

# 26

## **SECTION – 26**

## **NON-DEPARTMENT**



**DEBT SERVICE**



### **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. The debt service payments are made in annual installments. This budget contains all major General Fund debt service payments. Some other debt service payments appear in the Department budgets.

### **MORE INFORMATION**

#### **Key Contacts -**

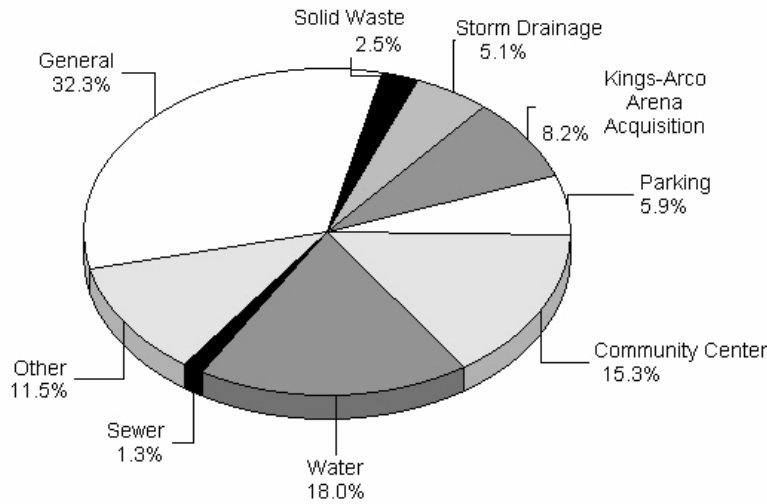
**Budget Office**  
915 I Street, 5<sup>th</sup> Floor  
Sacramento, CA 95814  
(916) 808-5845

FY2006/07 Proposed Budget

**Department Budget Summary**

<b>Debt Service Budget Summary</b>	FY 2004/05 Actual	FY 2005/06 Approved	FY 2005/06 Amended	FY 2006/07 Proposed	Change More/(Less) Proposed/Amended
Positions (FTE)	0.00	0.00	0.00	0.00	0.00
<b>Budgeted Expenditures</b>					
Debt Service	65,760,537	63,941,909	62,457,253	68,072,259	5,615,006
Other Services & Supplies	(145,703)	(492,754)	(492,754)	(35,310)	457,444
Total:	<b>65,614,834</b>	<b>63,449,155</b>	<b>61,964,499</b>	<b>68,036,949</b>	<b>6,072,450</b>
<b>Funding Summary by Fund/Special District</b>					
1911 Assessments Redemption	8,299	0	0	0	0
1995 A Gas Tax Bond Street Imp.	4,265	0	0	0	0
2000 Capital Imp Bonds	3,180	0	0	0	0
2002 Capital Improvement Bonds Debt	3,445	0	0	0	0
2003 CIRBs capital projects	24,710	0	0	0	0
2106 Gas Tax	1,416,750	1,535,612	1,535,612	1,532,263	-3,349
Community Center	10,428,548	10,427,247	10,427,247	10,402,289	-24,958
Debt Service - 2003 Cribs	-20	0	0	0	0
Debt Service 1991 Revenue Bonds	1,441,815	1,438,245	1,438,245	1,431,398	-8,847
Debt Service 1991/85 COP	282,760	0	0	0	0
Debt Service 1991/87 COP	10,371	0	0	0	0
Debt Service 1992 COP	58,893	101,406	101,406	102,599	1,193
Debt Service 1993 Series B	5,565	0	0	0	0
Debt Service Gas Tax Rev Bonds	116,915	0	0	0	0
Fleet	470,444	470,444	470,444	468,906	-1,538
General	17,520,049	15,534,865	15,534,865	21,960,147	6,425,282
Golf	1,152,802	1,152,802	1,152,802	1,184,957	32,155
Kings-Arco Arena Acquisition	5,361,693	5,361,694	5,361,694	5,612,907	251,213
Landscape and Lighting	590,878	590,878	590,878	588,863	-2,015
N. Natomas Community Improv.	2,351,858	2,503,947	2,503,947	2,484,915	-19,032
Parking	4,650,976	4,650,976	4,650,976	4,007,150	-643,826
Sewer	882,861	880,609	880,609	885,311	4,702
Solid Waste	2,190,660	2,175,011	1,640,682	1,668,354	27,672
Storm Drainage	3,447,329	3,442,088	3,442,088	3,450,231	8,143
Water	13,189,788	13,183,331	12,233,004	12,256,659	23,655
Total:	<b>65,614,834</b>	<b>63,449,155</b>	<b>61,964,499</b>	<b>68,036,949</b>	<b>6,072,450</b>

**Funding Sources for Debt - FY07**



**Division Budget Summary**

<b>Debt Service</b> Division Budgets	FY 2004/05 Actual	FY 2005/06 Approved	FY 2005/06 Amended	FY 2006/07 Proposed	Change More/(Less) Proposed/Amended
Building Leases	273,600	273,600	273,600	273,900	300
Debt Serv-02 Ref Cop/91Lr	2,720,834	2,438,074	2,438,074	2,440,836	2,762
Debt Serv-02 Ref Cop/91Pf	3,373,856	1,062,696	3,462,307	959,850	(2,502,457)
Debt Serv-91 Mark Roos Rb	1,441,815	1,438,245	1,438,245	1,431,398	(6,847)
Debt Serv-91 Refund Cop/87	0	2,399,611	0	2,392,519	2,392,519
Debt Serv-93 Series A	9,264,030	9,264,030	9,264,030	9,243,556	(20,474)
Debt Serv-93 Series B	6,340,643	6,334,956	6,334,956	6,319,571	(15,385)
Debt Serv-95A Gasx Bnd	1,537,930	1,535,612	1,535,612	1,532,263	(3,349)
Debt Service - 2003 Cirbs	4,020,634	3,676,181	3,676,181	4,422,698	746,517
Debt Service - 2005 Refunding	0	0	0	7,091,063	7,091,063
Debt Service - 2006 Cirbs	0	0	0	6,500,000	6,500,000
Debt Service-1986 Cop	84,246	84,247	84,247	84,246	(1)
Debt Service-Assessment Bn	8,299	0	0	0	0
Debt Service-Dbw (Docks)	102,599	101,406	101,406	102,599	1,193
Debt Service-Miscellaneous	1,232,701	1,232,701	1,232,701	1,062,947	(169,754)
Debt Svc-1999 Cap Imp Bds	1,991,700	1,988,801	1,454,472	293,530	(1,160,942)
Debt Svc-2000 Cap Imp Bds	2,815,429	2,812,250	2,812,250	0	(2,812,250)
Debt Svc-2001 Cirb Ser A	13,311,315	13,307,886	12,357,559	9,390,670	(2,966,889)
Debt Svc-2002 Cirb	7,177,065	6,703,177	6,703,177	5,723,258	(979,919)
Debt Svc-Financing Leases	1,119,507	0	0	(277,801)	(277,801)
Debt Svc-State Revol	3,436,938	3,433,988	3,433,988	3,436,939	2,951
Kings/Arco Arena	5,361,693	5,361,694	5,361,694	5,612,907	251,213
<b>Total:</b>	<b>65,614,834</b>	<b>63,449,155</b>	<b>61,964,499</b>	<b>68,036,949</b>	<b>6,072,450</b>



## **OTHER PROGRAM SUPPORT**



## DESCRIPTION

This section contains programs that are not part of any Department's direct operating expenditures. Examples of the programs included in this section are: transit support, Utility User Tax rebates, Sacramento Public Library Authority, 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 is also 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. This program had provided for city paid reimbursements for taxes paid. In FY2005/06 the rebate program was changed to provide for direct tax exemptions. Households with annual incomes under \$25,000 qualify for the tax exemption. The utility tax revenue estimates account for these exemptions.

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).

Zoo Contribution – The City contributes \$0.85 million to support the Sacramento Zoo, which is operated by the Sacramento Zoological Society.

Library Support – The City contributes \$8.8 million to the Sacramento Public Library Authority to provide library services throughout the city.

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

Sacramento County Charges – State law authorizes counties to charge other local government entities for the cost of assessing and collecting property tax revenues, and a portion of the cost of booking prisoners into county jails and operating the Misdemeanor Jail.

**MORE INFORMATION**

**Key Contacts –**

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915 I Street, 5<sup>th</sup> Floor  
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**PROPOSED BUDGET/STAFFING CHANGES**

Organizational Changes

None

Augmentations

\$411,000 for City support of equities related to the Zoo and Library labor costs.

FY2006/07 Proposed Budget

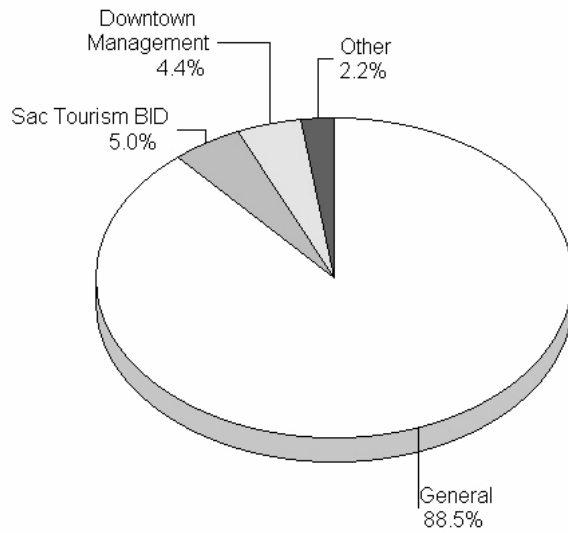
**Department Budget Summary**

<b>Other Program Support</b> Budget Summary	FY 2004/05 Actual	FY 2005/06 Approved	FY 2005/06 Amended	FY 2006/07 Proposed	Change More/(Less) Proposed/Amended
Positions (FTE)	0.00	0.00	0.00	0.00	0.00
<b>Budgeted Expenditures</b>					
Employee Services	5,959,835	7,370,200	7,929,200	9,018,700	1,089,500
Other Services & Supplies	35,408,299	33,494,908	33,147,113	33,481,225	334,112
Transfers	(1)	0	0	0	0
<b>Total:</b>	<b>41,368,133</b>	<b>40,865,108</b>	<b>41,076,313</b>	<b>42,499,925</b>	<b>1,423,612</b>

**Funding Summary by Fund/Special District**

4th R Program	6,757	0	0	0	0
Capital Station District PBID	150,000	242,749	255,105	255,105	0
Community Center	-1,847,330	-1,373,070	-1,373,070	-1,402,077	-29,007
Del Paso BID	0	37,000	37,000	37,000	0
Development Services	170,170	200,000	200,000	200,000	0
Downtown Management	1,702,143	1,642,750	1,848,824	1,848,824	0
Downtown Plaza BID	0	110,000	110,000	110,000	0
Fleet	126,052	84,759	84,759	80,759	-4,000
Franklin Blvd BID	0	36,000	36,000	36,000	0
Franklin Blvd PBID	53,000	0	0	0	0
General	37,149,549	36,288,434	36,088,625	37,608,458	1,519,833
Golf	-91,776	57,613	57,613	57,613	0
Inter-departmental Service	13,056	0	0	0	0
Marina	4,670	1,008	1,008	8	-1,000
N Natomas Trans Mgmt Assoc	324,179	175,681	175,681	175,681	0
Oak Park PBID	75,000	0	189,511	189,511	0
Old Sac BID	0	140,000	140,000	140,000	0
Parking	169,536	39,471	39,471	31,471	-8,000
Private Development Fund	155,729	125,000	125,000	125,000	0
Risk Management	10,961	859	859	359	-500
Sac Tourism BID	2,077,648	2,105,000	2,105,000	2,105,000	0
Sewer	142,100	127,020	127,020	127,020	0
Solid Waste	483,711	339,807	339,807	294,807	-45,000
Stockton Blvd BID	0	42,000	42,000	42,000	0
Stockton Blvd. PBID	160,000	173,378	176,451	176,451	0
Storm Drainage	151,552	47,488	47,488	47,488	0
Water	176,818	222,161	222,161	213,447	-8,714
Worker's Compensation	4,608	0	0	0	0
<b>Total:</b>	<b>41,368,133</b>	<b>40,865,108</b>	<b>41,076,313</b>	<b>42,499,925</b>	<b>1,423,612</b>

**Funding Sources for Other Programs- FY07**



**Division Budget Summary**

<b>Non-Departmental</b> Division Budgets	FY 2004/05 Actual	FY 2005/06 Approved	FY 2005/06 Amended	FY 2006/07 Proposed	Change More/(Less) Proposed/Amended
Council District Support	440,097	630,000	650,833	630,000	(20,833)
Library JPA	7,997,100	7,997,100	8,587,100	8,868,100	281,000
Arts Stabilization	214,710	0	0	0	0
Employee Development	34,552	0	0	0	0
Gen Insurance/Termination	8,302,284	11,478,193	11,442,693	10,680,193	(762,500)
Major Tax Revenues	0	0	0	400,000	400,000
Other Major Tax Revenues	2,077,648	2,470,000	2,470,000	2,470,000	0
Other Program Support	6,353,212	5,548,532	6,432,327	6,196,349	(235,978)
Rental Of Real Property	3,377,757	2,350,000	1,407,577	1,609,000	201,423
Retired/Transfer Emp Benef1530	5,783,847	4,533,404	5,127,904	6,698,404	1,570,500
Sacramento County Charges	5,161,612	5,296,250	4,396,250	3,436,250	(960,000)
Savings Fr Hiring Control	0	(350,000)	(350,000)	0	350,000
Technology	532,055	0	0	600,000	600,000
Transit Support	650,000	661,629	661,629	661,629	0
Utility Users Tax Rebate	443,259	250,000	250,000	250,000	0
<b>Total:</b>	<b>41,368,133</b>	<b>40,865,108</b>	<b>41,076,313</b>	<b>42,499,925</b>	<b>1,423,612</b>

**RESERVES**



## DESCRIPTION

### General Fund Reserves:

#### Reserve for Economic Uncertainty

- The Reserve for Economic Uncertainty was established in 1983-84 and revised in February 2006 to \$30 million. This represents 7.8% of General Fund revenues.

#### 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.

#### Release of Reserves

- As part of the FY2006/07 Proposed Budget, it is recommended to release \$6.9 million from the PERS Reserve to fund the labor cost increases related to the implementation of long-term labor agreements and \$900,000 from the Advanced Life Support fund balance for the purchase of ambulances and defibrillators.

#### All Other Fund Balances

- Remaining balances of enterprise funds, special revenue funds, and internal service funds total \$147.4 million and are listed individually in this document in Schedule 2 - Detail of 2005/06 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.

