

Section
9

**NON-DEPARTMENTAL
DEPARTMENT**

DEBT SERVICE

<u>Department Summary</u>					Change
DEBT SERVICE	2001/02	2002/03		2003/04	More/(Less)
	Actual	Adopted	Amended	Approved	Approved/Amended
Positions (FTE)	0.0	0.0	0.0	0.0	0.0
Budgeted Expenditures					
Employee Services	0	0	0	0	0
Other Services & Supplies	36,537	(987,442)	(987,442)	(799,167)	188,275
Equipment	0	0	0	0	0
Debt Service	46,327,641	62,765,285	62,430,356	60,228,214	(2,202,142)
Transfers	0	0	0	0	0
CIP & Grant Offsets	0	0	0	0	0
Total:	46,364,178	61,777,843	61,442,914	59,429,047	(2,013,867)
Funding Summary by Fund/Special District					
General	8,784,664	11,240,726	10,747,726	13,587,677	2,839,951
2106 Gas Tax	1,352,543	1,545,393	1,545,393	1,542,758	(2,635)
Landscape and Lighting	591,427	600,000	600,000	590,310	(9,690)
Debt Service 1992 COP	102,597	102,599	102,599	102,599	0
2000 Capital Imp Bonds	866,546	10,000	10,000	10,000	0
Debt Service 1991/87 COP	3,993	0	493,000	0	(493,000)
Debt Service 1991 Revenue Bonds	2,458,888	1,440,038	1,440,038	1,439,535	(503)
Debt Service 1991/85 COP	3,866	0	0	0	0
Debt Service 1993 Series A	(1)	0	0	0	0
Debt Service 1993 Series B	5,565	0	0	0	0
Debt Service Gas Tax Revenue B	183,612	0	0	0	0
Kings-Arco Arena Acquisition	5,213,696	5,290,185	5,290,185	5,447,885	157,700
2002 Capital Improvement Bonds	0	5,120,000	5,120,000	0	(5,120,000)
Parking	4,655,143	4,647,558	4,647,558	4,648,685	1,127
Water	4,780,755	13,628,515	13,628,515	13,139,615	(488,900)
Sewer	755,929	862,236	862,236	755,930	(106,306)
Solid Waste	1,530,887	1,990,013	1,990,013	1,985,071	(4,942)
Golf	1,182,076	1,151,337	1,151,337	1,152,647	1,310
Community Center	10,782,152	10,742,145	10,407,216	10,406,033	(1,183)
Fleet	0	0	0	467,769	467,769
Storm Drainage	3,091,691	3,407,098	3,407,098	3,090,008	(317,090)
1995 A Gas Tax Bond Street Imp.	18,149	0	0	0	0
N. Natomas Community Improverr	0	0	0	1,062,525	1,062,525
Other*	0	0	0	0	0
Total:	46,364,178	61,777,843	61,442,914	59,429,047	(2,013,867)

DESCRIPTION

The Debt Service Program finances the cost of capital improvements through General Obligation Bonds, Revenue Bonds, Certificates of Participation, Notes Payable or Advances from Other Funds and is typically paid off in annual installments. This budget contains all major General Fund debt service payments, as well as enterprise fund debt service payments. Some other debt service payments appear in the Department budgets.

APPROVED RECOMMENDATION

- Debt Service appropriations have decreased because of savings from refinancings and lower amounts for new borrowings which had their first and highest costs in FY2002/03.

FY2003/04 APPROVED BUDGET

DIVISION SUMMARY

DEBT SERVICE	2002/03		2003/04 Approved	Change
	Adopted	Amended		More/(Less) Approved/Amended
DEBT SERVICE-MISC				
Budget	2,008,960	2,008,960	2,465,486	456,526
FTE	0.0	0.0	0.0	0.0
DEBT SERVICE-1986 COP				
Budget	84,245	84,245	84,246	1
FTE	0.0	0.0	0.0	0.0
DEBT SERVICE-DBW (DOCKS)				
Budget	102,599	102,599	102,599	0
FTE	0.0	0.0	0.0	0.0
DEBT SVC-FINANCG LSE				
Budget	858,136	858,136	(33,897)	(892,033)
FTE	0.0	0.0	0.0	0.0
DEBT SERVICE-ST REV FUND				
Budget	3,448,943	3,448,943	3,023,721	(425,222)
FTE	0.0	0.0	0.0	0.0
DEBT SERV-91 REFUND COP/85				
Budget	2,790,338	2,790,338	2,427,574	(362,764)
FTE	0.0	0.0	0.0	0.0
02 REFUND OF 91 PF & 91 REFUND 87 COP				
Budget	3,836,626	3,501,697	3,356,308	(145,389)
FTE	0.0	0.0	0.0	0.0
DEBT SVC-1999 CAP IMP				
Budget	1,990,013	1,990,013	1,985,071	(4,942)
FTE	0.0	0.0	0.0	0.0
DEBT SVC-2000 CAP IMP				
Budget	2,662,325	2,662,325	2,823,274	160,949
FTE	0.0	0.0	0.0	0.0
DEBT SVC-2001 CIRB A				
Budget	13,302,295	13,302,295	13,308,395	6,100
FTE	0.0	0.0	0.0	0.0
DEBT SVC-2002 CIRB				
Budget	6,840,000	6,840,000	5,860,259	(979,741)
FTE	0.0	0.0	0.0	0.0
DEBT SERV-91 MARK ROOS RB				
Budget	1,440,038	1,440,038	1,439,535	(503)
FTE	0.0	0.0	0.0	0.0
DEBT SERV-93 SERIES A				
Budget	9,248,790	9,248,790	9,262,077	13,287
FTE	0.0	0.0	0.0	0.0
DEBT SERV-93 SERIES B				
Budget	6,328,957	6,328,957	6,333,756	4,799
FTE	0.0	0.0	0.0	0.0
DEBT SERV-95A GASTX BND				
Budget	1,545,393	1,545,393	1,542,758	(2,635)
FTE	0.0	0.0	0.0	0.0
KINGS/ARCO ARENA				
Budget	5,290,185	5,290,185	5,447,885	157,700
FTE	0.0	0.0	0.0	0.0
	Totals:			
Budget:	61,777,843	61,442,914	59,429,047	(2,013,867)
FTE:	0.0	0.0	0.0	0.0

OTHER PROGRAM SUPPORT

Department Summary				Change	
	2001/02	2002/03		2003/04	More/(Less)
OTHER PROGRAM SUPPORT	Actual	Adopted	Amended	Approved	Approved/Amended
Positions (FTE)	1.0	1.0	1.0	0.0	(1.0)
Budgeted Expenditures					
Employee Services	4,430,040	7,338,924	14,339,614	(695,096)	(15,034,710)
Other Services & Supplies	27,765,308	37,655,786	37,652,818	35,490,620	(2,162,198)
Equipment	0	0	0	0	0
Debt Service	0	0	0	0	0
Transfers	4,992	0	(174,101)	0	174,101
CIP & Grant Offsets	(131,377)	(134,020)	(134,020)	0	134,020
Total:	32,068,963	44,860,690	51,684,311	34,795,524	(16,888,787)
Funding Summary by Fund/Special District					
General	29,584,149	40,266,438	45,723,211	30,139,034	(15,584,177)
Traffic Safety	54,520	48,000	48,000	48,000	0
Downtown Plaza BID	0	110,000	110,000	110,000	0
Old Sac BID	0	140,000	140,000	140,000	0
Franklin Blvd BID	0	36,000	36,000	36,000	0
Sac Tourism BID	0	2,006,000	2,006,000	2,006,000	0
Del Paso BID	0	37,000	37,000	37,000	0
Stockton Blvd BID	0	42,000	42,000	42,000	0
START	0	0	13,674	0	(13,674)
Development Services	310,667	200,000	200,000	200,000	0
Downtown Management	1,459,582	1,498,817	1,559,050	1,559,050	0
Capital Station District PBID	144,402	181,512	191,157	191,157	0
N Natomas Trans Mgmt Assoc	0	0	175,681	175,681	0
Stockton Blvd. PBID	154,814	169,000	170,473	170,473	0
H St. Theater	(66,000)	(66,000)	(66,000)	(66,000)	0
Parking	132,542	144,758	186,427	39,471	(146,956)
Water	130,893	63,447	428,520	222,161	(206,359)
Sewer	133,321	127,020	209,798	127,020	(82,778)
Solid Waste	412,714	339,807	479,884	339,807	(140,077)
Marina	1,582	1,008	5,688	1,008	(4,680)
Golf	52,875	57,613	97,013	57,613	(39,400)
Community Center	(1,230,985)	(1,261,470)	(1,205,118)	(1,312,970)	(107,852)
Fleet	112,317	84,759	169,232	84,759	(84,473)
Risk Management	4,927	859	23,540	859	(22,681)
Worker's Compensation	1,174	0	25,769	0	(25,769)
Storm Drainage	110,160	47,488	248,689	47,488	(201,201)
Interdepartmental Service	311,628	311,634	311,634	199,913	(111,721)
4th R Program	2,433	0	41,989	0	(41,989)
Cal EPA	0	75,000	75,000	0	(75,000)
Private Development Fund	251,248	200,000	200,000	200,000	0
Other*	0	0	0	0	0
Total:	32,068,963	44,860,690	51,684,311	34,795,524	(16,888,787)

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DESCRIPTION

This section contains several diverse programs that are not part of a Department's direct operating expenditures. Examples of programs included in this section are: transit support, Utility Users Tax rebates, General Fund insurance costs, payment of

sick leave and vacation benefits to departing employees, retiree health benefits, Sacramento County charges to the City and uncollectible bills owed to the City.

General Insurance/Employee Services - This program pays for the General Fund costs of both (1) Comprehensive Auto and General Liability, Property, Crime, insurance consultant fees, and related self-insurance administration services, and (2) employee vacation and sick leave termination expenses. The termination payoffs are budgeted at an estimated level for the entire General Fund. At regular intervals throughout the year, funds are transferred from this activity to reimburse the actual Departmental cost. It also is a placeholder for employee service costs that will be allocated to departments after further contract analysis.

Transit Support - The Transit Support Program includes support for Paratransit, Inc. (handicapped transportation).

Miscellaneous Contract Implementation - This budget covers the cost of retiree/beneficiary health and dental insurance premiums for approximately 1,590 retirees and retirement contributions for certain employees transferred to the County of Sacramento. This budget also includes the costs of paying 85 previous City of Sacramento employees retired under City Code Section 34.200 and/or retirees who began working for the City prior to April 1, 1935.

Utility Users Tax Rebate Program - The Utility Users Tax Rebate Program began in 1977-78. In the last fiscal year, the program provided qualified senior citizens and 100% disabled residents with rebates for City Utility Users Taxes paid on natural gas, electricity, Cable T. V. and intrastate telephone services. To qualify, citizens must be the head of a household, have a combined annual gross household income of no more than \$25,000. This program was expanded to include all households under \$25,000 in FY2002/03.

Other Program Support - The City's Transient Occupancy Tax rate is currently 12%. The General Fund receives 2% of 12% tax rate, the balance goes to the Community Center Fund. These proceeds and additional General Fund appropriations are used to support the Convention Bureau, Arts re-granting, support for community groups, and City contribution for assessments for the downtown management district (property owners pay for the bulk of services of the Downtown Management District Fund). It also includes \$0.6 million to support the Sacramento Zoo, which is operated by the Sacramento Zoological Society.

Library Support – The City contributes \$7.6 million to the Sacramento Public Library Authority to provide library services throughout the City.

Savings from Hiring Controls – An \$8 million dollar savings will result from hiring controls put in place during Spring 2003 which are programmed to continue through the FY2003/04 budget.

Other Major Tax Revenues – The Major Tax Revenues Program includes Business Improvement District programs that business owners support through additional district fees.

FY2003/04 APPROVED BUDGET

Sacramento County Charges - State Senate Bill 2557 of 1990 provided authorization for counties to charge other local government entities for the cost of assessing the collecting property tax revenues, the cost of booking prisoners into county jails, and operating the Misdemeanor Jail.

APPROVED RECOMMENDATIONS

- Miscellaneous Contract Provisions have decreased as budget has been moved into department budgets where they are paying the cost of increased retirement rates and costs.
- Other Program Support has decreased as a result of reallocating some existing costs to departmental budgets as well as other program reductions. Included in FY2004 is new funding of \$300,000 for public campaign financing for councilmember elections.
- Savings from Hiring Controls is the value of salary savings expected to occur in the General Fund due to hiring controls which will be in effect during the budget year.

DIVISION SUMMARY

OTHER PROGRAM SUPPORT	2002/03		2003/04	Change
	Adopted	Amended	Approved	More/(Less) Approved/Amended
GEN INSURANCE/EMPLOYEE SERVICES				
Budget	8,163,618	8,163,618	8,263,618	100,000
FTE	0.0	0.0	0.0	0.0
TRANSIT SUPPORT				
Budget	661,629	661,629	661,629	0
FTE	0.0	0.0	0.0	0.0
MISCELLANEOUS CONTRACT IMPLEMENTATION				
Budget	4,523,404	11,526,718	4,523,404	(7,003,314)
FTE	0.0	0.0	0.0	0.0
UTILITY USERS TAX REBATE				
Budget	3,194,850	3,194,850	3,194,850	0
FTE	0.0	0.0	0.0	0.0
OTHER PROGRAM SUPPORT				
Budget	10,516,389	10,336,696	8,351,223	(1,985,473)
FTE	1.0	1.0	0.0	(1.0)
BUILDING LEASES				
Budget	2,153,200	2,153,200	2,153,200	0
FTE	0.0	0.0	0.0	0.0
LIBRARY JPA				
Budget	7,635,600	7,635,600	7,635,600	0
FTE	0.0	0.0	0.0	0.0
SAVINGS FROM HIRING CONTROLS				
Budget	0	0	(8,000,000)	(8,000,000)
FTE	0.0	0.0	0.0	0.0
OTHER MAJOR TAX REVENUES				
Budget	2,371,000	2,371,000	2,371,000	0
FTE	0.0	0.0	0.0	0.0
SACRAMENTO COUNTY CHARGES				
Budget	5,641,000	5,641,000	5,641,000	0
FTE	0.0	0.0	0.0	0.0
Totals:				
Budget:	44,860,690	51,684,311	34,795,524	(16,888,787)
FTE:	1.0	1.0	0.0	(1.0)

POSITION LISTINGS – PLEASE REFER TO THE APPROVED POSITIONS TAB (Pg. 223)

RESERVES

DESCRIPTION

General Fund Reserves:

Reserve for Economic Uncertainty. The Reserve for Economic Uncertainty was established in 1983-84 and revised during February 2001 to a level of 6% of General Fund current resources (revenues plus transfers). The purpose of the reserve is to absorb any unforeseen revenue shortfalls. The Reserve for Economic Uncertainty is set at \$22 million for FY2003/04.

Administrative Contingency. Administrative Contingency may be used during the course of the year to augment other budgets for new programs or unforeseen expenses. The Administrative Contingency is \$1.0 million that may be used throughout the year.

All Other Fund Balances:

Remaining balances of enterprise funds, special revenue funds, and internal service funds total \$84 million and are listed individually in this document in Schedule 2 - Detail of Revenues, Appropriations, and changes in fund balances. The available balance of special revenue and enterprise funds may only be used for the specific purpose of the individual fund.

APPROVED RECOMMENDATIONS

- None.