



## MEASURE U

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.

# THX 2

Parks And Recreation Department  
**\$13.5 million**

Miscellaneous  
**\$3.2 million**

Police Department  
**\$23.9 million**

Fire Department  
**\$18.3 million**

**\$58.9 MILLION**

## MEASURE U HIGHLIGHTS

One-time Measure U funded projects include the following improvements/purchases:

- \$2.5 million - Libraries
- \$2.5 million - Fire Stations 14 and 15
- \$2.1 million - Fire Apparatus/Engines
- \$1.9 million - Park Maintenance
- \$1.5 million - Energy Improvements
- \$1.0 million - Camp Sacramento
- \$800,000 - Community Centers
- \$350,000 - City Parks Tree Assessment

## 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.

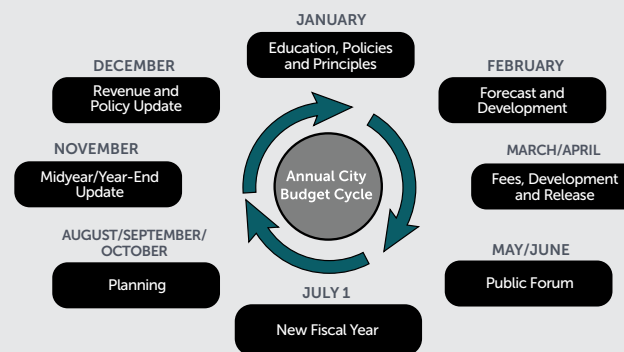
| Program Area                   | FY2017/18           |
|--------------------------------|---------------------|
| General Government             | \$10,414,000        |
| Public Safety                  | \$5,586,000         |
| Convention, Culture, & Leisure | \$3,528,000         |
| Parks and Recreation           | \$5,106,000         |
| Public Works                   | \$40,905,000        |
| City Utilities                 | \$19,436,000        |
| <b>TOTAL</b>                   | <b>\$84,975,000</b> |

## How do I get involved in the process?

## PARTICIPATE

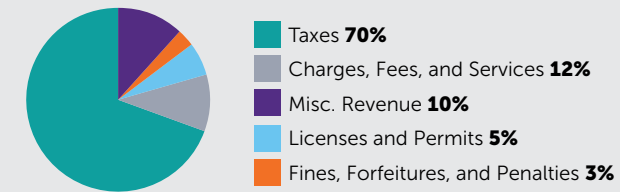
The annual budget process provides the opportunity for Council to review and provide direction on budget development policies, guidelines, and priorities. This input establishes budget expectations and provides a framework for the development of the Proposed Budget. The following graphic represents the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

### THE BUDGET PROCESS

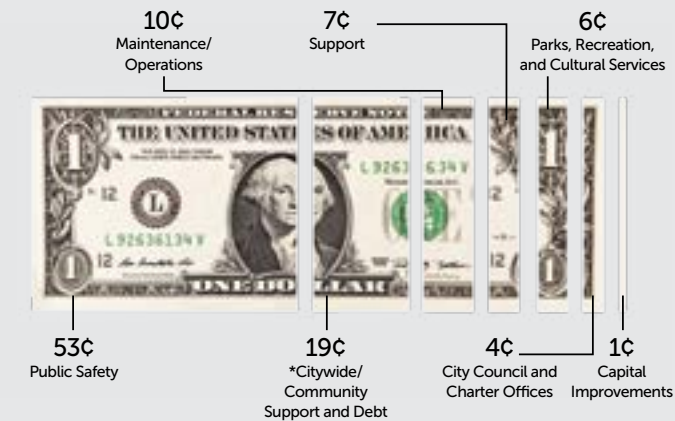


Budget hearings are scheduled in May and June providing the opportunity for the Council and community to discuss citywide priorities. The hearing schedule is subject to change. For updates, please refer to agendas at [http://sacramento.granicus.com/ViewPublisher.php?view\\_id=21](http://sacramento.granicus.com/ViewPublisher.php?view_id=21).

## GENERAL FUND WHERE DOES THE GENERAL FUND MONEY COME FROM?



## WHAT DOES EVERY GENERAL FUND DOLLAR SUPPORT?



\* Includes debt, insurance, multi-year operating projects, pensions, retiree health, library contributions and administrative contingency.

## City of Sacramento Proposed Budget

FISCAL YEAR 2017/18



Sacramento's Future



## What is the City's financial outlook?

### 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) Budget. These documents are available on the City's website at [www.cityofsacramento.org/finance/budget](http://www.cityofsacramento.org/finance/budget).

### Budget Overview

The Budget is balanced and reflects Council's adopted policies and guidelines. The Budget is \$1 billion from all funding sources and supports 4,552.21 full-time equivalent (FTE) positions. This includes \$449.8 million for General Fund operations and capital projects, and \$584.2 million for operations and capital projects for the City's Enterprise Funds and other fund activities.

### FY2017/18 General Fund Forecast

| General Fund (\$ in 000s)          | FY18 Proposed  | FY19 Estimate  | FY20 Estimate   | FY21 Estimate   | FY22 Estimate   | FY23 Estimate   |
|------------------------------------|----------------|----------------|-----------------|-----------------|-----------------|-----------------|
| <b>Total Revenues</b>              | <b>463,723</b> | <b>470,662</b> | <b>479,944</b>  | <b>488,722</b>  | <b>497,508</b>  | <b>506,821</b>  |
| Operations                         | 433,663        | 458,607        | 474,886         | 492,168         | 503,593         | 515,902         |
| Projects and one-time expenses     | 16,150         | 16,045         | 16,195          | 16,545          | 16,981          | 16,920          |
| <b>Total Expenditures</b>          | <b>449,813</b> | <b>474,652</b> | <b>491,081</b>  | <b>508,713</b>  | <b>520,574</b>  | <b>532,822</b>  |
| <b>Annual Surplus/(Deficit)</b>    | <b>13,910</b>  | <b>(3,990)</b> | <b>(11,137)</b> | <b>(19,991)</b> | <b>(23,066)</b> | <b>(26,001)</b> |
| Expiration of Measure U (3/2019)   | 0              | 0              | (43,628)        | (50,317)        | (50,317)        | (50,317)        |
| <b>Estimated Surplus/(Deficit)</b> | <b>13,910</b>  | <b>(3,990)</b> | <b>(54,765)</b> | <b>(70,308)</b> | <b>(73,383)</b> | <b>(76,318)</b> |

### 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.

### Budget Challenges

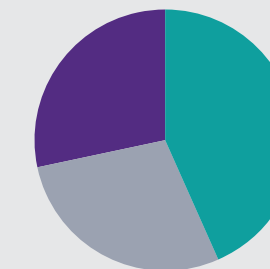
While revenues continue to experience strong growth, increasing pension costs, labor contract pressures, and the expiration of Measure U in March 2019, will challenge General Fund budget sustainability over the long-term. As such, this year the budget was developed with the goal of limiting the addition 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.

## How does the City spend your money?

### THE FY2017/18 PROPOSED BUDGET

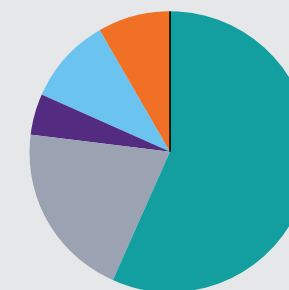
The Proposed Budget represents the City's \$1.0 billion financial plan for operations and capital investments for the community at large. Additional information is available at [www.cityofsacramento.org](http://www.cityofsacramento.org).

### Funding Sources



- General Fund **43.5%**
- Enterprise Funds **28.4%**
- Other Funds **28.1%**

### Expenditures



- Employee Services **56.9%**
- Services and Supplies **20.2%**
- Debt Service **10.0%**
- Capital Improvement Program **8.2%**
- Property **4.6%**
- Contingency **0.1%**

## Looking Ahead: How Can I Participate in the Budget Process?

| Day              | Time   | Legislative Body                 |
|------------------|--------|----------------------------------|
| Thursday, May 4  | 2 p.m. | Budget and Audit Committee (B&A) |
| Tuesday, May 9   | 2 p.m. | City Council                     |
| Tuesday, May 16  | 2 p.m. | City Council                     |
| Tuesday, May 16  | 6 p.m. | City Council                     |
| Tuesday, May 23  | 2 p.m. | City Council                     |
| Tuesday, May 23  | 6 p.m. | City Council                     |
| Tuesday, June 6  | 2 p.m. | B&A                              |
| Tuesday, June 13 | 6 p.m. | City Council, Budget Adoption    |

Schedule is subject to change. Please refer to the city's website, [cityofsacramento.org](http://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 Schenirer     | 916-808-7005 |
| District 6                | Eric Guerra       | 916-808-7006 |
| District 7/<br>Vice Mayor | Rick Jennings, II | 916-808-7007 |
| District 8                | Larry Carr        | 916-808-7008 |

Not sure which district you are in? Go to the web to find out: <http://www.cityofsacramento.org/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 | 916-808-7200 |
| City Manager   | Howard Chan       | 916-808-7488 |
| City Treasurer | John Colville     | 916-808-5168 |

### 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.

### QUESTIONS ABOUT THE BUDGET?

For more information about the City's budget please call 916-808-5845.