

FISCAL YEAR  
2022 — 2023

CITY OF SACRAMENTO

# Approved Budget



# APPROVED

## CITY OF SACRAMENTO

### FISCAL YEAR 2022/23 BUDGET

---

DARRELL STEINBERG  
Mayor

ANGELIQUE ASHBY  
Vice Mayor, District 1

SEAN LOLOEE  
Councilmember, District 2

JEFF HARRIS  
Councilmember, District 3

KATIE VALENZUELA  
Councilmember, District 4



JAY SCHENIRER  
Councilmember, District 5

ERIC GUERRA  
Mayor Pro Tempore, District 6

RICK JENNINGS, II  
Councilmember, District 7

MAI VANG  
Councilmember, District 8

---

HOWARD CHAN  
City Manager

HECTOR BARRON  
Assistant City Manager

MARIO LARA  
Assistant City Manager

MICHAEL JASSO  
Assistant City Manager

LEYNE MILSTEIN  
Assistant City Manager

**Prepared by**  
**DEPARTMENT OF FINANCE**  
**BUDGET, POLICY and STRATEGIC PLANNING DIVISION**

Emily Combs    Mirthala Santizo  
Jason Bader    Angie Galieote    Zonousia Lee  
Leila Menor    Elizabeth Ramos    Michael Tamayo

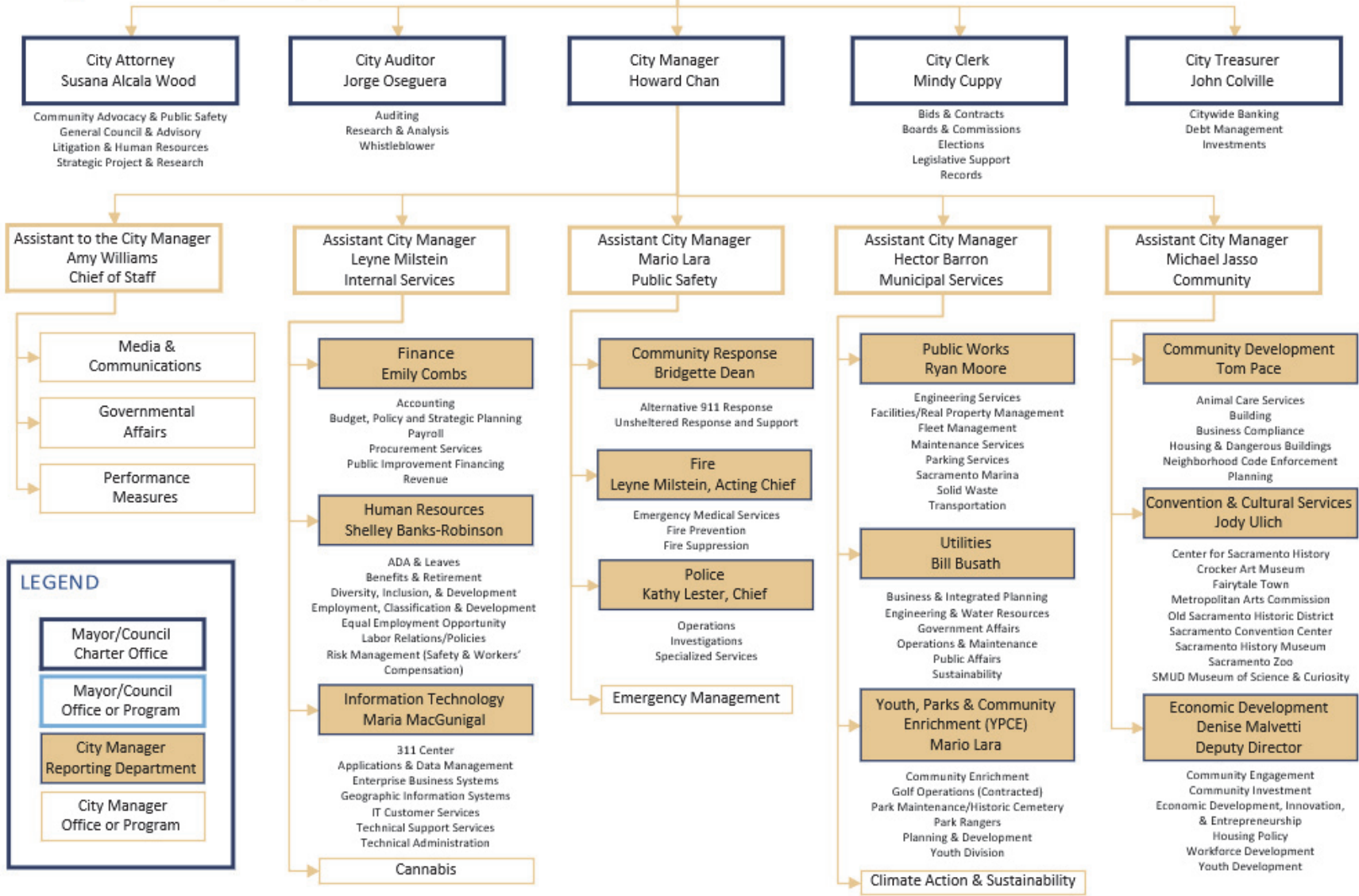
*In conjunction with Department Staff*

---

CITY HALL  
915 I STREET, 5<sup>TH</sup> FLOOR  
SACRAMENTO, CA 95814



Organization Chart – updated 07/01/2022





## Table of Contents

### SECTION – 1

Budget Message.....	9
Operating Budget Excellence Award.....	13

### SECTION – 2

City at a Glance .....	15
Sacramento at a Glance.....	17
History of the City of Sacramento .....	17
Demographics.....	18
Community Profile.....	19
Capital Asset Statistics.....	20

### SECTION – 3

Budget Overview.....	21
Approved Budget Overview.....	23
Proposed Budget Overview.....	27
Budget Modifications .....	29
2022-2027 CIP .....	31
Budget Hearings.....	31
On the Horizon – Future Fiscal Challenges.....	31
General Fund Revenues: Options and Opportunities.....	33
Conclusion.....	34

### SECTION – 4

Understanding the Budget .....	35
Budget Information.....	37
The Budget Presentation.....	37
The Budget Process.....	37
Council Priorities.....	38
Financial Management Policies.....	39
Performance Measurement .....	40
Financial Information.....	42
How to Read This Document.....	46

**SECTION – 5**

The Forecast..... 51  
Revised Financial Forecast..... 53  
Proposed Financial Forecast..... 59  
Financial Forecast..... 59  
General and Measure U Funds Overview..... 59  
General/Measure U Fund Revenues..... 61  
General and Measure U Fund Expenditures..... 72  
Measure U Programming and Forecast..... 75  
Enterprise Funds..... 79

**SECTION – 6**

Budget Schedules..... 95

**SECTION – 7**

Mayor and City Council..... 133

**SECTION – 8**

City Attorney..... 139

**SECTION – 9**

City Auditor..... 149

**SECTION – 10**

City Clerk..... 155

**SECTION – 11**

City Manager..... 161

**SECTION – 12**

City Treasurer..... 171

**SECTION – 13**

Community Development..... 177

**SECTION – 14**

Community Response..... 185

**SECTION – 15**

Convention and Cultural Services..... 193

**SECTION – 16**

Finance..... 205

**SECTION – 17**

Fire..... 213

**SECTION – 18**

Human Resources..... 221

**SECTION – 19**

Information Technology..... 229

**SECTION – 20**

Police..... 237

**SECTION – 21**

Public Works..... 249

**SECTION – 22**

Utilities..... 259

**SECTION – 23**

Youth, Parks, & Community Enrichment..... 267

**SECTION – 24**

Citywide and Community Support..... 277

**SECTION – 25**

Debt Financing..... 289

**SECTION – 26**

Staffing..... 297

**SECTION – 27**

Multi-Year Projects..... 325

**SECTION – 28**

Financial Polices..... 339

    Budget Control Policy..... 341

    Debt Management Policy..... 343

    Debt Management Policy - Disclosure..... 363

    DSCR and Development Services Fund Management Policy..... 369

    EMS Revenue Recovery and Fee Waiver Policy..... 373

    Fees and Charges Policy..... 379

    General/Measure U (G/MU) Fund EUR Policy..... 389

    Interfund Loans..... 393



FY2022/23 Approved Budget

---

Investment Policy.....	397
Other Post-Employment Benefits (OPEB).....	409
Pension Funding.....	413
Risk Management Funding and Reserve Policy.....	417
SCERS Investment Policy.....	421
<b>SECTION – 29</b>	
Resources.....	433
<b>SECTION – 30</b>	
Resolution.....	445

# 1

## **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, 2022

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) 2022/23. The approved budget totals \$1.45 billion for operations and capital projects. The General and Measure U budget represents 51%, or \$742 million, of the total budget.

This approved budget is balanced and represents the City’s financial plan for the upcoming fiscal year. As Sacramento continues to recover from the financial challenges caused by the COVID-19 pandemic, we are cautiously optimistic that the worst of the pandemic’s fiscal impacts are behind us. This approved plan reflects prudent investments in staffing and programs to adapt to community needs and support City Council priority initiatives.

The forecasts presented in this budget are based on data collected over the previous fiscal year as well as current financial modeling of data available as recently as the end of June. Although the City continues to experience revenue shortfalls in parking and transient occupancy tax revenues, sales tax and Measure U revenues are recovering faster than anticipated. A healthy housing market and development have resulted in increased property tax revenues. However, despite signs of a recovering local economy, the City continues to face ongoing challenges with increasing labor costs and liabilities.

After a difficult 2020, the economy rebounded in 2021, and growth is anticipated to continue in 2022. However, with inflation reaching a decades high rate of over 9% in June, talks of a looming recession are rampant around the globe. Currently, our five-year forecast does not include the impacts of a possible recession. Should a recession occur, the City could face larger deficits than what is currently projected. We will continue efforts to identify opportunities to provide long-term stability to our budgetary framework.

This past year, the City received \$112.3 million in American Rescue Plan Act of 2021 funding to address internal challenges resulting from the pandemic and provide additional relief to our residents. In September 2021, the Council approved the American Rescue Plan Act (ARPA) Framework and Funding Priorities. This framework provides funding for: small businesses and commercial corridor revitalization; homelessness and housing; youth, workforce training, and gang prevention programs; arts and creative economy; and

## FY2022/23 Approved Budget

---

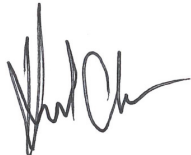
addressing organizational needs. To date, the Council has committed \$99.1 million in ARPA funds for the following priorities:

- \$18.7 million for small business and commercial corridor revitalization
- \$41 million for homeless and housing
- \$9.4 million for youth, workforce training, and gang prevention
- \$10 million for arts, creative economy, and tourism
- \$20 million for citywide organizational needs

These funds will allow us to continue to offer assistance programs to our residents, while helping to close budget gaps caused by the pandemic. Meanwhile, the City continues to deliver on large-scale projects, such as the recently completed North Natomas Community Center and Aquatics Complex, while consistently providing core services that help to keep our water clean, our streets safe and our communities active.

In my sixth year as City Manager, I offer an approved budget that supports the overall vision articulated by the Council, one that strives to acknowledge and benefit all Sacramentans. I would like to thank the Council for its commitment to ensuring the fiscal health of the City while delivering essential services in the most cost-effective manner. Continued commitment to this strategy will help ensure that the City can sustain critical community services and programs in the future.

Respectfully submitted,



Howard Chan  
City Manager

# Operating Budget Excellence Award



The City’s FY2021/22 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 budgets. Peer review methods are employed to maintain standards, improve performance, and provide credibility.

In preparing the FY2022/23 Budget document, the award criteria were followed and prepared in accordance with generally accepted accounting principles. This document will be submitted to the CSMFO for consideration for the Fiscal Year 2022/23 Operating Budget Excellence Award.



# 2

## **SECTION - 2** **City at a Glance**





## Sacramento at a Glance

### 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 sixth largest city in California with a population estimated at 518,037.<sup>1</sup> The population of the County of Sacramento is estimated at 1,576,618.<sup>1</sup> Sacramento encompasses 101 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 2024 and the Councilmembers representing odd numbered districts up for reelection in 2026. 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.

---

<sup>1</sup> Based on California Department of Finance estimates as of January 1, 2022.

FY2022/23 Approved Budget

**Demographics**

The information presented is based on the 2020 American Community Survey One-Year Estimates from the United States Census Bureau unless indicated otherwise.

**Population by Sex**

Percent female persons	50.9%
Percent male persons	49.1%

**Race and Origin**

White	32.0%
Hispanic or Latino (of any race)	28.3%
Asian	18.9%
Black or African American	12.9%
Two or more races	5.5%
Native Hawaiian and Other Pacific Islander	1.6%
Some other race	0.5%
American Indian and Alaska Native	0.3%

**Age Distribution**

0-14 years	19.1%
15-24 years	12.4%
25-64 years	55.1%
65 years and over	13.3%
Median age	34.9

**Housing Status**

Total	197,948
Occupied	187,683
Owner-occupied	93,559
Renter-occupied	94,124

**Average Household Size**

Owner-occupied unit	2.76
Renter-occupied unit	2.50

**Residential Vacancy Rate**

Vacant	10,265
Homeowner vacancy rate	1.0%
Rental vacancy rate	3.2%

**Home Values**

Median value of owner-occupied units	\$361,300
Occupied units paying rent	93,559
Median gross rent	\$1,328

**Commuting to Work**

Mean travel time to work in minutes	26.0
-------------------------------------	------

**Occupation**

Management, business, science, and arts occupations	99,358
Service occupations	43,947
Sales and office occupations	52,179
Natural resources, construction, and maintenance occupations	17,116
Production, transportation, and material moving occupations	28,126

**Household Income**

Total households	187,683
Median household income	\$65,847
Mean household income	\$87,213

**Individual Income**

Per capita income	\$33,503
Median earnings for workers	\$37,734

**Education**

Percent high school graduate or higher	86.3%
Percent bachelor's degree or higher	31.7%

FY2022/23 Approved Budget

**Community Profile**

The information presented is based on the City's Annual Comprehensive Financial Report (ACFR) for the fiscal year ending June 30, 2021.

**Principal Employers**

State of California	82,076
UC Davis Health System	14,618
Sacramento County	12,585
Kaiser Permanente	12,078
US Government	11,752
Dignity Health	10,888
Sutter Health	10,764
Intel Corporation	5,992
California State University Sacramento	5,283
San Juan Unified School District	4,962
City of Sacramento	4,883

**Operating Indicators**

**Police:**

Citizen initiated calls for service with officer responses	153,740
--	---------

**Fire:**

Number of incidents	99,201
Number of structure fires	1,522
Number of construction inspections/reviews	8,256

**Public Works:**

Number of traffic investigations completed	997
Residential garbage disposed (in tons)	141,185

**Youth, Parks, & Community Enrichment:**

Number of students enrolled in START	648
Number of students enrolled in 4th R	160

**Utilities:**

Number of water accounts	145,769
Water distributed/pumped (millions of gallons)	30,380
Number of wastewater accounts	78,932
Wastewater distributed/pumped (millions of gallons)	5,754
Number of storm drainage accounts	145,179
Storm drainage distributed/pumped (millions of gallons)	7,858

**Community Development:**

Number of building permits issued	18,556
Building permit valuation (in millions of dollars)	\$1,451
Number of animal licenses issued	17,155
Number of animal outplacements	4,448

**Convention & Cultural Services:**

Number of Community Convention Center events	0*
Community Convention Center event attendance	0*
Number of Zoo attendance	486,707

\*In FY2020/21, the Convention Center was closed for renovation, thus there was no activity.

FY2022/23 Approved Budget

**Capital Asset Statistics**

**Police:**

Number of stations	4
Number of patrol units	224
Number of aircraft	5
Number of watercraft	4

**Fire:**

Number of stations	24
Number of fire suppression, support, or prevention vehicles	166
Number of watercraft	6

**Public Works:**

Miles of streets	3,118
Number of streetlights	39,372
Number of City parking spaces	5,620
Miles of off-street bikeways	78
Number of City garages & open parking lots	13
Number of City leased garages & open parking lots	7

**Youth, Parks, & Community Enrichment:**

Number of parks	230
Park acreage	4,829
Number of community centers	13
Number of swimming pools (including wading pools)	28

**Utilities:**

Miles of water mains and distribution lines	1,616
Miles of sanitary sewers and storm drainage	1,968

**Miscellaneous:**

Number of boat harbor slips	475
Number of Community Convention Center events	0
Community Convention Center event attendance	0
Number of Zoo attendance	486,707

# 3

## **SECTION - 3 Budget Overview**



FY2022/23 Approved Budget

## Approved Budget Overview

The FY2022/23 Approved Operating and Capital Improvement Program (CIP) Budgets (Budget) were approved by the City Council on June 14, 2022. The Budget totals \$1.45 billion from all funding sources and supports 4,992.44 authorized full-time equivalent (FTE) positions. This includes \$742 million and 3,793 authorized FTE for G/MU Fund operations and capital projects, and \$708 million and 1,199.44 FTE for operations and capital projects for the City’s enterprise and other fund activities.

The City Council held four meetings during May and June to review and discuss the Proposed Budget. Following those discussions, the changes as summarized in the subsequent charts were approved by the City Council. Set-aside amounts for labor negotiations and one-time funding for Homelessness program were included in the Proposed Budget forecast but was formally added to the Approved budget.

### BUDGET CHANGES

**Operating Budget Adjustments**

Department	Fund Name (Number)	Revenue Adjustment (\$ in 000s)	Expenditure Adjustment (\$ in 000s)	Description
Citywide and Community Support	General (1001)	2,205,200	-	Increase General Fund revenue for 11% general tax on City utilities (new Storm Drainage Property Fee)
City Clerk, City Treasurer, Human Resources & Community Development	General (1001)	-	(45,150)	Reductions from various departments to offset Commission Stipends Multi-Year Operating project (MYOP). Board and Commission stipends will be managed by the City Clerk.
Citywide and Community Support	General (1001)	-	47,000	Adjustment to Election costs
Citywide and Community Support	General (1001)	-	6,735,047	Set-aside for labor negotiations
All Depts (Except Utilities and Community Response)	General (1001)	-	145,463	Due to timing, various labor adjustments (i.e. Compensation and Commission board approvals, labor system technical adjustments)
Fire	General (1001)	-	67,345	Addition of two Fire Engineers (Admin) and supplies. Costs offset with the deletion of three Staff Aides and funding from Intergovernmental Transfer and Ground Emergency Medical Transport (IGT/GEMT) revenues.
Citywide and Community Support	Measure U (2401)	-	832,422	Set-aside for labor negotiations
Mayor/Council, Youth, Parks, and Community Enrichment (YPCE) & Community Development	Measure U (2401)	-	(24,810)	Reductions from various departments to offset Commission Stipends Multi-Year Operating project (MYOP). Board and Commission stipends will be managed by the City Clerk.
Mayor/Council, City Manager, Human Resources, Police, Fire, Convention and Cultural Services, YPCE, Community Development & Community Response	Measure U (2401)	-	(2,541)	Due to timing, various labor adjustments (i.e. Compensation and Commission board approvals, labor system technical adjustments)
<b>Total General/Measure U Fund</b>		<b>\$ 2,205,200</b>	<b>\$ 7,754,776</b>	



## FY2022/23 Approved Budget

### Operating Budget Adjustments (continued)

Department	Fund Name (Number)	Revenue Adjustment (\$ in 000s)	Expenditure Adjustment (\$ in 000s)	Description
Utilities	Water (6005)	-	(8,400)	Reductions from various departments to offset Commission Stipends Multi-Year Operating project (MYOP). Board and Commission stipends will be managed by the City Clerk.
Utilities	Water (6005)	-	39,543	Water Forum adjustment - Increase Department of Utilities support to offset the difference
Utilities	Water (6005), Wastewater (6006), Solid Waste (6007), and Storm Drainage (6011)	-	(1,239,394)	Offset existing Capital Improvements Projects and Operating expenses from various funds to new Storm Drainage Property Fee fund
Utilities	Storm Drainage Property Fee (6021)	20,250,000	3,647,094	New Storm Drainage Property Fee Fund revenue and related expenses and offsets
Citywide and Community Support	Water Forum (7103)	(39,543)	(39,543)	Water Forum adjustment - Reduce Water Forum revenues and expenditures
Finance and Citywide and Community Support	Various <sup>1</sup>	886,583	886,583	Public Finance Infrastructure adjustments
City Manager, Human Resources, Utilities, Public Works & YPCE	Various <sup>2</sup>	-	8,431	Due to timing, various labor adjustments (i.e. Compensation and Commission board approvals, labor system technical adjustments)
<b>Total Other Funds</b>		<b>\$ 21,097,040</b>	<b>\$ 3,294,314</b>	
<b>Net Operating Changes</b>		<b>\$ 21,097,040</b>	<b>\$ 3,294,314</b>	

<sup>1</sup> Various Funds include Downtown Plaza Property and Business Improvement District (PBID) (2209), Old Sacramento PBID (2211), Franklin Blvd PBID (2212), Del Paso PBID (2214), Stockton Blvd Business Improvement Area (2215), Oak Park PBID (2216), Franklin Boulevard PBID (2217), Del Paso PBID (2218), Downtown Management District (2221), The River District PBID (2222), Stockton Blvd PBID (2224), Power Inn Area PBID (2234), Greater Broadway PBID (2236), Midtown Sacramento PBID (2237), Handle BID No 2011-04 (2241), Mack Road PBID (2242), 16th St PBID (2254)

<sup>2</sup> Various funds include Innovation and Growth Fund (2031), START Fund (2501), Marina Fund (2608), Parking Fund (6004), Water Fund (6005), Wastewater Fund (6006), Recycling and Solid Waste (6007), Community Center Fund (6010), Storm Drainage Fund (6011), 4th R Program (6012), Fleet Management Fund (6501), Risk Management Fund (6502), Worker's Compensation Fund (6504), Water Forum (7103)

### Multi-year Operating Project Appropriations

Project Name (Number)	Fund Name (Number)	Expenditure Adjustment	Description
Storm Drainage Planning and Management (I14100000)	Storm Drainage Property Fee (6021)	1,250,000	Provide funding for a new program to fund development of hydrologic and hydraulic models and complete master plans for the City's 135 drainage basins. To date, 31 master plans have been completed.
Fare Free Transit for Youth (I02181400)	Measure U (2401)	250,000	Provide ongoing funding to reinstate \$250,000 of the annual \$1 million allocation for the Rydefree RT program.
Homeless Housing Initiatives (I02000200)	Measure U (2401)	8,272,327	Provide one-time funding to support continued homelessness programming in FY2022/23.
Fleet Acquisitions (I06000999)	General Fund (1001)	110,000	Provide funding to purchase two vehicles for new Fire Engineer (2.0 FTE) positions for the Emergency Vehicle Operations Center (EVOC).
Office of Violence Prevention (I11003000) <sup>1</sup>	Measure U (2401)	1,411,696	New project number for Office of Violence Prevention MYOP due to the Office of Violence Prevention reorganization.
Family and Youth Investments (I11003100) <sup>1</sup>	Measure U (2401)	1,300,000	New project number for Office of Violence Prevention MYOP due to the Office of Violence Prevention reorganization.
Gang Prevention & Intervention (I02000600)	Measure U (2401)	(1,411,696)	Move funds from Department of Community Response to Police Department due to the Office of Violence Prevention reorganization.
Youth & Family Investments (I02001800)	Measure U (2401)	(1,300,000)	Move funds from City Manager's Office to Police Department due to the Office of Violence Prevention reorganization.
Sacramento Utility Rate Assistance Program (I14130100)	Measure U (2401)	1,000,000	Increase the SURA Program budget due to increases to and new utility rate fees approved by Council in FY2021/22 (Solid Waste Fee and Storm Drainage Property Fee).
<b>Net Project Changes:</b>		<b>10,882,327</b>	

## FY2022/23 Approved Budget

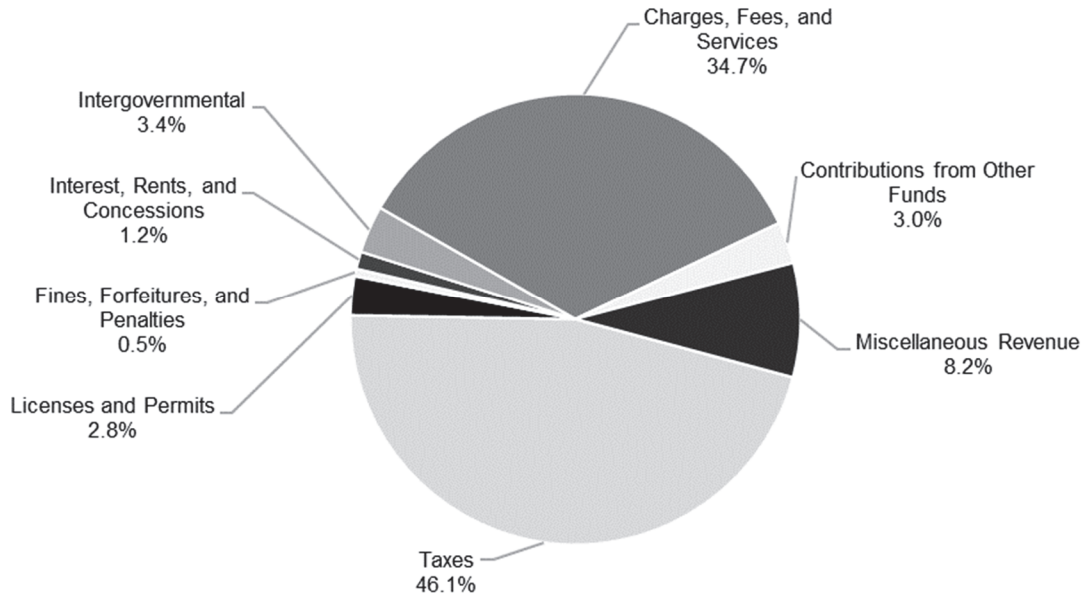
### Capital Improvement Project Appropriations

Project Name (Number)	Fund Name (Number)	Expenditure Adjustment	Description
Base CIP Contingency Drainage Program (W14000200)	Storm Drainage (6011)	(250,000)	Move Contingency funding from Storm Drainage Fund to new Storm Drainage Property Fee Fund.
Base CIP Contingency Drainage Program (W14000200)	Storm Drainage Property Fee (6021)	1,234,690	Contingency funding for unforeseen capital program needs for the new Storm Drainage Property Fee Fund.
Drainage Unplanned Repairs Program (W14130100)	Storm Drainage Property Fee (6021)	250,000	Funds for unplanned repairs related to storm drainage facilities.
Drainage Sump Replacement and Rehabilitation Program (W14130600)	Storm Drainage Property Fee (6021)	3,945,000	Repair and/or replace capital assets at the drainage pump stations.
Drainage Trash Capture Program (W14230100) <sup>1</sup>	Storm Drainage Property Fee (6021)	500,000	Design and construct certified full trash capture devices and/or multi-benefit low impact development features that will prevent trash greater than 5 mm from being discharge to waterways for identified areas (high density residential, commercial, industrial, and mixed use) with litter to meet the requirements of the State Water Resources Control Board's Statewide Trash Provisions.
Drainage Facility Electrical Rehab Program (W14230200) <sup>1</sup>	Storm Drainage Property Fee (6021)	2,050,000	Replace electrical components at various City facilities in the Drainage system.
Wastewater Combined Sewer System Capital Program (X14010000)	Storm Drainage Property Fee (6021)	2,000,000	Improve reliability, reduces combined sewer system (CSS) overflows to the river, reduces surcharging of wastewater to streets and properties during storms, and complies with the National Pollution Discharge Elimination System (NPDES) Permit by the U.S. Environmental Protection Agency.
Information Technology - SCADA Program (Z14003600)	Storm Drainage Property Fee (6021)	686,620	Provide improvements and maintenance of the Supervisory Control and Data Acquisition (SCADA) system that have been deemed essential and critical and are used by Operations to remotely control and monitor the facilities and equipment for the Water, Wastewater, and Storm Drainage infrastructure per the SCADA master plan.
Security and Emergency Preparation Program (Z14140100)	Storm Drainage Property Fee (6021)	550,000	Provide security improvements to key Water, Drainage, and Wastewater facilities as recommended in the DOU Security Master Plan.
Department of Utilities' IT Program (Z14170100)	Storm Drainage Property Fee (6021)	100,000	Plan and implement IT initiatives as well as coordinate and manage IT resources and oversight on all identified IT programs, software, hardware upgrades, and consulting services.
Parks, Parkways, & Open Spaces (L19192100)	General Fund (1001)	16,000	Purchase and install of a set of permanent goals at Mae Fong Park.
Parks, Parkways, & Open Spaces (L19192100)	Innovation and Growth Fund (2031)	175,000	Install irrigation system, electrical service, irrigation controller and booster pump at Oki Park.
<b>Net Project Changes:</b>		<b>\$11,257,310</b>	

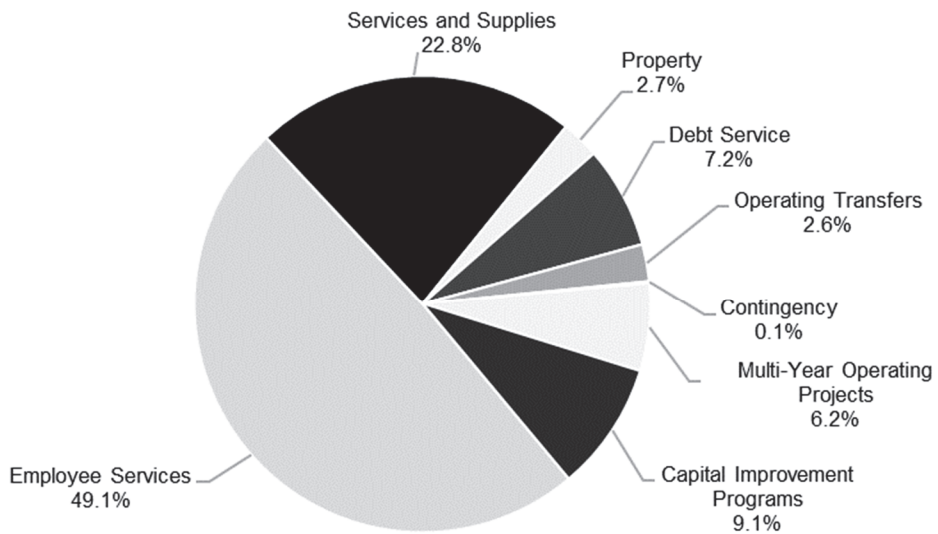
<sup>1</sup>New project

**Total Approved City Budget: \$1.45 Billion**

**Revenues**



**Expenditures**



Note: The above charts do not include other sources and uses as represented in Schedules 2A and 2B.

## Proposed Budget Overview

(As written on April 25, 2022, with technical adjustments as necessary to reflect Council intent.)

### Introduction

Like many cities in California and across the nation, the City of Sacramento faced extraordinary fiscal challenges due to the COVID-19 pandemic. However, while the pandemic negatively impacted many of the City’s revenue streams, the City is experiencing a faster recovery than previously anticipated. This recovery, combined with Council’s resolve to set aside prior year fund balance to close the anticipated FY2022/23 deficit, has resulted in a balanced General and Measure U (G/MU) Proposed Budget.

Proposed FY2022/23 revenues demonstrate a promising trajectory for the City; however, existing fiscal obligations and challenges will impact the City’s fiscal health in future years. While many revenue streams show signs of a promising recovery, parking (both on and off street), and Transient Occupancy Taxes (hotel taxes), remain well below pre-pandemic levels. Rising labor and liability costs continue to negatively impact the budget. In addition, should the City continue to fund homeless services at the current level, expenditures will outpace revenues as soon as FY2023/24. The City’s ability to balance community needs with available resources continues to be an ongoing challenge.

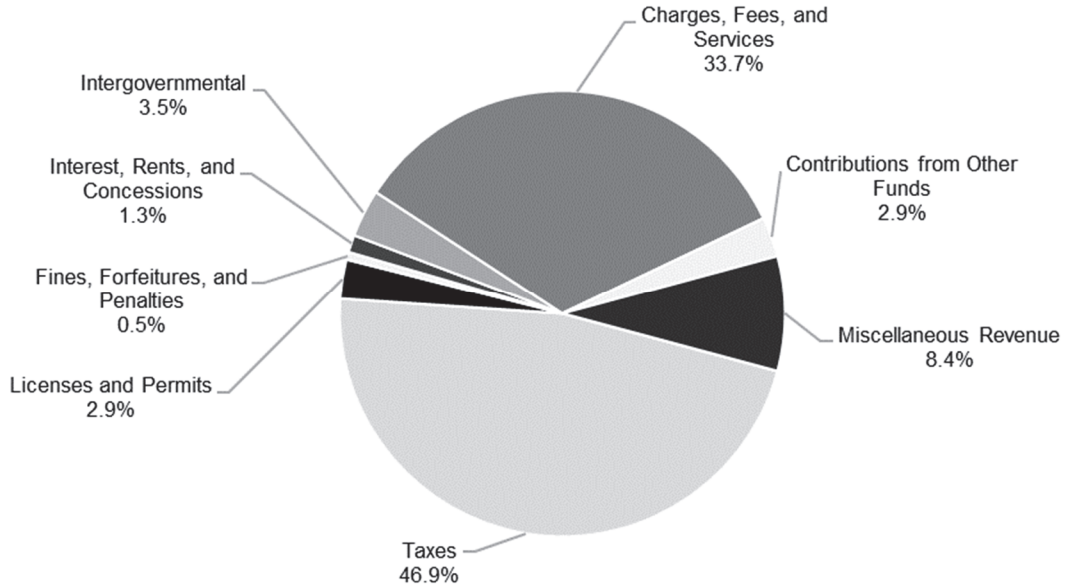
The FY2022/23 Proposed Operating and Capital Improvement Program (CIP) Budgets (Budget) totals approximately \$1.4 billion from all funding sources and supports 4,993.44 full-time equivalent (FTE) positions. This includes \$724 million for G/MU Fund operations and capital projects, and \$693 million for operations and capital projects for the City’s enterprise and other fund activities. The Budget is balanced and reflects adopted Council policies, goals, and planning/programming guides.

The Budget provides for ongoing funding for the Department of Community Response to continue to implement the City’s response to homelessness, expands Recycling and Solid Waste services, expands funding to implement the second year of the Fire Department’s Diversity Outreach and Recruitment program and includes adjustments requirements to realize efficiencies and the funding necessary to deliver programs and services (e.g., labor, debt, and insurance) in the coming fiscal year. Given the challenges identified in future fiscal year, in many cases current resources are proposed to be redirected to provide for program efficiencies to address operational needs in the coming fiscal year and beyond.

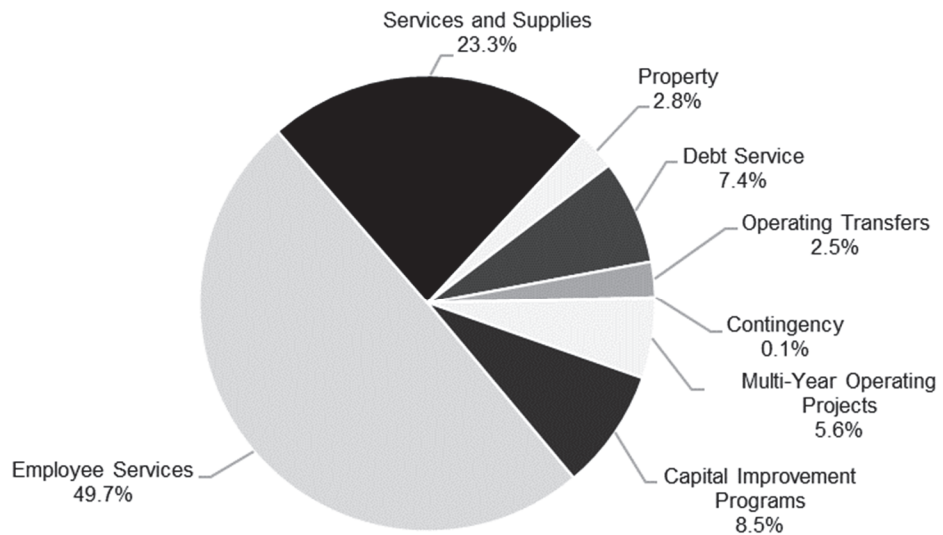
Anticipated revenues were developed in coordination with the City’s tax revenue consultants based on economic indicators and estimated levels of recovery. Detailed information on revenue projections and the recovery from pandemic is included in the Forecast section.

**Total Proposed City Budget: \$1.4 Billion**

**Revenues**



**Expenditures**



Note: The above charts do not include other sources and uses as represented in Schedules 2A and 2B.

FY2022/23 Approved Budget

**Budget Modifications**

A summary of the program and service changes included in the Budget for the G/MU Funds and the Enterprise Funds is provided below. Additional details are provided in Department sections.

**G/MU Funds**

Department	Description	FTE Change	Net Budget Change
City Treasurer	Increase one time (\$450,000) and ongoing (\$150,000) revenues to recognize Pool A interest earnings to align the budget with historical revenues and to recognize higher interest earnings due to higher sales tax receipts, State grants, bond proceed and large SHRA contributions.	-	(600,000)
Community Development	Increase staffing (1.0 FTE Assistant Director, 1.0 FTE Administrative Officer, 1.0 FTE Principal Building Inspector, 2.0 FTE Building Inspector Is, 1.0 FTE Senior Planner, and 1.0 FTE Associate Planner) to support growth in the department, field inspection activity, development plan review, geographic planning, and regulatory and housing policy support. Costs are offset with increased revenues and charges to projects.	7.00	-
Community Response	Continue to implement the City's response to homelessness. Costs are partially offset with Homeless Housing, Assistance and Prevention grant funds.	-	8,272,327
Convention and Cultural Services	Increase the budget in Rental of Land and Buildings and Custodial Services for the Center for Sacramento History and the Crocker Art Museum to cover the annual lease payments and maintenance for a facility at McClellan Park to house parts of the collections from both divisions.	-	366,000
Convention and Cultural Services	Delete one vacant position (1.0 FTE Staff Aide MGM) at the Crocker Art Museum and increase budget to cover operational support for the Crocker Director salary.	(1.00)	(19,495)
Convention and Cultural Services	Add a position (0.75 FTE Administrative Technician) to the History Division to support the Center for Sacramento History operations. Position will be offset with a reduction in services and supplies.	0.75	-
Convention and Cultural Services	Delete one vacant position (1.0 FTE Zoo Attendant I) at the Sacramento Zoo per the contract requirement with Sacramento Zoological Society following an employee retirement.	(1.00)	(82,503)
Finance	Add staffing (1.0 FTE Accountant Auditor and two 0.45 Customer Service Representatives) to accommodate increased cannabis, parking and tax account activity, the implementation of a self-service payroll portal, and increased oversight of payroll liability accounts. Costs are offset by a reduction in services and supplies and increased escheat revenues.	1.90	-
Information Technology	Adjustment for IT system maintenance and support and implementation of Unified Endpoint Management. Costs will be offset with Capital project funds in FY2022/23, but funded by the General Fund in future fiscal years.	-	-
Information Technology	Add a position (1.0 FTE Senior Applications Developer) to support the technical configuration, development, and support of the City's Accela Permitting System for the Cannabis Permitting Program. Position costs are offset with grant revenues.	1.00	-
Human Resources	Add a position (1.0 FTE Labor Relations Analyst) to support the ongoing workload assumed from the City Clerk's Office. This position works directly with the recognized employee organizations.	1.00	117,150
Fire	Add staffing (1.0 FTE Firefighter (Admin) and 10.0 FTE Fire EMS Interns) to the Diversity, Outreach, and Recruitment Program along with infrastructure/facility funding to provide quality programs and an inclusive environment for a future workforce.	11.00	1,384,829
Fire	Add a position (1.0 FTE EMS Coordinator) to the Emergency Medical Services Division (EMS) to meet federal, State, and county mandates for reporting, training, education, incident review, and infections control. Costs are offset with increased EMS revenues.	1.00	-

FY2022/23 Approved Budget

**G/MU Funds (cont.)**

Department	Description	FTE Change	Net Budget Change
Fire	Add a position (1.0 FTE Sr. Staff Assistant) to the Fire Prevention/Arson Divisions to enhance statistical reporting, perform photo & video redaction; monitor/track budgetary items, arson residency and movement, and maintain records for the divisions. Costs are offset with increased fire prevention revenues.	1.00	-
Public Works	Add two positions (1.0 FTE Assistant Director and 1.0 FTE Associate Architect) to provide additional department oversight and improve response times for facility and real property requests. Costs are offset by charges to projects, other Departments (interfund reimbursements), Gas Tax (Fund 2002), Parking (Fund 6004).	2.00	-
Youth, Parks, & Community Enrichment	Align staffing to maintain ongoing access and service levels at community gardens, resume and expand community centers and adaptive sports/recreation programs, and address the increasing workload and responsibilities related to playground inspection and maintenance. Costs are offset with savings from position add/deletes in the Community Enrichment Division and the Park Maintenance Division.	(3.69)	5,173
		<b>20.96</b>	<b>\$ 9,443,481</b>

**Other Funds**

Department (Fund)	Description	FTE Change	Net Budget Change
Convention and Cultural Services (Community Center)	Delete three vacant positions and add staffing to streamline services and operations for clients who hold events at the SAFE Credit Union Convention and Performing Arts District.	0.75	24,920
Public Works (Gas Tax)	Add two Speed Radar Boards and temporary traffic signal to better accommodate City resident requests and maintain a safe flow of traffic during repairs and maintenance of roads.	-	58,996
Public Works (Solid Waste and Recycling)	Add staffing (twelve 1.0 FTE Integrated Waste Equipment Operator and 1.0 FTE Senior Integrated Waste Equipment Operator) and vehicles to improve service levels in garbage, recycling and green waste routes. Costs are offset by increasing revenues.	13.00	-
Public Works (Solid Waste and Recycling)	Funding for annual contractual CPI adjustments, increased disposal tonnage over time, initiation of organics service and maintenance of increases in frequency of street sweeping service. Costs are offset by increasing revenues.	-	-
Utilities (Water)	Add a vehicle for staff added in FY2021/22. Costs are offset with a one-time reduction to the Water Conservation's operating budget.	-	-
Utilities (Water)	Add a position (1.0 FTE Administrative Technician) to support the Cross Connection Control Program. The cost of the position and services and supplies are being partially offset by interfund reimbursements.	1.00	21,396
		<b>14.75</b>	<b>\$ 105,312</b>

**Multi-Year Operating Projects**

Project Name (Number) (Fund Name)	Description	Net Budget Change
Commission Stipends (104000100) (Various)	Funding to provide stipends for all City boardmembers and commissioners, fully offset by a reduction in operations and projects.	-
Disability Advisory Commission (115230200) (General Fund)	Funding to provide staff support to the Sacramento Disability Advisory Commission, fully offset by a reduction in operations.	-
Youth Stipend Program (119144000) (Externally Funded Programs)	Funding to provide stipends to teachers and student interns participating in Summer @ City Hall, fully offset by reimbursements from local school districts.	-
<b>Total MYOPs \$</b>		<b>-</b>

FY2022/23 Approved Budget

---

## 2022-2027 CIP

The 2022-2027 Proposed CIP totals \$420.5 million. The G/MU fund portion of the CIP is \$70.9 million. The FY2022/23 CIP Budget totals \$120.8 million, funding 134 projects in all program area in various geographic area in the City, including \$18.1 million in G/MU Funds.

## Budget Hearings

On May 6, 2022, the Budget and Audit Committee will hold the first public hearing on the Budget. The Council will consider the budget in May and June with adoption scheduled for June 14, 2022. These meetings provide the Council and public with an opportunity to provide input on the Budget. The following reflects the planned budget hearing schedule. It is important to note that meeting dates may change as needed to address other City business.

### 2022 Budget Hearing Schedule<sup>1</sup>

Date	Time	Legislative Body	Subject
Thursday, April 21, 2022	TBD	n/a	FY2022/23 Budget Release
Friday, May 6, 2022	10:30 AM	Budget and Audit Committee	FY2022/23 Proposed Budget Overview and Fees & Charges
Tuesday, May 10, 2022	5:00 PM	City Council	FY2022/23 Proposed Budget Overview and Consolidated Department Budgets
Tuesday, May 17, 2022	2:00 PM	City Council	(1) 2022-2027 Capital Improvement Program, (2) Citywide Fees and Charges, and (3) YPCE Department budget
Tuesday, May 17, 2022	5:00 PM	City Council	(1) Fire Department Budget, (2) Police Department Budget
Tuesday, May 24, 2022	5:00 PM	City Council	HOLD
Tuesday, May 31, 2022	3:00 PM	Budget and Audit Committee	Adoption of the FY2022/23 Budget
Tuesday, June 14, 2022	5:00 PM	City Council	Adoption of the FY2022/23 Budget

<sup>1</sup>Schedule is subject to change, refer to agendas at: [http://sacramento.granicus.com/ViewPublisher.php?view\\_id=21](http://sacramento.granicus.com/ViewPublisher.php?view_id=21)

## On the Horizon – Future Fiscal Challenges

In addition to the economic impact of the pandemic, ongoing challenges such as increasing labor costs and liabilities 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

Of the City’s eleven recognized employee organizations (REOs), Council has approved nine contracts that will expire in calendar year 2023. The remaining labor contracts have expired and are currently under negotiation. Both known and anticipated labor cost increases are included as part of the five-year forecast.



**Annual Pension Costs—California Public Employees’ Retirement System (CalPERS)**

CalPERS employer retirement contribution rates have increased significantly resulting from lowered expectations for future investment returns (discount rate). Based on estimates provided by CalPERS, the City’s payment for unfunded liabilities (when investment returns do not achieve the target earning assumptions rate) will increase by \$21.4 million over the term of the forecast, \$18.9 million in the G/MU Fund.

In July 2021, in accordance with the CalPERS Funding Risk Mitigation Policy (Policy) approved by the CalPERS Board in 2015, the discount rate was lowered from 7.0% to 6.8% following a 21.3% FY2020/21 fiscal year return. Under the Policy, when CalPERS achieves a double-digit return on investments, a reduction in the discount rate is triggered. This change in the discount rate will result in an increase in the City’s required contribution for each employee (normal costs).

Should future investment returns not achieve the revised earning assumptions rate of 6.8%, the City’s payments toward the unfunded liability will increase.

**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 increased from \$27.75 million in FY2021/22 to \$29.03 million (4.6% increase) in FY2022/23. 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 projected unfunded accrued liability for retiree benefits was \$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.

The total OPEB liability for all funds was approximately \$298 million as of June 30, 2021, and there is approximately \$88.6 million (as of April 1, 2022) in the Trust to fund this liability.

### **Current National Economic Conditions**

Prior to the pandemic, the United States was experiencing the longest economic expansion in history. However, as a result of the pandemic the nation plunged into a recession in the Spring of 2020. Fortunately, the 2020 recession was the shortest recession recorded in the United States and the economy quickly rebounded in 2021. Growth is anticipated to continue in 2022. However, inflation is running at a decades high rate of over 7%, as measured by the Consumer Price Index. Therefore, in order to combat high inflation, the Federal Reserve will likely adopt restrictive economic policies, mostly centered around raising interest rates. In March 2022, the Federal Reserve approved its first interest rate increase in more than three years. Should the Federal Reserve overreact to inflation by raising interest rates too high too fast this could result in the economy entering a new recessionary period, with potential negative impact on the local economy.

Currently, the five-year forecast does not include the impacts of a possible recession. Should a recession occur, the City could face larger deficits than what is currently projected in the forecast.

### **General Fund Revenues: Options and Opportunities**

The following are budget sustainability measures for Council’s consideration to ensure that the City’s financial position is sustainable over the long-term:

- **American Rescue Plan (ARP):** On March 11, 2021, President Biden signed into law the ARP which contains \$325 billion to provide relief for states and local governments that lost significant revenues due to the economic fallout from the pandemic while simultaneously continuing to provide needed services to the community. To date, the City has received \$56.15 million of the ARP allocation of \$112.3 million and the final payment (\$56.15 million) is expected in May 2022.

In September 2021, the Council approved the ARP Framework and Funding Priorities. This framework committed funds for small businesses and commercial corridor revitalization; homelessness and housing; youth, workforce training, and gang prevention programs; arts and creative economy; and addressing organizational needs.

- **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 Taxes (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.
- **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.

## FY2022/23 Approved Budget

---

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.

- **Infrastructure Bill:** In November 2021, President Biden signed an infrastructure bill into law. The Infrastructure Investment and Jobs Act (Act) includes \$550 billion in new federal investments that will help funnel billions into states and local governments to fund a variety of projects, including roads, bridges, rail, water systems, airports, broadband and public transit. The Act includes a strong focus on climate change mitigation, resilience, and equity. It's estimated that a fifth of the total funding will be available in 2022. The City will monitor the progress of the Act's implementation to identify funding opportunities.

## Conclusion

As the City recovers from the pandemic, ensuring long-term sustainability of the G/MU Fund remains a priority. The City will continue to balance anticipated revenue growth with known fiscal challenges and community needs. Maximizing revenue opportunities, especially from Federal and State relief funding and grants will provide some relief from previous years' revenue losses and help leverage limited resources for operational needs and community programming investments.

The City will monitor revenues and expenditures closely during the recovery and provide updates to Council as appropriate.

# 4

## **SECTION - 4**

### **Understanding the Budget**



## Budget Information

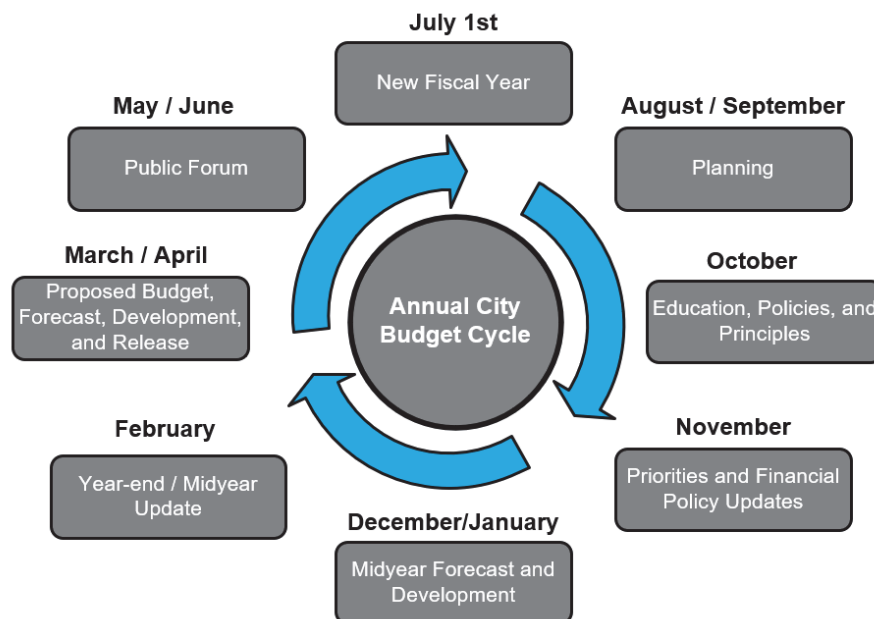
### Budget Presentation

The presentation of the Budget includes both the FY2022/23 Approved Operating Budget and the 2022-2027 Approved Capital Improvement Program (CIP) Budget which includes the FY2022/23 CIP Budget. The Budget documents are available on the City’s website at: [www.cityofsacramento.org/finance/budget](http://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, 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.

## FY2022/23 Approved Budget

---

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 in accordance with the adopted Risk Management Funding and Reserve Policy.
- 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 repair and replacement of aging equipment and infrastructure, utilities, and staffing needs. These requests are submitted and reviewed by the City Manager’s Office. A summary of budget modifications are outlined in the Budget Overview Section.

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 ongoing 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 2022-2027 CIP.

## Council Priorities

On February 14, 2017, the Council adopted the following Core Budget Policies and Guidelines (Resolution 2017-0078) for the annual budget.

FY2022/23 Approved 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 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 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.

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

- Budget Control
- Debt Management and Debt Management Disclosure
- Development Stabilization Contingency Reserve (DSCR) and Development Services Fund Management
- Emergency Medical Services (EMS) Revenue Recovery



FY2022/23 Approved Budget

---

- Fees and Charges
- 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

**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.

## 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 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 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 less than \$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,

## FY2022/23 Approved Budget

---

special assessments, interest income, and other resources available for discretionary funding.

The G/MU 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.

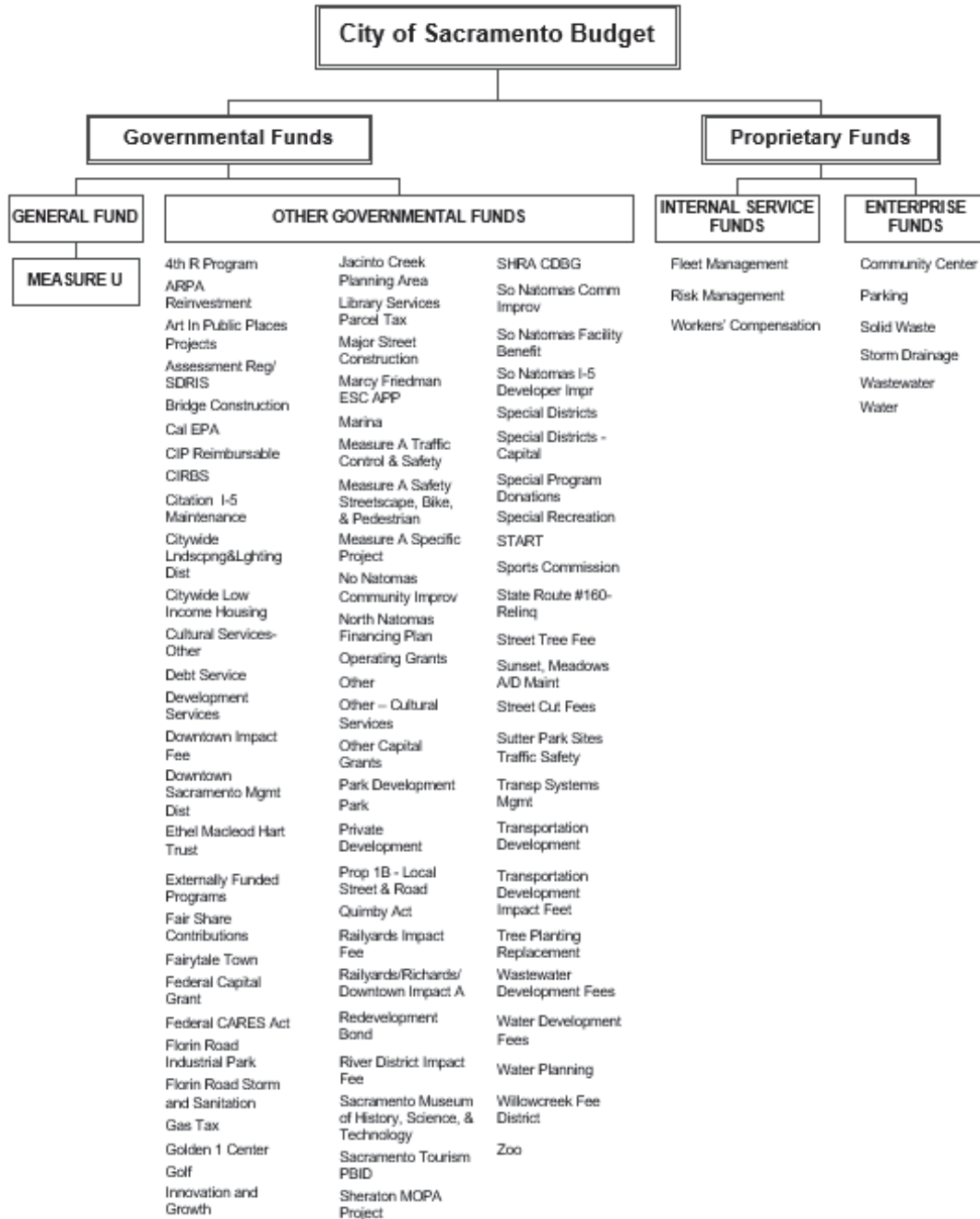
- April 26, 2016 – Council-adopted the General Fund EUR Policy (Council Motion 2016-00440) establishing a minimum reserve level equal to 10% of annual General Fund revenues and a target reserve level equal to two months of regular ongoing General Fund expenditures, including transfers (17% of General 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.
- February 5, 2019 – Council adopted the General/Measure U Fund EUR Policy (Resolution 2019-0248) adding the Measure U Fund to the original EUR Policy.
- o The Measure U Fund 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.
- o 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:

## FY2022/23 Approved Budget

---

- 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 governmental funds, enterprise funds, special revenue funds, and internal service funds. Expenditures are appropriated on a modified accrual basis, except the commitments related to purchase orders and contracts are treated as expenditures in the year of commitment.



## 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:
  - FY2019/20 Actuals
  - FY2020/21 Actuals
  - FY2021/22 Approved Budget
  - FY2021/22 Amended Budget (as of February 2022)
  - FY2022/23 Approved Budget
  - Variance

The summary table shows for each year:

- Budgeted expenditures by category
- Funding sources and amounts
- A division level summary budget table:
  - FY2019/20 Actuals
  - FY2020/21 Actuals
  - FY2021/22 Approved Budget
  - FY2021/22 Amended Budget (as of February 2022)
  - FY2022/23 Approved Budget
  - Variance
- A division level summary staffing table:
  - FY2019/20 Actuals
  - FY2020/21 Actuals
  - FY2021/22 Approved Budget
  - FY2021/22 Amended Budget (as of February 2022)
  - FY2022/23 Approved Budget
  - Variance

**DEPARTMENT BUDGET SUMMARY TABLE**

The Budget for each department is compared with the prior year amended. A sample is as follows:

<b>Human Resources Budget Summary</b>	<b>FY2019/20 Actuals</b>	<b>FY2020/21 Actuals</b>	<b>FY2021/22 Approved</b>	<b>FY2021/22 Amended</b>	<b>FY2022/23 Approved</b>	<b>Change More/(Less) Approved/Amended</b>
Employee Services	\$ 9,468,916	\$ 9,524,675	\$ 11,198,618	\$ 11,198,618	\$ 12,406,712	\$ 1,208,094
Other Services and Supplies	38,305,429	36,973,006	40,189,341	39,994,969	44,866,723	4,871,754
City Property	92,121	61,186	43,200	43,200	43,200	-
Multi-Year Operating Projects	-	-	100,000	100,000	213,250	113,250
Transfers	(116,970)	(63,945)	-	-	-	-
Labor and Supply Offset	3,308,712	4,348,990	3,425,758	5,556,268	3,197,132	(2,359,136)
<b>Total</b>	<b>\$ 51,058,208</b>	<b>\$ 50,843,911</b>	<b>\$ 54,956,917</b>	<b>\$ 56,893,055</b>	<b>\$ 60,727,017</b>	<b>\$ 3,833,962</b>

<b>Funding Summary by Fund/Special District</b>	<b>FY2019/20 Actuals</b>	<b>FY2020/21 Actuals</b>	<b>FY2021/22 Approved</b>	<b>FY2021/22 Amended</b>	<b>FY2022/23 Approved</b>	<b>Change More/(Less) Approved/Amended</b>
General Fund	\$ 3,191,552	\$ 3,185,181	\$ 4,341,932	\$ 4,341,932	\$ 4,730,981	\$ 389,049
Fleet Management	59,614	59,614	59,614	59,614	59,614	-
Interdepartmental Service	1,557,484	1,648,618	1,673,537	1,673,537	1,725,737	52,200
Measure U	-	-	-	-	473,906	473,906
Recycling and Solid Waste	117,545	117,545	117,545	117,545	150,087	32,542
Risk Mgmt	29,089,132	32,678,552	33,546,735	35,482,873	37,605,559	2,122,686
Storm Drainage	45,189	45,189	45,189	45,189	30,326	(14,863)
Wastewater	18,585	18,585	18,585	18,585	33,693	15,108
Water	57,700	57,700	57,700	57,700	104,452	46,752
Worker's Compensation	16,921,407	13,032,926	15,096,080	15,096,080	15,812,662	716,582
<b>Total</b>	<b>\$ 51,058,208</b>	<b>\$ 50,843,911</b>	<b>\$ 54,956,917</b>	<b>\$ 56,893,055</b>	<b>\$ 60,727,017</b>	<b>\$ 3,833,962</b>

- Column 1 - FY2019/20 actual expenditures by category and funding amounts by source.
- Column 2 - FY2020/21 actual expenditures by category and funding amounts by source.
- Column 3 - FY2021/22 Approved Budget by category and funding amounts by source.
- Column 4 - FY2021/22 Amended Budget by category and funding amounts by source.
- Column 5 - FY2022/23 Approved Budget by category and funding amounts by source.
- Column 6 - The budget change between the FY2022/23 Approved and the FY2021/22 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:

<b>Human Resources Budget Summary</b>	<b>FY2019/20 Actuals</b>	<b>FY2020/21 Actuals</b>	<b>FY2021/22 Approved</b>	<b>FY2021/22 Amended</b>	<b>FY2022/23 Approved</b>	<b>Change More/(Less) Approved/Amended</b>
HR Administration Division	\$ 1,613,252	\$ 1,444,370	\$ 1,991,394	\$ 1,991,394	\$ 2,006,636	\$ 15,242
Benefit Services Division	919,721	960,350	1,135,254	1,135,254	1,202,329	67,075
Employment, Classification and Development Division	1,557,654	1,615,793	1,892,138	1,892,138	2,024,944	132,806
Risk Management Administration Division	42,797,308	43,091,157	45,330,936	47,267,074	50,130,348	2,863,274
Workers' Compensation Division	2,989,147	2,396,287	3,087,845	3,087,845	3,143,378	55,533
Labor Relations Division	1,181,126	1,335,953	1,519,350	1,519,350	1,745,476	226,126
Office of Diversity and Equity Division	-	-	-	-	473,906	473,906
<b>Total</b>	<b>\$ 51,058,208</b>	<b>\$ 50,843,911</b>	<b>\$ 54,956,917</b>	<b>\$ 56,893,055</b>	<b>\$ 60,727,017</b>	<b>\$ 3,833,962</b>

Column 1 - FY2019/20 actual expenditures by division.

Column 2 - FY2020/21 actual expenditures by division.

Column 3 - FY2021/22 Approved Budget by division.

Column 4 - FY2021/22 Amended Budget by division.

Column 5 - FY2022/23 Approved Budget by division.

Column 6 - The budget change between the FY2022/23 Approved and the FY2021/22 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:

<b>Human Resources Budget Summary</b>	<b>FY2019/20 Actuals</b>	<b>FY2020/21 Actuals</b>	<b>FY2021/22 Approved</b>	<b>FY2021/22 Amended</b>	<b>FY2022/23 Approved</b>	<b>Change More/(Less) Approved/Amended</b>
HR Administration Division	10.00	10.00	9.00	9.00	9.00	-
Benefit Services Division	9.00	9.00	9.00	9.00	9.00	-
Employment, Classification and Development Division	15.00	15.00	15.00	15.00	15.00	-
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	-
Labor Relations Division	10.00	10.00	10.00	10.00	11.00	1.00
Office of Diversity and Equity Division	-	-	-	-	3.00	3.00
<b>Total</b>	<b>80.00</b>	<b>80.00</b>	<b>79.00</b>	<b>79.00</b>	<b>83.00</b>	<b>4.00</b>

- Column 1 – FTEs by division in FY2019/20.
- Column 2 – FTEs by division in FY2020/21.
- Column 3 – FTEs by division in the FY2021/22 Approved Budget.
- Column 4 – FTEs by division for the FY2021/22 Amended Budget.
- Column 5 – FTEs by division as Approved for FY2022/23.
- Column 6 – The budget change in FTEs by division between the FY2022/23 Approved and the FY2021/22 Amended Budget.



# 5

## **SECTION - 5** **The Forecast**



FY2022/23 Approved Budget

## Revised Financial Forecast

**General and Measure U (G/MU) Funds:** The changes to the FY2022/23 Proposed Budget as summarized in the Budget Overview resulted in changes to General Fund revenues and expenditures. The General Fund forecast as shown below has been updated to reflect the budget as approved.

**FY2022/22 Approved Budget Forecast**  
(7/1/2022)

5-Year Forecast General (G) and Measure U (MU) Funds (\$ in 000s)	FY2022/23 Approved	FY2023/24 Projection	FY2024/25 Projection	FY2025/26 Projection	FY2026/27 Projection
<b>Revenues</b>					
Revenues	743,069	763,544	773,871	793,807	813,515
Other Sources	13,040	2,500	2,500	2,500	2,500
<b>Total Revenues/Resources</b>	756,109	766,044	776,371	796,307	816,015
<b>Expenditures</b>					
Department Operating, Debt, and MYOPs	723,702	736,674	755,959	771,596	785,275
Capital Projects	18,096	12,840	13,296	13,321	13,321
EUR Contribution	11,951	3,760	3,885	3,988	4,081
<b>Total Expenditures/Uses</b>	753,750	753,274	773,139	788,904	802,676
<b>Surplus/(Deficit)</b>	2,359	12,769	3,232	7,403	13,339
<b>One-Time Resources/(Uses)</b>					
Reserve for FY2023/24 Budget Development	-	10,000	-	-	-
Homeless Services Resources	13,847	-	-	-	-
Homeless Services Funding Gap	(13,847)	(40,155)	(41,856)	(42,902)	(43,974)
<b>ENDING AVAILABLE FUND BALANCE</b>	2,359	(17,386)	(38,624)	(35,499)	(30,636)

**Measure U Fund:** The changes to the FY2022/23 Approved Budget as summarized in the Budget Overview resulted in changes to Measure U programming. The Measure U forecast as shown below has been updated to reflect the budget as approved

As presented, the Measure U Fund provides \$145.4 million for ongoing programs and services for Affordable Housing, Arts/Creative Edge, Climate Action, Community Investment, Community Response, Homelessness, Inclusive Economic Development, Public Safety, and Youth. Detailed information on each program is included in the department sections.

FY2022/23 Approved Budget

FY2022/23 Measure U Programming

	FY2022/23 FTE Approved	FY2022/23 Approved	FY2023/24 Projection	FY2024/25 Projection	FY2025/26 Projection	FY2026/27 Projection
<b>Revenues and Expenditures in (\$ in 000s)</b>						
<b>REVENUES</b>		135,769	139,735	137,856	142,649	147,135
<b>EXPENDITURES</b>						
<b>Affordable Housing</b>						
Operations	21.00	1,943	2,006	2,060	2,082	2,126
Multi-Year Operating Projects		1,200	1,200	1,200	1,200	1,200
<b>Affordable Housing Subtotal</b>	<b>21.00</b>	<b>3,143</b>	<b>3,206</b>	<b>3,260</b>	<b>3,282</b>	<b>3,326</b>
<b>Arts/Creative Edge</b>						
Operations	17.95	4,115	4,186	4,253	4,296	4,407
Multi-Year Operating Projects		114	114	114	114	114
<b>Arts/Creative Edge Subtotal</b>	<b>17.95</b>	<b>4,229</b>	<b>4,300</b>	<b>4,367</b>	<b>4,410</b>	<b>4,521</b>
<b>Climate Action</b>						
Operations	2.00	331	340	348	352	360
Multi-Year Operating Projects		300	300	300	300	300
<b>Climate Action Subtotal</b>	<b>2.00</b>	<b>631</b>	<b>640</b>	<b>648</b>	<b>652</b>	<b>660</b>
<b>Community Investment</b>						
Operations	184.57	19,267	19,605	19,983	21,617	21,050
Multi-Year Operating Projects		4,773	4,773	4,773	4,773	4,773
Capital Improvements		2,600	2,700	2,700	2,700	2,700
<b>Community Investment Subtotal</b>	<b>184.57</b>	<b>26,640</b>	<b>27,078</b>	<b>27,456</b>	<b>29,089</b>	<b>28,523</b>
<b>Community Response</b>						
Operations	123.00	14,053	14,493	14,841	14,906	15,175
Multi-Year Operating Projects		10,147	10,192	10,238	10,284	10,331
<b>Community Response Subtotal</b>	<b>123.00</b>	<b>24,201</b>	<b>24,685</b>	<b>25,079</b>	<b>25,190</b>	<b>25,506</b>
<b>Homelessness</b>						
Operations	6.00	846	869	890	903	922
Multi-Year Operating Projects		10,418	2,146	2,146	2,146	2,146
<b>Homelessness Subtotal</b>	<b>6.00</b>	<b>11,264</b>	<b>3,015</b>	<b>3,036</b>	<b>3,049</b>	<b>3,068</b>
<b>Inclusive Economic Development</b>						
Operations	33.00	6,832	7,493	7,641	7,735	7,869
Multi-Year Operating Projects		750	750	750	750	750
<b>Inclusive Economic Development Subtotal</b>	<b>33.00</b>	<b>7,582</b>	<b>8,243</b>	<b>8,391</b>	<b>8,485</b>	<b>8,619</b>
<b>Library</b>						
Operations	-	14,272	14,272	14,772	15,272	15,872
Multi-Year Operating Projects		400	400	400	400	400
Capital Improvements		0	0	0	0	0
<b>Library Subtotal</b>	<b>-</b>	<b>14,672</b>	<b>14,672</b>	<b>15,172</b>	<b>15,672</b>	<b>16,272</b>
<b>Public Safety</b>						
<b>Community Development</b>						
Operations	14.00	1,508	1,592	1,634	1,896	1,639
<b>Community Development Subtotal</b>	<b>14.00</b>	<b>1,508</b>	<b>1,592</b>	<b>1,634</b>	<b>1,896</b>	<b>1,639</b>
<b>Fire</b>						
Operations	18.00	9,886	9,921	10,110	10,287	10,478
<b>Fire Subtotal</b>	<b>18.00</b>	<b>9,886</b>	<b>9,921</b>	<b>10,110</b>	<b>10,287</b>	<b>10,478</b>
<b>Police</b>						
Operations	63.50	5,729	5,880	6,020	6,111	6,238
Capital Improvements		-	-	-	-	-
<b>Police Subtotal</b>	<b>63.50</b>	<b>5,729</b>	<b>5,880</b>	<b>6,020</b>	<b>6,111</b>	<b>6,238</b>
<b>Youth Parks &amp; Community Enrichment (YPCE)</b>						
Operations	13.00	1,612	1,618	1,621	1,643	1,838
<b>YPCE Subtotal</b>	<b>13.00</b>	<b>1,612</b>	<b>1,618</b>	<b>1,621</b>	<b>1,643</b>	<b>1,838</b>
<b>Public Safety Subtotal</b>	<b>108.50</b>	<b>18,734</b>	<b>19,011</b>	<b>19,386</b>	<b>19,937</b>	<b>20,193</b>
<b>Youth</b>						
Operations	367.62	23,859	24,391	24,946	25,270	26,277
Multi-Year Operating Projects		4,812	4,806	4,800	4,794	4,788
<b>Youth Subtotal</b>	<b>367.62</b>	<b>28,671</b>	<b>29,197</b>	<b>29,746</b>	<b>30,064</b>	<b>31,065</b>
<b>Miscellaneous</b>						
Operations	-	5,373	5,407	5,151	4,943	4,780
Multi-Year Operating Projects		225	225	225	225	225
<b>Miscellaneous Subtotal</b>	<b>-</b>	<b>5,598</b>	<b>5,632</b>	<b>5,376</b>	<b>5,168</b>	<b>5,005</b>
<b>Total Expenditures</b>	<b>863.64</b>	<b>145,364</b>	<b>139,678</b>	<b>141,916</b>	<b>145,000</b>	<b>146,758</b>
Economic Uncertainty Reserve (EUR) Contribution (0.5% of Expenses)		727	698	710	725	734
<b>Net Resources (revenues less expenditures)</b>		<b>(10,322)</b>	<b>(641)</b>	<b>(4,770)</b>	<b>(3,076)</b>	<b>(358)</b>
<b>Other Sources/Uses</b>						
Housing Trust Fund		-	-	-	-	-
Prior Year-End Resources		-	-	-	-	-
Release of FY2021/22 Midyear Reserves		1,971	10,000	-	-	-
Homeless Services Resources (HHAP)		13,847	-	-	-	-
Homeless Funding Gap		(13,847)	(40,155)	(41,856)	(42,902)	(43,974)
<b>Revised Forecast</b>	<b>863.64</b>	<b>\$ (8,351)</b>	<b>\$ (30,797)</b>	<b>\$ (46,625)</b>	<b>\$ (45,978)</b>	<b>\$ (44,332)</b>

FY2022/23 Approved Budget

**Enterprise Funds:** On June 14, 2022, Council authorized \$16.2 million in operating and capital expenditures and \$20.3 million in revenue changes in the Storm Drainage Property Fee Fund for the FY2022/23. As such, the five-year Storm Drainage Property Fee Fund forecast has been added to reflect this change.

**Storm Drainage Property Fee Fund (Fund 6021)**  
**Revenue and Expenditure Five-Year Forecast**  
Dollars in Thousands

	FY22 Estimate	FY2022/23 Approved	FY2023/24 Projection	FY2024/25 Projection	FY2025/26 Projection	FY2026/27 Projection
<b>BEGINNING FUND BALANCE</b>	-	-	4,037	3,838	3,941	3,780
<b>REVENUES</b>						
Charges, Fees, and/or Services	-	20,250	20,250	20,250	20,250	20,250
Interest	-	-	42	39	41	39
Other (Intergovernmental)	-	-	-	-	-	-
<b>TOTAL REVENUES</b>	-	20,250	20,292	20,289	20,291	20,289
<b>EXPENDITURES</b>						
Operating - Employee Services	-	-	-	-	-	-
Operating - Other	-	3,647	3,756	3,869	3,985	4,105
Debt Service	-	-	-	-	-	-
Multi-Year Operating Projects	-	1,250	1,650	2,250	2,250	2,250
Capital Improvements	-	11,316	15,084	14,067	14,217	14,324
<b>TOTAL EXPENDITURES</b>	-	16,213	20,490	20,186	20,452	20,679
<b>ANNUAL SURPLUS/(DEFICIT)</b>	-	4,037	(199)	103	(162)	(390)
Other Sources/Uses	-	-	-	-	-	-
<b>ENDING FUND BALANCE</b>	-	4,037	3,838	3,941	3,780	3,390

The addition of the Storm Drainage Property Fee Fund also reduced offsets from the Water, Wastewater, Storm Drainage, and Solid Waste and Recycling for administrative costs. Revised forecasts are provided below.



FY2022/23 Approved Budget

**Water Fund (Fund 6005)**  
**Revenue and Expenditure Five-Year Forecast**  
**Dollars in Thousands**

	FY2021/22 Estimated	FY2022/23 Approved	FY2023/24 Projection	FY2024/25 Projection	FY2025/26 Projection	FY2026/27 Projection
<b>BEGINNING FUND BALANCE</b>	<b>119,952</b>	<b>132,629</b>	<b>122,435</b>	<b>108,028</b>	<b>98,930</b>	<b>79,123</b>
<b>REVENUES</b>						
Charges, Fees, and/or Services	131,605	134,972	135,932	136,896	137,240	137,587
Interest	1,535	865	832	837	839	841
Other (Intergovernmental)	255	255	265	274	285	295
<b>TOTAL REVENUES</b>	<b>133,395</b>	<b>136,092</b>	<b>137,028</b>	<b>138,008</b>	<b>138,364</b>	<b>138,724</b>
<b>EXPENDITURES</b>						
Operating - Employee Services	44,753	47,062	49,415	51,886	54,480	57,204
Operating - Other	31,143	34,684	35,809	36,577	37,299	38,048
Debt Service	28,444	34,686	38,086	38,077	35,205	38,057
Multi-Year Operating Projects	6,071	4,113	2,545	2,563	3,186	3,195
Capital Improvements	23,603	25,742	25,580	18,003	28,001	28,841
<b>TOTAL EXPENDITURES</b>	<b>134,014</b>	<b>146,286</b>	<b>151,435</b>	<b>147,106</b>	<b>158,171</b>	<b>165,345</b>
<b>ANNUAL SURPLUS/(DEFICIT)</b>	<b>(619)</b>	<b>(10,194)</b>	<b>(14,407)</b>	<b>(9,098)</b>	<b>(19,807)</b>	<b>(26,621)</b>
Other Sources/Uses <sup>(1)</sup>	13,296	-	-	-	-	-
<b>ENDING FUND BALANCE</b>	<b>132,629</b>	<b>122,435</b>	<b>108,028</b>	<b>98,930</b>	<b>79,123</b>	<b>52,502</b>

<sup>(1)</sup> Other Sources in FY2021/22 include additions to fund balance for prior reductions related to outstanding short-term portion of debt liability and interest only payments required by the DWSRF loan not included in the FY2021/22 debt service budget.

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

	FY2021/22 Estimated	FY2022/23 Approved	FY2023/24 Projection	FY2024/25 Projection	FY2025/26 Projection	FY2026/27 Projection
<b>BEGINNING FUND BALANCE</b>	<b>25,321</b>	<b>26,163</b>	<b>29,455</b>	<b>31,505</b>	<b>33,223</b>	<b>33,680</b>
<b>REVENUES</b>						
Charges, Fees, and/or Services	43,122	42,115	42,652	43,232	43,323	43,414
Interest	324	430	266	269	270	270
Other (Intergovernmental)	800	1,000	1,035	1,071	1,108	1,147
<b>TOTAL REVENUES</b>	<b>44,246</b>	<b>43,545</b>	<b>43,953</b>	<b>44,572</b>	<b>44,701</b>	<b>44,831</b>
<b>EXPENDITURES</b>						
Operating - Employee Services	12,488	12,667	13,174	13,569	13,976	14,395
Operating - Other	18,137	18,633	19,472	20,012	20,511	21,027
Debt Service	3,911	3,908	3,499	3,910	3,913	3,911
Multi-Year Operating Projects	4,324	2,890	2,940	2,935	3,416	3,926
Capital Improvements	7,133	2,156	2,818	2,428	2,428	2,428
<b>TOTAL EXPENDITURES</b>	<b>45,993</b>	<b>40,254</b>	<b>41,903</b>	<b>42,854</b>	<b>44,244</b>	<b>45,687</b>
<b>ANNUAL SURPLUS/(DEFICIT)</b>	<b>(1,747)</b>	<b>3,292</b>	<b>2,050</b>	<b>1,718</b>	<b>457</b>	<b>(856)</b>
Other Sources/Uses <sup>(1)</sup>	2,589	-	-	-	-	-
<b>ENDING FUND BALANCE</b>	<b>26,163</b>	<b>29,455</b>	<b>31,505</b>	<b>33,223</b>	<b>33,680</b>	<b>32,824</b>

<sup>(1)</sup> Other Sources in FY2021/22 include additions to fund balance for prior reductions related to outstanding short-term portion of debt liability.

FY2022/23 Approved Budget

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

	FY2021/22 Estimated	FY2022/23 Approved	FY2023/24 Projection	FY2024/25 Projection	FY2025/26 Projection	FY2026/27 Projection
<b>BEGINNING FUND BALANCE</b>	30,832	31,620	24,282	23,055	26,333	24,797
<b>REVENUES</b>						
Charges, Fees, and/or Services	75,249	85,105	92,409	96,631	97,538	98,453
Interest	459	750	750	750	750	750
Other (Intergovernmental)	542	315	315	315	315	315
<b>TOTAL REVENUES</b>	<b>76,250</b>	<b>86,170</b>	<b>93,474</b>	<b>97,696</b>	<b>98,603</b>	<b>99,518</b>
<b>EXPENDITURES</b>						
Operating - Employee Services	19,025	20,706	21,762	22,632	23,538	24,479
Operating - Other	44,083	53,830	57,361	59,062	61,057	63,135
Debt Service	1,677	1,678	1,678	1,678	1,678	1,678
Multi-Year Operating Projects	9,196	16,445	11,184	9,898	12,718	11,812
Capital Improvements	2,581	848	2,716	1,148	1,148	1,148
<b>TOTAL EXPENDITURES</b>	<b>76,562</b>	<b>93,507</b>	<b>94,701</b>	<b>94,418</b>	<b>100,139</b>	<b>102,252</b>
<b>ANNUAL SURPLUS/(DEFICIT)</b>	<b>(312)</b>	<b>(7,338)</b>	<b>(1,227)</b>	<b>3,278</b>	<b>(1,536)</b>	<b>(2,734)</b>
Other Sources/Uses <sup>(1)</sup>	1,100	-	-	-	-	-
<b>ENDING FUND BALANCE</b>	<b>31,620</b>	<b>24,282</b>	<b>23,055</b>	<b>26,333</b>	<b>24,797</b>	<b>22,063</b>

<sup>(1)</sup>Other Sources include additions to fund balance for prior reductions related to outstanding short-term portion of debt liability.

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

	FY2021/22 Estimated	FY2022/23 Approved	FY2023/24 Projection	FY2024/25 Projection	FY2025/26 Projection	FY2026/27 Projection
<b>BEGINNING FUND BALANCE</b>	35,082	32,287	32,900	31,679	29,342	25,173
<b>REVENUES</b>						
Charges, Fees, and/or Services	39,560	38,849	39,147	39,445	39,531	39,617
Interest	449	440	446	452	458	464
Other (Intergovernmental)	10	30	31	32	33	34
<b>TOTAL REVENUES</b>	<b>40,019</b>	<b>39,319</b>	<b>39,624</b>	<b>39,929</b>	<b>40,022</b>	<b>40,115</b>
<b>EXPENDITURES</b>						
Operating - Employee Services	17,496	17,683	18,567	19,496	20,470	21,494
Operating - Other	16,283	18,400	19,271	19,815	20,296	20,852
Debt Service	235	235	235	233	232	233
Multi-Year Operating Projects	3,240	2,388	2,771	2,723	3,193	3,265
Capital Improvements	5,684	-	-	-	-	-
<b>TOTAL EXPENDITURES</b>	<b>42,938</b>	<b>38,706</b>	<b>40,844</b>	<b>42,267</b>	<b>44,191</b>	<b>45,844</b>
<b>ANNUAL SURPLUS/(DEFICIT)</b>	<b>(2,919)</b>	<b>613</b>	<b>(1,220)</b>	<b>(2,338)</b>	<b>(4,169)</b>	<b>(5,729)</b>
Other Sources/Uses <sup>(1)</sup>	124	-	-	-	-	-
<b>ENDING FUND BALANCE</b>	<b>32,287</b>	<b>32,900</b>	<b>31,679</b>	<b>29,342</b>	<b>25,173</b>	<b>19,444</b>

<sup>(1)</sup>Other Sources in FY2021/22 include additions to fund balance for prior reductions related to outstanding short-term portion of debt liability.

FY2022/23 Approved Budget

The Community Center Fund's beginning available fund balance was adjusted to add back the unamortized premium for the Sacramento Tourism Infrastructure District Bond Fund (Fund 6332).

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

	FY2021/22	FY2022/23	FY2023/24	FY2024/25	FY2025/26	FY2026/27
	Estimated	Approved	Projection	Projection	Projection	Projection
<b>BEGINNING FUND BALANCE</b>	<b>16,968</b>	<b>18,273</b>	<b>10,696</b>	<b>10,191</b>	<b>13,889</b>	<b>18,869</b>
<b>REVENUES</b>						
TOT	18,713	26,445	32,501	37,167	39,432	40,677
Charges, Fees, and/or Services	6,108	6,905	7,924	8,708	8,849	9,009
Interest	64	66	62	52	74	105
Other (Facility Fee)	900	900	900	900	900	900
<b>TOTAL REVENUES</b>	<b>25,785</b>	<b>34,316</b>	<b>41,387</b>	<b>46,827</b>	<b>49,255</b>	<b>50,691</b>
<b>EXPENDITURES</b>						
Operating - Employee Services	7,168	9,349	9,816	10,307	10,823	11,364
Operating - Other	9,624	10,413	11,227	11,978	12,660	13,368
Debt Service	19,218	19,222	19,219	19,218	19,218	19,219
Multi-Year Operating Projects	-	-	-	-	-	-
Capital Improvements	2,100	2,660	1,380	1,375	1,325	1,375
<b>TOTAL EXPENDITURES</b>	<b>38,110</b>	<b>41,644</b>	<b>41,642</b>	<b>42,878</b>	<b>44,026</b>	<b>45,326</b>
<b>ANNUAL SURPLUS/(DEFICIT)</b>	<b>(12,325)</b>	<b>(7,328)</b>	<b>(255)</b>	<b>3,949</b>	<b>5,229</b>	<b>5,365</b>
Other Source/Use <sup>(1)</sup>	13,630	(250)	(250)	(250)	(250)	(250)
<b>ENDING FUND BALANCE</b>	<b>18,273</b>	<b>10,696</b>	<b>10,191</b>	<b>13,889</b>	<b>18,869</b>	<b>23,984</b>

(1) Other Sources include General Fund support provided during the FY2021/22 Midyear Budget process and additions to fund balance for prior reduction related to outstanding short-term portion of debt liability.

## Proposed Financial Forecast

(As written on April 25, 2022, 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 (G/MU) Funds Overview

This section includes a five-year forecast for the G/MU Funds combined, a separate forecast for the Measure U Fund and the City's Enterprise Funds. The information in these forecasts provides a current picture of the fiscal condition of the funds, establishing an important context to the decision-making necessary in efforts to maintain both essential community services and fiscal stability.

As mentioned previously, the City continues to recover from the fiscal impacts of the COVID-19 pandemic. While the major G/MU Funds including Property Tax, General Sales and Use Tax, and the Transactions and Use Tax revenues performed better than originally predicted, department revenues including parking (both on and off street), and Transient Occupancy Tax (TOT or hotel taxes), remain below pre-pandemic levels. These revenue sources as well as any State and Federal stimulus opportunities will be monitored closely. Staff will provide updates to Council as appropriate.

The forecast of expenditures includes anticipated growth to address increasing costs for insurance, software licensing/maintenance, fleet, utilities, and contributions to fund programs and services at the City's libraries. The labor forecast assumptions include estimated increases for known pension costs and negotiated salary increases (steps) for employees. However, it does not include future labor growth (e.g., cost-of-living [COLA], health insurance). Of the City's eleven recognized employee organizations (REOs), nine are currently in contract and will expire within calendar year 2023. The City is still in negotiations with the two remaining REOs.

### The Five-Year G/MU Fund Forecast

Given the Council's sustainable budget policy, proposed fiscal actions are evaluated in both a short and longer-term context. The five-year forecast is an essential tool in the City's long-range financial planning process, providing a multi-year view of revenues and expenditures, allowing an assessment of the fiscal consequences of both prior and current funding decisions in the context of forecasted revenues and expenditures.

The 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 five-year forecast is developed during the annual budget process and updated at midyear based on the most economic information and revenue trends. This allows the City to identify potential challenges and make course corrections through budget and operational adjustments. In addition, if there

## FY2022/23 Approved Budget

are significant changes to either revenues and/or expenditures during the year, outside of the budget or midyear review, the impact for those changes will be reported to Council as soon as practicable.

The current five-year forecast is presented below:

5-Year Forecast General (G) and Measure U (MU) Funds (\$ in 000s)	FY2022/23 Projection	FY2023/24 Projection	FY2024/25 Projection	FY2025/26 Projection	FY2026/27 Projection
<b>Revenues</b>					
Revenues	740,864	761,316	771,621	791,535	811,221
Other Sources	12,862	2,500	2,500	2,500	2,500
<b>Total Revenues/Resources</b>	<b>753,726</b>	<b>763,816</b>	<b>774,121</b>	<b>794,035</b>	<b>813,721</b>
<b>Expenditures</b>					
Department Operating, Debt, and MYOPs	713,883	735,234	754,515	770,151	783,828
Capital Projects	18,080	12,840	13,296	13,321	13,321
EUR Contribution	11,731	3,707	3,810	3,909	4,002
<b>Total Expenditures/Uses</b>	<b>743,694</b>	<b>751,781</b>	<b>771,620</b>	<b>787,381</b>	<b>801,151</b>
<b>Surplus/(Deficit)</b>	<b>10,032</b>	<b>12,036</b>	<b>2,501</b>	<b>6,654</b>	<b>12,570</b>
<b>One-Time Resources/(Uses)</b>					
Reserve for FY2023/24 Budget Development	-	10,000	-	-	-
Homeless Services Resources	13,847	-	-	-	-
Homeless Services Funding Gap	(22,120)	(40,155)	(41,856)	(42,902)	(43,974)
<b>ENDING AVAILABLE FUND BALANCE</b>	<b>1,759</b>	<b>(18,119)</b>	<b>(39,354)</b>	<b>(36,247)</b>	<b>(31,404)</b>

The Proposed FY2022/23 Budget is balanced; however, rising labor and liability costs place additional strain on our ability to produce a balanced budget going forward. Should the City continue to fund homeless services at the current level, expenditures will outpace revenues as early as FY2023/24 even if the City were to be awarded additional resources from the State as part of the Homeless Housing, Assistance and Prevention (HHAP) grant program. The forecast below includes potential HHAP 4 funds; however, the State grant program is not yet accepting applications for funding. Additional State and Federal funds will be included in future forecasts when program funds have been awarded to the City.

5-Year Forecast General (G) and Measure U (MU) Funds (\$ in 000s)	FY2022/23 Projection	FY2023/24 Projection	FY2024/25 Projection	FY2025/26 Projection	FY2026/27 Projection
<b>Revenues</b>					
Revenues	740,864	761,316	771,621	791,535	811,221
Other Sources	12,862	2,500	2,500	2,500	2,500
<b>Total Revenues/Resources</b>	<b>753,726</b>	<b>763,816</b>	<b>774,121</b>	<b>794,035</b>	<b>813,721</b>
<b>Expenditures</b>					
Department Operating, Debt, and MYOPs	713,883	735,234	754,515	770,151	783,828
Capital Projects	18,080	12,840	13,296	13,321	13,321
EUR Contribution	11,731	3,707	3,810	3,909	4,002
<b>Total Expenditures/Uses</b>	<b>743,694</b>	<b>751,781</b>	<b>771,620</b>	<b>787,381</b>	<b>801,151</b>
<b>Surplus/(Deficit)</b>	<b>10,032</b>	<b>12,036</b>	<b>2,501</b>	<b>6,654</b>	<b>12,570</b>
<b>One-Time Resources/(Uses)</b>					
Reserve for FY2023/24 Budget Development	-	10,000	-	-	-
Homeless Services Resources	13,847	13,847	-	-	-
Homeless Services Funding Gap	(22,120)	(40,155)	(41,856)	(42,902)	(43,974)
<b>ENDING AVAILABLE FUND BALANCE</b>	<b>1,759</b>	<b>(4,272)</b>	<b>(39,354)</b>	<b>(36,247)</b>	<b>(31,404)</b>

## FY2022/23 Approved Budget

Additional challenges in the G/MU Fund forecast are detailed below:

- California Public Employees’ Retirement System (CalPERS) pension costs will increase by \$15.6 million (21%) over the next four years.
- Liability insurance premium is estimated to increase by \$16.7 million (57%) over the next four years.
- Uncertainty with labor costs since nine of the eleven labor contracts will end before calendar year 2023 and the forecast does not include future increases for COLAs or health insurance. In addition, two REOs are still in negotiations.
- Homeless services will cost approximately \$169 million over the next four years. A \$13.8 million HHAP grant partially offsets costs in FY2022/23.

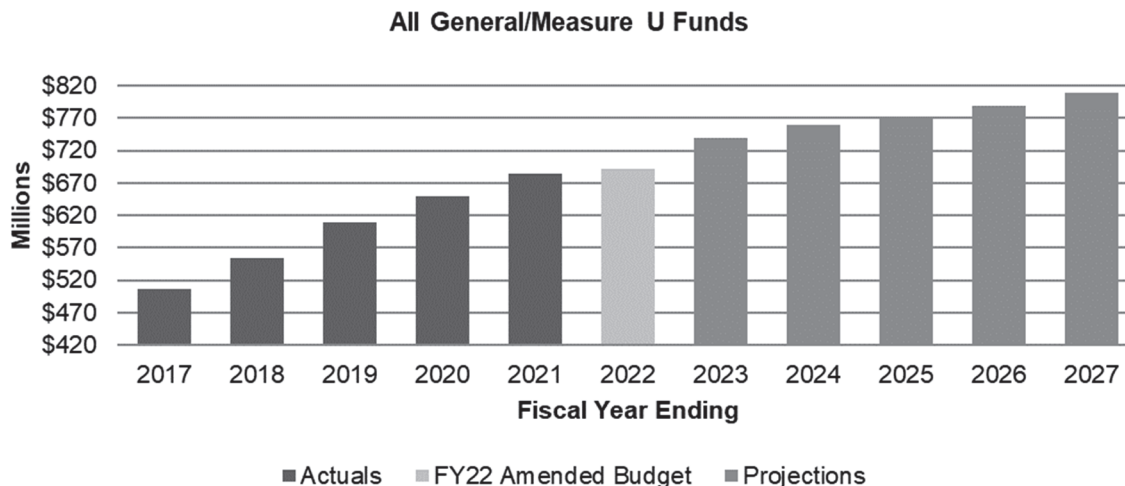
With the exception of future labor contracts increases, estimates for the above challenges have been included in the forecast as presented.

## General/Measure U Fund Revenues

The City’s G/MU Fund revenues continue to experience growth across most revenue sources. The following table highlights the top four G/MU Fund revenue sources representing 70% G/MU Fund revenues.

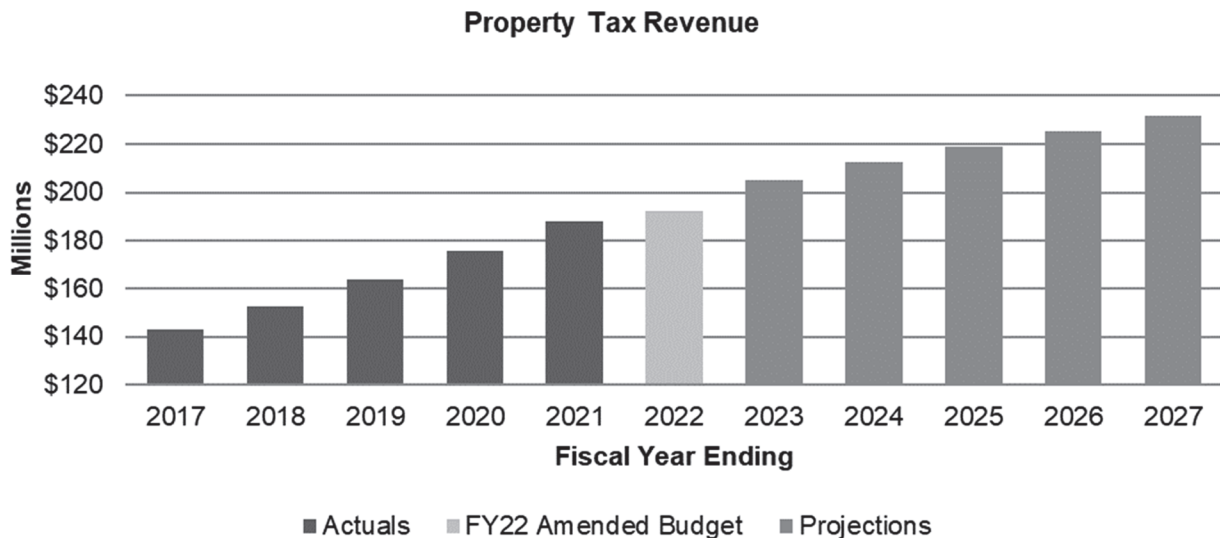
Revenue Source (\$ in 000s)	FY2021/22	FY2022/23	FY2023/24	FY2024/25	FY2025/26	FY2026/27
	Amended	Proposed	Projected	Projected	Projected	Projected
Property Tax	192,318	204,944	212,708	218,755	224,993	231,429
Measure U Transaction & Use Tax	124,238	135,769	139,735	137,856	142,649	147,135
General Sales & Use Tax	98,963	108,467	111,873	112,782	116,723	120,303
Utility User Tax	63,000	65,665	65,994	66,324	66,655	66,989
Other Revenue/Other Sources	212,889	224,519	229,469	234,328	238,900	243,709
<b>Total General/Measure U Revenue</b>	<b>691,408</b>	<b>739,364</b>	<b>759,779</b>	<b>770,045</b>	<b>789,920</b>	<b>809,565</b>

The chart below provides a five-year year look back and forecast of G/MU Fund revenue growth. Property tax and sales tax continue to be the main catalyst for revenue growth within the City. G/MU Fund revenues are projected to increase by 60% from FY2016/17 through the term of the forecast in FY2026/27.



## Property Tax

Property taxes account for 28% of all G/MU 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.



Housing prices continue to soar throughout California, but Sacramento remains relatively affordable compared to other major cities in Northern California. Brandon Haeefe, the CEO and president of Catalyst Mortgage, predicts that the region is still two or three years away from equalizing the supply and demand equation for new homes. Inventory in the region continues to remain scarce; however, Bay Area residents continue to push Sacramento home values higher as they look for suburban alternatives without the ultra-expensive price tag.

### Overall Real Estate Activity for the Sacramento Region

Category	2/2022 vs 2/2021 % Increase
Average Price per Square Foot	19.9%
Medium Sales Price	17.4%
Median Days on the Market	16.7%
Active Inventory	6.1%
Sales Volume	4.6%

Data provided by a Sacramento Association of REALTORS, February 2022 report

From February 2021 through February 2022, the Sacramento Association of Realtors reported the cost of housing per square foot in the Sacramento region (region) increased from \$296 to \$355 and the median home price increased from \$460,000 to \$540,000. The increase in demand is primarily due to the relocation of residents from the Bay Area. The Sacramento Business Journal stated the lack of supply combined with increasing

## FY2022/23 Approved Budget

---

demand drove home prices up significantly in 2021. Homes over \$1 million made up more than 15% of all market transactions for the first time in the region.

Consistent with current Council budget guidelines, property tax growth in the former redevelopment areas will accrue to the Innovation and Growth Fund, except for the amount required for the possessory interest tax paid on the Golden 1 Center, which will be used for the associated debt service payment.

Total assessed value for Sacramento County's FY2021/22 secured and unsecured roll surpassed \$190 billion, an increase of 5.4% countywide. Additionally, the Sacramento County Assessor's (Assessor) 2021 Annual Report and monthly reports have highlighted several positive barometers for the City as follows:

- Total gross assessed value of secured/unsecured properties in the City grew 5.6% from FY2020/21 to FY2021/22.
- City properties with Proposition 8 assessments (temporary reduction in property taxes due) decreased from 8,269 in March 2021 to 5,722 in March 2022, a 31% decrease adding \$723 million to the City's secured roll over the past twelve months.

The table below illustrates the assessed roll value that remains to be restored as a result of the housing crash during the Great Recession. Restoration of Proposition 13 values happens annually, while reductions as the result of a Proposition 8 appeals can be applied to the tax roll at any time during the year. Therefore, the reduction in pending appeals limits the City's exposure to a reduction in roll value.

### Summary of Proposition 8 Assessments by Land Use

Property Type	Prop 8	Prop 13	% of Full Value
Single-Family Residence	1,284,510,815	1,518,478,400	85%
Commercial	2,021,511,511	2,785,073,966	73%
Multi-Family Residence	246,770,551	364,711,534	68%
Industrial	230,133,823	282,427,751	81%
Others	87,878,196	132,728,757	66%
<b>City Total</b>	<b>3,870,804,896</b>	<b>5,083,420,408</b>	<b>76%</b>

On December 27, 2021, the California State Board of Equalization (BOE) directed the County Assessor to apply the full 2% inflation factor (CCPI – California Consumer Price Index) to property values for taxation. Because the Assessor does not complete work on the tax roll until after the Budget is adopted, the forecast for property tax revenues is based on the Assessor's "work in progress" and will be re-evaluated once final information is received in July. Any significant variance will be reported as part of the FY2022/23 Midyear Budget Report. The property tax secured roll forecast for FY2022/23 is 6% higher than the FY2021/22 Amended Budget which included 4% growth over FY2020/21 actuals. Estimates over the term of the forecast include 4% growth in FY2023/24 and annual growth of 3% from FY2024/25 through FY2026/27, assuming the application of



the full 2% for the Proposition 13 growth factor and that Proposition 8 properties will continue to be restored to their Proposition 13 values on the tax roll over time.

## **Property Tax In-Lieu of Vehicle License Fees (VLF)**

The State's 2004 property tax for VLF swap permanently reduced the VLF rate from 2% to 0.65%, shifted the VLF revenue to the State General Fund to make up for reduced property taxes to schools and shifted property taxes from the school share to property tax in-lieu of VLF to cities/counties. As part of the FY2021/22 Midyear Budget Report, staff recommended a \$1.3 million revenue budget increase based on information provided by the County of Sacramento Audit-Controller Division. This information, provided in November 2021, indicated the City would receive an increase of 5.4% in estimated revenues when compared to FY2020/21 collections. After revising the FY2021/22 base, 6% growth was applied to the new baseline FY2022/23, 4% in FY2023/34 with 3% growth in FY2023/24-2026/27.

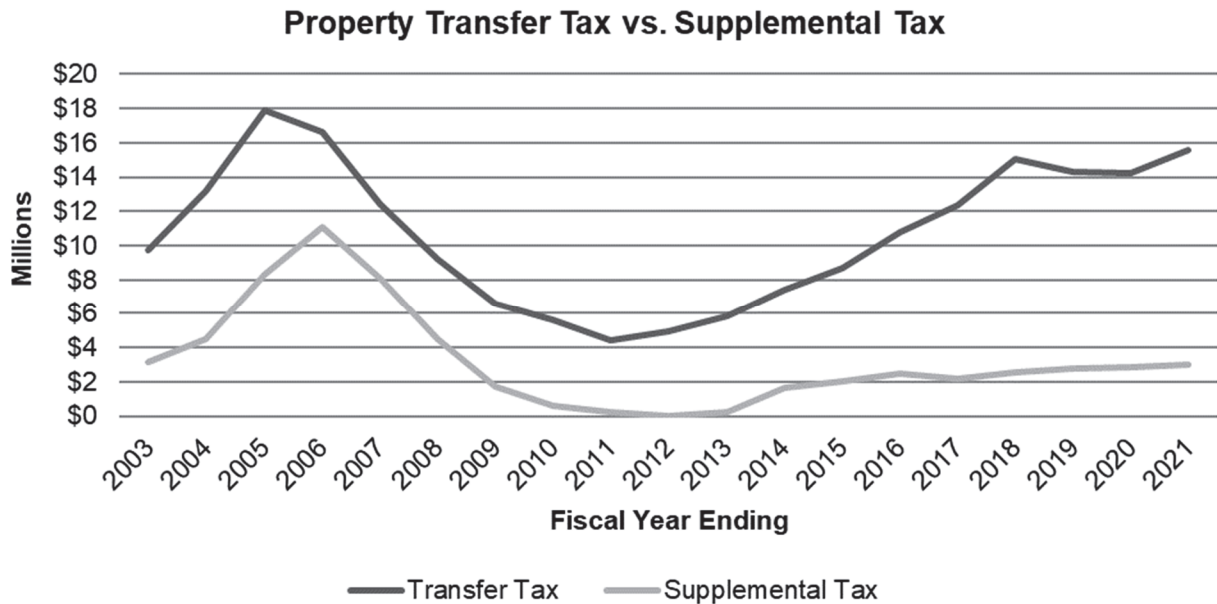
## **Property Transfer Tax and Supplemental Property Tax**

**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.

**Supplemental Property Tax** - A supplemental tax bill is generated when a property is reassessed due to a change in ownership (a sale, transfer, or transfer of fractional interest) or the result of new construction. The supplemental tax bill reflects any increase or decrease in property tax generated by the supplemental event.

These two sources of revenue can be volatile, fluctuating with the housing market, reaching a combined high of \$27.7 million in FY2005/06 and a low of \$4.6 million in FY2010/11. While real estate transactions increased by 10.4% during the first eight months of FY2021/22, the value of these transactions has also increased by 36% when compared to the same period in the prior year. Despite supply constraints, the residential market and property tax growth remains strong. There are some headwinds surrounding the regional real estate market including lesser demand of office and retail properties, higher interest rates and decreasing affordability for home buyers. While projections for FY2022/23 were increased to \$19.4 million based on the projected FY2021/22 activity, both revenue streams are expected to decrease by 5% annually from FY2023/24-FY2026/27 since interest rates are expected to rise and inventory is not keeping pace with demand.

The following graph reflects the significant effect the Great Recession had on these revenue sources and the gradual rebound over the last ten years. Given the volatility of these revenues it is especially important to be aware of market trends and adjust the forecast early should overall sales volume and price decrease dramatically.



## Sales Tax

The biggest catalyst for growth in G/MU Funds continues to be sales tax which accounts for 33% of G/MU Fund revenues. General Sales and Use tax is imposed on all retailers for the privilege of selling tangible personal property in the state, whereas use tax is imposed on the purchase for storage, use, or other consumption of tangible personal property purchased from any retailer within the City. General Sales and Use tax accounts for 15% of all G/MU Fund revenue. The General Fund receives only one cent of every 8.75 cents of sales tax paid per dollar sale in Sacramento.

The Measure U Transactions and Use tax, approved by voters in November 2018, applies to most transactions subject to sales tax and is also collected on purchases made by residents outside of the City on items such as automobiles. Measure U Transactions and Use tax revenues account for 18% of all G/MU Fund revenue. Measure U generates one cent on every 8.75 cents of sales tax paid per dollar sale in the City and on major purchases delivered within the City. As consumers changed their purchasing habits during the pandemic, sales tax was minimally impacted as consumers shifted their purchasing power to online sales. The table below lists the percentage breakdown of each economic segment of the G/MU Fund sales tax forecasted in FY2022/23.

<b>G/MU Sales Tax Breakdown by Economic Segment</b>	
General Retail	27.4%
Business to Business	18.1%
Transportation	16.8%
Food Products	16.1%
Construction	11.5%
County Pool	7.9%
Miscellaneous	2.2%
<b>Total</b>	<b>100.0%</b>

## FY2022/23 Approved Budget

---

Avenu Insights & Analytics, the City's sales tax consultant, projects robust growth in sales tax revenues for the remainder of 2022. Employment, disposable income, gross domestic product, domestic tourism, consumption of and relative prices of taxable goods are expected to continue to grow at higher than pre-pandemic rates. There is also a longer period of inflationary impact within the forecast. The primary reason for the increase in the growth projection from the midyear review was the recent increase in energy prices and the Russia-Ukraine war, which caused many macroeconomists to update their models and lengthen the time that high inflation levels will affect the economy. It should be noted that actual sales tax data from 4<sup>th</sup> quarter indicates a stronger than anticipated recovery and an overall 'hot' economy currently. The revised forecast assumes that inflation will gradually return to more typical levels by the end of the 2023 calendar year.

According to the UCLA Anderson Forecast, inflation will remain higher than typically experienced over the last decade and will begin to moderate compared to last year. Sharp increases in energy prices in 2021 raised the prices of many taxable goods that must be manufactured and shipped. As supply increases during the second half of 2022, energy prices are expected to decline. By the 4<sup>th</sup> quarter of 2024 the forecast for year-over-year inflation ranges between 2.3% and 2.4%.

One notable change that negatively affected the City's sales tax revenue is the change of Amazon's business reporting structure during 2021 ultimately reducing the local tax reported by destination through the countywide pools. While this reduction in revenue was offset by the growth across all sales tax sectors, there are several other areas of uncertainty including the impact of ongoing supply chain issues, the impact of Federal Reserve interest rate increases, the impact of the Russia-Ukraine war on energy markets and supply chains, the continuing unknown future of the pandemic, the potential for a market correction-based recession and the impact of inflation on consumer behavior. These factors lead to a greater level of uncertainty in forecasting future sales tax revenues.

The pandemic had varying levels of impact on different regions of the State. The region overall experienced less decline when compared to the rest of the State. Part of this is due to Sacramento's smaller reliance on tourism, entertainment, and hospitality spending which have significantly impacted other areas of the State. Large fiscal stimulus packages increased disposable income and helped maintain overall consumer spending. Housing prices and monetary policies also had a stabilizing influence on wealth and spending. The table below breaks down the prior three calendar years for the base 1% sales tax excluding Measure U providing a picture of the impact of the pandemic on the City's sales tax revenues.

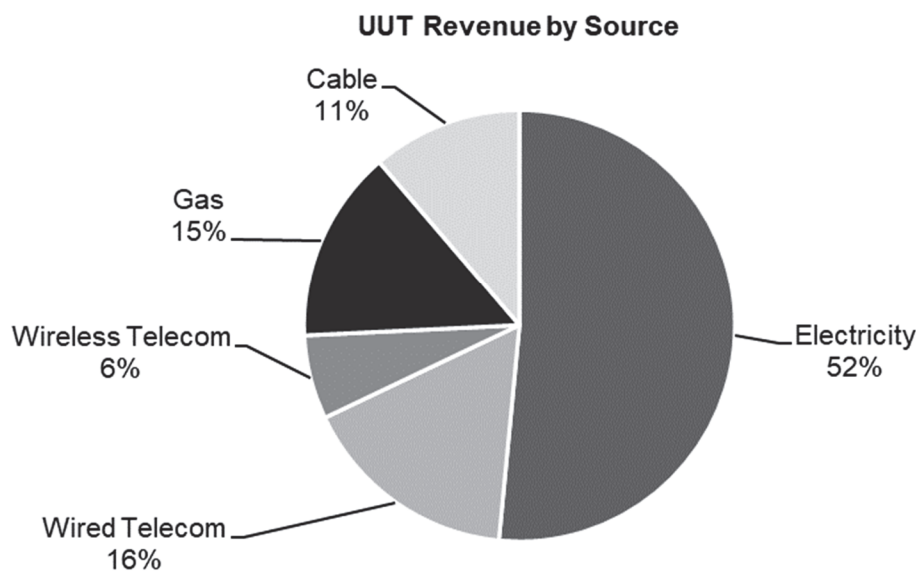
FY2022/23 Approved Budget

	2019Q1-Q4	2020Q1-Q4	2021Q1-Q4
<b>Total Receipts</b>	<b>\$90,292,113</b>	<b>\$83,173,527</b>	<b>\$101,676,851</b>
Net Pools/Admin/Adj	15,003,440	14,264,664	20,045,487
Local Businesses	75,288,673	68,908,863	81,631,364
<b>General Retail</b>	<b>\$19,513,294</b>	<b>\$17,789,769</b>	<b>\$21,563,837</b>
Apparel Stores	2,901,460	2,005,550	3,158,279
Department Stores	5,883,941	5,110,791	5,722,435
Furniture/Appliance	2,457,511	2,058,468	2,562,935
Drug Stores	2,441,290	3,008,483	3,003,324
Recreation Products	653,657	636,934	759,430
Florist/Nursery	564,438	1,019,322	1,121,825
Miscellaneous Retail	4,610,998	3,950,222	5,235,610
<b>Food Products</b>	<b>\$17,315,604</b>	<b>\$13,038,740</b>	<b>\$16,472,731</b>
Restaurants	12,824,765	8,666,109	11,843,478
Food Markets	3,461,960	3,460,206	3,560,705
Liquor Stores	482,397	505,826	567,644
Food Processing Eqp	546,482	406,599	500,904
<b>Transportation</b>	<b>\$13,644,669</b>	<b>\$12,212,212</b>	<b>\$14,912,563</b>
Auto Parts/Repair	2,254,246	2,182,183	2,383,119
Auto Sales - New	1,660,523	1,753,794	1,700,088
Auto Sales - Used	1,792,048	2,081,089	3,018,596
Service Stations	5,903,493	4,267,081	5,953,254
Misc. Vehicle Sales	2,034,358	1,928,065	1,857,506
<b>Construction</b>	<b>\$10,315,158</b>	<b>\$10,677,247</b>	<b>\$12,281,992</b>
Bldg.Matls-Whsle	8,085,134	8,115,747	9,555,996
Bldg.Matls-Retail	2,230,024	2,561,500	2,725,995
<b>Business To Business</b>	<b>\$12,879,402</b>	<b>\$13,678,363</b>	<b>\$14,730,413</b>
Office Equipment	1,699,530	1,637,973	1,701,860
Electronic Equipment	548,546	648,662	613,450
Business Services	776,612	714,604	776,022
Energy Sales	2,468,784	1,992,571	3,166,215
Chemical Products	583,045	560,386	607,965
Heavy Industry	3,475,049	4,446,895	4,351,883
Light Industry	1,457,665	1,549,165	1,364,531
Leasing	1,181,585	1,216,233	1,465,590
Miscellaneous	688,587	911,874	682,897
<b>Miscellaneous</b>	<b>\$1,620,545</b>	<b>\$1,512,531</b>	<b>\$1,669,829</b>
Health & Government	916,970	836,305	839,348
Miscellaneous Other	703,575	676,226	830,481

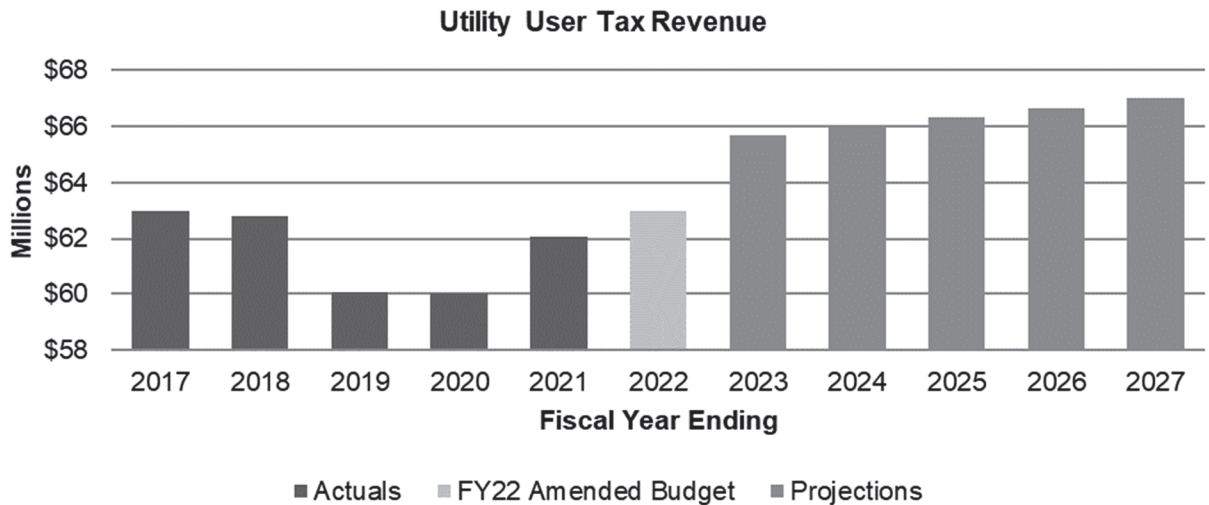
Growth projections in the five-year forecast range from a high of 4.2% in FY2022/23 to 3.1% in FY2026/27.

## Utility User Tax (UUT)

UUT is a usage tax on communication, electric, and gas charges billed to a billing or service address in the City as authorized in the 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 9% of General Fund revenue. UUT was the most consistent revenue stream over the past five years but also faces the most potential for adversity with industry regulation and the market growth of unregulated media platforms. The following graph represents the UUT revenues by source:



Cable, wireless and wired telecom revenue components continue to face regulatory and fiscal pressure across their respective industries. The City has reduced UUT revenue projections in previous fiscal years to address these underperforming sectors. Electricity and gas now account for almost 70% of all UUT revenue providing overall growth despite continued losses by the other components. Based on revenues collected during the first seven months of FY2021/22, UUT is projected to increase by 4.2% in FY2022/23, and FY2023/24-FY2026/27 include 0.5% annual growth reflected in the following chart.



This revenue stream will be closely monitored, and adjustments will be recommended in the Midyear Budget Report if significant changes are identified. Details on each of the five components that comprise the UUT is provided below.

**Cable Subscriptions** – The pandemic continues to inflate this sector as customers have transformed their homes into offices and bundled internet with cable plans. Avenu, Insights and Analytics is forecasting a decline in this sector as more businesses open and employees return to their workplaces. The City’s cable revenue increased by \$350,000 through the first seven months of FY2021/22, versus the same period in FY2020/21. Cable accounts for \$7.0 million (11%) of all UUT revenue.

**Electricity** – During FY2020/21, the electricity sector eclipsed 50% of all UUT revenue for the first time. SMUD is the City’s primary source of electricity and continues to face cost pressures for compliance, risk mitigation requirements, technology, and grid investments. SMUD’s Board of Directors approved a 1.5% rate increase on March 1, 2022, and a 2.0% rate increase on January 1, 2023. During the first seven months of FY2021/22, the City’s electricity UUT revenue increased by 4.9% compared to the same period in FY2020/21.

**Natural Gas** – PG&E approved a 9% rate increase effective March 1, 2022. The increase is needed to address recent drought conditions which have reduced lower-cost hydroelectric generation across the western U.S. and by higher natural gas and wholesale electric energy prices seen in 2021 and forecasted to continue into 2022. The Russia-Ukraine war is also putting pressure on natural gas prices as well as the Northern California wildfires. UUT gas collections were up \$1.25 million during the first seven months of FY2021/22 compared to FY2020/21. Gas accounts for \$9.0 million (15%) of all UUT revenue.

**Wired Telecommunications** – Wired telecom revenues continue to decline due to competition among providers and the lack of product and service differentiation. Existing residential customers continue to migrate towards wireless providers or move to cable providers (via phone, cable, and internet bundles) for VoIP as less expensive alternatives. Wired UUT

## FY2022/23 Approved Budget

---

revenue accounts for approximately 10.2 million or 16% of the total UUT base; however, the revenue stream has decreased by 42% since FY1999/00. Through the first seven months of FY2021/22 wired telecom revenue is down \$93,000 (-1.6%) compared to the same period in FY2020/21.

Wireless Telecommunications – Many wireless providers are generating the majority of their revenue through data services, which are not taxable. On average, this equates to an allocation of approximately 70-85% to data usage. This caused a decrease in wireless prepaid revenues over the past year. During the first seven months of FY2021/22, wireless UUT revenues have decreased by \$1.1 million (-21.5%) versus the same period in FY2020/21. Wireless telecom accounts for \$3.9 million (6.3%) of all UUT revenue.

## Cannabis Business Operations Tax (CBOT)

Cannabis tax revenue is generated from cultivation, manufacturing, testing, delivery, microbusiness, dispensary, and distribution. After increasing the CBOT budget by \$0.8 million as part of the FY2021/22 Midyear Budget Report, the forecast for FY2022/23 includes a 10% increase above the FY2021/22 amended budget. FY2023/24-FY2026/27 includes 5% annual growth. Cannabis tax revenue increases are attributed to cultivation, manufacturing, testing, delivery, and microbusiness revenues projecting to hit all-time highs in FY2021/22 as dispensary and distribution revenues flatten. Over the last five years, the total revenue generated from CBOT increased from \$4.8 million in FY2016/17 to \$25.4 million in FY2020/21. However, due to the varying growth and plateaus of the individual revenue sources, the City is projecting a 5% annual growth until trends become more consistent.

## 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 No. 2006-106), 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 the establishment and modification of 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 9.1% of G/MU Fund revenues. As part of the annual budget process, the Finance Department will present the annual Fees and Charges Update to Council for adoption in May 2022.

## **Pandemic Impact on Local Revenues**

The pandemic continues to create some uncertainty in projecting revenues over the next five years. Most revenue streams are recovering faster than originally anticipated; however, TOT in the Community Center Fund and parking fees in the Parking Fund are still below pre-pandemic levels. Should revenues fail to recover to pre-pandemic levels and forecasted growth in these funds, it could compromise the City's ability to make required debt service payments.

Over two-thirds of fund revenues collected in the Community Center Fund are TOT. For FY2021/22, TOT is estimated to reach 63% of FY2018/19 actual collections. For FY2022/23, TOT is estimated to receive 89% of FY2018/19 actual collections (FY2018/19 is used for comparison as it was the last fiscal year with TOT collections uninterrupted by the pandemic). The estimated growth in FY2022/23 represents the opening of the SAFE Credit Union Convention and Performing Arts District facilities which are anticipated to hold events for the entire fiscal year.

To help stabilize the Community Center Fund, Council approved one-time General Fund support of \$6.7 million as part of the FY2021/22 Midyear Budget Report. As a result of this support, the Community Center Fund is projecting a positive fund balance in all years of the five-year forecast. Staff will monitor this fund and make budgetary adjustments to address any potential shortfalls as needed.

Revenue from parking fees collected at City garages is projected to increase by 6% in FY2022/23 as operations continue to recover from the impacts of the pandemic, which lowered the usage of City-owned parking garages. The City is anticipating an increase of 15% in FY2023/24 and additional growth in subsequent years. However, estimated revenues in FY2026/27 are still below pre-pandemic levels. As employers adopt hybrid work models, the decline in usage of City-owned parking garages will continue to impact revenues.

To help stabilize the Parking Fund, Council approved one-time General Fund support of \$5.1 million as part of the FY2021/22 Midyear Budget Report. Despite this, the Parking Fund is projecting deficits in the five-year forecast. If revenues fail to recover over the next couple of years, the City will need to examine ways to reduce operational costs to meet its required obligations, including debt service payments for the Golden 1 Center.

The full economic impact of the pandemic is still unknown. Potential waves in the future may significantly alter the revenue assumptions included in the Budget. The forecast and information as presented in this Budget are based on the best information available to date. Staff will continue to monitor the impacts to the City's revenue streams as well as



FY2022/23 Approved Budget

---

opportunities for State and Federal relief and provide updates to Council as new information is available.

**General and Measure U Fund Expenditures**

The single largest expenditure in the G/MU Fund is the cost of employees who support department operations through the delivery of programs and services to the community. The Budget and forecast include scheduled step increases for employees based on existing labor agreements. However, as mentioned above, the forecast does not include future labor cost growth beyond 2023. In FY2022/23, labor costs are expected to increase by 3% compared to the FY2021/22 Amended Budget due to approved salary increases, movement of employees through salary steps, and pension cost increases.

**California Public Employees Retirement System (CalPERS)**

The City participates in the CalPERS pension plan managed by the State of California. Contributions to the plan consist of the normal cost rate which is determined by looking at the annual cost of providing benefits to active employees for the upcoming fiscal year. The normal cost should be viewed as the long-term contribution rate which both the City and the employees contribute toward.

The second component is a payment for the unfunded accrued liability (UAL) which is determined by looking at the Market Value of Assets of the City’s two defined benefit plans (Miscellaneous and Safety) and comparing it with the accrued liability of that plan. To the extent that the assets are different from the liability, the City is required to make a payment (determined by CalPERS) toward the UAL. The purpose of the UAL payment is to get the assets and liabilities back to even over time. The City’s current UAL with CalPERS is \$1.2 billion.

The total employer contribution is the sum of the normal cost rate applied to an employer's reported payroll plus the UAL payment. These two components are the required contribution amount that employers pay CalPERS to fund their employees' pension benefits.

California Public Employees' Pension Reform Act (PEPRA): On January 1, 2013, PEPRA changed the way CalPERS retirement and health benefits are applied, and placed compensation limits on members. PEPRA employees share (50/50) in the normal cost of the defined benefit plan with the City. Whereas the normal cost contribution for classic members (employees or CalPERS members prior to 2013) was capped at 7% for miscellaneous members and 9% for safety members, unless REOs agreed to pick up a portion of the employer’s cost. In response to The Great Recession our REOs agreed to pick up a portion of the employer’s normal cost (1% for miscellaneous members and 3% for safety members).

For PEPRA members the cost sharing of the normal cost as well as the benefit changes has resulted in a reduced financial burden for the City. As Classic members continue to transition to retirement, PEPRA employees have become a larger portion of the City’s workforce. The graph below illustrates the increase in PEPRA employees over the past five years.

## FY2022/23 Approved Budget

<b>PERS Type</b>	<b>Approved FY2017/18</b>	<b>Approved FY2018/19</b>	<b>Approved FY2019/20</b>	<b>Approved FY2020/21</b>	<b>Approved FY2021/22</b>	<b>Proposed FY2022/23</b>
Classic	76%	69%	67%	61%	56%	52%
PEPRA	24%	31%	33%	39%	44%	48%

### **CalPERS Discount Rate (earnings assumption)**

On December 21, 2016, the CalPERS Board of Administration (Board) voted to lower their earnings assumption from 7.5% to 7.0%. This change was approved by the Board to address the funded status of the retirement system and was based on projected investment return rates over the next decade, an overview of CalPERS assets and liabilities, and discussions with stakeholders. This change was phased in over five years from FY2018/19 to FY2020/21.

The reduction plan approved is as follows, with each change phased in over five years:

In addition, in February 2018, CalPERS changed their amortization policy effective June 30, 2019. These changes are summarized below:

- The period over which actuarial gains and losses are amortized will be shortened from 30 years to 20 years. This change applies only to new gains/losses established on or after the effective date of the policy change.
- Amortization payments for the UAL bases will be computed to remain a level dollar amount throughout the amortization period. This change applies only to new UAL bases established on or after the effective date of the policy change.
- The five-year ramp-up and ramp-down on UAL bases attributable to assumption changes and non-investment gains/losses established on or after the effective date of the policy change will be removed.
- The five-year ramp-down on investment gains/losses established on or after the effective date of the policy change will be removed.

In July 2021, in accordance with the CalPERS Funding Risk Mitigation Policy (Policy) approved by the Board in 2015, the discount rate was lowered from 7.0% to 6.8% following a 21.3% FY2020/21 fiscal year return. Under the Policy, when CalPERS achieves a double-digit return on investments, a reduction in the discount rate is triggered.

The combined impact of all these changes was an increase in employer rates. These increases in costs are included as part of the five-year forecast.

### **General Liability, Auto Liability, and Workers' Compensation**

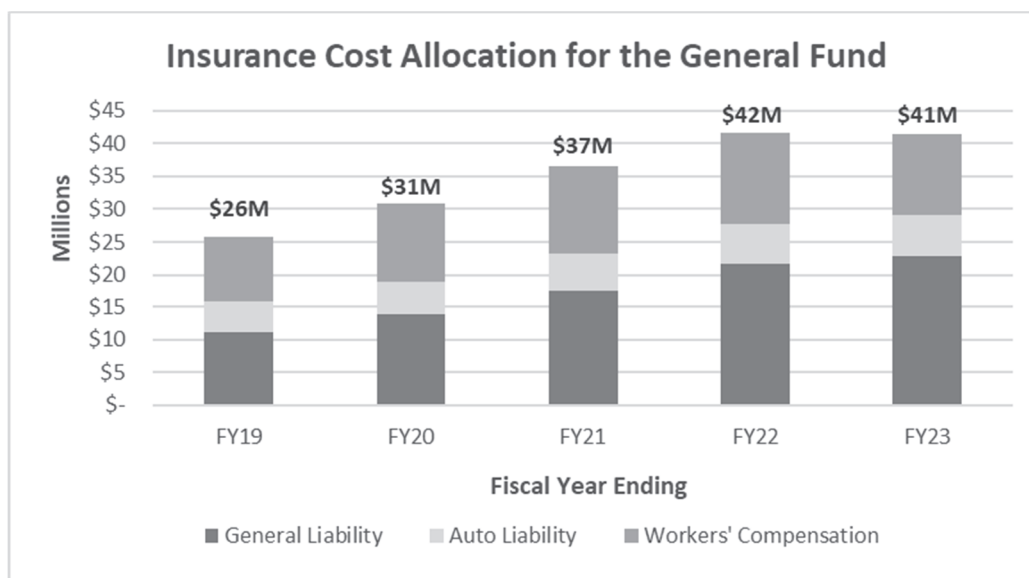
The City contracts with Bickmore Risk Services (Bickmore) to develop an actuarial estimate which establishes the appropriate amount to budget for claim costs for the coming fiscal year as well as the program's liability for outstanding claims. Bickmore utilizes historical city loss data to forecast the upcoming fiscal year's cost of claims and expenses and the city utilizes the actuary's forecast at the recommended 80% confidence level when budgeting for claim costs and expenses. This means that the calculated

## FY2022/23 Approved Budget

amounts should be sufficient 80% of the time to cover the fiscal year's costs for the Workers' Compensation and General Liability and Auto Liability (GL&AL) Funds. Consistent with Council's adopted policy to maintain this funding level, the General Fund contribution to the GL&AL Fund was increased from \$27.75 million in FY2021/22 to \$29.03 million, or 5%, in FY2022/23. Insurance premiums increased in recent years, primarily excess liability premiums, and public entities will continue to experience a difficult insurance market in FY2022/23. A deterioration in loss experience and fewer insurance carriers willing to write public entity business are driving a tightening insurance market. Since FY2011/12, the City experienced increases in large liability losses, which is also contributing to an increase in insurance premiums. Property insurance rates are also increasing due to years of catastrophic events such as the wildfires in California.

Workers' Compensation claims cost decreases were driven by favorable loss development in recent years as large older claims have fallen out of the five-year loss run corridor. The General Fund contribution to the Workers' Compensation Fund decreased from \$13.9 million in FY2021/22 to \$12.35 million (-11%) in FY2022/23.

The graph below details the general liability, auto liability and workers' compensation cost allocations for the General Fund over the past five fiscal years.



On February 11, 2021, Public Risk Innovation, Solutions, and Management (PRISM), the member directed risk sharing pool where the City currently purchases excess liability and workers' compensation insurance, published a letter regarding the state of the liability market. The excess liability insurance market for public entities continues to tighten nationwide driven by increases in plaintiff demands, rising jury verdicts and liability settlements. For example, the frequency of claims of \$1 million or higher has more than doubled in the last five years. Additionally, there are many recent jury verdicts or settlements against California public entities in excess of \$10 million. The number of reinsurers writing public entity business in California had been reduced to about one third of what it was in 2015, resulting in fewer options for excess insurance and higher premiums. Concerns regarding potential exposure to loss, that may have been less

## FY2022/23 Approved Budget

---

concerning until recently, will likely yield coverage restrictions, new exclusions, and/or reduction in limits.

In recent years, the Workers' Compensation Fund accumulated a large balance while the GL&AL Fund accumulated a large deficit. Both funds are combined for financial reporting purposes and are referred to as the Risk Fund. Bickmore, the actuarial firm hired by the City to provide actuarial reports on both funds recommends rebalancing the two funds while keeping a sufficient balance in each fund. Additionally, this is a provision of the City's Risk Management Funding and Reserve Policy. Funds will be transferred from the Workers' Compensation Fund in the amount of \$27.3 million to the GL&AL Fund (6502) leaving a balance of \$9.3 million in each fund. This will equalize the confidence level of each program without bringing the Workers' Compensation Fund below the targeted 80% confidence level. This will be a transfer of balance sheet assets so no budgetary action is included in the FY2022/23 Proposed Budget.

### **Measure U Programming and Forecast - \$135 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, which 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 of the City and delivered to a location within the City. Measure U is projected to generate approximately \$135.8 million in revenues for FY2022/23.

The G/MU Funds were presented separately in prior fiscal year financial forecasts. However, in FY2019/20, the Council directed staff to combine the two funds (G/MU) and present them in a single forecast. While the Measure U Fund is included in the G/MU five-year forecast, the following forecast is included to provide additional transparency and details on the revenue estimates and budgeted expenditures. The Measure U Fund is projecting a deficit at the end of FY2022/23 as the growth in expenditures for ongoing programs, especially labor costs and service and supplies, is higher than revenue growth due to the pandemic.

As presented, the Measure U Fund provides \$135 million for ongoing programs and services for Affordable Housing, Arts/Creative Edge, Climate Action, Community Investment, Community Response, Homelessness, Inclusive Economic Development, Public Safety, and Youth. Detailed information on each program is included in the department sections.

# FY2022/23 Approved Budget

FY2022/23 Measure U Programming						
Revenues and Expenditures in (\$ in 000s)	FY2022/23 FTE	FY2022/23 Proposed	FY2023/24 Projection	FY2024/25 Projection	FY2025/26 Projection	FY2026/27 Projection
<b>REVENUES</b>		135,769	139,735	137,856	142,649	147,135
<b>EXPENDITURES</b>						
<b>Affordable Housing</b>						
Operations	21.00	1,944	2,007	2,061	2,083	2,127
Multi-Year Operating Projects		1,200	1,200	1,200	1,200	1,200
<b>Affordable Housing Subtotal</b>	<b>21.00</b>	<b>3,144</b>	<b>3,207</b>	<b>3,261</b>	<b>3,283</b>	<b>3,327</b>
<b>Arts/Creative Edge</b>						
Operations	17.95	4,115	4,187	4,253	4,297	4,408
Multi-Year Operating Projects		114	114	114	114	114
<b>Arts/Creative Edge Subtotal</b>	<b>17.95</b>	<b>4,229</b>	<b>4,301</b>	<b>4,367</b>	<b>4,411</b>	<b>4,522</b>
<b>Climate Action</b>						
Operations	2.00	331	340	348	352	360
Multi-Year Operating Projects		300	300	300	300	300
<b>Climate Action Subtotal</b>	<b>2.00</b>	<b>631</b>	<b>640</b>	<b>648</b>	<b>652</b>	<b>660</b>
<b>Community Investment</b>						
Operations	184.57	19,256	19,594	19,972	21,605	21,039
Multi-Year Operating Projects		3,773	3,773	3,773	3,773	3,773
Capital Improvements		2,600	2,700	2,700	2,700	2,700
<b>Community Investment Subtotal</b>	<b>184.57</b>	<b>25,629</b>	<b>26,066</b>	<b>26,445</b>	<b>28,078</b>	<b>27,511</b>
<b>Community Response</b>						
Operations	123.00	14,039	14,478	14,826	14,890	15,159
Multi-Year Operating Projects		10,147	10,192	10,238	10,284	10,331
<b>Community Response Subtotal</b>	<b>123.00</b>	<b>24,187</b>	<b>24,670</b>	<b>25,063</b>	<b>25,174</b>	<b>25,490</b>
<b>Homelessness</b>						
Operations	6.00	846	869	891	903	923
Multi-Year Operating Projects		2,146	2,146	2,146	2,146	2,146
<b>Homelessness Subtotal</b>	<b>6.00</b>	<b>2,992</b>	<b>3,015</b>	<b>3,037</b>	<b>3,049</b>	<b>3,069</b>
<b>Inclusive Economic Development</b>						
Operations	33.00	6,833	7,494	7,642	7,736	7,870
Multi-Year Operating Projects		750	750	750	750	750
<b>Inclusive Economic Development Subtotal</b>	<b>33.00</b>	<b>7,583</b>	<b>8,244</b>	<b>8,392</b>	<b>8,486</b>	<b>8,620</b>
<b>Library</b>						
Operations	-	14,272	14,272	14,772	15,272	15,872
Multi-Year Operating Projects		400	400	400	400	400
<b>Library Subtotal</b>	<b>-</b>	<b>14,672</b>	<b>14,672</b>	<b>15,172</b>	<b>15,672</b>	<b>16,272</b>
<b>Public Safety</b>						
<b>Community Development</b>						
Operations	14.00	1,508	1,592	1,635	1,897	1,639
<b>Community Development Subtotal</b>	<b>14.00</b>	<b>1,508</b>	<b>1,592</b>	<b>1,635</b>	<b>1,897</b>	<b>1,639</b>
<b>Fire</b>						
Operations	18.00	9,903	9,939	10,128	10,305	10,497
<b>Fire Subtotal</b>	<b>18.00</b>	<b>9,903</b>	<b>9,939</b>	<b>10,128</b>	<b>10,305</b>	<b>10,497</b>
<b>Police</b>						
Operations	63.50	5,730	5,881	6,021	6,112	6,239
<b>Police Subtotal</b>	<b>63.50</b>	<b>5,730</b>	<b>5,881</b>	<b>6,021</b>	<b>6,112</b>	<b>6,239</b>
<b>Youth Parks &amp; Community Enrichment (YPCE)</b>						
Operations	13.00	1,612	1,618	1,621	1,644	1,838
<b>YPCE Subtotal</b>	<b>13.00</b>	<b>1,612</b>	<b>1,618</b>	<b>1,621</b>	<b>1,644</b>	<b>1,838</b>
<b>Public Safety Subtotal</b>	<b>108.50</b>	<b>18,753</b>	<b>19,030</b>	<b>19,405</b>	<b>19,957</b>	<b>20,213</b>
<b>Youth</b>						
Operations	367.62	23,875	24,407	24,962	25,287	26,293
Multi-Year Operating Projects		4,562	4,557	4,553	4,549	4,544
Capital Improvements		-	-	-	-	-
<b>Youth Subtotal</b>	<b>367.62</b>	<b>28,437</b>	<b>28,964</b>	<b>29,515</b>	<b>29,835</b>	<b>30,837</b>
<b>Miscellaneous</b>						
Operations	-	4,557	4,575	4,301	4,077	3,896
Multi-Year Operating Projects		225	225	225	225	225
<b>Miscellaneous Subtotal</b>	<b>-</b>	<b>4,781</b>	<b>4,799</b>	<b>4,526</b>	<b>4,302</b>	<b>4,121</b>
<b>Total Expenditures</b>	<b>863.64</b>	<b>135,037</b>	<b>137,608</b>	<b>139,831</b>	<b>142,899</b>	<b>144,642</b>
Economic Uncertainty Reserve (EUR) Contribution (0.5% of Expenses)		675	688	699	714	723
<b>Net Resources (revenues less expenditures)</b>		<b>57</b>	<b>1,439</b>	<b>(2,674)</b>	<b>(964)</b>	<b>1,770</b>
<b>Other Sources/Uses</b>						
Release of FY2021/22 Midyear Reserves		1,971	10,000	-	-	-
Homeless Services Resources (HHAP)		13,847	-	-	-	-
Homeless Funding Gap		(22,120)	(40,155)	(41,856)	(42,902)	(43,974)
Estimated Labor Contract Costs		(832)	(849)	(866)	(883)	(901)
<b>Revised Forecast</b>	<b>863.64</b>	<b>\$ (7,077)</b>	<b>\$ (29,566)</b>	<b>\$ (45,396)</b>	<b>\$ (44,750)</b>	<b>\$ (43,106)</b>

**Summary of Measure U Programs:**

**Affordable Housing – \$3.1 million, 21.0 FTE**

- Resources for Specific Plans, Long Range Planning, and Zoning services in the Community Development Department and the City Manager’s Office to focus on planning and zoning a citywide housing policy and opportunities to promote development of additional housing.

**Arts/Creative Edge – \$4.2 million, 17.95 FTE**

- Resources for nonprofit arts and cultural organizations through the Cultural Arts Award Program and for City programs that promote cultural and creative life including the City’s Film office, Arts and Culture, History, Crocker Art Museum, and Creative Economy and Grants.

**Climate Action – \$631,000, 2.00 FTE**

- Resources for sustainability and cost-saving energy programs to reduce the City’s greenhouse gas emissions as required by State law and staff for the City’s Climate Action Initiatives Office.

**Community Investment - \$25.6 million, 184.57 FTE**

- Resources for the Utility Rate Assistance Program, Facility Reinvestment and Americans with Disabilities Act Compliance Programs as well as park operations, older adult services, golf administration, city cemetery, permitting and events, and fiscal support for the Youth, Parks & Community Enrichment Department.

**Community Response - \$24.2 million, 123.0 FTE**

- Resources for the Office of Community Response to provide an alternative response to homelessness model; and additional resources to address illegal dumping, neighborhood code compliance, public safety accountability, animal shelter, and the Sacramento City 311 Call Center activity.

**Homelessness - \$3.0 million, 6.0 FTE**

- Resources for the Department of Community Response to coordinate with various Federal, State, local, nonprofit, and faith-based entities to end homelessness.

**Inclusive Economic Development - \$7.6 million, 33.0 FTE**

- Resources for the Thousand Strong Program, Community Programs, and City departments that promote inclusive economic and community development such as Community Engagement, Community Investment, Economic Development, Office of Diversity and Equity, and Railyards and Riverfront.

**Library - \$14.7 million**

- Resources for the City’s twelve libraries.

**Public Safety - \$18.8 million, 108.50 FTE**

- Resources to staff the Hiring Pipeline in Police and the Diversity Outreach Recruitment Program in the Fire Department, park safety services, and animal enforcement and field services.

**Youth - \$28.4 million, 367.62 FTE**

- Resources for programs such as the Fare Free Transit, Youth Sports Field Permit, Youth Pop-Ups, Gang Prevention, Powerhouse Science Center, and youth priorities. Resources also include the operation of the City's aquatics, community centers, youth employment, youth enrichment, Camp Sacramento, Fairytale Town, Sacramento Zoo, and recreation programs.

**Miscellaneous - \$4.8 million**

- Resources for the Digital Equity Program, expanded technology support, and Citywide employee services/benefits costs related to staffing funded by Measure U.

FY2022/23 Approved Budget

---

## Enterprise Funds

Enterprise Funds represent government facilities or services that are self-supporting through the fees associated with operating that 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 following chart provides an overview of the proposed changes included in the Budget for the Enterprise Funds:

<b>Department</b>	<b>Description</b>	<b>Fund</b>	<b>Net Budget Change</b>	<b>FTE Change</b>
Convention and Cultural Services	The department realigned positions to streamline service needs for operations and clients who hold events at the SAFE Credit Union Convention and Performing Arts District.	Community Center	24,920	0.75
Public Works	Funding to address contractual obligations, position changes, and vehicle purchases.	Solid Waste and Recycling	-	13.00
Public Works	Increase revenues to reflect Council approved rate increase to the Recycling and Solid Waste User Service Charges.	Solid Waste and Recycling	-	-
Utilities	Funding to purchase a Ford Transit for water conservation efforts and to add a position to support the cross Connection Control Program.	Water	21,396	1.00
<b>Total Change</b>			<b>\$ 46,316</b>	<b>14.75</b>

Additional information on each of these initiatives can be found in the related department sections.



## FY2022/23 Approved Budget

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.

Fund	Status
Community Center	With the ongoing pandemic, the revenues collected for the Community Center Fund are still impacted but are starting to show some growth. The TOT is estimated to be 63% of FY2018/19 actual collections for FY2021/22 and is projected to be about 89% of FY2018/19 actual collections for FY2022/23. The User Fees collected for events held at the SAFE Credit Union Convention and Performing Arts District is projected to be about 77% of FY2018/19 actual collections for FY2022/23.
Parking	A rate increase is not included in the five-year forecast. Although revenue from parking fees collected at City garages continues to stabilize from severe declines during the pandemic, projected revenues for FY2022/23 are still only about 69% of FY2018/19 actual collections. Revenue recovery is expected to continue as the economy recovers and events return to downtown, which will increase the utilization of the garages. The Parking Fund will be closely monitored.
Solid Waste	The recently approved three-year rate increase through FY2023/24 is included in the five-year forecast. Organics collection and disposal will be implemented in July 2022, to comply with Senate Bill 1383. The new law targets a 50% reduction in the landfill of organic waste in 2022 and a 75% reduction by 2025.
Storm Drainage	Pursuant to Proposition 218, a voter-approved ballot measure is required to increase rates. A ballot initiative to impose a new fee to fund repairs, maintenance, and improvements to the aging stormwater system moved forward to property owners for a vote in March of 2022. Over 52% of the voters approved the new fee, which was approved by Council on April 12, 2022. The revenues and expenditures of the new fee will be managed in a separate fund called the Storm Drainage Property Fee Fund (6021). Due to the timing of the approval, an updated five-year forecast for the Storm Drainage Fund and a new five-year forecast for the Storm Drainage Property Fee Fund were not available. The five-year forecast for the Storm Drainage Fund assumes no rate adjustments and continued use of fund reserves.
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.

## FY2022/23 Approved Budget

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.

### Community Center Fund

	FY2021/22	FY2022/23	FY2023/24	FY2024/25	FY2025/26	FY2026/27
(\$ in 000s)	Estimated	Proposed	Projection	Projection	Projection	Projection
Beginning Fund Balance	16,809	18,114	10,551	10,060	13,774	18,770
Revenue	25,785	34,316	41,387	46,827	49,255	50,691
Expenditures	38,110	41,630	41,628	42,863	44,009	45,309
Other Source/(Use)	13,630	(250)	(250)	(250)	(250)	(250)
<b>Ending Funding Balance</b>	<b>18,114</b>	<b>10,551</b>	<b>10,060</b>	<b>13,774</b>	<b>18,770</b>	<b>23,902</b>

### Parking Fund

	FY2021/22	FY2022/23	FY2023/24	FY2024/25	FY2025/26	FY2026/27
(\$ in 000s)	Estimated	Proposed	Projection	Projection	Projection	Projection
Beginning Fund Balance	2,290	3,579	113	(2,553)	(3,846)	(4,283)
Revenue	13,026	13,766	15,900	17,444	18,350	18,560
Expenditures	17,917	17,232	18,566	18,737	18,787	19,145
Other Source/(Use)	6,180	-	-	-	-	-
<b>Ending Funding Balance</b>	<b>3,579</b>	<b>113</b>	<b>(2,553)</b>	<b>(3,846)</b>	<b>(4,283)</b>	<b>(4,868)</b>

### Solid Waste Fund

	FY2021/22	FY2022/23	FY2023/24	FY2024/25	FY2025/26	FY2026/27
(\$ in 000s)	Estimated	Proposed	Projection	Projection	Projection	Projection
Beginning Fund Balance	30,832	31,620	23,931	22,704	25,982	24,446
Revenue	76,250	86,170	93,474	97,696	98,603	99,518
Expenditures	76,562	93,858	94,701	94,418	100,139	102,252
Other Source/(Use)	1,100	-	-	-	-	-
<b>Ending Funding Balance</b>	<b>31,620</b>	<b>23,931</b>	<b>22,704</b>	<b>25,982</b>	<b>24,446</b>	<b>21,712</b>

### Storm Drainage Fund

	FY2021/22	FY2022/23	FY2023/24	FY2024/25	FY2025/26	FY2026/27
(\$ in 000s)	Estimated	Proposed	Projection	Projection	Projection	Projection
Beginning Fund Balance	35,082	32,287	32,406	30,567	27,977	23,554
Revenue	40,019	39,319	39,624	39,929	40,022	40,115
Expenditures	42,938	39,200	41,463	42,519	44,444	46,097
Other Source/(Use)	124	-	-	-	-	-
<b>Ending Funding Balance</b>	<b>32,287</b>	<b>32,406</b>	<b>30,567</b>	<b>27,977</b>	<b>23,554</b>	<b>17,572</b>

### Wastewater Fund

	FY2021/22	FY2022/23	FY2023/24	FY2024/25	FY2025/26	FY2026/27
(\$ in 000s)	Estimated	Proposed	Projection	Projection	Projection	Projection
Beginning Fund Balance	25,321	26,163	29,212	31,261	32,976	33,431
Revenue	44,246	43,545	43,953	44,572	44,701	44,831
Expenditures	45,993	40,497	41,905	42,856	44,246	45,690
Other Source/(Use)	2,589	-	-	-	-	-
<b>Ending Funding Balance</b>	<b>26,163</b>	<b>29,212</b>	<b>31,261</b>	<b>32,976</b>	<b>33,431</b>	<b>32,573</b>

### Water Fund

	FY2021/22	FY2022/23	FY2023/24	FY2024/25	FY2025/26	FY2026/27
(\$ in 000s)	Estimated	Proposed	Projection	Projection	Projection	Projection
Beginning Fund Balance	119,952	136,710	126,143	111,742	102,651	82,851
Revenue	133,395	136,092	137,028	138,008	138,364	138,724
Expenditures	134,014	146,659	151,429	147,099	158,164	165,338
Other Source/(Use)	17,377	-	-	-	-	-
<b>Ending Funding Balance</b>	<b>136,710</b>	<b>126,143</b>	<b>111,742</b>	<b>102,651</b>	<b>82,851</b>	<b>56,237</b>

**Community Center Fund (6010)**

The Community Center Fund supports the operations, debt services, and CIPs for the SAFE Credit Union Convention & Performing Arts District, which includes the SAFE Credit Union Convention Center, SAFE Credit Union Performing Arts Center, and Memorial Auditorium. This fund also provides support to cultural partners and the General Fund. The operational and financial goals for the Community Center Fund include 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.

Over two-thirds of fund revenues collected in the Community Center Fund are TOT. For FY2021/22, TOT is estimated to reach 63% of FY2018/19 actual collections. For FY2022/23, TOT is estimated to reach 89% of FY2018/19 actual collections. FY2018/19 is used for comparison as it was the last fiscal year with TOT collections uninterrupted by the pandemic. The estimated growth in FY2022/23 reflects the assumption that the SAFE Credit Union Convention and Performing Arts District facilities will be open to hold events for the entire fiscal year. As mentioned previously, estimated revenues in FY2022/23 are still below pre-pandemic levels. To stabilize the Community Center Fund, Council approved one-time General Fund support of \$6.7 million as part of the FY2021/22 Midyear Budget Report. It is currently anticipated that the Community Center Fund will not require additional support.

Additionally, in 1997, to maintain the financial integrity of the Community Center Fund, the 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 FY2021/22 with payments continuing in future years. As of the beginning of FY2021/22, there is a remaining balance of approximately \$5 million.

FY2022/23 Approved Budget

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

	<b>FY2021/22</b>	<b>FY2022/23</b>	<b>FY2023/24</b>	<b>FY2024/25</b>	<b>FY2025/26</b>	<b>FY2026/27</b>
	<b>Estimated</b>	<b>Proposed</b>	<b>Projection</b>	<b>Projection</b>	<b>Projection</b>	<b>Projection</b>
<b>BEGINNING FUND BALANCE</b>	<b>16,809</b>	<b>18,114</b>	<b>10,551</b>	<b>10,060</b>	<b>13,774</b>	<b>18,770</b>
<b>REVENUES</b>						
TOT	18,713	26,445	32,501	37,167	39,432	40,677
Charges, Fees, and/or Services	6,108	6,905	7,924	8,708	8,849	9,009
Interest	64	66	62	52	74	105
Other (Facility Fee)	900	900	900	900	900	900
<b>TOTAL REVENUES</b>	<b>25,785</b>	<b>34,316</b>	<b>41,387</b>	<b>46,827</b>	<b>49,255</b>	<b>50,691</b>
<b>EXPENDITURES</b>						
Operating - Employee Services	7,168	9,335	9,802	10,292	10,806	11,347
Operating - Other	9,624	10,413	11,227	11,978	12,660	13,368
Debt Service	19,218	19,222	19,219	19,218	19,218	19,219
Multi-Year Operating Projects	-	-	-	-	-	-
Capital Improvements	2,100	2,660	1,380	1,375	1,325	1,375
<b>TOTAL EXPENDITURES</b>	<b>38,110</b>	<b>41,630</b>	<b>41,628</b>	<b>42,863</b>	<b>44,009</b>	<b>45,309</b>
<b>ANNUAL SURPLUS/(DEFICIT)</b>	<b>(12,325)</b>	<b>(7,314)</b>	<b>(241)</b>	<b>3,964</b>	<b>5,246</b>	<b>5,382</b>
Other Source/Use <sup>(1)</sup>	13,630	(250)	(250)	(250)	(250)	(250)
<b>ENDING FUND BALANCE</b>	<b>18,114</b>	<b>10,551</b>	<b>10,060</b>	<b>13,774</b>	<b>18,770</b>	<b>23,902</b>

(1) Other Sources include General Fund support provided during the FY2021/22 Midyear Budget process and additions to fund balance for prior reduction related to outstanding short-term portion of debt liability.

**Parking Fund (6004)**

The City operates five City-owned parking garages and 12 City-owned surface lots, as well as 40 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 is projected to increase by 6% in FY2022/23 as operations continue to recover from the impacts from the pandemic, which lowered the usage of City-owned parking garages. The projected revenues for FY2022/23 are approximately 69% of FY2018/19 actual collections. FY2018/19 is used for comparison as it was the last fiscal year with parking fee collections uninterrupted by the pandemic. The City is anticipating an increase of 15% in FY2023/24 and additional growth in subsequent years. However, estimated revenues in FY2026/27 are still below pre-pandemic levels. As employers adopt hybrid work models, the decline in usage of City-owned parking garages will continue to impact revenues.

Rental revenue is based on current and anticipated leases of commercial spaces. No increase is anticipated in FY2022/23 as businesses stabilize from the pandemic closures. Future years of the forecast reflect anticipated recovery based on current leases and the rent relief framework adopted by Council on July 20, 2021 (Resolution No. 2021-0226).

Labor costs are expected to increase 11% over FY2021/22 primarily due to labor savings from vacancies in FY2021/22, while debt service reflects a 6% decrease as debt obligations continue to decline. The forecast includes a 1%-2% change annually for expenses in the future years beginning in FY2023/24. To help stabilize the Parking Fund, Council approved one-time General Fund support of \$5.1 million as part of the FY2021/22 Midyear Budget Report. Despite this, the Parking Fund is projecting deficits in the five-year forecast. If revenues fail to recover over the next couple of years, the City will need to examine ways to reduce operational costs to meet its required obligations, including debt service payments for the Golden 1 Center. The Parking Fund will be closely monitored.

Funding for anticipated technology upgrades and replacement/upgrades of current infrastructure is included in the CIP. Funding for these projects was increased in FY2022/23 to address critical needs.

FY2022/23 Approved Budget

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

	FY2021/22 Estimated	FY2022/23 Proposed	FY2023/24 Projection	FY2024/25 Projection	FY2025/26 Projection	FY2026/27 Projection
<b>BEGINNING FUND BALANCE</b>	2,290	3,579	113	(2,553)	(3,846)	(4,283)
<b>REVENUES</b>						
Parking Fees	11,807	12,541	14,420	15,860	16,650	16,815
Administrative Fees	527	424	574	574	574	574
Interest (Operating Funds)	215	300	330	347	364	371
Real Property Rental	477	501	576	663	762	800
<b>TOTAL REVENUES</b>	<b>13,026</b>	<b>13,766</b>	<b>15,900</b>	<b>17,444</b>	<b>18,350</b>	<b>18,560</b>
<b>EXPENDITURES</b>						
Operating - Employee Services	4,230	4,675	6,083	6,235	6,391	6,551
Operating - Other	1,175	1,201	1,320	1,557	1,706	1,794
Debt Service	10,976	10,280	10,077	9,781	9,577	9,680
Multi-Year Operating Projects	150	271	321	399	348	355
Capital Improvements	1,386	805	765	765	765	765
<b>TOTAL EXPENDITURES</b>	<b>17,917</b>	<b>17,232</b>	<b>18,566</b>	<b>18,737</b>	<b>18,787</b>	<b>19,145</b>
<b>ANNUAL SURPLUS/(DEFICIT)</b>	<b>(4,891)</b>	<b>(3,466)</b>	<b>(2,666)</b>	<b>(1,293)</b>	<b>(437)</b>	<b>(585)</b>
Other Source/Use <sup>(1)</sup>	6,180	-	-	-	-	-
<b>ENDING FUND BALANCE</b>	<b>3,579</b>	<b>113</b>	<b>(2,553)</b>	<b>(3,846)</b>	<b>(4,283)</b>	<b>(4,868)</b>

<sup>(1)</sup>Other Sources include General Fund support provided during the FY2021/22 Midyear Budget process and additions to fund balance for prior reductions related to outstanding short-term portion of debt liability.

**Solid Waste Fund (6007)**

The revenues in the Solid Waste Fund are generated through user service fees collected for residential solid waste management services. The Recycling and Solid Waste (RSW) Division manages the collection of garbage, containerized organics, 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, and code enforcement services. To meet the state-mandated waste diversion requirements, RSW provides public outreach to educate residents on recycling standards to reduce contamination, encourage composting, and proper disposal of household hazardous waste.

New and changing requirements that are impacting operations include the following:

- The new state organic waste regulation, Senate Bill 1383 (SB 1383), went into effect January 1, 2022. The City will begin containerized organics service for residential customers on July 1, 2022. The regulation adds additional pressure to solid waste and disposal costs because of the need for expanded collection programs and the lack of associated infrastructure.
- The cost of processing recyclables is increasing substantially because of tightened contamination standards and the increased quality requirements of acceptable recyclables.
- Ongoing general inflation is increasing the cost of 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 the State and Federal governments 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 compressed natural gas vehicles, exploring electric refuse truck opportunities, pursuing grant opportunities, and maintaining a robust safety training program.

The following chart provides a five-year forecast for the Solid Waste Fund and includes the rate adjustments approved by Council on January 25, 2022.

FY2022/23 Approved Budget

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

	FY2021/22 Estimated	FY2022/23 Proposed	FY2023/24 Projection	FY2024/25 Projection	FY2025/26 Projection	FY2026/27 Projection
<b>BEGINNING FUND BALANCE</b>	<b>30,832</b>	<b>31,620</b>	<b>23,931</b>	<b>22,704</b>	<b>25,982</b>	<b>24,446</b>
<b>REVENUES</b>						
Charges, Fees, and/or Services	75,249	85,105	92,409	96,631	97,538	98,453
Interest	459	750	750	750	750	750
Other (Intergovernmental)	542	315	315	315	315	315
<b>TOTAL REVENUES</b>	<b>76,250</b>	<b>86,170</b>	<b>93,474</b>	<b>97,696</b>	<b>98,603</b>	<b>99,518</b>
<b>EXPENDITURES</b>						
Operating - Employee Services	19,025	20,709	21,762	22,632	23,538	24,479
Operating - Other	44,083	54,178	57,361	59,062	61,057	63,135
Debt Service	1,677	1,678	1,678	1,678	1,678	1,678
Multi-Year Operating Projects	9,196	16,445	11,184	9,898	12,718	11,812
Capital Improvements	2,581	848	2,716	1,148	1,148	1,148
<b>TOTAL EXPENDITURES</b>	<b>76,562</b>	<b>93,858</b>	<b>94,701</b>	<b>94,418</b>	<b>100,139</b>	<b>102,252</b>
<b>ANNUAL SURPLUS/(DEFICIT)</b>	<b>(312)</b>	<b>(7,689)</b>	<b>(1,227)</b>	<b>3,278</b>	<b>(1,536)</b>	<b>(2,734)</b>
Other Source/Use <sup>(1)</sup>	1,100	-	-	-	-	-
<b>ENDING FUND BALANCE</b>	<b>31,620</b>	<b>23,931</b>	<b>22,704</b>	<b>25,982</b>	<b>24,446</b>	<b>21,712</b>

<sup>(1)</sup>Other Sources include additions to fund balance for prior reductions related to outstanding short-term portion of debt liability.



**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 fund 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, education 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 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 COVID-19 pandemic, and the potential impact on existing revenue.

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. Unlike the water and wastewater utilities, any rate adjustments for the storm drainage utility are subject to a citizen vote pursuant to Proposition 218. Storm drainage user charges have not been increased since 1996. A ballot initiative to impose a new fee to fund repairs, maintenance, and improvements to the aging stormwater system moved forward to property owners for a vote in March of 2022. Over 52% of the voters approved the new fee, which was approved by Council on April 12, 2022. The revenues and expenditures of the new fee will be managed in a separate fund called the Storm Drainage Property Fee Fund (6021).

Due to the timing of the approval, an updated five-year forecast for the Storm Drainage Fund and a new five-year forecast for the Storm Drainage Property Fee Fund were not available. However, both forecasts will be provided for the Approved budget.

The following chart provides a five-year forecast of the Storm Drainage Fund, which assumes no rate adjustments and continued use of fund reserves.

FY2022/23 Approved Budget

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

	FY2021/22	FY2022/23	FY2023/24	FY2024/25	FY2025/26	FY2026/27
	Estimated	Proposed	Projection	Projection	Projection	Projection
<b>BEGINNING FUND BALANCE</b>	<b>35,082</b>	<b>32,287</b>	<b>32,406</b>	<b>30,567</b>	<b>27,977</b>	<b>23,554</b>
<b>REVENUES</b>						
Charges, Fees, and/or Services	39,560	38,849	39,147	39,445	39,531	39,617
Interest	449	440	446	452	458	464
Other (Intergovernmental)	10	30	31	32	33	34
<b>TOTAL REVENUES</b>	<b>40,019</b>	<b>39,319</b>	<b>39,624</b>	<b>39,929</b>	<b>40,022</b>	<b>40,115</b>
<b>EXPENDITURES</b>						
Operating - Employee Services	17,496	17,686	18,570	19,498	20,473	21,497
Operating - Other	16,283	18,641	19,271	19,815	20,296	20,852
Debt Service	235	235	235	233	232	233
Multi-Year Operating Projects	3,240	2,388	2,771	2,723	3,193	3,265
Capital Improvements	5,684	250	616	250	250	250
<b>TOTAL EXPENDITURES</b>	<b>42,938</b>	<b>39,200</b>	<b>41,463</b>	<b>42,519</b>	<b>44,444</b>	<b>46,097</b>
<b>ANNUAL SURPLUS/(DEFICIT)</b>	<b>(2,919)</b>	<b>119</b>	<b>(1,839)</b>	<b>(2,590)</b>	<b>(4,422)</b>	<b>(5,982)</b>
Other Source/Use <sup>(1)</sup>	124	-	-	-	-	-
<b>ENDING FUND BALANCE</b>	<b>32,287</b>	<b>32,406</b>	<b>30,567</b>	<b>27,977</b>	<b>23,554</b>	<b>17,572</b>

<sup>(1)</sup> Other Sources in FY2021/22 include additions to fund balance for prior reductions related to outstanding short-term portion of debt liability.

**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 National Pollution Discharge Elimination System 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 will 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 of the City. 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 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.

## FY2022/23 Approved Budget

- Maintaining the financial strength of the fund for the purpose of raising sufficient capital to finance rehabilitation of the CSS.
- Continued uncertainty surrounding the COVID-19 pandemic, 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. The following chart provides a five-year forecast for the Wastewater Fund to address anticipated cost increases and meet regulatory requirements.

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

	FY2021/22	FY2022/23	FY2023/24	FY2024/25	FY2025/26	FY2026/27
	Estimated	Proposed	Projection	Projection	Projection	Projection
<b>BEGINNING FUND BALANCE</b>	<b>25,321</b>	<b>26,163</b>	<b>29,212</b>	<b>31,261</b>	<b>32,976</b>	<b>33,431</b>
<b>REVENUES</b>						
Charges, Fees, and/or Services	43,122	42,115	42,652	43,232	43,323	43,414
Interest	324	430	266	269	270	270
Other (Intergovernmental)	800	1,000	1,035	1,071	1,108	1,147
<b>TOTAL REVENUES</b>	<b>44,246</b>	<b>43,545</b>	<b>43,953</b>	<b>44,572</b>	<b>44,701</b>	<b>44,831</b>
<b>EXPENDITURES</b>						
Operating - Employee Services	12,488	12,669	13,176	13,571	13,978	14,398
Operating - Other	18,137	18,874	19,472	20,012	20,511	21,027
Debt Service	3,911	3,908	3,499	3,910	3,913	3,911
Multi-Year Operating Projects	4,324	2,890	2,940	2,935	3,416	3,926
Capital Improvements	7,133	2,156	2,818	2,428	2,428	2,428
<b>TOTAL EXPENDITURES</b>	<b>45,993</b>	<b>40,497</b>	<b>41,905</b>	<b>42,856</b>	<b>44,246</b>	<b>45,690</b>
<b>ANNUAL SURPLUS/(DEFICIT)</b>	<b>(1,747)</b>	<b>3,049</b>	<b>2,048</b>	<b>1,716</b>	<b>455</b>	<b>(859)</b>
Other Source/Use <sup>(1)</sup>	2,589	-	-	-	-	-
<b>ENDING FUND BALANCE</b>	<b>26,163</b>	<b>29,212</b>	<b>31,261</b>	<b>32,976</b>	<b>33,431</b>	<b>32,573</b>

<sup>(1)</sup> Other Sources in FY2021/22 include additions to fund balance for prior reductions related to outstanding short-term portion of debt liability.

**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 education 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, multi-year operating projects, and capital improvement costs.

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.
- 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 regarding long-term impacts of the pandemic on existing 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.
- Pay-go funding will fund needed infrastructure, repair, and rehabilitation projects, and smooth the rate increases required to implement these projects.
- Due to the nature of the State Revolving Fund loan, debt service payments consist of interest only through FY2021/2022. Estimated debt service payments including principal are estimated to be \$10.3 million annually from FY2022/23 through FY2041/42. Proceeds of this loan are reimbursements of actual costs of the

## FY2022/23 Approved Budget

project. Accordingly, the Department of Utilities is required to fund project costs with the Water Fund until reimbursement has been received.

- 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, and delivery of water, and to meet levels of service, continue to rise. The most significant cost increases are for chemicals, utilities, and replacement and maintenance of water meters.

**Water Fund (Fund 6005)**  
**Revenue and Expenditure Five-Year Forecast**  
Dollars in Thousands

	FY2021/22	FY2022/23	FY2023/24	FY2024/25	FY2025/26	FY2026/27
	Estimated	Proposed	Projection	Projection	Projection	Projection
<b>BEGINNING FUND BALANCE</b>	<b>119,952</b>	<b>136,710</b>	<b>126,143</b>	<b>111,742</b>	<b>102,651</b>	<b>82,851</b>
<b>REVENUES</b>						
Charges, Fees, and/or Services	131,605	134,972	135,932	136,896	137,240	137,587
Interest	1,535	865	832	837	839	841
Other (Intergovernmental)	255	255	265	274	285	295
<b>TOTAL REVENUES</b>	<b>133,395</b>	<b>136,092</b>	<b>137,028</b>	<b>138,008</b>	<b>138,364</b>	<b>138,724</b>
<b>EXPENDITURES</b>						
Operating - Employee Services	44,753	47,056	49,409	51,879	54,473	57,197
Operating - Other	31,143	35,063	35,809	36,577	37,299	38,048
Debt Service	28,444	34,686	38,086	38,077	35,205	38,057
Multi-Year Operating Projects	6,071	4,113	2,545	2,563	3,186	3,195
Capital Improvements	23,603	25,742	25,580	18,003	28,001	28,841
<b>TOTAL EXPENDITURES</b>	<b>134,014</b>	<b>146,659</b>	<b>151,429</b>	<b>147,099</b>	<b>158,164</b>	<b>165,338</b>
<b>ANNUAL SURPLUS/(DEFICIT)</b>	<b>(619)</b>	<b>(10,567)</b>	<b>(14,401)</b>	<b>(9,091)</b>	<b>(19,800)</b>	<b>(26,614)</b>
Other Source/Use <sup>(1)</sup>	17,377	-	-	-	-	-
<b>ENDING FUND BALANCE</b>	<b>136,710</b>	<b>126,143</b>	<b>111,742</b>	<b>102,651</b>	<b>82,851</b>	<b>56,237</b>

<sup>(1)</sup> Other Sources in FY2021/22 include additions to fund balance for prior reductions related to outstanding short-term portion of debt liability and interest only payments required by the DWSRF loan not included in the FY2021/22 debt service budget.



# 6

## **SECTION - 6** **Budget Schedules**





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

	FY2019/20	FY2020/21	FY2021/22	FY2021/22	FY2022/23	Change
	Actuals	Actuals	Approved	Amended	Approved	More/(Less) Approved/Amended
<b>Governmental Funds</b>						
General Fund	\$ 447,366	\$ 440,760	\$ 549,673	\$ 667,664	\$ 580,939	\$ (86,726)
Measure U	765	515	117,283	116,149	142,764	26,615
<b>Subtotal Governmental Funds</b>	<b>448,132</b>	<b>441,275</b>	<b>666,956</b>	<b>783,813</b>	<b>723,702</b>	<b>(60,111)</b>
<b>Enterprise Funds</b>						
Community Center	35,194	36,353	35,806	29,291	38,984	9,693
Parking	19,350	11,446	17,757	12,075	16,426	4,351
Solid Waste	54,500	56,470	76,376	70,047	92,659	22,613
Storm Drainage	32,577	31,457	37,599	36,587	38,706	2,120
Storm Drainage Property Fee	-	-	-	-	4,897	4,897
Wastewater	30,978	30,873	38,119	36,732	38,098	1,366
Water	103,284	100,742	112,676	111,266	120,545	9,279
<b>Subtotal Enterprise Funds</b>	<b>275,882</b>	<b>267,341</b>	<b>318,333</b>	<b>295,998</b>	<b>350,316</b>	<b>54,318</b>
<b>Internal Service Funds</b>						
Fleet Management	43,960	45,637	52,691	54,472	66,883	12,411
Risk Management	49,115	46,888	49,906	51,879	54,702	2,822
<b>Subtotal Internal Service Funds</b>	<b>93,075</b>	<b>92,525</b>	<b>102,598</b>	<b>106,352</b>	<b>121,585</b>	<b>15,233</b>
<b>Other Governmental Funds</b>						
4th R Program	4,820	304	3,156	3,186	3,125	(60)
ARPA Reinvestment	-	-	-	(112,313)	4,253	116,566
Assessment Reg and SDRIS	11	3	-	-	-	-
Cal EPA	-	3	-	-	-	-
CIP Reimbursable	137	56	-	-	-	-
Citation I-5 Maintenance	38	34	40	40	40	-
Citywide Low Income Housing	4,724	2,453	2,530	2,530	3,100	570
Cultural Services - Other	101	233	149	149	149	-
Debt Service Funds	9,611	8,042	10,070	10,070	10,832	762
Development Services	751	423	2,000	2,000	2,266	266
Downtown Impact Fee	-	-	25	25	25	-
Downtown Management District	3,239	3,438	3,482	3,482	3,808	327
Ethel MacLeod Hart Trust	-	-	800	800	-	(800)
Externally Funded Programs	144	123	-	-	19	19
Fairytale Town	29	76	50	50	50	-
Gas Tax	4,759	5,750	10,769	10,120	9,054	(1,066)
Golf	1,076	1,148	339	339	337	(2)
Greenbriar Impact Fee	(2,558)	38	-	-	-	-
Innovation and Growth	8,254	20,713	7,135	7,152	8,424	1,271
Jacinto Creek	2	58	-	-	-	-
Land Park	122	167	172	172	172	-
Library Services Parcel Tax	8,231	8,446	8,775	8,775	9,271	496
Landscaping and Lighting	16,369	17,236	18,286	18,225	19,443	1,218
Marina	1,702	1,897	2,043	2,062	2,166	104
Measure A Maintenance	11,929	13,016	11,737	11,737	16,676	4,939
Museum of History, Science, & Tech	21	307	-	-	-	-
North Natomas Financing Plan	10,164	9,164	1,593	3,792	2,429	(1,363)
Operating Grants	16	51	-	-	-	-
Other	258	325	102	102	87	(15)
Park Development	1,979	184	428	428	442	14
Private Development	679	97	-	-	-	-

FY2022/23 Approved Budget

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

	FY2019/20	FY2020/21	FY2021/22	FY2021/22	FY2022/23	Change More/(Less)
	Actuals	Actuals	Approved	Amended	Approved	Approved/Amended
<b>Other Governmental Funds (continued)</b>						
Quimby Act	8	10	10	10	10	-
Railyards Impact Fee	-	1,369	25	25	-	(25)
Redevelopment Bond Funds	9	-	9	9	9	-
River District Impact Fee	-	-	-	-	25	25
Sheraton MOPA Project	297	149	-	-	-	-
SHRA CDBG	-	-	29	29	29	-
So Natomas Comm Improv	-	2	-	-	-	-
So Natomas Facility Benefit	26	23	-	-	-	-
Special Districts	18,245	19,860	21,282	20,840	22,373	1,533
Special Districts - Capital	31,622	(3,928)	50	-	-	-
Special Program Donations	21	-	318	318	250	(68)
START	618	393	1,303	1,303	1,140	(163)
State Route 160	-	1	-	-	-	-
State Route 275	-	2	-	-	-	-
Street Tree Fee	-	-	-	-	-	-
65th Street Area Impact Fee	39	5	-	-	-	-
Transportation Development Impact Fee	89	59	-	-	-	-
Traffic Safety	462	412	429	429	350	(79)
Greenbriar Traffic Congestion	-	5	-	-	-	-
NMA Safety, Streets, Ped, Bic	-	-	-	-	7	7
Water Planning	1,150	1,288	1,534	1,555	1,417	(137)
Willowcreek Fee District	-	130	-	-	-	-
Zoo	27	74	50	50	50	-
<b>Subtotal Other Governmental Funds</b>	<b>139,219</b>	<b>113,638</b>	<b>108,720</b>	<b>(2,511)</b>	<b>121,829</b>	<b>124,340</b>
<b>Total</b>	<b>\$ 956,308</b>	<b>\$ 914,779</b>	<b>\$ 1,196,607</b>	<b>\$ 1,183,652</b>	<b>\$ 1,317,432</b>	<b>\$ 133,780</b>

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

	FY2019/20	FY2020/21	FY2021/22	FY2021/22	FY2022/23	Change
	Actuals	Actuals	Approved	Amended	Approved	More/(Less)
						Approved/Amended
<b>Mayor Offices</b>						
Mayor/ Council	\$ 5,737	\$ 6,025	\$ 7,416	\$ 9,271	\$ 7,532	\$ (1,739)
<b>Subtotal Mayor Offices</b>	<b>5,737</b>	<b>6,025</b>	<b>7,416</b>	<b>9,271</b>	<b>7,532</b>	<b>(1,739)</b>
<b>Charter Offices</b>						
City Attorney	9,067	9,112	10,999	11,113	11,945	832
City Auditor	1,167	1,288	1,595	1,638	1,714	76
City Clerk	2,346	2,442	3,218	3,397	3,794	397
City Manager	7,669	8,564	22,330	22,458	24,052	1,594
City Treasurer	1,810	2,157	2,682	2,747	2,842	95
<b>Subtotal Charter Offices</b>	<b>22,058</b>	<b>23,563</b>	<b>40,824</b>	<b>41,354</b>	<b>44,347</b>	<b>2,994</b>
<b>Operating Offices</b>						
Community Development	39,600	33,889	48,775	48,649	52,713	4,064
Community Response	-	-	13,045	13,045	25,037	11,992
Convention and Cultural Services	14,791	13,417	23,495	23,502	24,254	753
Finance	9,648	10,318	12,463	12,413	14,005	1,593
Fire	129,163	122,745	167,349	167,151	173,335	6,184
Human Resources	51,058	50,844	54,957	56,893	60,727	3,834
Information Technology	20,512	21,396	27,393	27,263	29,454	2,191
Police	135,327	136,153	211,307	207,655	224,651	16,996
Public Works	148,123	151,736	195,219	187,074	228,354	41,279
Utilities	123,053	126,014	157,543	153,209	165,254	12,046
Youth, Parks, and Community Enrichment	34,419	30,838	57,115	56,528	57,807	1,279
<b>Subtotal Operating Offices</b>	<b>705,695</b>	<b>697,349</b>	<b>968,660</b>	<b>953,381</b>	<b>1,055,592</b>	<b>102,211</b>
<b>Other Offices</b>						
Citywide and Community Support	93,630	95,666	107,913	105,655	131,608	25,954
Debt Service	116,022	116,164	97,829	100,028	104,838	4,811
Non-Appropriated	13,166	(23,988)	(26,035)	(26,035)	(26,485)	(450)
<b>Subtotal Other Offices</b>	<b>222,818</b>	<b>187,842</b>	<b>179,707</b>	<b>179,647</b>	<b>209,961</b>	<b>30,315</b>
<b>Total</b>	<b>\$ 956,308</b>	<b>\$ 914,779</b>	<b>\$ 1,196,607</b>	<b>\$ 1,183,652</b>	<b>\$ 1,317,432</b>	<b>\$ 133,780</b>

FY2022/23 Approved Budget

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

	FY2019/20 Actuals	FY2020/21 Actuals	FY2021/22 Approved	FY2021/22 Amended	FY2022/23 Approved	Change More/(Less) Approved/Amended
<b>Mayor Offices</b>						
Mayor/ Council	36.00	37.00	37.00	37.00	37.00	-
<b>Subtotal Mayor Offices</b>	<b>36.00</b>	<b>37.00</b>	<b>37.00</b>	<b>37.00</b>	<b>37.00</b>	<b>-</b>
<b>Charter Offices</b>						
City Auditor	10.00	10.00	10.00	10.00	10.00	-
City Manager	72.00	87.00	71.00	73.00	70.00	3.00
City Attorney	59.00	59.00	60.00	62.00	62.00	-
City Clerk	19.00	19.00	20.00	24.00	24.00	-
City Treasurer	14.00	14.00	14.00	14.00	14.00	-
<b>Subtotal Charter Offices</b>	<b>174.00</b>	<b>189.00</b>	<b>175.00</b>	<b>183.00</b>	<b>180.00</b>	<b>3.00</b>
<b>Operating Offices</b>						
Finance	91.00	91.00	92.00	92.00	93.90	1.90
Information Technology	195.50	198.50	200.50	200.50	201.50	1.00
Human Resources	80.00	80.00	79.00	79.00	83.00	4.00
Police	1,099.46	1,097.96	1,102.96	1,126.96	1,128.96	2.00
Fire	711.50	712.50	717.50	717.50	729.50	12.00
Utilities	574.90	569.90	571.90	571.90	572.90	1.00
Public Works	736.35	747.35	749.35	751.15	766.15	15.00
Convention and Cultural Services	116.19	123.50	123.50	123.50	123.00	0.50
Youth, Parks, and Community Enrichment	704.16	724.54	723.94	720.22	716.53	3.69
Community Development	290.00	290.50	288.50	308.00	315.00	7.00
Community Response	-	-	23.00	40.00	38.00	2.00
<b>Subtotal Operating Offices</b>	<b>4,599.06</b>	<b>4,635.75</b>	<b>4,672.15</b>	<b>4,730.73</b>	<b>4,768.44</b>	<b>37.71</b>
<b>Other Offices</b>						
Citywide and Community Support	5.00	7.00	7.00	7.00	7.00	-
<b>Subtotal Other Offices</b>	<b>5.00</b>	<b>7.00</b>	<b>7.00</b>	<b>7.00</b>	<b>7.00</b>	<b>-</b>
<b>Total</b>	<b>4,814.06</b>	<b>4,868.75</b>	<b>4,891.15</b>	<b>4,957.73</b>	<b>4,992.44</b>	<b>34.71</b>

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

	FY2019/20	FY2020/21	FY2021/22	FY2021/22	FY2022/23	Change
	Actuals	Actuals	Approved	Amended	Approved	More/(Less) Approved/Amended
<b><u>Governmental Funds</u></b>						
<b>General</b>						
Mayor/Council	36.00	37.00	32.00	32.00	32.00	-
City Auditor	10.00	10.00	10.00	10.00	10.00	-
City Manager	69.00	85.00	28.00	28.00	28.00	-
City Attorney	59.00	59.00	60.00	62.00	62.00	-
City Clerk	19.00	19.00	20.00	24.00	24.00	-
City Treasurer	14.00	14.00	14.00	14.00	14.00	-
Finance	91.00	91.00	92.00	92.00	93.90	1.90
Information Technology	195.50	198.50	200.50	200.50	201.50	1.00
Human Resources	44.00	44.00	43.00	43.00	44.00	1.00
Police	1,099.46	1,097.96	1,039.46	1,063.46	1,063.46	-
Fire	711.50	712.50	710.50	710.50	711.50	1.00
Public Works	420.00	425.00	427.00	429.00	431.00	2.00
Convention and Cultural Services	25.20	26.20	5.00	5.00	5.00	-
Youth, Parks, and Community Enrichment	553.57	573.95	12.00	12.00	12.00	-
Community Development	290.00	290.50	179.00	191.00	196.00	5.00
Citywide and Community Support	1.00	1.00	1.00	1.00	1.00	-
<b>Subtotal General Fund</b>	<b>3,638.23</b>	<b>3,684.61</b>	<b>2,873.46</b>	<b>2,917.46</b>	<b>2,929.36</b>	<b>11.90</b>
<b>Measure U</b>						
Mayor/Council	-	-	5.00	5.00	5.00	-
City Manager	-	-	41.00	43.00	40.00	(3.00)
Human Resources	-	-	-	-	3.00	3.00
Police	-	-	63.50	63.50	65.50	2.00
Fire	-	-	7.00	7.00	18.00	11.00
Convention and Cultural Services	-	-	21.20	21.20	19.95	(1.25)
Youth, Parks, and Community Enrichment	-	-	561.85	558.88	555.19	(3.69)
Community Development	-	-	109.50	117.00	119.00	2.00
Community Response	-	-	23.00	40.00	38.00	(2.00)
<b>Subtotal Measure U Fund</b>	<b>-</b>	<b>-</b>	<b>832.05</b>	<b>855.58</b>	<b>863.64</b>	<b>8.06</b>
<b>Subtotal Governmental Funds</b>	<b>3,638.23</b>	<b>3,684.61</b>	<b>3,705.51</b>	<b>3,773.04</b>	<b>3,793.00</b>	<b>19.96</b>
<b><u>Enterprise Funds</u></b>						
<b>Community Center</b>						
Convention and Cultural Services	90.99	97.30	97.30	97.30	98.05	0.75
<b>Parking</b>						
Public Works	61.25	61.25	61.25	61.25	61.25	-
<b>Solid Waste</b>						
Public Works	165.30	171.30	171.30	171.30	184.30	13.00
<b>Storm Drainage</b>						
Utilities	114.00	123.18	123.18	123.18	125.36	2.18
<b>Wastewater</b>						
Utilities	83.18	94.36	94.36	94.36	94.18	(0.18)
<b>Water</b>						
Utilities	377.72	352.36	354.36	354.36	353.36	(1.00)
<b>Subtotal Enterprise Funds</b>	<b>892.44</b>	<b>899.75</b>	<b>901.75</b>	<b>901.75</b>	<b>916.50</b>	<b>14.75</b>

FY2022/23 Approved Budget

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

	FY2019/20	FY2020/21	FY2021/22	FY2021/22	FY2022/23	Change
	Actuals	Actuals	Approved	Amended	Approved	More/(Less) Approved/Amended
<b><u>Internal Service Funds</u></b>						
<b>Fleet Management</b>						
Public Works	83.00	83.00	83.00	83.00	83.00	-
<b>Risk Management</b>						
Human Resources	17.00	17.00	17.00	17.00	17.00	-
<b>Workers' Compensation</b>						
Human Resources	19.00	19.00	19.00	19.00	19.00	-
<b>Subtotal Internal Service Funds</b>	<b>119.00</b>	<b>119.00</b>	<b>119.00</b>	<b>119.00</b>	<b>119.00</b>	<b>-</b>
<b><u>Other Government Funds</u></b>						
<b>4th R Program</b>						
Youth, Parks, and Community Enrichment	134.35	134.35	133.85	133.10	133.10	-
<b>Cty/Cnty Office-Water Planning</b>						
Citywide and Community Support	4.00	6.00	6.00	6.00	6.00	-
<b>Innovation and Growth</b>						
City Manager	3.00	2.00	2.00	2.00	2.00	-
<b>Marina</b>						
Public Works	6.80	6.80	6.80	6.60	6.60	-
<b>START</b>						
Youth, Parks, and Community Enrichment	16.24	16.24	16.24	16.24	16.24	-
<b>Subtotal Other Governmental Funds</b>	<b>164.39</b>	<b>165.39</b>	<b>164.89</b>	<b>163.94</b>	<b>163.94</b>	<b>-</b>
<b>Total</b>	<b>4,814.06</b>	<b>4,868.75</b>	<b>4,891.15</b>	<b>4,957.73</b>	<b>4,992.44</b>	<b>34.71</b>

**Schedule 1E**  
**Current Operations – Staffing and Appropriations by Department (in 000s)**

	Total FTE	Approved FY2022/23 Operating	Approved FY2022/23 MYOP*	Total Operating Budget
<b>Mayor Offices</b>				
Mayor/ Council	37.00	\$ 7,527	\$ 5	\$ 7,532
<b>Subtotal Mayor Offices</b>	<b>37.00</b>	<b>7,527</b>	<b>5</b>	<b>7,532</b>
<b>Charter Offices</b>				
City Auditor	10.00	1,714	-	1,714
City Manager	70.00	14,257	9,795	24,052
City Attorney	62.00	11,945	-	11,945
City Clerk	24.00	3,793	1	3,794
City Treasurer	14.00	2,839	3	2,842
<b>Subtotal Charter Offices</b>	<b>180.00</b>	<b>34,548</b>	<b>9,799</b>	<b>44,347</b>
<b>Operating Offices</b>				
Finance	93.90	12,955	1,050	14,005
Information Technology	201.50	28,994	460	29,454
Human Resources	83.00	60,514	213	60,727
Police	1,128.96	215,586	9,065	224,651
Fire	729.50	172,450	885	173,335
Utilities	572.90	154,614	10,640	165,254
Public Works	766.15	206,328	22,026	228,354
Convention and Cultural Services	123.00	24,140	114	24,254
Youth, Parks, and Community Enrichment	716.53	56,726	1,081	57,807
Community Development	315.00	48,726	3,987	52,713
Community Response	38.00	5,441	19,596	25,037
<b>Subtotal Operating Offices</b>	<b>4,768.44</b>	<b>986,474</b>	<b>69,117</b>	<b>1,055,592</b>
<b>Other Offices</b>				
Debt Service	-	104,838	-	104,838
Citywide and Community Support	7.00	120,075	11,533	131,608
Non-Appropriated	-	(26,485)	-	(26,485)
<b>Subtotal Other Offices</b>	<b>7.00</b>	<b>198,429</b>	<b>11,533</b>	<b>209,961</b>
<b>Total</b>	<b>4,992.44</b>	<b>\$ 1,226,979</b>	<b>\$ 90,454</b>	<b>\$ 1,317,432</b>

\*See schedule 9 for Multi-Year Operating Projects (MYOPs) included in the Department Budget charts.



**Schedule 2A**  
**Summary of Revenues, Appropriations, & Changes in Fund Balance (in 000s)**

	Governmental** Funds	Enterprise Funds	Internal Service Funds	Other Gov't Funds	Gross Total	Net* Total
<b><u>Current Resources</u></b>						
<b>Revenues</b>						
Taxes	\$ 575,687	\$ 26,442	\$ -	\$ 32,505	\$ 634,634	\$ 634,634
Licenses and Permits	32,848	110	-	5,825	38,783	38,783
Fines, Forfeitures, and Penalties	7,082	3	-	350	7,435	7,435
Interest, Rents, and Concessions	2,854	3,959	1,828	8,452	17,093	15,265
Intergovernmental	15,205	2,214	-	29,250	46,669	46,669
Charges, Fees, and Services	67,309	339,865	8,759	61,411	477,343	468,584
Contributions from Other Funds	41,035	-	-	-	41,035	41,035
Miscellaneous Revenue	1,049	866	110,976	343	113,233	2,258
<b>Total Current Resources</b>	<b>743,069</b>	<b>373,458</b>	<b>121,562</b>	<b>138,135</b>	<b>1,376,225</b>	<b>1,254,663</b>
<b><u>Current Requirements</u></b>						
<b>Current Operations</b>						
Employee Services	612,285	112,142	14,321	4,284	743,031	728,710
Other Services and Supplies	164,851	87,900	66,310	31,705	350,765	284,456
City Property	3,417	2,219	33,297	215	39,148	5,852
Multi-Year Operating Projects	44,314	27,356	305	18,479	90,454	90,149
City Debt Service	17,095	70,008	46	17,689	104,838	104,793
Transfers	(2,112)	1,741	164	207	-	(164)
Labor and Supply Offset	(123,718)	15,718	7,144	50,017	(50,839)	(57,983)
Contingency	2,000	-	-	-	2,000	2,000
Operating Transfers	5,570	33,231	-	(766)	38,035	38,035
<b>Subtotal Current Operations</b>	<b>723,702</b>	<b>350,316</b>	<b>121,585</b>	<b>121,829</b>	<b>1,317,432</b>	<b>1,195,847</b>
Capital Improvements	18,096	43,527	202	70,265	132,090	131,888
<b>Total Current Requirements</b>	<b>741,799</b>	<b>393,842</b>	<b>121,787</b>	<b>192,094</b>	<b>1,449,523</b>	<b>1,327,735</b>
Other Fund Sources (Uses)	1,089	(250)	298	38,007	39,144	38,846
<b>Total Surplus (Deficit)</b>	<b>2,359</b>	<b>(20,634)</b>	<b>73</b>	<b>(15,952)</b>	<b>(34,154)</b>	<b>(34,227)</b>
<b>Beginning Fund Balance</b>	<b>4,761</b>	<b>248,632</b>	<b>403</b>	<b>190,936</b>	<b>444,732</b>	<b>444,329</b>
<b>Ending Fund Balance</b>	<b>\$ 7,120</b>	<b>\$ 227,998</b>	<b>\$ 476</b>	<b>\$ 174,984</b>	<b>\$ 410,578</b>	<b>\$ 410,102</b>

\* 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)	Surplus / (Deficit)	Fund Balance	
	Total Revenues	Current Operations	CIP	Total			Beginning	Ending
<b>Governmental Funds</b>								
General Fund	\$ 607,300	\$ 580,939	\$ 15,496	\$ 596,435	\$ (155)	\$ 10,710	\$ 128	\$ 10,839
Measure U	135,769	142,764	2,600	145,364	1,244	(8,351)	4,632	(3,719)
<b>Subtotal Governmental Funds</b>	<b>743,069</b>	<b>723,702</b>	<b>18,096</b>	<b>741,799</b>	<b>1,089</b>	<b>2,359</b>	<b>4,761</b>	<b>7,120</b>
<b>Enterprise Funds</b>								
Community Center	34,316	38,984	2,660	41,644	(250)	(7,577)	18,273	10,696
Parking	13,766	16,426	805	17,231	-	(3,465)	3,579	114
Solid Waste	86,170	92,659	848	93,507	-	(7,338)	31,620	24,282
Storm Drainage	39,319	38,706	-	38,706	-	613	32,287	32,900
Storm Drainage Property Fee	20,250	4,897	11,316	16,213	-	4,037	-	4,037
Wastewater	43,545	38,098	2,156	40,254	-	3,292	26,163	29,455
Water	136,092	120,545	25,742	146,287	-	(10,194)	136,710	126,516
<b>Subtotal Enterprise Funds</b>	<b>373,458</b>	<b>350,316</b>	<b>43,527</b>	<b>393,842</b>	<b>(250)</b>	<b>(20,634)</b>	<b>248,632</b>	<b>227,998</b>
<b>Internal Service Funds</b>								
Fleet Management	67,158	66,883	202	67,085	-	73	403	476
Risk Management	54,404	54,702	-	54,702	298	-	-	-
<b>Subtotal Internal Service Funds</b>	<b>121,562</b>	<b>121,585</b>	<b>202</b>	<b>121,787</b>	<b>298</b>	<b>73</b>	<b>403</b>	<b>476</b>
<b>Other Governmental Funds</b>								
4th R Program	3,156	3,125	-	3,125	-	31	1,606	1,637
ARPA Reinvestment	-	4,253	-	4,253	-	(4,253)	21,326	17,073
Art In Public Places Projects	-	-	-	-	-	-	66	66
Assessment Reg and SDRIS	-	-	-	-	-	-	168	168
Cal EPA	113	-	-	-	-	113	1,102	1,215
CIP Reimbursable	-	-	21	21	21	-	-	-
Capital Improv. Revenue Bonds	-	-	-	-	-	-	29	29
Citation I-5 Maintenance	-	40	-	40	-	(40)	699	659
Citywide Low Income Housing	3,100	3,100	-	3,100	-	-	739	739
Cultural Services - Other	155	149	-	149	-	6	955	961
Debt Service Funds	10,076	10,832	-	10,832	756	-	2,265	2,265
Development Services	3,817	2,266	1,551	3,817	-	-	-	-
Downtown Impact Fee	-	25	-	25	-	(25)	950	925
Downtown Management District	3,808	3,808	-	3,808	-	-	184	184
Ethel MacLeod Hart Trust	-	-	-	-	-	-	1,986	1,986
Externally Funded Programs	19	19	-	19	-	-	-	-
Fair Share Contributions	-	-	-	-	-	-	5,947	5,947
Fairytale Town	50	50	-	50	-	-	4	4
Federal Capital Grant	-	-	31,649	31,649	31,649	-	-	-
Florin Road Storm and San	-	-	-	-	-	-	5	5
Gas Tax	12,754	9,054	5,096	14,150	-	(1,396)	6,608	5,212
Golf	816	337	-	337	-	479	(4,603)	(4,124)
Greenbriar Impact Fee	-	-	-	-	-	-	(674)	(674)
Innovation and Growth	11,185	8,424	175	8,599	-	2,586	1,252	3,838
Jacinto Creek	-	-	-	-	-	-	1,728	1,728
Land Park	23	172	-	172	-	(149)	220	71
Library Services Parcel Tax	9,271	9,271	-	9,271	-	-	-	-
Landscaping and Lighting	19,336	19,443	665	20,108	-	(772)	4,500	3,728
Major Street Construction	1,500	-	1,400	1,400	-	100	6,890	6,990
Marcy Friedman ESC APP	-	-	-	-	-	-	12	12

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

	Resources		Requirements		Other		Fund Balance	
	Total	Current		Total	Sources	Surplus /	Beginning	Ending
	Revenues	Operations	CIP		(Uses)	(Deficit)		
<b>Other Governmental Funds (continued)</b>								
Marina	1,678	2,166	100	2,266	-	(589)	1,112	523
Measure A Maintenance	15,658	16,676	385	17,061	-	(1,403)	4,487	3,084
North Natomas Financing Plan	-	2,429	12	2,441	-	(2,441)	28,562	26,122
Other	-	87	-	87	-	(87)	5,537	5,450
Other Capital Grants	-	-	5,581	5,581	5,581	-	-	-
Park Development	766	442	2,675	3,117	-	(2,351)	19,356	17,005
Quimby Act	100	10	-	10	-	90	1,796	1,886
Railyards Impact Fee	50	-	-	-	-	50	2,346	2,396
Redevelopment Bond Funds	-	9	-	9	-	(9)	4,093	4,084
River District Impact Fee	-	25	-	25	-	(25)	802	777
SHRA CDBG	29	29	-	29	-	-	-	-
So Natomas Comm Improv	473	-	-	-	-	473	24	496
So Natomas Facility Benefit	-	-	-	-	-	-	4,569	4,569
So Natomas I-5 Developer Impr	-	-	-	-	-	-	617	617
Special Districts	22,169	22,373	-	22,373	-	(204)	8,275	8,071
Special Districts - Capital	-	-	564	564	-	(564)	1,771	1,207
Special Program Donations	250	250	-	250	-	-	-	-
START	658	1,140	-	1,140	-	(482)	63	(419)
Street Cut	25	-	25	25	-	-	-	-
Sunset, Meadow s A/D Maint	-	-	-	-	-	-	145	145
Subregional I-5 Corridor Mitig	-	-	-	-	-	-	148	148
Transportation Development	400	-	400	400	-	-	18	18
65th Street Area Impact Fee	-	-	-	-	-	-	118	118
Transportation Development Impact Fee	1,000	-	1,000	1,000	-	-	4,771	4,771
Traffic Safety	350	350	-	350	-	-	-	-
Transportation System Management	-	-	14	14	-	(14)	14	-
Tree Planting Replacement	120	-	120	120	-	-	-	-
Road Maint and Rehabilitation	10,109	-	11,166	11,166	-	(1,057)	2,158	1,101
NMA Traffic Control & Safety	1,594	-	1,930	1,930	-	(336)	1,119	783
NMA Safety, Streets, Ped, Bic	2,330	7	2,737	2,743	-	(413)	1,154	741
Wastewater Development Fees	-	-	-	-	-	-	5,724	5,724
Water Development Fees	-	-	3,000	3,000	-	(3,000)	35,420	32,420
Water Planning	1,147	1,417	-	1,417	-	(270)	744	474
Willow creek Fee District	-	-	-	-	-	-	2,028	2,028
Zoo	50	50	-	50	-	-	-	-
<b>Subtotal Other Governmental Funds</b>	<b>138,135</b>	<b>121,829</b>	<b>70,265</b>	<b>192,094</b>	<b>38,007</b>	<b>(15,952)</b>	<b>190,936</b>	<b>174,984</b>
<b>Total</b>	<b>\$ 1,376,225</b>	<b>\$ 1,317,432</b>	<b>\$132,090</b>	<b>\$1,449,523</b>	<b>\$ 39,144</b>	<b>\$(34,154)</b>	<b>\$ 444,732</b>	<b>\$ 410,578</b>

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

	FY2018/19 Approved	FY2019/20 Approved	FY2020/21 Approved	FY2021/22 Approved	FY2022/23 Approved
<b>Governmental Funds*</b>					
Revenues	530,092	609,072	589,064	665,245	743,069
<b>Total Resources</b>	<b>530,092</b>	<b>609,072</b>	<b>589,064</b>	<b>665,245</b>	<b>743,069</b>
<b>Expenses</b>					
Operations	526,076	579,019	613,750	666,956	723,702
CIP	9,105	23,988	11,280	14,623	18,096
<b>Total Requirements</b>	<b>535,181</b>	<b>603,007</b>	<b>625,030</b>	<b>681,579</b>	<b>741,799</b>
Other Fund Sources (Uses)	(11,600)	19,990	19,500	15,913	1,089
<b>Beginning Fund Balance</b>	<b>24,537</b>	<b>11,233</b>	<b>17,042</b>	<b>589</b>	<b>4,761</b>
<b>Ending Fund Balance</b>	<b>7,848</b>	<b>37,288</b>	<b>577</b>	<b>168</b>	<b>7,120</b>
<b>Enterprise Funds</b>					
Revenues	323,524	336,792	329,402	330,673	373,458
<b>Total Resources</b>	<b>323,524</b>	<b>336,792</b>	<b>329,402</b>	<b>330,673</b>	<b>373,458</b>
<b>Expenses</b>					
Expenses	285,611	303,898	327,060	318,333	350,316
CIP	27,144	17,354	42,810	41,165	43,527
<b>Total Requirements</b>	<b>312,754</b>	<b>321,252</b>	<b>369,870</b>	<b>359,498</b>	<b>393,842</b>
Other Fund Sources (Uses)	(1,008)	(250)	(2,727)	(3,071)	(250)
<b>Beginning Fund Balance</b>	<b>127,998</b>	<b>207,997</b>	<b>212,227</b>	<b>239,840</b>	<b>248,632</b>
<b>Ending Fund Balance</b>	<b>137,759</b>	<b>223,287</b>	<b>169,032</b>	<b>207,944</b>	<b>227,998</b>
<b>Internal Service Funds</b>					
Revenues	83,276	89,897	100,253	103,762	121,562
<b>Total Resources</b>	<b>83,276</b>	<b>89,897</b>	<b>100,253</b>	<b>103,762</b>	<b>121,562</b>
<b>Expenses</b>					
Expenses	85,124	90,887	100,271	102,598	121,585
CIP	302	202	202	209	202
<b>Total Requirements</b>	<b>85,426</b>	<b>91,089</b>	<b>100,473</b>	<b>102,807</b>	<b>121,787</b>
Other Fund Sources (Uses)	2,279	708	(262)	(1,597)	298
<b>Beginning Fund Balance</b>	<b>518</b>	<b>1,432</b>	<b>1,083</b>	<b>2,646</b>	<b>403</b>
<b>Ending Fund Balance</b>	<b>647</b>	<b>948</b>	<b>601</b>	<b>2,005</b>	<b>476</b>
<b>Other Governmental Funds</b>					
Revenues	113,994	122,989	126,148	126,393	138,135
<b>Total Resources</b>	<b>113,994</b>	<b>122,989</b>	<b>126,148</b>	<b>126,393</b>	<b>138,135</b>
<b>Expenses</b>					
Expenses	105,380	114,139	120,981	108,720	121,829
CIP	48,132	38,875	68,563	39,534	70,265
<b>Total Requirements</b>	<b>153,512</b>	<b>153,014</b>	<b>189,544</b>	<b>148,254</b>	<b>192,094</b>
Other Fund Sources (Uses)	31,468	15,257	32,845	(658)	38,007
<b>Beginning Fund Balance</b>	<b>124,721</b>	<b>159,543</b>	<b>163,527</b>	<b>161,403</b>	<b>190,936</b>
<b>Ending Fund Balance</b>	<b>116,670</b>	<b>144,775</b>	<b>132,975</b>	<b>138,883</b>	<b>174,984</b>

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

FY2022/23 Approved Budget

**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	
	FY2021/22	FY2022/23	FY2021/22	FY2022/23	FY2021/22	FY2022/23	FY2021/22	FY2022/23
<b>Enterprise Funds</b>								
Community Center	\$ 1,739	\$ 1,908	\$ 456	\$ 456	\$ 990	\$ 1,310	-	-
Parking	1,200	1,427	244	244	1,164	1,164	-	-
Solid Waste	4,596	4,807	-	-	-	-	8,165	9,343
Storm Drainage	2,850	2,876	-	-	-	-	4,141	6,437
Wastewater	3,001	2,541	-	-	-	-	4,576	4,598
Water	6,906	7,267	-	-	-	-	14,421	14,484
<b>Total Enterprise Funds</b>	<b>20,292</b>	<b>20,826</b>	<b>700</b>	<b>700</b>	<b>2,154</b>	<b>2,474</b>	<b>31,303</b>	<b>34,862</b>
<b>Internal Service Funds</b>								
Fleet Management	2,254	2,400	-	-	-	-	-	-
Risk Management	3,205	3,260	-	-	-	-	-	-
<b>Total Internal Service Funds</b>	<b>5,459</b>	<b>5,659</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>GRAND TOTAL</b>	<b>\$ 25,751</b>	<b>\$ 26,485</b>	<b>\$ 700</b>	<b>\$ 700</b>	<b>\$ 2,154</b>	<b>\$ 2,474</b>	<b>\$ 31,303</b>	<b>\$ 34,862</b>

**\*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						Total Five-year Funding
		Through 2/2022	FY2022/23	FY2023/24	FY2024/25	FY2025/26	FY2026/27	
1001	General Fund	\$ 165,203	\$ 15,496	\$ 10,140	\$ 10,596	\$ 10,621	\$ 10,621	\$ 57,473
1003	ARPA Reinvestment	8,708	-	-	-	-	-	-
2001	Sacto Transp.Sales Tax-Cip.	2,126	-	-	-	-	-	-
2002	Gas Tax 2016	16,030	5,096	1,671	1,671	1,671	1,671	11,778
2007	Major Street Construction	24,924	1,400	1,400	1,400	1,400	1,400	7,000
2008	Street Cut	184	25	25	25	25	25	126
2012	Transportation System Management	366	14	-	-	-	-	14
2013	Transportation Development	2,061	400	400	400	400	400	2,000
2016	Development Services	17,720	1,551	1,516	1,482	1,449	1,491	7,489
2019	Citation I-5 Improvements	404	-	-	-	-	-	-
2020	So Natomas Comm Improv	2,750	-	-	-	-	-	-
2021	So Natomas Facility Benefit	220	-	-	-	-	-	-
2023	New Measure A Specific Project	13,470	-	-	-	-	-	-
2025	New Measure A Construction	3,909	-	-	-	-	-	-
2026	New Measure A Maintenance	3,000	385	385	385	385	385	1,925
2028	Prop 1B - Local Street & Road	21	-	-	-	-	-	-
2031	Innovation and Growth	665	175	-	-	-	-	175
2032	Fair Share Contributions	309	-	-	-	-	-	-
2035	Tree Planting Replacement	767	120	120	120	120	120	600
2036	Road Maint and Rehabilitation	21,518	11,166	11,166	11,166	11,166	11,166	55,830
2038	NMA Traffic Control & Safety	6,237	1,930	1,930	1,930	1,930	1,930	9,649
2039	NMA Safety, Streets, Ped, Bic	8,918	2,737	2,737	2,737	2,737	2,737	13,684
2220	Sunset, Meadows A/D Maint	1,600	-	-	-	-	-	-
2230	N Natomas Lands CFD 3	123	-	-	-	-	-	-
2232	Landscaping and Lighting	7,122	665	665	665	665	665	3,325
2235	Florin Road Storm and San	90	-	-	-	-	-	-
2401	Measure U	46,466	2,600	2,700	2,700	2,700	2,700	13,400
2502	Special Program Donations	91	-	-	-	-	-	-
2504	Special Recreation	842	-	-	-	-	-	-
2507	Land Park	53	-	-	-	-	-	-
2508	Quimby Act	7,589	-	-	-	-	-	-
2601	Old Sac Market	30	-	-	-	-	-	-
2603	Golf	93	-	-	-	-	-	-
2605	Zoo	1	-	-	-	-	-	-
2608	Marina	1,043	100	60	60	60	60	340
2609	Marcy Friedman ESC APP	1,000	-	-	-	-	-	-
2700	Block Grant/ Housing & Redev	4,846	-	-	-	-	-	-
2701	Disaster Relief Act	3	-	-	-	-	-	-
2703	Externally Funded Programs	329	-	-	-	-	-	-
2801	Cal EPA	809	-	-	-	-	-	-
3001	1993 Series B Cop	600	-	-	-	-	-	-
3002	2002 Capital Improv. Revenue Bonds	2	-	-	-	-	-	-
3003	2003 Capital Improv. Revenue Bonds	21,749	-	-	-	-	-	-
3004	2006 CIRB - Tax Exempt	3,677	-	-	-	-	-	-
3005	2006 CIRB - Taxable	361	-	-	-	-	-	-
3006	2006 CIRBs Ser C Cap Projs	115	-	-	-	-	-	-
3008	Willowcreek Fee District	788	-	-	-	-	-	-

FY2022/23 Approved Budget

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

Fund	Description	Budget						Total
		Through 2/2022	FY2022/23	FY2023/24	FY2024/25	FY2025/26	FY2026/27	Five-year Funding
3201	N. Natomas Financial Plan	171	-	-	-	-	-	-
3202	Railyards/ Richards/ Downtown	359	-	-	-	-	-	-
3204	Park Development	31,929	2,675	-	-	-	-	2,675
3206	NNFP Public Facilities Fee	107	12	12	12	12	12	58
3210	Downtown Impact Fee	907	-	-	-	-	-	-
3215	Transportation Development Impact Fee	4,743	1,000	-	-	-	-	1,000
3311	N Laguna Creek Park CFD	77	-	-	-	-	-	-
3314	N Natomas Dmg CFD 97-01	418	-	-	-	-	-	-
3323	CFD 97-01 Series C	68	-	-	-	-	-	-
3328	N Natomas Dmg 2005 CFD 97-01	551	-	-	-	-	-	-
3333	CFD 97-01 Construction	247	-	-	-	-	-	-
3338	Florin Depot Industrial Park	-	564	-	-	-	-	564
3701	Sacto Housing & Redev Agency	3,853	-	-	-	-	-	-
3702	CIP Reimbursable	20,372	21	21	21	21	21	105
3703	Federal Capital Grant	57,444	31,649	5,382	16,955	-	-	53,986
3704	Other Capital Grants	17,989	5,581	-	-	-	-	5,581
3801	2003 Alkali Flat TE	386	-	-	-	-	-	-
3802	2006 Army Depot TA	1,479	-	-	-	-	-	-
3803	2006 Army Depot TE	715	-	-	-	-	-	-
3810	2002 ML Downtown TE	5	-	-	-	-	-	-
3811	2005 TAB Downtown CIP TE	27	-	-	-	-	-	-
3812	2005 TAB Downtown CIP TA	74	-	-	-	-	-	-
3818	2006 River Dist TA	600	-	-	-	-	-	-
6001	Water Development Fees	34,654	3,000	1,500	5,400	1,000	1,000	11,900
6004	Parking	37,879	805	765	765	765	765	3,865
6005	Water	105,982	25,742	25,580	18,003	28,001	28,841	126,166
6006	Wastewater	14,078	2,156	2,818	2,428	2,428	2,428	12,257
6007	Recycling and Solid Waste	34,247	848	2,716	1,148	1,148	1,148	7,008
6008	Landfill Closure	5,195	-	-	-	-	-	-
6009	Sacramento Marina	874	-	-	-	-	-	-
6010	Community Center	17,409	2,660	1,380	1,375	1,325	1,375	8,115
6011	Storm Drainage	19,600	-	-	-	-	-	-
6012	4th R Program	653	-	-	-	-	-	-
6021	Storm Drainage Property Fee	-	11,316	15,084	14,067	14,217	14,324	69,008
6205	Water Grant Reimbursement	5,254	-	-	-	-	-	-
6206	Wastewater Grant Reimbursement	1,000	-	-	-	-	-	-
6207	Solid Waste Grant Reimbursement	721	-	-	-	-	-	-
6211	Storm Drainage Grant Reimbursement	20	-	-	-	-	-	-
6310	Water Revenue Bonds	8,834	-	-	-	-	-	-
6311	Water Revenue Bonds Ser. 2017	607	-	-	-	-	-	-
6312	Drinking Water SRF Loan	54,443	-	-	-	-	-	-
6320	Wastewater Revenue Bonds	482	-	-	-	-	-	-
6321	Wastewater Revenue Bonds 2019	6,981	-	-	-	-	-	-
6330	2018 TOT Revenue Bonds, Tax Exempt	293,631	-	-	-	-	-	-
6331	2018 TOT Revenue Bonds, Taxable	19,860	-	-	-	-	-	-
6332	2019 STID Revenue Bonds	53,000	-	-	-	-	-	-
6501	Fleet Management	8,664	202	202	202	202	202	1,010
6502	Risk Mgmt	10	-	-	-	-	-	-
<b>Total</b>		<b>\$ 1,265,532</b>	<b>\$ 132,090</b>	<b>\$ 90,373</b>	<b>\$ 95,711</b>	<b>\$ 84,446</b>	<b>\$ 85,485</b>	<b>\$ 488,105</b>

**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.

<b>APPROPRIATION LIMIT (Section 1)</b>	<b>FY2018/19</b>	<b>FY2019/20</b>	<b>FY2020/21</b>	<b>FY2021/22</b>	<b>FY2022/23</b>
Prior year limit	\$ 766,162	\$ 805,638	\$ 849,122	\$ 890,747	\$ 945,554
Multiply by:					
Change in CPI or Per Capita Personal Income	1.0367	1.0385	1.0373	1.0573	1.0755
Change in Population	1.0143	1.0149	1.0113	1.0040	0.9995
<b>Total Appropriation Limit</b>	<b>\$ 805,638</b>	<b>\$ 849,122</b>	<b>\$ 890,747</b>	<b>\$ 945,554</b>	<b>\$ 1,016,435</b>
 <b>PROCEEDS OF TAXES (Section 2)</b>					
Total governmental revenue	\$ 644,086	\$ 731,951	\$ 715,212	\$ 791,638	\$ 881,204
Add taxes in enterprise funds:					
Transient Occupancy Tax	25,948	28,433	12,589	18,628	26,359
Add user fees in excess of cost:	-	-	-	-	-
Deduct:					
Non-proceeds of tax revenue	(251,415)	(256,436)	(265,669)	(251,937)	(270,816)
General obligation debt service	-	-	-	-	-
Qualified capital outlay	(18,544)	(12,005)	(6,962)	(7,793)	(15,454)
<b>Total Proceeds of Taxes</b>	<b>\$ 400,075</b>	<b>\$ 491,943</b>	<b>\$ 455,170</b>	<b>\$ 550,536</b>	<b>\$ 621,293</b>
 <b>APPROPRIATIONS SUBJECT TO LIMIT (Section 3)</b>					
Total Governmental Funds:					
Operating appropriations	\$ 631,456	\$ 693,158	\$ 734,731	\$ 775,676	\$ 845,531
CIP appropriations	57,237	62,863	79,843	54,157	88,361
Add:					
Enterprise fund tax appropriation	25,948	28,433	12,589	18,628	26,359
User fees in excess of cost	-	-	-	-	-
Current proceeds of taxes appropriated to reserves	20,535	38,590	7,385	7,922	20,970
Deduct:					
Non-proceeds of tax revenue	(251,415)	(256,436)	(265,669)	(251,937)	(270,816)
General obligation debt service	-	-	-	-	-
Qualified capital outlay	(18,544)	(12,005)	(6,962)	(7,793)	(15,454)
<b>Total Appropriations Subject to Limit</b>	<b>\$ 465,217</b>	<b>\$ 554,603</b>	<b>\$ 561,917</b>	<b>\$ 596,653</b>	<b>\$ 694,951</b>



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

	FY2019/20	FY2020/21	FY2021/22	FY2021/22	FY2022/23
	Actuals	Actuals	Approved	Amended	Approved
<b>Governmental Funds</b>					
<b>Taxes</b>					
Property Taxes - Current Secured	\$ 116,680	\$ 124,894	\$ 129,339	\$ 129,339	\$ 137,099
Property Taxes - Current Unsecured	4,443	4,669	3,669	3,669	4,220
Property Taxes - In Lieu VLF	48,458	51,809	53,363	54,619	57,896
Property Taxes - Prior Secured	1,073	1,231	1,009	1,009	1,070
Property Taxes - Prior Unsecured	56	94	38	38	40
Property Taxes - Redevelopment Passthrough	2,532	2,584	1,821	1,821	1,885
Property Taxes - Supplemental	2,855	2,974	1,823	1,823	2,734
<b>Subtotal Property Taxes</b>	<b>176,097</b>	<b>188,256</b>	<b>191,062</b>	<b>192,318</b>	<b>204,944</b>
Business Operations Taxes (BOT)	9,142	8,527	7,509	7,509	8,523
Cannabis Business Operations Tax (CBOT)	14,858	25,395	20,651	21,448	23,592
General Sales and Use Taxes	188,866	209,734	205,212	223,201	244,235
Property Taxes - Resident Development	1,096	1,059	368	368	349
Public Safety Sales Tax	6,002	6,437	5,640	5,640	6,430
Real Property Transfer Taxes	14,245	15,544	12,659	16,659	16,659
Transient Occupancy Tax	4,222	2,924	3,743	4,458	5,289
Transient Occupancy Tax - Prior	39	168	-	-	-
Utility Users Tax - Current	60,007	62,089	61,594	63,000	65,665
Utility Users Tax - Prior	32	75	-	-	-
<b>Subtotal Other Taxes</b>	<b>298,509</b>	<b>331,953</b>	<b>317,376</b>	<b>342,283</b>	<b>370,743</b>
<b>Total Taxes</b>	<b>474,607</b>	<b>520,209</b>	<b>508,438</b>	<b>534,601</b>	<b>575,687</b>
<b>Licenses and Permits</b>					
Alley Parking Permit	36	31	-	-	-
Alley Parking Permits	2	-	7	7	7
Animal Licenses	494	347	520	520	520
Building Trades Certification	-	-	1	1	1
Burglar Alarm Permits	965	1,064	1,000	1,000	1,000
Business Permits and Licenses	397	364	353	353	353
Cellular Revocable Permits	1,621	880	1,482	1,482	1,500
Construction Permits	10,944	13,074	11,716	11,977	12,732
Dance Permits	20	28	10	10	10
Emergency Permits	7	7	7	7	7
Excavation Permits	53	45	25	25	25
Home Occupation Permits	197	228	156	156	156
Marijuana Cultivation Permit	685	1,160	1,360	1,360	1,558
Marijuana Delivery Permit	188	590	535	535	484
Marijuana Dispensary Permit	596	625	624	624	624
Marijuana Manufacturing Permit	183	185	234	234	280
Marijuana Other Business Permit	260	583	425	425	666
Miscellaneous Licenses and Permits	8	4	-	-	-
Neighborhood Responsibility	1,861	3,393	-	-	-
On-Site Plan Review Permit	50	55	87	87	87
Plan Check Fees	8,762	7,579	8,656	8,711	9,155
Public Works Review	43	7	-	-	-
Sign and Billboard Permit	63	39	63	63	63
Sign and Billboard Permits	285	72	240	240	240
Special Event Permits	282	53	122	122	122
Special Use Permits	2,135	2,416	2,962	2,962	3,177
Street Vendor Permits	29	21	5	5	5
Taxi Permits	32	20	32	32	32
Towing Vehicle Permits	33	32	45	45	45
Tree Fee	1	1	-	-	-
<b>Subtotal Licenses and Permits</b>	<b>30,229</b>	<b>32,898</b>	<b>30,666</b>	<b>30,983</b>	<b>32,848</b>

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

	FY2019/20 Actuals	FY2020/21 Actuals	FY2021/22 Approved	FY2021/22 Amended	FY2022/23 Approved
<b>Governmental Funds (continued)</b>					
<b>Fines, Forfeitures, and Penalties</b>					
Delinquency Charges	91	156	-	-	-
Fines and Penalties	12,849	7,440	7,029	7,029	7,082
Transient Occupancy Tax - Penalty	1	-	-	-	-
<b>Subtotal Fines, Forfeitures, and Penalties</b>	<b>12,759</b>	<b>7,284</b>	<b>7,029</b>	<b>7,029</b>	<b>7,082</b>
<b>Interest, Rents, and Concessions</b>					
Interest on Investments	3,249	1,807	2,500	2,500	2,500
Interest on Receivables	325	136	125	125	125
Real Property Rental	372	455	229	229	229
<b>Subtotal Interest, Rents, and Concessions</b>	<b>3,946</b>	<b>2,398</b>	<b>2,854</b>	<b>2,854</b>	<b>2,854</b>
<b>Intergovernmental</b>					
Fire District Reimbursement	4,521	7,226	4,870	5,870	5,870
Miscellaneous Governmental Revenue	4,618	5,217	3,545	3,545	3,545
Miscellaneous Other Federal	4,646	5,121	1,210	1,210	1,210
Other Agency Payments	1,488	2,388	1,232	1,232	1,232
Other Agency Training Reimbursement	10	4	-	-	-
Other County Payments	408	369	425	425	425
Other Recoveries	186	371	130	130	130
Other State Payments	1,612	2,118	76	76	76
P.O.S.T. Reimbursement	73	96	167	167	167
Planning Technology Fee	-	1	-	-	-
Redevelopment Agency Services	488	256	680	680	680
Sacramento County Support - Metro Arts	436	43	-	-	-
Sacramento County Support - Museums	459	459	459	459	459
State Homeowners Property Tax	1,095	936	1,200	1,200	1,200
State Mandated Reimbursement SB 90	283	332	212	212	212
State Motor Vehicle In Lieu Tax	402	375	-	-	-
<b>Subtotal Intergovernmental</b>	<b>20,724</b>	<b>25,311</b>	<b>14,205</b>	<b>15,205</b>	<b>15,205</b>
<b>Charges, Fees, and Services</b>					
Administrative Fee	523	570	508	508	527
ALS Fees	28,153	27,415	29,541	29,541	30,518
Animal Shelter Fees and Charge	231	299	230	340	340
Appeal Fees	180	12	-	-	-
City Attorney Fees	18	3	-	-	-
Code Enforcement Fee	3,500	3,615	3,473	3,473	3,471
Community Services Fees	1,373	221	812	754	754
Compliance Fee	143	1,261	3,528	3,528	3,548
Concessions	91	27	104	104	115
Concessions - Golf	1	-	-	-	-
Demolition Charges	293	355	599	599	599
DUI Fees	100	105	2	2	2
Facility Use Fees	1,691	561	798	931	1,012
Fire Permit Fees	896	1,280	1,244	1,244	1,244
Fire Report Fees	1	-	-	-	-
Franchise Fees	6,525	5,659	4,331	4,331	4,418
Housing and Dangerous Buildings	113	72	182	182	182
Jail Booking Fee Recovery	105	320	40	40	40
Miscellaneous Proprietary Revenue	53	24	32	32	32
Non-Subsidized Parent Fees	-	6	-	-	-
Other Departmental Service	10,445	7,598	8,986	8,986	9,337
Other Fees	146	42	-	-	-
Other General Fees and Charges	177	190	148	28	28

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

	FY2019/20	FY2020/21	FY2021/22	FY2021/22	FY2022/23
	Actuals	Actuals	Approved	Amended	Approved
<b>Governmental Funds (continued)</b>					
<b>Charges, Fees, and Services (continued)</b>					
Parking Fees	3	6	1	1	1
Parking Meter Receipts	10,318	5,157	6,919	6,919	8,419
Parking Meter Removal Fees	780	1,085	370	370	370
Recyclables Sales	1	7	15	15	15
Registration Fees	101	114	135	135	135
Service Fees	86	80	35	35	35
Special Assessments - Administ	341	423	74	74	74
Special Assessments - Service SD	-	165	-	-	-
Street Sidewalk and Curb Repair	1,597	1,291	1,525	1,525	1,525
Subdivision Map Processing - Planning	-	-	30	30	30
Swimming Pool Fees	117	51	198	133	133
Third Party Recoveries - Property	-	-	-	-	-
Third Party Recoveries - Vehicle	85	366	-	-	-
Tour Fees	-	-	-	-	-
Vehicle Abatement SAVSA	594	590	405	405	405
<b>Subtotal Charges, Fees, and Services</b>	<b>68,783</b>	<b>58,971</b>	<b>64,266</b>	<b>64,266</b>	<b>67,309</b>
<b>Contributions from Other Funds</b>					
Contributions from Other Funds Accounts	37,796	37,058	37,007	37,007	41,035
<b>Subtotal Contributions from Other Funds</b>	<b>37,796</b>	<b>37,058</b>	<b>37,007</b>	<b>37,007</b>	<b>41,035</b>
<b>Miscellaneous Revenues</b>					
Escheat	963	1,144	154	154	242
Gifts and Donations	20	30	-	-	-
One-time Budgeted Revenue Adj	-	-	270	3,661	450
Other Departmental Services	-	-	357	357	357
Sale of Real or Personal Property	11	107	-	-	-
<b>Subtotal Miscellaneous Revenue</b>	<b>994</b>	<b>1,281</b>	<b>780</b>	<b>3,151</b>	<b>1,049</b>
<b>Total General Funds</b>	<b>\$ 649,837</b>	<b>\$ 685,410</b>	<b>\$ 665,245</b>	<b>\$ 688,793</b>	<b>\$ 743,069</b>

FY2022/23 Approved Budget

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

	FY2019/20	FY2020/21	FY2021/22	FY2021/22	FY2022/23
	Actuals	Actuals	Approved	Amended	Approved
<b>Enterprise Funds</b>					
<b>Community Center</b>					
Box Office Fees	\$ 367	\$ (94)	\$ 739	\$ 739	\$ 1,016
Catering Fees	20	-	400	400	550
Concessions	7	-	200	200	275
Facility Use Fees	485	180	2,126	2,126	2,924
Insurance Fee	-	-	1	1	1
Interest on Investments	6,060	1,167	64	64	67
Miscellaneous Governmental Revenue	5	-	37	37	51
Other Bonds Issued	50,465	-	-	-	-
Other Fees	262	7	900	900	900
Premium on Bond Sales	4,892	-	-	-	-
Real Property Rental	85	13	430	430	591
Royalties	838	16	866	866	866
Service Fees	165	-	459	459	631
Transient Occupancy Tax	21,310	14,704	18,628	18,628	26,359
Transient Occupancy Tax - Penalty	-	(2)	3	3	3
Transient Occupancy Tax - Prior	193	842	83	83	83
<b>Subtotal Community Center</b>	<b>85,154</b>	<b>16,834</b>	<b>24,935</b>	<b>24,935</b>	<b>34,316</b>
<b>Parking</b>					
Administrative Fee	515	480	424	424	424
Delinquency Charges	4	-	-	-	-
Facility Use Fees	22	21	-	-	-
Interest on Investments	508	212	300	300	300
Miscellaneous Governmental Revenue	2	-	-	-	-
Other Departmental Services	1	-	-	-	-
Other Fees	26	1	-	-	-
Other General Fees and Charges	(3)	8	-	-	-
Other Recoveries	499	451	-	-	-
Parking Fees	15,122	9,108	11,640	11,640	12,540
Real Property Rental	865	291	501	501	501
Royalties	40	(7)	-	-	-
Sale of Real or Personal Property	-	1	-	-	-
Vehicle or Equipment Rental	49	47	-	-	-
<b>Subtotal Parking</b>	<b>17,649</b>	<b>10,616</b>	<b>12,866</b>	<b>12,866</b>	<b>13,766</b>
<b>Solid Waste</b>					
Facility Use Fees	162	192	170	170	182
Fines and Penalties	50	26	-	-	-
Interest on Investments	857	459	750	750	750
Miscellaneous Governmental Revenue	150	139	-	-	-
Miscellaneous Proprietary Revenue	6	51	-	-	-
Other Agency Payments	494	296	33	33	33
Other Departmental Services	14	29	-	-	-
Recyclables Sales	132	186	100	100	100
Sale of Real or Personal Property	35	18	-	-	-
Service Fees	100	127	12	12	-
Utility Services Charges	65,941	72,589	74,464	73,291	85,105
<b>Subtotal Solid Waste</b>	<b>67,942</b>	<b>74,112</b>	<b>75,529</b>	<b>74,355</b>	<b>86,170</b>

FY2022/23 Approved Budget

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

	FY2019/20 Actuals	FY2020/21 Actuals	FY2021/22 Approved	FY2021/22 Amended	FY2022/23 Approved
<b>Enterprise Funds (continued)</b>					
<b>Storm Drainage</b>					
Capital Contributions	156	-	-	-	-
Compliance Fee	102	100	100	100	110
Interest on Investments	890	490	-	-	440
Interest on Receivables	56	45	422	422	-
Miscellaneous Governmental Revenue	-	123	10	10	30
Miscellaneous Proprietary Revenue	3	30	15	15	15
Other Fees	25	221	40	40	30
Other Recoveries	-	8	-	-	-
Plan Check Fees	39	48	40	40	55
Sale of Real or Personal Property	-	4	-	-	-
Service Fees	47	43	25	25	50
Subdivision Map Processing - Engineering	2	2	-	-	-
Utility Services Charges	38,908	38,574	37,929	37,929	38,574
Vehicle or Equipment Rental	15	21	-	-	15
<b>Subtotal Storm Drainage</b>	<b>40,244</b>	<b>39,709</b>	<b>38,581</b>	<b>38,581</b>	<b>39,319</b>
<b>Storm Drainage Property Fee</b>					
Utility Services Charges	-	-	-	-	20,250
<b>Subtotal Storm Drainage Property Fee</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>20,250</b>
<b>Wastewater</b>					
Interest on Investments	1,554	687	-	-	430
Interest on Receivables	6	3	392	392	-
Miscellaneous Governmental Revenue	1	5	-	-	-
Miscellaneous Proprietary Revenue	6	51	20	20	-
Other Bonds Issued	-	3	-	-	-
Other Recoveries	10	-	-	-	-
Regional Sanitation District	1,032	1,192	800	800	1,000
Sale of Real or Personal Property	-	22	-	-	-
Service Fees	79	70	60	60	60
Sewer Permits	71	64	-	-	65
Subdivision Map Processing - Engineering	2	2	-	-	2
Utility Service Extensions	-	-	50	50	-
Utility Services Charges	43,311	42,614	41,988	41,988	41,988
<b>Subtotal Wastewater</b>	<b>46,072</b>	<b>44,713</b>	<b>43,310</b>	<b>43,310</b>	<b>43,545</b>
<b>Water</b>					
Capital Contributions	263	59	-	-	-
Catering Fees	-	2	-	-	-
Cellular Revocable Permits	58	16	55	55	55
Fire Hydrant Use Fee	198	59	125	125	125
Fire Permit Fees	1	-	-	-	-
Firearms Dealer Permits	1	-	-	-	-
Interest on Investments	1,767	1,216	-	-	865
Interest on Receivables	-	-	400	400	-
Miscellaneous Governmental Revenue	112	54	100	100	100
Miscellaneous Proprietary Revenue	17	115	50	50	50
Other Agency Payments	66	46	900	900	1,000
Other Bonds Issued	27,210	70,784	-	-	-
Other Fees	17	40	-	-	-

FY2022/23 Approved Budget

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

	FY2019/20	FY2020/21	FY2021/22	FY2021/22	FY2022/23
	Actuals	Actuals	Approved	Amended	Approved
<b>Enterprise Funds (continued)</b>					
<b>Water (continued)</b>					
Other General Fees and Charges	(1)	-	-	-	-
Other Recoveries	134	63	-	-	-
Public Works Review	3	-	-	-	-
Residential Construction Water	201	214	100	100	125
Service Fees	162	147	100	100	150
Special Item Revenue	206	4,473	-	-	-
Subdivision Map Processing - Engineering	2	2	-	-	-
Third Party Recoveries - Property	(1)	-	-	-	-
Utility Service Extensions	4	18	36	36	36
Utility Services Charges	139,416	137,840	132,191	132,191	132,191
Utility Shut-Off Fee	6	1	95	95	95
Vehicle or Equipment Rental	18	-	-	-	-
Water Flow Test Fee	205	179	100	100	100
Water Tap Sales	1,389	1,241	1,200	1,200	1,200
<b>Subtotal Water</b>	<b>171,451</b>	<b>216,568</b>	<b>135,452</b>	<b>135,452</b>	<b>136,092</b>
<b>Total Enterprise Funds</b>	<b>\$ 428,513</b>	<b>\$ 402,551</b>	<b>\$ 330,673</b>	<b>\$ 329,499</b>	<b>\$ 373,458</b>

FY2022/23 Approved Budget

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

	FY2019/20 Actuals	FY2020/21 Actuals	FY2021/22 Approved	FY2021/22 Amended	FY2022/23 Approved
<b>Internal Service Funds</b>					
<b>Fleet Management</b>					
Fleet Charges Accident Repair	\$ 917	\$ 526	\$ 581	\$ 581	\$ 609
Fleet Charges O & M	21,830	19,798	22,647	22,647	23,185
Fleet Vehicle Revenue	21,146	27,846	22,404	24,169	33,255
Gasoline and Oil Sales	6,629	6,724	5,750	5,750	8,409
Interest on Investments	361	222	-	200	200
Miscellaneous Governmental Revenue	4	18	-	-	-
Miscellaneous Other Federal	-	573	-	-	-
Other Recoveries	46	409	-	-	-
Sale of Real or Personal Property-Salvage	1,016	509	317	317	438
Vehicle or Equipment Rental	537	787	559	559	1,062
<b>Subtotal Fleet Management</b>	<b>52,486</b>	<b>57,413</b>	<b>52,259</b>	<b>54,223</b>	<b>67,158</b>
<b>Risk Management</b>					
Interest on Investments	2,160	1,184	500	500	500
Interest on Receivables	-	-	71	71	66
One-time Budgeted Revenue Adj	-	-	-	(1,936)	-
Other Departmental Services	1,175	1,705	-	-	-
Risk Fund In-Lieu Insurance	39,599	45,311	50,582	50,582	53,488
Service Fees	-	-	100	-	100
Third Party Recoveries - Property	163	642	250	250	250
Third Party Recoveries Workers' Compensation	3	3	-	-	-
<b>Subtotal Risk Management</b>	<b>43,134</b>	<b>48,875</b>	<b>51,503</b>	<b>49,467</b>	<b>54,404</b>
<b>Total Internal Service Funds</b>	<b>\$ 95,621</b>	<b>\$ 106,288</b>	<b>\$ 103,762</b>	<b>\$ 103,690</b>	<b>\$ 121,562</b>

FY2022/23 Approved Budget

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

	FY2019/20	FY2020/21	FY2021/22	FY2021/22	FY2022/23
	Actuals	Actuals	Approved	Amended	Approved
<b>Other Governmental Funds</b>					
4th R Program	\$ 5,393	\$ 583	\$ 3,156	\$ 3,156	\$ 3,156
65th Street Area Impact Fee	867	11	-	-	-
Capital Improv. Revenue Bonds	7	3	-	-	-
Art In Public Places Projects	11	5	-	-	-
Assessment Reg and SDRIS	4	2	-	-	-
Cal EPA	270	221	188	188	113
CIP Reimbursable	137	56	-	-	-
Citation I-5 Improvements	8	4	-	-	-
Citation I-5 Maintenance	16	8	-	-	-
Citywide Low Income Housing	4,132	2,194	2,530	2,530	3,100
Cultural Services - Other	148	152	155	155	155
Debt Service Funds	3,723	3,636	9,513	9,513	10,076
Development Services	4,344	2,109	3,451	1,451	3,817
Downtown Impact Fee	745	323	-	-	-
Downtown Management District	3,297	3,497	3,482	3,482	3,808
Ethel MacLeod Hart Trust	426	291	-	-	-
Externally Funded Programs	144	109	-	-	19
Fair Share Contributions	812	662	-	-	-
Fairytale Town	29	76	50	50	50
Florin Road Storm and San	1	-	-	-	-
Gas Tax	11,967	11,461	12,000	12,000	12,754
Golden 1 Center	8	-	-	-	-
Golf	708	1,765	816	816	816
Greenbriar Impact Fee	39	1,191	-	-	-
I-5 Subregional Corridor Mitig	3	2	-	-	-
Innovation and Growth	10,950	10,260	11,185	11,185	11,185
Jacinto Creek	76	91	-	-	-
Land Park	68	93	23	23	23
Landscaping and Lighting	17,765	18,178	18,377	18,377	19,336
Library Services Parcel Tax	8,231	8,446	8,775	8,775	9,271
Major Street Construction	4,962	3,750	1,500	1,500	1,500
Marcy Friedman ESC APP	1	1	-	-	-
Marina	2,059	2,147	1,678	1,678	1,678
Measure A Maintenance	12,070	13,924	12,062	12,062	15,658
Museum of History, Science, & Tech	7	1	-	-	-
NMA Safety, Streets, Ped, Bic	1,792	2,062	1,699	1,699	2,330
NMA Traffic Control & Safety	1,264	1,423	1,206	1,206	1,594
North Natomas Financing Plan	15,466	10,747	-	-	-
Operating Grants	16	51	-	-	-
Other	874	56,963	-	-	-
Park Development	11,323	8,487	766	766	766
Private Development	171	1,369	-	-	-
Quimby Act	704	342	100	100	100
Railyards Impact Fee	3	3,826	50	50	50
Redevelopment Bond Funds	294	130	-	-	-
River District Impact Fee	21	11	-	-	-
Road Maint and Rehabilitation	8,901	8,776	9,153	9,153	10,109
Sheraton MOPA Project	297	149	-	-	-
SHRA CDBG	-	-	29	29	29
So Natomas Comm Improv	14	6	-	473	473
So Natomas Facility Benefit	702	567	-	-	-
So Natomas I-5 Developer Impr	12	6	-	-	-



FY2022/23 Approved Budget

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

	FY2019/20	FY2020/21	FY2021/22	FY2021/22	FY2022/23
	Actuals	Actuals	Approved	Amended	Approved
<b>Other Governmental Funds (contined)</b>					
Special Districts	20,757	19,801	20,277	20,277	22,169
Special Districts - Capital	3,685	222	-	-	-
Special Program Donations	22	-	318	-	250
START	740	482	658	658	658
State Route 16 Relinquishment	10	3	-	-	-
Street Cut	69	52	100	100	25
Sunset, Meadows A/D Maint	34	17	-	-	-
Traffic Safety	417	347	400	400	350
Transportation Development	476	8	400	400	400
Transportation Development Impact Fee	3,063	2,174	1,000	1,000	1,000
Transportation System Management	2	-	-	-	-
Tree Planting Replacement	144	98	120	120	120
Wastewater Development Fees	2,711	4,317	-	-	-
Water Development Fees	7,342	5,094	-	-	-
Water Planning	1,190	1,199	1,127	1,127	1,147
Willowcreek Fee District	45	150	-	-	-
Zoo	27	75	50	50	50
<b>Other Governmental Funds</b>	<b>\$ 176,007</b>	<b>\$ 211,465</b>	<b>\$ 126,393</b>	<b>\$ 124,547</b>	<b>\$ 138,135</b>

**Schedule 7A**  
**Operating Grants - \$104.5 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 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 2022-2027 CIP. Significant grant amounts that will benefit FY2022/23 are summarized by department below.

**CITY MANAGER - \$83,658,707**

**FY2020/21 Go-Biz Cannabis Equity Grants for Local Jurisdictions \$1,121,976**  
**FY2021/22 Go-Biz Cannabis Equity Grants for Local Jurisdictions \$4,351,348**

The Go-Biz social equity grants focus on the inclusion and support of individuals in California's legal cannabis marketplace who are from communities that have been negatively or disproportionately impacted by cannabis criminalization. The grant funds are intended to reduce barriers for entrance into the legal cannabis industry for social equity community members.

**FY2021/22 Department of Cannabis Control, Local Jurisdiction Assistance Grant \$5,786,617**

Funding is intended to support local jurisdictions in aiding provisional license holders meet those requirements that are necessary to attain an annual state license.

**FY2023/24 Homeless Housing, Assistance and Prevention II \$6,454,953**

Use of the Homeless Housing, Assistance and Prevention II funding is envisioned as part of the Homelessness and Rehousing Plan adopted as part of the COVID-19 Relief Funding and Response, including for an Operational Reserve at the La Mancha Homekey Supportive Housing Project, ongoing youth sheltering contracts, and tiny homes placement and operations in the Comprehensive Siting Plan.

**FY2023/24 State Senate Bill 170, Community Reinvestment Grant \$35,298,984**

The State funding to support the City of Sacramento's Community Reinvestment Grant program. The SB 170 enumerates funding for several programs for the City, either as a City managed project, or to be passed through to specific local non-profit organizations. These grant funds will enable the City to implement new projects or improve existing City facilities, enhancing community livability, improving public health and safety, and responding to the needs and interests of the residents. Allocations include funding for youth development, economic development, promotion of the arts, recreational opportunities, and capital projects.

**FY2022/23 Board of State and Community Corrections Proposition 64 \$644,829**

Grant awarded to the City in partnership with PRO Youth & Families as the lead agency to implement a tailored version of our #SacYouthWorks program entitled

---

FY2022/23 Approved Budget

---

#SacYouthWorks\_Futures (#Futures). Responding to the needs of Sacramento youth from communities most impacted by the passage of Proposition 64 - legalizing the Adult Use of Marijuana - the program aims to support Sacramento youth in creating pathways to healthy futures and college/career success. #Futures integrates underage marijuana and substance use prevention education and advocacy into a work-based learning model.

**FY2023/24 State Senate Bill 126, Section 96 City of Sacramento                      \$30,000,000**  
**Railyards Rehabilitation**

State grant funds to support the City of Sacramento with \$30,000,000 for the rehabilitation of the Sacramento Railyards (Railyards). These funds will be used to pay for a portion of the considerable remaining infrastructure that must be built in the Railyards, which will catalyze rehabilitation of the Railyards.

**COMMUNITY RESPONSE - \$2,595,557**

**ESG COVID-19 Step Up Outreach and Supportive Services    \$350,000**  
**(Emergency Solutions Grant)**

The scope of work includes, but is not limited to, essential services necessary to reach out to unsheltered homeless individuals and families, connect them with emergency shelter, housing, or critical services, and provide them with urgent, non-facility-based care. Component services generally consist of engagement, case management, emergency health and mental health services.

**COVID-19 North 5th Navigation Center (Emergency Solutions Grant)                      \$2,245,577**

The scope of work includes, but is not limited to, emergency isolation and quarantine shelter and operations, provision of food, program delivery, maintenance of facility and essential supportive services. The Shelter will accommodate up to 104 non-duplicated adult men and women at a time, and will be open 24 hours a day, seven days a week. There will be a goal of getting guests rehoused within six months of entry to the program. The Shelter will additionally accommodate up to 25 pets nightly, in accordance with Pet Policies.

**CONVENTION & CULTURAL SERVICES - \$6,687,173**

**National Endowment for the Arts    \$500,000**

The City of Sacramento Office of Arts and Culture (OAC) received a grant from the National Endowment for the Arts American Rescue Plan Grant. OAC will launch “Seeding Creativity”, a grant program designed to distribute grant funds to individual artists in Sacramento County, a diverse sector of the creative economy impacted by the long-term economic effects of COVID-19.

**California Arts Council State and Local Partners Grant    \$65,000**

This grant is made to County designated agencies for participation in the California Arts Council’s State and Local Partner program. Sacramento Office of Arts & Culture is the County’s designated agency. This grant will support capacity building and investment in unincorporated Sacramento County

**CalTrans Clean California**

**\$1,122,173**

The Florin Road Community Beautification Project is a public outreach campaign, youth engagement, and beautification effort to improve the area from Tamoshanter Way through Franklin Boulevard on Florin Road. The project will coordinate with Sojourner Truth African Heritage Museum, Luther Burbank High School, Florin Road Partnership, local non-profits, and businesses to address litter and illegal dumping hot spots. This project will create public spaces for showcasing the culture and diversity of the Meadowview community. The project will include art installations on Florin Road, such as banners, murals, interactive structures, landscaping, and museum signage, and public seating. High school interns will conduct litter source assessments, adopt litter hot spots for clean up, and be involved in designing and promoting litter abatement solutions. There will be opportunities for the community to be a part of the beautification efforts through community art projects, youth programming, and outreach events.

**CalTrans Clean California**

**\$5,000,000**

This project provides a new class one bike path along an old, abandoned railroad line through existing neighborhoods. Active users benefit by having new bicycle and walking connectivity to regional parks, area schools, markets, and other activity centers. The project will provide public art and remove debris from an abandoned railroad corridor.

**FIRE DEPARTMENT - \$1,332,878**

**Urban Search and Rescue (US&R)**

**\$1,332,878**

The National US&R system is a cooperative effort between the Department of Homeland Security (DHS), Federal Emergency Management Agency, 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 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 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. The Department is solely responsible for the administrative management of CA-TF7. As required by the cooperative agreement, the Department 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 - \$8,354,462**

**FY2019/20 Urban Area Security Initiative** **\$2,687,750**

**FY2020/21 Urban Area Security Initiative** **\$3,097,500**

This program provides funding from the U.S 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.

**FY2020/21 Citizens' Option for Public Safety** **\$776,144**

**FY2021/22 Citizens' Option for Public Safety** **\$781,337**

This State-mandated program provides funding to local law enforcement jurisdictions to support law enforcement activities. Annual allocations are determined by population, based on the most recent January estimate provided by the California Department of Finance.

**FY2021/22 Selective Traffic Enforcement Program** **\$400,000**

This is a Federal grant program, passed through the State of California's Office of Traffic Safety. The grant objectives are to reduce the number of traffic-related injuries and fatalities. Funded strategies include 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., speed, texting, etc.).

**FY2021/22 Gang Violence Suppression** **\$363,000**

This state-mandated program provides funding to local law enforcement jurisdictions to support a comprehensive, cohesive, strategic, and tactical plan to effectively address issues that are associated with or contribute to gang involvement and violent crime. A portion of funds is awarded to local criminal justice partners such as the Sacramento County's District Attorney's Office, the Sacramento County Probation Department, the Sacramento City Unified School District as well as community-based organizations such as Another Choice, Another Chance and the La Familia Counseling Center.

**FY2020/21 Edward Byrne Memorial Justice Assistance Program** **\$248,731**

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. This grant will support FY2022/23 and part of FY2023/24 costs for ShotSpotter technology in the north Sacramento area.

**UTILITIES - \$903,592**

**Sacramento Regional County Sanitation District (SRCSD) and Sacramento Area Sewer District (SASD) Confluence Regional Partnership Grant Indicator Bacterial Study – Phase 2, Lower American River Fecal (Sutter's Landing to Tiscornia Beach) Partnership Grant** **\$134,000**

This SRCSD-SASD FY22 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 2021 and 2022 dry seasons.

**Department of Water Resources (DWR): FY2021/22 Flood Maintenance Assistance Program (FMAP) Grant \$550,600**

The FMAP is a program providing State funds to Local Maintaining Agencies (LMAs) for eligible maintenance activities to obtain acceptable maintenance levels of the State plan of flood control facilities (levees, channels 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). This is the City's fourth award for DWR's FMAP grant.

**Regional Water Authority: Advancing Water Efficiency in the Sacramento Region Grant \$218,992**

The Advancing Water Efficiency in the Sacramento Region Grant will expand current efficiency programs and build new residential and commercial customer efficiency and outreach programs in the Sacramento region. This grant consists of three components: 1) residential programs, 2) commercial programs, and 3) public outreach. The residential program includes irrigation rebates (distribution of nozzles, smart controllers, drip system, etc.), turf replacement with low water use, native plants and household water loss (fixing/replacing fixtures, appliances, and pipes). The commercial program provides incentives for high water use businesses such as laundry, brewery, and food production facilities. The outreach program includes focus group research, coordinated outreach messaging development, a regional water efficiency demonstration garden and customer focused advertisements. The quantitative outcome of the grant is to save an estimated 179-acre feet of water per year, or 2,681-acre feet of water over the lifetime of the program (15 years) and increase overall water reliability.

**YOUTH, PARKS, & COMMUNITY ENRICHMENT - \$988,358**

**START (Students Today Achieving Results for Tomorrow) \$753,792**

START has funding of \$753,792 from the California Department of Education. 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 \$83,640**

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 \$150,926**

Grant funding from the California Department of Education provides after-school academic support, enrichment activities, recreation, and sports for students at middle schools in the Sacramento City Unified School District. The school district is the "grantee" who contracts with the City for delivery of the program.

**Schedule 7B  
City Grant Awards**

This section provides an overview of grants awarded by the City of Sacramento, to non-profits, businesses, community-based organizations, or other entities to support essential City programs. The information provided is a general summary of the grants awarded during calendar year 2021 and includes the program's name, grantee, grant amounts, and funding source.

Department	Grant Program Name	Grantee	Amount Awarded
<b>City Manager</b>			
	ARPA Funding Grant with DSP in Old Sac	Downtown Sacramento Partnership	800,000
	DSP ARPA Grant Agreement for Clean and Safe Improvements in CBD	Downtown Sacramento Partnership	1,150,000
	ERA1 Reallocation Disbursement Funds Supplemental Agreement	SHRA	645,495
	Midtown ARPA Grant Agreement	Midtown Business Association	635,000
	River District ARPA Grant Agreement	The River District	186,420
	Roberts Family Development Center	Sierra Health Foundation/Roberts Family Development	450,000
	Sac IEDC ARPA Agreement	(blank)	2,818,000
	SERA2 State 40% ERAP2 Funding MOU	SHRA	5,730,216
	SERA2 State 60% ERAP2 Funding MOU	SHRA	8,595,325
	Yiftee Inc ARPA eCard Program	Yiftee, Inc.	100,000
	Youth PopUp Program ARPA	Sierra Health Foundation	1,300,000
		<b>Subtotal American Rescue Plan Fund</b>	<b>\$ 22,410,456</b>
	Proposition 64 Public Health and Safety Grant Award	PRO Youth & Families, Inc	999,555
		<b>Subtotal Operating Grants</b>	<b>\$ 999,555</b>
		<b>City Manager Total</b>	<b>\$ 23,410,011</b>
<b>Community Response</b>			
	ARPA	WellSpace Health	1,300,000
	Evidence-Based Community Violence Interruption, Disruption and Suppression (EBCVIDS) Grant Program	Sierra Health Foundation	950,000
		Sacramento County Office of Education	50,000
	Evidence-Based Community Violence Intervention (EBCVI) Grant Program	Sacramento County Office of Education	50,000
		Academics 4 Athletes	56,250
		California WrapAround	56,250
		Help Our People Eat	56,250
		Higher Attainment Thru Wisdom & Knowledge	75,000
		Hooked on Fishing Not on Violence	56,250
		Neighborhood Wellness Foundation	75,000
		Sacramento Youth Center	50,000
		<b>Subtotal American Rescue Plan Fund</b>	<b>\$ 2,775,000</b>
	Women and Family Shelter Project	City of Refuge	997,900
		Saint John's Program for Change	1,005,044
		<b>Subtotal General Fund</b>	<b>\$ 2,002,944</b>
	Gang Prevention and Intervention Taskforce (GPIT)	Academics 4 Athletes	83,333
		Brother 2 Brother	249,990
		Help Our People Eat	83,333
		Impact Sac	249,999
		Neighborhood Wellness Foundation	249,990
		Rose Family Creative	83,333
	Gang Prevention and Intervention Taskforce Evaluator	Sacramento County Office of Education	57,225
	Homeless Housing Initiative	Capitol Station dba the River District	60,000
	Women and Family Shelter Project	Sac Connect	199,120
		WEAVE	300,000
		Women's Empowerment	130,000
		<b>Subtotal Measure U Fund</b>	<b>\$ 1,746,323</b>
	Homeless Housing, Assistance and Prevention (HHAP)	Sacramento LGBT Community Center	827,425
		Waking the Village	665,709
		Wind Youth Services	123,313
	Homeless Motel Voucher Program	Volunteers of America of Northern California and Northern Nevada	249,380
		<b>Subtotal Operating Grants</b>	<b>\$ 1,865,827</b>
	Outreach Services	Capitol Station dba the River District	249,475
		<b>Subtotals Externally Funded Programs</b>	<b>\$ 249,475</b>
		<b>Community Response Total</b>	<b>\$ 8,639,569</b>

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

Department	Grant Program Name	Grantee	Amount Awarded
<b>Convention and Cultural Services</b>			
	Creative Economy	Latino Center of Art and Culture	15,891
		Powerhouse Science Center	29,856
		Sacramento County Office of Education	166,538
		<b>Subtotal CARES Act Fund \$</b>	<b>212,285</b>
	Creative Economy Grants	916 Ink	1,500
		Images Theatre Company	2,500
		Studios for the Performing Arts	12,494
		The Library of Musiclandria	2,500
		Verge c/o Ali Youssefi Project	2,500
		Verge Center for the Arts	6,000
		Waking the Village	2,500
	Cultural Equity Grants	Ankur	10,000
		Chalk It Up	10,000
		Latino Center of Art and Culture	10,000
		Philippine National Day Association	10,000
		Rincones De Mi Tierra	10,000
		Sacramento Guitar Society	10,000
		The Regents of the University of California	10,000
		Wellspring Women's Center	10,000
		<b>Subtotal General Fund \$</b>	<b>109,994</b>
	Animal Care Services Grant	Fairy Tale Town	42,000
	Cultural Equity Investment	Instituto Mazatlan Bellas Artes (IMBA)	37,500
		National Academic Youth Corp	80,000
		Tamaira Sandifer dba 3 Point 0	80,000
		<b>Subtotal Measure U Fund \$</b>	<b>239,500</b>
	State and Local Partnership Grants	Academy at All Hallows dba VITA Academy	2,500
		Brazilian Center for Cultural Exchange	3,815
		Calidanza	2,500
		National Academic Youth Corp	3,815
		<b>Subtotal Operating Grants \$</b>	<b>12,630</b>
		<b>Convention and Cultural Services Total \$</b>	<b>574,409</b>
<b>Police</b>			
	Gang Violence Suppression	Another Choice, Another Chance	35,000
		Brother to Brother Mentoring	10,000
		La Familia Counseling Center	10,000
		Sacramento City Unified School District	75,000
		Sacramento County District Attorney's Office	70,000
		Sacramento County Probation Department	20,000
	Urban Area Security Initiative	County of Sacramento	650,000
		Multiple; TBD	125,000
		<b>Subtotal Operating Grants \$</b>	<b>995,000</b>
		<b>Police Total \$</b>	<b>995,000</b>
<b>Youth, Parks &amp; Community Enrichment</b>			
	Community Reinvestment (SB 170)	Alchemist CDC OBO Community Connections 95820 Project	50,000
		Capital Kids Education Services	500,000
		Gender Health Center	250,000
		Grant Drum Line Music Association Program	75,000
		NeighborWorks Sacramento	250,000
		Our Daughter's Destiny	70,000
		Pesticide Action Network North America OBO International	
		Garden of Many Colors	50,000
		Sacramento City College	1,000,000
		Sacramento Girls on the Run	100,000
		Sacramento Hispanic Chamber of Commerce	150,000
		SCUSD - Hiram Johnson High School	1,000,000
		Sojourner Truth Museum	125,000
		Studio T Arts Urban Dance Academy	500,000
		UC Davis Childcare Center	4,380,000
		Yes2Kollege Educational Resources Inc	150,000
		Yisrael Family Farms	50,000
	Lower American River Parkway Public Access Improvements (SB 170)	Sacramento County	3,500,000
		Sacramento Regional Conservation Corps	100,000
		Sacramento Valley Conservancy	3,000,000
		<b>Subtotal Other Capital Grants \$</b>	<b>15,300,000</b>



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

Department		Amount
Grant Program Name	Grantee	Awarded
<b>Youth, Parks &amp; Community Enrichment (continued)</b>		
Ann Land & Bertha Henschel Memorial Fund Grant	Acc Senior Services	5,100
	Alchemist CDC	1,695
	Community Against Sexual Harm	3,550
	First Step Communities	10,500
	Harm Reduction Services	1,550
	Meals On Wheels By Acc	4,590
	My Sister's House	7,100
	Reimagine Mack Road Foundation	4,828
	Repairing The Breach Neighborhood Project	3,825
	River City Food Bank	10,000
	Roberts Family Development Center	2,480
	Sacramento LGBT Community Center	9,100
	Sacramento Loaves & Fishes	5,893
	Sacramento Next Move Homeless Services	2,170
	Sacramento Police Foundation	3,100
	Sacramento Regional Family Justice Center	5,100
	Saint John's Program For Real Change	10,000
	South Sacramento Christian Center	7,813
	South Sacramento Interfaith Partnership Food Closet	11,375
	Stanford Settlement Neighborhood Center	9,100
	The Salvation Army	6,552
	Weave, Inc.	10,000
	WellSpace Health	9,100
	Wellspring Women's Center	4,080
	Women's Civic Improvement Club	2,635
	Women's Empowerment	8,000
	<b>Subtotal Ann Land/Berthal Henschel Fund</b>	<b>\$ 159,236</b>
	<b>Youth, Parks &amp; Community Enrichment Total</b>	<b>\$ 15,459,236</b>
	<b>Grand Total</b>	<b>\$ 49,078,225</b>

**Schedule 8**  
**Reclassification Requests (in Full-Time Equivalents)**  
*all requests are subject to Human Resources approval*

The City is currently undergoing a citywide classification and compensation study as approved by Council. Until this is completed individual reclassification requests are not being considered. The following summarizes the next steps in this study.

- **Citywide Classification and Compensation Study**  
The Human Resources Department is authorized to work with the Finance Department and all represented unions to review existing job classifications and compensation structures for positions in the City to ensure they are internally equitable and externally competitive.

FY2022/23 Approved Budget

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

This section provides an overview of FY2022/23 appropriations to existing and new MYOPs. Appropriations will be transferred to the respective project July 1, 2022. The information is a general summary of MYOPs in each department by fund, project number, project name, budget as of March 2022, balance as of March 2022, and FY2022/23 funding amount.

Department Fund	Project Numer	Project Name	Total Project Budget as of March 2022	Estimated Balance as of March 2022	FY2022/23 Funding
<b>City Clerk's Office</b>					
General Fund	I04000100	Commission Stipends	-	-	63,150 <sup>2</sup>
Measure U	I04000100	Commission Stipends	-	-	24,810 <sup>2</sup>
Water	I04000100	Commission Stipends	-	-	8,400 <sup>2</sup>
New Measure A Streetscape, Safety, Pedestrian & Bicycling Fund	I04000100	Commission Stipends	-	-	6,600 <sup>2</sup>
<b>City Clerk's Office Total</b>			-	-	<b>102,960</b>
<b>City Manager's Office</b>					
General Fund	I06420000	Cannabis Policy and Enforcement	38,469,577	28,751,351	1,995,100
Innovation and Growth	E18000400	Powerhouse Science Center	2,600,000	186,585	400,000
	I02001500	City Hall Tech Program	500,000	229,803	125,000
	I02180100	Centene Emp Incentive	8,100,000	8,100,000	2,700,000
	I02180400	Forgivable Loan	2,000,000	1,751,250	500,000
	I18000100	RAILS Grant Program	4,970,709	2,687,714	1,000,000
	I02180900	Inclusive Economic Development	500,000	204,000	500,000
	I02182000	Financial Empowerment	235,000	24,307	450,000
	I02184000	Sacramento Economic Gardening	1,247,000	551,900	775,000
	I80020500	Major League Soccer Stadium	1,800,000	651,102	300,000
Measure U	I01000300	Thousand Strong	1,161,954	634,214	750,000
	I02180910	Economic Development and Youth Priorities	10,800,000	10,800,000	300,000
<b>City Manager's Office Total</b>			<b>72,384,240</b>	<b>54,572,226</b>	<b>9,795,100</b>
<b>Community Development</b>					
Development Services	I22000000	General Plan Update	15,512,840	6,202,685	2,266,000 <sup>1</sup>
General Fund	I22000000	General Plan Update	530,482	363,633	95,000
Measure U	I06000999	Fleet Acquisitions	-	-	35,433
	I22000100	Specific Plans	2,485,256	2,465,256	1,200,000
Special Program Donations	I13000400	F.O.C.A.S.	3,455,503	890,520	250,000 <sup>1</sup>
Landscaping & Lighting	I06000999	Fleet Acquisitions	-	-	98,000
<b>Community Development Total</b>			<b>21,984,081</b>	<b>9,922,094</b>	<b>3,944,433</b>
<b>Community Response</b>					
Measure U	I02000200	Homeless Housing Initiative	16,569,490	3,145,173	10,418,327
	I23000100	Community Outreach	6,100,000	4,533,783	9,177,480
<b>Community Response Total</b>			<b>22,669,490</b>	<b>7,678,956</b>	<b>19,595,807</b>
<b>Convention and Cultural Services</b>					
Measure U	I17000700	Cultural Arts Awards	-	-	114,000
<b>Convention and Cultural Services Total</b>			-	-	<b>114,000</b>
<b>Finance</b>					
Downtown Impact Fee	I06132110	Central City Fee District	100,000	25,167	25,000
NNFP Drainage Fee	I22200100	N Natomas Admin Control	259,940	25,000	25,000
	I22200600	Basin 6 Drainage	2,131,393	25,356	725,000
NNFP Pub Land Acquisition	I22200100	N Natomas Admin Control	456,313	50,000	50,000
NNFP Public Facilities Fee	I22200100	N Natomas Admin Control	1,711,423	110,660	200,000
River District Impact Fee	I06132120	River District Fee District	50,000	21,664	25,000
<b>Finance Total</b>			<b>4,709,069</b>	<b>257,846</b>	<b>1,050,000</b>
<b>Fire</b>					
General Fund	I06000999	Fleet Acquisitions	-	-	885,000
<b>Fire Total</b>			-	-	<b>885,000</b>
<b>Human Resources</b>					
Risk	E08000100	Driver Training Program	1,639,000	515,602	100,000 <sup>1</sup>
	I06000999	Fleet Acquisitions	-	-	110,000
<b>Human Resources Total</b>			<b>1,639,000</b>	<b>515,602</b>	<b>210,000</b>
<b>Information Technology</b>					
General Fund	I07000900	Webgrant Restructuring Program	889,558	192,156	260,000
Measure U	I07001100	Digital Equity	-	-	200,000
<b>Information Technology Total</b>			<b>889,558</b>	<b>192,156</b>	<b>460,000</b>

<sup>1</sup>These are reimbursable projects and have corresponding revenue budgets.

<sup>2</sup>New MYOPs

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

Department Fund	Project Numer	Project Name	Total Project Budget as of March 2022	Estimated Balance as of March 2022	FY2022/23 Funding
<b>Police</b>					
General Fund	I06000999	Fleet Acquisitions	-	-	4,963,000
	I11002300	Police Observation Devices (PODs)	144,395	56,435	30,391
	I11002400	Police Impact Teams	2,836,000	514,443	572,220
	I11002500	Police ShotSpotter Gunshot Detection System	452,600	21,833	314,600
	I11002700	Police Information Technology Infrastructure	473,281	473,281	473,281
Measure U	I11003000	Gang Prevention and Intervention	-	-	1,411,696 <sup>2</sup>
	I11003100	Youth and Family Investments	-	-	1,300,000 <sup>2</sup>
<b>Police Total</b>			<b>3,906,276</b>	<b>1,065,993</b>	<b>9,065,188</b>
<b>Public Works</b>					
General Fund	I06000999	Fleet Acquisitions	-	-	22,000
	I13000100	Electrical Safety Program	630,259	144,446	100,000
	I15230200	Disability Advisory Commission	-	-	19,200 <sup>2</sup>
Measure U	I15200200	Illegal Dumping	2,534,500	386,861	970,000
	I15220300	Sustainability Program (PW)	194,000	133,952	300,000
Parking	I15001000	SVS Operations and Management	863,000	102,158	221,000
	I15001211	City of Festivals Program	1,339,000	138,868	50,000
Solid Waste	I06000999	Fleet Acquisitions	-	-	14,445,332
	I14120200	Solid Waste Outreach	3,268,834	739,397	200,000
	I14120500	Solid Waste Container Replacement	13,893,245	2,474,943	1,800,000
Gas Tax	I06000999	Fleet Acquisitions	-	-	2,771,034
	I15221700	Transportation Planning	250,000	233,053	250,000
Landscaping & Lighting	I06000999	Fleet Acquisitions	-	-	765,000
Fleet	I06000999	Fleet Acquisitions	-	-	95,000
<b>Public Works Total</b>			<b>22,972,838</b>	<b>4,353,678</b>	<b>22,008,566</b>
<b>Utilities</b>					
Storm Drainage	I06000999	Fleet Acquisitions	-	-	565,000
	I14100000	Storm Drainage Planning and Management	14,535,032	2,212,234	1,822,898
Storm Drainage Property Fee	I14100000	Storm Drainage Planning and Management	-	-	1,250,000
Wastewater	I06000999	Fleet Acquisitions	-	-	1,505,000
	I14600000	Wastewater Planning and Management	15,247,132	5,714,216	1,384,507
Water	I06000999	Fleet Acquisitions	-	-	1,551,000
	I14400000	Water Planning and Management	25,006,454	6,495,519	2,553,187
<b>Utilities Total</b>			<b>54,788,618</b>	<b>14,421,969</b>	<b>10,631,592</b>
<b>Youth, Parks, and Community Enrichment</b>					
General Fund	I19101100	Oak Park Clinic Building Maintenance	155,781	155,781	55,073
	I19101200	Cesar Chavez Park Maintenance	61,925	61,925	19,216
Measure U	I06000999	Fleet Acquisitions	-	-	772,183
	I19143000	Youth Sports Field Permit Program	370,000	370,000	200,000
Externally Funded Programs	I19144000	Youth Stipend Program	-	-	19,000 <sup>1,2</sup>
<b>Youth, Parks, and Community Enrichment Total</b>			<b>587,706</b>	<b>587,706</b>	<b>1,065,472</b>
<b>Citywide and Community Support</b>					
General Fund	I80310000	Citywide Litigation Project	2,038,686	1,088,268	500,000
Measure U	E18000400	Powerhouse Science Center	-	-	600,000
	I02181400	Fare Free Transit for Youth	1,750,000	-	1,000,000
	I14130100	Utility Rate Assistance Program	-	-	4,772,720
	I15220100	SPLA Maintenance Program	400,000	208,572	400,000
ARPA Reinvestment Fund	I11002800	Public Records Staffing	898,385	898,385	1,360,369
	I11002900	2021 CHP Grant	-	-	2,264,059
	I21000400	Building Compliance Unit Night Team	389,844	372,538	628,509
<b>Citywide and Community Support Total</b>			<b>5,476,915</b>	<b>2,567,763</b>	<b>11,525,657</b>
<b>Grand Total</b>			<b>\$ 212,007,791</b>	<b>\$ 96,135,989</b>	<b>\$ 90,453,775</b>

<sup>1</sup>These are reimbursable projects and have corresponding revenue budgets.

<sup>2</sup>New MYOPs

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

This section provides the five-year projected Net Debt Service by fund, which is Debt Service expenses less revenues and offsets.

Fund Type	FY2022/23	FY2023/24	FY2024/25	FY2025/26	FY2026/27
<b><u>Governmental Funds</u></b>					
General Fund	\$ 17,095	\$ 16,639	\$ 16,578	\$ 16,567	\$ 16,631
<b>Subtotal Governmental Funds</b>	<b>17,095</b>	<b>16,639</b>	<b>16,578</b>	<b>16,567</b>	<b>16,631</b>
<b><u>Enterprise Funds</u></b>					
Community Center	19,222	19,219	19,219	19,218	19,220
Parking	10,280	10,077	9,781	9,577	9,680
Solid Waste	1,678	1,677	1,674	1,667	1,667
Storm Drainage	235	235	233	232	233
Wastewater	3,908	3,911	3,910	3,913	3,911
Water	34,686	34,677	34,665	34,657	34,645
<b>Subtotal Enterprise Funds</b>	<b>70,008</b>	<b>69,795</b>	<b>69,482</b>	<b>69,264</b>	<b>69,355</b>
<b><u>Internal Service Funds</u></b>					
Fleet Management	46	46	45	45	45
Worker's Compensation Fund	(66)	(60)	(54)	(48)	(42)
<b>Subtotal Internal Service Funds</b>	<b>(20)</b>	<b>(14)</b>	<b>(9)</b>	<b>(3)</b>	<b>3</b>
<b><u>Other Governmental Funds</u></b>					
2006 CIRBs, Series B (CIRCIP)	312	312	312	312	241
2015 Golden 1 Center Revenue Bonds	444	406	460	404	47
Golf	435	435	435	435	435
Innovation and Growth	1,100	1,100	1,100	1,100	1,100
Marina	1,152	1,182	1,207	1,257	1,257
NNFP Public Facilities Fee	586	587	573	577	579
NNFP Reg Park Land Acquisition	843	846	825	831	834
Sacramento TID	2,741	2,740	2,742	2,742	2,739
<b>Subtotal Other Governmental Funds</b>	<b>7,613</b>	<b>7,609</b>	<b>7,655</b>	<b>7,658</b>	<b>7,232</b>
<b>Total</b>	<b>\$ 94,696</b>	<b>\$ 94,029</b>	<b>\$ 93,706</b>	<b>\$ 93,486</b>	<b>\$ 93,221</b>

# 7

## **SECTION - 7 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.
- **Office of 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, Thousand Strong program, and various university and fellowship programs.
- Sponsor and/or organize community events such as movie nights, musical entertainment, holiday celebrations, cultural celebrations, community resources, 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 racial equity, health and wellness, homelessness, teen learning, arts and culture, and youth sports.



## FY2022/23 Approved Budget

- Hold ongoing community meetings throughout the City to share information and gather ideas that support and connect residents to one another and 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, honor and recognize the passing of residents.
- Issue Keys to the City via the Mayor’s Office for residents reaching the 100-year milestone birthday or who have demonstrated remarkable service to the City throughout their life.

### DEPARTMENT EFFICIENCIES

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

### OBJECTIVES FOR FY2022/23

- Continue evaluating and incorporating new and existing information technology tools to achieve sustainable services, increase transparency, and strengthen community engagement.
- Continue using websites and social media to share information and to communicate in a timely fashion with the community on issues of interest and impact.
- 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, as necessary.

### BUDGET CHANGES

Division	Description	Fund	Revenue/ Offset Adjustment	Expenditure Change	FTE Change
Office of Public Safety Accountability	Add a position (1.0 FTE Office of Public Safety Specialist and delete a vacant 1.0 FTE (Office of Public Safety Analyst) to better align the classification with the needs and duties of the office.	Measure U	-	22,098	-
<b>Total Change</b>			<b>\$ -</b>	<b>\$ 22,098</b>	<b>-</b>

## FY2022/23 Approved Budget

### Department Budget Summary

Mayor/Council Budget Summary	FY2019/20	FY2020/21	FY2021/22	FY2021/22	FY2022/23	Change
	Actuals***	Actuals***	Approved**	Amended*	Approved	More/(Less) Approved/Amended
Employee Services	\$ 5,539,850	\$ 6,132,981	\$ 6,040,107	\$ 6,179,260	\$ 6,517,407	\$ 338,147
Other Services and Supplies	564,213	397,527	1,204,286	2,919,984	1,007,817	(1,912,167)
City Property	17,152	3,681	2,000	2,000	2,000	-
Multi-Year Operating Projects	-	-	170,000	170,000	4,950	(165,050)
Transfers	(1,416)	-	-	-	-	-
Labor and Supply Offset	(41,566)	(129,423)	-	-	-	-
<b>Total</b>	<b>\$ 6,078,233</b>	<b>\$ 6,404,766</b>	<b>\$ 7,416,393</b>	<b>\$ 9,271,244</b>	<b>\$ 7,532,174</b>	<b>\$ (1,739,070)</b>

\*The Amended FY2021/22 Budget includes carryover of unspent FY2020/21 Budget and/or transfers to capital projects.

\*\*The FY2021/22 Approved Budget included a one-time increase of \$170K for Youth Engagement & Summer Programs MYOP.

\*\*\*Updated actuals.

Funding Summary by Fund/Special District	FY2019/20	FY2020/21	FY2021/22	FY2021/22	FY2022/23	Change
	Actuals***	Actuals***	Approved**	Amended*	Approved	More/(Less) Approved/Amended
General Fund	\$ 4,496,307	\$ 4,961,591	\$ 4,930,917	\$ 6,731,128	\$ 5,080,035	\$ (1,651,093)
Interdepartmental Service	1,581,926	1,443,175	1,433,202	1,433,202	1,503,943	70,741
Measure U	-	-	1,052,274	1,106,914	948,196	(158,718)
<b>Total</b>	<b>\$ 6,078,233</b>	<b>\$ 6,404,766</b>	<b>\$ 7,416,393</b>	<b>\$ 9,271,244</b>	<b>\$ 7,532,174</b>	<b>\$ (1,739,070)</b>

\*The Amended FY2021/22 Budget includes carryover of unspent FY2020/21 Budget and/or transfers to capital projects.

\*\*The FY2021/22 Approved Budget included a one-time increase of \$170K for Youth Engagement & Summer Programs MYOP.

\*\*\*Updated actuals.

### Division Budget Summary

Mayor/Council Budget Summary	FY2019/20	FY2020/21	FY2021/22	FY2021/22	FY2022/23	Change
	Actuals****	Actuals****	Approved**	Amended*	Approved***	More/(Less) Approved/Amended
Office of the Mayor	\$ 1,712,195	\$ 1,660,805	\$ 1,792,543	\$ 2,072,336	\$ 1,847,639	\$ (224,697)
City Council District 1	474,096	467,219	592,697	862,791	271,353	(591,438)
City Council District 2	514,008	460,518	592,697	733,172	592,042	(141,130)
City Council District 3	512,073	516,514	592,697	754,515	271,353	(483,162)
City Council District 4	481,219	529,676	592,697	725,824	592,042	(133,782)
City Council District 5	496,898	519,620	592,697	771,388	271,353	(500,035)
City Council District 6	468,168	501,257	592,697	877,191	271,353	(605,838)
City Council District 7	444,917	472,769	592,697	831,326	592,042	(239,284)
City Council District 8	524,903	577,444	592,697	705,787	592,042	(113,745)
Mayor Council Operations Division	-	-	-	-	1,282,759	1,282,759
Office of Public Safety Accountability Division	449,755	698,944	882,274	936,914	948,196	11,282
<b>All Departments Forms and Reports</b>	<b>\$ 6,078,233</b>	<b>\$ 6,404,766</b>	<b>\$ 7,416,393</b>	<b>\$ 9,271,244</b>	<b>\$ 7,532,174</b>	<b>\$ (1,739,070)</b>

\*The Amended FY2021/22 Budget includes carryover of unspent FY2020/21 Budget and/or transfers to capital projects.

\*\* The FY2021/22 Approved Budget included a one-time increase of \$170K for Youth Engagement & Summer Programs MYOP.

\*\*\* The Approved FY2022/23 Budgets for Districts 1, 3, 5, & 6 have been reduced to five and half months until after the November election. These resources are included in the Mayor Council Operations Division.

\*\*\*\* Updated Actuals.

FY2022/23 Approved Budget

**Staffing Levels**

<b>Mayor/Council Budget Summary</b>	<b>FY2019/20 Actuals</b>	<b>FY2020/21 Actuals</b>	<b>FY2021/22 Approved</b>	<b>FY2021/22 Amended</b>	<b>FY2022/23 Approved</b>	<b>Change More/(Less) Approved/Amended</b>
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	-
Office of Public Safety Accountability Division	4.00	5.00	5.00	5.00	5.00	-
<b>Total</b>	<b>36.00</b>	<b>37.00</b>	<b>37.00</b>	<b>37.00</b>	<b>37.00</b>	<b>-</b>

**MEASURE U**

The following chart summarizes the Office's Measure U programs.

<b>Funding Category</b>	<b>Program Name</b>	<b>FTE</b>	<b>FY2022/23 Approved</b>
<b>Community Response</b>			
Operations	Office of Public Safety Accountability	5.00	943,246
<b>Miscellaneous</b>			
MYOP	Commission Stipends	-	4,950
<b>Grand Total</b>		<b>5.00</b>	<b>\$ 948,196</b>

# 8

## **SECTION - 8** **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:** Develops and implements office policies and procedures; monitors overall office performance; prepares and administers the office budget; develops and implements education and training; handles all personnel hiring, evaluation, and other personnel matters; assembles and analyzes office productivity data, including the production of an annual report; and engages in long-range planning.
- **General Counsel & Advisory Division:** Provides 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.

## FY2022/23 Approved Budget

---

- **Litigation Division:** Defends and prosecutes civil litigation cases on behalf of the City and its officers and employees acting in the course and scope of employment; and provides legal support to Risk Management.
- **Community Advocacy & Public Safety Division:** Works 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 advising staff on enforcement matters.
- **Strategic Projects & Research Division:** Provides 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**

- Drafted an ordinance, in response to recent State legislation, authorizing the ministerial approval of up to four housing units on a lot and “urban lot splits.” These measures allow for the establishment of four housing units on a site that previously housed one unit. The hope is that this ordinance and other measures—such as streamlining the permitting of accessory dwelling units (which the City Attorney’s Office also worked on this year)—will help to alleviate the state’s housing crisis.
- Advised on tribal resource consultation under various laws with respect to the General Plan, specific plans, and various projects.
- Reviewed and advised on the adoption of the City’s housing element (part of the City’s general plan), which in part paved the way for the City’s “Pro-Housing Designation” by the State’s Department of Housing and Community Development—the first such designation in the state.
- The City Attorney’s Office coordinated a class action lawsuit based on unlawful collusion on prices for aluminum sulfate purchased by the Department of Utilities. The total distribution to the City of \$148,518, constituted a material return on the estimated overcharges by the City’s vendors.
- Drafted an ordinance updating solid waste collection services in order to comply with State laws that will require the diversion of food waste from solid waste. Senate Bill (SB) 1383 requires local public agencies to adopt mechanisms to ensure compliance of organic waste diversion in order to reduce methane gas emissions resulting from the decomposition of organic waste in landfills. City residents will be required to recycle organic waste, such as food waste, and no

longer deposit it in garbage collection containers. The City will also ensure compliance of an edible food recovery program by requiring commercial edible food generators to donate surplus edible food to food recovery organizations and food recovery services, such as food banks and food pantries.

### **Litigation & Human Resources**

- Wyatt, Russell: Plaintiff alleged that City Measure I (passed by a majority of City voters in 1998) violated the provisions of the California Constitution that relate to municipal taxes, because it calls for the transfer of a percentage of enterprise utility fund revenue to the general fund. Plaintiff prevailed at the trial court, but Division attorneys appealed to the Third District Court of Appeal. In a unanimous and published opinion, the court reversed the trial court ruling and held that Measure I does not violate the California Constitution. Plaintiff's request for review by the California Supreme Court was denied.
- Aguayo, Joseph: Plaintiff suffered significant injuries in a motor vehicle collision involving a Sacramento Fire Department truck. City personnel were deemed at fault, but Division attorneys investigated the nature and extent of injuries to successfully reach a settlement resolution for substantially less than jury exposure.
- Excel Fitness Fair Oaks, LLC: Plaintiff filed a complaint against the State of California, Sacramento County, the City of Sacramento, and other local jurisdictions in the Eastern District of California, alleging the Public Health Orders requiring closure of gyms during the COVID-19 pandemic violated provisions of the Constitution including violations of the takings clause, due process clause, and equal protection clause. Division attorneys defended the case on the grounds that there is no constitutionally protected right to operate a gym. The City prevailed and the Court dismissed the case.
- 500 Bercut LLC: Plaintiff filed a complaint against the City challenging the City's plans to provide shelter and services to persons experiencing homelessness during the COVID-19 pandemic, specifically, providing restroom facilities and converting a hotel into housing. The complaint alleged promissory estoppel, violation of due process, equal protection, and state-created harm. Division attorneys challenged the pleadings which forced Plaintiff to dismiss the case.
- Aggie Square: The UC Regents approved the Aggie Square Project in November 2020 and two organizations filed lawsuits challenging the approval. The City intervened in both lawsuits in an effort to protect the City's interest in the Aggie Square project. The City Attorney's Office worked with the Mayor's office to negotiate settlement of both cases.
- Sacramento Valley Station: Division attorneys assisted Public Works in the processing of an area plan for the Sacramento Valley Station that will facilitate and guide the development of a 31-acre sustainable regional mobility hub within a connected, vibrant, and walkable community. The SVS Station was processed based on streamlined and efficient environmental review, without legal challenge.



## FY2022/23 Approved Budget

- Velez: This matter involves an officer involved shooting where Plaintiff survived but suffered significant injury. Division attorneys analyzed the police practices used in the incident, the nature and extent of injuries, and the future care needed for plaintiff, and reached a fair and reasonable settlement resolution at private mediation.
- Ford: This civil rights and wrongful death matter was brought by the parents of decedent, who died from a drug overdose while being transport to jail by a Sacramento Police Officer. Division attorneys successfully brought the case to closure through settlement.
- Patterson: Plaintiff alleged the Police Department was negligent in its investigation of a third-party assault upon Plaintiff. Division attorneys successfully defended the case at the pleading stage, leading to a dismissal of the case.
- Lana Le Chabrier: Plaintiff claimed to have suffered hearing loss from a light rail train operating adjacent to City sidewalk. Plaintiff claimed the City was liable for failing to have an ordinance moderating the volume of light rail noise. Division attorneys were able to successfully defend the matter at initial pleading stage, getting the case dismissed.
- Robin Isaacs: Plaintiff alleged she was injured when she slipped and fell while at the Sacramento International Airport. Division attorneys were successfully able to defend the matter at the initial pleading stage, getting the case dismissed for lack of jurisdiction.
- Lea, Susan: Plaintiff was assaulted by an unknown assailant in the downtown area and sustained significant injuries. She filed a complaint against the City, Mayor, City Manager, and Chief of Police. Division attorneys successfully defended the matter at the pleading stage, and the court entered judgment in favor of all defendants.

### **Community Advocacy & Public Safety**

- Continued to close illegal residential cannabis 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.
- Assisted the Department of Community Response with establishing public safety zones around shelters and other City departments with temporary relocation of persons experiencing homelessness to address public safety hazards.
- Assisted the Police Department with incorporating use of force policies promulgated by the Police Commission and adopted by the Council.
- Assisted Code Enforcement with establishing tow policies to support enforcement efforts to remove abandoned and inoperable vehicles from city streets.

**Strategic Projects & Research**

- Pandemic Rent Relief - Advised staff regarding City Council resolution waiving back rent for City tenants that sustained significant revenue losses due to the COVID-19 pandemic. Worked with staff to establish a framework for helping city tenants to re-open their business after temporary closures, including assessment of potential business trends and market rental rates once workers return to the office.
- Black Child Legacy Campaign's Healing the Hood Program – Prepared grant agreements to fund the Black Child Legacy Campaign's Healing the Hood Program which provides comprehensive community violence intervention, prevention, and empowerment to youth, families, and community members living in Sacramento neighborhoods with high levels of inter-generational violence.
- Comprehensive Siting Plan to Address Homelessness — Advised City Council and staff on the adoption and execution of the Comprehensive Siting Plan which identified 20 priority sites for safe-ground camping, safe-parking, tiny homes, and emergency shelter beds for persons experiencing homelessness.
- Department of Community Response housing programs – Assisted staff with agreements and grants involving City, State, and Federal funds to implement housing projects and programs such as the Motel Voucher Program, La Mancha Homekey Project, Substance Use Respite and Engagement (SURE) Program, and Safe Ground locations for individuals experiencing homeless in the city.
- Aggie Square Master Funding Agreement – Negotiated, drafted, reviewed and revised master funding agreement for the Aggie Square Project, which delineated the roles of the City, the Aggie Square Enhanced Infrastructure Financing District (EIFD), the Developer (Wexford), and UC Davis regarding the use and disbursement of Community Facilities District bond proceeds, EIFD tax increments, and other monies.
- X Street Navigation Center – Drafted and negotiated underlying agreements for the management and operation of the navigation center located near Broadway and Alhambra Boulevard. The navigation center provides shelter and specialized services to up to 100 persons experiencing homelessness in Sacramento.

**DEPARTMENT EFFICIENCIES**

- Continued to pursue highest and best use of internal space within the suite by converting spaces previously used for office equipment and supplies to use by our staff.
- Reviewed and adjusted operating costs associated with in-person staffing, suspended charges such as monthly parking, and adjusted equipment leases to save money during office telecommute.

## FY2022/23 Approved Budget

- Arranged immediate availability of personal testing kits to provide for fast testing of any staff exposed to COVID-19 to ensure safety and maximum availability of staff.
- Incorporated the current COVID-19-related protocols into office policies and practices in preparation for return-to-work in city spaces. Surveyed staff to determine most efficient and effective manner to facilitate our department's return to hybrid in-person and telecommute office environment.

### OBJECTIVES FOR FY2022/23

- Work closely with the City Manager and City Clerk to prepare for the upcoming municipal elections
- Continue efforts to enhance the Office Diversity, Equity and Inclusion efforts to assure that the city is well-served by a deeply talented, collaborative and outstanding legal team
- Continue to advise the Council and City departments regarding recent changes to cannabis laws and regulations, and the ongoing development of the Cannabis Opportunity Reinvestment and Equity program.
- Assist the Council and City Manager with ordinance drafting in response to an initiative that addresses homelessness issues; advise on all options available 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, access to available funding, and return-to-work protocols.
- Provide citywide training through City U courses to include Public Records Act, public contracting, First Amendment issues, and the Brown Act.

### Department Budget Summary

<b>City Attorney</b>	<b>FY2019/20</b>	<b>FY2020/21</b>	<b>FY2021/22</b>	<b>FY2021/22</b>	<b>FY2022/23</b>	<b>Change</b>
<b>Budget Summary</b>	<b>Actuals*</b>	<b>Actuals*</b>	<b>Approved</b>	<b>Amended</b>	<b>Approved</b>	<b>More/(Less)</b>
						<b>Approved/Amended</b>
Employee Services	\$ 10,406,077	\$ 10,889,645	\$ 11,691,948	\$ 12,000,115	\$ 13,045,497	\$ 1,045,382
Other Services and Supplies	412,556	323,364	320,696	320,696	318,392	(2,304)
City Property	11,910	8,819	13,750	13,750	13,750	-
Labor and Supply Offset	(1,149,306)	(1,227,831)	(1,027,825)	(1,221,117)	(1,432,284)	(211,167)
<b>Total</b>	<b>\$ 9,681,237</b>	<b>\$ 9,993,998</b>	<b>\$ 10,998,569</b>	<b>\$ 11,113,444</b>	<b>\$ 11,945,355</b>	<b>\$ 831,911</b>

\*Updated actuals.

FY2022/23 Approved Budget

**Department Budget Summary (continued)**

Funding Summary by Fund/Special District	FY2019/20	FY2020/21	FY2021/22	FY2021/22	FY2022/23	Change
	Actuals*	Actuals*	Approved	Amended	Approved	More/(Less) Approved/Amended
General Fund	\$ 7,137,465	\$ 7,378,195	\$ 8,088,178	\$ 8,203,053	\$ 8,990,539	\$ 787,486
City/Cnty Office-Water Planning	10,000	10,000	12,457	12,457	13,684	1,227
Interdepartmental Service	2,323,681	2,395,712	2,432,221	2,432,221	2,426,557	(5,664)
Measure U	-	-	229,033	229,033	254,577	25,544
Storm Drainage	42,018	42,018	42,602	42,602	46,526	3,924
Wastewater	42,018	42,018	47,336	47,336	52,000	4,664
Water	126,055	126,055	146,742	146,742	161,472	14,730
<b>Total</b>	<b>\$ 9,681,237</b>	<b>\$ 9,993,998</b>	<b>\$ 10,998,569</b>	<b>\$ 11,113,444</b>	<b>\$ 11,945,355</b>	<b>\$ 831,911</b>

\*Updated actuals.

**Division Budget Summary**

City Attorney Budget Summary	FY2019/20	FY2020/21	FY2021/22	FY2021/22	FY2022/23	Change
	Actuals*	Actuals*	Approved	Amended	Approved	More/(Less) Approved/Amended
City Attorney Division	\$ 9,681,237	\$ 9,993,998	\$ 10,998,569	\$ 11,113,444	\$ 11,945,355	\$ 831,911
<b>Total</b>	<b>\$ 9,681,237</b>	<b>\$ 9,993,998</b>	<b>\$ 10,998,569</b>	<b>\$ 11,113,444</b>	<b>\$ 11,945,355</b>	<b>\$ 831,911</b>

\*Updated actuals.

**Staffing Summary**

City Attorney Budget Summary	FY2019/20	FY2020/21	FY2021/22	FY2021/22	FY2022/23	Change
	Actuals	Actuals	Approved	Amended	Approved	More/(Less) Approved /Amended
City Attorney Division	59.00	59.00	60.00	62.00	62.00	-
<b>Total</b>	<b>59.00</b>	<b>59.00</b>	<b>60.00</b>	<b>62.00</b>	<b>62.00</b>	<b>-</b>

**MEASURE U**

The following chart summarizes the Office's Measure U programs.

Funding Category	Program Name	FTE	FY2022/23 Approved
<b>Community Response</b>			
Operations	City Attorney Department	-	254,577
<b>Grand Total</b>		-	<b>\$ 254,577</b>



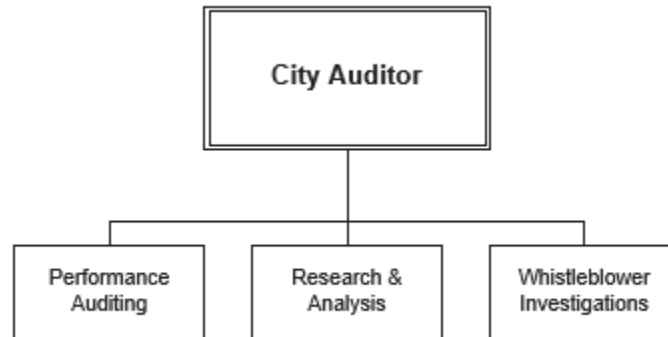
# 9

## **SECTION - 9 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 Work Plan using several quantitative and qualitative techniques, sources, and stakeholder input to identify areas of high audit and research potential.



## FY2022/23 Approved Budget

---

- Continued to partner with City management to assess revenues and expenses associated with the City's pandemic response. Issued two reports that provide independent feedback to Council on the status of the City's Revenues and Expenses Associated with the City's COVID-19 Response.
- Continued to be a leader in providing diversity information related to the City's workforce. Issued an Audit of City Employee Workforce Diversity and Salary Trends. Conducted a workplace survey of City employees to gather feedback on workplace climate, leadership opportunities, and discrimination in relation to the City's diversity and inclusion efforts.
- Performed a Diversity Review of City Employment Applications, Hires, and Separations. The review provided the Council with independent information on the gender and ethnic composition of those applying for City employment. This report also made recommendations to improve City processes for capturing employment application data.
- Conducted a Community Survey of Sacramento residents to understand how they feel about the quality of services provided, facets of livability, use of resources, and present and future needs of the community as a whole.
- Issued an Audit of the City's Cannabis Policymaking, Education, and Continuous Outreach efforts. This audit made four recommendations aimed at improving the City's cannabis policymaking processes, assessing the community's educational needs, and increasing youth education and outreach efforts.
- Issued an Audit of the Sacramento Community Police Review Commission. This audit made 16 recommendations aimed at improving communication between stakeholders, clearly defining roles, assessing the need for additional resources, and establishing formal processes for bringing the commission's recommendations to Council. This audit was recognized by the Association of Local Government Auditors with a Knighton Award.
- Issued an Audit of the City's Cannabis Business Operations Tax. This audit made nine recommendations aimed at improving the security of cash payments, ensuring all cannabis businesses obtain a permit, and expanding compliance audits conducted by the City's third-party vendor to include all cannabis business types.
- Monitored the status of over 150 open audit recommendations by conducting follow-up reviews every six months.
- Investigated several whistleblower allegations regarding fraud, waste, and abuse.

### **DEPARTMENT EFFICIENCIES**

- Continued our agreement with Missionmark to explore the potential for developing audit software that will streamline internal audit processes and reduce processing

## FY2022/23 Approved Budget

time. Areas for improvement currently under review include report indexing, supporting documentation referencing, and supervisory review.

- Developed an online Whistleblower Hotline Dashboard that provides the public with interactive information on the status of whistleblower investigations.
- Managed the online Recommendation Follow-Up Dashboard that provides the public with interactive information on the status of audit recommendations.
- Managed the online Gender and Ethnic Diversity Dashboard that provides the public with interactive data on the gender and ethnic composition of City employees.

### OBJECTIVES FOR FY2022/23

- Improve the efficiency and effectiveness of City operations by performing audits and conducting independent analysis and research.
- Deter and detect fraud or abuse by managing the City's Whistleblower Hotline and investigating whistleblower allegations.
- Provide 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.

### Department Budget Summary

City Auditor Budget Summary	FY2019/20	FY2020/21	FY2021/22	FY2021/22	FY2022/23	Change More/(Less)
	Actuals*	Actuals*	Approved	Amended	Approved	Approved/Amended
Employee Services	\$ 1,201,391	\$ 1,404,193	\$ 1,581,897	\$ 1,624,930	\$ 1,709,032	\$ 84,102
Other Services and Supplies	83,786	109,683	163,581	163,581	163,581	-
City Property	129	5,725	5,000	5,000	5,000	-
Labor and Supply Offset	(35,512)	(150,357)	(155,217)	(155,217)	(163,233)	(8,016)
<b>Total</b>	<b>\$ 1,249,794</b>	<b>\$ 1,369,244</b>	<b>\$ 1,595,261</b>	<b>\$ 1,638,294</b>	<b>\$ 1,714,380</b>	<b>\$ 76,086</b>

\*Updated actuals.

Funding Summary by Fund/Special District	FY2019/20	FY2020/21	FY2021/22	FY2021/22	FY2022/23	Change More/(Less)
	Actuals*	Actuals*	Approved	Amended	Approved	Approved/Amended
General Fund	\$ 818,609	\$ 894,435	\$ 1,006,605	\$ 1,049,638	\$ 1,100,904	\$ 51,266
Interdepartmental Service	431,185	449,428	455,925	455,925	476,696	20,771
Storm Drainage	-	4,568	23,892	23,892	24,620	728
Wastewater	-	5,076	26,546	26,546	27,356	810
Water	-	15,736	82,293	82,293	84,804	2,511
<b>Total</b>	<b>\$ 1,249,794</b>	<b>\$ 1,369,244</b>	<b>\$ 1,595,261</b>	<b>\$ 1,638,294</b>	<b>\$ 1,714,380</b>	<b>\$ 76,086</b>

\*Updated actuals.

FY2022/23 Approved Budget

**Division Budget Summary**

City Auditor Budget Summary	FY2019/20 Actuals*	FY2020/21 Actuals*	FY2021/22 Approved	FY2021/22 Amended	FY2022/23 Approved	Change More/(Less) Approved/Amended
Performance Auditing Division	\$ 839,451	\$ 889,843	\$ 1,033,144	\$ 1,088,177	\$ 1,138,153	\$ 49,976
Research & Analysis Division	410,343	479,400	562,117	550,117	576,227	26,110
<b>Total</b>	<b>\$ 1,249,794</b>	<b>\$ 1,369,244</b>	<b>\$ 1,595,261</b>	<b>\$ 1,638,294</b>	<b>\$ 1,714,380</b>	<b>\$ 76,086</b>

\*Updated Actuals.

**Staffing Levels**

City Auditor Budget Summary	FY2019/20 Actuals	FY2020/21 Actuals	FY2021/22 Approved	FY2021/22 Amended	FY2022/23 Approved	Change More/(Less) Approved /Amended
Performance Auditing Division	7.00	7.00	7.00	7.00	7.00	-
Research & Analysis Division	3.00	3.00	3.00	3.00	3.00	-
<b>Total</b>	<b>10.00</b>	<b>10.00</b>	<b>10.00</b>	<b>10.00</b>	<b>10.00</b>	<b>-</b>

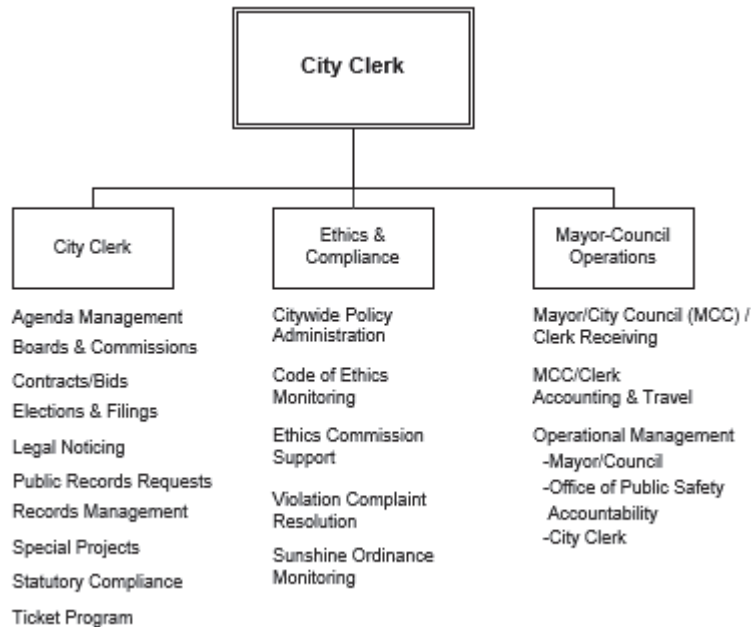
# 10

## **SECTION - 10** **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 can 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 Record 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.

## FY2022/23 Approved Budget

---

- Mayor-Council Operations: Manages the administrative, personnel, and fiscal operations of the City Clerk's Office and Offices of the Mayor and Council, including the 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 and provided training on new policy and legal requirements to ensure compliance.
- Continued evaluation and implementation of new and existing information technology tools to achieve sustainable services, increase transparency, and provide new records and data to the public with an emphasis on virtual access.
- Continued to utilize Microsoft Teams for better collaboration and accountability between both in office and remote workers.

### **OBJECTIVES FOR FY2022/23**

- Continue to utilize social media to communicate in a timely fashion with citizens on issues managed by the Clerk's Office.
  - Utilize new functionality in the Office 365 suite to reduce duplication and improve responses to PRA requests.
  - Continue to expand utilization of the CCM.
-

## FY2022/23 Approved Budget

- Continue to refine and expand our Boards and Commissions recruiting, onboarding, and ongoing training.
- Continue to evaluate and expand our programs and technology tools to create more efficient processes and products for staff and citizens.
- Optimize webpages associated with the Office of the City Clerk.

### Department Budget Summary

<b>City Clerk Budget Summary</b>	<b>FY2019/20 Actuals*</b>	<b>FY2020/21 Actuals*</b>	<b>FY2021/22 Approved</b>	<b>FY2021/22 Amended</b>	<b>FY2022/23 Approved</b>	<b>Change More/(Less) Approved/Amended</b>
Employee Services	\$ 2,098,815	\$ 2,192,635	\$ 2,589,608	\$ 2,822,845	\$ 3,159,263	\$ 336,418
Other Services and Supplies	411,534	406,372	626,840	572,548	632,173	59,625
City Property	55,585	30,345	2,000	2,000	2,000	-
Multi-Year Operating Projects	-	-	-	-	500	500
Labor and Supply Offset	(81,114)	(1,930)	-	-	-	-
<b>Total</b>	<b>\$ 2,484,819</b>	<b>\$ 2,627,423</b>	<b>\$ 3,218,448</b>	<b>\$ 3,397,393</b>	<b>\$ 3,793,936</b>	<b>\$ 396,543</b>

\*Updated actuals.

<b>Funding Summary by Fund/Special District</b>	<b>FY2019/20 Actuals*</b>	<b>FY2020/21 Actuals*</b>	<b>FY2021/22 Approved</b>	<b>FY2021/22 Amended</b>	<b>FY2022/23 Approved</b>	<b>Change More/(Less) Approved/Amended</b>
General Fund	\$ 1,383,477	\$ 1,668,288	\$ 2,224,706	\$ 2,403,651	\$ 2,787,197	\$ 383,546
Interdepartmental Service	1,101,342	959,135	993,742	993,742	1,006,739	12,997
<b>Total</b>	<b>\$ 2,484,819</b>	<b>\$ 2,627,423</b>	<b>\$ 3,218,448</b>	<b>\$ 3,397,393</b>	<b>\$ 3,793,936</b>	<b>\$ 396,543</b>

\*Updated actuals.

### Division Budget Summary

<b>City Clerk Budget Summary</b>	<b>FY2019/20 Actuals*</b>	<b>FY2020/21 Actuals*</b>	<b>FY2021/22 Approved</b>	<b>FY2021/22 Amended</b>	<b>FY2022/23 Approved</b>	<b>Change More/(Less) Approved/Amended</b>
City Clerk Division	\$ 1,904,002	\$ 2,470,062	\$ 2,940,933	\$ 3,119,878	\$ 3,516,421	\$ 396,543
Office of Ethics & Compliance Division	145,284	78,040	187,795	187,795	187,795	-
Mayor-Council Operations Division	435,534	79,322	89,720	89,720	89,720	-
<b>Total</b>	<b>\$ 2,484,819</b>	<b>\$ 2,627,423</b>	<b>\$ 3,218,448</b>	<b>\$ 3,397,393</b>	<b>\$ 3,793,936</b>	<b>\$ 396,543</b>

\*Updated actuals.

### Staffing Levels

<b>City Clerk Budget Summary</b>	<b>FY2019/20 Actuals</b>	<b>FY2020/21 Actuals</b>	<b>FY2021/22 Approved</b>	<b>FY2021/22 Amended</b>	<b>FY2022/23 Approved</b>	<b>Change More/(Less) Approved /Amended</b>
City Clerk Division	14.00	19.00	20.00	24.00	24.00	-
Office of Ethics & Compliance Division	1.00	-	-	-	-	-
Mayor-Council Operations Division	4.00	-	-	-	-	-
<b>Total</b>	<b>19.00</b>	<b>19.00</b>	<b>20.00</b>	<b>24.00</b>	<b>24.00</b>	<b>-</b>



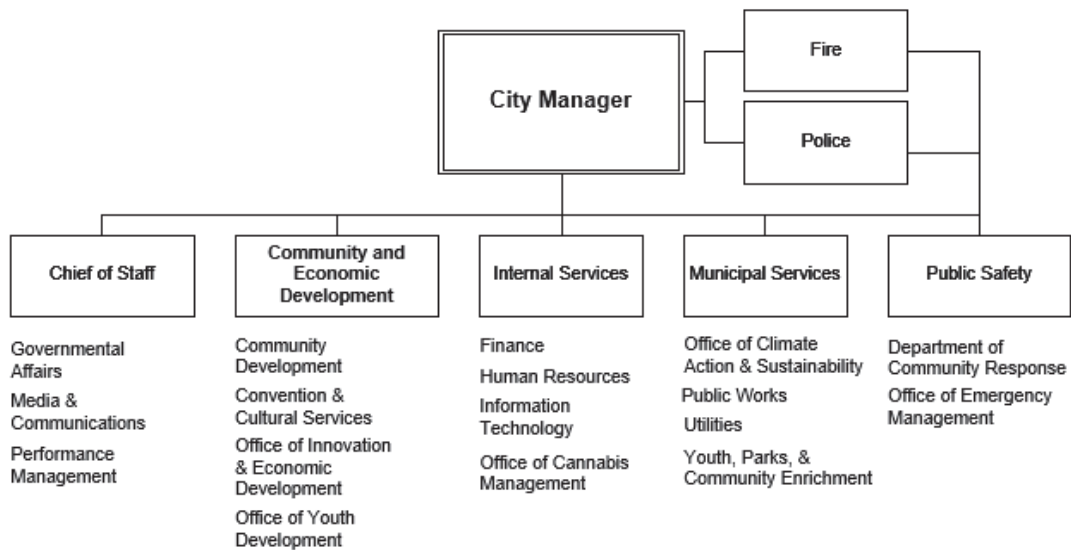


# 11

## **SECTION - 11 City Manager**



# City Manager



The **City Manager** 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 annual budget, future needs of the City, and oversight of all City departments. The City Manager’s Office (CMO) contains a wide-range of high-profile programs that handle issue-specific needs such as: Innovation and Economic Development, Media and Communications, Cannabis Management, Government Affairs, Emergency Management, Youth Development, Performance Management, and Climate Action and Sustainability.

It has been over two years since the beginning of the global pandemic and unprecedented health crisis. During this time, the Office has coordinated the allocation of \$89.6 million in Coronavirus Relief Funding. This includes leading the monitoring of regulations and federal reporting in coordination with the City Attorney and Auditor’s Offices. The Office has and will continue to lead through the response and recovery. The impacts of the pandemic and the subsequent “stay-at-home orders” issued by the Sacramento County Public Health Officer have greatly impacted City operations, businesses, and the community. Many department’s programs served integral roles 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.

## PROGRAMS/SERVICE HIGHLIGHTS

### Chief of Staff

- 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 identifies state and federal funding opportunities and works with lobbyists and elected officials to secure

## FY2022/23 Approved Budget

needed resources. 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.

- Media and Communications coordinated with all departments to share relevant information and engage citizens about important City services, projects and initiatives. This included managing a \$1 million contract with a third-party service provider to create a new COVID-19 vaccination outreach campaign, translating outreach materials into multiple languages, placing local media ads, working with media outlets both local and national and supporting events and workshops. Materials created and disseminated fostered neighborhood/community involvement, promoted access to civic, recreational and educational resources, and encouraged a safe and healthy environment for all.
- The Performance Management program provides accountability and supports decision-making to inform City operations and ensures that the City serves the community in the most effective and efficient way possible. All Departments track performance management data on their core operations and have developed dashboards to track high level outcomes.

### **Community and Economic Development**

- The Office of Innovation and Economic Development (OIED) focuses on opportunities to support and increase job creation, business growth, and development activities. Accomplishments for the office in the last fiscal year include continuing deploying state and federal funds for economic recovery programs including: the Small Business Forgivable Loan Program; Food Access; Al Fresco Dining; Small Business Technical Assistance; Workforce Development; Housing, Emergency Rental Assistance; Tenant Eviction Moratorium and Mediation Services; Financial Empowerment Center Expansion; and Outreach and Engagement.
- The OIED also financed the renovation of a commercial space in Oak Park that became Rancho San Miguel Market, an employee-owned market employing approximately 70 local residents and led the formation of an Enhanced Infrastructure Finance District (EIFD) for Aggie Square.
- The OIED led the City's efforts to complete the construction of the SAFE Credit Union Convention Center and Performing Arts Center which re-opened in in 2021. These projects will increase economic vitality in our city and enhance our public art portfolio.
- The Office of Youth Development (OYD) continues to onboard team members and is charged with deepening systems-wide integration of the Citywide Youth Development Plan & Framework (Plan) and facilitating greater cohesion across multiple stakeholders, systems and priorities that touch young people. Over the past year, the Youth Development Policy Manager continues to manage multiple citywide projects and grant programs in-line with Plan goals and in response to

## FY2022/23 Approved Budget

pandemic impacts/emergent youth needs, including the highly successful #SacYouthWorks program; continues to manage the \$6 million FY2020/21 midyear allocation to children and youth services including the City of Sacramento Youth Development Plan Funding Grant Program. The OYD has begun designing the competitive solicitation and grant-making processes for FY2021/22 midyear allocation to support children and youth organizations with general operating support and capacity building.

- The Office of Cannabis Management (OCM) coordinates cannabis policy and outreach. OCM administers the local cannabis equity program, reviews and processes cannabis business permits, which includes the oversight and coordination of an interdepartmental team to ensure the safe and legal operation of cannabis businesses and provides logistical support for cannabis administrative appeal hearings. OCM operates a local equity grant and zero-interest loan program funded by state equity grants, helps fund a youth cannabis education and prevention program, and is developing a cannabis equity marketing program.

### **Municipal Services**

- The Office of Climate Action and Sustainability leads City efforts to address climate change and achieve a resilient, carbon zero future. The Office continues to support the Climate Implementation Work Plan and development of the City's Climate Action and Adaptation Plan. Work underway includes support for the City's electrification initiatives and transportation work, in addition to climate communications, coordination, and air quality monitoring partnership.

### **Public Safety**

- The Office of Emergency Management (OEM) coordinates internal and allied agency communication, planning, preparedness, response, and recovery during all hazards affecting the city including managing the Emergency Operations Center. During the last fiscal year, staff responded to several crises including three declared emergencies within the city due to pandemic, civil unrest, and severe weather. Staff also conducted the largest evacuation within the City of Sacramento that's occurred in several decades due to a substation explosion that resulted in a power outage affecting six central city blocks and caused the displacement of several hundred residents. Additionally, staff activated cooling centers, cleaner air centers, and responded regionally to support allied agencies during a devastating wildfire season. OEM implemented and utilized access and functional needs partnerships to ensure support to vulnerable persons and utilized translation and American Sign Language specialists to communicate effectively across the entire community.

### **OBJECTIVES FOR FY2022/23**

- The new Office of Youth Development team will finalize the design and begin formal implementation of the City's first evaluation, learning and continuous quality improvement system (CQI System) to be applied across all youth investments while centering racial equity and social justice, these broad areas include:

## FY2022/23 Approved Budget

---

Research, Data, Evaluation & Learning, Grants Administration & Management, Organizational & Professional Development, and Community Engagement & Strategic Partnerships.

- Aggregate and distill existing resolutions and strategic plans from across City departments that do or can impact youth in significant ways, into a focused Citywide Youth Action Plan centered on equity and inclusive of youth and community voice.
- Work closely with the City's Youth Workforce Manager to strengthen the City's youth workforce pipeline and develop/begin implementing a robust public sector pathway for young people.
- Introduce and implement a set of priorities to grow Sacramento's economy, which includes a refocus on strengthening Sacramento's workforce and neighborhoods, while increasing inclusive approaches and local capacity.
- Implement the Climate Implementation Work Plan and related climate planning efforts, and coordinate for new state and federal funding opportunities.
- Create processes for department engagement and capacity building, while strengthening community collaboration.
- 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 cannabis industry and local cannabis equity, administer a local cannabis equity no-interest revolving loan and grant program to fund business start-up costs, and greatly extend youth education and community outreach programs.
- Educate and inform parents and young people about the potential hazards of cannabis use by adolescents and teens.

### **POSITION CHANGES**

- One vacant position (1.0 FTE Staff Aide) was deleted in the Office of Climate Action and Sustainability Division and a new position (1.0 FTE Program Manager) was added to continue to provide enhanced climate leadership, capacity, and direction regarding urgent initiative for carbon neutrality.

### **REORGANIZATION**

- As part of the FY2022/23 Budget, the Office of Diversity and Equity consisting of 3.0 FTE positions and associated budgets were moved from the City Manager's Office to the Human Resources.

FY2022/23 Approved Budget

**Department Budget Summary**

<b>City Manager Budget Summary</b>	<b>FY2019/20 Actuals*</b>	<b>FY2020/21 Actuals*</b>	<b>FY2021/22 Approved</b>	<b>FY2021/22 Amended</b>	<b>FY2022/23 Approved</b>	<b>Change More/(Less) Approved/Amended</b>
Employee Services	\$ 9,151,517	\$ 10,299,076	\$ 11,680,805	\$ 11,810,679	\$ 11,859,812	\$ 49,133
Other Services and Supplies	1,186,281	1,402,120	2,454,837	2,453,002	2,501,620	48,618
City Property	49,785	26,740	24,326	24,326	24,326	-
Multi-Year Operating Projects	-	-	9,166,579	9,166,579	9,795,100	628,521
Transfers	(33,319)	(63,900)	-	-	-	-
Labor and Supply Offset	(1,734,278)	(2,196,557)	(996,813)	(996,813)	(129,075)	867,738
Operating Transfers	(296,702)	(149,112)	-	-	-	-
<b>Total</b>	<b>\$ 8,323,284</b>	<b>\$ 9,318,367</b>	<b>\$ 22,329,734</b>	<b>\$ 22,457,773</b>	<b>\$ 24,051,783</b>	<b>\$ 1,594,010</b>

\*Updated actuals.

<b>Funding Summary by Fund/Special District</b>	<b>FY2019/20 Actuals*</b>	<b>FY2020/21 Actuals*</b>	<b>FY2021/22 Approved</b>	<b>FY2021/22 Amended</b>	<b>FY2022/23 Approved</b>	<b>Change More/(Less) Approved/Amended</b>
General Fund	\$ 6,360,743	\$ 7,214,392	\$ 5,808,465	\$ 5,898,496	\$ 7,126,584	\$ 1,228,088
2003 North Sac TE TABS	9,000	-	9,000	9,000	9,000	-
2006 North Sacramento TE	217	-	-	-	-	-
Block Grant/Housing & Redev	-	-	29,250	29,250	29,250	-
Brnfd Revolving Loan Program	-	50,000	-	-	-	-
Innovation and Grow th	173,370	140,962	6,035,233	6,035,233	7,323,738	1,288,505
Interdepartmental Service	1,779,954	1,909,053	2,023,052	2,023,052	1,639,182	(383,870)
Measure U	-	3,960	8,424,734	8,462,742	7,924,029	(538,713)
<b>Total</b>	<b>\$ 8,323,284</b>	<b>\$ 9,318,367</b>	<b>\$ 22,329,734</b>	<b>\$ 22,457,773</b>	<b>\$ 24,051,783</b>	<b>\$ 1,594,010</b>

\*Updated actuals.

**Division Budget Summary**

<b>City Manager Budget Summary</b>	<b>FY2019/20 Actuals*</b>	<b>FY2020/21 Actuals*</b>	<b>FY2021/22 Approved</b>	<b>FY2021/22 Amended</b>	<b>FY2022/23 Approved</b>	<b>Change More/(Less) Approved/Amended</b>
Office of the City Manager Division	\$ 3,679,836	\$ 3,941,637	\$ 3,408,646	\$ 3,498,677	\$ 3,886,438	\$ 387,761
Office of Cannabis Management Division	847,266	1,091,119	3,194,000	3,194,000	3,604,070	410,070
Office of Climate Action Initiatives Division	-	-	20,001	20,001	330,840	310,839
Office of Community Response Division	-	338,653	-	-	-	-
Office of Diversity and Equity Division	-	-	462,257	462,257	-	(462,257)
Office of Innovation and Economic Dev Division	2,677,980	2,387,627	12,621,573	12,659,581	14,282,306	1,622,725
Office of Emergency Management Division	438,374	551,372	575,612	575,612	602,639	27,027
Office of Violence Prevention	141,080	258,584	-	-	-	-
Office of Homeless Services Division	125,252	289,580	-	-	-	-
Office of Media & Communications Division	413,497	459,794	495,051	495,051	514,411	19,360
Office of Youth Development Division	-	-	1,552,594	1,552,594	831,079	(721,515)
<b>Total</b>	<b>\$ 8,323,284</b>	<b>\$ 9,318,367</b>	<b>\$ 22,329,734</b>	<b>\$ 22,457,773</b>	<b>\$ 24,051,783</b>	<b>\$ 1,594,010</b>

\*Updated actuals.



## FY2022/23 Approved Budget

### Staffing Levels

City Manager Budget Summary	FY2019/20	FY2020/21	FY2021/22	FY2021/22	FY2022/23	Change
	Actuals	Actuals	Approved	Amended	Approved	More/(Less) Approved /Amended
Office of the City Manager Division	13.00	19.00	12.00	12.00	12.00	-
Office of Cannabis Management Division	8.00	7.00	9.00	9.00	9.00	-
Office of Climate Action Initiatives Division	-	-	2.00	2.00	2.00	-
Office of Community Response Division	-	13.00	-	-	-	-
Office of Diversity and Equity Division	-	-	3.00	3.00	-	(3.00)
Office of Innovation and Economic Development Division	33.00	31.00	32.00	34.00	34.00	-
Office of Emergency Management Division	4.00	3.00	3.00	3.00	3.00	-
Office of Violence Prevention-CMO Division	2.00	2.00	-	-	-	-
Office of Homeless Services Division	9.00	8.00	-	-	-	-
Office of Media & Communications Division	3.00	4.00	4.00	4.00	4.00	-
Office of Youth Development Division	-	-	6.00	6.00	6.00	-
<b>Total</b>	<b>72.00</b>	<b>87.00</b>	<b>71.00</b>	<b>73.00</b>	<b>70.00</b>	<b>(3.00)</b>

### MEASURE U

The following chart summarizes the Office's Measure U programs.

Funding Category	Program Name	FTE	FY2022/23 Approved
<b>Affordable Housing</b>			
Operations	Housing	2.00	360,725
<b>Climate Action</b>			
Operations	Office of Climate Action Initiatives	2.00	330,840
<b>Inclusive Economic Development</b>			
MYOP	Thousand Strong	-	750,000
Operations	Community Engagement	8.00	1,393,305
	Community Investment	7.00	1,191,999
	Economic Development	8.00	1,354,794
	Economic Development Administration	4.00	901,405
	Railyards and Riverfront	3.00	509,882
<b>Youth</b>			
MYOP	Economic Development and Youth Priorities	-	300,000
Operations	Office of Youth Development	6.00	831,079
<b>Grand Total</b>		<b>40.00</b>	<b>\$ 7,924,029</b>

### PERFORMANCE MEASURES

Key Measure	FY19	FY20	FY21	FY22
	Actuals	Actuals	Actuals	Estimate
Number of businesses in the city*	18,147	21,511	21,136	n/a

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\*\*

## FY2022/23 Approved Budget

	FY19	FY20	FY21	FY22
	Actuals	Actuals	Actuals	Estimate
Number of jobs in the city	284,726	276,858	286,896	n/a

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\*\*

	FY19	FY20	FY21	FY22
	Actuals	Actuals	Actuals	Estimate
Employment rate	96.3%	90.4%	95.0%	n/a

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

	FY19	FY20	FY21
	Actuals	Actuals	Actuals
Total investments made in Sacramento, by building permit valuation	\$1.5 billion	\$1.35 billion	\$1.46 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.*



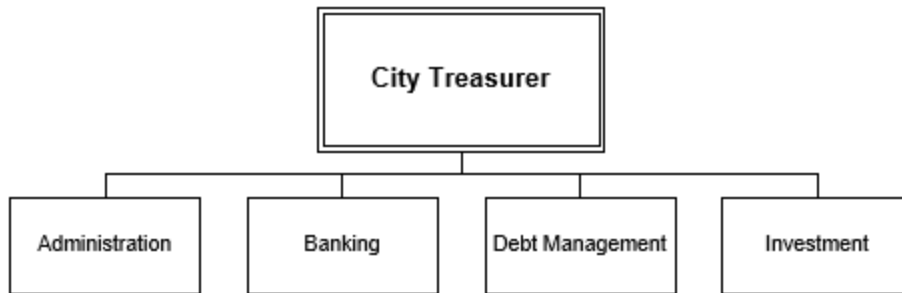
# 12

## **SECTION - 12 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

- Assisted business units in adding additional payment methods (i.e., mobile payments, eCheck, etc.), adding to increased sales and a better customer experience during the work from home mandate, all while maintaining Payment Card Industry (PCI) Compliance; Coordinated and co-led the team to another Clean Report of Compliance (RoC), using established Payment Card Industry Data Security Standard (PCI DSS) Policy and Procedures. The RoC was 100% completed remotely.
- Provided debt financing services for the city as well as for various Community Facilities Districts (CFDs), which provided funding for facility development, land purchases, improvements, and the acquisition of equipment. Ensured compliance with post-issuance regulatory and disclosure matters and covenants of debt obligations to ensure investment-grade ratings and/or outlooks are maintained or eligible to be upgraded.
- Managed the cash flow for the City, Sacramento City Employees' Retirement System (SCERS), Sacramento Housing and Redevelopment Agency (SHRA), Sacramento Public Library Authority (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.
- SCERS Plan achieved over 100% funding status for the first time in 15 years due to extraordinary market returns and staffs' disciplined investment strategies over the past decade.

### DEPARTMENT EFFICIENCIES

- Automated the daily cash flow process that links the City and banking data in real-time, thus improving accuracy and efficiencies.

## FY2022/23 Approved Budget

---

- 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 FY2022/23**

- In conjunction with Information Technology, continue to develop and automate the City's PCI program, annual audit and monitoring and compliance gaps; while continuing to produce a Report on Compliance audit that ensures the City remains compliant with all new and ongoing payment card regulations.
- Develop and implement citywide banking policies and procedures that will complement existing procedures for Departments; Continue to evaluate and establish a citywide Credit Card Fee Policy.
- Continue to maintain investor and rating agency relations of outstanding bonds issued by the City, Sacramento City Financing Authority, Sacramento Public Financing Authority, and the Redevelopment Agency Successor Agency to maintain or improve applicable credit ratings. Continue to comply with all bond covenants and regulatory requirements to maintain the City's tax-exempt status of bonds and loans.
- Continue to work with Departments in performing feasibility analyses or obtaining cost-effective financing to pay for infrastructure or equipment acquisition costs, including the development of long-term finance and master plans. Evaluate refinancing opportunities.
- 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, with the issuance of bonds contingent upon the results of the in progress General Fund stress test analysis (if favorable) by the City's financial advisor, as well as the consideration of other financial and non-financial factors.
- Work on the formation of the Natomas Enhance Infrastructure Financing District and the issuance of bonds for various community facilities districts – Delta Shores Community Facilities District (Improvement Area 1) and possibly Delta Shores (Improvement Area 3) to acquire infrastructure from the respective developers.
- Work with SHRA, the City Attorney's Office, and City Manager's Office to establish a policy in regard to a Middle-Income Housing Program.
- Develop a resiliency strategy for a natural disaster or pandemic.
- Build a succession plan that helps to cultivate staff in preparation for attrition.

FY2022/23 Approved Budget

**BUDGET CHANGES**

Division	Description	Fund	Revenue/ Offset Adjustment	Expenditure Change	FTE Change
City Treasurer	Increase Pool A Revenue Budget to align with historical revenues increase due to interest earnings from higher sales tax receipts, State Grants, and Bond Proceeds; Large SHRA contributions with limited withdrawals; SCERS and others (Capitol Area Development Authority) established portfolio with limited withdrawals.	General	150,000	-	-
City Treasurer	One-time Revenue increase due to higher Pool A interest earnings.	General	450,000	-	-
<b>Total Change</b>			<b>\$ 600,000</b>	<b>-</b>	<b>-</b>

**Department Budget Summary**

City Treasurer Budget Summary	FY2019/20 Actuals*	FY2020/21 Actuals*	FY2021/22 Approved	FY2021/22 Amended	FY2022/23 Approved	Change More/(Less) Approved/Amended
Employee Services	\$ 1,906,495	\$ 2,045,493	\$ 2,393,324	\$ 2,457,701	\$ 2,552,685	\$ 94,984
Other Services and Supplies	180,085	325,580	278,547	278,547	275,547	(3,000)
City Property	22,454	1,816	10,000	10,000	10,000	-
Multi-Year Operating Projects	-	-	-	-	3,000	3,000
Labor and Supply Offset	(122,805)	(22,888)	350	350	350	-
<b>Total</b>	<b>\$ 1,986,229</b>	<b>\$ 2,350,001</b>	<b>\$ 2,682,221</b>	<b>\$ 2,746,598</b>	<b>\$ 2,841,582</b>	<b>\$ 94,984</b>

\*Updated actuals.

Funding Summary by Fund/Special District	FY2019/20 Actuals*	FY2020/21 Actuals*	FY2021/22 Approved	FY2021/22 Amended	FY2022/23 Approved	Change More/(Less) Approved/Amended
General Fund	\$ 1,734,474	\$ 1,960,349	\$ 1,999,863	\$ 2,064,240	\$ 1,678,363	\$ (385,877)
Interdepartmental Service	251,755	389,652	682,358	682,358	1,163,219	480,861
<b>Total</b>	<b>\$ 1,986,229</b>	<b>\$ 2,350,001</b>	<b>\$ 2,682,221</b>	<b>\$ 2,746,598</b>	<b>\$ 2,841,582</b>	<b>\$ 94,984</b>

\*Updated actuals.

**Division Budget Summary**

City Treasurer Budget Summary	FY2019/20 Actuals*	FY2020/21 Actuals*	FY2021/22 Approved	FY2021/22 Amended	FY2022/23 Approved	Change More/(Less) Approved/Amended
City Treasurer Division	\$ 1,986,229	\$ 2,350,001	\$ 2,682,221	\$ 2,746,598	\$ 2,841,582	\$ 94,984
<b>Total</b>	<b>\$ 1,986,229</b>	<b>\$ 2,350,001</b>	<b>\$ 2,682,221</b>	<b>\$ 2,746,598</b>	<b>\$ 2,841,582</b>	<b>\$ 94,984</b>

\*Updated actuals.

**Staffing Levels**

City Treasurer Budget Summary	FY2019/20 Actuals	FY2020/21 Actuals	FY2021/22 Approved	FY2021/22 Amended	FY2022/23 Approved	Change More/(Less) Approved/Amended
City Treasurer Division	14.00	14.00	14.00	14.00	14.00	-
<b>Total</b>	<b>14.00</b>	<b>14.00</b>	<b>14.00</b>	<b>14.00</b>	<b>14.00</b>	<b>-</b>





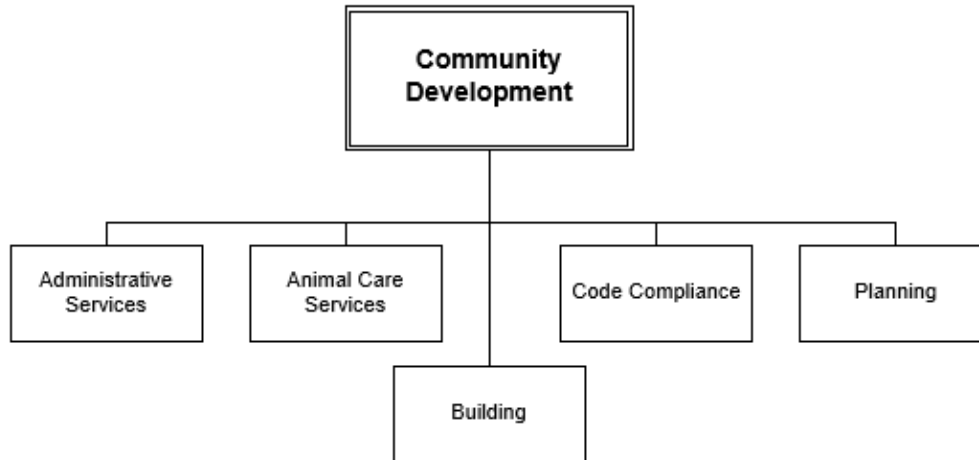
# 13

## **SECTION - 13** **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 service areas.

- **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. Provide planning application and building permit services and development project management services.
- **Code Compliance:** 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.

- 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**

- The Planning Division is on track to process approximately 700 private development applications by the end of FY2021/22. Notable projects this year have included:
  - Adoption of the Innovation Park planned unit development in North Natomas.
  - Continued residential and commercial development in the River District, Railyards, and Delta Shores.
  - Six ministerial housing projects comprising over 600 residential units, and
  - A record 200+ accessory dwelling units (ADU) citywide.
- On February 24, 2022, the City was the first jurisdiction in the State to receive the Prohousing Designation, which will make the City more competitive for State affordable housing and transportation grants.
- The Building Division is expanding its 25% reduced plan review timelines for multi-family housing projects to also include affordable housing projects and homeless housing/shelter projects. This is to encourage housing development and to increase housing for individuals experiencing homelessness.
- The Building Division launched 100% electronic submittals for all building permit activity types (e.g., residential photovoltaic solar, sign permit, minor permit applications). Applications may now be done via email and/or electronic submission.
- In October 2020, Animal Care Services began holding free monthly vaccine, microchip, and pet resource clinics in the community. In FY2020/21, there were eight clinics held serving 1,483 owned pets.

### **DEPARTMENT EFFICIENCIES**

- The Building Division implemented automated status update emails to keep customers informed during the plan review process.
- The Planning Division launched a new website called Agency Counter to inform the public of pending planning applications, which includes automatic emails when a new application is filed with the City.

## FY2022/23 Approved Budget

- The Front Street Shelter continues to offer services with or without an appointment, which leads to decreased wait times and improved customer service.
- The Front Street Shelter outsourced its pet licensing program to increase efficiencies, increase revenue, and offer better customer service for pet owners.

### OBJECTIVES FOR FY2022/23

- Adopt the 2040 General Plan and Climate Action & Adaptation Plan.
- Implement the Small Project Rapid Review (SPRR) program to replace, enhance, and automate the existing electronic over the counter (EOTC) program.
- Reopen the public counter on an appointment only basis for in person consultations.
- Business Code Compliance will implement night and weekend enforcement for business compliance and entertainment facilities.
- Continue to serve both pets and people in the community. By proactively helping pet owners, fewer animals are taken in at the Front Street Animal Shelter which ensures adequate space for animals that must enter the shelter system.

### BUDGET CHANGES

Division	Description	Fund	Revenue/ Offset Adjustment	Expenditure Change	FTE Change
Administration	Add a position (1.0 FTE Administrative Officer) to support the growth of the department and to provide additional oversight. The cost of the position is being offset by an increase in the revenue budget.	General	(155,674)	155,674	1.00
Administration	Add a position (1.0 FTE Assistant Director) to assist in the management and direction of the department's operations. The cost of the position is being offset by an increase in the revenue budget.	General	(215,364)	215,364	1.00
Building	Add positions (2.0 FTE Building Inspector I) to support field inspections. The cost of the positions are being offset by an increase in the revenue budget.	General	(263,328)	263,328	2.00
Building	Add a position (1.0 FTE Principal Building Inspector) to support the Plan Review section due to increasing development activities coupled with increased City programs and process improvements. The cost of the position is being offset by an increase in the revenue budget.	General	(168,453)	168,453	1.00
Planning	Add a position (1.0 FTE Senior Planner) to support the Zoning section and a position (1.0 FTE Associate Planner) to support regulatory and housing policies. The cost of the positions will be offset by the General Plan Update Multi-year Operating Project.	Measure U/ Development Services	(279,629)	279,629	2.00
Planning	A vacant position (1.0 FTE Development Services Technician) was deleted in the Planning Division and a new position (1.0 FTE Senior Architect) was added for geographic planning and oversight of the sight conditions unit. The additional costs associated with the new position are being offset by an increase in revenue in the Planning Division.	General	(86,222)	86,222	-
<b>Total Change</b>			<b>\$ (1,168,670)</b>	<b>\$ 1,168,670</b>	<b>7.00</b>

## FY2022/23 Approved Budget

### Department Budget Summary

<b>Community Development Budget Summary</b>	<b>FY2019/20 Actuals*</b>	<b>FY2020/21 Actuals*</b>	<b>FY2021/22 Approved</b>	<b>FY2021/22 Amended</b>	<b>FY2022/23 Approved</b>	<b>Change More/(Less) Approved/Amended</b>
Employee Services	\$ 30,939,988	\$ 31,671,148	\$ 35,149,603	\$ 36,138,799	\$ 39,201,854	\$ 3,063,055
Other Services and Supplies	13,633,052	7,625,422	10,933,521	10,914,464	11,708,989	794,525
City Property	88,173	113,048	159,475	181,641	181,641	-
Multi-Year Operating Projects	-	-	4,041,250	3,593,800	3,987,033	393,233
Transfers	165,839	165,226	304,030	304,030	303,178	(852)
Labor and Supply Offset	(3,117,997)	(3,527,423)	(1,812,482)	(2,483,759)	(2,669,503)	(185,744)
<b>Total</b>	<b>\$ 41,709,055</b>	<b>\$ 36,047,420</b>	<b>\$ 48,775,397</b>	<b>\$ 48,648,975</b>	<b>\$ 52,713,192</b>	<b>\$ 4,064,217</b>

\*Updated actuals.

<b>Funding Summary by Fund/Special District</b>	<b>FY2019/20 Actuals*</b>	<b>FY2020/21 Actuals*</b>	<b>FY2021/22 Approved</b>	<b>FY2021/22 Amended</b>	<b>FY2022/23 Approved</b>	<b>Change More/(Less) Approved/Amended</b>
General Fund	\$ 34,860,158	\$ 33,417,877	\$ 32,198,302	\$ 32,423,926	\$ 34,519,469	\$ 2,095,543
Citywide Low Income Housing	4,723,842	2,453,037	2,530,000	2,530,000	3,100,000	570,000
Development Services	-	-	2,000,000	2,000,000	2,266,000	266,000
Landscaping and Lighting	200,000	200,000	329,700	240,000	348,000	108,000
Measure U	-	-	11,399,595	11,137,249	12,229,723	1,092,474
Risk Mgmt	1,925,056	(23,494)	-	-	-	-
Special Program Donations	-	-	317,800	317,800	250,000	(67,800)
<b>Total</b>	<b>\$ 41,709,055</b>	<b>\$ 36,047,420</b>	<b>\$ 48,775,397</b>	<b>\$ 48,648,975</b>	<b>\$ 52,713,192</b>	<b>\$ 4,064,217</b>

\*Updated actuals.

### Division Budget Summary

<b>Community Development Budget Summary</b>	<b>FY2019/20 Actuals*</b>	<b>FY2020/21 Actuals*</b>	<b>FY2021/22 Approved</b>	<b>FY2021/22 Amended</b>	<b>FY2022/23 Approved</b>	<b>Change More/(Less) Approved/Amended</b>
Administration Division	\$ 2,313,949	\$ 2,208,283	\$ 2,451,256	\$ 2,569,748	\$ 3,273,648	\$ 703,900
Animal Care Services Division	6,242,929	5,841,691	6,722,087	6,539,006	7,359,055	820,049
Building Division	15,132,602	12,537,777	16,717,053	16,898,789	18,401,378	1,502,589
Planning Division	8,910,941	6,188,058	11,098,024	11,088,526	11,725,809	637,283
Code Compliance Division	9,108,635	9,271,612	11,786,977	11,552,906	11,953,302	400,396
<b>Total</b>	<b>\$ 41,709,055</b>	<b>\$ 36,047,420</b>	<b>\$ 48,775,397</b>	<b>\$ 48,648,975</b>	<b>\$ 52,713,192</b>	<b>\$ 4,064,217</b>

\*Updated actuals.

### Staffing Levels

<b>Community Development Budget Summary</b>	<b>FY2019/20 Actuals</b>	<b>FY2020/21 Actuals</b>	<b>FY2021/22 Approved</b>	<b>FY2021/22 Amended</b>	<b>FY2022/23 Approved</b>	<b>Change More/(Less) Approved /Amended</b>
Administration Division	15.00	15.00	15.00	16.00	19.00	3.00
Animal Care Services Division	54.50	55.00	55.00	61.00	61.00	-
Building Division	82.00	82.00	82.00	87.00	89.00	2.00
Planning Division	52.00	52.00	52.00	52.00	54.00	2.00
Code Compliance Division	86.50	86.50	84.50	92.00	92.00	-
<b>Total</b>	<b>290.00</b>	<b>290.50</b>	<b>288.50</b>	<b>308.00</b>	<b>315.00</b>	<b>7.00</b>

**MEASURE U**

The following chart summarizes the Department's Measure U programs.

Funding Category	Program Name	FTE	FY2022/23 Approved
<b>Affordable Housing</b>			
MYOP	Specific Plans	-	1,200,000
Operations	Long Range	13.00	923,032
	Zoning	6.00	659,687
<b>Community Response</b>			
MYOP	Fleet Acquisitions	-	35,433
Operations	Animal Care Administration	13.00	967,328
	Animal Care/Shelter	34.00	3,759,943
	Neighborhood Code Compliance	39.00	3,172,258
<b>Misellaneous</b>			
MYOP	Commission Stipends	-	4,200
<b>Public Safety - Community Development</b>			
Operations	Animal Enforcement/Field Services	14.00	1,507,842
<b>Grand Total</b>		<b>119.00</b>	<b>\$ 12,229,723</b>

**PERFORMANCE MEASURES**

**Animal Care Services Division**

Key Measure	FY19 Actuals	FY20 Actuals	FY21 Actuals	FY22 Estimate	FY23 Target
Percent of animals that are adopted, transferred, sent to rescue, or returned to owner (live release rate)	86%	85%	85%	86%	90%

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**

Key Measure	FY19 Actuals	FY20 Actuals	FY21 Actuals	FY22 Estimate	FY23 Target
Percent of development inspections performed on the day scheduled	97%	97%	99%	99%	99%

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.

Key Measure	FY19 Actuals	FY20 Actuals	FY21 Actuals	FY22 Estimate	FY23 Target
Percentage of residential building permits issued within two days	82%	85%	80.1%	82%	83%

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.



## FY2022/23 Approved Budget

---

### Code Enforcement Division

<b>Key Measure</b>	<b>FY19 Actuals</b>	<b>FY20 Actuals</b>	<b>FY21 Actuals</b>	<b>FY22 Estimate</b>	<b>FY23 Target</b>
Vehicle cases closed within 21 days	83%	70%	88.5%	50%	60%

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.

### Planning Division

<b>Key Measure</b>	<b>FY19 Actuals</b>	<b>FY20 Actuals</b>	<b>FY21 Actuals</b>	<b>FY22 Estimate</b>	<b>FY23 Target</b>
Percent of director-level planning files completed within 90 days	29%	26%	39%	65.5%	60%

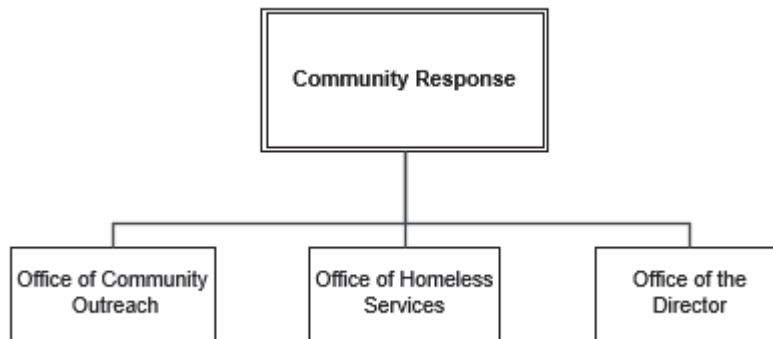
The Planning Division tracks and reports on the time it takes to approve a staff hearing-level review. This review includes a technical analysis of the project to determine compliance with guidelines and standards, is noticed to the public, and is presented in a public hearing to the Zoning Administrator, Design Director, or Preservation Director.

# 14

## **SECTION - 14** **Community Response**



## Community Response



On July 1, 2020, the City Council directed the City Manager to develop an alternative response model for 911 calls that do not require traditional emergency services. This Office was originally created as a Division in the City Manager’s Office. The Division became the standalone **Department of Community Response (DCR)** effective July 1, 2021.

DCR deploys social workers and outreach specialists who are trained to resolve certain crises such as behavioral health, homelessness, youth and family disturbances, school response, and substance use issues. The goal of the DCR is to divert entry into jails and emergency departments by connecting individuals with appropriate services and treatment options to better resolve such crises.

To facilitate the shift toward this alternative response model, DCR is comprised of the following three offices:

- Office of Community Outreach: Responsible for responding to calls for service by deploying teams of social workers and outreach specialists who will use evidence-based practices such as cultural competency, motivational interviewing, and strengths-based approaches that are not typically found within traditional emergency response models.
- Office of Homeless Services: Responsible for the City’s response to homelessness, which includes coordinating with various Federal, State, local, nonprofit, and faith-based entities to end homelessness and administering millions in contracts to fund emergency shelter, wraparound services, and housing projects.
- Office of the Director: Responsible for the strategic planning, fiscal, human resources, and administrative management of the Department.

### PROGRAMS/SERVICE HIGHLIGHTS

- The Office of Community Outreach (OCO) hired 10 FTE Neighborhood Resource Coordinators (NRCs) to respond to calls for service regarding individuals experiencing homelessness. The Office has successfully collaborated with Hope Cooperative to implement widespread outreach across the city. Since July 2021,

## FY2022/23 Approved Budget

---

the OCO has responded to nearly 12,000 calls relative to homeless concerns or to trash complaints. The Office of Homeless Services cannot perform their work without the outreach of OCO team.

- The Office of Homeless Services (OHS) started and completed its first City-funded Safe Ground Program (April 2021 through February 2022). The program was able to serve 450 people experiencing homelessness, including veterans, families, and those experiencing chronic homelessness. 70% of the guests served at that location had never previously engaged with any homeless services. 42% of the guests served exited to positive destinations from the Safe Ground, proving that this is a viable form of triage into the City's homeless system of care.
- OHS continues to operate a Safe Parking program on Front St., where 45% of guests served to date have exited to positive destinations. In February 2022, OHS opened a new Safe Ground camping program at Miller Regional Park, referred to as Riverfront Safe Ground. This site is set up with 60 tents, cots, restroom/hygiene services, a fully plumbed and heated shower trailer, a Case Management area, a Family style dining area, and other amenities. Due to this location being fully City-owned, the City was able to design it for full site access control with one single point of entry/exit. This will greatly increase the sense of safety within the site and reduce critical incidents. 110 people can be served at any given time at this location.
- Although the Office of Violence Prevention (OVP) has been moved to the Police Department in FY2022/23, OVP continued to implement an approach to reduce gang violence during the pandemic under DCR in FY2021/22. Key accomplishments during FY2021/22 included granting \$1 million to support the Gang Prevention and Intervention Taskforce to deter at-risk youth from becoming gang-involved and establishing a mentoring program for gang-involved individuals with several community-based organizations. OVP also implemented a grant program in FY2021/22 using American Rescue Plan Act (ARPA) Reinvestment Funds for gang uptick during the pandemic, granting \$500,000 to support Evidence-Based Community Violence Intervention and \$1 million to support Evidence-Based Interruption, Disruption and Suppression grant program. OVP will continue to operate the program in FY2022/23.

### **DEPARTMENT EFFICIENCIES**

- OHS has improved the functionality of the Motel Voucher Program (MVP), increasing the amount and efficiency of the service-providers in their efforts to connect guests to housing in the community. OHS also developed an improved method of tracking Federal Emergency Management Agency (FEMA) eligibility amongst guests in the program, allowing it to maximize reimbursable costs associated with the program. Additionally, OHS was able to secure an additional hotel in the City, providing a wider network in the community to serve families and individuals in Non-Congregate shelter.

## FY2022/23 Approved Budget

---

- In May of 2021, OHS re-engaged contracted Emergency Shelter providers in regular site visits, increasing support, and maximizing efficient oversight of funded programs. During the height of pandemic risks, OHS developed a system of video site visits to continue to support and oversee contracted partners.
- Successfully implemented a 311 alternative response model. Calls for services are dispatched via the City's 311 system.
- Contracted with Forensiclean to provide cleanup services throughout the City. To date, Forensiclean has closed 5,000 calls, collected nearly 25,000 needles, and cleared over 29,000 cubic yards of trash.

### **OBJECTIVES FOR FY2022/23**

- On February 15th, 2022, Council voted to support the Coordinated Access System (CAS). This system, with the support of all major public entities throughout the County, will not only help to achieve quick and efficient access to homeless service providers but will also help to understand what homelessness looks like in the City and greater community. This in turn will allow the City to use to appropriately focus programs to the needs of the most vulnerable residents of the City of Sacramento. OHS will launch CAS with all the City's shelter providers and continue to work with collaborative partners to make adjustments and improvements as necessary. These efforts will result in faster access to appropriate services for those experiencing homelessness, reducing the time spent on the street, increasing the number of known destinations that they exit to, and increase positive outcomes once engaged in Emergency Shelter services.
- In August 2021, Council voted to enact the Comprehensive Siting Plan (CSP) to address homelessness. OHS will continue to work alongside other departments to plan, design, and implement projects within the CSP, as well as exploring other opportunities as directed. These efforts will increase the number of safe locations for those experiencing homelessness to find Shelter and Respite. Additionally, OHS will continue to improve all aspects of partnership with our contractors, and utilize data to gauge effectiveness related to costs, outcomes, and equity.
- Hire additional nine full-time Neighborhood Resource Coordinators to expand services to seven days a week.
- Contract up to \$2.8 million for community-based organizations to coordinate directly with NRCs and to provide direct outreach in each of the eight Council districts.

### **REORGANIZATION**

- As part of the FY2022/23 Budget, the Office of Violence Prevention consisting of 2.0 FTE positions and associated budgets were moved from the Department of Community Response to the Police Department.

## FY2022/23 Approved Budget

### Department Budget Summary

Community Response Budget Summary	FY2019/20 Actuals	FY2020/21 Actuals	FY2021/22 Approved	FY2021/22 Amended	FY2022/23 Approved	Change More/(Less) Approved/Amended
Employee Services	-	-	\$ 2,738,916	\$ 3,410,691	\$ 4,361,454	\$ 950,763
Other Services and Supplies	-	-	461,937	461,937	659,594	197,657
City Property	-	-	420,000	420,000	420,000	-
Multi-Year Operating Projects	-	-	9,548,626	9,548,626	19,595,807	10,047,181
Labor and Supply Offset	-	-	(124,541)	(796,316)	-	796,316
<b>Total</b>	<b>-</b>	<b>-</b>	<b>\$ 13,044,938</b>	<b>\$ 13,044,938</b>	<b>\$ 25,036,855</b>	<b>\$ 11,991,917</b>

Funding Summary by Fund/Special District	FY2019/20 Actuals	FY2020/21 Actuals	FY2021/22 Approved	FY2021/22 Amended	FY2022/23 Approved	Change More/(Less) Approved/Amended
Measure U	-	-	\$ 13,044,938	\$ 13,044,938	\$ 25,036,855	\$ 11,991,917
<b>Total</b>	<b>-</b>	<b>-</b>	<b>\$ 13,044,938</b>	<b>\$ 13,044,938</b>	<b>\$ 25,036,855</b>	<b>\$ 11,991,917</b>

### Division Budget Summary

Community Response Budget Summary	FY2019/20 Actuals	FY2020/21 Actuals	FY2021/22 Approved	FY2021/22 Amended	FY2022/23 Approved	Change More/(Less) Approved/Amended
Office of DCR Division	-	-	\$ 768,550	\$ 768,550	\$ 1,136,083	\$ 367,533
Office of Community Outreach Division	-	-	4,237,449	4,237,449	12,636,775	8,399,326
Office of Homeless Services Division	-	-	6,334,714	6,334,714	11,263,997	4,929,283
Office of Violence Prevention Division	-	-	1,704,225	1,704,225	-	(1,704,225)
<b>Total</b>	<b>-</b>	<b>-</b>	<b>\$ 13,044,938</b>	<b>\$ 13,044,938</b>	<b>\$ 25,036,855</b>	<b>\$ 11,991,917</b>

### Staffing Levels

Community Response Budget Summary	FY2019/20 Actuals	FY2020/21 Actuals	FY2021/22 Approved	FY2021/22 Amended	FY2022/23 Approved	Change More/(Less) Approved /Amended
Office of DCR Division	-	-	6.00	8.00	8.00	-
Office of Community Outreach Division	-	-	11.00	24.00	24.00	-
Office of Homeless Services Division	-	-	4.00	6.00	6.00	-
Office of Violence Prevention Division	-	-	2.00	2.00	-	(2.00)
<b>Total</b>	<b>-</b>	<b>-</b>	<b>23.00</b>	<b>40.00</b>	<b>38.00</b>	<b>(2.00)</b>

## MEASURE U

The following chart summarizes the Department's Measure U programs.

Funding Category	Program Name	FTE	FY2022/23 Approved
<b>Community Response</b>			
MYOP	Community Outreach	-	9,177,480
Operations	Office of Community Outreach	24.00	3,459,295
	Office of Director	8.00	1,136,083
<b>Homelessness</b>			
MYOP	Homeless Housing Initiative	-	10,418,327
Operations	Office of Homeless Services	6.00	845,670
<b>Grand Total</b>		<b>38.00</b>	<b>\$ 25,036,855</b>

**PERFORMANCE MEASURES**

**Community Response**

<b>Key Measure</b>	<b>FY19 Actuals</b>	<b>FY20 Actuals</b>	<b>FY21 Actuals</b>	<b>FY22 Estimate</b>	<b>FY23 Target</b>
Number of 311 calls for service	-	-	10,495	13,500	14,500
Number of homeless calls for service	-	-	7,082	9,500	11,500
Forensicclean response for service	-	-	3,413	4,000	4,500

The 311 calls for DCR service areas have been increasing to connect individuals with appropriate services and treatment options, and to address the continued need for homeless encampment clean up services.  
Source: 311





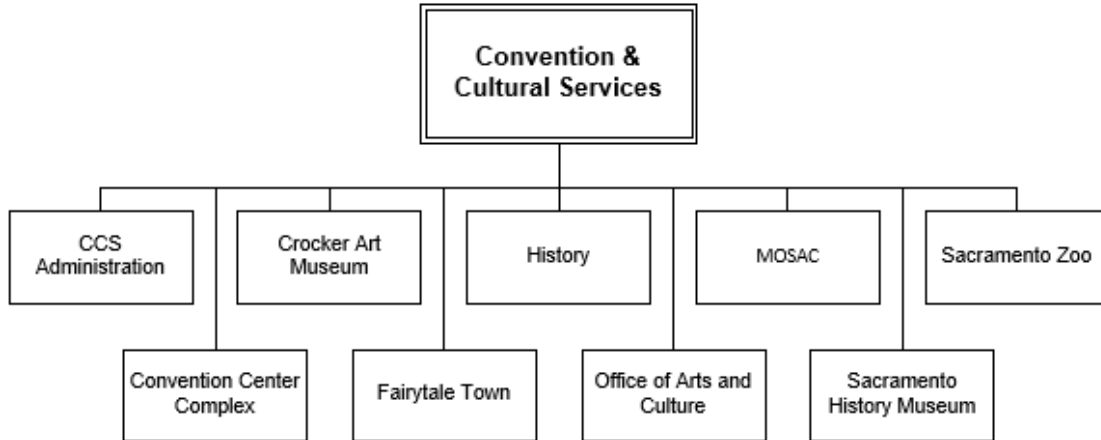
# 15

## **SECTION - 15** **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 both 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 financial transactions, and assists divisions with human resources functions.
- **Convention Center Complex:** Consists of the SAFE Credit Union Convention Center, SAFE Credit Union Performing Arts Center, and Memorial Auditorium. This 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:** At Fairytale Town, children and families enjoy a magical, safe place to imagine, play, and learn. This nonprofit storybook park and education center promotes the imagination, creativity, and education of children. More than 250,000 visitors laugh and learn in a typical year at the main park while at-risk youth benefit from hands-on exploration at the Sacramento Adventure Playground located in South Sacramento.
- **History:** The Center for Sacramento History (CSH) 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 Riverfront 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 and City Hall.
- **Office of Arts and Culture:** The Office of Arts and Culture (OAC) is dedicated to elevating the influence of arts, culture, and the broader creative economy throughout the City and the region. The OAC advances its strategic imperatives, manifesting as the six goals of the Creative Edge cultural plan, through five key functions: 1) information gathering and dissemination; 2) workforce development; 3) investment; 4) law, legislation, and policy; and 5) convening and community coordination. The OAC has specific subject matter expertise in arts education, grantmaking, public art, collections management, and film and media.
- **SMUD Museum of Science and Curiosity:** The new SMUD Museum of Science and Curiosity (MOSAC) is a premier institution for informal science education in Sacramento and the Northern California Region. The Museum piques curiosity and sparks imagination with hands-on interactive exhibits and

programming that explore the wonders of science, technology, engineering, art, and math. The new state-of-the-art exhibits address global and local issues and topics relating to energy, water, health, nature, space, and design engineering. The digital dome theater will screen a variety of spectacular film and star shows. The rotating gallery will feature special exhibitions that will continually bring new experiences and ideas to the Sacramento region.

- **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, public programming and tours of The Old Sacramento Riverfront District, 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 more than 500,000. The Zoo's collection consists of more than 500 animals, diverse botanical life, and several specialized gardens.

### **PROGRAMS/SERVICE HIGHLIGHTS**

- Held ribbon cutting ceremony to launch the opening of the renovated and expanded SAFE Credit Union Convention Center in June 2021 and opened the newly renovated SAFE Credit Union Performing Arts Center in September 2021 with 32 performances of the Broadway Musical of Hamilton. The SAFE Credit Union Convention Center, SAFE Credit Union Performing Arts Center, and Memorial Auditorium collectively hosted 84 events, served 123,000 attendees, and contributed nearly \$57 million in economic impact to the Sacramento Region from September 2021 to January 2022.
- OAC made significant investments in the creative community by providing a second round of funding through its Cultural Equity Investment program (\$225,000), a re-established partnership with Sacramento County for the Cultural Arts Awards program (\$950,000), the Sacramento Film + Media pilot incentive program (\$60,000), and a grassroots arts and culture match fund (\$500,000). New public artworks were completed at the Old Sacramento Waterfront (River Crossing), the Natomas Aquatic Center, SAFE Credit Union Convention Center & Performing Arts Complex, and Pannell Meadowview Community Center. OAC also

## FY2022/23 Approved Budget

---

launched Community Murals Sacramento, which has brought five new murals to neighborhoods within the city, with five more on the way.

- CSH continues to have consistent revenue from film collection licensing. The numbers are holding steady for this fiscal year. As CSH continues to digitize the film archives, revenue is expected to remain consistent.
- During the first three quarters of FY2021/22, approximately 400,000 visitors enjoyed a safe day out at the Zoo and were entertained, educated, and connected to wildlife. Two new cheetahs and a temporary dinosaur exhibit were among the more popular additions with the guests. In addition, the “Behind-The-Scenes Tour” program continues to grow in popularity, and Zoo Summer Camp is back in full swing for the summer of 2022.
- While closed for most of the pandemic, when open the Crocker Art Museum served 43,000 people. During closures, audiences continued to be served through a variety of virtual programs, community activities, and publications.

### **DEPARTMENT EFFICIENCIES**

- The cold storage vault for the Center for Sacramento History was completed in January 2022. Two films in the City’s series on the History of Racism in Sacramento were completed with two more in production to be completed by June 2022.
- OAC transitioned its longstanding Any Given Child program to the Sacramento County Office of Education. The new partnership ensures the potential of expansion of that program throughout the county, while also freeing up staff time to refocus OAC’s work in the education space at a more strategic level.
- The SAFE Credit Union Convention & Performing Arts District implemented 24/7 software to track equipment and maintenance work completed.
- The Memorial Auditorium boilers’ refractories were repaired in-house by the department’s engineering team, resulting in a savings of \$750,000 to the Community Center Fund.
- The Zoo has maintained many of the process improvements implemented in response to the pandemic. These include encouraging touchless online advanced ticket sales, enhanced cleaning and safety protocols, and streamlined menu options at the Kampala Café. In addition, in FY2021/22, the Zoo transitioned from an outsourced security contractor to an in-house security team, which both improves performance and reduces costs.

### **OBJECTIVES FOR FY2022/23**

- Provide clean, well-maintained facilities to ensure the public’s comfort and enjoyment during their visits following current federal, state, and local guidelines

FY2022/23 Approved Budget

including COVID-19 protocols, and maintaining Global Biorisk Advisory Council certification at the SAFE Credit Union Convention Center, SAFE Credit Union Performing Arts Center, and Memorial Auditorium.

- OAC will bring \$10 million to the creative economy and tourism through American Rescue Plan Act support. Additionally, it will review and seek amendment to important policies that influence the climate for creative activity in the City of Sacramento.
- Continue to work on transforming the unimproved Crocker Park across from the Crocker Art Museum into a great civic amenity to help enrich the intellectual and cultural life of the community.
- The Zoo will continue to inspire appreciation and respect for wildlife and nature through education, recreation, and conservation. The department will achieve this by maximizing educational and entertainment value to the roughly 500,000 visitors that currently participate in the Zoo’s programming while also continuing to explore strategic opportunities to reach even more people within the Sacramento region and beyond in the future.

**BUDGET CHANGES**

Division	Description	Fund	Revenue/ Offset Adjustment	Expenditure Change	FTE Change
Crocker Art Museum / History	Increase the budget in Rental of Land and Buildings and Custodial Services for the Center for Sacramento History and the Crocker Art Museum to cover the annual lease payments and maintenance for a facility at McClellan Park to house parts of the collections from both divisions.	Measure U	-	366,000	0.00
Crocker Art Museum	One vacant position (1.0 FTE Staff Aide MGM) was deleted in the Crocker Art Museum and the budget is increased in services and supplies to cover operational support for the Crocker Director salary.	Measure U	(174,156)	154,661	(1.00)
History	One position (0.75 FTE Administrative Technician) was added in the History division to support the Center for Sacramento History operations. The cost of the position is fully offset by reduction in the services and supplies budget.	Measure U	(77,019)	72,007	0.75
Convention Center Complex	Three vacant positions (0.20 FTE Ticket Seller, 0.20 FTE Ticket Seller and 0.65 FTE Ticket Seller) were deleted in the SAFE Credit Union Convention and Performing Arts District and fifteen new positions (1.50 FTE Events Associates) and three new positions (0.30 FTE Events Duty Persons) were added to streamline service needs for operations and clients who hold events at the SAFE Credit Union Convention and Performing Arts District.	Community Center	(38,812)	63,732	0.75
Zoo	One vacant position (1.0 FTE Zoo Attendant I) was deleted at the Sacramento Zoo per the contract requirement with Sacramento Zoological Society following an employee retirement.	Measure U	(82,503)	-	(1.00)
<b>Total Change</b>			<b>\$ (372,490)</b>	<b>\$ 656,400</b>	<b>(0.50)</b>



FY2022/23 Approved Budget

**Department Budget Summary**

Convention and Cultural Services Budget Summary	FY2019/20	FY2020/21	FY2021/22	FY2021/22	FY2022/23	Change
	Actuals*	Actuals*	Approved	Amended	Approved	More/(Less) Approved/Amended
Employee Services	\$ 7,273,439	\$ 6,775,239	\$ 10,065,156	\$ 10,065,156	\$ 12,307,603	\$ 2,242,447
Other Services and Supplies	5,906,026	5,305,583	7,870,015	7,877,015	8,606,898	729,883
City Property	41,745	152,159	138,000	138,000	83,000	(55,000)
Multi-Year Operating Projects	-	-	2,754,000	2,754,000	114,000	(2,640,000)
Transfers	(166,878)	(144,082)	-	-	-	-
Labor and Supply Offset	1,192,780	1,187,306	1,221,647	1,221,647	1,377,766	156,119
Operating Transfers	1,088,008	726,369	1,445,800	1,445,800	1,765,100	319,300
<b>Total</b>	<b>\$ 15,335,121</b>	<b>\$ 14,002,575</b>	<b>\$ 23,494,618</b>	<b>\$ 23,501,618</b>	<b>\$ 24,254,367</b>	<b>\$ 752,749</b>

\*Updated actuals.

Funding Summary by Fund/Special District	FY2019/20	FY2020/21	FY2021/22	FY2021/22	FY2022/23	Change
	Actuals*	Actuals*	Approved	Amended	Approved	More/(Less) Approved/Amended
General Fund	\$ 5,046,868	\$ 5,096,002	\$ 1,309,213	\$ 8,034,213	\$ 1,199,891	\$ (6,834,322)
Community Center	9,950,610	8,045,968	14,880,967	8,162,967	18,014,713	9,851,746
Fairytale Town	28,589	76,018	50,000	50,000	50,000	-
H Street Theater	33,175	151,658	45,000	45,000	45,000	-
Measure U	-	-	6,886,085	6,886,085	4,636,087	(2,249,998)
Museum of History, Science, & Tech	21,000	307,473	-	-	-	-
Old Sac Market	68,321	81,520	104,000	104,000	104,000	-
Old Sacto Maint Dist	63,816	65,246	67,190	67,190	67,220	30
Winchester G & Mary Alice Felt	95,417	104,198	102,163	102,163	87,456	(14,707)
Zoo	27,324	74,493	50,000	50,000	50,000	-
<b>Total</b>	<b>\$ 15,335,121</b>	<b>\$ 14,002,575</b>	<b>\$ 23,494,618</b>	<b>\$ 23,501,618</b>	<b>\$ 24,254,367</b>	<b>\$ 752,749</b>

\*Updated actuals.

**Division Budget Summary**

Convention and Cultural Services Budget Summary	FY2019/20	FY2020/21	FY2021/22	FY2021/22	FY2022/23	Change
	Actuals*	Actuals*	Approved	Amended	Approved	More/(Less) Approved/Amended
CCS Administration Division	\$ 1,209,920	\$ 1,407,927	\$ 1,756,578	\$ 1,756,578	\$ 1,819,222	\$ 62,644
Convention Center Complex Division	8,437,165	6,498,060	12,671,917	12,671,917	15,743,019	3,071,102
Crocker Art Museum Division	1,962,277	1,876,579	2,260,030	2,260,030	2,445,331	185,301
Fairytale Town Division	63,799	89,036	62,245	62,245	62,245	-
History Division	2,308,243	2,670,571	2,357,403	2,357,403	2,520,345	162,942
Sacramento Office of Arts and Culture Division	488,720	538,295	3,481,214	3,488,214	838,999	(2,649,215)
Powerhouse Science Center Division	241,214	238,413	238,337	238,337	238,337	-
Sacramento History Museum Division	254,265	250,702	251,528	251,528	251,528	-
Sacramento Zoo Division	369,518	432,993	415,366	415,366	335,341	(80,025)
<b>Total</b>	<b>\$ 15,335,121</b>	<b>\$ 14,002,575</b>	<b>\$ 23,494,618</b>	<b>\$ 23,501,618</b>	<b>\$ 24,254,367</b>	<b>\$ 752,749</b>

\*Updated actuals.

**Staffing Levels**

Convention and Cultural Services Budget Summary	FY2019/20	FY2020/21	FY2021/22	FY2021/22	FY2022/23	Change
	Actuals	Actuals	Approved	Amended	Approved	More/(Less) Approved /Amended
CCS Administration Division	8.00	8.00	8.00	8.00	8.00	-
Convention Center Complex Division	82.99	89.30	89.30	89.30	90.05	0.75
Crocker Art Museum Division	6.00	6.00	6.00	6.00	5.00	(1.00)
History Division	8.20	8.20	8.20	8.20	8.95	0.75
Sacramento Office of Arts and Culture Division	8.00	9.00	9.00	9.00	9.00	-
Sacramento Zoo Division	3.00	3.00	3.00	3.00	2.00	(1.00)
<b>Total</b>	<b>116.19</b>	<b>123.50</b>	<b>123.50</b>	<b>123.50</b>	<b>123.00</b>	<b>(0.50)</b>

**MEASURE U**

The following chart summarizes the Department's Measure U programs:

<b>Funding Category</b>	<b>Program Name</b>	<b>FTE</b>	<b>FY2022/23 Approved</b>
<b>Arts/Creative Edge</b>			
MYOP	Cultural Arts Awards	-	114,000
Operations	Arts Education and Outreach	2.00	224,752
	Creative Economy and Grants	1.00	57,185
	Crocker Art Museum	5.00	2,233,428
	History	8.95	1,357,686
	Sacramento Film and Media	1.00	164,998
<b>Community Investment</b>			
Operations	Sacramento History Museum	-	127,267
<b>Youth</b>			
Operations	Fairytale Town	-	12,245
	Powerhouse Science Center	-	129,077
	Sacramento Zoo	2.00	215,449
<b>Grand Total</b>		<b>19.95</b>	<b>\$ 4,636,087</b>

**PERFORMANCE MEASURES**

**Convention Center Complex Division**

<b>Key Measure</b>	<b>FY19 Actuals</b>	<b>FY20 Actuals</b>	<b>FY21 Actuals</b>	<b>FY22 Estimate</b>	<b>FY23 Target</b>
Total events and performances	353	81	1	263	380
Number of tickets sold	250,813	113,347	18,230	180,000	205,000

The SAFE Credit Union Convention and Performing Arts District 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 SAFE Credit Union Convention and Performing Arts District, 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 reopened for events in calendar year 2021. Additionally, in FY2019/20, FY202/21, and FY2021/22 there have been events/performances cancelled due to the ongoing pandemic.

<b>Key Measure</b>	<b>FY19 Actuals</b>	<b>FY20 Actuals</b>	<b>FY21 Actuals</b>	<b>FY22 Estimate</b>	<b>FY23 Target</b>
Total revenue of in-house vendors	\$13,508,420	\$1,465,650	0	\$5,600,000	\$9,500,000

The SAFE Credit Union 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; Encore 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, tradeshow, 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 reopened for events in calendar year 2021. Additionally, in FY2019/20, FY2020/21, and FY2021/22 there have been events/performances cancelled due to the ongoing pandemic.

## FY2022/23 Approved Budget

### Crocker Art Museum Division

<b>Key Measure</b>	<b>FY19 Actuals</b>	<b>FY20 Actuals</b>	<b>FY21 Actuals</b>	<b>FY22 Estimate</b>	<b>FY23 Target</b>
Attendance	257,674	177,617	25,000	140,000	168,000
Membership	12,654	11,585	8,500	11,800	12,300

The attendance figures are a direct reflection of the exhibition and programmatic schedule. The decrease in attendance and membership figures are a direct reflection of the museum being closed to the public because of the pandemic.

### Center for Sacramento History Division

<b>Key Measure</b>	<b>FY19 Actuals</b>	<b>FY20 Actuals</b>	<b>FY21 Actuals</b>	<b>FY22 Estimate</b>	<b>FY23 Target</b>
Number of researchers assisted	142,554	87,302	110,047	120,000	130,000

As of FY2016/17, 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 national databases. By providing prompt and accurate research, Sacramento history is featured in films and on HBO, HLN, NBC and in local, news reporting, academic papers, raising the profile of the city both nationally and internationally. Due to the pandemic, both in-person and online researchers are significantly lower than projected for FY2019/20 and FY2020/21. Most online visits are often the result of an in-person research appointment, which are significantly lower due to the pandemic.

<b>Key Measure</b>	<b>FY19 Actuals</b>	<b>FY20 Actuals</b>	<b>FY21 Actuals</b>	<b>FY22 Estimate</b>	<b>FY23 Target</b>
Number of items listed in collection's databases	125,024	130,426	130,823	131,400	133,000

The inventory in the CSH 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. Due to the pandemic, staff, volunteers, and interns are not in the office to process collections resulting in lower projections for FY2019/20 and FY2020/21. It is unclear when staff, volunteers, and interns will be able to safely return to the office.

### Office of Arts and Culture Division Public Art Program

<b>Key Measure</b>	<b>FY19 Actuals</b>	<b>FY20 Actuals</b>	<b>FY21 Actuals</b>	<b>FY22 Estimate</b>	<b>FY23 Target</b>
Number of exhibitions produced	13	10	10	10	5
Number of artworks conserved, maintained, or repaired	31	15	15	25	15
Number of public art projects completed (installed)	10	10	10	10	15
Number of permanent public art projects in progress	35	30	30	30	25
Special events, workshops, lectures (New for FY20)	n/a	3	3	3	24

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 significantly vary 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 Arts 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.

## FY2022/23 Approved Budget

### Any Given Child Program

<b>Key Measure</b>	<b>FY19 Actuals</b>	<b>FY20 Actuals</b>	<b>FY21 Actuals</b>	<b>FY22 Estimate</b>	<b>FY23 Target</b>
Number of arts education school assemblies organized	95	80	75	130	70
Number of participants reached through above events	34,660	18,500	18,000	30,000	21,000
Number of professional development events for artists and classroom teachers	10	10	12	10	10
Number of artists and classroom teachers served in professional development	222	224	314	300	750
Number of students served in six- or 10-week residences	1,542	811	750	1,500	2,840

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

<b>Key Measure</b>	<b>FY19 Actuals</b>	<b>FY20 Actuals</b>	<b>FY21 Actuals</b>	<b>FY22 Estimate</b>	<b>FY23 Target</b>
Number of Cultural Arts Award (CAA) grantees	57	57	0	57	69
CAA grant allocation	\$493,122	\$500,000	0	\$450,000	\$950,000
Grantee operating budgets	\$67,795,452	\$60,000,000	n/a	\$50,000,000	\$58,872,433
Number of Cultural Equity Grant grantees	0	13	0	15	3
Cultural Equity Grant allocation	0	\$115,000	0	\$125,000	\$240,000

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 provides project support or capacity building support with grants that range from \$2,000 to \$20,000. The CE grant was funded by a one-time allocation in FY2015/16 and FY2020/21.

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.

### Film and Media

<b>Key Measure</b>	<b>FY19 Actuals</b>	<b>FY20 Actuals</b>	<b>FY21 Actuals</b>	<b>FY22 Estimate</b>	<b>FY23 Target</b>
Number of Permits Issued	n/a	60	70	80	90
Number of Film Days	n/a	161	175	190	225
Total Amount of Production Company Spending in Sacramento	n/a	\$1,450,000	\$1,750,000	\$2,000,000	\$2,250,000
Number of Local Hires	n/a	342	400	500	600
Number of Hotel Nights	n/a	351	400	500	600

Sacramento Film + Media became part of the City of Sacramento's Office of Arts & Culture in 2019. It carries out film permitting, promotes the City as a filmmaking destination, and serves as a general resource for, and a driver of, film and media industry development in the City of Sacramento. Sacramento Film + Media measures its progress through the number of film permits, hotel nights and extended stays, local hires and film production spend in the City. Sacramento Film + Media had a good year in 2020 despite closure due to the pandemic for part of the 2020 year because the region was permitting when others were not.



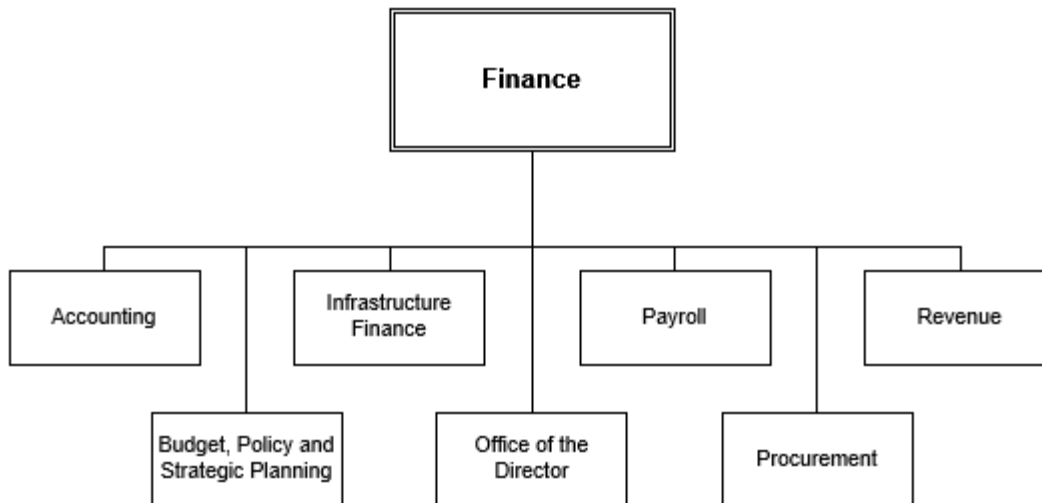
# 16

## **SECTION - 16** **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 Department currently provides accounting, billing, budgeting, collection, infrastructure finance, parking citation, payroll, procurement, and revenue collection services. 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, midyear budget report, and quarterly financial reports. Supports the Council, charter offices, and operating departments with budgeting, financial support, forecasting, analysis on special projects, and labor negotiations.
- **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.
- **Office of the Director:** Responsible for enhancing and maintaining the fiscal stability of the City.
- **Payroll:** Responsible for issuing bi-weekly paychecks for active employees, monthly paychecks for



Sacramento City Employees' Retirement System retirees and for maintaining and monitoring internal controls to ensure transactions comply with current labor agreements, payroll policies, and State and Federal laws and regulations.

- 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. Procurement oversees the citywide travel program.
- Revenue: Responsible for coordinating and collecting multiple General Fund taxes, receiving citywide payments, and issuing special business permits.

### **PROGRAMS/SERVICE HIGHLIGHTS**

- Successfully pivoted to an all-virtual work environment maintaining full functionality and customer service levels, fast turnaround times for purchase order dispatching, and prompt payments to employees and vendors.
- Completed the formation of a \$30 million Enhanced Infrastructure Financing Districts (EIFD)/Community Facilities Districts (CFD) financing structure for the Aggie Square project, which broke ground in February 2022 and will create \$1 billion of initial investment and \$5 million in future annual City revenues.
- Developed and implemented an electronic sole/single source justification form eliminating paper justifications and establishing an automated workflow.
- Replaced the City business tax account management software to increase on-line application, renewal, and payment capabilities.
- Began an 18-month project to replace the citywide cashiering system that will interface with several other applications and funnel information to the city financial system.

### **DEPARTMENT EFFICIENCIES**

- 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.
- Added e-check payment capability which allows more businesses to pay taxes electronically.
- Explored ways to optimize the use of districts and finance plans to build priority public improvements, fund services, and encourage private investment in the City.

## FY2022/23 Approved Budget

- Streamlined internal procurement processes and procedures using best practices to eliminate redundancies, increase staff effectiveness, and improve transparency.
- Worked with the City Treasurer to establish, implement, and streamline a wire transfer process for City department requests.

### OBJECTIVES FOR FY2022/23

- Complete installation of the new citywide point-of-sale (POS) cashiering system that will accept payments for most services, programs, fees, and charges. City departments that collect revenue using in-person or online payments utilize a variety of software applications that impact cashiering operations. This system will streamline the process and ensure transactions are recorded properly in the citywide financial system.
- Establish financing structure to facilitate development for Innovation Park, the former Sleep Train Arena site, and the Panhandle.
- Develop training tools for citywide departments on business operations tax and accounts receivable write off procedures.
- Implement new accounting and financial reporting standards including Governmental Accounting Standards Board (GASB) Statements No. 87 (Leases), 92 (Omnibus 2020), 93 (Replacement of Interbank Offered Rates), 94 (Public-Private and Public-Public Partnerships and Availability Payment Arrangements, and 97 (Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans – an amendment of GASB Statement No. 14 and No. 84, and supersession of GASB Statement No. 32.
- 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.

### BUDGET CHANGES

Division	Description	Fund	Revenue/ Offset Adjustment	Expenditure Change	FTE Change
Payroll	Add a position (1.0 FTE Accountant Auditor) to reduce the overtime incurred due to increased workload caused by labor contracts and implementation of a self-service software. Position will be offset reducing services and supplies and revenues within the Department.	General	(128,631)	128,631	1.00
Revenue	Add a position (0.45 Customer Service Representative) to address the increase workload related to cannabis permits and tax accounts. Position is being offset with a reduction in services and supplies.	General	(22,395)	22,395	0.45
Revenue	Add a position (0.45 Customer Service Representative) to meet increased demand of customer calls and workload associated with parking permits, cash receipts and parking citation payments. Position will be offset a reduction in services and supplies.	General	(22,395)	22,395	0.45
<b>Total Change</b>			<b>\$ (173,421)</b>	<b>\$ 173,421</b>	<b>1.90</b>

# FY2022/23 Approved Budget

## Department Budget Summary

Finance Budget Summary	FY2019/20	FY2020/21	FY2021/22	FY2021/22	FY2022/23	Change
	Actuals*	Actuals*	Approved	Amended	Approved	More/(Less) Approved/Amended
Employee Services	\$ 10,337,516	\$ 10,534,781	\$ 11,210,230	\$ 11,210,230	\$ 11,957,009	\$ 746,779
Other Services and Supplies	1,160,355	1,315,662	2,160,532	2,110,532	2,091,940	(18,592)
City Property	24,828	65,883	44,400	44,400	44,400	-
Multi-Year Operating Projects	-	-	225,000	225,000	1,050,000	825,000
Transfers	63,697	64,003	64,003	64,003	64,003	-
Labor and Supply Offset	(1,266,097)	(980,277)	(1,241,545)	(1,241,545)	(1,202,102)	39,443
<b>Total</b>	<b>\$ 10,320,300</b>	<b>\$ 11,000,052</b>	<b>\$ 12,462,620</b>	<b>\$ 12,412,620</b>	<b>\$ 14,005,250</b>	<b>\$ 1,592,630</b>

\*Updated actuals.

Funding Summary by Fund/Special District	FY2019/20	FY2020/21	FY2021/22	FY2021/22	FY2022/23	Change
	Actuals*	Actuals*	Approved	Amended	Approved	More/(Less) Approved/Amended
General Fund	\$ 6,033,231	\$ 7,098,355	\$ 8,209,264	\$ 8,209,264	\$ 8,824,681	\$ 615,417
12th Street Maint Benefit Area	4,404	4,556	2,966	2,966	2,937	(29)
16th St PBID	-	6,210	6,210	6,210	2,690	(3,520)
65th Street Area Impact Fee	39,248	4,515	-	-	-	-
Central Midtown Restaurant BID	67,913	33,448	64,484	64,484	64,484	-
City/Cnty Office-Water Planning	39,000	39,000	39,000	39,000	39,000	-
Curtis Park CFD 2013-03	3,203	3,270	3,133	3,133	3,241	108
Curtis Park Village CFD 2014-02	-	-	50,000	-	-	-
Del Paso Nuevo Landscaping CFD	2,861	2,866	3,064	3,064	3,086	22
Del Paso Prop & Business Imprv	2,714	2,937	2,937	2,937	2,828	(109)
Downtown Impact Fee	-	-	25,000	25,000	25,000	-
Downtown Management District	9,875	6,100	6,100	6,100	3,450	(2,650)
Franklin Blvd PBID	17,926	-	-	-	-	-
Franklin Boulevard PBID	2,422	2,255	2,255	2,255	2,738	483
Greater Broadway PBID	2,544	2,427	2,427	2,427	2,857	430
Greenbriar Impact Fee	-	11,936	-	-	-	-
Handle BID No 2011-04	137,991	236,628	200,000	200,000	220,000	20,000
Interdepartmental Service	3,024,965	2,693,464	2,726,033	2,726,033	2,840,770	114,737
Laguna Creek Maint Dist	13,931	13,933	8,112	8,112	8,028	(84)
Landscaping and Lighting	347,569	330,239	344,324	344,324	349,832	5,508
Mack Road PBID	2,406	2,737	2,737	2,737	2,755	18
Midtown Sacramento PBID	5,756	5,694	5,694	5,694	3,640	(2,054)
N Nat Landsc 99-02	27,942	28,504	29,234	29,234	29,556	322
N Natomas Lands CFD 3	52,657	52,850	54,811	54,811	55,672	861
N Natomas Transp Mgmt Assoc	44,098	44,106	45,384	45,384	46,381	997
Natomas Crossing CFD 2013-01	-	-	476	476	866	390
Neighborhood Lighting Dist	18,516	18,333	10,985	10,985	10,869	(116)
Neighborhood Park Maint CFD	37,981	43,788	45,973	45,973	46,996	1,023
Neighborhood Water Quality Dist	12,792	13,091	10,532	10,532	10,373	(159)
NNFP Drainage Fee	-	-	25,000	25,000	750,000	725,000
NNFP Public Facilities Fee	-	-	50,000	50,000	200,000	150,000
NNFP Public Land Acquisition Fee	-	-	50,000	50,000	50,000	-
NNFP Reg Park Land Acquisition	-	-	25,000	25,000	-	(25,000)
NNFP Transit Fee	-	-	25,000	25,000	-	(25,000)
Northside Subdiv Maint Dist	5,208	5,243	5,318	5,318	5,288	(30)
NW Land Park CFD 2013-02	20,913	7,493	9,796	9,796	10,027	231
Oak Park PBID	2,735	2,461	2,461	2,461	2,778	317
Old Sacto Maint Dist	6,244	4,814	2,870	2,870	2,840	(30)

## FY2022/23 Approved Budget

### Department Budget Summary (continued)

Funding Summary by Fund/Special District	FY2019/20	FY2020/21	FY2021/22	FY2021/22	FY2022/23	Change
	Actuals	Actuals	Approved	Amended	Approved	More/(Less) Approved/Amended
Parkebridge CFD 2014-07	-	4,801	5,358	5,358	9,125	3,767
Power Inn Area Prop & Business	3,965	3,814	3,814	3,814	3,321	(493)
Power Inn Rd Md 2003-01	4,629	4,675	3,586	3,586	3,565	(21)
Railyards Impact Fee	-	-	25,000	25,000	-	(25,000)
Railyards Maint CFD No 2014-04	4,667	6,214	8,012	8,012	8,205	193
River District Impact Fee	-	-	-	-	25,000	25,000
Sac Services CFD 2018-05	-	-	8,664	8,664	9,866	1,202
Sac Tourism Marketing District	107,249	72,357	72,908	72,908	72,908	-
SacMaintCFD2014-04 Annex Areas	5,618	9,493	13,419	13,419	19,300	5,881
SacMaintCFD2014-04 Area 01	6,461	10,361	10,367	10,367	16,820	6,453
So Natomas Comm Improv	442	1,520	-	-	-	-
So Natomas Facility Benefit	26,081	23,456	-	-	-	-
Special District Info/Rpt Sys	10,717	3,437	-	-	-	-
Stockton Blvd BIA	3,983	2,804	-	-	-	-
Stockton Blvd PBID	2,508	2,589	2,589	2,589	2,779	190
Subdiv Lndscpng Maint Dist	28,093	28,872	29,605	29,605	28,622	(983)
Sutter Business Imprvmt Area	90,885	64,341	150,000	150,000	150,000	-
The River District PBID	2,517	2,727	2,727	2,727	2,947	220
Tow nship 9 CFD No. 2012-06	5,176	6,358	9,893	9,893	10,143	250
Village Garden N.-Mtce Dist #1	15,596	16,076	7,803	7,803	6,663	(1,140)
Willow creek Assmnt Md	9,181	9,308	6,638	6,638	6,590	(48)
Willow creek Lndscpng CFD	5,486	5,595	5,657	5,657	5,733	76
<b>Total</b>	<b>\$ 10,320,300</b>	<b>\$ 11,000,052</b>	<b>\$ 12,462,620</b>	<b>\$ 12,412,620</b>	<b>\$ 14,005,250</b>	<b>\$ 1,592,630</b>

\*Updated actuals.

### Division Budget Summary

Finance Budget Summary	FY2019/20	FY2020/21	FY2021/22	FY2021/22	FY2022/23	Change
	Actuals*	Actuals*	Approved	Amended	Approved	More/(Less) Approved/Amended
Accounting Division	\$ 2,352,436	\$ 2,579,708	\$ 3,077,164	\$ 3,077,164	\$ 3,169,938	\$ 92,774
Budget Office Division	1,234,797	1,173,510	1,654,530	1,654,530	1,693,588	39,058
Office of the Director Division	743,768	833,652	618,410	618,410	709,097	90,687
Revenue Division	3,214,671	3,125,117	3,692,163	3,692,163	3,815,032	122,869
Payroll Division	1,211,398	1,130,160	1,042,332	1,042,332	1,243,018	200,686
Procurement Division	776,590	846,112	1,007,116	1,007,116	1,056,389	49,273
Infrastructure Finance Division	786,639	1,311,794	1,370,905	1,320,905	2,318,188	997,283
<b>Total</b>	<b>\$ 10,320,300</b>	<b>\$ 11,000,052</b>	<b>\$ 12,462,620</b>	<b>\$ 12,412,620</b>	<b>\$ 14,005,250</b>	<b>\$ 1,592,630</b>

\*Updated actuals.

### Staffing Levels

Finance Budget Summary	FY2019/20	FY2020/21	FY2021/22	FY2021/22	FY2022/23	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	8.00	8.00	8.00	-
Office of the Director Division	3.00	3.00	3.00	3.00	3.00	-
Revenue Division	40.00	40.00	40.00	40.00	40.90	0.90
Payroll Division	8.00	8.00	8.00	8.00	9.00	1.00
Procurement Division	7.00	7.00	7.00	7.00	7.00	-
Infrastructure Finance Division	6.00	6.00	6.00	6.00	6.00	-
<b>Total</b>	<b>91.00</b>	<b>91.00</b>	<b>92.00</b>	<b>92.00</b>	<b>93.90</b>	<b>1.90</b>

**PERFORMANCE MEASURES**

**Accounting Division**

<b>Key Measure</b>	<b>FY19 Actuals</b>	<b>FY20 Actuals</b>	<b>FY21 Actuals</b>	<b>FY22 Estimate</b>	<b>FY23 Target</b>
Percent of vendors paid within 30 days	77%	78%	83%	80%	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	\$109,213	\$100,000	\$114,597	\$90,000	\$100,000
"Prompt Payment" discounts lost	\$11,283	\$10,000	\$20,044	\$40,000	\$10,000
Percent of discounts taken	91%	91%	89%	69%	90%

Review and approval of vendor payments is centralized 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**

<b>Key Measure</b>	<b>FY19 Actuals</b>	<b>FY20 Actuals</b>	<b>FY21 Actuals</b>	<b>FY22 Estimate</b>	<b>FY23 Target</b>
Obtain unmodified audit opinion on Annual Comprehensive Financial Report	Yes	Yes	Yes	Yes	Yes
Obtain Government Finance Officers Association Certificate of Achievement for Annual Comprehensive Financial Report	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 California Society of Municipal Finance Officers Operating & Capital Budgeting Awards	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**

<b>Key Measure</b>	<b>FY19 Actuals</b>	<b>FY20 Actuals</b>	<b>FY21 Actuals</b>	<b>FY22 Estimate</b>	<b>FY23 Target</b>
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 issuance of purchase orders is critical in fulfilling the program and service delivery needs of Departments.

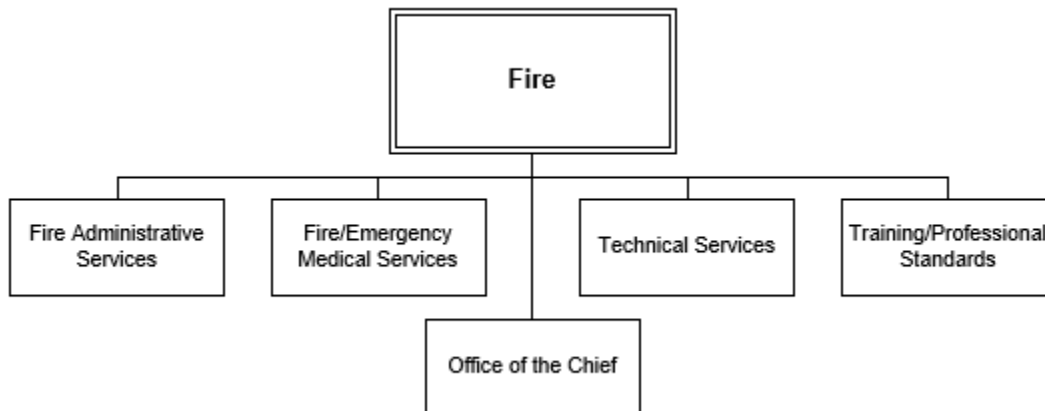
# 17

## **SECTION - 17** **Fire**



## Fire

*Committed to excellence in enhancing and protecting life, property, and the environment.*



The **Fire Department** started serving the residents of Sacramento in 1850 as a volunteer organization. In 1872, the Department 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 (e.g., Urban Search & Rescue, water, and heavy rigging), 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 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**

- Established the Diversity Outreach and Recruitment (DOR) Program to develop/implement programs and opportunities to increase diversity and equity in our applicant pool.
- Continued the construction of new Fire Station 14.
- Graduated 43 Fire Recruits who successfully completed one of the two (2) academies; Basic Firefighter and Firefighter Lateral Academy.
- Successfully deployed pilot Medic 256 in the Emergency Medical Services Division to facilitate additional medical services to the residents.
- Provided an efficient, equitable, and safe delivery of 27,000 COVID-19 vaccines to community residents and City staff.
- Continued to use social media (Facebook, Twitter, TikTok) to generate new interest in the Fire Department.

### **DEPARTMENT EFFICIENCIES**

- Continued the use of the Emergency Vehicle Operator Course (EVOC) which provides the necessary knowledge and skill development for the safe operation of department apparatus.
- The Fire Prevention Division is now using video technology to conduct virtual inspections.
- The Department successfully launched a Youth Academy in October 2021 with 25 participants. For nine months, the Cadets meet every Saturday to participate in a mentorship program focusing on building confidence, leadership, and life skills.
- DOR Division launched a two-day fire camp for 33 high school girls, increasing the number of girls allowed to participate.
- Continued evaluations of the Emergency Medical Services (EMS) Division to determine cost effective measures that will provide proper service to the community.

**OBJECTIVES FOR FY2022/23**

- Obtain a qualified consultant to provide consulting services for the development and implementation of a Fire Department Master Plan.
- Continue to maintain, service, and repair Fire Department fleet, communications equipment, and personal protective equipment through the Fire Logistics Division.
- Collaborate with City Departments on the re-certification of the ISO rating, which is an audit that ensures the City is complying with regulations and standards by each community.
- Implementing the EMS Internship Program to recruit, train, and employ Paramedic professionals reflecting the community we serve. DOR Division will accomplish this by providing an EMS pathway to quality education, work experience, and resources.

**BUDGET CHANGES**

Division	Description	Fund	Revenue/ Offset Adjustment	Expenditure Change	FTE Change
Diversity, Outreach & Recruitment (DOR)	Add positions (1.0 FTE Firefighter (Admin), 10.0 FTE Fire EMS Interns) to the DOR Program along with infrastructure/facility funding to provide quality programs and an inclusive environment towards future workforce.	Measure U		1,384,829	11.00
Emergency Medical Services (EMS)	A position (1.0 FTE EMS Coordinator) was added in the Emergency Medical Services Division (EMS) to allow the department to meet federal, state, and county mandates for reporting, training, education, incident review, and infections control. Costs are being offset with increased revenue in the EMS division budget	General Fund	(167,780)	167,780	1.00
Fire Prevention	A position (1.0 FTE Sr. Staff Assistant) was added in the Fire Prevention/Arson Divisions to enhance statistical reporting, perform photo & video redaction; monitor/track budgetary items, arson residency and movement, and maintain records for the divisions. Costs are being offset with increased revenue in the Fire Prevention Services division	General Fund	(95,487)	95,487	1.00
Fire Training	Positions added (2.0 FTE Fire Engineer Admin) in the Fire Training Division. Costs are offset with the deletion of 3.0 FTE Staff Aides and funding from Intergovernmental Transfer and Ground Emergency Medical Transport (IGT/GEMT) revenues	General Fund		177,459	(1.00)
<b>Total Change:</b>			<b>\$ (263,267)</b>	<b>\$ 1,825,555</b>	<b>12.00</b>

## FY2022/23 Approved Budget

### Department Budget Summary

Fire Budget Summary	FY2019/20	FY2020/21	FY2021/22	FY2021/22	FY2022/23	Change
	Actuals*	Actuals*	Approved	Amended	Approved	More/(Less) Approved/Amended
Employee Services	\$143,545,624	\$153,145,653	\$149,175,112	\$149,064,962	\$153,249,453	\$ 4,184,491
Other Services and Supplies	16,089,190	16,741,409	17,885,124	18,290,524	18,947,019	656,495
City Property	296,378	210,217	482,113	487,113	955,488	468,375
Multi-Year Operating Projects	-	-	498,045	-	885,000	885,000
Transfers	23,380	20,765	-	-	-	-
Labor and Supply Offset	(20,394,792)	(26,640,614)	(691,202)	(691,202)	(701,797)	(10,595)
<b>Total</b>	<b>\$139,559,781</b>	<b>\$143,477,430</b>	<b>\$167,349,192</b>	<b>\$167,151,397</b>	<b>\$173,335,163</b>	<b>\$ 6,183,766</b>

\*Updated actuals.

Funding Summary by Fund/Special District	FY2019/20	FY2020/21	FY2021/22	FY2021/22	FY2022/23	Change
	Actuals*	Actuals*	Approved	Amended	Approved	More/(Less) Approved/Amended
General Fund	\$139,059,781	\$142,977,430	\$158,259,692	\$158,389,628	\$162,949,260	\$ 4,559,632
Measure U	-	-	8,589,500	8,261,769	9,885,903	1,624,134
Risk Mgmt	500,000	500,000	500,000	500,000	500,000	-
<b>Total</b>	<b>\$139,559,781</b>	<b>\$143,477,430</b>	<b>\$167,349,192</b>	<b>\$167,151,397</b>	<b>\$173,335,163</b>	<b>\$ 6,183,766</b>

\*Updated actuals.

### Division Budget Summary

Fire Budget Summary	FY2019/20	FY2020/21	FY2021/22	FY2021/22	FY2022/23	Change
	Actuals*	Actuals*	Approved	Amended	Approved	More/(Less) Approved/Amended
Office of the Fire Chief Division	\$ 504,760	\$ 649,929	\$ 776,112	\$ 774,212	\$ 816,728	\$ 42,516
Fire Ops/EMS Division	114,080,390	117,725,794	135,715,501	135,686,106	137,728,622	2,042,516
Training/Professional Standards Division	3,436,066	2,535,010	6,741,931	6,444,975	8,648,087	2,203,112
Tech Services Division	19,908,151	21,088,546	22,255,467	22,447,343	24,217,533	1,770,190
Fire Administrative Services Division	1,630,413	1,478,150	1,860,181	1,798,761	1,924,193	125,432
<b>Total</b>	<b>\$139,559,781</b>	<b>\$143,477,430</b>	<b>\$167,349,192</b>	<b>\$167,151,397</b>	<b>\$173,335,163</b>	<b>\$ 6,183,766</b>

\*Updated actuals.

### Staffing Levels

Fire Budget Summary	FY2019/20	FY2020/21	FY2021/22	FY2021/22	FY2022/23	Change
	Actuals	Actuals	Approved	Amended	Approved	More/(Less) Approved /Amended
Office of the Fire Chief Division	3.00	3.00	3.00	3.00	3.00	-
Fire Ops/ EMS Division	616.00	616.00	614.00	614.00	615.00	1.00
Training/ Professional Standards Division	27.50	28.50	35.50	35.50	45.50	10.00
Tech Services Division	51.00	51.00	51.00	51.00	52.00	1.00
Fire Administrative Services Division	14.00	14.00	14.00	14.00	14.00	-
<b>Total</b>	<b>711.50</b>	<b>712.50</b>	<b>717.50</b>	<b>717.50</b>	<b>729.50</b>	<b>12.00</b>

**MEASURE U**

The following chart summarizes the Department’s Measure U programs.

Funding Category	Program Name	FTE	FY2022/23 Approved
Public Safety - Fire Operations	Diversity/Outreach/Recruitment	18.00	3,516,946
	Fire Suppression	-	6,368,957
<b>Grand Total</b>		<b>18.00 \$</b>	<b>9,885,903</b>

**PERFORMANCE MEASURES**

**Emergency Operations Division**

Key Measure	FY19	FY20	FY21	FY22	FY23
	Actuals	Actuals	Actuals	Estimate	Target
Average Response Time	5 minutes 25 seconds	5 minutes 0 seconds	5 minutes 42 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.

Key Measure	FY19	FY20	FY21	FY22	FY23
	Actuals	Actuals	Actuals	Estimate	Target
Unit Hour Utilization (UHU)	0.54	0.50	0.40	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 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**

Key Measure	FY19	FY20	FY21	FY22	FY23
	Actuals	Actuals	Actuals	Estimate	Target
Percent of fire plan reviews completed on time	94%	95%	94%	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).

## FY2022/23 Approved Budget

<b>Key Measure</b>	<b>FY19 Actuals</b>	<b>FY20 Actuals</b>	<b>FY21 Actuals</b>	<b>FY22 Estimate</b>	<b>FY23 Target</b>
Development Services Fire Inspections conducted	9,300	9,500	9,967	9,800	9,900

The Fire Prevention Division is responsible for inspecting new construction and tenant improvement projects. This year the department is projected to increase the number of inspections conducted as the construction forecast continues to accelerate. By 2022, the Division is projected to have higher inspection numbers due to the volume of new construction projects and the improved local economy.

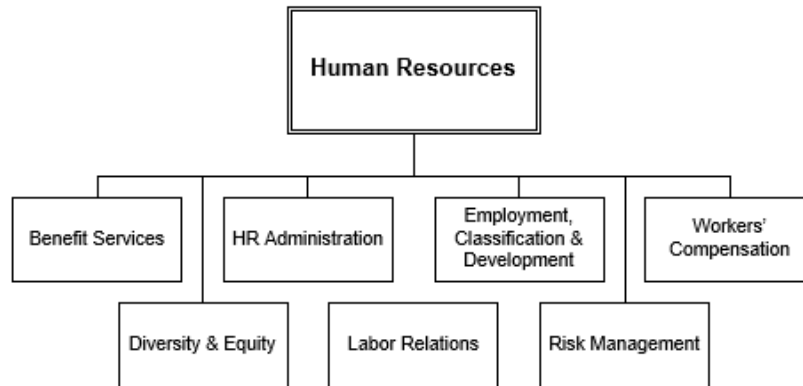
# 18

## **SECTION - 18** **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, new employee benefit orientations, coordination of the Defined Contribution Plans Committee, and budgeting for the department.
- **HR Administration:** Provide support for exempt hires, contracting support, board, commission, and legislative support, and special projects.
- **Labor Relations:** Provide employee contract negotiations, implementation of labor agreements, discipline, grievance administration, citywide leave policies, equal employment opportunity, Americans with Disabilities Act (ADA) coordination for employees, applicants, and program participants, and development of citywide policies and procedures.
- **Employment, Classification & Development:** Provide employment services, recruiting, testing, classification and compensation studies, and citywide training and organizational development.



## FY2022/23 Approved Budget

---

- Risk Management/  
Workers' Compensation: Provide environmental health and safety, insurance, workers' compensation, and liability claims management.
- Diversity & Equity Provide ongoing training in racial equity practice, applying depart equity assessments, and monitor performance measures in operationalizing department goals in workforce equity.

### **PROGRAMS/SERVICE HIGHLIGHTS**

- Kicked off the citywide classification and compensation study, with approximately 85% employee participation rate.
- Hosted a citywide job fair for current and potential employees and implemented online civil service written examinations, increasing accessibility and efficiency.
- Improved the investment fund lineup for the City's 401(a) and 457(b) plans to save participants more than \$700,000 per year in fees.
- Conducted racial equity training for employees from each department's core equity teams and developed a citywide mentoring pilot program with a lens on diversity, equity, and inclusion.
- Labor Relations, Leave Administration, and Environmental Health and Safety continued to serve as primary points of contact for departments, employees, and labor organizations for the City's ongoing response to pandemic related impacts on the city workforce.
- Updated and approved the Driver Training Plan to include alternative methods for hands-on instruction.
- The Office of Diversity and Equity begins operationalizing 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.

### **DEPARTMENT EFFICIENCIES**

- Significantly revamped the recruitment, selection, and written examination processes, reducing the recruitment timeline by five to seven weeks.
- Transitioned employment related medical exam scheduling to most departments, to streamline the process.
- Completed annual open enrollment for employees and retirees using all web-based solutions.

FY2022/23 Approved Budget

- Implemented ePARs for pay-rate changes (step and accelerated increases) and termination PARs.
- Workers' Compensation Unit implemented the paperless initiative to improve efficiencies, protect City employees' personally identifiable information, cut down on the cost of postage and paper and strive for improved environmental sustainability.

**OBJECTIVES FOR FY2022/23**

- Continue to develop online civil service examinations to promote efficiency and greater accessibility and outreach for applicants.
- Continue to advance the City's Race & Gender Equity Action Plan (RGEAP) in partnership with the City Manager's Office and the Office of Diversity & Equity.
- Continue to manage the citywide classification and compensation study to meet established project goals, benchmarks, and deliverables.
- Contract with additional medical providers to improve availability of medical services for candidates requiring pre-hire medical exams, employees requiring employment related medical services such as commercial driver medical exams, respirator clearances, vaccinations, etc., and employees requiring workers' compensation benefits.
- Develop and implement the five-year Race and Gender Equity Action Plan to increase diversity and inclusion using a systemic approach.

**BUDGET CHANGES**

Division	Description	Fund	Revenue/ Offset Adjustment	Expenditure Change	FTE Change
Labor Relations	Add a position (1.00 FTE Labor Relations Analyst) to support the ongoing workload assumed from the City Clerk's Office. This position works directly with the recognized employee organizations.	1001	-	117,150	1.00
<b>Total Change \$</b>			<b>-</b>	<b>\$ 117,150</b>	<b>1.00</b>

**POSITION CHANGES**

- One vacant position was deleted (1.0 FTE Personnel Technician) and one new position was added (1.0 FTE Administrative Technician) in the Labor Relations Division to align the job classification to duties and skills required to perform the assigned work.
- One vacant position was deleted (1.0 FTE Administrative Analyst) and one position was added (1.0 FTE Accountant Auditor) in the HR Administration division to align the job classification to duties and skills required to perform work of auditing, reconciling, and creating the payments for the City's health carriers.

## FY2022/23 Approved Budget

- One vacation position (1.0 FTE Personnel Technician) was deleted, and one position was added (1.0 Administrative Analyst) in the Risk Management division to better match the skills and knowledge needed to perform the required work. This work includes overseeing the vendor that monitors contractor's insurance and completing and maintaining insurance applications and policies. The cost for this position will be offset by decreased liability to the risk fund from inadequate contractor insurance.

### REORGANIZATION

- As part of the FY2022/23 Budget, the Office of Diversity and Equity consisting of 3.0 FTE positions and associated budgets were moved from the City Manager's Office to the Human Resources.

### Department Budget Summary

Human Resources Budget Summary	FY2019/20	FY2020/21	FY2021/22	FY2021/22	FY2022/23	Change
	Actuals*	Actuals*	Approved	Amended	Approved	More/(Less) Approved/Amended
Employee Services	\$ 10,060,004	\$ 10,146,890	\$ 11,198,618	\$ 11,198,618	\$ 12,406,712	\$ 1,208,094
Other Services and Supplies	38,305,427	36,973,006	40,189,341	39,994,969	44,866,723	4,871,754
City Property	92,120	61,186	43,200	43,200	43,200	-
Multi-Year Operating Projects	-	-	100,000	100,000	213,250	113,250
Transfers	(116,970)	(63,945)	-	-	-	-
Labor and Supply Offset	3,308,712	4,348,990	3,425,758	5,556,268	3,197,132	(2,359,136)
<b>Total</b>	<b>\$ 51,649,293</b>	<b>\$ 51,466,126</b>	<b>\$ 54,956,917</b>	<b>\$ 56,893,055</b>	<b>\$ 60,727,017</b>	<b>\$ 3,833,962</b>

\*Updated actuals.

Funding Summary by Fund/Special District	FY2019/20	FY2020/21	FY2021/22	FY2021/22	FY2022/23	Change
	Actuals*	Actuals*	Approved	Amended	Approved	More/(Less) Approved/Amended
General Fund	\$ 3,520,984	\$ 3,474,946	\$ 4,341,932	\$ 4,341,932	\$ 4,730,981	\$ 389,049
Fleet Management	59,614	59,614	59,614	59,614	59,614	-
Interdepartmental Service	1,557,484	1,648,618	1,673,537	1,673,537	1,725,737	52,200
Measure U	-	-	-	-	473,906	473,906
Recycling and Solid Waste	117,545	117,545	117,545	117,545	150,087	32,542
Risk Mgmt	29,214,899	32,815,663	33,546,735	35,482,873	37,605,559	2,122,686
Storm Drainage	45,189	45,189	45,189	45,189	30,326	(14,863)
Wastewater	18,585	18,585	18,585	18,585	33,693	15,108
Water	57,700	57,700	57,700	57,700	104,452	46,752
Worker's Compensation	17,057,293	13,228,265	15,096,080	15,096,080	15,812,662	716,582
<b>Total</b>	<b>\$ 51,649,293</b>	<b>\$ 51,466,126</b>	<b>\$ 54,956,917</b>	<b>\$ 56,893,055</b>	<b>\$ 60,727,017</b>	<b>\$ 3,833,962</b>

\*Updated actuals.

## FY2022/23 Approved Budget

### Division Budget Summary

Human Resources Budget Summary	FY2019/20	FY2020/21	FY2021/22	FY2021/22	FY2022/23	Change
	Actuals*	Actuals*	Approved	Amended	Approved	More/(Less) Approved/Amended
HR Administration Division	\$ 1,684,609	\$ 1,515,347	\$ 1,991,394	\$ 1,991,394	\$ 2,006,636	\$ 15,242
Benefit Services Division	991,921	1,016,853	1,135,254	1,135,254	1,202,329	67,075
Employment, Classification and Dev Divison	1,636,036	1,700,365	1,892,138	1,892,138	2,024,944	132,806
Risk Management Administration Division	42,923,076	43,228,268	45,330,936	47,267,074	50,130,348	2,863,274
Workers' Compensation Division	3,125,033	2,591,627	3,087,845	3,087,845	3,143,378	55,533
Labor Relations Division	1,288,618	1,413,666	1,519,350	1,519,350	1,745,476	226,126
Office of Diversity and Equity Division	-	-	-	-	473,906	473,906
<b>Total</b>	<b>\$ 51,649,293</b>	<b>\$ 51,466,126</b>	<b>\$ 54,956,917</b>	<b>\$ 56,893,055</b>	<b>\$ 60,727,017</b>	<b>\$ 3,833,962</b>

\*Updated actuals.

### Staffing Levels

Human Resources Budget Summary	FY2019/20	FY2020/21	FY2021/22	FY2021/22	FY2022/23	Change
	Actuals	Actuals	Approved	Amended	Approved	More/(Less) Approved/Amended
HR Administration Division	10.00	10.00	9.00	9.00	9.00	-
Benefit Services Division	9.00	9.00	9.00	9.00	9.00	-
Employment, Classification and Development Division	15.00	15.00	15.00	15.00	15.00	-
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	-
Labor Relations Division	10.00	10.00	10.00	10.00	11.00	1.00
Office of Diversity and Equity Division	-	-	-	-	3.00	3.00
<b>Total</b>	<b>80.00</b>	<b>80.00</b>	<b>79.00</b>	<b>79.00</b>	<b>83.00</b>	<b>4.00</b>

## MEASURE U

The following chart summarizes the Office's Measure U programs.

Funding Category	Program Name	FTE	FY2022/23 Approved
<b>Inclusive Economic Development</b>			
Operations	Office of Diversity and Equity	3.00	473,906
<b>Grand Total</b>		<b>3.00</b>	<b>\$ 473,906</b>

## PERFORMANCE MEASURES

### HR Administration Division

Key Measure	FY19 Actuals	FY20 Actuals	FY21 Actuals	FY22 Estimate	FY23 Target
Percentage of EEO and ADA complaints resolved without resulting in cause and/or monetary settlements	79%	61%	71%	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.

## FY2022/23 Approved Budget

---

### Labor Relations Division

<b>Key Measure</b>	<b>FY19 Actuals</b>	<b>FY20 Actuals</b>	<b>FY21 Actuals</b>	<b>FY22 Estimate</b>	<b>FY23 Target</b>
Percentage of grievances that come to the Department and are resolved internally	90%	95%	90%	90%	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 to achieve 100 percent resolution rate.

### Risk Management Administration Division

<b>Key Measure</b>	<b>FY19 Actuals</b>	<b>FY20 Actuals</b>	<b>FY21 Actuals</b>	<b>FY22 Estimate</b>	<b>FY23 Target</b>
Maintain number of City-owned vehicle related claims filed against the City to under 120.	145	109	128	120	120

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.

# 19

## **SECTION - 19** **Information Technology**



## Information Technology

*The Department of Information Technology (IT) is committed to ensuring IT investments and strategic business technologies that are innovative, reliable, equitable and 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 Departments and the public 24 hours a day, seven days a week. The City's IT systems, infrastructure, information, and functions 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 end-user device management, IT Service Desk operations, and end-user technical training.
- Office of the Chief Information Officer (CIO): Responsible for the strategic planning, fiscal, human capital resources, and administrative management of the Department.
- Public Safety Information Technology: Responsible for applications development, network infrastructure, and help desk and



desktop support for the Sacramento Fire and Police 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**

- The IT Department provides 311 resources for our community to request city services. 311 is the primary point of contact with residents and acts as the front door for many. The City's 311 has grown substantially since it started back in 2008. In 2021, 311 answered over 290K calls and processed over 500K requests! More than any year in previous history! Among the many challenges that the City faced, the 311 team was able to accomplish this important work while working remotely!
- Expanded the Sacramento Digital Equity Response program to further address the needs of insufficient or lack of digital access exacerbated in the wake of the COVID-19 pandemic. This program provides digital services, devices, training, and the knowledge necessary for Sacramento residents to connect to essential community, education, medical, and government services by leveraging City and private funding sources.
- In the wake of the COVID-19 pandemic, many City employees had to rapidly transform their daily work from an onsite city facility to a remote work environment. IT supports thousands of remote workers by providing technology tools that allow for seamless and secure remote connectivity to business systems, information, online public meetings, collaboration, and communication from anywhere.
- Provided substantial support and leadership for the Sacramento Independent Redistricting Commission to accomplish its mission to create council district boundaries that are balanced in population in accordance with local, State, and Federal laws that govern the redistricting process.

### **DEPARTMENT EFFICIENCIES**

- Implemented a Natural Language Interactive Voice Recognition (IVR) system for 311. Voice recognition allows callers to speak and receive services without having to wait to speak to a 311 agent. Hundreds of calls are addressed each day quickly and efficiently, freeing up 311 agents to handle more complex requests that cannot be handled in the automated system.
- Automated hundreds of business processes throughout City departments. This included but was not limited to the implementation digital signature processes and workflows as well as hundreds of online web forms. These efforts enabled the City to continue to provide vital City services throughout the pandemic with low or no touch services efficiently.

## FY2022/23 Approved Budget

---

- Implemented internal efficiency processes such as the online Personnel Action Request process for hire and re-hire actions and other workflow based online processes that resulted in faster processing, more accurate information, and audit capabilities for improved transparency.
- The Department is committed to continuous improvement to reduce energy consumption and support the City's green initiatives. Among many other initiatives, IT has reduced the number of physical servers by more than 95%, resulting in significant energy savings.

### **OBJECTIVES FOR FY2022/23**

- Implement a Grants Management Information System that will administer the end-to-end lifecycle of all City grants (awarded and received), improve business efficiencies, and more effectively manage grants citywide. The system will streamline the grants requesting and tracking process and will generate analytics based on grant related data.
- Modernize the technology job classifications and organizational structure under the Citywide Classification Study to reflect the critical work the department performs.
- Implement 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 City's budgeting enterprise performance management software system to streamline the budget development and reporting processes.
- Complete installation of the new citywide point of sales (POS) cashiering system that will accept payments for most services, programs, fees, and charges. City Departments that collect revenue using in-person or online payments utilize a variety of software applications that impact cashiering operations. This system will streamline the process and ensure transactions are recorded properly in the citywide financial system.
- Modernize the City's public website to provide additional functionality, improved look/feel, and enhancements to better serve the public.
- Implement advanced multi-factor authentication technology across the organization into all public-facing and cloud applications. This solution will create a single sign-on dashboard view of published applications and one universal directory for all City and Public Safety users.
- Implement modern Unified Endpoint Management (UEM) solution. UEM is the key to addressing mobile and traditional end-user devices, maintaining continuity of end-user computing operations, and delivering seamless IT administration in the current era of expanded remote work.

**BUDGET CHANGES**

Division	Description	Fund	Revenue/ Offset Adjustment	Expenditure Change	FTE Change
Office of CIO	One-time adjustment for IT system maintenance and support.	General	(982,000)	982,000	-
Office of CIO	One-time adjustment for the implementation of Unified Endpoint Management.	General	(700,000)	700,000	-
Enterprise Applications Management	Add a position (1.0 FTE Senior Applications Developer) to support the technical configuration, development, and support of the City's Accela Permitting System for the Cannabis Permitting Program.	General	(150,645)	150,645	1.00
<b>Total Change</b>			<b>\$ (1,832,645)</b>	<b>\$ 1,832,645</b>	<b>1.00</b>

**POSITION CHANGES**

- A vacant position (1.0 FTE Applications Developer) was deleted, and a new position (1.0 FTE Program Manager) was added to the Enterprise Applications Division to lead the eGov teams to work with departments to design and deliver key digital transformation initiatives and provide ongoing support.

**Department Budget Summary**

Information Technology Budget Summary	FY2019/20 Actuals*	FY2020/21 Actuals*	FY2021/22 Approved	FY2021/22 Amended	FY2022/23 Approved	Change More/(Less) Approved/Amended
Employee Services	\$ 24,214,678	\$ 25,680,221	\$ 27,468,438	\$ 27,468,438	\$ 28,686,603	\$ 1,218,165
Other Services and Supplies	129,697	(136,533)	554,126	554,126	1,531,435	977,309
City Property	(30,124)	(392,642)	369,195	369,195	369,195	-
Multi-Year Operating Projects	-	-	430,198	300,000	460,000	160,000
Transfers	(744,467)	(869,511)	(768,688)	(768,688)	(767,836)	852
Labor and Supply Offset	(1,418,081)	(1,064,786)	(660,550)	(660,550)	(825,470)	(164,920)
<b>Total</b>	<b>\$ 22,151,704</b>	<b>\$ 23,216,749</b>	<b>\$ 27,392,719</b>	<b>\$ 27,262,521</b>	<b>\$ 29,453,927</b>	<b>\$ 2,191,406</b>

\*Updated actuals.

Funding Summary by Fund/Special District	FY2019/20 Actuals*	FY2020/21 Actuals*	FY2021/22 Approved	FY2021/22 Amended	FY2022/23 Approved	Change More/(Less) Approved/Amended
General Fund	\$ 12,410,970	\$ 12,662,725	\$ 15,516,191	\$ 15,385,993	\$ 17,457,782	\$ 2,071,789
4th R Program	16,000	16,000	16,000	16,000	16,000	-
Community Center	2,355	-	-	-	-	-
Gas Tax 2016	98,272	107,191	104,042	104,042	128,272	24,230
Interdepartmental Service	7,965,791	8,778,131	9,368,683	9,368,683	9,240,302	(128,381)
Measure U	-	-	489,277	489,277	718,773	229,496
Parking	59,813	10,955	12,260	12,260	13,282	1,022
Recycling and Solid Waste	1,209,833	1,268,502	1,423,498	1,423,498	1,396,259	(27,239)
START	5,000	5,000	5,000	5,000	5,000	-
Storm Drainage	40,519	46,009	40,427	40,427	92,162	51,735
Wastewater	58,568	61,149	75,907	75,907	66,452	(9,455)
Water	158,744	135,726	183,652	183,652	156,102	(27,550)
Worker's Compensation	125,840	125,361	157,782	157,782	163,541	5,759
<b>Total</b>	<b>\$ 22,151,704</b>	<b>\$ 23,216,749</b>	<b>\$ 27,392,719</b>	<b>\$ 27,262,521</b>	<b>\$ 29,453,927</b>	<b>\$ 2,191,406</b>

\*Updated actuals.

FY2022/23 Approved Budget

**Division Budget Summary**

Information Technology Budget Summary	FY2019/20	FY2020/21	FY2021/22	FY2021/22	FY2022/23	Change
	Actuals*	Actuals*	Approved	Amended	Approved	More/(Less) Approved/Amended
Citywide GIS Support Division	-	-	-	-	1,855,430.00	1,855,430.00
DOU Systems Support Division	3,621,420	3,703,414	4,027,506	4,027,506	4,151,393	123,887
Enterprise Applications Management Division	4,740,992	5,226,691	5,789,844	5,789,844	4,035,941	(1,753,903)
IT Regional Support Division	2,231,860	2,465,031	2,587,075	2,542,517	2,749,291	206,774
Office of CIO Division	870,296	357,536	2,160,004	2,117,804	3,326,434	1,208,630
Public Safety IT Division	3,749,327	4,058,203	4,486,813	4,440,373	4,549,716	109,343
Sacramento City 311 Division	2,805,910	3,017,570	3,569,289	3,569,289	3,783,302	214,013
IT Operations Division	4,131,900	4,388,304	4,772,188	4,775,188	5,002,420	227,232
<b>Total</b>	<b>\$ 22,151,704</b>	<b>\$ 23,216,749</b>	<b>\$ 27,392,719</b>	<b>\$ 27,262,521</b>	<b>\$ 29,453,927</b>	<b>\$ 2,191,406</b>

\*Updated actuals.

**Staffing Levels**

Information Technology Budget Summary	FY2019/20	FY2020/21	FY2021/22	FY2021/22	FY2022/23	Change
	Actuals	Actuals	Approved	Amended	Approved	More/(Less) Approved/Amended
Citywide GIS Support Division	-	-	-	-	13.00	13.00
DOU Systems Support Division	27.00	27.00	27.00	27.00	27.00	-
Enterprise Applications Management Division	43.00	45.00	45.00	45.00	33.00	(12.00)
IT Regional Support Division	20.00	20.00	20.00	20.00	20.00	-
Office of CIO Division	7.00	6.00	7.00	7.00	7.00	-
Public Safety IT Division	29.00	29.00	30.00	30.00	30.00	-
Sacramento City 311 Division	41.50	41.50	41.50	41.50	41.50	-
IT Operations Division	28.00	30.00	30.00	30.00	30.00	-
<b>Total</b>	<b>195.50</b>	<b>198.50</b>	<b>200.50</b>	<b>200.50</b>	<b>201.50</b>	<b>1.00</b>

**MEASURE U**

The following chart summarizes the Department's Measure U programs.

Funding Category	Program Name	FTE	FY2022/23 Approved
<b>Community Resoonse</b>			
Operations	Sacramento City 311	-	325,326
<b>Miscellaneous</b>			
MYOP	Digital Equity	-	200,000
Operations	IT Regional Support	-	35,000
	PD Systems Support	-	38,447
<b>Youth</b>			
Operations	Office of CIO	-	120,000
<b>Grand Total</b>		<b>-</b>	<b>\$ 718,773</b>

**PERFORMANCE MEASURES**

**IT 311 Division**

<b>Key Measure</b>	<b>FY19 Actuals</b>	<b>FY20 Actuals</b>	<b>FY21 Actuals</b>	<b>FY22 Estimate</b>	<b>FY23 Target</b>
Percent of 311 calls that are answered	70%	80%	84%	85%	87%

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**

<b>Key Measure</b>	<b>FY19 Actuals</b>	<b>FY20 Actuals</b>	<b>FY21 Actuals</b>	<b>FY22 Estimate</b>	<b>FY23 Target</b>
Respondents rating the quality of IT service as good or excellent	70%	80%	98.3%	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.

**IT Operations Division**

<b>Key Measure</b>	<b>FY19 Actuals</b>	<b>FY20 Actuals</b>	<b>FY21 Actuals</b>	<b>FY22 Estimate</b>	<b>FY23 Target</b>
Network services available					
Public Safety systems	99%	99%	99%	99%	99%
All other systems	99%	99%	99%	99%	99%

The IT Operations Division maintains and operates the City's network, telecommunications, and fiber network 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.

<b>Key Measure</b>	<b>FY19 Actuals</b>	<b>FY20 Actuals</b>	<b>FY21 Actuals</b>	<b>FY22 Estimate</b>	<b>FY23 Target</b>
Enterprise database system available	99.9%	99.9%	99.9%	99.9%	99.9%

The IT Operations 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.

**Enterprise Applications Management Division**

<b>Key Measure</b>	<b>FY19 Actuals</b>	<b>FY20 Actuals</b>	<b>FY21 Actuals</b>	<b>FY22 Estimate</b>	<b>FY23 Target</b>
Data published on OpenData	81	85	110	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.

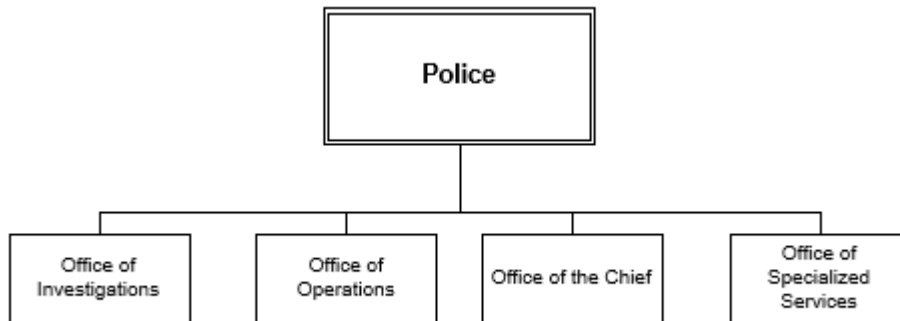
# 20

## **SECTION - 20** **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 of service and professionalism through the principles of community policing and endeavors to build public trust with all members of the community. 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 (769 sworn positions and 359.96 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; Finance; Fleet Management; Human Resources; and 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, Government Affairs, Internal Affairs, Professional Standards, Public Safety Information Technology, Violence Prevention, and Special Projects units.



- Office of Specialized Services: Responsible for Outreach and Engagement, Support Services, Contract Services, and the Metro division which includes specialty teams such as the K9, Special Weapons and Tactics (SWAT), and Air Operations units.

### **PROGRAMS/SERVICE HIGHLIGHTS**

- Continued to focus training efforts by creating the Advanced Officer Training (AOT) Team. The primary role of the AOT Team is to seek, develop, refine, and deliver the highest caliber of law enforcement related training utilizing a variety of modalities to engage the learners, improve officers' skills, abilities, perspectives, and wellness, thus improving outcomes in the field. Training is designed to be seamless and integrated throughout each employee's career. The AOT team develops training that is consistent with department policy, contemporary law, current industry best practices and in compliance with California Peace Officer Standards and Training (POST). This training includes crisis intervention, less-lethal tools and tactics, implicit bias, critical decision making, peer intervention, and de-escalation. A list of all course curriculum can be found on the Department's website under the transparency tab.
- Continued to build community trust through transparency and community partnerships. The Department has bolstered transparency efforts by encouraging inclusion, keeping residents better informed about major incidents, and fostering collaboration between the Department and community-based organizations. PD partnered with organizations such as Highlands Charter Adult School, Neighborhood Wellness, Brother to Brother and other nonprofits, faith-based leaders, and education administrators to co-produce safer, more positive, and longer-lasting outcomes. PD has endeavored to keep the community more informed through a variety of sources including traditional news outlets, social media, web-based media, and face-to-face interactions at regular and special meetings with community members.
- Continued to invest in the health of Department employees based on an enhanced Employee Services Unit (ESU) focused on building employee and organizational resiliency through physical, emotional, and financial wellbeing. The Department made use of wellness grant funds to create a POST certified course for employees that provided knowledge, training, and tools to develop anxiety reduction techniques, healthy work-life balance, mindfulness, physical fitness, financial fitness, and creating supportive employee systems. ESU is exploring the addition of a Law Enforcement Annual Wellness consultant to develop an annual assessment and evaluation of all sworn and professional staff. The Department believes that investment in employee wellness will assist officers and professional staff in making better work-related decisions resulting in better outcomes for our community.

## FY2022/23 Approved Budget

---

- Continuous recruiting efforts with a focus on diversity recruitment through print, digital, streaming, and social media platforms. These efforts range from traditional recruiting events to new digital content creation and delivery utilizing new technologies such as immersive 3D virtual reality experiences.
- Continue violence prevention efforts with the transfer of the City's Office of Violence Prevention to the Police Department. This office has been responsible for the City's response to gang and gun violence which includes administering a gang prevention and intervention grant program and overseeing the implementation of other evidence-based violence prevention activities. In FY2021/22, OVP initiated the Evidence-Based Community Violence Intervention (EB-CVI) and Evidence-Based Violence Interruption, Disruption, and Suppression (EB-VIDS) grant programs with \$1.5 million from American Rescue Plan Act (ARPA) Reinvestment Funds. OVP will continue to operate the programs in FY2022/23.

### **DEPARTMENT EFFICIENCIES**

- Continued to evaluate and implement improvements to the hiring process. The Department has implemented the eSOPH backgrounds management system which is a cloud-based software system designed to efficiently process in-depth pre-employment background investigations. By modernizing our process, we have increased our responsiveness and service to community members that seek to join the police department.
- The Department has worked collaboratively with the City and contractors to create promotional and hiring exams that are both gender and race neutral in alignment with the City's Workforce Equity Goals. Additionally, the hiring process has been converted to "blind applications" to ensure that biases are minimized or eliminated in the hiring and promotional processes. The Department continues to examine the recruiting and hiring process to ensure it is fair, equitable, and accessible to all members of our community.
- Continued to build upon the existing Administrative Services Division which among other units, includes the Professional Standards Unit, the Inspections and Standards Team and the Video Redaction Team. Included in the responsibilities of these units are the monitoring of changing law to assure policy compliance and best practices, conducting department audits and administrative investigations to ensure superior service and the redaction of video to assure timely release in compliance with State law and City policy.
- The Department continues to expand and integrate the use of emerging technologies such as Police Observation Devices (PODs), Unmanned Aerial Systems (UAS), and the Real Time Crime Center (RTCC). The Department's 121 PODs are strategically located throughout the city and in 2021, they enabled officers to respond to and investigate over 1,000 POD generated calls-for-service. In addition, officers use POD data to conduct follow-up on criminal investigations. The Department expanded the UAS program which assists with area searches,

rooftop checks, yard searches, searches for missing persons, and scene assessment. The program enhances both community and officer safety while increasing employee efficiency. This program is an additional layer of de-escalation utilized by officers. The RTCC allows for the centralization of data from various sources, all of which can be displayed on a video wall system. Information from the RTCC is used to provide real time information during critical incidents and large-scale events.

- Continued to work diligently to redact and release video, audio, and other records related to incidents which fall under the release requirements mandated by State laws (e.g., Senate Bill (SB) 1421 (2017/2018) and Senate Bill 16 (2021/2022)). The Department has also published a comprehensive index of incidents meeting the criteria for public disclosure which is now posted to the Department'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.

#### **OBJECTIVES FOR FY2022/23**

- **Expand community engagement and transparency**
  - Maintain, enhance, and expand the Department transparency webpage;
  - Proactive release of videos that are of public interest in addition to officer-involved shooting videos;
  - Partner with academic institutions to gather community input through continued surveys and studies, specifically an updated survey following the 2019 effort, will be conducted by the California Endowment, California Wellness, California State University Sacramento (CSUS), and the University of San Diego;
  - The addition of professional staff to expedite SB 1421, SB 16, and other Public Records Act requests;
  - Continued collaboration with the Sacramento Community Police Review Commission;
  - Intentional and increased focus on attracting, hiring, and retaining a more diverse workforce through a variety of virtual and in-person efforts;
  - The development of a Community Advancement Unit focused on collaborating with Sacramento community-based organizations and alignment of department-wide efforts to enhance police community relationships;
  - Foster collaborative partnerships with other City departments focused on youth engagement; and

- Pledge to and participate in the *30x30 Initiative* to address the under-representation of women in line-level and leadership law enforcement positions.
- **Reduce violent crime**
  - Absorb the City's Office of Violence Prevention to collaborate on integrated strategies;
  - Expand upon existing relationships with local, State, and Federal law enforcement partners with a focus on gun related crimes;
  - Work closely with Sacramento-area non-profit organizations focused on prevention, intervention and disruption of the cycle of violence;
  - Partner with the University of San Diego which is leading a community survey to assess community concerns and seek input on community policing strategies. This particular survey also will also specifically seek input from the youth in the community;
  - Use of internal analytical tools in order to guide investigative efforts towards the specific areas experiencing increases in violent crime;
  - The addition of a Police Social Services Administrator focused on services navigation and community healing following incidents of violent crime;
  - Build upon our ongoing relationship with WEAVE, Inc. to reduce the incidents of domestic violence in the community and work closely with victims of sex assault and family violence; and
  - Complete technology upgrades to the RTCC to include an expanded video wall and improved software.
- **Enhance service and professionalism**
  - Advanced Officer Training continues to create and deliver cutting edge training, to ensure officers can deliver the highest level of service;
  - Expand the Department mentorship program for employees at all levels;
  - Further develop the Inspections and Standards Team's capacity to conduct methodical audits to assess policy compliance, professionalism, and the constitutionality of arrests and the associated reports;
  - Refine the Use of Force Review Board process in which senior executive management reviews and evaluates all uses of force to assure policy compliance;
  - Enhance the Use of Force Review Committee's continuous evaluation of significant uses of force to seek training solutions that increase community and officer safety and improve outcomes; and

## FY2022/23 Approved Budget

- Participate in and support the American Leadership Forum's Human Centered Design Study to collect community and police officer feedback and evaluate how implicit bias can affect police-community interactions and community needs/values.

### POSITION CHANGES

- One vacant position was deleted (1.0 FTE Administrative Technician) and one new position was added (1.0 FTE Administrative Analyst) in the Office of Specialized Services' Crime Analysis Unit. The proposed add/delete better aligns the job classification to the job duties being performed. The cost of the position change will be offset with an on-going reduction in the Department's service and supplies budget.

### REORGANIZATION

- As part of the FY2022/23 Budget, the Office of Violence Prevention consisting of 2.0 FTE positions and associated budgets were moved from the Department of Community Response to the Police Department.

### Department Budget Summary

Police Budget Summary	FY2019/20	FY2020/21	FY2021/22	FY2021/22	FY2022/23	Change
	Actuals*	Actuals*	Approved	Amended	Approved	More/(Less) Approved/Amended
Employee Services	\$182,418,185	\$192,923,510	\$196,746,806	\$197,885,577	\$208,831,036	\$ 10,945,459
Other Services and Supplies	11,083,797	10,490,057	11,861,671	12,104,630	12,981,327	876,697
City Property	683,601	612,814	502,614	513,119	513,119	-
Multi-Year Operating Projects	-	-	4,939,963	1,378,676	9,065,188	7,686,512
Transfers	(529,096)	(253,615)	-	-	-	-
Labor and Supply Offset	(39,677,798)	(45,908,719)	(2,744,434)	(4,227,027)	(6,739,427)	(2,512,400)
<b>Total</b>	<b>\$153,978,689</b>	<b>\$157,864,048</b>	<b>\$211,306,620</b>	<b>\$207,654,975</b>	<b>\$224,651,243</b>	<b>\$ 16,996,268</b>

\*Updated actuals.

Funding Summary by Fund/Special District	FY2019/20	FY2020/21	FY2021/22	FY2021/22	FY2022/23	Change
	Actuals*	Actuals*	Approved	Amended	Approved	More/(Less) Approved/Amended
General Fund	\$153,467,252	\$157,361,959	\$205,080,406	\$201,428,761	\$215,358,739	\$ 13,929,978
Measure U	-	-	5,665,434	5,665,434	8,728,821	3,063,387
Risk Mgmt	511,437	502,089	560,780	560,780	563,683	2,903
<b>Total</b>	<b>\$153,978,689</b>	<b>\$157,864,048</b>	<b>\$211,306,620</b>	<b>\$207,654,975</b>	<b>\$224,651,243</b>	<b>\$ 16,996,268</b>

\*Updated actuals.

### Division Budget Summary

Police Budget Summary	FY2019/20	FY2020/21	FY2021/22	FY2021/22	FY2022/23	Change
	Actuals*	Actuals*	Approved	Amended	Approved	More/(Less) Approved/Amended
Office of the Chief Division	\$ 7,867,371	\$ 9,336,553	\$ 12,511,552	\$ 12,481,071	\$ 15,352,354	\$ 2,871,283
Office of Investigations Division	44,358,247	46,122,214	56,807,766	53,937,014	61,244,227	7,307,213
Office of Specialized Services Division	25,716,454	25,932,398	25,639,070	25,713,827	26,145,551	431,724
Office of Operations Division	76,036,617	76,472,883	116,348,232	115,523,063	121,909,111	6,386,048
<b>Total</b>	<b>\$153,978,689</b>	<b>\$157,864,048</b>	<b>\$211,306,620</b>	<b>\$207,654,975</b>	<b>\$224,651,243</b>	<b>\$ 16,996,268</b>

\*Updated actuals.

FY2022/23 Approved Budget

**Staffing Levels**

Police Budget Summary	FY2019/20	FY2020/21	FY2021/22	FY2021/22	FY2022/23	Change
	Actuals	Actuals	Approved	Amended	Approved	More/(Less) Approved/Amended
Office of the Chief Division	40.00	41.00	46.00	54.00	57.00	3.00
Office of Investigations Division	249.30	272.30	330.30	330.30	330.30	-
Office of Specialized Services Division	128.66	127.66	129.66	126.66	128.66	2.00
Office of Operations Division	681.50	657.00	597.00	616.00	613.00	(3.00)
<b>Total</b>	<b>1,099.46</b>	<b>1,097.96</b>	<b>1,102.96</b>	<b>1,126.96</b>	<b>1,128.96</b>	<b>2.00</b>

**MEASURE U**

The following chart summarizes the Department’s Measure U programs.

Funding Category	Program Name	FTE	FY2022/23 Approved
<b>Public Safety - Police</b>			
Operations	Hiring Pipeline - MU	63.50	5,728,876
<b>Youth</b>			
MYOP	Gang Prevention and Intervention		1,411,697
	Family and Youth Investments		1,300,000
Operations	Violence Prevention	2.00	288,249
<b>Grand Total</b>		<b>65.50</b>	<b>\$ 8,728,822</b>

**PERFORMANCE MEASURES**

**Department-wide**

Key Measure	FY19 Actuals	FY20 Actuals	FY21 Actuals	FY22 Estimate	FY23 Target
Part 1 Crimes Reported per 1,000 Residents	39.72	39.96	37.88	42.92	40.12

Part 1 Crimes Reported per 1,000 Residents		
Ranking*	City	Residents
1	San Diego	20.61
2	San Jose	27.41
3	Los Angeles	28.70
4	Long Beach	32.53
5	Riverside	33.31
6	<b>Sacramento</b>	<b>34.28</b>
7	Fresno	37.42
8	Bakersfield	45.38
9	San Francisco	49.38
10	Oakland	64.57

\*Top 10 California Cities by Population, source: <https://crime-data-explorer.app.cloud.gov/explorer/national/united-states/prelim-quarter>, FBI Uniform Crime Report, January –December 2020

## FY2022/23 Approved Budget

Key Measure	FY19 Actuals	FY20 Actuals	FY21 Actuals	FY22 Estimate	FY23 Target
Part 1 Crimes Reported per Sworn FTE Position	29.00	28.28	26.22	28.80	28.08

Workload Measure Ranking*	City	Part 1 Crimes Reported per Sworn FTE**	Sworn FTE per 1,000 Residents**
1	Los Angeles	11.71	2.45
2	San Diego	15.93	1.29
3	Long Beach	18.67	1.74
4	San Francisco	19.81	2.49
5	Fresno	25.56	1.46
6	<b>Sacramento</b>	<b>25.94</b>	<b>1.32</b>
7	San Jose	26.47	1.04
8	Riverside	30.75	1.08
9	Oakland	38.53	1.68
10	Bakersfield	43.61	1.04

\*Top 10 California Cities by Population, source: <https://crime-data-explorer.app.cloud.gov/explorer/national/united-states/prelim-quarter>, FBI Uniform Crime Report, January – December 2020

\*\*Participating Agency Staffing Report, source: [https://post.ca.gov/Portals/0/post\\_docs/hiring/le-employment-stats.pdf](https://post.ca.gov/Portals/0/post_docs/hiring/le-employment-stats.pdf), January 2021

On January 1, 2021, the Federal Bureau of Investigation (FBI) retired the Summary Reporting System (SRS) and implemented the National Incident-Based Reporting System (NIBRS). The 2021 Quarterly Uniform Crime Report was based on NIBRS data received from 53% of law enforcement agencies for the year. As of November 2021, California was still developing NIBRS capability at the state level. Therefore, there is no 2021 UCR data available.

The measure of crime is an indicator of safety in a community. Safe neighborhoods and safe public spaces create a sense of wellbeing for residents and visitors. Crime rate comparisons to California's other large cities provide a baseline to measure progress in managing crime. The universal benchmark of crime is referred to as Part 1 crime. Part 1 crimes are reported to the US 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.

The above Part 1 crime statistics were retrieved from the FBI's Crime Data Explorer and contain data received from law enforcement agencies across the country. The data reflected in these tables were provided by 12,974 of 18,952 reporting agencies from January to December 2020. Sworn FTE data was retrieved from the California Commission on Peace Officer Standards and Training's (POST) Participating Agency Report, January 2021.

Key Measure	FY19 Actuals	FY20 Actuals	FY21 Actuals	FY22 Estimate	FY23 Target
Percentage sworn SPD employees who are women or minorities	39%	42%	42%	42%	43%
Percentage of new hires into sworn or Hiring Pipeline Program vacancies that are women or minorities	72%	72%	68%	74%	72%

The Department recognizes that a workforce that mirrors the community it serves is important. It is committed to an intentional and increased focus on attracting, hiring, and retaining a more diverse workforce through a variety of virtual and in-person efforts. The first measure reflects the percentage diversity among all Police employees. Currently, approximately 42 percent of sworn employees are women or minorities. The second measure reflects the percentage of new hires into sworn and Hiring Pipeline vacancies. The Department will continue its efforts to increase the number of women and minority new hires into sworn and Hiring Pipeline vacancies.

### Field Services Division

Key Measure	FY19 Actuals	FY20 Actuals	FY21 Actuals	FY22 Estimate	FY23 Target
<b>Key Measure in minutes</b>					
Median response time for priority 2 and 3 calls (mm:ss)	11:00	10:55	11:36	12:03	11:23

## FY2022/23 Approved Budget

---

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 Police Department 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 Department's Crime Analysis Unit. The projections for the remainder of the current fiscal year and the next fiscal year are based on current trends. Comparable jurisdictional data is not available as each agency uses different criteria and policies governing the definition of priority calls for service.

<b>Key Measure</b>	<b>FY19 Actuals</b>	<b>FY20 Actuals</b>	<b>FY21 Actuals</b>	<b>FY22 Estimate</b>	<b>FY23 Target</b>
Percentage of 911 calls answered within 15 seconds	98%	97%	97%	94%	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 of California standard is answering 95% of all 911 calls within 15 seconds. Call answer times are tracked by the Department's Communications Center. The projection for the remainder of the current fiscal year is based on prior month averages. The projection for next fiscal year is based on the minimum state standard. Actual results vary depending on staffing and call volume.





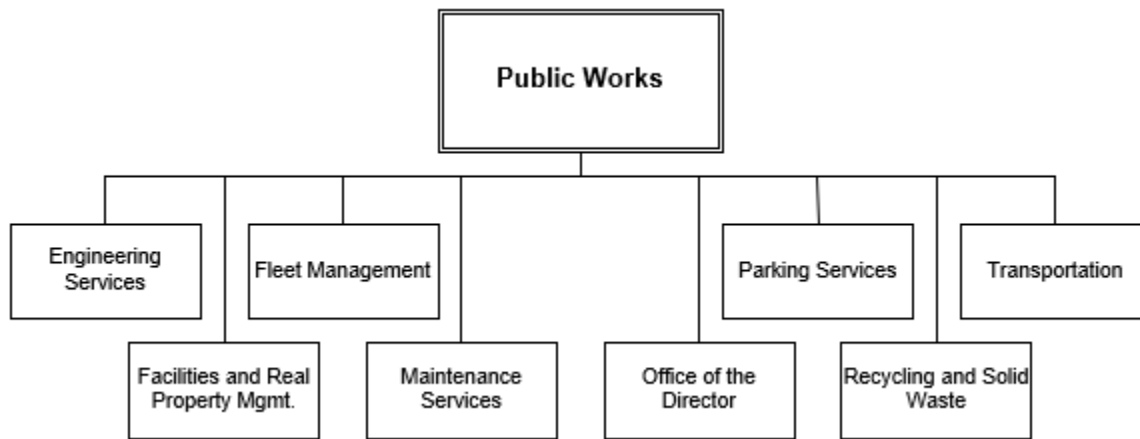
# 21

## **SECTION - 21 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 management and construction, real estate, Americans with Disabilities Act (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, parking lots, and operation of the Sacramento Marina.

## FY2022/23 Approved Budget

---

- Recycling and Solid Waste: Responsible for recycling and refuse collection, yard waste collection, household hazardous waste collection, household junk pickup, streetsweeping, 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**

- The Recycling and Solid Waste Division conducted extensive public outreach and the Council approved rate adjustments to ensure adequate funding to continue to provide waste services for a growing city and implement state mandated organic waste collection requirements (SB 1383) to divert organics from landfills and reducing methane gas emissions. Food waste collection will begin in Summer 2022.
- The Recycling and Solid Waste Division established a Commercial Waste Compliance Office to assume regulation of private refuse haulers servicing businesses and multifamily complexes in the City, taking over the function previously conducted by the Solid Waste Authority (SWA).
- The Stockton Boulevard Corridor Plan was adopted by Council in September 2021. This Plan identifies transportation improvements such as new crosswalks, bus lanes, bikeways, and intersection safety improvements along this vital corridor.
- Several divisions provided critical services to support homeless siting plan, including property investigation and coordination, construction, and operational support for homeless facilities, installed improvements including pavement and lighting for safe parking grounds, and supported contractors in homeless encampment clean up and coordination.
- The 12th Street Complete Streets Project, a \$10 million project, partially funded by grant funds, which includes the City's first cycle track, a separated and buffered bike lane to create a safer bicycling experience on a busy corridor, was completed.
- The Parking Division resumed full parking management operations after reducing services in response to the pandemic.
- New electric vehicle chargers in public on-street parking were installed at two additional locations in the Central City, incorporating artwork on the chargers, as part of the City's curbside charging pilot.
- The Facilities Division completed construction of Fire Station 14 and the North Natomas Community Center and Aquatics complex.

## FY2022/23 Approved Budget

---

- Construction of the compressed natural gas (CNG) fueling system at the Meadowview City Service Complex was completed. This new system will allow Recycling and Solid Waste Vehicles to “slow fill” overnight so are filled in the morning and ready for operation. Prior to the completion of the fueling systems City vehicles had to go to a third party for fueling.

### **DEPARTMENT EFFICIENCIES**

- The CNG station, partially funded through a Sacramento Air Quality Management District grant, will increase fueling efficiency time and costs for the City’s waste collection fleet.
- The City Hall Garage was re-opened after a fire to support the parking needs of surrounding businesses and employment centers.
- The Parking Division developed an online service and payment portal for purchases of discounted Commuter Special parking. This provided local employees a flexible and contactless option to pay and plan for their parking needs ahead of time.

### **OBJECTIVES FOR FY2022/23**

- Complete the Transportation Priorities Plan to help guide decisions regarding transportation investments given limited funds.
- Complete the City Hall Uninterruptible Power Supply (UPS) replacement project.
- Complete Phase 1 of the city fleet electric vehicle charging infrastructure project.
- Complete Fire Station 6 kitchen remodel.
- Complete the Freeport Boulevard Mobility Corridor Plan and Northgate Boulevard Mobility Corridor Plan.
- Implement AB 43 speed reduction measures.
- Prepare grant applications for numerous transportation grant programs, including Active Transportation Program, new competitive programs under the new Bipartisan Infrastructure Law, and the regional funding program administered through the Sacramento Area Council of Governments.
- Complete the Sacramento Urban Forest Plan.
- Complete Traffic Impact Study Guidelines Update.
- Pass an ordinance for Educational Institution and Merchant Parking Permits.
- Pass a comprehensive citywide ordinance that regulates the parking of electric vehicles both on and off the street.

## FY2022/23 Approved Budget

- Complete and implement the final standards of the revised SacPark outdoor dining program.

### BUDGET CHANGES

Division	Description	Fund	Revenue/ Offset Adjustment	Expenditure Change	FTE Change
Facilities and Real Property Management	Add a position (1.0 FTE Associate Architect) to increase response time for requests and effectiveness of delivery of projects. Position will be offset with charges to projects.	General	(142,267)	142,267	1.00
Fleet Management	Purchases of two Speed Radar Boards and temporary traffic signal to better accommodate City resident requests and maintain a safe flow of traffic during repairs and maintenance of roads.	Gas Tax	-	58,996	-
Office of the Director	Add a position (1.0 FTE Assistant Director) to help the Director manage the Department more effectively. Position is being offset with an allocation from Gas Tax (Fund 2002), Parking (Fund 6004) and from other divisions within the Department.	General/Gas Tax/Parking	(211,492)	211,492	1.00
Fiscal and Administrative Services	Reduce offsets from the Solid Waste and Recycling fund for administrative costs to support the new Storm Drainage Property Fee fund.	Solid Waste and Recycling		(347,776)	-
Recycling and Solid Waste	Add positions ( twelve at 1.0 FTE Integrated Waste Equipment Operator and 1.0 FTE Senior Integrated Waste Equipment Operator) and respective vehicle purchase and costs to reduce the current workload and improve current service levels in garbage, recycling and greenwaste routes. Costs is being offset with revenues.	Solid Waste and Recycling	-	7,794,407	13.00
Recycling and Solid Waste	Increase revenues within the division to reflect the recent Recycling and Solid Waste User Service Charges approved by City Council on January 25, 2022.	Solid Waste and Recycling	11,814,165	-	-
Recycling and Solid Waste	Increase disposal budgets to address the annual contractual CPI adjustments, increased disposal tonnage over time, initiation of organics service and maintenance of increases in frequency of street sweeping service. The costs is being offset with revenues.	Solid Waste and Recycling	-	4,537,500	-
<b>Total Change</b>			<b>\$ 11,460,406</b>	<b>\$ 12,396,886</b>	<b>15.00</b>

### POSITION CHANGES

- A vacant position (1.0 FTE Supervising Engineer) was deleted in the Facilities and Real Property Management Division and a new position (1.0 FTE Supervising Architect) was added to improve the organization structure and help facilitate project and employee supervision.
- One vacant position (1.0 FTE Account Clerk II) was deleted in the Parking Division and a new position (1.0 FTE Customer Service Representative) was added to accommodate the increase in customer service functions including, but not limited to, the Parking Management Services operations for managed parking facilities, the online reservation system, meter reservations, the Certified Partners Program

## FY2022/23 Approved Budget

which supports the online reservations platform, and escalations from the Revenue Division and Sacramento City 311.

- Two vacant positions (2.0 FTE Street Construction Equipment Operator) were deleted in the Maintenance Services Division and two new positions (2.0 FTE Concrete Construction Leadworker) were added to align with Budget and Human Resources records.
- One vacant position (1.0 FTE Accounting Technician) was deleted in the Maintenance Services Division and a new position (1.0 FTE Assistant Civil Engineer) was added to meet the work needs of the Division.

### Department Budget Summary

Public Works Budget Summary	FY2019/20	FY2020/21	FY2021/22	FY2021/22	FY2022/23	Change
	Actuals*	Actuals*	Approved	Amended	Approved	More/(Less) Approved/Amended
Employee Services	\$ 72,802,092	\$ 73,528,035	\$ 84,616,526	\$ 84,754,418	\$ 87,331,821	\$ 2,577,403
Other Services and Supplies	76,649,803	77,448,754	84,922,298	86,691,655	95,789,562	9,097,907
City Property	13,758,409	14,290,289	22,799,584	24,563,863	33,775,447	9,211,584
Multi-Year Operating Projects	-	-	14,320,152	4,834,500	22,025,966	17,191,466
Transfers	888,760	546,549	400,655	400,655	400,655	-
Labor and Supply Offset	(21,440,964)	(19,995,861)	(21,413,210)	(23,585,663)	(21,720,747)	1,864,916
Operating Transfers	10,051,710	11,096,037	9,573,200	9,414,700	10,750,900	1,336,200
<b>Total</b>	<b>\$152,709,810</b>	<b>\$156,913,803</b>	<b>\$195,219,205</b>	<b>\$187,074,128</b>	<b>\$228,353,604</b>	<b>\$ 41,279,476</b>

\*Updated actuals.

Funding Summary by Fund/Special District	FY2019/20	FY2020/21	FY2021/22	FY2021/22	FY2022/23	Change
	Actuals*	Actuals*	Approved	Amended	Approved	More/(Less) Approved/Amended
General Fund	\$ 12,090,948	\$ 21,977,909	\$ 22,224,171	\$ 25,131,063	\$ 21,924,944	\$ (3,206,119)
12th Street Maint Benefit Area	6,865	8,400	8,400	8,400	9,200	800
Cal EPA	177	3,060	-	-	-	-
Citation I-5 Maintenance	37,878	34,098	40,000	40,000	40,000	-
Community Center	-	-	-	(67)	-	67
Del Paso Nuevo Landscaping CFD	3,137	9,000	19,500	19,500	19,500	-
Fleet Management	43,848,457	45,510,805	52,136,098	53,857,365	66,421,060	12,563,695
Gas Tax 2016	4,656,483	5,638,161	10,664,843	10,015,839	8,925,850	(1,089,989)
Greenbriar Impact Fee	(2,600,000)	-	-	-	-	-
Greenbriar Traffic Congestion	-	4,768	-	-	-	-
Interdepartmental Service	2,069,268	2,401,352	2,331,646	2,331,646	2,388,982	57,336
Laguna Creek Maint Dist	46,870	46,500	51,580	51,580	51,580	-
Land Park	32,850	32,666	32,850	32,850	32,850	-
Landscaping and Lighting	11,980,973	12,651,909	13,472,311	13,500,736	14,475,000	974,264
Marina	918,740	999,563	922,153	941,191	1,014,897	73,706
Measure U	-	-	2,834,500	2,834,500	1,270,000	(1,564,500)
N Nat Lndscp 99-02	510,958	570,191	588,936	588,936	589,380	444
N Natomas Lands CFD 3	509,500	580,000	615,000	615,000	615,000	-
Neighborhood Lighting Dist	25,009	25,009	25,009	25,009	25,009	-
Neighborhood Water Quality Dist	34,902	33,470	47,980	47,980	50,980	3,000
New Measure A Maintenance	11,929,071	13,016,447	11,737,001	11,737,001	16,676,087	4,939,086
NMA Safety, Streets, Ped, Bic	-	-	-	-	6,600	6,600
NNFP Transit Fee	2,600,000	-	-	-	-	-
Northside Subdiv Maint Dist	3,601	2,830	6,500	6,500	6,500	-



FY2022/23 Approved Budget

**Department Budget Summary (continued)**

Funding Summary by Fund/Special District	FY2019/20	FY2020/21	FY2021/22	FY2021/22	FY2022/23	Change
	Actuals*	Actuals*	Approved	Amended	Approved	More/(Less) Approved/Amended
Parkebridge CFD 2014-07	-	30,005	64,000	64,000	64,000	-
Parking	12,436,159	(169,763)	6,651,218	904,218	6,042,287	5,138,069
Power Inn Rd Md 2003-01	10,117	10,977	9,920	9,920	9,920	-
Railyards Maint CFD No 2014-04	66,963	81,033	139,790	139,790	157,750	17,960
Recycling and Solid Waste	50,206,664	52,014,129	69,121,446	62,697,063	86,067,816	23,370,753
SacMaintCFD2014-04 Annex Areas	25,176	29,620	93,713	93,713	93,713	-
SacMaintCFD2014-04 Area 01	61,802	63,371	98,750	98,750	98,750	-
State Route 160	-	1,000	-	-	-	-
State Route 275	-	2,000	-	-	-	-
Storm Drainage	226,000	336,050	336,050	336,011	406,000	69,989
Street Tree Fee	-	(401)	-	-	-	-
Subdiv Lndscpng Maint Dist	290,739	306,645	330,975	330,975	334,410	3,435
Tow nship 9 CFD No. 2012-06	-	-	2,000	2,000	2,000	-
Traffic Safety	462,288	412,145	429,154	429,154	350,000	(79,154)
Transportation Development Impact Fee	88,585	58,634	-	-	-	-
Village Garden N.-Mtce Dist #1	15,882	16,894	20,711	20,711	25,539	4,828
Wastewater	-	-	-	(37)	-	37
Water	(26,798)	-	-	(169)	-	169
Willow creek Assmnt Md	26,705	28,325	38,000	38,000	38,000	-
Willow creek Lndscpng CFD	113,840	147,001	125,000	125,000	120,000	(5,000)
<b>Total</b>	<b>\$152,709,810</b>	<b>\$156,913,803</b>	<b>\$195,219,205</b>	<b>\$187,074,128</b>	<b>\$228,353,604</b>	<b>\$ 41,279,476</b>

\*Updated actuals.

**Division Budget Summary**

Public Works Budget Summary	FY2019/20	FY2020/21	FY2021/22	FY2021/22	FY2022/23	Change
	Actuals*	Actuals*	Approved	Amended	Approved	More/(Less) Approved/Amended
Engineering Services Division	\$ (1,361,072)	\$ (1,061,058)	\$ (264,736)	\$ (264,736)	\$ (72,022)	\$ 192,714
Office of the Director	2,008,105	2,219,984	2,609,401	2,575,200	2,593,778	18,578
Parking Services Division	20,801,278	19,042,432	22,153,679	21,317,375	21,470,502	153,127
Maintenance Services Division	20,878,034	21,534,363	25,767,001	24,576,757	28,244,831	3,668,074
Transportation Division	9,521,685	10,235,008	11,131,788	11,626,491	12,554,449	927,958
Fleet Management Division	43,848,457	45,510,805	52,136,098	53,785,377	66,421,060	12,635,683
Facilities & Real Property Mgmt Division	5,844,997	5,879,692	6,566,978	4,814,496	6,670,369	1,855,873
Recycling & Solid Waste Division	51,168,327	53,552,576	75,118,996	68,643,168	90,470,637	21,827,469
<b>Total</b>	<b>\$152,709,810</b>	<b>\$156,913,803</b>	<b>\$195,219,205</b>	<b>\$187,074,128</b>	<b>\$228,353,604</b>	<b>\$ 41,279,476</b>

\*Updated actuals.

**Staffing Levels**

Public Works Budget Summary	FY2019/20	FY2020/21	FY2021/22	FY2021/22	FY2022/23	Change
	Actuals	Actuals	Approved	Amended	Approved	More/(Less) Approved/Amended
Engineering Services Division	81.00	80.00	80.00	80.00	80.00	-
Office of the Director	12.00	12.00	12.00	12.00	13.00	1.00
Parking Services Division	131.05	131.05	131.05	130.85	130.85	-
Maintenance Services Division	123.00	123.00	123.00	123.00	123.00	-
Transportation Division	71.00	71.00	71.00	72.00	72.00	-
Fleet Management Division	83.00	83.00	83.00	83.00	83.00	-
Facilities & Real Property Mgmt Division	70.00	71.00	71.00	72.00	73.00	1.00
Recycling & Solid Waste Division	165.30	176.30	178.30	178.30	191.30	13.00
<b>Total</b>	<b>736.35</b>	<b>747.35</b>	<b>749.35</b>	<b>751.15</b>	<b>766.15</b>	<b>15.00</b>

**MEASURE U**

The following chart summarizes the Department's Measure U programs.

<b>Funding Category</b>	<b>Program Name</b>	<b>FTE</b>	<b>FY2022/23 Approved</b>
<b>Climate Action</b>			
MYOP	Sustainability Program	-	300,000
<b>Community Investments</b>			
CIP	City Facility Reinvestment Program	-	2,100,000
	Facility ADA Compliance Program	-	500,000
<b>Community Response</b>			
MYOP	Illegal Dumping	-	970,000
<b>Grand Total</b>		-	<b>\$ 3,870,000</b>

**PERFORMANCE MEASURES**

**Facilities & Real Property Management Division**

<b>Key Measure</b>	<b>FY19 Actuals</b>	<b>FY20 Actuals</b>	<b>FY21 Actuals</b>	<b>FY22 Estimate</b>	<b>FY23 Target</b>
Percent of all facility work order requests completed within a 30-day performance standard	58%	60%	50%	60%	65%

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**

<b>Key Measure</b>	<b>FY19 Actuals</b>	<b>FY20 Actuals</b>	<b>FY21 Actuals</b>	<b>FY22 Estimate</b>	<b>FY23 Target</b>
Percent of City vehicles available at 6:00 AM	94%	93%	93%	92%	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.

<b>Key Measure</b>	<b>FY19 Actuals</b>	<b>FY20 Actuals</b>	<b>FY21 Actuals</b>	<b>FY22 Estimate</b>	<b>FY23 Target</b>
Percent of alternative fuel vehicles purchased	34%	45%	46%	69%	75%

The California Global Warming Solutions Act of 2006 (Assembly Bill 32) requires California to reduce its greenhouse gases (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. Starting in FY2019/20 target includes renewable diesel purchases, not previously included.

**Maintenance Services Division**

<b>Key Measure</b>	<b>FY19 Actuals</b>	<b>FY20 Actuals</b>	<b>FY21 Actuals</b>	<b>FY22 Estimate</b>	<b>FY23 Target</b>
Percentage of roads with a Pavement Condition Index above 70 (good rating)	43%	27%	25%	24%	23%

The Maintenance Services Division is responsible for the City's street infrastructure system which includes over 3,118 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 59 (fair). Beginning in FY2016/17 the City updated the method of calculating pavement condition from the Pavement Quality Index to the industry standard Pavement Condition Index.

## FY2022/23 Approved Budget

	FY19	FY20	FY21	FY22	FY23
Key Measure	Actuals	Actuals	Actuals	Estimate	Target
Percentage of 311 service requests for potholes responded to within 48 hours	95%	93%	91%	90%	95%

The Maintenance Services Division is responsible for the street infrastructure system which includes the maintenance of 3,118 lane miles of paved roadway. Patching potholes is an essential service and on average, the Maintenance Services Division patches 1,281 potholes per month. Our customer commitment is to respond to 311 complaints for potholes within 48 hours of receiving the request.

	FY19	FY20	FY21	FY22	FY23
Key Measure	Actuals	Actuals	Actuals	Estimate	Target
Percentage of tree inventory pruned per annual cycle	95%	83%	65%	60%	60%

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 our 75,000 plus public trees. However, beginning in FY2019/20 a lack of staffing has created a backlog of trees pruned.

### Parking Services Division

	FY19	FY20	FY21	FY22	FY23
Key Measure	Actuals	Actuals	Actuals	Estimate	Target
Revenue generated per parking meter	\$2,090	\$1,620*	\$806*	\$1,240	\$1,641

The Parking Division is responsible for the collection and maintenance of over 6,300 paid on-street parking spaces within the Central City. In the last two years, the Division has worked with downtown and midtown merchants to repurpose metered spaces to accommodate customer pickup and delivery as well as implementing Al Fresca dining options. Throughout the City, there are over 5 million parking meter customer transactions per year.

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

	FY19	FY20	FY21	FY22	FY23
Key Measure	Actuals	Actuals	Actuals	Estimate	Target
Marina slips occupancy rate	79%	82%	87%	88%	89%

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 23 percent increase in occupancy rates from FY2015/16 to FY2020/21.

### Recycling & Solid Waste Division

	FY19	FY20	FY21	FY22	FY23
Key Measure	Actuals	Actuals	Actuals	Estimate	Target
Percent of City collected waste diverted from landfill	42%	45%	43%	40%	43%

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 52 percent diversion for Calendar Year 2020. 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.

	FY19	FY20	FY21	FY22	FY23
Key Measure	Actuals	Actuals	Actuals	Estimate	Target
Number of complaints of missed pickups (per 1,000 refuse accounts)	11	12	15	12	12

In a given year, City Integrated Waste Equipment Operators service almost 18 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 1,000 refuse accounts serviced remained the same in FY2018/19 compared to FY2017/18.

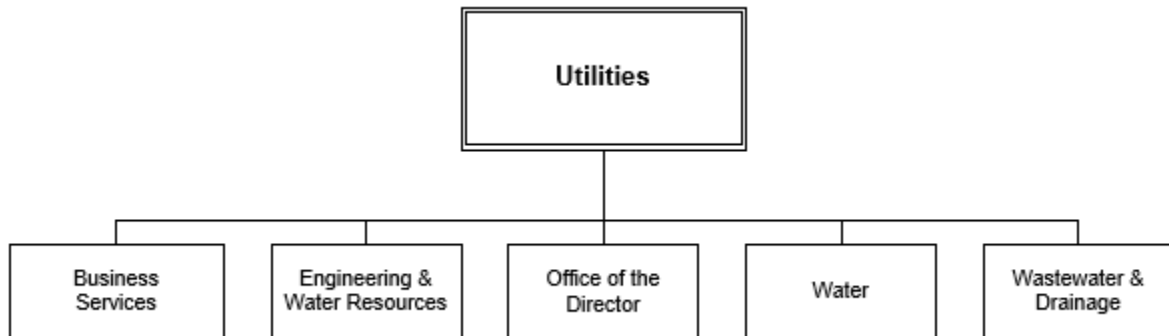
# 22

## **SECTION - 22** **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; 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; in collaboration with the Water, 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; planning for current and future generations by protecting, preserving and enhancing water resources, the environment, and the community.

- **Water:** Operates and maintains water production and distribution facilities to provide drinking water of the highest quality to City residents and customers; performs water quality monitoring and regulatory reporting to ensure compliance with all state and federal drinking water regulations; engages in research and development to optimize and improve processes and procedures.
- **Wastewater & Drainage:** Operates and maintains facilities for wastewater and storm drainage pumping, levee systems, the combined stormwater-wastewater system, along with a large network of stormwater and wastewater pumping facilities.

### **PROGRAMS/SERVICE HIGHLIGHTS**

- The Accelerated Water Meter Program (AWMP) was successfully completed in the fall of 2021, bringing the City's metered services to 99.9%. Assembly Bill 2572, enacted in 2004, mandated the installation of water meters on all water service connections by January 1, 2025. DOU developed a water meter implementation program to meet this requirement and in 2015, the Council passed a resolution to accelerate the program. The program has been completed three years ahead of the state mandate. The AWMP was finished on time and 8% under budget. The AWMP was one of the largest programs ever undertaken by the DOU.
- The McKinley Water Vault Project (MWVP) was successfully completed in the fall of 2021. The MWVP was on schedule and 3% under budget. The MWVP is a 6-million-gallon underground storage tank that will hold combined stormwater and wastewater during storm events when the combined sewer system is at capacity.
- Responded efficiently and effectively to a 500-year storm event, working to minimize water quality impacts and ensure water supply reliability.

## FY2022/23 Approved Budget

---

- DOU staff works closely with the City's Attorney's Office and the Department of Community Response to respond to homeless encampments on critical infrastructure. The departments coordinate closely on issuing notices, offering services to the campers over a three-week period, and cleaning up sites so that maintenance can be performed on critical infrastructure.
- The DOU Water Conservation Program provided 1,553 high-efficiency toilet rebates, 205 clothes washer rebates, 188 turf conversion rebates resulting in 214,145 square feet of turf conversion to water wise landscapes, 37 irrigation upgrade rebates, and 221 smart irrigation controller rebates through February 2022. Also, through a partnership with SMUD, the team provided 1,211 rebates for showerheads, aerators, smart controllers, and water kits. Through the Leak Free Sacramento Program, 26 projects were completed in disadvantaged and low-income communities to repair leaks ranging from 13 to 1,933 gallons per hour. The office also distributed 280 rain barrels through an effort held around the Imagine a Day Without Water event in October. Furthermore, the program also generated 12,434 leak notification letters leading to 1,344 free leak investigations and 329 Water Wise House Calls to help customers save water and money. It is estimated that these efforts saved 74,688,140 gallons of water over the last year.
- A ballot initiative to impose a new Storm Drainage property fee moved forward to property owners for a vote in March of 2022, and 52.3% of the voters approved the new fee. The fee will generate over \$20 million in revenue annually and fund vital improvements to the City's aging stormwater infrastructure. City Council approved the Storm Drainage property fee on April 12, 2022. The revenues and expenditures of the new fee will be managed in a separate fund called the Storm Drainage Property Fee Fund (6021).

### **DEPARTMENT EFFICIENCIES**

- Issued a Notice of Preparation for both the Groundwater Replacement and Water+ programs. These programs will provide future water supply projects for both the City's groundwater and surface water supplies.
- Substantially reduced overtime usage without impacting service levels by moving to a four day/week schedule for routine distribution system water quality monitoring.
- Implemented over 78% of audit recommendations from audits conducted by the City Auditor's Office related to labor, inventory, safety, and fleet.
- Created a Water Policy & Regional Planning section within Engineering and Water Resources to align strategic goals supporting the City's water rights and supply priorities with water use efficiency goals.
- Improved the timeliness of vendor payments by creating a business intelligence dashboard, allowing for automated monitoring of pending invoices.



## FY2022/23 Approved Budget

- Installed a secure and permanent power source in the Pocket Canal for canal aeration that reduced costs for daily fueling and delivery of portable generators.

### OBJECTIVES FOR FY2022/23

- Communicate and implement the fourth year of action from the newly revised strategic plan.
- Deliver the FY2022/23 CIP water, wastewater, and drainage infrastructure programs on schedule and within budget.
- Facilitate, coordinate, and collaborate with operating departments and the City Treasurer's Office to deliver a department-wide Long Range Financial Plan.
- Deliver the triennial Public Health Goal Report.

### BUDGET CHANGES

Division	Description	Fund	Revenue/ Offset Adjustment	Expenditure Change	FTE Change
Business Services Division	Increase revenue, bad debt expense, offsets, and General Fund transfer tax for the new Storm Drainage property fee.	Storm Drainage Property Fee	(20,250,000)	3,647,094	-
Business Services Division	Reduce offsets from the Water, Wastewater, and Storm Drainage funds for administrative costs to support the new Storm Drainage Property Fee Fund.	Storm Drainage/ Wastewater/ Water	-	(891,618)	-
Engineering & Water Resources	Purchase a Ford Transit for the addition of a permanent Water Conservation Specialist added in FY2021/22. This request will be supported through a one-time reduction in Water Conservation's operating budget.	Water	(37,000)	37,000	-
Engineering & Water Resources	Provide funding for a new program to fund development of hydrologic and hydraulic models and complete master plans for the City's 135 drainage basins.	Storm Drainage Property Fee	-	1,250,000	-
Water Operations & Maintenance Division	Add a position (1.0 FTE Administrative Technician) to support the Cross Connection Control Program. The cost of the position and services and supplies are being partially offset by revenues received from servicing backflow devices. The balance will be added to the department's budget.	Water	(75,000)	96,396	1.00
<b>Total Change</b>			<b>\$(20,362,000)</b>	<b>\$ 4,138,872</b>	<b>1.00</b>

### POSITION CHANGES

- A vacant position (1.0 FTE Storekeeper) was deleted in the Business Services Division, Logistics section and a new position (1.0 FTE Administrative Analyst) was added to the Water Division, Employee & Administrative Services section. This position is the lead in developing and implementing department-wide initiatives, with the focus on making processes consistent throughout the Department.

## FY2022/23 Approved Budget

### Department Budget Summary

Utilities Budget Summary	FY2019/20 Actuals*	FY2020/21 Actuals*	FY2021/22 Approved	FY2021/22 Amended	FY2022/23 Approved	Change More/(Less) Approved/Amended
Employee Services	\$ 63,811,183	\$ 65,090,150	\$ 75,004,420	\$ 75,054,741	\$ 76,559,964	\$ 1,505,223
Other Services and Supplies	32,241,921	32,673,341	41,641,498	39,761,635	41,156,318	1,394,683
City Property	1,750,275	4,153,704	(44,225)	2,089,803	2,100,903	11,100
Multi-Year Operating Projects	-	-	10,018,237	5,374,286	10,639,992	5,265,706
Transfers	(781,054)	(1,090,080)	-	-	-	-
Labor and Supply Offset	5,222,042	5,820,817	7,299,290	7,304,480	8,781,799	1,477,319
Operating Transfers	24,614,164	24,294,267	23,623,623	23,623,623	26,015,488	2,391,865
<b>Total</b>	<b>\$126,858,531</b>	<b>\$130,942,199</b>	<b>\$157,542,843</b>	<b>\$153,208,568</b>	<b>\$165,254,464</b>	<b>\$ 12,045,896</b>

\*Updated actuals.

Funding Summary by Fund/Special District	FY2019/20 Actuals*	FY2020/21 Actuals*	FY2021/22 Approved	FY2021/22 Amended	FY2022/23 Approved	Change More/(Less) Approved/Amended
General Fund	\$ 69,619	\$ 70,219	\$ 122,410	\$ 122,410	\$ 79,410	\$ (43,000)
Community Center	4,983	4,983	4,983	4,983	4,983	-
Fleet Management	160,386	196,105	200,000	200,000	200,000	-
Golf	4,611	5,333	8,550	8,550	8,550	-
Landscaping and Lighting	40,000	53,661	40,000	40,000	70,000	30,000
N Natomas Lands CFD 3	219,780	150,624	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	-
Parkebridge CFD 2014-07	-	-	-	-	10,000	10,000
Parking	1,436	2,600	1,359	1,359	1,359	-
Recycling and Solid Waste	1,323,653	2,988,418	3,198,244	3,198,244	2,925,539	(272,705)
SacMaintCFD2014-04 Annex Areas	-	-	-	-	36,500	36,500
SacMaintCFD2014-04 Area 01	-	-	298,120	298,120	298,120	-
Storm Drainage	29,023,696	28,475,932	36,505,020	35,325,553	37,639,597	2,314,044
Storm Drainage Property Fee	-	-	-	-	4,897,094	4,897,094
Tow nship 9 CFD No. 2012-06	-	-	9,000	9,000	9,000	-
Wastewater	27,094,998	26,519,567	33,788,070	32,285,490	33,851,892	1,566,402
Water	68,906,362	72,467,084	83,035,313	81,383,085	84,890,646	3,507,561
Willow creek Assmnt Md	9,007	7,672	20,774	20,774	20,774	-
<b>Total</b>	<b>\$126,858,531</b>	<b>\$130,942,199</b>	<b>\$157,542,843</b>	<b>\$153,208,568</b>	<b>\$165,254,464</b>	<b>\$ 12,045,896</b>

\*Updated actuals.

### Division Budget Summary

Utilities Budget Summary	FY2019/20 Actuals*	FY2020/21 Actuals*	FY2021/22 Approved	FY2021/22 Amended	FY2022/23 Approved	Change More/(Less) Approved/Amended
Business Services Division	\$ 8,346,846	\$ 8,874,890	\$ 11,142,650	\$ 10,975,907	\$ 11,528,639	\$ 552,732
Engineering & Water Resources Division	13,628,046	12,973,627	18,383,688	17,666,347	18,457,468	791,121
Office of the Director	44,044,287	48,002,589	53,738,946	56,234,177	61,065,641	4,831,464
Wastewater/Drainage Ops & Maint. Division	29,315,272	29,192,000	35,624,617	32,565,026	35,745,128	3,180,102
Water Operations & Maintenance Division	31,524,079	31,899,093	38,652,942	35,767,111	38,457,588	2,690,477
<b>Total</b>	<b>\$126,858,531</b>	<b>\$130,942,199</b>	<b>\$157,542,843</b>	<b>\$153,208,568</b>	<b>\$165,254,464</b>	<b>\$ 12,045,896</b>

\*Updated actuals.

## FY2022/23 Approved Budget

### Staffing Levels

Utilities Budget Summary	FY2019/20	FY2020/21	FY2021/22	FY2021/22	FY2022/23	Change More/(Less)
	Actuals	Actuals	Approved	Amended	Approved	Approved/Amended
Business Services Division	77.00	72.00	80.00	80.00	81.00	1.00
Engineering & Water Resources Division	116.72	114.72	115.72	115.72	115.72	-
Office of the Director - DOU	13.18	13.18	14.18	14.18	14.18	-
Wastewater/ Drainage Ops & Maint. Division	183.00	185.00	185.00	185.00	185.00	-
Water Operations & Maintenance Division	185.00	185.00	177.00	177.00	177.00	-
<b>Total</b>	<b>574.90</b>	<b>569.90</b>	<b>571.90</b>	<b>571.90</b>	<b>572.90</b>	<b>1.00</b>

### PERFORMANCE MEASURES

#### Engineering & Water Resources Division

Key Measure	FY19 Actuals	FY20 Actuals	FY21 Actuals	FY22 Estimate	FY23 Target
Design Budget - Estimated Cost to Actual Cost Performance Index	1.07	1.58	1.31	1.63	.85 - 1.15

The ratio of design budgets to actual costs for the completed design of capital improvement projects is tracked manually to ensure our water, wastewater, and storm drainage systems' projects are reliably developed in a cost-effective manner.

#### Office of the Director Division

Key Measure	FY19 Actuals	FY20 Actuals	FY21 Actuals	FY22 Estimate	FY23 Target
% water conservation achieved (year-over-year)	29%	30%	24%	25%	25%

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. This percentage is compared to our 20% by 2020 gallons per capita per day target as mandated by Senate Bill X7-7 (2009).

#### Operations & Maintenance Division

Key Measure	FY19 Actuals	FY20 Actuals	FY21 Actuals	FY22 Estimate	FY23 Target
# of sanitary (wastewater) overflows	3.42 per 100 miles	2.90 per 100 miles	2.50 per 100 miles	3.00 per 100 miles	2.70 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.

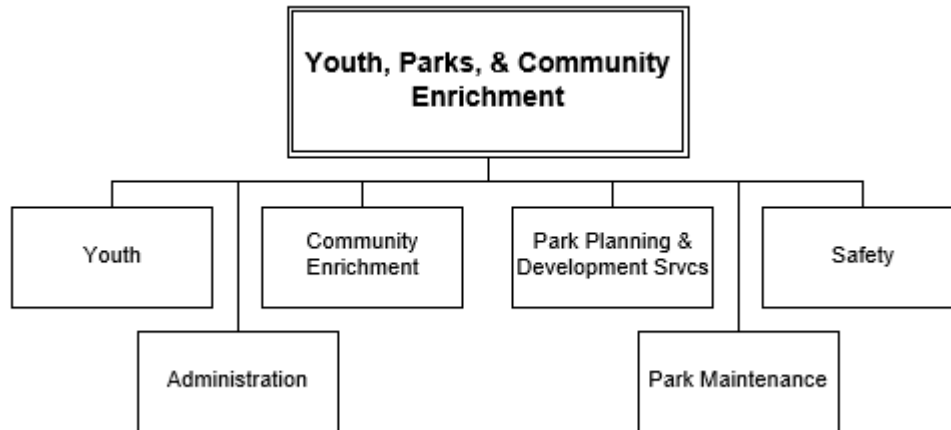
# 23

**SECTION - 23**  
**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. 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, delivering, and fostering citywide programs, trainings, projects, and services that navigate critical pathways for youth development including youth participation opportunities, community involvement, relationship building, and skill building. Programs serve young people between the ages of 5-24 in the following areas: Expanded Learning, Youth Workforce Development, Civic Engagement, Youth Sports & Wellness.
- Administration: Responsible for department-wide support of fiscal management, human resources, procurement, grant writing management, lease management, and administrative operations that include managing the Parks and Recreation Commission and the Ann Land & Bertha Henschel Commission.
- Community Enrichment: Responsible for a wide range of programs, services and facilities that support safe space, community livability, and a high quality of life for all

- of Sacramento. Provides recreation, leisure enrichment and community resources for all ages, including youth, teens, active adult, and senior programs.
- **Park Maintenance:** Responsible for daily maintenance of 216 parks, parkways, bike trails, and open space areas spanning over 3,280 acres. Responsibilities include maintenance of turf, landscape, structures, and park amenities citywide. This Division also maintains and operates the Old City Cemetery, which is a State historic landmark that offers monthly tours and events.
- **Park Planning & Development Services:** Responsible for park planning, parkland acquisition, park master planning, policy implementation, asset management and the design and development of new and renovations of existing neighborhood, community, and regional parks
- **Safety:** Responsible for preserving, protecting, and enforcing park regulations of over 234 parks with 4,360 acres of parks, parkways, open space, community centers, aquatic facilities, and bike trails.

### **PROGRAMS/SERVICE HIGHLIGHTS**

- With the continuing impacts of the pandemic and the need to maintain virtual programming service delivery models, YPCE continued to offer professional development opportunities, focusing on youth development, in priority areas such as: safely engaging young people online, mental wellness supports and tools, and general technical training needed for new programming models.
- The Prime-Time Teen program is an eight-week interactive work readiness training program for young people 13-17 years of age. This program will transition back to an in-person service delivery model from the virtual model necessary through COVID-19. The program continues to offer 10 seasonal sessions per fiscal year and serves 400 youth annually.
- The Aquatics section continued to adapt to restrictions due to the pandemic and increased essential water safety service offerings by opening 12 neighborhood pools and four wading pools with zero critical incidents. There was a significant increase in participation from 2020 across all aquatic's programs, which included the following: 55,614 participants attended recreation swim (379% increase); 2,096 youth participants attended swim lesson (77% increase); the City's recreational swim team returned with 349 youth participants; 4,268 lap swimmers

## FY2022/23 Approved Budget

---

visited pools, and 5,369 participants attended water aerobics. Over \$16,000 was awarded in Swim Safe Scholarships that included free swim lessons, swim team scholarships, lifeguard scholarships and lifeguard certification reimbursements.

- Older Adult Services (OAS) reopened both the Hart Senior Center and all three Triple-R locations in June 2021 by implementing safety modifications to address the ongoing pandemic. Opportunities to engage in-person helped participants combat the feeling of isolation that many were experiencing after being home more than a year. OAS provided 12,629 units of service with virtual programming activities. Since reopening in June 2021, OAS has provided 11,116 units of service in-person or by phone and 2,796 units of respite for caregivers participating in the Triple-R program.
- The Community Center team provided programming opportunities and access to safe space for over 4,400 youth and teens through in-person afterschool and summer camps, Hot Spots Remix (an updated Hot Spot teen special event series) and Recreation Explorer Camp (R.E.C.) serving youth ages 3-5 in a play-based preschool program. Drive-thru special events were hosted citywide and welcomed over 8,000 families.
- Throughout the pandemic, Golf worked with our partner, Morton Golf LLC, to keep all four of the City's golf courses open, offering one of the few organized activities still available during this time. Safety measures defined by Morton Golf became the model for other golf courses in the area. With limited options available, the public has continued or taken up golf in record numbers resulting in increased revenues that enable further improvements to the courses.

### **DEPARTMENT EFFICIENCIES**

- Continue to engage with the Department's Park planning consultant in the development of the Parks Plan 2040 that addresses the City's commitment to Equity and Health within the park and recreation system. The projected completion date for the Parks Plan 2040 is Spring 2023, to follow the adoption of the City's General Plan Update.
  - Community Enrichment Division developed and implemented several organizational efficiencies to support internal and external customer service and communications. The Come Out and Play Activity Guide was converted to an online, interactive document that is updated monthly, giving residents the most up-to-date program and resource information. In collaboration with the YPCE ActiveNet support team, Access Leisure designed and implemented an inclusive modification request process that provides program modifications for all recreation and leisure activities on a case-by-case basis based on the needs of the participants, as outlined in Title II of the Americans with Disabilities Act (ADA). Access Leisure supports department-wide program staff through inclusive staff trainings, program observations and participant assessments.
  - Community Centers mobilized staffing and resources to continue serving the community through the pandemic with great success, providing critical community
-



## FY2022/23 Approved Budget

---

resources and services including year-round COVID-19 vaccine clinics in partnership with Sacramento County and UC Davis Health, administering more than 15,000 doses, and emergency response support through activation of clean air, warming and cooling centers.

- Addressed deferred maintenance issues at several pools including the completion and initiation of resurfacing projects to support safe reopening and operations, and the installation of the Clunie's pool heater and facility updates to allow extended season aquatics safety program opportunities.
- With the onset of the 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 youths, seniors, and underserved families; and face covering distribution for independent businesses across Sacramento.
- YPCE partnered with Geographic Information System (GIS) team to map park amenities and land uses. GIS applications provide Department, City staff and the public a method to easily access and share geographic information. The database allows coordination across all divisions using the same data to support asset management and administrative functions.

### **OBJECTIVES FOR FY2022/23**

- Continue work on YPCE's Parks Plan 2040, including developing a Needs, Recommendations, and Cost Analysis, and Final Parks Plan for approval by Council.
- Establish and document Policies and Procedures.
- Continue to address deferred maintenance projects at pools citywide and recruit, hire and train staff to support safe opening and operations of all city pools, including Clunie Pool for extended spring and fall seasons, and the successful opening and operations of North Natomas Community Center and Aquatic Complex during 10 months of the year. Address facility improvements and security measures that support safe re-opening of front counters at Community Centers and Hart Senior Center to the public (in addition to pre-registered programs) and resume expansion of community center hours and program offerings including increased activation of Coloma and Belle Cooledge Community Centers
- Implementation of specialized and inclusive recreation programming for youth and teens with disabilities department-wide and including partnerships with Alta Regional Center, school districts, Sacramento State.

FY2022/23 Approved Budget

**BUDGET CHANGES**

Division	Description	Fund	Revenue/ Offset Adjustment	Expenditure Change	FTE Change
Community Enrichment	Add higher level positions (7.24 FTE total) with the deletion of lower level positions (9.98 FTE total) that were difficult to recruit in order to directly support resumption and expansion of community centers and adaptive sports/recreation programs. Savings will be used to offset the cost of the Park Maintenance Worker III position.	Measure U	(612,751)	570,848	(2.74)
Park Maintenance and Planning	Delete three vacant positions (0.30 FTE Utility Worker, 1.0 FTE Program Leader and 0.15 FTE Recreation Aide) and add a position (1.0 FTE Park Maintenance Worker II) to maintain the ongoing access and service levels currently provided to City residents as the number of community gardens increase. Costs will be offset with savings from add/deletes in Community Enrichment.	Measure U	(75,277)	83,049	(0.45)
Park Maintenance and Planning	Delete eleven vacant positions (ten @ 0.13 FTE Youth Aide and 0.20 FTE Recreation Aide) and add a position (1.0 FTE Park Maintenance Worker III) to address the increasing workload and responsibilities related to playground inspection and maintenance. Position will be offset with a reduction in services and supplies and savings from add/deletes in Community Enrichment.	Measure U	(53,693)	92,997	(0.50)
<b>Total Change</b>			<b>\$ (741,721)</b>	<b>\$ 746,894</b>	<b>(3.69)</b>

**Department Budget Summary**

Youth, Parks, and Community Enrichment Budget Summary	FY2019/20 Actuals*	FY2020/21 Actuals*	FY2021/22 Approved	FY2021/22 Amended	FY2022/23 Approved	Change More/(Less) Approved/Amended
Employee Services	\$ 32,522,999	\$ 32,344,365	\$ 40,035,883	\$ 39,963,746	\$ 40,255,934	\$ 292,188
Other Services and Supplies	12,807,699	12,065,967	17,310,835	17,312,053	18,232,023	919,970
City Property	1,852,473	216,258	298,992	300,642	301,802	1,160
Multi-Year Operating Projects	-	1,200	1,445,986	886,204	1,081,132	194,928
City Debt Service	87,807	4,391	-	-	-	-
Transfers	(150,828)	138,634	-	-	-	-
Labor and Supply Offset	(11,056,397)	(12,109,918)	(1,976,975)	(1,934,932)	(2,064,139)	(129,207)
Operating Transfers	-	(21,542)	-	-	-	-
<b>Total</b>	<b>\$ 36,063,753</b>	<b>\$ 32,639,355</b>	<b>\$ 57,114,721</b>	<b>\$ 56,527,713</b>	<b>\$ 57,806,752</b>	<b>\$ 1,279,039</b>

\*Updated actuals.

Funding Summary by Fund/Special District	FY2019/20 Actuals*	FY2020/21 Actuals*	FY2021/22 Approved	FY2021/22 Amended	FY2022/23 Approved	Change More/(Less) Approved/Amended
General Fund	\$ 21,839,725	\$ 24,113,082	\$ 1,562,715	\$ 1,562,715	\$ 1,557,590	\$ (5,125)
4th R Program	4,931,370	521,670	3,108,890	3,104,303	3,082,118	(22,185)
Ethel MacLeod Hart Trust	-	-	800,000	800,000	-	(800,000)
Externally Funded Programs	-	-	-	-	19,000	19,000
Golf	(96,039)	(11,206)	(111,593)	(111,593)	(106,878)	4,715
Laguna Creek Maint Dist	150,000	63,197	175,000	175,000	175,000	-
Land Park	88,995	134,015	139,000	139,000	139,000	-
Landscaping and Lighting	3,800,000	4,000,000	4,100,000	4,100,000	4,200,000	100,000
Measure U	-	-	41,955,195	41,372,774	43,230,356	1,857,582

FY2022/23 Approved Budget

**Department Budget Summary (continued)**

Funding Summary by Fund/Special District	FY2019/20	FY2020/21	FY2021/22	FY2021/22	FY2022/23	Change
	Actuals*	Actuals*	Approved	Amended	Approved	More/(Less) Approved/Amended
N Natomas Lands CFD 3	1,219,405	1,487,667	1,697,000	1,697,000	1,745,000	48,000
Neighborhood Park Maint CFD	1,482,000	1,682,000	1,782,000	1,782,000	1,882,000	100,000
Neighborhood Water Quality Dist	24,000	16,564	30,000	30,000	30,000	-
NW Land Park CFD 2013-02	-	24,578	51,000	51,000	164,800	113,800
Park Development	1,978,631	183,769	427,600	427,600	441,860	14,260
Parkebridge CFD 2014-07	-	-	57,000	57,000	57,000	-
Parking	-	53	-	-	-	-
Quimby Act	7,961	10,307	10,000	10,000	10,000	-
Railyards Maint CFD No 2014-04	-	-	7,500	7,500	7,500	-
Sac Services CFD 2018-05	-	-	30,000	30,000	40,000	10,000
SacMaintCFD2014-04 Annex Areas	-	-	-	-	1,200	1,200
Special Program Donations	7,760	-	-	-	-	-
START	629,944	413,533	1,292,414	1,292,414	1,129,206	(163,208)
Tow nship 9 CFD No. 2012-06	-	126	1,000	1,000	2,000	1,000
<b>Total</b>	<b>\$ 36,063,753</b>	<b>\$ 32,639,355</b>	<b>\$ 57,114,721</b>	<b>\$ 56,527,713</b>	<b>\$ 57,806,752</b>	<b>\$ 1,279,039</b>

\*Updated actuals.

**Division Budget Summary**

Youth, Parks, and Community Enrichment Budget Summary	FY2019/20	FY2020/21	FY2021/22	FY2021/22	FY2022/23	Change
	Actuals*	Actuals*	Approved	Amended	Approved	More/(Less) Approved/Amended
Administration & Safety Division	\$ 2,162,898	\$ 2,272,431	\$ 3,314,753	\$ 3,206,753	\$ 3,389,339	\$ 182,586
Community Enrichment Division	10,403,031	9,709,698	23,965,522	23,923,086	23,243,758	(679,328)
Neighborhood Services Division	131,150	-	-	-	-	-
Park Maintenance & Planning Division	15,530,239	14,654,251	20,814,677	20,405,331	22,364,828	1,959,497
Youth Division	7,836,435	6,002,976	9,019,769	8,992,543	8,808,827	(183,716)
<b>Total</b>	<b>\$ 36,063,753</b>	<b>\$ 32,639,355</b>	<b>\$ 57,114,721</b>	<b>\$ 56,527,713</b>	<b>\$ 57,806,752</b>	<b>\$ 1,279,039</b>

\*Updated actuals.

**Staffing Levels**

Youth, Parks, and Community Enrichment Budget Summary	FY2019/20	FY2020/21	FY2021/22	FY2021/22	FY2022/23	Change
	Actuals	Actuals	Approved	Amended	Approved	More/(Less) Approved/Amended
Administration & Safety Division	22.00	22.00	22.00	22.00	22.00	-
Community Enrichment Division	296.61	315.89	315.79	313.92	309.53	(4.39)
Park Maintenance & Planning Division	149.64	149.80	149.80	148.80	150.80	2.00
Youth Division	235.91	236.85	236.35	235.50	234.20	(1.30)
<b>Total</b>	<b>704.16</b>	<b>724.54</b>	<b>723.94</b>	<b>720.22</b>	<b>716.53</b>	<b>(3.69)</b>

**MEASURE U**

The following chart summarizes the Department's Measure U programs.

<b>Funding Category</b>	<b>Program Name</b>	<b>FTE</b>	<b>FY2022/23 Approved</b>
<b>Community Investment</b>			
MYOP	Fleet Acquisitions	-	702,183
Operations	Fiscal and Management Services	9.00	1,425,483
	Golf Admin	-	250,000
	Historic City Cemetery	3.00	406,693
	Older Adult Services	29.03	2,021,847
	Park Operations Administration	135.80	13,349,970
	Permitting and Events	7.74	925,942
	Technology Service	-	57,638
<b>Public Safety - YPCE</b>			
Operations	Park Safety Services	13.00	1,541,763
MYOP	Fleet Acquisitions	-	70,000
<b>Miscellaneous</b>			
MYOP	Commisson Stipends	-	15,660
<b>Youth</b>			
MYOP	Youth Sports Field Permit Program	-	200,000
Operations	Access Leisure	10.03	645,234
	Aquatics	88.30	5,534,028
	Camp Sacramento	16.62	759,700
	Community Centers	144.51	9,747,002
	Community Recreation Services	4.30	260,387
	Recreation Administration	9.00	1,609,216
	Youth Employment	60.02	2,749,042
	Youth Enrichment	13.60	573,340
	Youth Expanded Learning	11.24	385,228
<b>Grand Total</b>		<b>555.19</b>	<b>\$ 43,230,356</b>

**PERFORMANCE MEASURES**

**Park Maintenance and Planning Division**

<b>Key Measure</b>	<b>FY19 Actuals</b>	<b>FY20 Actuals</b>	<b>FY21 Actuals</b>	<b>FY22 Estimate</b>	<b>FY23 Target</b>
Park maintenance cost per acre	\$5,550	\$5,286	\$5,736	\$6,052	\$6,139

Currently, the Park Maintenance Division maintains more than 3,270 acres of parkways, developed turf, landscape, recreation structures, and park amenities citywide. Services provided by this division include mowing, weeding, litter removal, playground inspections, irrigation repair, and restroom cleaning.

## FY2022/23 Approved Budget

<b>Key Measure</b>	<b>FY19 Actuals</b>	<b>FY20 Actuals</b>	<b>FY21 Actuals</b>	<b>FY22 Estimate</b>	<b>FY23 Target</b>
Number of developed park acres maintained per FTE	21.57	25.82	19.70	19.86	19.55

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.

<b>Key Measure</b>	<b>FY19 Actuals</b>	<b>FY20 Actuals</b>	<b>FY21 Actuals</b>	<b>FY22 Estimate</b>	<b>FY23 Target</b>
Number of volunteer hours managed per developed park acre	17.00	9.8	8.43	8.67	9.26

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.

<b>Key Measure</b>	<b>FY19 Actuals</b>	<b>FY20 Actuals</b>	<b>FY21 Actuals</b>	<b>FY22 Estimate</b>	<b>FY23 Target</b>
Number of irrigation service requests responded to per irrigation FTE	242	181	198	161	150

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

<b>Key Measure</b>	<b>FY19 Actuals</b>	<b>FY20 Actuals</b>	<b>FY21 Actuals</b>	<b>FY22 Estimate</b>	<b>FY23 Target</b>
Number of safety calls responded to per Park Ranger	370	501	240	400	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

<b>Key Measure</b>	<b>FY19 Actuals</b>	<b>FY20 Actuals</b>	<b>FY21 Actuals</b>	<b>FY22 Estimate</b>	<b>FY23 Target</b>
Percent of respondents rating the quality of Measure U funded Middle School Intramural Sports Programs as good or excellent	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.

\*\* This program was suspended in compliance with state and county public health orders in response to the worldwide pandemic.

# 24

## **SECTION - 24** **Citywide and Community Support**



## Citywide and Community Support

This section includes City costs, programs and revenues that are not directly associated with an individual department. Below are the major expenditures budgeted in Citywide and Community Support (Citywide).

### Employee Benefits and Insurance

The costs associated with employee benefits and insurance are budgeted in Citywide.

- Employee Benefits (\$15.8 million - \$14.4 million in the General Fund and \$1.4 million in the Measure U [MU] Fund):
  - Employee leave payouts authorized by labor contracts;
  - Vacation/sick leave termination payoffs;
  - Unrepresented and represented employee labor adjustments; and
  - Paid City leave as negotiated in the current labor contracts.

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.

- General Liability & Auto Liability (GL&AL) (\$31.4 million - \$29 million in the General Fund and \$2.4 million in the MU 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% confidence level when budgeting for claim costs and expenses. The General Fund contribution for GL&AL is budgeted in this Citywide, while contributions from the other funds (\$6.8 million) are budgeted in the managing department’s section (e.g., Solid Waste Fund contributions are in Public Works).

### Retired/Transfer Employee Benefits

The costs associated with retired and transferred employee retirement and healthcare benefits are included in the Citywide budget.

- Other Post-Employment Benefits (OPEB) (\$12.05 million - \$9.15 million in the General Fund) – The cost of retiree/beneficiary health (1,770 participants), dental (2,672 participants), vision (1,412 participants), and out-of-area (302 participants) insurance benefits as of June 30, 2019.
- OPEB Trust (\$0) – The City funds OPEB benefits on a pay-go basis. In 2014 the City established a California Employers' Retiree Benefit Trust (CERBT) Fund to address the increasing OPEB liability (\$298 million as of 6/30/2021). As of April 1,



## FY2022/23 Approved Budget

---

2022, the balance in the CERBT was approximately \$88.6 million. To address identified shortfalls identified in the FY2021/22 G/MU Fund five-year forecast, the annual budget for the OPEB Trust was eliminated. Future funding to the Trust will continue to be transferred from year-end budgeted pension savings.

- Sacramento City Employees' Retirement System (SCERS) (\$0) – The SCERS fund is fully funded. As of FY2022/23, the City will stop contributions. There were 876 participants (3 active) as of June 30, 2021.
- California Public Employees' Retirement System (CalPERS) (\$147.6 million - \$120 million in the General Fund and \$9.1 million in the MU Fund) – Although CalPERS costs are not budgeted in Citywide and Community Support, this represents the City's total contribution as well as the amounts negotiated for the employee paid portion of the employer cost (\$4.7 million). Costs are budgeted in the managing department's budgets.

### **Citywide Maintenance Contracts and Utilities**

The costs associated with citywide maintenance are included in the Citywide budget.

- Information Technology Maintenance and Support Contracts (\$3.6 million - \$3.3 million in the General Fund and \$0.3 million in the MU Fund) – Funds major contracts and support for the City's human resources, financial and budgeting systems. The non-General Fund and non-MU Fund costs associated with these services are recovered through the cost allocation plan.
- Multi-tenant City-owned Buildings (\$4.6 million in the General Fund) – 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.

### **Sacramento County Charges and Assessments**

Citywide includes \$4.6 million in the General Fund for 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. For FY2022/23 and FY2023/24, the cost for collecting property tax revenues could potentially double (from \$1.7 million to \$3.3 million) due to the replacement of their property tax system. According to State law (SB 2557), counties are able charge cities and special districts to recover costs.

### **Multi-Year Operating Projects (MYOPs)**

The Citywide budget includes \$11.5 million (\$0.5 million in the General Fund, \$6.8 million in the MU Fund, and \$4.2 million in the American Rescue Plan Act (ARPA) Reinvestment Fund) in MYOPs. These projects support operating activities that cross fiscal years (fleet

## FY2022/23 Approved Budget

---

acquisitions, utility rate assistance program, MU 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.

### **Administrative Contingency**

The General Fund Administrative Contingency may be used throughout the year, in accordance with Sections 4, 5, and 6 of the Budget Resolution, to adjust budgets for unforeseen expenses. The Administrative Contingency is \$2 million, an increase of \$1 million over the prior year budget.

### **Office of Arts and Culture (OAC)**

The Citywide budget includes \$0.9 million from the General Fund for the OAC, which includes \$150,000 budgeted in the CCS Department. The City's OAC budget includes funding for professional services, grant programming and education, a 1.0 FTE Program Specialist to further the City's efforts with the Film Industry, and the MYOPs included in Schedule 9 for Cultural Arts (I17000700).

### **Redevelopment Agency Successor Agency (RASA)**

In response to AB 26 (2011) 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.

### **Miscellaneous**

The miscellaneous costs below are included in Citywide.

- Elections (\$540,000) – The elections budget funds the cost of regular and special elections, as well as increased costs associated with special ballot measures and petition verification.
- Litigation (\$60,000) – The litigation budget covers the administrative costs associated with litigation, used annually as necessary. This funding is in addition to the Citywide Litigation MYOP (\$500,000) included in Schedule 9 which provides annual funding for external support for the City's litigation efforts.
- Service Fees (\$433,000) – The Service Fees budget covers the costs associated with banking, instructional, and various legal service fees. It also includes a contribution to Human Rights Fair Housing PERS commission.
- Accident Replacement Vehicles (\$250,000) – The Accident Replacement Vehicles budget covers the costs associated with fleet accident repairs and replacements.

FY2022/23 Approved Budget

- Membership, Licenses and Dues (\$400,000) – The Membership, Licenses and Dues budget covers the Citywide membership, licenses, and dues.

**Citywide Revenues**

An in-depth review of FY2022/23 Citywide revenues and the five-year forecast are included in Section 5 – The Forecast.

- Major Tax Revenues – All discretionary tax revenues including property, sales, and Utility Users Tax are budgeted in Citywide. Additional detailed information and a breakdown of budgeted revenue is available in Schedule 6. The expenditure budget (\$600,000) represents consultant contracts for providing sales tax and Utility Users Tax revenue estimates.
- Transient Occupancy Tax (TOT) – The City's TOT rate is currently 12%. The General Fund receives 2% of the 12% tax rate (\$5.3 million in FY2022/23); 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. The remainder are used to offset the increased cost of providing public services to local tourists.

**MEASURE U**

The following chart summarizes the Measure U programs in Citywide and Community Support.

<b>Funding Category</b>	<b>Program Name</b>	<b>FTE</b>	<b>FY2022/23 Approved</b>
<b>Arts/Creative Edge</b>			
Operations	Arts Stabilization	-	76,500
<b>Community Investment</b>			
MYOP	Utility Rate Assistance Program	-	4,772,720
<b>Inclusive Economic Development</b>			
Operations	Community Programs	-	1,006,265
<b>Library</b>			
MYOP	SPLA Maintenance Program	-	400,000
Operations	Library JPA	-	14,271,661
<b>Miscellaneous</b>			
Operations	Citywide IT Maintenance and Support	-	289,684
	Employee Development	-	1,196,836
	Gen Insurance/Termination	-	2,641,037
	Retired/Transfer Employee Benefits	-	1,172,028
<b>Youth</b>			
MYOP	Fare Free Transit for Youth	-	1,000,000
	Powerhouse Science Center	-	600,000
<b>Grand Total</b>		-	<b>\$ 27,426,731</b>

The City provides administrative and financial support to various local and regional operations.

**City/County Office of Metropolitan Water Planning (CCOMWP)**

CCOMWP (6.0 FTE) – The Water Fund provides reimbursements 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.

**Sacramento Local Agency Formation Commission (LAFCo)**

The City provides administrative and financial support to LAFCo (1.0 FTE). All costs associated with this support are fully reimbursed by LAFCo.

**Other Local Partners**

The following is a list of local partners and the City’s contribution that is included in the Budget.

- Property and Business Improvement Districts (PBIDs) (\$15.4 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 18 different PBIDs throughout the City.
- Visit Sacramento (\$2.3 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 \$631,265 from the MU Fund.
- Downtown Sacramento Partnership (DSP) (\$375,000) – DSP funding covers programs and activities along the Old Sacramento waterfront and downtown area.
- Greater Sacramento Area Economic Council (GSEC) (\$206,269) – Annual contribution to support work conducted at GSEC. Contribution cost based on the per capita rate of \$0.40 and the estimated population of Sacramento (515,673).
- Sacramento Public Library Authority (SPLA) (\$23.5 million, \$14.3 million from the MU Fund) – The City has 12 libraries located within the City boundaries which are operated by the SPLA under a joint powers authority.

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 increasing equity for our most vulnerable populations.

In 2014 and 2016, voters in the City of Sacramento declared their support for the Sacramento Public Library by passing two parcel taxes, Measure B and Measure X, for Library services which provide \$9.3 million for the operation of the City libraries and to maintain and add services, staff and technology.

## FY2022/23 Approved Budget

---

Without the parcel taxes, the Library would be in further danger of having to close facilities and reduce services, thus impacting vulnerable youth, job seekers and those who rely on high-speed internet access and computing resources for access to basic life services. 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. The City's MOE is \$7.6 million and is provided from G/MU contributions.

Despite these victories at the ballot box, the Library continues to face financial challenges. Because of changes in the election cycle and the need to combine the two parcel taxes, the City and the Library must return to the voters in 2024. A failure at the ballot box would impact those communities with the highest needs, especially those for whom the library bridges the digital divide by providing the only access point for high-speed internet, access to computers and services such as live homework help, afterschool programming and early learning.

The Library has used various strategies to maintain high levels of services for all City residents, but still has fiscal challenges. This includes 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 MU Fund increased the library operations budget to \$14.3 million, \$700,000 more than FY2021/22. The City will add another \$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 \$8.9 million for the City's libraries. This amount does not include the \$10 million that would be required to rebuild and replace the Martin Luther King Jr. Library. Over the past two fiscal years, the Council allocated a total of \$7.5 million to the North Sacramento Library Relocation project (C15000850). In March 2022, the City applied for approximately \$15.6 million in grant funding from the California State Library Building Forward Program Grant for five capital projects. If funded, the City would need to contribute a match of \$7.8 million.

City staff will continue to work with Library staff to identify opportunities to address the structural gap between revenues and expenditures.

## General Information

The following information below is not included in the Citywide Budget but is detailed to provide additional information on portions of the City's FY2022/23 Approved Budget.

**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 15.9% of General Fund revenues or \$117 million in FY2021/22) in the reserve.

On June 12, 2019, the EUR Policy was amended to include MU 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 EUR balance is estimated to be \$62.4 million on July 1, 2022, which is approximately 8.4% of budgeted FY2021/22 G/MU revenues. The Budget includes a proposed transfer \$12.0 million to the reserve at year-end, provided these resources are not needed during the year. This contribution will bring the balance of the EUR to approximately \$74.3 million or 10% of budgeted revenues; achieving the minimum reserve level.

**Other Sources and Uses**

Other sources and uses in the governmental, enterprise, internal and other governmental funds total \$39.1 million.

**Beginning Fund Balances**

Beginning fund balances of the governmental, enterprise, internal, and other governmental funds total \$444 million which represent available resources from the FY2021/21 Annual Comprehensive Financial Report (ACFR) and anticipated activity in FY2021/22. 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 \$410 million. Ending balance by fund is included in the budget schedules section (Schedules 2A-2C). The available balance of enterprise, internal service funds, and other governmental funds (excluding the Innovation and Growth Fund) may only be used for the specific purpose of the individual fund.

FY2022/23 Approved Budget

**BUDGET CHANGES**

Division	Description	Fund	Revenue/ Offset Adjustment	Expenditure Change	FTE Change
Citywide Support	Increase General Fund revenue for 11% general tax on City utilities (new Storm Drainage Property Fee)	General	2,205,200	-	-
Citywide Support	Adjustment to Election costs	General	-	47,000	-
Citywide Support	Set-aside for labor negotiations	General/ Measure U	-	7,567,469	-
Citywide Support	Reinstate \$250,000 of the annual \$1 million allocation for the Rydefree RT program.	Measure U	-	250,000	-
Citywide Support	Increase the SURA Program budget due to increases to and new utility rate fees approved by Council in FY2021/22 (Solid Waste Fee and Storm Drainage Property Fee).	Measure U	-	1,000,000	-
Community Support	Funding for the City's agreement (2019-0520) with Visit Sacramento for the Sacramento Tourism Improvement District (STID) assessments on vacation rental owners.	General	-	91,953	-
Library	Planned year-over-year increase for the Sacramento Public Library Authority to assist with FY2022/23 operational costs.	Measure U	-	700,000	-
<b>Total Change</b>			<b>\$ 2,205,200</b>	<b>\$ 9,656,422</b>	<b>-</b>

**Department Budget Summary**

Citywide and Community Support Budget Summary	FY2019/20 Actuals*	FY2020/21 Actuals*	FY2021/22 Approved	FY2021/22 Amended	FY2022/23 Approved	Change More/(Less) Approved/Amended
Employee Services	\$ 24,506,869	\$ 21,704,355	\$ 18,653,875	\$ 26,026,670	\$ 29,037,862	\$ 3,011,192
Other Services and Supplies	68,495,547	73,627,016	80,732,879	80,916,878	89,294,445	8,377,567
City Property	345,871	443,607	303,000	281,019	303,000	21,981
Multi-Year Operating Projects	-	-	7,772,720	7,772,720	11,532,857	3,760,137
Transfers	234,881	260,890	-	-	-	-
Labor and Supply Offset	270,481	62,917	(63,436)	(63,436)	(63,436)	-
Contingency	-	-	1,000,000	1,099,917	2,000,000	900,083
Operating Transfers	(164,346)	(339,308)	(485,723)	(10,379,233)	(496,588)	9,882,645
<b>Total</b>	<b>\$ 93,689,303</b>	<b>\$ 95,759,477</b>	<b>\$ 107,913,315</b>	<b>\$ 105,654,535</b>	<b>\$ 131,608,140</b>	<b>\$ 25,953,605</b>

\*Updated actuals.

Funding Summary by Fund/Special District	FY2019/20 Actuals*	FY2020/21 Actuals*	FY2021/22 Approved	FY2021/22 Amended	FY2022/23 Approved	Change More/(Less) Approved/Amended
General Fund	\$ 52,704,222	\$ 43,754,661	\$ 60,358,872	\$ 169,853,211	\$ 68,476,660	\$ (101,376,551)
16th St PBID	-	154,525	166,677	166,677	184,303	17,626
4th R Program	62,034	43,755	31,487	65,429	27,258	(38,171)
ARPA Reinvestment	-	-	-	(112,313,331)	4,252,937	116,566,268
Community Center	1,637,392	1,724,452	1,702,450	1,905,662	1,742,116	(163,546)
Cty/Cnty Office-Water Planning	726,725	1,063,297	850,389	870,927	597,101	(273,826)
Del Paso PBID	43,148	41,663	30,000	30,000	40,700	10,700
Del Paso Prop & Business Imprv	493,331	480,287	482,486	482,486	506,866	24,380
Development Services	751,155	422,686	-	-	-	-
Downtown Management District	3,229,061	3,432,317	3,475,506	3,475,506	3,804,656	329,150

## FY2022/23 Approved Budget

### Department Budget Summary (continued)

Funding Summary by Fund/Special District	FY2019/20	FY2020/21	FY2021/22	FY2021/22	FY2022/23	Change
	Actuals*	Actuals*	Approved	Amended	Approved	More/(Less) Approved/Amended
Downtown Plaza PBID	85,445	59,616	70,000	70,000	66,000	(4,000)
Fleet Management	334,915	309,951	249,876	309,811	156,808	(153,003)
Franklin Blvd PBID	47,381	53,337	80,730	80,730	82,500	1,770
Franklin Boulevard PBID	146,155	152,805	146,575	146,575	204,361	57,786
Greater Broadway PBID	300,072	318,715	318,552	318,552	448,244	129,692
Habitat Management Element	420,765	255,465	632,343	632,343	767,548	135,205
Innovation and Growth	7,000,000	19,502,259	-	17,046	-	(17,046)
Interdepartmental Service	1,718,037	1,974,601	1,915,012	1,915,012	2,072,984	157,972
Library Services Parcel Tax	8,230,891	8,445,880	8,774,923	8,774,923	9,270,798	495,875
Mack Road PBID	678,144	661,453	685,877	685,877	706,233	20,356
Marina	525	-	-	-	-	-
Measure U	765,226	510,676	16,712,473	16,657,833	27,426,731	10,768,898
Midtown Sacramento PBID	1,608,178	1,813,171	1,682,566	1,682,566	1,785,232	102,666
Natomas Transp Mgmt Assoc	1,445,398	1,519,620	1,574,000	1,574,000	1,740,000	166,000
Oak Park PBID	317,811	320,457	322,432	322,432	330,970	8,538
Old Sacramento PBID	181,809	155,312	170,000	170,000	190,300	20,300
Parking	174,320	168,809	116,122	181,206	89,556	(91,650)
Power Inn Area Prop & Business	502,228	549,552	543,585	543,585	565,888	22,303
Private Development	210,472	101,412	-	-	-	-
Recycling and Solid Waste	1,067,963	968,295	838,640	933,474	442,022	(491,452)
Risk Mgmt	20,164	34,053	19,855	35,687	25,299	(10,388)
Sac Tourism Marketing District	5,255,184	3,545,501	3,568,492	3,568,492	3,568,492	-
Sacramento TID	-	-	-	(442,000)	-	442,000
Sheraton MOPA Project	296,702	149,112	-	-	-	-
START	5,982	6,100	5,487	5,487	5,821	334
Stockton Blvd BIA	54,378	55,742	53,000	53,000	64,680	11,680
Stockton Blvd PBID	365,025	362,287	359,313	359,313	419,353	60,040
Storm Drainage	588,404	537,605	370,633	537,828	232,099	(305,729)
The River District PBID	574,387	600,704	601,384	601,384	662,148	60,764
Wastewater	412,913	374,549	252,090	367,470	158,391	(209,079)
Water	1,203,673	1,098,820	726,373	969,088	461,923	(507,165)
Worker's Compensation	29,689	35,977	25,115	46,254	31,162	(15,092)
<b>Total</b>	<b>\$ 93,689,303</b>	<b>\$ 95,759,477</b>	<b>\$107,913,315</b>	<b>\$105,654,535</b>	<b>\$131,608,140</b>	<b>\$ 25,953,605</b>

\*Updated actuals.

### Division Budget Summary

Citywide and Community Support Budget Summary	FY2019/20	FY2020/21	FY2021/22	FY2021/22	FY2022/23	Change
	Actuals*	Actuals*	Approved	Amended	Approved	More/(Less) Approved/Amended
Citywide Support Division	\$ 28,580,424	\$ 32,385,278	\$ 47,018,156	\$ 36,590,326	\$ 68,967,824	\$ 32,377,498
Community Support Division	32,724,127	35,756,519	41,242,158	41,426,157	43,441,316	2,015,159
County Property Taxes & Charges	2,745,981	2,845,441	2,967,000	2,967,000	4,550,000	1,583,000
Major Tax Revenues Division	5,867,020	4,042,979	600,000	600,000	600,000	-
Reserves/Fund Contingency Division	-	-	1,000,000	1,099,917	2,000,000	900,083
Retired/Transfer Emp Benefit 1530	23,771,751	20,729,260	15,086,001	22,971,135	12,049,000	(10,922,135)
<b>Total</b>	<b>\$ 93,689,303</b>	<b>\$ 95,759,477</b>	<b>\$107,913,315</b>	<b>\$105,654,535</b>	<b>\$131,608,140</b>	<b>\$ 25,953,605</b>

\*Updated actuals.



FY2022/23 Approved Budget

---

**Staffing Levels**

Citywide and Community Support Budget Summary	FY2019/20	FY2020/21	FY2021/22	FY2021/22	FY2022/23	Change
	Actuals	Actuals	Approved	Amended	Approved	More/(Less) Approved/Amended
Community Support Division	5.00	7.00	7.00	7.00	7.00	-
<b>Total</b>	<b>5.00</b>	<b>7.00</b>	<b>7.00</b>	<b>7.00</b>	<b>7.00</b>	<b>-</b>

---

# 25

## **SECTION - 25 Debt Financing**



## Debt Financing

The **Debt Financing 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 full and timely debt payments
- Maintaining investment grade 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 continuing disclosure reporting requirements of the Municipal Securities Rulemaking Board, the IRS, the California State Controller's Office, and the California Debt and Investment Advisory Commission
- Providing ongoing information to rating agencies and municipal bond insurers
- Reviewing, assessing, and responding to inquiries (as appropriate) from bond investors, while ensuring no selective disclosure occurs
- Assisting with the management of City funds associated with debt
- Levy of special assessments and special taxes
- Managing the delinquency and foreclosure process

The City Treasurer is responsible for issuing debt on behalf of Departments, the Sacramento Public Financing Authority\*, assessment districts, community facilities districts and other qualified entities. Additionally, the City Treasurer's Office provides support to the City's Finance Department and Office of Innovation and Economic Development on the maintenance of redevelopment-related debt. Typical debt structures include revenue bonds, lease revenue bonds, land-secured (Mello-Roos) financings, short-term notes, and small-equipment leases (direct placement loans). Debt may be issued with fixed or variable interest rate structures.

\*Prior to dissolution of redevelopment activities in January 2012, the City Treasurer issued debt on behalf of the Sacramento City Financing Authority (SCFA). Debt previously issued on behalf of the SCFA that remains outstanding is managed by the City Treasurer's Office.

### **Debt Limit**

The City has approximately \$920 million in General Fund lease obligations (inclusive of required principal and interest payments) as of June 30, 2022. 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, 2021, the City had no General Fund Obligation Bonds outstanding and had a total debt limit of approximately \$8.76 billion associated with general obligation debt.

### **Summary of the City and Related Sacramento City Financing Authority and Sacramento Public Financing Outstanding Debt (does not include land-secured debt) are listed below.**

The following summarizes what is included in the Debt Service Division Budgets:

- **2006 Capital Improvement Revenue Bonds (CIRBs), Series B, and E** - included (1) General Fund backed lease revenue bonds for Tier 1 Community Reinvestment Capital Improvement Program (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, Sacramento Housing and Redevelopment Agency [SHRA] projects and other CIPs*), and the 2003 CIRB (*911 call center and other CIPs*).
- **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 Commons.
- **2015 Refunding Revenue Bonds** - Refunded (1) 2002 CIRB Series A which financed City Hall and SHRA 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 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 Assessment 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.
- **2020 Wastewater Revenue Refunding Bonds** – Refinanced a portion of the 2013 Wastewater Revenue Bonds. Cashflow savings allowed the City’s Wastewater System to pay for additional capital improvements without the need to raise utility rates in the near-term.
- **2020 Water Revenue Refunding Bonds** – Refinanced a portion of the 2013 Water Revenue Bonds. Cashflow savings allowed the City’s Water System to pay for additional capital improvements without the need to raise utility rates in the near-term.
- **CA Department of Boating and Waterways Loans** - 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, Marina, and California Infrastructure and Economic Development Bank loans, and (2) 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.

## FY2022/23 Approved Budget

- **State Revolving Fund Loan (Drinking Water Program) –** Financed the Meter and Pipe Installation Project which benefited numerous areas throughout the city.

### Department Budget Summary

Debt Service Budget Summary	FY2019/20 Actuals	FY2020/21 Actuals	FY2021/22 Approved	FY2021/22 Amended	FY2022/23 Approved	Change More/(Less) Approved/Amended
Other Services and Supplies	\$ 811,262	\$ 203,971	\$ -	-	\$ -	-
City Debt Service	115,041,981	115,930,916	97,828,848	100,027,626	104,838,401	4,810,775
Labor and Supply Offset	169,018	29,043	-	-	-	-
<b>Total</b>	<b>\$116,022,261</b>	<b>\$116,163,930</b>	<b>\$97,828,848</b>	<b>\$100,027,626</b>	<b>\$104,838,401</b>	<b>\$ 4,810,775</b>

Funding Summary by Fund/Special District	FY2019/20 Actuals	FY2020/21 Actuals	FY2021/22 Approved	FY2021/22 Amended	FY2022/23 Approved	Change More/(Less) Approved/Amended
General Fund	\$ 25,155,333	\$ 19,977,110	\$16,431,090	\$ 16,431,090	\$ 17,095,471	\$ 664,381
2006 CIRBs, Series B (CRCIP)	1,677,866	1,591,681	1,514,907	1,514,907	1,517,600	2,693
2006 CIRBs (Refunding), Series E	127,369	102,345	103,516	103,516	251,471	147,955
2015 Golden 1 Center Revenue Bonds	6,901,200	1,151,223	7,778,701	7,778,701	8,389,067	610,366
2015 Refunding Revenue Bond	18,627	525	-	-	-	-
2016 Lease Financing-H Street	674,592	671,315	672,683	672,683	673,696	1,013
2018 TOT Revenue Bonds, Tax Exempt	(130,885)	1,190,689	(838)	(838)	542	1,380
2018 TOT Revenue Bonds, Taxable	(655,000)	390,468	78	78	(26)	(104)
2019 STID Revenue Bonds	548,553	(151)	-	-	-	-
Community Center	24,213,759	25,379,176	19,218,340	19,218,340	19,221,602	3,262
Creamery CFD 2015-02	-	177,509	-	-	-	-
Curtis Park Village CFD 2014-02	416,664	-	-	-	-	-
Debt Service-93 Series A	55,813	1,223,435	-	-	-	-
Debt Service-93 Series B	155,335	3,301,351	-	-	-	-
Drinking Water SRF Loan	448,306	1,350,422	-	-	-	-
Fleet Management	67,075	46,109	45,638	45,638	45,756	118
Golf	1,167,582	1,154,150	441,682	441,682	435,357	(6,325)
Innovation and Growth	1,100,000	1,100,000	1,100,000	1,100,000	1,100,000	-
Marina	810,400	920,894	1,120,895	1,120,895	1,151,564	30,669
N Natomas CFD #2 Const	442,353	-	-	-	-	-
NNFP Public Facilities Fee	707,941	635,669	581,283	581,283	585,734	4,451
NNFP Public Land Acquisition Fee	-	1,387,532	-	2,198,778	-	(2,198,778)
NNFP Reg Park Land Acquisition	422,112	422,121	837,011	837,011	843,422	6,411
Parking	7,025,627	11,763,339	10,976,406	10,976,406	10,279,756	(696,650)
Railyards Impact Fee	-	1,368,775	-	-	-	-
Recycling and Solid Waste	1,693,255	1,687,892	1,676,914	1,676,914	1,677,593	679
Sacramento TID	437,181	2,740,151	2,741,200	2,741,200	2,741,000	(200)
Storm Drainage	3,509,781	3,174,043	235,152	235,152	235,021	(131)
Wastewater	4,343,567	3,805,455	3,910,552	3,910,552	3,908,181	(2,371)
Wastewater Rev Ref Bonds Ser 2020	(401,140)	404,522	-	-	-	-
Wastewater Revenue Bonds	47,119	580,167	-	-	-	-
Wastewater Revenue Bonds 2019	132	93	-	-	-	-
Water	30,446,355	28,451,230	28,443,638	28,443,638	34,685,594	6,241,956
Water Rev Ref Bonds Ser 2020	(8,987)	11,777	-	-	-	-
Water Revenue Bonds	4,603,663	2,471	-	-	-	-
Water Revenue Bonds Ser. 2017	713	443	-	-	-	-
<b>Total</b>	<b>\$116,022,261</b>	<b>\$116,163,930</b>	<b>\$97,828,848</b>	<b>\$100,027,626</b>	<b>\$104,838,401</b>	<b>\$ 4,810,775</b>

FY2022/23 Approved Budget

**Division Budget Summary**

<b>Debt Service Budget Summary</b>	<b>FY2019/20</b>	<b>FY2020/21</b>	<b>FY2021/22</b>	<b>FY2021/22</b>	<b>FY2022/23</b>	<b>Change More/(Less)</b>
	<b>Actuals</b>	<b>Actuals</b>	<b>Approved</b>	<b>Amended</b>	<b>Approved</b>	<b>Approved/Amended</b>
2018 TOT Revenue Bonds	\$ 13,894,123	\$ 18,974,207	\$ 18,967,580	\$ 18,967,580	\$ 18,972,118	\$ 4,538
2017 Water Revenue Bonds	3,377,538	3,380,346	3,378,538	3,378,538	3,376,663	(1,875)
2020 Water Revenue Refinance Bonds	5,243,850	6,982,548	6,976,009	6,976,009	6,980,680	4,671
2015 G1C Lease Revenue Bonds Division	14,501,200	13,851,223	18,378,701	18,378,701	18,289,067	(89,634)
2015 Refunding Revenue Bonds	21,260,636	21,084,346	19,645,287	19,645,287	9,928,812	(9,716,475)
2019 STID Revenue Bonds Division	2,357,484	2,743,583	2,741,200	2,741,200	2,741,000	(200)
2013 Water Revenue Bonds	14,018,650	5,719,483	5,717,375	5,717,375	5,720,375	3,000
2013 Wastewater Revenue Bonds	1,959,581	823,733	821,625	821,625	824,375	2,750
2019 Wastewater Revenue Bonds	1,160,646	1,301,346	2,117,000	2,117,000	2,114,000	(3,000)
2020 Wastewater Revenue Refinance Bonds	-	1,887,390	926,289	926,289	924,051	(2,238)
2006 CIRBs Series B, D, E Division	13,526,057	12,981,105	14,690,972	14,690,972	24,529,506	9,838,534
Miscellaneous Division-Debt Service	21,451,213	23,507,636	3,468,272	5,667,050	10,437,754	4,770,704
State Revolving Fund Loan Division	3,271,283	2,926,983	-	-	-	-
<b>Total</b>	<b>\$116,022,261</b>	<b>\$116,163,930</b>	<b>\$ 97,828,848</b>	<b>\$100,027,626</b>	<b>\$104,838,401</b>	<b>\$ 4,810,775</b>





# 26

## **SECTION - 26** **Staffing**



**Citywide Staffing Summary**

<b>Department</b>	<b>FY2021/22 Amended</b>	<b>FY2022/23 Proposed</b>	<b>FY2022/23 Changes</b>	<b>FY2022/23 Approved</b>
Mayor/Council	37.00	37.00	-	37.00
City Auditor	10.00	10.00	-	10.00
City Attorney	62.00	62.00	-	62.00
City Clerk	24.00	24.00	-	24.00
City Manager	73.00	73.00	(3.00)	70.00
City Treasurer	14.00	14.00	-	14.00
Community Development	308.00	315.00	-	315.00
Community Response	40.00	40.00	(2.00)	38.00
Convention and Cultural Services	123.50	123.00	-	123.00
Finance	92.00	93.90	-	93.90
Fire	717.50	730.50	(1.00)	729.50
Human Resources	79.00	80.00	3.00	83.00
Information Technology	200.50	201.50	-	201.50
Police	1,126.96	1,126.96	2.00	1,128.96
Public Works	751.15	766.15	-	766.15
Utilities	571.90	572.90	-	572.90
Youth, Parks, and Community Enrichment	720.22	716.53	-	716.53
Citywide and Community Support	7.00	7.00	-	7.00
<b>Total</b>	<b>4,957.73</b>	<b>4,993.44</b>	<b>(1.00)</b>	<b>4,992.44</b>

FY2022/23 Approved Budget

<b>Mayor/Council</b>	<b>FY2021/22</b>	<b>FY2022/23</b>	<b>Change</b>
	<b>Amended</b>	<b>Approved</b>	
Chief of Staff to the Mayor	1.00	1.00	-
City Council	4.00	4.00	-
Council Representative	1.00	1.00	-
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 Inspector General	1.00	1.00	-
OPS Accountability Specialist	1.00	2.00	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	1.00	1.00	-
<b>Total</b>	<b>37.00</b>	<b>37.00</b>	<b>-</b>

FY2022/23 Approved Budget

<b>City Attorney</b>	<b>FY2021/22</b>	<b>FY2022/23</b>	<b>Change</b>
	<b>Amended</b>	<b>Approved</b>	
Assistant City Attorney	2.00	2.00	-
Chief Assistant City Attorney	1.00	1.00	-
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)	6.00	6.00	-
Paralegal Technical Support	1.00	1.00	-
Senior Deputy City Attorney	27.00	27.00	-
Senior Legal Staff Asst (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	-
<b>Total</b>	<b>62.00</b>	<b>62.00</b>	<b>-</b>

FY2022/23 Approved Budget

---

<b>City Auditor</b>	<b>FY2021/22</b>	<b>FY2022/23</b>	<b>Change</b>
	<b>Amended</b>	<b>Approved</b>	
Assistant City Auditor	1.00	1.00	-
City Auditor	1.00	1.00	-
Fiscal Policy Analyst	3.00	3.00	-
Principal Fiscal Policy Analyst	1.00	1.00	-
Senior Fiscal Policy Analyst	4.00	4.00	-
<b>Total</b>	<b>10.00</b>	<b>10.00</b>	<b>-</b>

---

FY2022/23 Approved Budget

<b>City Clerk</b>	<b>FY2021/22</b>	<b>FY2022/23</b>	<b>Change</b>
	<b>Amended</b>	<b>Approved</b>	
Administrative Analyst	6.00	6.00	-
Assistant City Clerk	1.00	1.00	-
City Clerk	1.00	1.00	-
Council/Clerk Operations Manager	1.00	1.00	-
Deputy City Clerk	9.00	9.00	-
Program Specialist	3.00	3.00	-
Senior Deputy City Clerk	2.00	2.00	-
Staff Assistant-Mayor Council	1.00	1.00	-
<b>Total</b>	<b>24.00</b>	<b>24.00</b>	<b>-</b>



FY2022/23 Approved Budget

City Manager	FY2021/22	FY2022/23	Change
	Amended	Approved	
Accountant Auditor	1.00	1.00	-
Administrative Analyst	18.00	16.00	(2.00)
Administrative Officer	2.00	2.00	-
Administrative Technician	6.00	6.00	-
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 Housing Manager	1.00	1.00	-
City Manager	1.00	1.00	-
Community Engagement Manager	1.00	1.00	-
Development Project Manager	10.00	10.00	-
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	-
Media and Communications Officer	2.00	2.00	-
Media and Communications Specialist	1.00	1.00	-
Principal Planner	1.00	1.00	-
Program Manager	1.00	2.00	1.00
Program Specialist	3.00	3.00	-
Senior Development Project Manager	4.00	4.00	-
Senior Staff Assistant	1.00	1.00	-
Special Projects Manager	3.00	3.00	-
Staff Aide MGM	1.00	-	(1.00)
<b>Total</b>	<b>73.00</b>	<b>70.00</b>	<b>(3.00)</b>

FY2022/23 Approved Budget

---

<b>City Treasurer</b>	<b>FY2021/22</b>	<b>FY2022/23</b>	<b>Change</b>
	<b>Amended</b>	<b>Approved</b>	
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	-
<b>Total</b>	<b>14.00</b>	<b>14.00</b>	<b>-</b>

---

FY2022/23 Approved Budget

<b>Community Development</b>	<b>FY2021/22</b>	<b>FY2022/23</b>	<b>Change</b>
	<b>Amended</b>	<b>Approved</b>	
Account Clerk II	3.00	3.00	-
Accountant Auditor	1.00	1.00	-
Accounting Technician	4.00	4.00	-
Administrative Analyst	8.00	8.00	-
Administrative Assistant	1.00	1.00	-
Administrative Officer	-	1.00	1.00
Administrative Technician	5.00	5.00	-
Animal Care Services Manager	1.00	1.00	-
Animal Care Technician	16.00	16.00	-
Animal Control Officer I	4.00	4.00	-
Animal Control Officer II	6.00	6.00	-
Animal Services Coordinator	5.00	5.00	-
Assistant Architect	1.00	1.00	-
Assistant Code Enforcement Officer	6.00	6.00	-
Assistant Director	-	1.00	1.00
Assistant Planner	7.00	7.00	-
Associate Civil Engineer	3.00	3.00	-
Associate Planner	16.00	17.00	1.00
Building Inspector I	14.00	16.00	2.00
Building Inspector II	12.00	12.00	-
Building Inspector III	23.00	23.00	-
Building Inspector IV	13.00	13.00	-
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	25.00	25.00	-
Code and Housing Enforcement Chief	1.00	1.00	-
Customer Service Representative	19.00	19.00	-
Customer Service Specialist	9.00	9.00	-
Customer Service Supervisor	3.00	3.00	-
Deputy Chief Building Official	1.00	1.00	-
Development Project Manager	5.00	5.00	-
Development Services Technician I	7.00	7.00	-
Development Services Technician II	3.00	2.00	(1.00)
Development Services Technician III	4.00	4.00	-
Director of Community Development	1.00	1.00	-
Junior Planner	4.00	4.00	-
Painter	1.00	1.00	-
Permit Services Manager	1.00	1.00	-
Permit Services Supervisor	1.00	1.00	-
Planning Director	1.00	1.00	-
Plans Examiner III	1.00	1.00	-
Principal Building Inspector	2.00	3.00	1.00
Principal Planner	6.00	6.00	-
Program Manager	2.00	2.00	-
Program Specialist	6.00	6.00	-
Public Information Coordinator	1.00	1.00	-

FY2022/23 Approved Budget

<b>Community Development (continued)</b>	<b>FY2021/22</b>	<b>FY2022/23</b>	<b>Change</b>
	<b>Amended</b>	<b>Approved</b>	
Registered Veterinary Technician	7.00	7.00	-
Senior Accountant Auditor	1.00	1.00	-
Senior Accounting Technician	1.00	1.00	-
Senior Animal Care Technician	2.00	2.00	-
Senior Animal Control Officer	2.00	2.00	-
Senior Architect	1.00	2.00	1.00
Senior Code Enforcement Officer	5.00	5.00	-
Senior Development Project Manager	2.00	2.00	-
Senior Engineer	1.00	1.00	-
Senior Painter	1.00	1.00	-
Senior Planner	9.00	10.00	1.00
Supervising Building Inspector	8.00	8.00	-
Supervising Code Enforcement Officer	2.00	2.00	-
Supervising Engineer	1.00	1.00	-
Supervising Financial Analyst	1.00	1.00	-
Support Services Manager	1.00	1.00	-
Urban Design Manager	1.00	1.00	-
Veterinarian	3.00	3.00	-
Youth Aide	1.00	1.00	-
Zoning Investigator	2.00	2.00	-
<b>Total</b>	<b>308.00</b>	<b>315.00</b>	<b>7.00</b>

FY2022/23 Approved Budget

<b>Community Response</b>	<b>FY2021/22</b>	<b>FY2022/23</b>	<b>Change</b>
	<b>Amended</b>	<b>Approved</b>	
Administrative Analyst	7.00	6.00	(1.00)
Administrative Assistant	1.00	1.00	
Administrative Technician	1.00	1.00	-
Director of Community Response	1.00	1.00	-
Media & Communications Specialist	1.00	1.00	-
Neighborhood Resources Coordinator I	11.00	11.00	-
Neighborhood Resources Coordinator II	8.00	8.00	-
Program Coordinator	1.00	1.00	
Program Manager	2.00	2.00	-
Program Specialist	3.00	3.00	
Senior Accountant Auditor	1.00	1.00	-
Special Projects Manager	1.00	-	(1.00)
Staff Aide OFF	1.00	1.00	-
Support Services Manager	1.00	1.00	
<b>Total</b>	<b>40.00</b>	<b>38.00</b>	<b>(2.00)</b>

FY2022/23 Approved Budget

Convention and Cultural Services	FY2021/22	FY2022/23	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	2.75	0.75
Archivist	3.00	3.00	-
Art Museum Registrar	1.00	1.00	-
Arts Administrator	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	13.00	13.00	-
Community Center Attendant II	3.00	3.00	-
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	13.00	14.50	1.50
Events Coordinator	5.00	5.00	-
Events Duty Person	2.00	2.30	0.30
Events Services Manager	3.00	3.00	-
Events Services Supervisor	12.00	12.00	-
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 Security Supervisor	1.00	1.00	-
Office Specialist	4.00	4.00	-
Program Manager	1.00	1.00	-
Program Specialist	1.00	1.00	-
Registrar	1.00	1.00	-
Staff Aide MGM	1.00		(1.00)
Stagehand I	2.00	2.00	-
Stagehand II	1.00	1.00	-
Stationary Engineer	5.00	5.00	-
Supervising Community Center Attendant	5.00	5.00	-
Ticket Seller	1.05		(1.05)
Ticket Seller (Exempt)	6.25	6.25	-
Zoo Attendant I	3.00	2.00	(1.00)
<b>Total</b>	<b>123.50</b>	<b>123.00</b>	<b>(0.50)</b>

FY2022/23 Approved Budget

Finance	FY2021/22	FY2022/23	Change
	Amended	Approved	
Account Clerk II	4.00	4.00	-
Accountant Auditor	-	1.00	1.00
Accounting Technician	3.00	3.00	-
Administrative Analyst	4.00	4.00	-
Administrative Assistant	1.00	1.00	-
Administrative Officer	1.00	1.00	-
Administrative Technician	4.00	4.00	-
Budget Manager	1.00	1.00	-
Claims Collector	6.00	6.00	-
Contract and Compliance Specialist	2.00	2.00	-
Customer Service Representative	15.00	15.90	0.90
Customer Service Specialist	4.00	4.00	-
Customer Service Supervisor	2.00	2.00	-
Development Project Manager	2.00	2.00	-
Director of Finance	1.00	1.00	-
Enforcement and Collections Supervisor	1.00	1.00	-
Finance Manager	3.00	3.00	-
Financial Services Supervisor	1.00	1.00	-
Payroll Technician	4.00	4.00	-
Principal Accountant	3.00	3.00	-
Principal Budget Analyst	3.00	3.00	-
Procurement Services Manager	1.00	1.00	-
Program Manager	3.00	3.00	-
Program Specialist	3.00	3.00	-
Senior Accountant Auditor	9.00	9.00	-
Senior Accounting Technician	2.00	2.00	-
Senior Budget Analyst	3.00	3.00	-
Senior Claims Collector	1.00	1.00	-
Senior Development Project Manager	3.00	3.00	-
Senior Staff Assistant	1.00	1.00	-
Special Districts Manager	1.00	1.00	-
<b>Total</b>	<b>92.00</b>	<b>93.90</b>	<b>1.90</b>

FY2022/23 Approved Budget

Fire	FY2021/22	FY2022/23	Change
	Amended	Approved	
Account Clerk II	3.00	3.00	-
Administrative Analyst	9.00	9.00	-
Administrative Assistant	1.00	1.00	-
Administrative Officer	1.00	1.00	-
Administrative Technician	11.00	11.00	-
Cache Logistics Coordinator	2.00	2.00	-
Contract and Compliance Specialist	1.00	1.00	-
Customer Service Representative	3.00	3.00	-
Deputy Fire Chief	3.00	3.00	-
EMS Coordinator	1.00	2.00	1.00
Fire Assistant Chief	6.00	6.00	-
Fire Battalion Chief	15.00	15.00	-
Fire Captain	119.00	119.00	-
Fire Chief	1.00	1.00	-
Fire Engineer	107.00	109.00	2.00
Fire Investigator I	5.00	5.00	-
Fire Investigator II	1.00	1.00	-
Fire Marshal	1.00	1.00	-
Fire Prevention Officer I	1.00	1.00	-
Fire Prevention Officer II	14.00	14.00	-
Fire Prevention Officer Trainee	1.00	1.00	-
Fire Recruit	11.50	11.50	-
Fire Service Worker	3.00	3.00	-
Firefighter	369.00	370.00	1.00
Investigator	1.00	1.00	-
Media and Communications Specialist	1.00	1.00	-
Office Specialist	6.00	6.00	-
Pick Up Driver	2.00	2.00	-
Program Specialist	1.00	1.00	-
Program Supervisor	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	-
Senior Staff Assistant	-	1.00	1.00
Staff Aide TMP	3.00	-	(3.00)
Stores Administrator	1.00	1.00	-
Stores Clerk I	1.00	1.00	-
Stores Clerk II	3.00	3.00	-
Student Trainee	-	10.00	10.00
Supervising Fire Service Worker	1.00	1.00	-
Support Services Manager	1.00	1.00	-
<b>Total</b>	<b>717.50</b>	<b>729.50</b>	<b>12.00</b>



FY2022/23 Approved Budget

Human Resources	FY2021/22	FY2022/23	Change
	Amended	Approved	
Accountant Auditor	-	1.00	1.00
Administrative Analyst	8.00	10.00	2.00
Administrative Assistant	1.00	1.00	-
Administrative Technician	-	1.00	1.00
Director of Human Resources	1.00	1.00	-
Diversity and Equity Manager	-	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	2.00	1.00
Labor Relations Officer	4.00	4.00	-
Personnel Analyst	6.00	6.00	-
Personnel Technician	17.00	15.00	(2.00)
Program Manager	1.00	1.00	-
Program Specialist	2.00	2.00	-
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 Compensation Claims Assistant I	3.00	3.00	-
Workers Compensation Claims Manager	1.00	1.00	-
Workers Compensation Claims Representative	6.00	6.00	-
Workers Compensation Claims Supervisor	2.00	2.00	-
<b>Total</b>	<b>79.00</b>	<b>83.00</b>	<b>4.00</b>

FY2022/23 Approved Budget

Information Technology	FY2021/22	FY2022/23	Change
	Amended	Approved	
311 Customer Service Agent	32.50	32.50	-
311 Customer Service Specialist	3.00	3.00	-
311 Customer Service Supervisor	3.00	3.00	-
311 Manager	1.00	1.00	-
Administrative Analyst	3.00	3.00	-
Administrative Technician	1.00	1.00	-
Applications Developer	9.00	8.00	(1.00)
Assistant Director	1.00	1.00	-
Chief Information Officer	1.00	1.00	-
Department Systems Specialist I	1.00	1.00	-
Department Systems Specialist II	4.00	4.00	-
Geographic Information Systems Specialist I	3.00	3.00	-
Geographic Information Systems Specialist II	8.00	8.00	-
Geographic Information Systems Specialist III	4.00	4.00	-
Information Technology Manager	5.00	5.00	-
Information Technology Supervisor	11.00	11.00	-
Information Technology Support Specialist I	10.00	10.00	-
Information Technology Support Specialist II	13.00	13.00	-
Information Technology Trainee	4.00	4.00	-
Media Production Specialist I	1.00	1.00	-
Media Production Specialist II	1.00	1.00	-
Principal Applications Developer	10.00	10.00	-
Principal Systems Engineer	7.00	7.00	-
Program Manager	2.00	3.00	1.00
Program Specialist	10.00	10.00	-
Senior Applications Developer	16.00	17.00	1.00
Senior Department System Specialist	6.00	6.00	-
Senior Information Technology Support Specialist	4.00	4.00	-
Senior Systems Engineer	10.00	10.00	-
Senior Telecommunications Technician	1.00	1.00	-
Systems Engineer	11.00	11.00	-
Telecommunications Engineer II	1.00	1.00	-
Telecommunications Engineer III	2.00	2.00	-
Telecommunications Technician I	1.00	1.00	-
<b>Total</b>	<b>200.50</b>	<b>201.50</b>	<b>1.00</b>

FY2022/23 Approved Budget

Police	FY2021/22	FY2022/23	Change
	Amended	Approved	
Account Clerk I	1.00	1.00	-
Account Clerk II	1.00	1.00	-
Accountant Auditor	1.00	1.00	-
Accounting Technician	2.00	2.00	-
Administrative Analyst	25.00	27.00	2.00
Administrative Assistant	1.00	1.00	-
Administrative Officer	5.00	5.00	-
Administrative Technician	12.00	11.00	(1.00)
Community Service Officer I	7.00	7.00	-
Community Service Officer II	46.00	46.00	-
Community Service Representative I	3.00	3.00	-
Custodian II	5.00	5.00	-
Deputy Police Chief	3.00	3.00	-
Dispatcher I	13.00	13.00	-
Dispatcher II	67.00	67.00	-
Dispatcher III	10.00	10.00	-
Evidence & Property Technician	9.00	9.00	-
Fingerprint Clerk	3.00	3.00	-
Forensic Investigator I	10.00	10.00	-
Forensic Investigator II	11.00	11.00	-
Media and Communications Specialist	1.00	1.00	-
Media Production Specialist I	1.00	1.00	-
Media Production Specialist II	2.00	2.00	-
Personnel Transactions Coordinator	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	2.00	2.00	-
Police Lieutenant	24.00	24.00	-
Police Officer	636.00	636.00	-
Police Records Specialist I	12.00	12.00	-
Police Records Specialist II	44.00	44.00	-
Police Records Specialist III	3.00	3.00	-
Police Records Supervisor	9.00	9.00	-
Police Sergeant	94.00	94.00	-
Police Social Services Administrator	1.00	1.00	-
Program Manager	1.00	1.00	-
Public Safety Admin. Manager	1.00	1.00	-
Public Safety Communications Manager	1.00	1.00	-
Reserve Police Officer I	0.50	0.50	-
Reserve Police Officer II	0.16	0.16	-
Security Officer	2.80	2.80	-
Senior Evidence/Property Tech	4.00	4.00	-
Senior Personnel Transaction Coordinator	1.00	1.00	-
Senior Police Records Supervisor	3.00	3.00	-

FY2022/23 Approved Budget

---

<b>Police (continued)</b>	<b>FY2021/22</b>	<b>FY2022/23</b>	
	<b>Amended</b>	<b>Approved</b>	<b>Change</b>
Senior Staff Assistant	1.00	1.00	-
Special Projects Manager	-	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	-
<b>Total</b>	<b>1,126.96</b>	<b>1,128.96</b>	<b>2.00</b>

---

FY2022/23 Approved Budget

Public Works	FY2021/22	FY2022/23	Change
	Amended	Approved	
Account Clerk II	4.00	3.00	(1.00)
Accountant Auditor	2.00	2.00	-
Accounting Technician	7.00	6.00	(1.00)
Administrative Analyst	25.00	25.00	-
Administrative Assistant	1.00	1.00	-
Administrative Officer	2.00	2.00	-
Administrative Technician	9.00	9.00	-
Arborist/Urban Forester	6.00	6.00	-
Architectural Technician III	2.00	2.00	-
Assistant Architect	1.00	1.00	-
Assistant Civil Engineer	16.00	17.00	1.00
Assistant Director	-	1.00	1.00
Assistant Electrical Engineer	1.00	1.00	-
Associate Architect	1.00	2.00	1.00
Associate Civil Engineer	8.00	8.00	-
Associate Electrical Engineer	1.00	1.00	-
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	5.00	5.00	-
Concrete Construction Leadworker	-	2.00	2.00
Construction Inspector I	1.00	1.00	-
Construction Inspector II	7.00	7.00	-
Construction Inspector III	13.00	13.00	-
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	2.00	1.00
Customer Service Specialist	3.00	3.00	-
Development Project Manager	3.00	3.00	-
Development Services Technician I	2.00	2.00	-
Director of Public Works	1.00	1.00	-
Electrical Construction Inspector II	2.00	2.00	-
Electrical Construction Inspector III	1.00	1.00	-
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	2.00	2.00	-
Engineering Technician II	1.00	1.00	-
Engineering Technician III	6.00	6.00	-
Equipment Maintenance Supervisor	4.00	4.00	-
Equipment Mechanic I	5.00	5.00	-

FY2022/23 Approved Budget

Public Works (continued)	FY2021/22	FY2022/23	Change
	Amended	Approved	
Equipment Mechanic II	26.00	26.00	-
Equipment Mechanic III	7.00	7.00	-
Equipment Serviceworker	25.00	25.00	-
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	120.30	132.30	12.00
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	-
Licensed Land Surveyor	1.00	1.00	-
Locksmith	1.00	1.00	-
Maintenance Worker	17.00	17.00	-
Marina Aide	1.60	1.60	-
Marina and Boating Facilities Attendant	3.00	3.00	-
Media and Communications Specialist	1.00	1.00	-
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	-
Plumber	4.00	4.00	-
Plumbing Supervisor	1.00	1.00	-
Principal Planner	2.00	2.00	-
Program Manager	6.00	6.00	-
Program Specialist	13.00	13.00	-
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	-

FY2022/23 Approved Budget

Public Works (continued)	FY2021/22	FY2022/23	Change
	Amended	Approved	
Senior Electronic Maintenance Technician	1.00	1.00	-
Senior Engineer	15.00	15.00	-
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	8.00	9.00	1.00
Senior Landfill Engineering Technician	1.00	1.00	-
Senior Maintenance Worker	1.00	1.00	-
Senior Office Specialist	5.00	5.00	-
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	7.00	(2.00)
Street Construction Laborer	34.00	34.00	-
Street Construction Laborer Trainee	9.00	9.00	-
Street Maintenance Supervisor	7.00	7.00	-
Streets Manager	1.00	1.00	-
Structural Maintenance Supervisor	2.00	2.00	-
Supervising Architect	1.00	2.00	1.00
Supervising Construction Inspector	4.00	4.00	-
Supervising Engineer	7.00	6.00	(1.00)
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 II	3.00	3.00	-
Telecommunications Engineer I	1.00	1.00	-
Telecommunications Engineer III	1.00	1.00	-
Telecommunications Technician I	1.00	1.00	-
Traffic Control and Lighting Supervisor	3.00	3.00	-
Traffic Control and Lighting Technician I	3.00	3.00	-
Traffic Control and Lighting Technician II	9.00	9.00	-
Traffic Control and Lighting Technician Trainee	2.00	2.00	-
Traffic Investigator I	2.00	2.00	-
Traffic Investigator II	1.00	1.00	-
Traffic Investigator III	3.00	3.00	-
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	-
Tree Maintenance Supervisor	1.00	1.00	-
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	-
<b>Total</b>	<b>751.15</b>	<b>766.15</b>	<b>15.00</b>

FY2022/23 Approved Budget

Utilities	FY2021/22	FY2022/23	Change
	Amended	Approved	
Accountant Auditor	1.00	1.00	-
Accounting Technician	5.00	5.00	-
Administrative Analyst	26.00	27.00	1.00
Administrative Assistant	1.00	1.00	-
Administrative Technician	9.00	10.00	1.00
Assistant Civil Engineer	6.00	6.00	-
Assistant Electrical Engineer	1.00	1.00	-
Assistant Water Cross Connection Control Specialist	4.00	4.00	-
Associate Civil Engineer	12.00	12.00	-
Associate Electrical Engineer	1.00	1.00	-
Blacksmith Welder	1.00	1.00	-
Business Services Manager	1.00	1.00	-
Claims Collector	1.00	1.00	-
Construction Inspector III	1.00	1.00	-
Customer Service Representative	27.00	27.00	-
Customer Service Specialist	7.00	7.00	-
Customer Service Supervisor	4.00	4.00	-
Development Services Technician II	2.00	2.00	-
Development Services Technician III	1.00	1.00	-
Director of Utilities	1.00	1.00	-
Electrical Design Technician	1.00	1.00	-
Electrician	10.00	10.00	-
Electrician Supervisor	2.00	2.00	-
Engineering Manager	1.00	1.00	-
Engineering Technician II	2.00	2.00	-
Engineering Technician III	1.00	1.00	-
Generator Technician	5.00	5.00	-
Information Technology Supervisor	2.00	2.00	-
Instrument Technician II	11.00	11.00	-
Instrumentation Supervisor	1.00	1.00	-
Junior Engineer	1.00	1.00	-
Junior Plant Operator	13.00	13.00	-
Machinist	16.00	16.00	-
Machinist Helper	16.00	16.00	-
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	34.00	34.00	-
Process Control Systems Specialist	7.00	7.00	-
Program Manager	6.00	6.00	-
Program Specialist	14.00	14.00	-
Senior Accountant Auditor	1.00	1.00	-



FY2022/23 Approved Budget

<b>Utilities (continued)</b>	<b>FY2021/22</b>	<b>FY2022/23</b>	<b>Change</b>
	<b>Amended</b>	<b>Approved</b>	
Senior Electrician	3.00	3.00	-
Senior Engineer	18.00	18.00	-
Senior Engineering Technician	2.00	2.00	-
Senior Generator Technician	2.00	2.00	-
Senior Maintenance Worker	3.00	3.00	-
Senior Office Specialist	1.00	1.00	-
Senior Personnel Transaction Coordinator	1.00	1.00	-
Senior Plant Operator	17.00	17.00	-
Senior Staff Assistant	4.00	4.00	-
Senior Store Keeper	1.00	1.00	-
Storekeeper	5.00	4.00	(1.00)
Stores Administrator	1.00	1.00	-
Student Trainee	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	73.00	73.00	-
Utilities Operations and Maintenance Manager	2.00	2.00	-
Utilities Operations and Maintenance Serviceworker	83.00	83.00	-
Utilities Operations and Maintenance Serviceworker Apprentice	10.00	10.00	-
Utilities Operations and Maintenance Superintendent	8.00	8.00	-
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	4.00	4.00	-
Water Cross Connection Control Specialist	1.00	1.00	-
Water Quality Chemist	5.00	5.00	-
Water Quality Lab Technician	4.00	4.00	-
<b>Total</b>	<b>571.90</b>	<b>572.90</b>	<b>1.00</b>

FY2022/23 Approved Budget

Youth, Parks, & Community Enrichment	FY2021/22	FY2022/23	Change
	Amended	Approved	
Accounting Technician	4.00	4.00	-
Administrative Analyst	8.00	8.00	-
Administrative Assistant	1.00	1.00	-
Administrative Officer	4.00	4.00	-
Administrative Technician	1.00	2.00	1.00
Aquatic Specialist	2.70	2.70	-
Aquatics Recreation Coordinator	3.00	3.00	-
Aquatics Recreation Supervisor	2.00	2.00	-
Assistant Camp Caretaker	0.35	0.35	-
Assistant Camp Chef	1.03	1.03	-
Assistant Camp Sacramento Supervisor	1.00	1.00	-
Assistant Director	1.00	1.00	-
Assistant Pool Manager	10.80	10.80	-
Associate Landscape Architect	4.00	4.00	-
Associate Planner	1.00	1.00	-
Building Monitor	13.35	13.35	-
Camp Aide	6.08	6.08	-
Camp Caretaker	0.50	0.50	-
Camp Chef	1.50	1.50	-
Camp Host	0.70	0.70	-
Camp Program Director	1.99	1.99	-
Camp Recreation Leader	2.47	2.47	-
Camp Sacramento Supervisor	1.00	1.00	-
Cashier (Aquatics)	6.40	6.40	-
Community Center Attendant I	2.00	2.00	-
Contract and Compliance Specialist	1.00	1.00	-
Crew Leader (Landscape and Learning)	7.16	7.16	-
Custodial Supervisor	1.00	1.00	-
Custodian II	14.40	14.40	-
Customer Service Assistant	10.10	10.30	0.20
Customer Service Representative	9.00	9.00	-
Customer Service Specialist	1.00	1.00	-
Customer Service Supervisor	1.00	1.00	-
Director of Parks and Recreation	1.00	1.00	-
General Repair Worker	1.00	1.00	-
Graduate Student Trainee	0.80	0.80	-
Graphic Designer	1.00	1.00	-
Graphics Assistant	1.80	1.80	-
Irrigation Technician	5.00	5.00	-
Junior Plant Operator	2.00	2.00	-
Landscape Technician I	1.00	1.00	-
Lifeguard	21.00	21.00	-
Nurse (Adaptive Recreation)	0.10	0.10	-
Park Equipment Operator	1.00	1.00	-
Park Maintenance Manager	1.00	1.00	-
Park Maintenance Superintendent	2.00	2.00	-

FY2022/23 Approved Budget

Youth, Parks, & Community Enrichment (continued)	FY2021/22	FY2022/23	Change
	Amended	Approved	
Park Maintenance Worker	36.00	36.00	-
Park Maintenance Worker I	23.00	23.00	-
Park Maintenance Worker II	42.00	43.00	1.00
Park Maintenance Worker III	4.00	5.00	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	6.05	6.05	-
Program Coordinator	48.95	47.95	(1.00)
Program Coordinator (Adaptive Recreation)	3.00	3.00	-
Program Coordinator (Older Adults)	7.70	6.40	(1.30)
Program Developer	19.00	19.00	-
Program Developer (Older Adults)	2.00	2.00	-
Program Leader	12.35	12.05	(0.30)
Program Specialist	3.00	3.00	-
Program Supervisor	16.00	16.00	-
Program Supervisor (Older Adults)	1.00	2.00	1.00
Public Service Aide	1.91	1.91	-
Recreation Aide	163.08	159.77	(3.31)
Recreation Aide (Older Adults)	7.99	7.05	(0.94)
Recreation General Supervisor	6.00	5.00	(1.00)
Recreation Leader (Adaptive Recreation)	5.93	5.93	-
Recreation Manager	2.00	2.00	-
Recreation Superintendent	4.00	5.00	1.00
Senior Accountant Auditor	1.00	1.00	-
Senior Accounting Technician	4.00	4.00	-
Senior Camp Aquatics Leader	0.38		(0.38)
Senior Landscape Architect	1.00	1.00	-
Senior Lifeguard	24.65	24.65	-
Senior Planner	1.00	1.00	-
Senior Recreation Aide	23.19	24.13	0.94
Senior Recreation Aide (Older Adults)	5.64	5.64	-
Staff Assistant	1.00	1.00	-
Student Trainee (Most Majors)	2.40	2.40	-
Support Services Manager	1.00	1.00	-
Utility Worker	20.12	19.82	(0.30)
Youth Aide	32.65	31.35	(1.30)
<b>Total</b>	<b>720.22</b>	<b>716.53</b>	<b>(3.69)</b>

FY2022/23 Approved Budget

	FY2021/22 Amended	FY2022/23 Approved	Change
<b>Citywide and Community Support</b>			
<b>City-County Office of Metropolitan Water Planning (CCOMWP)</b>			
Administrative Analyst	1.00	2.00	1.00
Executive Director CCOMWP	1.00	1.00	-
Program Manager	1.00	1.00	-
Program Specialist	1.00	-	(1.00)
Senior Engineer	-	1.00	1.00
Senior Staff Assistant	1.00	1.00	-
Staff Aide MGM	1.00	-	(1.00)
<b>Subtotal CCOMWP</b>	<b>6.00</b>	<b>6.00</b>	<b>-</b>
<b>Local Agency Formation Commission (LAFCo)</b>			
New Growth Manager	1.00	1.00	-
<b>Subtotal LAFCo</b>	<b>1.00</b>	<b>1.00</b>	<b>(1.00)</b>
<b>Citywide and Community Support Total</b>	<b>7.00</b>	<b>7.00</b>	<b>-</b>



# 27

## **SECTION - 27** **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 10 through 12 of the Budget Resolution. New appropriations included in the FY2022/23 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 2022:

<b>Project Description</b>	<b>Project #</b>	<b>Total Budget</b>	<b>Available Budget</b>
<b>General Fund</b>			
2014 AFG Wellness Grant	G12902300	16,748	-
2016 AFG Source Capture Grant	G12902500	72,307	9,333
2020 AFG Program	G12903200	39,136	39,136
CalVIP - GPITF	G02000700	124,700	-
CalVIP Cohort 3 Grant 2020-23	G02000710	127,158	30,304
CARES Act Program-Creative Economy	G02610100	57,693	-
CARES Act Program-Great Plates Emergency Food	G02610300	108,900	108,900
CLG Public Outreach	G21000400	18,000	10,091
FY2015/16 Adaptive Sports	G19100400	20,922	-
FY2015/16 Gang Violence Supp	G11015000	18,601	-
FY2015/16 OHV Grant	G11015100	6,459	-
FY2016/17 OHV Program	G11015118	16,711	-
FY2017/18 State OHMVR Grant	G11015119	14,613	-
FY2018/19 - ASES - SCUSD	G19041290	20,885	-
FY2019/20 - ASES - SCUSD	G19041310	22,639	21,602
FY2019/20 S.A.V.E. Program	G11012419	12,000	1,459
FY2020/21 SAVE Grant	G11012420	16,013	16,013
FY2020/21-SCUSD ASES	G19041320	22,639	-
HHAP Homeless Grant Program	G02000950	880,000	-
Homeless Motel Voucher Program	G02001700	115,672	-
River Crossing Art Project	G17605000	62,500	49,273
Youth RIV Grant FY19-23	G02001300	24,570	6,000
<b>General Funds Total</b>		<b>1,818,865</b>	<b>292,111</b>
<b>Measure U Fund</b>			
2016 AFG Source Capture Grant	G12902500	390,000	3,801
CARES Act Program-Sac Childcare Learn-CLASS	G02610100	733,275	60,699
CalVIP Cohort 3 Grant 2020-23	G02000710	77,419	77,419
FY2021/22-SCUSD ASES	G19041330	22,639	22,639
<b>Measure U Funds Total</b>		<b>1,223,333</b>	<b>164,558</b>
<b>Enterprise Fund</b>			
CY20 Curbside Supplemental Pay	G15312000	177,095	177,095
DISTRICT METERED AREA MGMNT	G14160100	2,431,534	-
DWR FMAP-FY2022-04	G14220100	550,600	380,030
FY2020/21 City-County Payment	G15302100	125,152	125,152
Residential Leak Asst Program	G14220100	218,992	214,492
RW Efficiency Acceleration GP	G14110200	265,543	-
Used Oil Payment Program-OPP11	G15003010	53,594	25,594
<b>Enterprise Total</b>		<b>3,822,510</b>	<b>922,363</b>



## FY2022/23 Approved Budget

Project Description	Project #	Total Budget	Available Budget
<b>Other Funds</b>			
#SYW_BSCC Prop. 64-2	G02001800	999,555	644,829
2009 Urban Search & Rescue	G12500900	1,002,343	-
2010 Safer Grant	G12902100	5,606,863	-
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 SHSGP Grant	G12902400	59,687	-
2015 Urban Search & Rescue	G12501500	1,278,733	-
2016 AFG Source Capture Grant	G12902500	723,071	7,032
2016 SHSGP Grant	G12902600	60,000	7,468
2016 Urban Search & Rescue	G12501600	1,395,493	13,755
2017 CHP (2017-ULWX-0028)	G11017000	1,875,000	376,039
2017 SHSGP Grant Hazmat Equipment	G12902700	229,190	720
2017 Urban Search & Rescue	G12501700	1,237,013	41,539
2018 OTS BIKE/PED (PS18013)	G11016300	75,000	3,886
2018 SHSGP Grant	G12902800	83,816	36
2018 Urban Search & Rescue	G12501800	1,193,990	8,684
2019 OTS STEP (PT19103)	G11016219	403,304	40,483
2019 SHSGP	G12902900	146,948	876
2019 UASI	G11016919	2,687,750	847,921
2020 AFG COVID-19 Supplemental	G12903000	467,408	318,270
2020 AFG Program	G12903200	391,364	391,364
2020 OTS STEP (PT20148)	G11016220	375,000	159,274
2020 Petco Lifesaving Grant	G21002100	200,000	(3,684)
2020 SHSGP	G12903300	19,575	19,575
2020 UASI	G11016920	2,894,500	2,786,061
2020 Urban Search and Rescue	G12502000	1,222,631	52,030
2021 Urban Search and Rescue	G12502100	-	(130,088)
59th Presidential Inauguration	G12704700	19,800	7,020
African Amer Cultural Heritage	G21000500	50,000	50,000
Annual Funds for CA-TF7, US&R	G12501900	1,236,104	49,405
AR Floodplain & Side-Channel	G14140400	7,901,124	5,870,387
AR Juvenile Salmonid & Habitat	G14140700	1,305,400	1,004,950
ASPCA Grants	G21002300	4,000	-
Brownfields Revolving Loan	G02180100	750,000	742,284
CARES Act Program-Creative Economy	G02610113	14,302,071	-
CARES Act Program-Emergency Homeless Grant	G02001500	2,382,400	2,696
CARES Act Program-Great Plates Emergency Food	G02610300	19,777,029	1,119,842
CARES Act Program-Homeless Response Program	G02001700	8,870,142	19,338
CARES Act Program-Public Safety	G02610500	2,367,188	-
CARES Act Program-Sac Childcare Learn-CLASS	G02610130	1,632,195	-
CARES Act Program-US DOJ CESF	G02610400	795,286	518,405
CA Healthy Rivers Prop 68	G14140800	5,000,000	4,951,831
CAC State and Local Partnershi	G17606000	162,250	131,229
CalGRIP Safe Comm 4/10-3/12	G11007100	382,639	2,196
California Local Equity Grant	G02420100	1,197,120	12
CalVIP - GPITF	G02000700	3,586,704	1,725,170
CAWFC grant	G21002200	15,000	9,433
CERT 2010 SHSGP Grant	G12902000	75,056	-
CERT 2011 SHSGP Grant	G12902200	37,700	598
Champlain Tower Collapse	G12704800	116,600	(9,657)
Citizens Option	G11018100	776,143	776,143
City/County Fine=Fee Justice	G02002000	50,000	32,129
Citywide Disaster Recovery Plan	G02000800	25,000	-

## FY2022/23 Approved Budget

Project Description	Project #	Total Budget	Available Budget
<b>Other Funds (continued)</b>			
CLG Public Outreach	G21000400	27,000	6,000
Del Oro - Triple R Subsidy	G19090900	12,000	12,000
ERA Program	G02610600	60,537,832	8,595,325
Federal ARPA Program	G02611000	112,313,331	56,156,666
FFY 2018 UASI	G11016918	2,067,500	(552)
Fire FY05 Homeland Security 2541	G12901000	95,169	1
FitLot_AARP_Grant	G19090800	11,030	10,675
FY2015/16 OHV Grant	G11015100	24,351	-
FY2015/16 Adaptive Sports	G19100400	70,967	-
FY2015/16 Gang Violence Supp	G11015000	1,199,584	60,991
FY2016/17 Citizen's Option Growth	G11016700	294,826	(1,601)
FY2016/17 City Le Grant (BSCC)	G11015900	168,138	160,633
FY2016/17 OHV Program	G11015118	48,037	4,780
FY2016/17 OTS - Bike/Ped	G11015500	125,425	22,476
FY2016/17 WIA	G19090160	216,136	-
FY2017/18 Citizen's Option	G11016800	754,331	201
FY2017/18 Citizen's Option Growth	G11017400	367,710	80,539
FY2017/18 JAG (2018-DJ-BX-0855)	G11017500	252,397	19,646
FY2017/18 State OHMVR Grant	G11015119	23,746	612
FY2018/19 - ASES - SCUSD	G19041290	139,230	-
FY2018/19 Citizen's Option	G11017300	761,957	128,459
FY2018/19 Citizen's Option Growth	G11018000	426,297	426,297
FY2018/19 JAG (2019-DJ-BX-0685)	G11017800	246,833	15,640
FY2018/19 - WIOA	G19090180	137,263	-
FY2019/20 ABC Grant	G11017220	100,000	27,324
FY2019/20 - ASES - SCUSD	G19041310	150,925	-
FY2019/20 Citizen's Option Growth	G11017920	436,881	76,951
FY2019/20 Gang Violence Supp	G11017620	377,152	-
FY2019/20 JAG (2020-DJ-BX-0740)	G11017820	220,111	53,995
FY2019/20 S.A.V.E. Program	G11012419	120,000	-
FY2019/20 - WIOA	G19090190	75,030	-
FY2020/21 ABC Grant	G11017221	64,429	(107,969)
FY2020/21 Citizens Option Growth	G11018500	475,659	475,659
FY2020/21 DBW BSEE	G11018300	22,001	7,273
FY2020/21 Gang Violence Supp	G11017621	383,353	88,245
FY2020/21 Go-Biz Equity Grant	G02420300	1,813,613	1,121,976
FY2020/21 JAG	G11017821	248,731	248,731
FY2020/21 OTS Step	G11016221	385,000	172,372
FY2020/21 SAVE Grant	G11012420	160,134	40,134
FY2020/21 - WIOA	G19090210	51,308	-
FY2020/21-SCUSD ASES	G19041320	227,502	3,533
FY2021/22 - EEMI	G02002100	25,000	25,000
FY2021/22 Citizens Option	G11018400	781,337	781,337
FY2021/22 Fire Prevention-Hartford	G12903100	5,000	5,000
FY2021/22 Gang Violence Supp	G11017622	425,660	406,045
FY2021/22 OTS STEP (PT22190)	G11016222	400,000	317,448
FY2021/22-SCUSD ASES	G19041330	150,926	68,695
FY2021/22 - WIOA	G19090220	83,640	50,587
Gang Violence Supp - Parent	G11017600	4,299	4,299
Go-Biz Equity Grant	G02420200	3,831,956	79,108
HHAP Homeless Grant Program	G02000950	14,178,778	54,358
HHAP II	G02000960	6,454,953	6,454,953
Homeless Emergency Aid Program	G02000820	2,074,365	11,428
Hurricane Delta	G12704500	15,400	6,169
Hurricane Florence	G12703700	1,123,200	261,266
Hurricane Harvey	G12703100	1,746,400	1,153,914

FY2022/23 Approved Budget

Project Description	Project #	Total Budget	Available Budget
<b>Other Funds (continued)</b>			
Hurricane Irma	G12703200	210,000	87,075
Hurricane Isaac - IST	G12702300	16,858	-
Hurricane Lane	G12703500	40,800	29,244
Hurricane Maria	G12703300	1,070,000	605,256
Hurricane Matthew	G12703000	49,481	-
Hurricane Olivia	G12703600	29,800	9,373
Hurricane Sandy - IST	G12702400	41,058	-
Innovation Grant 2019	G21002000	75,000	-
Innovations Grant Program	G11017700	134,186	67,179
JAG 10/08-9/12	G11006518	614,921	-
LARCP Cordova Creek FY20	G14140500	299,500	(8,313)
LEAP Program	G21001100	750,000	113,789
Lyons, Co Flooding	G12702600	26,680	-
NEA ARP Grant	G17608000	500,000	500,000
NEA Arts Collective Grant	G17607000	75,000	75,000
Northeast Sacramento	G02001200	300,000	(3,374)
Oregon Fire	G12704300	26,400	15,078
OTS FY18 STEP (PT18072)	G11016200	567,331	182,357
Petco Innovation Showdown	G21001800	250,000	52,999
Puerto Rico Earthquake	G12704200	-	(17,990)
REAP 2021	G21001010	600,000	588,781
River Crossing Art Project	G17605000	187,500	46,205
Sanitation Grant	G02000900	150,000	-
SB 2 Planning Grant Program	G21001300	625,000	57,091
SHRA IPA (B -18-MC-06-0003)	G02180200	60,000	4,700
Tropical Cyclone Dorian	G12704000	623,200	95,674
Tropical Cyclone Douglas	G12704100	525,400	236,129
Tropical Cyclone Henri	G12704900	-	(9,407)
Tropical Cyclone Ida	G12705000	-	(29,056)
Tropical Cyclone Laura/Marco	G12704400	30,800	162
Tropical Cyclone Zeta	G12704600	15,400	3,289
Tropical Storm Barry	G12703900	30,800	6,203
Tropical Storm Nate	G12703400	8,274	1
UASI Homeland Security 07 11/07-6/10	G11005700	3,336,000	-
US&R-Hurricane Gustav Deployment	G12701600	10,439	-
USAR Moore, OK Tornado	G12702500	8,347	-
Youth RIV Grant FY19-23	G02001300	999,780	-
<b>Other Funds Total</b>		<b>330,374,822</b>	<b>102,899,330</b>
<b>Total All Funds</b>		<b>337,239,530</b>	<b>104,278,362</b>

FY2022/23 Approved Budget

**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 2022:

<b>Project Description</b>	<b>Project #</b>	<b>Total Budget</b>	<b>Available Budget</b>
<b>General Fund</b>			
21st Century Skills Grant Program	I01000400	175,460	460
Abandoned Vehicle Legislation	I80215000	1,000,000	904,317
ADA Education & Training	I08000100	297,349	284,105
APP Maintenance	I17000500	1,265,033	697,495
Archives East End Project	I17000100	86,350	12,556
Arts and Cultural Plan	I17000900	110,000	100
Arts Ed and Community Outreach	I17001100	200,000	44,822
B Street Theatre	I80180000	3,000,000	-
Business Capacity	I02001900	350,000	-
Business Incentives Program	I02001300	100,000	100,000
C19-Economic Relief	I02003000	87,680	-
CARural Legal Assistance	I02000800	800,000	-
Cemetery Facility Improvement	I17000300	13,359	-
Cesar Chavez Park Maintenance	I19101200	61,925	61,925
Citywide Classification Study	I08000400	3,100,000	2,737,661
Citywide Litigation Project	I80310000	2,038,686	1,088,268
Citywide Strategic Plan Pjt,	I02000400	1,436,091	272,316
Climate Action Initiatives	I02002300	2,251,848	1,151,564
Community Outreach & Enhanced Services	I02001100	200,000	27,687
Community Capacity	I02002000	350,000	-
Community Investment Program	I02001200	90,000	-
Community Nonprofit Assistance	I02001000	200,000	-
Community Response	I23000100	3,640,889	1,262,889
CORE	I02420000	2,750,000	120,779
Creative Edge	I02181100	1,951,857	207,179
Crisis Intervention Training	I11002200	173,002	0
Cultural and Economic Vitality	I17001000	278,724	54,637
Cultural Arts Awards	I17000700	2,128,000	222,126
Curtis Park Village Litigation	I21005400	760,114	30,871
CW Innovation & Efficiency Assesment	I01002000	268,900	-
CWTP - City Manager	I02002200	200,000	(100,000)
Digital Equity	I07001100	400,000	200,000
Downtown ESC Project	I02000500	38,082	1
Electrical Safety Program	I13000100	630,259	144,446
F.O.C.A.S. (13086)	I13000400	60,500	-
Fairytale Town Expansion	I17006100	609,000	-
Fare Free Transit for Youth	I02181400	750,000	297,333
FEMA Corrective Action Plan	I21004900	400,000	64,284
Fence Removal/Turf Conv Prg	I14120400	100,000	97,622
Financial Empowerment	I02182000	50,000	-
Fleet - Community Development	I06210000	1,127,302	235,466
Fleet - Convention and Cultural Services	I06170000	35,951	35,951
Fleet - Fire	I06120000	1,234,584	217,975
Fleet - IT	I06070000	167,935	132,067
Fleet - Police	I06110000	11,294,636	2,890,570

## FY2022/23 Approved Budget

Project Description	Project #	Total Budget	Available Budget
<b>General Fund (continued)</b>			
Fleet - Public Works	I06150000	2,016,992	627,312
Fleet - Office of Community Response	I06020000	258,958	12,967
Fleet - Youth, Parks & Community Enrichment	I06190000	914,582	165,874
Gang Prevention & Intervention - GF	I02000600	5,512,857	284,646
General Plan Update	I22000000	530,482	363,633
General Plan Update 4811	I22400000	6,905,212	91,174
Habitat Project	I01000600	30,000	-
Historic Place Grant Program	I21004800	232,999	2,149
Homeless Housing Initiative	I02000200	5,348,629	489,451
Illegal Dumping	I15200200	1,412,500	155,640
Impact Teams	I11002400	2,836,000	514,443
Justice for Neighbors (JFN)	I03000100	2,302,728	1,070,075
Laguna Libraries	I19141002	130,000	-
Low Income Spay/Neuter Program	I13000600	467,873	73,853
Major League Soccer	I80020500	449,000	780
Marshall Hotel Hyatt Centric	I18000400	3,600,000	-
Mental Health Crisis	I19141007	15,000	-
Mental Wellness Program	I11002600	568,850	248,088
NBHD Comm & Economic Plans Program	I02001700	354,754	354,754
Nextgen Mobile Computer Replacement	I11000100	1,291,292	-
North Sacramento Ed. Investment	I02180600	900,000	260,001
Northgate Blvd. PBID	I02186000	68,000	68,000
Oak Park Clinic Building Maint	I19101100	155,781	155,781
Oak Park Community Enhancement	I19708000	200,000	17,145
Oak Park Rev. Fund Loan Prog.	I02423100	1,100,000	1,100,000
OCM - Community Outreach	I06420000	38,469,577	28,751,351
Participatory Budgeting Prog.	I80010000	25,000	25,000
PDIT Critical Infrastructure	I11002700	473,281	473,281
Police Observation Devices (PODs)	I11002300	144,395	56,435
RASA Support	I80005010	1,500,000	1,135,248
Respite Centers Program	I23002000	3,000,000	1,149,893
Sac Zoo Relocation Study	I02002100	275,000	35,118
Sacramento Riverfront	I02180200	840,000	297,597
Sacramento Summer Night Lights	I19141006	76,475	-
SEED Corporation	I18000200	50,083	-
ShotSpotter	I11002500	452,600	21,833
Stockton Blvd Housing Development	I02189010	5,000,000	-
Summer Night Lights	I02000700	300,000	-
Summer Night Lights	I11002100	600,000	-
Supplemental Waste Programs	I15230000	1,651,891	1,588,768
SVS Operations and Management	I15001000	673,994	105,420
Thousand Strong (ETP Pilot)	I01000300	2,476,000	93,428
Training and Outreach	I08000300	2,107,836	1,760,322
Truth, Reform, & Recon Project	I01140100	320,000	320,000
UCD Community Garden	I19130000	25,000	-
Utility Rate Assistance Program	I14130100	16,529,526	1,297,443
Webgrant Restructuring Project	I07000900	889,558	192,156
Whole Person Care	I02000900	8,529,845	191,019
Wong Center Senior Housing	I02189020	2,796,005	-
Youth & Family Investments	I02001800	2,721,000	48,310
Youth Engagement & Summer - D1	I01000110	50,000	169
Youth Engagement & Summer - D2	I01000120	50,000	4
Youth Engagement & Summer - D3	I01000130	50,000	45,500

## FY2022/23 Approved Budget

<b>Project Description</b>	<b>Project #</b>	<b>Total Budget</b>	<b>Available Budget</b>
<b>General Fund (continued)</b>			
Youth Engagement & Summer - D4	I01000140	50,000	15
Youth Engagement & Summer - D5	I01000150	25,000	1
Youth Engagement & Summer - D6	I01000160	25,000	23,250
Youth Engagement & Summer - D7	I01000170	25,000	25,000
Youth Engagement & Summer - D8	I01000180	50,000	5
Youth Engagement Pilot Program	I01000100	75,000	3,938
Youth Services Program	I19140000	25,000	-
<b>General Fund Total</b>		<b>174,218,070</b>	<b>57,193,744</b>
<b>Measure U Fund</b>			
Animal Care for the Zoo & FTT	I17005100	1,171,000	-
CA Rural Legal Assistance	I02000800	1,750,000	500,000
Children & Youth Servics Program	I02001830	6,362,046	3,125,818
City Manager Youth Programs	I80020800	250,000	157,076
Community Response	I23000100	6,100,000	4,533,783
Creative Economy	I02181100	2,640,000	2,134,611
ED Initiatives	I02181000	500,000	200,650
Fare Free Transit for Youth	I02181400	1,750,000	-
Financial Empowerment	I02182000	300,000	30,965
Fleet - Community Development	I06211000	280,750	233,852
Fleet - Fire	I06121000	327,731	183,924
Fleet - Youth, Parks & Community Enrichment	I06191100	559,782	179,115
FY2017/18 - Summer at City Hall	I80190600	183,801	1,684
FY2017/2018 Police	I80110600	24,609,871	26,233
FY2019/2020 Police	I80110800	37,158,244	5,554
FY2021/2022 City Attorney Office	I80031000	-	(5,733)
FY2021/22 M/C City's Racial Equity	I02004000	300,000	300,000
FY2021/22 M/C Economic Development Priorities	I02180910	10,800,000	10,800,000
Gang Prevention & Intervention	I02000600	2,574,377	287,134
Homeless Housing Initiative	I02000200	16,569,490	3,145,173
Iceland Restoration	I02181600	1,300,000	1,086,000
Illegal Dumping	I15200200	2,534,500	386,861
K to College Savings Program	I02181300	150,000	-
LGBT Center Relocation	I02181500	750,000	-
Mayor's Comm on Climate Change	I01001000	150,000	-
NBHD Comm & Economic Plans Program	I02001700	34,246	34,246
North Area Freedom Schools	I02181200	290,000	-
O&E Ctr Hope Coop Operations	I23002000	3,000,000	-
Participatory Budgeting Program	I80010000	1,225,000	975,000
PDIT Critical Infrastructure	I11002700	1,559,190	396,055
Police Observation Devices (PODs)	I11002300	187,000	27,669
PW Sustainability Program	I15220300	194,000	133,952
Riverfront Properties	I02180200	300,000	300,000
Sacramento Municipal Reparations Comm	I01002100	200,000	200,000
ShotSpotter	I11002500	616,608	-
Specific Plans	I22000100	2,485,256	2,465,256
SPLA Maintenance	I15220100	400,000	208,572
Stockton Blvd Housing Development	I02189010	5,000,000	-
Summer Youth and Community Program	I19141000	754,353	259,453
Tenant Protection Program	I21000300	89,128	-
Thousand Strong (ETP Pilot)	I01000300	1,161,954	634,214
Whole Person Care	I02000900	1,323,000	1,322,925
Wong Center Senior Housing	I02189020	703,995	-
Youth & Family Inv. Pop Up	I02001800	1,300,000	-
Youth Sports Field-Sponsorship	I19143000	370,000	370,000
<b>Measure U Fund Total</b>		<b>140,265,322</b>	<b>34,640,041</b>

## FY2022/23 Approved Budget

<b>Project Description</b>	<b>Project #</b>	<b>Total Budget</b>	<b>Available Budget</b>
<b>Enterprise Funds</b>			
American River Source Water	I14520400	919,215	430,931
Arc Flash Hazard Analysis	I14020100	1,035,630	334,773
Arts and Cultural Plan	I17000900	111,000	100
Asset Management Program	I14010700	457,599	457,599
City of Festivals Program-CCS	I15001211	1,339,000	138,868
Combined Master Plan Program	I14610300	1,578,316	903,352
Condition Assessment Program	I14010800	3,749,357	2,291,992
Conjunctive Use - Groundwater Wells	I14510100	774,545	653,072
CSS Management Plan	I14630200	2,435,056	2,008,414
CSS Regulatory Compliance	I14120600	4,393,877	313,676
CWTP - City Manager	I02002200	25,000	-
Drainage Master Plan Program	I14710100	1,395,634	771,883
Energy Efficiency Program	I14040200	300,000	300,000
ESC CTO Property Transfer Cons	I02000500	47,100	-
Fleet - Convention & Cultural Services CC Fund	I06170100	100,000	21,793
Fleet-Department Of Utilities Storm Drain Fund	I06141000	3,756,179	1,360,856
Fleet - Department Of Utilities Water Fund	I06145000	5,862,623	2,048,322
Fleet - DOU Sewer Fund	I06146000	6,350,805	1,762,310
Fleet - Public Works Fleet Fund	I06151000	585,055	137,999
Fleet Public Works General Fund	I06150000	1,138,114	1,138,114
Fleet - Public Works Solid Waste Fund	I06147000	33,627,267	1,132,806
Flood Control Planning	I14010100	3,500,797	1,253,633
Flow Monitoring/Hydrology Program	I14610100	959,354	203,990
General Plan Future Updates	I22000000	1,855	1,855
Groundwater Abandon/Protect Program	I14520100	565,392	425,522
Groundwater Master Plan	I14160100	510,730	37,066
Information Technology Program	I14040100	3,493,730	3,337,981
Keep Our Waters Clean Outreach	I14520200	35,233	27,480
Leak Detection Program	I14530100	122,223	7,346
Legacy Landfill Operations	I14120100	550,000	428,699
NPDES Stormwater Program	I14010200	16,722,524	1,347,708
PLC Replacement Program	I14050100	518,548	-
Replacement Protective Relays	I14050200	541,500	4
Sacramento River Source Water	I14520300	1,259,544	404,052
SAFCA Levee Maintenance	I14120300	6,153,481	1,034,437
SCADA Planning Program	I14010900	601,941	85,328
Sewer System Management Plan	I14110100	6,489,433	1,409,503
Solid Waste Outreach	I14120200	5,035,425	1,343,292
SSMP Eng/Regulatory Support	I14620100	390,000	216,187
SVS Operations and Management	I15001000	863,000	102,158
Sw Container Replacement	I14120500	13,893,245	2,474,943
USA Waste of CA	I80310000	90,000	38,964
Wastewater Planning Prog	I14610200	1,294,445	669,823
Water Conservation	I14120400	12,053,737	2,718,831
Water Master Plan	I14510200	4,308,107	2,009,812
Water Meter Replacement Program	I14010500	6,439,234	301,370
<b>Enterprise Funds Total</b>		<b>156,374,851</b>	<b>36,086,842</b>
<b>Internal Service Funds</b>			
Calvine & Elk Grove Florin	I80310000	1,500,000	1,500,000
Fleet - HR Risk Fund	I06081000	338,300	173,570
<b>Internal Service Funds Total</b>		<b>1,838,300</b>	<b>1,673,570</b>

## FY2022/23 Approved Budget

Project Description	Project #	Total Budget	Available Budget
<b>Other Funds</b>			
65th Street Impact Fee Program	I06000600	993,228	49,840
Animal Services for Homeless Respite	I21008500	753,230	738,947
APP Maintenance	I17000500	276,462	149,198
Arden Gateway	I21006100	935,027	438,512
ARPA Homelessness and Housing	I80611000	8,861,664	8,861,664
ARPA Small Business Support	I02612000	8,200,000	6,118,580
ARPA Youth Workforce Training	I02612020	1,550,000	1,550,000
Arts and Cultural Equity Grant	I17000600	500,000	14,988
Arts and Cultural Facilities	I17000200	743,272	33,764
Arts Ed and Community Outreach	I17001100	366,048	72,381
Basin 6 Drainage	I22200600	4,850,724	25,356
Bonded CFD/AD Applications	I22310100	2,131,401	(331,114)
BRLF Program Income	I02180800	1,586,401	1,462,974
Building Compliance Unit Night Team	I21000400	389,844	372,538
CARES Act Program-Economic Relief	I02003000	10,148,449	-
Centene Emp Incentive	I02180100	8,100,000	8,100,000
Central City Fee District	I06132110	100,000	25,167
City Hall Tech Program	I02001500	500,000	229,803
Citywide Strategic Plan Pjt,	I02000400	20,000	-
College Square Reimbursement	I22310200	30,000	13,800
Community Response	I23000100	10,830,434	9,530,434
Convention Center - Complex Review	I21006000	2,283,696	887,938
CORE Capital Loan Program	I02420000	-	(200,000)
Council-Led Strategic Init.	I01002200	550,000	550,000
County COVID-19 Testing & Vaccination	I12000100	398,363	72,354
Creative Economy Pilot Project	I18000300	500,000	14,431
CSHR Team	I21000500	205,683	205,683
Cultural and Economic Vitality	I17001000	36,000	35,000
Cultural Plan Implementation	I17000900	29,880	29,880
D1-Youth Workforce Program	I19142000	389,726	159,627
Downtown ESC Project	I02000500	6,078,917	-
Downtown Plaza Hotel	I21005200	103,533	103,533
Emergency Shelter Response	I23002000	2,240,290	-
ESC Art Maintenance	I17000400	289,516	214,516
ESC Building Project	I21005100	1,690,153	1,690,153
F.O.C.A.S. (13086)	I13000400	3,455,503	890,520
Financial Empowerment	I02182000	855,000	114,307
Fleet - Community Development L&L Fund	I06212000	89,700	89,700
Fleet - Public Works Gas Tax	I06152100	1,997,276	807,555
Fleet - Public Works General Fund	I06150000	509,890	509,890
Fleet - Public Works L&L Fund	I06152000	893,153	357,234
Fleet - Public Works Solid Waste Fund	I06147000	260,000	260,000
Forgivable Loan Program	I02180400	2,000,000	1,751,250
FY2017/18 - SUMMER AT CITY HALL	I80190600	11,600	-
Gang Prevention & Intervention	I02000600	1,507,500	1,500,000
General Plan Update 4811	I22400000	2,790,241	-
General Plan Update (new )	I22000000	15,512,840	6,202,685
Gobler-Park Trust Cold Storage	I17009100	32,500	32,500
Grant High School Quadrangle	I02187000	200,000	200,000
Hart Trust Project Fund - FY22-26	I19122000	871,580	840,364
Hart Trust Project Fund FY12-16	I19120000	-	-
Health & Wellness Program	I08000200	3,000	3,000



## FY2022/23 Approved Budget

Project Description	Project #	Total Budget	Available Budget
<b>Other Funds (continued)</b>			
Historic Place Grant Program	I21004800	238,000	21,834
Homeless Housing Initiative	I02000200	21,984,820	79,769
Illegal Dumping	I15200200	2,425,660	669,071
Inclusive Economic Development	I02180900	500,000	204,000
JCPA Administrative Control 3131	I22205100	653,869	96,930
Kids Play Mc Kinley Maintenance 4711	I19000800	12,870	7,151
Labor Contract Costs	I80612000	9,893,510	9,893,510
Marshall Environmental	I18000400	200,000	-
MBI	I02180700	995,400	695,400
MLS Stadium Fees	I80020500	1,800,000	651,102
MLS-Community Development	I21006200	1,140,240	170,604
N Natomas Admin Control	I22200100	9,217,932	326,973
N Sacramento Code Enforcement Outreach	I21000600	450,000	450,000
Natomas Central CFD 2006-02	I22340000	100,000	55,692
Natomas Crossing Office I	I21005700	523,822	523,822
Natomas Landing CFD2008-01	I22310500	64,500	55,221
Natomas Meadows CFD	I22310000	62,000	42,329
Neighborhood Park Maintenance CFD 4815	I22300000	570,556	52,685
NNAC&CC Feasibility Study Project	I19000900	161,167	2,309
Non-Bonded Service District Appeals	I22300100	781,486	60,213
Oak Park Broadway	I02180300	3,867,500	110
Old Sacramento Improvements	I02612030	5,000,000	4,194,476
Panhandle Annexation 4811	I22209000	124,990	3,466
PBID/BIA Applications	I22310600	45,000	20,824
Project Pony 2112	I11001900	6,600	5,202
Public Records Staffing	I11002800	898,385	898,385
RAILS Grant Program	I18000100	4,970,709	2,687,714
Railyards Block 48	I21006300	849,461	393,584
Railyards Fee District	I06132100	95,000	72,856
Regional Community Policing In	I11001600	49,871	3,545
River District Fee District	I06132120	50,000	21,664
Sacramento Canopy Hotel	I21006400	439,890	368,041
Sacramento Commons I	I21005900	728,585	387,916
Sacramento Econ Gardening 3yr	I02184000	1,247,000	551,900
Sacramento Ent. Dev. Academy Ph1	I02183000	1,875,000	1,628,006
Sacramento IEDC	I02612040	3,500,000	3,500,000
Sacramento Railyards 2006 FINP	I22208000	740	1
Sacramento Riverfront	I02180200	17,000	4,621
SMUD Rehab	I21005600	462,562	356,037
SPD Training Facility 2157	I11002000	46,700	58
Stockton Blvd Housing Development	I02189010	-	10,000,000
Stockton Blvd Specific Plan	I22000100	1,100,000	25,621
TMA Shuttle	I22200700	1,318,200	192,000
Traffic Impact Study Guideline	I15161700	100,000	39,361
Transportation Planning MYOP	I15221700	250,000	233,053
UCD Community Garden	I19130000	25,000	102
Utility Box Artwork Project	I17000800	86,948	29,509
Vaccine Outreach and Education	I02612050	1,000,000	-
Wastewater Planning Prog	I14610200	73,000	28,001
Whole Person Care	I02000900	62,815,795	4,366,752
Willowcreek Fee District	I22206000	3,759,498	474,385
Wong Center Senior Housing	I02189020	-	3,500,000
Youth & Family Investments	I02001800	1,300,000	1,300,000
<b>Other Funds Total</b>		<b>255,530,991</b>	<b>104,124,757</b>
<b>Total All Funds</b>		<b>728,227,533</b>	<b>233,718,954</b>

FY2022/23 Approved Budget

**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 2022:

<b>Project Description</b>	<b>Project #</b>	<b>Total Budget</b>	<b>Available Budget</b>
<b>General Fund</b>			
PHSC Reserve Funding	E18000400	160,000	38,190
Powerhouse Science Center	E18000400	3,000,000	600,000
Railyards Mediation	E02000100	110,500	7,478
Railyards Project Management	E02000100	496,353	263,450
<b>General Fund Total</b>		<b>3,766,853</b>	<b>909,118</b>
<b>Internal Service Funds</b>			
Driver Training Academy (SRDTA)	E08000100	1,639,000	515,602
Robla Facility Safety Training	E08000200	1,500	1,500
<b>Externally Funded Programs Fund Total</b>		<b>1,640,500</b>	<b>517,102</b>
<b>Other Funds</b>			
Academy Activities 7/07-6/11	E11002200	1,003,859	100,599
Board of Supervisors	E17000500	22,000	1,700
CA TF7 Mobex 2022	E12000200	150,000	150,000
County Support-Holiday Music	E17000900	60,000	-
DMV Anti-Auto Theft	E11005400	407,067	320,235
Federal Forfeiture - DOJ	E11007000	43,450	270
Federal Forfeiture - DOJ	E11007018	35,273	2,070
Federal Forfeiture - DOT	E11006900	12,243	8,289
Federal Forfeiture - Justice	E11008300	55,653	44,246
Federal Forfeiture - Treasury	E11008200	87,920	87,920
Federal Forfeiture - DOJ	E11003300	2,573,648	-
Federal Forfeiture - DOT	E11003200	1,099,987	13,396
FY2014/15 AB109/RCISP	E11006400	147,080	76,115
FY2014/15 DMV Anti-Auto Theft	E11005400	323,889	-
FY2016/17 DMV Anti-Auto Theft	E11005400	580,433	-
FY2016/17 Los Rios Vocational Training	E11006500	581,767	(99)
FY2017/18 DMV Anti-Auto Theft	E11005400	347,349	-
FY2018/19 DMV Anti-Auto Theft	E11005400	391,452	-
FY2019/20 DMV Anti-Auto Theft	E11005400	519,709	(12,155)
FY2019/20 Los Rios Vocational Training	E11006500	526,972	-
FY2019/20 PODs Arden Fair	E11007122	42,500	42,500
FY2020/21 DMV Anti-Auto Theft	E11005400	435,190	-
FY2020/21 Los Rios Vocational Training	E11006500	614,244	-
FY2021/22 Auto Theft (9250.14 VC)	E11005400	550,000	330,534
FY2021/22 Los Rios	E11006500	750,000	179,107
FY2021/22 State Forfeiture - Health & Safety	E11008000	460,764	119,449
FY2021/22 State Forfeiture - Drug & Gang	E11008100	83,388	83,388
FY2021/22 US DOJ Forfeiture	E11008300	47,072	47,072
FY2021/22 USDT Forfeiture	E11008200	419,719	261,031
Los Rios Vocational Training	E11002500	5,848,744	680
Los Rios Vocational Training	E11006500	647,886	647,886
Phoenix Park PODs	E11007125	36,685	7,328
PODs - Arden Fair Association	E11007118	68,000	4,193
PODs - Housing Authority	E11007127	19,850	19,850

FY2022/23 Approved Budget

Project Description	Project #	Total Budget	Available Budget
<b>Other Funds (continued)</b>			
PODs - Jackson Lab	E11007120	48,256	19,367
PODs - MO Florin West	E11007121	9,000	115
PODs - Stockton Blvd Partnership	E11007119	13,820	1,205
PODs - The Cove	E11007124	36,700	8,797
PODs MO Capital Nursery	E11007123	6,000	-
PODs Providence Place	E11007126	16,657	3,249
Police Observation Devices	E11007100	98,712	6,372
Powerhouse Science Center	E18000400	5,450,000	400,000
SAR-Smart Growth Program	E01000100	15,000	-
SMUD Gallery - CY2014-16	E17000500	125,000	-
SMUD Gallery 2019-2021	E17000500	75,000	51,000
State Forfeiture - Health & Safety	E11008000	534,965	236,658
State Forfeiture - Health & Safety	E11002800	4,415,816	198
State Forfeiture - Health & Safety	E11006718	1,089,722	176,164
State Forfeiture Drug & Gang Prevention	E11006800	43,039	25,721
State Forfeiture Drug & Gang Prevention	E11006818	191,920	1,320
State Forfeiture Drug & Gang Prevention	E11008100	160,136	145,554
State Forfeiture Drug Education & Gang Prevention	E11002900	831,867	7,375
Vocational Educational Training - Fire	E12000100	5,589,675	447,424
Wings of the City Restoration	E17001000	83,900	-
<b>Other Funds Total</b>		<b>37,828,978</b>	<b>4,066,123</b>
<b>Total All Funds</b>		<b>43,236,331</b>	<b>5,492,343</b>

# 28

## **SECTION - 28** **Financial Policies**





## Budget Control Policy

---

**Scope: CITYWIDE**

### **Administrative Entity**

Department of Finance

(916) 808-5845

[Finance@cityofsacramento.org](mailto:Finance@cityofsacramento.org)

### **Table of Contents**

Purpose

Background

Policy

3.1 Annual Budget Development

3.2 Budget Amendments

### **Related 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 balanced 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 midyear 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**

**Administrative Entity**  
Office of the City Treasurer  
(916) 808-5168  
[JColville@cityofsacramento.org](mailto:JColville@cityofsacramento.org)

**Table of Contents**

**Regulatory References**  
Council Resolution 2021-0156

**Effective Date: June 01, 2021**



## 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, state, and local 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 and debt not involving the issuance of bonds or other long-term obligations—are not subject to this Policy.

## 2. **Governing Authority, Points of Contact, 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 the 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 bond 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 the 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 multi-year 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, it authorizes the issuance or incurrence of City Debt;
  - (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 City Charter and the 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 one of the City's underwriters 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 the 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 (formal or informal) of the effect on current and future budgets and the City's overall credit rating of the debt 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 general-fund revenues net of revenues that City departments generate by providing services directly chargeable to City residents and businesses. Examples of such department revenues include the Fire Department's advanced life-support fee, the Police Department's alarm-permitting fee, and the Community Development Department's building permit and general plan fees. See the City Fee Database.

- (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 of both the financing and the operating costs of the financed capital projects on the City's current and future budgets and the City's overall credit rating. 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 175% of annual debt service for senior obligations and 115% of annual debt service for subordinate obligations. Projected revenues from a community facilities 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 operating, maintaining, and administering the capital improvements financed by the debt. 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 for utilities services.
  
- (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 other funds, 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 ratings or ratings 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's 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 Government 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 6584 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 that are subject to the assessment 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 new-money tax-allocation bonds or tax-allocation revenue bonds (“**TABs**” or “**TARBs**”) that were secured by a pledge of tax-increment revenues from project areas managed by 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 final maturity 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 with a need for expedited schedules.
- (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 and the potential acquisition by the bank of the financed equipment. 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.
  - (3) (3) The City may also issue taxable bonds to advance refund tax-exempt bonds with an optional redemption date more than 90 days after the proceeds of the taxable bonds are available. Whether the City moves forward with an advance refunding will depend on several factors, and the City Treasurer's Office will work with one of the City's municipal advisors to evaluate advance-refunding scenarios. In general, the goal will be a net-present-value savings of at least 5%, but this is not required.
  - (4) When, during periods of economic distress, the City Council determines that annual debt service (i.e., principal and interest payments) for an outstanding issue of bonds might exceed available revenues, the City may issue new bonds to refund and restructure the outstanding bonds even though the net-present-value savings are negative. Annual debt service on the refunding bonds would be lower than debt service on the refunded bonds in the first few years of the refunded bonds, but the term of the refunded bonds might extend beyond the term of the refunded bonds, thereby increasing overall total interest costs.

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 way 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 borrowing. 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 obtain specialized analytical services that facilitate the issuance of City Debt by minimizing borrowing costs. 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 of the proposed debt 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.<sup>1\*</sup> 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 seek a rating for bonds unless the City Treasurer’s Office determines that the bonds are likely to receive an underlying (i.e. unenhanced) 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

---

\* 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.

---

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 federal and 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 interest of potential investors and the price of the bonds. The City's preferred structure is optional redemption at par 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 debt financing with small par amount.

## **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 proceeds have been fully expended or the balance in the project fund has fallen below 5% of the proceeds deposited, 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 the 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., participation in the IRS's Voluntary Closing Agreement Program).
- (C) The City Treasurer or the 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 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; on June 19, 2018, by Resolution No. 2018-0251; on April 23, 2019, by Resolution No. 2019-0122; and on December 10, 2019, by Resolution No. 2019-0453); on June 30, 2020, by Resolution No. 2020-0189; and on June 1, 2021, by Resolution No. 2021-0156)





# Debt Management Policy - Disclosure

## Supplemental Policy on Disclosure



**Scope: CITYWIDE**

**Administrative Entity**  
Office of the City Treasurer  
(916) 808-5168  
[JColville@cityofsacramento.org](mailto:JColville@cityofsacramento.org)

### Table of Contents

**Regulatory References**  
Council Resolution 2021-0156

**Effective Date: June 01, 2021**

## 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 Government Code sections 8855 and 53359.5 require certain disclosures to the California Debt and Investment Advisory Commission and Government Code sections 12463.2, 53891, 53892, 53892.2, and 53892.3 require certain disclosures to the California State Controller's Office.

(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 the 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 the City's bonds in the primary and secondary markets.
  - 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 a reasonable investor would consider significant or useful when deciding whether to invest in the City's bonds:
- (A) Initial-disclosure documents, i.e., preliminary, and final official statements.
  - (B) Continuing-disclosure documents, i.e., annual financial information and event notices.
  - (C) Miscellaneous reports and presentations to the public.

## **2. Governing Authority, Point of Contact, 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 Charter, the Sacramento City Code, and the City's Debt-Management Policy.
- 2.2 Point of Contact. Either the City Treasurer or the Debt Manager will 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 not just preliminary and final official statements following:
    - Annual financial information provided to the Municipal Securities Rulemaking Board ("MSRB") in accordance with SEC Rule 15c2-12 and any applicable continuing-disclosure agreement or certificate (except that the City Treasurer and the Debt Manager are not responsible for the form and content of the City's audited financial report, which is prepared by the City's Accounting Division and the City's external auditor).
    - Event notices provided to the MSRB in accordance with SEC Rule 15c2-12 and any applicable continuing-disclosure agreement or certificate.

- Any other information provided to the MSRB for use by investors in making investment decisions.

Such information and notices will typically be provided through the MSRB's Electronic Municipal Market Access website (known as "EMMA"), which the SEC has designated as the official source for municipal securities data and disclosure documents.

- (B) Along with the City Treasurer and his or her staff, the City Attorney and the 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 specific revenues, such as water or wastewater revenues, 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 or the Debt Manager requests for compliance with federal securities laws. The City Manager and the 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

## FY2022/23 Approved Budget

---

of a material fact or omit to state a material fact necessary 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**

**Administrative Entity**

Department of Finance

(916) 808-5845

[Finance@cityofsacramento.org](mailto:Finance@cityofsacramento.org)

**Table of Contents**

Purpose

Background

Policy

Management of Activities in Fund 2016

**Related 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





# Emergency Medical Services (EMS) Revenue Recovery and Fee Waiver Policy

**Scope: CITYWIDE**

**Administrative Entity**

EMS Division  
Fire Department  
(916) 808-5352  
[SFDEMS@sfd.cityofsacramento.org](mailto:SFDEMS@sfd.cityofsacramento.org)

**Table of Contents**

- Purpose
- Background
- Policy

**Related Regulatory References**

July 27, 1993	Resolution 1993-0434
October 2011	AB 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.

**2022 Federal Poverty Levels**

(As of 1/12/22)

Household Size	Poverty Level (100% Waived)	2X Poverty Level (50% Reduction)	3X Poverty Level (25% Reduction)
1	13,590	27,180	40,770
2	18,310	36,620	54,930
3	23,030	46,060	69,090
4	27,750	55,500	83,250
5	32,470	64,940	97,410
6	37,190	74,380	111,570
7	41,910	83,820	125,730
8	46,630	93,260	139,890

Note: For families/households with more than 8 persons, add 4,720 for each additional person. 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.





## Fees and Charges Policy



**Scope: CITYWIDE**

**Administrative Entity**

Department of Finance

(916) 808-5845

[Finance@cityofsacramento.org](mailto:Finance@cityofsacramento.org)

**Table of Contents**

- 1. Purpose
- 2. Policy
- 3. Proposition 26

**Related Regulatory References**

May 8, 2014            Resolution 2014-0111

**Effective Date:** July 1, 2015

## Fees and Charges Policy

### 1. PURPOSE

The City of Sacramento has the ability to determine the extent to which fees should be used to fund City facilities, infrastructure and services.

There are five main categories of fees that the City currently implements:<sup>2</sup>

- ✓ **Impact/development fees** are typically one-time charges levied by the City against new development to generate revenue for the construction of infrastructure and capital facilities needed to offset the effects of the new development.
- ✓ **Service fees** are charges imposed on persons or property that are designed to offset the cost of providing a government service. Sometimes these services are elective, such as fees for processing voluntary development permit applications, or providing service/recreation programs, while other service fees are not, such as mandatory service fees for trash or utility services. Such fees are typically reasonably related to the cost of providing the service for which the fee is imposed. Otherwise, the fee may constitute a special tax for which voter approval is required by Propositions 13, 62, and 218.
- ✓ **Regulatory fees** are imposed to offset the cost of a regulatory program, such as business regulatory fees, or to mitigate the past, present, or future adverse impact of a fee payer's operations. While payment of a regulatory fee does not necessarily provide any direct benefit from payment of the fee, there must be a "nexus" between the activity and the adverse consequences addressed by the fee. Common examples of regulatory fees include inspection fees and business license fees designed to reimburse a local agency for the cost of monitoring the business and enforcing compliance with City code.
- ✓ **Rental fees** are charged for the rental of public property and include the rental of real property, parking spaces in a public parking lot, or the rental of community facilities such as a recreation or community room or picnic area. Rental fees are not subject to the general rule that the fee must bear a direct relationship to the reasonable cost of providing the service for which the fee is charged however, rental fees must be fair and reasonable.
- ✓ **Penalties/Fines** are payment required for non-compliance or failure to adhere to specific rules and/or requirements.

---

<sup>2</sup> League of California Cities Website: Spring Meeting May 13-15, 1998 Laurence S. Wiener, Esq. City Attorney of Beverly Hills and Westlake Village *THE CITY ATTORNEY'S ROLE IN EVALUATING FEE STUDIES*.

---

This document sets forth guidelines for:

- Establishing cost recovery goals;
- Determining the categories of cost recovery levels in which to categorize/organize fees;
- Methods for determining which category a fee falls under; and
- Establishment and modification of fees and charges.

## **2. POLICY**

### **A. Cost Recovery Goals**

In setting user fees and cost recovery levels, the following factors will be considered:<sup>3</sup>

- 1) The amount of a fee should not exceed the overall cost of providing the facility, infrastructure, or service for which the fee is imposed. In calculating that cost, direct and indirect costs may be included. That is:
  - Costs which are directly related to the provision of the service; and
  - Support costs which are more general in nature but provide support for the provision of the service. For example, service fees can include reimbursement for the administrative costs of providing the service. Development fees can include the cost of administering the program to construct public facilities that are necessary to serve new development.
- 2) The method of assessing and collecting fees should be as simple as possible in order to reduce the administrative cost of collection.
- 3) Fees should be sensitive to the “market” for similar services.

In addition, in setting enterprise fund fees and cost recovery levels, the following factors will be considered:

- 4) The City will set fees and rates at levels which fully cover the total direct and indirect costs, including operations, capital outlay and debt service of the enterprise programs.
- 5) The City will review and adjust enterprise fees and rate structures as required to ensure that they remain appropriate and equitable.

### **B. Categories of Cost Recovery Levels in Which to Categorize/Organize Fees**

There are five categories of cost recovery levels in which to classify fees:

---

<sup>3</sup> Government Finance Officers Association Website, Best Practices in Public Budgeting, City of San Luis Obispo: User Fee Cost Recovery Goals, 2005.

---

- 1) **Enterprise:** Full direct and indirect cost recovery (100% of total costs) for enterprise services such as water, sewer, and solid waste, as well as impact/development fees.
- 2) **High:** Full direct cost recovery (81-100% of total costs).
- 3) **Medium:** Recovery between 41-80% of direct costs.
- 4) **Low:** Recovery between 0-40% of direct costs.
- 5) **Other:** Fees based on market, geography, assessment, project specific, legal limits, or specific Council policy.

The City may choose, for policy reasons, to set fees at less than full recovery. For example, fees based on market, geography, assessment, project specific, statutory/legal limits, or specific Council policy. In some cases, the City will acknowledge that a subsidy is acceptable, or even necessary to ensure program access and viability.

### **C. Methods for Determining Which Category a Fee Falls Under**

Implementation of higher cost recovery levels is appropriate under the following conditions (up to 100% of the cost of the service or program):

- The service is regulatory in nature (e.g., building permits, plan check fees);
- The service is similar to services provided through the private sector;
- Other private or public sector alternatives could or do exist for the delivery of the service;
- Over-use of the service is specifically discouraged (e.g., police responses to disturbances or false alarms might fall into this category); and
- Over-use of the service or facility is a specialized use that could be provided at a lower cost if not for specific nature or service (e.g., lighted fields).

Lower cost recovery levels are appropriate under the following conditions:

- There is no intended relationship between the amount paid and the benefit received. (It is likely that some recreation and human service programs fall into this category as it is expected that these programs will be subsidized by funds);
- Collecting fees is not cost-effective or will significantly affects the accessibility to the service;
- The service is non-recurring, generally delivered on a peak demand or emergency basis, cannot be planned for and is not readily available from a private sector source (e.g., public safety services); and
- Collecting fees would discourage compliance with regulatory requirements and adherence is primarily self-identified, and as such, failure to comply would not be readily detected by the City.

Other:

- Market pricing requires that there be a direct relationship between the amount paid and the level and cost of the service received or a direct relationship to actual prices being charged for the service in the current market.
- Legal specifications and/or limitations to the amount that is charged.
- Adopted Council Policy setting specific fee.

**Factors to Consider**

The extent to which the total cost of service should be recovered through fees depends upon the following factors:

- ✓ The nature of the facilities, infrastructure or services;
- ✓ The nature and extent of the benefit to the fee payer;
- ✓ The effect of pricing on the demand for services; and
- ✓ The feasibility of collection and recovery.

The chart below reflects these factors and the potential options for higher or lower cost recovery:<sup>4</sup>

	<b>The Nature of the Facilities, Infrastructure or Services</b>	<b>The Nature and Extent of the Benefit to The Fee Payers</b>	<b>Effect of Pricing on the Demand for Services</b>	<b>Feasibility of Collection and Recovery</b>
<b>Higher Cost Recovery</b>	In the case of fees for facilities, infrastructure and proprietary services <sup>5</sup> , total cost recovery may be warranted.	When a particular facility or service results in substantial, immediate and direct benefit to fee payers, a higher percentage of the cost of providing the facility or service should be recovered by the fee.	Because the pricing of services can significantly affect demand, full cost recovery for services is more appropriate when the market for the services is strong and will support a high level of cost recovery.	In the case of impact fees, which can be collected at the time of issuance of a building permit, ease of collection is generally not a factor.
<b>Lower Cost Recovery</b>	In the case of governmental services <sup>6</sup> , it may be appropriate for a substantial portion of the cost of such services to be borne by the City's taxpayers, rather than the individual users of such services.	When a particular facility or service benefits not only the fee payer but also a substantial segment of the community, lower cost recovery is warranted.	If high levels of cost recovery affect accessibility to or negatively affect the delivery of services to lower income groups, this should be considered based on the overall goals of the program being implemented.	Some fees may prove to be impractical for the City to utilize if they are too costly to administer.

<sup>4</sup> Government Finance Officers Association Website, Best Practices in Public Budgeting, City of Fort Collins, CO: User Fee Policies, 2005.

<sup>5</sup> Proprietary services are those which are provided for the benefit and enjoyment of the residents of the City

<sup>6</sup> Governmental services are those which are provided by the City for the public good such as regulating land use, maintaining streets, and providing police and fire protection.



**D. Establishment and Modification of Fees and Charges**

Fees will be reviewed and updated on an ongoing basis as part of the annual budget process to ensure that they keep pace with changes in the cost-of-living as well as changes in methods or levels of service delivery. At the beginning of the budget process each department will submit a list of proposed adjustments to their section of the master fee schedule. Each service must be assigned a target cost recovery level as defined above.

Maintaining competitive status and comparability with other cities should be considered when determining new fee levels. Those fees that are proposed for adjustment should be benchmarked against neighboring jurisdiction fee schedules or appropriate service markets. The benchmark analysis should be taken into consideration when making final pricing decisions.

However, the City may choose, for policy reasons, to set fees at less than full recovery. (for example, fees based on market, geography, assessment, project specific, statutory/legal limits or specific Council policy). As stated above, in some cases, the City will acknowledge that a subsidy is acceptable, or even necessary to ensure program access and viability. Where appropriate, fees that have not been increased in some time should have increases phased in over several years to avoid 'sticker shock' increases.

If a particular fee is not adjusted in the budget process, to the extent feasible and/or appropriate, it should be increased biennially by a CPI factor to keep pace with inflation. Beginning in FY2014/15 the City will use the State of California Department of Industrial Relations Consumer Price Index (CPI) which is the same index used by the County Assessor to adjust the annual property tax roll for inflation.

Biennially, the Finance Department shall determine the percentage change in this index and apply the increase or decrease to the master fee schedule, rounding up to the nearest whole dollar. Certain fees are exempt from an index adjustment, such as fees set by the State of California, percentage-based fees or those that have been identified as inappropriate for indexed fee increases (e.g., feasibility or fees that are based on market for services). Exempt fees are noted in the master fee schedule. Council may consider fee issues outside of the annual budget process on a case-by-case basis.

The City should conduct a comprehensive cost of service analysis every five to seven years to ensure fees and charges are set appropriately. Generally, fees may be adjusted based on supplemental analysis whenever there have been significant changes in the method, level or cost of service delivery. For example, changes in processes and technology change the staff time required to provide services to the public. A cost-of-service study will identify and quantify these changes.

### 3. Proposition 26

Proposition 26, the “Stop Hidden Taxes Initiative,” was passed by the voters on November 2, 2010, to amend Article XIII C of the State Constitution. According to the ballot measure, the intent of the measure is to ensure the effectiveness of Propositions 13 and 218 by providing a definition of a “tax” for state and local purposes “so that neither the Legislature nor local governments can circumvent these restrictions on increasing taxes by simply defining new or expanded taxes as ‘fees.’” Accordingly, under Proposition 26 a tax has been very broadly defined.

#### **Tax Defined:**

“Tax” now means “any levy, charge, or exaction of any kind imposed by a local government, except for the following seven categories of charges:

#### **Exception 1 – Benefit Conferred or Privilege Granted**

A charge imposed for a specific benefit conferred or privilege granted directly to the payor that is not provided to those not charged, and which does not exceed the reasonable costs to the local government of conferring the benefit or granting the privilege.

Examples:

- Residential parking permit fees
- Professional licenses
- Business improvement assessments

#### **Exception 2 – Government Service or Product**

A charge imposed for a specific government service or product provided directly to the payor that is not provided to those not charged, and which does not exceed the reasonable costs to the local government of providing the service or product.

Examples:

- User fees for park and recreation programs
- Weed abatement fees
- Sidewalk curb repairs

#### **Exception 3 – Licenses and Permits**

A charge imposed for the reasonable regulatory costs to a local government for issuing licenses and permits, performing investigations, inspections, and audits, enforcing agricultural marketing orders, and the administrative enforcement and adjudication thereof.

Examples:

- Building inspections
- Cardroom license
- Business licenses

**Exception 4 – Use of City property**

A charge imposed for entrance to or use of local government property, or the purchase, rental, or lease of local government property.

Examples:

- City-owned parking lots
- Swimming pools
- Convention Center rentals
- Golf green fees

**Exception 5 – Fines and Penalties**

A fine, penalty, or other monetary charge imposed by the judicial branch of government or a local government as a result of a violation of law.

Examples:

- City Code fines and penalties (e.g., 1.28.020)
- Parking fines

**Exception 6 – Property Development Charges**

A charge imposed as a condition of property development.

Example:

- Development impact fees

**Exception 7 – Proposition 218 Fees**

Assessments and property related fees imposed in accordance with the provisions of Proposition 218, Article XIII D.

Examples:

- Utility fees for water, sewer, drainage, and solid waste
- Street lighting assessments

**Burden of Proof:**

The paragraph following the seven enumerated exceptions states:

“The local government bears the burden of proving by a preponderance of the evidence [1] that a levy, charge, or other exaction is not a tax, [2] that the amount is no more than necessary to cover the reasonable costs of the government activity, and [3] that the manner in which those costs are allocated to a payor bears a fair or reasonable relationship to the payor’s burdens on, or benefits received from, the governmental activity.” The latter two requirements only apply to the first three exceptions.

Thus, with the burden of proof now shifted to the City, that requires each department to take into consideration how it aims to prove that a proposed fee or fee increase is not a tax. The following analytical framework can assist in this regard.

**Burden of Proof: A 3-step Analysis**

1. The City must make a threshold determination whether one of the exceptions applies.
  - If none apply, it is a tax subject to voter approval.
2. If Exceptions 1, 2, or 3 apply, the City must also show that the fee revenue will not exceed the reasonable costs of providing the related governmental activity (at the aggregate level).
3. Finally, the City must show that the costs are fairly allocated to the individual payors.





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



**Scope: CITYWIDE**

**Administrative Entity**

Department of Finance

(916) 808-5845

[Finance@cityofsacramento.org](mailto:Finance@cityofsacramento.org)

**Table of Contents**

- 1. Purpose
- 2. Background
- 3. Policy
  - 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

**Related Regulatory References**

April 26, 2016      Council Motion 2016-0122  
June 11, 2019      Resolution 2019-0248

**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**

**Administrative Entity**

Department of Finance

(916) 808-5845

[Finance@cityofsacramento.org](mailto:Finance@cityofsacramento.org)

**Table of Contents**

- 1. Purpose
- 2. Background
- 3. Policy
  - 3.1 Long-term Loans
  - 3.2 Short-term Loans
  - 3.3 Prohibited Uses

**Related 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**

**Administrative Entity**

Office of the City Treasurer

(916) 808-5168

[JColville@cityofsacramento.org](mailto:JColville@cityofsacramento.org)

**Regulatory References**

Council Resolution 2020-0236

**Effective Date: July 28, 2020**

## **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.

### **I. Governing Authority; Scope**

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.

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.

### **II. 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. 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:

- (a) Credit Risk. Credit risk is the risk of loss due to the failure of the security issuer or backer.

The City 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.

- An eligible local community institution is defined as being headquartered in counties in and around Sacramento, including but not limited to Placer, El Dorado, Sutter, and Yolo.
- To be recognized as an eligible local community institution the entity must have had a 5 star "Superior" Rating from either Bauer Financial or IDC Financial Publishing for the past 4 consecutive quarters. Eligible institutions must submit their quarterly ratings to the City Treasurer's office and maintain their 5-star rating continuously. If an eligible local community institution drops below the required 5-star rating, they will have 1 quarter to cure the deficiency. If in the following quarter the institution does not re-achieve a 5-star rating with the same independent rating company, the City may withdraw funds allocated to that institution.
- Institutions who receive deposits from the City as part of a local community investment not eligible for FDIC insurance must be secured by collateral of 110% as described in California Government Code Section 53651 and 53652.

- Institutions who receive deposits from the City as part of a local community investment must commit to invest 50% of the deposits in the local community, within the City of Sacramento City limits.
- Institutions must provide a detailed semi-annual report to the City Treasurer's Office that shows evidence that the institution is meeting the 50% local community investment mandate on the City's deposits. If an institution cannot provide evidence that it has met the 50% local community investment criteria, the City may withdraw its deposits from the institution.
- As a matter of prudence, the amount the City Treasurer may invest in eligible local community institutions will be limited to 3.5% of the institution's total assets, as determined by the quarterly independent financial reports. If, during the course of an investment with an eligible local institution, the City exceeds the maximum 3.5% deposit level, the City may withdraw any funds in excess of the limit to cure the deficiency.
- The city may place deposits with eligible local community institutions up to a total of 10% of the total in the City's portfolio. If this amount is exceeded the City may withdraw funds from any institution to reduce the total community investment back below the maximum.

Although an eligible local community institution may meet all of the above stated criteria, it is not a guarantee that the City will maintain deposits. The City Treasurer retains the right to make deposit and withdrawal decisions based on the Primary Objectives of the Investment Policy stated above.

### 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.

## III. **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.

#### **IV. 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.

## **V. 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 in accordance with Statement on Standards for Attestation Engagements No. 18, or SSAE 18.

### **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:

1. Prevention of collusion
2. Separation of transaction authority from accounting and recordkeeping
3. Custodial safekeeping
4. Avoidance of physical delivery securities
5. Clear delegation of authority to subordinate staff members
6. Written confirmation of transactions for investments and wire transfers
7. 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.

## **VI. 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:

1. 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
  - (a) comply with the requirements of Government Code section 53601(j), and
  - (b) 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.
2. The securities lending agreements may allow for the use of cash collateral for the reinvestment in securities that
  - (a) comply with the requirements of Government Code section 53601(j)(3)(D), and
  - (b) are securities whose direct investment is authorized by Government Code section 53601 and these policies,
  - (c) 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.

## **VII. 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***

1. 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.
2. 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.
3. Risks of market price volatility shall be controlled through maturity diversification.
4. 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 and sales of investment instruments executed on the secondary market for consideration in excess of \$15 million per purchase transaction.

## **VIII. 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 transactions as required by Government Code section 53607.

**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 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.

**IX. 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.

**X. 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).

**XI. 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**

**Administrative Entity**

Department of Finance

(916) 808-5845

[Finance@cityofsacramento.org](mailto:Finance@cityofsacramento.org)

**Table of Contents**

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 cost<sup>1</sup> 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.

---

<sup>1</sup> 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**

### **Administrative Entity**

Department of Finance

(916) 808-5845

[Finance@cityofsacramento.org](mailto:Finance@cityofsacramento.org)

### **Table of Contents**

- 1. Purpose
- 2. Background
- 3. Policy
  - 3.1 CalPERS ADC
  - 3.2 SCERS ADC
  - 3.3 Transparency and Reporting
  - 3.4 Review of Funding Policy

### **Related 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**

### **Administrative Entity**

Department of Finance

(916) 808-5845

[Finance@cityofsacramento.org](mailto:Finance@cityofsacramento.org)

### **Table of Contents**

1. Purpose
2. Background
3. Policy

### **Related 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

## FY2022/23 Approved Budget

---

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.





## Sacramento City Employees' Retirement System (SCERS) Investment Policy

**Scope: CITYWIDE**

### **Administrative Entity**

Office of the City Treasurer

(916) 808-5168

[JColville@cityofsacramento.org](mailto:JColville@cityofsacramento.org)

### **Table of Contents**

1. Introduction
2. Investment Philosophy
3. Investment Goals and Objectives
4. General Investment Policies
5. Suitable and Authorized Investments
6. Authorized Financial Institutions, Depositories, Broker/Dealer
7. Safekeeping and Custody
8. Reporting
9. Policy Considerations

### **Regulatory References**

Council Resolution 2020-0236

**Effective Date: July 28, 2020**

# **Sacramento City Employees' Retirement System (SCERS) Investment Policy**

## **1. INTRODUCTION**

This Investment Policy encompasses the investment goals, objectives and policies of the Sacramento City Employees' Retirement System ("SCERS" or "System"). The purpose of the Investment Policy is to assist the Administration, Investment and Fiscal Management Board ("AIFM Board" or "Board") and its Investment Managers<sup>1</sup> to effectively supervise and monitor SCERS' investment program.

Pursuant to Section 383 of the Sacramento City Charter ("Charter"), the AIFM Board is charged with the exclusive responsibility of managing and investing the System's funds. Also, pursuant to Section 383 of the Charter, the Board has adopted, and the Sacramento City Council has approved, this Investment Policy, which governs the investment activity undertaken by the Board.

This Investment Policy addresses the following issues:

- The investment goals of SCERS' investment program; and
- The general investment policies for the management of funds of the System.

The Investment Policy is designed to provide sufficient flexibility to capture investment opportunities as they may occur, while setting forth reasonable parameters to ensure prudence and care in the execution of the investment program.

## **2. INVESTMENT PHILOSOPHY**

The Board believes that its investment policies, in aggregate, are to be the most important determinants of its investment success. Compliance with investment policies should therefore be monitored rigorously. The Board also believes that performance of the total portfolio and individual asset classes, as well as the performance of any retained Investment Manager, should be monitored and compared to appropriate, predetermined performance benchmarks.

The Board believes that prudent management of risk is a central element of the investment function. Toward this end, the Board believes that diversification among asset classes will reduce risk and enhance returns of the overall investment portfolio in the long term.

---

<sup>1</sup> "Investment Managers" are financial or investment advisers and consultants retained by the Board to assist in the management and investment of the System's funds.

---

The Board believes that market efficiency and opportunities vary among asset classes and may change over extended periods of time. Therefore, the Board believes that SCERS' portfolio management strategies should adapt over time to reflect the changing nature of capital markets.

### **AIFM BOARD'S MISSION STATEMENT**

The Board's primary mission in managing the System's funds is described as follows:

- To ensure that sufficient funds will be available to provide participants and their beneficiaries with all benefits due as specified in SCERS' retirement plan documents
- To give priority to the financial interests of participants and beneficiaries over all other financial interests;
- To comply with all applicable fiduciary standards; and,
- To reduce the cost of funding benefits for both the City of Sacramento, as the participating employer, and the individual participants of SCERS.

### **3. INVESTMENT GOALS AND OBJECTIVES**

In accordance with Board's Mission Statement, the overarching goal of SCERS' investment program is to generate adequate long-term returns that, when combined with employer and employee contributions, will result in sufficient assets to pay the present and future obligations of SCERS.

The following objectives are intended to assist in achieving this goal:

- SCERS should earn, on a long-term average basis, a total real rate of return in excess of SCERS' actuarial assumed rate of real return
- SCERS' assets will be managed on a total return basis, which takes into account the considerable importance of the preservation of capital. Additionally, SCERS follows the principle that different degrees of investment risk exist and each generally is rewarded with a varying degree of return.
- The Board will operate in an efficient manner that fulfills its fiduciary responsibility and contributes to the overall effectiveness of the System.

It is the purpose of the SCERS' investment program to assure that sufficient financial assets are available to provide SCERS' participants and their beneficiaries with all benefits due as specified in the System's governing provisions set forth in the Charter. Therefore, the participants' and beneficiaries' financial interests shall take precedence over all other financial interests.

---



To achieve these objectives, SCERS allocates its assets (asset allocation) with a strategic, long-term perspective of the capital markets.

## **4. GENERAL INVESTMENT POLICIES**

### **FIDUCIARY DUTIES**

The Board's investment activity on behalf of SCERS is mandated by the Sacramento City Charter. Section 383 of the Charter establishes the broad requirement that all investments must be permissible by law for investment of trust funds pursuant to Section 16040 of the California Probate Code. Accordingly, the Board, in discharging its duties to the System, acts as a fiduciary governed by requirements imposed on trustees. In the context of the System, the Board is required to model and manage the System's investment program based on principals outlined under the prudent person standard.

Pursuant to the "prudent person" standard, the Board and its Investment Managers 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 System, 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 System. Funds shall be managed not for speculation, 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 or return 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.

The fiduciary duties of the Board shall be carried forward by retained Investment Managers. The policies expressed in this Investment Policy shall be as applicable to and binding upon the Investment Managers as they are to the Board.

### **AUTHORITY TO INVEST AND DELEGATION THEREOF**

Pursuant to Section 383 of the Charter, the AIFM Board is charged with the exclusive responsibility of managing and investing the System's funds. The Board is authorized by Sections 382 and 383 of the Charter to engage the services of one or more financial or investment advisors and consultants to assist it in the management and investment of the System's funds, collectively referenced herein as the "Investment Managers." As such, the Board from time to time may select and retain professionals within the investment and financial field to implement the SCERS investment program. Once retained, such professionals must acknowledge in writing their fiduciary responsibility to the System and agree that SCERS' investment objectives and policies as expressed in this Investment Policy will be followed. It is expected that such professionals will at all times conduct themselves as fiduciaries in the same manner as does the Board.

## **PERFORMANCE MEASUREMENT**

The performance of professionals retained to implement the SCERS investment program shall be reported and measured against, on an absolute basis, the actuarial assumed rate of return, and, on a relative basis, one or more market benchmarks customized as appropriate to the nature, type and extent of the investments held by the System pursuant to these policies. To the extent the Board retains Investment Managers to execute specific objectives (as opposed to broad investment objectives), such benchmarks shall be appropriate to the stated objectives.

The Board shall retain the services of a consultant to determine appropriate performance benchmarks and to report on the investment performance of the System's funds against such benchmarks. Such reports shall be made not less than on a quarterly basis and shall cover varying time periods as directed by the Board, e.g. performance over the current fiscal year, the past 12-months, one or more past calendar or fiscal years, or since inception, as appropriate with the long-range investment goals of the System's funds.

## **DIVERSIFICATION**

The Board shall diversify holdings in 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. In addition, the diversity of the portfolio among various sectors of the marketplace will minimize the impact of potential losses from any one sector. Such sectors may be demarked by market capitalization of issuers (e.g. small, middle and large capitalization corporations), by location (e.g. domestic vs. foreign corporations), by industry, and by public or private issuers of debt.

## **LIQUIDITY REQUIREMENTS OF THE SYSTEM**

SCERS' funds shall be managed and invested in a manner to provide liquidity sufficient to pay the ongoing expenses of the System and the payment of benefits to retirees when due. To the extent feasible, the Board shall raise funds to cover expenses and benefits in an orderly and efficient manner, while minimizing adverse effects on investment strategies implemented by the Board from the untimely forced liquidation of investments.

As part of the SCERS investment program, the liquidity needs of the System shall be addressed in accordance with the following practices:

- (a) Setting aside cash generated from (i) the liquidation of securities to accomplish Board-approved asset allocations or other Board directive; (ii) the liquidation of securities in the normal course of managing the investment portfolios pursuant to this policy; and (iii) the maturity or redemption of securities as may occur from time to time within the investment portfolios; and (iv) the receipt of dividends and interest.
  - (b) Structuring the investment portfolio so that securities mature to meet
-

cash requirements of the System, thereby avoiding disadvantageous sales of fixed income securities prior to maturity.

- (c) Investing liquid funds required to pay current expenses and benefits in the City's Pool A treasury pool to be managed in accordance with investment policies adopted by the City Council.

## **ASSET ALLOCATION AND RISK MANAGEMENT OF INVESTMENTS**

### **Strategic Asset Allocation**

The Board annually shall review and determine the allocation of investments to various broad asset classes. The asset allocation policy shall be structured for not less than a one- year period. The asset allocation policy shall be developed with the assistance of the Investment Manager, and shall address the following considerations:

- Historical and anticipated capital market performance (returns and risks) of various asset classes;
- The expected correlation of returns among various asset classes;
- Inflation, interest rates, and other economic assumptions;
- The difference between the current and the projected asset values of the Plan; and,
- The actuarial rate of return.

The allocation of investments to various asset classes shall be reviewed annually and reflected in duly adopted resolutions of the Board. The objective of the Board's annual review of the overall asset allocation policy for the System's funds is to provide a sound, fiduciary structure to the investment process. The asset allocation target exposures are established after thorough review and analysis of the System's fund's expected rates of return opportunities and the associated risk of attempting to achieve the targeted return. The asset allocation policy identifies the asset classes to be used and designates the percentage allocation to each asset class in the System's investment portfolio. If necessary to fulfill its fiduciary obligations to the System, the Board may revise the asset allocation policy at any time it determines that circumstances justify such revision.

As its primary risk management tool, the Board shall allocate the investment portfolio between broad asset classes, such as between fixed income assets (notes, bonds, other debt instruments, and secured real estate mortgages) and equity assets (such as stocks)("First Tier Allocations"). Within each broad asset class, the Board may also provide allocations between investments within those broad classes of assets ("Second Tier Allocations"). An example of this is the allocation of equity investments amongst shares of foreign corporations, shares of large capitalization corporations and the selection of shares of corporations providing attractive dividend yields.

---

The Board formulates the overall risk profile of the investment pool by considering the above factors and establishing the First Tier Allocations. However, at any point in time, the actual First Tier Allocations may vary from the Board-approved percentage allocations by plus or minus 5.0% without altering the intended risk profile. In establishing any Second Tier Allocations, the Board, by resolution, may establish variances of allocations to allow the Board and Investment Managers greater flexibility in making advantageous investments that otherwise are consistent with the requirements of this Investment Policy. The discretion to shift funds within the limits of such variances in First and Second Tier Allocations may be exercised in order to take advantage of market dynamics, to preserve capital, to avoid liquidating investments at inopportune times, or for such other reason as to further the prudent investment of the System's funds.

In the selection of specific investments, the Board and its Investment Managers shall adhere to the asset allocations and variances duly established by the Board, while adhering to the overriding prudent person standard.

### **Rebalancing of Portfolios**

The target allocations and variances will guide the decision as to which asset class should receive contributions when available and how the investments are rebalanced from time to time. Rebalancing is an effective tool used to maintain the risk profile of the total fund and to potentially enhance returns. Risk is controlled by calling cash to reduce portfolio values in over-allocated asset categories and providing cash to increase portfolio values to under-allocated asset categories to maintain target asset allocation policy weights. This rebalancing shall be performed periodically, as necessary, but not less than biannually, to redistribute assets to achieve the target allocations within any established variance.

## **5. SUITABLE AND AUTHORIZED INVESTMENTS**

### **AUTHORIZED INVESTMENTS**

Allowable investments of SCERS' funds shall be consistent with the requirements of this Investment Policy and Sacramento City Charter Section 383. Specific allowable investment types are set forth below. As used in this Section V, exchange traded funds ("ETF's") may include (a) leveraged ETF's that result in enhanced price movements over that generated by the underlying assets held by the ETF's, (b) inverse ETF's that incorporates a contrary or short position in the underlying assets, and (c) ETF's that combine both leveraged and inverse strategies.

### **INVESTMENT TYPES**

#### **Domestic Equity**

Investments may include equity investments provided the equity is a common or preferred stock of a domestic corporation and sold on a public or registered stock exchange within the United States. At the discretion of the Board and Investment

---

Managers, investments may be made in mutual funds and exchange traded funds whose assets consist of such domestic equities.

### **International Equity**

Investments may include equity investments provided the equity is a common or preferred stock of a foreign corporation provided (a) the resident country of the corporation has an operative financial exchange or over-the-counter market, a convertible currency, and a political, economic and investment structure which facilitates the availability of securities to foreign investors, and (b) the ownership of such shares are represented by American Depository Receipts (ADR) sold on a public or registered stock exchange within the United States. At the discretion of the Board and Investment Managers, investments in foreign corporations may be made in dollar-denominated mutual funds and exchange traded funds whose assets consist of such foreign equities.

### **Domestic Fixed Income**

SCERS' funds may be invested in debt securities, including convertible bonds, issued by solvent domestic corporations or by local, state or federal governments, political subdivisions, or public agencies, including, without limitation, the City of Sacramento and Sacramento Redevelopment Agency through the City of Sacramento Financing Authority. At the discretion of the Board and Investment Managers, investments in the debt of domestic corporations may be made in individual issues and dollar-denominated mutual funds and/or exchange traded funds whose assets consist of such domestic debt securities.

### **International Fixed Income**

SCERS' funds may be invested in investment grade foreign debt securities issued by a solvent foreign corporation or by foreign sovereignties. At the discretion of the Board and Investment Managers, investments in the debt of foreign corporations may be made in individual issues and dollar-denominated mutual funds and/or exchange traded funds whose assets consist of such foreign debt securities.

### **Commodities**

SCERS' funds may be invested in commodities, including, without limitation, precious metals, agricultural products, oil and natural gas. Such investments may be in the form of dollar-denominated exchange traded funds that track the price changes of targeted commodities.

### **SECURITIES LENDING**

The Board may engage in a securities lending program to provide the System with an opportunity to earn incremental income and offset administrative expenses. The program may be managed by the custodian (see Section VII.B), and/or a qualified third-party securities lending agent. The lending program should remain transparent to the Board and should not impede the SCERS investment program.

---

The securities lending program consists of two separate functions. The first function is the lending of SCERS' eligible portfolio securities (domestic and international equities and bonds) to approved and qualified borrowers through an agent, subject to the terms and conditions specified in SCERS' securities lending contract. Domestic loans must have a minimum initial collateralization level of 102% and international loans must have an initial collateralization level of at least 105%.

The second function is the reinvestment of cash proceeds generated by the lending of SCERS' portfolio securities. This function is an investment management function, and as a result is governed by the same prudent person rules employed by the Board and its Investment Manager. Accordingly, the investment of cash collateral shall be in securities permitted by the Board as satisfying the prudent person standard. Cash and non-cash collateral may be invested in commingled funds or in separately managed accounts.

### **OPTION STRATEGIES**

Utilization of options is allowed as a prudent way to take advantage of certain market dynamics in order to increase the overall returns of the investment portfolio without incurring undue risk, and/or to protect positions in a declining market. By Board Resolution 09-003, dated October 26, 2009, the Board has authorized the writing and selling of call options on existing security positions and the purchase of put options to protect existing security positions. Pursuant to Resolution 09-003, the following limitations are placed on the use of such authorized options: (1) The fair market value of securities underlying existing and proposed option contracts may not exceed 30 percent of the market value of the investment portfolio measured at the time each new option contract is evaluated, and (2) the time from the inception of an option position to its expiration date shall not exceed 90 days.

### **REAL ESTATE MORTGAGES**

SCERS' funds may be lent to owners of real property provided the Board is satisfied with the credit worthiness of the borrower, the attributes of the real property, the suitability of the loan-to-value ratio, the interest rate on the loan, the reliability of the source of debt service funds, among other factors bearing on the desirability of the loan. No loans shall be made unless it is secured by a first position deed of trust, junior only to taxes and assessments entitled to priority by state statute, and supported by appropriate title insurance.

## **6. AUTHORIZED FINANCIAL INSTITUTIONS, DEPOSITORY, BROKER/DEALER SELECTION**

Financial institutions and depositories involved in implementing the Board'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 Board in its discretion, with the objective of obtaining the quality of services necessary to serve the best interests of SCERS and its members, with services performed at competitive fees and rates.

Among the factors that the Board 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 Board; (vii) extent of the value added by an entity over the services provided by firms then-providing investment-related services to the Board; and (viii) other attributes as may be determined by the Board from time to time. The Board 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 System shall do so in a good faith manner and in the best interests of the System, and shall disclose to and advise the Board of material facts that bear upon the pricing of a given transaction order given by investment officers.

In lieu of conducting its own competitive process for the selection of supporting financial institutions, the Board may utilize the custodians, banks, brokers, dealers and other financial institutions utilized by the City in the management and investment of its funds. Such institutions must be duly selected and approved by the City Council. Prior to engaging any City-approved institution, the Board must be satisfied with the selection process used by the City.

## **PERFORMANCE REVIEW**

All financial institutions and depositories shall maintain the qualifications and attributes deemed appropriate by the Board, including, but not limited to those enumerated in subsection A above, and shall perform their duties in a satisfactory manner. The Board, in its discretion, shall conduct periodic performance reviews to ensure the institutions and depositories are providing services in the best interests of the System.

## **7. SAFEKEEPING AND CUSTODY**

### **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.

### **CUSTODY OF SYSTEM ASSETS**

SCERS shall contract to utilize the services of a master custodian that shall transfer assets to and from the System's funds as directed by the Board and/or the Investment Managers. Also, the custodian shall settle purchases and sales of securities, collect income, and disperse funds for approved expenditures or investments. Other services provided by the custodian include, but are not limited to, cash management, portfolio transition services, securities lending services, compliance monitoring services and information/accounting services. 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 in accordance with

---

## **INTERNAL CONTROLS**

The Investment Managers shall establish and maintain an internal control structure designed to guide the activities of investment officers to ensure that the assets of the System are protected from loss, theft or misuse. 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:

- Prevention of collusion
- Separation of transaction authority from accounting and recordkeeping
- Custodial safekeeping
- Avoidance of physical delivery securities
- Clear delegation of authority to subordinate staff members
- Written confirmation of transactions for investments and wire transfers
- Development of a wire transfer agreement with the lead bank and third-party custodian

## **8. REPORTING**

### **INVESTMENT REPORTS**

The Investment Manager shall present to the Board monthly investment transaction reports and quarterly performance reports.

### **MARKING TO MARKET**

For purposes of preparation of the investment reports, the market value of the portfolio shall be calculated.

## **9. POLICY CONSIDERATIONS**

### **ETHICS AND CONFLICTS OF INTEREST**

Board members, the Investment Manager, and all other persons materially involved in the selection of investments (collectively, "Involved Persons") shall refrain from personal business activity that could conflict with the proper execution and management of the SCERS investment program, or that could impair their ability to make impartial decisions.

---



All Involved Persons shall disclose any material interests in financial institutions with which they conduct business or invest in. They shall further disclose any personal financial/investment positions that could be related to the performance of the investment portfolio. All Involved Persons shall refrain from undertaking personal investment transactions with the same individual with whom business is conducted on behalf of the System.

All Involved Persons 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.

**EXEMPTION**

Any investment held at the time these policies are duly adopted that does not meet the guidelines of this policy shall be exempted from the requirements of this policy, provided that as soon as practicable the Board and its Investment Manager shall take appropriate steps to address non-compliant investments in the best interest of the System. At maturity or liquidation, such monies shall be reinvested only as provided by this policy.

**AMENDMENTS**

This policy shall be reviewed annually by the Board. The Investment Managers may recommend changes to the Board for its consideration. Any changes adopted by the Board must be approved by the City Council.

**CITY COUNCIL CONSIDERATION OF INVESTMENT POLICY**

This policy shall be reviewed and approved by the City Council pursuant to Section 383 of the Charter.

# 29

## **SECTION - 29 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 can 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; Community Response; Finance; Fire; Human Resources; Information Technology; Police; Public Works; Utilities; Youth, Parks, & Community Enrichment; and Citywide and Community Support.

**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 the costs of providing services to the 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).

**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 FY2022/23 or FY23.

**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 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.

## FY2022/23 Approved Budget

---

- **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 took 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.

**Multi-year Operating Projects (MYOPs)** – A project/program with funding for internal operations (e.g., community outreach, fleet acquisitions, grants, rebates, and studies) that do not result in capital assets.

**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, Proposition 218 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 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.

**Project, Child:** - A project that falls under the budget appropriation authority of a parent project. Child projects are not required of a parent project.

**Project, Parent:** - A project that has budget appropriation authority given by Council. Parent project numbers usually end in zero-zero (00).

**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.



## FY2022/23 Approved Budget

---

- 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**

<b>A.B.</b>	Assembly Bill
<b>ABCDs</b>	Automated Bids, Contracts, and Digital Signatures
<b>ACFR</b>	Annual Comprehensive Financial Report
<b>ACH</b>	Automated Clearing House
<b>ADA</b>	Americans with Disabilities Act
<b>ALF</b>	American Leadership Forum
<b>ALM</b>	Asset Liability Management
<b>ALS</b>	Advanced Life Support
<b>ARP</b>	American Rescue Plan 2021
<b>ARRA</b>	American Recovery and Reinvestment Act
<b>ASES</b>	After School Education and Safety
<b>AWMP</b>	Accelerated Water Meter Program
<b>AWWA</b>	American Water Works Association
<b>BID</b>	Business Improvement District
<b>BOE</b>	Board of Education
<b>BOT</b>	Business Operations Tax
<b>BWC</b>	Body Worn Camera
<b>CAA</b>	Cultural Arts Awards
<b>CaIPERS</b>	California Public Employees' Retirement System
<b>CASH</b>	Community Against Sexual Harm
<b>CA-TF7</b>	California Task Force 7
<b>CBOT</b>	Cannabis Business Operations Tax
<b>CCM</b>	Citywide Content Management
<b>CCOMWP</b>	City/County Office of Metropolitan Water Planning
<b>CCPI</b>	CA Consumer Price Index
<b>CCR</b>	Consumer Confidence Report
<b>CCS</b>	Convention and Cultural Services
<b>CDTFA</b>	CA Department of Tax and Fee Administration
<b>CE</b>	Cultural Equity
<b>CEQA</b>	California Environmental Quality Act
<b>CERBT</b>	California Employers' Retiree Benefit Trust
<b>CFD</b>	Community Facilities District
<b>CIO</b>	Chief Information Officer
<b>CIP</b>	Capital Improvement Program or Project
<b>CIRBs</b>	Capital Improvement Revenue Bonds
<b>CIS</b>	Customer Information System
<b>CIT</b>	Crisis Intervention Training
<b>CLASS</b>	Childcare Learning and Student Support
<b>CMO</b>	City Manager's Office
<b>CNG</b>	Compressed Natural Gas
<b>CO2e</b>	Carbon Dioxide equivalent
<b>COLA</b>	Cost of Living Adjustment
<b>COPS</b>	Community Oriented Policing
<b>CORE</b>	Cannabis Opportunity Reinvestment and Equity

FY2022/23 Approved Budget

<b>CPI</b>	Consumer Price Index
<b>CRCIP</b>	Community Reinvestment Capital Improvement Program
<b>CRS</b>	Community Rating System
<b>CSH</b>	Center for Sacramento History
<b>CSS</b>	Combined Sewer System
<b>CSUS</b>	California State University Sacramento
<b>DACs</b>	Disadvantaged Area Communities
<b>DDW</b>	Department of Drinking Water
<b>DHS</b>	Department of Homeland Security
<b>DISTRICT</b>	SCU Convention & Performing Arts District
<b>DMAs</b>	District Metered Areas
<b>DOE</b>	Department of Education
<b>DOU</b>	Department of Utilities
<b>DSCR</b>	Development Stabilization Contingency Reserve
<b>DSP</b>	Downtown Sacramento Partnership
<b>DUI</b>	Driving Under the Influence
<b>DWR</b>	Department of Water Resources
<b>eCAPS</b>	Electronic Citywide Accounting and Personnel System
<b>EEO</b>	Equal Employment Office
<b>EGUSD</b>	Elk Grove Unified School District
<b>EIFD</b>	Enhanced Infrastructure Financing District
<b>EIR</b>	Environmental Information Regulation
<b>ELAP</b>	Environmental Laboratory Accreditation Program
<b>EMS</b>	Emergency Medical Services
<b>EOC</b>	Emergency Operations Center
<b>ERP</b>	Enterprise Resources Planning
<b>EUR</b>	Economic Uncertainty Reserve
<b>EVOC</b>	Emergency Vehicle Operations Course
<b>F.O.C.A.S.</b>	Friends of the City's Animal Shelter
<b>FDIC</b>	Federal Deposit Insurance Corporation
<b>FEC</b>	Financial Empowerment Center
<b>FEMA</b>	Federal Emergency Management Agency
<b>FMAP</b>	Flood Maintenance Assistance Program
<b>FTE</b>	Full-time equivalent
<b>FUEL</b>	Family, Unity, Education, and Legal Network
<b>FY</b>	Fiscal Year
<b>G/MU</b>	General and Measure U
<b>G1C</b>	Golden 1 Center
<b>GARE</b>	Government Alliance on Race and Equity
<b>GASB</b>	Governmental Accounting Standards Board
<b>GL&amp;AL</b>	General Liability and Auto Liability
<b>HR</b>	Human Resources
<b>ICMA</b>	International City/County Management Association
<b>IRS</b>	Internal Revenue Service
<b>ISA</b>	International Society of Arboriculture

FY2022/23 Approved Budget

<b>IST</b>	Inspection and Standards Team
<b>IT</b>	Information Technology
<b>JPA</b>	Joint Powers Agreement
<b>LAFCo</b>	Sacramento Local Agency Formation Commission
<b>LDI</b>	Liability Driven Investment
<b>LMA</b>	Local Maintaining Agencies
<b>LPRs</b>	License Plate Readers
<b>MG</b>	Million Gallons
<b>MICC</b>	Mobile Incident Command Center
<b>MOE</b>	Maintenance of Effort
<b>MOFIE</b>	Mayor's Office of Innovation and Entrepreneurship
<b>MOSAC</b>	SMUD Museum of Science and Curiosity
<b>MYOP</b>	Multi-year Operating Project
<b>NACHA</b>	National Automated Clearing House Association
<b>NPDES</b>	National Pollutant Discharge Elimination System
<b>OAC</b>	Office of Arts and Culture
<b>OCM</b>	Office of Cannabis Management
<b>OEG</b>	Office of Economic Growth
<b>OEM</b>	Office of Emergency Management
<b>OPEB</b>	Other Post-Employment Benefits
<b>PAR</b>	Personnel Action Request
<b>PARCS</b>	Parking Access and Revenue Control System
<b>PBIDs</b>	Property and Business Improvement Districts
<b>PCI</b>	Payment Card Industry
<b>PCI DSS</b>	Payment Card Industry Data Security Standard
<b>PCR</b>	Patient Care Reports
<b>PD</b>	Police Department
<b>PELLET-B</b>	Police Entry Level Law Enforcement Test
<b>PEPRA</b>	Public Employees' Pension Reform Act
<b>PERS</b>	California Public Employees' Retirement System
<b>PG&amp;E</b>	Pacific Gas and Electric
<b>PODs</b>	Police Observation Devices
<b>POP</b>	Problem Oriented Policing
<b>POS</b>	Point-of-Sale
<b>POST</b>	Police Officers Standard and Training
<b>PPE</b>	Personal Protective Equipment
<b>PPP</b>	Public-Private Partnerships
<b>PRA</b> s	Public Records Act
<b>PRISM</b>	Public Risk Innovation, Solutions, and Management
<b>PTTVC</b>	Prime-Time Teen Virtually Connected
<b>RAILS</b>	Rapid Acceleration, Innovation & Leadership
<b>RASA</b>	Redevelopment Agency Successor Agency
<b>REO</b>	Recognized Employee Organization
<b>RFP</b>	Request for Proposal
<b>RGEAP</b>	Race and Gender Equity Action Plan

FY2022/23 Approved Budget

<b>RSW</b>	Recycling and Solid Waste Division
<b>SACOG</b>	Sacramento Area Council of Governments
<b>SAFER</b>	Staffing for Adequate Fire & Emergency Response Grants
<b>SAMS</b>	Software Asset Management System
<b>SASD</b>	Sacramento Area Sewer District
<b>SAVSA</b>	Sacramento Abandoned Vehicle Service Authority
<b>S.B.</b>	Senate Bill
<b>SCADA</b>	Supervising Control and Data Acquisition
<b>SCERS</b>	Sacramento City Employees' Retirement System
<b>SCMS</b>	Security Camera Monitoring System
<b>SCU</b>	SAFE Credit Union
<b>SCUSD</b>	Sacramento City Unified School District
<b>SCVB</b>	Sacramento Convention and Visitors Bureau
<b>SCXEA</b>	Sacramento City Exempt Employees Association
<b>SETA</b>	Sacramento Employment and Training Agency
<b>SHRA</b>	Sacramento Housing and Redevelopment Agency
<b>SMAC</b>	Sacramento Metropolitan Arts Commission
<b>SMHST</b>	Sacramento Museum of History, Science, and Technology
<b>SMUD</b>	Sacramento Municipal Utility District
<b>SPCA</b>	Society for the Prevention of Cruelty to Animals
<b>SPLA</b>	Sacramento Public Library Authority
<b>SRCSD</b>	Sacramento Regional County Sanitation District
<b>SRF</b>	State Revolving Fund
<b>SSO</b>	Sanitary Sewer Overflows
<b>START</b>	Students Today Achieving Results for Tomorrow
<b>STEAM</b>	Science, Technology, Engineering, Art, and Math
<b>SURA</b>	Sacramento Utility Rate Assistance
<b>SUV</b>	Sport Utility Vehicle
<b>SWA</b>	Solid Waste Authority
<b>SWAT</b>	Special Weapons and Tactics
<b>SWRCB</b>	State Water Resources Control Board
<b>TOT</b>	Transient Occupancy Tax
<b>UAL</b>	Unfunded Accrued Liability
<b>UAS</b>	Unmanned Aerial System
<b>UHU</b>	Unit Hour Utilization
<b>URAC</b>	Utility Rate Advisory Commission
<b>US&amp;R</b>	Urban Search & Rescue
<b>UUT</b>	Utility User Tax
<b>VLF</b>	Vehicle License Fee
<b>VoIP</b>	Voice over Internet Protocol
<b>VPN</b>	Virtual Private Network
<b>WC</b>	Workers' Compensation
<b>YDPM</b>	Youth Development Program Manager
<b>YPCE</b>	Youth, Parks, and Community Enrichment

# 30

## **SECTION - 30 Resolution**



**RESOLUTION NO 2022-0198**

Adopted by the Sacramento City Council

June 14, 2022

**Approving the Fiscal Year 2022/23 Operating and  
Capital Improvement Program Budgets**

**BACKGROUND**

- A. Article IX, section 111, of the City Charter requires the City Manager 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 No. 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.



## FY2022/23 Approved Budget

---

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 No. 2019-0248) as directed by the City Council on February 5, 2019 (Resolution No. 2019-0047).
- D. The FY2022/23 Proposed Budget (which includes the Operating Budget and the Capital Improvement Program [CIP] Budget) are consistent with City Charter requirements and the City Council's adopted Core Budget Policies and Budget Guidelines.
- E. The Mayor and Council conducted budget discussions during May and June 2022 to discuss and consider the City's FY2022/23 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 and the Summary of FTE attached as Exhibit B are hereby approved.
- 1.2. The FY2022/23 Operating and CIP Budgets (collectively the Approved Budget), as defined in section 3.2 below, and attached as Exhibit C and D are hereby approved.
- 1.3. The 2022-2027 CIP, which provides a comprehensive five-year plan for the City's capital project expenditures and attached as Exhibit D, 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 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 FY2022/23 Approved Budget.

## FY2022/23 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. The City Manager is authorized to establish the Federal American Rescue Plan (ARP) Fund (Fund 2705) effective May 19, 2021.
- 1.11. The City Manager is authorized to realign Measure U expenditures, including the creation of new multi-year projects as necessary, to provide additional transparency on the alignment of spending through FY2022/23.

### **Section 2. Scope.**

This resolution defines the authority and responsibilities of the City Manager in implementing the Approved Budget and supersedes Resolution No. 2021-0198.

### **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 Exhibits C and D and reflects the FY2022/23 Proposed Operating and CIP Budgets, as amended by the Council to incorporate the approved Budget Changes attached as Exhibit A, and a summary of position changes as displayed in Exhibit B.
- 3.3. "City Manager" means the City Manager or, if so designated, the Director of Finance.
- 3.4. "Department" means Mayor and City Council; City Manager; City Attorney; City Auditor; City Clerk; City Treasurer; Community Development; Community Response; Convention and Cultural Services; Finance; Fire; Human Resources; Information Technology; Police; Public Works; Utilities; Youth, Parks, and Community Enrichment; and Citywide and Community Support.
- 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 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, 1D, and 1E and the fund summaries, including transfers, as shown in Schedules 2A, 2B, and 2C, as displayed in Exhibit C.
- 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 C.
- 4.4. The City Manager is authorized to revise any appropriation made in the Approved or Amended Budget where the revision is of a technical nature and is consistent with the 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, 2021, the balance of the Risk Fund loan to the Community Center Fund totaled approximately \$5.2 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 C.
  - (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 FY2022/23.

**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 No. 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 Council's approval.
  - (C) These parameters may only be changed by resolution of the Council.
- 5.3. The City Manager is authorized to make appropriation changes (increases or decreases) less than \$250,000 by fund from available fund balance. Appropriation changes, whether increases or decreases, including \$250,000 or more require the Council's approval, except for payments to employees for vacation and sick leave payouts. Payments to employees for vacation and sick leave payout may be approved by the City Manager.
- 5.4. The City Manager is authorized to make appropriation changes (increases or decreases) less than \$250,000 to any Department or project from Administrative Contingency established in the General Fund. Appropriation changes (increases and decreases) more than and including \$250,000 to the Department or project require the Council's approval.
- 5.5. Transfers must not be made from an available fund balance or Administrative Contingency if the transfer will result in a negative balance.
- 5.6. The City Manager is authorized to release the General Fund (Fund 1001) and Measure U (2401) commitment of fund balance (\$22.8 million) established in FY2021/22 for future budget development as needed to submit a balanced budget.
- 5.7. Use of committed fund balance reserves, except as authorized in section 5.6, requires the Council's approval by resolution.

**Section 6. Appropriation Increases and Decreases.**

- 6.1. All appropriation changes (increases or decreases) \$250,000 or more to the Approved Budget require the Council's approval by resolution.
- 6.2. The City Manager is authorized, upon completion of the audited financial statements for FY2021/22, to adjust FY2022/23 fund contingencies by the amount of net changes in available fund balance. The available fund balance in the G/MU Fund must be included and explained in the report to the Council accompanying the Annual Comprehensive Financial Report (ACFR).
- 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, less than \$250,000, must be approved by the City Manager. Such transfers more than and including \$250,000 requires the 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 Council, or by the City Manager in accordance with this resolution, is subject to approval by the 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 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.

## FY2022/23 Approved Budget

---

- 8.5. All new job classifications or classification changes (as identified in Exhibit C, 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 FY2022/23 revenue budget is summarized in Exhibit C, Schedule 6.
- 9.2. Any increase or decrease greater than (and including) \$250,000 by fund in estimated revenue by Department to the Approved Budget requires the 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 Council.
- 10.2. The Council's approval is required for the establishment or cancellation (without completion) of a CIP, except as provided below:

## FY2022/23 Approved Budget

---

- (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 is less than \$250,000. 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 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 FY2022/23 CIP Budget is summarized on Schedules 2 and 4 as displayed in Exhibit C and on Schedule 4 as displayed in Exhibit D.
- 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 Council action through programming within the CIP or through a separate appropriation to the project authorized by resolution of the 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 less than \$250,000, 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 less than \$250,000 must be made as provided for in section 6.1).
  - (B) If expenditures exceed the budget by more than and including \$250,000, a corrective plan of action must be submitted to the Council for approval by resolution.

## FY2022/23 Approved Budget

---

- 10.8. Community/Neighborhood projects and appropriations established with one-time funding sources under Resolution No. 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 Council.
- 10.9. Except as provided in section 10.8, the City Manager is authorized to transfer appropriations less than \$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 less than \$250,000 for each project. Appropriation changes more than and including \$250,000 in total for any project must be approved by resolution of the Council. The City Manager's administrative authority to adjust budgets for capital projects will be reset after budgetary actions are authorized by the 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



## FY2022/23 Approved Budget

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 Council acts on recommended Measure A reallocations before STA Board action, 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 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 less than \$250,000 from what was reflected in the Approved CIP Budget that authorized the

project funding. Project agreements that differ by more than and including \$250,000 from the anticipated budget require the Council's approval by resolution.

- 10.15. The 2022-2027 CIP Budget (Schedule 4, Exhibits C and D) 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.
- 10.16. The City Manager is authorized to adjust revenue and expenditure budgets to reflect actual revenues received and expenditures incurred in compliance with the original grant award and any amendments. If the grant is not renewed or is changed by more than and including \$250,000, the managing department must return to the Council for corrective action.

### **Section 11. Operating Grants.**

- 11.1. Council approval is required for the establishment or cancellation (without completion) of an operating grant except as follows:
  - (A) Where the operating grant is less than \$250,000 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 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 more than and including \$250,000 in advance of formal agreements in response to governmental requests for public-safety assistance related to homelessness, disasters and national-security risks. The department responding to these events shall report to the 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 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 Council.

## FY2022/23 Approved Budget

---

- 11.3. If a grantor requires Council action as a condition of funding the grant, the establishment of the grant requires the 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 Council, and augmentations less than \$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 and including \$250,000, the managing department must return to the 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 less than \$250,000, 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 less than \$250,000 must be made as provided for in section 6.1).
  - (B) If the project balance exceeds budget by more than and including \$250,000, a corrective plan of action must be submitted to the 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) Council approval is required: (1) to award grants to an individual, non-profit, business, or community-based organization that applies for a City grant more than and including \$250,000; and (2) to execute contracts with the grantees for the services to be provided.
  - (B) Consistent with 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 less than \$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 (EFP).**

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

- (A) Where the EFP is less than \$250,000 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 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 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 Council, and augmentations less than \$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:

- (A) If the EFP balance exceeds budget by less than \$250,000, 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 less than \$250,000 must be made as provided for in section 6.1).

- (B) If the project balance exceeds budget by more than and including \$250,000, a corrective plan of action shall be submitted to the Council for approval by resolution.
- 12.5. EFPs with existing contracts approved by the 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 (MYOP).**

- 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. 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 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 Departments 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.

## FY2022/23 Approved Budget

---

- 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 less than \$250,000, 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 of less than \$250,000 must be made as provided for in section 6.1).
  - (B) If the MYOP balance exceeds budget by more than and including \$250,000, a corrective plan of action must be submitted to the Council for approval by resolution.
- 13.9. The City Manager is authorized to increase or decrease MYOP budget appropriations by less than \$250,000 for each project. Transfers that exceed and including \$250,000 in total for any MYOP require the 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.
- 13.12. MYOPs with existing contracts approved by the Council funding ongoing operations and studies, can be adjusted annually (revenues and expenditures) based on the actual revenues received.

### **Section 14. In-Lieu Property Taxes and In-Lieu Franchise Fee.**

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 C. The 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.**

The appropriation limit and the appropriations subject to the limit are hereby amended in accordance with article XIII B of the California Constitution for FY2022/23, as detailed in Schedule 5 as displayed in Exhibit C.

**Section 16. Midyear Report.**

- 16.1. The City Manager shall present a Midyear Budget 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 Council.
- 16.2. The 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 actual 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 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.

## FY2022/23 Approved Budget

---

- (G) The Rental Housing Inspection Program Fees are 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.
  - (H) Adjust the revenue budget for the Community Development Department's Housing Trust and Housing Impact administrative fees to reflect actual revenues received and increase the expenditure budget by a like amount in the General Plan Update (I22000000) MYOP.
  - (I) Increase the revenue and expenditure budgets in the Garcia Bend Park (L19703600) CIP based on the actual revenues received from increased boat launch ramp fees at Garcia Bend Park, provided that the Department has positive net revenues after all Parking Services Division costs related to the Garcia Bend launch ramp are paid.
  - (J) Adjust the Police Department revenue and expenditure budgets based on actual revenues received for mutual aid provided to other jurisdictions.
  - (K) Establish Department of Utilities revenue and expenditure budgets for any projects that result from an existing operations and maintenance agreements for facilities maintained by the City, but owned or co-owned with an outside agency for less than \$250,000 in the Water Grant Reimbursement Fund (Fund 6205), the Wastewater Grant Reimbursement Fund (Fund 6206), and the Storm Drainage Grant Fund (Fund 6211) for an agency's share and to adjust revenue and expense budget based on actuals for project closure.
- 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.
-



## FY2022/23 Approved Budget

- (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 (15001021) 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 less than \$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.

## FY2022/23 Approved Budget

---

- (L) Increase the transfer from the Community Center Fund (Fund 6010) to the G/MU Fund (Fund 1001/2401) to offset the annual budget provided for in Schedule 9 for the Powerhouse Science Center (E18000400) EFP as authorized by Council through December 2048, if Transient Occupancy Tax revenues exceed budget by an amount up to \$600,000 at year-end and if the Community Center fund has positive year-end available fund balance.
  - (M) Increase the Youth, Parks, and Community Enrichment Department revenue budget for the all-weather sport field facility fees received and increase the expenditure budget in the Granite All Weather Field (L19806000) CIP, provided that the Department has positive net year-end G/MU Fund (Fund 1001/2401) results.
  - (N) Adjust the Transportation CIP budget to meet the City's SB 1 Maintenance of Effort (MOE) requirements.
  - (O) Adjust Community Development Department's revenue budget for the Housing Trust and Housing Impact administrative fees to reflect actual revenues received and increase the expenditure budget by a like amount in the General Plan Update (I22000000) MYOP.
- 17.4. 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

## FY2022/23 Approved Budget

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 were 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.
  - (E) Transfer expenditure budgets between I06420000 and the Cannabis Opportunity, Reinvestment and Equity (CORE) (I02420000) MYOP to support CORE program operations.
- 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 G/MU Fund (Fund 1001/2401) appropriations in existence in the Office of Homeless Services (23001031) on June 30 must be transferred to the Homeless Housing Initiatives (I02000200) MYOP if the Department has positive net year-end results.
  - (D) Adjust interdepartmental transfers related to the Whole Person Care (I02000900) MYOP as needed for the duration of that program.
  - (E) Each fiscal year, unobligated G/MU Fund (Fund 1001/2401) appropriations in existence in the Office of Community Outreach (23001021) on June 30 must be transferred to the Community Response (I23000100) MYOP if the Department has positive net year-end results.
  - (F) Each fiscal year, unobligated G/MU Fund (Fund 1001/2401) appropriations in existence in the Office of Violence Prevention

## FY2022/23 Approved Budget

---

(11001491) on June 30 must be transferred to the Gang Prevention and Intervention (I11003000) MYOP if the Department has positive net year-end results.

- 17.7. The City Manager is authorized to implement any necessary financial transactions for the administration of revolving loan fund programs authorized by the Council.
- 17.8. The City Manager is authorized to implement any and all financial transactions necessary to implement and administer the Comprehensive Siting Plan Program including the following activities:
  - (A) Adjust revenue and expenditure budgets in the Comprehensive Siting Plan Program (I23003000) MYOP related to all federal, state, county, and SHRA funding received by the City in support of this program.
  - (B) Adjust the revenue and expenditure budgets to reflect actual contributions received from external partners in the Comprehensive Siting Plan Program (I23003000) MYOP to support this program.
  - (C) Adjust interdepartmental transfers related to the Comprehensive Siting Plan and efforts to reduce homelessness as needed for the duration of that program.
  - (D) Adjust the project budget based on available resources from Council approved use of American Rescue Plan Act (ARPA) funding.
  - (E) Notwithstanding any provision to the contrary, the City Manager is authorized to make financial appropriation changes necessary to implement and administer the Comprehensive Siting Plan and is not subject to the requirements for Council approval for budgetary changes of \$250,000 or more.

### **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 G/MU Fund (Fund 1001/2401) at year-end, the City Manager shall suspend the G/MU Fund transfers and carryovers authorized in this section.
- 18.3. Each fiscal year, unobligated appropriations in existence on June 30 for the 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 Cultural and Economic Vitality (I17001000) MYOP if the department has positive net year-end General Fund results.

## FY2022/23 Approved Budget

---

- 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.  
  
If these operations do not achieve the budgeted revenues or if program costs exceed the program budget, then resources must be transferred from the DSCR to these areas of the Community Development Department to cover the shortfall.
- 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 G/MU Fund (Fund 1001/2401) 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 fiscal year operating Measure U MYOPs at the close of the fiscal year must be returned to Measure U available fund balance (Fund 2401).
- 18.12. Each fiscal year, unobligated net appropriations in existence on June 30 in the Public Works Department (15005861) must be transferred to the Commercial Waste Compliance (I15220000) MYOP.
- 18.13. Each fiscal year, any unspent Measure U Fund (Fund 2401) appropriations in the Youth, Parks, and Community Enrichment Department on June 30 must be transferred to the Measure U Park Improvements (L19706000), Citywide Pool Assess/Repair (L19706500), or Recreation Facility Improvements (L19800200)

## FY2022/23 Approved Budget

---

- CIPs until the backlog of deferred maintenance, for existing projects within the programs, are completed.
- 18.14 The City Manager is authorized to make all necessary budgetary adjustments to account for the interfund Loan from the Risk Fund (Fund 6502) to the General Fund (Fund 1001) related to the agreement with the City and the Natomas Basin Conservancy Loan.
- 18.15 Each fiscal year, adjust transfers from the Water Fund (Fund 6005) available fund balance to the Drinking Water State Revolving Fund (Fund 6312) to pay for interest expense and negative interest earnings incurred since the inception of the loan.
- 18.16 The City Manager is authorized to transfer up to \$7.8 million in one-time funds from FY2021/22 year-end G/MU Fund (Fund 1001/2401) surplus for the City's contribution towards the California State Library Building Forward Program Grant.
- 18.17 Each fiscal year, transfer up to \$500,000 of available operating grant resources to the Public Safety Capital Improvement Program (F11101000) for specialty vehicle and equipment purchases.
- 18.18 Each fiscal year, any unspent balance in the Personal City Leave Payout Account (Account 413097) will be carried over to the next fiscal year.
- 18.19 The City Manager is authorized to transfer up to \$324,560 in one-time funds from FY2021/22 year-end G/MU Fund (Fund 1001/2401) surplus to the Riverfront (I02180200) MYOP for the City's contribution towards the two Riverfront grant funded projects from the National Endowment of the Arts and the U.S. Department of Commerce Economic Development Administration.

### **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 G/MU Fund (Fund 1001/2401), determined as part of the fiscal year-end close process, will be reported in the ACFR 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 ACFR 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 Council or the City Manager in accordance with this resolution.

## FY2022/23 Approved Budget

---

- 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 Council, net budgetary impacts on all funds, including indirect impacts, must be stated clearly and concisely so that the Council has a full understanding of the financial consideration and impacts of its decisions.
- 20.5. The City Manager shall begin using an equity lens in the review of all budgetary recommendations to Council including the annual budget, midyear budget and staff reports as soon as practical after development of a shared definition of equity in coordination with the community, development of associated outcomes and measures and Council's creation and adoption of an Equity Resolution.

### Resolution Exhibits:

Exhibit A – Budget Changes

Exhibit B – Staffing Summary

Exhibit C – FY2022/23 Approved Operating Budget

Exhibit D – 2022-2027 Approved Capital Budget

FY2022/23 Approved Budget

---

Adopted by the City of Sacramento City Council on June 14, 2022, by the following vote:

Ayes: Members Ashby, Guerra, Harris, Jennings, Loloee, Schenirer, Vang, and Mayor Steinberg

Noes: Member Valenzuela

Abstain: None

Absent: None

Attest:



08/16/2022

---

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.*



**FY2022/23 BUDGET CHANGES**

**Operating Budget Adjustments**

Department	Fund Name (Number)	Revenue Adjustment (\$ in 000s)	Expenditure Adjustment (\$ in 000s)	Description
Citywide and Community Support	General (1001)	2,205,200	-	Increase General Fund revenue for 11% general tax on City utilities (new Storm Drainage Property Fee)
City Clerk, City Treasurer, Human Resources & Community Development	General (1001)	-	(45,150)	Reductions from various departments to offset Commission Stipends Multi-Year Operating project (MYOP). Board and Commission stipends will be managed by the City Clerk.
Citywide and Community Support	General (1001)	-	47,000	Adjustment to Election costs
Citywide and Community Support	General (1001)	-	6,735,047	Set-aside for labor negotiations
All Depts (Except Utilities and Community Response)	General (1001)	-	145,463	Due to timing, various labor adjustments (i.e. Compensation and Commission board approvals, labor system technical adjustments)
Fire	General (1001)	-	67,345	Addition of two Fire Engineers (Admin) and supplies. Costs offset with the deletion of three Staff Aides and funding from Intergovernmental Transfer and Ground Emergency Medical Transport (IGT/GEMT) revenues.
Citywide and Community Support	Measure U (2401)	-	832,422	Set-aside for labor negotiations
Mayor/Council, Youth, Parks, and Community Enrichment (YPCE) & Community Development	Measure U (2401)	-	(24,810)	Reductions from various departments to offset Commission Stipends Multi-Year Operating project (MYOP). Board and Commission stipends will be managed by the City Clerk.
Mayor/Council, City Manager, Human Resources, Police, Fire, Convention and Cultural Services, YPCE, Community Development & Community Response	Measure U (2401)	-	(2,541)	Due to timing, various labor adjustments (i.e. Compensation and Commission board approvals, labor system technical adjustments)
<b>Total General/Measure U Fund</b>		<b>\$ 2,205,200</b>	<b>\$ 7,754,776</b>	
Utilities	Water (6005)	-	(8,400)	Reductions from various departments to offset Commission Stipends Multi-Year Operating project (MYOP). Board and Commission stipends will be managed by the City Clerk.
Utilities	Water (6005)	-	39,543	Water Forum adjustment - Increase Department of Utilities support to offset the difference
Utilities	Water (6005), Wastewater (6006), Solid Waste (6007), and Storm Drainage (6011)	-	(1,239,394)	Offset existing Capital Improvements Projects and Operating expenses from various funds to new Storm Drainage Property Fee fund

Operating Budget Adjustments (continued)

Department	Fund Name (Number)	Revenue Adjustment (\$ in 000s)	Expenditure Adjustment (\$ in 000s)	Description
Utilities	Storm Drainage Property Fee (6021)	20,250,000	3,647,094	New Storm Drainage Property Fee Fund revenue and related expenses and offsets
Citywide and Community Support	Water Forum (7103)	(39,543)	(39,543)	Water Forum adjustment - Reduce Water Forum revenues and expenditures
Finance and Citywide and Community Support	Various <sup>1</sup>	886,583	886,583	Public Finance Infrastructure adjustments
City Manager, Human Resources, Utilities, Public Works & YPCE	Various <sup>2</sup>	-	8,431	Due to timing, various labor adjustments (i.e. Compensation and Commission board approvals, labor system technical adjustments)
<b>Total Other Funds</b>		<b>\$ 21,097,040</b>	<b>\$ 3,294,314</b>	
<b>Net Operating Changes</b>		<b>\$ 21,097,040</b>	<b>\$ 3,294,314</b>	

<sup>1</sup> Various Funds include Downtown Plaza Property and Business Improvement District (PBID) (2209), Old Sacramento PBID (2211), Franklin Blvd PBID (2212), Del Paso PBID (2214), Stockton Blvd Business Improvement Area (2215), Oak Park PBID (2216), Franklin Boulevard PBID (2217), Del Paso PBID (2218), Downtown Management District (2221), The River District PBID (2222), Stockton Blvd PBID (2224), Power Inn Area PBID (2234), Greater Broadway PBID (2236), Midtown Sacramento PBID (2237), Handle BID No 2011-04 (2241), Mack Road PBID (2242), 16th St PBID (2254)

<sup>2</sup> Various funds include Innovation and Growth Fund (2031), START Fund (2501), Marina Fund (2608), Parking Fund (6004), Water Fund (6005), Wastewater Fund (6006), Recycling and Solid Waste (6007), Community Center Fund (6010), Storm Drainage Fund (6011), 4th R Program (6012), Fleet Management Fund (6501), Risk Management Fund (6502), Worker's Compensation Fund (6504), Water Forum (7103)

Multi-year Operating Project Appropriations

Project Name (Number)	Fund Name (Number)	Expenditure Adjustment	Description
Storm Drainage Planning and Management (I14100000)	Storm Drainage Property Fee (6021)	1,250,000	Provide funding for a new program to fund development of hydrologic and hydraulic models and complete master plans for the City's 135 drainage basins. To date, 31 master plans have been completed.
Fare Free Transit for Youth (I02181400)	Measure U (2401)	250,000	Provide ongoing funding to reinstate \$250,000 of the annual \$1 million allocation for the Rydefree RT program.
Homeless Housing Initiatives (I02000200)	Measure U (2401)	8,272,327	Provide one-time funding to support continued homelessness programming in FY2022/23.
Fleet Acquisitions (I06000999)	General Fund (1001)	110,000	Provide funding to purchase two vehicles for new Fire Engineer (2.0 FTE) positions for the Emergency Vehicle Operations Center (EVOC).
Office of Violence Prevention (I11003000) <sup>1</sup>	Measure U (2401)	1,411,696	New project number for Office of Violence Prevention MYOP due to the Office of Violence Prevention reorganization.
Family and Youth Investments (I11003100) <sup>1</sup>	Measure U (2401)	1,300,000	New project number for Office of Violence Prevention MYOP due to the Office of Violence Prevention reorganization.
Gang Prevention & Intervention (I02000600)	Measure U (2401)	(1,411,696)	Move funds from Department of Community Response to Police Department due to the Office of Violence Prevention reorganization.
Youth & Family Investments (I02001800)	Measure U (2401)	(1,300,000)	Move funds from City Manager's Office to Police Department due to the Office of Violence Prevention reorganization.
Sacramento Utility Rate Assistance Program (I14130100)	Measure U (2401)	1,000,000	Increase the SURA Program budget due to increases to and new utility rate fees approved by Council in FY2021/22 (Solid Waste Fee and Storm Drainage Property Fee).
<b>Net Project Changes:</b>		<b>10,882,327</b>	

**Capital Improvement Project Appropriations**

<b>Project Name (Number)</b>	<b>Fund Name (Number)</b>	<b>Expenditure Adjustment</b>	<b>Description</b>
Base CIP Contingency Drainage Program (W14000200)	Storm Drainage (6011)	(250,000)	Move Contingency funding from Storm Drainage Fund to new Storm Drainage Property Fee Fund.
Base CIP Contingency Drainage Program (W14000200)	Storm Drainage Property Fee (6021)	1,234,690	Contingency funding for unforeseen capital program needs for the new Storm Drainage Property Fee Fund.
Drainage Unplanned Repairs Program (W14130100)	Storm Drainage Property Fee (6021)	250,000	Funds for unplanned repairs related to storm drainage facilities.
Drainage Sump Replacement and Rehabilitation Program (W14130600)	Storm Drainage Property Fee (6021)	3,945,000	Repair and/or replace capital assets at the drainage pump stations.
Drainage Trash Capture Program (W14230100) <sup>1</sup>	Storm Drainage Property Fee (6021)	500,000	Design and construct certified full trash capture devices and/or multi-benefit low impact development features that will prevent trash greater than 5 mm from being discharge to waterways for identified areas (high density residential, commercial, industrial, and mixed use) with litter to meet the requirements of the State Water Resources Control Board's Statewide Trash Provisions.
Drainage Facility Electrical Rehab Program (W14230200) <sup>1</sup>	Storm Drainage Property Fee (6021)	2,050,000	Replace electrical components at various City facilities in the Drainage system.
Wastewater Combined Sewer System Capital Program (X14010000)	Storm Drainage Property Fee (6021)	2,000,000	Improve reliability, reduces combined sewer system (CSS) overflows to the river, reduces surcharging of wastewater to streets and properties during storms, and complies with the National Pollution Discharge Elimination System (NPDES) Permit by the U.S. Environmental Protection Agency.
Information Technology - SCADA Program (Z14003600)	Storm Drainage Property Fee (6021)	686,620	Provide improvements and maintenance of the Supervisory Control and Data Acquisition (SCADA) system that have been deemed essential and critical and are used by Operations to remotely control and monitor the facilities and equipment for the Water, Wastewater, and Storm Drainage infrastructure per the SCADA master plan.
Security and Emergency Preparation Program (Z14140100)	Storm Drainage Property Fee (6021)	550,000	Provide security improvements to key Water, Drainage, and Wastewater facilities as recommended in the DOU Security Master Plan.
Department of Utilities' IT Program (Z14170100)	Storm Drainage Property Fee (6021)	100,000	Plan and implement IT initiatives as well as coordinate and manage IT resources and oversight on all identified IT programs, software, hardware upgrades, and consulting services.
Parks, Parkways, & Open Spaces (L19192100)	General Fund (1001)	16,000	Purchase and install of a set of permanent goals at Mae Fong Park.
Parks, Parkways, & Open Spaces (L19192100)	Innovation and Growth Fund (2031)	175,000	Install irrigation system, electrical service, irrigation controller and booster pump at Oki Park.
<b>Net Project Changes:</b>		<b>\$11,257,310</b>	

**Citywide Staffing (By Department)**

<b>Department</b>	<b>FY2021/22 Amended</b>	<b>FY2022/23 Proposed</b>	<b>FY2022/23 Changes</b>	<b>FY2022/23 Approved</b>
Mayor/Council	37.00	37.00	-	37.00
City Auditor	10.00	10.00	-	10.00
City Attorney	62.00	62.00	-	62.00
City Clerk	24.00	24.00	-	24.00
City Manager	73.00	73.00	(3.00)	70.00
City Treasurer	14.00	14.00	-	14.00
Community Development	308.00	315.00	-	315.00
Community Response	40.00	40.00	(2.00)	38.00
Convention and Cultural Services	123.50	123.00	-	123.00
Finance	92.00	93.90	-	93.90
Fire	717.50	730.50	(1.00)	729.50
Human Resources	79.00	80.00	3.00	83.00
Information Technology	200.50	201.50	-	201.50
Police	1,126.96	1,126.96	2.00	1,128.96
Public Works	751.15	766.15	-	766.15
Utilities	571.90	572.90	-	572.90
Youth, Parks, and Community Enrichment	720.22	716.53	-	716.53
Citywide and Community Support	7.00	7.00	-	7.00
<b>Total</b>	<b>4,957.73</b>	<b>4,993.44</b>	<b>(1.00)</b>	<b>4,992.44</b>

**FY2022/23 SUMMARY OF FULL-TIME EQUIVALENT (FTE)  
BY FUND AND DEPARTMENT**

	FY2021/22 Amended	FY2022/23 Proposed	FY2022/23 Changes	FY2022/23 Approved
<b>General Fund</b>				
Mayor/Council	32.00	32.00	-	32.00
City Auditor	10.00	10.00	-	10.00
City Attorney	62.00	62.00	-	62.00
City Clerk	24.00	24.00	-	24.00
City Manager	28.00	28.00	-	28.00
City Treasurer	14.00	14.00	-	14.00
Community Development	191.00	196.00	-	196.00
Community Response	-	-	-	-
Convention and Cultural Services	5.00	5.00	-	5.00
Finance	92.00	93.90	-	93.90
Fire <sup>(1)</sup>	710.50	712.50	(1.00)	711.50
Human Resources	43.00	44.00	-	44.00
Information Technology	200.50	201.50	-	201.50
Police	1,063.46	1,063.46	-	1,063.46
Public Works	429.00	431.00	-	431.00
Youth, Parks, and Community Enrichment	12.00	12.00	-	12.00
Citywide and Community Support	1.00	1.00	-	1.00
<b>Subtotal General Funds</b>	<b>2,917.46</b>	<b>2,930.36</b>	<b>(1.00)</b>	<b>2,929.36</b>
<b>Measure U</b>				
Mayor/Council	5.00	5.00	-	5.00
City Manager <sup>(2)</sup>	43.00	43.00	(3.00)	40.00
Community Development	117.00	119.00	-	119.00
Community Response <sup>(2)</sup>	40.00	40.00	(2.00)	38.00
Convention and Cultural Services	21.20	19.95	-	19.95
Fire	7.00	18.00	-	18.00
Human Resources <sup>(2)</sup>	63.50	-	3.00	3.00
Police <sup>(2)</sup>	63.50	63.50	2.00	65.50
Youth, Parks, and Community Enrichment	558.88	555.19	-	555.19
<b>Subtotal Measure U Funds</b>	<b>919.08</b>	<b>863.64</b>	<b>-</b>	<b>863.64</b>

<sup>(1)</sup> The Fire Department deteled 3.0 FTE Staff Aides and added 2.0 FTE Fire Engineer to support EVOC.

<sup>(2)</sup> The Office of Violence Prevention was moved from the Department of Community Response to the Police Department and the Office of Diversity and Equity was moved from the City Manager's Office to the Human Resources Department.

**FY2022/23 SUMMARY OF FULL-TIME EQUIVALENT (FTE)  
BY FUND AND DEPARTMENT (continued)**

	FY2021/22 Amended	FY2022/23 Proposed	FY2022/23 Changes	FY2022/23 Approved
<b><u>Enterprise Funds</u></b>				
Community Center				
Convention & Cultural Services	97.30	98.05	-	98.05
Parking				
Public Works	61.25	61.25	-	61.25
Solid Waste				
Public Works	171.30	184.30	-	184.30
Storm Drainage				
Utilities	123.18	125.36	-	125.36
Wastewater				
Utilities	94.36	94.18	-	94.18
Water				
Utilities <sup>(3)</sup>	354.36	353.36	-	353.36
<b>Subtotal Enterprise Funds</b>	<b>901.75</b>	<b>916.50</b>	<b>-</b>	<b>916.50</b>
<b><u>Internal Service Funds</u></b>				
Fleet Management				
Public Works	83.00	83.00	-	83.00
Risk Management				
Human Resources	17.00	17.00	-	17.00
Workers' Compensation				
Human Resources	19.00	19.00	-	19.00
<b>Subtotal Internal Service Funds</b>	<b>119.00</b>	<b>119.00</b>	<b>-</b>	<b>119.00</b>
<b><u>Other Governmental Funds</u></b>				
4th R Program				
Youth, Parks, and Community Enrichment	133.10	133.10	-	133.10
Golf				
Youth, Parks, and Community Enrichment				
Innovation and Growth				
City Manager	2.00	2.00	-	2.00
Marina				
Public Works	6.60	6.60	-	6.60
START				
Youth, Parks, and Community Enrichment	16.24	16.24	-	16.24
City/County Office-Water Planning				
Citywide and Community Support	6.00	6.00	-	6.00
<b>Subtotal Other Governmental Funds</b>	<b>163.94</b>	<b>163.94</b>	<b>-</b>	<b>163.94</b>
<b>TOTAL</b>	<b>5,021.23</b>	<b>4,993.44</b>	<b>(1.00)</b>	<b>4,992.44</b>

<sup>(1)</sup> The Fire Department deleted 3.0 FTE Staff Aides and added 2.0 FTE Fire Engineer to support EVOC.

<sup>(2)</sup> The Office of Violence Prevention was moved from the Department of Community Response to the Police Department and the Office of Diversity and Equity was moved from the City Manager's Office to the Human Resources Department.

<sup>(3)</sup> The Department of Utilities originally deleted a Storekeeper, but will restore the position and delete a Machinist Helper.

**FY2022/23 APPROVED OPERATING BUDGET**

**APPROVED 2022-2027 CAPITAL IMPROVEMENT PROGRAM**





## **DARRELL STEINBERG**

Mayor

## **ANGELIQUE ASHBY**

Vice Mayor, District 1

## **SEAN LOLOEE**

Councilmember, District 2

## **JEFF HARRIS**

Councilmember, District 3

## **KATIE VALENZUELA**

Councilmember, District 4

## **JAY SCHENIRER**

Councilmember, District 5

## **ERIC GUERRA**

Mayor Pro Tempore, District 6

## **RICK JENNINGS, II**

Councilmember, District 7

## **MAI VANG**

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 City of Sacramento population is estimated at 518,037.

Photo by Raoul Ortega

