

2020 — 2021

CITY OF SACRAMENTO

Approved Budget



APPROVED
CITY OF SACRAMENTO
FISCAL YEAR 2020/21 BUDGET

DARRELL STEINBERG
Mayor

ANGELIQUE ASHBY
Mayor Pro Tempore, District 1

ALLEN WARREN
Councilmember, District 2

JEFF HARRIS
Vice Mayor, District 3

STEVE HANSEN
Councilmember, District 4



JAY SCHENIRER
Councilmember, District 5

ERIC GUERRA
Councilmember, District 6

RICK JENNINGS, II
Councilmember, District 7

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Councilmember, District 8

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Assistant City Manager

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City of Sacramento - Organization Chart
(updated 08.25.2020)

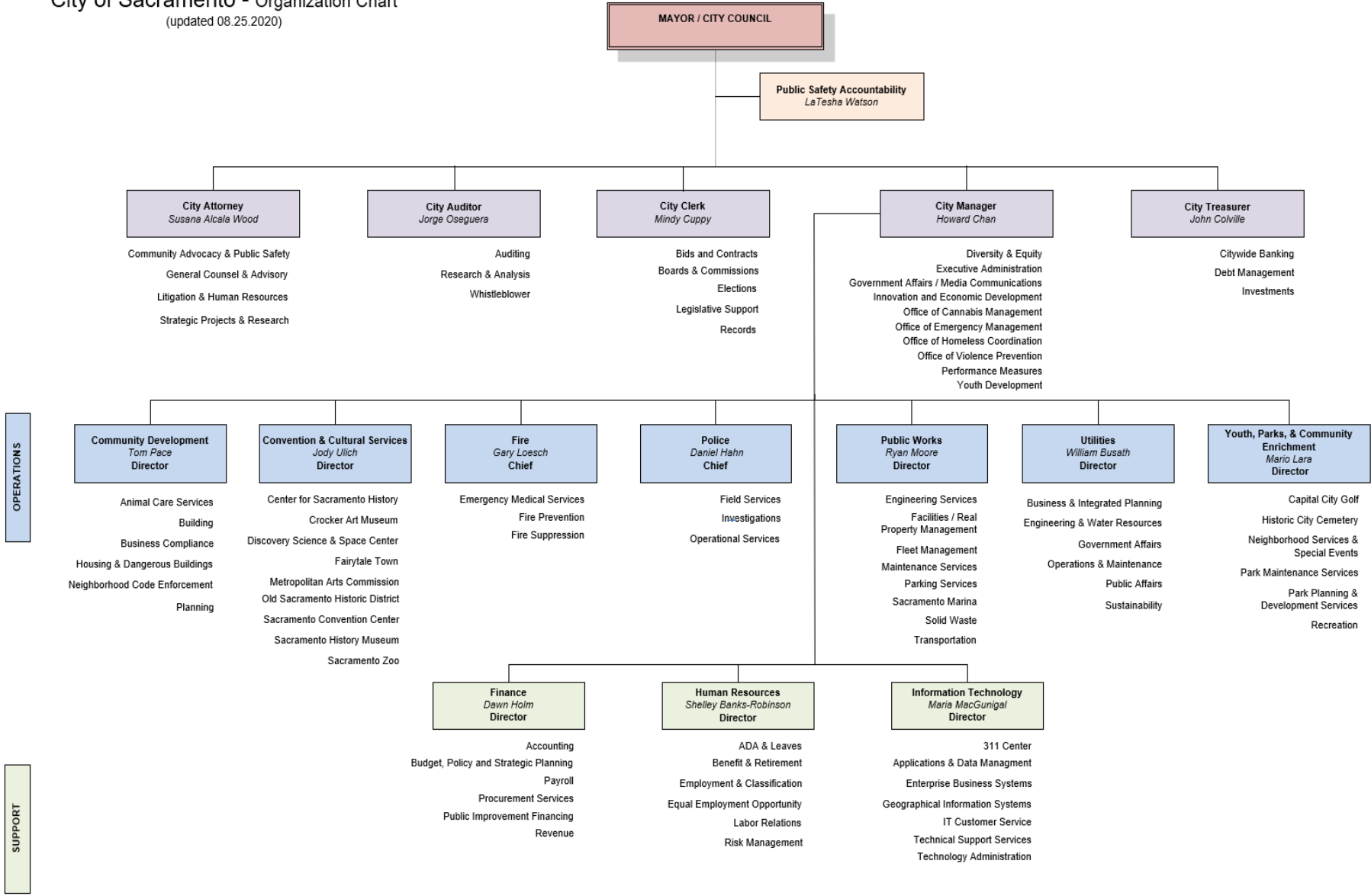


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SECTION – 1 Budget Message

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

July 1, 2020

Honorable Mayor and City Council
Sacramento, California

Dear Mayor and Members of the City Council:

This letter transmits the approved budget for fiscal year (FY) 2020/21, which totals \$1.3 billion for operations and capital improvements. The combined General and Measure U Fund budget of \$625 million represents an increase of \$22 million or 3.7% compared to the prior year approved budget. The budget represents the City's financial plan for the upcoming fiscal year in consideration of the current Coronavirus 2019 (COVID-19) pandemic and the County of Sacramento's public health orders limiting operations of certain business sectors. This budget will allow the City to cautiously and pragmatically move forward into the fiscal year. However, there is no doubt that more work will need to be done to make adjustments as our fiscal picture becomes clearer.

The financial forecasts presented in this budget are based on information available as of early April. However, as with the pandemic itself, information is changing daily. The full impact of the pandemic on the City, our businesses and our residents will not be known for quite some time, with data that will inform our estimates not available until early next year.

In April, the City received \$89 million in federal relief funding related to the pandemic. Through Council's leadership, funding has been prioritized for small business recovery and assistance, youth and workforce training programs, homelessness and rapid re-housing, the arts, and social services. It is possible that further funding could be released in the future. We will continue to monitor the economic data as well as all available federal stimulus resources and provide updates to Council as appropriate.

Throughout this public health crisis, Council has led efforts to provide assistance to our businesses and residents. Council's commitment is reflected in the approval of interest-free loans to businesses, banning of evictions, suspending water shut-offs, and waiving delinquent utility charges. Additionally, Council's efforts to address the needs of our unsheltered community are reflected in approval of plans to increase emergency housing and the purchase of emergency sanitation-and-cleaning supplies.

In my fourth year as City Manager, I offer a budget that reflects Council direction and prioritizes our City's values of delivering quality core services and critical support for the most vulnerable members of our community. I would like to thank Council for your

leadership during this crisis that is affecting our city, state, and country. It is this leadership that will get us through these difficult times and fuel our collective efforts to rebuild a healthy, thriving future for our City.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'Howard Chan', with a stylized flourish extending to the right.

Howard Chan
City Manager

Operating Budget Excellence Award



The City's FY2019/20 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 FY2020/21 Budget document, the award criteria were followed, and the document was prepared in accordance with generally accepted accounting principles. This document will be submitted to the CSMFO for consideration for the FY2020/21 Operating Budget Excellence Award.

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SECTION – 2 Budget Overview

Budget Overview

INTRODUCTION

Along with other state and local agencies across the country, the City of Sacramento faces extraordinary budget challenges due to the recent public health emergency related to the coronavirus outbreak. On March 19, 2020, the County of Sacramento issued a directive ordering all individuals living in the county to stay-at-home (SAH), except for essential activities, to help prevent the spread of COVID-19. Since then the SAH order has been extended multiple times and the current order as of June 29, 2020 has limited the indoor activities of certain business sectors of the economy. These necessary actions to curb the transmission of the virus will result in a negative impact on the City's anticipated FY2019/20 and FY2020/21 revenues.

Considering this unprecedented event, the FY2020/21 Operating and Capital Improvement Program (CIP) Budgets were approved on May 12, 2020 and represent a status quo budget, with the exception of a limited number of mission-critical augmentations necessary to address public safety, information technology system security as we transition to a remote workforce, the preservation of our historic collections (e.g. films, photos, artifacts), and positions and equipment in order to address solid waste operations. Additionally, the Approved Budget (Budget) includes adjustments needed to realize efficiencies and funding necessary to deliver programs and services (e.g. labor, debt, insurance) in the coming fiscal year.

To ensure that Department revenues are forecast based on current information, the FY2020/21 Budget process included an in-depth analysis and review of Department revenues. In working with Departments to evaluate actual revenues received and developing appropriate growth assumptions, Department revenue budgets were increased by approximately \$6.2 million from FY2019/20.

The Budget is balanced and reflects adopted Council policies, goals, and planning/programming guides. The Budget includes anticipated revenues developed in coordination with the City's tax revenue consultants based on economic indicators and includes preliminary estimates of the financial impacts of the COVID-19 pandemic (pandemic) and program/service resource allocation recommendations. Initial estimates for the revenue losses resulting from the pandemic are summarized in the Forecast Section and reflected in the General and Measure U (G/MU) Fund five-year forecast. As directed by Council, staff is developing options to reduce expenditures, maximize resources provided by the federal government in response to the pandemic and identify one-time funding that could be used to address revenue losses resulting from the pandemic and the SAH order.

The Budget totals approximately \$1.3 billion from all funding sources and supports 4,820.42 full-time equivalent (FTE) positions. This includes \$625 million for G/MU Funds operations and capital projects, and \$660 million for operations and capital projects for the City's Enterprise Funds and other fund activities. The Council conducted a public hearing on May 12, 2020 to review and discuss the Proposed Budget. As presented and

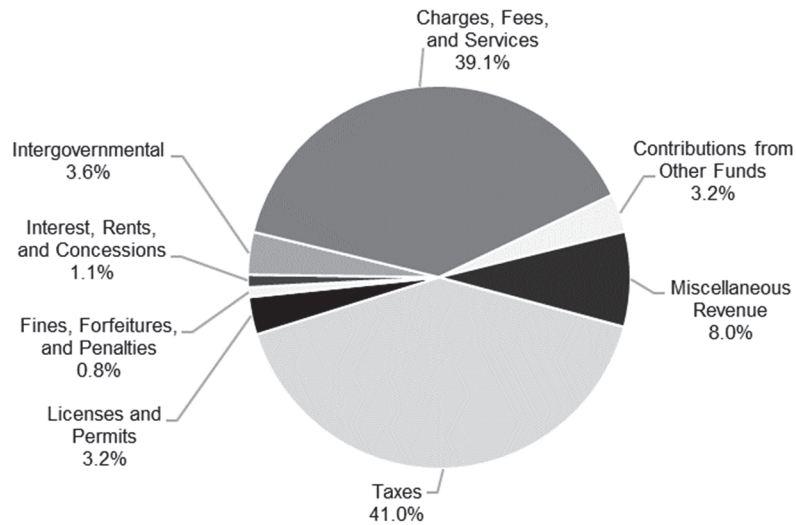
discussed during the hearing, the G/MU Fund revenue budget for interest revenues was overstated by \$275,000. The Budget as approved by Council includes the reduction in interest revenues and fund balance has been reduced to \$577,000.

Operating Budget Adjustment

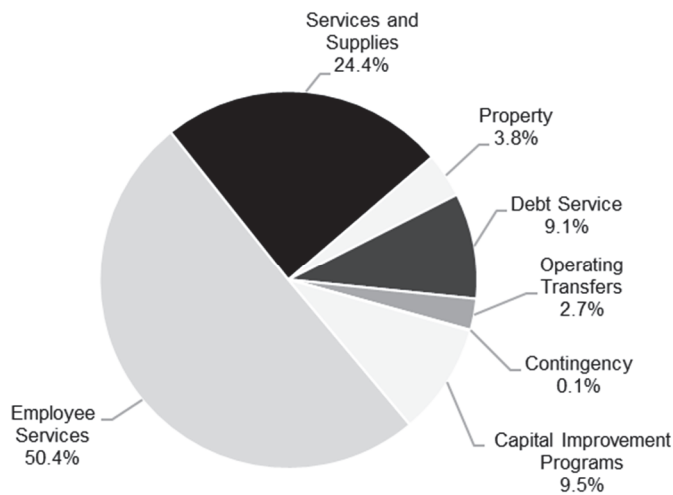
Department	Fund Name (Number)	Revenue Adjustment	Expenditure Adjustment	Description
Citywide and Community Support	General Fund (1001)	(275,000)	-	Reduce an overstated interest revenue for account receivable.
Net Operating Change:		(275,000)	-	

Total Approved City Budget: \$1.3 Billion

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 510,931.¹ The population of the County of Sacramento is estimated at 1,555,365.¹ Sacramento encompasses 100.1 square miles and is 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, 2020.

Demographics

The information presented is based on the 2014-2018 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	32.5%
Hispanic or Latino (of any race)	28.7%
Asian	18.6%
Black or African American	13.0%
Two or more races	4.7%
Native Hawaiian and Other Pacific Islander	1.7%
Some other race	0.5%
American Indian and Alaska Native	0.3%

Housing Status

Total	195,749
Occupied	183,106
Owner-occupied	87,801
Renter-occupied	95,305

Average Household Size

Owner-occupied unit	2.76
Renter-occupied unit	2.56

Residential Vacancy Rate

Vacant	12,643
Homeowner vacancy rate	1.2%
Rental vacancy rate	4.2%

Home Values

Median value of owner-occupied units	\$313,400
Occupied units paying rent	92,924
Median gross rent	\$1,179

Commuting to Work

Mean travel time to work in minutes	25.6
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Occupation

Management, business, science, and arts occupations	90,757
Service occupations	44,015
Sales and office occupations	50,350
Natural resources, construction, and maintenance occupations	16,605
Production, transportation, and material moving occupations	25,071

Household Income

Total households	183,106
Median household income	\$58,456
Mean household income	\$79,490

Individual Income

Per capita income	\$30,487
Median earnings for workers	\$34,216

Education

Percent high school graduate or higher	84.7%
Percent bachelor's degree or higher	32.6%

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, 2019.

Principal Employers

State of California	76,131
UC Davis Health System	12,674
Kaiser Permanente	11,404
Sacramento County	11,330
U.S. Government	10,227
Sutter Health	8,809
Dignity Health	7,000
Elk Grove Unified School Dist.	6,381
Intel Corporation	6,200
San Juan Unified School Dist.	5,289
Apple, Inc.	5,000

Capital Asset Statistics

Police:

Number of stations	4
Number of patrol units	190
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 streetlights	43,438
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	213
Park acreage	3,340
Number of community centers	14
Number of swimming pools (including wading pools)	27

Utilities:

Miles of water mains and distribution lines	1,603
Miles of sanitary sewers and storm drainage	1,961

Miscellaneous:

Number of boat harbor slips	475
Number of Community Convention Center events	229
Community Convention Center event attendance	902,110
Number of Zoo attendance	472,440

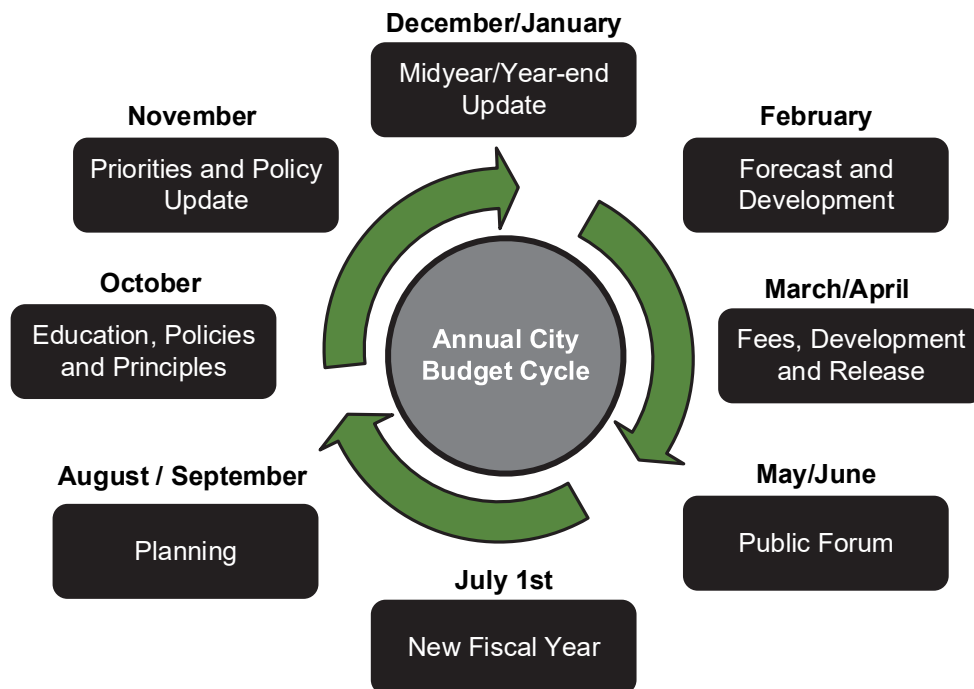
Budget Presentation

The presentation of the Budget includes both the FY2020/21 Approved Operating Budget and the 2020-2025 Approved Capital Improvement Program (CIP) Budget which includes the FY2020/21 CIP Budget. The Budget documents are available on the City's website at: www.cityofsacramento.org/finance/budget.

The Budget includes 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 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 Mayor and Council continued efforts to engage and educate the community on the budget process and the City's financial challenges over the long-term by completing a community budget survey, and facilitating discussions at the Budget and Audit Committee (Committee) and Council meetings in January and February. 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. For FY2020/21 only mission critical augmentations were approved including three in the G/MU Fund as well as augmentations in the Solid Waste Fund associated with the recent rate increase. The augmentations are outlined in the FY2020/21 Mission Critical Augmentations section of the Budget Overview.

A five-year revenue model has been 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, including estimated impacts of the pandemic, is included in the Forecast Section. 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 2020-2025 CIP.

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:

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

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

Budget Hearings

On May 12, 2020, the City Council conducted a public hearing on the Budget and upon conclusion adopted Resolution No. 2020-0123 approving the FY2020/21 Operating Budget and 2020-2025 CIP.

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 5-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 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.

The Budget as approved is balanced and reflects adopted Council policies and goals, and planning/programming guides. In consideration of the recent public health emergency outbreak of COVID-19, the Budget as approved is a status quo or continuation budget, with the exception of a limited number of mission critical augmentations necessary to address information technology system security as the City transitions to a remote workforce, public safety, the preservation of our historic collections (e.g. films, photos, artifacts), and increased expenditure authority in the Solid Waste Fund necessary to address workload. The augmentations are outlined in the FY2020/21 Mission Critical Augmentations section as follows.

FY2020/21 Mission Critical Augmentations

While the needs of our City continue to grow and Departments have identified augmentations necessary to address these needs, given the current fiscal uncertainty, only four critical requests were approved in the Budget. The total cost of the G/MU augmentations is \$490,920.

General Fund (\$142,717)

- Security Analyst (Information Technology Department): \$142,717 for a Senior Systems Engineer (1.0 FTE) for the IT Security Team to provide a more secure, robust network and protect the City's critical systems and data against threats, malware, and cyberattacks. The additional resource will strengthen and improve the

FY2020/21 Approved Budget

department's ability to respond to security incidents, minimize risk to City data assets and allow IT to be more proactive on security.

Measure U Fund (\$348,203)

- Social Services Administrator (Police Department): This position was added in the FY2017/18 Midyear Budget with one-time funding. The proposed augmentation (\$183,203) will provide for the ongoing funding needed to support this position in the Mental Health and Impact Team which is directly responsible for dealing with the most vulnerable members of our community.
- Film Archives (Convention and Cultural Services Department): \$165,000 in one-time funding to complete construction of a cold storage unit for the City's film archives, which generate General Fund revenue for the City. Without the cold storage unit, valuable portions of the film archives may be lost or damaged, directly impacting future revenues. Additional information on the Cool Storage for Film Collections (C15001200) is included in the FY2020/21 CIP Budget.

Solid Waste Fund (\$9.2 million)

- The FY2020/21 Budget for Recycling and Solid Waste operations includes staffing and program adjustments as presented to Council on December 3, 2019. The costs associated with these adjustments will be fully offset by fee revenue. The Budget includes recommendations for increases to address ongoing disposal costs (\$5,243,800), one-time vehicle acquisitions (\$3,263,000) and 8.0 FTE positions with associated supplies (\$684,247). This proposed augmentation has no impact to the General Fund.

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

In addition to the economic impact of the pandemic and county SAH order, there are ongoing challenges such as increasing labor costs and liabilities that continue to

compete with the priorities and needs of our community. The following summarizes a few of the challenges ahead, which could impact not only the G/MU Fund 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 FY2019/20, the majority of which were two-year contracts expiring in June 2021. The City is currently in the early stages of negotiations with Sacramento City Exempt Employees Association (SCXEA) and the Sacramento Area Fire Fighters Local 522 (Local 522). Assumptions for future labor increases have not been included in the FY2020/21 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 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 \$28.6 million over the next five years. This estimate does not account for the losses projected by CalPERS because of the pandemic. It is likely that the City will not know the full impact of these losses, and the effect on contribution rates, for another two years based on CalPERS' actuarial reporting timelines.

General Liability and Auto Liability Insurance (GL&AL)

Insurance premiums continue to increase, primarily excess liability premiums resulting from the City's loss history, which has seen a substantial 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 \$19 million in FY2019/20 to \$23 million in FY2020/21. Risk Management is projecting annual increases to the GL&AL premiums of 20% to 25% and a 10% to 15% increase in workers' compensation premiums for the foreseeable future. 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 Local 522 which eliminated the benefit in January 2020.

Several years ago, the Governmental Accounting Standards Board (GASB) set new standards (GASB Statement 45, subsequently updated by GASB Statement 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 City's unfunded accrued liability for retiree benefits was projected to be \$452 million (June 2014). 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 pension 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 total OPEB liability for all funds was approximately \$400 million as of June 30, 2019 and there is currently approximately \$56.6 million in the Trust to fund this liability.

General Fund Revenues: Options and Opportunities

The following are budget sustainability measures staff is recommending to Council for considerations to ensure that the City's financial position is sustainable over the long-term:

- **Update Business Operation Tax (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. Management Partners also included this recommendation in their updated review presented to Council in 2020. Options include, but are not limited to, providing for a cost-of-living adjustment, and resetting the BOT minimums and caps. However, consideration of this change may need to be deferred until our business community has had the opportunity to recover from the impacts of the pandemic.
- **Support state legislative efforts to maximize revenues 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 collect meter revenue lost due to ongoing abuse, while also ensuring access for those with disabilities.
- **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 cost increases for this benefit.

Conclusion

Prior to the public health crisis, revenues continued to experience strong growth. While the impact of the public health crisis is unknown, long-term sustainability in the G/MU

Fund will continue to be challenged with increasing pension costs and labor contract pressures. The following financial outlook was developed in early April based on preliminary estimates related to revenue losses anticipated from the pandemic and related SAH order.

Financial Outlook	FY2019/20	FY2020/21
General (G) and Measure U (MU) Funds (\$ in 000s)	Amended	Projection
Revenues <i>(includes \$13.4m Capitol Park Hotel loan repayment)</i>	644,944	668,638
Expenditures <i>(includes contribution to EUR)</i>	651,941	641,567
Revenues less Expenditures	(6,997)	27,071
Available G/MU Fund Balance <i>(FY2019/20 Midyear estimate)</i>	42,484	
Available Resources	35,487	27,071
Estimated Revenue Losses due to COVID-19 Pandemic		
General Fund Sales Tax	(12,619)	(23,316)
Measure U Sales Tax	(14,467)	(25,110)
General Fund Parking Revenue	(4,243)	(6,483)
General Fund Transient Occupancy Tax	(1,466)	(3,390)
General Fund Business Operations Tax (BOT)		(1,500)
Subtotal Impacts	(32,795)	(59,799)
Budget Projection with Response to the Pandemic	2,692	(32,728)

Note: Expenditures include increases that were considered but are not included in the Budget.

This outlook included originally planned augmentations to address growth in critical programs and services. In response to the pandemic, the FY2020/21 Proposed Budget forecast (see page 19 - Forecast Section) has been modified to include only mission critical augmentations as previously discussed, revenue adjustments as shown above, and the strategic use of one-time resources necessary to balance the Budget. It is important to understand that our assumptions will change as our understanding of reality changes. As the impacts of revenue losses and the timeframe for economic recovery becomes clearer it will be necessary to refine our estimates.

Federal relief funding related to the pandemic also could affect the G/MU Fund. On March 27, 2020, President Donald Trump signed into law the Coronavirus Aid, Relief and Economic Security (CARES) Act, which contains \$150 billion in relief for states and certain local governments. In April, the City received \$89 million in federal relief funding related to the pandemic and has been analyzing recently released guidance on how it can be used. Through Council's leadership, funding has been prioritized for small business recovery and assistance, youth and workforce training programs, homelessness and rapid re-housing, the arts, and social services. It is possible that further funding could be released in the future. We will continue to monitor the economic data as well as all available federal stimulus resources and provide updates to Council as appropriate.

3

SECTION – 3 The Forecast

Revised Financial Forecast

General and Measure U (G/MU) Funds: The changes to the FY2020/21 Proposed Budget as summarized in the Budget Overview resulted in changes to General Fund revenues and expenditures. The G/MU forecast as shown below has been updated to reflect the budget as approved.

FY2020/21 Approved Forecast

(updated 06/23/2020)

5-Year Forecast General (G) and Measure U (MU) Funds (\$ in 000s)	FY2019/20	FY2020/21	FY2021/22	FY2022/23	FY2023/24	FY2024/25
	Amended	Approved	Projection	Projection	Projection	Projection
Revenues						
Revenues	621,938	589,064	642,296	660,928	676,386	689,046
Other Sources	23,006	20,500	3,000	4,000	4,000	7,000
Total Revenues/Resources	644,944	609,564	645,296	664,928	680,386	696,046
Expenditures						
Department Operating, Debt and MYOPs	607,541	613,748	640,167	661,469	677,666	695,561
Capital Projects	43,168	11,280	11,552	11,590	11,690	11,690
Other Uses		1,000	1,030	1,061	1,093	1,126
Total Expenditures/Uses	650,709	626,028	652,749	674,120	690,449	708,376
EUR Contribution						
Net Resources <i>(revenues less expenditures)</i>	(5,765)	(16,464)	(7,453)	(9,192)	(10,063)	(12,330)
Available G/MU Fund Balance	42,484					
Revised Forecast	36,719	(16,464)	(7,453)	(9,192)	(10,063)	(12,330)
Council Approved Spending/Fund Balance Adjustments						
GF MYOP Closures	5,172					
Grove Avenue Shelter	(1,900)					
COVID Emergency Funding	(1,250)					
Forecast less Council Approved FY20 Spending	38,741	(16,464)	(7,453)	(9,192)	(10,063)	(12,330)
COVID-19 Impacts						
General Fund Sales Tax	(12,619)					
Measure U Sales Tax	(14,467)					
General Fund Parking Revenue	(4,243)					
General Fund Transient Occupancy Tax	(1,466)					
Subtotal Impacts	(32,795)					
FY2020/21 Draft Forecast	5,946	(16,464)	(7,453)	(9,192)	(10,063)	(12,330)
Strategic Use of One-Time Resources						
FY2019/20 Projected Department Savings/Revenues above budg	11,095					
FY2019/20 Estimated Ending Fund Balance		17,041				
Economic Uncertainty Reserve (\$55.2m) / OPEB Trust (\$39.6m)						
FEMA Reimbursements (\$1m assumed in forecast)						
2020 Federal Stimulus Package (\$87.7m rough estimate)						
FY2020/21 with Potential Solutions	17,041	577	(7,453)	(9,192)	(10,063)	(12,330)

Enterprise Funds: The Approved Budget did not result in any revenue or expenditure changes to the Enterprise and Other Funds as presented in the Proposed FY2020/21 Budget.

Proposed Financial Forecast

(As written on April 28, 2020, with technical adjustments as necessary to reflect Council intent.)

Financial Forecast

The financial forecast is a fiscal management tool that evaluates current and future fiscal trends and 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 Council's policies, strategic goals, and 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. 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.

While revenues prior to the pandemic were forecast to grow by \$40 million or 6.6% compared to the FY2019/20 Approved Budget, there are considerable unknowns as we face the current public health crisis. This positive revenue growth is mainly attributed to Property Tax, General Sales and Use Tax, and a \$6.2 million (5.8%) increase in Department revenues. However, as we consider the Budget it is important to note that revenues will indeed be substantially less than originally forecast and will likely need to be further adjusted as additional information becomes available. We will continue monitoring the economic data as well as all available federal stimulus resources and provide updates to Council as appropriate.

The Five-Year General and Measure U Fund Forecast

The Budget 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.

The FY2020/21 Budget was balanced prior to the pandemic. Aside from the obvious health impact to our citizens, the City's largest identified impact from the pandemic will be the loss of G/MU Fund revenues. The SAH order coupled with the closure of restaurants, hotels, shopping centers and the cancellation of major events are all expected to have a significant impact on the City's sales tax, transient occupancy tax (TOT), parking revenues and business operations tax (BOT) receipts. It is estimated that the revenue loss in FY2019/20 will be approximately \$32.8 million and another \$59 million in FY2020/21. This financial impact is included in the five-year forecast and is included in the various schedules provided in the Budget.

In development of the revenue forecast, staff consulted with other cities in California and across the nation to obtain insight on how others are modeling the projected revenue losses. The sales tax assumptions have been reviewed and developed in coordination with the City's sales tax consultant MuniServices (also known as Avenu Insights and Analytics) and the TOT assumptions were developed based on preliminary information from Visit Sacramento. Additional meetings with Visit Sacramento and representatives from the hotel industry are scheduled and pertinent information will be included in future forecasting efforts.

While we would have operated with a structurally balanced budget in FY2020/21 exclusive of the impacts associated with the pandemic, the five-year forecast continues to show that the City will face increasing cost pressures going forward.

Additional challenges in the forecast are similar to what Council has considered during recent midyear discussions:

- CalPERS pension costs will increase by \$28.6 million or 27% over the next five years.
- Liability insurance premium increases: FY2020/21 costs are \$4.4 million (23%) higher than FY2019/20.
- Workers' compensation insurance cost increases: FY2020/21 costs are \$1.4 million (12%) higher than FY2019/20.
- Rising OPEB costs as more employees transition into retirement.
- Increased support to address fiscal challenges at Sacramento Public Library Authority.
- One labor contract will be negotiated at the end of FY2019/20 and nine will be negotiated during FY2020/21 which could add additional ongoing expenditures to the G/MU Fund not currently included in the forecast.

While revenues were anticipated to exceed expenditures for FY2020/21, without consideration of the impacts of the public health emergency, the term of the forecast shows that expenditures will exceed revenues, without consideration to the significant impact of the pandemic. However, based on Council's action to set aside significant resources as part of the Midyear Budget, approximately \$33.4 million was available to offset the revenue losses associated with the pandemic in the current year. Additionally, the forecast includes the strategic use of the following one-time resources to close the budget deficit, necessary to present a balanced budget:

- \$11 million in FY2019/20 from identified Department expenditure savings and revenues in excess of budget (estimated year-end results);
- \$7.5 million reduction of planned debt service for the Mayor/Council Capital Investment Program;

FY2020/21 Approved Budget

- \$6.5 million by suspending the G/MU contributions to the Economic Uncertainty Reserve (EUR) for FY2019/20 and FY2020/21 combined and over the term of the forecast;
- \$3.6 million reduction in employee services by including a 1.5% labor savings requirement for all non-sworn positions; and
- \$1 million reimbursement (estimated) from the Federal Emergency Management Agency (FEMA) for response to the pandemic.

FY2020/21 Proposed Forecast

(updated 04/10/2020)

5-Year Forecast						
General (G) and Measure U (MU) Funds (\$ in 000s)	FY2019/20	FY2020/21	FY2021/22	FY2022/23	FY2023/24	FY2024/25
	Amended	Projection	Projection	Projection	Projection	Projection
Revenues						
Revenues	621,938	589,339	642,296	660,928	676,386	689,046
Other Sources	23,006	20,500	3,000	4,000	4,000	7,000
Total Revenues/Resources	644,944	609,839	645,296	664,928	680,386	696,046
Expenditures						
Department Operating, Debt and MYOPs	579,020	613,784	640,202	662,542	678,836	695,811
Capital Projects	23,989	11,280	11,552	11,590	11,690	11,690
Other Uses	47,700	1,000	1,030	1,061	1,093	1,126
Total Expenditures/Uses	650,709	626,064	652,784	675,193	691,618	708,626
EUR Contribution <i>(0.5% of Expenses, adjusted for approved expenditures)</i>						
Net Resources <i>(revenues less expenditures)</i>	(5,765)	(16,225)	(7,488)	(10,265)	(11,232)	(12,580)
Available G/MU Fund Balance	42,484					
Revised Forecast	36,719	(16,225)	(7,488)	(10,265)	(11,232)	(12,580)
Council Approved Spending/Fund Balance Adjustments						
GF MYOP Closures	5,172					
Grove Avenue Shelter	(1,900)					
COVID Emergency Funding	(1,250)					
Forecast less Council Approved FY20 Spending	38,741	(16,225)	(7,488)	(10,265)	(11,232)	(12,580)
COVID-19 Impacts						
General Fund Sales Tax	(12,619)					
Measure U Sales Tax	(14,467)					
General Fund Parking Revenue	(4,243)					
General Fund Transient Occupancy Tax	(1,466)					
Subtotal Impacts	(32,795)					
FY2020/21 Draft Forecast	5,946	(16,225)	(7,488)	(10,265)	(11,232)	(12,580)
Strategic Use of One-Time Resources						
FY2019/20 Projected Department Savings/Revenues above budget	11,095					
FY2019/20 Estimated Ending Fund Balance		17,041				
Economic Uncertainty Reserve (\$55.2m)/OPEB Trust (\$39.6m)						
FEMA Reimbursements (\$1m assumed in forecast)						
2020 Federal Stimulus Package (\$87.7m rough estimate)						
FY2020/21 with Potential Solutions	17,041	817	(7,488)	(10,265)	(11,232)	(12,580)

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 FY2020/21 labor costs increased by approximately 10.2% compared to the FY2019/20 Approved Budget as a result of approved salary increases, movement of employees through salary steps, pension cost increases, and new positions.

Pre-COVID-19 Pandemic Revenue Estimates

Prior to the pandemic, the City continued to experience healthy revenue growth across most revenue sources with the exception of UUT. The following table breaks down the major General Fund revenue sources. The top four represent 68% of pre-pandemic revenues.

Revenue Source (\$ in 000s)	FY2019/20	FY2020/21	FY2021/22	FY2022/23	FY2023/24	FY2024/25
	Amended	Proposed	Projected	Projected	Projected	Projected
Property Tax	171,284	180,180	185,212	190,422	195,811	201,383
Measure U Transaction & Use Tax	104,065	105,289	108,402	111,723	115,037	118,344
General Sales & Use Tax	90,413	93,851	97,366	100,827	104,820	107,725
Utility User Tax	61,288	61,288	61,288	61,288	61,288	61,288
Other Revenue/Other Sources	199,100	208,530	208,813	209,327	209,364	210,542
Total General/Measure U Revenue	626,150	649,138	661,081	673,587	686,320	699,282

The revenue projections above exclude any impact from the pandemic and demonstrate growth anticipated prior to this event. Assumptions related to losses resulting from the pandemic are included in the G/MU Fund, Community Center Fund and Parking Fund five-year forecasts. A detailed discussion of the impacts of the pandemic on G/MU Fund revenues is provided below the following section which describes the factors impacting major revenues.

Property Taxes

Property taxes are received by local governments only twice annually and these revenues are local governments' primary source of general fund revenue and they count on the timing of these funds when borrowing. Property taxes account for 28% 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. Based on information available, no changes have been included to the Property Tax forecast based on the pandemic.

Another revenue source not included in the base property tax because of its one-time nature is 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. The FY2020/21 budget for the category is \$14.1 million.

Sales Tax

The biggest catalyst for growth in the General Fund is sales tax which accounts for 31% of G/MU revenues. On November 6, 2018, voters approved a new version of the City's Measure U sales tax, extending it and raising it from a half-cent to a full cent. The full cent tax went into effect on April 1, 2019 and to date the City has received three full quarters of collections. Unfortunately, sales tax is also the most sensitive General Fund revenue source during the pandemic. The table below lists the percentage breakdown of each economic segment of the sales tax prior to the pandemic.

G/MU Sales Tax Breakdown by Economic Segment	
General Retail	24.6%
Business to Business	20.3%
Food Products	17.5%
Transportation	16.5%
Construction	10.8%
County Pool	7.9%
Miscellaneous	2.4%
Total	100.0%

General Retail

The pandemic has resulted in the closure of all shopping centers and non-essential retail including apparel, department store, furniture stores, recreational products, florists/nurseries, and miscellaneous retail indefinitely. After the pandemic ends, it will take time for retail stores to re-staff and re-open and consumers may not immediately return to their previous spending habits.

Business to Business

This sector should not see a major reduction as the City is heavily weighted in government and healthcare employment. Businesses will continue to spend on office, electronics, IT infrastructure and chemical products. Leasing and energy sales will lag during the SAH order.

Food Products

Restaurants account for approximately \$25 million or 13% of the \$199 million pre-pandemic G/MU Fund sales tax estimates in FY2020/21. Many restaurants have outright closed during this event and carry-out sales are substantially less than dine in would have been and in most cases do not include alcohol sales which are often a large portion of restaurant revenues.

Transportation

Service stations comprise 43% of the transportation sector and have been affected by a substantial reduction in gas prices recently. This price reduction coupled with people driving less impacts commuting to work, school, recreational events, and leisure travel.

Construction

While constructions projects around the City continue, the demand could be dramatically less for residential properties if the recession is prolonged and unemployment significantly increases. The use of commercial office space could be much different a year from now if businesses are forced to adapt to the new normal for an extended period.

County Pool

The County pool reflects sales that cannot be attributed to a particular point of sale and internet sales. While this does not affect the Measure U Transaction and Use Tax, it

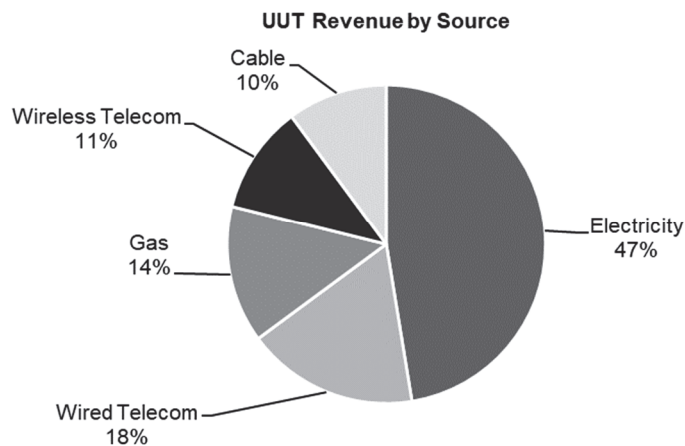
does affect the base sales tax as the City only receives 32% of the one cent collected as it runs through the County pool process.

Miscellaneous

This is the smallest sales tax segment and will be the least affected by the pandemic as it includes government and health spending.

Utility User Tax

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 \$61 million or 9% of all G/MU revenues. 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.



Electricity and gas components of UUT represent 61% of the revenue source and both have rate increases in 2020. However, the continued reduction in cable hookups and landline usage coupled with questions surrounding consumers' ability to pay their bills during the pandemic leave many unanswered questions about the health of this revenue stream for the term of the forecast.

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 consumer price index (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. 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 11% of General Fund revenues. As part of the annual budget process, the Finance Department will be taking the annual Fees and Charges Update to Council for adoption in May 2020.

COVID-19 Pandemic and the Impact on Local Revenues

In reaction to the pandemic, the State of California and Sacramento County issued a SAH order effective March 19, 2020, ordering individuals to SAH except to provide or receive essential services. The order was extended on April 7, 2020 to remain in effect through May 1, 2020. Non-essential businesses were ordered to close, effectively leaving only gas stations, grocery stores, take-out/delivery restaurants, and pharmacies open. These necessary actions to curb the transmission of the virus will result in a negative impact on the City's anticipated FY2019/20 and FY2020/21 revenues. As discussed briefly above, there are several revenue sources that will be significantly impacted immediately, including: General Sales and Use Tax, Measure U Transactions and Use Tax, BOT, TOT and parking collections from garages and meters, all of which are heavily dependent on purchases and patronage by everyday consumers and travelers. Detailed information on the assumptions that were the basis for the development of the FY2020/21 revenue estimates included in the forecast are outlined below.

There is limited data available to analyze the economic impact of the pandemic. Staff are using a variety of sources to drill down into each of the major tax revenues. This includes historical analysis of previous U.S. economic recessions as well as current news and industry reports. While the full impact of shutting down 40% of the U.S. economy will not be known for months, staff will continue to monitor all available economic indicators and recommend adjustments accordingly. The following outlines the factors driving estimates of revenue losses resulting from the pandemic and subsequent SAH order.

Sales Tax Forecast

The City’s sales tax forecast was developed and adjusted throughout the early weeks of the pandemic based on review and input from:

- Avenu Insights & Analytics, the City’s sales tax consultant
- Jeffrey S. DeWitt, Chief Financial Officer for the District of Columbia
- Surveyed cities; of the seventeen contacted, ten provided responses:
 - Bakersfield, Citrus Heights, Elk Grove, Folsom, Irvine, Long Beach, Oakland, Roseville, San Diego, and Stockton

The City’s base sales tax as well as the voter approved Measure U Transaction and Use Tax is received from taxable sales. The following chart breaks down the sales tax by major segments and includes assumptions for the projected recovery of sales tax revenues back to FY2018/19 actuals. Actual sales tax information based on the impact of the pandemic will not be available until late fall at the earliest.

Sales Tax - Projected Recovery¹

Sales Tax Segment	FY20	FY21	FY22	FY23	FY24	FY25
General Retail	85%	81%	95%	95%	95%	95%
Restaurants/Food Products	85%	65%	85%	90%	95%	95%
Auto Sales/Repairs	85%	75%	90%	95%	95%	95%
Building Materials	85%	65%	85%	90%	95%	95%
Equipment/Green Energy	88%	78%	95%	95%	95%	95%
Government/Health	100%	100%	100%	100%	100%	100%
County Pool	85%	81%	95%	95%	95%	95%
Total Sales Tax	86%	76%	92%	94%	95%	95%

¹The impact of \$50k payment deferrals recently authorized by the Governor for taxpayers with less than \$5 million in taxable sales is not included. Staff is working with the City’s sales tax consultant and the League of California Cities to better understand the impact of this deferral.

The following information summarizes the information used to develop the revised estimates for each of the sales tax segments:

- General Retail: Closure of all shopping centers and non-essential retail including apparel, department stores, furniture stores, recreational products, florists/nurseries, and miscellaneous retail.
 - Timeframe: March 16-June 30
 - It will take time for the retail stores to re-staff and re-open and consumers may not return to their previous spending habits.
- Restaurants/Food Products: Restaurants make up 72% of all revenues in the Food Product category.
 - Knowing many restaurants have outright closed during this event. Carry out sales are substantially less than dine in would have been, and in most

- cases do not include alcohol sales which are often a large portion of a restaurants revenues. We are estimating that restaurant sales will only be 10-20% of normal.
- We are expecting taxable sales from food markets and liquor stores will increase resulting in revenues at approximately 50% of normal.
 - Without the increase in revenues from food markets and liquor stores, revenue losses could have been 15% larger than originally projected.
- Auto Sales/Repair
 - There are a number of factors affecting the transportation segment of sales tax.
 - While some auto dealerships have remained open the general economic slowdown and the SAH order has affected new and used vehicle sales.
 - Service stations comprise 43% of this sector and have been affected by a substantial reduction in gas prices. According to Gas Buddy, nationally the price of gas has gone down by 53 cents a gallon or 21 % in just the last five weeks.
 - This price reduction coupled with the SAH order means that people are driving substantially less:
 - No commute to work, school, or recreational events
 - No vacation travel
 - Use of service stations is down as people are not leaving their homes.
- Building Materials and Construction
 - With the SAH order overall volume is expected to decrease.
- Equipment, Chemicals, Energy and Green Energy
 - Aside from government and health this sector reflects the smallest reduction given continued spending on office, electronics, IT infrastructure and chemical products.
 - The expectation is that leasing and energy sales will be less than normal during the SAH order.
 - The forecast for this category also reflects the quickest recovery.
- Government and Health
 - This category reflects the smallest sector of our sales tax revenue base at \$3 million.
 - Given government and health spending during the crisis we are projecting no changes in this sector.
- County Pool
 - This sector has been updated to reflect the retail sector, assuming that losses and growth will be similar.

Other Major General Fund Revenue Assumptions:

- Business Operations Tax (BOT)
 - Based on sales tax forecasting, revenue for all sectors could decline 29%, resulting in a 22% decrease in BOT.
 - 321 businesses are currently at the maximum BOT payment
 - 222 would remain at the maximum with the projected revenue decline
- Parking Citations
 - Enforcement has been limited to citations for safety related parking violations and warnings for non-safety related violations.
 - Parking citations are down approximately 88% compared to total citations written during normal operations.
 - Revenue for May and June is estimated to be down 90% of normal due to the enforcement of only safety related violations beginning March 13, 2020.
 - Revenue recovery is projected to ramp up in July as operation returns to full enforcement and is anticipated to increase through the end of 2020 and full recovery not expected until 2022.
- Parking Meter Revenues
 - Reduced demand for parking at 6,300 parking meters within the Central City because of the mandatory SAH order, employees telecommuting, the closure of all non-essential retail, bars, and restaurants, as well as the cancelation of all events.
 - On March 13, 2020, City Council adopted a resolution which provided free parking at meters after 4:30 p.m. on weekdays and all day on weekends.
 - Meter revenue is expected to be down 95% of normal for the period March 13th through June 30, 2020.
 - It will take time for the retail stores, bars, and restaurants to restock, re-staff and re-open; consumers may not return to their previous spending and socializing habits immediately.
 - Meter revenue recovery is projected to be slow in July as consumers return to downtown, then gradually return with full recovery not expected until 2022.
- Property Taxes
 - The Budget does not include reductions in property taxes as a result of the pandemic as the majority of secured/unsecured property taxes have already been collected for FY2019/20.
 - However, adjustments may be required as more information on the impact to the real estate market is known.
 - The Sacramento Business Journal indicates that regional home sales have stalled due to the pandemic.

- Real estate associations are suggesting that agents not show homes in person or have open houses for the foreseeable future.
- The Sacramento County Assessor has the authority to forgive penalties or delay payments on a case-by-case basis.
- Staff will continue to evaluate transfer and supplemental property taxes and the impact of any actions taken by the Sacramento County Assessor at the end of the SAH order to determine whether or not additional adjustments will be necessary.
- Transient Occupancy Tax (TOT)
 - With hotels closed and events cancelled, TOT is estimated to be down 28% in the current year.
 - Revenue is expected to recover within 12 months following a June 30, 2020 end of the SAH order.
 - Forecast was developed in coordination with the City Treasurer, CCS staff and discussions with Visit Sacramento.

Unfortunately, the full impact of the pandemic will not be known for many months to years. As with the disease itself, new information is available almost daily and staff are continuously evaluating the City's financial situation. The forecast and information as presented in this Budget is based on the best information available to date. Staff will continue to monitor the impacts to the City's revenue streams as well as opportunities for state and federal relief and provide updates to Council as new information is available.

Measure U Programming and Forecast - \$89.7 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 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 good purchased outside of the City and delivered to a location within the City. The Transaction and Use Tax is projected to generate approximately \$80.2 million in FY2020/21.

During the FY2019/20 Budget process the City Council directed staff to combine the General Fund and Measure U Fund. While the Measure U Fund is included in the G/MU five-year forecast the following forecast is included to provide detailed information on the revenue estimates and budgeted expenditures. Independently, the Measure U Fund is projecting a deficit at the end of FY2020/21 as revenues were reduced substantially as a result of the pandemic. However, as previously presented the combined G/MU Fund is balanced.

FY2020/21 Approved Budget

As reflected in the following forecast, the Measure U Fund provides \$89.7 million in funding for ongoing programs and services in the City Manager's Office of Economic Development, Fire, Police, Youth, Parks & Community Enrichment, and as well as funding for the City's 12 libraries.

FY2020/21 Measure U Programming

Revenues and Expenditures (\$ in 000s)	FY2020/21					
	Proposed FTE	FY2020/21 Proposed	FY2021/22 Projection	FY2022/23 Projection	FY2023/24 Projection	FY2024/25 Projection
REVENUES		80,179	99,430	104,800	109,457	112,604
EXPENDITURES						
Fire Department						
Staffing	114.50	21,533	22,573	23,467	24,123	24,821
Services & Supplies ongoing	-	111	112	113	114	116
Services & Supplies/Equipment one-time	-	-	-	-	-	-
Fire Department Subtotal	114.50	21,644	22,686	23,580	24,237	24,936
Police Department						
Staffing	261.00	41,047	43,070	44,810	46,087	47,447
Services & Supplies ongoing	-	680	687	694	701	708
Services & Supplies/Equipment one-time	-	-	-	-	-	-
Police Department Subtotal	261.00	41,727	43,757	45,504	46,788	48,155
Youth, Parks, & Ecommunity Enrichment (YPCE)						
Staffing	188.78	11,176	11,525	11,826	12,064	12,294
Services & Supplies ongoing	-	3,227	3,260	3,292	3,325	3,358
Services & Supplies/Equipment one-time	-	-	-	-	-	-
YPCE Subtotal	188.78	14,403	14,784	15,119	15,389	15,652
Economic Development						
Staffing	17.00	2,560	2,640	2,709	2,763	2,816
Services & Supplies ongoing	-	1,636	1,652	1,668	1,685	1,702
Services & Supplies/Equipment one-time	-	-	-	-	-	-
Economic Development Subtotal	17.00	4,196	4,292	4,377	4,449	4,518
Miscellaneous						
Staffing	14.00	894	921	946	965	983
Services & Supplies ongoing	-	1,432	1,447	1,461	1,476	1,490
Services & Supplies/Equipment one-time	-	-	-	-	-	-
Library MOE	-	506	506	506	506	506
Miscellaneous Subtotal	14.00	2,832	2,874	2,913	2,946	2,980
Other CIPs, MYOPs, & Debt Service						
Capital Improvements		3,341	3,176	3,176	3,176	3,176
Multi-Year Operating		1,559	1,309	1,309	1,309	1,309
Debt Service Set Aside		-	-	-	-	-
Other CIPs, MYOPs, & Debt Service Subtotal	-	4,899	4,485	4,485	4,485	4,485
EXPENDITURES TOTAL	595.28	89,702	92,878	95,978	98,294	100,726
<i>EUR Contribution (0.5% of Expenses)</i>						
One-Time Resources						
FY2019/20 Estimated Ending Fund Balance		2,214				
One-Time Resources Subtotal	-	2,214	-	-	-	-
ENDING AVAILABLE RESOURCES		(7,308)	6,552	8,822	11,163	11,878

Summary of Measure U Programs (includes CIPs/MYOPs):

Fire Department – \$21.6 million, 114.5 FTE

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

Police Department– \$45.7 million, 261.0 FTE

- Match/retention funding associated with grant-funded police officers, restoration of positions in the Department (Community Service Officers, Dispatchers, Forensic Investigators, Police Officers, etc.), continuation of capital investments in technology including the Body-Worn Camera, ShotSpotter and Police Observation Device (POD) programs, and increased funding to support mental health related issues and impact teams.

YPCE Department– \$14.4 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, and extension of hours and programs at the City’s community centers for youth and older adults.

Economic Development - \$4.2 million, 17.0 FTE

- Resources to expand the City’s economic development initiative, including housing, community engagement, community investment and the City’s Film Office.

Miscellaneous - \$3.3 million, 14.0 FTE

- Resources for the FUEL Network, Cool Storage for Archives Project, animal shelter, library maintenance, 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.

Enterprise Funds

Enterprise Funds are government facilities or services that are self-supporting through the fees associated with operating that particular service. Revenues and expenditures are expected to sustain operational needs, maintenance, and replacement of aging infrastructure, comply with regulatory mandates, and maintain the financial stability of the funds.

The FY2020/21 Budget for the Enterprise Funds includes the Recycling and Solid Waste rate adjustments and associated staffing and program changes approved by the Council on December 3, 2019. The costs associated with these adjustments will be fully offset by fee revenue. The following provides details on recommended budget adjustments:

- Ongoing disposal costs: \$5,243,800
- One-time vehicle acquisitions: \$3,263,000
- 8.0 FTE and associated supplies: \$684,247

With the current economic landscape due to the COVID-19 pandemic, the Community Center Fund and the Parking Fund will be anticipating negative fund balances at the end of FY2020/21 due to projected lost revenues. 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.

The following tables 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.

Fund	Status
Community Center	Due to the impacts of COVID-19, the Transient Occupancy Tax (TOT) is estimated to be reduced to 72% of FY2018/19 actual collections for FY2019/20 and is projected to be reduced to 43% of FY2018/19 actual collections for FY2020/21. The SAFE Credit Union Convention Center and SAFE Credit Union Performing Arts Center are closed for renovations with an anticipation to reopen for events in the second half of FY2020/21, this will result in additional reduction in user fees collected for FY2020/21 compared to previous fiscal years. Expenditures are continually monitored to ensure prudent use of resources.
Parking	Revenue from parking fees collected at city garages are projected to decrease by 7% in FY2020/21 largely in part from the stay-at-home order issued by the Governor. The unavoidable impacts from the COVID-19 pandemic and stay-at-home order has lowered the utilization at city owned parking garages. However, we do anticipate a 7% recovery in FY2021/22 and project a modest 2% growth as the parking system's utilization returns to pre-pandemic levels. There is no expected growth in the outlying years as we focus on stabilizing the business operations and project no rate adjustments.
Solid Waste	The five-year forecast for the Solid Waste Fund reflects a one-year City Council approved rate adjustment beginning in FY2020/21. While the approved rate adjustment has helped address near-term operational costs, without the longer term adjustment, expenditures will continue to exceed revenue resulting in increased reliance on fund reserves and without action the fund is projected to be in a deficit position beginning in FY2024/25. Options including a future rate adjustment, will be considered by the Utility Rate Advisory Commission (URAC) and the City Council.
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	A rate increase is not included in the five-year forecast. The anticipated revenues will provide sufficient resources to continue critical infrastructure repair and rehabilitation, as well as to ensure compliance with state and federal regulations.
Water	A rate increase is not included in the five-year forecast. The anticipated revenues and reserves will provide sufficient resources to continue critical infrastructure repair and rehabilitation, as well as to ensure compliance with state and federal regulations.

Community Center Fund

	FY20	FY21	FY22	FY23	FY24	FY25
(\$ in 000s)	Approved	Proposed	Projection	Projection	Projection	Projection
Beginning Fund Balance	38,903	11,847	(8,341)	(9,519)	(9,897)	(9,934)
Revenue	30,218	15,896	39,106	40,255	41,449	42,683
Expenditures	36,497	43,732	40,034	40,383	41,236	42,081
Other Source/(Use)	(250)	7,648	(250)	(250)	(250)	(250)
Ending Funding Balance	32,374	(8,341)	(9,519)	(9,897)	(9,934)	(9,582)

Parking Fund

	FY20	FY21	FY22	FY23	FY24	FY25
(\$ in 000s)	Approved	Proposed	Projection	Projection	Projection	Projection
Beginning Fund Balance	1,763	(912)	(779)	(111)	1,080	2,247
Revenue	19,818	18,229	20,013	20,070	20,077	20,184
Expenditures	20,677	19,981	19,345	18,879	18,910	18,854
Other Source/(Use)	-	1,885	-	-	-	-
Ending Funding Balance	905	(779)	(111)	1,080	2,247	3,577

Solid Waste Fund

	FY20	FY21	FY22	FY23	FY24	FY25
(\$ in 000s)	Approved	Proposed	Projection	Projection	Projection	Projection
Beginning Fund Balance	21,162	32,324	21,834	17,130	12,990	6,175
Revenue	67,659	75,529	77,328	78,283	79,830	81,407
Expenditures	68,426	86,019	82,032	82,423	86,645	89,394
Other Source/(Use)	-	-	-	-	-	-
Ending Funding Balance	20,395	21,834	17,130	12,990	6,175	(1,812)

Storm Drainage Fund

	FY20	FY21	FY22	FY23	FY24	FY25
(\$ in 000s)	Approved	Proposed	Projection	Projection	Projection	Projection
Beginning Fund Balance	26,131	24,570	22,356	19,076	19,606	18,824
Revenue	38,201	39,006	39,095	39,186	39,270	39,354
Expenditures	38,457	42,030	42,375	38,657	40,051	41,492
Other Source/(Use)	(133)	809	-	-	-	-
Ending Funding Balance	25,742	22,356	19,076	19,606	18,824	16,687

Wastewater Fund

	FY20	FY21	FY22	FY23	FY24	FY25
(\$ in 000s)	Approved	Proposed	Projection	Projection	Projection	Projection
Beginning Fund Balance	9,257	14,920	18,676	20,561	22,641	23,449
Revenue	44,424	44,290	44,243	44,320	44,399	44,479
Expenditures	41,670	40,535	42,358	42,240	43,591	44,738
Other Source/(Use)	-	-	-	-	-	-
Ending Funding Balance	12,011	18,676	20,561	22,641	23,449	23,190

Water Fund

	FY20	FY21	FY22	FY23	FY24	FY25
(\$ in 000s)	Approved	Proposed	Projection	Projection	Projection	Projection
Beginning Fund Balance	107,924	129,478	115,278	103,478	87,847	69,541
Revenue	139,776	136,452	137,219	137,552	137,888	138,227
Expenditures	120,316	137,583	149,021	153,182	156,194	152,262
Other Source/(Use)	-	(13,069)	-	-	-	-
Ending Funding Balance	127,384	115,278	103,478	87,847	69,541	55,506

Community Center Fund (6010)

The Community Center Fund supports the operation, debt service and CIP for the Sacramento Convention Center Complex, which includes the SAFE Credit Union Convention Center, the SAFE Credit Union Performing Arts Center, and the Memorial Auditorium. The fund also provides support to cultural partners and the General Fund. The operational and financial goals for the Community Center Fund includes 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 the downtown and Sacramento region.

On September 25, 2018, City Council authorized the issuance of TOT revenue bonds to finance the Convention Center Complex Renovation Project. A total of \$285.2 million in tax-exempt TOT revenue bond funding was received for the project. Debt service payments for these new bonds started in May 2019.

Starting in late July 2019, the SAFE Credit Union Convention Center and SAFE Credit Union Performing Arts Center closed for renovations with an anticipation of reopening for events in the second half of FY2020/21. This will result in having fewer events held at the Convention Center Complex due to not having all facilities open for a full year, and less user fees collected in the Community Center Fund.

Over two-thirds of fund revenues collected in the Community Center Fund are TOT. In FY2018/19, these revenues grew by 10.2%. For FY2019/20, TOT is estimated to be just 72% of FY2018/19 actual collections. For FY2020/21, TOT is estimated to be only 43% of FY2018/19 actual collections. These estimated reductions are mainly due to the impact of the pandemic, which has lowered tourism, cancelled events, and temporarily closed hotels in the Sacramento region. This in turn lowers room-nights at hotels and thus reduces TOT revenues.

The Department anticipates business operations to be back to normal in the second half of FY2020/21, with TOT revenue collections in FY2021/22 to equal FY2018/19 actuals.

Additionally, 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 FY2020/21 with payments continuing in future years. As of the beginning of FY2019/20, there is a remaining balance of approximately \$5.3 million.

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

	FY20	FY21	FY22	FY23	FY24	FY25
	Approved	Proposed	Projection	Projection	Projection	Projection
BEGINNING FUND BALANCE ⁽¹⁾	38,903	11,847	(8,341)	(9,519)	(9,897)	(9,934)
REVENUES						
TOT	28,518	12,675	29,477	30,479	31,516	32,587
Charges, Fees, and/or Services	1,500	2,508	8,709	8,865	9,025	9,189
Interest	200	200	20	11	8	7
Other (Facility Fee)	-	513	900	900	900	900
TOTAL REVENUES	30,218	15,896	39,106	40,255	41,449	42,683
EXPENDITURES						
Operating - Employee Services	6,078	6,066	9,772	10,261	10,774	11,312
Operating - Other	6,506	8,747	8,944	9,250	9,568	9,900
Debt Service	22,050	27,119	19,218	19,222	19,219	19,219
Multi-Year Operating Projects	-	-	-	-	-	-
Capital Improvements	1,863	1,800	2,100	1,650	1,675	1,650
TOTAL EXPENDITURES	36,497	43,732	40,034	40,383	41,236	42,081
ANNUAL SURPLUS/(DEFICIT)	(6,279)	(27,836)	(928)	(128)	213	602
Other Source/(Use) ⁽²⁾	(250)	7,648	(250)	(250)	(250)	(250)
ENDING FUND BALANCE	32,374	(8,341)	(9,519)	(9,897)	(9,934)	(9,582)

⁽¹⁾The difference between FY2019/20 ending fund balance and FY2020/21 beginning fund balance is due to budget amendments not included in this forecast.

⁽²⁾The final debt service payments of the 1993 Series A & B bonds in 2020 will be covered by the balance of the reserve fund.

Parking Fund (6004)

The City of Sacramento operates five City-owned parking garages and 12 City-owned surface lots as well as 62 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 servicing 19 tenants within the various City parking structures.

Revenue from parking fees collected at City garages are projected to decrease by 7% in FY2020/21 largely due to the pandemic. The unavoidable impacts from the pandemic and SAH order have lowered usage of City-owned parking garages. However, the City anticipates a 7% recovery in FY2021/22 and projects a modest 2% growth as the parking system's usage returns to pre-pandemic levels. There is no expected growth in the outlying years as the City will be focusing on stabilizing the business operations and projects no rate adjustments.

Rental revenue is based on current and anticipated leases of commercial spaces. A 2% increase is expected in FY2020/21 based on current leases and new agreements and 5% in FY2021/22 due to new leases as well as CPI increases, then 1% increases annually thereafter.

Expenses have a 3% decrease in FY2020/21 predominately due to a decrease in debt service as capital leases retire. This decrease is partially offset by an increase in employee services. There are projected 2% decreases in FY2021/22 and FY2022/23 due to retirement of debt service. Expenses are then projected to have a less than 1% change annually in FY2023/24 and FY2024/25.

Funding in the CIP is included for technology upgrades and replacement/upgrades of current infrastructure. Funding increases in FY2021/22 and remains consistent in outer years as revenue increases and debt service obligations are retired.

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

	FY20	FY21	FY22	FY23	FY24	FY25
	Approved	Proposed	Projection	Projection	Projection	Projection
BEGINNING FUND BALANCE	1,763	(912)	(779)	(111)	1,080	2,247
REVENUES						
Parking Fees	18,120	16,820	18,520	18,520	18,520	18,520
Administrative Fees	424	424	424	424	424	424
Interest (Operating Funds)	600	300	350	400	400	500
Real Property Rental	674	685	719	726	733	740
TOTAL REVENUES	19,818	18,229	20,013	20,070	20,077	20,184
EXPENDITURES						
Operating - Employee Services	5,531	5,601	5,824	5,970	6,119	6,272
Operating - Other	1,938	1,623	1,630	1,714	1,799	1,886
Debt Service	12,323	11,909	10,976	10,280	10,077	9,781
Multi-Year Operating Projects	351	321	200	200	200	200
Capital Improvements	534	527	715	715	715	715
TOTAL EXPENDITURES	20,677	19,981	19,345	18,879	18,910	18,854
ANNUAL SURPLUS/(DEFICIT)	(859)	(1,752)	668	1,191	1,167	1,330
Other Source/Use ⁽¹⁾	-	1,885	-	-	-	-
ENDING FUND BALANCE ⁽²⁾	905	(779)	(111)	1,080	2,247	3,577

⁽¹⁾The additional resources are due to an accounting adjustment, which will provide resources to offset current debt service.

⁽²⁾The difference between FY2019/20 ending fund balance and FY2020/21 beginning fund balance is due to budget amendments 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. Recycling and Solid Waste (RSW) Division manages the collection of garbage, yard waste and recyclables. In addition to direct solid waste services, the Division provides on-going 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 household hazardous waste.

On December 3, 2019, City Council approved rate adjustments to the solid waste rates for the last six months of FY2019/20 (7.43%) and the full FY2020/21 (7.47%). Challenges facing the Solid Waste Fund include:

- New costs associated with securing long-term yard waste and organics processing capacity to meet State diversion requirements.
- China's National Sword policy which tightened recyclables contamination standards and increased the quality of acceptable recyclables from other countries including USA.
- Providing funding for the construction of a Compressed Natural Gas (CNG) facility at the Meadowview City Service Complex.
- Increasing general inflation cost on items vital to providing solid waste services such as vehicles, operations and maintenance, fuel, and in-region disposal fees.

The cost of solid waste and recycling operations continue to rise as state and federal government add more stringent regulations. RSW will continue to evaluate opportunities and collaborate with regional solid waste agencies to increase efficiencies and reduce costs by implementing timely organizational reroutes, procurement of CNG vehicles, exploring electric refuse truck opportunities and maintaining a robust safety training program.

The following chart provides a five-year forecast for the Solid Waste Fund, with a one-year City Council approved rate adjustment beginning in FY2020/21. While the approved rate adjustment has helped address near-term operational costs, without the longer-term adjustment, expenditures will continue to exceed revenues resulting in increased reliance on fund reserves, and without action the fund is projected to be in a deficit position beginning in FY2024/25. RSW will work with the Utility Rate Advisory Commission and the City Council regarding options for a future rate adjustment.

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

	FY20	FY21	FY22	FY23	FY24	FY25
	Approved	Proposed	Projection	Projection	Projection	Projection
BEGINNING FUND BALANCE	21,162	32,324	21,834	17,130	12,990	6,175
REVENUES						
Charges, Fees, and/or Services	65,969	74,464	76,263	77,218	78,765	80,342
Interest	750	750	750	750	750	750
Other (Intergovernmental)	940	315	315	315	315	315
TOTAL REVENUES	67,659	75,529	77,328	78,283	79,830	81,407
EXPENDITURES						
Operating - Employee Services	19,290	19,202	20,825	21,658	22,524	23,425
Operating - Other	36,143	46,009	48,304	50,019	51,888	53,961
Debt Service	1,688	1,688	1,677	1,678	1,677	1,674
Multi-Year Operating Projects	7,123	12,427	8,711	7,220	8,958	8,736
Capital Improvements	4,182	6,693	2,515	1,848	1,598	1,598
TOTAL EXPENDITURES	68,426	86,019	82,032	82,423	86,645	89,394
ANNUAL SURPLUS/(DEFICIT)	(767)	(10,490)	(4,704)	(4,140)	(6,815)	(7,987)
Other Source/Uses						
ENDING FUND BALANCE ⁽¹⁾	20,395	21,834	17,130	12,990	6,175	(1,812)

⁽¹⁾ The difference between FY2019/20 ending fund balance and FY2020/21 beginning fund balance is due to budget amendments not included in this forecast.

Storm Drainage 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, educational 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, to further minimize urban runoff, conserve water and preserve resources.
- Uncertainty surrounding the outbreak of COVID-19 and the potential impact on revenue.

Unlike the water and wastewater utilities, any 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 to bridge these 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. Per Proposition 218, a voter-approved ballot measure is required to increase storm drainage rates.

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

	FY20	FY21	FY22	FY23	FY24	FY25
	Approved	Proposed	Projection	Projection	Projection	Projection
BEGINNING FUND BALANCE	26,131	24,570	22,356	19,076	19,606	18,824
REVENUES						
Charges, Fees, and/or Services	37,754	38,569	38,658	38,748	38,831	38,915
Interest	422	422	422	422	422	422
Other (Intergovernmental)	25	15	16	16	17	17
TOTAL REVENUES	38,201	39,006	39,095	39,186	39,270	39,354
EXPENDITURES						
Operating - Employee Services	14,959	16,949	17,803	18,694	19,628	20,610
Operating - Other	17,459	16,158	17,568	18,043	18,494	18,961
Debt Service	3,509	3,242	235	235	235	233
Multi-Year Operating Projects	1,760	1,294	1,789	1,435	1,443	1,439
Capital Improvements	770	4,386	4,979	250	250	250
TOTAL EXPENDITURES	38,457	42,030	42,375	38,657	40,051	41,492
ANNUAL SURPLUS/(DEFICIT)	(256)	(3,024)	(3,280)	529	(781)	(2,138)
Other Source/(Use)	(133)	809	-	-	-	-
ENDING FUND BALANCE ⁽¹⁾	25,742	22,356	19,076	19,606	18,824	16,687

⁽¹⁾ The difference between FY2019/20 ending fund balance and FY2019/21 beginning fund balance is due to budget amendments not included in this forecast.

Wastewater 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 much more prominent features. 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. 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. Issues facing the Wastewater Fund include:

- Compliance with state and federal regulations, including state-mandated rehabilitation of the central area of the City. The 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.
- Uncertainty surrounding the outbreak of COVID-19 and the potential impact on existing revenue.

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.

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

	FY20	FY21	FY22	FY23	FY24	FY25
	Approved	Proposed	Projection	Projection	Projection	Projection
BEGINNING FUND BALANCE	9,257	14,920	18,676	20,561	22,641	23,449
REVENUES						
Charges, Fees, and/or Services	43,019	43,098	43,146	43,194	43,243	43,291
Interest	392	392	269	269	269	270
Other (Intergovernmental)	1,013	800	828	857	887	918
TOTAL REVENUES	44,424	44,290	44,243	44,320	44,399	44,479
EXPENDITURES						
Operating - Employee Services	10,202	12,320	14,112	14,817	15,558	16,336
Operating - Other	21,490	19,276	19,329	19,869	20,349	20,846
Debt Service	2,827	4,031	4,116	4,116	4,117	4,117
Multi-Year Operating Projects	2,361	1,505	1,789	1,435	1,443	1,439
Capital Improvements	4,790	3,403	3,012	2,003	2,123	2,000
TOTAL EXPENDITURES	41,670	40,535	42,358	42,240	43,591	44,738
ANNUAL SURPLUS/(DEFICIT)	2,754	3,756	1,885	2,081	808	(259)
Other Fund Sources/Uses	-	-	-	-	-	-
ENDING FUND BALANCE ⁽²⁾	12,011	18,676	20,561	22,641	23,449	23,190

⁽¹⁾ The beginning fund balance includes a roll-up of the Wastewater Fund and the Wastewater Revenue Bond Funds.

⁽²⁾ The difference between FY2019/20 ending fund balance and FY2019/21 beginning fund balance is due to budget amendments not included in this forecast.

Water 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 educational programs, water-quality monitoring, related engineering services, customer service and billing, 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. 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 June 2021, 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.
- Uncertainty surrounding the outbreak of COVID-19 and the potential impact on revenue.

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 from FY2021/22 through FY2040/41. Proceeds of this loan are based on reimbursements of actual costs of the project. Accordingly, the Department of Utilities is required to fund project costs with the Water Fund until reimbursement has been received from SRF.
- 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.
- Costs for items that are vital to the collection, purification, 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**

	FY20	FY21	FY22	FY23	FY24	FY25
	Approved	Proposed	Projection	Projection	Projection	Projection
BEGINNING FUND BALANCE ⁽¹⁾	107,924	129,478	115,278	103,478	87,847	69,541
REVENUES						
Charges, Fees, and/or Services	139,191	135,797	136,116	136,437	136,761	137,087
Interest	400	400	839	840	842	844
Other (Intergovernmental)	185	255	265	274	285	295
TOTAL REVENUES	139,776	136,452	137,219	137,552	137,888	138,227
EXPENDITURES						
Operating - Employee Services	46,409	45,139	47,795	50,185	52,694	55,329
Operating - Other	29,679	33,880	34,949	35,607	36,287	36,991
Debt Service	32,224	29,773	40,012	39,401	39,394	39,383
Multi-Year Operating Projects	2,565	2,789	2,510	2,548	2,540	2,558
Capital Improvements	9,439	26,002	23,755	25,441	25,279	18,002
TOTAL EXPENDITURES	120,316	137,583	149,021	153,182	156,194	152,262
ANNUAL SURPLUS/(DEFICIT)	19,460	(1,131)	(11,801)	(15,630)	(18,306)	(14,036)
Other Source/(Use) ⁽²⁾		(13,069)	-	-	-	-
ENDING FUND BALANCE ⁽³⁾	127,384	115,278	103,478	87,847	69,541	55,506

⁽¹⁾ The beginning fund balance includes a roll-up of the Water Fund, Water Revenue Bond Funds, and Drinking Water SRF Loan.

⁽²⁾ Other Fund Sources/Uses reflect unreimbursed SRF expenses at yearend; a deposit to rate stabilization fund in FY2020/21 and interest only payment to SRF in FY2020/21.

⁽³⁾ The difference between FY2019/20 ending fund balance and FY2020/21 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:
 - FY2017/18 Actuals
 - FY2018/19 Actuals
 - FY2019/20 Approved Budget
 - FY2019/20 Amended Budget (as of February 2020)
 - FY2020/21 Approved Budget
 - Variance

The summary table shows for each year:

- Budgeted expenditures by category
- Funding sources and amounts
- A division level summary budget table:
 - FY2017/18 Actuals
 - FY2018/19 Actuals
 - FY2019/20 Approved Budget
 - FY2019/20 Amended Budget (as of February 2020)
 - FY2020/21 Approved Budget
 - Variance
- A division level summary staffing table:
 - FY2017/18 Actuals
 - FY2018/19 Actuals
 - FY2019/20 Approved Budget
 - FY2019/20 Amended Budget (as of February 2020)
 - FY2020/21 Approved 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	FY2017/18 Actuals	FY2018/19 Actuals	FY2019/20 Approved	FY2019/20 Amended	FY2020/21 Approved	Change More/(Less) Approved/Amended
Employee Services	8,784,907	9,303,391	10,889,322	10,889,322	11,080,121	190,799
Other Services and Supplies	22,320,438	28,814,162	31,105,722	31,105,722	35,971,432	4,865,710
City Property	35,082	26,513	193,200	43,200	156,500	113,300
Transfers	(75,987)	(107,170)	-	-	-	-
Labor and Supply Offset	3,914,783	3,752,219	3,442,522	3,442,522	3,424,207	(18,315)
Total	34,979,223	41,789,115	45,630,766	45,480,766	50,632,260	5,151,494

Funding Summary by Fund/Special District	FY2017/18 Actuals	FY2018/19 Actuals	FY2019/20 Approved	FY2019/20 Amended	FY2020/21 Approved	Change More/(Less) Approved/Amended
General Fund	3,369,837	3,539,795	4,302,308	4,302,308	4,349,530	47,222
Fleet Management	59,614	59,614	59,614	59,614	59,614	-
Interdepartmental Service	1,071,544	1,280,301	1,557,484	1,557,484	1,648,618	91,134
Recycling and Solid Waste	110,625	117,545	117,545	117,545	117,545	-
Risk Mgmt	19,322,799	23,687,806	25,221,057	25,071,057	29,559,312	4,488,255
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	10,923,330	12,982,581	14,251,284	14,251,284	14,776,167	524,883
Total	34,979,223	41,789,115	45,630,766	45,480,766	50,632,260	5,151,494

- Column 1 - FY2017/18 actual expenditures by category and funding amounts by source.
- Column 2 - FY2018/19 actual expenditures by category and funding amounts by source.
- Column 3 - FY2019/20 Approved Budget by category and funding amounts by source.
- Column 4 - FY2019/20 Amended Budget by category and funding amounts by source.
- Column 5 - FY2020/21 Approved Budget by category and funding amounts by source.
- Column 6 - The budget change between the FY2020/21 Approved and the FY2019/20 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	FY2017/18 Actuals	FY2018/19 Actuals	FY2019/20 Approved	FY2019/20 Amended	FY2020/21 Approved	Change More/(Less) Approved/Amended
Benefit Services Division	798,899	922,882	1,039,747	1,039,747	1,075,456	35,709
Employment, Classification & Dev. Divison	1,324,660	1,574,503	1,807,109	1,807,109	1,881,492	74,383
HR Administration Division	1,934,130	1,807,603	2,098,714	2,098,714	2,092,351	(6,363)
Labor Relations Division	851,216	1,031,923	1,436,889	1,436,889	1,471,515	34,626
Risk Management Administration Division	27,700,572	34,004,123	36,298,468	36,148,468	41,123,487	4,975,019
Workers' Compensation Division	2,369,746	2,448,081	2,949,839	2,949,839	2,987,958	38,119
Total	34,979,223	41,789,115	45,630,766	45,480,766	50,632,260	5,151,494

Column 1 - FY2017/18 actual expenditures by division.

Column 2 - FY2018/19 actual expenditures by division.

Column 3 - FY2019/20 Approved Budget by division.

Column 4 - FY2019/20 Amended Budget by division.

Column 5 - FY2020/21 Approved Budget by division.

Column 6 - The budget change between the FY2020/21 Approved and the FY2019/20 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	FY2017/18 Actuals	FY2018/19 Actuals	FY2019/20 Approved	FY2019/20 Amended	FY2020/21 Approved	Change More/(Less) Approved/Amended
Benefit Services Division	8.00	9.00	9.00	9.00	9.00	-
Employment, Classification & Dev. Divison	12.00	15.00	15.00	15.00	15.00	-
HR Administration Division	11.00	10.00	10.00	10.00	10.00	-
Labor Relations Division	9.00	9.00	10.00	10.00	10.00	-
Risk Management Administration Division	17.00	17.00	17.00	17.00	17.00	-
Workers' Compensation Division	19.00	19.00	19.00	19.00	19.00	-
Total	76.00	79.00	80.00	80.00	80.00	-

Column 1 – FTEs by division in FY2017/18.

Column 2 – FTEs by division in FY2018/19.

Column 3 – FTEs by division in the FY2019/20 Approved Budget.

Column 4 – FTEs by division for the FY2019/20 Amended Budget.

Column 5 – FTEs by division as Approved for FY2020/21.

Column 6 – The budget change in FTEs by division between the FY2020/21 Approved and the FY2019/20 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 \$250,000 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:

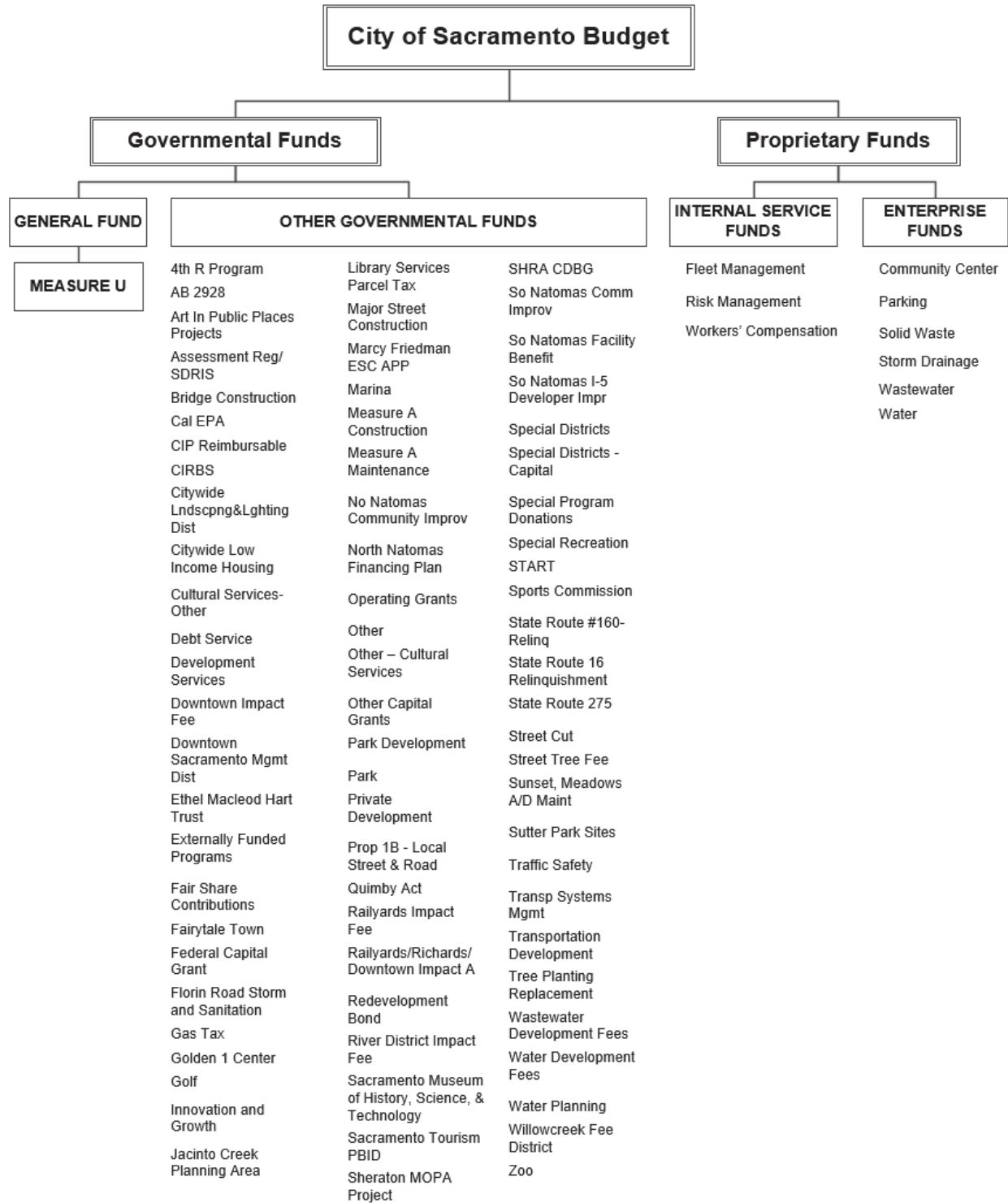
- The General Fund is the primary operating fund of the City and accounts for all financial resources except for those that are required to be accounted for in separate funds. Sources of General Fund revenues include taxes, licenses, permits, fees, fines, intergovernmental revenues, and charges for services, 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 half-cent transactions and use tax approved by voters in on November 6, 2012. On November 6, 2018, the voters approved a change to Measure U, increasing the tax to one cent. Measure U was approved as a general tax and can be used for any general government purpose. This 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 Fund 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.



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SECTION – 5 Budget Schedules

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

	FY2017/18 Actuals	FY2018/19 Actuals	FY2019/20 Approved	FY2019/20 Amended	FY2020/21 Approved	Change Amended/ Approved
Governmental Funds						
General Fund	413,879	420,518	493,480	492,918	527,390	34,472
Measure U	506	506	85,539	4,465	86,360	81,894
Subtotal Governmental Funds	414,385	421,024	579,019	497,383	613,750	116,366
Enterprise Funds						
Community Center	11,910	51,551	34,479	35,009	41,932	6,922
Parking	18,044	19,284	20,092	20,062	19,454	(608)
Solid Waste	51,387	51,650	64,190	57,302	79,324	22,023
Storm Drainage	30,788	31,688	37,623	37,201	37,642	441
Wastewater	26,459	29,982	36,837	36,444	37,131	687
Water	98,872	81,990	110,676	108,127	111,578	3,451
Subtotal Enterprise Funds	237,461	266,144	303,898	294,144	327,060	32,916
Internal Service Funds						
Fleet Management	40,826	41,437	50,198	51,519	54,712	3,193
Risk Management	31,361	37,732	40,689	40,539	45,558	5,019
Subtotal Internal Service Funds	72,187	79,169	90,887	92,058	100,271	8,213
Other Governmental Funds						
4th R Program	5,945	6,113	5,803	5,933	7,550	1,617
65th Street Area Impact Fee	-	-	-	-	50	50
Art In Public Places Projects	-	(190)	-	-	-	-
Assessment Reg and SDRIS	61	3	-	-	-	-
Cal EPA	1	1	-	-	-	-
CIP Reimbursable	65	80	-	-	-	-
Citation I-5 Maintenance	50	28	40	40	40	-
Citywide Low Income Housing	1,989	2,823	2,300	2,300	3,050	750
Cultural Services - Other	90	76	149	149	149	-
Debt Service Funds	34,115	42,724	13,013	13,013	17,099	4,086
Development Services	(913)	756	2,000	2,000	2,000	-
Downtown Impact Fee	-	-	50	50	-	(50)
Downtown Management District	3,062	3,208	3,208	3,342	3,210	(132)
Externally Funded Programs	32	116	-	-	-	-
Fair Share Contributions	-	(50)	-	-	-	-
Fairytale Town	57	56	50	50	50	-
GasTax	11,444	8,155	8,774	8,279	8,074	(205)
Golf	1,381	1,054	1,057	1,057	1,069	12
Greenbriar Impact Fee	-	-	-	(2,600)	-	2,600
Innovation and Growth	127	(1,365)	12,120	12,120	5,106	(7,014)
Jacinto Creek	5	35	100	100	-	(100)
Land Park	93	179	192	192	192	-
Library Services Parcel Tax	7,535	7,846	8,274	8,274	8,640	366
Landscaping and Lighting	15,040	15,569	17,358	17,358	19,826	2,469
Marina	1,617	1,795	2,131	1,908	1,861	(47)
Measure A Construction	-	7,530	-	-	-	-
Measure A Maintenance	8,931	10,683	11,929	11,929	13,529	1,600
NMA Traffic Control & Safety	-	(3,368)	-	-	-	-
NMA Safety, Streets, Ped, Bic	-	(4,161)	-	-	-	-
North Natomas Financing Plan	7,689	6,679	1,130	3,730	1,258	(2,472)
Operating Grants	75	136	-	-	-	-
Other	733	210	76	76	101	25
Park Development	480	266	173	173	173	-
Private Development	175	(180)	-	-	-	-
Quimby Act	6	5	10	10	10	-
Railyards Impact Fee	-	-	50	50	-	(50)
Redevelopment Bond Funds	(1,772)	(31)	9	9	9	-
River District Impact Fee	-	-	50	50	-	(50)
Sheraton MOPA Project	225	319	-	-	-	-
SHRA CDBG	29	-	29	29	29	-
Special Districts	18,803	19,722	20,699	21,460	23,960	2,499
Special Districts - Capital	97	12	62	50	50	-
Special Program Donations	-	13	250	250	250	-
START	531	764	1,127	1,133	1,561	428

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

	FY2017/18 Actuals	FY2018/19 Actuals	FY2019/20 Approved	FY2019/20 Amended	FY2020/21 Approved	Change Amended/ Approved
Other Governmental Funds (continued)						
Transportation Development Impact Fee	39	53	-	-	-	-
Traffic Safety	503	429	531	531	436	(95)
Water Planning	1,297	1,399	1,346	1,346	1,600	254
Zoo	55	56	50	50	50	-
Subtotal Other Governmental Funds	120,214	129,550	114,139	114,441	120,981	6,540
Total	844,247	895,887	1,087,943	998,026	1,162,061	164,035

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

	FY2017/18 Actuals	FY2018/19 Actuals	FY2019/20 Approved	FY2019/20 Amended	FY2020/21 Approved	Change Amended/ Approved
Mayor Offices						
Mayor/Council	6,611	6,637	6,396	7,194	6,429	(765)
Subtotal Mayor Offices	6,611	6,637	6,396	7,194	6,429	(765)
Charter Offices						
Office of the City Auditor	-	-	1,376	1,376	1,495	119
City Attorney	7,963	8,874	9,695	9,695	9,998	303
City Clerk	2,253	2,293	2,701	2,878	3,054	176
City Manager	4,298	7,444	10,886	11,170	10,773	(396)
City Treasurer	2,006	1,886	2,594	2,594	2,623	28
Subtotal Charter Offices	16,521	20,498	27,253	27,713	27,942	229
Operating Offices						
Community Development	31,504	36,017	40,944	40,985	45,685	4,700
Convention and Cultural Services	18,250	28,818	16,160	16,654	18,869	2,215
Finance	10,079	9,424	11,730	11,618	11,860	242
Fire	111,957	110,275	122,878	125,499	138,089	12,591
Human Resources	34,979	41,789	45,631	45,481	50,632	5,151
Information Technology	19,725	20,225	24,688	24,653	25,607	954
Police	120,708	131,223	150,318	147,029	157,503	10,474
Public Works	140,104	145,034	173,308	166,814	195,392	28,578
Utilities	108,121	105,144	148,737	144,236	150,723	6,487
Youth, Parks, and Community Enrichment	32,568	34,378	39,127	38,988	43,499	4,511
Subtotal Operating Offices	627,997	662,328	773,521	761,956	837,859	75,903
Other Offices						
Citywide and Community Support	89,518	86,519	194,418	113,874	197,858	83,984
Debt Service	120,567	139,636	110,160	111,094	117,016	5,921
Non-Appropriated	(16,967)	(19,731)	(23,805)	(23,805)	(25,042)	(1,237)
Subtotal Other Offices	193,119	206,424	280,773	201,163	289,831	88,668
Total	844,247	895,887	1,087,943	998,026	1,162,061	164,035

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

	FY2017/18 Actuals	FY2018/19 Actuals	FY2019/20 Approved	FY2019/20 Amended	FY2020/21 Approved	Change Approved/ Amended
Mayor/Council						
Mayor/Council	45.00	45.00	36.00	36.00	36.00	-
Subtotal Mayor Offices	45.00	45.00	36.00	36.00	36.00	-
Charter Offices						
Office of the City Auditor	-	-	9.00	10.00	10.00	-
City Attorney	51.00	54.00	58.00	59.00	59.00	-
City Clerk	17.00	17.00	17.00	19.00	19.00	-
City Manager	36.00	49.00	70.00	72.00	70.00	(2.00)
City Treasurer	13.00	14.00	14.00	14.00	14.00	-
Subtotal Charter Offices	117.00	134.00	168.00	174.00	172.00	(2.00)
Operating Departments						
Community Development	272.00	283.00	288.00	290.00	290.00	-
Convention and Cultural Services	116.19	115.19	115.19	116.19	117.19	1.00
Finance	97.00	91.00	91.00	91.00	91.00	-
Fire	674.00	681.00	711.50	711.50	712.50	1.00
Human Resources	76.00	79.00	80.00	80.00	80.00	-
Information Technology	182.50	191.50	195.50	195.50	197.50	2.00
Police	1,026.46	1,040.46	1,070.46	1,099.46	1,097.96	(1.50)
Public Works	729.35	738.35	736.35	736.35	744.35	8.00
Utilities	546.90	561.90	574.90	574.90	569.90	(5.00)
Youth, Parks, and Community Enrichment	625.20	651.64	702.34	704.16	705.02	0.86
Subtotal Operating Offices	4,345.60	4,433.04	4,565.24	4,599.06	4,605.42	6.36
Other						
Citywide and Community Support	5.00	5.00	5.00	5.00	7.00	2.00
Subtotal Other Offices	5.00	5.00	5.00	5.00	7.00	2.00
Total	4,512.60	4,617.04	4,774.24	4,814.06	4,820.42	6.36

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

	FY2017/18 Actuals	FY2018/19 Actuals	FY2019/20 Approved	FY2019/20 Amended	FY2020/21 Approved	Change Amended/ Approved
<u>Governmental Funds</u>						
General Fund						
Mayor/Council	45.00	45.00	36.00	36.00	36.00	-
Office of the City Auditor	-	-	9.00	10.00	10.00	-
City Attorney	51.00	54.00	58.00	59.00	59.00	-
City Clerk	17.00	17.00	17.00	19.00	19.00	-
City Manager	33.00	46.00	67.00	69.00	67.00	(2.00)
City Treasurer	13.00	14.00	14.00	14.00	14.00	-
Citywide and Community Support	1.00	1.00	1.00	1.00	1.00	-
Community Development	272.00	283.00	288.00	290.00	290.00	-
Convention and Cultural Services	26.20	25.20	25.20	25.20	26.20	1.00
Finance	97.00	91.00	91.00	91.00	91.00	-
Fire	674.00	681.00	711.50	711.50	712.50	1.00
Human Resources	40.00	43.00	44.00	44.00	44.00	-
Information Technology	182.50	191.50	195.50	195.50	197.50	2.00
Police	1,026.46	1,040.46	1,070.46	1,099.46	1,097.96	(1.50)
Public Works	416.00	421.00	420.00	420.00	421.00	1.00
Youth, Parks, and Community Enrichment	473.56	500.95	551.65	553.57	554.43	0.86
Subtotal Governmental Funds	3,367.72	3,454.11	3,599.31	3,638.23	3,640.59	2.36
<u>Enterprise Funds</u>						
Community Center						
Convention and Cultural Services	89.99	89.99	89.99	90.99	90.99	-
Parking						
Public Works	61.25	61.25	61.25	61.25	61.25	-
Solid Waste						
Public Works	160.30	164.30	165.30	165.30	172.30	7.00
Storm Drainage						
Utilities	130.00	136.00	114.00	114.00	123.18	9.18
Wastewater						
Utilities	80.18	81.18	83.18	83.18	94.36	11.18
Water						
Utilities	336.72	344.72	377.72	377.72	352.36	(25.36)
Subtotal Enterprise Funds	858.44	877.44	891.44	892.44	894.44	2.00
<u>Internal Service Funds</u>						
Fleet Management						
Public Works	85.00	85.00	83.00	83.00	83.00	-
Risk Management Fund						
Human Resources	17.00	17.00	17.00	17.00	17.00	-
Workers' Compensation Fund						
Human Resources	19.00	19.00	19.00	19.00	19.00	-
Subtotal Internal Service Funds	121.00	121.00	119.00	119.00	119.00	-
<u>Other Governmental Funds</u>						
4th R Program						
Youth, Parks, and Community Enrichment	122.45	134.45	134.45	134.35	134.35	-
Cty/Cnty Office-Water Planning						
Citywide and Community Support	4.00	4.00	4.00	4.00	6.00	2.00
Golf Fund						
Youth, Parks, and Community Enrichment	1.00	-	-	-	-	-
Innovation and Growth Fund						
City Manager	3.00	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	28.19	16.24	16.24	16.24	16.24	-
Subtotal Other Governmental Funds	165.44	164.49	164.49	164.39	166.39	2.00
Total	4,512.60	4,617.04	4,774.24	4,814.06	4,820.42	6.36

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	430,263	12,672	-	26,088	469,023	469,023
Licenses and Permits	30,224	95	-	5,837	36,156	36,156
Fines, Forfeitures, and Penalties	8,991	3	-	400	9,394	9,394
Interest, Rents, and Concessions	654	3,298	1,082	7,032	12,066	10,983
Intergovernmental	14,386	1,055	-	25,654	41,095	41,095
Charges, Fees, and Services	67,123	311,414	8,007	60,794	447,338	439,331
Contributions from Other Funds	36,913	-	-	-	36,913	36,913
Miscellaneous Revenue	510	866	91,163	343	92,882	1,719
Total Current Resources	589,064	329,402	100,253	126,148	1,144,867	1,044,614
Current Requirements						
Current Operations						
Employee Services	625,415	105,269	13,615	9,580	753,880	740,265
Other Services and Supplies	154,342	82,694	56,371	38,696	332,102	275,732
City Property	7,922	16,923	22,806	1,214	48,865	26,059
City Debt Service	15,123	77,762	46	24,084	117,016	116,970
Transfers	(2,150)	1,811	125	214	-	(125)
Labor and Supply Offset	(193,472)	13,099	7,307	47,951	(125,114)	(132,421)
Contingency	1,000	-	-	-	1,000	1,000
Operating Transfers	5,570	29,501	-	(758)	34,313	34,313
Subtotal Current Operations	613,750	327,060	100,271	120,981	1,162,061	1,061,790
Capital Improvements	11,280	42,810	202	68,563	122,856	122,654
Total Current Requirements	625,030	369,870	100,473	189,544	1,284,917	1,184,444
Other Fund Sources (Uses)	19,500	(2,727)	(262)	32,845	49,356	49,618
Total Surplus (Deficit)	(16,465)	(43,195)	(482)	(30,551)	(90,693)	(90,212)
Beginning Fund Balance	17,042	212,227	1,083	163,527	393,879	392,796
Ending Fund Balance	577	169,032	601	132,975	303,185	302,584

* Net Total excludes Internal Service Funds (ISF).

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

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

	Resources		Requirements			Other Sources (Uses)	Fund Balance	
	Total Revenues	Current Operations	CIP	Total	Surplus/ (Deficit)		Beginning	Ending
Governmental Funds								
General Fund	508,885	527,390	7,940	535,329	19,500	(6,944)	14,828	7,884
Measure U	80,179	86,360	3,341	89,700	-	(9,521)	2,214	(7,307)
Subtotal Governmental Funds	589,064	613,750	11,280	625,030	19,500	(16,465)	17,042	577
Enterprise Funds								
Community Center	15,896	41,932	1,800	43,732	7,648	(20,187)	11,847	(8,340)
Parking	18,229	19,454	527	19,981	1,885	133	(912)	(779)
Solid Waste	75,529	79,324	6,693	86,017	-	(10,488)	32,324	21,836
Storm Drainage	39,006	37,642	4,386	42,028	809	(2,213)	24,570	22,357
Wastewater	44,290	37,131	3,403	40,534	-	3,757	14,920	18,677
Water	136,452	111,578	26,002	137,580	(13,069)	(14,196)	129,478	115,281
Subtotal Enterprise Funds	329,402	327,060	42,810	369,870	(2,727)	(43,195)	212,227	169,032
Internal Service Funds								
Fleet Management	54,433	54,712	202	54,914	-	(482)	1,083	601
Risk Management	45,820	45,558	-	45,558	(262)	-	-	-
Subtotal Internal Service Funds	100,253	100,271	202	100,473	(262)	(482)	1,083	601
Other Governmental Funds								
4th R Program	5,950	7,550	-	7,550	-	(1,600)	2,299	699
65th Street Area Impact Fee	-	50	-	50	-	(50)	446	396
Art In Public Places Projects	-	-	-	-	-	-	58	58
Assessment Reg and SDRIS	-	-	-	-	-	-	180	180
Cal EPA	188	-	-	-	-	188	367	555
CIP Reimbursable	-	-	21	21	21	-	-	-
CIRBS	-	-	-	-	-	-	165	165
Citation I-5 Maintenance	-	40	-	40	-	(40)	748	708
Citation I-5 Improvements	-	-	404	404	-	(404)	404	-
Citywide Low Income Housing	3,050	3,050	-	3,050	-	-	1,589	1,589
Cultural Services - Other	155	149	-	149	-	6	1,121	1,127
Debt Service Funds	8,477	17,099	-	17,099	8,622	-	2,701	2,701
Development Services	3,451	2,000	1,451	3,451	-	-	-	-
Downtown Impact Fee	-	-	-	-	-	-	464	464
Downtown Management District	3,342	3,210	-	3,210	-	132	67	199
Ethel Macleod Hart Trust	-	-	-	-	-	-	597	597
Fair Share Contributions	-	-	-	-	-	-	4,689	4,689
Fairytale Town	50	50	-	50	-	-	4	4
Federal Capital Grant	-	-	24,607	24,607	24,607	-	-	-
Florin Road Storm and San	-	-	-	-	-	-	7	7
Gas Tax	12,239	8,074	5,800	13,874	-	(1,635)	8,114	6,479
Golf	987	1,069	-	1,069	725	644	(5,793)	(5,149)
Innovation and Growth	8,128	5,106	-	5,106	(6,130)	(3,108)	4,234	1,126
Jacinto Creek	-	-	-	-	-	-	1,609	1,609
Land Park	91	192	-	192	-	(101)	290	189
Library Services Parcel Tax	8,640	8,640	-	8,640	-	-	-	-
Landscaping and Lighting	18,145	19,826	865	20,691	-	(2,546)	4,838	2,292
Major Street Construction	2,095	-	7,676	7,676	-	(5,581)	12,176	6,595
Marcy Friedman ESC APP	-	-	-	-	-	-	10	10
Marina	1,590	1,861	60	1,921	-	(331)	739	408
Measure A Maintenance	12,583	13,529	325	13,854	-	(1,271)	1,276	5
Museum of History, Science, & Tech	-	-	-	-	-	-	21	21
NMA Traffic Control & Safety	1,286	-	1,573	1,573	-	(287)	287	-
NMA Safety, Streets, Ped, Bic	1,805	-	1,634	1,634	-	171	191	362
North Natomas Financing Plan	-	1,258	12	1,269	-	(1,269)	28,157	26,888
Other	-	101	-	101	-	(101)	5,058	4,957
Other Capital Grants	-	-	5,000	5,000	5,000	-	-	-
Park Development	229	173	4,780	4,953	-	(4,723)	19,693	14,970
Quimby Act	100	10	119	129	-	(29)	2,492	2,463
Railyards Impact Fee	50	-	-	-	-	50	-	50
Redevelopment Bond Funds	-	9	-	9	-	(9)	3,616	3,607
River District Impact Fee	-	-	-	-	-	-	956	956
SHRA CDBG	29	29	-	29	-	-	-	-
So Natomas Comm Improv	-	-	-	-	-	-	328	328
So Natomas Facility Benefit	-	-	-	-	-	-	3,822	3,822
So Natomas I-5 Developer Impr	-	-	-	-	-	-	599	599
Special Districts	21,110	23,960	-	23,960	-	(2,849)	6,241	3,391
Special Districts - Capital	-	50	-	50	-	(50)	3,172	3,122
Special Program Donations	250	250	-	250	-	-	554	554

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

	<u>Resources</u>		<u>Requirements</u>			<u>Other Sources (Uses)</u>	<u>Fund Balance</u>	
	<u>Total Revenues</u>	<u>Current Operations</u>	<u>CIP</u>	<u>Total</u>	<u>Surplus/ (Deficit)</u>		<u>Beginning</u>	<u>Ending</u>
Other Governmental Funds (continued)								
START	658	1,561	-	1,561	-	(903)	-	(903)
State Route 275	-	-	-	-	-	-	2	2
Street Cut	157	-	174	174	-	(17)	83	66
Sunset, Meadows A/D Maint	-	-	-	-	-	-	94	94
Transportation Development	378	-	381	381	-	(3)	12	9
Transportation Development Impact Fee	1,000	-	2,500	2,500	-	(1,500)	3,882	2,382
Traffic Safety	400	436	-	436	-	(36)	38	2
Tree Planting Replacement	120	-	120	120	-	-	-	-
Road Maint and Rehabilitation	8,240	-	8,612	8,612	-	(372)	1,861	1,489
Wastewater Development Fees	-	-	-	-	-	-	1,902	1,902
Water Development Fees	-	-	2,450	2,450	-	(2,450)	34,079	31,629
Water Planning	1,124	1,600	-	1,600	-	(476)	1,499	1,023
Willowcreek Fee District	-	-	-	-	-	-	1,345	1,345
Zoo	50	50	-	50	-	-	1	1
Subtotal Other Governmental Funds	126,148	120,981	68,563	189,544	32,845	(30,551)	163,527	132,975
Total	1,144,867	1,162,061	122,856	1,284,917	49,356	(90,693)	393,879	303,185

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

	FY2016/17 Approved	FY2017/18 Approved	FY2018/19 Approved	FY2019/20 Approved	FY2020/21 Approved
Governmental Funds*					
Revenues	477,155	509,846	530,092	609,072	589,064
Total Resources	477,155	509,846	530,092	609,072	589,064
Expenses					
Operations	471,307	498,073	526,076	579,019	613,750
CIP	16,580	23,937	9,105	23,988	11,280
Total Requirements	487,887	522,010	535,181	603,007	625,030
Other Fund Sources (Uses)	5,485	(5,000)	(11,600)	19,990	19,500
Beginning Fund Balance	42,969	34,676	24,537	9,363	17,042
Ending Fund Balance	37,721	17,512	7,848	35,418	577
Enterprise Funds					
Revenues	289,188	303,659	323,524	336,792	329,402
Total Resources	289,188	303,659	323,524	336,792	329,402
Expenses					
Operations	267,590	269,457	285,611	303,898	327,060
CIP	23,124	23,935	27,144	17,354	42,810
Total Requirements	290,714	293,393	312,754	321,252	369,870
Other Fund Sources (Uses)	(250)	(250)	(1,008)	(250)	(2,727)
Beginning Fund Balance	95,429	120,183	127,998	207,997	212,227
Ending Fund Balance	93,653	130,199	137,759	223,287	169,032
Other Governmental Funds					
Revenues	93,475	97,236	113,994	122,989	126,148
Total Resources	93,475	97,236	113,994	122,989	126,148
Expenses					
Operations	96,995	102,845	105,380	114,139	120,981
CIP	31,377	43,358	48,132	38,875	68,563
Total Requirements	128,373	146,203	153,512	153,014	189,544
Other Fund Sources (Uses)	2,256	27,500	31,468	15,257	32,845
Beginning Fund Balance	148,511	159,235	124,721	142,104	163,527
Ending Fund Balance	115,869	137,768	116,670	127,336	132,975
Internal Service Funds					
Revenues	69,952	80,657	83,276	89,897	100,253
Total Resources	69,952	80,657	83,276	89,897	100,253
Expenses					
Operations	71,087	83,599	85,124	90,887	100,271
CIP	313	445	302	202	202
Total Requirements	71,400	84,043	85,426	91,089	100,473
Other Fund Sources (Uses)	2,047	3,628	2,279	708	(262)
Beginning Fund Balance	2	3	518	1,432	1,083
Ending Fund Balance	600	245	647	948	601

*Governmental Funds reflect General and Measure U Funds combined.

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

Fund	Cost* Allocation Plan		In-Lieu Property Tax		In-Lieu Franchise Tax		Voter Approved General Tax	
	FY2019/20	FY2020/21	FY2019/20	FY2020/21	FY2019/20	FY2020/21	FY2019/20	FY2020/21
Enterprise Funds								
Community Center	1,477	1,508	461	461	720	576	-	-
Parking	1,565	1,324	242	242	1,812	1,682	-	-
Solid Waste	3,622	3,895	-	-	-	-	6,962	7,257
Storm Drainage	2,162	2,232	-	-	-	-	4,135	4,146
Wastewater	2,538	2,533	-	-	-	-	4,706	4,727
Water	7,008	7,850	-	-	-	-	15,165	15,222
Total Enterprise Funds	18,372	19,342	703	703	2,532	2,258	30,968	31,352
Internal Service Funds								
Fleet Management	2,026	2,312	-	-	-	-	-	-
Risk Management	3,175	3,388	-	-	-	-	-	-
Total Internal Service Funds	5,201	5,700	-	-	-	-	-	-
GRAND TOTAL	23,573	25,042	703	703	2,532	2,258	30,968	31,352

***COST ALLOCATION PLAN**

Most of the City's centralized services reside in the General Fund. Each year a study is conducted to identify and assign each fund's fair share of these centralized service costs on a reasonable and consistent manner. Then these charges are incorporated in non-General Fund departments Budget.

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

Fund	Description	Budget					FY2024/25	Total Five-year Funding
		Through 02/2020	FY2020/21	FY2021/22	FY2022/23	FY2023/24		
1001	General Fund	163,859	7,940	8,376	8,415	8,515	8,515	41,760
2001	Sacto Transp.Sales Tax-Cip.	3,395	-	-	-	-	-	-
2002	Gas Tax 2106	10,891	5,800	3,888	1,638	1,288	1,638	14,253
2005	Sacto Transp.Sales Tax-Maint.	105	-	-	-	-	-	-
2007	Major Street Construction	19,656	7,676	4,831	2,198	500	500	15,705
2008	Street Cut	319	174	174	174	174	174	870
2012	Transportation System Management	357	-	-	-	-	-	-
2013	Transportation Development	1,382	381	381	381	381	381	1,903
2016	Development Services	14,279	1,451	1,451	1,337	1,337	1,337	6,911
2019	Citation I-5 Improvements	-	404	-	-	-	-	404
2020	So Natomas Comm Improv	2,465	-	-	-	-	-	-
2021	So Natomas Facility Benefit	1,672	-	-	-	-	-	-
2023	New Measure A Specific Project	12,388	-	-	-	-	-	-
2024	Historic Places	50	-	-	-	-	-	-
2025	New Measure A Construction	4,119	-	-	-	-	-	-
2026	New Measure A Maintenance	2,978	325	325	325	325	325	1,625
2028	Prop 1B - Local Street & Road	21	-	-	-	-	-	-
2031	Innovation and Growth	1,236	-	-	-	-	-	-
2032	Fair Share Contributions	445	-	-	-	-	-	-
2034	State Route 16 Relinquishment	456	-	-	-	-	-	-
2035	Tree Planting Replacement	703	120	120	120	120	120	600
2036	Road Maint and Rehabilitation	10,363	8,612	8,612	8,612	8,612	8,612	43,061
2038	NMA Traffic Control & Safety	4,683	1,573	1,310	1,336	1,365	1,391	6,975
2039	NMA Safety, Streets, Ped, Bic	7,874	1,634	2,114	1,877	1,916	1,954	9,495
2220	Sunset, Meadows A/D Maint	1,600	-	-	-	-	-	-
2230	N Natomas Lands CFD 3	868	-	-	-	-	-	-
2232	Landscaping and Lighting	5,716	865	665	665	665	665	3,525
2235	Florin Road Storm and San	90	-	-	-	-	-	-
2401	Measure U	35,458	3,341	3,176	3,176	3,176	3,176	16,043
2504	Special Recreation	842	-	-	-	-	-	-
2507	Land Park	53	-	-	-	-	-	-
2508	Quimby Act	6,924	119	-	-	-	-	119
2601	Old Sac Market	30	-	-	-	-	-	-
2603	Golf	228	-	-	-	-	-	-
2605	Zoo	1	-	-	-	-	-	-
2607	Art In Public Places Projects	26	-	-	-	-	-	-
2608	Marina	941	60	60	60	60	60	300
2609	Marcy Friedman ESC APP	1,000	-	-	-	-	-	-
2700	Block Grant/Housing & Redev	4,155	-	-	-	-	-	-
2701	Disaster Relief Act	3	-	-	-	-	-	-
2702	Operating Grants	7,488	-	-	-	-	-	-
2703	Externally Funded Programs	2,707	-	-	-	-	-	-
2801	Cal EPA	809	-	-	-	-	-	-
3001	1993 Series B Cop	600	-	-	-	-	-	-
3002	2002 Capital Improv. Revenue Bonds	2	-	-	-	-	-	-
3003	2003 Capital Improv. Revenue Bonds	42	-	-	-	-	-	-
3004	2006 CIRB - Tax Exempt	3,719	-	-	-	-	-	-
3005	2006 CIRB - Taxable	361	-	-	-	-	-	-
3006	2006 CIRBs Ser C Cap Projs	216	-	-	-	-	-	-
3008	Willowcreek Fee District	788	-	-	-	-	-	-
3020	Golden 1 Center	223,130	-	-	-	-	-	-
3201	N. Natomas Financial Plan	7,565	-	-	-	-	-	-
3202	Railyards/Richards/Downtown	359	-	-	-	-	-	-
3204	Park Development	25,450	4,780	-	-	-	-	4,780
3206	NNFP Public Facilities Fee	18,896	12	12	12	12	12	58
3210	Downtown Impact Fee	907	-	-	-	-	-	-
3212	River District Impact Fee	350	-	-	-	-	-	-
3215	Transportation Development Impact Fee	943	2,500	1,000	-	-	-	3,500
3216	Greenbriar Impact Fee	2,600	-	-	-	-	-	-
3311	N Laguna Creek Park CFD	77	-	-	-	-	-	-
3314	N Natomas Dmg CFD 97-01	418	-	-	-	-	-	-
3323	CFD 97-01 Series C	68	-	-	-	-	-	-
3324	CFD No 4 Series C Construction	751	-	-	-	-	-	-
3328	N Natomas Dmg 2005 CFD 97-01	551	-	-	-	-	-	-

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

Fund	Description	Budget						Total
		Through 02/2020	FY2020/21	FY2021/22	FY2022/23	FY2023/24	FY2024/25	Five-year Funding
3333	CFD 97-01 Construction	247	-	-	-	-	-	-
3701	Sacto Housing & Redev Agency	3,853	-	-	-	-	-	-
3702	CIP Reimbursable	42,446	21	21	21	21	21	105
3703	Federal Capital Grant	42,883	24,607	14,466	10,359	-	-	49,432
3704	Other Capital Grants	17,072	5,000	-	-	-	-	5,000
3801	2003 Alkali Flat TE	386	-	-	-	-	-	-
3802	2006 Army Depot TA	1,479	-	-	-	-	-	-
3803	2006 Army Depot TE	715	-	-	-	-	-	-
3810	2002 ML Downtown TE	2	-	-	-	-	-	-
3811	2005 TAB Downtown CIP TE	27	-	-	-	-	-	-
3812	2005 TAB Downtown CIP TA	78	-	-	-	-	-	-
3818	2006 River Dist TA	600	-	-	-	-	-	-
3820	800K/L Merged Downtown TE	2,096	-	-	-	-	-	-
6001	Water Development Fees	27,084	2,450	6,200	3,700	11,150	8,000	31,500
6002	Wastewater Development Fees	5,052	-	-	-	-	-	-
6004	Parking	36,446	527	715	715	715	715	3,387
6005	Water	77,177	26,002	23,758	25,441	25,279	18,003	118,484
6006	Wastewater	35,787	3,403	3,024	2,006	2,126	2,003	12,561
6007	Recycling and Solid Waste	25,136	6,693	2,516	1,848	1,598	1,598	14,252
6008	Landfill Closure	5,195	-	-	-	-	-	-
6009	Sacramento Marina	874	-	-	-	-	-	-
6010	Community Center	26,974	1,800	2,100	1,650	1,675	1,650	8,875
6011	Storm Drainage	13,483	4,386	4,979	250	250	250	10,116
6012	4th R Program	650	-	-	-	-	-	-
6205	Water Grant Reimbursement	4,134	-	-	-	-	-	-
6206	Wastewater Grant Reimbursement	14,729	-	-	-	-	-	-
6207	Solid Waste Grant Reimbursement	721	-	-	-	-	-	-
6211	Storm Drainage Grant Reimbursement	125	-	-	-	-	-	-
6310	Water Revenue Bonds	149,292	-	-	-	-	-	-
6311	Water Revenue Bonds Ser. 2017	57,411	-	-	-	-	-	-
6312	Drinking Water SRF Loan	170,273	-	-	-	-	-	-
6320	Wastewater Revenue Bonds	178	-	-	-	-	-	-
6321	Wastewater Revenue Bonds 2019	18,321	-	-	-	-	-	-
6330	6330:2018 TOT Revenue Bonds, Tax Exempt	285,200	-	-	-	-	-	-
6331	6331:2018 TOT Revenue Bonds, Taxable	15,000	-	-	-	-	-	-
6332	2019 STID Revenue Bonds	53,000	-	-	-	-	-	-
6501	Fleet Management	8,596	202	209	202	202	202	1,017
6502	Risk Mgmt	10	-	-	-	-	-	-
Total		1,763,158	122,856	94,483	76,516	71,460	61,299	426,613

Schedule 5
Article XIII B 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 XIII B 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 XIII B for each of the fiscal years as shown below.

APPROPRIATION LIMIT (Section 1)	FY2016/17	FY2017/18	FY2018/19	FY2019/20	FY2020/21
Prior year limit	686,752	728,551	766,162	805,638	849,122
Multiply by:					
Change in CPI or Per Capita Personal Income	1.0537	1.0369	1.0367	1.0385	1.0373
Change in Population	1.0068	1.0142	1.0143	1.0149	1.0113
Total Appropriation Limit	728,551	766,162	805,638	849,122	890,747
PROCEEDS OF TAXES (Section 2)					
Total governmental revenue	570,630	607,082	644,086	731,951	715,212
Add taxes in enterprise funds:					
Transient Occupancy Tax	21,738	22,477	25,948	28,433	12,589
Add user fees in excess of cost:	-	-	-	-	-
Deduct:					
Non-proceeds of tax revenue	(207,715)	(220,766)	(251,415)	(256,436)	(265,669)
General obligation debt service	-	-	-	-	-
Qualified capital outlay	(31,653)	(15,570)	(18,544)	(12,005)	(6,962)
Total Proceeds of Taxes	353,000	393,223	400,075	491,943	455,170
APPROPRIATIONS SUBJECT TO LIMIT (Section 3)					
Total Governmental Funds:					
Operating appropriations	568,302	600,917	631,456	693,158	734,731
CIP appropriations	47,958	67,295	57,237	62,863	79,843
Add:					
Enterprise fund tax appropriation	21,738	22,477	25,948	28,433	12,589
User fees in excess of cost	-	-	-	-	-
Current proceeds of taxes appropriated to reserves	36,647	18,351	20,535	38,590	7,385
Deduct:					
Non-proceeds of tax revenue	(207,715)	(220,766)	(251,415)	(256,436)	(265,669)
General obligation debt service	-	-	-	-	-
Qualified capital outlay	(31,653)	(15,570)	(18,544)	(12,005)	(6,962)
Total Appropriations Subject to Limit	435,277	472,704	465,217	554,603	561,917

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

	FY2017/18 Actuals	FY2018/19 Actuals	FY2019/20 Approved	FY2019/20 Amended	FY2020/21 Approved
Governmental Funds*					
Taxes					
Property Taxes - Current Secured	101,993	108,941	113,894	114,463	121,331
Property Taxes - Current Unsecured	3,675	4,089	3,669	3,669	3,669
Property Taxes - In Lieu VLF	41,487	44,752	46,095	48,458	50,397
Property Taxes - Prior Secured	856	967	933	933	970
Property Taxes - Prior Unsecured	105	43	35	35	37
Property Taxes - Redevelopment Passthrough	1,729	2,076	1,700	1,700	1,751
Property Taxes - Supplemental	2,560	2,752	2,025	2,025	2,025
Subtotal Property Taxes	152,407	163,620	168,351	171,284	180,180
Business Operations Taxes (BOT)	8,868	8,111	7,362	7,362	5,935
Cannabis BOT	6,881	11,479	9,426	9,426	9,709
General Sales & Use Taxes	79,310	87,713	86,572	90,413	70,535
Measure U Transactions & Use Taxes	46,484	64,047	97,264	104,065	80,179
Property Taxes - Resident Development	939	792	407	407	387
Public Safety Sales Tax	5,577	6,057	5,316	5,316	5,476
Real Property Transfer Taxes	15,068	14,325	14,806	14,806	14,066
Transient Occupancy Tax	5,330	5,877	5,175	5,175	2,509
Transient Occupancy Tax - Prior	37	26	-	-	-
Utility Users Tax - Current	62,822	60,042	61,288	61,288	61,288
Utility Users Tax - Prior	167	86	-	-	-
Subtotal Other Taxes	231,482	258,556	287,615	298,257	250,083
Total Taxes	383,889	422,176	455,967	469,542	430,263
Licenses and Permits					
Alley Parking Permit	-	13	-	-	-
Alley Parking Permits	3	2	7	7	7
Animal Licenses	452	589	473	473	520
Building Trades Certification	-	-	1	1	1
Burglar Alarm Permits	1,086	1,082	1,000	1,000	1,000
Business Permits and Licenses	371	353	540	371	353
Cellular Revocable Permits	1,639	1,735	1,697	1,697	1,714
Construction Permits	10,125	12,984	10,052	10,052	11,708
Dance Permits	39	33	10	10	10
Emergency Permits	8	7	7	7	7
Excavation Permits	20	49	25	25	25
Home Occupation Permits	191	191	80	200	200
Marijuana Cultivation Permit	1,360	655	1,100	1,100	971
Marijuana Delivery Permit	687	190	77	77	252
Marijuana Dispensary Permit	659	605	624	624	603
Marijuana Manufacturing Permit	532	314	184	184	263
Marijuana Other Business Permit	434	497	134	134	281
Miscellaneous Licenses and Permits	9	8	-	-	-
On-Site Plan Review Permit	1	55	87	87	87
Plan Check Fees	7,837	8,585	5,738	5,952	8,656
Public Works Review	-	88	-	-	-
Neighborhood Responsibility	-	157	-	-	-
Sign and Billboard Permit	111	75	87	87	87
Sign and Billboard Permits	220	240	240	240	240
Special Event Permits	309	366	453	367	367
Special Use Permits	3,660	1,932	3,760	3,688	2,664
Street Vendor Permits	46	41	19	19	19
Taxi Permits	83	84	142	142	142
Towing Vehicle Permits	38	36	45	45	45
Tree Fee	11	1	-	-	-
Subtotal Licenses and Permits	29,929	30,969	26,583	26,590	30,224
Fines, Forfeitures, and Penalties					
Delinquency Charges	87	271	-	-	-
Fines and Penalties	11,988	15,692	12,093	12,043	8,991
Transient Occupancy Tax - Penalty	(5)	1	-	-	-
Subtotal Fines, Forfeitures, and Penalties	12,070	15,964	12,093	12,043	8,991

*Governmental Funds reflect General and Measure U Funds combined.

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

	FY2017/18 Actuals	FY2018/19 Actuals	FY2019/20 Approved	FY2019/20 Amended	FY2020/21 Approved
Governmental Funds* (continued)					
Interest, Rents, and Concessions					
Interest on Investments	1,986	2,964	300	300	300
Interest on Receivables	(36)	348	125	125	125
Real Property Rental	266	403	229	229	229
Subtotal Interest, Rents, and Concessions	2,217	3,714	654	654	654
Intergovernmental					
Fire District Reimbursement	6,534	4,919	4,370	4,370	4,870
Miscellaneous Governmental Revenue	3,996	5,625	2,962	2,962	3,212
Miscellaneous Other Federal	7,708	5,015	1,210	1,210	1,210
Other Agency Payments	2,031	1,386	1,426	1,426	1,746
Other Agency Training Reimbursement	-	9	-	-	-
Other County Payments	14	389	330	330	425
Other Recoveries	407	152	230	230	130
Other State Payments	2,782	1,602	76	76	76
P.O.S.T. Reimbursement	156	46	167	167	167
Planning Technology Fee	1,315	1	-	-	-
Redevelopment Agency Services	638	594	645	645	680
Sacramento County Support - Metro Arts	100	100	-	436	-
Sacramento County Support - Museums	459	459	459	459	459
State Government Grants - Op - Ncat	36	11	-	-	-
State Homeowners Property Tax	1,112	1,098	1,200	1,200	1,200
State Mandated Reimbursement SB 90	214	178	212	212	212
State Motor Vehicle In Lieu Tax	260	241	-	-	-
Subtotal Intergovernmental	27,762	21,824	13,287	13,723	14,386
Charges, Fees, and Services					
Administrative Fee	863	826	542	542	542
ALS Fees	21,877	25,928	23,686	26,192	29,541
Animal Shelter Fees and Charge	308	254	280	230	230
Appeal Fees	9	52	-	-	-
City Attorney Fees	1	6	-	-	-
Code Enforcement Fee	2,768	3,553	3,287	3,287	3,476
Community Services Fees	2,128	1,956	2,333	2,469	2,582
Compliance Fee	8	132	5	722	472
Concessions	202	127	130	130	130
Demolition Charges	568	518	599	599	599
DUI Fees	152	85	67	67	67
Facility Use Fees	2,285	2,306	1,141	1,426	1,338
Fire Permit Fees	940	1,073	859	1,244	1,244
Fire Report Fees	6	6	1	1	-
Franchise Fees	6,769	5,507	6,608	5,618	5,731
Housing and Dangerous Buildings	154	147	182	182	182
Insurance Fee	-	1	-	-	-
Jail Booking Fee Recovery	175	173	210	210	210
Miscellaneous Proprietary Revenue	37	48	32	32	32
Other Departmental Service	9,272	11,111	8,843	8,843	9,630
Other Fees	162	189	-	-	-
Other General Fees and Charges	131	197	23	57	133
Parking Fees	4	4	1	1	1
Parking Meter Receipts	11,834	12,624	11,629	11,629	8,140
Parking Meter Removal Fees	286	465	282	310	282
Recyclables Sales	-	5	15	15	15
Registration Fees	151	141	277	277	277
Residential Plan Review	3	-	-	-	-
Service Fees	177	90	35	35	35
Special Assessments - Administ	291	356	74	74	74

*Governmental Funds reflect General and Measure U Funds combined.

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

	FY2017/18 Actuals	FY2018/19 Actuals	FY2019/20 Approved	FY2019/20 Amended	FY2020/21 Approved
Governmental Funds*					
Charges, Fees, and Services (continued)					
Street Sidewalk and Curb Repair	1,900	2,446	1,525	1,525	1,525
Subdivision Map Processing - Planning	-	-	30	30	30
Swimming Pool Fees	166	176	448	200	200
Third Party Recoveries - Property	8	251	-	-	-
Third Party Recoveries - Vehicle	153	233	-	-	-
Tour Fees	30	26	-	-	-
Vehicle Abatement SAVSA	395	386	405	405	405
Subtotal Charges, Fees, and Services	64,212	71,396	63,550	66,353	67,123
Contributions from Other Funds					
Enterprise Fund General Tax Co	27,758	29,140	30,968	31,249	31,352
In-Lieu Franchise Fee	3,229	3,187	2,532	2,532	2,258
In-Lieu Property Tax	701	691	703	703	703
Investment Fees	2,462	3,009	2,251	2,251	2,600
Special Item Revenue	-	7,000	-	-	-
Subtotal Contributions from Other Funds	34,150	43,027	36,454	36,735	36,913
Miscellaneous Revenues					
Capital Contributions	-	58	-	-	-
Escheat	257	460	154	154	154
Gifts and Donations	9	10	-	-	-
Other Departmental Services	-	-	332	357	357
Sale of Real or Personal Property	44	75	-	-	-
Subtotal Miscellaneous Revenue	311	603	485	510	510
Total General Fund	554,539	609,674	609,072	626,150	589,064

*Governmental Funds reflect General and Measure U Funds combined.

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

	FY2017/18 Actuals	FY2018/19 Actuals	FY2019/20 Approved	FY2019/20 Amended	FY2020/21 Approved
Enterprise Funds					
Community Center					
Box Office Fees	1,168	698	179	179	166
Catering Fees	1,220	1,063	-	-	300
Concessions	1,019	952	-	-	100
Facility Use Fees	4,155	3,814	976	976	732
Insurance Fee	3	-	5	5	1
Interest on Investments	564	5,240	200	200	200
Miscellaneous Governmental Revenue	65	86	13	13	12
Other Bonds Issued	-	283,315	-	-	-
Other Departmental Service	3	-	-	-	-
Other Fees	764	703	-	-	513
Premium on Bond Sales	-	32,555	-	-	-
Real Property Rental	766	837	75	75	149
Registration Fees	4	3	-	-	-
Royalties	-	-	-	588	866
Service Fees	479	390	250	250	183
Transient Occupancy Tax	26,651	29,346	28,433	28,433	12,589
Transient Occupancy Tax - Penalty	4	3	3	3	3
Transient Occupancy Tax - Prior	184	128	83	83	83
Subtotal Community Center	37,048	359,132	30,218	30,806	15,896
Parking					
Administrative Fee	396	508	424	424	424
Delinquency Charges	1	(2)	-	-	-
Facility Use Fees	-	14	-	-	-
Interest on Investments	407	553	600	600	300
Interest on Receivables	-	(1)	-	-	-
Miscellaneous Governmental Revenue	5	3	-	-	-
Other Agency Payments	-	1	-	-	-
Other Departmental Services	-	1	-	-	-
Other Fees	37	36	-	-	-
Other General Fees and Charges	(12)	(3)	-	-	-
Other Recoveries	5	207	-	-	-
Parking Fees	17,892	18,076	18,120	18,120	16,820
Real Property Rental	611	729	674	674	685
Royalties	61	66	-	-	-
Sale of Real or Personal Property	-	4	-	-	-
Vehicle or Equipment Rental	44	48	-	-	-
Subtotal Parking	19,447	20,238	19,818	19,818	18,229
Solid Waste					
Facility Use Fees	150	175	170	170	170
Fines and Penalties	8	16	-	-	-
Interest on Investments	649	1,050	-	750	750
Interest on Receivables	4	2	-	-	-
Miscellaneous Governmental Revenue	135	177	-	-	-
Miscellaneous Proprietary Revenue	16	13	-	-	-
Other Agency Payments	154	266	458	458	33
Other Departmental Services	55	30	-	-	-
Other Recoveries	5	-	-	-	-
Recyclables Sales	654	261	300	300	100
Sale of Real or Personal Property	31	51	-	-	-
Service Fees	64	119	12	12	12
Third Party Recoveries - Vehicle	134	-	-	-	-
Utility Service Extensions	31	22	-	-	-
Utility Services Charges	62,230	62,618	63,417	65,969	74,464
Subtotal Solid Waste	64,321	64,801	64,357	67,659	75,529

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

	FY2017/18 Actuals	FY2018/19 Actuals	FY2019/20 Approved	FY2019/20 Amended	FY2020/21 Approved
Enterprise Funds (continued)					
Storm Drainage					
Compliance Fee	153	117	30	30	100
Drainage Impact Fee	85	38	-	-	-
Interest on Investments	605	904	-	-	-
Interest on Receivables	77	67	422	422	422
Miscellaneous Governmental Revenue	7	8	-	-	10
Miscellaneous Proprietary Revenue	24	7	15	15	15
Other Fees	48	37	-	-	40
Plan Check Fees	56	35	25	25	40
Public Works Review	-	1	-	-	-
Service Fees	31	45	15	15	25
Subdivision Map Processing - Engineering	3	5	-	-	-
Third Party Recoveries - Property	-	36	-	-	-
Utility Service Extensions	10	7	-	-	-
Utility Services Charges	37,872	38,371	37,694	37,694	38,354
Subtotal Storm Drainage	38,970	39,677	38,201	38,201	39,006
Wastewater					
Interest on Investments	651	1,081	-	-	-
Interest on Receivables	12	9	392	392	392
Miscellaneous Governmental Revenue	12	1	-	-	-
Miscellaneous Proprietary Revenue	15	14	23	23	20
Other Bonds Issued	-	25,960	-	-	-
Premium on Bond Sales	-	6,045	-	-	-
Regional Sanitation District	860	1,090	1,013	1,013	800
Service Fees	61	86	-	-	60
Sewer Permits	88	1,658	-	-	-
Subdivision Map Processing - Engineering	3	5	-	-	-
Utility Service Extensions	51	36	27	27	50
Utility Services Charges	36,617	39,475	42,968	42,968	42,968
Subtotal Wastewater	38,370	75,458	44,423	44,423	44,290
Water					
Appeal Fees	2	-	-	-	-
Cellular Revocable Permits	42	66	71	71	55
Fire Hydrant Use Fee	163	89	79	79	125
Interest Income - LAIF	25	(15)	-	-	-
Interest on Investments	2,497	2,599	-	-	-
Interest on Receivables	-	-	400	400	400
Miscellaneous Governmental Revenue	145	118	75	75	100
Miscellaneous Proprietary Revenue	204	22	51	51	50
Other Agency Payments	159	121	39	39	100
Other Bonds Issued	3,843	13,861	-	-	-
Other Recoveries	49	17	-	-	-
Public Facilities Impact Fee	144	-	-	-	-
Residential Construction Water	250	235	-	-	100
Sale of Real or Personal Property	424	1,743	-	-	-
Service Fees	98	145	70	70	100
Special Item Revenue	-	2,552	-	-	-
Subdivision Map Processing - Engineering	3	5	-	-	-
Utility Service Extensions	46	37	36	36	36
Utility Services Charges	116,722	125,461	138,383	138,383	134,441
Utility Shut-Off Fee	103	98	-	-	95
Water Flow Test Fee	175	211	85	85	100
Water Tap Sales	1,551	1,575	486	486	750
Subtotal Water	126,645	148,937	139,776	139,776	136,452
Total Enterprise Funds	324,800	708,245	336,792	340,682	329,402

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

	FY2017/18 Actuals	FY2018/19 Actuals	FY2019/20 Approved	FY2019/20 Amended	FY2020/21 Approved
Internal Service Funds					
Fleet Management					
Fleet Charges Accident Repair	629	765	638	638	763
Fleet Charges O & M	19,202	20,042	21,484	21,484	22,549
Fleet Vehicle Revenue	29,521	21,024	20,008	21,611	22,492
Gasoline and Oil Sales	6,342	7,042	6,729	6,729	7,657
Interest on Investments	216	312	-	-	-
Miscellaneous Governmental Revenue	4	8	-	-	-
Miscellaneous Other Federal	492	-	-	-	-
Other Agency Payments	1	-	-	-	-
Other Recoveries	9	38	-	-	-
Sale of Real or Personal Property-Salvage	573	649	461	461	461
Vehicle or Equipment Rental	659	572	574	574	511
Subtotal Fleet Management	57,648	50,451	49,894	51,497	54,433
Risk Management					
Interest on Investments	1,626	2,385	500	500	500
Interest on Receivables	-	-	71	71	71
Other Departmental Services	1,075	1,897	-	-	-
Other Recoveries	4	3	-	-	-
Risk Fund In-Lieu Insurance	30,200	34,193	39,182	39,182	44,899
Service Fees	-	-	-	-	100
State Mandated Reimbursement SB 90	18	19	-	-	-
Third Party Recoveries - Property	746	356	250	250	250
Third Party Recoveries Workers' Compensation	9	(18)	-	-	-
Subtotal Risk Management	33,679	38,836	40,003	40,003	45,820
Total Internal Service Funds	91,326	89,287	89,897	91,500	100,253

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

	FY2017/18 Actuals	FY2018/19 Actuals	FY2019/20 Approved	FY2019/20 Amended	FY2020/21 Approved
Other Governmental Funds					
4th R Program	6,925	7,204	5,821	5,950	5,950
65th Street Area Impact Fee	198	50	-	-	-
Art In Public Places Projects	24	12	-	-	-
Assessment Reg and SDRIS	3	4	-	-	-
Cal EPA	204	238	172	172	188
CIP Reimbursable	65	80	-	-	-
CIRBS	26	81	-	-	-
Citation I-5 Improvements	6	9	-	-	-
Citation I-5 Maintenance	12	18	-	-	-
Citywide Low Income Housing	2,317	3,214	2,300	2,300	3,050
Cultural Services - Other	185	184	155	155	155
Debt Service Funds	6,273	37,734	8,502	8,502	8,477
Development Services	3,674	2,502	3,387	1,387	3,451
Downtown Impact Fee	154	49	-	-	-
Downtown Management District	3,054	3,226	3,208	3,342	3,342
Ethel Macleod Hart Trust	182	155	-	-	-
Externally Funded Programs	32	116	-	-	-
Fair Share Contributions	205	1,113	529	674	-
Fairytales Town	57	56	50	50	50
Florin Road Storm and San	1	1	-	-	-
Gas Tax	10,740	10,660	10,665	10,665	12,239
Golden 1 Center	51	96	-	-	-
Golf	1,553	1,124	1,155	1,155	987
Greenbriar Traffic Congestion	-	905	-	-	-
I-5 Subregional Corridor Mitig	84	3	-	-	-
Innovation and Growth	6,753	9,588	8,128	8,128	8,128
Jacinto Creek	350	189	-	-	-
Land Park	132	121	91	91	91
Landscaping and Lighting	16,316	17,142	17,528	17,528	18,145
Library Services Parcel Tax	7,541	7,846	8,274	8,274	8,640
Major Street Construction	5,090	4,248	3,095	3,095	2,095
Marcy Friedman ESC APP	1	1	-	-	-
Marina	1,886	1,934	1,590	1,590	1,590
Measure A Construction	1,804	-	-	-	-
Measure A Maintenance	11,348	12,142	12,025	12,025	12,583
Museum of History, Science, & Tech	5	7	-	-	-
NMA Safety, Streets, Ped, Bic	583	1,799	1,690	1,690	1,805
NMA Traffic Control & Safety	424	1,281	1,219	1,219	1,286
North Natomas Financing Plan	15,020	16,506	-	-	-
Operating Grants	75	136	-	-	-
Other	1,130	646	-	-	-
Park Development	10,389	9,399	229	229	229
Private Development	155	185	-	-	-
Quimby Act	955	1,095	100	100	100
Railyards Impact Fee	-	(2)	50	50	50
Redevelopment Bond Funds	2,513	931	-	-	-
River District Impact Fee	21	182	-	-	-
Road Maint and Rehabilitation	2,892	9,214	8,249	8,249	8,240
Sheraton MOPA Project	225	319	-	-	-
SHRA CDBG	29	-	29	29	29
So Natomas Comm Improv	20	21	-	-	-
So Natomas Facility Benefit	511	1,114	-	-	-
So Natomas I-5 Developer Impr	9	13	-	-	-
Special Districts	19,394	20,492	20,544	21,287	21,110
Special Districts - Capital	207	413	12	-	-
SPECIAL Program Donations	-	15	250	-	250
START	412	548	607	658	658

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

	FY2017/18 Actuals	FY2018/19 Actuals	FY2019/20 Approved	FY2019/20 Amended	FY2020/21 Approved
Other Governmental Funds (continued)					
State Route 16 Relinquishment	7	10	-	-	-
State Route 160	-	1	-	-	-
State Route 275	1	1	-	-	-
Street Cut Fund	87	198	150	150	157
Sunset, Meadows A/D Maint	24	36	-	-	-
Traffic Safety	578	440	500	500	400
Transportation Development	405	413	376	376	378
Transportation Development Impact Fee	1,315	1,859	1,000	1,000	1,000
Transportation System Management	3	4	-	-	-
Tree Planting Replacement	431	134	125	125	120
Wastewater Development Fees	1,923	510	-	-	-
Water Development Fees	5,763	5,892	-	-	-
Water Planning	1,400	1,265	1,134	1,134	1,124
Willowcreek Fee District	12	366	-	-	-
Zoo	55	56	50	50	50
Total Other Governmental Funds	154,222	197,543	122,989	121,928	126,148

Schedule 7
Operating Grants - \$8.1 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 2020-2025 CIP. Significant grant amounts that will benefit FY2020/21 are summarized by department below.

FIRE DEPARTMENT - \$1,236,104

Urban Search and Rescue (US&R) \$1,236,104

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: one Battalion Chief, one Administrative Analyst, one Administrative Technician, and two Cache Logisticians. Funding for this program varies annually and is provided on an annual basis from DHS.

POLICE DEPARTMENT - \$5,334,446

FY2018 Urban Area Security Initiative \$2,067,500

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 \$1,186,449

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 population, which is based on the most recent January population estimate provided by the California Department of Finance.

FY17 Edward Byrne Memorial Justice Assistance Program **\$248,327**
FY18 Edward Byrne Memorial Justice Assistance Program **\$252,397**
FY19 Edward Byrne Memorial Justice Assistance Program **\$246,833**

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.

FY17 Community Oriented Policing (COPS) Hiring Program Grant **\$625,005**

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, particularly gun violence. The Department is using these grants to hire and retain 15.0 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.

State of California - Gang Violence Suppression **\$360,000**

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 Counseling Center to achieve program goals.

State of California – Innovations Grant Program **\$134,185**

The purpose of this program is to develop an innovative way to reduce officer involved shootings by addressing the areas of use of force and de-escalation. Development of a physical and mental wellness program to increase officer performance will impact their ability to make critical decisions during contacts with the public in critical incidents. This multi-session education program will strive to reduce stress, enhance confidence, and lessen anxiety by boosting the mental and physical health of its officers.

State of California – Surrendered & Abandoned Vessel Exchange **\$120,000**

This state funded program addresses and prevents marine debris caused by abandoned recreational vessels in the City's waterways. The Department's Marine Unit coordinates with marinas and city citizens to remove derelict vessels and ensure proper disposal to avoid environmental hazards.

Selective Traffic Enforcement Program **\$93,750**

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.).

UTILITIES - \$635,916

Sacramento Regional County Sanitation District and Sacramento Area Sewer District FY20 Confluence Regional Partnership Grant \$140,000

This SRCSD-SASD FY20 Confluence Regional Partnership Grant is being used to fund a study to collect and analyze water samples from Paradise Beach to Sutter's Landing to investigate sources and levels of bacteria along the Lower American River during the 2019 and 2020 dry seasons.

Department of Water Resources, FY20 FMAP (Flood Maintenance Assistance Program) \$495,916

The FMAP is a new program providing state funds to Local Maintaining Agencies (LMAs) for eligible maintenance activities to help obtain acceptable maintenance levels of the State Plan of Flood Control facilities (levees, channel, and structures). As an LMA, the DOU Wastewater and Drainage Division Levee Maintenance Section is responsible for the maintenance and inspection of 3.66 miles of levee on the Sacramento River and 19 miles of levees in the South Sacramento Streams Group (Morrison Creek).

YOUTH, PARKS, & COMMUNITY ENRICHMENT - \$885,890

START (Students Today Achieving Results for Tomorrow) \$657,759

START has funding of \$657,759 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 \$77,206

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.

ASES Program \$150,925

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). The school district is the "grantee" who contracts with the City for delivery of the program.

**Schedule 7A
City Grant Awards**

Department		Amount
Program Name	Grantee	Awarded
Mayor/Council		
Thousand Strong	Center for Land-based Learning	39,000
	City of Refuge	78,000
	Gateway Community Charters	78,000
	Greater Sacramento Urban League	99,000
	Improve Your Tomorrow	39,000
	La Familia Counseling Center Inc.	78,000
	Sacramento Metro Chamber of Commerce	300,000
	Subtotal General Fund	\$ 711,000
	Mayor/Council Total	\$ 711,000
City Manager		
Acquisition Grant	Sacramento LGBT Community Center	750,000
College Savings Account Pilot	United Way California Capital Region	150,000
Fare Free Transit Program	Sacramento Regional Transit	1,000,000
Freedom School	Roberts Family Development Center	290,000
Pop-Up Event	Sierra Health Foundation	1,300,000
	Subtotal Measure U Fund	\$ 3,490,000
Gang Prevention and Intervention Taskforce Grant	Always Knocking Inc.	50,000
	Anti Recidivism Coalition	50,000
	Boys and Girls Club of Greater Sacramento	40,000
	Bridge Network	35,000
	Campus Life Connection	45,000
	City Year Sacramento	55,000
	Health Education Council	40,000
	Improve Your Tomorrow	40,000
	La Familia Counseling Center Inc.	70,000
	Latino Leadership Council	25,000
	Lighthouse Wesleyan Church	25,000
	Musical Instruments N Kids Hands	25,000
	Mutual Assistance Network	60,000
	Reading Partners	60,000
	Rebranding You	65,000
	Roberts Family Development Center	30,000
	Rose Family Creative Empowerment Center	60,000
	South Sacramento Christian Center	55,000
	The HAWK Institute	55,000
	The Regents of the University of California	60,000
Inclusive Economic Development Investment	Hacker Lab	25,000
Neighborhood Inclusive Economic Development	La Familia Counseling Center	350,000
	Mutual Assistance Network Centers of Del Paso Heights	350,000
Pop-Up Event	Sierra Health Foundation	35,000
Waterfront Idea Makers	Anne Marie Sasser	100
	Craig Segall	1,000
	Grace Hall-Sandlund	100
	Isabel Garcia	100
	Perkins Eastman	5,000
Waterfront Idea Makers	Taylor Yeung	100
	Subtotal General Fund	\$ 1,711,400
	City Manager Total	\$ 5,201,400

Schedule 7A (continued)
City Grant Awards

Department		Amount
Grant Program Name	Grantee	Awarded
<u>Community Development</u>		
Historic Places Grant Program	Bret and Casey Becker	7,137
	Christina Angell of Calvin Crocker House LLC	8,587
	Clifford Fisher	12,918
	Dan Fontenot/Shiloh Baptist Church	10,732
	Franklin Espegren of St. John's Lutheran Church	24,999
	Justin Campbell	24,999
	Monica L. Vejar	16,760
	Morgan Staines, Sage Influence LLC	24,999
	Phyllis Ehlert/Dennis Blegen	24,999
	Terri Kletzman	24,999
		Subtotal General Fund
Historic Places Grant Program	Kathy Borlik of Young Ladies' Clubhouse Association	17,310
	Philip Trimboli/Kevin Boll	24,999
		Subtotal Historic Places Fund
	Community Development Total	\$ 223,438
<u>Convention and Cultural Services</u>		
Cultural Arts Awards	3 Point 0	10,100
	916 Ink	21,274
	Allied Ceramics Art Institute	4,050
	Ankur	1,506
	B Street Theatre	15,373
	Bent/Sacramento International Gay and Lesbian	2,401
	Calidanza Dance	3,329
	California Lawyers for the Arts	9,508
	California Musical Theatre (Broadway Sacramento)	14,700
	Camellia Symphony	4,002
	Camerata California (Coro de concerto)	2,958
	Capital Public Radio	9,743
	Capital Stage Company	29,003
	Casa de Brazilian Folkloric Arts of Sacramento	1,682
	Celebration Arts	6,873
	Chalk it Up	6,096
	Chautauqua Playhouse	4,187
	Crocker Art Museum	32,156
	Developmental Disabilities Service Organization	16,341
	Elk Grove Fine Arts Center	1,174
	Festival of New American Music	9,874
	Focus on Family Foundation (Rose Family)	1,527
	Folsom Symphony	10,613
	Images Theatre Company	5,645
	Instituto Mazatlán Bellas Artes de Sacramento	9,762
	KVIE	7,944
	Latino Center of Art and Culture	7,070
	Leneaa High School Theatre Festival	2,789
	Reconciliation Singers Voices of Peace	1,138
	Rincones de mi Tierra	2,862
	River City Theatre Company	4,563

Schedule 7A (continued)
City Grant Awards

Department	Grant Program Name	Grantee	Amount Awarded
<u>Convention and Cultural Services (continued)</u>			
	Cultural Arts Awards (continued)	Sacramento Area Youth Speaks	21,485
		Sacramento Ballet	9,023
		Sacramento Children's Chorus	10,270
		Sacramento Choral Society and Orchestra	6,794
		Sacramento Fine Arts Center	5,123
		Sacramento French Film Festival	5,788
		Sacramento Gay Men's Chorus	8,536
		Sacramento Guitar Society	6,530
		Sacramento Mandarins	20,995
		Sacramento Master Singers	5,057
		Sacramento Philharmonic and Opera	13,017
		Sacramento Poetry Center	2,878
		Sacramento Shakespeare Festival	3,387
		Sacramento Taiko Dan	3,501
		Sacramento Theatre Company	12,709
		Sacramento Valley Chorus	2,912
		Sacramento Youth Symphony	24,860
		Sinag-tala Filipino Theater and Performing Arts Association	2,545
		Sojourner Truth Multicultural Arts Museum	12,581
		Sol Collective	10,613
		Strauss Festival of Elk Grove	8,969
		Sutter Street Theater	2,730
		Verge Center for the Arts	21,980
		Viewpoint Photographic Art Center	5,383
		Voices of California (CA Delta Chapter SPEBQSA)	3,958
		Women's Wisdom Art	1,256
		Subtotal General Fund	\$ 493,122
City of Festivals Special Event Grant	3 Point 0		10,500
	Casa de Brazilian Folkloric Arts of Sacramento		2,145
	DeBencik & Hensley Special Event Mgmt		9,500
	Downtown Sacramento Partnership		19,770
	Land Arrows		1,428
	Midtown Association		2,856
	POIZ		2,856
	Sacramento History Alliance		15,985
	Sacramento Running Association		10,000
	Sacramento Youth, Parks and Community Engagement		9,500
	Sol Collective		10,000
	Visit Sacramento		5,712
		Subtotal Parking Fund	\$ 100,252
		Convention and Cultural Services Total	\$ 593,374
<u>Police</u>			
	Reducing Sexual Exploitation and Trafficking (RESET)	Community Against Sexual Harm (CASH)	95,000
		Subtotal Measure U Fund	\$ 95,000
Asset Forfeiture Youth Programs	Boys & Girls Club		7,425
	City of Refuge		36,000

**Schedule 7A (continued)
City Grant Awards**

Department	Grant Program Name	Grantee	Amount Awarded
<u>Police (continued)</u>			
Asset Forfeiture Youth Programs (continued)		KopsNKids	22,520
		Sacramento Police Activities League	36,943
		Sacramento Police Foundation - Cadet Program	20,000
		Sacramento Police Foundation - Magnet Academy	23,887
Subtotal Externally Funded Programs			\$ 146,775
Gang Violence Suppression		Another Choice, Another Chance	35,000
		La Familia Counseling Center, Inc.	10,000
		Sacramento City Unified School District	75,000
		Sacramento County District Attorney's Office	65,000
		Sacramento County Probation	20,000
Subtotal Operating Grants			\$ 205,000
Police Total			\$ 446,775
<u>Utilities</u>			
Regional Water Authority		Reginal Water Authority	234,000
Subtotal Water Grant			\$ 234,000
Stormwater Quality Improvement Program Community Action Grant		John Still K-8 School	3,000
		North Sacramento Urban Creeks Council	2,500
		R Street Sacramento Partnership	500
		Sacramento Area Creeks Council	2,000
Subtotal Storm Drainage Fund			8,000
Utilities Total			\$ 242,000
<u>Youth, Parks, and Community Enrichment</u>			
Ann Land and Bertha Henschel Memorial Fund		Asian Community Center of Sacramento Valley, Inc.	6,000
		DBA ACC Senior Services	
		Community Against Sexual Harm	3,400
		First Step Communities	8,500
		My Sister's House	8,100
		ReIMAGINE Mack Road Foundation	4,000
		Repairing The Breach Neighborhood Project	6,000
		River City Food Bank	7,600
		Sacramento Area Emergency Housing Center DBA Next Move (Francis House Center)	7,000
		Sacramento Food Bank & Family Services	5,000
		Sacramento LGBT Community Center	3,600
		Sacramento Loaves & Fishes	8,500
		Sacramento Neighborhood Housing Service, Inc.	7,000
		Sacramento Self-help Housing	1,800
		Saint John's Program for Real Change	9,000
		S Sacramento Interfaith Partnership Food Closet	9,200
		Stanford Settlement Neighborhood Center	8,200
		The Salvation Army	6,100
		Travelers Aid Emergency Assistance Agency	6,800
		Wellspring Women's Center	8,000
	Women Escaping A Violent Environment, Inc. (WEAVE)	3,500	
	Women's Civic Improvement Club	7,700	
	Women's Empowerment	3,000	
Subtotal Ann Land Indigent/Bertha Henschel Indigent Fund			\$ 138,000
Youth, Parks, and Community Enrichment Total			\$ 138,000
Grand Total			\$ 7,555,987

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	Union	
Budgeted Classification	(Rep. Unit #)	FTE
Community Development		
Program Specialist	SCXEA (01)	2.00
Convention and Cultural Services		
Administrative Officer	SCXEA (01)	1.00
Arts Program Coordinator	L39 (16)	2.00
Finance		
Senior Accountant Auditor	SCXEA (14)	1.00
Police		
Program Analyst	SCXEA (14)	1.00

Convention and Cultural Services (CCS) - Classification and Compensation Study

The Human Resources and Finance Departments are authorized to work with the Convention and Cultural Services Department and representatives from SCXEA and Local 39 to review existing job classifications and compensation structure for positions in the History Division and Crocker Art Museum to ensure they are internally 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	16	Stationary Engineers, Local 39 (Office & Technical)
SCXEA	01	Sacramento City Exempt Employees Association (Exempt Management)
SCXEA	14	Sacramento City Exempt Employees Association (Exempt Management Support)

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

Project Name	Project Number	Fund Name	Fund #	Total Project Budget as of March 2020	Estimated Balance as of March 2020	FY2020/21 Funding
Cannabis Policy and Enforcement	I06420000	General Fund	1001	20,071,431	16,644,192	1,050,000
Cesar Chavez Park Maintenance	I19101200	General Fund	1001	21,114	21,114	32,093
Citywide Litigation Project	I80310000	General Fund	1001	1,620,000	857,554	500,000
Cultural Arts Awards	I17000700	General Fund	1001	1,900,000	323	114,000
Electrical Safety Program	I13000100	General Fund	1001	430,259	142,635	100,000
Gang Prevention and Intervention	I02000600	General Fund	1001	4,642,983	172,248	893,444 ¹
General Plan Update	I22000000	General Fund	1001	372,966	284,469	96,000
Homeless Housing Initiative	I02000200	General Fund	1001	10,199,348	415,666	2,146,098 ¹
Homeless Mitigation	I15200200	General Fund	1001	482,000	368,964	260,000
Oak Park Clinic Building Maintenance	I19101100	General Fund	1001	50,400	50,400	50,400
Police Impact Teams	I11002400	General Fund	1001	1,725,000	197,633	550,000
Powerhouse Science Center	E18000400	General Fund	1001	1,960,000	1,314,466	600,000
Successor Agency (RASA) Support	I80005010	General Fund	1001	500,000	433,627	500,000
Utility Rate Assistance Program	I14130100	General Fund	1001	13,791,481	5,810,312	3,772,720
Webgrant Restructuring Program	I07000900	General Fund	1001	689,558	343,851	100,000
Subtotal General Fund: \$						10,764,755
FUEL Network	I02000800	Measure U	2401	1,050,000	250,000	250,000
FY2021 City Attorney's Office	I80030900	Measure U	2401	-	-	208,104 ³
FY2021 Community Development Measure U	I80210900	Measure U	2401	-	-	1,146,153 ³
FY2021 Economic Development Measure U	I80180900	Measure U	2401	-	-	3,701,864 ³
FY2021 Fire Measure U	I80120900	Measure U	2401	-	-	21,641,855 ³
FY2021 Information Technology Measure U	I80070900	Measure U	2401	-	-	465,044 ³
FY2021 Police Measure U	I80110900	Measure U	2401	-	-	41,725,895 ³
FY2021 Public Works Measure U	I80150900	Measure U	2401	-	-	1,000,000 ³
FY2021 YPCE Measure U	I80190900	Measure U	2401	-	-	14,402,437 ³
Gang Prevention and Intervention	I02000600	Measure U	2401	729,268	105,000	500,000
Police Information Technology Infrastructure	I11002700	Measure U	2401	1,090,595	648,600	468,595
Police Observation Devices (PODs)	I11002300	Measure U	2401	157,500	157,500	29,500
Police ShotSpotter Gunshot Detection System	I11002500	Measure U	2401	306,000	(8,600)	310,608
Subtotal Measure U Fund: \$						85,850,055
Subtotal General/Measure U : \$						96,614,810

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

²These are reimbursable projects and have corresponding revenue budgets.

³New MYOPs

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

Project Name	Project Number	Fund Name	Fund #	Total Project Budget as of March 2020	Estimated Balance as of March 2020	FY2020/21 Funding
65th Street Impact Fee Program	I06000600	65th Street Impact Fee	3214	-	-	50,000
City Hall Tech Program	I02001500	Innovation and Growth	2031	250,000	92,155	125,000
City of Festivals Program	I15001211	Parking	6004	1,239,000	113,538	100,000
Driver Training Facility	E08000100	Risk	6502	1,300,000	761,027	100,000 ²
Fleet Acquisitions	I06000999	Various Funding Sources		-	-	21,680,116
F.O.C.A.S.	I13000400	Special Program Donations	2502	2,664,851	537,559	250,000 ²
Forgivable Loan	I02180400	Innovation and Growth	2031	1,100,000	751,250	500,000
General Plan Update	I22000000	Development Services	2016	9,638,463	4,086,834	2,000,000 ²
N Natomas Admin Control	I22200100	NNFP Public Facilities Fee	3206	15,390,002	248,171	50,000
N Natomas Admin Control	I22200100	NNFP Transit Fee	3207	50,000	23,626	50,000
N Natomas Admin Control	I22200100	NNFP Pub Land Acquisition	3208	250,000	32,229	50,000
N Natomas Admin Control	I22200100	NNFP Reg Park Land Acquisition	3209	-	(19,732)	50,000
Powerhouse Science Center	E18000400	Innovation and Growth	2031	2,000,000	386,584	400,000
RAILS Grant Program	I18000100	Innovation and Growth	2031	2,970,709	1,074,022	1,000,000
Sacramento Economic Gardening 3 Year	I02184000	Innovation and Growth	2031	436,000	345,970	436,000
Sacramento Entrepreneur Dev Academy Ph 1	I02183000	Innovation and Growth	2031	750,000	750,000	750,000
Solid Waste Outreach	I14120200	Solid Waste	6007	2,868,834	489,706	200,000
Storm Drainage Planning and Management	I14100000	Storm Drainage	6011	14,306,598	3,393,288	1,293,882
SVS Operations and Management	I15001000	Parking	6004	492,000	24,535	221,000
SW Container Replacement	I14120500	Solid Waste	6007	11,593,245	1,998,657	1,000,000
Wastewater Planning and Management	I14600000	Wastewater	6006	12,586,806	4,965,569	1,505,000
Water Planning and Management	I14400000	Water	6005	19,091,599	6,268,930	2,789,212
Subtotal Other Funds: \$						34,600,210
Total						\$ 131,215,020

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

²These are reimbursable projects and have corresponding revenue budgets.

³New MYOPs

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

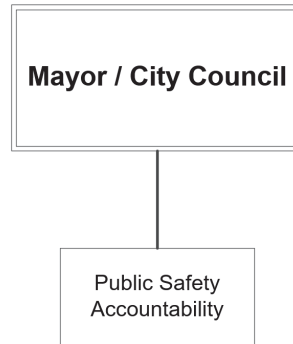
Fund Type	FY2020/21	FY2021/22	FY2022/23	FY2023/24	FY2024/25
<u>Governmental Funds</u>					
General Fund	15,123	16,431	17,095	16,639	16,578
Subtotal Governmental Funds	15,123	16,431	17,095	16,639	16,578
<u>Enterprise Funds</u>					
Community Center	27,120	19,218	19,222	19,219	19,219
Parking	11,909	10,976	10,280	10,077	9,781
Solid Waste	1,688	1,677	1,678	1,677	1,674
Storm Drainage	3,242	235	235	235	233
Wastewater	4,031	4,116	4,116	4,117	4,117
Water	29,773	29,764	29,154	29,147	29,135
Subtotal Enterprise Funds	77,762	65,986	64,684	64,471	64,159
<u>Internal Service Funds</u>					
Fleet Management	46	46	46	46	45
Worker's Compensation	71	71	66	60	54
Subtotal Internal Service Funds	117	117	112	106	99
<u>Other Governmental Funds</u>					
2006 CIRBs, Series B (CIRCIP)	2,719	2,718	2,723	2,715	2,713
2006 CIRBs (Refunding), Series E	205	207	503	463	462
2015 Golden 1 Center Revenue Bonds	17,279	15,312	16,149	16,581	17,121
2016 Lease Financing-H Street	1,343	1,345	1,347	1,339	1,349
Debt Service-93 Series A	1,052	-	-	-	-
Debt Service-93 Series B	2,980	-	-	-	-
Golf	1,166	442	435	435	435
Marina	921	1,121	1,152	1,182	1,207
NNFP Public Facilities Fee	636	581	586	587	573
NNFP Reg Park Land Acquisition	422	837	843	846	825
Subtotal Other Governmental Funds	32,561	26,404	27,579	27,989	28,529
Total:	125,564	108,939	109,471	109,206	109,365

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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

- Utilizing the 311 system to support constituents in tracking neighborhood complaints and requests for service.

OBJECTIVES FOR FY2020/21

- 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.

Department Budget Summary

Mayor/Council Budget Summary	FY2017/18 Actuals	FY2018/19 Actuals	FY2019/20 Approved	FY2019/20 Amended*	FY2020/21 Approved	Change More/(Less) Approved/Amended
Employee Services	5,875,947	6,061,915	5,467,072	5,467,072	5,303,266	(163,806)
Other Services and Supplies	749,320	646,671	926,544	1,724,745	1,123,408	(601,337)
City Property	21,974	15,763	2,000	2,000	2,000	-
Labor and Supply Offset	(36,493)	(86,875)	-	-	-	-
Total	6,610,748	6,637,475	6,395,616	7,193,817	6,428,674	(765,143)

*The Amended FY2019/20 Budget includes carryover of unspent FY2018/19 Budget and/or transfers to capital projects.

FY2020/21 Approved Budget

Department Budget Summary (continued)

Funding Summary by Fund/Special District	FY2017/18 Actuals	FY2018/19 Actuals	FY2019/20 Approved	FY2019/20 Amended*	FY2020/21 Approved	More/(Less) Approved/Amended
General Fund	4,813,339	4,750,342	4,813,690	5,611,891	4,985,499	(626,392)
Interdepartmental Service	1,700,987	1,775,341	1,581,926	1,581,926	1,443,175	(138,751)
Storm Drainage	21,213	24,594	-	-	-	-
Wastewater	18,320	21,241	-	-	-	-
Water	56,889	65,957	-	-	-	-
Total	6,610,748	6,637,475	6,395,616	7,193,817	6,428,674	(765,143)

*The Amended FY2019/20 Budget includes carryover of unspent FY2018/19 Budget and/or transfers to capital projects.

Division Budget Summary

Mayor/Council Division Budgets	FY2017/18 Actuals	FY2018/19 Actuals	FY2019/20 Approved	FY2019/20 Amended*	FY2020/21 Approved**	Change More/(Less) Approved/Amended
Office of the Mayor	1,523,097	1,542,798	1,736,880	1,879,929	1,727,577	(152,352)
City Council District 1	408,151	426,076	506,416	624,527	513,964	(110,563)
City Council District 2	494,718	425,490	506,416	533,965	235,567	(298,398)
City Council District 3	454,197	503,808	506,416	611,181	513,964	(97,217)
City Council District 4	454,631	416,021	506,416	548,635	235,567	(313,068)
City Council District 5	462,413	459,805	506,416	620,137	513,964	(106,173)
City Council District 6	419,306	469,572	506,416	670,050	513,964	(156,086)
City Council District 7	418,190	391,318	506,416	577,764	513,964	(63,800)
City Council District 8	417,418	454,050	506,416	520,221	235,567	(284,654)
Independent Budget Analyst Division	249,421	271,910	-	-	-	-
Mayor Council Operations Division	-	-	-	-	835,191	835,191
Office of City Auditor Division	818,030	783,873	-	-	-	-
Office of Public Safety Accountability Division	491,176	492,754	607,408	607,408	589,386	(18,022)
Total	6,610,748	6,637,475	6,395,616	7,193,817	6,428,674	(765,143)

*The Amended FY2019/20 Budget includes carryover of unspent FY2018/19 Budget and/or transfers to capital projects.

**The Proposed FY2020/21 Budgets for the Districts 2, 4, & 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

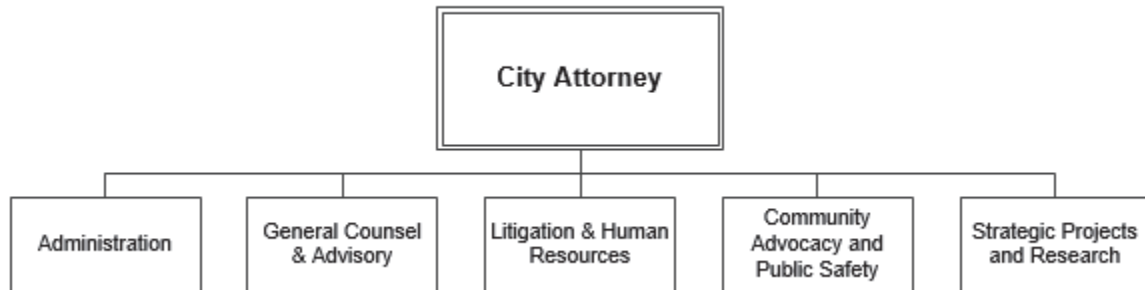
Mayor/Council Division Budgets	FY2017/18 Actuals	FY2018/19 Actuals	FY2019/20 Approved	FY2019/20 Amended	FY2020/21 Approved	Change More/(Less) Approved/Amended
Office of the Mayor	12.00	12.00	12.00	12.00	12.00	-
City Council District 1	2.50	2.50	2.50	2.50	2.50	-
City Council District 2	2.50	2.50	2.50	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 Division	3.00	3.00	-	-	-	-
Office of City Auditor Division	6.00	6.00	-	-	-	-
Office of Public Safety Accountability Division	4.00	4.00	4.00	4.00	4.00	-
Total	45.00	45.00	36.00	36.00	36.00	-

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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 **Office of the City Attorney** serves as legal counsel to the City Council, City Officers and Department staff, boards and commissions as well as the Administration, Investment and Fiscal Management Board, Sacramento City Financing Authority, and Sacramento Regional Arts Facilities Financing Authority. The 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 its related entities. The City Attorney's Office is organized into four operational divisions and an administration division.

- **Administration:** Develop and implement office policies and procedures; monitor overall office performance; prepare and administer the office budget; develop and implement education and training; handle all hiring, evaluation, and other personnel matters; assemble and analyze office productivity data, including the production of an annual report; and engage in long-range planning.
- **General Counsel & Advisory Division:** Provide advisory and transactional advice and support to charter offices and city departments on all aspects of municipal law including: Brown Act; Public Records Act; CEQA and NEPA; water law; propositions 26 and 218; public bidding, construction and procurement; contract negotiation, drafting and review; prevailing wages; transportation modes; real estate procurement, conveyance and leasing; solid waste disposal; landfill regulation; and various other areas of municipal law.
- **Litigation & 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.

- **Community Advocacy & 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 advise staff on enforcement matters.
- **Strategic Projects & Research Division:** Provide strategic support to the City Council's policymaking function by providing legal advice and response on multi-departmental projects and Council initiatives, including issues of homelessness, economic development, cannabis regulations, and emergency management.

PROGRAMS/SERVICE HIGHLIGHTS

General Counsel & Advisory

- Assisted in updating the City's telecommunications ordinance and permitting process, allowing telecommunications companies to reserve and install small cell devices on city infrastructure and expand 4G and 5G networks across the City.
- Provided legal guidance and developed necessary procurement forms to ensure that goods and services purchased in response to COVID-19 are eligible for federal reimbursement to the maximum extent possible.
- Assisted the City Manager's Office in the negotiation, drafting and administration of contracts for and the administration and management of, the City's C3 project consisting of renovations and additions to the Memorial Auditorium, the Safe Credit Union Performing Arts Center and the Safe Credit Union Convention Center.
- Assisted the Department of Public Works in various issues concerning construction of the new I Street Bridge and reuse of the upper level of the existing I Street Bridge.
- Assisted the Building Division in the Community Development Department with establishing a policy for use of drones for certain construction inspections in compliance with federal and state requirements.
- Advised Department of Utilities and Public Works staff on bid documents and contract specifications to address COVID-19 effects on construction projects.
- Drafted amendments to the Planning and Development Code to streamline the entitlement process. These amendments simplify the entitlement process, thereby encouraging development.

- Assisted staff with the preparation and adoption of the City's Historic District Plans. These guidelines streamline and pave the way for infill development in the City's core.
- Drafted amendments to the City Code to provide greater oversight of tobacco retailers by generally expanding the circumstances under which a conditional use permit (CUP) is required. The CUP process allows decision makers to consider a variety of factors, including the public health, safety, convenience, and welfare of persons residing, working, visiting, or recreating in the surrounding neighborhood.
- Assisted in the drafting and adoption of an ordinance for a City only arts commission that assumes the responsibilities and duties previously held by the Sacramento Metropolitan Arts Commission which was jointly operated by the City and County of Sacramento for over 40 years.

Litigation & Human Resources

- Initiated litigation with allegations of defective construction at the Sacramento Valley train station. The architect, general contractor, and the general contractor's construction manager eventually settled the City's claims for \$7 million, an amount sufficient to make the necessary repairs.
- Argued a landmark case brought pursuant to the California Public Records Act before the Third District Court of Appeals. Plaintiffs obtained some records that the City believed were subject to the attorney-client privilege. Since the privilege was asserted by another entity, the appellate court held that the City was not obligated to pay those attorney's fees. This was an important, precedent setting opinion that will have significant impacts on PRA processing statewide.
- Successfully defended a civil rights case brought by owners of a muffler shop that the City believed had purchased illegally obtained catalytic converters. The plaintiffs alleged false arrest and constitutional violations. The case proceeded to trial, but after several days of evidence favorable to the City, the plaintiffs agreed to dismiss the case before a verdict was entered.
- Filed an eminent domain action to acquire property rights from a private landowner necessary for a school improvement project known as the Babcock School Access Project. The City is now moving forward with construction that will enhance safety at Babcock Elementary School.
- For over a year, an individual went from being disruptive at City Council meetings to making threats of violence against elected officials and police officers. Division attorneys filed a Petition for Workplace Violence Restraining Order against this individual, and the order was granted, barring the individual from disrupting future meetings for three years.

Community Advocacy & 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.
- Prosecuted a significant number of receivership actions to repair residential properties and return them to productive housing stock.
- 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.

Strategic Projects & Research

- Tenant Protection and Relief Act – Ordinance was adopted on August 13, 2019, before the state rent control law AB 1482 was passed. Unlike the state law, the local ordinance includes a pre-eviction hearing process and the tenant's right to lease a comparable unit or the same unit after substantial repairs at the same rental rate.
- Stadium Area Enhanced Infrastructure Financing District – Formed the first EIFD within the jurisdictional boundaries of the City to support the infrastructure for the proposed MLS soccer stadium.
- Convention Center Assessment-Revenue Bonds – Assisted the City Treasurer's Office with the successful sale of \$55 million in assessment-revenue bonds to finance the construction of a new ball room in the Convention Center.
- Entertainment and Sports Complex Sign District – Drafted the ordinance establishing a special sign district for the Entertainment and Sports Complex which enables the usage of cutting-edge signage around the Downtown Commons and the Golden 1 Center area.
- Sacramento LGBT Center Grant – Prepared the grant agreement to award \$750,000 to the Sacramento LGBT Center to assist it in buying a permanent community center.
- COVID-19 Declaration of Local Emergency – Provided legal advice and drafted the City's declaration of local emergency relating to the COVID-19 pandemic.
- COVID-19 Emergency Eviction Moratorium – Provided legal advice and drafted the ordinance prohibiting evictions caused by the COVID-19 pandemic.

- COVID-19 Emergency Loan Program – Drafted loan documents and provided legal advice for the COVID-19 emergency loan program that provided \$1 million in interest-free loans to small businesses.
- COVID-19 Great Plates Delivered Program – Provided legal advice and drafted contracts for the COVID-19 Great Plates Delivered program that provides three free meals per day for senior citizens affected by the SAH orders.

DEPARTMENT EFFICIENCIES

- Finalized portion of multi-phase project to renovate office space to increase efficiency and productivity by utilizing existing office space to better serve department’s needs while incorporating COVID-19-related protocols.

OBJECTIVES FOR FY2020/21

- Continue to guide the Council and City departments through the changing laws and regulations related to cannabis regulation and enforcement, including the launch of the CORE program.
- 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 issues related to COVID-19, including the health and safety of employees and citizens, economic recovery, and access to available funding.
- Initiate efforts to engage in affirmative litigation to address community issues related to improving health, welfare, and safety.

Department Budget Summary

City Attorney Budget Summary	FY2017/18 Actuals	FY2018/19 Actuals	FY2019/20 Approved	FY2019/20 Amended	FY2020/21 Approved	Change More/(Less) Approved/Amended
Employee Services	7,754,254	8,604,556	10,359,401	10,444,778	10,893,159	448,381
Other Services and Supplies	411,720	515,895	301,661	301,661	301,391	(270)
City Property	13,592	11,015	13,750	13,750	13,750	-
Labor and Supply Offset	(216,490)	(257,310)	(979,889)	(1,065,266)	(1,210,613)	(145,347)
Total	7,963,076	8,874,157	9,694,923	9,694,923	9,997,687	302,764

Funding Summary by Fund/Special District	FY2017/18 Actuals	FY2018/19 Actuals	FY2019/20 Approved	FY2019/20 Amended	FY2020/21 Approved	Change More/(Less) Approved/Amended
General Fund	5,082,981	5,738,428	7,151,151	7,151,151	7,381,884	230,733
Cty/Cnty Office-Water Planning	10,000	10,000	10,000	10,000	10,000	-
Interdepartmental Service	2,660,004	2,915,638	2,323,681	2,323,681	2,395,712	72,031
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	7,963,076	8,874,157	9,694,923	9,694,923	9,997,687	302,764

FY2020/21 Approved Budget

Division Budget Summary

City Attorney Division Budgets	FY2017/18 Actuals	FY2018/19 Actuals	FY2019/20 Approved	FY2019/20 Amended	FY2020/21 Approved	Change More/(Less) Approved/Amended
City Attorney Division	7,963,076	8,874,157	9,694,923	9,694,923	9,997,687	302,764
Total	7,963,076	8,874,157	9,694,923	9,694,923	9,997,687	302,764

Staffing Summary

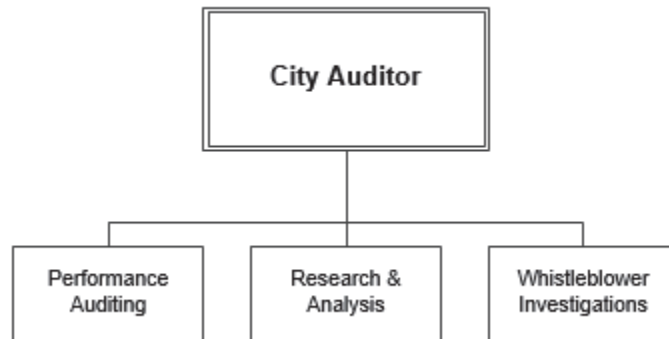
City Attorney Division Budgets	FY2017/18 Actuals	FY2018/19 Actuals	FY2019/20 Approved	FY2019/20 Amended	FY2020/21 Approved	Change More/(Less) Approved/Amended
City Attorney Division	51.00	54.00	58.00	59.00	59.00	-
Total	51.00	54.00	58.00	59.00	59.00	-

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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 Auditing:** 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 Audit Plan 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.

- To provide immediate and direct value towards the City's COVID-19 mitigation efforts, we continue to partner with City management to perform an assessment of the revenues and expenses associated with the City's COVID-19 Response.
- Worked with the City Attorney's Office to document the City's Regulatory and Internal Control Framework designed to support the City's COVID-19 response efforts.
- Issued an Audit of Retiree Health Benefits that evaluated the recordkeeping and reconciliation processes associated with the administration of retiree health benefits. This audit had three findings and made 13 recommendations to improve internal processes.
- Issued an Audit of the 911 Emergency Communications Center that evaluated call answer times and staffing needs. The audit had two findings and made 11 recommendations.
- Issued an Audit of City-Owned and Leased Real Property. This audit had three findings and made 18 recommendations aimed at producing cost savings, improving compliance, and enhancing accountability of the City's owned and leased real property.
- Issued an Audit of the Department of Utilities Vehicle Fleet that evaluated vehicle purchases, maintenance, and fuel consumption. This audit had four findings and made 26 recommendations to reduce costs and improve compliance with established policies and procedures.
- Issued an Audit on the Diversity, Equity, and Inclusion of Boards, Committees, and Commissions that provided information on the demographic composition of the City's boards, committees, and commissions.
- Partnered with Economic and Planning Systems, Inc. to issue a report on the Fiscal Impact Analysis of the 2035 General Plan Land Uses at Buildout.
- Partnered with Stantec Consulting to analyze and report on the Department of Utilities Storm Drainage Fund.
- Partnered with Management Partners to develop a Citywide Innovation and Efficiencies Assessment.
- Partnered with the National Research Center to conduct a *Community 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.
- Received a Distinguished Knighton Award from the Association of Local Government Auditors for the Audit of City-Owned and Leased Real Property.

- Obtained a peer review of our internal quality control system and received a certification of compliance with Government Auditing Standards from the Association of Local Government Auditors.
- 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.
- Contributed to the auditing profession, provided training, and presented on audit topics at a number of engagements including Sacramento State University, Institute of Internal Auditors Sacramento Chapter, California State Auditor's Association, Western Intergovernmental Audit Forum, and the Association of Local Government Auditors.

DEPARTMENT EFFICIENCIES

- Continued our 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, and supervisory review.
- As part of our partnership with Missionmark, we launched a Recommendations Follow Up Portal that allows City Departments to respond to open recommendations and upload supporting documentation directly through the site. This site reduces the amount of time it takes to follow up on open audit recommendations and provides a centralized and reliable source of information for the auditor and auditee.
- Developed and released an online Recommendation Follow Up Dashboard that provides the public with information on the status of audit recommendations.
- Developed and released an online Gender and Ethnic Dashboard that provides the public with interactive data on the gender and ethnic composition of City employees.
- Upgraded the Whistleblower Hotline case management software, which allowed us to transition to a 100% electronic process. This process is not only faster, it will also reduce paper consumption by approximately 1,000 sheets per year.

OBJECTIVES FOR FY2020/21

- Continue to improve the efficiency and effectiveness of City operations by performing audits, conducting independent analysis and research, and investigating whistleblower allegations.

FY2020/21 Approved Budget

- 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.

POSITION CHANGES

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

Department Budget Summary

Office of the City Auditor Budget Summary	FY2017/18 Actuals	FY2018/19 Actuals	FY2019/20 Approved	FY2019/20 Amended	FY2020/21 Approved	Change More/(Less) Approved/Amended
Employee Services	-	-	1,239,756	1,239,756	1,480,669	240,913
Other Services and Supplies	-	-	131,581	131,581	131,581	-
City Property	-	-	5,000	5,000	5,000	-
Labor and Supply Offset	-	-	-	-	(122,326)	(122,326)
Total	-	-	1,376,337	1,376,337	1,494,924	118,587

Funding Summary by Fund/Special District	FY2017/18 Actuals	FY2018/19 Actuals	FY2019/20 Approved	FY2019/20 Amended	FY2020/21 Approved	Change More/(Less) Approved/Amended
General Fund	-	-	838,054	838,054	921,582	83,528
Interdepartmental Service	-	-	431,185	431,185	449,428	18,243
Storm Drainage	-	-	23,562	23,562	27,261	3,699
Wastewater	-	-	20,349	20,349	23,544	3,195
Water	-	-	63,187	63,187	73,109	9,922
Total	-	-	1,376,337	1,376,337	1,494,924	118,587

Division Budget Summary

Office of the City Auditor Division Budgets	FY2017/18 Actuals	FY2018/19 Actuals	FY2019/20 Approved	FY2019/20 Amended	FY2020/21 Approved	Change More/(Less) Approved/Amended
Performance Auditing Division	-	-	905,607	905,607	1,001,643	96,036
Research & Analysis Division	-	-	470,730	470,730	493,281	22,551
Total	-	-	1,376,337	1,376,337	1,494,924	118,587

Staffing Levels

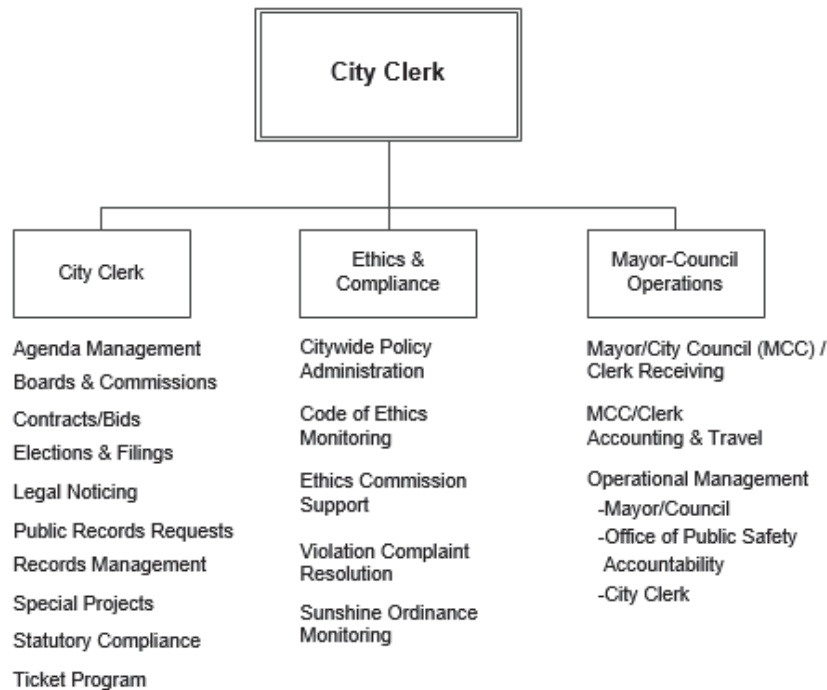
Office of the City Auditor Division Budgets	FY2017/18 Actuals	FY2018/19 Actuals	FY2019/20 Approved	FY2019/20 Amended	FY2020/21 Approved	Change More/(Less) Approved/Amended
Performance Auditing Division	-	-	6.00	7.00	7.00	-
Research & Analysis Division	-	-	3.00	3.00	3.00	-
Total	-	-	9.00	10.00	10.00	-

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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.
- Ethics 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.
- Relocated operational staff workstations to support fifth floor reception and receiving more effectively.

OBJECTIVES FOR FY2020/21

- 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.
- 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.
- Utilize MS Teams for better collaboration and accountability between both in office and remote workers.
- 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	FY2017/18 Actuals	FY2018/19 Actuals	FY2019/20 Approved	FY2019/20 Amended	FY2020/21 Approved	Change More/(Less) Approved/Amended
Employee Services	1,873,416	1,890,212	2,107,641	2,254,118	2,432,387	178,269
Other Services and Supplies	365,663	391,814	588,111	618,111	619,340	1,229
City Property	10,937	6,398	5,000	5,000	2,000	(3,000)
Labor and Supply Offset	2,937	4,366	500	500	-	(500)
Total	2,252,954	2,292,790	2,701,252	2,877,729	3,053,727	175,998

Funding Summary by Fund/Special District	FY2017/18 Actuals	FY2018/19 Actuals	FY2019/20 Approved	FY2019/20 Amended	FY2020/21 Approved	Change More/(Less) Approved/Amended
General Fund	1,478,216	1,343,065	1,599,910	1,776,387	2,094,592	318,205
Interdepartmental Service	774,738	949,725	1,101,342	1,101,342	959,135	(142,207)
Total	2,252,954	2,292,790	2,701,252	2,877,729	3,053,727	175,998

Division Budget Summary

City Clerk Division Budgets	FY2017/18 Actuals	FY2018/19 Actuals	FY2019/20 Approved	FY2019/20 Amended	FY2020/21 Approved	Change More/(Less) Approved/Amended
City Clerk Division	1,725,512	1,656,755	1,944,305	2,030,499	2,776,212	745,713
Mayor-Council Operations Division	356,035	375,211	442,886	533,169	89,720	(443,449)
Office of Ethics & Compliance Division	171,407	260,824	314,061	314,061	187,795	(126,266)
Total	2,252,954	2,292,790	2,701,252	2,877,729	3,053,727	175,998

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Staffing Levels

City Clerk Division Budgets	FY2017/18 Actuals	FY2018/19 Actuals	FY2019/20 Approved	FY2019/20 Amended	FY2020/21 Approved	Change More/(Less) Approved/Amended
City Clerk Division	13.00	13.00	13.00	14.00	19.00	5.00
Mayor-Council Operations Division	3.00	3.00	3.00	4.00	-	(4.00)
Office of Ethics & Compliance Division	1.00	1.00	1.00	1.00	-	(1.00)
Total	17.00	17.00	17.00	19.00	19.00	0.00

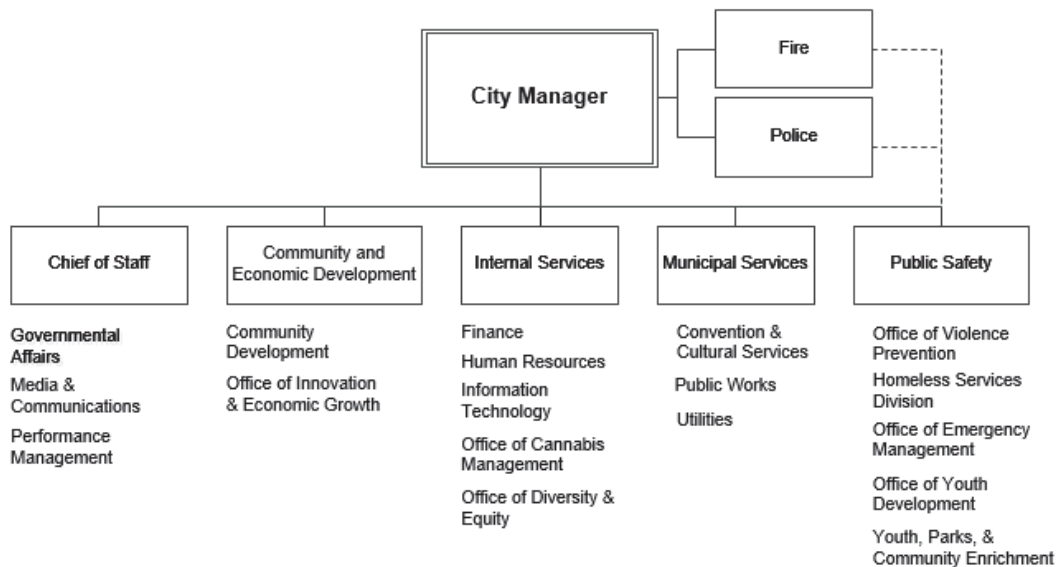
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SECTION – 10 City Manager

City Manager

The **City Manager (CMO)** 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 Divisions and Programs that handle issue-specific needs such as: Innovation and Economic Development, Homeless Coordination, Violence Prevention, Media and Communications, Cannabis Management, Government Affairs, Emergency Management, Youth Development, Diversity and Equity, and Performance Management.

During this unprecedented health crisis of the COVID–19 global pandemic, CMO has and will continue to lead through the response and recovery. The impacts of COVID–19 and the subsequent “stay-at-home orders” from the Sacramento County Public Health Officer have greatly impacted city operations, businesses, and the community. Much of this crisis’ effect is still yet unknown as it takes its toll on public health and our global and local economies. However, many of the core services in the CMO play an integral role in providing relief through the provision of grants, the implementation of relief programs, operating and supporting the city’s emergency response and continued preparedness, lobbying efforts, economic recovery, and internal/external communications. The program services and objectives below are reflective of the CMO pre-COVID–19.



PROGRAMS/SERVICE HIGHLIGHTS

- The Office of Innovation and Economic Growth focuses on opportunities to support and increase job creation, business growth, and development activities. Accomplishments for the office in the last fiscal year include working with a

number of partners to secure nearly \$183 million in funding to continue and implement key projects and programs including the: Twin Rivers Housing Project, Powerhouse Science Center, Railyards, Waterfront, and Brownfields Program. The office also finalized the Preliminary Term Sheet with an investor group for the construction and operations of a new Major League Soccer stadium and financed and completed the new LGBTQ+ Community Center location.

- The City's Homeless Services Division (HSD) 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 HSD implemented the Pathways to Health + Home, 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. Since inception in late 2017, Pathways has re-housed over 500 medically vulnerable people experiencing homelessness. In addition, the HSD has expanded sheltering programs throughout the City, led the development and implementation of sheltering and re-housing programs under the State's new Homeless Emergency Aid Program brought, which brought over \$18 million in one-time funding to Sacramento.
- The Youth Development Policy Manager continues to facilitate greater cohesion across multiple systems and priorities that touch young people, through increased stakeholder collaboration and integration of the Citywide Youth Development Plan & Framework. Over the past year, staff built multiple inter/intra-agency strategic partnerships, launched the design of a Continuous Quality Improvement (CQI) system for youth investments, to support broad integration of the Plan, and began implementing program elements including, expanding cross-department training for staff administering youth programs and extended training to external partners, piloting a comprehensive youth program quality assessment process, and convening citywide youth development practitioners to improve coordination.
- The Office of Diversity and Equity continues the finalization and begins implementation of the Race and Gender Equity Action Plan (RGEAP) 2020-2025. The RGEAP will utilize assessment measures based on the Global Diversity and Inclusion Benchmark Model framework and Government Alliance on Race & Equity Race Equity tool to build a systemic approach to produce positive outcomes that inform our equity efforts along the workforce continuum. Beginning in October 2020, all departments will begin tracking efforts and their impact on the 14 outcomes and action strategies of the RGEAP.
- The Office of Violence Prevention continued to implement a multi-pronged approach to reduce gang violence. Key accomplishments during FY2019/20 included: granting 20 community-based organizations approximately \$950,000 to serve gang impacted youth, securing a \$999,780 Board of State and Community Corrections Youth Reinvestment Grant to deter at-potential youth from entering the juvenile justice system, and continuing implementation of a gun violence reduction strategy with Advance Peace.

- The Office of Cannabis Management reviewed and processed cannabis business permits, administered the local cannabis equity program and provided enforcement and regulations for commercial cannabis activities in the City. This includes the oversight and coordination of an interdepartmental team to ensure the safe and legal operation of cannabis businesses.
- CMO will continue to lead the City's efforts on the Safe Credit Union Performing Arts Center renovation and the expansion and renovation of the Safe Credit Union Convention Center projects which are currently under construction. The remodeling of Phase I of the Memorial Auditorium is complete and the design of Phase 2 is underway. These projects will increase economic vitality in our city and enhance our city public art portfolio.
- The Office of Governmental Affairs provides oversight and coordinates and develops 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 Management (OEM) coordinates communication, planning, preparedness, response, and recovery during all hazards affecting the City including managing the Emergency Operations Center, which is staffed with City personnel who are trained to ensure unified, enduring support to first responders and the community. During the last fiscal year, staff developed the first of its kind Clean Air Center Protocols in collaboration with the County and Air Quality Management District following the 2018 fires. In addition, OEM has attained an on-call list of translators and ASL specialists in case of emergency and integrated access and functional needs in all aspects of disaster planning.
- 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. All departments track performance management data on their core operations. Most departments have developed dashboards to track high level outcomes. The dashboards will be available to be published publicly in 2020.
- 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 foster inclusive economic development, promote innovation and job growth, increase traffic/pedestrian safety, regulate the local cannabis industry and help people experiencing homelessness. 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.

OBJECTIVES FOR FY2020/21

- 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 including practices and programs 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.
- Explore and implement policies to streamline housing development and increase the stock of housing opportunities at all levels.
- 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 are manufactured in and sold from permitted businesses to qualified adults or patients.
- Educate and inform parents and young people about the potential hazards of cannabis use by adolescents and teens.
- Continue to 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.
- Continue successful implementation of the City's Gang Prevention and Intervention Taskforce Grant by administering another award cycle.
- Complete the renovation of the Safe Credit Union Performing Arts Center by 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.
- Working with collaborative partners (Sacramento County, Sacramento Steps Forward and SHRA), develop standards for delivery of outreach, sheltering and rehousing programs throughout Sacramento, ensure that City projects meet or exceed these standards, and develop a regular, public facing report on the City's investments in and impact on efforts to prevent and end homelessness.

POSITION CHANGES

- A vacant position (1.0 FTE Staff Aide Management) was deleted and a new position (1.0 FTE Media & Communications Specialist) was added to the Media and Communications Office.
- Vacant positions (2.0 FTE Customer Service Specialist) were deleted and a new position (1.0 FTE Administrative Technician) was added for the Office of Cannabis Management.
- A vacant position (1.0 FTE Program Specialist) was moved from the Office of Economic Growth to Convention and Cultural Services for the Film Office.

Department Budget Summary

City Manager Budget Summary	FY2017/18 Actuals	FY2018/19 Actuals	FY2019/20 Approved	FY2019/20 Amended	FY2020/21 Approved	Change More/(Less) Approved/Amended
Employee Services	5,188,425	7,112,843	10,563,068	10,815,752	11,296,832	481,080
Other Services and Supplies	1,407,341	1,570,799	2,876,034	2,906,487	2,243,242	(663,245)
City Property	40,988	31,835	27,826	27,826	27,826	-
Transfers	6,528	5,950	-	-	-	-
Labor and Supply Offset	(347,751)	(294,384)	(2,580,441)	(2,580,441)	(2,794,546)	(214,105)
Operating Transfers	(1,997,049)	(982,739)	-	-	-	-
Total	4,298,483	7,444,304	10,886,487	11,169,624	10,773,354	(396,270)

Funding Summary by Fund/Special District	FY2017/18 Actuals	FY2018/19 Actuals	FY2019/20 Approved	FY2019/20 Amended	FY2020/21 Approved	Change More/(Less) Approved/Amended
General Fund	4,321,464	5,484,990	8,259,200	8,542,337	8,031,382	(510,955)
2003 North Sac TE TABS	-	-	9,000	9,000	9,000	-
800K/L Merged Downtown TE	(1,772,229)	(63,590)	-	-	-	-
Block Grant/Housing & Redev	29,250	-	29,250	29,250	29,250	-
Innovation and Growth	127,174	234,549	809,083	809,083	794,669	(14,414)
Interdepartmental Service	1,592,824	1,788,355	1,779,954	1,779,954	1,909,053	129,099
Total	4,298,483	7,444,304	10,886,487	11,169,624	10,773,354	(396,270)

Division Budget Summary

City Manager Division Budgets	FY2017/18 Actuals	FY2018/19 Actuals	FY2019/20 Approved	FY2019/20 Amended	FY2020/21 Approved	Change More/(Less) Approved/Amended
Office of Cannabis Management Division	-	833,357	2,113,710	2,113,710	1,238,046	(875,664)
Office of Economic Growth Division	149,059	1,715,316	3,604,006	3,887,143	4,150,693	263,550
Office of Emergency Management Division	325,879	500,484	584,177	584,177	564,664	(19,513)
Office of Homeless Services Division	-	419,818	385,466	385,466	452,190	66,724
Office of Media & Communications Division	412,986	392,388	465,407	465,407	474,125	8,718
Office of the City Manager Division	3,410,559	3,400,435	3,497,416	3,497,416	3,588,896	91,480
Office of Violence Prevention Division	-	182,506	236,305	236,305	304,740	68,435
Total	4,298,483	7,444,304	10,886,487	11,169,624	10,773,354	(396,270)

Staffing Levels

City Manager Division Budgets	FY18 Actuals	FY19 Actuals	FY20 Approved	FY20 Amended	FY21 Approved	Change More/(Less) Approved/Amended
Office of Cannabis Management Division	-	6.00	8.00	8.00	7.00	(1.00)
Office of Economic Growth Division	14.00	16.00	31.00	33.00	32.00	(1.00)
Office of Emergency Management Division	4.00	4.00	4.00	4.00	3.00	(1.00)
Office of Homeless Services Division	-	5.00	9.00	9.00	9.00	-
Office of Media & Communications Division	3.00	3.00	3.00	3.00	4.00	1.00
Office of the City Manager Division	15.00	13.00	13.00	13.00	13.00	-
Office of Violence Prevention Division	-	2.00	2.00	2.00	2.00	-
Total	36.00	49.00	70.00	72.00	70.00	(2.00)

PERFORMANCE MEASURES

	FY17	FY18	FY19	FY20	FY21
Key Measure	Actuals	Actuals	Actuals	Estimate	Target
Number of businesses in the city*	17,879	17,968	18,147	21,511	21,295

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**

	FY17	FY18	FY19	FY20	FY21
	Actuals	Actuals	Actuals	Estimate	Target
Number of jobs in the city	280,504	281,907	284,726	276,858	274,089

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**

	FY17	FY18	FY19	FY20	FY21
	Actuals	Actuals	Actuals	Estimate	Target
Employment rate	95.0%	95.4%	95.9%	85.3%	89.5%

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

	FY17	FY18	FY19	FY20	FY21
	Actuals	Actuals	Actuals	Estimate	Target
Total investments made in Sacramento, by building permit valuation	\$1.3 billion	\$1.4 billion	\$1.5 billion	\$1.7 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.*

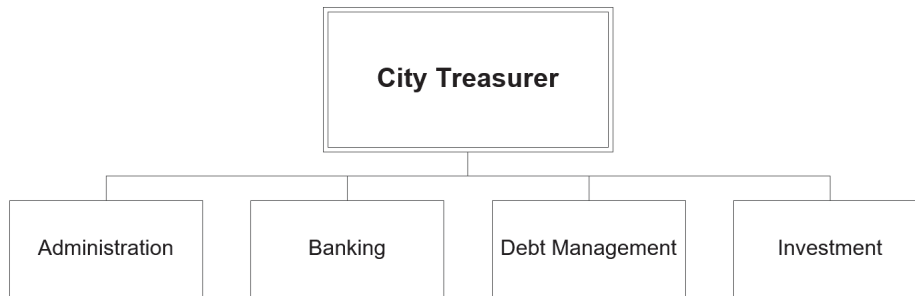
***ERSI is an international supplier of geographic information software system, geodatabase management, and business analytics data. ERSI extracts its business data from Dunn & Bradstreet.*

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.
- Assisted three business units in establishing new e-commerce payment methods, adding to increased sales and a better customer experience.
- Assisted the Finance Department in their efforts to provide Automated Clearing House (ACH) payments as an additional payment option for City vendors.
- Coordinated and co-led team to another Clean Report of Compliance, using established Payment Card Industry Data Security Standard (PCI DSS) Policy and Procedures.
- Provided additional assistance to business units to allow for remote deposit and online payments due to public counter closures during the SAH orders.
- In anticipation of re-opening public counters, led the coordination for many departments to implement contactless payment terminals to reduce person to person contact.

- Organized a Citywide Cashier & Supervisor Training; over 80 staff and partner agencies attended.

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 and various loan obligations.
- Ensured full and timely payment of approximately \$170 million in debt service payments to bondholders and private placement investors in FY2018/19.
- Continue to evaluate 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 March 2020 from Standard and Poor's for the City of Sacramento's issuer credit rating and the lease revenue bond rating associated with the various series of bond issued by the Sacramento Public Financing Authority and the Sacramento City Public Financing Authority.
- Completed the issuance of 2019 Sacramento Tourism Infrastructure District Assessment Revenue Bonds in August 2019 in the amount of \$50.5 million to finance the cost of the second ballroom at the convention center.
- Completed the issuance of Curtis Park Village Special Tax Bonds in August 2019 in the amount of \$12.2 million to finance various capital improvements.
- 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 Finance Department, City Attorney's Office, and Utilities Department.
- Actively tracked and managed bonded Assessment District and Community Facilities Districts Debt Funds.

- Worked to engage CBRE, Inc. for updated analysis with respect to Transient Occupancy Tax (“TOT”) and Sacramento Tourism infrastructure District assessment revenues considering COVID-19 materially impacting the hospitality and tourism industries. Such updated analysis will enable the Treasurer’s Office, in collaboration with the City Manager’s Office, Finance Department, and the Convention and Cultural Services Department for strategic planning purposes.

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 four local community banks for a total of \$90 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.
- Automated trade processing for options trades in SCERS portfolios from fax-based processing to encrypted email transactions reporting.
- Initiated new annual onsite meetings with the Ethel Hart Mutual Endowment committee and continued annual Ann Land/Bertha Henschel Endowment committee presentations.
- Updated and edited internal procedures manuals for Pool A/D and SCERS portfolios.
- Updated and edited the City’s internal cash management processing manual.
- Incorporated quarterly market commentaries into all endowment funds’ quarterly reports to help educate and keep committee members apprised of market conditions.
- Successfully implemented the entire investment staff to remote work after the COVID-19 SAH mandate. Staff is effectively managing all investment duties remotely and co-operatively.

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.
- Utilized a third-party consultant to proactively monitor on an ongoing basis the credit ratings and outlook of outstanding bonds, thereby freeing up City staff to focus on other debt management-related responsibilities.

OBJECTIVES FOR FY2020/21

- Continue to work with the developer of the Railyards and the Department of Utilities 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 that these will complement existing procedures for client departments.
- Evaluate and establish a citywide Credit Card Fee Policy.

- 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 in order 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 through our community investment program.
- Annually educate and advise endowment accounts on important market and economic indicators including incorporating market commentaries on every quarterly report.
- Continue to hold open quarterly investment committee meetings to provide frequent updates and market commentary to all Pool participants on Pool performance.
- Cross train staff on cash management and operational 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.
- Continue 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 and the assistance of our municipal advisors 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 performing feasibility analyses or obtaining cost-effective financing to pay for infrastructure or equipment acquisition costs.
- Work on refinancing the 2013 Water Revenue Bonds and 2013 Wastewater Revenue Bonds to generate cashflow savings for both enterprise funds. Reduce near-term need to raise funds for capital improvements via additional utility rate increases.
- Continue to work with the City Attorney's Office and Real Estate Division to establish a second master lease program that will enable new lease revenue bonds to be issued to finance capital improvements.
- Perform analysis on the updated pro forma of the Community Center Fund to determine feasibility of issuing additional transient occupancy tax revenue bonds.
- Work with Finance, Economic Development, the Crocker Art Museum, and Public Works to explore a parking garage for the Crocker Art Museum.
- Work with the City's financial analyst to perform a stress test on the City's General Fund to determine the feasibility of issuing lease/revenue bonds tied to Measure U revenues.
- Determine the availability of TOT revenues to renovate the Riverfront.
- 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 and/or refinance existing bonds:
 - Delta Shores CFD
 - Greenbriar CFD
 - McKinley Village CFD
 - Railyards CFD

Department Budget Summary

City Treasurer Budget Summary	FY2017/18 Actuals	FY2018/19 Actuals	FY2019/20 Approved	FY2019/20 Amended	FY2020/21 Approved	Change More/(Less) Approved/Amended
Employee Services	1,818,137	1,816,321	2,307,805	2,307,805	2,333,686	25,881
Other Services and Supplies	196,396	258,800	276,047	276,047	278,547	2,500
City Property	5,564	10,734	10,000	10,000	10,000	-
Labor and Supply Offset	(14,081)	(199,538)	350	350	350	-
Total	2,006,016	1,886,318	2,594,202	2,594,202	2,622,583	28,381

Funding Summary by Fund/Special District	FY2017/18 Actuals	FY2018/19 Actuals	FY2019/20 Approved	FY2019/20 Amended	FY2020/21 Approved	Change More/(Less) Approved/Amended
General Fund	1,863,238	1,574,280	2,342,447	2,342,447	2,232,931	(109,516)
Interdepartmental Service	142,778	312,038	251,755	251,755	389,652	137,897
Total	2,006,016	1,886,318	2,594,202	2,594,202	2,622,583	28,381

FY2020/21 Approved Budget

Division Budget Summary

City Treasurer Division Budgets	FY2017/18 Actuals	FY2018/19 Actuals	FY2019/20 Approved	FY2019/20 Amended	FY2020/21 Approved	Change More/(Less) Approved/Amended
City Treasurer Division	2,006,016	1,886,318	2,594,202	2,594,202	2,622,583	28,381
Total	2,006,016	1,886,318	2,594,202	2,594,202	2,622,583	28,381

Staffing Levels

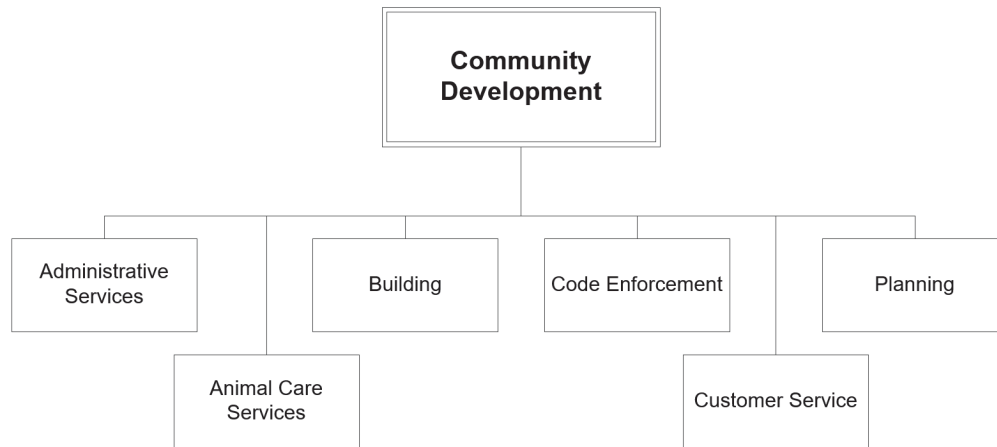
City Treasurer Division Budgets	FY2017/18 Actuals	FY2018/19 Actuals	FY2019/20 Approved	FY2019/20 Amended	FY2020/21 Approved	Change More/(Less) Approved/Amended
City Treasurer Division	13.00	14.00	14.00	14.00	14.00	-
Total	13.00	14.00	14.00	14.00	14.00	-

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 Department consists of the following divisions.

- **Administrative Services:** Provide centralized support for department budgeting, accounting, personnel services, procurement, boards and commissions, and marketing and communications.
- **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 through enforcement of City and state codes. Programs and services include neighborhood and business code compliance, graffiti abatement, weed abatement, substandard/dangerous building inspections, vacant building monitoring and residential rental housing inspections.

- Customer Service: Provide planning and building permit services and development 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

- Planning entitled nearly 1,000 private development applications by the end of FY2019/20, including office and residential development in the Railyards, apartment projects adjacent to the Cosumnes River Blvd. light rail station, and several large residential and commercial projects in North Natomas.
- Completed the first phase of outreach for the 2040 General Plan and adopted the Vision and Guiding Principles.
- Adopted the Historic District Standards and Guidelines, which also included streamlined review for development projects in Historic Districts.
- Established the Neighborhood Development Action Team and initiated the Stockton Boulevard Specific Plan process. The Team also established a framework for responding to community needs as well as prioritizing staff resources.
- Received projects totaling over \$500 million, approximately 37% of the last three years' annual average, in construction valuation in the month of December 2019 alone. Of that amount, approximately \$225 million was for the Major League Soccer (MLS) Stadium.
- Issued permits for key projects: Community Center Theater; Natomas Aquatic Center; Sacramento Commons; and the Powerhouse Science Center.
- Building staff completed 97% of all field inspections on the day they were scheduled.
- Code Compliance reduced resolution time for abandoned vehicles to less than 24 days by the end of FY2019/20.
- Code Compliance increased cost recovery and reduced response times by:
 - Conducting monthly sweeps throughout the city with a focus on vacant lots, vacant buildings, and abandoned vehicles left on streets
 - Reducing the compliance period
 - Increasing outreach with the hiring of a second code liaison

- Established the Tenant Protection Act Program and developed educational material for tenants, landlords and stakeholders.
- The Front Street Animal Shelter attained an 86.7% Live Release Rate, the Shelter's highest Live Release Rate to date.
- The Front Street Animal Shelter implemented a "Lost2Found" texting program which has resulted in over 3,000 community members using this free service to help them locate their lost pet. Front Street will be receiving a multi-year \$200,000 Life Saving Impact Grant from the Petco Foundation to assist with reducing shelter euthanasia and preventing owned animals from being surrendered to the shelter.

DEPARTMENT EFFICIENCIES

- Planning began accepting electronic planning applications on February 20, 2020, reducing both the cost of paper and the need for applicants to drive to the public counter to submit an application.
- Launched a new web tool called Land Information Lookup App which allows customers to look up zoning and parcel information themselves, reducing phone/email inquiries for this information.
- Building established an electronic tracking mechanism for building staff to record training time and expenditures. An electronic application now tracks each employee's continuing education hours and the type of training (e.g., code administration, technical application, etc.) received to ensure they are in line with ISO standards.
- Residential masterplans and production permits are now being submitted electronically. Additionally, an electronic filing process was established for production permit applications, eliminating substantial amounts of paper processing and waste.
- A 2019 Code Change Summary page was created on the Building website with documents that show significant changes to the California building codes.
- Code Compliance launched a new web tool called Tobacco Retail License Web Mapping Application which displays all currently issued licenses in city limits and retailers within proximity, reducing phone/email inquiries for this information.
- Code Compliance launched a web application providing property owners of vacant lots an opportunity to register and submit payment of the annual registration fee online, reducing the processing of paper forms.
- The "Lost2Found" texting program was implemented and has helped increase dogs being returned to owners. From March of 2018 through March of 2019, 1,378 dogs were returned to their owners. This program resulted in the highest number of dogs reunited with their owners in the shelter's history.

- Animal Care Field Services Officers have shortened their response time to priority one emergency calls for service to an average of 1.31 hours. In calendar year 2019, they responded to 4,137 priority one calls.

OBJECTIVES FOR FY2020/21

- Prepare the Draft 2040 General Plan, Climate Action Plan, and Draft Master Environmental Impact Report for public review.
- Expand staff-level and administrative review for large housing developments that are consistent with adopted City standards and policies to further encourage housing production.
- Continue to utilize and expand our Unmanned Aerial System (UAS) drone program to become more efficient with solar photo voltaic panel inspections, roof inspections and exterior components on mid to high rise buildings.
- Increase annual compliance inspection of tobacco retailers by obtaining a grant from the Office of the Attorney General. The grant funding will help streamline the enforcement process, increase outreach with the development of educational material on new regulations, and improve field technology to provide real time data.
- Increase cost recoverable enforcement activity by:
 - Developing a fee structure to transfer cost of abating abandoned and dismantled vehicles to the registered vehicle owner.
 - Increasing proactive enforcement on private property (with a focus on vacant lots and buildings) by 25% from prior year.
 - Increase monitoring and assessment of fees to vacant buildings that are not maintained.
- Reduce staff time spent processing registration and appeal forms for appeals and the Rental Housing Inspection Program by creating an online application and payment process.
- Create a long-term strategic plan for the Front Street Animal Shelter.
- Decrease intake of owner surrendered animals by 200 animals by offering additional services to help owners keep their pets.

POSITION CHANGES

- Vacant positions (3.0 FTE Building Inspector III) were deleted and new positions (3.0 FTE Building Inspector IV) were added to perform higher level specialized inspections, possess certifications in multiple disciplines, act as case managers and train inspectors.

FY2020/21 Approved Budget

- Vacant positions (2.0 FTE Senior Code Enforcement Officers) were deleted and new positions (2.0 FTE Staff Aides) were added to address structural deficiencies and expanding workload.

Department Budget Summary

Community Development Budget Summary	FY2017/18 Actuals	FY2018/19 Actuals	FY2019/20 Approved	FY2019/20 Amended	FY2020/21 Approved	Change More/(Less) Approved/Amended
Employee Services	24,535,696	27,154,451	32,405,624	32,689,624	34,493,527	1,803,903
Other Services and Supplies	8,179,565	9,943,291	10,394,717	10,710,717	13,252,444	2,541,727
City Property	245,533	274,954	697,534	138,534	596,907	458,373
Transfers	116,332	225,316	279,809	279,809	288,340	8,531
Labor and Supply Offset	(1,573,004)	(1,581,091)	(2,833,592)	(2,833,592)	(2,946,114)	(112,522)
Total	31,504,122	36,016,923	40,944,092	40,985,092	45,685,104	4,700,012

Funding Summary by Fund/Special District	FY2017/18 Actuals	FY2018/19 Actuals	FY2019/20 Approved	FY2019/20 Amended	FY2020/21 Approved	Change More/(Less) Approved/Amended
General Fund	30,703,964	33,048,785	36,194,092	36,235,092	40,185,104	3,950,012
Citywide Low Income Housing	1,989,395	2,822,887	2,300,000	2,300,000	3,050,000	750,000
Development Services	(1,314,947)	-	2,000,000	2,000,000	2,000,000	-
Landscaping and Lighting	125,710	145,251	200,000	200,000	200,000	-
Special Program Donations	-	-	250,000	250,000	250,000	-
Total	31,504,122	36,016,923	40,944,092	40,985,092	45,685,104	4,700,012

Division Budget Summary

Community Development Division Budgets	FY2017/18 Actuals	FY2018/19 Actuals	FY2019/20 Approved	FY2019/20 Amended	FY2020/21 Approved	Change More/(Less) Approved/Amended
Administration Division	1,687,750	1,907,004	2,438,219	2,417,602	2,510,410	92,808
Animal Care Services Division	4,769,259	5,951,547	5,932,820	5,822,820	6,349,905	527,085
Building Division	8,032,988	10,062,196	10,404,340	10,269,340	12,807,381	2,538,041
Code Enforcement Division	8,394,755	8,921,701	9,835,290	10,165,290	10,759,316	594,026
Customer Service Division	2,979,416	3,425,623	3,749,011	3,749,011	3,897,682	148,671
Planning Division	5,639,954	5,748,852	8,584,412	8,561,029	9,360,408	799,379
Total	31,504,122	36,016,923	40,944,092	40,985,092	45,685,104	4,700,012

Staffing Levels

Community Development Division Budgets	FY2017/18 Actuals	FY2018/19 Actuals	FY2019/20 Approved	FY2019/20 Amended	FY2020/21 Approved	Change More/(Less) Approved/Amended
Administration Division	15.00	15.00	15.00	15.00	15.00	-
Animal Care Services Division	53.00	54.50	54.50	54.50	54.50	-
Building Division	52.00	51.00	52.00	51.00	51.00	-
Code Enforcement Division	75.00	86.50	83.50	86.50	86.50	-
Customer Service Division	30.00	30.00	31.00	31.00	31.00	-
Planning Division	47.00	46.00	52.00	52.00	52.00	-
Total	272.00	283.00	288.00	290.00	290.00	-

PERFORMANCE MEASURES

Animal Care Services Division

Key Measure	FY17 Actuals	FY18 Actuals	FY19 Actuals	FY20 Estimate	FY21 Target
Percent of animals that are adopted, transferred, sent to rescue, or returned to owner (live release rate)	85%	86%	85%	87%	87%

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

	FY17	FY18	FY19	FY20	FY21
Key Measure	Actuals	Actuals	Actuals	Estimate	Target
Percent of development inspections performed on the day scheduled	98%	97%	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.

	FY17	FY18	FY19	FY20	FY21
Key Measure	Actuals	Actuals	Actuals	Estimate	Target
Percentage of residential building permits issued within two days	86%	82%	85%	87%	88%

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

	FY17	FY18	FY19	FY20	FY21
Key Measure	Actuals	Actuals	Actuals	Estimate	Target
Vehicle cases closed within 21 days	85%	83%	70%	85%	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

	FY17	FY18	FY19	FY20	FY21
Key Measure	Actuals	Actuals	Actuals	Estimate	Target
Percentage of respondents rating the public counter service as good or excellent	98%	94%	100%	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

	FY17	FY18	FY19	FY20	FY21
Key Measure	Actuals	Actuals	Actuals	Estimate	Target
Percent of director-level planning files completed within 90 days	55%	29%	26%	30%	30%

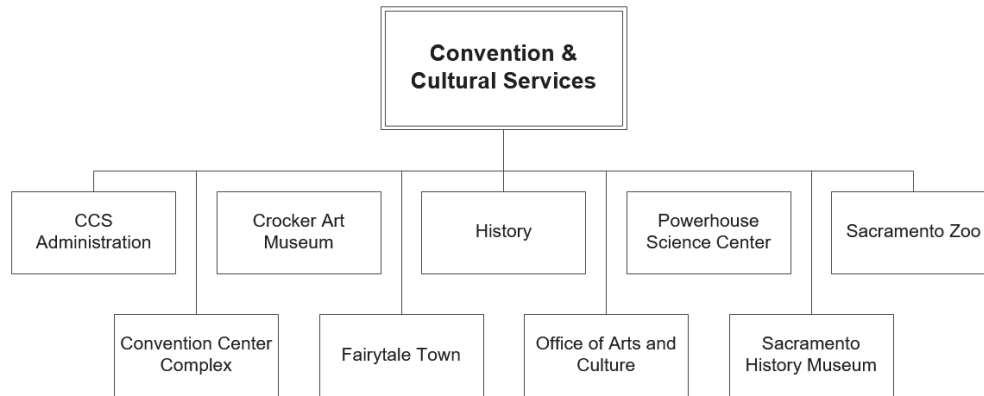
The Planning Division tracks and reports on the time it takes to approve a staff hearing-level review. This review includes a technical analysis of the project to determine compliance with guidelines and standards, is noticed to the public, and is presented in a public hearing to the Zoning Administrator, 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, Performing Arts Center, 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 brings people together and connects them in unexpected ways with art, ideas, each other, and the world around them. The 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 60 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 is the official repository and research center for City and County historical collections. The Center collects, preserves and makes accessible the region's vast cultural heritage to the general public, academics, students, genealogists, filmmakers and more. The division also serves as the administrator for the Old Sacramento Historic District, which is the City's largest tourist attraction. The Center's collections are displayed in exhibitions created by Center staff at the Sacramento History Museum.
- **Office of Arts and Culture:** The Sacramento Office of Arts and Culture is devoted to advocating, supporting, and promoting arts education, public art, grants, and cultural programs in the Sacramento region.
- **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 explores the stories of the area's first inhabitants, from the native peoples who originally lived here to the thousands of immigrants who came from around the world to seek their fortune in California's gold fields, and ultimately creating an

“indomitable city”. With engaging educational programs serving thousands of students each year, and public programming and tours of Old Sacramento, the Museum brings Gold Rush history to life for visitors of all ages.

- 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

- Successfully closed the SAFE Credit Union Convention Center and SAFE Credit Union Performing Arts Center during the renovation and expansion currently underway with no employee layoffs.
- In conjunction with Visit Sacramento and City Manager's Office, assisted in keeping the two largest convention groups events normally held at the SAFE Credit Union Convention Center in the Sacramento region.
- Transitioned the Office of Film and Media from Visit Sacramento to the City and hired the new Sacramento Film Commissioner.
- Awarded 13 Creative Economy Grants for a total of \$295,000 by the Office of Arts and Culture (OAC) to independent businesses, self-employed artists or cultural producers, artist collectives, or nonprofits. The grant is an investment that provides funding for projects that will help launch startup or expand creative enterprises.
- Awarded 13 Cultural Equity Grants for a total of \$115,000 by the OAC. The grants support new and emerging organizations whose mission, programs, staff, and board represent inclusive culturally diverse communities and neighborhoods.
- Established the Cultural Equity Investment Grant program by the OAC. This grant supports organizations that need an infusion of support to achieve the next level in their organizational sustainability.
- Sacramento Artist-in-Residence Program (SAC AIR) placed eleven artists in community centers and public places in each of our city's eight council districts to create engaging and educational programming for residents. Participating artists are paid a stipend and provided with materials and have access to space for production or performance and engagement with community members.

- The Any Given Child arts education program brings visual arts, theater, dance, and music artists to students, grades K-8, throughout Sacramento. Over 20 artists brought programming to 115 schools in seven school districts. The program served more than 36,000 children through assemblies and residencies and 280 teachers with professional development workshops.
- The Center for Sacramento History (CSH) holds some of the rarest and most valuable film archives in the nation. Only five collections from every archive in the U.S. are comparable in scope and coverage to CSH's KOVR & KCRA collections.
- CSH's films are accessed online more than any other repository in the state including UCLA's film collection. On the national databases (archives.org, CAVPP) CSH is the number one in California on CAVPP on viewing and fourth in the nation on archives.org with film orders increasing monthly.
- CSH digitized approximately 50,000 feet of the City's film collection in FY 2018/19. All film has been digitized at no cost to the City, by way of grants and passing the fees to clients. Over the past fiscal year, the Center has worked with HBO, PBS, CNN, Sports Illustrated, Netflix and the LA Times in addition to other independent production companies.
- The Crocker Art Museum organized and hosted over 15 major exhibitions and attracted visitors from across the nation and around the world to Sacramento. The Museum served over 257,000 visitors on-site, and approximately 97,000 people attended either on-site or off-site education programs, including programs in area schools.
- Sacramento History Museum created a special exhibit gallery with semi-annually changing exhibits, dedicated and named in memory of R. Burnett Miller, long-time board member, former Sacramento Mayor, and philanthropist. Working with cultural partner, Sol Collective, expanded the Souls of the City event to include a Dia de los Muertos exhibit in the Museum and welcomed our largest crowd of nearly 10,000 visitors to Old Sacramento.
- Welcomed over 500,000 visitors to the Zoo to be entertained, educated, and connected to wildlife. School and group field trips brought over 50,000 children and adults out to experience the Zoo. The Zoo significantly expanded the size of the lion exhibit and introduced our very popular "Behind-The-Scenes Tour" program, which takes guests one step closer to the animals.
- Fairytale Town served over 257,000 guests last year. Expanded the park adding one half acre in anticipation of building a new Story Center. The tortoise (Tortoise and the Hare playset) got a fresh coat of multi-colored paint. Summer and Fall Fun Camps were sold out. Our "Toddler Time" program proved to be very popular. The Adventure Playground served 7,900 children with varied

activities such as a Dirty Kids Obstacle Race, Scout nights, homeschool enrichment programs and mobile pop-up play at local libraries.

- Powerhouse Science Center delivered over 1,087 science, technology, engineering, and math (STEM) based educational on-site and outreach programs to elementary schools in Northern California. Over 60,600 visitors experienced hands-on exhibit experiences and weekend programs. Powerhouse also engaged community members in over 3,178 hours of volunteer work.

DEPARTMENT EFFICIENCIES

- Created package pricing for large concerts, streamlining the booking process and increased concert and comedy show offerings.
- Memorial Auditorium staff changed out over 50 fluorescent fixtures with LED fixtures which improve light, reduce energy cost, and reduce the need for bulb replacement and labor.
- Acquired new collections management software that allows for public access to information about the OAC's collections. Multiple staff members can access from the field or desktop for mapping and project management.
- Established four new grant guidelines that allowed the OAC to streamline the grant application process.
- Established an OAC mentor program for legacy groups to build capacity towards sustainability to ensure a vibrant range of arts and cultural experiences are shared with residents, visitors, and communities. Offered training for teaching artists that provide strategies and methods to conduct and improve the presentations at school assemblies.
- Updated and replaced security cameras throughout the Crocker Art Museum to enhance safety measures and to assist in keeping the collections, staff, and visitors safe.
- Received a grant from the County to purchase CSH's film digitization equipment to do in-house digitization.
- Continued the Powerhouse Science Center's migration to Blackbaud Altru systems, consolidating admissions, membership, fundraising, merchandising, and marketing into one cloud-based solution. Onboarded additional staff for the Development office to support ongoing fundraising campaigns.

OBJECTIVES FOR FY2020/21

- Continue to follow the Conventional Wisdom strategic staffing and operational report for a successful reopening of the SAFE Credit Union Convention Center and SAFE Credit Union Performing Arts Center.
- Study performing arts center pricing across the country to competitively position the new Performing Arts Center when reopened.
- Develop new policies and procedures, training manuals etc. to enhance the level of customer service when the Complex is reopened.
- Identify Sacramento as a cultural community through art and film, and to advance the creative sector through financial and professional development support. Find film training opportunities for all and locate film assets in Sacramento and connect key players to provide jobs, increase local spending, foster artistic expression, and raise Sacramento's profile nationally and internationally.
- Create activities with all constituents for arts education: teachers, students, artists, arts, and cultural organizations, teaching artists, and community members.
- Connect the community with resources, develop measurements to assess OAC's work, assist organizations in development and sustainability, and contribute to Sacramento's economic development.
- Continue to work on transforming the unimproved lot of land across from the Crocker Art Museum into a great civic amenity to help enrich the intellectual and cultural life of the community. The project will also provide relief for the museum's and the neighborhood's parking challenges.
- Build cold storage unit to preserve CSH's rare film collections.
- Expand Sacramento History Museum's historic programming to a storefront location on J Street in Old Sacramento. Historic programming will include fee-based public activities, free public programming, and educational school programming. Activities will be both indoor and outdoor and fully ADA accessible.
- 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.

- Fairytale Town continues with our Capital Campaign to raise money for our Story Center. More Summer Fun Camp classes have been added for 2020 due to selling out. Adventure Playground plans to double the number of Pop-Up Play Days to meet growing demand.
- The Powerhouse Science Center will execute a transition plan to shut down the current center and complete construction of the new center on Jibboom St. in December 2020 with an anticipated opening in Spring 2021. The new facility will be five times larger engaging an expected audience of over 250,000 visitors annually. Offerings of both on-site and outreach STEM education programs to K-12 grade levels across Northern California will be provided, including adult evening programs and general public programs on the weekends.

POSITION CHANGES

- A vacant position (1.0 FTE Program Specialist) was moved from the City Manager’s Office to Convention and Cultural Services to staff the Film Office.

Department Budget Summary

Convention and Cultural Services Budget Summary	FY2017/18 Actuals	FY2018/19 Actuals	FY2019/20 Approved	FY2019/20 Amended	FY2020/21 Approved	Change More/(Less) Approved/Amended
Employee Services	7,863,581	7,297,836	8,521,914	8,580,147	9,161,271	581,124
Other Services and Supplies	7,220,667	6,862,717	5,304,219	5,774,364	7,547,385	1,773,021
City Property	16,866	40,753	172,904	138,000	273,951	135,951
Transfers	(126,735)	(204,662)	-	-	-	-
Labor and Supply Offset	1,372,074	1,195,910	980,413	980,413	849,172	(131,241)
Operating Transfers	1,903,815	13,625,877	1,180,900	1,180,900	1,036,800	(144,100)
Total	18,250,268	28,818,430	16,160,350	16,653,824	18,868,579	2,214,755

Funding Summary by Fund/Special District	FY2017/18 Actuals	FY2018/19 Actuals	FY2019/20 Approved	FY2019/20 Amended	FY2020/21 Approved	Change More/(Less) Approved/Amended
General Fund	4,707,906	1,113,172	4,967,917	4,931,395	5,333,467	402,072
Community Center	2,176,594	31,200,575	10,803,659	11,333,655	13,119,519	1,785,864
Fairytale Town	57,326	55,640	50,000	50,000	50,000	-
H Street Theater	14,105	-	45,000	45,000	45,000	-
Innovation and Growth	-	(3,800,000)	-	-	-	-
Old Sac Market	75,699	75,679	104,000	104,000	104,000	-
Old Sacto Maint Dist	65,443	65,781	63,816	63,816	65,246	1,430
Water	11,075,170	-	-	-	-	-
Winchester G & Mary Alice Felt	23,101	51,901	75,958	75,958	101,347	25,389
Zoo	54,924	55,681	50,000	50,000	50,000	-
Total	18,250,268	28,818,430	16,160,350	16,653,824	18,868,579	2,214,755

Division Budget Summary

Convention and Cultural Services Division Budgets	FY2017/18 Actuals	FY2018/19 Actuals	FY2019/20 Approved	FY2019/20 Amended	FY2020/21 Approved	Change More/(Less) Approved/Amended
CCS Administration Division	1,449,754	1,597,714	1,975,730	1,975,730	2,024,274	48,544
Convention Center Complex Division	11,214,722	21,506,437	8,375,457	8,868,931	10,642,774	1,773,843
Crocker Art Museum Division	1,949,629	1,983,279	2,117,175	2,117,175	2,299,740	182,565
Fairytale Town Division	70,363	68,587	62,245	62,245	62,245	-
History Division	1,961,446	2,102,986	2,253,891	2,253,891	2,404,216	150,325
Powerhouse Science Center Division	239,122	239,191	238,337	238,337	238,337	-
Sacramento History Museum Division	254,706	254,603	251,528	251,528	251,528	-
Sacramento Office of Arts and Culture Division	639,320	685,973	490,027	490,027	535,696	45,669
Sacramento Zoo Division	471,205	379,661	395,960	395,960	409,770	13,810
Total	18,250,268	28,818,430	16,160,350	16,653,824	18,868,579	2,214,755

Staffing Levels

Convention and Cultural Services Division Budgets	FY2017/18 Actuals	FY2018/19 Actuals	FY2019/20 Approved	FY2019/20 Amended	FY2020/21 Approved	Change More/(Less) Approved/Amended
CCS Administration Division	8.00	8.00	8.00	8.00	8.00	-
Convention Center Complex Division	81.99	81.99	81.99	82.99	82.99	-
Crocker Art Museum Division	6.00	6.00	6.00	6.00	6.00	-
History Division	7.20	8.20	8.20	8.20	8.20	-
Sacramento Office of Arts and Culture Division	8.00	8.00	8.00	8.00	9.00	1.00
Sacramento Zoo Division	5.00	3.00	3.00	3.00	3.00	-
Total	116.19	115.19	115.19	116.19	117.19	1.00

PERFORMANCE MEASURES

Convention Center Complex Division

Key Measure	FY17 Actuals	FY18 Actuals	FY19 Actuals	FY20 Estimate	FY21 Target
Total events and performances	516	454	353	133	266
Number of tickets sold	292,614	316,583	250,813	115,000	210,000

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 Performing Arts Center and Memorial Auditorium, continues to grow. Beginning in June 2018, the Memorial Auditorium closed for renovations and reopened for events in June 2019. In July-August 2019, the Convention Center and Performing Arts Center both closed for renovations and are to reopen in FY2020/21.

Key Measure	FY17 Actuals	FY18 Actuals	FY19 Actuals	FY20 Estimate	FY21 Target
Total revenue of in-house vendors	10,608,342	11,246,325	13,508,420	3,000,000	7,000,000

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 Centerplate for food and beverage; PSAV Presentation Services for audio-visual; Smart City Networks for telecommunications; Ticketmaster for ticketing; and Boingo for wireless communications. 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. Beginning in June 2018, the Memorial Auditorium closed for renovations and reopened for events in June 2019. In July-August 2019, the Convention Center and Performing Arts Center closed for renovations and are to reopen in FY2020/21.

Crocker Art Museum Division

Key Measure	FY17 Actuals	FY18 Actuals	FY19 Actuals	FY20 Estimate	FY21 Target
Attendance	258,997	274,488	257,674	250,000	250,000
Membership	12,717	13,359	12,654	12,000	12,000

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	FY17 Actuals	FY18 Actuals	FY19 Actuals	FY20 Estimate	FY21 Target
Number of researchers assisted	57,829	118,713	142,554	150,000	158,000

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

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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. Most recently we worked with HBO on a six-part documentary on the Golden State Killer to be aired early in 2020.

Key Measure	FY17	FY18	FY19	FY20	FY21
	Actuals	Actuals	Actuals	Estimate	Target
Number of items listed in collection's databases	107,827	115,115	125,024	135,000	144,000

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 working with the University of California digitizing multiple collections including our increasingly used KCRA film collection.

Office of Arts and Culture Division Public Art Program

Key Measure	FY17	FY18	FY19	FY20	FY21
	Actuals	Actuals	Actuals	Estimate	Target
Number of exhibitions produced	13	13	13	10	10
Number of artworks conserved, maintained, or repaired	10	42	31	15	15
Number of public art projects completed (installed)	10	11	10	10	10
Number of permanent public art projects in progress	40	36	35	30	30

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 Office of Arts and Culture 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	FY17	FY18	FY19	FY20	FY21
	Actuals	Actuals	Actuals	Estimate	Target
Number of arts education school assemblies organized	120	148	95	115	120
Number of participants reached through above events	25,000	38,901	34,660	36,000	37,500
Number of professional development events for artists and classroom teachers	11	8	10	17	15
Number of artists and classroom teachers served in professional development	242	130	222	300	320
Number of students served in six- or 10-week residencies	1,575	1,925	1,542	1,700	1,800

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. 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.

Cultural Arts Awards (CAA) Program

Key Measure	FY17 Actuals	FY18 Actuals	FY19 Actuals	FY20 Estimate	FY21 Target
Number of Cultural Arts Award (CAA) grantees	53	57	57	57	50
CAA grant allocation	\$450,000	\$485,950	\$493,122	\$500,000	\$450,000
Grantee operating budgets (CAA)	\$49,927,612	\$65,186,266	\$67,795,452	\$60,000,000	\$50,000,000
Number of Cultural Equity Grant grantees	27	0	0	13	15
Cultural Equity Grant allocation	\$249,005	0	0	\$115,000	\$125,000

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 support new and emerging organization whose mission, programs, staff, and board represent inclusive culturally diverse communities and neighborhoods. Awards support programming and projects that celebrates communities' unique arts and culture or preserve a culturally significant artistic tradition or practice.

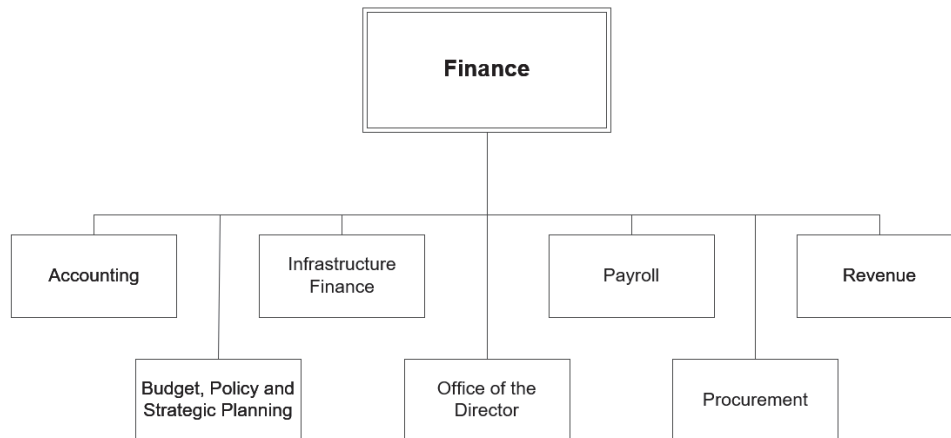
Per the Americans for the Arts & Economic Prosperity Calculator, the economic impact of the Arts Commission's nonprofit grantees is significant to the local economy, generating over \$2 million in local government revenue and providing over 1,700 full time equivalent jobs in the region.

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, infrastructure finance, 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.
- **Office of the Director:** Responsible for enhancing and maintaining the fiscal stability of the City.
- **Payroll:** Responsible for maintaining and monitoring internal controls to ensure transactions comply with current labor agreements, polices, rules, laws and regulations and issuing bi-weekly paychecks for active employees and monthly paychecks for SCERS Retirees.

- **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.
- **Infrastructure 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 citywide taxes, citations, permits, and fees for service; administers the special business permit and tax programs for over 22,000 businesses.

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.
- Completed two ordinance changes for special business permits.
- Assisted cannabis businesses in developing an electronic solution for business tax payments.
- Increased business operation tax compliance by creating a validation tool for city department use.
- Processed over 4,700 City employee paychecks bi-weekly and about 1,000 SCERS retiree paychecks monthly.
- Processed payments to vendors for various goods and services and reimbursements to City employees for work-related expenses daily.
- Issued 5,113 purchase orders and executed seven new Citywide agreements for goods and services and implemented six new co-operative agreements, administered sixty-one Citywide agreements, and posted to PlanetBids sixty-eight RFBs/RFPs/RFQs.
- Streamlined internal procurement processes and procedures using best practices to eliminate redundancies, increase staff effectiveness, and improve transparency.
- Increased service levels to ensure procurement is available to assist with any citywide contracts or procurement related questions/activities without increasing staff.
- Increased the City Manager's contract and purchasing authority to \$250,000, which significantly helped expedite transactions and create efficiencies by reducing the number of reports prepared for Council.
- 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, improved productivity by automating a manual process, and realized cost savings by reducing check processing.
- Reduced account receivable statement printing and mailing costs by 10%.

OBJECTIVES FOR FY2020/21

- Complete and update financing plans for high priority development areas and for specific planning areas within the City.
- Complete Mello-Roos formation, bond issuance, and associated agreements to facilitate development projects: Delta Shores, The Railyards, Greenbriar, and others.
- Implement new accounting and financial reporting standards including Governmental Accounting Standards Board (GASB) Statement No. 84 and 90.
- 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.
- Develop training tools for citywide departments on business operations tax and accounts receivable write off procedures.
- Update and improve webpages and citizen user interfaces.
- Improve functionality of the existing business tax software and web interfaces.

POSITION CHANGES

- A vacant position (1.0 FTE Senior Accountant) was deleted and a new position (1.0 FTE Principal Accountant) was added to oversee the day to day operations and management of staff within the department.
- A vacant position (1.0 FTE Senior Staff Assistant) was deleted and a new position (1.0 FTE Program Specialist) was added to implement contract changes and labor negotiation requests.
- A vacant position (1.0 FTE Account Clerk II) was deleted and a new position (1.0 FTE Customer Service Representative) was added to better serve the needs of the department.

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- A vacant position (1.0 FTE Customer Service Representative) was deleted and a new position (1.0 FTE Customer Service Specialist) was added to lead and maintain new and ongoing projects within the department that will improve the overall customer service experience.
- A vacant position (1.0 FTE Administrative Technician) was deleted and a new position (1.0 FTE Senior Staff Assistant) was added due to a reorganization within the department.

Department Budget Summary

Finance Budget Summary	FY2017/18	FY2018/19	FY2019/20	FY2019/20	FY2020/21	Change
	Actuals	Actuals	Approved	Amended	Approved	More/(Less) Approved/Amended
Employee Services	8,880,145	8,893,945	10,146,697	10,146,697	10,445,356	298,659
Other Services and Supplies	2,313,932	1,652,057	2,662,356	2,548,244	2,503,844	(44,400)
City Property	40,413	86,401	44,400	44,400	44,400	-
Transfers	110,884	64,003	64,003	64,003	64,003	-
Labor and Supply Offset	(1,266,185)	(1,272,470)	(1,187,321)	(1,184,874)	(1,197,437)	(12,563)
Total	10,079,189	9,423,936	11,730,135	11,618,470	11,860,166	241,696

Funding Summary by Fund/Special District	FY2017/18	FY2018/19	FY2019/20	FY2019/20	FY2020/21	Change
	Actuals	Actuals	Approved	Amended	Approved	More/(Less) Approved/Amended
General Fund	5,013,555	5,178,065	6,927,887	6,927,887	7,509,421	581,534
12th Street Maint Benefit Area	3,194	3,237	4,404	4,404	4,556	152
65th Street Area Impact Fee	-	-	-	-	50,000	50,000
Central Midtown Restaurant BID	119,919	82,575	210,000	96,000	96,000	-
Cty/Cnty Office-Water Planning	39,000	39,000	39,000	39,000	39,000	-
Curtis Park CFD 2013-03	-	3,179	3,203	3,203	3,270	67
Curtis Park Village CFD 2014-02	-	7,600	50,000	50,000	50,000	-
Del Paso Nuevo Landscaping CFD	3,740	2,595	2,861	2,861	2,866	5
Del Paso PBID	13,267	-	-	-	-	-
Del Paso Prop & Business Imprv	1,976	3,617	3,617	2,714	2,714	-
Disaster Relief Act	9,930	-	-	-	-	-
Downtown Impact Fee	-	-	50,000	50,000	-	(50,000)
Downtown Management District	4,921	8,038	8,038	9,875	9,875	-
Downtown Plaza PBID	17,565	-	-	-	-	-
Franklin Blvd PBID	53,233	37,533	-	-	-	-
Franklin Boulevard PBID	1,604	3,383	3,383	2,422	2,422	-
Greater Broadway PBID	1,342	2,459	2,459	2,544	2,544	-
Handle BID No 2011-04	237,562	276,768	200,000	200,000	200,000	-
Interdepartmental Service	2,929,058	2,846,134	3,024,965	3,024,965	2,693,464	(331,501)
Jacinto Creek	-	-	100,000	100,000	-	(100,000)
Laguna Creek Maint Dist	13,511	13,547	13,931	13,931	13,933	2
Landscaping and Lighting	311,074	319,912	347,519	347,519	330,239	(17,280)
Mack Road PBID	2,535	2,294	2,294	2,406	2,406	-
Major Street Construction	516,666	-	-	-	-	-
Midtown Sacramento PBID	11,345	5,713	5,713	5,756	5,756	-
N Nat Lndscp 99-02	17,614	20,641	27,942	27,942	28,504	562
N Natomas Lands CFD 3	38,478	34,975	52,657	52,657	52,850	193
N Natomas Transp Mgmt Assoc	28,322	28,898	44,098	44,098	44,106	8
Natomas Central CFD 2006-02	11,735	-	11,735	-	-	-
Neighborhood Lighting Dist	15,927	15,973	18,516	18,516	18,333	(183)

Department Budget Summary (continued)

Funding Summary by Fund/Special District	FY2017/18	FY2018/19	FY2019/20	FY2019/20	FY2020/21	Change
	Actuals	Actuals	Approved	Amended	Approved	More/(Less) Approved/Amended
Neighborhood Park Maint CFD	24,796	30,024	37,981	37,981	43,788	5,807
Neighborhood Water Quality Dist	12,613	12,671	12,792	12,792	13,091	299
NNFP Public Facilities Fee	-	-	-	-	50,000	50,000
NNFP Public Land Acquisition Fee	-	-	-	-	50,000	50,000
NNFP Reg Park Land Acquisition	-	-	-	-	50,000	50,000
NNFP Transit Fee	-	-	-	-	50,000	50,000
Northside Subdiv Maint Dist	5,098	5,194	5,208	5,208	5,243	35
NW Land Park CFD 2013-02	4,569	5,797	20,913	20,913	7,493	(13,420)
Oak Park PBID	4,546	3,664	3,664	2,735	2,735	-
Old Sacramento PBID	65,032	-	-	-	-	-
Old Sacto Maint Dist	4,617	4,279	6,244	6,244	4,814	(1,430)
Parkebridge CFD 2014-07	-	-	-	-	4,801	4,801
Parking	93,333	115	-	-	-	-
Power Inn Area Prop & Business	2,337	3,735	3,735	3,965	3,965	-
Power Inn Rd Md 2003-01	4,446	3,880	4,629	4,629	4,675	46
Private Development	-	50,000	-	-	-	-
Railyards Impact Fee	-	-	50,000	50,000	-	(50,000)
Railyards Maint CFD No 2014-04	1,578	3,671	4,667	4,667	6,214	1,547
River District Impact Fee	-	-	50,000	50,000	-	(50,000)
Sac Tourism Marketing District	140,183	151,531	146,000	160,000	160,000	-
SacMaintCFD2014-04 Annex Areas	3,425	4,073	5,618	5,618	9,493	3,875
SacMaintCFD2014-04 Area 01	6,109	6,243	6,461	6,461	10,361	3,900
Special District Info/Rpt Sys	61,451	3,437	-	-	-	-
Stockton Blvd BIA	27,990	8,382	-	-	-	-
Stockton Blvd PBID	1,445	2,438	2,438	2,508	2,508	-
Subdiv Lndscpng Maint Dist	31,422	25,162	28,093	28,093	28,872	779
Sutter Business Imprvmt Area	142,146	134,034	150,000	150,000	150,000	-
The River District PBID	1,555	2,031	2,031	2,517	2,517	-
Township 9 CFD No. 2012-06	1,434	5,176	5,176	5,176	6,358	1,182
Village Garden N.-Mtce Dist #1	10,291	10,327	15,596	15,596	16,076	480
Willowcreek Assmnt Md	9,009	9,045	9,181	9,181	9,308	127
Willowcreek Lndscpng CFD	2,689	2,890	5,486	5,486	5,595	109
Total	10,079,189	9,423,936	11,730,135	11,618,470	11,860,166	241,696

Division Budget Summary

Finance Division Budgets	FY2017/18	FY2018/19	FY2019/20	FY2019/20	FY2020/21	Change
	Actuals	Actuals	Approved	Amended	Approved	More/(Less) Approved/Amended
Accounting Division	2,137,536	2,297,439	2,920,141	2,954,879	2,901,162	(53,717)
Budget Office Division	1,066,325	1,153,111	1,366,984	1,366,984	1,376,040	9,056
Cannabis Policy & Enforcement Division	610,613	-	-	-	-	-
Infrastructure Finance Division	689,990	948,842	1,351,281	1,351,524	1,397,015	45,491
Office of the Director Division	505,790	593,486	603,943	603,943	599,211	(4,732)
Payroll Division	679,289	795,792	980,056	933,410	940,744	7,334
Procurement Division	742,041	763,482	875,341	875,341	921,936	46,595
Revenue Division	3,647,603	2,871,784	3,632,389	3,532,389	3,724,059	191,670
Total	10,079,189	9,423,936	11,730,135	11,618,470	11,860,166	241,696

Staffing Levels

Finance Division Budgets	FY2017/18	FY2018/19	FY2019/20	FY2019/20	FY2020/21	Change
	Actuals	Actuals	Approved	Amended	Approved	More/(Less) Approved/Amended
Accounting Division	20.00	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	6.00	-	-	-	-	-
Infrastructure Finance Division	6.00	6.00	6.00	6.00	6.00	-
Office of the Director Division	5.00	5.00	3.00	3.00	3.00	-
Payroll Division	7.00	7.00	8.00	8.00	8.00	-
Procurement Division	7.00	7.00	7.00	7.00	7.00	-
Revenue Division	39.00	39.00	40.00	40.00	40.00	-
Total	97.00	91.00	91.00	91.00	91.00	-

PERFORMANCE MEASURES

Accounting Division

Key Measure	FY17 Actuals	FY18 Actuals	FY19 Actuals	FY20 Estimate	FY21 Target
Percent of vendors paid within 30 days	85%	90%	77%	78%	80%
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	\$215,000	\$235,000	\$109,213	\$100,000	\$100,000
"Prompt Payment" discounts lost	\$60,000	\$5,000	\$11,283	\$10,000	\$10,000
Percent of discounts taken	78%	98%	91%	91%	91%

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.

Finance Administration Division

Key Measure	FY17 Actuals	FY18 Actuals	FY19 Actuals	FY20 Estimate	FY21 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	FY17 Actuals	FY18 Actuals	FY19 Actuals	FY20 Estimate	FY21 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	FY17 Actuals	FY18 Actuals	FY19 Actuals	FY20 Estimate	FY21 Target
Percent of delinquent receivables collected	53%	43%	47%	50%	50%

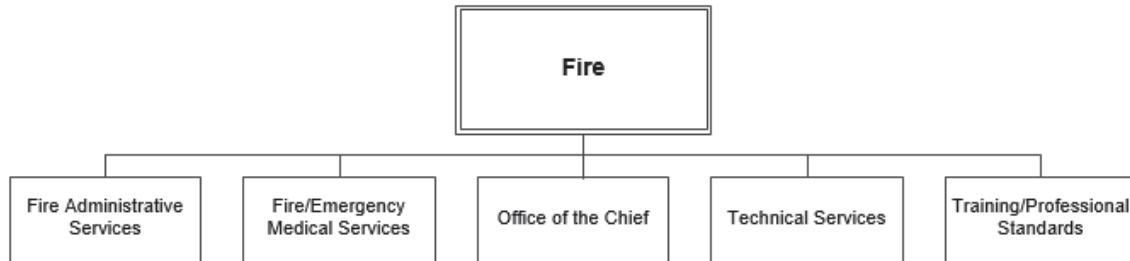
Collection of revenues associated with the provision of specific programs and services reflects prudent financial management and is necessary to achieve the resources included in the City's annual budget. Invoices unpaid for 30 days or longer are considered delinquent. Collection efforts on delinquent 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 animal. The department provides emergency services, fire code enforcement, public education, and fire investigations.

- **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.
- **Office of the Chief** Responsible for developing and providing direction for the Fire Department.
- **Technical Services:** Provides essential support functions to all divisions, which includes acquisition and repairs of necessary equipment, 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 a 26-week Firefighter Youth Academy focusing on at-risk youth from local high schools.
- Provided department-wide training to improve cardiac arrest survivability. Fully implemented CARES (Cardiac Arrest Registry to Enhance Survival) registry with hospital in alignment with cardiac arrest initiative.
- Developed EMS five-year plan.
- Designed first Clean Cab Fire Engine in Northern California. A clean cab fire engine will allow firefighters to store their air packs and structure turnouts in a separate compartment when returning to the station from an active fire. The first engine is scheduled to be delivered in Summer 2020.
- Started a wear test on new Fire Structure turnouts.
- Created and started Fire T.V. interface with ROKU devices, available in all stations, and department buildings, connecting a decentralized workforce with important information from the Chief, as well as safety, training, and promotional information.

DEPARTMENT EFFICIENCIES

- Used dispatch data to better utilize limited ALS resources through partnering with regional fire agencies to shift excessive ambulance workload by sending an assessment apparatus instead of a medic when feasible (low acuity calls).
- Worked with Emergency Medical Service (EMS) biller and Finance to provide data of increased EMS cost recovery, as well as five-year projections.
- Utilized Operative IQ inventory software, to improve inventory control and reduction of waste. Placed all department members on the fuel card system to decrease inaccuracy in fuel reporting.
- Started a care and maintenance loaner program for structure turnouts.

OBJECTIVES FOR FY2020/21

- Continue to assess and prioritize department staff to support an increasing workload.
- Begin the construction of new Fire Station 14.

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- Upgrade and increase reserve ambulance fleet to have capacity to respond to increasing 911 calls.
- Finish installation of four turnout extractors to reduce firefighter exposure to carcinogens. Extractors are used to clean structure turnouts and related personal protective equipment (PPE).
- Implement a hood exchange program. The hood is a garment that is worn by firefighters to protect areas not covered by structure turnouts or helmets, for example the neck and ears. This exchange program is the first of its kind in the Sacramento area. Through this program, firefighters exchange hoods exposed to carcinogens during fires for new, clean hoods.

Department Budget Summary

Fire Budget Summary	FY2017/18 Actuals	FY2018/19 Actuals	FY2019/20 Approved	FY2019/20 Amended	FY2020/21 Approved	Change More/(Less) Approved/Amended
Employee Services	111,757,366	111,612,686	124,674,221	127,306,523	145,160,120	17,853,597
Other Services and Supplies	13,194,720	15,120,321	13,830,707	14,215,707	14,361,986	146,279
City Property	325,924	480,218	1,306,113	909,113	780,813	(128,300)
Transfers	7,175	1,228	-	-	-	-
Labor and Supply Offset	(13,327,810)	(16,939,771)	(16,932,828)	(16,932,828)	(22,213,652)	(5,280,824)
Total	111,957,375	110,274,682	122,878,213	125,498,515	138,089,267	12,590,752

Funding Summary by Fund/Special District	FY2017/18 Actuals	FY2018/19 Actuals	FY2019/20 Approved	FY2019/20 Amended	FY2020/21 Approved	Change More/(Less) Approved/Amended
General Fund	111,457,375	109,774,682	122,378,213	124,998,515	137,589,267	12,590,752
Risk Mgmt	500,000	500,000	500,000	500,000	500,000	-
Total	111,957,375	110,274,682	122,878,213	125,498,515	138,089,267	12,590,752

Division Budget Summary

Fire Division Budgets	FY2017/18 Actuals	FY2018/19 Actuals	FY2019/20 Approved	FY2019/20 Amended	FY2020/21 Approved	Change More/(Less) Approved/Amended
Fire Administrative Services Division	1,405,451	1,385,451	1,828,559	1,828,559	1,882,464	53,905
Fire Ops/EMS Division	91,577,465	88,451,757	98,591,433	101,223,735	112,469,091	11,245,356
Office of the Fire Chief Division	659,384	476,438	626,047	626,047	625,028	(1,019)
Tech Services Division	16,537,696	18,101,578	19,772,308	19,760,308	20,587,502	827,194
Training/Professional Standards Division	1,777,381	1,859,457	2,059,866	2,059,866	2,525,181	465,315
Total	111,957,375	110,274,682	122,878,213	125,498,515	138,089,267	12,590,752

Staffing Levels

Fire Division Budgets	FY2017/18 Actuals	FY2018/19 Actuals	FY2019/20 Approved	FY2019/20 Amended	FY2020/21 Approved	Change More/(Less) Approved/Amended
Fire Administrative Services Division	14.00	14.00	14.00	14.00	14.00	-
Fire Ops/EMS Division	601.00	607.00	617.00	616.00	616.00	-
Office of the Fire Chief Division	2.00	2.00	3.00	3.00	3.00	-
Tech Services Division	46.00	47.00	50.00	51.00	51.00	-
Training/Professional Standards Division	11.00	11.00	27.50	27.50	28.50	1.00
Total	674.00	681.00	711.50	711.50	712.50	1.00

PERFORMANCE MEASURES

Emergency Operations Division

	FY17	FY18	FY19	FY20	FY21
Key Measure	Actuals	Actuals	Actuals	Estimate	Target
Average Response Time	5 minutes 29 seconds	5 minutes 25 seconds	5 minutes 0 seconds	5 minutes 30 seconds	5 minutes 30 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.

	FY17	FY18	FY19	FY20	FY21
Key Measure	Actuals	Actuals	Actuals	Estimate	Target
Unit Hour Utilization (UHU)	0.54	0.54	0.50	0.45	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

	FY17	FY18	FY19	FY20	FY21
Key Measure	Actuals	Actuals	Actuals	Estimate	Target
Percent of fire plan reviews completed on time	90%	94%	95%	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).

	FY17	FY18	FY19	FY20	FY21
Key Measure	Actuals	Actuals	Actuals	Estimate	Target
Development Services Fire Inspections conducted	6,378	9,300	9,500	9,500	9,800

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 2021, 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 536 job recruitments; received and screened 33,642 applications.
- Implemented blind application/recruitment requirements for hiring managers.
- Led the development of a workforce planning, recruitment, and hiring manual, and circulated for review and feedback from the Recognized Employee Organizations and City Executive Team.
- Conducted a Request for Proposal for citywide classification and compensation study.
- Completed training with Government Alliance on Race and Equity (GARE), a national network of governments working to achieve racial equity and advancement opportunities for all.
- Partnered with the City Manager's Office and Diversity & Equity Manager to develop and implement a diversity, inclusion, and equity training plan and trainings for managers/supervisors and all other employees.
- Implemented new requirements for executive recruitment firms to increase diversity accountability and gender representation among applicants.
- Began discussions with the Sacramento Public Library to partner on providing City employment services at library locations.
- Partnered with the Sacramento Public Library to plan a first-annual joint job fair, featuring workshops on how to apply for City jobs and City job application best practices.
- Transitioned to a new Flexible Spending Account provider to increase customer service.
- Completed CalPERS cost sharing process for SPOA.
- Implemented new Retiree Health Savings Account plans for Local 522 employees.
- Negotiated nine labor agreements with the Recognized Employee Organizations.
- Labor Relations served as primary point of contact for departments and labor organizations for the City's response to COVID-19 related impacts to the city workforce.
- Leave Administration implemented new employee leave policies regarding COVID-19 and the Extended Family Medical Leave Act (EFMLA).
- Hosted a certified training course on employee administrative investigations for manager and supervisors.

DEPARTMENT EFFICIENCIES

- Implemented online civil service examinations.
- Completed entry of CalPERS retirees into eCAPS for the administration of their retiree health benefits which was previously handled manually.
- Finished implementation of all health carrier payments to self-billing process.
- Surveyed employees regarding training needs and coordinated and deployed citywide training for employees focusing on lean practices and principles, analytical skills, emotional intelligence, diversity and inclusion, and supervisory and leadership skills.
- Piloted revamped medical scheduling procedure to streamline appointment process with medical providers for pre-employment physicals.
- Reduced the number of boxes containing closed workers' compensation claims in storage by 27%.
- Developed new employee onboarding training programs for departments to provide required safety and health training prior to starting work.

OBJECTIVES FOR FY2020/21

- Continue to develop online civil service examinations to promote efficiency and greater outreach.
- Finalize and implement the citywide manual on workforce planning, recruitment, and hiring.
- Kick off the citywide classification and compensation study.
- Continue to partner with the City Manager's Office and Diversity & Equity Manager to develop and implement a diversity, inclusion, and equity training plan and trainings for managers/supervisors and all other employees.
- Monitor new requirements for executive recruitment firms to increase diversity accountability and gender representation among applicants.
- Partner with the Sacramento Public Library to plan the initial stages of providing City employment services at library locations.
- Increase web-based training for employees.
- Utilize eCAPS to manage the retiree cash-in-lieu program.
- Implement web-based employee orientations and convert orientation forms to electronic adobe sign forms.
- Implement Roth IRA and Deemed 457 plan options for employees.

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- With assistance from IT, install upgrade to workers' compensation claims system to improve efficiency and support.
- Assist with office trailer replacement project at the Sacramento Driver Regional Training Facility.
- Comply with updated Federal Department of Transportation (DOT) regulations requiring each commercial motor vehicle driver to register and be queried in a federal database (Clearinghouse). The Clearinghouse will maintain all drug and alcohol violation information for each commercial driver.
- Develop online insurance training to assist City staff with insurance requirements in contracts.

Department Budget Summary

Human Resources	FY2017/18	FY2018/19	FY2019/20	FY2019/20	FY2020/21	Change
Budget Summary	Actuals	Actuals	Approved	Amended	Approved	More/(Less) Approved/Amended
Employee Services	8,784,907	9,303,391	10,889,322	10,889,322	11,080,121	190,799
Other Services and Supplies	22,320,438	28,814,162	31,105,722	31,105,722	35,971,432	4,865,710
City Property	35,082	26,513	193,200	43,200	156,500	113,300
Transfers	(75,987)	(107,170)	-	-	-	-
Labor and Supply Offset	3,914,783	3,752,219	3,442,522	3,442,522	3,424,207	(18,315)
Total	34,979,223	41,789,115	45,630,766	45,480,766	50,632,260	5,151,494

Funding Summary by Fund/Special District	FY2017/18	FY2018/19	FY2019/20	FY2019/20	FY2020/21	Change
	Actuals	Actuals	Approved	Amended	Approved	More/(Less) Approved/Amended
General Fund	3,369,837	3,539,795	4,302,308	4,302,308	4,349,530	47,222
Fleet Management	59,614	59,614	59,614	59,614	59,614	-
Interdepartmental Service	1,071,544	1,280,301	1,557,484	1,557,484	1,648,618	91,134
Recycling and Solid Waste	110,625	117,545	117,545	117,545	117,545	-
Risk Mgmt	19,322,799	23,687,806	25,221,057	25,071,057	29,559,312	4,488,255
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	10,923,330	12,982,581	14,251,284	14,251,284	14,776,167	524,883
Total	34,979,223	41,789,115	45,630,766	45,480,766	50,632,260	5,151,494

Division Budget Summary

Human Resources	FY2017/18	FY2018/19	FY2019/20	FY2019/20	FY2020/21	Change
Division Budgets	Actuals	Actuals	Approved	Amended	Approved	More/(Less) Approved/Amended
Benefit Services Division	798,899	922,882	1,039,747	1,039,747	1,075,456	35,709
Employment, Classification & Dev. Division	1,324,660	1,574,503	1,807,109	1,807,109	1,881,492	74,383
HR Administration Division	1,934,130	1,807,603	2,098,714	2,098,714	2,092,351	(6,363)
Labor Relations Division	851,216	1,031,923	1,436,889	1,436,889	1,471,515	34,626
Risk Management Administration Division	27,700,572	34,004,123	36,298,468	36,148,468	41,123,487	4,975,019
Workers' Compensation Division	2,369,746	2,448,081	2,949,839	2,949,839	2,987,958	38,119
Total	34,979,223	41,789,115	45,630,766	45,480,766	50,632,260	5,151,494

Staffing Levels

Human Resources	FY2017/18	FY2018/19	FY2019/20	FY2019/20	FY2020/21	Change
Division Budgets	Actuals	Actuals	Approved	Amended	Approved	More/(Less) Approved/Amended
Benefit Services Division	8.00	9.00	9.00	9.00	9.00	-
Employment, Classification & Dev. Division	12.00	15.00	15.00	15.00	15.00	-
HR Administration Division	11.00	10.00	10.00	10.00	10.00	-
Labor Relations Division	9.00	9.00	10.00	10.00	10.00	-
Risk Management Administration Division	17.00	17.00	17.00	17.00	17.00	-
Workers' Compensation Division	19.00	19.00	19.00	19.00	19.00	-
Total	76.00	79.00	80.00	80.00	80.00	-

PERFORMANCE MEASURES

HR Administration Division

Key Measure	FY17 Actuals	FY18 Actuals	FY19 Actuals	FY20 Estimate	FY21 Target
Percentage of EEO and ADA complaints resolved without resulting in cause and/or monetary settlements	90%	67%	79%	90%	95%

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	FY17 Actuals	FY18 Actuals	FY19 Actuals	FY20 Estimate	FY21 Target
Percentage of grievances that come to the Department and are resolved internally	100%	90%	95%	92%	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	FY17 Actuals	FY18 Actuals	FY19 Actuals	FY20 Estimate	FY21 Target
Maintain number of City-owned vehicle related claims filed against the City to under 110.	103	110	140	113	113

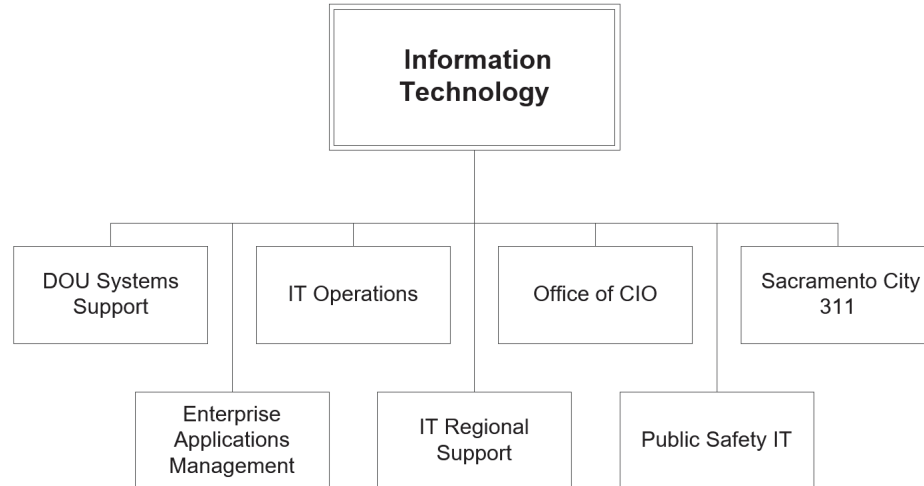
One of the most significant risks of injury to Sacramento citizens and employees is vehicle accidents. With the support of City leadership and effective driver training through the Sacramento Regional Driver Training Facility, the number of City-owned vehicle liability claims have been reduced even as 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 applications 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

- Successfully implemented a new 311/CRM system replacement that improved transparency and user experience while providing residents, visitors, and businesses easy access to city services. The implementation also included a redesigned and modernized 311 community portal and mobile app for Sacramento residents.
- 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 allowed the City to provide a modern framework for city business functions, improved productivity, and the ability to institute industry best practices, and significantly improved customer service.
- 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 efficiently manage 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 95%, 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.

OBJECTIVES FOR FY2020/21

- 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.
- 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.

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- Upgrade the Enterprise Resources Planning (ERP) system to meet the full spectrum of the City’s needs. Focusing on improving the existing business processes, identifying 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 that better serve the public.

BUDGET CHANGES

Division	Description	Fund	Revenue/ Offset Adjustment	Expenditure Change	FTE Change
IT Operations	Add a position (1.0 FTE Senior Systems Engineer) for the IT security team.	General	-	140,118	1.00
Total Change			\$ -	\$ 140,118	1.00

POSITION CHANGES

- A vacant position (1.0 FTE Telecommunications System Analyst) was deleted from the Department of Public Works and a new position (1.0 FTE Program Specialist) was added to the IT Department to support the Infor/7i System.
- Vacant positions (two 0.50 FTE 311 Customer Service Agents) were deleted and a new position (1.0 FTE Applications Developer) was added to support the new Salesforce application for 311 customer services.

Department Budget Summary

Information Technology Budget Summary	FY2017/18 Actuals	FY2018/19 Actuals	FY2019/20 Approved	FY2019/20 Amended	FY2020/21 Approved	Change More/(Less) Approved/Amended
Employee Services	19,643,810	20,812,472	25,416,296	25,416,296	26,518,716	1,102,420
Other Services and Supplies	985,832	768,472	520,603	520,603	422,992	(97,611)
City Property	224,545	74,060	404,195	369,195	369,195	-
Transfers	(506,776)	(837,987)	(744,467)	(744,467)	(752,998)	(8,531)
Labor and Supply Offset	(622,490)	(592,511)	(908,703)	(908,703)	(951,167)	(42,464)
Total	19,724,921	20,224,505	24,687,924	24,652,924	25,606,738	953,814

Funding Summary by Fund/Special District	FY2017/18 Actuals	FY2018/19 Actuals	FY2019/20 Approved	FY2019/20 Amended	FY2020/21 Approved	Change More/(Less) Approved/Amended
General Fund	11,835,844	10,819,849	14,703,240	14,668,240	14,758,177	89,937
4th R Program	16,000	20,000	16,000	16,000	16,000	-
Community Center	1,403	9,003	680	680	1,053	373
Gas Tax 2106	86,818	114,849	116,938	116,938	119,689	2,751
Interdepartmental Service	6,063,484	7,560,104	7,965,791	7,965,791	8,778,131	812,340
Parking	62,005	65,596	73,086	73,086	73,708	622
Recycling and Solid Waste	1,113,818	1,279,971	1,269,056	1,269,056	1,361,897	92,841
START	40,000	5,000	5,000	5,000	5,000	-
Storm Drainage	102,048	81,340	56,926	56,926	71,149	14,223
Wastewater	133,858	71,050	88,696	88,696	77,545	(11,151)
Water	269,643	197,743	266,671	266,671	219,028	(47,643)
Worker's Compensation	-	-	125,840	125,840	125,361	(479)
Total	19,724,921	20,224,505	24,687,924	24,652,924	25,606,738	953,814

Division Budget Summary

Information Technology Division Budgets	FY2017/18	FY2018/19	FY2019/20	FY2019/20	FY2020/21	Change
	Actuals	Actuals	Approved	Amended	Approved	More/(Less) Approved/Amended
DOU Systems Support Division	3,028,976	3,412,102	3,806,975	3,806,975	3,878,953	71,978
Enterprise Applications Management Division	2,763,401	3,057,815	5,284,625	5,264,625	5,659,315	394,690
IT Operations Division	3,590,878	3,712,724	4,274,511	4,239,511	4,342,275	102,764
IT Regional Support Division	2,738,605	2,854,856	2,527,178	2,527,178	2,638,408	111,230
Office of CIO Division	1,900,825	1,338,616	1,703,751	1,723,751	1,722,026	(1,725)
Public Safety IT Division	3,305,812	3,609,892	4,146,551	4,146,551	4,180,708	34,157
Sacramento City 311 Division	2,396,424	2,238,500	2,944,333	2,944,333	3,185,054	240,721
Total	19,724,921	20,224,505	24,687,924	24,652,924	25,606,738	953,814

Staffing Levels

Information Technology Division Budgets	FY2017/18	FY2018/19	FY2019/20	FY2019/20	FY2020/21	Change
	Actuals	Actuals	Approved	Amended	Approved	More/(Less) Approved/Amended
DOU Systems Support Division	30.00	30.00	27.00	27.00	27.00	-
Enterprise Applications Management Division	30.00	32.00	43.00	43.00	45.00	2.00
IT Operations Division	27.00	29.00	28.00	28.00	28.00	-
IT Regional Support Division	24.00	25.00	20.00	20.00	20.00	-
Office of CIO Division	7.00	5.00	7.00	7.00	7.00	-
Public Safety IT Division	29.00	29.00	29.00	29.00	29.00	-
Sacramento City 311 Division	35.50	41.50	41.50	41.50	41.50	-
Total	182.50	191.50	195.50	195.50	197.50	2.00

PERFORMANCE MEASURES

IT 311 Division

Key Measure	FY17	FY18	FY19	FY20	FY21
	Actuals	Actuals	Actuals	Estimate	Target
Percent of 311 calls that are answered	64%	66%	70%	80%	85%

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	FY17	FY18	FY19	FY20	FY21
	Actuals	Actuals	Actuals	Estimate	Target
Respondents rating the quality of IT service as good or excellent	99%	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	FY17	FY18	FY19	FY20	FY21
	Actuals	Actuals	Actuals	Estimate	Target
Network services available					
Public Safety systems	99%	99%	99%	99%	99%
All other systems	99%	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

	FY17	FY18	FY19	FY20	FY21
Key Measure	Actuals	Actuals	Actuals	Estimate	Target
Data published on OpenData	79	74	74	85	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.

	FY17	FY18	FY19	FY20	FY21
Key Measure	Actuals	Actuals	Actuals	Estimate	Target
Enterprise database system available	99.9%	99.9%	99.9%	99.9%	99.9%

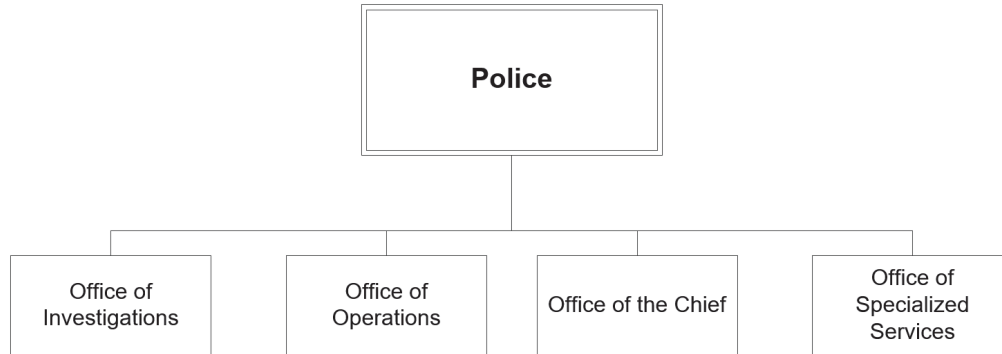
The Enterprise Applications Management Division manages and maintains a wide variety of data and systems that house critical mission information for City business systems. This performance measure tracks the system uptime/availability percentage rate for the enterprise database systems.

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 (751 sworn positions and 347 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 the development of information leading to the arrest of criminal offenders. This office encompasses the following divisions: Forensics, Evidence and Property, Records, Emergency Services, Administrative Services, Human Resources, Research, Development and Training.
- **Office of Operations:** Responsible for providing frontline police services, including the Patrol division (located among three neighborhood substations) and the Communications division (911 Center).
- **Office of the Chief:** Responsible for developing and communicating the department's vision. This office oversees the Public Information Office and Government Affairs, Internal Affairs, Professional Standards and Special Projects units.

- Office of Specialized Services: Responsible for the Outreach and Engagement, Support Service, and Public Safety Information Technology units; as well as the Metro division which includes specialty teams such as the K9 and Special Weapons and Tactics (SWAT) units.

PROGRAMS/SERVICE HIGHLIGHTS

- Continued community engagement training for recruits in the academy. To provide new police recruits an additional foundation in community policing, the PD's police academy and field training program each engaged in community service projects. Examples of such 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.
- Continued the Sacramento 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 insight into the PD and receive personal attention from police employees. The workouts typically run every Wednesday night and 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 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. Community members are paired one-on-one with an officer to engage in 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.
- Continued evaluation of the Body Worn Camera (BWC) program, monitoring compliance, and enhancing policies based on best practices.
- Continued partnerships 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 towards 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.

- Expanded connections with the community through the Neighborhood Watch program. The PD has established a citywide coordinator for the program, developed a strong partnership with NextDoor.com, and 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 ensures officers meet and exceed state standards for mental health training.
- Continuation of the Law Enforcement Candidates Scholar (LECS) partnership program with California State University, Sacramento (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. Although the POP teams are not as robust as when deployed initially, the teams 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 PD 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 PD provided medical kits to all patrol officers that contain the supplies necessary to triage medical emergencies until medical personnel arrive.
- Continued 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 PD 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.
- Continued the Sacramento PD’s Community Service Officer (CSO) hiring program, which began in 2017. The goal is to use this program as a hiring pipeline into the PD. CSOs are assigned to the patrol division which reduces waiting times for citizens for certain reports and other police services.

- Developed a law enforcement internship program with Sacramento City College to expose students to the career options available with the PD. Over the course of the 8-week program, students obtain general knowledge about the PD, interact with several specialty units, and learn about policy and procedure, all while receiving college credit.
- Enhanced the PD's LGBTQ+ liaison program to strengthen our ability to interact and be proactive with our LGBTQ+ partners and community as well as work on our priorities of inclusion, training, communication, policy revision, recruitment and building community trust. The PD has been a strong stakeholder in our LGBTQ+ community for more than 20 years, and the creation of a LGBTQ+ liaison team has enabled us to bridge the gap with our LGBTQ+ community and community partners, enhance communication, begin the formation of an advisory committee and focus on internal policy revision specifically related to gender and members who are transgender, transitioning or non-binary. The PD also updated the resources section of its website to include biographical and contact information for each of its LGBTQ+ liaisons, as well as comprehensive summaries of notable accomplishments and milestones.
- Developed the PD Wellness Series through the POST's Innovations Grant Program. The PD was awarded \$134,185 for this innovative pilot program. This six-week, multifaceted training series incorporates wellness education for the whole person with a 360-degree innovative approach to physical, mental, financial, and emotional wellbeing. The intent of this series is to teach stress and anxiety reduction techniques, increase exercise, reinforce healthy work-life balance, practice mindfulness, become financially fit, get better rest and eat healthier, to provide more controlled coping mechanisms, ergo better decision making during critical incidents. The participant receives instruction on overall wellness which will ultimately improve officer safety and enhance the health and effectiveness of that individual officer. Participants learn about building resiliency by understanding financial wellness, injury prevention, utilizing peer support programs, increasing physical fitness, learning proper nutrition, knowing the effects of sleep deprivation and stress, and embracing mindfulness strategies.
- Partnered with the American Leadership Foundation (ALF) on the following projects:
 - Implicit Bias Training Series – This training, which consists of five facilitated 4-hour sessions with each cohort, engages police officers in critical thought and discussion around the cognitive science of implicit bias and strategies to address them.
 - Human Centered Design Project – This project is to use Human Centered Design (HCD) to find tools that can help build empathy and trust between the police department and the Meadowview community. The premise is that an empathy-based approach using HCD could help people make more mindful choices in their community interactions rather than allow

their implicit biases to perpetuate the distrust that has caused past friction in the community.

- Expanded recruiting efforts to several new channels including print, digital, radio, and social media, while focusing messaging on topics pertinent to the emerging workforce. These efforts included the creation of numerous audio/visual components, culminating in the production of a department-specific recruitment rap video centered around the recruiting slogan “Be the Difference.” These efforts have resulted in a significant increase in traffic to the PD’s recruitment web page.
- Created the Pre-Academy Program to address the 35% failure rate of the Regular Basic Course Academy. This program has identified specific targeted areas to help improve an academy recruit’s performance so that agencies can get a better return on their investment and see additional officers succeed. Instruction in areas such as accountability, teamwork, leadership, and stress management has helped reduce the failure rate to just 9%. The PD recognizes the current recruitment problem along with other agencies across the country and has implemented this new program as a vital component of a new police officer’s success.
- Expanded the existing high school Criminal Justice Magnet Academy program by adding a new Public Safety Pathways program at Inderkum High School. During their first year, students are exposed to both the police and fire professions and will then select a pathway to follow for the duration of their high school careers. In addition to teaching civic responsibility and encouraging volunteerism, this program serves a key role in the PD’s hiring pipeline.
- Expanded community engagement efforts by contracting with subject matter experts to host Transformational Policing Model trainings and viewings of the film *Walking While Black*. These programs build trust between the community and department by bringing members of both groups together for open and honest dialogue about current events, and encourage collaborative problem solving to identify paths toward a more cohesive city.
- Participated in events to engage Sacramento’s youth in perspective sharing, problem solving, and mentorship. These events included partnerships with the Liberty Towers’ “Student Voices” initiative, Alliance for Education Solutions’ “Youth Town Hall” event, Big Brothers Big Sisters’ “Bigs with Badges” program, Runnin’ for Rhett after school fitness sessions, and VIP Academy Experience tours. These activities provided opportunities for youth and police officers to interact with each other as people, as opposed to their age group or profession.
- Negotiated a new, mutually acceptable, contract for School Resource Officers (SROs) with the Sacramento City Unified School District. This new model reduces the number of officers and assigns them geographical regions in lieu of the traditional site-based model but maintains a relationship between the organizations and some positive interactions between SROs and students.

DEPARTMENT EFFICIENCIES

- Continued to evaluate and implement improvements to the backgrounds process. The PD 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.
- Continued the ShotSpotter program 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 PD's ability to respond to gunshots promptly, solve the crime that has been committed, and recover the firearm. The PD 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 Observation 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.
- Continued expanding 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 align.
- Continued to work diligently to redact and release video, audio, and other records related to incidents which fall under the release requirements mandated by SB 1421. In addition, PD has published a comprehensive index of incidents meeting the criteria for public disclosure which is now posted to the PD's transparency website. This index will be continually updated, and additional materials will be added as they become available to provide accountability and transparency to the public.
- Created an Unmanned Aircraft Systems (UAS) (drone) program which will assist with area searches, rooftop checks, yard searches, searches for missing persons and scene assessment. The program will enhance both community and officer safety while increasing employee efficiency. This program will be an additional layer of de-escalation for officers to utilize.
- Partnered with Uber to enable emergency calls for riders using the Uber app. The PD Communications Center was the first in the region to work with Uber to add technology that allows Uber riders or drivers to use the in-app emergency button to call 911. With the technology, riders can see key trip details, including their GPS location and car details (make, model, color, and license plate) which

is transmitted electronically to the Communications Center. With this technology, dispatchers can determine where help is needed and send officers to the area immediately, even if the caller does not know their location or isn't able to speak to the dispatcher.

- Expanded the Mental Health Unit to help improve mental health outcomes in the community. A social service administrator, who has a background in social work, was hired and oversees the unit. Additionally, social work student interns from California State University Sacramento volunteer at the PD to help support the mental health and homeless outreach teams.
- Created a dedicated team of Detectives to investigate Human Trafficking related criminal activity. The PD has participated in a Human Trafficking Task Force for over a decade, but the creation of this dedicated Sacramento Police Department team has significantly increased the resources dedicated to these types of investigations. The PD continues to partner with community-based organizations who provided continuing services to crime victims contacted during investigations.
- Created a Racial Identity and Profiling Advisory (RIPA) application. Assembly Bill 953 enacted the Racial or Identity Profiling Act of 2015, which would, among other changes, revise the definition of racial profiling, instead referring to racial or identity profiling, and make a conforming change to the prohibition against peace officers engaging in that practice. The bill would require an agency that employs 667 or more but fewer than 1,000 peace officers to issue its first annual report by April 1, 2020. A Racial Identity and Profiling report must be completed by a police officer and submitted to the Department of Justice for each individual detained or searched during a call for service or self-initiated activity. On January 1, 2019, the PD implemented its RIPA application, which recorded all detentions and searches conducted by Sacramento Police Department officers. From January 1, 2019, through December 31, 2019, the PD reported 68,012 RIPA reports to the Department of Justice.
- Partnered with the California Endowment, California State University, Sacramento, and the University of San Diego, to conduct surveys of Sacramento community members and sworn employees of the PD gauging the attitude of each group towards the other. The results of this survey will help guide the PD's efforts towards trust and relationship building and enhancing employee satisfaction.

OBJECTIVES FOR FY2020/21

- 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 various 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 PD 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 Investigations	Provide funding and 0.50 FTE Custodian II position to correct labor issue.	General	-	37,310	0.50
Office of Specialized Services	Provide funds to continue the expansion of Impact Teams from four days to seven days a week.	General	-	550,000	
Office of the Chief	Provide funds to support information technology service contracts and software licensing increases; network security enhancements; and evolving technologies.	Measure U	-	468,595	-
Office of Specialized Services	Provide ongoing funding for a 1.0 FTE Police Social Services Administrator position previously authorized in the FY2017/18 midyear budget process with one-time funding. This position works with the Mental Health and Impact Teams, directly responsible with dealing with the most vulnerable members of our community.	Measure U	-	183,203	-
Total Change:			\$ -	\$ 1,239,108	0.50

POSITION CHANGES

- Vacant positions (5.0 FTE Reserve Community Service Officer and 8.0 FTE Limited Term Community Service Officer I) were deleted and added positions (11.0 FTE Community Service Officer II) to better align the Hiring Pipeline as well as the need to respond more quickly to less serious calls for service.
- Vacant positions (four 0.1 FTE Custodian II) were deleted and a new position (1.0 FTE Custodian II) was added to address the funding shortage.

CAPITAL IMPROVEMENT PROGRAM (CIP)

Body Worn Cameras

Funding in the amount of \$1,165,500 for the PD's body worn camera program was added to the 2020-2025 CIP for equipment and data storage.

IT Critical Infrastructure

On-going funds in the amount of \$200,000 were added to the 2020-2025 CIP for CISCO Network Infrastructure and Licensing.

PD Fleet Equipment & Technology

Funding in the amount of \$1 million for the PD's fleet was added to the 2020-2025 CIP for ballistic panels, mobile data computers, and in-car camera systems.

PD Safety Equipment

Funding in the amount of \$810,000 for safety equipment was added to the 2020-2025 CIP for portable radios.

Department Budget Summary

Police Budget Summary	FY2017/18	FY2018/19	FY2019/20	FY2019/20	FY2020/21	Change
	Actuals	Actuals	Approved	Amended	Approved	More/(Less) Approved/Amended
Employee Services	135,016,528	148,012,199	169,901,100	170,665,316	188,423,400	17,758,084
Other Services and Supplies	10,516,112	12,372,979	10,650,444	10,649,502	10,898,612	249,110
City Property	533,761	604,998	3,790,980	502,614	4,042,926	3,540,312
Transfers	(64,478)	(214,456)	-	-	-	-
Labor and Supply Offset	(25,293,522)	(29,552,229)	(34,024,404)	(34,788,620)	(45,862,105)	(11,073,485)
Total	120,708,401	131,223,491	150,318,120	147,028,812	157,502,833	10,474,021

Funding Summary by Fund/Special District	FY2017/18	FY2018/19	FY2019/20	FY2019/20	FY2020/21	Change
	Actuals	Actuals	Approved	Amended	Approved	More/(Less) Approved/Amended
General Fund	120,202,646	130,709,804	149,763,423	146,474,115	156,942,626	10,468,511
Risk Mgmt	505,754	513,688	554,697	554,697	560,207	5,510
Total	120,708,401	131,223,491	150,318,120	147,028,812	157,502,833	10,474,021

Division Budget Summary

Police Division Budgets	FY2017/18	FY2018/19	FY2019/20	FY2019/20	FY2020/21	Change
	Actuals	Actuals	Approved	Amended	Approved	More/(Less) Approved/Amended
Office of Investigations Division	37,067,844	40,188,379	44,182,890	40,893,582	47,304,860	6,411,278
Office of Operations Division	56,748,989	61,984,408	75,048,257	75,048,257	74,322,843	(725,414)
Office of Specialized Services Division	21,575,021	23,595,231	25,072,551	25,072,551	28,437,869	3,365,318
Office of the Chief Division	5,316,548	5,455,474	6,014,422	6,014,422	7,437,260	1,422,838
Total	120,708,401	131,223,491	150,318,120	147,028,812	157,502,833	10,474,021

Staffing Levels

Police Division Budgets	FY2017/18	FY2018/19	FY2019/20	FY2019/20	FY2020/21	Change
	Actuals	Actuals	Approved	Amended	Approved	More/(Less) Approved/Amended
Office of Investigations Division	255.30	245.30	248.30	249.30	252.80	3.50
Office of Operations Division	614.50	625.50	661.50	681.50	657.00	(24.50)
Office of Specialized Services Division	123.66	131.66	127.66	131.66	150.16	18.50
Office of the Chief Division	33.00	38.00	33.00	37.00	38.00	1.00
Total	1,026.46	1,040.46	1,070.46	1,099.46	1,097.96	(1.50)

PERFORMANCE MEASURES

Department-wide

	FY17	FY18	FY19	FY20	FY21
Key Measure	Actuals	Actuals	Actuals	Estimate	Target
Part 1 Crimes Reported per 1,000 Residents	38.16	38.25	39.72	40.21	39.09

Part 1 Crimes Reported per 1,000 Residents		
Ranking*	City	Residents
1	San Diego	9.43
2	Anaheim	13.14
3	San Jose	14.06
4	Long Beach	14.44
5	Los Angeles	15.46
6	Sacramento	18.86
7	Fresno	19.35
8	Bakersfield	21.88
9	San Francisco	27.85
10	Oakland	34.29

*Top ten cities in California by Population - from the 2019 Preliminary Semiannual Uniform Crime Report (UCR)

	FY17	FY18	FY19	FY20	FY21
Key Measure	Actuals	Actuals	Actuals	Estimate	Target
Part 1 Crimes Reported per Sworn FTE Position	24.46	28.24	29.00	28.49	27.55

Workload Measure Ranking*	City	Part 1 Crimes Reported per Sworn FTE**	Sworn FTE per 1,000 Residents**
1	Los Angeles	6.38	2.42
2	San Diego	7.40	1.27
3	Long Beach	7.99	1.81
4	San Francisco	11.43	2.44
5	Anaheim	12.14	1.08
6	Fresno	12.83	1.51
7	San Jose	13.77	1.02
8	Sacramento	14.02	1.35
9	Oakland	19.28	1.78
10	Bakersfield	21.15	1.03

*Population from the 2018 Semiannual UCR Data

**Sworn FTE is from the California Commission on Peace Officer Standards and Training (POST) Participating Agency Staffing Report, March 2020

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 2019. Population data is from the 2018 Semiannual UCR data. Sworn FTE data is from the California Commission on Peace Officer Standards and Training (POST) Participating Agency Staffing Report, March 2020.

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Key Measure	FY17 Actuals	FY18 Actuals	FY19 Actuals	FY20 Estimate	FY21 Target
Percentage sworn SPD employees who are women or minorities	39%	38%	39%	41%	42%
Percentage of new hires into sworn or Hiring Pipeline Program vacancies that are women or minorities	61%	59%	72%	59%	63%

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 41 percent of sworn employees are women or minorities. The second measure reflects the percentage of new hires into sworn and Hiring Pipeline vacancies. In FY2020/21, the SPD will continue targeting an increase the number of women and minority new hires into sworn and Hiring Pipeline vacancies.

Field Services Division

Key Measure	FY17 Actuals	FY18 Actuals	FY19 Actuals	FY20 Estimate	FY21 Target
Key Measure in minutes					
Median response time for priority 2 and 3 calls (mm:ss)	11:07	11:00	11:00	11:02	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 Crime Analysis Unit. The projections for the remainder of FY2019/20 and FY2020/21 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	FY17 Actuals	FY18 Actuals	FY19 Actuals	FY20 Estimate	FY21 Target
Percentage of 911 calls answered within 15 seconds	83%	98%	98%	97%	95%

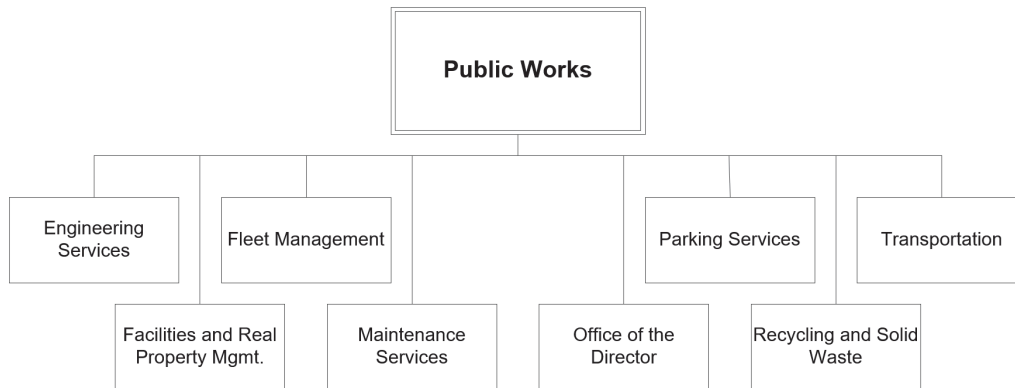
The faster a call to 911 is answered the faster units can be dispatched and made available at the scene of an emergency. The State standard is answering 95% of all 911 calls within 15 seconds. Call answer times are tracked by the SPD Communications Center. The projection for the remainder of FY2019/20 fiscal year is based on prior month averages. The projection for FY2020/21 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 keep the City of Sacramento operating and moving forward.



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, private development encroachment permits for work in public right-of-way, and map review and approval.
- **Facilities and Real Property Management:** Responsible for facility maintenance, design and construction, real estate, ADA barrier removal, multi-use building management, 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

- Implemented a 15-mph school speed zone project that reduced speed limits on 225 corridors.
- Expanded the GIG car share home zone by 34% to cover over 18% of the City, resulting in the largest all-electric free-floating car share program in the nation.
- Managed the shared rideable permit program with over 2,000 devices, and began enforcement of all traffic and parking laws for users of shared rideables such as e-bikes and e-scooters after months of education and outreach by the City while residents and visitors became familiar with the new devices.
- Completed the design for homeless navigation centers at both Broadway/Alhambra and Meadowview Road. Began construction on the Meadowview site.
- Identified the preferred architectural design for the I Street Bridge Replacement Project. When completed, the project will provide automobile, bicycle, and pedestrian access between West Sacramento and the downtown Railyards.
- Constructed the New Market Drive Extension project as part of the roadway extension connecting the future North Natomas Aquatic Center, North Natomas Regional Park, and Inderkum High School in collaboration with the school districts.
- Completed a \$5 million effort to replace over 140 obsolete traffic signal controllers in the Central City.

- Awarded \$12 million in capital construction projects improving traffic, bicycle, and pedestrian safety.
- Performed 5,088 plan reviews for private development projects and completed 93% of these reviews on time.
- Approved and provided construction oversight for 4,400 encroachments within the public right-of-way.
- Developed and brought to City Council a Complete Streets Policy to support the continued investment in accessible, attractive, and comfortable travel for all street users, including those walking, scooting, biking, and driving.
- Implemented the Merchant Permit Program to support local established businesses adapting to growth in the areas around them as part of City's efforts to modernize curbside management and integrate the way we manage the right of way to balance the varying needs of residential, commercial, and retail land uses.
- Implemented the City's first pilot program for Educational Institution Parking Permits to support local schools in areas with impacted parking.
- Expanded shared-use on-street parking spaces by having yellow commercial loading zones turn into metered parking after 4:00 p.m.
- At the Sacramento Valley Station, issued new leases to Sourdough & Co., and the California Department of General Services.
- Upgraded the main switchboard at the 911 Communication Center to improve the reliability and maintainability of the electrical system.
- Completed the lead cleanup project for the former Mangan Gun Range. Received a No Further Action notice from the Sacramento County Environmental Management Department, allowing the building to be repurposed as a community building.
- Completed the design and began construction of the North Natomas Community Center and Aquatics Complex.
- Completed the installation of Vehicle Exhaust Extraction Systems at 17 Fire Stations. These systems are designed to minimize the amount of vehicle exhaust in the apparatus bays and fire stations, removing contamination risk and improving indoor air quality throughout the stations and the general health and safety of our fire staff.
- Fleet Division received numerous awards, including the #1 Green Fleet in North America through Tom Johnson and the 100 Best Fleets, the #4 Leading Fleet Award from Government Fleet magazine, and the #6 Best Fleets from Tom Johnson and the 100 Best Fleets.

- Completed the 2020 Pavement Conditions Report.
- Supported the Mayors' Commission on Climate Change, General Plan Update, and Climate Action Plan to focus on achieving ambitious sustainability goals.
- Implemented a rate increase for recycling and solid waste to begin the process to support improved services and state mandated organic waste disposal requirements.

DEPARTMENT EFFICIENCIES

- Replaced all fuel island control units for more accurate fuel transaction data.
- Replaced 100% of the vehicles approved for replacement in the FY2019/20 budget.
- Purchased 26 Police Department Ford Explorer Hybrid vehicles.
- Implemented new handheld citation writers, which verify payments in real-time, including but not limited to mobile payments and residential permits.
- Upgraded parking enforcement fleet to include 12 additional electric vehicles equipped with license plate recognition technology.
- Identified outdated computer equipment and replaced with new industry standard models.
- Completed update of Standard Specifications for Public Construction to reflect modern standards.
- Scoping and delivering Light Emitting Diode (LED) retrofits for neighborhood streetlights to reduce energy costs and maintenance needs with available streetlight maintenance funds.
- Implementation of the automated Security Badge Access Request system through the K2 BPM Application. This improvement automated the request process for issuing new and replacement security badges.
- Implemented Accela customer web portal for Public Works records to allow customers to pay for their invoices remotely and to check on the status of their plan reviews.
- Enacted a new policy to replace in-ground vehicle detection devices at signalized intersections with video detection systems when in-ground systems fail. Installation of video detection systems eliminates the need to repeatedly replace the in-ground installations.
- Executed a reimbursement agreement with Regional Transit for paving operations and traffic control efforts.

- Executed a maintenance agreement between the City and County of Sacramento for transportation facilities with shared boundaries. Facilities included are bridges, roads, landscape areas, streetlights, signs, striping, markings, and traffic signals. The agreement assigns maintenance responsibility of these assets in a fair and equitable manner.

OBJECTIVES FOR FY2020/21

- Completion of a Navigation Center at Meadowview service complex housing 100 women only.
- Completion of a Navigation Center at Broadway Alhambra housing 100 men and women.
- Completion of the North Natomas Aquatics Complex.
- Installation of a 100-vehicle compressed natural gas (CNG) fueling station at Meadowview City Service Complex for the Solid Waste & Recycling vehicles.
- Completion of the Bartley Cavanaugh loading dock replacement and foundation stabilization.
- Retrofit masthead streetlights with LED fixtures to reduce energy costs.
- Continue to pursue alternative fuel vehicle procurement to reach fleet sustainability goals.
- Replace existing vehicle telematics system with state-of-the-art system and monitor vehicle idling time and five-minute maximum threshold.
- Additional integration and consolidation of parking data systems that will add further automation and create additional efficiencies.
- Evaluate and update the Trench Cut Program.
- Complete the Urban Forest Master Plan update.
- Complete identified roadway rehabilitation efforts.
- Submit applications for state and federal funds to address unmet transportation needs.
- Update ordinances and develop staffing, processes, and procedures to take over licensing and monitoring of commercial waste collections.
- Move forward in implementing state mandated organic waste disposal requirements.
- Develop Transportation Impacts (SB 743) implementation guidelines for Council consideration.

- Complete the Sacramento Valley Station Phase III Master Plan.
- Complete the Electric Vehicle Progress Report.
- Complete the City's first ever Transportation Master Plan.

BUDGET CHANGES

Division	Description	Fund	Revenue/ Offset Adjustment	Expenditure Change	FTE Change
Recycling & Solid Waste	Add positions (5.0 FTE Integrated Waste Equipment Operator) and related vehicles to support additional routes for garbage collection, recycling collection, and green waste collection, offset by Council-approved rate increases.	Solid Waste	(2,576,864)	2,576,864	5.00
Recycling & Solid Waste	Add positions (3.0 FTE Senior Integrated Waste Equipment Operator) and related vehicles to increase the frequency of street sweeping services from every six weeks to every month and to address new state regulations to reduce pollution in local waterways, offset by Council-approved rate increases.	Solid Waste	(1,370,383)	1,370,383	3.00
Recycling & Solid Waste	Increase funding for additional disposal fees to support the City's garbage, recycling, green waste, and street sweeping services, offset by Council-approved rate increases.	Solid Waste	(4,547,753)	5,243,800	-
Total Change			\$ (8,495,000)	\$ 9,191,047	8.00

POSITION CHANGES

- A vacant position (1.0 FTE Telecommunications System Analyst) was deleted from the Public Works Department and a new position (1.0 FTE Program Specialist) was added to the Information Technology Department.
- A vacant position (1.0 FTE Survey Tech II) was deleted and a new position (1.0 FTE Electrical Construction Inspector II) was added.
- A vacant position (1.0 FTE Senior Office Specialist) was deleted and a new position (1.0 FTE Administrative Technician) was added.
- A vacant position (1.0 FTE Personnel Transaction Coordinator) was deleted and a new position (1.0 FTE Maintenance Worker) was added.

Department Budget Summary

Public Works Budget Summary	FY2017/18 Actuals	FY2018/19 Actuals	FY2019/20 Approved	FY2019/20 Amended	FY2020/21 Approved	Change More/(Less) Approved/Amended
Employee Services	63,576,490	66,069,062	77,102,274	77,112,306	81,572,915	4,460,609
Other Services and Supplies	73,402,609	74,834,744	77,032,769	78,733,900	89,253,057	10,519,157
City Property	12,869,730	12,799,655	28,756,561	22,014,478	35,616,982	13,602,504
Transfers	342,255	693,353	400,655	400,655	400,655	-
Labor and Supply Offset	(19,533,562)	(18,972,327)	(19,001,132)	(20,463,658)	(20,632,361)	(168,703)
Operating Transfers	9,446,335	9,609,409	9,016,500	9,016,500	9,181,000	164,500
Total	140,103,857	145,033,897	173,307,627	166,814,181	195,392,248	28,578,067

Funding Summary by Fund/Special District	FY2017/18 Actuals	FY2018/19 Actuals	FY2019/20 Approved	FY2019/20 Amended	FY2020/21 Approved	Change More/(Less) Approved/Amended
General Fund	8,495,997	11,322,229	13,335,469	12,936,972	13,890,038	953,066
12th Street Maint Benefit Area	7,776	8,214	8,400	8,400	8,400	-
Cal EPA	1,248	1,172	-	-	-	-
Citation I-5 Maintenance	50,238	28,094	40,000	40,000	40,000	-
Del Paso Nuevo Landscaping CFD	1,516	9,101	9,000	9,000	9,000	-
Disaster Relief Act	156,439	-	-	-	-	-
Fair Share Contributions	-	(50,000)	-	-	-	-
Fleet Management	39,948,129	40,792,901	49,590,548	50,911,478	54,141,693	3,230,215
Gas Tax 2106	11,353,500	8,036,370	8,657,036	8,162,386	7,954,366	(208,020)
Greenbriar Impact Fee	-	-	-	(2,600,000)	-	2,600,000
Interdepartmental Service	1,524,163	1,221,701	2,069,268	2,069,268	2,401,352	332,084
Laguna Creek Maint Dist	37,998	34,327	46,870	46,870	46,500	(370)
Land Park	52,850	40,203	52,850	52,850	52,850	-
Landscaping and Lighting	10,925,072	11,641,169	12,970,000	12,970,000	15,255,902	2,285,902
Marina	753,783	885,030	958,752	958,752	939,655	(19,097)
N Nat Lndscp 99-02	457,663	470,617	491,796	510,958	570,190	59,232
N Natomas Lands CFD 3	410,500	445,835	550,000	550,000	580,000	30,000
Neighborhood Lighting Dist	25,009	25,009	25,009	25,009	25,009	-
Neighborhood Water Quality Dist	25,894	29,860	45,577	45,577	48,136	2,559
New Measure A Construction	-	7,529,516	-	-	-	-
New Measure A Maintenance	8,930,697	10,683,277	11,929,071	11,929,071	13,529,150	1,600,079
NMA Safety, Streets, Ped, Bic	-	(4,161,112)	-	-	-	-
NMA Traffic Control & Safety	-	(3,368,404)	-	-	-	-
NNFP Transit Fee	-	-	-	2,600,000	-	(2,600,000)
Northside Subdiv Maint Dist	4,075	3,731	5,850	5,850	5,850	-
Parkebridge CFD 2014-07	-	-	-	-	56,800	56,800
Parking	10,551,824	12,001,079	12,539,862	12,509,862	12,314,580	(195,282)
Power Inn Rd Md 2003-01	5,725	8,310	13,625	13,625	14,784	1,159
Private Development	-	50,000	-	-	-	-
Railyards Maint CFD No 2014-04	60,722	59,957	107,056	107,056	128,139	21,083
Recycling and Solid Waste	45,127,846	46,018,505	58,505,293	51,621,701	71,906,661	20,284,960
SacMaintCFD2014-04 Annex Areas	14,919	31,319	65,095	65,095	91,355	26,260
SacMaintCFD2014-04 Area 01	50,686	57,171	82,500	82,500	94,500	12,000
State Route 160	734	-	-	-	-	-
State Route 275	2,845	-	-	-	-	-
Storm Drainage	195,000	226,000	226,000	226,000	336,050	110,050
Subdiv Lndscpng Maint Dist	272,036	300,794	297,747	297,747	306,645	8,898
Township 9 CFD No. 2012-06	-	-	2,000	2,000	2,000	-
Traffic Safety	503,441	428,667	531,213	531,213	436,474	(94,739)
Transportation Development Impact Fee	38,656	52,663	-	-	-	-
Village Garden N.-Mtce Dist #1	16,499	19,242	19,900	19,900	21,168	1,268
Water	-	-	-	(26,799)	-	26,799
Willowcreek Assmnt Md	17,673	35,650	18,000	18,000	38,000	20,000
Willowcreek Lndscpng CFD	82,703	115,701	113,840	113,840	147,000	33,160
Total	140,103,857	145,033,897	173,307,627	166,814,181	195,392,248	28,578,067

Division Budget Summary

Public Works Division Budgets	FY2017/18 Actuals	FY2018/19 Actuals	FY2019/20 Approved	FY2019/20 Amended	FY2020/21 Approved	Change More/(Less) Approved/Amended
Engineering Services Division	(1,110,590)	(514,567)	(206,459)	(294,860)	(395,186)	(100,326)
Facilities & Real Property Mgmt Division	4,909,781	5,101,753	6,036,104	5,805,342	6,293,582	488,240
Fleet Management Division	39,948,129	40,792,901	49,590,548	50,911,478	54,141,693	3,230,215
Maintenance Services Division	20,340,077	21,239,660	24,474,002	23,586,361	25,827,612	2,241,251
Office of the Director	1,964,641	1,873,791	2,334,429	2,334,429	2,440,732	106,303
Parking Services Division	19,609,613	20,869,475	22,393,095	22,391,895	22,459,651	67,756
Recycling & Solid Waste Division	45,769,519	46,709,154	59,178,293	52,574,659	73,336,351	20,761,692
Transportation Division	8,672,687	8,961,730	9,507,615	9,504,877	11,287,812	1,782,935
Total	140,103,857	145,033,897	173,307,627	166,814,181	195,392,248	28,578,067

Staffing Levels

Public Works Division Budgets	FY2017/18 Actuals	FY2018/19 Actuals	FY2019/20 Approved	FY2019/20 Amended	FY2020/21 Approved	Change More/(Less) Approved/Amended
Engineering Services Division	78.00	81.00	81.00	81.00	80.00	(1.00)
Facilities & Real Property Mgmt Division	67.00	70.00	70.00	70.00	70.00	-
Fleet Management Division	85.00	85.00	83.00	83.00	83.00	-
Maintenance Services Division	123.00	123.00	123.00	123.00	123.00	-
Office of the Director	14.00	13.00	12.00	12.00	12.00	-
Parking Services Division	130.05	130.05	131.05	131.05	131.05	-
Recycling & Solid Waste Division	160.30	164.30	165.30	165.30	174.30	9.00
Transportation Division	72.00	72.00	71.00	71.00	71.00	-
Total	729.35	738.35	736.35	736.35	744.35	8.00

PERFORMANCE MEASURES

Facilities & Real Property Management Division

Key Measure	FY17 Actuals	FY18 Actuals	FY19 Actuals	FY20 Estimate	FY21 Target
Percent of all facility work order requests completed within the performance standard	53%	60%	58%	62%	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	FY17 Actuals	FY18 Actuals	FY19 Actuals	FY20 Estimate	FY21 Target
Percent of City vehicles available at 6:00 AM	94%	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	FY17 Actuals	FY18 Actuals	FY19 Actuals	FY20 Estimate	FY21 Target
Percent of alternative fuel vehicles purchased	N/A	38%	34%	47%	50%

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. FY2019/20 estimate includes renewable diesel purchases, not previously included.

Maintenance Services Division

Key Measure	FY17 Actuals	FY18 Actuals	FY19 Actuals	FY20 Estimate	FY21 Target
Percentage of roads with a Pavement Condition Index above 70 (good rating)	46%	44%	43%	40%	38%

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 60 (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	FY17 Actuals	FY18 Actuals	FY19 Actuals	FY20 Estimate	FY21 Target
Percentage of 311 service requests for potholes responded to within 48 hours	80%	79%	95%	93%	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	FY17 Actuals	FY18 Actuals	FY19 Actuals	FY20 Estimate	FY21 Target
Percentage of tree inventory pruned per annual cycle	104%	91%	95%	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	FY17 Actuals	FY18 Actuals	FY19 Actuals	FY20 Estimate	FY21 Target
Revenue generated per parking meter	\$1,742	\$1,892	\$1,984	\$1,500*	\$1,800

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.

*FY2019/20 results were affected by significant decline in last quarter revenue due to lack of on-street parking meter utilization due to COVID-19.

Key Measure	FY17 Actuals	FY18 Actuals	FY19 Actuals	FY20 Estimate	FY21 Target
Marina slips occupancy rate	78%	80%	82%	81%	85%

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 FY2020.

Recycling & Solid Waste Division

Key Measure	FY17 Actuals	FY18 Actuals	FY19 Actuals	FY20 Estimate	FY21 Target
Percent of City collected waste diverted from landfill	43%	42%	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.

FY2020/21 Approved Budget

Key Measure	FY17 Actuals	FY18 Actuals	FY19 Actuals	FY20 Estimate	FY21 Target
Number of complaints of missed pickups (per 10,000 containers)	11%	12%	11%	11%	11%

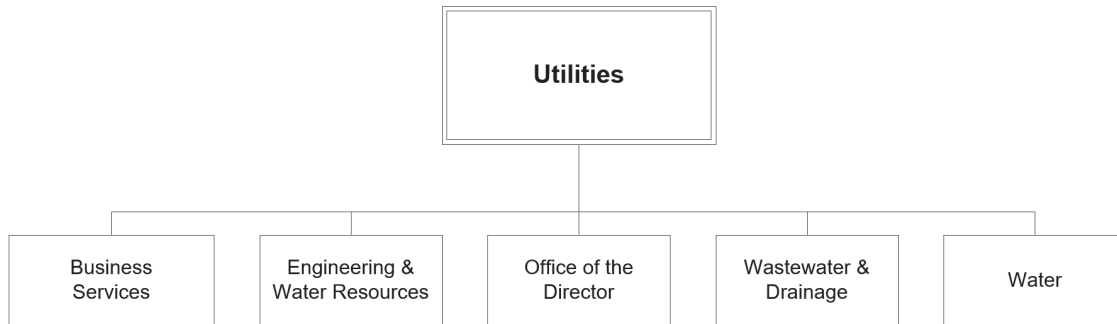
In a given year, City Integrated Waste Equipment Operators service almost 17 million garbage, recycling, and yard waste containers. Complaints of missed collections represent the highest volume of solid waste related calls to City 311; however, the actual number of verifiable service misses represents 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 mission of the Department of Utilities is to provide 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 DOU to focus efforts on customer priorities.

- **Business Services:** Provides fiscal 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, and 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 48.5 miles of pipeline and installed over 35,000 water meters bringing the total City metered to 97%. Local Hire on the construction contract was 27.4% through December 2019.
- The Shasta Park Water Facilities project is nearing completion after approximately 3 ½ years in construction. A 4-million-gallon reservoir and two groundwater wells have been constructed. This project will provide water to the southern portion of the City during peak hour demands, fire demands, and emergencies. The groundwater wells will enhance water supply sustainability and support the City's conjunctive use program per the City's General Plan policies.
- Completed the reconstruction and addition of submersible pumps for Sump 137, which receives wastewater from five basins and then conveys the wastewater to the Regional Sanitation District. Staff successfully negotiated a reimbursable agreement for the 3rd Street Relief Sewer Project of approximately \$14.5 million. The construction contract was awarded in June 2019 and is expected to be complete in April 2021. The McKinley Water Vault Project, a six-million-gallon combined system storage vault that will be in McKinley Park, was awarded in

April 2019. The Contractor has completed approximately 30% of construction for the \$25 million project, which is scheduled to be complete by the end of 2021.

- Worked with the City Treasurer's office to issue 2019 Wastewater Revenue Bonds in the amount of \$32 million in FY2018/19. The bond requirement is to have 85% of total bond proceeds spent by April 2022 and is currently at 44%. Funding has been used to invest in projects for the rehabilitation and replacement of Wastewater Combined and Separated Systems facilities.
- Continued to review Enterprise Fund system ratings 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; 27% more than the previous fiscal year.
- 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.
- Managed 217 capital projects and 126 multi-year operating projects effectively and efficiently.
- Completed review of 2,897 residential and 1,160 commercial building permits, in addition to 931 public works encroachment permits, 156 commercial offsite improvement plans and 166 subdivision plans, assuring compliance with DOU policies and standards, as well as federal, state, and local codes.
- Provided conditions of approval for 289 planning entitlement projects.
- Completed the annual Consumer Confidence Report (CCR).
- Delivered the Leadership Program, to 64 participants in four sessions, providing an understanding of the principles and practices of leadership. Facilitated new contract working with Chair and Committee, and with Leadership Network Development (LDN) for the second phase to train the remaining half of DOU and new staff (269 in total for training through 2023) and pilot blended learning program - both classroom and online learning.
- Completed the Stormwater National Pollutant Discharge Elimination System (NPDES) Permit's 2018/2019 Annual Report (October 2018), Reasonable Assurance Analysis (July 2019), and 2016-2019 Mid-Term Report (November 2019) as required by the State Regional Water Board.
- Completed the Combined Sewer System (CSS) NPDES Permit's Report of Waste Discharge (December 2019), 2018/2019 Nine Minimum Controls Annual Progress Report and 2018/2019 Annual Long-Term Control Program Progress Report as required by the State Regional Water Board.

- Completed the 2018/2019 Sewer System Management Plan Update and City Council Recertification as required by the State Water Board.
- Completed training for 115 participants in partnership with the Sacramento Police Department that included both exposure and non-exposure training classes. Completed 100% of state-mandated testing for poly-fluoroalkyl substances (PFAS), and additionally implemented our PFAS testing program to monitor all City water sources.
- Prepared triennial Public Health Goals Report and presented findings to City Council.
- Researched impacts of wildfire, harmful algal blooms, and rice pesticides on source water quality and treatability at our treatment plant intakes. Participated in cooperative work on these topics in partnership with other local water utilities.
- Secured an amendment to the City's Domestic Water Supply Operating Permit allowing operation of the Sacramento River Water Treatment Plant at increased flow rates during high-demand summer months.
- Developed water treatment plant response guidance manual for river spills and water quality incidents.
- Completed a Risk and Resiliency Assessment based on the 2018 America's Water Infrastructure Act.
- Developed and implemented procedures and policies related to DOU safety audit recommendations.
- The generator team supplied emergency generators to the cities of Vallejo, Red Bluff, and Lake Counties in response to PG&E planned power outages.
- The USA (Underground Service Alert) Program received over 54,000 USA tickets in 2019, which is a 37% increase. The City's ticket volume ranked 4th amongst California's top ten cities.
- Currently, DOU staff works with the City's Encampment Team that consists of local law enforcement, Solid Waste, Code Enforcement, and Animal Control. DOU works collectively on issuing notices and cleaning up sites.
- Successfully identified map corrections, pipe penetrations, and mains that were not tapped into manholes, as a result of the continued use of our Drainage System Maintenance Program (DSMP).
- Completed electrical studies and Arcflash analysis on 37 DOU facilities.
- The DOU Water Conservation Program received two awards for excellence. The first award of Gold level of recognition was received from Alliance for Water Efficiency for complying with a set standard (the G480 Standard) from the

American Water Works Association. The second award of the 2019 EPA WaterSense Excellence Award was received for Excellence in Education and Outreach from U.S Environmental Protection Agency (EPA).

- The DOU Sustainability Program was recognized as one of the founders of the Water-Energy Nexus Registry. The Water-Energy Nexus Registry will help water agencies and utilities as well as large water consumers better understand the energy and greenhouse gas (GHG) emissions associated with each process in water management and use. As a founder, DOU will be measuring and tracking the emissions using the newly developed guidance and tools.
- The DOU 35th Avenue Demonstration Garden project was completed in March of 2020. The new landscape was planned to make the landscape damaged by drought to be more resilient and river friendly, and to be a demonstration garden that can be utilized as a training space for public education. Improvements include rehabilitation of the existing Low Impact Development features, turf reduction, installation of native and climate-adapted low water use plantings, irrigation system upgrades to demonstrate water-efficient technologies, a demonstration rainwater capture/reuse system, addition of parking spaces and EV charging stations, and permeable concrete pavers to allow for stormwater infiltration.
- The DOU Water Conservation Program provided 1,638 high-efficiency toilet rebates, 324 clothes washer rebates, 71 turf conversion rebates, 107 irrigation upgrade rebates, and 671 smart irrigation controller rebates. The Sustainability Office also distributed 356 rain barrels and 350 yards of mulch through distribution events. Furthermore, the office also generated 15,706 leak notification letters and conducted 2,937 free leak investigations and conducted 1,983 site visits to help customers save water and money.
- Employee Services initiated a DOU New Employee Orientation Program in 2019.

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 \$4.6 million in 2019 resulting in an increased cash flow for DOU.
- Continued with the automated recertification process for the Sacramento Utility Rate Assistance program using the established SMUD data exchange, which resulted in 699 automated recertifications and 630 manual recertifications in 2019.
- Continued to participate 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.

- The Customer Care & Billing project upgraded the DOU Customer Information and Billing System that was obsolete and unsupported by any vendor in 2019. The new system has been supporting our customers and our departmental goals by providing improved customer service, more flexible business processes, better system security, billing accuracy, and increased system reliability.
- The partnership with Sacramento Municipal Utility District (SMUD) to provide instant online rebates for smart irrigation controllers on SMUD Energy Store, a utility marketplace was a success. Close to 1,594 smart irrigation controllers were sold. This success steered DOU to work with SMUD to extend the program for another five years and to add additional water saving products into the platform.
- Continued to utilize the online dashboard to monitor and evaluate Water Loss in District Metered Areas (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.
- The number of customers signed-up for e-Billing represent 47% of the total number of active billed accounts; 71,000 out of 149,000 accounts.
- Implemented over 60% of audit recommendations from audits conducted by the City Auditor's Office related to labor, inventory, safety, and fleet.
- Continued working with Fleet on finalizing purchase of a NoDes truck. The NoDes system allows crews to filter and disinfect flushing water, allowing it to be returned to the water distribution system for improvement of water quality and reduction of water wasted during flushing.
- Development of Hydrant Flushing RFP with Engineering and Water Distribution staff.
- DOU, in its efforts to provide the highest level of service to our customers, is utilizing some of the latest technology to efficiently and effectively perform work. We are using a specialized Spider camera system to uniformly inspect the integrity of our sewer manholes. We are using drones to inspect our levees, channels and other hard to reach infrastructure. We have teamed up with other City departments and selected standardized surveying equipment that utilizes satellite technology to send and receive accurate surveying information.
- Completed the application split of the Virtual Tag Supervisory Control and Data acquisition (SCADA) (VTS) software saving DOU an estimated \$300,000 per year in renewal cost.

OBJECTIVES FOR FY 2020/21

- 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 SCADA performance and resiliency through network upgrades, radio replacements, and fiber optic connectivity per the SCADA Master Plan.
- Complete the network segmentation of the SCADA network.
- Continuing compliance with legislative, environmental, and regulatory mandates.
- Deliver the FY2020/21 CIP water, wastewater, and drainage 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.
- Develop a DOU-wide Ethics Program.
- Start operation of the Shasta Park Water Treatment Plant which contains two wells and one reservoir.
- Continue to develop and implement procedures and policies related to the safety audit recommendations.
- Update and revise the Water Emergency Response Plan to address issues identified in the Risk and Resiliency Assessment.
- Move forward with 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.
- Implement a \$7.6 million dollar program to assess and rehabilitate critical drainage pump station discharge mains in levees.

- Develop and implement a drainage levee relief well assessment and rehabilitation program that is compliant with the Corporation of Engineer guidelines.
- Develop an assessment matrix and prioritization scheme to repair and/or replace most critical failed Corrugated Meadow Pipe drainage collection pipes.
- Update the Water Distribution and Wastewater/Drainage Policy and Procedures Manual.
- Finalize Wastewater/Drainage job-specific Standard Operating Procedures to enhance training and drive consistency in operations.
- Hire a Water Conservation Specialist to handle the additional workload as a result of new successful programs like SMUD instant rebates (required post-inspection of 1,594 smart controller sales) and the Leak Free Sacramento program (direct install leak repair for qualified low-income homeowners).

POSITION CHANGES

- Vacant positions (2.0 FTE Electrician, 1.0 FTE Instrument Technician II, 3.0 FTE Customer Service Representative, 2.0 FTE Administrative Technician, 1.0 FTE Customer Service Specialist, and 1.0 FTE Customer Services Supervisor) were deleted, and new positions (1.0 FTE Process Control Systems Specialist, 1.0 FTE Utilities O&M Service Worker, 1.0 FTE Utilities O&M Leadworker, 1.0 FTE Administrative Analyst, and 1.0 FTE Accountant Auditor) were added to support and meet expanding program requirements.

Department Budget Summary

Utilities Budget Summary	FY2017/18 Actuals	FY2018/19 Actuals	FY2019/20 Approved	FY2019/20 Amended	FY2020/21 Approved	Change More/(Less) Approved/Amended
Employee Services	53,276,850	56,258,627	69,641,881	69,641,881	72,836,878	3,194,997
Other Services and Supplies	29,684,149	30,642,378	41,318,407	40,980,256	40,867,532	(112,724)
City Property	1,520,998	2,519,294	5,913,844	1,751,366	5,423,342	3,671,976
Transfers	(806,097)	(890,027)	-	-	-	-
Labor and Supply Offset	3,018,030	5,090,120	7,364,286	7,364,286	7,011,852	(352,434)
Operating Transfers	21,427,422	11,523,935	24,498,357	24,498,357	24,583,320	84,963
Total	108,121,352	105,144,327	148,736,775	144,236,146	150,722,924	6,486,778

Department Budget Summary (continued)

Funding Summary by Fund/Special District	FY2017/18	FY2018/19	FY2019/20	FY2019/20	FY2020/21	Change
	Actuals	Actuals	Approved	Amended	Approved	More/(Less) Approved/Amended
General Fund	67,231	66,409	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	114,654	94,362	147,729	147,729	147,729	-
Golf	3,992	3,281	8,550	8,550	8,550	-
Landscaping and Lighting	41,564	39,995	40,000	40,000	40,000	-
N Natomas Lands CFD 3	138,251	183,329	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	1,436	1,462	1,359	1,359	1,359	-
Recycling and Solid Waste	1,155,296	1,239,373	1,462,768	1,457,727	3,179,828	1,722,101
SacMaintCFD2014-04 Area 01	-	-	298,120	298,120	298,120	-
Storm Drainage	26,160,520	27,096,064	33,287,551	32,865,118	33,445,417	580,299
Township 9 CFD No. 2012-06	-	-	9,000	9,000	9,000	-
Wastewater	22,911,403	26,308,941	33,539,254	31,988,722	32,645,511	656,789
Water	57,216,664	50,119,621	79,483,277	76,960,654	80,488,243	3,527,589
Willowcreek Assmnt Md	34,345	(13,493)	20,774	20,774	20,774	-
Total	108,121,352	105,144,327	148,736,775	144,236,146	150,722,924	6,486,778

Division Budget Summary

Utilities Division Budgets	FY2017/18	FY2018/19	FY2019/20	FY2019/20	FY2020/21	Change
	Actuals	Actuals	Approved	Amended	Approved	More/(Less) Approved/Amended
Business Services Division	7,086,326	7,385,064	9,577,591	9,542,591	10,064,984	522,393
Engineering & Water Resources Division	10,743,482	11,845,566	15,708,435	15,569,669	15,507,848	(61,821)
Office of the Director	38,851,503	31,568,352	55,622,940	55,601,940	56,648,351	1,046,411
Wastewater & Drainage Ops & Maint. Division	26,353,491	29,209,839	35,797,590	33,435,115	37,089,869	3,654,754
Water Operations & Maintenance Division	25,086,550	25,135,506	32,030,219	30,086,831	31,411,873	1,325,042
Total	108,121,352	105,144,327	148,736,775	144,236,146	150,722,924	6,486,778

Staffing Levels

Utilities Division Budgets	FY2017/18	FY2018/19	FY2019/20	FY2019/20	FY2020/21	Change
	Actuals	Actuals	Approved	Amended	Approved	More/(Less) Approved/Amended
Business Services Division	74.00	77.00	77.00	77.00	72.00	(5.00)
Engineering & Water Resources Division	101.72	107.72	107.72	107.72	105.72	(2.00)
Office of the Director - DOU	24.18	25.18	26.18	26.18	26.18	-
Wastewater & Drainage Ops & Maint. Division	180.00	194.00	201.00	201.00	203.00	2.00
Water Operations & Maintenance Division	167.00	158.00	163.00	163.00	163.00	-
Total	546.90	561.90	574.90	574.90	569.90	(5.00)

PERFORMANCE MEASURES

Engineering & Water Resources Division

Key Measure	FY17	FY18	FY19	FY20	FY21
	Actuals	Actuals	Actuals	Estimate	Target
Number of water meters installed/year	1,800	13,619	16,382	7,537	1,232

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

	FY17	FY18	FY19	FY20	FY21
Key Measure	Actuals	Actuals	Actuals	Estimate	Target
% water conservation achieved (year-over-year)	26%	26%	29%	25%	20%

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

	FY17	FY18	FY19	FY20	FY21
Key Measure	Actuals	Actuals	Actuals	Estimate	Target
Number of sanitary sewer (wastewater) overflows	2.70 per 100 miles	3.47 per 100 miles	3.42 per 100 miles	3.42 per 100 miles	3.06 per 100 miles

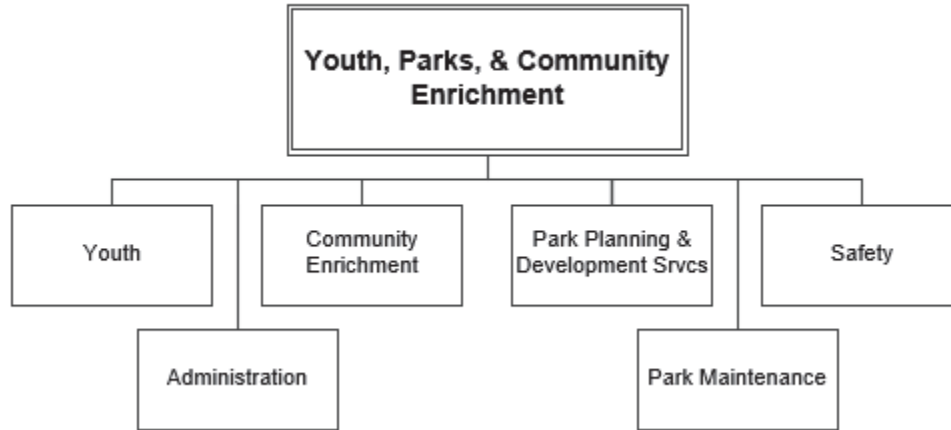
The number of sanitary sewer overflows (SSOs) is measured to ensure regulatory compliance and to gauge the effectiveness of operational activities and capital improvements that have been implemented to achieve this compliance. The primary permit with respect to the separated system is the waste discharge requirements permit issued by the state Water Resources Control Board. The goal of this permit is to minimize SSOs from the separated system.

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 Youth, Parks, & Community Enrichment Master Plan, program development and service delivery for the Department is 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: Responsible for creating and fostering citywide programs, trainings, and services that navigate critical pathways for youth development focusing on the Youth Development Framework for Practice Support and Opportunities of safety, relationship building, youth participation, community involvement and skill building. These programs allow participants the ability to grow socially, emotionally, physically, mentally, and civically and gain needed skills that foster their development as healthy and productive adults. The Youth Division provides citywide programming in four different focus areas: Youth Civic Engagement, Youth Workforce Development, Youth Sports & Wellness, and Expanded Learning. Specialized and unique programming includes, but is not limited to:

Summer @ City Hall, Sacramento Youth Commission (SYC), Landscape & Learning Youth Employment Program (L & L), Prime Time Teen Work Readiness, Workforce Innovation & Opportunity Act (WIOA), 4th R Licensed Childcare, START, Elementary/Middle Sports Leagues, Junior Giants, and the 28th & B Skate and Urban Art Park. Programs are provided throughout four different school districts and serve over 4,500 youth annually.

- Administration Responsible for department-wide support of fiscal management and administrative operations including Human Resources, grant management, commission administration, and managing the contract for the City's four golf courses.

- Community Enrichment: Responsible for a wide range of programs, services and facilities that support safe space, community livability, and high quality of life for all of Sacramento. The operation of 16 community centers and clubhouses that provide recreation, leisure enrichment and community resources for all ages, including youth, teens, active adult and senior programs; facility rentals and permitting of more than 223 parks and city property for picnics, special events and sports fields; Community Recreation and programming of citywide sports fields and the Sacramento Softball Complex; the Aquatics section is responsible for operation of 17 neighborhood pools and wading pools to provide water safety education programs including recreation swim, learn-to-swim, swim team and water fitness; Access Leisure and Adaptive Sports serving all ages with disabilities; the operation of Camp Sacramento for family camp and outdoor enrichment programs; Ethel MacLeod Hart Senior Center, providing life-long learning and fitness, social connections, and resources to support seniors living in the community; three Triple "R" licensed adult day care centers serving older adults with dementia.

- Park Maintenance: Responsible for planning and maintaining 223 parks and over 4,300 acres of open space, turf landscape, structures, and park amenities citywide. Services provided by this Division include mowing, weeding, litter removal,

performing playground and park inspections, maintaining the health of plants, shrubs, trees and performing irrigation repairs, as well as organizing community gardens and volunteer activities. This Division also maintains and operates the Old City Cemetery, which is an active burial cemetery which offers monthly tours and events.

- **Park Planning & Development Services:** Responsible for park planning, parkland acquisition, park master planning, policy implementation, and the design and development of new or renovation of existing neighborhood, community, and regional parks. In the last year, this Division has managed over 30 park development projects citywide with a construction value over \$7.0 million, including the delivery of three new parks (Sutter Park, Olympians Park, and Ricardo Favela Park); and has kicked-off a long awaited update to YPCE's Park and Recreation Master Plan.
- **Safety:** Responsible for preserving, protecting, and enforcement of park regulations at 223 parks, over 4,300 acres of open space, community centers, aquatic facilities, and bike trails. Responds to over 4,000 calls for service annually, citywide. Services provided by this division include enforcement of local park ordinances as well as overall safety of city parks and park land. Also responsible for handling over 350 homeless-related calls for service annually, homeless outreach and service coordination, weekly homeless camp/park cleanups, special event review and oversight, recreation/picnic permit implementation and compliance, and working in coordination with Sacramento County Regional Parks and Sacramento Police Department (SPD) to ensure safety in areas adjacent to or impacting city parks and park land.

PROGRAMS/SERVICE HIGHLIGHTS

- The Youth Division has continued to expand access to the Youth Development Institute (YDI) training beyond YPCE. Youth and adult allies from various City Departments and Charter Offices along with Community Based Organizations have completed the three-day interactive Youth Development Framework for

Practice training. This training aligns with the mission and goals of the Council adopted Citywide Youth Development Plan and YPCE's Strategic Plan.

- On November 4, 2019, staff from the Office of the City Clerk conducted a Swearing in Ceremony at the SYC meeting for the newly appointed youth members of the SYC. This action marked the first official SYC meeting since the adoption of Ordinance 2019-0010 on June 1, 2019. This ordinance codified the establishment of the SYC as an advisory body subjecting the commission to the same requirements as other city boards and commissions. This began a new chapter for the SYC as the official youth voice in the City.
- A total of 551 young people participated in youth workforce development programs offered by YPCE, which is a 38.8% increase compared to a total of 397 participants in FY2018/19:
 - 255 participants completed paid work experiences as City employees, which is a 27.5% increase compared to 200 participants in FY2018/19.
 - 296 participants completed 48 hours of work readiness training, a 50.3% increase from 197 participants in FY2018/19.
 - Youth program participants were surveyed and reported:
 - Felt safe during program - 91%
 - Felt valued during program - 91%
 - Positive experience during program - 89%
- The Youth Workforce Development's WIOA program formalized a collaborative partnership with the Sacramento Fire Department and the Sacramento Regional Firefighter Academy to implement a Youth Fire Academy. The Academy provides youth cadets specific work-related experiences focusing on the firefighter career. Upon graduation from the academy, young leaders have an opportunity to mentor future Academy cohorts and are invited to enroll in the Sacramento Fire Department Reserve College Program. The graduating class of 2020 has five of the 34 graduating cadets participating in the WIOA program.
- Reduction of food insecurity at the five START program sites by collaborating with various community partners to offer students and their families from the Robla community monthly access to free fruits, vegetables, and recipes at on-campus Farmer's Markets.
- The 28th & B Street Skate and Urban Art Park reopened in June 2019 with reconstructed skating ramps and bowl. Youth participation in four annual SK8 Camps offered was incredible with 105 campers. SK8 Camp offers an opportunity to learn the techniques of skateboarding and provides a safe environment to enjoy the park.

- The Prime-Time Teen eight-week interactive work readiness training program for young people 13-17 years of age expanded in FY2019/20. The program now offers 10 seasonal sessions per fiscal year (four in summer, two in fall, two in winter, two in spring) which provides 400 youth the opportunity to learn and gain skills in critical 21st century skill development opportunities, intentional youth development practices, and earn a monetary stipend.
- Summer @ City Hall graduated 86 Juniors and Seniors in the 2019 summer program along with providing workplace experience to 10 alumni as Returning Youth. Some of these alumni members have continued engagement in other City programs and employment opportunities.
 - Four new commissioners on the Sacramento Youth Commission
 - Four Youth Aides employed in L & L and/or WIOA
 - Three Youth Fire Academy Cadets
 - One Recreation Aide employed at the Oak Park Community Center
 - 10 employed in Thousand Strong Program
- The Aquatics section operates 17 neighborhood pools and wading pools, providing a safe, supervised environment to over 80,000 recreational swim participants. The division employed 175 youth as lifeguards and swim instructors and saw a 37% increase in swim lesson participation from FY2018/19, from 1,986 swim lessons to 2,717 swim lessons. Provided over 915 free swimming lessons through swim lesson training program and partnership with Sacramento Public Library and Council districts.
- With the opening of a new Triple-R Adult Day Care facility in South Land Park, the Older Adult Services program expanded the capacity to provide daytime support to an additional 20 older adults, from 100 to 120 compared to FY2018/19. Additionally, ADA upgrades and a re-establishment of the original midcentury modern design are underway at Hart Senior Center, a facility built by the City in 1961 as one of the first senior centers in California, scheduled for completion in early July 2020.
- The Community Center expansion provided increased programming opportunities and access to safe space for over 3,000 youth and teens, and hundreds of adults and older adults. Centers extended operations to six days per week with an increase of 1,700 expanded hours and activation of additional centers and clubhouses to enhance programming and customer service for all ages across Sacramento.
- As Camp Sacramento turned 100 years old, it reached 100% occupancy and an average of 80% rebooking rate, and initiated several facility improvement projects to enhance the family camp experience, safety, and provide additional opportunities for outdoor enrichment programs for people of all ages and abilities.

A multi-stage electrical project is underway, a large outdoor deck was added to the lodge, and a comprehensive ADA Assessment was completed, identifying projects to improve camp accessibility.

- In 2019, YPCE had 11,776 volunteers and logged in 46,548 volunteer hours which enhanced our parks appearance. The volunteers painted park benches and tables, pruned shrubs, spread mulch, and planted trees. YPCE in conjunction with Urban Forest and the Sacramento Tree Foundation planted 235 15-gallon sized trees and 1,100 tree saplings.
- In the past fiscal year, the City delivered the first two phases of the North Natomas Community Center and Aquatic Complex (NNCCAC) construction project, including the North Natomas Regional Park Dog Park relocation and the New Market Drive completion. YPCE will continue working with the Facilities Division in the Department of Public Works to deliver the NNCCAC construction project, scheduled to open in Spring 2021.
- Parks, Planning and Development Services Division managed 61 active CIP projects with total construction budget of \$22 million dollars. Of those, 32 park construction projects were completed, totaling over \$7 million dollars, including the delivery of three new parks: Olympians Park, Sutters Park and Ricardo Favela Park.
- Working in conjunction with the Sacramento Police Department Impact Team, YPCE's Impact Liaison Ranger completed service outreach to over 109 people experiencing homelessness and successfully placed 34 of those individuals in a long-term shelter housing.

DEPARTMENT EFFICIENCIES

- In FY2019/20, YPCE successfully trained 67% of YPCE leadership staff (Program Coordinators, Program Supervisors, General Recreation Supervisors, Recreation Superintendents and Division Managers) in program quality and continuous quality improvement practices as it relates to Youth Development. Training focuses on quality standards, proper program monitoring and action planning which empowers staff from each program to continuously evaluate, strategize and implement training and practices that improve overall program quality.
- Youth Sports, Fitness, and Wellness staff in the Youth Division revamped the Winter Youth Basketball League to play all Saturday elementary and middle school league games at one host community center. By playing the league games on two courts simultaneously, families and friends were able to stay at one location instead of traveling to two different locations at different times for each age level which increased attendance each game day.
- Youth Division staff have been resilient and continued providing access to quality programs and services that support youth development, safety, and health.

Highlights include standing up the Essential Worker Childcare services along with the creation of virtual engagement opportunities for Youth Aides, Summer @ City Hall, Returning Youth, SYC Commissioners and students from the START and ASES after school programs.

- Expansion of the “The Big 3” (YPCE, SPD, Fire) to include the Sacramento Public Libraries. The access to additional resources has allowed each of the partners to implement various activities within their programs focusing on youth and families.
 - Partnership between Sacramento Public Library, SPD, and Essential Worker Childcare Program. Library staff offer virtual story time twice a week and the Police Department provides story time once per week to youth ages 5-12. In addition to reading stories, activities include music and physical activity.
 - The Sacramento Public Library has donated books to children in the Essential Worker Childcare Program and to the community at-large through the meal distribution program at each community center.
- Secured a park planning consultant to update the YPCE Park and Recreation Master Plan update; currently developing our comprehensive community outreach strategy.
- Community Enrichment Division developed and implemented several organizational efficiencies to support internal and external customer service and communications. Active Net, the Department’s registration software, was expanded to allow for increased activities, online registration, flex-registration, and data collection. Additional pay points and POS systems were added at three community centers, Hart Senior Center and swimming pools, allowing for more efficient customer service, reporting and tracking. Facility rental process was updated to allow for electronic communication and reservations, and an equipment catalog was developed to support permitting of council district events.
- With onset of the COVID-19 pandemic, YPCE mobilized staffing and resources to continue serving the community with great success, including the development and implementation of an online virtual activities and resources page to engage and serve people of all ages and abilities; meal service and food distribution for thousands of youth, seniors and underserved families; and face covering distribution for independent businesses across Sacramento.
- Implement maintenance and irrigation efficiencies including turf removal, use of drought tolerant landscaping plants, upgrade the current irrigation system and work closely with Urban Forest in selecting the best trees planted in the parks.
- Completed review of over 420 development projects for compliance with City’s Park Impact Fee, Parkland Dedication Ordinance (Quimby) and Water Efficiency Landscape Ordinance.

- Completed a six week cleanup/outreach project of the Arcade Creek/Haggin Oaks Golf Course that resulted in the removal of over 80 tons of area trash, removal of 12 blighted and/or stolen vehicles and the shelter placement of five people experiencing homelessness.

OBJECTIVES FOR FY2020/21

- Completion of the first cohort Program Quality Standards (PQA) and measures for all youth programs receiving City funding.
- Train City and Community Based Organization staff on PQA, assessment, and action planning to achieve continuous program improvement process.
- Succession Planning for YDI – recruited and trained new Youth Development facilitators to expand the available trainers supporting the three annual training sessions.
- Regularly conduct park inspections to increase efficiency in the safety and appearance of the parks for the public to use and enjoy.
- Continue to work on delivering the update efforts for the Parks and Recreation Master Plan Update, including implementing a comprehensive community outreach plan, developing a recreation needs assessment and a statistically valid survey.
- Establish and document Policies and Procedures.
- Complete a department-wide cost recovery analysis.
- Implement direct access to Salesforce Program to efficiently process and disseminate calls for service from City of Sacramento 311 and allow for increased coordination and communication in overlapping calls with the SPD and other departments/divisions including YPCE Park Maintenance.
- Increase service to children with disabilities by formally developing a philosophy of inclusive programming in Community Centers, Aquatics, and other units of the department through collaborative work with therapeutic recreation specialists in the Access Leisure section.
- Continue to expand programs and services for the community through the COVID-19 pandemic, particularly to at-risk youth and seniors, maintaining or exceeding pre-COVID-19 service levels. Including expansion of the use of technology for programming and serving the public, and support for vulnerable populations in their homes as COVID-19 restrictions continue into FY2020/21.

POSITION CHANGES

- A vacant position (1.0 FTE Program Coordinator) was deleted and a new position (1.0 FTE Park Maintenance Worker III) was added to support volunteer management, teach landscape and park maintenance techniques, and supervise and train volunteers and crew members in the Parks Operations Division.
- New positions (0.41 FTE Program Director and two 0.48 FTE Senior Camp Aquatics Leader) were added to support Camp Sacramento operations and program growth as well as ensure compliance with American Camping Association accreditation standards. The costs of these positions are offset by program fees.
- Vacant positions (38 0.28 FTE Utility Workers) were deleted and new positions (24 0.45 FTE Utility Workers) were added to support park maintenance and clean-up by increasing the budgeted hours for existing positions.
- Vacant positions (seven 0.15 FTE and one 0.10 FTE Recreation Aides) were deleted and new positions (five 0.25 FTE Recreation Aides) were added to support field use, program leagues, activities, book tournament rentals, and programming as well as retention of employees with increased hours.
- Vacant positions (18 0.10 FTE Recreation Leaders (Adaptive Recreation)) were deleted and new positions (one 0.15 FTE, one 0.30 FTE, and three 0.47 FTE Recreation Leaders (Adaptive Recreation)) were added to support current year-round programming for Access Leisure programs.
- A vacant position (0.25 FTE Utility Worker) was deleted and a new position (0.45 FTE Utility Worker) was added to support aquatics' fall and spring season at Clunie Pool. The additional cost will be offset by program fees.
- Vacant positions (two 0.50 FTE Customer Service Assistant, 0.55 FTE Program Coordinator, five 0.30 FTE Recreation Aide, 0.35 FTE Recreation Aide, and 0.12 FTE Recreation Aide) were deleted and new positions (0.8 FTE Customer Service Assistant, 0.8 FTE Program Leader, 1.0 FTE Program Coordinator) were added to support program and service expansion at our community centers.
- Vacant positions (0.80 FTE Program Leader and 0.25 FTE Utility Worker) were deleted and a new position (1.0 FTE Program Leader) was added to support the increasing number of special events.
- Vacant positions (four 0.15 FTE Recreation Aides, three 0.16 FTE Recreation Aides, and 0.06 FTE Arts & Crafts Specialist) were deleted and new positions (one 0.22 FTE Recreation Aides, and two 0.46 FTE Senior Rec Aides) were added to align positions with current programming.
- Vacant positions (five 0.16 FTE Recreation Aides) were modified (three 0.10 FTE Recreation Aides and two 0.22 FTE Recreation Aides) to align with current programming needs.

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- Vacant positions (five 0.16 FTE Recreation Aides) were adjusted for a net increase of 0.5 FTE (two 0.22 FTE Recreation Aides and three 0.10 FTE Recreation Aides) to align with current programming needs.
- Vacant positions (two 0.10 FTE Staff Aide) were deleted and a new position (0.20 FTE Crew Leader (L&L)) was added to support the L&L program.
- Vacant positions (thirty 0.13 FTE Youth Aides) were deleted and new positions (ten 0.39 FTE Youth Aide) were added to provide our youth with additional hours to gain critical transferable employment skills.

Department Budget Summary

Youth, Parks, and Community Enrichment Budget Summary	FY2017/18 Actuals	FY2018/19 Actuals	FY2019/20 Approved	FY2019/20 Amended	FY2020/21 Approved	Change More/(Less) Approved/Amended
Employee Services	28,208,074	29,106,710	38,712,376	38,969,611	42,537,942	3,568,331
Other Services and Supplies	12,913,617	13,924,623	12,299,579	12,286,517	13,122,195	835,678
City Property	163,889	236,926	685,692	302,292	1,196,374	894,082
City Debt Service	328,532	104,339	-	-	-	-
Transfers	42,523	77,695	-	-	-	-
Labor and Supply Offset	(9,088,354)	(9,083,019)	(12,570,473)	(12,570,809)	(13,357,469)	(786,660)
Operating Transfers	-	11,148	-	-	-	-
Total	32,568,281	34,378,421	39,127,174	38,987,611	43,499,042	4,511,431

Funding Summary by Fund/Special District	FY2017/18 Actuals	FY2018/19 Actuals	FY2019/20 Approved	FY2019/20 Amended	FY2020/21 Approved	Change More/(Less) Approved/Amended
General Fund	18,941,430	20,952,521	25,071,532	24,796,399	26,725,194	1,928,795
4th R Program	5,845,278	6,055,236	5,749,199	5,878,799	7,499,833	1,621,034
Disaster Relief Act	110,696	-	-	-	-	-
Golf	208,729	(117,150)	(119,086)	(119,086)	(106,086)	13,000
Laguna Creek Maint Dist	59,135	71,158	195,000	195,000	145,000	(50,000)
Land Park	40,414	139,000	139,000	139,000	139,000	-
Landscaping and Lighting	3,636,863	3,422,744	3,800,000	3,800,000	4,000,000	200,000
N Natomas Lands CFD 3	1,487,508	1,423,872	1,487,667	1,487,667	1,607,667	120,000
Neighborhood Park Maint CFD	1,245,000	1,380,000	1,482,000	1,482,000	1,682,000	200,000
Neighborhood Water Quality Dist	20,251	24,000	24,000	24,000	24,000	-
NW Land Park CFD 2013-02	-	-	-	-	51,000	51,000
Park Development	480,365	266,222	172,837	172,837	172,837	-
Quimby Act	6,271	4,866	10,000	10,000	10,000	-
START	486,341	755,865	1,113,025	1,118,995	1,546,597	427,602
Township 9 CFD No. 2012-06	-	88	2,000	2,000	2,000	-
Total	32,568,281	34,378,421	39,127,174	38,987,611	43,499,042	4,511,431

Division Budget Summary

Youth, Parks, and Community Enrichment Division Budgets	FY2017/18 Actuals	FY2018/19 Actuals	FY2019/20 Approved	FY2019/20 Amended	FY2020/21 Approved	Change More/(Less) Approved/Amended
Administration & Safety Division	1,909,725	2,011,533	2,091,839	2,099,751	2,394,688	294,937
Community Enrichment Division	9,418,261	10,032,681	12,265,021	12,610,742	13,040,801	430,059
Neighborhood Services Division	668,708	516,505	622,299	172,390	-	(172,390)
Park Maintenance & Planning Division	12,557,152	13,222,801	14,578,811	14,188,811	15,768,614	1,579,803
Youth Division	8,014,434	8,594,900	9,569,204	9,915,917	12,294,938	2,379,021
Total	32,568,281	34,378,421	39,127,174	38,987,611	43,499,042	4,511,431

Staffing Levels

Youth, Parks, and Community Enrichment Division Budgets	FY2017/18 Actuals	FY2018/19 Actuals	FY2019/20 Approved	FY2019/20 Amended	FY2020/21 Approved	Change More/(Less) Approved/Amended
Administration & Safety Division	24.00	22.00	22.00	22.00	22.00	-
Community Enrichment Division	223.75	247.74	291.64	296.61	296.37	(0.24)
Neighborhood Services Division	9.45	5.95	4.95	-	-	-
Park Maintenance & Planning Division	145.84	148.84	149.64	149.64	149.80	0.16
Youth Division	222.16	227.11	234.11	235.91	236.85	0.94
Total	625.20	651.64	702.34	704.16	705.02	0.86

PERFORMANCE MEASURES

Park Maintenance and Planning Division

Key Measure	FY17 Actuals	FY18 Actuals	FY19 Actuals	FY20 Estimate	FY21 Target
Park maintenance cost per acre	\$3,568	\$4,666	\$5,550	\$5,794	\$6,137

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	FY17 Actuals	FY18 Actuals	FY19 Actuals	FY20 Estimate	FY21 Target
Number of developed park acres maintained per FTE	21.92	23.80	21.57	21.43	21.41

The department has established minimum service levels to ensure safe, clean parks and facilities. To accomplish this, each full-time equivalent Park Maintenance staff is generally assigned a service area. On average, a full-time 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	FY17 Actuals	FY18 Actuals	FY19 Actuals	FY20 Estimate	FY21 Target
Number of volunteer hours managed per developed park acre	7.74	7.61	17.00	12.90	17.00

Over 3,000 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	FY17 Actuals	FY18 Actuals	FY19 Actuals	FY20 Estimate	FY21 Target
Number of irrigation service requests responded to per irrigation FTE	80.40	179	242	181	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	FY17 Actuals	FY18 Actuals	FY19 Actuals	FY20 Estimate	FY21 Target
Number of safety calls responded to per Park Ranger	324	460	370	475	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	FY17 Actuals	FY18 Actuals	FY19 Actuals	FY20 Estimate	FY21 Target
Percent of respondents rating the quality of Measure U funded Middle School Intramural Sports Programs as good or excellent	97%	99%	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 (\$2.7 million General Fund): this funding is used to address:
 - Employee leave payouts authorized by labor contracts;
 - The 2021 minimum wage increase from \$13 to \$14 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 (\$23.3 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 (\$5.3 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 (\$2.2 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.
- Multi-tenant City-owned Buildings (\$4.1 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 FY2020/21, the budget was increased by \$519,182.

Multi-Year Operating Projects (MYOP)

The Citywide Support budget includes \$99.9 million (\$10.8 million in the General Fund, \$85.9 million in the Measure U Fund, \$3.2 million in the 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 (\$2.5 million in FY2020/21); the balance goes to the Community Center Fund. A portion of these revenues are used to support the Sacramento Office of Arts and Culture (OAC) 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, 6.0 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. The FTE increased by 2.0 FTE from FY2019/20.

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 \$1.6 million from the 10% TOT that is deposited in the Community Center Fund (amount and increases are voter approved) and \$514,848 from the two percent TOT allocated to the General Fund.
- Downtown Sacramento Partnership (DSP) (\$125,000): DSP funding covers programs and activities along the waterfront.
- Office of Arts and Culture (OAC) Funding (\$876,598): The City's funding contribution for OAC comes from the two percent TOT allocated to the General Fund. Prior to the recession the City was allocating 0.50% of this funding (0.50% of the General Fund TOT is currently \$514,848).

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 funding for a 1.0 FTE Program Specialist (\$153,840) position to continue the partnership with OAC to further the City's efforts with the Film Industry.

- Sacramento Public Library Authority (SPLA) (\$21.4 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 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 \$8.6 million, an increase of almost \$367,000 from FY2019/20. 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.

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 FY2020/21 G/MU Fund budget for library operations was increased to \$12.8 million, \$2.1 million more than FY2019/20. An additional \$400,000 is budgeted in the Public Works Measure U MYOP (180150900) to address critical facility needs at the City's libraries. Additionally, the five-year G/MU Fund forecast includes the following cumulative increases for the library:

- \$0.8 million in FY2021/22
- \$0.7 million in FY2022/23
- No increase in FY2023/24
- \$0.5 million in FY2024/25

While these increases will help address some of the financial challenges with operating the City's libraries, they do not address the ongoing structural deficits as well as operational needs. A far more serious issue is the history of unaddressed deferred maintenance for the buildings owned by the City. These unfunded capital needs amount to at least \$19.4 million for the City's libraries. Of this amount, \$5.4 million is for the long-awaited and much-needed branch refresh at the Martin Luther King Jr. Library. In addition, staff estimate that \$8.4 million is needed to relocate North Sacramento Library-Hagginwood Library. 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 4, 5, 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.

On June 12, 2019, the EUR Policy was amended to include Measure U resources in determining the annual set aside amount necessary to maintain a minimum G/MU Fund reserve level of 10%. Further, the policy includes a goal of achieving and maintaining the value of two months of regular ongoing G/MU expenditures in the reserve.

The Approved five-year G/MU Fund forecast presented to Council includes the suspension of G/MU contributions until more information is known about the impact of the pandemic on the City's economic situation. The current EUR balance is \$55.2 million, which is approximately 9.4% of estimated FY2020/21 G/MU revenues.

Other Sources and Uses

Other sources and uses in the Governmental, Enterprise, Internal and Other Governmental Funds total \$49.4 million.

Beginning Fund Balances

Beginning Fund balances of the Governmental, Enterprise, Internal, and Other Governmental Funds total \$394 million which represent available resources from the FY2018/19 CAFR and anticipated activity in FY2019/20. 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 \$303 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 - \$11.7 million (\$9.8 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 - \$3.8 million (\$2.6 million General Funds): This represents required contributions to ensure the continued stability of the program. As of March 2020, there were 949 participants (5 active) in SCERS.
- OPEB Trust - \$1.2 million (\$1 million General Funds) contribution: This represents funding to address the City's OPEB liability (estimated at \$400 million as of June 30, 2018).

Citywide and Community Support Budget Summary

Citywide and Community Support Budget Summary	FY2017/18 Actuals	FY2018/19 Actuals	FY2019/20 Approved	FY2019/20 Amended	FY2020/21 Approved	Change More/(Less) Approved/Amended
Employee Services	27,243,610	21,776,245	89,131,168	20,423,320	97,909,303	77,485,983
Other Services and Supplies	58,543,588	64,359,950	104,534,542	92,458,193	99,203,401	6,745,208
City Property	1,821,797	215,177	303,000	303,000	303,000	-
City Debt Service	65,583	-	-	-	-	-
Labor and Supply Offset	336,394	282,643	(58,140)	(58,140)	(69,552)	(11,412)
Contingency	-	-	1,000,000	1,240,300	1,000,000	(240,300)
Operating Transfers	1,507,019	(115,350)	(492,557)	(492,557)	(488,420)	4,137
Total	89,517,991	86,518,666	194,418,013	113,874,116	197,857,732	83,983,616

Funding Summary by Fund/Special District	FY2017/18 Actuals	FY2018/19 Actuals	FY2019/20 Approved	FY2019/20 Amended	FY2020/21 Approved	Change More/(Less) Approved/Amended
General Fund	54,331,259	49,680,508	65,093,399	64,647,455	73,913,533	9,266,078
2005 TAB Oak Park CIP TA	-	32,500	-	-	-	-
4th R Program	83,896	41,858	38,292	38,292	34,498	(3,794)
Community Center	1,544,898	1,610,101	1,620,312	1,620,312	1,685,978	65,666
City/Cnty Office-Water Planning	656,492	632,835	723,891	723,891	1,016,837	292,946
Del Paso PBID	19,883	34,334	35,224	37,000	35,224	(1,776)
Del Paso Prop & Business Imprv	485,526	454,400	474,427	482,709	474,427	(8,282)
Development Services	401,498	755,599	-	-	-	-
Downtown Management District	3,057,061	3,200,364	3,199,807	3,332,008	3,199,807	(132,201)
Downtown Plaza PBID	29,135	65,812	48,692	72,450	48,692	(23,758)
Fleet Management	608,573	393,636	333,272	333,272	317,387	(15,885)
Franklin Blvd PBID	18,581	44,129	77,000	80,730	77,000	(3,730)
Franklin Boulevard PBID	148,041	144,841	144,663	147,032	144,663	(2,369)

Citywide and Community Support Budget Summary (continued)

Funding Summary by Fund/Special District	FY2017/18	FY2018/19	FY2019/20	FY2019/20	FY2020/21	Change
	Actuals	Actuals	Approved	Amended	Approved	More/(Less) Approved/Amended
Golf	435	-	-	-	-	-
Greater Broadway PBID	295,550	292,554	288,681	303,136	288,681	(14,455)
Habitat Management Element	592,005	717,422	573,347	573,347	533,911	(39,436)
Innovation and Growth	-	1,100,000	10,211,000	10,211,000	3,211,000	(7,000,000)
Interdepartmental Service	1,553,854	1,363,844	1,718,037	1,718,037	1,974,601	256,564
Library Services Parcel Tax	7,534,521	7,846,396	8,273,511	8,273,511	8,639,847	366,336
Mack Road PBID	653,562	661,332	666,817	686,196	666,817	(19,379)
Marina	3,755	522	-	-	-	-
Measure U	506,060	506,061	85,539,297	4,465,156	86,359,626	81,894,470
Midtown Sacramento PBID	1,528,887	1,567,176	1,594,405	1,632,326	1,594,405	(37,921)
N Natomas Transp Mgmt Assoc	1,250,000	1,328,539	1,400,000	1,400,000	1,400,000	-
Oak Park PBID	322,449	309,866	311,783	322,158	311,783	(10,375)
Old Sacramento PBID	74,179	185,870	165,000	165,600	165,000	(600)
Parking	264,925	172,089	454,130	454,130	455,843	1,713
Power Inn Area Prop & Business	528,280	523,784	522,567	521,488	522,567	1,079
Private Development	142,643	236,041	-	-	-	-
Recycling and Solid Waste	1,677,343	1,287,685	1,142,434	1,142,434	1,070,712	(71,722)
Risk Mgmt	25,189	19,557	17,030	17,030	17,628	598
Sac Tourism Marketing District	6,868,989	7,425,018	7,154,000	7,840,000	7,154,000	(686,000)
Sheraton MOPA Project	224,820	319,149	-	-	-	-
START	4,447	4,919	9,001	9,001	9,317	316
Stockton Blvd BIA	28,659	46,959	53,000	53,000	53,000	-
Stockton Blvd PBID	343,851	342,694	349,997	359,394	349,997	(9,397)
Storm Drainage	707,508	642,534	432,558	432,558	432,195	(363)
The River District PBID	578,038	533,415	545,805	572,829	545,805	(27,024)
Wastewater	543,915	428,043	300,700	300,700	292,835	(7,865)
Water	1,791,534	1,538,271	887,079	887,079	840,599	(46,480)
Worker's Compensation	87,752	28,009	18,855	18,855	19,518	663
Total	89,517,991	86,518,666	194,418,013	113,874,116	197,857,732	83,983,616

Division Budget Summary

Citywide and Community Support Division Budgets	FY2017/18	FY2018/19	FY2019/20	FY2019/20	FY2020/21	Change
	Actuals	Actuals	Approved	Amended	Approved	More/(Less) Approved/Amended
Citywide Support Division	23,852,811	24,086,409	131,934,791	50,099,406	134,135,788	84,036,382
Community Support Division	29,203,560	30,899,900	41,635,598	42,686,786	42,904,756	217,970
County Property Taxes & Charges	2,313,580	2,631,035	2,620,000	2,620,000	2,740,562	120,562
Fund Contingency Division	-	-	1,000,000	1,240,300	1,000,000	(240,300)
Major Tax Revenues Division	7,518,885	7,774,804	375,000	375,000	375,000	-
Retired/Transfer Emp Benefit 1530	26,629,154	21,126,517	16,852,624	16,852,624	16,701,626	(150,998)
Total	89,517,991	86,518,666	194,418,013	113,874,116	197,857,732	83,983,616

Staffing Levels

Citywide and Community Support Division Budgets	FY2017/18	FY2018/19	FY2019/20	FY2019/20	FY2020/21	Change
	Actuals	Actuals	Approved	Amended	Approved	More/(Less) Approved/Amended
Community Support Division	5.00	5.00	5.00	5.00	7.00	2.00
Total	5.00	5.00	5.00	5.00	7.00	2.00

23

SECTION – 23 **Debt Service**

Debt Service

The **Debt Service Program** finances the cost of capital improvements through revenue bonds, lease 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, but are not limited to:

- Making bond payments
- Maintaining credit ratings
- Ensuring compliance with bond covenants
- 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, the IRS, the California State Controller's Office, 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 \$1.04 billion in General Fund lease obligations (\$253.7 million net of offsets) as of June 30, 2020. 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, 2020, the City had no General Fund Obligation Bonds outstanding and had a total debt limit of \$8.18 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:

- **2006 Capital Improvement Revenue Bonds (CIRBs), Series B, and E** - included (1) 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. These bonds were partially refinanced by the Wastewater Revenue Refunding, Series 2020 Bonds in July 2020.
- **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. These bonds were partially refinanced by the Water Revenue Refunding, Series 2020 Bonds in May 2020.
- **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 Sacramento Tourism Infrastructure District Revenue Bonds** – Financed the second ballroom at the Convention Center.
- **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.

FY2020/21 Approved Budget

Department Budget Summary

Debt Service Budget Summary	FY2017/18 Actuals	FY2018/19 Actuals	FY2019/20 Approved	FY2019/20 Amended	FY2020/21 Approved	Change More/(Less) Approved/Amended
Other Services and Supplies	18,924	22,184	-	-	-	-
City Debt Service	120,548,423	139,413,155	110,160,117	111,094,311	117,015,607	5,921,296
Labor and Supply Offset	-	200,821	-	-	-	-
Total	120,567,347	139,636,159	110,160,117	111,094,311	117,015,607	5,921,296

Funding Summary by Fund/Special District	FY2017/18 Actuals	FY2018/19 Actuals	FY2019/20 Approved	FY2019/20 Amended	FY2020/21 Approved	Change More/(Less) Approved/Amended
General Fund	27,575,006	26,090,290	25,615,184	25,615,184	20,423,244	(5,191,940)
2006 CIRBs, Series B (CRCIP)	1,518,853	1,607,644	1,514,383	1,514,383	1,515,382	999
2006 CIRBs (Refunding), Series E	104,760	125,054	125,055	125,055	102,268	(22,787)
2006 CIRBs Ser D	-	3,153	-	-	-	-
2015 Golden 1 Center Revenue Bonds	6,738,499	6,417,063	10,699,224	10,699,224	10,778,689	79,465
2015 Refunding Revenue Bond	1,660	7,422	-	-	-	-
2016 Lease Financing-H Street	669,939	672,443	674,592	674,592	671,315	(3,277)
2018 TOT Revenue Bonds, Tax Exempt	-	7,806,668	-	-	1,244	1,244
2018 TOT Revenue Bonds, Taxable	-	484,065	-	-	293	293
Art In Public Places Projects	-	(189,516)	-	-	-	-
Community Center	8,182,292	10,435,563	22,049,610	22,049,610	27,118,566	5,068,956
Debt Service - Other City Debt	102,599	102,586	-	-	-	-
Debt Service-93 Series A	16,884	55	-	-	1,051,819	1,051,819
Debt Service-93 Series B	46,169	151	-	-	2,979,535	2,979,535
Debt Service-CFD#2 Lease	-	93	-	-	-	-
Drinking Water SRF Loan	-	163,313	-	-	-	-
Fleet Management	95,079	96,920	67,072	67,072	46,021	(21,051)
Golf	1,168,298	1,168,341	1,167,267	1,167,267	1,166,462	(805)
Innovation and Growth	-	1,100,000	1,100,000	1,100,000	1,100,000	-
Kings-Arco Arena Acquisition	24,915,609	33,788,070	-	-	-	-
Marina	859,885	909,883	1,172,247	949,058	920,894	(28,164)
NNFP Public Facilities Fee	1,899,316	910,518	707,901	707,901	635,626	(72,275)
NNFP Public Land Acquisition Fee	2,029,574	2,130,511	-	-	-	-
NNFP Reg Park Land Acquisition	422,103	422,048	422,046	422,046	422,046	-
Parking	7,074,380	7,046,582	7,023,446	7,023,446	6,608,522	(414,924)
Recycling and Solid Waste	2,298,919	1,732,401	1,693,104	1,693,104	1,687,725	(5,379)
Sacramento TID	-	-	-	-	2,740,000	2,740,000
Storm Drainage	3,656,889	3,534,638	3,509,449	3,509,449	3,242,327	(267,122)
Wastewater	2,883,698	3,253,804	2,827,386	3,984,769	4,030,512	45,743
Wastewater Revenue Bonds	9	2,513	-	-	-	-
Wastewater Revenue Bonds 2019	-	(371)	-	-	-	-
Water	28,317,080	29,812,433	29,792,151	29,792,151	29,773,117	(19,034)
Water Revenue Bonds	(15,663)	1,418	-	-	-	-
Water Revenue Bonds Ser. 2017	5,509	401	-	-	-	-
Total	120,567,347	139,636,159	110,160,117	111,094,311	117,015,607	5,921,296

Division Budget Summary

Debt Service Division Budgets	FY2017/18 Actuals	FY2018/19 Actuals	FY2019/20 Approved	FY2019/20 Amended	FY2020/21 Approved	Change More/(Less) Approved/Amended
2006 CIRBs Series B, D, E Division	13,044,915	13,496,565	13,521,196	13,521,196	12,977,289	(543,907)
2013 Wastewater Revenue Bonds	1,960,281	1,959,681	1,957,931	1,957,931	1,954,181	(3,750)
2013 Water Revenue Bonds	14,020,150	14,016,400	14,017,000	14,017,000	14,013,500	(3,500)
2015 G1C Lease Revenue Bonds Division	13,138,499	13,327,547	18,299,224	18,299,224	18,378,689	79,465
2015 Refunding Revenue Bonds	23,715,963	22,220,213	21,259,138	21,259,138	21,082,762	(176,376)
2017 Water Revenue Bonds	1,811,035	3,378,788	3,375,538	3,375,538	3,378,163	2,625
2018 TOT Revenue Bonds	-	10,552,016	13,890,862	13,890,862	18,971,861	5,080,999
2019 STID Revenue Bonds Division	-	-	-	-	2,740,000	2,740,000
2019 Wastewater Revenue Bonds	-	412,408	-	1,157,383	1,298,000	140,617
CA Department of B&W Loan Division	772,538	102,586	-	-	-	-
Kings/Arco Arena Division	24,915,609	33,704,804	-	-	-	-
Miscellaneous Division-Debt Service	23,751,563	23,193,867	20,567,940	20,344,751	19,291,924	(1,052,827)
State Revolving Fund Loan Division	3,436,794	3,271,285	3,271,288	3,271,288	2,929,238	(342,050)
Total	120,567,347	139,636,159	110,160,117	111,094,311	117,015,607	5,921,296

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SECTION – 24 **Staffing**

Citywide Staffing Summary

Department	FY2019/20 Amended	FY2019/20 Council⁽¹⁾	FY2020/21 Re-Org	FY2020/21 Add/Delete	FY2020/21 Augmentations	FY2020/21 Approved
Mayor/Council	36.00	-	-	-	-	36.00
City Auditor	10.00	-	-	-	-	10.00
City Attorney	59.00	-	-	-	-	59.00
City Clerk	19.00	-	-	-	-	19.00
City Manager	72.00	-	(1.00)	(1.00)	-	70.00
City Treasurer	14.00	-	-	-	-	14.00
Community Development	290.00	-	-	-	-	290.00
Convention and Cultural Services	116.19	-	1.00	-	-	117.19
Finance	91.00	-	-	-	-	91.00
Fire	711.50	1.00	-	-	-	712.50
Human Resources	80.00	-	-	-	-	80.00
Information Technology	195.50	-	-	1.00	1.00	197.50
Police	1,099.46	-	-	(1.50)	-	1,097.96
Public Works ^(1.a)	736.35	1.00	-	(1.00)	8.00	744.35
Utilities	574.90	-	-	(5.00)	-	569.90
Youth, Parks, and Community Enrichment	704.16	-	-	0.86	-	705.02
Citywide and Community Support ^(1.b)	5.00	2.00	-	-	-	7.00
Total	4,814.06	4.00	-	(6.64)	9.00	4,820.42

(1) The additional FTE's included in the FY2020/21 FTE count were part of standalone Council action not included in the FY2020/21 Proposed Budget.

(1.a) 1.0 FTE Program Manager was approved through resolution 2020-0087 as part of the Sacramento Regional Solid Waste Authority.

(1.b) 1.0 FTE Administrative Analyst and 1.0 FTE Staff Aide MGM was approved through Resolution 2020-0122 as part of the FY2020/21 Approved Sacramento City-County Office of Metropolitan Water Planning budget.

FY2020/21 Approved Budget

Mayor/Council	FY2019/20	FY2020/21	Change
	Amended	Approved	
Chief of Staff to the Mayor	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	-
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 Council Representative	8.00	8.00	-
Special Assistant to the Mayor	1.00	1.00	-
Staff Aide MCS	2.00	2.00	-
Total	36.00	36.00	-

FY2020/21 Approved Budget

City Attorney	FY2019/20	FY2020/21	Change
	Amended	Approved	
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)	9.00	9.00	-
Legal Staff Assistant (Ex)	2.00	2.00	-
Paralegal (Ex)	5.00	5.00	-
Paralegal Technical Support	1.00	1.00	-
Senior Deputy City Attorney	26.00	26.00	-
Senior Legal Staff Assistant (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	59.00	59.00	-

FY2020/21 Approved Budget

City Auditor	FY2019/20	FY2020/21	Change
	Amended	Approved	
Assistant City Auditor	1.00	1.00	-
Auditor	2.00	1.00	(1.00)
City Auditor	1.00	1.00	-
Fiscal Policy Analyst	1.00	2.00	1.00
Principal Fiscal Policy Analyst	1.00	1.00	-
Senior Fiscal Policy Analyst	4.00	4.00	-
Total	10.00	10.00	-

FY2020/21 Approved Budget

City Clerk	FY2019/20	FY2020/21	
	Amended	Approved	Change
Administrative Analyst	-	1.00	1.00
Assistant City Clerk	1.00	1.00	-
City Clerk	1.00	1.00	-
Council/Clerk Operations Manager	1.00	1.00	-
Deputy City Clerk	7.00	7.00	-
Program Analyst	1.00	-	(1.00)
Program Specialist	3.00	3.00	-
Senior Deputy City Clerk	2.00	2.00	-
Staff Aide MGM	1.00	1.00	-
Staff Assistant-Mayor Council	1.00	1.00	-
Ticket Policy and Event Services Manager	1.00	1.00	-
Total	19.00	19.00	(1.00)

FY2020/21 Approved Budget

City Manager	FY2019/20	FY2020/21	
	Amended	Approved	Change
Administrative Analyst	3.00	9.00	6.00
Administrative Analyst (Rep20)	1.00	-	(1.00)
Administrative Officer	2.00	2.00	-
Administrative Technician	6.00	7.00	1.00
Assistant City Manager	4.00	4.00	-
Assistant Director	-	1.00	1.00
Assistant to the City Manager	1.00	1.00	-
Cannabis Manager	-	1.00	1.00
City Manager	1.00	1.00	-
Customer Service Specialist	2.00	-	(2.00)
Development Project Manager	-	9.00	9.00
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	-
Homeless Services Manager	1.00	1.00	-
Junior Development Project Manager	8.00	-	(8.00)
Marijuana Policy and Enforcement Manager	1.00	-	(1.00)
Media and Communications Officer	1.00	1.00	-
Media and Communications Specialist	1.00	2.00	1.00
Operations Manager	1.00	-	(1.00)
Principal Planner	1.00	1.00	-
Program Analyst	5.00	-	(5.00)
Program Manager	2.00	2.00	-
Program Specialist	3.00	2.00	(1.00)
Senior Accountant Auditor	1.00	1.00	-
Senior Development Project Manager	5.00	4.00	(1.00)
Special Projects Manager	4.00	4.00	-
Staff Aide MGM	10.00	9.00	(1.00)
Total	72.00	70.00	(2.00)

FY2020/21 Approved Budget

City Treasurer	FY2019/20	FY2020/21	Change	
	Amended	Approved		
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	-

FY2020/21 Approved Budget

Community Development	FY2019/20	FY2020/21	Change
	Amended	Approved	
Account Clerk II	4.00	4.00	-
Accountant Auditor	1.00	1.00	-
Accounting Technician	4.00	4.00	-
Administrative Analyst	3.00	8.00	5.00
Administrative Assistant	1.00	1.00	-
Administrative Technician	3.00	3.00	-
Animal Care Services Manager	1.00	1.00	-
Animal Care Technician	18.00	18.00	-
Animal Control Officer I	2.00	2.00	-
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	5.00	(3.00)
Associate Civil Engineer	3.00	3.00	-
Associate Planner	19.00	22.00	3.00
Building Inspector I	15.00	5.00	(10.00)
Building Inspector II	11.00	16.00	5.00
Building Inspector III	24.00	26.00	2.00
Building Inspector IV	10.00	13.00	3.00
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	21.00	21.00	-
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	8.00	8.00	-
Customer Service Supervisor	2.00	2.00	-
Deputy Chief Building Official	1.00	1.00	-
Development Project Manager	-	6.00	6.00
Development Services Technician I	8.00	7.00	(1.00)
Development Services Technician II	2.00	3.00	1.00
Development Services Technician III	4.00	4.00	-
Director of Community Development	1.00	1.00	-
Junior Development Project Manager	6.00	-	(6.00)
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	5.00	-	(5.00)
Program Manager	2.00	2.00	-

FY2020/21 Approved Budget

Community Development (continued)	FY2019/20	FY2020/21	Change
	Amended	Approved	
Program Specialist	6.00	6.00	-
Public Information Coordinator	1.00	1.00	-
Registered Veterinary Technician	4.00	4.00	-
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	3.00	(2.00)
Senior Development Project Manager	1.00	1.00	-
Senior Engineer	1.00	1.00	-
Senior Painter	1.00	1.00	-
Senior Planner	9.00	9.00	-
Staff Aide CON	1.00	1.00	-
Staff Aide MGM	1.00	3.00	2.00
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	290.00	290.00	-

FY2020/21 Approved Budget

Convention and Cultural Services	FY2019/20	FY2020/21	Change
	Amended	Approved	
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 Specialist	1.00	-	(1.00)
Arts Program Assistant	2.00	2.00	-
Arts Program Coordinator	2.00	2.00	-
Arts Program Specialist	-	1.00	1.00
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 and Creative Economy 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 Cultural Services	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	3.00	3.00	-
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	-
Program Specialist	-	1.00	1.00
Staff Aide MGM	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	116.19	117.19	1.00

FY2020/21 Approved Budget

Finance	FY2019/20	FY2020/21	Change
	Amended	Approved	
Account Clerk II	6.00	5.00	(1.00)
Accounting Technician ⁽¹⁾	3.00	3.00	-
Administrative Analyst	2.00	7.00	5.00
Administrative Assistant	1.00	1.00	-
Administrative Officer	1.00	1.00	-
Administrative Technician ⁽¹⁾	5.00	4.00	(1.00)
Budget Analyst	1.00	1.00	-
Budget Manager	1.00	1.00	-
Claims Collector	6.00	6.00	-
Contract and Compliance Specialist	2.00	2.00	-
Customer Service Representative	16.00	16.00	-
Customer Service Specialist	2.00	3.00	1.00
Customer Service Supervisor	2.00	2.00	-
Director of Finance	1.00	1.00	-
Enforcement and Collections Supervisor	1.00	1.00	-
Financial Services Manager	3.00	-	(3.00)
Finance Manager	-	3.00	3.00
Financial Services Supervisor	1.00	1.00	-
Payroll Technician	4.00	4.00	-
Principal Accountant	2.00	3.00	1.00
Principal Budget Analyst	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	5.00	1.00
Senior Accountant Auditor	10.00	9.00	(1.00)
Senior Accounting Technician	1.00	1.00	-
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	-

⁽¹⁾ The FY2020/21 Proposed Budget identified the incorrect reduction of 1.0 FTE from the Accounting Technician classification. The reduction is corrected to reduce 1.0 FTE from the Administrative Technician classification for the FY2020/21 Approved Budget.

FY2020/21 Approved Budget

Fire	FY2019/20	FY2020/21	Change
	Amended	Approved	
Account Clerk II	3.00	3.00	-
Administrative Analyst	8.00	9.00	1.00
Administrative Assistant	1.00	1.00	-
Administrative Officer	1.00	1.00	-
Administrative Technician	10.00	10.00	-
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	14.00	14.00	-
Fire Captain	115.00	116.00	1.00
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	4.00	(1.00)
Fire Prevention Officer II	11.00	12.00	1.00
Fire Recruit	11.50	11.50	-
Fire Service Worker	3.00	3.00	-
Firefighter	375.00	375.00	-
Investigator	1.00	1.00	-
Media and Communications Specialist	1.00	1.00	-
Office Specialist	7.00	7.00	-
Program Analyst	1.00	-	(1.00)
Program Specialist	1.00	1.00	-
Public Safety Administrative Manager	1.00	1.00	-
Senior Accountant Auditor	1.00	1.00	-
Senior Fire Prevention Officer	4.00	4.00	-
Staff Aide CON	3.00	3.00	-
Staff Aide TMP	2.00	2.00	-
Stores Administrator	1.00	1.00	-
Stores Clerk I	2.00	1.00	(1.00)
Stores Clerk II	1.00	2.00	1.00
Supervising Fire Service Worker	1.00	1.00	-
Support Services Manager	2.00	2.00	-
Total	711.50	712.50	1.00

FY2020/21 Approved Budget

Human Resources	FY2019/20	FY2020/21	Change
	Amended	Approved	
Administrative Analyst	6.00	9.00	3.00
Administrative Assistant	1.00	1.00	-
Director of Human Resources	1.00	1.00	-
Environmental Health and Safety Manager	-	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	-
Human Resources Manager (Rep20)	3.00	3.00	-
Investigator	2.00	2.00	-
Labor Relations Analyst	1.00	1.00	-
Labor Relations Officer	4.00	4.00	-
Loss Prevention Manager	1.00	-	(1.00)
Personnel Analyst	5.00	5.00	-
Personnel Technician	17.00	17.00	-
Program Analyst	3.00	-	(3.00)
Program Manager	1.00	1.00	-
Program Specialist	3.00	3.00	-
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	-
Workers Comp Claims Asst I	2.00	2.00	-
Workers Comp Claims Asst II	1.00	1.00	-
Workers Comp Claims Manager	1.00	1.00	-
Workers Comp Claims Supervisor	2.00	2.00	-
Worker's Compensation Claims Representative	6.00	6.00	-
Total	80.00	80.00	-

FY2020/21 Approved Budget

Information Technology	FY2019/20	FY2020/21	Change
	Amended	Approved	
311 Customer Service Agent	33.50	32.50	(1.00)
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	3.00	2.00
Administrative Technician	1.00	1.00	-
Applications Developer	8.00	9.00	1.00
Assistant Director		1.00	1.00
Chief Information Officer	1.00	1.00	-
Department Systems Specialist I	1.00	2.00	1.00
Department Systems Specialist II	4.00	4.00	-
Geographic Information Systems Specialist I	2.00	3.00	1.00
Geographic Information Systems Specialist II	9.00	8.00	(1.00)
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	7.00	2.00
Information Technology Support Specialist II	17.00	16.00	(1.00)
Information Technology Trainee	3.00	1.00	(2.00)
Media Production Specialist II	1.00	1.00	-
Operations Manager	1.00	-	(1.00)
Principal Applications Developer	10.00	10.00	-
Principal Systems Engineer	7.00	7.00	-
Program Analyst	2.00	-	(2.00)
Program Manager	2.00	2.00	-
Program Specialist	8.00	9.00	1.00
Senior Applications Developer	17.00	17.00	-
Senior Department System Specialist	6.00	6.00	-
Senior Information Technology Support Specialist	4.00	4.00	-
Senior Systems Engineer	9.00	10.00	1.00
Senior Telecommunications Technician	1.00	1.00	-
Systems Engineer	11.00	11.00	-
Telecommunications Engineer II	2.00	2.00	-
Telecommunications Engineer III	1.00	1.00	-
Total	195.50	197.50	2.00

FY2020/21 Approved Budget

Police	FY2019/20	FY2020/21	Change
	Amended	Approved	
Account Clerk I	-	1.00	1.00
Account Clerk II	2.00	1.00	(1.00)
Accountant Auditor	1.00	1.00	-
Accounting Technician	2.00	2.00	-
Administrative Analyst	10.00	24.00	14.00
Administrative Assistant	1.00	1.00	-
Administrative Officer	4.00	4.00	-
Administrative Technician	10.00	10.00	-
Community Service Officer I	15.00	7.00	(8.00)
Community Service Officer II	35.00	46.00	11.00
Community Service Representative I	3.00	3.00	-
Custodian II	4.50	5.00	0.50
Deputy Police Chief	3.00	3.00	-
Dispatcher I	6.00	13.00	7.00
Dispatcher II	74.00	67.00	(7.00)
Dispatcher III	10.00	10.00	-
Fingerprint Clerk	4.00	4.00	-
Forensic Investigator I	12.00	3.00	(9.00)
Forensic Investigator II	8.00	17.00	9.00
Media and Communications Specialist	1.00	1.00	-
Media Production Specialist I	4.00	4.00	-
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	17.00	17.00	-
Police Clerk III	3.00	3.00	-
Police Lieutenant	23.00	23.00	-
Police Officer	620.00	620.00	-
Police Records Specialist I	4.00	11.00	7.00
Police Records Specialist II	42.00	35.00	(7.00)
Police Records Specialist III	3.00	3.00	-
Police Records Supervisor	7.00	7.00	-
Police Sergeant	93.00	93.00	-
Police Social Services Administrator	1.00	1.00	-
Program Analyst	14.00	-	(14.00)
Program Manager	1.00	1.00	-
Property Assistant	9.00	9.00	-
Public Safety Admin. Manager	-	1.00	1.00
Public Safety Communications Manager	1.00	1.00	-
Reserve Community Service Officer	5.00	-	(5.00)
Reserve Police Officer I	0.66	0.50	(0.16)
Reserve Police Officer II	-	0.16	0.16

FY2020/21 Approved Budget

Police (continued)	FY2019/20 Amended	FY2020/21 Approved	Change
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	-
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	1,099.46	1,097.96	(1.50)

FY2020/21 Approved Budget

Public Works	FY2019/20	FY2020/21	Change
	Amended	Approved	
Account Clerk II	4.00	4.00	-
Accountant Auditor	2.00	2.00	-
Accounting Technician	7.00	7.00	-
Administrative Analyst ⁽¹⁾	6.00	24.00	18.00
Administrative Assistant	1.00	1.00	-
Administrative Officer	2.00	2.00	-
Administrative Technician	8.00	9.00	1.00
Arborist/Urban Forester	6.00	6.00	-
Architectural Technician III	2.00	2.00	-
Assistant Civil Engineer ⁽¹⁾	8.00	12.00	4.00
Associate Architect	2.00	2.00	-
Associate Civil Engineer	15.00	12.00	(3.00)
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	1.00	(1.00)
Construction Inspector II	7.00	8.00	1.00
Construction Inspector III	12.00	12.00	-
Contract and Compliance Specialist	2.00	2.00	-
Custodian I	3.00	3.00	-
Custodian II	1.00	1.00	-
Customer Service Representative	1.00	1.00	-
Customer Service Specialist	3.00	3.00	-
Development Project Manager	-	1.00	1.00
Development Services Technician I	1.00	1.00	-
Director of Public Works	1.00	1.00	-
Electrical Construction Inspector II	-	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	8.00	9.00	1.00
Equipment Maintenance Supervisor	4.00	4.00	-
Equipment Mechanic I	7.00	9.00	2.00
Equipment Mechanic II	24.00	22.00	(2.00)
Equipment Mechanic III	7.00	7.00	-
Equipment Serviceworker	25.00	25.00	-

FY2020/21 Approved Budget

Public Works (continued)	FY2019/20	FY2020/21	Change
	Amended	Approved	
Facilities and Real Property Superintendent	2.00	2.00	-
Facilities Manager	1.00	1.00	-
Fleet Management Technician	3.00	3.00	-
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	120.30	5.00
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	17.00	1.00
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	5.00	5.00	-
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 Planner	1.00	1.00	-
Program Analyst	19.00	-	(19.00)
Program Manager ⁽²⁾	5.00	6.00	1.00
Program Specialist	12.00	12.00	-
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	-

FY2020/21 Approved Budget

Public Works (continued)	FY2019/20	FY2020/21	Change
	Amended	Approved	
Senior Electronic Maintenance Technician	1.00	1.00	-
Senior Engineer	14.00	14.00	-
Senior Engineering Technician	2.00	2.00	-
Senior Equipment Service Worker	1.00	1.00	-
Senior HVAC Systems Mechanic	2.00	2.00	-
Senior Integrated Waste Equipment Operator	5.00	8.00	3.00
Senior Landfill Engineering Technician	1.00	1.00	-
Senior Maintenance Worker	2.00	2.00	-
Senior Office Specialist	6.00	5.00	(1.00)
Senior Parking Lot Attendant	4.50	4.50	-
Senior Planner	1.00	1.00	-
Senior Tree Maintenance Worker	4.00	4.00	-
Senior Tree Pruner	4.00	4.00	-
Staff Assistant	2.00	2.00	-
Street Construction Equipment 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	4.00	4.00	-
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	2.00	2.00	-
Survey Technician I	2.00	1.00	(1.00)
Survey Technician II	4.00	4.00	-
Telecommunications Engineer I	1.00	1.00	-
Telecommunications Engineer III	1.00	1.00	-
Telecommunications Systems Analyst II	1.00	-	(1.00)
Telecommunications Technician Trainee	1.00	1.00	-
Traffic Control and Lighting Supervisor	3.00	3.00	-
Traffic Control and Lighting Technician I	2.00	2.00	-
Traffic Control and Lighting Technician II	11.00	10.00	(1.00)
Traffic Control and Lighting Technician Trainee	-	1.00	1.00
Traffic Investigator I	1.00	2.00	1.00
Traffic Investigator II	1.00	1.00	-
Traffic Investigator III	4.00	3.00	(1.00)
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	-

FY2020/21 Approved Budget

Public Works (continued)	FY2019/20	FY2020/21	Change
	Amended	Approved	
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 Attendant	2.00	2.00	-
Total	736.35	744.35	8.00

(1) Resolution 2019-0248 authorized the reclassification study of a 1.0 FTE Administrative Analyst to 1.0 FTE Assistant Civil Engineer. The reclassification was approved after the FY2020/21 Proposed Budget.

(2) 1.0 FTE Program Manager was approved through Resolution 2020-0087 as part of the Sacramento Regional Solid Waste Authority agreement.

FY2020/21 Approved Budget

Utilities	FY2019/20	FY2020/21	Change
	Amended	Approved	
Accountant Auditor	-	1.00	1.00
Accounting Technician	5.00	5.00	-
Administrative Analyst	7.00	23.00	16.00
Administrative Assistant	1.00	1.00	-
Administrative Technician	8.00	8.00	-
Assistant Civil Engineer	6.00	5.00	(1.00)
Assistant Water Cross Connection Control Specialist	4.00	4.00	-
Associate Civil Engineer	12.00	13.00	1.00
Associate Electrical Engineer	3.00	3.00	-
Blacksmith Welder	1.00	1.00	-
Business Services Manager	1.00	1.00	-
Claims Collector	1.00	1.00	-
Construction Inspector II	1.00	1.00	-
Customer Service Representative	30.00	27.00	(3.00)
Customer Service Specialist	8.00	7.00	(1.00)
Customer Service Supervisor	5.00	4.00	(1.00)
Development Services Technician I	1.00	-	(1.00)
Development Services Technician II	1.00	2.00	1.00
Development Services Technician III	1.00	1.00	-
Director of Utilities	1.00	1.00	-
Electrical Design Technician	1.00	1.00	-
Electrician	13.00	11.00	(2.00)
Electrician Supervisor	2.00	2.00	-
Engineering Manager	1.00	1.00	-
Engineering Technician II	1.00	2.00	1.00
Engineering Technician III	2.00	1.00	(1.00)
Generator Technician	5.00	5.00	-
Information Technology Supervisor	2.00	2.00	-
Instrument Technician I	4.00	4.00	-
Instrument Technician II	8.00	7.00	(1.00)
Instrumentation Supervisor	1.00	1.00	-
Junior Plant Operator	13.00	13.00	-
Machinist	16.00	16.00	-
Machinist Helper	17.00	17.00	-
Machinist Supervisor	4.00	4.00	-
Media and Communications Specialist	1.00	1.00	-
Meter Reader	4.00	4.00	-
Meter Reading Supervisor	1.00	1.00	-
Office Specialist	2.00	2.00	-
Personnel Transactions Coordinator	2.00	2.00	-
Plant Operator	33.00	33.00	-
Process Control Systems Specialist	6.00	7.00	1.00
Program Analyst	17.00	-	(17.00)
Program Manager	6.00	6.00	-
Program Specialist	14.00	14.00	-
Senior Accountant Auditor	1.00	1.00	-

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Utilities (continued)	FY2019/20	FY2020/21	Change
	Amended	Approved	
Senior Accounting Technician	1.00	1.00	-
Senior Electrician	2.00	2.00	-
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 Transaction 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	5.00	5.00	-
Stores Administrator	1.00	1.00	-
Student Trainee (Engineering, 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	8.00	8.00	-
Supervising Water Quality Chemist	1.00	1.00	-
Support Services Manager	1.00	1.00	-
Utilities Locator	9.00	9.00	-
Utilities Operations and Maintenance Leadworker	72.00	73.00	1.00
Utilities Operations and Maintenance Manager	2.00	2.00	-
Utilities Operations and Maintenance Serviceworker	85.00	85.00	-
Utilities Operations and Maintenance Serviceworker Apprentice	7.00	8.00	1.00
Utilities Operations and Maintenance Superintendent	7.00	7.00	-
Utilities Operations and Maintenance Supervisor	18.00	18.00	-
Utility Construction Coordinator	2.00	2.00	-
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	574.90	569.90	(5.00)

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Youth, Parks, and Community Enrichment	FY2019/20	FY2020/21	Change
	Amended	Approved	
Accounting Technician	4.00	4.00	-
Administrative Analyst	7.00	8.00	1.00
Administrative Assistant	1.00	1.00	-
Administrative Officer	4.00	4.00	-
Administrative Technician	1.00	1.00	-
Aquatic Specialist	-	1.80	1.80
Aquatics Recreation Coordinator	-	2.00	2.00
Aquatics Recreation Supervisor	1.00	1.00	-
Aquatics Specialist (Year-Round)	1.80	-	(1.80)
Arts and Crafts Specialist	0.06	-	(0.06)
Assistant Camp Chef	-	1.03	1.03
Assistant Camp Sacramento Supervisor	1.00	1.00	-
Assistant Caretaker	0.50	0.50	-
Assistant Cook	1.03	-	(1.03)
Assistant Director	-	1.00	1.00
Assistant Planner	1.00	1.00	-
Assistant Pool Manager	9.75	9.75	-
Associate Landscape Architect	4.00	4.00	-
Building Monitor	11.01	11.01	-
Camp Aide	6.08	6.08	-
Camp Chef	-	1.50	1.50
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 (Aquatics)	-	4.00	4.00
Cashier (Community Services)	4.00	-	(4.00)
Community Center Attendant I	2.00	2.00	-
Contract and Compliance Specialist	1.00	1.00	-
Crew Leader (Landscape and Learning)	6.36	6.36	-
Custodial Supervisor	1.00	1.00	-
Custodian II	14.00	14.00	-
Customer Service Assistant	9.90	9.70	(0.20)
Customer Service Representative	8.00	8.00	-
Customer Service Specialist	1.00	1.00	-
Customer Service Supervisor	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	-
Graphic Designer	1.00	1.00	-
Graphics Assistant	0.45	0.45	-
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	16.25	16.25	-

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Youth, Parks, and Community Enrichment (continued)	FY2019/20 Amended	FY2020/21 Approved	Change
Nurse	0.10	-	(0.10)
Nurse (Adaptive Recreation)	-	0.10	0.10
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	36.00	36.00	-
Park Maintenance Worker I	23.00	23.00	-
Park Maintenance Worker II	42.00	42.00	-
Park Maintenance Worker III	3.00	4.00	1.00
Park Plan Design and Development 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	5.65	5.65	-
Program Analyst	1.00	-	(1.00)
Program Coordinator	54.00	51.45	(2.55)
Program Coordinator (Adaptive Recreation)	2.00	2.00	-
Program Coordinator (Older Adults)	7.80	7.80	-
Program Developer	19.00	19.00	-
Program Developer (Older Adults)	2.00	2.00	-
Program Director	1.23	1.64	0.41
Program Leader	16.75	17.75	1.00
Program Specialist	3.00	3.00	-
Program Supervisor	14.00	14.00	-
Program Supervisor (Older Adults)	1.00	1.00	-
Public Service Aide	1.91	1.91	-
Recreation Aide	175.89	173.10	(2.79)
Recreation Aide (Older Adults)	9.87	9.87	-
Recreation General Supervisor	6.00	6.00	-
Recreation Leader (Adaptive Recreation)	5.30	6.53	1.23
Recreation Leader (Special Needs)	1.17	-	(1.17)
Recreation Manager	2.00	2.00	-
Recreation Superintendent	4.00	4.00	-
Senior Accountant Auditor	1.00	1.00	-
Senior Accounting Technician	3.00	3.00	-
Senior Camp Aquatics Leader	-	0.96	0.96
Senior Landscape Architect	1.00	1.00	-
Senior Lifeguard	20.30	20.30	-
Senior Planner	1.00	1.00	-
Senior Recreation Aide	10.48	11.40	0.92
Senior Recreation Aide (Older Adults)	5.64	5.64	-
Staff Assistant	1.00	1.00	-
Student Trainee (Most Majors)	2.90	2.90	-
Support Services Manager	1.00	1.00	-
Utility Worker	20.01	20.12	0.11
Youth Aide	32.65	32.65	-
Total	704.16	705.02	0.86

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	FY2019/20 Amended	FY2020/21 Approved	Change
Citywide and Community Support			
Administrative Analyst ⁽¹⁾	-	1.00	1.00
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	-
Staff Aide MGM ⁽¹⁾	-	1.00	1.00
Subtotal CCOMWP	4.00	6.00	1.00
Local Agency Formation Commission (LAFCo)			
New Growth Manager	-	1.00	1.00
Principal Planner	1.00	-	(1.00)
Subtotal LAFCo	1.00	1.00	2.00
Citywide and Community Support Total	5.00	7.00	-

⁽¹⁾ 1.0 FTE Administrative Analyst and 1.0 FTE Staff Aide MGM was approved through resolution 2020-0122 as part of the FY2020/21 Approved Sacramento City-County Office of Metropolitan Water Planning budget.

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 FY2020/21 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 2020:

Project Description	Project #	Total Budget	Available Budget
GENERAL FUND			
2014 AFG Wellness Grant	G12902300	16,748	-
2015 BWC PIP (2015-DE-BX-K049)	G11014500	71,276	-
2016 AFG Source Capture Grant	G12902500	72,307	(16,585)
CalVIP - GPITF	G02000700	124,700	62,350
FY2012/13 Gang Violence Supp	G11010900	29,980	-
FY2015/16 Adaptive Sports	G19100400	20,922	-
FY2015/16 Gang Violence Supp	G11015000	36,580	17,979
FY2015/16 OHV Grant	G11015100	6,459	-
FY2015/16 S.A.V.E. Program	G11012415	7,780	-
FY2016/17 ASES - SCUSD	G19041270	21,000	-
FY2016/17 OHV Program	G11015118	16,711	-
FY2017/18 S.A.V.E. Program	G11012418	10,575	-
FY2017/18 State OHMVR Grant	G11015119	10,131	(4,482)
FY2018/19 - ASES - SCUSD	G19041290	20,885	-
FY2019/20 - ASES - SCUSD	G19041310	22,639	22,639
River Crossing Art Project	G17605000	62,500	62,500
Youth RIV Grant FY19-23	G02001300	6,000	6,000
General Fund Total		557,193	150,401
ENTERPRISE FUNDS			
District Metered Area Management	G14160100	2,431,534	-
Downtown Street Cans	G15002500	82,238	-
RW Efficiency Acceleration GP	G14110200	265,543	-
Used Oil Payment Program-OPP10	G15003000	136,207	136,207
Used Oil Payment Program-OPP8	G15002800	132,523	-
Used Oil Payment Program-OPP9	G15002900	135,906	(11,111)
Enterprise Funds Total		3,183,951	125,096
OTHER FUNDS			
2009 Urban Search & Rescue	G12500900	1,002,343	-
2010 Safer Grant	G12902100	5,606,863	(3,554)

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Project Description	Project #	Total Budget	Available Budget
OTHER FUNDS (continued)			
2010 Urban Search & Rescue	G12501000	1,075,681	-
2011 Urban Search & Rescue	G12501100	1,165,078	9,355
2012 Urban Search & Rescue	G12501200	1,299,608	6,430
2014 AFG Wellness Grant	G12902300	167,482	-
2015 BWC PIP (2015-DE-BX-K049)	G11014500	599,756	-
2015 SHSGP Grant	G12902400	59,687	(1)
2015 Urban Search & Rescue	G12501500	1,229,582	31,722
2015 US&R - Comms Supplement	G12501501	49,151	(2,844)
2016 AFG Source Capture Grant	G12902500	1,113,071	22,599
2016 JAG (2016-DJ-BX-0430)	G11014900	256,776	-
2016 SHSGP Grant	G12902600	60,000	7,468
2016 Urban Search & Rescue	G12501600	1,278,582	92,109
2016 US&R - Comms Supplement A	G12501601	46,901	698
2016 US&R - Comms Supplement B	G12501602	70,010	780
2017 CHP (2017-ULWX-0028)	G11017000	1,875,000	1,875,000
2017 SHSGP Grant Hazmat Equipment	G12902701		(94,173)
2017 SHSGP Grant Rescue Equipment	G12902703		(21,160)
2017 SHSGP Grant Water Rescue	G12902702		(113,136)
2017 UASI	G11016900	2,369,600	789,281
2017 Urban Search & Rescue	G12501700	1,237,013	114,620
2018 OTS Bike/Ped (PS18013)	G11016300	75,000	3,886
2018 Petco Lifesaving Grant	G21001700	250,000	-
2018 Urban Search & Rescue	G12501800	1,193,990	147,555
2019 OTS STEP (PT19103)	G11016219	403,304	40,395
2020 OTS STEP (PT20148)	G11016220	375,000	245,830
Animal Services for Homeless	G21001900	100,000	44,588
Annual Funds for CA-TF7, US&R	G12501900	1,236,104	1,153,331
AR Floodplain & Side-Channel	G14140400	7,736,839	7,736,839
Brownfields Revolving Loan	G02180100	750,000	744,141
CAC State and Local Partnership	G17606000	43,250	43,250
CalGRIP Safe Comm 4/10-3/12	G11007100	382,639	2,196
CalVIP - GPITF	G02000700	868,700	436,100
Cert 2010 SHSGP Grant	G12902000	75,056	-
Cert 2011 SHSGP Grant	G12902200	37,700	598
Chako Pit Bill Rescue S/N	G13000060	5,000	2,285
Citizen's Option 7/12-6/16	G11010800	803,553	-
City HEAP Youth Programs	G02000824	473,648	-
Citywide Disaster Recovery Plan	G02000800	25,000	-
CoC HEAP Youth Programs	G02000825	323,648	-
Cordova Creek Naturalization 2	G14140500	400,000	400,000
Del Oro - Triple R Subsidy	G19090900	12,000	12,000
Downtown Streets Team- HEAP	G02000821	602,158	-
Fire FY05 Homeland Security 2541	G12901000	95,169	1
FY14 - FY18 21st Century START	G19030500		691
FY2012/13 Gang Violence Supp	G11010900	691,625	-
FY2013/14 Citizens Option	G11014000	131,106	354
FY2014/15 21st Century START	G19030502	690,000	-
FY2014/15 CHP (2015-ULWX-0005)	G11014400	1,875,000	12,931
FY2014/15 Citizens Option	G11012200	50,534	2,574
FY2014/15 LAR Spawning & Rearing	G14140101	1,793,058	10,047
FY2015/16 21st Century START	G19030503	690,000	105,138
FY2015/16 Adaptive Sports	G19100400	70,967	-
FY2015/16 DBW BSEE	G11014300	72,555	2
FY2015/16 Gang Violence Support	G11015000	1,199,584	186,657
FY2015/16 OHV Grant	G11015100	24,351	-

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Project Description	Project #	Total Budget	Available Budget
OTHER FUNDS (continued)			
FY2015/16 S.A.V.E. Program	G11012415	77,251	-
FY2015/16 SHSGP	G11015800	29,675	44
FY2015/2016 UASI	G11015200	2,369,600	(63,926)
FY2016/17 - Adaptive Sports	G19100500	86,528	-
FY2016/17 21st Century START	G19030504	630,744	36,061
FY2016/17 ASES - SCUSD	G19041270	105,000	-
FY2016/17 Citizen's Option Growth	G11016700	294,826	57,770
FY2016/17 City Le Grant (BSCC)	G11015900	168,138	168,138
FY2016/17 JAG (2017-DJ-BX-0978)	G11016400	248,327	(476)
FY2016/17 LAR Spawning & Rearing	G14140103	302,725	715
FY2016/17 OHV Program	G11015118	48,037	4,780
FY2016/17 OTS - Bike/Ped	G11015500	125,425	22,476
FY2016/17 OTS Step (PT17103)	G11015400	451,406	-
FY2016/17 WIA	G19090160	274,935	58,796
FY2017/18 21st Century START	G19030506	494,260	247,130
FY2017/18 ABC	G11016100	100,000	5,380
FY2017/18 Citizen's Option	G11016800	754,331	163,339
FY2017/18 Citizen's Option Growth	G11017400	367,710	153,813
FY2017/18 Gang Violence Supp	G11016500	419,365	136,754
FY2017/18 JAG (2018-DJ-BX-0855)	G11017500	252,397	217,630
FY2017/18 S.A.V.E. Program	G11012418	105,748	-
FY2017/18 State OHMVR Grant	G11015119	23,746	612
FY2018/19 - ASES - EGUSD	G19041800	144,107	1,195
FY2018/19 - ASES - SCUSD	G19041290	139,230	2,835
FY2018/19 - WIOA	G19090180	151,701	8,935
FY2018/19 ABC Grant (18G-LA40)	G11017200	100,000	-
FY2018/19 Citizen's Option	G11017300	761,957	645,653
FY2018/19 FWS LAR Restor. Monitor	G14140301	136,830	-
FY2018/19 Gang Violence Supp	G11017100	403,660	4,936
FY2018/19 LAR Spawning & Rearing	G14140104	985,000	827,234
FY2019/20 - ASES - SCUSD	G19041310	150,925	77,969
FY2019/20 - WIOA	G19090190	77,206	39,333
FY2019/20 ABC Grant	G11017220	100,000	36,240
FY2019/20 FWS LAR Restor. Monitor	G14140302	218,170	40
FY2019/20 Gang Violence Supp	G11017600		(68,737)
FY2019/20 Gang Violence Suppression	G11017620	403,660	204,499
FY2019/20 LAR Spawning & Rearing	G14140105	973,796	225,589
GIS Census Incentive Grant	G07000400	45,000	45,000
HEAP Admin	G02000822	282,285	282,285
Homeless Emergency Aid Program	G02000820	-	-
Hurricane Florence	G12703700		(32,694)
Hurricane Harvey	G12703100		(594,627)
Hurricane Irma	G12703200		(123,135)
Hurricane Isaac - IST	G12702300	16,858	-
Hurricane Lane	G12703500		(11,556)
Hurricane Maria	G12703300		(465,850)
Hurricane Matthew	G12703000	49,481	-
Hurricane Olivia	G12703600		(20,427)
Hurricane Sandy - IST	G12702400	41,058	-
ICAC Task Force (FY18 - FY20)	G11016600	210,000	70,000
Innovation Grant 2019	G21002000	75,000	75,000
Innovations Grant Program	G11017700	134,186	125,658
Internet Crimes Agnst Children	G11016000	47,729	-
JAG 10/08-9/12	G11006518	614,921	-
LAR Spawning & Rearing Habitat	G14140100	500,001	500,001

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Project Description	Project #	Total Budget	Available Budget
OTHER FUNDS (continued)			
Lyons Co. Flooding	G12702600	26,680	-
Micheletti-ElMonte Groundwater	G15000200	600,197	29,257
Northeast Sacramento	G02001200	300,000	41,043
OTS FY18 STEP (PT18072)	G11016200	567,331	182,048
Petco Innovation Showdown	G21001800	250,000	125,898
Regional Transit 2010	G17601900	31,000	-
Regional Transit 2016	G17601901	24,000	24,000
River Crossing Art Project	G17605000	187,500	51,487
Sanitation Grant	G02000900	150,000	13,272
Shelter Expansion - HEAP	G02000826	1,436,400	694,298
Terminal A Artwork and Maint	G17603000	50,000	-
Tropical Cyclone Dorian	G12704000		(8,945)
Tropical Storm Barry	G12703900		(16,165)
Tropical Storm Nate	G12703400		(8,273)
UASI Hmland Sec 07 11/07-6/10	G11005700	3,336,000	-
US&R-Hurricane Gustav Deployment	G12701600	10,439	-
USAR Moore, OK Tornado	G12702500	8,347	-
Vision Zero Safety Campaign	G15180100	200,000	23,362
Youth RIV Grant FY19-23	G02001300	999,780	21,430
Other Funds Total		66,789,330	18,283,704
Total All Funds		70,530,474	18,559,200

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 2020:

Project Description	Project #	Total Budget	Available Budget
GENERAL FUND			
2020 Redistricting	I02000400	1,151,161	214,232
21st Century Skills Grant Program	I01000400	175,460	460
ADA Education & Training	I08000100	57,285	57,035
APP Maintenance	I17000500	864,486	774,218
Archives East End Project	I17000100	86,350	14,882
Arts and Cultural Plan	I17000900	110,000	100
Arts Ed and Community Outreach	I17001100	200,000	(28,755)
B Street Theatre	I80180000	3,000,000	-
Business Capacity	I02001900	350,000	-
Business Incentives Program	I02001300	100,000	100,000
CA Rural Legal Assistance	I02000800	300,000	-
Cannabis Policy & Enforcement	I06420000	20,071,431	16,644,193
Cemetery Facility Improvement	I17000300	13,359	434
Central City Strategic Plan	I21005300	1,657,892	75,011
Cesar Chavez Park Maintenance	I19101200	21,114	21,114
Citywide Classification Study	I08000400	3,000,000	2,995,000
Citywide Innovation & Efficiency Assessment	I01002000	268,900	(169,050)
Citywide Litigation Project	I80310000	1,620,000	857,554
Community Capacity	I02002000	350,000	-
Community Investment Program	I02001200	135,000	45,000
Community Nonprofit Assistance	I02001000	200,000	-
Community Outreach & Enhanced Services	I02001100	200,000	131,621
CORE	I02420000	2,000,000	1,400,000
Creative Edge	I02181100	1,480,000	787,844
Crisis Intervention Training	I11002200	181,150	8,148
Cultural and Economic Vitality	I17001000	278,724	76,887
Cultural Arts Awards	I17000700	1,900,000	323
Curtis Park Village Litigation	I21005400	630,000	3,887
CWTP - City Manager	I02002200	100,000	70,000
Downtown ESC Project	I02000500	2,981,788	6,853
Economic Development	I02001400	165,000	165,000
Economic Development RSRV 4455	I06100200	521,226	22,354
EIFD Formation	I02180500	200,000	200,000
Electrical Safety Program	I13000100	430,259	142,636
F.O.C.A.S. (13086)	I13000400	60,500	-
Fairytale Town Expansion	I17006100	609,000	-
FEMA Corrective Action Plan	I21004900	400,000	64,594
Fence Removal/Turf Conversion Program	I14120400	100,000	98,254
Financial Empowerment	I02182000	50,000	-
Fleet - Citywide	I06100000	500,000	500,000
Fleet - Fire	I06120000	989,558	174,796
Fleet - Parks & Rec	I06190000	2,650,900	223,457
Fleet - Police	I06110000	9,895,857	2,314,615

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Project Description	Project #	Total Budget	Available Budget
GENERAL FUND (continued)			
Fleet - PW General Fund	I06150000	4,826,749	856,523
Fleet-Community Development	I06210000	2,375,637	327,152
FY2019/20 Fleet - IT	I06070000	35,000	8,043
Gang Prevention & Intervention	I02000600	4,642,984	172,249
General Plan Update	I22000000	372,966	284,269
General Plan Update 4811	I22400000	6,905,212	94,702
Habitat Project	I01000600	30,000	-
Historic District Plans Progm	I21005800	250,000	(14,941)
Historic Place Grant Program	I21004800	232,999	48,815
Homeless Housing Initiative	I02000200	7,447,430	415,667
Impact Teams	I11002400	1,725,000	197,633
Justice for Neighbors (JFN)	I03000100	1,400,888	950,523
Lease - Tenant Improvements - Triple R	I19161000	122,900	2,463
Low Income Spay/Neuter Program	I13000600	344,263	59,993
Major League Soccer	I80020500	449,000	109,600
Marshall Hotel Hyatt Centric	I18000400	3,600,000	-
Mental Wellness Program	I11002600	568,850	417,615
NBHD Comm & Economic Plans Program	I02001700	289,000	289,000
Nextgen Mobile Computer Replacement	I11000100	1,365,308	27,608
North Sacramento ED Investment	I02180600	900,000	800,001
Northgate Blvd. PBID	I02186000	68,000	68,000
Oak Park Clinic Building Maintenance	I19101100	50,400	50,400
Oak Park Community Enhancement	I19708000	200,000	17,145
Police Observation Dvcs (PODs)	I11002300	75,000	25,052
RASA Support	I80005010	500,000	433,627
RSW Homeless Mitigation	I15200200	482,000	265,969
Sacramento Riverfront	I02180200	750,000	571,616
Sacramento Zoo Relocation Study	I02002100	275,000	166,600
SEED Corporation	I18000200	150,000	99,917
ShotSpotter	I11002500	138,000	34,425
Summer Night Lights	I02000700	300,000	-
Summer Night Lights	I11002100	600,000	0
Summer Youth and Community Program	I19141000	311,000	65,754
SVS Operations and Mgmt	I15001000	265,954	138,833
Thousand Strong (ETP Pilot)	I01000300	2,476,000	417,724
Training and Outreach	I08000300	1,033,025	805,954
UCD Community Garden	I19130000	25,000	-
Utility Rate Assistance Program	I14130100	13,791,481	5,810,314
Webgrant Restructuring Project	I07000900	689,558	362,208
West Broadway Specific Plan	I21005500	760,161	48,649
Whole Person Care	I02000900	6,719,000	1,195,033
Youth & Family Investments	I02001800	1,491,000	47,313
Youth Engagement & Summer Program	I01000100	400,000	108,912
Youth Services Program	I19140000	25,000	-
General Fund Total		129,516,164	43,773,057

FY2020/21 Approved Budget

Project Description	Project #	Total Budget	Available Budget
MEASURE U FUND			
CA Rural Legal Assistance	I02000800	750,000	250,000
City Manager Youth Programs	I80020800	250,000	246,425
Economic Development Initiatives	I02181000	500,000	300,650
Fare Free Transit for Youth	I02181400	1,000,000	-
Financial Empowerment	I02182000	300,000	151,693
FY2017/18 Police Measure U	I80110600	24,609,871	26,233
FY2019/20 CAO Measure U	I80030800	268,234	253,925
FY2019/20 CDD Measure U	I80210800	770,552	385,281
FY2019/20 ED Measure U	I80180800	3,845,068	3,590,966
FY2019/20 Fire Measure U	I80120800	17,498,456	5,871,657
FY2019/20 IT Measure U Program	I80070800	441,374	441,374
FY2019/20 Police Measure U	I80110800	36,220,331	34,704,987
FY2019/20 Public Works Measure U	I80150800	1,000,000	505,925
FY2019/20 YPCE Measure U	I80190800	16,224,776	6,683,876
Gang Prev & Intervention - GF	I02000600	729,268	105,000
Homeless Housing Initiative	I02000200	13,280,066	750,550
Iceland Restoration	I02181600	1,300,000	1,234,000
K to College Savings Program	I02181300	150,000	61,252
LGBT Center Relocation	I02181500	750,000	-
Mayor's Comm on Climate Change	I01001000	150,000	-
North Area Freedom Schools	I02181200	290,000	-
PDIT Critical Infrastructure	I11002700	1,090,595	648,600
Police Observation Dvcs (PODs)	I11002300	157,500	157,500
Sacramento Riverfront	I02180200	300,000	300,000
ShotSpotter	I11002500	306,000	(8,600)
Summer Youth and Community Program	I19141000	990,000	450,699
Thousand Strong 18	I01000300	774,000	744,000
Measure U Fund Total		123,946,091	57,855,991
ENTERPRISE FUNDS			
American River Source Water	I14520400	374,415	135,366
Arc Flash Hazard Analysis	I14020100	731,630	306,880
Asset Management Program	I14010700	457,599	457,599
Combined Master Plan Program	I14610300	1,569,584	1,022,831
Condition Assessment Program	I14010800	3,966,238	3,642,222
Conjunctive Use-Groundwater Wells	I14510100	554,869	434,766
CSS Management Plan	I14630200	2,240,500	2,143,422
CSS Regulatory Compliance	I14120600	3,460,077	252,587
Drainage Master Plan Program	I14710100	1,618,662	575,390
Electrical Equipment Program	I14050200	541,500	(23)
Energy Efficiency Program	I14040200	200,000	200,000
Fleet - DOU Water Fund	I06145000	7,238,895	2,389,778
Fleet PW SW Fund	I06147000	14,456,737	414,876
Fleet Acquisitions	I06000999	77,586	77,586
Fleet DOU Sewer Fund	I06146000	3,360,512	1,733,597
Fleet-DOU Storm Drain Fund	I06141000	1,960,837	199,992
Flood Control Planning	I14010100	2,333,468	418,968
Flow Monitoring/Hydrology Program	I14610100	859,354	103,990
FY2019/20 Fleet - PW General Fund	I06150000	41,127	41,127
Groundwater Abandon/Protect Program	I14520100	565,392	450,908
Groundwater Master Plan	I14160100	510,730	37,272
Information Technology Program	I14040100	1,718,030	1,325,482
Keep Our Waters Clean Outreach	I14520200	8,535	8,464

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Project Description	Project #	Total Budget	Available Budget
ENTERPRISE FUNDS (continued)			
Leak Detection Program	I14530100	62,223	3,248
Legacy Landfill Operations	I14120100	550,000	428,699
NPDES Stormwater Program	I14010200	9,564,021	2,132,511
PLC Replacement Program	I14050100	490,028	267,773
Sacramento River Source Water	I14520300	487,602	88,633
Sacramento River Source Water Protect	I14010300	313,423	0
SAFCA Levee Maintenance	I14120300	43,281	6,855
SCADA Planning Program	I14010900	601,941	85,327
Sewer System Management Plan	I14110100	6,124,877	1,341,154
Solid Waste Container Replacement	I14120500	11,593,245	1,998,657
Solid Waste Outreach	I14120200	2,868,834	489,707
SSMP Eng/Regulatory Support	I14620100	340,000	225,659
Wastewater Planning Program	I14610200	2,399,169	1,456,320
Water Conservation	I14120400	8,489,245	2,963,413
Water Master Plan Program	I14510200	2,087,410	978,031
Water Meter Replacement Program	I14010500	5,742,673	568,650
Enterprise Funds Total		100,604,249	29,407,715
INTERNAL SERVICE FUNDS			
Fleet - HR Risk Fund	I06081000	225,000	88,466
Fleet - PW Fleet Fund	I06151000	310,504	35,327
Internal Service Funds Total		535,504	123,793
OTHER FUNDS			
American River Source Water	I14520400	341,300	128,471
APP Maintenance	I17000500	276,462	172,835
Arts and Cultural Equity Grant	I17000600	500,000	7,229
Arts and Cultural Facilities	I17000200	743,272	1,814
Arts and Cultural Plan	I17000900	140,880	29,980
Arts Ed and Community Outreach	I17001100	313,488	141,077
Basin 52 Stormwater Master Plan	I14610300	7,998	(1)
Basin 6 Drainage	I22200600	4,336,529	39,450
Bonded CFD/AD applications	I22310100	1,515,775	35,588
BRLF Program Income	I02180800	1,516,401	1,516,401
Centene Emp Incentive	I02180100	5,400,000	5,400,000
Central City Fee District	I06132110	50,000	31,967
City Hall Tech Program	I02001500	250,000	92,155
City of Festivals Program	I15001211	1,239,000	113,538
College Square Reimbursements	I22310200	30,000	13,800
Convention Center Complex Review	I21006000	2,280,808	1,665,542
Creative Economy Pilot Project	I18000300	500,000	14,431
Cultural and Economic Vitality	I17001000	1,000	-
Destination Sacramento Program	I02185000	5,000,000	4,307,295
Downtown ESC Project	I02000500	8,938,973	(6,849)
Downtown Plaza Hotel	I21005200	120,020	120,020
ESC Art Maintenance	I17000400	289,516	282,616
ESC Building Project	I21005100	1,690,151	1,690,151
F.O.C.A.S. (13086)	I13000400	2,653,851	528,648
Financial Empowerment	I02182000	147,000	-
Fleet - PW Gas Tax Fund	I06152100	597,229	132,015
Fleet- PW Parking Fund	I06154000	321,797	28,000
Flood Control Planning	I14010100	56,202	-
Forgiveable Loan Program	I02180400	1,000,000	751,250

FY2020/21 Approved Budget

Project Description	Project #	Total Budget	Available Budget
OTHER FUNDS (continued)			
FY2018/19 City-County Payment	I15300010	122,046	122,046
FY2018/19 Fleet - Parks & Rec 4th R	I06192000	35,000	9,992
FY2018/19 Fleet - PW Gas Tax Fund	I06151019	817,521	85,704
FY2019/20 - SUMMER @ CITY HALL	I80190800	23,750	-
FY2019/20 Fleet - CCS	I06170100	34,904	1,731
FY2019/20 Fleet - YPCE START Fund	I06191000	45,000	9,234
General Plan Update	I22000000	9,631,588	4,038,697
General Plan Update 4811	I22400000	2,790,241	(183)
Greenbriar Traffic Congestion	I15185000	1,400,000	500,000
Hart Trust Project Fund FY12-16	I19120000	0	-
Hart Trust Project Fund FY17-21	I19121000	770,100	283,548
Health & Wellness Program	I08000200	3,000	3,000
Historic Place Grant Program	I21004800	238,000	55,420
Homeless Housing Initiative	I02000200	18,339,484	79,245
I-5 Subregional Fee Program	I15150100	104,222	15,725
Inclusive Economic Development	I02180900	500,000	204,000
JCPA Administrative Control 3131	I22205100	653,869	155,621
Keep Our Waters Clean Outreach	I14520200	26,698	19,016
Kids Play McKinley-Maintenance 4711	I19000800	12,870	7,151
Leak Detection Program	I14530100	60,000	4,098
Lease - Tenant Imp. - Triple R	I19161000	75,000	-
Marshall Environmental	I18000400	200,000	200,000
MBI	I02180700	1,175,400	875,400
MLS Stadium Fees	I80020500	1,800,000	659,457
N Natomas Admin Control	I22200100	8,629,198	255,927
Natomas Central CFD 2006-02	I22340000	100,000	55,692
Natomas Crossing Office I	I21005700	837,077	596,179
Natomas Landing CFD2008-01	I22310500	64,500	55,221
Natomas Meadows CFD	I22310000	62,000	42,329
Neighborhood Park Maintenance CFD 4815	I22300000	528,056	49,513
NNAC&CC Feasibility Study Project	I19000900	161,167	(77,326)
Non-Bonded Service District Appeals	I22300100	565,736	96,963
NPDES Stormwater Program	I14010200	5,668,503	453,095
Oak Park Broadway	I02180300	4,967,500	110
On-Call CCTV Program	I14630100	1,210	-
Panhandle Annexation 4811	I22209000	124,990	3,466
PBID/BIA Applications	I22310600	45,000	20,824
Project Pony 2112	I11001900	6,600	5,202
RAILS Grant Program	I18000100	2,970,709	1,074,022
Railyards Fee District	I06132100	50,000	42,068
Regional Community Policing In	I11001600	49,871	3,545
River Fee District	I06132120	50,000	41,402
Sac Ent. Dev. Academy Phase 1	I02183000	750,000	750,000
Sac River Source Water Reimburse.	I14010300	301,031	-
Sacramento Commons I	I21005900	728,585	649,490
Sacramento Econ Gardening 3yr	I02184000	436,000	345,970
Sacramento Railyards 2006 FINP	I22208000	740	1
Sacramento River Source Water	I14520300	425,700	135,848
Sacramento Riverfront	I02180200	17,000	17,000
SAFCA Levee Maintenance	I14120300	5,165,836	2,041,559
SMUD Rehab	I21005600	462,077	308,042
Solid Waste Outreach	I14120200	2,053,643	1,381,185
SPD Training Facility 2157	I11002000	46,700	58

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Project Description	Project #	Total Budget	Available Budget
OTHER FUNDS (continued)			
SVS Operations and Management	I15001000	492,000	24,536
TMA Shuttle	I22200700	1,318,200	192,000
Traffic Impact Study Guideline	I15161700	100,000	39,361
Transp Programming Guide Prog	I15160100	98,899	0
UCD Coommunity Garden	I19130000	25,000	102
Utility Box Artwork Project	I17000800	23,789	565
Wastewater Planning Program	I14610200	160,450	28,001
Water Conservation	I14120400	323,498	-
Water Master Plan Program	I14510200	90,095	27,166
Whole Person Care	I02000900	45,017,011	18,975,300
Willowcreek Fee District	I22206000	2,908,461	593,989
Youth Workforce Program	I19142000	200,000	151,469
Other Funds Total		165,143,177	52,946,196
Total All Funds		519,745,185	184,106,752

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 2020:

Project Description	Project #	Total Budget	Available Budget
GENERAL FUND			
PHSC Reserve Funding	E18000401	160,000	45,534
Powerhouse Science Center	E18000400	1,800,000	600,000
Railyards Mediation	E02000101	110,500	7,478
Railyards Project Management	E02000100	496,353	263,692
General Fund Total		2,566,853	916,703
INTERNAL SERVICE FUNDS			
Driver Training Academy (SRDTA)	E08000100	1,300,000	761,027
Robla Facility Safety Training	E08000200	1,500	1,500
Externally Funded Programs Fund Total		1,301,500	762,527
OTHER FUNDS			
Academy Activities 7/07-6/11	E11002200	1,003,859	100,599
APP - City of West Sacramento	E17000700	16,500	-
Board of Supervisors	E17000502	22,000	1,700
County Support-Holiday Music	E17000900	60,000	1,993
DMV Anti-Auto Theft	E11005400		(5,669)
Federal Forfeiture - DOJ	E11007018	35,273	35,273
Federal Forfeiture - DOJ	E11008300	23,391	23,391
Federal Forfeiture - DOT	E11008200	7,655	7,655
Federal Forfeiture - DOJ	E11003300	2,573,648	15,936
Federal Forfeiture - DOT	E11003200	1,099,987	13,396
FY2013/14 Los Rios Vocational Training	E11002514	425,154	-
FY2014/15 AB109/RCISP	E11006400	147,080	76,115
FY2014/15 Los Rios Vocational Training	E11002515	604,591	-
FY2015/16 DMV Anti-Auto Theft	E11005405	323,889	-
FY2015/16 AB109/RCISP	E11006600	150,213	55,410
FY2015/16 Los Rios Vocational Training	E11006516	625,104	1
FY2016/17 DMV Auto-Auto Theft	E11005407	581,200	2,554
FY2016/17 Los Rios Vocational Training	E11006517	600,000	49,100
FY2016/17 RCISP (AB 109)	E11006610	147,347	849
FY2017/18 DMV Anti-Auto Theft	E11005408	500,000	150,431
FY2017/18 Los Rios Vocational Training	E11006518	600,000	59,077
FY2017/18 RCISP (AB 109)	E11006620	147,347	12,223
FY2018/19 DMV Anti-Auto Theft	E11005409	500,000	107,348
FY2018/19 Los Rios Vocational Training	E11006519	600,000	16,871
FY2018/19 RCISP (AB 109)	E11006630	145,382	25,775
FY2019/20 DMV Anti-Auto Theft	E11005420	500,000	218,998
FY2019/20 Los Rios Vocational Training	E11006520	600,000	(39,930)
FY2019/20 RCISP (AB 109)	E11006640	114,115	114,115
Los Rios Vocational Training Special Projects	E11002516	663	-
Los Rios Vocational Training	E11002500	5,848,744	91,472
Los Rios Vocational Training 7/10-6/11	E11002511	837,054	-
Los Rios Vocational Training 7/11-6/12	E11002512	654,686	-
Los Rios Vocational Training 7/12-6/13	E11002513	279,983	1
PHSC Reserve Funding	E18000401	200,000	200,000

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Project Description	Project #	Total Budget	Available Budget
OTHER FUNDS (continued)			
PODs - Arden Fair Association	E11007118	68,000	4,193
PODs - Jackson Lab	E11007120	29,913	15,765
PODs - MO Florin West	E11007121		(8,267)
PODs - Stockton Blvd Partnership	E11007119	13,820	1,205
Police Observation Devices	E11007100	98,712	6,073
Powerhouse Science Center	E18000400	4,650,000	400,000
SAR-Smart Growth Program	E01000100	15,000	-
SMUD Gallery - CY2014-16	E17000501	125,000	-
SMUD Gallery 2019-2021	E17000503	75,000	51,000
State Forfeiture - Health & Safety	E11002800	4,415,816	(3,452)
State Forfeiture - Health & Safety	E11008000	517,102	514,101
State Forfeiture - Health & Safety	E11006700	100,679	-
State Forfeiture - Health & Safety	E11006718	1,089,722	292,605
State Forfeiture Drug & Gang Prevention	E11006800	43,039	25,721
State Forfeiture Drug & Gang Prevention	E11006818	191,920	31,111
State Forfeiture Drug & Gang Prevention	E11008100	94,785	94,785
State Forfeiture - Drug Education & Gang	E11002900	831,867	39,683
Terminal B Arts Endowment 2013	E17000200	25,000	-
Vocational Education Training- Fire	E12000100	3,870,837	16,547
Other Funds Total		36,231,077	2,815,753
Total All Funds		40,099,430	4,494,983

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 2011AB 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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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 2019-0281

Effective Date: July 23, 2019

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 government agencies to achieve the most-effective financing solutions for necessary capital projects and capital improvements. Debt issuance is one way of financing these projects and improvements 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 it 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 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 and how to structure the debt.
- (I) Maintain internal-control procedures to ensure that 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 or incurred 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 the Debt Manager within the City Treasurer's Office (the "**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 or other long-term obligations—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 City Charter and City Code, and the various covenants of the City's outstanding debt 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 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; the financial condition of enterprise funds that secure revenue bonds; and the relevant financial information of community facilities districts or assessment districts that secure special-tax or assessment bonds, as applicable. As necessary, the City Treasurer or the 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 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 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, method of issuance (public vs. private placement, negotiated vs. competitive sale), and other terms 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 4.6, “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 the investment of debt proceeds and bond-reserve funds;
 - (7) manages compliance with post-issuance requirements, including continuing-disclosure requirements (in accordance with the Supplemental Policy on Disclosure), private-activity analysis and remediation, and arbitrage requirements; and
 - 8) 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) identifies and prioritizes projects through the City’s capital-improvement program;
 - (2) identifies sources of funds for payment of debt service;
 - (3) identifies sources of funds for project operations and maintenance;
 - (4) participates in document preparation and review;
 - (5) participates in conference calls or meetings regarding the debt, e.g., due-diligence reviews, rating-agency presentations, investor relations;
 - (6) provides timely information as needed to comply with post-issuance requirements, including tracking expenditures of debt proceeds to comply with arbitrage requirements and annual reporting requirements; and
 - (7) notifies the City Treasurer’s Office before the City enters into (a) any agreements that qualify as “debt obligations” under SEC Rule 15c2-12, such as loans from non-City lenders, equipment leases, and grants; and (b) any amendments of such loans, leases, and grants.
- (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 to assist with debt financing (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-money 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, when assessing the financial feasibility of financing a planned project or purchase, the City Council must consider (1) the total of all outstanding debt, including overlapping debt and the planned debt; (2) the City's needs for special projects that benefit City constituents; (3) any feasibility report that has been prepared for the financing in accordance with section 3.3(A) or 3.3(B) below; and (4) whether issuing debt to finance the planned project or purchase will necessitate reductions in the number and types of programs and services the City provides or reductions in the number of City employees.
- (B) Additionally, the necessary maintenance and operating costs of debt-financed projects will constrain the City's budgetary flexibility and should be considered alongside debt capacity 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.* The City's ability to issue new-money debt is constrained by federal and state laws and regulations, the Sacramento City Charter and City Code, and the covenants of existing 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 additional new-money debt is issued, including the additional financial constraints the City may face. As needed, the City Treasurer's Office may perform debt-capacity analyses, with assistance by the underwriter and one of the City's municipal advisors, 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—particularly new-money 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 that will be supported by the general fund, an internal feasibility analysis of the effect on current and future budgets and the City's overall credit rating of the debt service for the financing and the costs of operating the financed capital projects. This analysis may be performed formally or informally and must also address the reliability of revenues to support debt service. Total annual debt service for all general-fund bonds and lease-revenue bonds, in each year they are outstanding, must not exceed 6% of annual budgeted revenues or expenditures net of certain department revenues.
- (B) Special Revenues. In conjunction with the City Treasurer's Office, the City's Department of Finance shall prepare, for each long-term financing that will be supported by special revenues, an internal feasibility analysis (formal or informal) that identifies the effect on current and future budgets and the City's overall credit rating of the debt service for the financing and the costs of operating the financed capital projects. This analysis must also address the reliability of revenues that support debt service. Projected revenues from the transient-occupancy tax (Sacramento City Code chapter 3.28) must equal or exceed 150% of annual debt service for senior obligations and 115% of annual debt service for subordinate obligations. Projected revenues from a non-rated community facilities district or assessment district must equal or exceed 110% of the sum of annual debt-service and administration costs in each year the debt is outstanding.
- (C) Enterprise Funds. The City Manager's Office and the City Treasurer's Office shall evaluate the affordability of new-money debt for enterprise funds. Enterprise rate levels must fully cover debt-service requirements and debt-service-coverage ratios as outlined in the applicable debt 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 100% 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). When 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 on-going compliance of the bond issue with federal and state laws. When feasible, 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 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 entity or a 501(c)(3) corporation within the City's 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, the City Department of Finance, and the City Treasurer's Office. 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 will be spent in accordance with requirements of the Internal Revenue Service (the "IRS"). The City Treasurer's Office will determine whether additional disclosure will be required at the time the financing is entered into and will make the decision based on consultation with the City's disclosure counsel.

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.
 - (5) Debt financing would be the preferred method, but circumstances require delaying the financing.
- (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, by court or administrative order, or by a settlement related to a lawsuit or administrative action, 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 new-money debt may be used only to finance capital improvements, such as the costs of acquiring or improving land, infrastructure, facilities, or equipment, and only if it is appropriate to spread these costs over more than one budget year. Long-term new-money 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 new-money debt may not be used to fund City operating costs or to fund services or programs. 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 Act 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.
- (4) Property and Business Improvement District Bonds. Under the Property and Business Improvement District Law of 1994, codified at Streets and Highways Code sections 36600 through 36671, bonds may be issued to finance capital improvements with repayment of the bonds from assessments levied on the real property or businesses that benefit from the improvements financed.
- (5) 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 with two-thirds voter approval.
- (6) Tax-Allocation Bonds. Until January 2012, the City was authorized to issue tax-allocation bonds or tax-allocation revenue bonds (“**TABs**” or “**TARBs**”) that were secured by a pledge of tax-increment revenues from project areas within a redevelopment agency. Proceeds from TABs and TARBs were used to revitalize blighted and economically

depressed areas and promote economic growth. The City is no longer to issue new-money TABs or TARBs 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.

- (7) 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 rent owed under a 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. The City Council must annually appropriate funding for the payment of debt service associated with these types of debt instruments as part of the approval of the City's budget.
- (8) 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 is 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 enterprise.
- (9) 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 than a loan, bonds may afford financing for projects that have an expedited 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 governmental 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. Federal tax regulations often require that TRANS be repaid in the fiscal year in which they are issued to cover short-term cash-flow shortfalls.
 - (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 necessary changes in restrictive 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) Only one type of refunding transaction is allowed: a “current refunding,” which is 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 reasons to refund an issue that generates net-present-value savings of less than 5% (e.g., the refunding will eliminate unduly restrictive debt covenants) or conversely aim for a higher targeted minimum level of savings.

- 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 *Reimbursement of City Expenditures.* If the City intends to reimburse itself from proceeds of tax-exempt debt for City expenditures made before issuance of the debt, then City staff must bring forward to the City Council, as soon as is practicable and in accordance with 26 C.F.R. § 1.150-2, a resolution declaring the City’s official intention to reimburse itself.
- 4.4 *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.

- 4.5 *Pooled Financing.* The City Treasurer is responsible for determining 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 appropriateness of pooled financing depends on the par amount of bonds to be issued, the complexity of the financing, and the need for greater bond-market penetration (institutional, retail, and high-net-worth individuals).
- 4.6 *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 or is the norm—such as in the case of Special Tax Revenue Bonds where debt service increases by about 2% annually. 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 and after consulting with the underwriter and one of the City’s municipal advisors.

- 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.^{2*} 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

*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.

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 one of the City's municipal advisors and with the underwriter of the proposed City Debt (or senior managing underwriter, if there is an underwriting syndicate) 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 one of the City's municipal advisors and with the underwriter of the proposed City Debt (or senior managing underwriter, if there is an underwriting syndicate) to analyze the costs and benefits of having no reserve, obtaining a surety reserve policy, or modifying the three-prong reserve test (26 C.F.R. § 1.148-2(f)(2))—for example, to 50% of maximum annual debt service or 10% of outstanding principal.
- 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 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. In the case of Special Tax Revenue Bonds, special circumstances may exist that warrant the City Treasurer's consideration of the developer's request to issue bonds in an amount less than \$10 million (e.g., if the bonds are for an infill or brownfield development project). 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 debt 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 debt 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 debt proceeds, the City's arbitrage consultant will typically prepare an interim arbitrage-rebate report at least once every 12 months until all 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 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 and disclosure counsel.
- (D) When bonds (the refunding bonds) are issued to refund outstanding bonds (the refunded bonds), all remaining proceeds of the refunded bonds—e.g., all amounts remaining in the project fund, reserve fund, and other accounts, plus accrued interest—will be considered for purposes of IRS regulations to be "transferred proceeds" of the refunding bonds and, as such, will be subject to the arbitrage calculations for the refunding bonds. In addition, if the transferred proceeds represent more than 5% of the original deposit in the project fund of proceeds from the refunded bonds (see section 6.2(A)(1) above), then interim arbitrage calculations must be performed on an annual basis until the balance of the transferred proceeds is less than 5% of the original deposit at which point the arbitrage calculations will be completed every five years from the issuance date of the refunding bonds.

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 bond 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 bond 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

Policy Contact

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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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Management of Activities in Fund 2016

Regulatory References

May 12, 2015 Resolution 2015-0123

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/Measure U (G/MU) Fund Economic Uncertainty Reserve (EUR) Policy

Scope: CITYWIDE

Policy Contact

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 - 3.1 Minimum and Target Reserve Levels
 - 3.2 Methods to Achieve Funding Levels
 - 3.3 Criteria for Expenditure of Reserve Funds
 - 3.4 Timeline for Replenishment of the EUR

Regulatory References

April 26, 2016 Council Motion 2016-0122

Effective Date: July 1, 2019

General/Measure U (G/MU) Fund Economic Uncertainty Reserve (EUR) Policy

1. PURPOSE

To establish the targeted level of G/MU 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 G/MU Fund budgeted revenues as the minimum level of funding in the City's EUR and establishes two months of operating expenditures 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 G/MU Fund revenues. The City will seek to achieve and maintain a G/MU Fund EUR equal to two months of regular ongoing G/MU Fund expenditures, including transfers (i.e. 17% of G/MU Fund expenditures).

The EUR shall be reported as a commitment of fund balance in the G/MU 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

The annual budget will include a minimum fund balance of 0.50% of total budgeted expenditures. If these resources are not required during the fiscal year this amount shall be transferred to the EUR. Additionally, unbudgeted one-time G/MU Fund revenues received in a fiscal year, which are not required to balance the budget as part of the midyear review or fiscal year-end close, shall be added to the EUR until the target reserve level is met.

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.

3.3 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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 - 3.2 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.



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 cost¹ 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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 - 3.3 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 Auditor, 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
PRA's	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 2020-0123

Adopted by the Sacramento City Council

May 12, 2020

**Approving the Fiscal Year 2020/21 Operating and
Capital Improvement Program Budgets**

BACKGROUND

- A. Article IX, section 111, of the City Charter requires the City Manager is required to present a balanced budget to the Mayor and City Council no less than 60 days before the beginning of each fiscal year.
- 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 City 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 must 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 City 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. On June 11, 2019, the City's Economic Uncertainty Reserve ("EUR") Policy was amended to include Measure U resources in determining the amount to be set aside in reserves (Resolution 2019-0248) as directed by the City Council on February 5, 2019 (Resolution 2019-0047).
- D. The FY2020/21 Approved Budget (which includes the Operating Budget and the Capital Improvement Program (the "CIP") Budget) are consistent with City Charter requirements and the City Council's adopted Core Budget Policies and Budget Guidelines.
- E. The Mayor and City Council conducted a public hearing on May 12, 2020 to discuss and consider the City's FY2020/21 Budget.

BASED ON THE FACTS SET FORTH IN THE BACKGROUND, THE CITY COUNCIL RESOLVES AS FOLLOWS:

Section 1. Preliminary Matters.

- 1.1. 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.
- 1.2. The FY2020/21 Operating and CIP Budgets (collectively the "Approved Budget"), as defined in section 3.1 below, and attached as Exhibit D and E are hereby approved.
- 1.3. The 2020-2025 CIP, which provides a comprehensive five-year plan for the City's capital project expenditures and attached as Exhibit E is hereby approved.

- 1.4. Sections 2 through 20 below, which define the authority and responsibilities of the City Manager in implementing the Approved Budget, are hereby approved.
- 1.5. The City Manager is authorized to incorporate final decisions of the City Council, and to refine and add content, as may be needed to meet Government Finance Officers Association and California Society of Municipal Finance Officers budgeting-award requirements into the Proposed Operating and CIP Budgets to create the FY2020/21 Approved Budget.
- 1.6. The attached Exhibits A through D are part of this resolution.
- 1.7. The City's Debt service must be limited to 6% of total General and Measure U (G/MU) Fund revenues, excluding Department revenues.
- 1.8. The City Treasurer shall conduct a financial stress test on the combined G/MU Funds before the issuance of any bonds.
- 1.9. Available resources in the Innovation and Growth Fund (Fund 2031) shall be transferred to the General Fund as needed to offset projected deficits shown in the G/MU Fund five-year forecast included in the Approved Budget.
- 1.10. Contributions to the G/MU Fund EUR shall be suspended in FY2019/20 and FY2020/21 due to the projected deficits resulting from revenue losses associated with the COVID-19 pandemic.

Section 2. Scope.

This resolution defines the authority and responsibilities of the City Manager in implementing the Approved Budget and supersedes Resolution 2019-0248.

Section 3. Definitions.

- 3.1. "Account" is the primary accounting field in the budget used to describe the nature of the financial transaction (overtime, professional services, debt, etc.).
- 3.2. "Approved Budget" means the Approved Operating Budget ("Operating Budget") and the Approved Capital Budget ("CIP Budget"), which are attached as Exhibit D and reflects the FY2020/21 Proposed Operating and CIP Budgets, 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.
- 3.3. "City Manager" means the City Manager or, if so designated, the Director of Finance.
- 3.4. "Department" means a major budgetary grouping 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.

- 3.5. “Full Time Equivalent” and “FTE” mean 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 4. Approved Budget Appropriations, FTEs, and Adjustments.

- 4.1. 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.
- 4.2. The City Manager is authorized to establish the appropriations and FTE as shown in Schedules 1A, 1B, 1C, and 1D and the fund summaries, including transfers, as shown in Schedules 2A, 2B, and 2C, as displayed in Exhibit D.
- 4.3. 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.
- 4.4. 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 the City Council’s intent.
- 4.5. The City Manager may 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.
- 4.6. 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, 2019, the balance of the Risk Fund loan to the Community Center Fund totaled approximately \$5.3 million.
- 4.7. Following budget adoption, the City Manager is authorized to do the following:
- (A) Transfer appropriations from the operating budget and establish or adjust revenue and expenditure budgets for externally funded programs (“EFPs”), multi-year operating projects (“MYOPs”), and operating grants as shown in Schedule 9 displayed in Exhibit D.
 - (B) 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.

- (C) Adjust budgets to reflect all required debt service and related payments, including adjustments to rate stabilization reserves, pursuant to City debt agreements.
- (D) Revise and establish indirect cost rates to be applied to hourly salary rates in order to achieve full cost recovery of services; and adjust the Operating Budget to reflect the indirect cost rate plan for FY2020/21.

Section 5. Economic Uncertainty Reserve Policies and Transfers from Contingency and Reserve Funds.

- 5.1. The Council-adopted EUR Policy as amended on February 5, 2019 (Resolution 2019-0248) establishes a minimum reserve level equal to 10% of annual G/MU Fund revenues and a target reserve level equal to two months of regular ongoing General Fund expenditures, including transfers (17% of G/MU 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 G/MU Fund.
- 5.2. The G/MU Fund EUR is maintained to bridge the gap between projected revenue and expenditures during periods of significant revenue declines, expenditure growth, or both. Consistent with Governmental Accounting Standards Board Statement No. 54 (Fund Balance Reporting and Governmental Fund Type Definitions), the Council-adopted parameters for using the EUR are as follows:
 - (A) 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.
 - (B) Any release from the EUR requires the City Council's approval.
 - (C) These parameters may only be changed by resolution of the City Council.
- 5.3. The City Manager is authorized to make appropriation changes (increases or decreases) up to and including \$250,000 by fund from available fund balance. Appropriation changes (increases and decreases) in excess of \$250,000 require the City Council's approval, except for payments to employees for vacation and sick leave payouts, which may be approved by the City Manager.
- 5.4. The City Manager is authorized to make appropriation changes (increases or decreases) up to and including \$250,000 to any Department or project from Administrative Contingency established in the General Fund. Appropriation changes (increases and decreases) in excess of \$250,000 to the Department or project require the City Council's approval.
- 5.5. Transfers must not be made from available fund balance or Administrative Contingency if the transfer will result in a negative balance.

- 5.6. Use of committed fund balance reserves requires the City Council's approval by resolution.

Section 6. Appropriation Increases and Decreases.

- 6.1. All appropriation changes (increases or decreases) in excess of \$250,000 to the Approved Budget require the City Council's approval by resolution.
- 6.2. The City Manager is authorized, upon completion of the audited financial statements for FY2019/20, to adjust FY2020/21 fund contingencies by the amount of net changes in available fund balance. The available fund balance in the General Fund must be included and explained in the report to the City Council accompanying the Comprehensive Annual Financial Report ("CAFR").
- 6.3. Residual balances from unexpended debt proceeds will be reverted to the appropriate fund and used for the lawful 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 7. Appropriation Transfers.

- 7.1. Operating appropriation transfers within the same Department and the same fund, including the Department's established fleet MYOP, require the City Manager's approval.
- 7.2. Appropriation transfers between two or more Departments, up to and including \$250,000, must be approved by the City Manager. Such transfers in excess of \$250,000 requires the City Council's approval by resolution.

Section 8. Staffing Changes.

- 8.1. 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 EFPs as specified in section 8.2.
- 8.2. The City Manager is authorized to adjust staffing levels for renewals, expansions, or reductions to fully offset Council-approved operating grants or EFPs. Grant/EFP positions must be terminated upon completion or cancellation of the grant/EFP unless specifically continued by a City Council resolution that includes a source of replacement funding. Any existing positions approved on the assumption that the City would receive a grant or other reimbursements must have continued funding verified before filling the position.
- 8.3. 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.

- 8.4. The City Manager is authorized to modify any authorized FTE classification as necessary to reflect current incumbent status based on the established flexibly staffed classifications included in Council-approved labor contracts.
- 8.5. 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.
- 8.6. The City Manager is authorized to adjust staffing levels in the Police and Fire Training Academies based on projected vacancies.
- 8.7. The Director of Human Resources is authorized to establish non-budgeted positions (“NBPs”) for the following:
 - (A) Mayor and Council Offices, to be funded from their existing operations budgets.
 - (B) Departments as needed to reflect current staffing needs. Departments must have sufficient labor savings to cover the cost of NBPs, and none of the NBPs may be used for more than one year. Departments will seek budget authority to convert NBPs to authorized FTE positions or the NBPs will be eliminated during the budget process.

Section 9. Revenue Budget.

- 9.1. The FY2020/21 revenue budget is summarized in Exhibit D, Schedule 6.
- 9.2. Any increase or decrease greater than \$250,000 by fund in estimated revenue by Department to the Approved Budget requires the City Council’s approval.
- 9.3. The City Manager is authorized to implement biennial Consumer Price Index 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 surplus land, unless otherwise specified, will 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, will be added to the G/MU Fund EUR.

Section 10. Capital Improvements.

- 10.1. Capital projects and/or appropriations will be used for the following:

- (A) Repairs, maintenance, improvements, or acquisitions with a total cost of at least \$20,000 and a useful life that exceeds one fiscal year and
 - (B) Community/Neighborhood projects as approved in separate resolutions by the City Council.
- 10.2. The City Council's approval is required for the establishment or cancellation (without completion) of a CIP, except as provided below:
- (A) The City Manager is authorized to approve and establish one or more capital projects for internal City operations related to improvements and minor construction of existing City-owned or occupied buildings if the total cost to deliver each project does not exceed \$250,000; such projects will be managed in the City Facility Improvement (C15100000) project.
 - (B) 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.
 - (C) Projects established for agreements the City Manager executes in accordance with Sacramento City Code chapter 18.18. The City Manager is authorized to make all necessary budgetary adjustments when the City accepts improvements constructed under these agreements.
- 10.3. Capital appropriations must be used solely for the originally approved project or projects except as provided in this section.
- 10.4. Completed and inactive projects will be closed annually, except for projects that have existing litigation or payment disputes. An inactive project is 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 the City Manager are each authorized to process the necessary documentation to close inactive projects.
- 10.5. Each fiscal year, all multi-year CIP projects in existence on June 30 will be continued except as provided otherwise in section 10.4. The FY2020/21 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 of 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) will be treated as follows:

- (A) If the CIP balance exceeds budget by \$250,000 or less, the CIP must first be corrected within each fund, and then any remaining negative balance must be corrected by a transfer from the CIP manager's Operating Budget (all transfers or \$250,000 or less must be made as provided for in section 5.3). If expenditures exceed the budget by more than \$250,000, a corrective plan of action must be submitted to the City Council for approval by resolution.
- 10.8. 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:
- (A) Savings of up to and including \$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 Council District at the request of the Council District Office and with the approval of the City Manager.
 - (B) Savings above \$50,000 may be reprogrammed upon approval by resolution of the City Council.
- 10.9. Except as provided in 10.8, the City Manager is authorized to transfer appropriations up to and including \$250,000 as follows:
- (A) General, Measure U, and Capital Bond Funds:
 - (1) From a project that has not been completed, if a revised project estimate confirms that upon completion there will be project savings.
 - (B) All other funds from Project A to Project B if:
 - (1) Project A is complete and has savings; or
 - (2) Project A has not been completed and a revised project estimate confirms that there will be project savings upon completion.
- 10.10. Upon completion and closure of a capital project, the City Manager is authorized to transfer any remaining project balance as follows:
- (A) 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.
 - (B) As provided for in section 10.9.

- 10.11. Except for projects covered by section 10.10, the City Manager is authorized to increase or decrease project budget appropriations by not more than \$250,000 for each project. Appropriation changes exceeding \$250,000 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 will 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 5.
- 10.12. Measure A Sales Tax (Fund 2001) revenue and expenditure budgets can be loaded into the City's financial system before approval by the Sacramento Transportation Authority Board ("STA Board"). Work on CIP projects in this fund is done before receiving funding. Project funding and appropriations must be as follows:
- (A) The City Manager is authorized to enter the revenue and expenditure budgets as reflected in the Approved Budget (revenues) and CIP Budget (expenditures).
 - (B) The City Manager is authorized to enter revenue and expenditure budgets before STA Board approval.
 - (C) STA Board approval is required for all Measure A reallocations. When the City Council acts on recommended Measure A reallocations before STA Board action, City Council approval will 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 before receiving funding, and project funding and authorization for these projects must be as follows:
- (A) Fund 2023 revenue and expenditure budgets will not be loaded into the City's financial system until STA Board approval and City 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 before receiving funding, and project funding and authorization for these projects must be as follows:
- (A) Funds 2700, 3702, 3703, 3704, 6205, 6206, 6207, and 6211. Revenue and expenditure budgets will not be loaded into the City's financial system until agreements (Program Supplements/E-76s, Individual Project Agreements, Cooperative Agreements, etc.) have been executed by the City and the funding authority.

- (B) Funds 3703 and 3704. The City is eligible to receive federal or state funding, or both, for certain transportation projects through the California Department of Transportation (“Caltrans”). Master Agreements, Program Supplemental Agreements, Fund Exchange Agreements, and Fund Transfer Agreements must be executed by Caltrans before such funds can be claimed. The City Manager is authorized to execute on the City’s behalf all Master Agreements, Program Supplemental Agreements, Fund Exchange Agreements, and Fund Transfer Agreements, and any amendments thereto.

The City Manager is authorized to transfer matching funds as specified in the approved CIP from the state and federal Grant Match (T15007200) CIP, and to enter the revenue and expenditure budgets as reflected in the grant agreement, only if the amount differs by not more than \$250,000 from what was reflected in the Approved CIP Budget that authorized the project funding. Project agreements that differ by more than \$250,000 from the anticipated budget required the City Council’s approval by resolution.

- 10.15. The 2020-2025 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 that 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 or cancellation (without completion) of an operating grant except as follows:

- (A) Where the operating grant is \$250,000 or less and does not require any of the following:

- (1) 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 the City Manager in accordance with this resolution;
- (2) matching funds from City resources; or
- (3) any ongoing service or funding by the City.

- (B) The City Manager is authorized to establish operating grants and authorize spending and allocation of resources in excess of \$250,000 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 after receiving formal program documents from the requesting governmental agency or agencies to obtain approval to enter into agreements and accept reimbursements.

- (C) 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 8.2, for renewals or expansions of fully offset grants previously approved by the City Council.
 - 11.3. If a grantor requires City Council action as a condition of funding the grant, the establishment of the grant requires the City Council's approval regardless of the grant amount.
 - 11.4. Each fiscal year, all multi-year operating grant budgets in existence on June 30 will 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 the City Council, and augmentations up to and including \$250,000 of fully offset grants.
 - 11.6. The City Manager is authorized to establish revenue and expenditure budgets for federal or state grant-funded youth programs and parks-and-recreation programs based on the prior year award before receipt of signed agreements. Project funding and appropriations must be adjusted based on the final grant agreement. If the grant is not renewed or is changed by more than \$250,000, 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) will be treated as follows:
 - (A) If the Grant balance exceeds budget by \$250,000 or less, the Grant must first be corrected within each fund, and then any remaining negative balance must be corrected by a transfer from the Grant manager's Operating Budget (all transfers of \$250,000 or less must be made as provided for in section 5.3). If the project balance exceeds budget by more than \$250,000, a corrective plan of action must be submitted to the 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.

11.10. Award and Distribution of City Grants.

- (A) City Council approval is required: (1) to award grants to an individual, non-profit, business, or community-based organization that applies for a City grant over \$250,000; and (2) to execute contracts with the grantees for the services to be provided.
- (B) Consistent with City Council direction, the City Manager is authorized: (1) to award grants to an individual, non-profit, business, or community-based organization that applies for a City grant in amounts up to and including \$250,000; and (2) to execute contracts with the grantees for the services to be provided.
- (C) The award and distribution of grants must comply with any Citywide Grant Distribution Policy.
- (D) Before grant funds are distributed, the City and the grantee must execute a City contract that outlines the public benefit, timelines, and reporting requirements.
- (E) The annual budget must list all grants awarded the previous calendar year.

Section 12. Externally Funded Programs.

12.1. City Council approval is required for the establishment or cancellation (without completion) of an EFP, except as follows:

- (A) Where the EFP is \$250,000 or less and does not require any of the following:
 - (1) 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;
 - (2) matching funds from City resources; or
 - (3) any ongoing service or funding by the City.
- (B) 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 will 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 and including \$250,000.

- 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) will be treated as follows:
- 12.5. If the EFP balance exceeds budget by \$250,000 or less, the EFP must first be corrected within each fund, and then any remaining negative balance must be corrected by a transfer from the EFP manager's Operating Budget (all transfers of \$250,000 or less must be made as provided for in section 5.3). If the project balance exceeds budget by more than \$250,000, a corrective plan of action shall be submitted to the City Council for approval by resolution.
- 12.6. EFPs 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.

Section 13. Multi-Year Operating Projects.

- 13.1. A MYOP is used for the following:
 - (A) Economic Development Assistance and Development Programs (e.g., inclusionary housing).
 - (B) Planning, audit, and other consultant studies that will take more than one fiscal year to complete.
 - (C) Department fleet (vehicle or equipment) acquisition charges from the Fleet Management internal service fund.
 - (D) 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 or cancellation (without completion) of a MYOP, except as provided in section 13.7.
- 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 existing MYOPs will be continued in the next fiscal year, except as noted in sections 13.10, 13.11, and 18.11.
- 13.5. MYOPs must be used solely for the originally approved program or study. Completed or inactive MYOPs will be closed annually. An inactive project is 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 the City Manager each 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 and operations.
- 13.7. The City Manager is authorized to establish and adjust budgets for private development activities (Funds 2016 and 2018) managed in MYOPs that are fully offset by development fees.
- 13.8. 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) will be treated as follows:
 - (A) If the MYOP balance exceeds budget by \$250,000 or less, the MYOP must first be corrected within each fund, and then any remaining negative balance must be corrected by a transfer from the MYOP manager's Operating Budget (all transfers or \$250,000 or less must be made as provided for in section 5.3).
 - (B) If the MYOP balance exceeds budget by more than \$250,000, a corrective plan of action must be submitted to the City Council for approval by resolution.
- 13.9. The City Manager is authorized to increase or decrease MYOP budget appropriations by not more than \$250,000 for each project. Transfers that exceed \$250,000 in total for any MYOP require the City Council's approval by resolution.
- 13.10. 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 (e.g., Fleet, Measure U, Utility Rate Assistance).
- 13.11. The Utility Box Artwork (I17000800) MYOP 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 person requesting.

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 that 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 that the City would receive 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 in accordance with article XIII B of the California Constitution for FY2020/21, as detailed in Schedule 5 as displayed in Exhibit D.

Section 16. Midyear Report.

- 16.1. The City Manager shall present 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 to the City Council.
- 16.2. The City Council will act on any projected fund deficits as part of the midyear review.

Section 17. Adjustments for Revenue Offset Programs and Services.

- 17.1. The City Manager is authorized to 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.
- 17.2. The City Manager is authorized to make the following adjustments to Department Operating Budgets or fund balance:
- (A) Adjust Fire Department revenue and expenditure budgets based on actual revenues received for Department strike-team services provided throughout California.
 - (B) 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.
 - (C) 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.
 - (D) Adjust the revenue and expenditure budgets for facility maintenance and repair services provided to outside agencies and entities (15004521-338020) and for private property concrete maintenance and sidewalk repairs (15001641-343010) to reflect actual revenues received for these services.
 - (E) 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 or early replacement) approved by the City Council during the fiscal year and upon

completion of audited financial statements to allow the continued purchasing of prior-year-funded replacement vehicles.

- (F) Transfer excess parking-meter revenue from the General Fund (Fund 1001) to cover eligible costs that are incurred in the Parking Fund (Fund 6004) if the full costs of the current fiscal-year operations for parking meters has been recovered and the Department has a positive net year-end results.
- (G) The Rental Housing Inspection Program Fees have been established to recover the costs of the program. If the full cost of the current-year operations for that program have been recovered, then excess revenues for the program will be committed to fund a reserve equal to one year's revenue budget for the program.

If these operations do not achieve the budgeted revenues or if program costs exceed the program budget, then resources must be transferred from the commitment of fund balance for the Rental Housing Inspection Program to cover the shortfall.

17.3. The City Manager is authorized to make the following adjustments between Department operating budgets and CIPs or MYOPs:

- (A) Adjust the revenue budget for the City Attorney's Office and the expenditure budget in the Justice for Neighbors ("JFN") (I03000100) MYOP 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.
- (B) Adjust the Community Development Department operating budget for spay/neuter and unaltered pet-licensing revenue accounts (Account 341380 [Program Code 13006] and 351020) and increase the Animal Care Low Income Spay/Neuter Program (I13000600) MYOP expenditure budget in the General Fund (Fund 1001) to reflect 50% of the penalty fees and 50% of unaltered pet-licensing fees collected in accordance with Sacramento City Code section 9.44.215.D.
- (C) 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 (M17700000) CIP.
- (D) Adjust the Convention and Cultural Services revenue budget for Memorial Auditorium Facility Fee revenues and the Memorial Auditorium Improvements (M17101000) CIP expenditure budget based on actual fees collected, less any operating costs associated with delivering this service.

- (E) Adjust the Convention and Cultural Services revenue budget for SAFE Credit Union Performing Arts Center Facility Fee revenues and the Performing Arts Center Improvements (M17101800) CIP expenditure budget based on the actual fees collected, less any operating costs associated with delivering this service.
 - (F) Adjust the Public Works Department revenue budget to reflect actual revenues received and the Sacramento Valley Station Operations and Management (I15001000) MYOP expenditure budget by a like amount.
 - (G) Increase the Public Works Department revenue and expenditure budgets for launch-ramp activities to reflect actual revenues received and transfer any resulting year-end savings for these activities to the Harbor Dredging (M17500000) CIP if the Department has positive net year-end results.
 - (H) Adjust the Public Works Department revenue budget and the expenditure budget in the Shared-Rideable Implementation (K15195100) CIP based on the actual revenues received from the Shared-Rideable permit fees, except for the portion of the fee assessed to offset parking-meter-revenue loss.
 - (I) Adjust the Public Works Department revenue budget (15001811) and the expenditure budget in the Tree Planting and Replacement (R15188500) CIP based on actual revenues received in the Tree Planting and Replacement Fund (Fund 2035).
 - (J) Adjust the Youth, Parks, and Community Enrichment Department revenue budget for recreation-program fees and increase the expenditure budget in the Recreation Facility Improvement (L19800200) CIP if the full cost of the current fiscal-year operations for this CIP have been recovered and the Department has positive net year-end results.
 - (K) Adjust appropriations made in the Approved Budget for fleet replacements from amounts budgeted for updated fleet-replacement costs not exceeding \$250,000 by Department and by fund and transfer expenditure budgets from Department operating budgets to the Fleet Acquisitions (I06000999) MYOP if the Department is projecting expenditure savings in excess of the transfer.
 - (L) Increase the transfer from the Community Center Fund (Fund 6010) to the General Fund (Fund 1001) if Transient Occupancy Tax 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) EFP as authorized by Council through December 2048.
174. The City Manager is authorized to make the following adjustments to CIPs and MYOPs:

- (A) 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) CIPs based on actual rent proceeds available after payment of all fees to the State of California and funding of annual required maintenance costs.
 - (B) Adjust revenue and expenditure budgets in the Energy Reinvestment Program (C13001900) CIP to reflect actual energy rebates and incentives received.
- 17.5. The City Manager is authorized to implement the following fiscal transactions as needed to properly manage and account for the City's Cannabis revenues and expenditures:
- (A) 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 (I06420000) MYOP as necessary to cover costs.
 - (B) Adjust the revenue budget for the City Manager's Office of Cannabis Management operations (02001101) to reflect actual revenues received and increase or decrease the expenditure budget in the operating budget by a like amount. At year-end excess resources must be transferred to I06420000 to offset the cost of enforcement. If there are inadequate revenues available, resources must be transferred from I06420000 to cover the actual operating costs incurred in 02001101.
 - (C) Establish or increase the revenue budget(s) for fines and administrative penalties collected in accordance with 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.
 - (D) Adjust the revenue budget for Housing and Dangerous Building fines, fees, and penalties collected by the Community Development Department and the expenditure budget in I06420000 at year-end based on actual revenues received.
- 17.6. The City Manager is authorized to implement the following fiscal transactions as needed to properly manage and account for the City's efforts toward reducing homelessness:
- (A) Adjust revenue and expenditure budgets in the Whole Person Care (I02000900) MYOP related to intergovernmental transfers received to support program activities through the performance period up to the amount of the annual program-year budget approved by the California Department of Health Care Services.

At year-end, the revenue and expenditure budgets in I02000900 will be adjusted to match actuals.

- (B) Adjust the revenue and expenditure budgets to reflect actual contributions received from external partners in the Homeless Housing Initiatives (I02000200) MYOP to support homeless-services programs.
- (C) Each fiscal year, unobligated General Fund appropriations in existence in the Office of Homeless Services (02001201) on June 30 must be transferred to the I02000200 if the Department has positive net year-end General Fund results.
- (D) Adjust interdepartmental transfers related to the Whole Person Care (I02000900) MYOP as needed for the duration of that program.

Section 18. Year-End Process and Carryover Authority.

- 18.1. Each fiscal year, all purchase-order commitments outstanding on June 30, and associated appropriations, are hereby continued.
- 18.2. If 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.
- 18.3. Each fiscal year, unobligated appropriations in existence on June 30 for the City Council operations budget will be carried over to the next fiscal year.
- 18.4. Each fiscal year, unobligated General Fund appropriations in existence in the Arts Stabilization budget (80001065) on June 30 must be transferred to the Art in Public Places Maintenance (I17000500) MYOP if the Department has positive net year-end General Fund results.
- 18.5. 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 must be transferred to the Development Stabilization Contingency Reserve (“DSCR”), consistent with the adopted DSCR policy, if the Department has positive net year-end results.
- 18.6. Each fiscal year, unobligated General Fund appropriations in existence in the Human Resources Department on June 30 must be transferred to the Training and Outreach (I08000300) MYOP if the Department has positive net year-end General Fund results.
- 18.7. Each fiscal year, unobligated net appropriations in existence on June 30 in the Information Technology (“IT”) Department operations General Fund budget and the citywide IT budget in Citywide and Community Support must be transferred to the IT Critical Infrastructure(A07000700) CIP to create a funding mechanism for future citywide technology initiatives, which the City Manager will review annually.

- 18.8. Each fiscal year, unobligated appropriations in the City's California Public Employees' Retirement System budget account(s) (413170/ 413172) that are not required to balance the budget must be transferred to the City's other post-employment benefit trust.
- 18.9. Each fiscal year, if the START Fund (Fund 2501) has a deficit, unobligated General Fund (Fund 1001) appropriations in existence in the Youth, Parks, and Community Enrichment Department on June 30 must be transferred to Fund 2501 to cover any deficit associated with the general- and auto-liability insurance premiums if the Department has positive net year-end General Fund results.
- 18.10. Each fiscal year, the Fleet Acquisitions (I06000999) MYOP will be reviewed and excess funds will be returned to the fund of origin.
- 18.11. Each fiscal year, unobligated appropriations in the Measure U MYOPs at the close of the fiscal year must be returned to Measure U available fund balance (Fund 2401).

Section 19. Year-End Reporting.

- 19.1. 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 will revert to the available fund balances 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.
- 19.2. 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 those gains are not available for appropriation.

Section 20. Miscellaneous Controls and Considerations.

- 20.1. Expenditures by fund at the Department level must not exceed the Operating Budget as amended by any subsequent approval by the City Council or the City Manager in accordance with this resolution.
- 20.2. Subject to the City Manager's approval, projected fund deficiencies in any Department must be corrected as follows in accordance with the sections of this resolution governing transfers and appropriations by reducing expenditures in the Department (e.g., restricting purchase orders, freezing vacant positions) or by an appropriation transfer from Administrative Contingency or available fund balance, or both, subject to the provisions of section 5.
- 20.3. The City Manager is authorized to 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.

- 20.4. In all staff reports that come before the City Council, net budgetary impacts on all funds, including indirect impacts, must be stated clearly and concisely so that the City Council has a full understanding of the financial consideration and impacts of its decisions.

Resolution Exhibits:

- Exhibit A – Budget Changes
- Exhibit B – Summary of FTE
- Exhibit C – Measure U Programming
- Exhibit D – Approved Budget Operating Budget
- Exhibit E – Approved Capital Budget

Adopted by the City of Sacramento City Council on May 12, 2020, by the following vote:

Ayes: Members Ashby, Carr, Guerra, Hansen, Harris, Jennings, Schenirer, Warren and Mayor Steinberg

Noes:None

Abstain:None

Absent:None

Attest: **Mindy Cuppy** Digitally signed by Mindy Cuppy
Date: 2020.06.03 16:44:06 -07'00'

Mindy Cuppy, City Clerk

The presence of an electronic signature certifies that the foregoing is a true and correct copy as approved by the Sacramento City Council.

FY2020/21 BUDGET CHANGE

Operating Budget Adjustment

Department	Fund Name (Number)	Revenue Adjustment	Expenditure Adjustment	Description
Citywide and Community Support	General Fund (1001)	(275,000)	-	Reduce an overstated interest revenue for account receivable.
Net Operating Change:		(275,000)	-	

FY2020/21 SUMMARY OF FULL-TIME EQUIVALENT (FTE)

	FY2019/20 Amended	FY2019/20 Council	FY2020/21 Re-Org	FY2020/21 Add/Delete	FY2020/21 Augmentations	FY2020/21 Approved
General Fund						
Mayor/Council	36.00	-	-	-	-	36.00
City Auditor	10.00	-	-	-	-	10.00
City Attorney	59.00	-	-	-	-	59.00
City Clerk	19.00	-	-	-	-	19.00
City Manager	69.00	-	(1.00)	(1.00)	-	67.00
City Treasurer	14.00	-	-	-	-	14.00
Community Development	290.00	-	-	-	-	290.00
Convention and Cultural Services	25.20	-	1.00	-	-	26.20
Finance	91.00	-	-	-	-	91.00
Fire	711.50	1.00	-	-	-	712.50
Human Resources	44.00	-	-	-	-	44.00
Information Technology	195.50	-	-	1.00	1.00	197.50
Police	1,099.46	-	-	(1.50)	-	1,097.96
Public Works	420.00	-	2.00	(1.00)	-	421.00
Youth, Parks, and Community Enrichment	553.57	-	-	0.86	-	554.43
Citywide and Community Support	1.00	-	-	-	-	1.00
Subtotal General Funds	3,638.23	1.00	2.00	(1.64)	1.00	3,640.59
Enterprise Funds						
Community Center						
Convention & Cultural Services	90.99	-	-	-	-	90.99
Parking						
Public Works	61.25	-	-	-	-	61.25
Solid Waste						
Public Works ⁽¹⁾	165.30	1.00	(2.00)	-	8.00	172.30
Storm Drainage						
Utilities	114.00	-	7.18	2.00	-	123.18
Wastewater						
Utilities	83.18	-	11.18	-	-	94.36
Water						
Utilities	377.72	-	(18.36)	(7.00)	-	352.36
Subtotal Enterprise Funds	892.44	1.00	(2.00)	(5.00)	8.00	894.44
Internal Service Funds						
Fleet Management						
Public Works	83.00	-	-	-	-	83.00
Risk Management						
Human Resources	17.00	-	-	-	-	17.00
Workers' Compensation						
Human Resources	19.00	-	-	-	-	19.00
Subtotal Internal Service Funds	119.00	-	-	-	-	119.00
Other Governmental Funds						
4th R Program						
Youth, Parks, and Community Enrichment	134.35	-	-	-	-	134.35
Innovation and Growth						
City Manager	3.00	-	-	-	-	3.00
Marina						
Public Works	6.80	-	-	-	-	6.80
START						
Youth, Parks, and Community Enrichment	16.24	-	-	-	-	16.24
City/County Office-Water Planning						
Citywide and Community Support ⁽¹⁾	4.00	2.00	-	-	-	6.00
Subtotal Other Governmental Funds	164.39	2.00	-	-	-	166.39
TOTAL	4,814.06	4.00	(0.00)	(6.64)	9.00	4,820.42

⁽¹⁾ Council approved positions were not included in the Fiscal Year 2020/21 Proposed Budget due to timing issues. A 1.0 FTE Program Manager was approved by Council on April 7, 2020 (Resolution No. 2020-0087) and a 1.0 FTE Administrative Technician and a 1.0 FTE Staff Aide was approved by Council on May 12, 2020 (Resolution No. 2020-0122).

MEASURE U PROGRAMMING

	FY2020/21	FY2020/21	FY2021/22	FY2022/23	FY2023/24	FY2024/25
Revenues and Expenditures in (\$ in 000s)	Approved FTE	Approved	Projection	Projection	Projection	Projection
REVENUES		80,179	99,430	104,800	109,457	112,604
EXPENDITURES						
Fire Department						
Staffing	114.50	21,534	22,573	23,467	24,122	24,821
Services & Supplies & MYOPs	-	111	112	113	114	116
Capital Improvements	-	-	-	-	-	-
Fire Department Subtotal	114.50	21,645	22,686	23,580	24,237	24,936
Police Department						
Staffing	261.00	41,045	43,070	44,810	46,087	47,447
Services & Supplies & MYOPs	-	1,489	1,496	1,503	1,510	1,517
Capital Improvements	-	3,176	3,176	3,176	3,176	3,176
Police Department Subtotal	261.00	45,710	47,742	49,489	50,773	52,140
Youth, Parks, & Ecommunity Enrichment (YPCE)						
Staffing	188.78	11,175	11,524	11,826	12,063	12,293
Services & Supplies & MYOPs	-	3,227	3,260	3,292	3,325	3,358
Capital Improvements	-	-	-	-	-	-
YPCE Subtotal	188.78	14,402	14,784	15,118	15,388	15,651
Economic Development						
Staffing	17.00	2,560	2,640	2,709	2,763	2,816
Services & Supplies & MYOPs	-	1,636	1,652	1,668	1,685	1,702
Capital Improvements	-	-	-	-	-	-
Economic Development Subtotal	17.00	4,195	4,292	4,377	4,448	4,518
Miscellaneous						
Staffing	14.00	894	921	946	965	983
Services & Supplies & MYOPs	-	2,182	1,947	1,961	1,976	1,990
Capital Improvements	-	165	-	-	-	-
Library MOE	-	506	506	506	506	506
Miscellaneous Subtotal	14.00	3,747	3,374	3,413	3,446	3,479
Other CIPs, MYOPs, & Debt Service						
Debt Service Set Aside		-	-	-	-	-
Other CIPs, MYOPs, & Debt Service Subtotal	-	-	-	-	-	-
EXPENDITURES TOTAL	595.28	89,700	92,877	95,977	98,292	100,725
<i>EUR Contribution (0.5% of Expenses)</i>						
One-Time Resources						
Prior FY Estimated Ending Fund Balance		2,214				
One-Time Resources Subtotal		2,214	-	-	-	-
ENDING AVAILABLE RESOURCES		(7,307)	6,553	8,823	11,165	11,879

FY2020/21 APPROVED OPERATING BUDGET

APPROVED 2020-2025 CAPITAL IMPROVEMENT PROGRAM

DARRELL STEINBERG

Mayor

ANGELIQUE ASHBY

Mayor Pro Tempore, District 1

ALLEN WARREN

Councilmember, District 2

JEFF HARRIS

Vice Mayor, District 3

STEVE HANSEN

Councilmember, District 4

JAY SCHENIRER

Councilmember, District 5

ERIC GUERRA

Councilmember, 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 is elected by all voters in the City. In 2002, voters approved a measure for the Mayor to serve full-time. All other Councilmembers are elected by district and serve part-time.

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 510,931.

