	-
Assistant Architect	1.00	1.00	-
Assistant Code Enforcement Officer	6.00	6.00	-
Assistant Planner	8.00	8.00	-
Associate Civil Engineer	3.00	3.00	-
Associate Planner	14.00	19.00	5.00
Building Inspector I	15.00	15.00	-
Building Inspector II	11.00	11.00	-
Building Inspector III	23.00	24.00	1.00
Building Inspector IV	10.00	10.00	-
Chief Animal Control Officer	1.00	1.00	-
Chief Building Official	1.00	1.00	-
Code Enforcement Manager	1.00	1.00	-
Code Enforcement Officer	24.00	21.00	(3.00)
Code and Housing Enforcement Chief	1.00	1.00	-
Customer Service Assistant	2.00	2.00	-
Customer Service Representative	18.00	18.00	-
Customer Service Specialist	7.00	6.00	(1.00)
Customer Service Supervisor	1.00	2.00	1.00
Deputy Chief Building Official	1.00	1.00	-
Development Services Technician I	9.00	9.00	-
Development Services Technician II	2.00	2.00	-
Development Services Technician III	3.00	3.00	-
Director of Community Development	1.00	1.00	-
Junior Development Project Manager	6.00	7.00	1.00
Painter	0.50	0.50	-
Permit Services Manager	1.00	1.00	-
Planning Director	1.00	1.00	-
Plans Examiner III	1.00	1.00	-
Principal Building Inspector	2.00	2.00	-
Principal Planner	5.00	5.00	-
Program Analyst	6.00	6.00	-
Program Manager	2.00	2.00	-
Program Specialist	4.00	4.00	-
Public Information Coordinator	1.00	1.00	-
Registered Veterinary Technician	4.00	4.00	-

Community Development (continued)	FY2018/19 Amended	FY2019/20 Proposed	Change
Senior Accountant Auditor	1.00	1.00	-
Senior Accounting Technician	1.00	1.00	-
Senior Animal Care Technician	3.00	3.00	-
Senior Animal Control Officer	2.00	2.00	-
Senior Architect	1.00	1.00	-
Senior Code Enforcement Officer	5.00	5.00	-
Senior Development Project Manager	1.00	1.00	-
Senior Engineer	1.00	1.00	-
Senior Painter	1.00	1.00	-
Senior Planner	8.00	9.00	1.00
Staff Aide	-	1.00	1.00
Staff Aide (Management)	1.00	1.00	-
Supervising Building Inspector	8.00	8.00	-
Supervising Engineer	1.00	1.00	-
Support Services Manager	1.00	1.00	-
Urban Design Manager	1.00	1.00	-
Veterinarian	2.50	2.50	-
Youth Aide	1.00	1.00	-
Zoning Investigator	2.00	2.00	-
Total	**283.00**	**288.00**	**5.00**

Convention and Cultural Services	FY2018/19 Amended	FY2019/20 Proposed	Change
Accounting Technician	1.00	1.00	-
Administrative Analyst	4.00	4.00	-
Administrative Assistant	1.00	1.00	-
Administrative Officer	3.00	3.00	-
Administrative Technician	2.00	2.00	-
Archivist	3.00	3.00	-
Art Museum Registrar	1.00	1.00	-
Arts Administrator	1.00	1.00	-
Arts in Public Places Spec	1.00	1.00	-
Arts Program Assistant	2.00	2.00	-
Arts Program Coordinator	2.00	2.00	-
Assistant Box Office Supervisor	2.00	2.00	-
Associate Curator of Art	1.00	1.00	-
Booking Coordinator	2.00	2.00	-
Community Center Attendant I	19.94	19.94	-
Community Center Attendant II	7.00	7.00	-
Convention Center General Manager	1.00	1.00	-
Cultural Services and Creative Economic Manager	1.00	1.00	-
Curator of Art	1.00	1.00	-
Curator of Education	1.00	1.00	-
Curator of History	1.00	1.00	-
Customer Service Specialist	1.00	1.00	-
Deputy Convention Center General Manager	1.00	1.00	-
Director of Convention and Culture	1.00	1.00	-
Events Associate	10.00	10.00	-
Events Coordinator	2.00	2.00	-
Events Duty Person	2.00	2.00	-
Events Services Manager	2.00	2.00	-
Events Services Supervisor	5.00	5.00	-
Facilities and Real Property Superintendent	1.00	1.00	-
Historic District Manager	1.00	1.00	-
Lead Events Associate	2.00	2.00	-
Marina Aide	1.20	1.20	-
Mechanical Maintenance Supervisor	1.00	1.00	-
Museum Registrar	1.00	1.00	-
Museum Security Supervisor	1.00	1.00	-
Office Specialist	1.00	1.00	-
Program Manager	1.00	1.00	-
Staff Aide (Management)	1.00	1.00	-
Stagehand I	2.75	2.75	-
Stagehand II	1.00	1.00	-
Stationary Engineer	5.00	5.00	-
Supervising Community Center Attendant	3.00	3.00	-
Ticket Seller	0.70	0.70	-
Ticket Seller (Exempt)	6.60	6.60	-
Zoo Attendant I	3.00	3.00	-
Total	**115.19**	**115.19**	**-**

Finance	FY2018/19 Amended	FY2019/20 Proposed	Change
Account Clerk II	6.00	6.00	-
Accountant Auditor	2.00	-	(2.00)
Accounting Technician	3.00	3.00	-
Administrative Analyst	3.00	2.00	(1.00)
Administrative Assistant	1.00	1.00	-
Administrative Officer	1.00	1.00	-
Administrative Technician	6.00	6.00	-
Budget Analyst	1.00	1.00	-
Budget Manager	1.00	1.00	-
Claims Collector	6.00	6.00	-
Contract and Compliance Specialist	1.00	1.00	-
Customer Service Rep	16.00	16.00	-
Customer Service Specialist	2.00	2.00	-
Customer Service Supervisor	1.00	2.00	1.00
Director of Finance	1.00	1.00	-
Enforcement and Collections Supervisor	1.00	1.00	-
Financial Services Manager	3.00	3.00	-
Payroll Technician	4.00	4.00	-
Principal Management Analyst (Rep 20)	2.00	2.00	-
Principal Accountant	2.00	2.00	-
Procurement Services Manager	1.00	1.00	-
Program Analyst	5.00	5.00	-
Program Manager	3.00	3.00	-
Program Specialist	4.00	4.00	-
Senior Accountant Auditor	8.00	10.00	2.00
Senior Accounting Technician	2.00	2.00	-
Senior Budget Analyst	2.00	2.00	-
Senior Claims Collector	1.00	1.00	-
Senior Staff Assistant	1.00	1.00	-
Special Districts Manager	1.00	1.00	-
Total	**91.00**	**91.00**	**-**

Fire	FY2018/19 Amended	FY2019/20 Proposed	Change
Account Clerk II	3.00	3.00	-
Administrative Analyst	7.00	8.00	1.00
Administrative Assistant	1.00	1.00	-
Administrative Officer	1.00	3.00	2.00
Administrative Technician	8.00	9.00	1.00
Cache Logistics Coordinator	2.00	2.00	-
Customer Service Representative	3.00	3.00	-
Deputy Fire Chief	3.00	3.00	-
EMS Coordinator	1.00	1.00	-
Fire Assistant Chief	5.00	5.00	-
Fire Battalion Chief	11.00	14.00	3.00
Fire Captain	111.00	115.00	4.00
Fire Chief	1.00	1.00	-
Fire Engineer	103.00	103.00	-
Fire Investigator I	5.00	5.00	-
Fire Investigator II	1.00	1.00	-
Fire Marshal	1.00	1.00	-
Fire Prevention Officer I	5.00	5.00	-
Fire Prevention Officer II	11.00	11.00	-
Fire Recruit	-	11.50	11.50
Fire Service Worker	3.00	3.00	-
Firefighter	369.00	375.00	6.00
Investigator	1.00	1.00	-
Media and Communications Specialist	-	1.00	1.00
Office Specialist	7.00	7.00	-
Office Supervisor	1.00	1.00	-
Program Analyst	2.00	2.00	-
Senior Accountant Auditor	1.00	1.00	-
Senior Fire Prevention Officer	4.00	4.00	-
Staff Aide	3.00	3.00	-
Staff Aide (Management)	2.00	1.00	(1.00)
Staff Aide (Min/Max)	-	2.00	2.00
Stores Administrator	-	1.00	1.00
Stores Clerk I	2.00	2.00	-
Stores Clerk II	1.00	1.00	-
Supervising Fire Service Worker	1.00	1.00	-
Support Services Manager	1.00	-	(1.00)
Total	**681.00**	**711.50**	**30.50**

Human Resources	FY2018/19 Amended	FY2019/20 Proposed	Change
Administrative Analyst	4.00	6.00	2.00
Administrative Assistant	1.00	1.00	-
Director of Human Resources	1.00	1.00	-
Environmental Health and Safety Officer	1.00	1.00	-
Environmental Health and Safety Specialist	7.00	7.00	-
Equal Employment Manager	1.00	1.00	-
Equal Employment Specialist	1.00	1.00	-
HR Manager (Rep20)	3.00	3.00	-
Investigator	2.00	2.00	-
Labor Relations Analyst	1.00	1.00	-
Labor Relations Officer	3.00	4.00	1.00
Loss Prevention Manager	1.00	1.00	-
Personnel Analyst	3.00	5.00	2.00
Personnel Technician	17.00	17.00	-
Program Analyst	4.00	3.00	(1.00)
Program Manager	2.00	1.00	(1.00)
Program Specialist	4.00	3.00	(1.00)
Risk Manager	1.00	1.00	-
Senior Personnel Analyst	3.00	3.00	-
Senior Staff Assistant	4.00	4.00	-
Staff Assistant	2.00	2.00	-
Support Services Manager	1.00	-	(1.00)
Workers' Compensation Claims Assistant I	2.00	2.00	-
Workers' Compensation Claims Assistant II	1.00	1.00	-
Workers' Compensation Claims Manager	1.00	1.00	-
Workers' Compensation Claims Supervisor	2.00	2.00	-
Workers' Compensation Claims Representative	6.00	6.00	-
Total	**79.00**	**80.00**	**1.00**

Information Technology	FY2018/19 Amended	FY2019/20 Proposed	Change
311 Customer Service Agent	33.50	33.50	-
311 Customer Service Specialist	3.00	3.00	-
311 Customer Service Supervisor	3.00	3.00	-
311 Manager	1.00	1.00	-
Administrative Analyst	1.00	1.00	-
Administrative Technician	1.00	1.00	-
Applications Developer	6.00	7.00	1.00
Chief Information Officer	1.00	1.00	-
Department Systems Specialist I	1.00	1.00	-
Department Systems Specialist II	4.00	4.00	-
Geographic Information Systems Specialist I	2.00	2.00	-
Geographic Information Systems Specialist II	9.00	9.00	-
Geographic Information Systems Specialist III	4.00	4.00	-
Information Technology Manager	6.00	6.00	-
Information Technology Supervisor	11.00	11.00	-
Information Technology Support Specialist I	5.00	5.00	-
Information Technology Support Specialist II	18.00	18.00	-
Information Technology Trainee	3.00	3.00	-
Media Production Specialist II	1.00	1.00	-
Operations Manager	1.00	1.00	-
Principal Applications Developer	9.00	10.00	1.00
Principal Systems Engineer	7.00	7.00	-
Program Analyst	1.00	2.00	1.00
Program Manager	1.00	2.00	1.00
Program Specialist	6.00	7.00	1.00
Senior Applications Developer	18.00	17.00	(1.00)
Senior Department System Specialist	8.00	6.00	(2.00)
Senior Information Technology Support Specialist	4.00	4.00	-
Senior Systems Engineer	8.00	9.00	1.00
Senior Telecommunications Technician	1.00	1.00	-
Systems Engineer	10.00	11.00	1.00
Telecommunications Engineer II	2.00	2.00	-
Telecommunications Engineer III	1.00	1.00	-
Website Administrator	1.00	1.00	-
Total	**191.50**	**195.50**	**4.00**

Police	FY2018/19 Amended	FY2019/20 Proposed	Change
Account Clerk II	2.00	2.00	-
Accountant Auditor	1.00	1.00	-
Accounting Technician	2.00	2.00	-
Administrative Analyst	11.00	11.00	-
Administrative Assistant	1.00	1.00	-
Administrative Officer	3.00	3.00	-
Administrative Technician	8.00	8.00	-
Community Service Officer I	8.00	15.00	7.00
Community Service Officer II	-	15.00	15.00
Community Service Representative I	3.00	3.00	-
Custodian II	4.50	4.50	-
Deputy Police Chief	3.00	3.00	-
Dispatcher I	6.00	6.00	-
Dispatcher II	74.00	74.00	-
Dispatcher III	10.00	10.00	-
Fingerprint Clerk	4.00	4.00	-
Forensic Investigator I	12.00	12.00	-
Forensic Investigator II	8.00	8.00	-
Media and Communications Specialist	-	1.00	1.00
Media Production Specialist II	3.00	3.00	-
Personnel Transactions Coordinator	1.00	1.00	-
Police Administrative Manager	1.00	1.00	-
Police Captain	11.00	11.00	-
Police Chief	1.00	1.00	-
Police Clerk II	18.00	18.00	-
Police Clerk III	2.00	2.00	-
Police Lieutenant	23.00	23.00	-
Police Officer	609.00	617.00	8.00
Police Records Specialist I	6.00	6.00	-
Police Records Specialist II	43.00	43.00	-
Police Records Supervisor	7.00	7.00	-
Police Sergeant	93.00	92.00	(1.00)
Program Analyst	16.00	16.00	-
Program Manager	1.00	1.00	-
Property Assistant	8.00	8.00	-
Public Safety Communications Manager	1.00	1.00	-
Reserve Community Service Officer	5.00	5.00	-
Reserve Police Officer I	0.66	0.66	-
Security Officer	2.80	2.80	-
Senior Personnel Trans Coordinator	1.00	1.00	-
Senior Police Records Supervisor	3.00	3.00	-
Senior Property Assistant	4.00	4.00	-
Senior Staff Assistant	1.00	1.00	-
Staff Aide (Management)	1.00	1.00	-
Student Trainee (Most Majors)	10.50	10.50	-
Supervising Dispatcher	2.00	2.00	-
Supervising Forensic Investigator	4.00	4.00	-
Supervising Property Assistant	1.00	1.00	-
Total	**1,040.46**	**1,070.46**	**30.00**

Public Works	FY2018/19 Amended	FY2019/20 Proposed	Change
Account Clerk II	4.00	4.00	-
Accountant Auditor	2.00	2.00	-
Accounting Technician	7.00	7.00	-
Administrative Analyst	6.00	6.00	-
Administrative Assistant	1.00	1.00	-
Administrative Officer	1.00	2.00	1.00
Administrative Technician	8.00	8.00	-
Arborist/Urban Forester	6.00	6.00	-
Architectural Technician III	2.00	2.00	-
Assistant Civil Engineer	8.00	8.00	-
Associate Architect	2.00	2.00	-
Associate Civil Engineer	16.00	15.00	(1.00)
Associate Electrical Engineer	2.00	2.00	-
Associate Mechanical Engineer	1.00	1.00	-
Building Inspector III	1.00	1.00	-
Building Inspector IV	1.00	1.00	-
Building Maintenance Worker	8.00	8.00	-
Building Services Manager	2.00	2.00	-
Carpenter	3.00	3.00	-
Central Services Assistant III	1.00	1.00	-
Code Enforcement Officer	3.00	3.00	-
Construction Inspector I	2.00	2.00	-
Construction Inspector II	7.00	7.00	-
Construction Inspector III	13.00	12.00	(1.00)
Contract and Compliance Specialist	2.00	2.00	-
Custodian I	3.00	3.00	-
Custodian II	1.00	1.00	-
Customer Service Representative	2.00	2.00	-
Customer Service Specialist	3.00	3.00	-
Director of Public Works	1.00	1.00	-
Electrical Construction Inspector III	2.00	2.00	-
Electrician	3.00	3.00	-
Electrician Supervisor	1.00	1.00	-
Electronic Maintenance Technician II	1.00	1.00	-
Engineering Manager	2.00	2.00	-
Engineering Technician I	1.00	2.00	1.00
Engineering Technician II	2.00	2.00	-
Engineering Technician III	9.00	8.00	(1.00)
Equipment Maintenance Supervisor	4.00	4.00	-
Equipment Mechanic I	7.00	7.00	-
Equipment Mechanic II	24.00	24.00	-
Equipment Mechanic III	7.00	7.00	-
Equipment Serviceworker	25.00	25.00	-
Facilities and Real Property Superintendent	2.00	2.00	-
Facilities Manager	1.00	1.00	-
Fleet Management Technician	3.00	3.00	-

Public Works (continued)	FY2018/19 Amended	FY2019/20 Proposed	Change
Fleet Manager	1.00	1.00	-
Fleet Service Coordinator	3.00	3.00	-
HVAC Supervisor	1.00	1.00	-
HVAC Systems Mechanic	6.00	6.00	-
Integrated Waste Equipment Operator	115.30	115.30	-
Integrated Waste General Manager	1.00	1.00	-
Integrated Waste General Supervisor	2.00	2.00	-
Integrated Waste Planning Superintendent	1.00	1.00	-
Integrated Waste Supervisor	10.00	10.00	-
Junior Development Project Manager	1.00	1.00	-
Licensed Land Surveyor	1.00	1.00	-
Locksmith	1.00	1.00	-
Maintenance Worker	16.00	16.00	-
Marina Aide	2.80	2.80	-
Marina and Boating Facilities Attendant	2.00	2.00	-
Office Specialist	-	1.00	1.00
Operations General Supervisor	10.00	10.00	-
Painter	3.00	3.00	-
Parking Enforcement Officer	49.00	49.00	-
Parking Enforcement Supervisor	3.00	3.00	-
Parking Facilities Maintenance Supervisor	1.00	1.00	-
Parking Lot Attendant	19.75	19.75	-
Parking Lot Supervisor	4.00	4.00	-
Parking Manager	1.00	1.00	-
Parking Meter Coin Collector	4.00	4.00	-
Parking Meter Collection Supervisor	1.00	1.00	-
Parking Meter Repair Worker	3.00	3.00	-
Personnel Transactions Coordinator	1.00	1.00	-
Plumber	3.00	3.00	-
Plumbing Supervisor	1.00	1.00	-
Principal Engineer	1.00	-	(1.00)
Principal Planner	1.00	1.00	-
Program Analyst	20.00	19.00	(1.00)
Program Manager	5.00	5.00	-
Program Specialist	13.00	13.00	-
Real Property Agent II	2.00	2.00	-
Real Property Agent III	2.00	2.00	-
Senior Accountant Auditor	2.00	2.00	-
Senior Accounting Technician	3.00	3.00	-
Senior Architect	2.00	2.00	-
Senior Building Maintenance Worker	1.00	1.00	-
Senior Central Services Assistant	1.00	1.00	-
Senior Code Enforcement Officer	1.00	1.00	-
Senior Electronic Maintenance Technician	1.00	1.00	-
Senior Engineer	13.00	14.00	1.00
Senior Engineering Technician	2.00	2.00	-

Public Works (continued)	FY2018/19 Amended	FY2019/20 Proposed	Change
Senior Equipment Service Worker	1.00	1.00	-
Senior HVAC Systems Mechanic	2.00	2.00	-
Senior Integrated Was Equip Operator	5.00	5.00	-
Senior Landfill Engineer Technician	1.00	1.00	-
Senior Maintenance Worker	2.00	2.00	-
Senior Office Specialist	6.00	6.00	-
Senior Parking Lot Attendant	4.50	4.50	-
Senior Parking Lot Supervisor	1.00	1.00	-
Senior Tree Maintenance Worker	4.00	4.00	-
Senior Tree Pruner	4.00	4.00	-
Staff Assistant	1.00	1.00	-
Street Construction Equip Operator	9.00	9.00	-
Street Construction Laborer	39.00	39.00	-
Street Construction Laborer Trainee	4.00	4.00	-
Street Maintenance Supervisor	7.00	7.00	-
Streets Manager	1.00	1.00	-
Structural Maintenance Supervisor	2.00	2.00	-
Supervising Architect	1.00	1.00	-
Supervising Construction Inspector	3.00	4.00	1.00
Supervising Engineer	7.00	7.00	-
Supervising Financial Analyst	3.00	3.00	-
Supervising Surveyor	-	1.00	1.00
Support Services Manager	3.00	3.00	-
Survey Party Chief	3.00	2.00	(1.00)
Survey Technician I	2.00	2.00	-
Survey Technician II	4.00	4.00	-
Telecommunications Engineer I	1.00	1.00	-
Telecommunications Engineer III	1.00	1.00	-
Telecommunications Specialist II	1.00	1.00	-
Telecommunications Technician Trainee	1.00	1.00	-
Traffic Control and Light Supervisor	3.00	3.00	-
Traffic Control and Light Technician I	2.00	2.00	-
Traffic Control and Light Technician II	11.00	11.00	-
Traffic Investigator I	1.00	1.00	-
Traffic Investigator II	1.00	1.00	-
Traffic Investigator III	4.00	4.00	-
Traffic Supervisor	3.00	3.00	-
Traffic Worker I	8.00	8.00	-
Traffic Worker II	6.00	6.00	-
Traffic Worker III	2.00	2.00	-
Tree Maintenance Supervisor	1.00	1.00	-
Tree Maintenance Worker	6.00	6.00	-
Tree Pruner I	1.00	1.00	-
Tree Pruner II	9.00	9.00	-
Tree Pruner Supervisor	2.00	2.00	-
Vehicle Service Aide	2.00	-	(2.00)
Vehicle Service Attendant	2.00	2.00	-
Total	**738.35**	**736.35**	**(2.00)**

Utilities	FY2018/19 Amended	FY2019/20 Proposed	Change
Accounting Technician	5.00	5	-
Administrative Analyst	8.00	8	-
Administrative Assistant	1.00	1	-
Administrative Technician	8.00	8	-
Assistant Civil Engineer	6.00	6	-
Assistant Water Cross-Connection Control Specialist	2.00	2	-
Associate Civil Engineer	14.00	13	(1.00)
Associate Electrical Engineer	2.00	3	1.00
Blacksmith Welder	1.00	1	-
Business Services Manager	1.00	1	-
Claims Collector	1.00	1	-
Construction Inspector II	1.00	1	-
Customer Service Representative	30.00	30	-
Customer Service Specialist	8.00	8	-
Customer Service Supervisor	5.00	5	-
Development Services Technician I	1.00	1	-
Development Services Technician II	1.00	1	-
Development Services Technician III	1.00	1	-
Director of Utilities	1.00	1	-
Electrical Design Technician	1.00	1	-
Electrician	14.00	13	(1.00)
Electrician Supervisor	2.00	2	-
Engineering Manager	1.00	1	-
Engineering Technician II	1.00	1	-
Engineering Technician III	2.00	2	-
Generator Technician	4.00	5	1.00
Instrument Technician I	4.00	4	-
Instrument Technician II	8.00	8	-
Instrumentation Supervisor	1.00	1	-
Information Technology Supervisor	2.00	2	-
Junior Plant Operator	12.00	13	1.00
Machinist	16.00	16	-
Machinist Helper	15.00	17	2.00
Machinist Supervisor	4.00	4	-
Media and Communications Specialist	1.00	1	-
Meter Reader	4.00	4	-
Meter Reading Supervisor	1.00	1	-
Office Specialist	2.00	2	-
Personnel Transactions Coordinator	2.00	2	-
Plant Operator	30.00	33	3.00
Principal Engineer	1.00	1	-
Process Control Systems Specialist	6.00	6	-
Program Analyst	16.00	17	1.00
Program Manager	4.00	5	1.00
Program Specialist	12.00	12	-
Senior Accountant Auditor	1.00	1	-

Utilities (continued)	FY2018/19 Amended	FY2019/20 Proposed	Change
Senior Accounting Technician	1.00	1.00	-
Senior Electrician	1.00	2.00	1.00
Senior Engineer	18.00	18.00	-
Senior Engineering Technician	2.00	2.00	-
Senior Generator Technician	2.00	2.00	-
Senior Maintenance Worker	5.00	5.00	-
Senior Office Specialist	1.00	1.00	-
Senior Personnel Trans Coordinator	2.00	2.00	-
Senior Plant Operator	16.00	16.00	-
Senior Staff Assistant	5.00	5.00	-
Senior Store Keeper	1.00	1.00	-
Storekeeper	3.00	3.00	-
Stores Administrator	1.00	1.00	-
Stores Clerk II	2.00	2.00	-
Student Trainee (Engineer, Computer)	0.90	0.90	-
Supervising Engineer	7.00	7.00	-
Supervising Financial Analyst	1.00	1.00	-
Supervising Generator Technician	1.00	1.00	-
Supervising Plant Operator	7.00	8.00	1.00
Supervising Water Quality Chemist	1.00	1.00	-
Support Services Manager	1.00	1.00	-
Utilities Locator	8.00	9.00	1.00
Utility Construction Coordinator	2.00	2.00	-
Utility Operations and Maintenance Leadworker	70.00	72.00	2.00
Utility Operations and Maintenance Manager	2.00	2.00	-
Utility Operations and Maintenance Serviceworker	87.00	87.00	-
Utility Operations and Maintenance Serviceworker Apprentice	7.00	7.00	-
Utility Operations and Maintenance Superintendent	7.00	7.00	-
Utility Operations and Maintenance Supervisor	18.00	18.00	-
Utility Services Inspector	2.00	2.00	-
Water Conservation Representative	3.00	3.00	-
Water Conservation Specialist	3.00	3.00	-
Water Cross-Connection Control Specialist	1.00	1.00	-
Water Quality Chemist	5.00	5.00	-
Water Quality Lab Technician	4.00	4.00	-
Total	**561.90**	**574.90**	**13.00**

Youth, Parks, and Community Enrichment	FY2018/19 Amended	FY2019/20 Proposed	Change
Accounting Technician	4.00	4.00	-
Administrative Analyst	5.00	6.00	1.00
Administrative Assistant	1.00	1.00	-
Administrative Officer	4.00	4.00	-
Administrative Technician	1.00	1.00	-
Aquatics Recreation Supervisor	1.00	1.00	-
Arts and Crafts Specialist	0.06	0.06	-
Assistant Camp Sacramento Supervisor	0.80	0.80	-
Assistant Caretaker	0.50	0.50	-
Assistant Cook	1.03	1.03	-
Assistant Planner	1.00	1.00	-
Assistant Pool Manager	9.45	9.45	-
Associate Landscape Architect	4.00	4.00	-
Camp Aide	6.08	6.08	-
Camp Recreation Leader	2.47	2.47	-
Camp Sacramento Supervisor	1.00	1.00	-
Caretaker	0.35	0.35	-
Cashier	0.50	0.50	-
Cashier (Community Services)	4.00	4.00	-
Community Center Attendant I	3.00	3.00	-
Contract and Compliance Specialist	1.00	1.00	-
Custodial Supervisor	1.00	1.00	-
Custodian II	9.20	14.00	4.80
Customer Service Assistant	5.60	7.40	1.80
Customer Service Representative	5.00	10.00	5.00
Customer Service Specialist	1.00	1.00	-
Director of Parks and Recreation	1.00	1.00	-
First Cook	1.50	1.50	-
General Repair Worker	1.00	1.00	-
Graduate Student Trainee	0.80	0.80	-
Graphics Assistant	1.00	1.00	-
Host	0.70	0.70	-
Irrigation Technician	5.00	5.00	-
Junior Plant Operator	2.00	2.00	-
Landscape Technician I	1.00	1.00	-
Lifeguard	16.00	16.00	-
Neighborhood Resources Coordinator I	2.00	2.00	-
Neighborhood Resources Coordinator II	1.00	-	(1.00)
Neighborhood Services Area Manager	1.00	1.00	-
Operations Manager	1.00	1.00	-
Park Equipment Operator	2.00	2.00	-
Park Maintenance Manager	1.00	1.00	-
Park Maintenance Superintendent	2.00	2.00	-
Park Maintenance Worker	35.20	36.00	0.80
Park Maintenance Worker I	23.00	23.00	-
Park Maintenance Worker II	42.00	42.00	-

Youth, Parks, and Community Enrichment (continued)	FY2018/19 Amended	FY2019/20 Proposed	Change
Park Maintenance Worker III	3.00	3.00	-
Park Plan Design and Devlpmt Manager	1.00	1.00	-
Park Safety Ranger	9.00	9.00	-
Park Safety Ranger Assistant	2.00	2.00	-
Park Safety Ranger Supervisor	2.00	2.00	-
Parks Supervisor	8.00	8.00	-
Plant Operator	1.00	1.00	-
Pool Manager	7.00	7.00	-
Program Analyst	2.00	2.00	-
Program Coordinator	55.80	60.00	4.20
Program Developer	19.00	19.00	-
Program Director	1.23	1.23	-
Program Leader	19.45	20.45	1.00
Program Specialist	1.00	2.00	1.00
Program Supervisor	16.00	17.00	1.00
Public Service Aide	1.91	1.91	-
Recreation Aide	169.50	197.88	28.38
Recreation General Supervisor	3.00	4.00	1.00
Recreation Leader (Special Needs)	6.47	6.47	-
Recreation Manager	2.00	2.00	-
Recreation Superintendent	4.00	4.00	-
Senior Accountant Auditor	1.00	1.00	-
Senior Accounting Technician	2.00	2.00	-
Senior Landscape Architect	1.00	1.00	-
Senior Lifeguard	20.30	20.30	-
Senior Planner	1.00	1.00	-
Senior Recreation Aide	15.50	16.28	0.78
Staff Aide (Management)	1.00	1.00	-
Staff Aide (Off)	5.56	5.56	-
Staff Assistant	1.00	1.00	-
Student Trainee (Most Majors)	3.90	3.90	-
Support Services Manager	1.00	1.00	-
Utility Worker	18.13	19.07	0.94
Youth Aide	32.65	32.65	-
Total	**651.64**	**702.34**	**50.70**

Citywide and Community Support	FY2018/19 Amended	FY2019/20 Proposed	Change
Executive Director CCOMWP	1.00	1.00	-
Program Manager	1.00	1.00	-
Program Specialist	1.00	1.00	-
Senior Staff Assistant	1.00	1.00	-
Subtotal CCOMWP	**4.00**	**4.00**	**-**
Local Agency Formation Commission (LAFCo)			
Principal Planner	1.00	1.00	-
Subtotal LAFCo	**1.00**	**1.00**	**-**
Citywide and Community Support Total	**5.00**	**5.00**	**-**

25

SECTION – 25
Multi-Year Projects

DESCRIPTION

This section contains information on operating grants and projects. New operating grants and projects are approved by Council and are managed in accordance with Sections 11 through 13 of the Budget Resolution. New appropriations included in the FY2019/20 Operating Budget are included on Schedule 9.

EXISTING OPERATING GRANTS

The following is a list of existing operating grants, the total budget, and available budget based on data available as of March 2019:

Project Description	Project #	Total Budget	Available Budget
GENERAL FUND			
2014 AFG Wellness Grant	G12902300	16,748	-
2015 BWC PIP (2015-De-Bx-K049)	G11014500	67,715	4,768
2016 AFG Source Capture Grant	G12902500	72,307	23,198
CalVIP - GPITF	G02000700	124,700	124,700
Citywide Disaster Recovery Plan	G02000800	25,000	-
DSP, Streetcar Toolkit	G21120100	192,108	2,471
FY2015/16 OHV Grant	G11015100	6,459	-
FY2015/16 Adaptive Sports	G19100400	20,922	-
FY2016/17 ASES - SCUSD	G19041270	21,000	-
FY2018/19 - ASES - SCUSD	G19041290	20,885	20,885
FY2015/16 S.A.V.E. Program	G11012415	7,780	-
FY2016/17 OHV Program	G11015118	12,009	(4,702)
FY2017/18 S.A.V.E. Program	G11012418	10,000	8,052
FY2017/18 State OHMVR Grant	G11015119	7,916	7,916
FY2012/13 Gang Violence	G11010900	29,980	-
FY2015/16 Gang Violence	G11015000	36,580	17,979
River Crossing Art Project	G17605000	62,500	62,500
	General Fund Total	**734,609**	**267,767**
ENTERPRISE FUNDS			
District Metered Area Management	G14160100	2,431,534	(1,363)
Downtown Street Cans	G15002500	82,238	8,912
RW Efficiency Acceleration GP	G14110200	265,543	-
Used Oil Payment Program-OPP8	G15002800	132,523	102,008
Used Oil Payment Program-OPP9	G15002900	135,906	135,906
	Enterprise Funds Total	**3,047,744**	**245,464**
OTHER FUNDS			
2009 Urban Search & Rescue	G12500900	1,002,343	-
2010 Safer Grant	G12902100	5,606,863	(3,554)
2010 Urban Search & Rescue	G12501000	1,075,681	-
2011 Urban Search & Rescue	G12501100	1,165,078	9,463
2012 Urban Search & Rescue	G12501200	1,299,608	18,825
2014 AFG Wellness Grant	G12902300	167,482	-

Project Description	Project #	Total Budget	Available Budget
OTHER FUNDS (continued)			
2015 BWC PIP (2015-DE-BX-K049)	G11014500	599,756	(8,455)
2015 SHSGP Grant	G12902400	59,687	(1)
2015 Urban Search & Rescue	G12501500	1,229,582	57,800
2015 US&R - Comms Supplement	G12501501	49,151	49,151
2016 AFG Source Capture Grant	G12902500	1,113,071	423,910
2016 FLIP (PRCS)	G11014200	500,000	(1,506)
2016 JAG (2016-DJ-BX-0430)	G11014900	256,776	36,494
2016 Petco Lifesaving Invest	G21001500	350,000	350
2016 SHSGP Grant	G12902600	60,000	7,468
2016 Urban Search & Rescue	G12501600	1,278,582	229,604
2016 US&R - Comms Supplement A	G12501601	46,901	46,901
2016 US&R - Comms Supplement B	G12501602	70,010	70,010
2017 UASI	G11016900	2,369,600	2,162,564
2017 Urban Search & Rescue	G12501700	1,237,013	168,413
2018 OTS Bike/Ped (PS18013)	G11016300	75,000	3,886
2018 Petco Lifesaving Grant	G21001700	250,000	151,335
2018 Urban Search & Rescue	G12501800	1,193,990	1,072,738
2019 OTS STEP (Pt19103)	G11016219	403,304	278,447
Animal Services for Homeless	G21001900	100,000	97,871
Brownfields Revolving Loan	G02180100	750,000	750,000
Brownfields Revolving Loan	G18334500	1,759,793	9,303
CalGRIP Safe Comm 4/10-3/12	G11007100	382,639	2,196
CalCIP - GPITF	G02000700	868,700	868,700
CERT 2010 SHSGP Grant	G12902001	75,056	-
CERT 2011 SHSGP Grant	G12902200	37,700	598
Chako Pit Bill Rescue S/N	G13000065	5,000	2,285
CHP - 2013	G11012100	1,250,000	(317)
CHP - 2014	G11012500	1,875,000	18,633
Citizen's Option 7/12-6/16	G11010800	803,553	-
Downtown Streets Team- HEAP	G02000821	602,158	602,158
DSP, Streetcar Toolkit	G21120100	750,000	9,884
FY2015/16 UASI	G11015200	2,369,600	393,895
FY2004/05 Fire Homeland Security 2541	G12901000	95,169	1
FY14 - FY18 21st Century START	G19030500	-	691
FY2013/14 Citizens Option	G11014000	131,106	276
FY2014/15 21St Century START	G19030502	690,000	-
FY2014/15 CHP (2015-ULWX-0005)	G11014400	1,875,000	431,988
FY2014/15 Citizens Option	G11012200	50,534	7,420
FY2015/16 DBW BSEE	G11014300	72,555	2
FY2015/16 OHV Grant	G11015100	24,351	-
FY2015/16 21St Century START	G19030503	690,000	105,654
FY2015/16 Adaptive Sports	G19100400	70,967	-
FY2015/16 SHSGP	G11015800	29,675	44
FyY2016/17 Citizen's Option Growth	G11016700	294,826	229,837
FY2016/17 - Adaptive Sports	G19100500	86,528	-
FY2016/17 21St Century START	G19030504	630,744	17,342
FY2016/17 ABC Grant	G11014800	97,471	-
FY2016/17 ASES - SCUSD	G19041270	105,000	-
FY2016/17 JAG (2017-DJ-BX-0978)	G11016400	248,327	248,327

Project Description	Project #	Total Budget	Available Budget
OTHER FUNDS (continued)			
FY2016/17 OTS - Bike/Ped	G11015500	125,425	22,476
FY2016/17 OTS STEP (PT17103)	G11015400	622,627	170,431
FY2016/17 WIA	G19090160	274,935	58,325
FY2017/18 21st Century START	G19030506	494,260	242,551
FY2017/18 ABC	G11016100	100,000	5,208
FY2017/18 Citizen's Option	G11016800	754,331	336,466
FY2017/18 Citizen's Option Growth	G11017400	367,710	367,710
FY2017/18 JAG (2018-DJ-BX-0855)	G11017500	252,397	252,397
FY2018/19 - ASES - EGUSD	G19041801	144,107	44,473
FY2018/19 - ASES - SCUSD	G19041290	139,230	40,004
FY2018/19 - WIOA	G19090180	151,701	64,287
FY2018/19 Citizen's Option	G11017300	761,957	761,957
FY2018/19 FWS LAR Restor. Monitor	G14140301	355,000	309,746
FY2015/16 S.A.V.E. Program	G11012415	77,800	549
FY2016/17 City LE Grant (BSCC)	G11015900	168,138	168,138
FY2016/17 OHV Program	G11015118	48,037	4,780
FY2017/18 S.A.V.E. Program	G11012418	100,000	12,967
FY2017/18 State OHMVR Grant	G11015119	23,746	23,746
FY2018/19 ABC Grant (18G-LA40)	G11017200	100,000	21,644
FY2012/13 Gang Violence Supp	G11010900	691,625	-
FY2015/16 Gang Violence Supp	G11015000	1,199,584	187,233
FY2017/18 Gang Violence Supp	G11016500	414,100	131,490
FY2018/19 Gang Violence Supp	G11017100	403,660	210,387
Homeless Emergency Aid Program	G02000820	5,043,542	5,043,542
Hurricane Florence	G12703700	-	(18,223)
Hurricane Harvey	G12703100	-	(594,289)
Hurricane Irma	G12703200	-	(123,135)
Hurricane Isacc - IST	G12702300	16,858	-
Hurricane Lane	G12703500	-	(10,011)
Hurricane Maria	G12703300	-	(465,820)
Hurricane Matthew	G12703000	49,481	-
Hurricane Olivia	G12703600	-	(19,832)
Hurricane Sandy - IST	G12702400	41,058	-
ICAC Task Force (FY18 - FY20)	G11016600	210,000	140,000
Internet Crimes Agnst Children	G11016000	47,729	-
JAG 10/08-9/12	G11006518	614,921	-
Juvenile Hall Expansion 4242	G17600700	114,000	38,547
FY2014/15 LAR Spawning & Rearing	G14140101	1,830,000	48,574
FY2016/17 LAR Spawning & Rearing	G14140103	600,000	297,990
FY2018/19 LAR Spawning & Rearing	G14140104	985,000	874,118
Lar Spawning & Rearing Habitat	G14140100	1,139,580	1,139,580
Lyons, Co Flooding	G12702600	26,680	-
Micheletti-El Monte Groundwater	G15000200	600,197	56,211
Northeast Sacramento	G02001200	300,000	222,980
OTS FY18 STEP (PT18072)	G11016200	567,331	180,185
Petco Innovation Showdown	G21001800	250,000	164,023
Regional Transit 2010	G17601900	31,000	-
Regional Transit 2016	G17601901	24,000	24,000
Regional Transit 2018	G17601902	10,000	-

Project Description	Project #	Total Budget	Available Budget
OTHER FUNDS (continued)			
River Crossing Art Project	G17605000	187,500	121,487
Sanitation Grant	G02000900	100,000	100,000
Terminal A Artwork And Maint	G17603000	50,000	-
Terminal B Airport App	G17601600	874,904	53
Tropical Storm Nate	G12703400	-	(8,273)
UASI Homeland Sec 07 11/07-6/10	G11005700	3,336,000	-
US&R-Hurricane Gustav Deployment	G12701600	10,439	-
US&R Moore, OK Tornado	G12702500	8,347	-
FY2017/18 USFWS Habitat Rstrn	G14140202	154,357	-
FY2018/19 USFWS Habitat Rstrn	G14140203	285,746	1,454
FY2015/16 USFWS Habitat Rstrn	G14140201	610,840	-
Vision Zero Safety Campaign	G15180100	200,000	23,362
	Other Funds Total	**64,370,809**	**19,244,117**
	Total All Funds	**68,153,162**	**19,757,347**

EXISTING OPERATING PROJECTS

The following is a list of existing operating projects, the total budget, and available budget based on data available as of March 2019:

Project Description	Project #	Total Budget	Available Budget
GENERAL FUND			
Youth Engagement & Summer Prgm	I01000100	400,000	139,366
Thousand Strong (ETP Pilot)	I01000300	2,476,000	987,675
21st Century Skills Grant Prog	I01000400	175,460	460
Homeless Housing Initiative	I02000200	8,062,371	2,008,577
Citywide Strategic Plan Pjt,	I02000400	531,667	265,614
Downtown ESC Project	I02000500	2,975,050	115
Gang Prev & Intervention - GF	I02000600	3,683,831	474,395
Summer Night Lights	I02000700	300,000	-
CA Rural Legal Assistance	I02000800	300,000	-
Whole Person Care	I02000900	4,896,000	2,509,642
Community Nonprofit Assistance	I02001000	200,000	-
Comm Outreach & Enhanced Srvcs	I02001100	200,000	157,491
Community Investment Program	I02001200	135,000	135,000
Business Incentives Program	I02001300	100,000	100,000
Economic Development	I02001400	165,000	165,000
NBHD Comm & Economic Plans Prg	I02001700	289,000	289,000
Youth & Family Investments	I02001800	1,400,000	1,400,000
Business Capacity	I02001900	350,000	350,000
Community Capacity	I02002000	350,000	350,000
Sacramento Riverfront	I02180200	750,000	689,311
EIFD Formation	I02180500	200,000	200,000
North Sac. ED Investment	I02180600	900,000	875,000
CORE	I02420000	1,000,000	1,000,000
Justice for Neighbors (JFN)	I03000100	685,831	424,374
Fleet Acquisitions	I06000999	6	-
Fleet-City Attorney	I06030000	129,332	46,695
Fleet Acquisitions	I06100000	500,000	500,000
Economic Development RSRV 4455	I06100200	521,226	22,354
Fleet-Police	I06110000	10,109,708	2,462,496
Fleet-Fire	I06120000	692,031	45,035
Fleet-PW General Fund	I06150000	5,638,844	590,671
Fleet-C&Cs	I06170000	48,577	19,400
Fleet-Parks & Rec	I06190000	3,046,024	289,659
Fleet-Community Dev	I06210000	2,150,815	269,347
Cannabis Policy & Enforcement	I06420000	11,582,683	10,337,509
Webgrant Restructuring Project	I07000900	589,558	108,678
ADA Education & Training	I08000100	57,285	57,035
Training and Outreach	I08000300	350,000	161,694
Nextgen Mobile Computer Repl.	I11000100	1,365,308	74,016
Summer Night Lights	I11002100	600,000	-
Crisis Intervention Training	I11002200	181,150	8,148
Police Observation Dvcs (PODs)	I11002300	75,000	25,052
Impact Teams	I11002400	1,150,000	68,637

Project Description	Project #	Total Budget	Available Budget
GENERAL FUND (continued)			
ShotSpotter - Oak Park	I11002500	138,000	69,000
Mental Wellness Program	I11002600	568,850	545,001
Electrical Safety Program	I13000100	500,000	146,708
F.O.C.A.S. (13086)	I13000400	60,500	-
Low Income Spay/Neuter Program	I13000600	197,560	61,667
Water Conservation	I14120400	100,000	99,944
Utility Rate Assistance Program	I14130100	10,018,761	4,790,876
SVS Operations and Mgmt	I15001000	141,216	75,694
Archives East End Project	I17000100	86,350	14,882
Cemetery Facility Improvement	I17000300	13,359	434
APP Maintenance	I17000500	686,052	654,593
Cultural Arts Awards	I17000700	1,450,000	372,876
Arts and Cultural Plan	I17000900	110,000	100
Cultural and Economic Vitality	I17001000	278,724	199,645
Arts Ed and Community Outreach	I17001100	200,000	128,668
SEED Corporation	I18000200	150,000	99,917
ED Reinvestment	I18000400	3,600,000	-
UCD Community Garden	I19130000	25,000	-
Youth Services Program	I19140000	25,000	-
Summer Youth and Community Pgm	I19141000	311,000	210,754
Oak Park Community Enhancement	I19708000	200,000	17,121
Historic Place	I21004800	232,999	208,437
FEMA Corrective Action Plan	I21004900	400,000	65,559
Central City Strategic Plan	I21005300	1,657,892	116,282
Curtis Park Village Litigation	I21005400	630,000	114,616
West Broadway Specific Plan	I21005500	760,161	559,269
Historic District Plans Program	I21005800	250,000	42,606
General Plan Update (new)	I22000000	335,545	333,383
General Plan Update 4811	I22400000	6,745,212	63,415
Major League Soccer	I80020500	275,000	192,939
B Street Theatre	I80180000	3,000,000	-
Citywide Litigation Project	I80310000	520,000	405,987
	General Fund Total	**102,979,937**	**37,197,817**
MEASURE U FUND			
Homeless Housing Initiative	I02000200	17,076,992	17,066,357
Gang Prev & Intervention - GF	I02000600	124,268	-
CA Rural Legal Assistance	I02000800	500,000	250,000
Summer Youth and Community Pgm	I19141000	300,000	300,000
FY2018/19 CAO Measure U Prgm	I80030700	130,960	130,960
FY2018/19 IT Measure U Program	I80070700	130,114	130,114
FY2019 Police Measure U	I80110700	25,236,349	13,548,862
FY 19 Fire Measure U	I80120700	17,016,725	6,971,423
FY19 PW Measure U	I80150700	500,000	500,000
FY19 - YPCE - Measure U	I80190700	10,315,576	5,090,475
Vehicle Abatement	I80210700	458,766	458,766
	Measure U Fund Total	**71,789,750**	**44,446,957**

Project Description	Project #	Total Budget	Available Budget
ENTERPRISE FUNDS			
Fleet-DOU Storm Drain Fund	I06141000	3,339,575	-
Fleet-DOU Water Fund	I06145000	4,627,541	1,431,635
Fleet-DOU Sewer Fund	I06146000	5,733,871	1,555,701
Fleet-PW Solid Waste Fund	I06147000	29,012,746	15,151,306
Flood Control Planning	I14010100	2,061,650	801,885
NPDES Stormwater Program	I14010200	8,664,021	2,421,060
Sac River Source Water Project	I14010300	313,423	0
Water Meter Replacement Program	I14010500	5,467,673	831,504
Water System Failure Replacement	I14010600	400,000	400,000
Asset Management Program	I14010700	457,599	457,599
Condition Assessment Program	I14010800	3,766,238	3,738,215
SCADA Planning Program	I14010900	601,941	504,147
Arc Flash Hazard Analysis	I14020100	431,630	41,861
Information Technology Program	I14040100	900,030	807,694
Energy Efficiency Program	I14040200	200,000	200,000
PLC Replacement Program	I14050100	284,028	284,028
Electrical Equipment Program	I14050200	541,500	441,000
Sewer System Mgmt Plan	I14110100	6,599,290	1,364,984
Legacy Landfill Operations	I14120100	550,000	397,807
Solid Waste Outreach	I14120200	2,668,834	1,071,000
SAFCA Levee Maintenance	I14120300	250,000	240,481
Water Conservation	I14120400	7,489,245	3,672,710
SW Container Replacement	I14120500	11,593,245	4,025,335
CSS Regulatory Compliance	I14120600	3,388,077	1,065,326
28th Street Landfill Tree	I14120700	300,000	63,003
Water Master Planning	I14160100	510,730	119,348
Conjunctive Use-Grndwtr Wells	I14510100	449,806	329,703
Water Master Plan Program	I14510200	1,583,680	1,274,841
Grndwtr Abandon/Protect Prog	I14520100	565,392	553,340
Keep Our Waters Clean Outreach	I14520200	8,535	8,535
Sacramento River Source Water	I14520300	397,561	236,752
American River Source Water	I14520400	308,010	234,051
Leak Detection Program	I14530100	22,223	22,223
Flow Monitoring/Hydrology Prog	I14610100	978,572	430,004
Wastewater Planning Prog	I14610200	2,758,694	1,818,966
Combined Master Plan Program	I14610300	1,069,584	838,292
SSMP Eng/Regulatory Support	I14620100	290,000	280,991
CSS Management Plan	I14630200	1,350,000	1,327,863
Drainage Master Plan Program	I14710100	1,468,662	873,890
	Enterprise Funds Total	**111,403,607**	**49,317,078**
INTERNAL SERVICE FUNDS			
Fleet-HR Risk Fund	I06081000	137,000	103,387
	Internal Service Funds Total	**137,000**	**103,387**
OTHER FUNDS			
Homeless Housing Initiative	I02000200	5,669,149	2,390,547
Downtown ESC Project	I02000500	8,938,973	(6,849)
Whole Person Care	I02000900	28,514,228	20,000,745

Project Description	Project #	Total Budget	Available Budget
OTHER FUNDS (continued)			
City Hall Tech Program	I02001500	125,000	64,500
Centene Emp Incentive	I02180100	5,400,000	5,400,000
Sacramento Riverfront	I02180200	17,000	17,000
Oak Park Broadway	I02180300	4,967,500	3,755,265
Forgivable Loan Program	I02180400	500,000	251,250
MBI	I02180700	1,100,000	1,100,000
Fleet FY19 - PW Gas Tax Fund	I06151019	817,521	248,920
Fleet-PW L&L Fund	I06152000	260,000	60,162
Fleet-PW Gas Tax Fund	I06152100	65,668	9,641
Fleet-PW Parking Fund	I06154000	645,800	398,253
Fleet-C&Cs	I06170000	11,431	11,431
Fleet-Parks & Rec 4th R	I06192000	35,000	10,085
Health & Wellness Program	I08000200	3,000	3,000
Regional Community Policing In	I11001600	49,871	3,545
Project PONY 2112	I11001900	6,600	5,202
SPD Training Facility 2157	I11002000	46,700	58
F.O.C.A.S. (13086)	I13000400	2,293,407	573,863
Flood Control Planning	I14010100	56,202	-
NPDES Stormwater Prgm	I14010200	4,968,503	890,840
Sac River Source Wtr Protect	I14010300	302,881	(0)
Solid Waste Outreach	I14120200	1,926,093	1,527,785
SAFCA Levee Maintenance	I14120300	3,586,220	1,393,387
Water Conservation	I14120400	340,288	31,834
Water Master Plan Program	I14510200	90,095	27,166
Keep Our Waters Clean Outreach	I14520200	26,698	-
Sacramento River Source Water	I14520300	152,700	55,655
American River Source Water	I14520400	322,300	185,199
Leak Detection Program	I14530100	60,000	4,098
Wastewater Planning Prog	I14610200	147,986	31,721
Combined Master Plan Program	I14610300	7,998	(1)
On-Call CCTV Program	I14630100	1,210	(0)
SVS Operations and Mgmt	I15001000	271,000	87,829
City of Festivals Program	I15001211	1,139,000	110,574
I-5 Subregional Fee Program	I15150100	104,222	15,725
Transp Programming Guide Prog	I15160100	100,000	927
Traffic Impact Study Guideline	I15161700	100,000	39,361
Vision Zero Action Plan	I15171700	97,000	596
Greenbriar Traffic Congestion	I15185000	1,400,000	500,000
Arts and Cultural Facilities	I17000200	743,272	233,739
ESC Art Maintenance	I17000400	289,516	285,316
APP Maintenance	I17000500	276,462	225,620
Arts and Cultural Equity Grant	I17000600	500,000	38,076
Utility Box Artwork Project	I17000800	23,789	565
Arts and Cultural Plan	I17000900	140,880	29,980
Cultural and Economic Vitality	I17001000	1,000	1,000
Arts Ed and Community Outreach	I17001100	186,080	101,290
RAILS Grant Program	I18000100	1,970,709	126,479
Creative Economy Pilot Project	I18000300	500,000	14,431
ED Reinvestment	I18000400	200,000	200,000

Project Description	Project #	Total Budget	Available Budget
OTHER FUNDS (continued)			
Kids Play Mc Kinley-Maint 4711	I19000800	12,870	7,151
NNAC&CCFeasibility Study Proj	I19000900	161,167	2,309
Hart Trust Proj Fund FY12-16	I19120000	0	0
Hart Trust Proj Fund FY17-21	I19121000	845,100	545,904
UCD Community Garden	I19130000	25,000	102
Historic Place	I21004800	238,000	55,420
ESC Building Project	I21005100	4,597,425	-
Downtown Plaza Hotel	I21005200	1,198,281	119,438
SMUD Rehab	I21005600	350,000	262,255
Natomas Crossing Office I	I21005700	376,000	295,136
Sacramento Commons I	I21005900	300,000	280,505
Convention Ctr Complex Review	I21006000	2,000,000	1,698,446
General Plan Update (new)	I22000000	7,404,303	5,225,187
N Natomas Admin Control	I22200100	8,629,198	615,325
Basin 6 Drainage	I22200600	2,720,508	(6,757)
TMA Shuttle	I22200700	1,318,200	192,000
JCPA Administrative CTRL 3131	I22205100	344,999	71,502
Willowcreek Fee District	I22206000	2,618,461	563,470
Sacramento Railyards 2006 FINP	I22208000	740	(1,565)
Panhandle Annexation 4811	I22209000	124,990	3,466
Neigh Park Maint CFD 4815	I22300000	508,056	52,166
Non-Bonded Service Dist Appls	I22300100	568,236	4,019
Natomas Meadows CFD	I22310000	62,000	42,329
Bonded CFD/AD Applications	I22310100	1,486,775	268,798
College Square Reimbursement	I22310200	30,000	13,800
Natomas Landing CFD 2008-01	I22310500	64,500	55,221
PBID/BIA Applications	I22310600	45,000	20,824
Natomas Central CFD 2006-02	I22340000	100,000	55,692
General Plan Update 4811	I22400000	2,790,241	337
	Other Funds Total	**118,419,003**	**50,898,292**
	Total All Funds	**124,198,801**	**51,414,945**

EXTERNALLY FUNDED PROGRAMS

The following is a list of existing externally funded programs, the total budget, and available budget based on data available as of March 2019:

Project Description	Project #	Total Budget	Available Budget
GENERAL FUND			
PHSC Reserve Funding	E18000401	160,000	53,441
Powerhouse Science Center	E18000400	600,000	-
Railyards Mediation	E02000101	110,500	7,534
Railyards Project Management	E02000100	496,353	263,692
	General Fund Total	**1,366,853**	**324,667**
INTERNAL SERVICE FUNDS			
Driver Training Acadmy (SRDTA)	E08000100	1,300,000	722,270
Robla Facility Safety Training	E08000200	1,500	1,500
	Externally Funded Programs Fund Total	**1,301,500**	**723,770**
OTHER FUNDS			
Academy Activities 7/07-6/11	E11002200	1,003,859	100,599
APP - City of West Sacramento	E17000700	25,000	8,708
Board of Supervisors	E17000502	22,000	4,537
County Support	E17000100	-	-
County Support-Holiday Music	E17000900	40,000	-
County Support-Move Artwork	E17000101	10,600	1,900
DMV Antil-Auto Theft	E11005400	-	(21,732)
DMV Anti-Auto Theft - FY15	E11005405	323,889	-
Federal Forfeiture - DOJ	E11007018	35,273	35,273
Federal Forftr - DOJ	E11003300	2,573,648	15,936
Federal Forftr - DOT	E11003200	1,099,987	13,396
FY14 Los Rios Voctnl Trng	E11002514	425,154	-
FY15 AB109/RCISP	E11006400	147,080	76,115
FY15 Los Rios Vctnl Trng	E11002515	604,591	-
FY16 AB109/RCISP	E11006600	150,213	55,410
FY16 Los Rios Vctnl Trng	E11006516	600,000	(25,103)
FY17 DMV Anti-Auto Theft	E11005407	581,200	2,278
FY17 Los Rios Vctnl Trng	E11006517	600,000	65,930
FY17 RCISP (AB 109)	E11006610	147,347	849
FY18 DMV Anti-Auto Theft	E11005408	500,000	36,949
FY18 Los Rios Vctnl Trng	E11006518	600,000	153,293
FY18 RCISP (AB 109)	E11006620	147,347	12,223
FY19 DMV Anti-Auto Theft	E11005409	500,000	383,267
FY19 Los Rios Vctnl Trng	E11006519	600,000	341,474
FY19 RCISP (AB 109)	E11006630	145,382	126,685
Los Rios Vctnl Trng SpecPoj	E11002516	663	-
Los Rios Vocational Training	E11002500	5,848,744	91,472
Los Rios Voctnl Trng 7/10-6/11	E11002511	837,054	-
Los Rios Voctnl Trng 7/11-6/12	E11002512	654,686	-
Los Rios Voctnl Trng 7/12-6/13	E11002513	279,983	1
PHSC Reserve Funding	E18000401	200,000	200,000
PODs - Arden Fair Assoc.	E11007118	68,000	4,193
PODs - Jackson Lab	E11007120	29,913	28,566
PODs - Stockton Blvd Prtnshp	E11007119	13,820	1,205

Project Description	Project #	Total Budget	Available Budget
OTHER FUNDS (continued)			
Police Observation Devices	E11007100	98,712	27,935
Powerhouse Science Center	E18000400	4,250,000	849,458
RCAF Arena Mural Project	E17000800	300,000	9,687
SAR-Smart Growth Program	E01000100	15,000	-
SMUD Gallery - CY2014-16	E17000501	125,000	9,300
State Forfeiture - Hlth & Sfty	E11006700	100,679	-
State Forfeiture - Hlth & Sfty	E11006718	1,089,722	743,834
State Forfeiture Drug&GangPrev	E11006800	43,039	25,721
State Forfeiture Drug&GangPrev	E11006818	191,920	104,054
State Forftr - Drug Ed & Gang	E11002900	831,867	90,995
State Forftr - Hlth & Sfty	E11002800	4,415,816	691
Terminal B Arts Endowment 2013	E17000201	25,000	9,716
Vocational Ed Training - Fire	E12000100	3,309,070	545,274
	Other Funds Total	**33,611,258**	**4,130,087**
	Total All Funds	**36,279,611**	**5,178,524**

26

SECTION – 26
Financial Policies

Emergency Medical Services (EMS) Revenue Recovery and Fee Waiver Policy

Scope: CITYWIDE

Policy Contacts

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Regulatory References

July 27, 1993 Resolution 1993-0434
October 2011 AB 678-Ground Emergency Medical Transport
June 26, 2012 Resolution 2012-0214
March 18, 2014 Motion 2014-0053
December 5, 2017 Resolution 2017-0468

Effective Date: January 1, 2018

EMS Revenue Recovery and Fee Waiver Policy

1) PURPOSE

a) To establish a policy for revenue recovery and fee waiver or reduction of costs associated with providing the City of Sacramento's (City) EMS program.

2) DEFINITIONS

a) Advanced Life Support (ALS): This term is defined in Health and Safety Code section 1797.52.

b) Basic Life Support (BLS): This term is defined in Health and Safety Code section 1797.60.

c) Electronic Patient Care Report (ePCR): A patient care report, as defined in Sacramento County Emergency Medical Agency Policy No. 2305.22, in an electronic format. An ePCR is an electronic health record, within the meaning of Health and Safety Code section 1797.227, created for each patient by Fire Department staff at the time of service. The report is used to relay information between the responding unit and the receiving hospital staff. The report serves as documentation of the treatment provided.

d) Emergency: This term is defined in Health and Safety Code section 1797.70.

e) Emergency Medical Services (EMS): This term is defined in Health and Safety Code section 1797.72. EMS includes Fire Department responses to provide ALS, BLS, and treat-not-transport patient care.

f) Fee Waiver: the forgiveness of all of a patient's owed City Council approved EMS user fees, based on a formalized criteria and processes as outlined in this policy.

g) Fee Reduction: the forgiveness of a portion of a patient's owed City Council approved EMS user fees, based on a formalized criteria and processes as outlined in this policy.

3) BACKGROUND

a) On July 27, 1993 (Resolution 93-434), the City established the ALS program.

As costs for ALS services continue to increase, the revenues generated by fees for service have not grown proportionally. The City is challenged to recover fee for service revenues due to several different reasons, one of them being payer mix. The City's payer mix is currently 40 percent Medicare, 40 percent Medicaid, and 15 percent private insurance with the remainder being from self- insured and uninsured. In addition, there are federally mandated write-offs which allow the City to collect only a small percentage of the actual

billed amount from Medicare and Medicaid. In an effort to maximize reimbursements and cover direct costs the City has pursued additional recovery options.

b) In October 2011, AB 678 authorizing the Ground Emergency Medical Transport (GEMT) program, was enacted. It provides for the reimbursement of transports of Medi-Cal patients who are not in managed care. On March 18, 2014, the Council authorized an agreement with Sacramento Metropolitan Fire District (Motion No. 2014-0053) to pursue reimbursements through the GEMT program.

c) On June 26, 2012, the Council approved increases to the ALS fees for service (Resolution 2012-214) to increase cost recovery to address a portion of the structural variance between the cost of providing services and the revenue collected for those services.

d) On December 16, 2014, Council authorized the participation in the Rate Range Intergovernmental Transfer (IGT) program. IGT allows local governments to receive a federal reimbursement for transporting Medi-Cal patients that are in managed care.

e) While the City can assure the continuation of fee for service revenues, revenue recovery programs such as GEMT and IGT are subject to the availability of state and federal funding.

4) EMS FEE RECOVERY POLICY

a) The EMS Program shall be fully offset by fees generated by services provided. All revenues recovered for the provision of EMS services shall be used to cover direct and indirect costs to reduce the General Fund subsidy for this program.

b) GEMT and IGT revenues received in excess of the Fire Department's approved General Fund revenue budget, during the fiscal year, shall be committed for future appropriations for the Fire Department.

5) EMS FEE WAIVER POLICY

a) The City Manager or their designee may waive all or a portion of the EMS fees established by City Council as provided herein.

b) In no event shall any person be denied EMS services because of their inability or failure to pay the charges incurred for services provided.

c) Procedures:

i. Fee Waiver Application:

1. An applicant or applicant's legal representative may submit a completed Fee Waiver Application with adequate supporting documentation to the Fire Department for review and consideration. The Fee Waiver Application shall be on a form prescribed by the City Manager or their designee.

2. Fire Department staff, through assistance from a contracted billing company, will use reasonable research methods to confirm the validity of the information provided.

3. Upon completion of the application review process above, the contracted billing company will notify all applicants as instructed by the Fire Chief or their designee.

4. Fee waiver applications and supporting documentation will be retained in accordance with the City's Record Retention Policy.

d) Fee Waiver Conditions and Options:

i. Financial Hardship. A fee waiver may be granted in circumstances where a financial hardship is demonstrated. The determination of a financial hardship shall be based on the most recent Federal Poverty Level (FPL) chart provided by the Department of Health and Human Services (HHS). The Fire Chief may grant a waiver, reduction, or payment plan to applicants that demonstrate a financial hardship.

2017 Federal Poverty Levels

Household Size	Poverty Level (100% Waiver)	2x Poverty Level (50% Reduction)	3X Poverty Level (25% Reduction)
1	12,060	24,120	36,180
2	16,240	32,480	48,720
3	20,420	40,840	61,260
4	24,600	49,200	73,800
5	28,780	57,560	86,340
6	32,960	65,920	98,880
7	37,140	74,280	111,420
8	41,320	82,640	123,960

Note: Poverty Levels will be updated annually.

The current poverty information is available at: https://aspe.hhs.gov/poverty-guidelines.

1. Waiver or Reduction: The Fire Chief may approve a full waiver or partial reduction of the remaining balance after all insurance

payments have been posted based on the applicant's ability to pay the remaining balance. Reductions may range from 25% to 50% based on the applicant's financial hardship as reflected above.

2. Payment Plan: The Fire Chief may offer a low-cost monthly payment plan in lieu of, or in addition to, a reduction for applicants that have a verified financial hardship.

ii. Services Provided. A waiver may be granted in circumstances where the level of response or services provided do not justify application of the charges incurred. Such determination shall be based on the contents of the applicable ePCR or one or more of the following circumstances:

1. The call for service did not require response by Fire Department apparatus including an ambulance, engine company, or truck company;

2. Treatment or care provided to the applicant was at a lower level than the defined levels of ALS and BLS service;

iii. The applicant did not initiate the call for service, and the applicant refused care.

Budget Control Policy

Scope: CITYWIDE

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Purpose
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3.1 Annual Budget Development
3.2 Budget Amendments

Regulatory References
Council Motion 2016-0121

Effective Date: April 26, 2016

Budget Control Policy

1. PURPOSE

The purpose of this policy is to ensure the City makes informed fiscal decisions that take into account the full costs, in terms of dollars and service impacts, of implementing spending increases during the fiscal year. To maintain a structurally balance budget, any spending increases must be accompanied by compensatory revenue increases or spending decreases that clearly identify the associated opportunity costs.

2. BACKGROUND

The service plan for the City is based on an annual budget as required by the City Charter and by good financial and operational practices. Budgeting on an annual basis provides time to review all revenue sources, develop solutions to previously identified problems, and to discuss and decide on policies and priorities. An annual budget process also provides time for management to plan and more efficiently and effectively implement changes incorporated into the budget. Making significant mid-cycle changes outside of the orderly budget process can lead to poor decision-making due to incomplete information and to inefficient and ineffective operations or service delivery.

3. POLICY

3.1 Annual Budget Development

The annual budget process will be the method used by the City to develop its service delivery priorities and the level and type of resources required to fund those services.

Before the City undertakes any changes that would create fixed ongoing expenses, the cost implications of such changes will be projected for current and future years.

3.2 Budget Amendments

Changes to the budget and to service levels during the fiscal year will be minimized. Changes during the fiscal year will generally be limited to technical adjustments, emergency funding, unforeseen circumstances, time-sensitive opportunities or issues, or new grants or awards. The creation of a new program, a higher service level, or other increases in expenditures, without associated revenues or reimbursements, during mid-budget cycle is discouraged. Changes outside of the annual budget process should only be considered during the midyear budget review.

Unexpected revenue shortfalls or other significant issues that may create a budget shortfall during the fiscal year are to be reported to the Council with recommendations by the City Manager as to whether a mid-year budget adjustment should be made.

Budget amendments shall be considered and adopted by the Council except for where authority has been delegated as prescribed within the adopted Budget Resolution.

Debt Management Policy

Scope: CITYWIDE

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Regulatory References
Council Resolution 2018-0251

Effective Date: June 19, 2018

Debt Management Policy

1. Introduction

1.1 *Background*. The City of Sacramento (the "City") has a long history of issuing multiple types of debt and working with various residents, businesses, developers, and other government agencies to achieve the most effective financing solutions for necessary project and capital improvements. Debt issuance is one way of financing capital projects in a cost-efficient manner while maintaining generational equity. With its limited fiscal resources, the City will continue to explore the issuance of debt as an equitable means of meeting its infrastructure needs.

1.2 Purpose. This Debt-Management Policy (this "Policy") sets forth the principles and objectives that should guide the City's decisions to issue debt and establishes guidelines for responsibly managing debt. The core objectives of this Policy include the following:

(A) Minimize costs of debt service and issuance.

(B) Maintain access to cost-effective borrowing.

(C) Achieve and maintain the highest practical credit ratings of the various bond and credit types as well as the City's overall credit rating.

(D) Balance pay-as-you-go financing with debt financing.

(E) Ensure full and timely repayment of debt.

(F) Maintain full and complete financial and non-financial disclosure and reporting with respect to debt and associated credit ratings.

(G) Ensure compliance with federal and state laws and regulations.

(H) Promote the City's best interests and protect the City's financial stability when deciding whether to approve debt.

(I) Maintain internal-control procedures to ensure the proceeds of each debt issuance are directed to the intended use.

(J) Increase transparency to debt stakeholders and consistency in debt decision making.

1.3 *Scope of Application.* This Policy applies to debt issued by or obtained by the City, the Sacramento City Financing Authority, the Sacramento Public Financing Authority, and the Redevelopment Agency Successor Agency; to debt the City issues on behalf of assessment districts and community facilities districts; and to debt the City issues for third parties i.e., conduit financing (collectively, "City Debt"). From time to time, however, compelling or extraordinary circumstances may arise that require the City Council, at the recommendation of the City Treasurer or Debt Manager, to make an exception to this Policy. Certain

obligations of the City—such as Other Post-Employment Benefits ("OPEB") and debt not involving the issuance of bonds—are not subject to this Policy.

2. Governing Authority and Responsibility

2.1 *Authority.* The City's debt program for all City funds must be operated in conformance with applicable federal, state, and other legal requirements, including authorizing sections of the Sacramento City Code and the various bond covenants of the City's outstanding bond obligations.

2.2 *Delegation of Authority.* The City Council assigns its responsibility for managing and coordinating all activities related to the structure, issuance, and post-issuance management of all City Debt to the City Treasurer's Office.

2.3 *Point of Contact.* The City Treasurer and the Debt Manager within the City Treasurer's Office (the **"Debt Manager"**) are responsible for maintaining communication to the market on the City's behalf, with a policy of full disclosure. This includes communication with rating agencies, investors, and other debt-related service providers about the City's financial condition or the financial condition of enterprise funds that secure revenue bonds. As necessary, the City Treasurer or Debt Manager will seek guidance from the City Attorney's Office and the City's disclosure counsel on the appropriateness of disclosing certain matters.

2.4 *Responsibilities*. Debt obligations may not be presented to the City Council for authorization without a joint assessment and mutual recommendation by the City Manager's Office and the City Treasurer's Office. City Departments that propose debt-financed capital programs or small-equipment acquisitions must work in close coordination with the City Treasurer's Office, the City Manager's Office, the City Attorney's Office, and the City Finance Department by providing information to facilitate the feasibility analysis and due-diligence process before the issuance of debt. In drafting bond-issuance documents and other related matters, the following roles shall serve as general guidance. Roles for a particular financing may differ slightly.

(A) The City Treasurer's Office—

(1) is responsible for selecting the structure, timing and other parameters of debt issuance;

(2) serves as the primary contact between the City and rating agencies, investors, and all other market participants;

(3) manages non-attorney members of the financing team (see Section 4.5. Professional Assistance)

(4) leads the development of all necessary financing documents;

(5) presents the financing structure and financing documents to the City Council for approval;

(6) manages compliance with post-issuance requirements, including, but not limited to: continuing-disclosure requirements (in accordance with the Supplemental Policy on Disclosure), private activity analysis and remediation, and arbitrage requirements; and

(7) conducts periodic reviews of this Policy and brings forward to City Council any proposed amendments.

(B) The City Manager's Office and appropriate City Departments under the City Manager's purview—

(1) identify and prioritize projects through the City's capital-improvement program;

(2) identify sources of funds for repayment of debt-service;

(3) identify sources of funds for project operations and maintenance;

(4) participate in document preparation and review;

(5) participate in conference calls or meetings regarding the debt, e.g., due-diligence reviews, rating-agency presentations, investor relations; and

(6) provide timely information as needed to ensure compliance with post-issuance requirements, including tracking bond proceed expenditures to comply with arbitrage requirements and annual reporting requirements.

(C) The City Attorney's Office—

(1) provides independent verification of the City's compliance with all applicable laws and regulations;

(2) selects, retains, and manages outside legal counsel (e.g., bond counsel, disclosure counsel);

(3) protects the City's interests;

(4) participates in document preparation and review; and

(5) participates in conference calls or meetings regarding due-diligence review.

(D) The City Council—

(1) takes this Policy into account when, as a member of joint-powers authorities or as a member of other agencies (e.g., Sacramento Area Flood Control Agency, Sacramento Transportation Authority), it

considers the issuance of debt that may affect the City and its constituents;

(2) reviews and approves this Policy and, if necessary, reviews and considers the approval of recommendations to amend this Policy brought forward by the City Treasurer's Office; and

(3) reviews and, if appropriate, approves supplemental policies that address various debt and financing instruments (if additional supplemental policies are adopted, then an amended version of Attachment A reflecting those policies must be attached to this Policy).

3. Capital Financing Considerations

3.1 *Constraints.* New debt will affect the long-term affordability of all outstanding and planned debt; the maintenance and operating costs of debt-financed improvements will also affect the City's budget.

(A) The pledge of repayment implicit in the issuance of debt means that any future issuance of debt is limited; hence, the City Council must consider other current, planned, and outstanding debt (including overlapping debt) when assessing the financial feasibility of a planned project or purchase.

(B) Additionally, the necessary maintenance and operating costs of projects financed with debt places constraints on the City's budgetary flexibility and should be considered alongside debt capacity as a factor when evaluating any proposed financing.

(C) Finally, debt issuances should be coordinated with the City's overall capital-improvement program and budget process to the extent possible.

3.2 *Debt Capacity*. Existing laws and regulations and the Sacramento City Code, as well as applicable covenants of existing debt, limit the City's ability to issue new debt. The City Treasurer's Office shall work to ensure that the City Council and the City Manager are aware of outstanding debt levels and of the ramifications if more debt is issued, including the additional financial constraints the City may face. As needed, the City Treasurer's Office may perform debt-capacity analyses to evaluate the long-term effects of debt issuance in relation to the City's objectives.

3.3. *Feasibility*. To ensure consistency with this Policy, the City Council shall not undertake or authorize debt without an assessment and recommendation of the City Manager's Office and City Treasurer's Office.

(A) General Fund or Lease Revenue Bonds. In conjunction with the City Treasurer's Office, the City's Department of Finance shall prepare for each long-term financing an internal feasibility analysis of the effect of debt

service and operations on current and future budgets and on the City's overall credit rating. This analysis must also address the reliability of revenues to support debt service. Lease Revenue Bonds annual debt service should not exceed 15% of annual budgeted revenues or expenditures.

(B) Special Revenues. In conjunction with City Treasurer's Office, the City's Department of Finance shall prepare for each long-term financing and internal feasibility analysis of the effect of debt service and operation on current and future budgets and on the City's overall credit rating. This analysis must also address the reliability of revenues to support debt services. If the revenue source is Transient Occupancy Tax Revenues the projected gross revenues should be 150% for Senior Obligations and 115% for Subordinate Obligations. If the revenues are sources from a Non-Rated Community Facilities District or Assessment District, then the projected revenues must be 110% of the annual debt service plus administration costs.

(C) Enterprise Funds. The City Manager's Office and the City Treasurer's Office shall evaluate the affordability of new debt for enterprise funds. Enterprise rate levels must fully cover debt-service requirements and debt-service-coverage ratios as outlined in the applicable bond covenants, as well as the anticipated costs of operations, maintenance, administration, and capital improvement. At the time of debt issuance, the projected net system revenues of the enterprise fund should be sufficient to maintain a coverage ratio equal to or greater than 120% for parity obligations and bonds and 1.00% for aggregate parity, subordinate, and unsecured obligations. The ability to afford new debt for enterprise operations will be evaluated as an integral part of the City's process for reviewing and setting rates.

(D) Conduit Financing by a Joint-Powers Authority. The City may agree to the issuance of bonds by various joint-powers authorities (e.g., Association of Bay Area Governments, California Statewide Community Development Authority, California Municipal Finance Authority). Where the City is not the issuer of bonds for a project within the City, the City's policy will be to require the issuer to assume full responsibility for issuance and ongoing compliance of the bond issue with federal and state laws. Where feasible, however, the City may hold the public hearing required by the Tax Equity and Fiscal Responsibility Act of 1986 (26 U.S.C. § 147(f)(2)), but the City is not required to do so.

(E) City-Issued Conduit Financing. In rare instances, the City Treasurer's Office may determine that it is in the City's best interest to issue bonds on behalf of another governmental agency or a 501(c)(3) corporation within City boundaries. In these instances, neither the City's general fund nor the City's taxing power will be pledged for repayment of the bonds. In addition, the

City will rely on the financial analysis provided by the governmental entity or the 501(c)(3) corporation for purposes of due-diligence review before moving forward on the request to issue debt. The City's preferred method for issuing conduit debt is conduit financing by a joint-powers authority.

(F) Small-Equipment Lease Financing. The City may move forward with a small-equipment lease financing at the request of City Departments after analysis and due-diligence review by the City Manager's Office or the City Department of Finance, or both. Requests from City Departments must demonstrate the need (e.g., legal, environmental, cash flow) for small-equipment lease financing, and the City Departments must provide realistic, projected drawdown schedules showing that borrowed funds are spent in accordance with requirements ***of the Internal Revenue Service (the "IRS")***.

3.4 *Capital Expenditure Considerations*. The City will consider the following factors to evaluate pay-as-you-go financing versus debt financing for funding capital expenditures:

(A) Factors favoring pay-as-you-go

(1) Projected revenues and fund balances are adequate and available to complete the project, or the project can be completed in phases.

(2) Existing debt levels might adversely affect the City's credit rating or rating outlook.

(3) Market conditions are unfavorable or present difficulties in marketing the proposed debt.

(4) The project's useful life is less than five years.

(B) Factors favoring debt financing

(1) Current and projected revenues available for debt service are sufficient and reliable so that financings can be marketed with investment-grade credit ratings.

(2) Market conditions present favorable interest rates and demand for the City financings.

(3) The project is mandated by federal or state law, and current resources are insufficient or unavailable to fund the project fully within the time required.

(4) The project is immediately needed to meet or relieve capacity needs or emergency conditions, and current resources are insufficient to fund the project fully within the time required.

4. Debt Issuance

4.1 *Types and Purposes of Debt*

(A) Long-Term Debt. Long-term debt may be used to finance the costs of acquiring or improving land, infrastructure, facilities, or equipment if it is appropriate to spread these costs over more than one budget year. Long-term debt may also be used to fund capitalized interest, costs of issuance, required reserves, and any other financing-related costs that may be legally capitalized. Long-term debt may not be used to fund City operating costs. The final maturity of long-term debt should not exceed 40 years. The following are the types of long-term debt that may be undertaken by the City:

(1) Special-Tax Revenue Bonds. Under the Mello-Roos Community Facilities District Act of 1982, codified at Governmental Code sections 53311 to 53368.3 (the "Mello-Roos Act"), the City may use special-tax bonds to finance the construction or acquisition of various public improvements. The Mello-Roos Act provides an efficient means of financing certain public capital facilities and services and promotes economic development in areas that lack sufficient infrastructure, such as infill or brownfield areas. Bonds may be issued to fund capital facilities so long as the estimated useful life of the facilities is at least five years. These bonds must be approved by at least two-thirds of the qualified electors within the CFD.

(2) Marks-Roos Bonds. Under the Marks-Roos Local Bond Pooling Act of 1985, codified at Government Code sections 6500 to 6599.3 (the "**Marks-Roos Act**"), governmental entities, in consort with or as part of a joint-powers authority, may use a "pooled" financing technique for a broad array of public capital improvements. The City has used the Marks-Roos Law to issue refunding bonds for community facilities districts as well as for two redevelopment project areas when new-money debt was issued concurrently. Voter approval is not required.

(3) Special-Assessment Bonds. The Improvement Act of 1911 and the Improvement Bond Act of 1915 authorize the City to form assessment districts for imposing special-assessment liens on properties within the districts, with the assessment on each property calculated according to the "special benefit" the property receives from the improvements. The assessments are then used to secure payment of bonds that amortize the improvement costs over a period of years. A majority of the property owners within the district must approve both the formation of the district

and the issuance of the bonds. Approval occurs through submission of assessment ballots weighted according to the amount of each property's proposed assessment. Importantly, for some improvements the "general benefit" may outweigh the "special benefit"; if so, then the usefulness of special-assessment bonds to finance the improvements will be diminished and the City may be at risk of a lawsuit.

(4) General Obligation Bonds. These bonds may be issued by governmental entities that have the legal authority to levy ad valorem property taxes and other charges at whatever rate and amount is necessary to pay the debt. Under article XVI, section 18 of the California Constitution, these bonds may only be issued for the acquisition or improvement of real property such as libraries and public-safety facilities. Two-thirds voter approval is required.

(5) Tax-Allocation Bonds. Until January 2012, the City was authorized to issue tax-allocation bonds (**"TABs"**) that were secured by a pledge of tax-increment revenues from project areas within a redevelopment agency. Proceeds from TABs were used to revitalize blighted and economically depressed areas and promote economic growth. The City is no longer authorized to issue new-money TABs unless the City or its related financing authorities are aware of enforceable obligations that need to be met. Only refunding TABs are now authorized, and only the Redevelopment Agency Successor Agency of the City of Sacramento may issue them.

(6) Certificates of Participation and Lease-Revenue Bonds. These debt instruments are secured by a lease-leaseback arrangement between the City and another public entity. The City uses its general operating revenues (which are not expressly pledged) to pay amounts owed under the lease. The payments are in turn used to pay debt service on lease-revenue bonds issued by a joint-powers authority or on certificates of participation executed and delivered by a trustee. Voter approval is not required because these debt instruments are not subject to the debt limit in article XVI, section 18 of the California Constitution.

(7) Revenue Bonds. These bonds are payable from revenue generated by a City enterprise, such as water and wastewater utilities. Because debt service on revenue bonds is paid solely from enterprise revenues and are not secured by any pledge of tax or general fund revenues, these bonds are not subject to the debt limit in article XVI, section 18 of the California Constitution. Revenue bonds are used for the improvements to the enterprise and are paid by ratepayers that benefit from the service provided by the City enterprise.

(8) State Revolving Fund Loans or Other Similar Debt Instruments. An example is the Infrastructure State Revolving Fund Program, which provides financing to public agencies and non-profit corporations sponsored by public agencies; the loan proceeds are used for a variety of infrastructure and economic-development projects. Often the cost of borrowing through the loan programs is lower than the cost of issuing debt in the public market, but the maximum duration of the loan may be limited. Additionally, the process to obtain a loan may take longer than publicly-issued bonds. Though generally less cost effective that a loan, bonds may afford project financing that has a compressed timeframe.

(B) Short-Term Debt. Short-term debt may be used as an interim source of funding before the issuance of long-term debt: It may be issued for any purpose for which long-term debt may be issued, including the payment of capitalized interest and other financing-related costs; it may also be used to address legitimate short-term cash-flow requirements during a given fiscal year, so that the City may continue to fund the operating costs of providing necessary public services; and it may be used to bridge the gap in financing before long-term debt is issued to meet the ongoing capital needs of a project or series of projects. The City will not engage in short-term borrowing solely for the purpose of generating investment returns (arbitrage). Short-term debt usually may not exceed five years.

(1) Tax and Revenue Anticipation Notes ("TRANs"). These are short-term notes used to cover cash shortfalls resulting from a mismatch between the timing of revenues and expenditures. The City may issue TRANs when needed to meet general fund cash-flow needs in a fiscal year. TRANs are secured by the property taxes and other revenues received later in the fiscal year. Voter approval is not required.

(2) Bond Anticipation Notes ("BANs"). These are short-term interest-bearing notes issued in the anticipation of long-term bond issuances. The City may issue BANs as a source of interim financing when the City Treasurer determines that doing so is prudent and advantageous to the City. Voter approval is not required.

(3) Lease-Purchase Financings. These financings may be used for the short-term financing of essential equipment. The term of a lease-purchase agreement is typically less than 10 years but may be as long as 15 years. Under this type of financing, the City and a bank enter into a master lease agreement for the lease-purchase of equipment up to a certain aggregate amount. The City and the bank then enter into separate "schedules of property" or "lease schedules" for each lease-purchase of equipment, and the City Council annually budgets and appropriates an amount sufficient to pay rent for the equipment under lease during that year; the failure to appropriate will result in

termination of the lease-purchase agreement. Voter approval is not required.

(4) Commercial Paper Notes. These notes serve as a cash-management tool used primarily to provide short-term interim funding of capital expenditures that will ultimately be funded from a long-term bond or loan. Commercial-paper notes can reduce a project's overall interest costs because only the amount needed for interim funding is borrowed, and interest rates on the interim funding are lower than the rates on the "permanent" funding with long-term bonds or loans. As of the date of this Policy, the City has never issued commercial paper notes, but the need for this type of short-term financing could arise in the future.

(C) Other Debt. There may be special circumstances when other forms of debt are appropriate; these will be evaluated on a case-by-case basis.

(D) Refunding. The City Treasurer's Office will periodically review outstanding City Debt to identify refunding opportunities and evaluate the costs and benefits of restructuring or retiring outstanding obligations. Refunding will be considered (within federal tax-law constraints) when it will provide a net economic benefit or when it is needed to achieve City objectives relating to changes in covenants, call provisions, operational flexibility, tax status, the issuer, debt-service profile, etc. The City may purchase City Debt in the open market for the purpose of retiring the debt when doing so is cost effective.

(1) A current refunding occurs when outstanding bonds are paid off within 90 days after the proceeds of refunding bonds are deposited into an escrow account with the escrow agent (typically the same entity as the trustee).

(2) In general, when the City undertakes a current refunding for net economic benefit, the refunding should produce net-present-value debt-service savings of at least 5%. This 5% threshold is a goal rather than a requirement, as the City may have reason to refund an issue that generates net-present-value savings of less than 5% (e.g., the refunding will eliminate unduly restrictive bond covenants).

4.2 *Public Policy Discussion*. The proceedings to issue debt for projects that are controversial or of high public interest should be conducted with full transparency and public discussion (e.g., through community meetings, public outreach, City Council meetings).

4.3 *Method of Sale.* Except to the extent a competitive process is required by law, the City Treasurer is responsible for determining the appropriate manner in which to offer City Debt to investors. A negotiated sale is preferred because it (A)

provides the City more flexibility in determining the structure, time, and date of the sale, which is advantageous in a volatile municipal-bond market; (B) permits the schedule for the issuance and sale of bonds to be expedited when necessary to meet the City's goals; and (C) affords the chosen underwriter or senior managing underwriter (in the case of an underwriting syndicate) greater opportunity to pre-market the City Debt to potential purchasers, including local investors, before the sale—all of which contributes to the City's goal of achieving the lowest overall cost of funds. Other methods of sale, such as competitive sale and private placement, may be considered on a case-by-case basis. For example, private-placement debt may be appropriate when pending litigation or other risks or market conditions make a competitive or publicly negotiated sale difficult.

4.4 *Pooled Financing.* The City Treasurer is responsible for determining on each financing the appropriate use of third-party "pools" to issue City Debt. The current preferred method of sale is a direct issuance by the City led by one senior managing underwriter or co-senior managing underwriters. The need for each financing depends on par amount of bonds to be issued, complexity of the financing, and need for greater bond market penetration (institutional, retail, and high net worth individuals).

4.5 *Professional Assistance.* The City Treasurer may periodically select and retain service providers (other than bond and disclosure counsel, which the City Attorney's Office selects and retains) as needed to meet legal requirements and provide specialized analytical services in an effort to minimize the costs of City Debt. The City Treasurer will make these selections with the goal of achieving an appropriate balance between service (including experience, professional reputation, and market recognition) and cost. The City Treasurer may select service providers through a sole-source process of his or her choosing unless a competitive or other process is required by law or this Policy.

5. Debt Structure Features

5.1 *Debt Repayment*

(A) Useful Life. City Debt must be structured so that the weighted average maturity of the proposed debt is less than or equal to the weighted average economic or useful life of the capital projects or improvements to be financed.

(B) Level Debt Service Preferred. To the extent possible, the structure of debt-service for long-term debt other than special-tax revenue bonds should have combined annual principal and interest payments that remain relatively constant to maturity, i.e., "level debt service." But in some circumstances non-level debt service may be to the City's advantage. The City Treasurer's

Office will determine the structure of the debt at the time of borrowing after considering pricing, cash flows, and other relevant factors.

5.2 *Credit Quality.* The City should obtain and maintain the highest possible credit ratings when issuing short-term and long-term debt and will only issue bonds, for itself or others, that have a credit rating of "investment grade" or higher.* The City will, however, consider the issuance of non-rated land-secured bonds issued through assessment districts or community facilities districts, as well as the issuance of other non-rated bonds if circumstances warrant. The City will not seek a rating for bonds unless the City Treasurer's Office determines that the bonds are likely to receive a rating of BBB or higher.

5.3 *Credit Enhancement*. The City Treasurer's Office will work with the City's municipal advisor and underwriter (or senior managing underwriter if there is an underwriting syndicate) of proposed City Debt to analyze the costs and benefits of obtaining bond insurance on a maturity-by-maturity basis for the debt.

5.4 *Non-Cash Reserve and Reduced Reserve*. The City Treasurer's Office will work with the City's municipal advisor and underwriter (or senior managing underwriter if there is an underwriting syndicate) of proposed City Debt to analyze the costs and benefits of no reserve, obtaining a surety reserve policy or reducing the typical lesser of three-prong reserve test to 50% of maximum annual debt service, or MADS, for example.

5.5 *Fixed-Rate Debt.* The City's preferred interest-rate mode is fixed rate.

5.6 *Variable-Rate Debt.* The City may issue variable-rate debt—i.e., debt that pays interest at a rate that varies according to a pre-determined formula or specified index or results from a periodic remarketing of the debt. Although the City might benefit from variable-rate debt in some transactions, issuing variable-rate debt passes an unknown obligation and risk to future City Councils.

5.7 *Derivatives.* Derivatives might be appropriate for certain City borrowing programs. For example, derivatives may be used in connection with the issuance of variable-rate debt. The City Treasurer's Office will evaluate the use of derivatives on a case by-case basis to determine whether the potential benefits are sufficient to offset any potential costs and whether the derivatives are consistent with state law and financially prudent.

5.8 *Call Provisions.* The City Treasurer's Office will determine the call provisions for City Debt at the time of pricing, mindful that call provisions may affect the price of the bonds and the interest of potential investors. The City's preferred structure is

* For Moody's Investor Service, "investment grade" means a rating of **P-3** or higher for short-term debt and **Baa3** or higher for long-term debt. For Standard & Poor's, "investment grade" means a rating of **A-3** or higher for short-term debt and **BBB–** or higher for long-term debt. And for Fitch Ratings, "investment grade" means a rating of **F-3** or higher for short-term debt and **BBB–** or higher for long-term debt.

early optional redemption at par in order to maintain flexibility for future refunding opportunities. The City will not issue non-callable debt unless it is legally required or unless market conditions dictate otherwise; non-callable debt should not be issued solely to generate additional debt-service savings.

5.9 *Bond Size*. Unless otherwise directed by the City Treasurer in consultation with the City Manager, the minimum amount the City will finance through the issuance of bonds is $10 million unless circumstances justify a lower amount. The City may pursue other financing mechanisms—such as pay-as-you-go financing, inter-fund borrowing, lines of credit, and lease financing—for debt less than $10 million. The City Treasurer will determine whether to move forward with a small debt financing.

6. Debt Administration and Regulatory Compliance

6.1 *Policies and Procedures for Post-Issuance Compliance.* The City Treasurer's Office must maintain written policies and procedures that require compliance with bond covenants and with federal, state, and local laws and regulations. The policies and procedures must address continuing-disclosure requirements; arbitrage-rebate requirements, private-use limitations, other tax-compliance requirements; levy enrollment and administration; delinquency and foreclosure management; debt service and other payments; and permitted investments and uses of bond proceeds.

6.2 *Arbitrage Compliance.* The City Treasurer's Office is responsible for keeping all records needed to comply with federal arbitrage requirements for tax-exempt debt.

(A) For each bond issue, the City Treasurer's Office will pay required rebate amounts, if any, no later than 60 days after each five-year anniversary of the issue date of the bonds and no later than 60 days after the last bond of the issue is redeemed.

(1) During the construction of each capital project financed with bond proceeds, the City's arbitrage consultant will typically prepare an interim arbitrage-rebate report at least once every 12 months until all collective proceeds deposited in the project fund have been expended; if, however, the proceeds remaining in the project fund are equal to or less than 5% of the collective proceeds deposited, then the City Treasurer's Office may have the arbitrage consultant prepare the interim arbitrage-rebate reports according to the timeframe required by IRS regulations.

(2) After the construction period, the City's arbitrage consultant will prepare an interim arbitrage-rebate report on each five-year

anniversary of the issue date of the bonds, or more frequently if warranted.

(B) During the term of each issue plus three years, the City Treasurer's Office will retain copies of all arbitrage reports, records relating to the use and investment of tax-exempt proceeds, documentation of private use, and other relevant documents associated with the issue. If the issue is refunded, then the retention period for the refunded issue is the life of the refunding issue plus three years. Training may be provided for all personnel working on the IRS's post-issuance-compliance process. If any potential violations to complying with federal tax laws are discovered, then the City Treasurer or City Debt Manager, after consulting with the City Attorney's Office, will contact bond counsel and determine what if any corrective actions are needed (e.g., entry into the Voluntary Closing Agreement Program with the IRS).

(C) The City Treasurer or City Debt Manager will periodically review the City's post-issuance compliance policies and procedures and will implement revisions as appropriate after consulting with the City Attorney's Office and, if needed, bond counsel.

(D) In the case of refunding an outstanding bond issuance, all transferred proceeds, that is proceeds of a refunded issue such as amounts remaining construction fund, reserve fund, and other accounts plus interest accrued, may be considered as transferred proceeds if not utilized within the sources for the refunding issue in accordance with applicable IRS regulations. Any transferred proceeds would continue to be subject to arbitrage calculations for the refunding issue. In addition, in the case where the transferred proceeds represent more than 5% of the original deposit as specified in Section 6.2(a)(1) of this document, interim arbitrage calculations must be performed on an annual basis until such time that the balance of the transferred proceeds is less than 5% of the original deposit.

6.3 *Use of Proceeds from Tax-Exempt or Taxable Debt and of Assets Financed with Tax-Exempt Debt.* The City Treasurer's Office in conjunction with other City Departments is responsible for the following:

(A) Monitoring the use of proceeds from tax-exempt and taxable debt and the use of assets financed or refinanced with tax-exempt debt throughout the term of the debt to ensure compliance with all covenants and restrictions in the documents relating to the debt and to ensure that the proceeds are directed to the intended use.

(B) Consulting with the City Attorney's Office and tax counsel in reviewing contracts or other arrangements involving use of assets financed or

refinanced with tax-exempt taxable debt to ensure compliance with all covenants and restrictions in the documents relating to the debt.

(C) Maintaining records for any contracts or other arrangements involving the use of assets financed or refinanced with tax-exempt or taxable debt.

(D) Maintaining internal-control procedures related to the management and disbursement of proceeds, such as procedures requiring that proceeds are either (1) held by a third-party trustee or fiscal agent, which will disburse the proceeds to, or upon the order of, the City in accordance with one or more written requisitions; or (2) held by the City and deposited and accounted for in a separate fund or account, with withdrawals and expenditures carefully documented.

(E) Consulting promptly with the City Attorney's Office and tax counsel to develop a course of action to remediate any identified existing or potential violations of restrictions on the use of tax-exempt or taxable proceeds or the use of assets financed or refinanced with tax-exempt or taxable proceeds.

Attachment A
Supplemental Policies

City of Sacramento *Policies and Procedures For Use of Special Assessment and Mello-Roos Community Facilities District Financing For Infrastructure, Public Facilities, Programs and Services* (Adopted on June 29, 1993, by Resolution No. 93-381, updated on August 9, 1994, by Resolution 94-491 and on May 15, 2012)

City of Sacramento *Development Fee Financing Program for Commercial, Industrial and Residential Development Projects* (Adopted January 1997 by Resolution No. 97-002)

California Debt and Investment Advisory Commission *Appraisal Standards for Land-Secured Financings* CDIAC 04-07 (Adopted in May 1994 and revised in July 2004)

City of Sacramento *Debt-Management Policy – Supplemental Policy on Disclosure* (Adopted on June 2, 2011, by Resolution No. 2011-322 and updated on February 7, 2017, by Resolution No. 2017-0046; and updated on May 30, 2018, by Council approval on June 19, 2018)

Debt Management Policy - Disclosure

Supplemental Policy on Disclosure

Scope: CITYWIDE

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Regulatory References

Council Resolution 2018-0251

Effective Date: June 19, 2018

Debt Management Policy - Disclosure

1. Introduction

1.1 This Supplemental Policy on Disclosure governs the City's discharge of its disclosure obligations related to debt (including lease-revenue obligations) issued by or obtained by the City or by related entities such as the Sacramento City Financing Authority, The Sacramento Public Financing Authority, and the Redevelopment Agency Successor Agency.

(A) The City and its related entities issue obligations in the public capital markets from time to time. When bonds are issued, the City, whether acting for itself or for a related entity, is obligated to disclose all material information in compliance with federal securities laws, including the Securities Act of 1933, the Securities and Exchange Act of 1934, Rule 10b-5 of the Securities and Exchange Commission ("**SEC**"), and Rule 15c2-12 of the SEC. California Governmental Code section 8855 required certain disclosures to the California Debt and Investment Advisory Commission.

(B) Incomplete, inaccurate, or misleading disclosure might have material financial consequences for the City and City officers and employees. For example:

- The SEC could bring civil actions charging that disclosure was negligent, reckless, or intentionally fraudulent; in addition, the SEC could refer cases to U.S. Department of Justice for criminal prosecution.
- The SEC could impose cumbersome procedures and oversight on the City as conditions for settling civil actions.
- The City could suffer adverse publicity, which might reduce market access.
- The credit rating on the City's debt could be downgraded, resulting in increased costs in future issuances.
- City officials could face personal fines for violations of securities laws.

(C) Sound disclosure practices can provide both tangible and intangible benefits, including the following:

- Enhanced credibility in the municipal-bond marketplace.
- Transparency with rating agencies, investors, and prospective investors.
- Improved decision making for prospective investors.
- Increased numbers of investors who purchase bonds.

- Improved liquidity for bonds.
- Demonstrated City commitment to providing timely disclosure to investors, credit-rating agencies, and the public.
- The potential for a lower overall cost of borrowing.

1.2 Scope of Policy. This policy applies to City information and document, including the following, that investors are reasonably expected to use when deciding whether to invest in the City's bonds:

- Initial-disclosure documents, i.e., preliminary and final official statements.
- Continuing-disclosure documents, i.e., annual financial information and event notices.
- In certain circumstances, other information such as presentations in investor conferences.
- The Debt Management section of the City Treasurer's webpage (on the City's website), which contains certain historical information, such as past official statements and audited financial reports.

2. Governing Authority and Responsibility

2.1 Authority. Either the City Treasurer or the Debt Manager within the City Treasurer's Office (the "**Debt Manager**") shall manage the City's disclosure program in conformance with federal, state, and local requirements, including the Sacramento City Code and the City's Debt-Management Policy.

2.2 Point of Contact. Either the City Treasurer or the Debt Manager shall be the City's point of contact for disclosure, primarily responsible not only for developing and distributing information but also for determining the materiality of information.

2.3 Responsibility,

(A) The City Treasurer or the Debt Manager shall oversee all aspects of disclosure. As such, the City Treasurer or the Debt Manager shall review the form and content of the City's documents and materials prepared, issued, or distributed in connection with the City's disclosure obligations relating to its debt. Those documents and materials include preliminary and final official statements; annual financial information and event notices filed with Electronic Municipal Market Access ("**EMMA**"), the Municipal Securities Rulemaking Board's disclosure portal; voluntary filings with EMMA; and other communications that investors are reasonably expected to use in making investment decisions.

(B) Along with the City Treasurer and his or her staff, the City Attorney and City

Manager shall serve as integral members of the financing team, each responsible, as appropriate, for ensuring and certifying to the accuracy of information released to the market.

(C) The City is responsible for the content of its disclosure documents. The City Treasurer, City Attorney, and City Manager shall ensure the use of outside professionals for their respective areas of expertise is appropriate and that reliance upon outside professionals is reasonable and not excessive.

(D) The City Treasurer or the Debt Manager shall ensure that subject-matter experts, including City staff with relevant knowledge or expertise, are involved in developing and periodically reviewing and updating disclosure documents. For example, when obligations are secured by particular revenues such as water or sewer fees, City staff who are knowledgeable about the relevant utility must be involved.

(E) The City Treasurer and Debt Manager, in collaboration with the City Attorney, shall arrange for the engagement of disclosure counsel to assist the City in complying with disclosure requirements. The City Treasurer or the Debt Manager shall also arrange for the periodic training of City officers and employees regarding their disclosure obligations under federal securities laws.

(F) City officers and employees serving as financing-team members are responsible for reviewing and commenting on draft documents. As part of their review, they must determine whether all material information—including confidential or politically sensitive information—has been included and is both accurate and relevant.

(G) City officers and employees and the officers and employees of related entities shall promptly provide all information, assurance, and certifications that the City Treasurer requests, in his or her sole discretion, for compliance with federal securities laws. The City Manager and City Attorney shall require prompt and full responses to those requests.

3. Certifications

3.1 In connection with the City Council's approval of preliminary or final official statements for publicly issued debt, as appropriate City officer or employee shall certify in writing, to the best of his or her knowledge, the documents do not make any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements made, in light of the circumstances under which they were made, not misleading.

3.2 The City Treasurer or the Debt Manager shall provide offering documents such as preliminary official statements to appropriate City officials (which may include the Mayor and City Council, City Manager, City Attorney, and other City officers and employees) in such a manner as to allow timely, informed decisions regarding disclosure.

Development Stabilization Contingency Reserve (DSCR) and Development Services Fund Management Policy

Scope: CITYWIDE

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February 23, 1999 Resolution 1999-0077

DSCR and Development Services Fund Management Policy

1. PURPOSE

The purpose of the DSCR and the Development Services Fund (Fund 2016) is to ensure the prudent management of development funds for the public and the City of Sacramento. The DSCR will be used to bridge gaps between budgeted and actual development revenues in the Community Development Department (CDD) during periods of significant revenue decline.

2. BACKGROUND

The Development Services Fund was established on February 23, 1999 (Reso 99-077), to account for major plan review and building permit projects, cyclical surplus plan review and building permit revenues, and environmental impact review projects. In 1999 the City Council authorized the transfer of General Fund budget surpluses, during periods of high building activity, in the Development Services Department to be transferred to the Development Services Fund. The intent was that the Development Services Fund would be drawn down in years of lower building activity. Over time, these resources were used to fund ongoing workload, without an ongoing revenue stream. When the Fund could no longer support ongoing budgeted expenditures, the authority to carryover surpluses was removed from the annual budget resolution.

A sustainable funding plan for CDD building and planning operations is necessary for the department to be responsive to the economic climate. Establishing a DSCR Policy for Fund 2016 and Management Guidelines will provide the department resources during a downturn in development activity and time to react to those changes.

3. POLICY

The DSCR shall be established as set forth below and any changes to the policy will be presented to and approved by the City Council.

(a) The DSCR goal is one year's worth of building, building plan check, and current planning revenues.

(b) The DSCR will be initially funded with the available fund balance upon completion of the FY2014/15 audited financial statements for Fund 2016.

(c) Beginning with FY2014/15 actual year-end revenues in excess of budget from CDD's Building Inspection, Building Plan Check, Customer Service/Permit Counter, and Planning Operations, provided that the net year-end results (revenue and expenditure budget variance) of CDD are positive, will be transferred to the DSCR.

(d) The DSCR will only be used to bridge gaps between projected and actual development-related revenues in CDD during periods of significant revenue shortfalls.

4. MANAGEMENT OF ACTIVITIES IN FUND 2016

The fund shall be used for the management of development activities, when those activities are intended to be fully offset by revenues as described below and summarized in Attachment 1.

(a) Environmental impact review or planning review in fully reimbursable projects (P2100xxxx)

i. Revenues and expenditures must balance upon closure

ii. Shortfalls in completed projects where recovery efforts are unsuccessful will be covered by a transfer from the DSCR so that the project may be closed with balanced revenues and expenditures

(b) Major development projects (I21xxxxxx) when building valuation is in excess of $50 million, to be adjusted annually according to the Consumer Price Index (e.g., high rise buildings, arenas, theaters in fully reimbursable projects)

i. Revenues and expenditures must balance upon closure

ii. Funds remaining in a completed project will be transferred first to the DSRC until the Reserve level is attained, then to the department's General Fund operating budget

iii. Shortfalls in completed projects will be covered by a transfer from the DSCR so that the project may be closed with balanced revenues and expenditures

(c) Citywide Development Activities (funding provided by a % fee on all permits/plan reviews)

i. Technology for building or planning permitting systems: (e.g., Accela, CitizenServe, or eCAPS) to be managed in the separate capital projects (A21xxxxxx)

ii. General Plan and Community Plan updates: To be managed in a multi-year projects (I22xxxxxx) with separate child projects for the various plans/updates

General Fund Economic Uncertainty Reserve Policy

Scope: CITYWIDE

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3.1 Minimum and Target Reserve Levels
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3.4 Timeline for Replenishment of the EUR

Regulatory References
Council Motion 2016-0122

Effective Date: April 26, 2016

General Fund Economic Uncertainty Reserve Policy

1. PURPOSE

To establish the targeted level of General Fund operating reserves, a basic component of a financially strong city. Adequate reserves help sustain City operations when adverse or unexpected circumstances affect the City, providing resources to minimize service disruption in the event of temporary revenue shortfalls or unpredicted one-time expenditures. This policy establishes the amounts the City will strive to maintain in its Economic Uncertainty Reserve (EUR) and the conditions under which the reserve may be used.

2. BACKGROUND

Financial reserves strengthen the City's financial status and provide valuable resources for unexpected events. Every fund of the City represents a stand-alone financial set of accounts and has its own operating characteristics, financial capabilities, and constraints. The level of reserves needed should be based on the financial and operating characteristics of each fund. In June 2011, the City Council adopted a goal of establishing a General Fund EUR equivalent to 10% of annual General Fund revenues.

According to the Government Finance Officers Association (GFOA), it is essential that governments maintain adequate levels of fund balance to mitigate current and future risks (e.g., revenue shortfalls and unanticipated expenditures) in order to protect taxpayers and employees from unexpected changes in financial conditions.

GFOA recommends, at a minimum, that general-purpose governments, regardless of size, maintain an unrestricted budgetary fund balance in their General Fund of no less than two months of regular general fund operating revenues or regular general fund operating expenditures (http://www.gfoa.org/appropriate-level-unrestricted-fund-balance-general-fund).

This policy establishes 10% of annual General Fund budgeted revenues as the minimum level of funding in the City's General Fund EUR and establishes two months of operating revenues as a target reserve level. The policy also outlines the methods the City will utilize to achieve the target reserve level, defines the conditions under which these funds can be used and describes how the City's expenditure and/or revenue levels will be adjusted to match any new economic realities that are causing the use of fund balance reserves as a financing bridge.

3. POLICY

3.1 Minimum and Target Reserve Levels

The City will maintain an EUR at a minimum of 10% of budgeted General Fund revenues. The City will seek to achieve and maintain a General Fund EUR equal to two months of regular ongoing General Fund expenditures, including transfers (i.e. 17% of General Fund expenditures).

The EUR shall be reported as a commitment of fund balance in the General Fund for external financial reporting. Appropriations from the EUR may only be made by a vote of the City Council to meet a critical, unpredictable financial need.

3.2 Methods to Achieve Funding Levels

Funding of the EUR will generally come from excess revenues over expenditures or one-time revenues.

At a minimum, during the budget process, staff shall review the current and five-year projected reserves to ensure that they are appropriate given the economic and financial risk factors the City faces.

3.3 Criteria for Expenditure of Reserve Funds

The EUR is intended to contend with significant short-term issues, inclusive of unexpected revenue shortfalls, higher than anticipated expenditures, or declared emergencies.

It is the intent of the Council to limit use of the EUR to address unanticipated, non-recurring needs. Reserves shall not normally be applied to recurring annual operating expenditures. The EUR may, however, be used strategically to allow time for the City to restructure its operations in a deliberate manner (as might be required in an economic downturn), but such use will only take place in the context of a Council-adopted long-term plan.

3.4 Timeline for Replenishment of the EUR

If the EUR is drawn down below the minimum level, a plan will be developed and implemented to replenish the reserve, generally from future surpluses. Replenishing the EUR will be a priority use of one-time resources. Generally, the City should seek to replenish the EUR to the minimum reserve level within one to three years.

Interfund Loans

Scope: CITYWIDE

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   3.1 Long-term Loans
   3.2 Short-term Loans
   3.3 Prohibited Uses

Regulatory References

Council Motion 2015-0141

Interfund Loans Policy

1. PURPOSE

The City's Interfund Loan Policy documents the methods used by the City to demonstrate prudent financial management over interfund loans. The policy:

- Requires City Council approval of interfund loans, except for short-term working capital loans,
- Permits short-term interfund loans for working capital to cover Council-approved reimbursable grants and projects and other temporary timing differences in cash flows, and
- Prohibits interfund loans from being used to solve ongoing structural budget issues or hindering the accomplishment of any function or project for which the lending fund was established.

2. BACKGROUND

Interfund loans are the lending of cash from one City fund to another for a specific purpose and with a requirement for repayment. The practice of interfund loans is a recognized and necessary aspect of municipal finance. Such loans are typically short-term in nature, and constitute the allocation of resources between individual funds for working capital purposes.

3. POLICY

3.1 Long-term Loans

Interfund loans, other than short-term working capital loans, must be approved by the City Council. Council approval will include the following terms of the loan:

- Purpose of Interfund Loan
- Identification of the source fund
  - Availability of unrestricted funds in the source fund
  - Review of multi-year plans for use of source fund cash
  - Analysis of legal or contractual restrictions
- Repayment of Interfund Loan
  - Repayment must have a payment source and funding stream
  - Specific repayment schedule
  - Interest imposed at a rate equal to at least investment earnings if loan did not occur
- Other Considerations
  - Feasibility of repayment
  - Internal controls to monitor repayment

3.2 Short-term Loans

Short-term interfund loans for working capital to provide cash for Council-approved reimbursable grants and projects, are permitted. Short-term working capital loans are also permitted for temporary timing differences in cash flows when expenditures are incurred before revenue is collected. The source funds for working capital interfund loans are the Risk Fund and the General Fund.

3.3 Prohibited Uses

- Interfund loans will not be used to solve ongoing structural budget issues.
- Interfund loans will not hinder the accomplishment of any function or project for which the lending fund was established.

Investment Policy

Scope: CITYWIDE

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Regulatory References
Council Resolution 2016-0291

Effective Date: August 16, 2016

Investment Policy

The purpose of this document is to set forth the investment and operational policies for the management of the public funds of the City of Sacramento. These policies are designed to ensure the prudent management of public funds under management by the Sacramento City Treasurer.

Although the Sacramento City Charter generally provides the City Treasurer with the authority to deposit and invest funds in the City Treasury, undertaking of the investment activities by the City Treasurer is subject to the annual delegation of investment authority from the City Council as the body being primarily responsible for the investment of City funds. Accordingly, these policies are applicable to the management of City treasury funds as that task may be delegated to the City Treasurer.

A copy of this policy statement will be provided to all investment brokers and dealers and others in related fields doing business with the City of Sacramento, and will be provided to other interested parties on request. In addition, this policy statement will be posted to the City Treasurer's page of the City's internet website.

An entity retained to provide investment-related services to the City of Sacramento shall not render services unless and until it confirms, in writing, that it has received and reviewed this policy statement, and is prepared to implement its terms, as applicable to the services to be provided by the entity.

Governing Authority; Scope

A. Section 73 of the Sacramento City Charter vests the City Treasurer with authority to deposit and invest funds of the City treasury, subject to the annual delegation of investment authority from the City Council to the City Treasurer pursuant to Government Code section 53607. These policies shall apply to the City Treasurer's investment of City treasury funds.

B. The City Treasurer investment program for all treasury funds shall be operated in conformance with applicable federal, state, and other legal requirements. This policy statement is intended to conform to Government Code sections 53600, et seq, and interpretation of these policies shall be consistent with those statutes.

Objectives

A. Primary Objectives
The primary objectives of investment activities, in order of priority, are safety, liquidity, and yield:

1. Safety
Safety of principal is the foremost objective of the investment program.

Investments shall be undertaken in a manner that seeks to ensure the preservation of capital in the overall portfolio. The objective is to mitigate credit risk and interest rate risk.

a. Credit Risk. Credit risk is the risk of loss due to the failure of the security issuer or backer. The City will minimize credit risk by:

    i. Limiting investments to the types of securities listed in Section VI of this Investment Policy

    ii. Re-qualifying the financial institutions, broker/dealers, intermediaries, and advisers with which the City will do business in accordance with Section IV.

    iii. Diversifying the investment portfolio so that the impact of potential losses from any one type of security or from any one individual issuer will be minimized.

b. Interest Rate Risk. Interest rate risk is the risk that the market value of securities in the portfolio will fall due to changes in market interest rates. The City will minimize interest rate risk by:

    i. Structuring the investment portfolio so that securities mature to meet cash requirements for ongoing operations, thereby avoiding the need to sell securities on the open market prior to maturity

    ii. Investing operating funds primarily in shorter-term securities, money market mutual funds, the Local Agency Investment Fund ("LAIF") managed by the State of California, or similar investment pools and limiting the average maturity of the portfolio in accordance with this policy.

2. Liquidity

The investment portfolio shall remain sufficiently liquid to meet all operating requirements that may be reasonably anticipated. This is accomplished by structuring the portfolio so that securities mature concurrent with cash needs to meet anticipated demands (static liquidity). Furthermore, since all possible cash demands cannot be anticipated, the portfolio should consist largely of securities with active secondary or resale markets (dynamic liquidity). Alternatively, a portion of the portfolio may be placed in money market mutual funds or LAIF which offer same day liquidity for short-term funds.

The staff of the City Treasurer's Office shall (i) monitor the City's budget formation and approval process and (ii) actively engage with City staff to assess and manage cash flow needs of the City.

3. *Yield*

The investment portfolio shall be designed with the objective of attaining a market rate of return throughout budgetary and economic cycles, taking into account the investment risk constraints and liquidity needs. Return on investment is of secondary importance compared to the safety and liquidity objectives described above. The core of investments is limited to relatively low risk securities in anticipation of earning a fair return relative to the low level of risk being assumed.

Securities shall generally be held until maturity with the following exceptions:

a. A security with declining value may be sold early to minimize loss of principal.

b. A security swap would improve the quality, yield, or target duration in the portfolio.

c. Liquidity needs of the portfolio require that the security be sold.

d. Where the sale of the security to realize capital gains is advisable in the judgment of the investment officers.

B. Other Objectives

1. *Pooling of Funds*

Except for cash in certain restricted and special funds, the City will consolidate cash and reserve balances from all funds to maximize investment earnings and to increase efficiencies with regard to investment pricing, safekeeping and administration. Investment income will be allocated to the various funds proportionately based on their respective participation and in accordance with generally accepted accounting principles. The pooling of funds shall have no effect on the legal character of the pooled funds, i.e. funds whose use is restricted by law shall remain restricted and cannot be used as part of the City's general fund.

2. *Local Considerations*

Where possible, as a secondary objective, funds may be invested for the betterment of the local economy. The City Treasurer may accept a proposal from an eligible institution that provides for a reduced rate of interest provided that such institution documents the use of deposited funds for local community development projects.

3. *Favored Investments*

Investments are encouraged in entities that have demonstrated significant commitment and cooperation (a) with foreclosure prevention efforts, including, without limitation, temporary moratoriums on foreclosures, renegotiation of the principle mortgage balances to reflect current values, and other good faith negotiations with homeowners in regard to delinquent mortgages, and/or (b) in

offering free or low-cost banking services to low- and moderate-income residents who are part of the traditionally “unbanked” or “under-banked” population. The City Treasurer may take into consideration the level of effort an entity expends in either the foreclosure relief or community banking areas, or both, when considering competing investments. If the City Treasurer is satisfied with the record of an entity in regard to such efforts, then the Treasurer’s investment staff may invest in the securities of the entity, provided that the investment is otherwise consistent with the requirements of this Investment Policy statement.

Standards of Care

A. *Prudence*

In accordance with Government Code section 53600.3, the standard of prudence to be used by investment officials shall be the "prudent person" standard and shall be applied in the context of managing an overall portfolio. Investment officers acting in accordance with written procedures developed by the City Treasurer and this investment policy and exercising due diligence shall be relieved of personal responsibility for an individual security's credit risk or market price changes, provided extraordinary deviations from expectations are reported by subordinate investment officers to the City Treasurer in a prompt fashion and that the sale of securities is carried out in accordance with the terms of this policy.

Pursuant to the "prudent person" standard, investment officers shall act with care, skill, prudence, and diligence under the circumstances then prevailing, including, but not limited to, the general economic conditions and the anticipated needs of the agency, that a prudent person acting in a like capacity and familiarity with those matters would use in the conduct of funds of a like character and with like aims, to safeguard the principal and maintain the liquidity needs of the agency. Funds shall be managed not for speculation where the sole goal of a transaction is to increase principal balances, but for investment intended to earn a reasonable rate of return on invested funds, considering the probable safety of their capital as well as the probable income to be derived. Despite that investment transactions are undertaken with care pursuant to the “prudent person” standard, it is recognized that invested funds are subject to the vagrancies of the markets beyond the control of the investment officers.

B. *Ethics and Conflicts of Interest*

Officers and employees involved in the investment process shall refrain from personal business activity that could conflict with the proper execution and management of the investment program, or that could impair their ability to make impartial decisions. Employees and investment officials shall disclose any material interests in financial institutions with which they conduct business. They shall further disclose any personal financial/investment positions that could be related to the performance of the investment portfolio. Employees and investment officers shall refrain from undertaking personal investment transactions with the same individual with whom business is conducted on behalf of the City. Investment officers shall file

State Fair Political Practices Commission's Statement of Economic Interests and make the disclosures required by the City's conflict of interest policies.

C. *Delegation of Authority*

Authority to manage the City treasury investment program is granted to the City Treasurer pursuant to Sacramento City Charter section number 73, unless the Charter specifically indicates otherwise, subject to annual delegation of investment authority by the City Council pursuant to Government Code section 53607. Pursuant to the City Charter, the City Treasurer also is authorized to appoint deputies and employees, as prescribed by Council resolution, to implement the investment program. The City Treasurer and those employees appointed by the Treasurer to perform investment activities pursuant to these policies shall be referred to herein collectively as "investment officers."

Investment officers shall act in accordance with established written procedures and internal controls for the operation of the investment program consistent with this investment policy ("Investment Procedures Manual"). Procedures should include references to: safekeeping, delivery vs. payment, investment accounting, repurchase agreements, wire transfer agreements, and collateral/depository agreements. No person may engage in an investment transaction except as provided under the terms of this policy and the procedures manual. The investment officers shall be responsible for all transactions undertaken and shall establish a system of controls to regulate their activities.

Authorized Financial Institutions, Depositories, and Broker/Dealers

A. *Selection*

Financial institutions and depositories involved in implementing the City Treasurer's investment activities are selected on a competitive basis in order to obtain high quality services by reliable, reputable and stable entities. The competitive process may be formal or informal, as determined by the City Treasurer in his or her discretion, with the objective of obtaining the quality of services necessary to serve the best interests of the City and relevant stakeholders, with services performed at competitive fees and rates. Such processes may occur from time to time by the City Treasurer's Office whether at the time the City Treasurer contracts for the general banking services or otherwise. The firm or firms providing investment-related services may or may not be, at the discretion of the City Treasurer, the same firm providing general banking services. Among the factors that the City Treasurer may consider in obtaining such services are (i) minimum qualifications pertaining to capacity, satisfaction of requirements to conduct required business, i.e. licenses, permits, registrations, certifications, etc.; (ii) capitalization; (iii) insurance and bonding; (iv) safekeeping and custodial experience; (v) status in good standing; (vi) ability and capacity of the firm to provide a full range of services as may be required by the City Treasurer; (vii) extent of the value added by an entity over the services provided by firms then-providing investment-related services to the City Treasurer's Office; and (viii) other attributes as may be determined by the City Treasurer from time to time. The City Treasurer may determine the number and nature of firms to be

retained to provide investment-related services based upon the volume of existing and projected investment work. Those firms that are selected to execute transactions on behalf of the City shall do so in a good faith manner and in the best interests of the City, and shall disclose to and advise the investment officers of material facts that bear upon the pricing of a given transaction order given by investment officers. All financial institutions executing investment transactions shall satisfy the requirements of Government Code section 53601.5. All depositories shall satisfy the institutional qualifications and security requirements described in Government Code sections 53648 et seq.

B. *Performance Review*

All financial institutions and depositories shall maintain the qualifications and attributes deemed appropriate by the City Treasurer, including, but not limited to those enumerated in subsection A above, and shall perform their duties in a satisfactory manner. The City Treasurer, at his or her discretion, shall conduct periodic performance reviews to ensure the institutions and depositories are providing services in the best interests of the City.

Safekeeping and Custody

A. *Delivery vs. Payment*

All trades of marketable securities will be executed by delivery vs. payment (DVP) to ensure that securities are deposited in an eligible financial institution prior to the release of funds.

B. *Safekeeping*

Securities will be held by an independent third-party custodian selected by the City Treasurer. The inventory and value of cash and securities held by the custodian will be reconciled on a daily basis. The custodial institution shall annually provide a copy of their most recent report on internal controls (Statement of Auditing Standards No. 70, or SAS 70).

C. *Internal Controls, Investment Procedures Manual*

The City Treasurer is responsible for establishing and maintaining an internal control structure designed to guide the activities of the investment officers to ensure that the assets of the City are protected from loss, theft or misuse. Details of the internal controls system shall be documented in the Investment Procedures Manual and shall be reviewed and updated annually, as needed. The internal control structure shall be designed to provide reasonable assurance that these objectives are met. The concept of reasonable assurance recognizes that (1) the cost of a control should not exceed the benefits likely to be derived and (2) the valuation of costs and benefits requires estimates and judgments by management. The internal controls structure shall address the following points:

I. Prevention of collusion

II. Separation of transaction authority from accounting and recordkeeping

III. Custodial safekeeping

IV. Avoidance of physical delivery securities

V. Clear delegation of authority to subordinate staff members

VI. Written confirmation of transactions for investments and wire transfers

VII. Development of a wire transfer agreement with the lead bank and third-party custodian

Accordingly, the City Treasurer shall establish a process for an annual independent review by an external auditor to assure compliance with policies and procedures or alternatively, compliance should be assured through the City annual independent audit.

Suitable and Authorized Investments

A. *Investment Types*

Allowable investments of funds not required for the immediate use by the City are limited to those described in Government Code sections 16429.1 (Local Agency Investment Fund), 53601 (investment of surplus), 53601.8 (certificates of deposit), 53635 (purchase of commercial paper by pools) and 53638 (bank deposits), as such statutes may be amended or renumbered from time to time. These allowable investments, and their permitted amounts and attributes, are set forth in a summary prepared and updated from time to time by the California Debt and Investment Advisory Commission ("CDIAC") entitled, "Allowable Investment Instruments Per State Government Code, Applicable To All Local Agencies," included CDIAC's "Local Agency Investment Guidelines" publication that may be located at http://www.treasurer.ca.gov/cdiac/LAIG/guideline.pdf.

B. *Extended Maturities*

The investment officers will observe the maximum maturity term of five years on various of the allowable investments. However, where a particular investment is found by the investment officers to be advantageous and consistent with these policies, but for a nominal exceedance of a 5-year maximum maturity caused by effect of the security's issuance and maturity dates, or the settlement date of the transaction, or both, they are authorized to invest in the following obligations with remaining maturities of five (5) years, plus not more than thirty (30) calendar days: U.S. Treasury obligations, obligations of California or other states, California local agency obligations, U.S. Agency obligations and medium-term notes. The City Treasurer will provide notice to the City Council of such investments within periodic investment reports made to the Council. See, Section VIII.A. Pursuant to Government Code section 53601, investment officers shall not make investments in instruments with maturities longer than five (5) years, plus thirty (30) calendar days, without prior approval of the City Council.

C. *Securities Lending*

The investment officers at their discretion may engage in securities lending activities pursuant to securities lending agreements (as defined in Government Code section 53601(j)(5)(D)) provided that the following are satisfied:

I. Securities lending transactions are to be governed by agreements entered into by the City Treasurer and the agent or agents the City Treasurer engages to perform such transactions provided that such agreements

1. comply with the requirements of Government Code section 53601(j), and

2. require the payment of cash collateral equal to or greater than 102% of the market value of the loaned security at the time of the loan.

II. The securities lending agreements may allow for the use of cash collateral for the reinvestment in securities that

1. comply with the requirements of Government Code section 53601(j)(3)(D), and

2. are securities whose direct investment is authorized by Government Code section 53601 and these policies,

3. provided that nothing herein shall preclude the City Treasurer from entering into securities lending agreements that reduces the scope of investments made with cash collateral to something less than that allowed under subsections (a) and (b) above.

Investment Parameters

A. *Diversification*

The City shall diversify its investment portfolio. To minimize risk of loss resulting from the over-concentration of assets in a specific maturity, issuer, or type of securities, all cash and cash equivalent assets in all City funds shall be diversified by maturity, issuer, and class of security. Diversification strategies shall be determined and revised on an ongoing basis by the investment officers for all funds covered by these investment policies. In establishing specific diversification strategies, these investment policies shall apply. The investment officers shall emphasize that portfolio maturities will be staggered to avoid undue concentration of assets in a specific maturity sector. Maturities selected shall provide for stability of income and reasonable liquidity.

B. *Cash Management Funds*

I. Liquidity shall be assured through practices ensuring that the payroll dates and dates of large disbursements are covered through maturing investments or marketable U.S. Treasury bills.

II. Positions in securities having potential default risk shall be limited in size pursuant to the maximum limits set forth in Government Code section 53601. See Attachment A. Such securities include the following: Commercial paper; negotiable certificates of deposit, and Banker's Acceptances.

III. Risks of market price volatility shall be controlled through maturity diversification.

IV. Liquidity risk: Because of inherent difficulties in accurately forecasting cash flow requirements, a portion of the portfolio should be continuously invested in readily available funds such as LAIF, money market funds, overnight repurchase agreements, and/or marketable securities that can be sold to raise cash in one day's notice, to ensure that appropriate liquidity is maintained to meet ongoing obligations.

C. *Competitive Bids*

The investment officers shall obtain competitive bids from at least two brokers or financial institutions on all purchases of investment instruments purchased on the secondary market for consideration in excess of $15 million per purchase transaction.

Reporting

A. *Investment Reports*

The City Treasurer shall present to the City Council, the City Manager and the City's internal auditor monthly investment reports that include the content described in Government Code sections 53607 and 53646(b).

B. *Marking to Market*

For purposes of preparation of the investment reports, the market value of the portfolio shall be calculated. In defining market value, considerations should be given to the GASB Statement 31 pronouncement.

C. *Performance Standards*

The investment portfolio will be managed in accordance with the parameters specified within this statement of policies. The portfolio should obtain a market average rate of return during a market/economic environment of stable interest rates. A series of appropriate benchmarks shall be established against which portfolio performance shall be compared on a regular basis. The benchmarks shall be reflective of the actual securities being purchased and risks undertaken.

Policy Considerations

A. *Exemption*

Any investment currently held that does not meet the guidelines of this policy shall be exempted from the requirements of this policy, provided that the City Treasurer may take steps he or she deems appropriate to address non-compliant investments in the best interest of the City and pool participants. At maturity or liquidation, such monies shall be reinvested only as provided by this policy.

B. *Amendments*

This policy shall be reviewed annually by the investment officers. Any change must be approved by the City Treasurer, followed by review and consideration by the City Council pursuant to Section X of these policies.

City Council Consideration of Investment Policy

This policy shall be reviewed and considered by the City Council on an annual basis pursuant to Government Code section 53646(a)(2).

Miscellaneous

A. Statutory References

All statutory references cited in these policies shall refer to the statute as it may be amended or renumbered from time to time.

Measure U Financial Management

Scope: CITYWIDE

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Regulatory References
November 2012 Ballot Measure U

Measure U Financial Management Policy

1. PURPOSE

The City's Measure U Financial Management Policy documents the methods the City will use to demonstrate prudent financial management over Measure U tax revenue. The policy:

- Establishes a Measure U Reserve to address unanticipated revenue reductions and the transition that will occur upon the expiration of the tax;
    - Commits to allocating the additional Measure U resources, above the amount needed to fund the Measure U Reserve and to accommodate growth of already-funded Measure U programs, to one-time expenditures;
    - Prohibits using Measure U resources to increase General Fund non-Measure U employee compensation or to balance the General Fund budget;
- Requires performance audits by the City's external independent auditor in addition to the City's annual financial and compliance audits; and
- Requires development of a transition plan to address the expiration of the Measure U tax and the reduction or phase out of services funded by Measure U.

2. BACKGROUND

Voter approval of the City of Sacramento Essential Services Protection Measure (Measure U) in November 2012 authorized the implementation of a six-year, one-half cent transaction and use tax effective April 1, 2013, which expires on March 31, 2019. The objectives of Measure U are "to restore and protect essential safety services, including 9-1-1 response, police officers, gang/youth violence prevention, fire protection/emergency medical response, and other essential services including park maintenance, youth/senior services, and libraries…"

3. POLICY

3.1 Measure U Reserve

The City shall maintain a Measure U Reserve dedicated to mitigating the effects of unanticipated revenue reductions and the transition away from Measure U revenue upon the expiration of the tax on March 31, 2019. The Measure U Reserve shall be funded equal to the estimated Measure U program/service costs in FY2020/21 to provide time and adequate funding to phase out the use of Measure U funds.

3.2 Use of Measure U Resources

- Measure U revenue, above the amount needed to fund the Measure U Reserve and to accommodate growth of Council-authorized Measure U programs, will be allocated to one-time expenditures focused on investment in City infrastructure used to deliver Measure U programs/services.

- Measure U revenue shall not be allocated to fund new or expanded programs with ongoing costs after June 30, 2015, as the expiration of the tax measure in 2019 may require those new programs to be reduced or eliminated.

3.3 Prohibited Uses

Measure U resources shall not be used to increase General Fund non-Measure U employee compensation or to balance the General Fund budget, except where funds would provide for the protection of programs/services specifically included in the Measure U ballot language.

3.4 Transparency and Reporting

Measure U revenue and expenditures should be transparent to the City Council, the Measure U Citizens Oversight Committee, and Sacramento residents. In order to achieve this transparency, Measure U resources will be accounted for and reported separately in order to facilitate review by the Council and the Oversight Committee. In addition, the following information shall be available:

- The City's annual financial and compliance audit will include revenues and expenditures for the Measure U Fund.

- As requested by the Citizens Oversight Committee, the City shall engage its external independent auditors to conduct annual performance audits of Measure U spending by budget allocation.

3.5 Transition Plan

The City Manager will prepare a transition plan as part of the FY2018/19 Proposed Budget to address the expiration of the Measure U tax and the phase out of services funded by Measure U. The transition plan should reduce the reliance on Measure U resources over time by utilizing the Measure U Reserve and converting support for essential programs and services to any alternative sources of funding identified.

Other Post-Employment Benefits (OPEB)

Scope: CITYWIDE

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Purpose
Background
Policy

Effective: February 16, 2016

Other Post-Employment Benefits (OPEB) Policy

1. PURPOSE

In order to assure that the City's Other Post-Employment Benefits (OPEB) program is financially sustainable, the program should accumulate adequate resources in a systematic and disciplined manner over the active service life of benefitting employees. The City's OPEB Funding Policy documents the method the City will use to determine its actuarially determined contributions to fund the long-term cost of benefits to City employees and retirees. The policy also:

- Demonstrates prudent financial management practices;
- Promotes long-term and strategic thinking;
- Provides guidance in making annual budget decisions;
- Reassures bond rating agencies; and
- Demonstrates to employees and the public how OPEB will be funded to ensure adequate funding for negotiated benefits.

2. BACKGROUND

The City provides OPEB benefits to active employees hired before specific dates based on negotiated labor agreements and the unrepresented resolution. The City's OPEB benefits consist of a cash contribution benefit for retiree medical and dental benefits and subsidized premiums resulting from blending retirees and active employees in the same risk pool. For police and miscellaneous employees, the cash benefit amount is $300 per month for retirees only and $365 per month for retirees with dependents. Police employees hired after September 3, 2013, and miscellaneous employees hired after June 30, 2012, are not eligible for OPEB benefits. For fire employees hired before January 14, 2015, the cash benefit amount is the total of the lowest cost $25 co-pay health plan premium for one plus an additional 5.28 percent of that cost; the lowest cost PPO dental plan for one; and $25.

Fire employees hired on or after January 14, 2015, are eligible for a cash benefit amount up to $774 monthly from the date of retirement until the retiree reaches Medicare eligibility age, and up to $387 monthly from the date the retiree reaches Medicare eligibility. Fire employees pay $45 per month, with a City match of $45 per month, deposited to a separate trust fund to pay for the benefit.

The City's OPEB cash benefit is prorated based on years of service – 50 percent for employees with ten to fifteen years of service, 75 percent for employees with fifteen to twenty years of service and 100 percent for employees with twenty years of service or more.

Currently, the City has $363 million in underfunded long-term liabilities associated with retiree medical benefits from all funding sources, $309 million attributable to the General Fund. While the benefit was historically funded on a pay-as-you-go (pay-go) basis, paying only the actual cost of the benefit for retirees in the current fiscal year, financial accounting standards require the City to account for the benefit as if it were actuarially funded. If the City does not replace the current plan of pay-go combined with minimal contributions to the City's relatively new OPEB trust fund, the City's pay-go obligation will continue to grow, consuming resources that would otherwise pay for vital programs and services.

Consistent with best practices, in January 2013 Council authorized the establishment of an irrevocable trust with an initial General Fund investment of $2 million. Another $2 million was contributed to the trust in FY2013/14. The FY2014/15 and FY2015/16 approved budgets each included a $1 million contribution to the trust, bringing the total funding for the trust to $6 million. The approved FY2014/15 and FY2015/16 Budget Resolutions also included authority to direct available budgetary resources in the pension budget accounts at the end of the fiscal year to the OPEB Trust.

3. POLICY

3.1 OPEB Actuarially Determined Contribution (ADC)

The City will engage an OPEB actuary to determine the City's ADC based on biennial actuarial valuations. The ADC will include the normal cost for current service and amortization of the unfunded liability. The normal cost[1] will be calculated using the entry age normal cost method using appropriate economic and non-economic assumptions approved by the City.

The City will review the actuarial valuations to validate the completeness and accuracy of the employee census data and the reasonableness of the actuarial assumptions. Actuarial valuations involve estimates and assumptions about the probability of occurrence of events far into the future. Actuarially determined amounts are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future.

3.2 Funding the ADC

The City will continue to appropriate in the annual budget for contributions to the OPEB Trust and the pay-go costs of OPEB for current retirees, as well as use one-time savings in pension contributions to make additional contributions to the OPEB Trust.

1 Normal Cost – the current year cost of the program to provide the benefit for current employees in the future.

The City will fully fund the ADC within 10 years, or by Fiscal Year 2025-26, by reducing the gap between its current OPEB funding and the ADC with a combination of City contributions, employee contributions, and OPEB plan changes.

The City will achieve "full funding" of its OPEB plan within 30 years, or by Fiscal Year 2045-46, with a 20-year amortization of the unfunded liability after the 10-year ramp-up period. Full funding of the OPEB plan is defined as funding 100 percent of the accrued liability on an actuarial basis.

3.3 Transparency and Reporting

Funding of the City's OPEB should be transparent to all parties including City employees, retirees, recognized employee organizations, the City Council and Sacramento residents. In order to achieve this transparency, the following information shall be available:

a. Copies of the biennial actuarial valuations for the City's OPEB plan shall be made available to the City Council.
b. The City's Comprehensive Annual Financial Report shall be published on its website. This report includes information on the City's OPEB plan, contributions to the OPEB Trust, and the funded status of the plan.
c. The City's annual operating budget shall include appropriations for contributions to the OPEB Trust and pay-go costs.

3.4 Review of Funding Policy

Funding OPEB requires a long-term plan. The City will review this policy at a minimum biennially, coincident with preparation of the actuarial valuations, to determine if changes to this policy are necessary to ensure adequate resources are being accumulated to fund OPEB benefits.

Pension Funding

Scope: CITYWIDE

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3. Policy
   3.1 CalPERS ADC
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   3.3 Transparency and Reporting
   3.4 Review of Funding Policy

Regulatory References

Council Motion 2015-0095 (May 5, 2015)
CalPERS
SCERS

Pension Funding Policy

1. PURPOSE

The City's Pension Funding Policy documents the method the City will use to determine its actuarially determined contributions to fund the long-term cost of benefits to the plan participants and annuitants. The policy also:

- Provides guidance in making annual budget decisions;
- Demonstrates prudent financial management practices;
- Reassures bond rating agencies; and
- Shows employees and the public how pensions will be funded.

2. BACKGROUND

The City provides defined benefit retirement benefits through the California Public Employees' Retirement System (CalPERS) and the Sacramento City Employees' Retirement System (SCERS). CalPERS is a multiple-employer public employee defined benefit pension plan. SCERS is a single-employer defined benefit pension plan.

All full-time and certain part-time City employees hired after January 28, 1977 and City safety employees, regardless of date of hire, are eligible to participate in CalPERS. CalPERS provides retirement and disability benefits, annual cost of living adjustments and death benefits to plan members and their beneficiaries. CalPERS acts as a common investment and administrative agent for participating public entities within the State of California. Benefit provisions and all other requirements are established by state statute and City ordinance.

All full-time, non-safety employees hired before January 29, 1977, were eligible to participate in SCERS. SCERS provides retirement and disability benefits, annual cost of living adjustments and death benefits to plan members and beneficiaries. Benefit provisions and all other requirements are established by the City Charter.

The financial objective of a defined benefit pension plan is to fund the long-term cost of benefits provided to the plan participants. In order to assure that the plan is financially sustainable, the plan should accumulate adequate resources in a systematic and disciplined manner over the active service life of benefitting employees. This funding policy outlines the method the City will utilize to determine its actuarially determined contributions to fund the long-term cost of benefits to the plan participants and annuitants.

Pension Funding: A Guide for Elected Officials, issued by eleven national groups including the U.S. Conference of Mayors, the International City/County Management Association, and the Government Finance Officers Association, established the following five general policy objectives for a pension funding policy:

1. **Actuarially Determined Contributions.** A pension funding plan should be based upon an actuarially determined contribution (ADC) that incorporates both the cost of benefits in the current year and the amortization of the plan's unfunded actuarial accrued liability.

2. **Funding Discipline**. A commitment to make timely, actuarially determined contributions to the retirement system is needed to ensure that sufficient assets are available for all current and future retirees.

3. **Intergenerational equity**. Annual contributions should be reasonably related to the expected and actual cost of each year of service so that the cost of employee benefits is paid by the generation of taxpayers who receives services from those employees.

4. **Contributions as a stable percentage of payroll**. Contributions should be managed so that employer costs remain consistent as a percentage of payroll over time.

5. **Accountability and transparency**. Clear reporting of pension funding should include an assessment of whether, how, and when the plan sponsor will ensure sufficient assets are available for all current and future retirees.

3. POLICY

3.1 CalPERS ADC

CalPERS actuaries will determine the City's ADC to CalPERS based on annual actuarial valuations. The ADC will include the normal cost for current service and amortization of any under-funded amount. The normal cost will be calculated using the entry age normal cost method using economic and non-economic assumptions approved by the CalPERS Board of Administration.

The City will review the CalPERS annual actuarial valuations to validate the completeness and accuracy of the member census data and the reasonableness of the actuarial assumptions.

3.2 SCERS ADC

The City will determine its ADC to SCERS using the following principles:

a. The ADC will be calculated by an enrolled actuary and will include the normal cost for current service and amortization to collect any under-funded amount.

b. The normal cost will be calculated using the entry age normal cost method using the following assumptions:

i. Economic assumptions such as the investment rate of return and average salary increase will be reviewed with the actuary to confirm reflection of the best anticipated experience.

ii. Non-economic assumptions, such as rates of separation, disability, retirement, mortality, etc. shall be determined by City management in consultation with the actuary to reflect current experience.

c. The un-funded actuarial accrued liability, or the difference between the accrued liability and actuarial value of assets, will be amortized over a declining number of years given the closed status of the plan.

d. The actuarial value of assets will be determined using a 3-year smoothed market value to minimize volatility of the City's ADC.

e. The City's ADC to SCERS will be stated in an annual contribution amount, rather than as a percentage of pay, given the closed status of the plan.

3.3 Transparency and Reporting

Funding of the City's pension plans should be transparent to vested parties including plan participants, annuitants, the SCERS Administrative, Investment, and Fiscal Management (AIFM) Board, the City Council and Sacramento residents. In order to achieve this transparency, the following information shall be available:

a. Copies of the annual actuarial valuations for the City's CalPERS plans shall be made available to the City Council.

b. A copy of the annual actuarial valuation for SCERS shall be made available to the City Council and the SCERS AIFM Board.

c. The City's Comprehensive Annual Financial Report shall be published on its website. This report includes information on the City's annual contributions to the pension systems and their funded status.

d. The City's annual operating budget shall include the City's contributions to SCERS and CalPERS.

3.4 Review of Funding Policy

Funding a defined benefit pension plan requires a long-term horizon. As such, the City will review this policy at least every five years to determine if changes to this policy are needed to ensure adequate resources are being accumulated.

Risk Management Funding and Reserve Policy

Scope: CITYWIDE

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1. Purpose
2. Background
3. Policy

Regulatory References

Motion: 2015-0094 (May 15, 2015)

Risk Management Funding and Reserve Policy

1. PURPOSE

The City's Risk Management Funding Policy documents the City's approach to providing adequate financial resources to fund the City's General and Auto Liability and Workers Compensation Programs and establishing and maintaining adequate reserves in the Risk Management Internal Service Fund.

2. BACKGROUND

The City has been self-insured for workers' compensation and for general and auto liability since 1971 and 1976, respectively. The General and Auto Liability and Workers Compensation Programs charge City Departments and funds for the costs of providing for claims, as well as for the cost of administering the claims.

3. POLICY

(a) In order to methodically and consistently measure the City's projected claims, the City will contract with a professional outside actuary to prepare annual actuarial valuation reports for both categories of claims. Program funding will be based on the annual actuarial valuation reports.

(b) The City's funding policy will provide program funding at the 80 percent confidence level, including recognition of anticipated investment income. Confidence level is used by actuaries to determine the realistic possibilities that a given funding rate will be sufficient to cover all claims that might be incurred in any one program year. An 80 percent confidence level indicates that the funding rate should be adequate eight out of 10 years.

(c) The City shall maintain a Risk Management Reserve dedicated to mitigation of the risk of loss arising from potential claims and lawsuits against the City for general and auto liability as well as workers' compensation claims. The Risk Management Reserve shall be funded at the following levels:

General and Auto Liability – In addition to annual funding of projected claims at the 80 percent confidence level, the City shall maintain a reserve equal to two Self-Insured Retention allotments.

Workers' Compensation – In addition to annual funding of projected claims at the 80 percent confidence level, the City shall maintain a reserve equal to two SIR allotments.

If the SIR amount changes in future years, the two SIR allotments will continue to be the reserve requirement for both programs.

If either program maintains a balance above the minimum funding and reserve requirement, the excess reserves will be used to subsidize City contributions over a 1-5 year period depending upon the amount of the excess and the City's economic condition.

If either program has excess claims requiring additional contributions to the fund, the City will increase contributions over a 1-3 year period depending on the amount of the shortfall and the City's economic condition to get to the minimum funding and reserve requirement.

If one program has excess reserves and the other program has a shortfall, transfers between programs may be implemented to reduce or eliminate the program shortfall.

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SECTION – 27
Resources

Glossary

Account - The primary accounting field in the budget used to describe the type of the financial transaction**.**

Actual - Actual level of expenditures/FTE positions approved for fiscal year as noted.

Amended - Level of expenditures/FTE positions reflecting adjustments made during the current fiscal year.

Appropriation - An authorization by the Council, which permits officials to incur obligations and expend City resources, for a specific purpose within a fiscal year.

Assessment - Revenue collected for City services that benefit properties in specific areas or districts.

Assessment District - A separate local government agency formed to provide specific services. Property owners within the Assessment District boundary pay the district in proportion to the benefits or services they receive.

Balanced Budget - The amount of budgeted expenditures is equal to or less than the amount of budgeted revenues plus other available resources.

Beginning/Ending Fund Balance - Unencumbered resources available in a fund from the prior/current year after payment of the prior/current year's expenses. Not necessarily cash on hand (also refer to Fund Balance).

Budget - An annual financial plan consisting of Proposed/Approved expenditures for specified purposes and the Proposed/Approved means of financing them.

California Public Employees' Retirement System (CalPERS) – The nation's largest public pension fund, providing health and retirement benefits to more than 1.6 million state, public school, and local public agency employees, retirees and their families. The City contracts for retirement benefits only.

Capital Assets - Capital assets include land, improvements to land, easements, buildings, building improvements, vehicles, machinery, equipment, works of art and historical treasures, infrastructure, and all other tangible or intangible assets that are used in operations and that have initial useful lives extending beyond a single reporting period (fiscal year).

Capital Improvement - A specific undertaking involving procurement, construction or installation of facilities or related equipment that improves, preserves, enhances or modernizes the City's provision of municipal services, has a useful life of at least five years, and costs in excess of $20,000. CIPs may include construction or major repair of City buildings and facilities such as streets, roads, storm drains, traffic signals, parks, community centers, etc.

Capital Improvement Program (CIP) - An ongoing five-year plan of single and multiple-year capital expenditures which is updated annually.

Carryover - Appropriated funds remaining unspent at the end of the fiscal year, which are allowed to be retained by the project to which they were appropriated so that they may be expended in the next fiscal year.

Charter Offices - City Attorney, City Clerk, City Manager, and City Treasurer.

Citywide and Community Support - Program costs that do not relate to any one department, but represent costs of a general citywide nature, such as debt service.

Combined Sewer System (CSS) - Sewers that are designed to collect rainwater runoff, domestic sewage, and industrial wastewater in the same pipe. Combined sewer systems transport their wastewater to a sewage treatment plant, where it is treated and then discharged to a water body.

Community Facilities District (CFD): The Mello-Roos Act (1982) allows any county, city, special district, school district, or joint powers authority to establish a CFD that allows for financing of public improvements (e.g., sewers, streets) and services. To establish a CFD, voters within the district must approve its creation by two-thirds.

Debt Financing - Issuance of bonds and other debt instruments to finance municipal improvements and services.

Debt Service - The costs of paying the principal and interest on borrowed money according to a predetermined payment schedule.

Department - "Department" refers to the Council; City Manager; City Attorney; City Auditor, City Clerk; City Treasurer; Convention and Cultural Services; Community Development; Finance; Fire; General Services; Human Resources; Information Technology; Police; Public Works; Utilities; Youth, Parks, & Community Enrichment; Capital Improvement; Debt Service; Citywide and Community Support; and Reserves.

Dept ID - A sub-unit of a department or division.

Division - A roll-up of units within a department. There are one or more units within a division.

Employee Services - The personnel costs of a City program, including wage/salary, direct and indirect benefits, such as health insurance, social security costs, retirement contribution, workers' compensation, unemployment insurance, etc.

Enterprise - A governmental facility or service that is self-supporting through fee and charge revenue.

Enterprise Funds - These funds are used to account for operations for which it is the stated intent that costs of providing services to the general public on a continuing basis be financed or recovered primarily through user charges and space rentals, e.g., Water Fund, Wastewater Fund (also known as the Sewer Fund), etc.

Equipment - Capital outlay for tangible property of a relatively permanent nature, such as vehicles or equipment with a unit cost of $20,000 or more.

Expenditure Class - A roll-up of accounts: employee services, services and supplies, property, debt service, and interdepartmental transfers.

Expenditure/Requirement - The actual spending of funds authorized by an appropriation. Expenditures are divided into the following "classes" of individual line items:

- Employee Services
- Services and Supplies
- Equipment
- Debt Service
- CIP or Grant Labor Offset
- Capital Improvements

Externally Funded Program - Program revenues provided by external agencies which are restricted to a specified purpose.

Fiscal Year (FY) - A time period designated by the City signifying the beginning and ending period for recording financial transactions. Sacramento has a fiscal year from July 1 through June 30, referred to as FY2019/20 or FY20.

Full-Time Equivalent (FTE) - A unit indicating the workload of a position in order to distinguish workloads comparable to a full-time position. An FTE of 1.0 means that the position is equivalent to a full-time workload; while an FTE of 0.50 signals that the position is only half-time.

Fund - A group of related accounts used to maintain control over resources that have been segregated for specific activities or objectives.

Fund Balance - The total dollars remaining after current expenditures for operations and capital improvements are subtracted from the sum of the beginning fund balance and current resources.

General Fund - The City's principal operating fund, which is supported by taxes and fees and which, generally, has no restrictions on its use. Expenditures may be described as discretionary and non-discretionary.

- Discretionary - That portion of the General Fund for which there are no restrictions on the use of the fees or taxes collected.

- Non-discretionary - Expenditure of revenues which are collected by users of a program to offset the cost of the program. State law requires that fees charged cannot exceed the cost of the service.

Grant - Contributions of cash or other assets provided by external agencies, which are restricted to a specific purpose, have a time limit for use, and frequently are reimbursed after incurring eligible costs.

Growth Rate - Level at which expenditures and revenues are expected to increase annually.

Impact - Effects on the service level provided by a particular program due to budget changes.

Indirect Costs - Those elements of cost necessary in the performance of a service that are not readily identified to the unit of service, such as administration, supplies, etc.

Internal Service Fund (ISF) - An ISF provides services to all City Departments and bills the various other funds for services rendered. ISFs are self-supporting. Only the expenditure by the ISF is counted in budget totals; the internal transfer from the department to the ISF is excluded to avoid double-counting expenditures.

Internal Service Fund Transfer - A transfer from operating funds to an ISF, e.g., Risk Management or Fleet Management.

Labor/Supply Offset (CIP/Grant/Labor) - Amounts for employee salaries and benefits expected to be charged to a CIP or grants, thus reimbursing the operating budget for these costs.

Measure U Fund – This fund was established to account for revenues collected from the transactions and use tax voted in on November 6, 2018 and takes effect on April 1, 2019. Measure U was approved as a general tax and can be used for any general government purpose. This one-cent tax is charged on each dollar of taxable sales of goods purchased from retailers within the City of Sacramento, and on the taxable storage, use, or consumption of goods purchased outside the City and delivered to a location within the City.

Operating Budget - Annual appropriation of funds for ongoing program costs, including employee services, other services and supplies, equipment, and debt service.

Operating Transfers - Moving dollars from a fund receiving revenue to a fund which will expend the resources.

Ordinance - A law or regulation made by a city or town government.

Other Governmental Funds - These funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specific purposes, e.g., Gas Tax Fund, Traffic Safety Fund, Operating Grant fund.

Other Post-Employment Benefits (OPEB) - Benefits that an employee will begin to receive at the start of retirement, not including pension benefits.

Proposition 218 - Passed by California voters in 1996. It specifies requirements for how utility rates for water, sewer, drainage, and solid waste services are set and how the funds generated by those rates are used. Some of the requirements of Proposition 218 include:

- Holding a public hearing prior to any rate changes for water, sewer, drainage, or solid waste services and notifying rate payers of that hearing via mail at least 45 days in advance.

- Using funds generated by a particular rate, such as water rates, for water operations and projects.

Resolution - A formal declaration by Council.

Resources - Total dollars available for appropriation during the fiscal year, including estimated revenues, fund transfers, and beginning fund balances.

Revenues - Income received from seven categories:

- Taxes - Revenue including sales tax, property tax, utility user tax, etc., collected to fund general operating City programs.
- Charges for Fees and Services - Fees charged to the user of any specific service provided by the City not supported by the General Fund. The fee cannot exceed the cost of providing the service.
- Licenses and Permits - Revenues collected for construction, maintenance, and/or operation of designated equipment, businesses, buildings, and private property including animals.
- Use of Money and Property - Interest earned on City investments or county-held funds.
- Inter-Governmental - Revenue disbursements from other agencies, such as State Motor Vehicle In-Lieu Tax and State Homeowners Property Tax Relief, and revenue reimbursement for services provided to other agencies.
- Fines, Forfeitures, and Penalties - Revenues collected for violations of City ordinances, late payments, etc.
- Miscellaneous Revenues - Revenues not categorized above.

Revenues can also be classified as operating or non-operating in the enterprise activities. Operating revenues are directly related to the fund's primary service activity and consist primarily of user fees and charges. Non-operating revenues are incidental to, or by-products of the enterprise's primary service, such as interest income or the Transient Occupancy Tax for the Community Center Fund.

Services and Supplies - Costs of contractual or outside services, office supplies, and equipment.

Special Revenue Funds - These funds are used to account for activities supported by specific taxes or other revenue sources. These funds are generally required by statute, charter, or ordinance to finance specific government functions.

Successor Agency - Pursuant to operation of California state law, the Redevelopment Agency was dissolved. Effective February 1, 2012, former activities and affairs of the Sacramento Redevelopment Agency were transformed to the City of Sacramento as the Successor Agency. The Successor Agency is authorized by law to accept and maintain the legal title, custody and dominion of records that were created by another agency.

Surplus - An excess of total current resources over total current requirements.

Total City Budget - The City's total fiscal year expenditure budget (operating and capital) as approved by the Council.

Trust Funds - These funds are used to account for assets and activities restricted to a specific purpose in accordance with a trust agreement, e.g., Ethel MacLeod Hart Trust Fund.

User Charges/Fees - The payment of a fee for direct receipt of a public service by the party benefiting from the service.

Variance - Change in expenditures or staffing levels between fiscal years.

ACRONYMS

AB	Assembly Bill
ABCDs	Automated Bid, Contracts, and Digital Signatures
ACH	Automated Clearing House
ADA	Americans with Disabilities Act
ALF	American Leadership Forum
ALS	Advanced Life Support
ARRA	American Recovery and Reinvestment Act
ASES	After School Education and Safety
AWMP	Accelerated Water Meter Program
AWWA	American Water Works Association
BID	Business Improvement District
BOT	Business Operations Tax
BWC	Body Worn Camera
CAA	Cultural Arts Awards
CalPERS	California Public Employees' Retirement System
CASH	Community Against Sexual Harm
CCM	Citywide Content Management
CCOMWP	City/County Office of Metropolitan Water Planning
CCR	Consumer Confidence Report
CCS	Convention and Cultural Services
CE	Cultural Equity
CEQA	California Environmental Quality Act
CFD	Community Facilities District
CIP	Capital Improvement Program or Project
CIRBs	Capital Improvement Revenue Bonds
CIS	Customer Information System
CIT	Crisis Intervention Training
CNG	Compressed Natural Gas
CO2e	Carbon Dioxide equivalent
COPS	Community Oriented Policing
CORE	Cannabis Opportunity Reinvestment and Equity
CPI	Consumer Price Index
CRCIP	Community Reinvestment Capital Improvement Program
CRS	Community Rating System
CSUS	California State University Sacramento
DACs	Disadvantaged Area Communities
DDW	Department of Drinking Water
DMAs	District Metered Areas
DOE	Department of Education
DOU	Department of Utilities
DSCR	Development Stabilization Contingency Reserve
DWR	Department of Water Resources
eCAPS	Electronic Citywide Accounting and Personnel System

EEO	Equal Employment Office
EGUSD	Elk Grove Unified School District
EIR	Environmental Information Regulation
ELAP	Environmental Laboratory Accreditation Program
EMS	Emergency Medical Services
EOC	Emergency Operations Center
ERP	Enterprise Resources Planning
EUR	Economic Uncertainty Reserve
EVOC	Emergency Vehicle Operations Course
FDIC	Federal Deposit Insurance Corporation
FEC	Financial Empowerment Center
FEMA	Federal Emergency Management Agency
F.O.C.A.S.	Friends of the City's Animal Shelter
FTE	Full-time equivalent
FUEL	Family, Unity, Education, and Legal Network
FY	Fiscal Year
G1C	Golden 1 Center
GARE	Government Alliance on Race and Equity
GASB	Governmental Accounting Standards Board
GL&AL	General Liability and Auto Liability
G/MU	General and Measure U
HR	Human Resources
ICMA	International City/County Management Association
IRS	Internal Revenue Service
ISA	International Society of Arboriculture
IT	Information Technology
JPA	Joint Powers Agreement
kg	Kilogram
kWh	Kilowatt hour
LAFCo	Sacramento Local Agency Formation Commission
LDI	Liability Driven Investment
LPRs	License Plate Readers
MG	Million Gallons
MICC	Mobile Incident Command Center
MOE	Maintenance of Effort
MOFIE	Mayor's Office of Innovation and Entrepreneurship
MYOP	Multi-year Operating Project
NRW	No-Revenue Water
OPEB	Other Post-Employment Benefits
OES	Office of Emergency Services
OEG	Office of Economic Growth
PARCS	Parking Access and Revenue Control System
PBIDs	Property and Business Improvement Districts
PCI	Payment Card Industry
PCI DSS	Payment Card Industry Data Security Standard

PCR	Patient Care Reports
PD	Police Department
PEPRA	Public Employees' Retirement System
PG&E	Pacific Gas and Electric
PODs	Police Observation Devices
POP	Problem Oriented Policing
POST	Police Officers Standard and Training
PPE	Personal Protective Equipment
PPP	Public-Private Partnerships
PRAs	Public Records Act
RAILS	Rapid Acceleration, Innovation & Leadership
RASA	Redevelopment Agency Successor Agency
SAFER	Staffing for Adequate Fire & Emergency Response Grants
SAMS	Software Asset Management System
SAVSA	Sacramento Abandoned Vehicle Service Authority
SCADA	Supervising Control and Data Acquisition
SCERS	Sacramento City Employees' Retirement System
SCMS	Security Camera Monitoring System
SCUSD	Sacramento City Unified School District
SCVB	Sacramento Convention and Visitors Bureau
SCXEA	Sacramento City Exempt Employees Association
SHRA	Sacramento Housing and Redevelopment Agency
SMAC	Sacramento Metropolitan Arts Commission
SMHST	Sacramento Museum of History, Science, and Technology
SMUD	Sacramento Municipal Utility District
SPCA	Society for the Prevention of Cruelty to Animals
SPLA	Sacramento Public Library Authority
SRF	State Revolving Fund
START	Students Today Achieving Results for Tomorrow
SURA	Sacramento Utility Rate Assistance
SUV	Sport Utility Vehicle
SWAT	Special Weapons and Tactics
SWRCB	State Water Resources Control Board
TOT	Transient Occupancy Tax
UAL	Unfunded Accrued Liability
UAS	Unmanned Aerial System
UUT	Utility User Tax
VMT	Vehicle Miles Traveled
WC	Workers' Compensation
WIOA	Workforce Investment Act/Youth Development Program
YPCE	Youth, Parks, and Community Enrichment

28

SECTION – 28
Resolution

RESOLUTION NO. 2019-XXXX

Adopted by the Sacramento City Council

June XX, 2019

Approving the Fiscal Year 2019/20 Operating and Capital Improvement Program Budgets for The City of Sacramento

BACKGROUND

A. The City Manager is required to present a balanced budget to the Mayor and City Council no less than 60 days prior to the beginning of each fiscal year pursuant to Article IX, Section 111 of the City Charter.

B. The City of Sacramento, through the leadership and direction of the Mayor and City Council, has maintained a sustainable budget philosophy. Given this concept of fiscal sustainability, the Council adopted the following core budget policies and budget guidelines on February 14, 2017 (Resolution 2017-0078):

Core Budget Policies

1. City Council must adopt a balanced budget.
2. Funding decisions should be consistent with Council adopted policies.
3. The Economic Uncertainty Reserve shall be maintained at a minimum of 10% of budgeted General Fund revenues. Resources shall be added to maintain this level through the budget and midyear processes as necessary.

Budget Guidelines

1. Maintain a fiscally sustainable, balanced budget.
2. The Mayor and Council's priorities, based on community input, should drive the budget creation.
3. Continue a community-based budget process where city residents are engaged and educated on budget processes and provide feedback on budget priorities.
4. Look for ways to grow the reserve beyond its current goal.
5. All budget actions must be considered in a five-year context, with new revenues not counted or spent until realized. One-time resources should be used for one-time needs, not ongoing expenses.
6. Do not make spending decisions in isolation. Avoid spending money on one-off projects or without looking at the big picture. Understand long-term consequences and opportunity costs.

7. Keep Council informed on the fiscal condition of the City and conduct continuous evaluations for efficiencies and effectiveness.
8. The City must consistently look for opportunities to proactively grow revenues instead of simply being reactive.
9. Make every effort to identify private financing or federal and state grant opportunities before using City resources. Pursue new and enhance existing revenue sources.
10. Before new expenditures are made, identify return on investments and impacts; fiscal and social benefits.
11. Address unfunded long-term liabilities.
12. Remain a full-service City.

C. The FY2019/20 Approved Operating Budget and the 2019-2024 Approved Capital Improvement Program (CIP) (which includes the FY2019/20 CIP Budget) are consistent with City Charter requirements and Council's adopted Core Budget Policies and Budget Guidelines.

D. The Mayor and City Council conducted hearings during the months of April through June 2019 related to the adoption of the City's FY2019/20 Operating and CIP Budgets.

BASED ON THE FACTS SET FORTH IN THE BACKGROUND, THE CITY COUNCIL RESOLVES AS FOLLOWS:

A. The Budget Changes attached as Exhibit A, the Summary of FTE attached as Exhibit B, and the Measure U Programming attached as Exhibit C are hereby approved.

B. The FY2019/20 Operating and CIP Budgets (collectively the "Approved Budget"), as defined in Section 2.1, are hereby approved.

C. The 2019-2024 CIP, which provides a comprehensive five-year plan for the City's capital project expenditures, is hereby approved.

D. Sections 1 through 17 below, which define the authority and responsibilities of the City Manager in implementing the Approved Budget, are hereby approved.

E. The City Manager is authorized to incorporate final decisions of the City Council, and refine/add content, as may be needed to meet Government Finance Officers Association (GFOA) and California Society of Municipal Finance Officers (CSMFO) budgeting award requirements into the Proposed Operating and CIP Budgets to create the FY2019/20 Approved Budget.

F. The attached Exhibits A through E, inclusive, are part of this resolution.

SECTION 1. SCOPE

1.1 This resolution defines the authority and responsibilities of the City Manager in implementing the Approved Budget of the City of Sacramento and supersedes Resolution 2018-0235.

SECTION 2. DEFINITIONS

2.1 "Approved Budget" consists of the following documents:

(1) The Approved Operating Budget ("Operating Budget"), which is attached as Exhibit D and reflects the FY2019/20 Proposed Operating Budget, as amended by the City Council to incorporate the approved Budget Changes attached as Exhibit A, Summary of FTE attached as Exhibit B, and Measure U Programming attached as Exhibit C; and

(2) The Approved CIP Budget ("CIP Budget"), which is attached as Exhibit E and reflects the FY2019/20 Proposed CIP Budget, as summarized in Schedule 4 of the FY2019/20 Operating Budget and detailed in the 2019-2024 CIP, as amended by the City Council to incorporate the Proposed CIP and the Budget Changes attached as Exhibit A.

2.2 "Base Budget" is the current year budget modified pursuant to labor agreements, one-time expenditures, citywide changes, and midyear changes.

2.3 "Budget Categories" reflect internal reporting structures based on established budgets:

(1) "Department" represents major budgetary groupings such as: Mayor and City Council; City Manager; City Attorney; City Auditor; City Clerk; City Treasurer; Convention and Cultural Services; Community Development; Finance; Fire; Human Resources; Information Technology; Police; Public Works; Utilities; Youth, Parks, and Community Enrichment; Projects; Debt Service; Citywide and Community Support; and Fund Reserves.

(2) "Dept ID" represents an organizational sub-unit within a Department.

(3) "Division" represents a roll-up of Dept IDs within a Department.

(4) "Account" is the primary accounting field in the budget used to describe the nature of the financial transaction.

(5) "Expenditure Class" is a categorical grouping of individual similar accounts for purposes of reporting expenditures (Employee Services, Other Services and Supplies, Property, Debt Service, Labor/Supply Offset, Contingency, and Operating Transfers).

2.4 “City Manager” means the City Manager or, if so designated, the Director of Finance.

2.5 “Current Budget” is the FY2018/19 Approved Budget, incorporating any subsequent appropriation increases, decreases, or transfers and adjustments as approved by the City Council or City Manager, as appropriate.

2.6 “Full Time Equivalent” (FTE) means the decimal equivalent of a position, e.g., one full-time position is 1.00 FTE and one quarter-time position is 0.25 FTE.

SECTION 3. AUTHORIZED STAFFING AND APPROPRIATIONS

3.1 The City Manager is authorized to make any expenditure and resource adjustments to the Operating Budget based on final City Council action to adopt the Operating Budget.

3.2 The City Manager is authorized to establish the appropriations and FTE as shown is Schedules 1A, 1B, 1C, 1D, and fund summaries, including transfers as shown on Schedules 2A and 2B, as displayed in Exhibit D.

3.3 The City Manager is authorized to modify FTE classifications by department as necessary to implement the reclassifications and studies authorized by Schedule 8, as displayed in Exhibit D.

3.4 The City Manager is authorized to revise any appropriation made in the Approved Budget where the revision is of a technical nature and is consistent with City Council intent.

3.5 The City Manager is authorized to adjust any appropriation made in the Approved Budget to reflect changes from amounts budgeted for updated labor (for example: changes in retirement rates, payroll taxes, health benefits), fleet (including accident recovery costs), utilities, 311 Call Center (reimbursements based on call data), cost plan, and risk management changes, from available fund balance or reserves for the respective funds.

3.6 Following budget approval, the City Manager is authorized to revise indirect cost rates to be applied to hourly salary rates in order to achieve full cost recovery of services and is authorized to adjust the Operating Budget to reflect the indirect cost rate plan for FY2019/20.

SECTION 4. APPROPRIATION INCREASES/DECREASES

4.1 All appropriation changes (increases or decreases) in excess of $100,000 to the Approved Budget shall be approved by resolution of the City Council.

4.2 The City Manager is authorized, upon completion of the audited financial statements for FY2018/19, to adjust FY2019/20 fund contingencies by the amount of net changes in available fund balance. The available fund

balance in the General Fund shall be included and explained in the report to City Council accompanying the Comprehensive Annual Financial Report (CAFR).

4.3 Residual balances from unexpended debt proceeds will be reverted to the appropriate fund and utilized for the legal purposes as specified in the conditions of the debt issuance. The City Manager is authorized to establish appropriations and account for the expenditure of these unexpended proceeds.

SECTION 5. STAFFING CHANGES

5.1 Any increase or decrease in FTE by department or by fund as authorized in the Operating Budget, by subsequent approval of the City Council, or by the City Manager in accordance with this resolution, is subject to approval by the City Council except for renewals or expansion of fully-offset grants or externally funded programs (EFP) as specified in Section 5.2.

5.2 The City Manager is authorized to adjust staffing levels for renewals, expansions, or reductions to fully offset City Council approved operating grants or EFP. Grant/EFP positions shall be terminated upon completion or cancellation of the grant/EFP, unless specifically continued by a resolution that includes a source of replacement funding. Any existing positions which were approved based on the assumption of the City receiving a grant or other reimbursements must have continued funding verified prior to filling the position.

5.3 Any reassignment of authorized FTE and employee services funding associated with the FTE, within a department and within the same fund, may be made at the discretion of the department director with the approval of the City Manager as long as there is no net change to authorized FTE and funding levels.

5.4 The City Manager is authorized to modify authorized FTE classification(s) as necessary to reflect current incumbent status based on the established flexibly staffed classifications included in Council-approved labor contracts.

5.5 All new job classifications or classification changes (as identified in Exhibit D, Schedule 8) are subject to classification review and approval by the Director of Human Resources.

5.6 The City Manager is authorized to adjust staffing levels in the Police and Fire Training Academies based on projected vacancies.

5.7 The Director of Human Resources is authorized to establish non-budgeted positions (NBP) for:

(1) Mayor and Council Offices to be funded from their existing operations budgets.

(2) Departments as needed to reflect current staffing needs. Departments must have sufficient labor savings to cover the cost of NBP and each NBP shall not be used for more than one year. Departments will seek budget authority to convert NBP to authorized FTE positions or the NBP will be eliminated during the budget process.

SECTION 6. ECONOMIC UNCERTAINTY RESERVE (EUR) POLICIES AND TRANSFERS FROM CONTINGENCY/RESERVE FUNDS

6.1 The City Council adopted EUR Policy (April 26, 2016 – Motion 2016-0440) established a minimum reserve level equal to 10% of annual General Fund revenues and a target reserve level equal to two months of regular ongoing General Fund expenditures, including transfers (17% of General Fund expenditures). Resources to fund this reserve will be identified on an ongoing basis and can include positive year-end results or other one-time resources available to the General Fund.

6.2 The General Fund EUR is maintained to bridge the gap between projected revenue and expenditures during periods of significant revenue declines and/or expenditure growth. Consistent with Governmental Accounting Standards Board Statement No. 54 (Fund Balance Reporting and Governmental Fund Type Definitions), Council adopted parameters for using the EUR are as follows:

(1) The City Manager may recommend a release from the EUR when the gap between projected revenue and expenditures is greater than $1 million in the proposed budget.

(2) Any release from the EUR must be approved by the City Council.

(3) These parameters may only be changed by resolution of the City Council.

6.3 The City Manager is authorized to make appropriation changes (increases or decreases) not exceeding $100,000 by fund from available fund balance. Appropriation changes (increases and decreases) in excess of $100,000 must be approved by the City Council, except for payments to employees for vacation and sick leave payouts, which may be approved by the City Manager.

6.4 The City Manager is authorized to make appropriation changes (increases or decreases) not exceeding $100,000 to any department or project from Administrative Contingency established in the General Fund. Appropriation changes (increases and decreases) in excess of $100,000 to the department or project must be approved by the City Council.

6.5 Transfers shall not be made from available fund balance or Administrative Contingency if the transfer will result in a negative balance.

6.6 Use of committed fund balance reserves must be approved by resolution of the City Council.

6.7 The City Manager is authorized to make annual loan payments to the Risk Fund from the Community Center Fund subject to the availability of funds. As of June 30, 2018, the balance of the Risk Fund loan to the Community Center Fund totaled approximately $5.7 million.

SECTION 7. OTHER APPROPRIATION TRANSFERS

7.1 Operating appropriation transfers within the same department and same fund, including the department's established fleet multi-year operating project, must be approved by the City Manager.

7.2 Appropriation transfers between two or more departments, up to and including $100,000, must be approved by the City Manager. Such transfers in excess of $100,000 must be approved by resolution of the City Council.

SECTION 8. UNSPENT AND UNENCUMBERED APPROPRIATIONS

8.1 Each fiscal year, after any adjustments specifically provided for in other sections of this resolution, all appropriations in the Operating Budget that remain unspent and unencumbered (unobligated) on June 30, shall revert to the available fund balance of the respective funds. Any budgetary surplus in the General Fund, determined as part of the fiscal year-end close process, will be reported in the CAFR as Assigned for Next Year's Budget, Unassigned, or as specifically directed below or in a subsequent resolution. In the event there is not a budgetary surplus in the General Fund at year-end, the City Manager shall suspend the General Fund transfers and carryovers authorized in this section.

8.2 All unrealized investment gains determined as part of the fiscal year-end close process will be reported in the CAFR as Assigned for Unrealized Investment Gains as the resources are not available for appropriation.

8.3 Each fiscal year, all purchase order commitments outstanding on June 30, and associated appropriations, are hereby continued.

8.4 Each fiscal year, unobligated appropriations in existence on June 30, for the City Council operations budget shall be carried over to the next fiscal year.

8.5 Each fiscal year, unobligated General Fund appropriations in existence in the Arts Stabilization budget (80001065) on June 30, shall be transferred to the Art in Public Places Maintenance Program (I17000500), provided that the department has positive net year-end General Fund results.

8.6 The Rental Housing Inspection Program Fees have been established to recover the costs of the program. Excess revenues for this program, provided the full cost of the current year operations for this program have

been recovered, will be committed to fund a reserve equal to one year's revenue budget for this program.

In the event that these operations don't achieve the budgeted revenues, resources shall be transferred from the commitment of fund balance for the Rental Housing Inspection Program to cover any budgeted shortfalls.

8.7 Each fiscal year, revenues in excess of budget in Building Inspection, Building Plan Check, Customer Service/Permit Counter, and Planning Operations areas of the Community Development Department, provided that the net year-end results (revenue and expenditure budget variance) of the department are positive, shall be transferred to the Development Stabilization Contingency Reserve (DSCR), consistent with the adopted DSCR policy.

8.8 Each fiscal year, unobligated General Fund appropriations in existence in the Office of Homeless Services (02001201) on June 30 shall be transferred to the Homeless Housing Initiative project (I02000200), provided that the department has positive net year-end General Fund results.

8.9 Each fiscal year, unobligated General Fund appropriations in existence in the Human Resources Department on June 30 shall be transferred to the Training and Outreach Program (I08000300), provided that the department has positive net year-end General Fund results.

8.10 Each fiscal year, unobligated net appropriations in the Information Technology (IT) Department operations General Fund budget and the citywide IT budget in Citywide and Community Support, in existence on June 30, shall be transferred to the Digital Strategy Project (A07000700) reserve to create a funding mechanism for future citywide technology initiatives which will be reviewed on an annual basis by the City Manager.

8.11 In the City's California Public Employees' Retirement System (CalPERS) budget account (413170 / 413172), unobligated appropriations at the end of the fiscal year that are not required to balance the budget, shall be transferred to the City's other post-employment benefit (OPEB) trust.

SECTION 9. REVENUE BUDGET

9.1 The FY2019/20 revenue budget is summarized in Exhibit D, Schedule 6.

9.2 Any increase or decrease greater than $100,000 by fund in estimated revenue by department to the Approved Budget by fund requires City Council approval.

9.3 The City Manager is authorized to implement biennial Consumer Price Index (CPI) increases if the increases are warranted based on the adopted Fees and Charges Policy.

9.4 Proceeds from the sale of General Fund and Redevelopment Agency Successor Agency (RASA) surplus land, unless otherwise specified, shall be budgeted in the Innovation and Growth Fund (Fund 2031).

9.5 Unbudgeted one-time general revenue received in a fiscal year, which is not required to balance the budget as part of the midyear review or fiscal year-end close, shall be added to the General Fund EUR.

SECTION 10. CAPITAL IMPROVEMENTS

10.1 Capital projects and/or appropriations shall be used for:

(1) Repairs, maintenance, improvements, or acquisitions with a total cost of at least $20,000 and a useful life that exceeds one fiscal year; and

(2) Community/Neighborhood projects as approved in separate resolutions by the City Council.

10.2 City Council approval is required for the establishment and/or cancellation (without completion) of a CIP, except as provided below:

(1) Capital projects for internal City operations related to improvements and minor construction of existing City-owned/occupied buildings may be approved and established by the City Manager provided the total cost to deliver the project does not exceed $100,000 and shall be managed in the City Facility Improvement (C15100000) project;

(2) Capital projects may be subdivided into separate sub-projects as needed to administer, manage, and deliver the original scope of the project, without further City Council action;

(3) Credit projects established in accordance with Sacramento City Code (SCC) Chapter 18.18, for purposes of recording the asset of these already constructed projects, the City Manager is authorized to make all the necessary budgetary adjustments when the improvement is accepted by the City.

10.3 Capital appropriations shall be used solely for the originally approved project or projects except as provided for in this section.

10.4 Annually, completed or inactive projects will be closed, except for projects that have existing litigation or payment disputes. An inactive project is defined as one where transaction activity is less than $1,000 over the prior three years. Closures are the responsibility of the designated project manager. The managing department and/or City Manager have the authority to process the necessary documentation to close inactive projects.

10.5 Each fiscal year, all multi-year CIP projects in existence on June 30, shall be continued, except as provided otherwise in Section 10.4. The

FY2019/20 CIP Budget is summarized on Schedules 2 and 4 as displayed in Exhibit D and on Schedule 4 as displayed in Exhibit E.

10.6 Each fiscal year, unobligated appropriations for all inactive projects, as defined in Section 10.4, will expire on June 30, following the third full year of the last appropriation to the project. Projects requiring continuing appropriations will require City Council action through programming within the CIP or through a separate appropriation to the project authorized by resolution by the City Council.

10.7 Each fiscal year, on June 30, the balance of each CIP project must be zero or have a positive balance by fund. Projects with spending in excess of available budget from all funding sources (i.e., with negative balance) shall be treated as follows:

(1) If expenditures exceed the budget by $100,000 or less, the project account shall first be corrected within each fund and, second, any remaining negative balance shall be corrected by a transfer from the project manager's department Operating Budget (all transfers of $100,000 or less shall be made as provided for in Section 6.3); or

(2) If expenditures exceed the budget by more than $100,000, a corrective plan of action shall be submitted to City Council for approval by resolution.

10.8 The City Manager is authorized to transfer appropriations up to and including $100,000 as follows:

(1) General, Measure U and Capital Bond Funds:

(a) From a project that has not been completed and a revised project estimate confirms that there will be project savings upon completion to fund balance;

(b) From projects created through Section 10.1(2) to another project identified by the Council Office or to their District Improvement project.

(2) All other funds from Project A to Project B if:

(a) Project A is complete and has savings; or

(b) Project A has not been completed and a revised project estimate confirms that there will be project savings upon completion.

10.9 Upon completion and closure of a capital project, the City Manager is authorized to transfer any remaining project balance:

(1) To the available fund balance of the respective fund, the Capital Projects Base Reserve in the Utilities CIP or, in the case of the

General Fund, Administrative Contingency; or in the case of capital grants, to amend the revenue and expenditure budgets to actual revenues received and expenditures incurred; or

(2) As provided for in Section 10.8.

10.10 Except as provided for in Section 10.9, the City Manager is authorized to increase or decrease project budget appropriations by not more than $100,000 for each project. Appropriation changes exceeding $100,000 in total for any project must be approved by resolution of the City Council. The City Manager's administrative authority to adjust budgets for capital projects shall be reset after budgetary actions are authorized by the City Council. If the appropriation is from available fund balance, it is subject to the provisions in Section 6.

10.11 Community/Neighborhood projects and appropriations established with one-time funding sources under Resolution 2000-682 *(11/21/00)*, 2001-765 *(11/20/01)*, 2003-412 *(6/17/03)*, 2004-551 *(6/29/04)*, 2006-367 *(5/23/06)*, and associated staff reports, are governed by the following procedures:

(1) Savings of up to $50,000 due to lower than expected costs or the securing of alternative funding sources may be administratively reprogrammed into other projects within the same City Council District at the request of the City Council District Office and with the approval of the City Manager; or

(2) Savings above $50,000 may be reprogrammed upon approval by resolution of the City Council.

10.12 Measure A Sales Tax (Fund 2001) expenditure and revenue budgets can be loaded into the City's financial system prior to Sacramento Transportation Authority (STA) Board approval. Work on CIP projects in this fund is done prior to receiving funding. Project funding/appropriations shall be as follows:

(1) The City Manager is authorized to enter the revenue/expenditure budgets as reflected in the Approved Budget (revenues) and CIP Budget (expenditures);

(2) The City Manager is authorized to enter expenditure/revenue budgets prior to STA Board approval; and

(3) STA Board approval is required for all Measure A reallocations. In cases where the City Council takes action on recommended Measure A reallocations prior to STA Board action, City Council approval shall be contingent on STA Board approval.

10.13 Projects funded by New Measure A Project Construction Sales Tax are included within the CIP Budget for planning purposes. Work on CIP

projects funded by New Measure A Project Construction Sales Tax (Fund 2023) is done prior to receiving funding, and project funding/authorization for these projects shall be as follows:

(1) Fund 2023 expenditure and revenue budgets will not be loaded into the City's financial system until STA Board approval and Council appropriation through separate Council action.

10.14 Projects funded by the following reimbursable (grant) funds are included within the Operating and CIP Budgets for planning purposes: Funds 3702, 3703, 3704, 6205, 6206, 6207, and 6211. Work on CIPs funded by these sources is done prior to receiving funding and project funding / authorization for these projects shall be as follows:

(1) Funds 2700, 3702, 3703, 3704, 6205, 6206, 6207, and 6211: Expenditure and revenue budgets will not be loaded into the City's financial system until agreements (Program Supplements/E-76s, Individual Project Agreements (IPA), Cooperative Agreements, etc.) have been executed between the City and the funding authority.

(2) Funds 3703 and 3704: The City of Sacramento is eligible to receive federal and/or state funding for certain transportation projects through the California Department of Transportation (Caltrans). Master Agreements, Program Supplemental Agreements, Fund Exchange Agreements, and/or Fund Transfer Agreements must be executed with Caltrans before such funds can be claimed. The City Manager is authorized to execute all Master Agreements, Program Supplemental Agreements, Fund Exchange Agreements, Fund Transfer Agreements, and any amendments thereto with Caltrans.

The City Manager is authorized to transfer matching funds as specified in the approved CIP from the state and federal Grant Match Program (T15007200) and to enter the revenue/expenditure budgets as reflected in the grant agreement, provided that the amount is not more than $100,000 different from what was reflected in the Approved CIP Budget which authorized the project funding. Project agreements that exceed $100,000 difference from the anticipated budget shall be submitted to the City Council for approval by resolution.

10.15 The 2019-2024 CIP Budget (Schedule 4, Exhibits D and E) includes projects that are directly supported by user and developer fees and utility rebates. The City Manager is authorized to adjust department revenue budgets and CIP expenditure budgets for projects as identified in the General Government Section of the CIP which are directly supported by fees and rebates based on the actual fees and rebates collected, less any operating costs associated with delivering the service.

SECTION 11. OPERATING GRANTS

11.1 City Council approval is required for the establishment and/or cancellation (without completion) of an operating grant except as follows:

(1) Where the operating grant is under $100,000 and does not require any of the following:

(a) Any increase or decrease, by department or by fund, in FTE as authorized in the Approved Budget or by any subsequent approval by the City Council or by the City Manager in accordance with this resolution; or

(b) Matching funds from City resources; or

(c) Any ongoing service or funding by the City.

(2) The City Manager is authorized to establish operating grants and authorize spending and allocation of resources in excess of $100,000 in advance of formal agreements in response to governmental requests for public safety assistance related to disasters and national security risks. The department responding to these events shall report to the City Council within 60 days of receiving formal program documents from the requesting governmental agency (agencies) to obtain approval to enter into agreements and accept reimbursements.

(3) Operating grants may be subdivided into separate sub-projects as needed to administer, manage, and deliver the original scope of the project, without further City Council action.

11.2 The City Manager is authorized to adjust FTE and associated service and supplies budget, in accordance with Section 5.2, for renewals or expansions of fully offset grants previously approved by City Council.

11.3 If grantor requires City Council action as a condition of funding the grant, the establishment of the grant shall require approval by the City Council regardless of the grant amount.

11.4 Each fiscal year, all multi-year operating grant budgets in existence on June 30, shall be continued in the next fiscal year.

11.5 The City Manager is authorized to adjust revenue and expenditure budgets for renewals, up to the amount previously approved by City Council, and augmentations up to $100,000 of fully offset grants.

11.6 The City Manager is authorized to establish revenue and expenditure budgets for federal/state grant-funded youth programs and parks and recreation programs based on the prior year award prior to receipt of signed agreements. Project funding/appropriations shall be adjusted

based on the final grant agreement. In the event the grant is not renewed or is changed by more than $100,000, the managing department must return to the City Council for corrective action.

11.7 Each fiscal year, on June 30, the balance of each grant budget must be zero or have a positive balance by fund. Grants in excess of the budget from all funding sources (total budget has a negative balance) shall be treated as follows:

(1) If the project balance exceeds budget by $100,000 or less, the project account shall first be corrected within each fund and, second, any remaining negative balance shall be corrected by a transfer from the project manager's department Operating Budget (all transfers of $100,000 or less shall be made as provided for in Section 6.3); or

(2) If the project balance exceeds budget by more than $100,000, a corrective plan of action shall be submitted to City Council for approval by resolution.

11.8 The City Manager is authorized to adjust grant and operating expenditure budgets to account for Council approved grant match and retention obligations.

11.9 The City Manager is authorized to adjust revenue and expenditure operating grant budgets to reflect actual revenues received and expenditures incurred upon closure of a project in compliance with the original grant award and any amendments.

SECTION 12. EXTERNALLY FUNDED PROGRAMS (EFP)

12.1 City Council approval is required for the establishment and/or cancellation (without completion) of an EFP, except as follows:

(1) Where the EFP is under $100,000 and does not require any of the following:

a. Any increase or decrease, by department or by fund, in FTE as authorized in the Approved Budget or by any subsequent approval by the City Council or by the City Manager in accordance with this resolution; or

b. Matching funds from City resources; or

c. Any ongoing service or funding by the City.

(2) EFPs may be subdivided into separate sub-projects as needed to administer, manage, and deliver the original scope of the project, without further City Council action.

12.2 Each fiscal year, all multi-year EFP budgets in existence on June 30, shall be continued in the next fiscal year.

12.3 The City Manager is authorized to adjust revenue and expenditure budgets for EFP renewals, up to the amount previously approved by City Council, and augmentations up to $100,000.

12.4 Each fiscal year, on June 30, the balance of each EFP budget must be zero or have a positive balance by fund. EFPs in excess of the budget from all funding sources (total budget has a negative balance) shall be treated as follows:

(1) If the project balance exceeds budget by $100,000 or less, the project account shall first be corrected within each fund and, second, any remaining negative balance shall be corrected by a transfer from the project manager's department Operating Budget (all transfers of $100,000 or less shall be made as provided for in Section 6.3); or

(2) If the project balance exceeds budget by more than $100,000, a corrective plan of action shall be submitted to City Council for approval by resolution.

SECTION 13. MULTI-YEAR OPERATING PROJECTS (MYOP)

13.1 MYOPs are used for:

(1) Economic Development Assistance and Development Programs (e.g., inclusionary housing);

(2) Planning, audit, and other consultant studies that will take more than one fiscal year to complete;

(3) Department fleet (vehicle and/or equipment) acquisition charges from the Fleet Management internal service fund; and

(4) Other projects and activities that are multi-year in nature and are not capital improvement projects.

13.2 City Council approval is required for the establishment and/or cancellation (without completion) of a MYOP.

13.3 MYOPs may be subdivided into separate sub-projects as needed to administer, manage, and deliver the original scope of the project, without further City Council action.

13.4 Each fiscal year, unobligated appropriations in existence on June 30, for all existing MYOPs shall be continued in the next fiscal year, except as noted in Sections 13.9 through 13.11.

13.5 MYOPs shall be used solely for the originally approved program or study. Annually, completed or inactive MYOPs will be closed. An inactive project is defined as one where transaction activity is less than $1,000 over the prior three years. Closures are the responsibility of the designated project

manager. The managing department and/or City Manager have the authority to process the necessary documentation to close inactive projects.

13.6 The Police and Fire Department are authorized to use Measure U MYOPs savings from vacancies for background investigations, recruit academies, and overtime associated with restored programs/ operations.

13.7 Each fiscal year, on June 30, the balance of each MYOP must be zero or have a positive balance by fund. Projects in excess of the budget from all funding sources (total budget has a negative balance) shall be treated as follows:

(1) If the MYOP balance exceeds budget by $100,000 or less, the MYOP shall first be corrected within each fund and, second, any remaining negative balance shall be corrected by a transfer from the MYOP manager's Operating Budget (all transfers or $100,000 or less shall be made as provided for in Section 6.3); or

(2) If the MYOP balance exceeds budget by more than $100,000, a corrective plan of action shall be submitted to City Council for approval by resolution.

13.8 The City Manager is authorized to increase or decrease MYOP budget appropriations by not more than $100,000 for each project. Transfers that exceed $100,000 in total for any MYOP shall be submitted to the City Council for approval by resolution.

13.9 The City Manager is authorized to review MYOPs on an annual basis and return excess funds to the fund balance or contingency of the respective fund.

13.10 Unobligated fiscal year appropriations in the Measure U MYOPs (Fund 2401) at the close of the fiscal year shall be returned to Measure U available fund balance.

13.11 Externally funded projects, with existing contracts approved by the City Council funding ongoing operations and studies, can be adjusted annually (revenues and expenditures) based on the actual revenues received.

13.12 The Utility Box Artwork Program (I17000800) General Fund budget can be amended up to $450,000 ($50,000 for each Councilmember and the Mayor) based on requests and resources provided from the operations budgets of the requesting District and/or Mayor.

SECTION 14. IN-LIEU PROPERTY TAXES AND IN-LIEU FRANCHISE FEE

14.1 An in-lieu property tax and in-lieu franchise fee are hereby imposed on the Community Center (Fund 6010) and Parking (Fund 6004) funds in the amounts provided in Schedule 3 as displayed in Exhibit D. The City

Council finds that the in-lieu property tax as detailed in Schedule 3 represents the property tax revenue which would be received by the General Fund if the real and personal property owned by these enterprises were taxable under private ownership. The in-lieu franchise fee as detailed in Schedule 3 represents the franchise fees which would be received by the City from private entities as a rental or a toll for the use of city streets and rights-of-way.

SECTION 15. APPROPRIATION LIMITS

15.1 The appropriation limit and the appropriations subject to the limit are hereby amended pursuant to Article XIIIB of the California Constitution for FY2019/20 as detailed in Schedule 5 as displayed in Exhibit D.

SECTION 16. MIDYEAR REPORT

16.1 The City Council shall be provided a Midyear Report including a revised estimate of the financial condition of all funds, estimated revenues and expenditures, and recommendations for eliminating any projected fund deficits.

16.2 The City Council shall act on any projected fund deficits as part of the midyear review.

SECTION 17. MISCELLANEOUS CONTROLS/CONSIDERATIONS

17.1 No expenditures by fund at the department level shall exceed the Operating Budget as amended by any subsequent approval of the City Council or by the City Manager in accordance with this resolution.

17.2 Subject to approval by the City Manager and pursuant to the sections governing transfers and appropriations, projected deficiencies in any department by fund shall be corrected by:

(1) Reducing expenditures in the department (e.g., freezing vacant positions, restricting purchase orders); or

(2) An appropriation transfer from Administrative Contingency and/or available fund balance subject to the provisions of Section 6.

17.3 The City Manager is authorized to:

(1) Adjust budgets to reflect all required debt service and related payments, including adjustments to rate stabilization reserves, pursuant to City debt agreements.

(2) Adjust revenue and expenditure budgets in special revenue funds based on actual revenues collected to provide appropriation authority for operating costs associated with delivering the service.

(3) Establish and adjust budgets for private development activities (Funds 2016 and 2018) managed in MYOPs, that are fully offset by development fees.

(4) Establish and/or adjust revenue and expenditure budget for EFPs, MYOPs, and operating grants as detailed in Schedule 9 as displayed in Exhibit D.

(5) Transfer appropriations from the Operating Budget to MYOPs for projects detailed in Schedule 9 as displayed in Exhibit D.

(6) Adjust the spay/neuter and unaltered pet licensing revenue accounts (Account 341380, Program 13006, and 351020) in the Community Development Department operating budget and increase the Animal Care Low Income Spay/Neuter Program (I13000600) MYOP expenditure budget in the General Fund (Fund 1001) to reflect 50 percent of the penalty fees and 50 percent of unaltered pet licensing fees collected per Sacramento City Code section 9.44.215.D.

(7) Eliminate funds as required for proper accounting and fiscal management when the purpose of a fund has expired, and its fund balance has been expended.

(8) Adjust the revenue and expenditure budgets in the Old Sacramento Garbage Service Courts (M17700000), Old Sacramento District Improvements (M17700100), and the Joe's Crab Shack & Rio City Café Repairs and Maintenance (B18119000) projects based on actual rent proceeds available after payment of all fees to the State of California and funding of annual required maintenance costs.

(9) Adjust the revenue budget for the Convention and Cultural Services Department franchise fee to reflect actual revenues received and increase the expenditure budget by a like amount in the Old Sacramento Service Courts & Support Facilities Project (M17700000).

(10) Increase the revenue (Account 391320) and fleet replacement expenditure (Account 474210) budgets in the Fleet Fund (Fund 6501) based on departmental fleet purchasing changes (additional and/or early replacement) approved by Council during the fiscal year and upon completion of audited financial statements to allow the continued purchasing of prior year funded replacement vehicles.

(11) Increase the revenue and expenditure budgets in the Public Works Department for launch ramp activities to reflect actual revenues received and transfer any resulting year-end savings for these activities to the Harbor Dredging CIP (M17500000), provided that the department has positive net year-end results.

(12) Adjust revenue and expenditure budgets in the Energy Reinvestment Program (C13001900) to reflect actual energy rebates and/or incentives received.

(13) Adjust the revenue and expenditure budgets for facility maintenance and repair services provided to outside agencies/entities (15004521-338020) and for private property concrete maintenance/sidewalk repairs (15001641-343010) to reflect actual revenues received for these services.

(14) Adjust the Public Works Department revenue budget (15001811) and the expenditure budget in the Tree Planting and Replacement (R15188500) project based on actual revenues received in the Tree Planting and Replacement Fund (Fund 2035).

(15) Adjust the Citywide revenue budgets for all Business Operations taxes relative to Cannabis activities based on actual revenues received and increase the expenditure budget in the Cannabis Policy and Enforcement Program (I06420000) as necessary to cover costs.

(16) Adjust the revenue budget for the City Manager's Office of Cannabis Policy and Enforcement operations (02001101) to reflect actual revenues received and increase/decrease the expenditure budget in the operating budget by a like amount. At year-end excess resources shall be transferred to I06420000 to offset the cost of enforcement. If there are inadequate revenues available, resources shall be transferred from I06420000 to cover the actual operating costs incurred in 02001101.

(17) Establish and/or increase the revenue budget(s) for fines and administrative penalties collected pursuant to Sacramento City Code Section 8.132, relating to the cultivation of cannabis, in the department where collected and increase the expenditure budget in I06420000 to support enforcement activities based on actual revenues received.

(18) Adjust the revenue budget for Housing and Dangerous Building fines, fees, and penalties collected by the Community Development Department and the expenditure budget in the Cannabis Policy and Enforcement Project (I06420000) at year-end based on actual revenues received.

(19) Adjust Fire Department revenue and expenditure budgets based on actual revenues received for department strike team services provided throughout California.

(20) Adjust operating department revenue and expenditure budgets based on actuals revenues received for providing reimbursable

services to the Golden 1 Center as outlined in the City's agreement to provide services.

(21) Adjust the revenue budget for the Sacramento Police Department's Secondary Employment Program to reflect actual revenues received and adjust the expenditure budget by a like amount for providing reimbursable services as outlined in the City's Secondary Employment Agreement.

(22) Authorize the use of the Old Sacramento Public Market Fund (Fund 2601) for the development, repair and maintenance of the north and south public markets.

(23) Transfer excess revenues from recreation program fees to the Recreation Facility Improvement CIP (L19800200), provided the full cost of the current fiscal year operations for this program have been recovered and the department has positive net year-end results.

(24) Adjust the revenue budget to reflect actual revenues received and adjust the expenditure budget by the a like amount in the Sacramento Valley Station Operations and Management MYOP (I15001000)

(25) Increase the transfer from the Community Center Fund (Fund 6010) to the General Fund (Fund 1001) provided Transient Occupancy Tax (TOT) revenues exceed budget by an amount up to $600,000 at year-end to offset the annual budget provided for in Schedule 9 for the Powerhouse Science Center (E18000400) project as authorized by Council through December 2048.

(26) Adjust the revenue budget for the City Attorney's Office and the expenditure budget in the Justice for Neighbors (JFN) MYOP (I03000100) based on the actual fees, penalties and other revenues collected from third parties for Public Nuisance, Social Nuisance and JFN actions brought by the City Attorney.

(27) Adjust interdepartmental transfers related to the Whole Person Care Program (I02000900) as needed for the duration of this program.

(28) Adjust revenue and expenditure budgets in the Whole Person Care Program (I02000900) related to intergovernmental transfers (IGT) received to support program activities through the performance period up to the amount of the annual program year budget approved by the Department of Health Care Services.

At year-end the revenue and expenditure budgets in I02000900 will be adjusted to match actuals.

(29) Adjust appropriations made in the Approved Budget for fleet replacements from amounts budgeted for updated fleet replacement costs not exceeding $100,000 by department and by fund and to transfer expenditure budgets from department operating budgets to the Fleet Acquisitions MYOP (I06000999), provided that the department is projecting expenditure savings in excess of the transfer.

Annually the Fleet Acquisitions MYOPs will be reviewed and excess funds will be returned to the fund of origin.

17.4 In all staff reports that come before the City Council, net budgetary impacts on all funds shall be stated clearly and concisely, including indirect impacts, so that the City Council has a full understanding of the financial consideration and impacts of their decisions.

DARRELL STEINBERG
Mayor

ANGELIQUE ASHBY
Mayor Pro Tempore, District 1

ALLEN WARREN
Councilmember, District 2

JEFF HARRIS
Councilmember, District 3

STEVE HANSEN
Councilmember, District 4

JAY SCHENIRER
Councilmember, District 5

ERIC GUERRA
Vice Mayor, District 6

RICK JENNINGS, II
Councilmember, District 7

LARRY CARR
Councilmember, District 8

CITY OF SACRAMENTO FACTS

The City of Sacramento was founded in 1849 and is the oldest incorporated city in California.

In 1920, city voters adopted a Charter (municipal constitution) and a City Council/City Manager form of government.

The City is divided into eight districts.

Elected members of the City Council serve a four-year term.

The Mayor and other Councilmembers have an equal vote in all matters.

The City of Sacramento currently encompasses approximately 100 square miles.

The current estimated population is 501,344 as reported by the State of California, Department of Finance as of Janurary 2018.

CityofSacramento.org