Budget hearings are scheduled in May and June providing the opportunity for the Council and community to discuss citywide priorities. The hearing schedule is subject to change. For updates, please refer to agendas at http://sacramento.granicus.com/ViewPublisher.php?view_id=21.

**MEASURE U HIGHLIGHTS**

Voter approval of the City of Sacramento Essential Services Protection Measure (Measure U) in November 2012 authorized the implementation of a six-year, one-half cent transaction and use tax effective April 1, 2013, which expires on March 31, 2019. The Budget for Measure U includes $46.5 million in revenues and $58.9 million in one-time and ongoing expenditures. The following chart summarizes the Proposed Measure U Budget and forecast.

**OPERATING BUDGET HIGHLIGHTS**

The following have been added to the Budget:
- Library funding to maintain programs
- Body-worn cameras for Police
- 311 Call Center staffing
- Park maintenance staffing
- Development services staffing
- Front Street Animal Shelter staffing
- Code Enforcement staffing

**CAPITAL IMPROVEMENT PROGRAM (CIP) BUDGET**

The CIP is the City’s five-year plan funding infrastructure and facility needs. Building on the efforts of the last several years and guided by Council's identified priorities, the CIP continues targeted investments to maintain, rehabilitate, and rejuvenate a wide array of public infrastructure.

The FY2017/18 Proposed CIP is $85 million and the five-year plan totals $315.1 million.

**PARTICIPATE**

The annual budget process provides the opportunity for Council to review and provide direction on budget development policies, guidelines, and priorities. This input establishes budget expectations and provides a framework for the development of the Proposed Budget. The following graphic represents the City’s budget/program planning cycle:

**THE BUDGET PROCESS**

Budget hearings are scheduled in May and June providing the opportunity for the Council and community to discuss citywide priorities. The hearing schedule is subject to change. For updates, please refer to agendas at http://sacramento.granicus.com/ViewPublisher.php?view_id=21.
Budget Presentation
This Budget-in-Brief provides highlights on the City’s Proposed Budget (Budget) for Fiscal Year FY 2017/18, which runs from July 1, 2017 to June 30, 2018. The Budget is presented in two documents: the FY2017/18 Proposed Operating Budget and the 2017-2022 Proposed Capital Improvement Program, which includes the FY2017/18 Capital Improvement Program (CIP). These documents are available on the City’s website at www.cityofsacramento.org/finance/budget.

Budget Overview
The Budget is balanced and reflects Council’s adoption of policies and guidelines. The Budget is $1.0 billion from all funding sources and supports the City’s Enterprise Funds and capital investments for the community at large. Additional information is available at www.cityofsacramento.org.

Budget Challenges
While revenues continue to experience strong growth, increasing pension costs, labor contract pressures, and the expiration of Measure U in March 2019, will challenge General Fund budget sustainability over the long-term. As such, this year the budget was developed with the goal of limiting the addition of ongoing costs in the General Fund, providing the opportunity to strategically set aside one-time funding to soften the impact of any necessary transition until structural balance is achieved.

Budget Outlook
Fiscal sustainability (expenditures below revenues) is critical for the long-term stability of the City. While the forecast is projecting deficits beginning in FY2018/19, through the Council’s leadership, the General Fund Economic Uncertainty Reserve (Reserve) is almost $47 million (approximately 10% of revenues). This Reserve is intended to be used to address unanticipated, non-recurring needs but may be used strategically to allow time for the City to restructure operations as may be required.

THE FY2017/18 PROPOSED BUDGET
The Proposed Budget represents the City’s $1.0 billion financial plan for operations and capital investments for the community at large. Additional information is available at www.cityofsacramento.org.

Looking Ahead: How Can I Participate in the Budget Process?
Schedule is subject to change. Please refer to the city’s website, cityofsacramento.org for updates.

GOVERNMENT OFFICIALS
ELECTED OFFICIALS
Mayor Darrell Steinberg 916-808-5300
District 1 Angelique Ashby 916-808-7001
District 2 Allen Warren 916-808-7002
District 3 Jeff Harris 916-808-7003
District 4 Steve Hansen 916-808-7004
District 5 Jay Schnerier 916-808-7005
District 6 Eric Guerra 916-808-7006
District 7/ Larry Carr 916-808-7007
District 8 Rick Jennings, II 916-808-7008
Vice Mayor
Mayor-Council/Find-Your-District.
EMERGENCY – 9-1-1
NON-EMERGENCY – 916-264-5471
CHARTER OFFICERS
City Attorney James C. Sanchez 916-808-5346
City Clerk Shirley Concolino 916-808-7000
City Manager Howard Chat 916-808-7488
City Treasurer John Colville 916-808-5368
QUESTIONS ABOUT THE BUDGET?
For more information about the City’s budget please call 916-808-5845.

QUESTIONS ABOUT CITY SERVICES?
Have a question? Call 3-1-1! We help you navigate the system to find the answers or the people you need.

Participate in the Budget Process?
Looking Ahead: How Can I
Webpage: http://www.cityofsacramento.org/finance/budget/Participate

How does the City spend your money?

Funding Sources

<table>
<thead>
<tr>
<th>Source</th>
<th>Percentage</th>
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</thead>
<tbody>
<tr>
<td>General Fund</td>
<td>43.5%</td>
</tr>
<tr>
<td>Enterprise Funds</td>
<td>28.4%</td>
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<tr>
<td>Other Funds</td>
<td>28.1%</td>
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</tbody>
</table>

Expenditures

<table>
<thead>
<tr>
<th>Category</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Employee Services</td>
<td>56.9%</td>
</tr>
<tr>
<td>Services and Supplies</td>
<td>20.2%</td>
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<tr>
<td>Debt Service</td>
<td>10.0%</td>
</tr>
<tr>
<td>Capital Improvement Program</td>
<td>8.2%</td>
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<tr>
<td>Property</td>
<td>4.6%</td>
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<tr>
<td>Contingency</td>
<td>0.1%</td>
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</table>

FY2017/18 General Fund Forecast

<table>
<thead>
<tr>
<th>General Fund ($ in 000s)</th>
<th>FY16 Act</th>
<th>FY16 Proposed</th>
<th>FY17C Estimate</th>
<th>FY16 Actual</th>
<th>FY17C Estimated</th>
<th>FY17C Actual</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Revenues</td>
<td>461,723</td>
<td>470,652</td>
<td>479,944</td>
<td>488,722</td>
<td>497,508</td>
<td>506,821</td>
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<tr>
<td>Operations</td>
<td>433,663</td>
<td>458,607</td>
<td>474,886</td>
<td>492,168</td>
<td>503,593</td>
<td>515,902</td>
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<tr>
<td>Projects and one-time expenses</td>
<td>26,060</td>
<td>21,045</td>
<td>25,058</td>
<td>26,554</td>
<td>24,915</td>
<td>20,919</td>
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<tr>
<td>Total Expenditures</td>
<td>449,813</td>
<td>474,652</td>
<td>491,081</td>
<td>508,713</td>
<td>520,574</td>
<td>532,822</td>
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<tr>
<td>Annual Surplus/(Deficit)</td>
<td>13,910</td>
<td>(5,990)</td>
<td>(11,137)</td>
<td>(19,991)</td>
<td>(23,066)</td>
<td>(26,001)</td>
</tr>
<tr>
<td>Expiration of Measure U</td>
<td>12/01</td>
<td>0</td>
<td>(3,030)</td>
<td>(3,030)</td>
<td>(3,030)</td>
<td>(3,030)</td>
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<tr>
<td>Estimated Surplus/(Deficit)</td>
<td>13,910</td>
<td>(5,990)</td>
<td>(54,765)</td>
<td>(57,121)</td>
<td>(57,121)</td>
<td>(57,121)</td>
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