

FY 2020-21 ANNUAL BUDGET



CITY OF STOCKTON

FY 2020-21

ANNUAL BUDGET

City Council

Michael Tubbs, Mayor

Dan Wright, Vice Mayor

Sol Jobrack, Councilmember

Paul Canepa, Councilmember

Susan Lenz, Councilmember

Christina Fugazi, Councilmember

Jesús Andrade, Councilmember

Council Appointees

Harry Black, City Manager

John Luebberke, City Attorney

Eliza R. Garza, City Clerk

Executive Team

Maraskeshia Smith, Deputy City Manager

John Alita, Interim Deputy City Manager

Eric Jones, Chief of Police

Richard Edwards, Fire Chief

William Crew, Community Development Director

Suzy Daveluy, Interim Community Services Director

Matt Paulin, Chief Financial Officer

Carrie Wright, Economic Development Director

Norbert Ruijling, Information Technology Director

John Abrew, Municipal Utilities Director

Jodi Almassy, Public Works Director

Marisa Guerrero, Interim Human Resources Director

Budget Team

Kimberly K. Trammel

Imelda Arroyo

Yvonne Perry

Cham Tu

Paula O'Keefe

Cindy Devera

Naeema Ilyas

Cover Design

Mahin Shah and George Trammel

CITY OF STOCKTON

CITY COUNCIL



MICHAEL TUBBS
MAYOR



DAN WRIGHT
VICE MAYOR
District 2



SOL JOBRACK
COUNCILMEMBER
District 1



PAUL CANEPA
COUNCILMEMBER
District 3



SUSAN LENZ
COUNCILMEMBER
District 4



CHRISTINA FUGAZI
COUNCILMEMBER
District 5



JESUS ANDRADE
COUNCILMEMBER
District 6



City of Stockton

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GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished
Budget Presentation
Award*

PRESENTED TO

**City of Stockton
California**

For the Fiscal Year Beginning

July 1, 2019

Christopher P. Morrell

Executive Director

Government Finance Officers Association of the United States and Canada (GFOA) presented a Distinguished Budget Presentation Award to City of Stockton, California, for its Annual Budget for the fiscal year beginning July 1, 2019. In order to receive this award, a governmental unit must publish a budget document that meets program criteria as a policy document, as a financial plan, as an operations guide, and as a communications device.

This award is valid for a period of one year only, 2019. We believe our current budget continues to conform to program requirements, and we are submitting it to GFOA to determine its eligibility for another award.

TAB 1 INTRODUCTION

Resolution No. 2020-06-23-1503

STOCKTON CITY COUNCIL

RESOLUTION OF THE CITY OF STOCKTON APPROVING THE FISCAL YEAR 2020-21 ANNUAL BUDGET; APPROVING THE 2020-2025 CAPITAL IMPROVEMENT PLAN; APPROVING THE FISCAL YEAR 2020-21 FEE SCHEDULE; ADOPT THE FISCAL YEAR 2020-21 CALIFORNIA CONSTITUTIONAL APPROPRIATIONS LIMIT, AND ADMINISTRATIVE ACTIONS

On May 15, 2020, in accordance with City Charter, Article XIX, Section 1905, the City Manager provided City Council the Proposed Fiscal Year (FY) 2020-21 Annual Budget, Proposed 2020-2025 Capital Improvement Plan, and Proposed FY 2020-21 Fee Schedule; and

On May 14, 2020, the Planning Commission determined that the 2020-2025 Capital Improvement Plan conforms to the 2040 General Plan; and

On April 28, 2020, the City Council reviewed updates to the City's Long-Range Financial Plan; and

The City Council scheduled and conducted two budget study sessions on June 10 and 11, 2020, to review projections, allow for public discussion, and provide direction in the preparation of the annual budget. This study session included the proposed documents: FY 2020-21 Annual Budget, 2020-2025 Capital Improvement Plan, and FY 2020-21 Fee Schedule; and

On June 23, 2020, the City Council conducted a duly noticed public hearing on the Proposed FY 2020-21 Annual Budget, the Proposed 2020-2124 Capital Improvement Plan, and the Proposed FY 2020-21 Fee Schedule as modified in a Budget Addendum; now, therefore,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF STOCKTON, AS FOLLOWS:

1. The FY 2020-21 Annual Budget, as revised in the Exhibit 1 – Budget Addendum, with expenditure appropriations of \$787,559,017 is adopted.
2. The number of full-time positions authorized under the FY 2020-21 Annual Budget is 1,725.
3. The 2020-2025 Capital Improvement Plan, as revised in the Exhibit 1 – Budget Addendum, with a five-year CIP project total of \$1,033,524,000 is adopted, which includes \$125,124,000 appropriations for the FY 2020-21 capital projects.

4. The 2020-2025 Capital Improvement Plan conforms to the City of Stockton 2040 General Plan.
5. The FY 2020-21 Fee Schedule, as revised in the Exhibit 1 – Budget Addendum, is adopted effective July 1, 2020. Any fee changes that are not effective July 1, 2020, are noted in the document.
6. The fees on development projects will take effect 60 days following the final action on the increases in the FY 2020-21 Fee Schedule, where Government Code section 66017(a) applies.
7. The City Manager or designee is authorized to refund Development Oversight Commission fees paid on or after October 21, 2019 in amounts over \$50 Payees, subject to standard refund processing fees.
8. An appropriation limit is established in the amount of \$381,194,553 for FY 2020-21 pursuant to the requirements of the California Government Code. The City of Stockton selected the “change in California per capita personal income” for the “change in cost of living” component and the change in annual population for the County of San Joaquin as of January 1, 2020, component in the calculation of the appropriation limit.
9. An interfund loan in the amount of \$780,000 from the Information Technology Internal Service Fund to the Emergency Communications Fund is approved with a seven-year term ending June 30, 2027, an interest rate of 2%, and the first payment due June 30, 2022.
10. The City Manager, or designee, is authorized to approve loans made through the City’s Single-Family Housing Repair Loan Program, which meet all the requirements of the adopted program guidelines, within existing budget appropriations.
11. The City Attorney is authorized to enter into contracts for services and supplies where the total cost is: below the expenditure limit established in section 3.68.040 of the Stockton Municipal Code, within existing budget appropriation, and consistent with established administrative processes.
12. The City Manager or designee is authorized to make appointments to serve as voting Director and alternate Director of the San Joaquin County Regional Fire Dispatch Authority.
13. Fire Department Deputy Fire Chief I or II classifications shall be eligible to receive compensation at their hourly rate for any time worked beyond their normal 40-hour workweek while deployed as a State of California Office of

Emergency Services (OES) resource, subject to City Manager approval. OES will fully reimburse the City of Stockton through our existing contract to cover this labor cost.

14. The City Manager or his designee is authorized to adjust appropriations from the General Fund Contingency account to General Fund Departments, subsidized programs and Internal Service Funds as needed for unexpected expenditures or emergencies that are unanticipated at the time of the budget adoption. The City Manager or his designee will report Contingency uses with each quarterly budget status report.
15. The remaining balances on all capital projects and grant funds are authorized to continue beyond the fiscal year in which they are originally appropriated until project cancellation or completion, grant expiration, or funds are fully expended.
16. Upon completion of a capital project, the City Manager, or his designee, is authorized to distribute any remaining unencumbered unrestricted appropriation balances up to \$75,000 to incomplete projects previously authorized in a Five-Year Capital Improvement Plan as allowed by funding source.
17. Budget adjustments and transfer activity between funds and subfunds that do not increase total appropriation or expenditures and are necessary to implement chart of account changes in the new financial system are authorized.
18. Revenues from the Waterfront Office Towers operations in excess of the buildings operating costs may be transferred to the New City Hall Renovation and Relocation Project in the General Capital fund and the City Manager or his designee is authorized to adjust the budget appropriation of the transfer and the capital project based on revenues greater than the budget estimate for FY 2020-21.
19. The City Manager or his designee is authorized to close out inactive Area of Benefit project accounts and transfer all residual or surplus account balances based on a reconciliation of developer deposits to city accounts in FY 2020-21 in accordance with section 16.72.050 of the Stockton Municipal Code.
20. Upon completion or cancellation of a proportional share traffic impact project, the City Manager or his designee is authorized to distribute any remaining unencumbered unrestricted appropriation balance, up to \$75,000, to a traffic and transportation fund or project with appropriate support and justification.

21. Upon completion or cancellation of a proportional share traffic impact project, the City Manager or his designee is authorized to distribute \$88,107 from the Glacier Point/Morada Lane Traffic Signal account to PFF Traffic Signal Fund and \$103,958 from the Proportionate Share-Subdivision Microsurfacing account to PW1532 Local Street Resurfacing in the General Capital Fund.
22. The FY 2020-21 Information Technology Capital Plan, including the Enterprise Resource Planning project, totaling \$15,010,497 is adopted and remaining appropriations in the technology projects are authorized to continue to future fiscal years until project is fully expended, completed, or cancelled.
23. The continuation of FY 2019-20 appropriations to FY 2020-21 is authorized for the completion of specific programs as listed in the following table:

Description	Department	Fund	Not to Exceed Amount
Police Fee Study	Police Department	General Fund	20,000
Washer extractors	Fire Department	Measure W	54,000
Firstwatch System project	Fire Department	General Fund	25,000
Fire Academy	Fire Department	General Fund	100,000
Council Discretionary project funds	Mayor and City Council	General Fund	60,000
Internet Infrastructure	Community Services	Library	20,149
Tracy Library remodel	Community Services	Library	40,000
Angelou Library remodel	Community Services	Library	20,000
Thornton library remodel	Community Services	Library	40,000
Duct Cleaning at Seifert	Community Services	Recreation	17,000
Repair & maintenance project	Municipal Utilities	Wastewater Utility	175,000
Radio Infrastructure	Information Technology	Radio Equipment ISF	1,986,000

24. The following administrative actions required to implement the FY 2020-21 Annual Budget are authorized:
 - a) Level of Budgetary Control – Budgetary control is established at the following levels: a) General Fund - Department Level; b) Other Funds - Fund level; and c) Capital Fund - Project level. The City Manager or his designee may authorize line item budget transfers within a General Fund department, or within a fund other than the General

Fund. The City Manager may authorize line item budget transfers between departments to implement Council Member direction regarding the use of Council Discretionary funds.

- b) The City Manager may revise the schedule of any appropriation made in this resolution where the revision is of a technical nature and is consistent with the intent of Council. Notice of any revisions shall be included in subsequent budget updates to Council. The City Manager or his designee is authorized to make administrative corrections to the FY 2020-21 Annual Budget with a subsequent report to Council on any corrections greater than \$75,000.
- c) The City Manager or his designee is authorized to establish and amend revenue estimates and expenditure appropriations corresponding to receipt or award of grant funding, donations, and reimbursements where these special monies and any matching City funds are under the expenditure limit of \$75,000 as established by Ordinance 2015-01-27-1501-01, which amended Section 3.68.040 of the Stockton Municipal Code.
- d) The City Manager or his designee is authorized to establish revenue estimates and corresponding budget appropriations in General Fund Fire Department accounts as needed during FY 2020-21 to recognize the costs, and the associated reimbursement revenue for providing wild-land firefighting and other disaster response services requested by state or federal governments.
- e) The City Manager or his designee is authorized to abolish positions and/or reduce and reorganize personnel, programs, services, departments, offices, or agencies and take such other action as is necessary to maintain a balanced budget.
- f) The City Manager is authorized to adjust classifications, including salary and benefit adjustments, to ensure comparability with similar classifications to maintain equity in the City's salary schedules as recommended by the Human Resources Department classification studies and reviews, and to incorporate changes into the Salary Schedule, as appropriate.
- g) The City Manager or his designee is authorized to hire fire academy recruits in an amount above the total City Council authorized full-time positions to accommodate attrition.
- h) The City Manager or his designee is authorized to fill additional Special Revenue Fund positions, such as grant funded, Measure W,

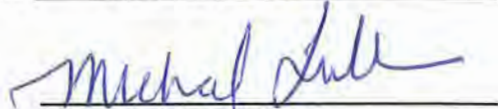
and contract reimbursement positions, if additional funding becomes available.

- i) The indirect cost rate, as detailed in the City of Stockton Full Cost Allocation Plan and Cost Recovery Allocation Plan, shall be charged to departments and capital projects as project funding and regulations permit. The City Manager or his designee is authorized to modify appropriations for changes that result from an independently prepared indirect cost allocation plan.
- j) The City Manager or his designee is authorized to prepay the City's annual CalPERS payments in a lump sum consistent with FY 2020-21 budget.
- k) The City Manager or his designee is authorized to approve temporary interfund borrowing within the fiscal year, and at the June 30 fiscal year end, to finance the collection period for tax, grant, and other accounts receivable. Any new interfund loans extending beyond these terms must be approved by the City Council. The City Manager is authorized to repay interfund loans when funding becomes available.
- l) The City Council delegates investment authority to the Chief Financial Officer, acting in capacity of Treasurer, for the period of July 1, 2020 through June 30, 2021, pursuant to sections 53601 and 53607 of the California Government Code.
- m) The City Manager or his designee is authorized to execute health benefit policies and plans consistent with the annual Health Benefits Report approved by City Council on April 28, 2020 to address the health care needs of the City's employees.
- n) The City Manager or his designee is authorized to move appropriations and transfer between funds within a single budget unit, such as the water utility, Federal grant funds, and other funds where multiple funds have been established in the general ledger for purposes other than legal restrictions and the fund relationship has been identified in the FY 2020-21 Annual Budget, or established by subsequent City Council action.
- o) The City Manager or his designee is authorized to make the Contingent General Fund Payment to Assured Guaranty per the terms of the Reimbursement Agreement. Should the amount exceed the FY 2020-21 budget estimate, the City Manager or designee is

authorized to increase the budget appropriation and transfer from the General Fund.

- p) The City Manager or his designee is hereby authorized to take whatever actions are necessary and appropriate to carry out the purpose and intent of this resolution including adjusting appropriations from the General Fund Non-Departmental accounts to General Fund Departments, subsidized programs and Internal Service Funds as needed to implement budget revisions authorized by Council.

PASSED, APPROVED, and ADOPTED June 23, 2020



MICHAEL D. TUBBS
Mayor of the City of Stockton

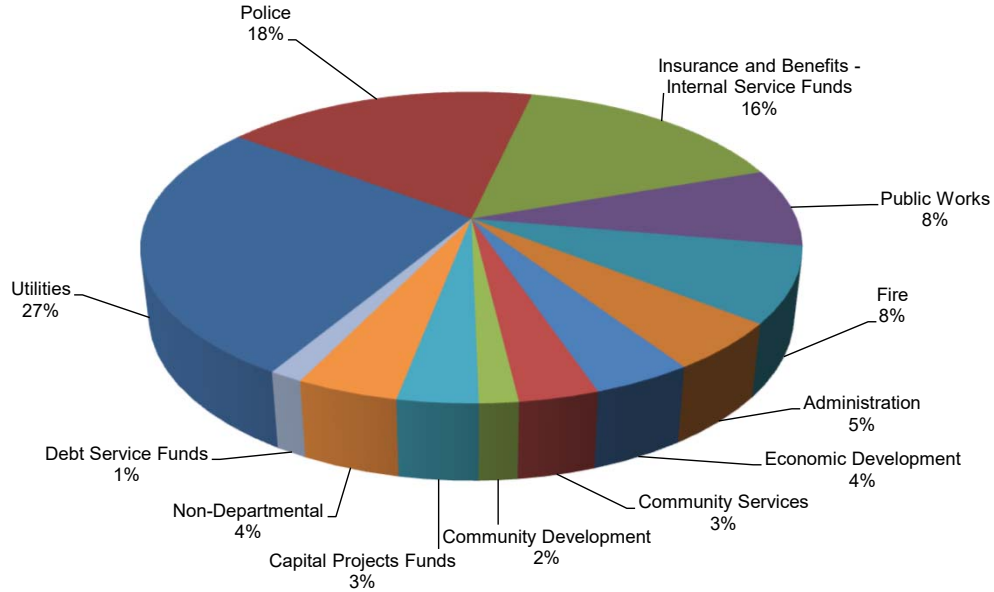
ATTEST:



ELIZA R. GARZA, CMC
City Clerk of the City of Stockton

City of Stockton
Citywide Expenditures
FY 2020-21 Annual Budget

\$787,559,017



	Operating Budget	Debt Service Budget	Capital Budget	Total	% of Total
Program Appropriations					
Utilities	\$ 98,571,482	\$ 22,449,251	\$ 89,354,571	\$ 210,375,304	27%
Police	143,496,433	-	4,000	143,500,433	18%
Insurance and Benefits - Internal Service Funds	126,953,898	-	-	126,953,898	16%
Public Works	51,053,571	743,782	12,063,969	63,861,322	8%
Fire	61,020,525	-	915,600	61,936,125	8%
Administration	29,945,325	-	9,759,907	39,705,232	5%
Economic Development	25,268,027	3,830,171	3,350,000	32,448,198	4%
Community Services	25,780,149	-	177,000	25,957,149	3%
Community Development	12,657,591	-	-	12,657,591	2%
Non-Departmental Funds					
Capital Projects Funds	1,673,871	-	24,441,271	26,115,142	3%
Non-Departmental	32,992,571	-	100,000	33,092,571	4%
Debt Service Funds	-	10,956,052	-	10,956,052	1%
	<u>\$ 609,413,443</u>	<u>\$ 37,979,256</u>	<u>\$ 140,166,318</u>	<u>\$ 787,559,017</u>	<u>100%</u>

Net Budgeted Expenditures

Internal Service Charges	\$ (135,173,728)
Interfund Transfers	(27,312,757)
	<u>\$ 625,072,532</u>

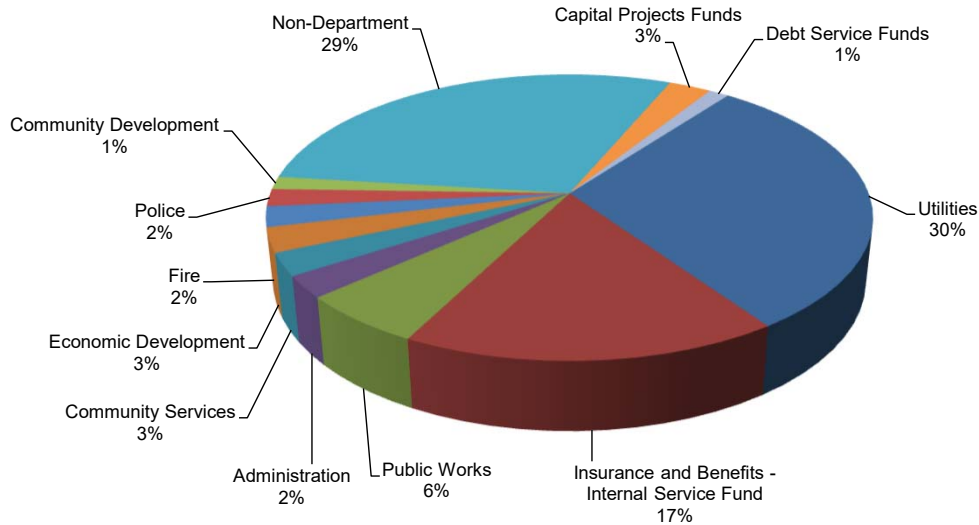
EXHIBIT 1 - BUDGET ADDENDUM

City of Stockton Citywide Expenditures FY 2020-21 Annual Budget

All Funds - by Fund Type	FY 2017-18 Actual	FY 2018-19 Actual	FY 2019-20 Projected	FY 2020-21 Budget
<u>General Fund</u>				
General Fund	\$ 240,995,628	\$ 230,637,346	\$ 248,894,321	\$ 247,837,393
<u>Special Revenue Funds</u>				
SJA/CA /PEG	1,111,219	885,296	559,495	1,024,197
Asset Forfeiture	15,663	53,178	82,000	292,008
State Citizen Option for Public Safety	573,932	370,148	887,726	917,350
Police Grants Fund	3,916,175	5,670,982	1,882,686	104,500
Street Maintenance/Gas Tax	7,964,731	8,926,400	12,850,329	13,562,010
Library Services	11,198,160	11,312,138	12,710,516	12,272,822
Fire Emergency Communications	2,703,270	2,822,217	3,431,233	4,869,579
Recreation Services	4,788,219	4,567,622	5,072,284	4,624,693
Boat Launching Facilities	110,337	139,489	168,505	192,289
Solid Waste & Recycling	1,494,679	1,464,886	1,792,549	3,046,601
Development Services	10,452,707	10,713,767	13,284,077	14,884,118
Federal Housing Grant Funds	4,295,774	6,863,973	8,135,972	8,447,593
State Housing Funds	-	-	-	609,000
Assessment Districts	4,384,193	4,637,074	6,250,201	6,722,722
Measure W	10,229,065	10,380,932	11,083,404	11,854,792
Strong Communities	3,063,401	6,080,818	18,893,908	8,429,780
Entertainment Venues	7,789,221	9,465,287	8,912,551	9,626,893
Low & Moderate Income Housing	751,339	1,363,670	115,372	988,741
	<u>74,842,085</u>	<u>85,717,877</u>	<u>106,112,808</u>	<u>102,469,688</u>
<u>Enterprise Funds</u>				
Stormwater Fund	4,804,189	6,081,650	7,250,885	7,145,765
Wastewater Fund	52,979,727	51,394,638	123,690,391	145,413,441
Water Fund	39,503,944	38,841,668	48,616,197	57,455,620
Golf Course Fund	2,196,652	2,426,548	1,512,844	597,354
Downtown Marina	512,259	604,393	526,761	548,005
Parking Authority	5,770,778	6,586,661	6,446,420	9,255,602
	<u>105,767,549</u>	<u>105,935,558</u>	<u>188,043,498</u>	<u>220,415,787</u>
<u>Internal Service Funds</u>				
Fleet	11,234,653	11,035,830	13,487,151	13,419,030
Information Technology	12,178,687	11,858,123	19,548,474	17,541,652
Radio	1,130,806	1,255,034	5,991,672	7,414,720
Office Equipment	333,356	341,111	467,489	535,924
General Liability	9,998,876	8,811,946	8,919,552	11,360,754
Workers Comp ISF	7,373,109	9,171,064	11,213,527	11,786,223
Health Benefits	21,816,344	22,953,322	22,835,363	26,208,475
Retirement ISF	53,105,538	59,799,610	66,025,023	74,812,353
Other Benefit Funds	1,999,662	2,117,264	2,326,349	2,786,093
	<u>119,171,031</u>	<u>127,343,304</u>	<u>150,814,600</u>	<u>165,865,224</u>
<u>Capital</u>				
General Capital	20,652,059	4,018,753	2,072,660	7,056,022
Capital Project Administration	-	-	-	4,533,253
Public Art	-	66,666	270,000	461,492
Measure K	16,677,781	10,630,698	20,672,743	8,249,784
Capital Grants	10,949,491	9,910,244	20,189,387	13,777,249
Public Facility Fees	3,034,050	3,199,139	13,446,049	5,584,898
	<u>51,313,381</u>	<u>27,825,500</u>	<u>56,650,839</u>	<u>39,662,698</u>
<u>Debt Service</u>	<u>17,090,639</u>	<u>22,768,492</u>	<u>7,259,963</u>	<u>10,956,052</u>
<u>Permanent</u>	<u>255,238</u>	<u>199,116</u>	<u>321,353</u>	<u>352,175</u>
All Fund Total	\$ 609,435,552	\$ 600,427,193	\$ 758,097,382	\$ 787,559,017

City of Stockton
Citywide Revenues
FY 2020-21 Annual Budget

\$717,483,683



	Taxes	Program Revenues	Enterprise Revenues	Total	% of Total
Revenues by Department*					
Utilities	\$ -	\$ 339,824	\$ 215,323,899	\$ 215,663,723	30%
Insurance and Benefits - Internal	-	123,761,179	-	123,761,179	17%
Public Works	-	41,831,041	-	41,831,041	6%
Administration	-	17,774,339	-	17,774,339	2%
Community Services	9,600,000	8,773,391	-	18,373,391	3%
Economic Development	-	12,719,606	7,126,020	19,845,626	3%
Fire	4,800,000	11,774,457	-	16,574,457	2%
Police	4,800,000	9,206,692	-	14,006,692	2%
Community Development	-	10,304,200	-	10,304,200	1%
Non-Departmental Funds					
Non-Department	198,187,311	13,089,014	-	211,276,325	29%
Capital Projects Funds	-	19,087,751	-	19,087,751	3%
Debt Service Funds	-	8,984,959	-	8,984,959	1%
	<u>\$ 217,387,311</u>	<u>\$ 277,646,453</u>	<u>\$ 222,449,919</u>	<u>\$ 717,483,683</u>	<u>37%</u>

Citywide Revenues with Interfund Transfers

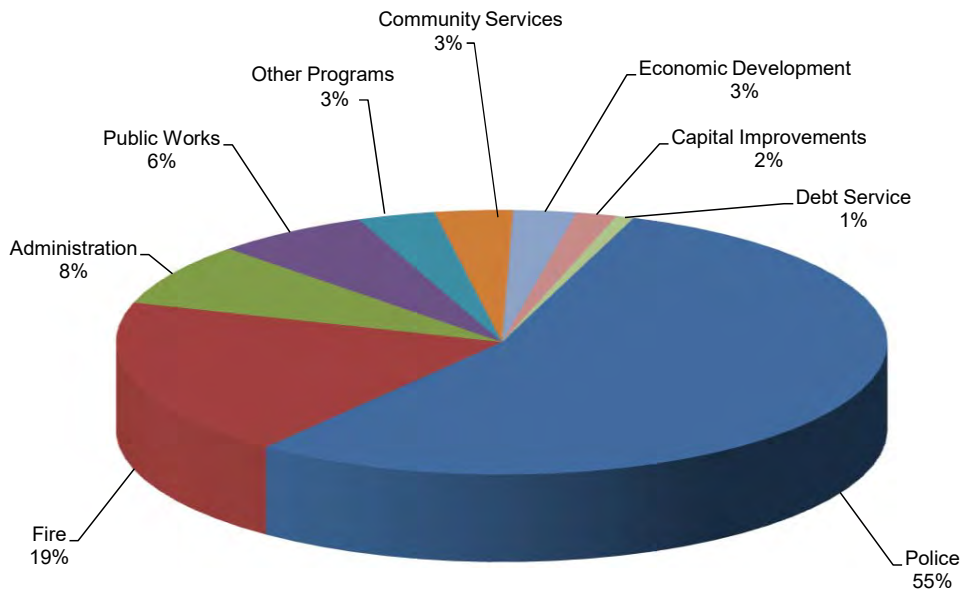
Interfund Transfers	\$ 32,447,603
	<u>\$ 749,931,286</u>

Net Citywide Revenues

Citywide Revenues	\$ 749,931,286
Interfund Transfers	(32,447,603)
Internal Service Charges	(135,173,728)
	<u>\$ 582,309,955</u>

*Excludes interfund transfers

General Fund Expenditures FY 2020-21 Annual Budget



Program Appropriations

Police	\$ 136,160,466	55%
Fire	48,088,874	19%
Administration	18,978,158	8%
Public Works	16,015,900	6%
Other Programs	8,117,245	3%
Community Services	8,100,000	3%
Economic Development	6,534,575	3%
Capital Improvements	4,005,000	2%
Debt Service	1,837,175	1%
	<u>\$ 247,837,393</u>	

EXHIBIT 1 - BUDGET ADDENDUM

General Fund - 010 Fund Balance Summary FY 2020-21 Annual Budget

	<u>FY 2017-18 Actual</u>	<u>FY 2018-19 Actual</u>	<u>FY 2019-20 Projection</u>	<u>FY 2020-21 Budget</u>
Beginning Available Balance	\$ 36,182,997	\$ 36,821,959	\$ 38,576,477	\$ 49,714,975
Revenues	229,544,610	242,342,267	233,498,133	223,450,326
	<u>229,544,610</u>	<u>242,342,267</u>	<u>233,498,133</u>	<u>223,450,326</u>
Expenditures				
Employee Services	146,771,361	151,307,823	154,772,338	165,504,503
Other Services	39,409,352	46,001,136	48,155,913	46,992,545
Materials & Supplies	5,076,590	4,527,884	4,895,173	5,392,480
Other Expenses	2,166,651	2,463,498	4,955,408	4,719,090
Capital Outlay	542,213	466,121	408,763	54,600
Loan Repayment	4,873,669	5,053,931	3,838,175	1,837,175
Transfer Out	42,155,792	20,816,953	31,868,551	23,337,000
	<u>240,995,628</u>	<u>230,637,346</u>	<u>248,894,321</u>	<u>247,837,393</u>
Net Annual Activity	(11,451,018)	11,704,921	(15,396,188)	(24,387,067)
Reserves				
Reserve for future appropriation	(466,570)	(3,891,991)	3,891,991	-
Reserve Policy Contributions	10,972,620	(3,797,000)	-	-
Change in Fund Balance restrictions	1,583,930	(2,261,412)	22,642,695	-
	<u>12,089,980</u>	<u>(9,950,403)</u>	<u>26,534,686</u>	<u>-</u>
Ending Available Balance	\$ 36,821,959	\$ 38,576,477	\$ 49,714,975	\$ 25,327,908
Available Balance Calculation				
Cash		\$ 92,389,771		
Accounts Receivable		13,743,446		
Prepaid Items/Inventory		1,082,549		
Accounts Payable		(8,941,473)		
Total Fund Balance		98,274,293		
Non-Spendable		(4,510,462)		
Encumbrances		(5,275,363)		
Other Commitments & Reserves		(49,911,991)		
Ending Available Balance		<u>\$ 38,576,477</u>		
General Fund balance including funded reserves				
	\$ 36,776,541	\$ 38,576,477	\$ 41,314,493	
	37,240,000	41,037,000	32,070,150	
	4,983,000	4,983,000	4,983,000	
	<u>\$ 78,999,541</u>	<u>\$ 84,596,477</u>	<u>\$ 78,367,643</u>	

FY 2018-19 Working Capital Reserve is included in the FY 2019-20 beginning available balance. Known Contingencies are held in reserves are removed from available fund balance and Risk Based Reserves are held in Fiscal Sustainability and Reserve Fund (012).

Known Contingencies amount for FY 2019-20 is projected subject to Council approval of reserve targets and year end results.

EXHIBIT 1 - BUDGET ADDENDUM

General Fund - 010 Expenditures by Program FY 2020-21 Annual Budget

	FY 2017-18	FY 2018-19	FY 2019-20	FY 2019-20	FY 2020-21
	Actual	Actual	Adopted Budget	Projected	Budget
Expenditures					
<u>Programs</u>					
Police	\$ 119,393,268	\$ 124,800,546	\$ 129,061,956	\$ 127,938,254	\$ 136,160,466
Fire	44,601,750	45,378,916	45,767,332	46,208,377	48,088,874
Public Works	12,547,000	13,198,389	15,008,881	15,653,878	16,015,900
Economic Development	1,382,678	1,139,887	1,415,670	3,407,830	1,452,575
Office of Violence Prevention	1,656,716	1,503,008	1,712,164	1,799,215	1,967,245
	<u>179,581,412</u>	<u>186,020,746</u>	<u>192,966,003</u>	<u>195,007,554</u>	<u>203,685,060</u>
<u>Program Support for Other Funds</u>					
Library	3,984,500	3,984,500	3,984,500	3,984,500	3,984,500
Recreation	3,407,000	3,395,500	3,395,500	3,395,500	3,565,500
Entertainment Venues	3,445,000	4,345,000	3,285,000	3,835,000	4,785,000
Development Services	925,000	925,000	825,000	825,000	800,000
Golf Courses	700,000	700,000	700,000	1,050,000	550,000
Downtown Marina	212,000	262,000	262,000	262,000	297,000
Grant Match	117,601	(2,092)	100,000	205,400	100,000
Capital Improvement	10,091,423	156,298	-	580,000	4,005,000
Low & Moderate Income Housing	10,648	29,584	101,151	101,151	-
Radio ISF	700,000	-	3,130,000	3,130,000	5,250,000
Information Technology ISF	-	2,256,149	-	-	-
Retirement ISF	18,562,620	4,765,014	-	14,500,000	-
	<u>42,155,792</u>	<u>20,816,953</u>	<u>15,783,151</u>	<u>31,868,551</u>	<u>23,337,000</u>
<u>Administration</u>					
City Council	754,471	823,247	801,424	1,021,228	994,080
City Manager	1,423,830	1,441,584	1,581,761	1,430,031	1,781,016
City Attorney	1,627,089	1,268,871	1,557,125	1,272,709	1,336,877
City Clerk	796,269	715,729	984,104	891,532	1,001,530
City Auditor	487,316	517,807	613,688	841,681	592,525
Administrative Services	5,120,238	5,166,265	5,666,332	5,437,214	6,025,113
Human Resources	2,033,714	1,974,198	2,299,791	2,065,549	2,481,795
Tax Collection & Election	2,459,295	2,866,073	2,889,000	3,024,567	3,236,600
Other Administration	(861,562)	3,364,259	(1,353,649)	(1,166,780)	(1,317,378)
Labor and Litigation	338,334	443,215	500,000	700,000	500,000
Homeless Program	205,761	164,468	200,000	1,792,311	346,000
	<u>14,384,755</u>	<u>18,745,716</u>	<u>15,739,576</u>	<u>17,310,041</u>	<u>16,978,158</u>
Debt Service	<u>4,873,669</u>	<u>5,053,931</u>	<u>3,582,175</u>	<u>3,838,175</u>	<u>1,837,175</u>
Contingency	<u>-</u>	<u>-</u>	<u>2,000,000</u>	<u>870,000</u>	<u>2,000,000</u>
Total	<u>\$ 240,995,628</u>	<u>\$ 230,637,346</u>	<u>\$ 230,070,905</u>	<u>\$ 248,894,321</u>	<u>\$ 247,837,393</u>

EXHIBIT 1 - BUDGET ADDENDUM

General Fund - 010 Measures A and B FY 2020-21 Annual Budget

	FY 2017-18	FY 2018-19	FY 2019-20	FY 2019-20	FY 2020-21
	Actual	Actual	Adopted Budget	Projected	Budget
Revenues					
Police					
Measure A Transaction and Use Tax	\$ 31,735,727	\$ 34,570,561	\$ 32,508,651	\$ 32,023,000	\$ 28,472,000
Total Revenues	31,735,727	34,570,561	32,508,651	32,023,000	28,472,000
Expenditures (Public Safety Measure B)					
Police					
Salary & Benefits					
Sworn & Non-Sworn	18,787,625	20,638,109	23,828,029	22,471,239	25,256,560
Vacancy Savings	-	-	(904,411)	-	(993,017)
Other Services	1,613,908	1,726,339	2,424,775	2,394,944	2,854,928
Materials & Supplies					
Fuel	226,062	312,503	359,667	318,545	348,096
Other Supplies	213,637	142,380	380,410	396,462	385,825
Equipment					
Radios	8,499	-	-	-	-
Vehicles	240,000	-	-	-	-
Other Expenses					
Training	510,977	528,633	494,107	742,346	595,000
	21,600,708	23,347,964	26,582,577	26,323,536	28,447,392
Office of Violence Prevention					
Salary & Benefits					
Non-Sworn	564,609	621,195	653,384	665,487	863,143
Other Services	275,911	220,279	251,367	350,471	269,353
Materials & Supplies					
Fuel	6,585	5,620	5,752	3,673	6,231
Other Supplies	5,647	5,060	35,000	25,526	35,000
Equipment					
Office Equipment	10,494	3,467	3,979	2,542	3,979
Other Expenses	10,363	19,741	20,250	20,158	20,250
	873,609	875,363	969,732	1,067,857	1,197,956
Total Expenditures (Measure B)	\$ 22,474,317	\$ 24,223,327	\$ 27,552,309	\$ 27,391,393	\$ 29,645,348
Measure B expenditures as a % of annual Measure A revenues	71%	70%	85%	86%	104%

EXHIBIT 1 - BUDGET ADDENDUM

Police and Fire Departments Measure W - 081 (a) FY 2020-21 Annual Budget

	<u>FY 2017-18 Actual</u>	<u>FY 2018-19 Actual</u>	<u>FY 2019-20 Projected</u>	<u>FY 2020-21 Budget</u>
Beginning Available Balance	\$ 2,896,657	\$ 3,289,645	\$ 4,665,213	\$ 3,826,809
Revenues				
Police				
Measure W Sales Tax	5,311,128	5,830,051	5,100,000	4,800,000
Investment Proceeds	(116)	47,055	19,762	18,000
	<u>5,311,012</u>	<u>5,877,106</u>	<u>5,119,762</u>	<u>4,818,000</u>
Fire				
Measure W Sales Tax	5,311,128	5,830,051	5,100,000	4,800,000
Investment Proceeds	(87)	49,343	25,238	12,000
	<u>5,311,041</u>	<u>5,879,394</u>	<u>5,125,238</u>	<u>4,812,000</u>
	<u>10,622,053</u>	<u>11,756,500</u>	<u>10,245,000</u>	<u>9,630,000</u>
Expenditures				
Police				
Salary & Benefits	4,421,173	4,496,797	4,587,723	4,971,842
Services & Supplies	376,397	399,953	616,938	628,501
Administration	219,521	236,698	273,194	297,959
	<u>5,017,091</u>	<u>5,133,448</u>	<u>5,477,855</u>	<u>5,898,302</u>
Fire				
Salary & Benefits	4,577,460	4,682,513	4,664,017	5,190,381
Services & Supplies	264,678	223,910	337,856	363,124
Administration	224,971	239,158	279,966	317,985
Equipment & Maintenance	144,865	101,903	323,710	85,000
	<u>5,211,974</u>	<u>5,247,484</u>	<u>5,605,549</u>	<u>5,956,490</u>
	<u>10,229,065</u>	<u>10,380,932</u>	<u>11,083,404</u>	<u>11,854,792</u>
Transfers				
Transfer In	-	-	-	-
Transfer Out	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Annual Activity				
Police	293,921	743,658	(358,093)	(1,080,302)
Fire	99,067	631,910	(480,311)	(1,144,490)
	<u>392,988</u>	<u>1,375,568</u>	<u>(838,404)</u>	<u>(2,224,792)</u>
Ending Available Balance	<u>\$ 3,289,645</u>	<u>\$ 4,665,213</u>	<u>\$ 3,826,809</u>	<u>\$ 1,602,017</u>
Available Balance Calculation				
Current assets		\$ 5,106,291		
Current liabilities		(441,078)		
Program Commitments		-		
Ending Available Balance		<u>\$ 4,665,213</u>		

(a) The portion of Measure W Fund - 081 relating to Fire is also presented in Fire on page E-17.

EXHIBIT 1 - BUDGET ADDENDUM

Fire Department Emergency Communications - 042 FY 2020-21 Annual Budget

	<u>FY 2017-18 Actual</u>	<u>FY 2018-19 Actual</u>	<u>FY 2019-20 Projected</u>	<u>FY 2020-21 Budget</u>
Beginning Available Balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Revenues				
Contract Revenue	2,591,405	2,705,097	3,313,752	3,963,488
Reimbursements	<u>111,865</u>	<u>117,120</u>	<u>117,481</u>	<u>126,091</u>
	<u>2,703,270</u>	<u>2,822,217</u>	<u>3,431,233</u>	<u>4,089,579</u>
Expenditures				
Salary & Benefits	1,927,440	2,045,164	2,445,465	3,026,668
Services & Supplies	525,385	539,013	660,910	696,174
Utilities & Maintenance	92,277	94,703	125,908	104,737
Administrative Expenses	158,168	143,337	198,950	262,000
Capital Outlay	<u>-</u>	<u>-</u>	<u>-</u>	<u>780,000</u>
	<u>2,703,270</u>	<u>2,822,217</u>	<u>3,431,233</u>	<u>4,869,579</u>
Transfers				
Transfer In	-	-	-	780,000
Transfer Out	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>-</u>	<u>-</u>	<u>-</u>	<u>780,000</u>
Net Annual Activity	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Ending Available Balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Available Balance Calculation				
Current assets		\$ 101,644		
Current liabilities		<u>(101,644)</u>		
Ending Available Balance		<u><u>\$ -</u></u>		

EXHIBIT 1 - BUDGET ADDENDUM

Public Works Department Gas Tax - 030 FY 2020-21 Annual Budget

	<u>FY 2017-18 Actual</u>	<u>FY 2018-19 Actual</u>	<u>FY 2019-20 Projected</u>	<u>FY 2020-21 Budget</u>
Beginning Available Balance	\$ 2,151,838	\$ 2,944,725	\$ 1,226,952	\$ 1,731,210
Revenues				
State Gas Tax	6,928,420	10,735,493	10,667,165	10,010,730
Prop 42 Replacement Gas Tax	1,612,730	1,408,020	2,687,422	2,643,626
Refunds and reimbursements	192,341	98,983	-	-
Investment Proceeds	24,127	145,350	-	-
	<u>8,757,618</u>	<u>12,387,846</u>	<u>13,354,587</u>	<u>12,654,356</u>
Expenditures				
Salary and benefits	3,669,378	3,888,136	4,066,764	4,466,172
Maintenance and repair services	190,757	483,788	891,007	631,600
Insurance premiums	108,042	115,400	135,187	187,917
Auto equipment rental	1,132,021	936,496	953,276	1,019,713
Computer/Tech/Operating support	437,261	422,676	242,043	204,576
Engineering services	7,170	23,500	57,760	-
Construction services	326,290	3,600	435,000	281,827
Materials and supplies	1,271,353	457,143	423,776	342,304
Fuels - gas/oil/propane	107,416	115,662	118,188	130,219
All other expenses	681,910	852,612	704,318	1,022,682
Capital projects	76,163	1,627,387	4,823,010	5,275,000
	<u>8,007,761</u>	<u>8,926,400</u>	<u>12,850,329</u>	<u>13,562,010</u>
Transfers				
Transfer In	-	-	-	-
Transfer Out	43,030	-	-	-
	<u>43,030</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Annual Activity	792,887	3,461,446	504,258	(907,654)
Ending Available Balance	\$ 2,944,725	\$ 6,406,171	\$ 1,731,210	\$ 823,556
Available Balance Calculation				
Current assets		\$ 7,159,575		
Current liabilities		<u>(753,402)</u>		
Fund balance		6,406,173		
Capital Appropriation		<u>(5,179,221)</u>		
Ending Available Balance		<u>\$ 1,226,952</u>		

EXHIBIT 1 - BUDGET ADDENDUM

Public Works Department Measure K - Maintenance - 082 FY 2020-21 Annual Budget

	<u>FY 2017-18 Actual</u>	<u>FY 2018-19 Actual</u>	<u>FY 2019-20 Projected</u>	<u>FY 2020-21 Budget</u>
Beginning Available Balance	\$ 12,520,244	\$ 14,022,608	\$ 7,908,279	\$ 4,819,883
Revenues				
Sales Tax	5,202,124	5,573,997	5,500,000	4,040,000
Investment Proceeds	2,516	395,179	60,000	60,000
Other Revenues	974,308	89,296	62,552	-
	<u>6,178,948</u>	<u>6,058,471</u>	<u>5,622,552</u>	<u>4,100,000</u>
Expenditures				
Operating	2,614,533	3,012,835	3,050,176	4,709,815
Capital projects	2,062,051	1,086,949	5,660,772	3,539,969
	<u>4,676,584</u>	<u>4,099,784</u>	<u>8,710,948</u>	<u>8,249,784</u>
Transfers				
Transfer In	-	-	-	-
Transfer Out	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Annual Activity	1,502,364	1,958,687	(3,088,396)	(4,149,784)
Ending Available Balance	\$ 14,022,608	\$ 15,981,295	\$ 4,819,883	\$ 670,099
Available Balance Calculation				
Current assets		\$ 16,312,844		
Current liabilities		<u>(331,549)</u>		
Fund balance		15,981,295		
Capital Appropriation		<u>(8,073,016)</u>		
Ending Available Balance		<u>\$ 7,908,279</u>		

EXHIBIT 1 - BUDGET ADDENDUM

Community Development and Fire Departments - Combined Development Services - 048 (a) FY 2020-21 Annual Budget

	<u>FY 2017-18 Actual</u>	<u>FY 2018-19 Actual</u>	<u>FY 2019-20 Projected</u>	<u>FY 2020-21 Budget</u>
Beginning Available Balance	\$ 9,264,478	\$ 11,384,177	\$ 15,498,603	\$ 15,759,057
Revenues				
Community Development				
User Fees	7,764,153	9,082,563	8,030,808	8,121,600
Development Oversight	79,890	83,526	34,000	-
Technology Fee	439,766	498,851	488,000	525,300
Comm. Rating System Admin. Fee	101,746	142,363	100,000	102,000
General Plan Maint & Implementation	474,181	501,925	425,000	433,500
Capital Preservation	319,555	335,821	340,000	346,800
Grants	37,690	229	-	-
Fines & Penalties	9,079	3,414	3,300	3,366
Other Revenues	7,410	554,184	246,700	251,634
	<u>9,233,470</u>	<u>11,202,876</u>	<u>9,667,808</u>	<u>9,784,200</u>
Fire Prevention				
User Fees	2,346,994	2,620,126	2,972,152	2,894,504
Fines & Penalties	64,897	79,976	77,571	67,015
Other Revenues	2,045	215	2,000	3,125
	<u>2,413,936</u>	<u>2,700,317</u>	<u>3,051,723</u>	<u>2,964,644</u>
	<u>11,647,406</u>	<u>13,903,193</u>	<u>12,719,531</u>	<u>12,748,844</u>
Expenditures				
Community Development				
Business Ops and Customer Service	2,957,111	2,917,230	3,577,859	2,974,046
Planning & Engineering Services	2,740,910	2,927,979	4,333,416	4,578,051
Building and Life Safety	2,334,463	2,691,008	2,857,946	4,340,975
	<u>8,032,484</u>	<u>8,536,217</u>	<u>10,769,221</u>	<u>11,893,072</u>
Fire Prevention				
Fire Prevention	1,916,408	2,162,209	2,485,789	2,912,015
Fire Public Education	13,315	15,341	29,067	79,031
	<u>1,929,723</u>	<u>2,177,550</u>	<u>2,514,856</u>	<u>2,991,046</u>
	<u>9,962,207</u>	<u>10,713,767</u>	<u>13,284,077</u>	<u>14,884,118</u>
Transfers				
Transfer In - General Fund	925,000	925,000	825,000	800,000
Transfer Out - CIP	(490,500)	-	-	-
	<u>434,500</u>	<u>925,000</u>	<u>825,000</u>	<u>800,000</u>
Net Annual Activity				
Community Development	1,628,076	3,037,478	(523,113)	(1,560,506)
Fire	484,213	522,767	536,868	(26,402)
Other	7,410	554,184	246,700	251,634
	<u>2,119,699</u>	<u>4,114,429</u>	<u>260,455</u>	<u>(1,335,274)</u>
Ending Available Balance	\$ 11,384,177	\$ 15,498,603	\$ 15,759,057	\$ 14,423,783
Available Balance Calculation				
Current Assets		\$ 16,789,966		
Current Liabilities		(1,291,363)		
Ending Available Balance		<u>\$ 15,498,603</u>		

(a) The total Development Services Fund - 048 is presented with the Community Development Department budget. The portion relating to Fire has also been included on page E-13.

EXHIBIT 1 - BUDGET ADDENDUM

Internal Service Funds Compensated Absence - 562 FY 2020-21 Annual Budget

	<u>FY 2017-18 Actual</u>	<u>FY 2018-19 Actual</u>	<u>FY 2019-20 Projected</u>	<u>FY 2020-21 Budget</u>
Beginning Available Balance	\$ 2,021,992	\$ 1,609,076	\$ 1,040,529	\$ 743,731
Revenues				
Charge for Services				
Police	367,565	328,356	448,477	680,434
Fire	103,744	92,677	110,246	221,874
Other General Fund	91,771	81,982	152,107	120,949
Other Funds	332,448	296,985	494,361	488,743
Investment Proceeds	22,591	22,089	20,000	10,000
	<u>918,119</u>	<u>822,089</u>	<u>1,225,191</u>	<u>1,522,000</u>
Expenditures				
Employee Separation Pay	1,331,035	1,390,636	1,521,989	1,702,000
	<u>1,331,035</u>	<u>1,390,636</u>	<u>1,521,989</u>	<u>1,702,000</u>
Transfers				
Transfer In	-	-	-	-
Transfer Out	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Annual Activity	(412,916)	(568,547)	(296,798)	(180,000)
Ending Available Balance	\$ 1,609,076	\$ 1,040,529	\$ 743,731	\$ 563,731
Available Balance Calculation				
Cash and Interest Receivable		\$ 1,040,529		
Accrued Compensated Absences		-		
Ending Available Balance		<u>\$ 1,040,529</u>		
Program Contribution Rate	0.70%	0.70%	0.70%	0.90%

EXHIBIT 1 - BUDGET ADDENDUM

FY 2020-2025 Capital Improvement Plan Five Year Capital Summary by Program (Dollars in thousands)

	Remaining Appropriation 6/30/19	FY 2019-20 Adopted	FY 2020-21 Proposed	FY 2021-22 Projected	FY 2022-23 Projected	FY 2023-24 Projected	FY 2024-25 Projected
General Government							
Citywide	9,259	440	5,986	18,075	8,050	1,650	200,400
Golf	-	-					
Economic Development	-	-	3,050	450	1,700	200	200
Library	1,497	19,430	-	1,665	-	7,335	-
Recreation	5,332	-	8,677	-	809	357	8,948
Fire	725	141	166	1,178	12,534	-	24,902
Police	2,885	400	-	1,218	1,648	8,666	-
Parks & Trees	5,903	86	282	603	70	-	21,817
	25,600	20,497	18,161	23,189	24,811	18,208	256,267
Transportation/Streets	62,996	46,120	17,855	30,308	23,710	50,771	186,708
Utilities	47,470	74,668	89,108	98,462	92,590	61,236	42,142
Total CIP Program	136,066	141,284	125,124	151,958	141,110	130,215	485,117

EXHIBIT 1 - BUDGET ADDENDUM

FY 2020-2025 Capital Improvement Plan Five Year Capital Summary by Fund (Dollars in thousands)

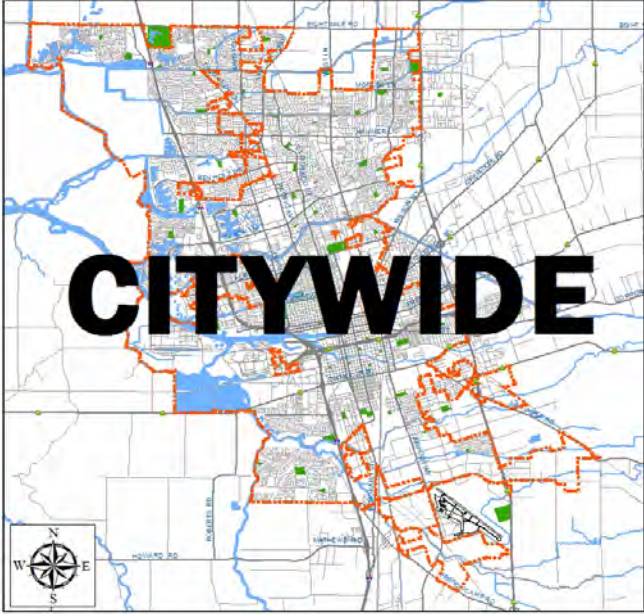
	Fund Number	Remaining Appropriation 6/30/19	FY 2019-20 Adopted	FY 2020-21 Proposed	FY 2021-22 Projected	FY 2022-23 Projected	FY 2023-24 Projected	FY 2024-25 Projected
General Government and Grants								
Other Reimbursements	020	-	-	-	150	1,500	-	-
Gas Tax	030	4,649	5,215	5,275	5,005	4,715	4,715	1,700
Transportation Dev Act	034	371	279	303	290	296	302	310
Federal Grants	038/308	23,514	19,911	4,566	16,881	5,891	2,696	2,696
State Grants	304	-	-	8,907	102	1,126	-	-
Landscape Maint Dist	072	-	-	-	-	-	-	-
Measure K Renewal	080	6,537	11,692	-	-	-	-	-
Measure K Maintenance	082	8,679	5,738	3,540	5,888	4,595	3,816	3,790
Strong Communities	083	5,027	10,920	177	1,665	809	7,692	1,943
Entertainment Venues	086	-	-	-	1,650	-	50	-
General Capital Fund	301	20,632	1,207	6,472	18,007	1,297	1,375	11,996
Strong Neighborhoods	305	477	-	-	-	-	-	-
Parking Authority	419	-	-	3,050	100	200	200	200
Boat Launching/Marina	045/460	-	-	-	400	200	200	-
Fleet ISF	501	150	40	249	-	-	-	-
		70,035	55,002	32,539	50,138	20,629	21,046	22,635
Public Facilities Fees								
Traffic Signals	900-904	56	-	2,070	-	-	-	-
Street Improvement	910-915	13,636	3,000	200	300	300	300	300
Regional Streets	917	-	-	-	-	-	-	-
Library	950	774	8,330	-	-	-	-	-
Parkland	970	2,510	-	-	-	-	-	14,424
Street Trees	978	342	-	960	138	-	-	-
Street Signs	979	140	-	-	-	-	-	-
Street Lights	980-985	531	-	-	-	-	-	-
Air Quality	990	573	-	-	692	6,575	-	-
		18,561	11,330	3,230	1,130	6,875	300	14,724
Utilities								
Water	423/427	4,862	4,862	6,262	3,549	3,102	962	4,362
Wastewater	437	35,417	68,243	82,523	92,980	88,466	59,440	36,878
Stormwater	447	7,192	1,849	570	1,934	1,020	834	903
		47,470	74,953	89,355	98,463	92,588	61,236	42,143
Unfunded								
Unidentified Funding		-	-	-	2,227	21,018	47,633	405,615
Total CIP Funding		136,066	141,284	125,124	151,958	141,110	130,215	485,117

Project Summary

Name City Wide Traffic Safety Program
Acct. Ref. # 0000

Department Streets

<u>Project Description</u>		<u>Justification</u>				
<p>This program will install/upgrade traffic safety devices such as Rectangular Rapid Flashing Beacons, Speed Feedback Devices, and other pertinent devices approved by MUTCD per year for the next five years. Types of devices and locations will be guided by the City's Pedestrian Safety and Crosswalk Installation Guidelines and studies performed under this program.</p>		<p>There are existing devices City-wide that are in need of upgrade or repair. However, due to high maintenance costs, some devices such as in-pavement warning lights are being phased out. This Project will replace such devices with updated approved devices to enhanced safety for pedestrians and bicyclists. Staff is constantly receiving requests from citizens for new crosswalks which resulted in a list of requested crosswalk locations. This project will evaluate the requested locations by following the Pedestrian Safety and Crosswalk Installation Guidelines which may require installation of RRFBs, speed feedback devices or other devices along with the crosswalks and bike facilities. The radar feedback devices are relevant to slowing down traffic on streets that do not qualify for Neighborhood Traffic Management</p>				
FY	2021	2022	2023	2024	2025	Totals
Expense						
Construction	193,000	603,000	603,000	603,000	603,000	2,605,000
Design/Engineering	107,000	107,000	107,000	107,000	107,000	535,000
Total Expense:	300,000	710,000	710,000	710,000	710,000	3,140,000
Revenue						
Measure K Maint.	300,000	710,000	710,000	710,000	710,000	3,140,000
Total Revenue:	300,000	710,000	710,000	710,000	710,000	3,140,000



Year Identified	Start Date	Est. Completion Date
2020		

Project Summary

Name Grant Match Program
Acct. Ref. # 0000

Department Streets

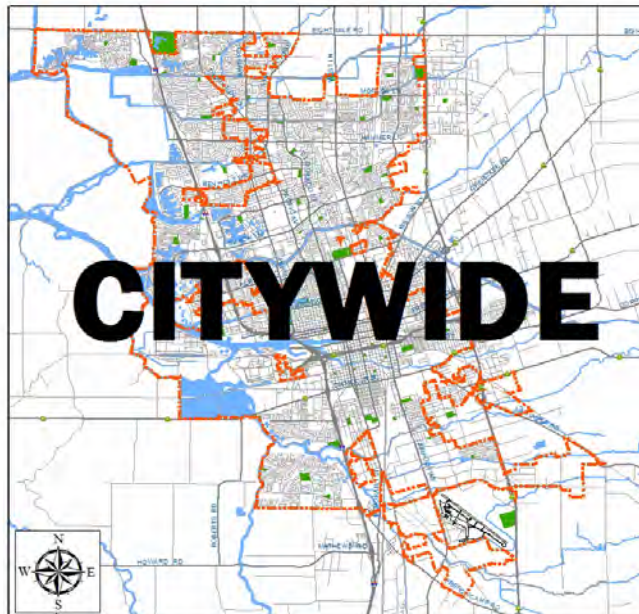
Project Description

This program will provide funding for match requirements on future grant applications. When the exact grant match amount is known, it is allocated directly to the specific project along with the grant funds. All of the grant matches have either already been allocated or are allocated directly to the projects in this document. Most of the grant match needs are known and allocated directly to the projects in this document. This project provides the matching funds for grants that have been applied for, but have not yet been awarded, and for other potential grant opportunities that are expected to arise.

Justification

Public Works actively seeks out State and Federal grant opportunities in order to deliver needed infrastructure throughout the city. Local funds are leveraged as small amounts of matching funds in order to deliver larger projects and improvements the city would otherwise not have funding to construct. Usually the match requirements are between 10% to 20% of the entire project cost. This program sets aside projected match needs for future grant projects.

FY	2021	2022	2023	2024	2025	Totals
Expense						
Construction	200,000	600,000	700,000	700,000	700,000	2,900,000
Total Expense:	200,000	600,000	700,000	700,000	700,000	2,900,000
Revenue						
Measure K Maint.	0	300,000	400,000	400,000	400,000	1,500,000
Public Facility Fees	200,000	300,000	300,000	300,000	300,000	1,400,000
Total Revenue:	200,000	600,000	700,000	700,000	700,000	2,900,000



Year Identified	Start Date	Est. Completion Date
2014		

Project Summary

Name LED Street Lights Conversion on Collector and Residential Streets - Phase IV

Acct. Ref. # 0000

Department Streets

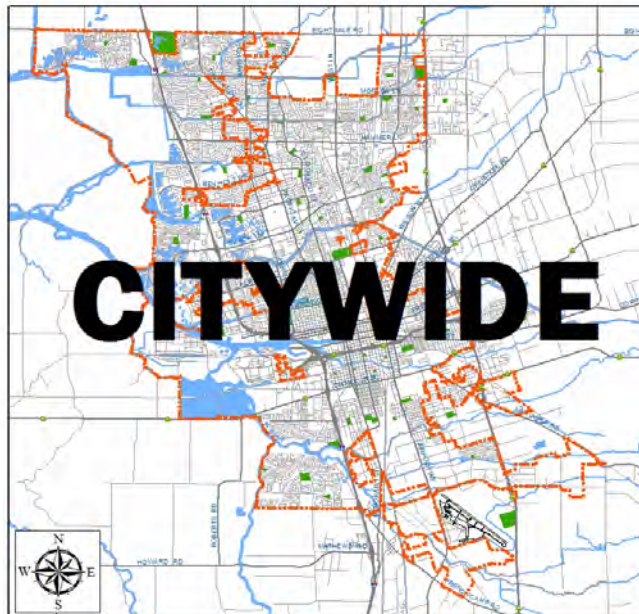
Project Description

This project is a continuation of the Citywide LED Streetlight Conversion project. This project will convert remaining collector and residential streetlight luminaries, totalling 1,000 and 13,000, respectively, from existing 150 watt and 100 watt high pressure sodium to light-emitting diode (LED).

Justification

The conversion of existing collector and residential streetlight inventory to LED luminaries will provide long term energy cost savings and reduce maintenance. This project also assists in meeting greenhouse gas and sustainable communities strategy goals as outlined in AB 32 and SB 375 legislations.

FY	2021	2022	2023	2024	2025	Totals
Expense						
Construction	0	500,000	500,000	500,000	500,000	2,000,000
Total Expense:	0	500,000	500,000	500,000	500,000	2,000,000
Revenue						
Measure K Maint.	0	500,000	500,000	500,000	500,000	2,000,000
Total Revenue:	0	500,000	500,000	500,000	500,000	2,000,000



Year Identified

Start Date

Est. Completion Date

2014

Project Summary

Name Pedestrian Bridge over Calaveras River Rehabilitation
Acct. Ref. # PW1316

Department Streets

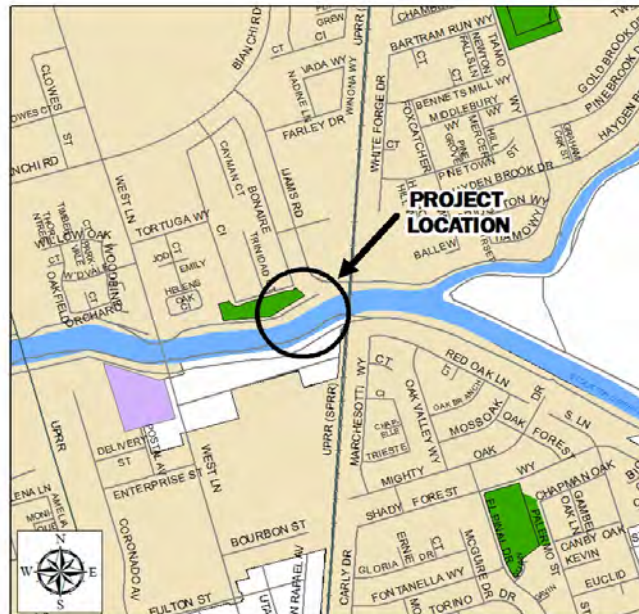
Project Description

This project will provide funding to rehabilitate the pedestrian bridge over the Calaveras River east of West Lane. The project includes reinforcing the bridge abutments and rehabilitating the hand rails. Design of this project is currently underway.

Justification

Bridge inspections have determined that the north concrete abutment and hand rails are exhibiting distress. Girder connections need reinforcing and concrete is spalling at the abutment. Hand rail painting is deteriorated and hand rail connections need reinforcing. Further deterioration will eventually require closure of the bridge.

FY	2021	2022	2023	2024	2025	Totals
Expense						
Construction	0	350,000	0	0	0	350,000
Total Expense:	0	350,000	0	0	0	350,000
Revenue						
Measure K Maint.	0	350,000	0	0	0	350,000
Total Revenue:	0	350,000	0	0	0	350,000



Year Identified

Start Date


Est. Completion Date

2013

Project Summary

Name Sidewalk, Curb, and Gutter Repair Program SB1
Acct. Ref. # PW2104

Department Streets

<u>Project Description</u> This project includes installation of curb ramps on street corners, and repair of curb, gutter and sidewalk damaged by City tree roots throughout various locations citywide. Future years are represented in separate projects and will be based on the identified backlog of approximately 168 curb ramp installations, and 122,000 SF of sidewalk and 22,000 LF of curb and gutter repairs		<u>Justification</u> The City receives requests from citizens to install curb ramps to allow or improve access between sidewalks and streets in accordance with ADA requirements. Additionally, the City receives requests for curb, gutter, and sidewalk repairs at locations damaged by City owned tree roots. Per SMC 12.04.040, the City assumes responsibility of these types of repairs.				
FY	2021	2022	2023	2024	2025	Totals
Expense						
Construction	1,578,249	1,040,000	1,046,000	1,052,000	1,060,000	5,776,249
Total Expense:	1,578,249	1,040,000	1,046,000	1,052,000	1,060,000	5,776,249
Revenue						
State Funding	1,578,249	1,040,000	1,046,000	1,052,000	1,060,000	5,776,249
Total Revenue:	1,578,249	1,040,000	1,046,000	1,052,000	1,060,000	5,776,249
						
Year Identified	Start Date		Est. Completion Date			
2019						

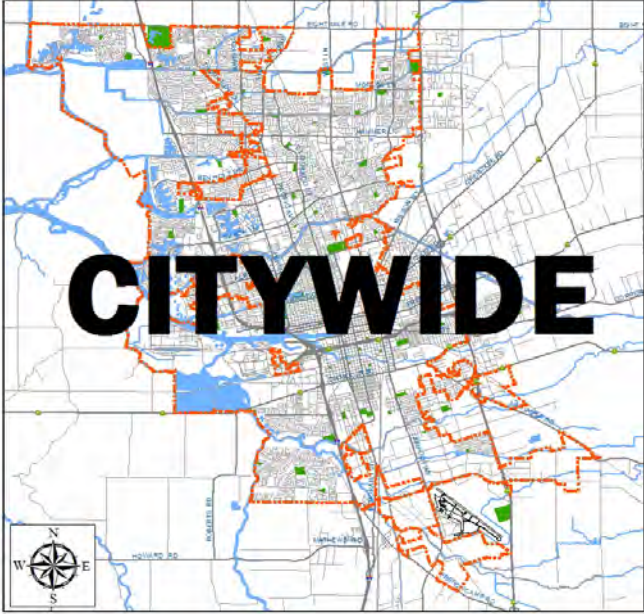
Project Summary

Name Street Light Pole Replacement SB1
Acct. Ref. # PW2108

Department Streets

<p><u>Project Description</u></p> <p>Replace street light poles that are oxidized.</p>	<p><u>Justification</u></p> <p>Some street light poles have oxidized and need to be replaced to maintain their structural integrity.</p>
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FY	2021	2022	2023	2024	2025	Totals
Expense						
Construction	0	200,000	200,000	200,000	200,000	800,000
Total Expense:	0	200,000	200,000	200,000	200,000	800,000
Revenue						
Gas Tax	0	200,000	200,000	200,000	200,000	800,000
Total Revenue:	0	200,000	200,000	200,000	200,000	800,000



Year Identified	Start Date	Est. Completion Date
2018		

FY 2020-21 Proposed New Fees

Recreation & Leisure

Event Permits

<i>Description</i>	<i>Reason</i>	<i>Proposed Amount</i>
Event Permits		
Cannabis Temporary Event Permit	Establish fee for new permit type (pending council approval) to process applications for Temporary Cannabis Permits - SMC Title 12, Chapter 12.72 Special Events.	\$1,140.00

Recreation & Leisure**Event Permits****(209) 937-8206/8220****FY 2020-21 Proposed Fee Schedule**

<i>Account #</i>	<i>Effective Date</i>	<i>Description</i>	<i>Current Amount</i>	<i>Proposed Amount</i>
Event Permits				
044-3646-379.90-00	7/1/2020	Special Event Permit Application Fee (Non-refundable) - Applies to all special event applications	\$55.00	No Change
044-3646-362.43-00	7/1/2020	Filming Application Fee	\$150.00	No Change
044-3646-379.90-00	7/1/2020	Late Fee - Special Event Applications submitted fewer than 45 days in advance of event	\$100.00	No Change
044-3646-379.90-00	7/1/2020	Temporary Cannabis Event Permit		\$1,140.00

Division General Comments (Applicable to all Fees)

SPECIAL EVENTS AND NEW PROGRAMS - The Director of Community Services, with concurrence of the City Manager, may set fees on special events and programs such as teen socials, dances, sports camps, youth camps, golf activities, etc.



City of Stockton

Legislation Text

File #: 20-6680, Version: 1

PUBLIC HEARING TO ADOPT THE FISCAL YEAR (FY) 2020-21 ANNUAL BUDGET; APPROVE THE 2020-2025 CAPITAL IMPROVEMENT PLAN; APPROVE THE FY 2020-21 FEE SCHEDULE; APPROVE THE FY 2020-21 CALIFORNIA CONSTITUTIONAL APPROPRIATIONS LIMIT; ADOPT THE FY 2020-21 ANNUAL BUDGET FOR THE PARKING AUTHORITY OF THE CITY OF STOCKTON; ADOPT THE FY 2020-21 ANNUAL BUDGET FOR THE SUCCESSOR AGENCY TO THE FORMER STOCKTON REDEVELOPMENT AGENCY

RECOMMENDATION

It is recommended that the City Council approve a resolution to:

1. Adopt the FY 2020-21 Annual Budget, the 2020-2025 Capital Improvement Plan, and the FY 2020-21 Fee Schedule as modified in the Budget Addendum,
2. Adopt the FY 2020-21 California Constitutional (Gann) Appropriations Limit,
3. Approve a loan from the Information Technology Internal Service Fund to the Emergency Communications Fund in the amount of \$780,000 for equipment, software, and facility improvements in the Fire Dispatch Center; and
4. Approve other administrative and financial actions.

And it is recommended that the Parking Authority of the City of Stockton (Parking Authority) approve a resolution to:

1. Adopt the FY 2020-21 Annual Budget for the Parking Authority (Exhibit 1 to the Parking Authority resolution).

And it is recommended that the Successor Agency to the former Stockton Redevelopment Agency (Successor Agency) approve a resolution to:

1. Adopt the FY 2020-21 Annual Budget for the Successor Agency to the former Stockton Redevelopment Agency (Exhibit 1 to the Successor Agency resolution).

It is further recommended that the City Manager be authorized to take appropriate and necessary actions to carry out the purpose and intent of the resolutions.

Summary

The City Manager submitted the Proposed Annual Budget, Capital Improvement Plan, and Fee Schedule to Council on May 15, 2020. These documents include an annual financial plan for all City

funds, the key elements of which are summarized below and described in detail in the documents and are available on the City's website. The City Council held two meetings on June 10 and 11, 2020, to review the budget in detail and receive public comment for consideration.

The FY 2020-21 annual budgets for the City of Stockton Parking Authority and the Successor Agency to the former Stockton Redevelopment Agency are also provided for approval and adoption.

The proposed financial plans are balanced in both the short and long term, address Council priorities, and maintain the Council's commitment to fiscal sustainability. Expenditures in the Proposed Budget as released on May 15, 2020, totaled \$783.1 million for the operations, capital, debt, and transfers for all funds and programs of the City. This amount represents an increase of \$23.7 million or 3.1% from the FY 2019-20 Annual Budget. The increase is primarily attributable to utility capital projects, retirement contributions, and general liability claims.

The budget presented for adoption is \$4.5 million higher than the Proposed Budget for a total expenditure appropriation of \$787.6 million. The Budget Addendum included as Exhibit 1 to the City Resolution incorporates significant labor and revenue changes that occurred after the publishing of the Proposed Budget.

Citywide estimated revenues are \$719.8 million in the FY 2020-21 Proposed Budget for all City programs excluding transfers between City funds, which is an increase of \$52.7 million compared to the FY 2019-20 Annual Budget. Revenues are reduced in the attached addendum to \$717.5 million, reflecting updated Gas Tax and Measure K revenue estimates. The FY 2020-21 Annual Budget supports 1,725 full-time positions as detailed in the Personnel Listing found in the budget document appendix.

Staff recommends that Council conduct a public hearing to receive input regarding the proposed budgets and after the hearing, approve resolutions to enact the FY 2020-21 budgets for the City, the Parking Authority, and the Successor Agency to the former Stockton Redevelopment Agency.

DISCUSSION

Background

The City Council held a workshop in March 2020 to establish its priorities for the year. The priorities and targets developed by the City Council shaped the development of the FY 2020-21 Proposed Annual Budget. On April 28, 2020, staff presented updates to the City's Long-Range Financial Plan (L-RFP) to the City Council. These updates on available resources and long-term financial constraints set the stage for FY 2020-21 budget development. The City Manager provided the FY 2020-21 Proposed Annual Budget, along with the 2020-2025 Proposed Capital Improvement Plan and the FY 2020-21 Proposed Fee Schedule to Council on May 15, 2020. The City held two public study sessions on June 10 and 11, 2020, to review the budget in detail and to receive public comment. Three citizen advisory committees examined the proposed budget as it relates to the City's three transaction tax measures (Measures W, A, and M) at their meetings in May and June.

Present Situation

The City Manager's proposed budget is balanced and remains consistent with the Council's commitment to long-term solvency. The revenue estimates and expenditure appropriations in the budget are for all City funds. They include operations, capital, debt, and internal transfers for all programs and support functions of the City. Fund summaries and financial schedules showing prior year actual results, FY 2019-20 projections, and the FY 2020-21 budget are presented for each City budgetary unit in the budget document.

In addition to the proposed budget, related items are presented for Council approval.

FY 2020-21 Annual Budget

Citywide Budget

Citywide revised revenues are budgeted at \$717.5 million, which represents a 7.6% increase from the prior year budgeted revenue of \$667.1 million. One-time Bond Anticipation Notes of \$70 million for the Regional Wastewater Control Facility Modification Project are the primary cause of this increase. Other revenue areas are experiencing declines as many City revenue sources are adversely impacted by protective measures put in place in response to the COVID-19 global pandemic. This pandemic resulted in a sudden contraction of the labor supply, restricted access to many non-essential businesses, and diminished consumer confidence. These changes led to a sharp decline in consumer spending, particularly in industries involving physical interaction such as retail trade, leisure and hospitality, recreation, and transportation services. Current economic conditions have led to sizable reductions in sales tax and hotel/motel tax revenues as well as other revenues from taxes and fees to a lesser extent. The FY 2020-21 Proposed Budget does not assume any of the potential revenues (CARES Act, Community Development Block Grant, etc.) or federal reimbursements the City may receive related to COVID-19. The budget will be adjusted when those revenues are received.

Total City expenditures of \$787.6 million in the FY 2020-21 Proposed Budget with revisions reflect a 3.7% increase from the FY 2019-20 total appropriation of \$759.6 million. Expenditure increases are primarily in the Utilities and Insurance and Benefits areas. Capital projects for the wastewater treatment plant and purchased water increased by \$28.0 million. Insurance and Benefits services increased by \$10.2 million, mainly due to increases in CalPERS payments, unemployment claims, and general liability claims.

The table below summarizes the proposed FY 2020-21 Annual Budget by department, including changes made in the Budget Addendum:

Department	FY 2019-20 Budget	FY 2020-21 Budget	Change
Utilities	\$ 182,387,314	\$ 210,375,304	\$ 27,987,990
Police	135,689,455	143,500,433	7,810,978
Insurance and Benefits	116,416,821	126,953,898	10,537,077
Public Works	62,654,264	63,861,322	1,207,058
Fire	57,453,171	61,936,125	4,482,954
Administration	38,491,581	39,705,232	1,213,651
Non-Departmental	26,869,984	33,092,571	6,222,587
Economic Development	28,458,144	32,448,198	3,990,054
Capital Projects Funds	46,919,359	26,115,142	(20,804,217)
Community Services	39,412,321	25,957,149	(13,455,172)
Community Development	12,264,159	12,657,591	393,432
Debt Service Funds	12,596,485	10,956,052	(1,640,433)
	<u>\$ 759,613,058</u>	<u>\$ 787,559,017</u>	<u>\$ 27,945,959</u>

An addendum to the FY 2020-21 Proposed Budget is included as Exhibit 1 to the City Resolution. It incorporates additional expenditure budget for Council-approved labor agreements with the Stockton Police Officers' Association, Stockton Police Management Association, the Stockton Firefighters' Local 456 Fire Unit, and Stockton Firefighters' Local 456 Fire Management Unit. Also adjusted in the addendum are the revenue and expenditure budgets for the Gas Tax and Measure K funds.

In late May 2020, the City received updated revenue estimates for Gas Tax and Measure K sales tax revenues. A \$2.2 million reduction in Gas Tax and Measure K revenues caused by COVID-19 will be addressed by deferring or reducing \$2.2 million in funding for six capital projects. The programming for the Sidewalk, Curb and Gutter Repair program, Citywide Traffic Safety Program, and Grant Match program will see reduced levels of funding. Sidewalks, Curb, and Gutter repairs will be reduced \$325,000 from \$1.6 million. The reduced funding level of \$300,000 for the new Citywide Traffic Safety Program is still sufficient to start the program and accomplish one or two strategic safety objectives. The grant matching program funding will be reduced by 50% to \$200,000, in the short-term limiting the City's ability to provide match in future grant efforts. If grant awards exceed the match available, future year funding can be adjusted.

The Street Light Pole Replacement, Calaveras Bridge Replacement, and the Phase IV LED Street Light Conversions (residential and collector streets) projects will be deferred until next year. The projects will be reviewed again next year for funding. The LED project will delay incremental energy savings that are expected with the implementation of LED fixtures. The 2020-2025 Capital Improvement Plan will also be modified to reflect the reduced or deferred capital projects.

The following table summarizes expenditure changes by City Fund between the Proposed Budget and the Budget with Addendum as presented for approval.

City Fund	Proposed Budget	Revisions - Labor	Revisions - Other	Total Budget with Addendum
General Fund (010)	\$242,001,593	\$5,835,800	\$0	\$247,837,393
Fire Emergency Comm. (042)	4,858,325	11,254	-	4,869,579
Development Services (048)	14,855,252	28,866	-	14,884,118
Measure W (081)	11,379,388	475,404	-	11,854,792
Gas Tax	14,712,010	-	(1,150,000)	13,562,010
Measure K	9,259,784	-	(1,010,000)	8,249,784
Compensated Absence (562)	1,400,000	302,000	-	1,702,000
All Other	484,599,341	-	-	484,599,341
Total FY 2020-21 Budget	\$783,065,693	\$6,653,324	\$(2,160,000)	\$787,559,017

In addition to the above expenditure revisions, revenue projections changed as follows:

- Gas Tax revenue reduced \$1,150,000 to \$12,654,356
- Measure K revenue reduced \$1,460,000 to \$4,100,000
- Vacation sell back provisions in the labor agreements increased contributions into the Compensated Absence Internal Service Fund from other City funds by \$302,000
- Reimbursements based on labor agreement wage increases added \$11,254

The Exhibit 1 - Budget Addendum includes replacement pages incorporating all revisions, including the Citywide Budget, General Fund expenditure budgets, and six other City funds.

The proposed FY 2020-21 Annual Budget funds 1,725 full-time positions, an increase of 19 full-time positions compared to the adopted FY 2019-20 Annual Budget.

- Seven positions in Community Development and Economic Development were added mid-year.
- Six positions were added to the Emergency Communications Division of the Fire Department for the implementation of SB 438.
- Four positions were added to the Solid Waste Division of Public Works to address expanded state recycling and solid waste mandates.
- One position was added to the Water Utility Division of Municipal Utilities for the needed management of state water conservation and groundwater compliance/regulations.
- One position was added to Information Technology to bolster cybersecurity and security efforts.

- One position added to the City Manager's Office of Performance and Data Analytics so City services can be delivered better, faster, and smarter.
- One position in Community Services was eliminated with the flattening of the Library supervisory organizational structure.

Based on continued restrained spending, the City's overall fiscal health is relatively stable, given the very uncertain economic environment created by the COVID-19 pandemic. The City has made significant progress toward its reserve targets and funding legal claim liabilities over the last few years. While these efforts should enable the City's finances to weather the COVID-19 induced recession, there are potential risks to our comprehensive financial planning efforts. The City generally has minimal control related to these risks that include the current unprecedented economic environment, pension obligations, and general liability obligations.

General Fund Operating Budget

The total General Fund revenue budget for FY 2020-21 is \$223.5 million, a decrease of \$13.0 million from the FY 2019-20 Adopted Budget, and a 4.3% decrease from FY 2019-20 year-end projections. The reduction is primarily from sales taxes (\$9.5 million), Utility Users Tax (\$2.2 million), Business License Tax (\$1.3 million), and Investment proceeds (\$1.0 million). Revenues in the Program Revenues and Interfund Reimbursements categories are less influenced by economic fluctuations. Recessionary adjustments have been applied to most of the revenues in these categories. These changes reflect staff's best estimates based on currently available information regarding the COVID-19 pandemic's economic impact. Depending on how long the current recession lasts and what the recovery looks like (which is highly uncertain given the unique nature of this recession), these estimates could need to be significantly revised. Staff will provide updated revenue estimates at the third and fourth quarter budget updates.

The table below summarizes the proposed FY 2020-21 Annual Budget, including changes in the Budget Addendum:

General Fund Budget	FY 2019-20 Adopted Budget	FY 2020-21 Proposed Budget	Change
Tax Revenues	\$ 223,271,158	\$ 209,808,389	\$ (13,462,769)
Other Revenues	13,198,255	13,641,937	443,682
	<u>\$ 236,469,413</u>	<u>\$ 223,450,326</u>	<u>\$ (13,019,087)</u>
Expenditures			
Police	\$ 129,061,956	\$ 136,160,466	\$ 7,098,510
Fire	45,767,332	48,088,874	2,321,542
Other Programs	55,241,617	63,588,053	8,346,436
	<u>\$ 230,070,905</u>	<u>\$ 247,837,393</u>	<u>\$ 17,766,488</u>

The General Fund expenditure budget is \$247.8 million and reflects a \$17.8 million increase from the FY 2019-20 Adopted Budget of \$230.1 million. This 8% increase is primarily related to labor agreement increases of \$5.8 million, one-time expenses of \$4.0 million for the Waterfront Office

Towers project, and a \$2.1 million increase in funding for the public safety radio infrastructure project compared to the prior year. In addition, operating expenses across the General Fund increased due to employee market and cost-of-living increases in approved labor contracts, retirement rates, general liability charges, utility rates, and maintenance costs. More detail on General Fund expenditures is available on page A-10 of the budget document.

The General Fund is projected to experience negative net annual activity of approximately \$24.4 million in FY 2020-21, which, when combined with FY 2019-20 projections, would result in an available fund balance of roughly \$25.3 million, excluding projected reserves of \$28.6 million.

General Fund Reserves

Per the General Fund - Reserve and Fund Balance Policy, updates to the General Fund reserve targets are proposed as follows:

Category	Amount (millions)
Working Capital	\$41.3
Known Contingencies	46.5
Risk-Based	70.2
Total	\$158.0

With the increase in budgeted expenditures compared to the prior year, the Working Capital Reserve target will increase from \$39.1 million to \$41.3 million. The Working Capital reserve is equivalent to two months of annual operating expenses. The Known Contingency reserve target decreased from the prior year (from \$59.8 to \$46.5 million) because the City has used some of these reserves towards the identified projects/needs. The target for the Priority II Risk-Based Reserve in the Fiscal Sustainability Fund decreased from \$71.0 million to \$70.2 million based on updated revenues and reduced infrastructure values.

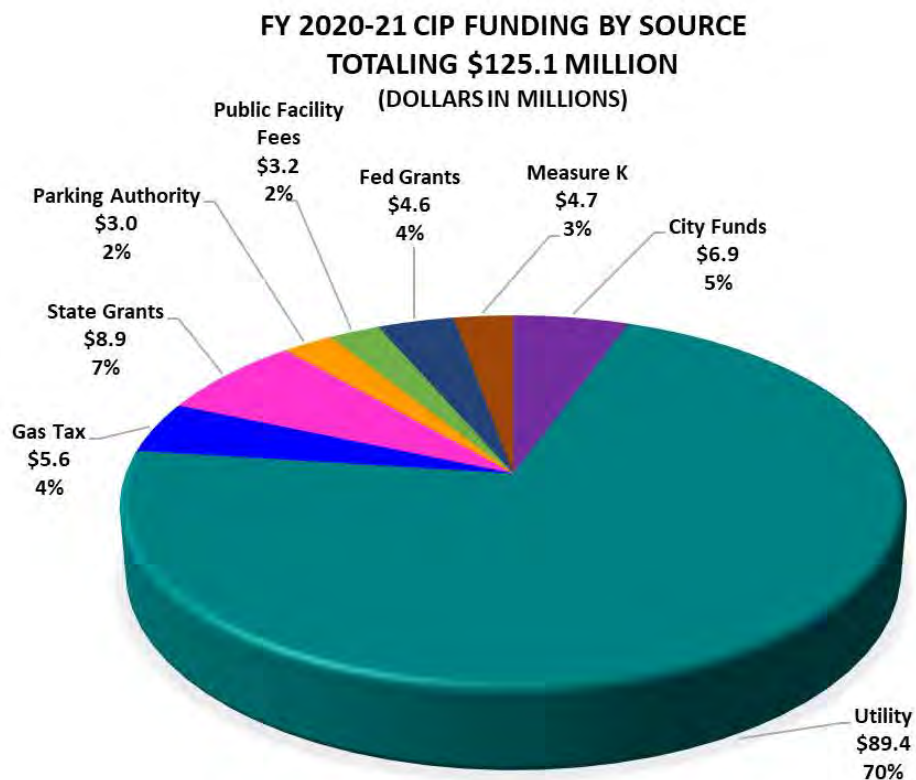
At the end of FY 2019-20, the General Fund projected available balance of \$49.7 million would first be assigned to the Working Capital reserve consistent with the reserve policy. Known Contingency reserves will fund future pension costs, radio infrastructure, public safety facility needs, retention and recruitment efforts, and replacement of the City's financial and payroll systems. With insufficient funding to meet the Known Contingencies reserve target, no additional funds will be available for the Risk-Based Reserves, leaving the \$5.0 million funding level established at the close of FY 2015-16.

Citizens' Advisory Committees

The FY 2020-21 Proposed Annual Budget is also reviewed by three citizen advisory committees. On May 27, 2020, the Measure A Citizens' Advisory Committee reviewed the FY 2020-21 Proposed Budget as it relates to Measure A revenues (page C-7). The Measure W Oversight Committee reviewed the plan for the use of Measure W proceeds (pages D-13 and E-17) by the Police and Fire Departments at its meeting on June 2, 2020. The Strong Communities Advisory Committee reviewed the planned use of Measure M proceeds (page G-9) by the Community Services Department at its meeting on June 4, 2020. The committees made no recommendations regarding the proposed budget.

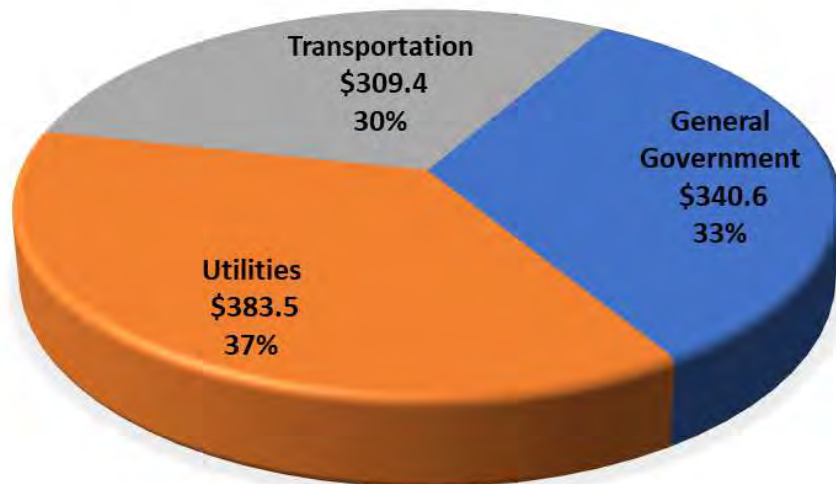
2020-2025 Capital Improvement Plan (CIP)

The CIP is a five-year plan that lists the City's facility and infrastructure needs. On May 14, 2020, the Planning Commission determined that the proposed 2020-25 CIP conforms to the City of Stockton 2040 General Plan as required by Government Code Section 65401. The first year of the CIP is incorporated in the FY 2020-21 Annual Budget for appropriation and is being revised through the attached Budget Addendum. With revisions for anticipated declines in Gas Tax and Measure K revenues, the FY 2020-21 capital project appropriation is revised downward from \$127.3 million to \$125.1 million. Below is an updated breakdown of the FY 2020-21 capital projects by fund source.



The proposed five-year Capital Improvement Plan covers fiscal years 2020-21 through 2024-25 and totaled \$1.03 billion with revisions. Two-thirds of the CIP is related to Municipal Utility projects (\$383.5 million) and transportation projects (\$309.4 million), with other Citywide projects (\$340.6 million) comprising the remainder.

FIVE-YEAR CAPITAL IMPROVEMENT PLAN BY PROJECT TYPE
(DOLLARS IN MILLIONS)



The first year of the CIP is financially constrained and reflect only projects where the City identified funding. The second-year through the fifth year of the CIP reflect the City's unfunded facility and transportation needs in addition to projects with identified or anticipated funding. The majority of the unfunded projects are in the fifth year.

FY 2020-21 Fee Schedule

The FY 2020-21 Fee Schedule reflects new and proposed changes to existing fees in many City departments, including a 2% inflationary adjustment to all fees that is intended to address the increasing cost of providing services. One revision to the FY 2020-21 Proposed Fee Schedule is included in the Exhibit 1 - Budget Addendum. The Community Development and Community Services Departments have been working on establishing a new permit for Temporary Cannabis Permits at special events. The permit and program recommendations will be presented to Council as a separate agenda item. The permit fee is being added to the FY 2020-21 Proposed Fee Schedule and will be valid should Council approve the program. Section 1 of the Proposed FY 2020-21 Fee Schedule lists the proposed new and changed fees, along with reasons for each change. New fees are proposed for Municipal Utilities, Facility & Property Rentals, Library, and Recreation & Leisure. Proposed fee changes include Fire, Municipal Utilities, and Animal Services. Wastewater and water rates are increasing per the currently-approved rate studies. FY 2020-21 represents the final year of the Water Utility's approved rate increases. Several City departments are proposing to inactivate fees.

The FY 2020-21 Proposed Fee Schedule eliminates the Development Oversight Commission Fee reflecting the expiration of the Development Oversight Commission (DOC). The DOC was established according to the 2009 Settlement Agreement approved by City Council in July 2009, settling a lawsuit entitled, "Building Industry Association of the Delta ("BIA") v. City of Stockton, et al. The DOC was active from September 2009 to October 2019. The DOC's role was extended following the completion of the initial term in 2014. On October 20, 2014, the DOC was renewed for a final 5-year term that expired on October 20, 2019. Following the expiration date and pursuant to the existing fee schedule, the City continued to collect the Development Oversight Commission Fee. Consistent with the expiration of the Development Oversight Commission, it is necessary to terminate the fee and remove it from the fee schedule so that the City may stop collecting the fee. The City resolution provides authority for the City to refund amounts paid since October 21, 2019. It is estimated refunds will not exceed \$50,000 from the Development Services Fund 048. Over half of the fees paid since October were less than \$5.00. The largest refund amount to date is \$5,647. Refunds will be limited to payments over \$50 and subject to the 10% refund processing fee up to \$25 listed on Fee Schedule page F-1.

Parking Authority of the City of Stockton

The Parking Authority of the City of Stockton is a public body established by the City Council in Resolution 2013-12-17-1209, pursuant to the Streets and Highways Code, to oversee the parking garages, lots, meters and enforcement activities within the boundaries of the City of Stockton CFD 2001-1 Downtown Parking District.

Revenues derived from fees paid for parking within the district and proceeds from enforcement of parking violations are pledged to first pay the obligation for the 2020 Parking Bond debt service, then operations, maintenance, and any other obligations of the Authority. Taxes assessed on property owners and businesses in the downtown parking district are recorded in this fund and used for parking management and operations of parking facilities and programs within the district. Based on fee increases and the installation of parking payment machines, the FY 2020-21 Proposed Budget reflects a 9% increase in parking operating revenues. Operating revenues showed indications of being down as much as 44% during the first few weeks of the shelter-in-place orders. The full impact of the COVID-19 pandemic on parking revenues is not known at this time and is not reflected in the FY 2020-21 Proposed Budget.

The Authority installed 105 parking payment machines in early 2019 that replaced street parking meters that had been largely stolen or vandalized. In addition, eight additional payment machines have been added to two of the event parking lots to increase efficiency, security, and customer payment options. In FY 2019-20, the Parking Authority refinanced existing parking bonds to save money and to procure \$3 million for capital needs. The bonds will fund much-needed elevator upgrades and the replacement of the revenue control system, including ingress and egress equipment at parking garages and lots, beginning in FY 2020-21. These capital upgrades will add safety, reliability, and efficiency to the facilities and allow staff to provide better services to the parking customers.

Successor Agency to the former Stockton Redevelopment Agency

The Successor Agency depends on the receipt of property tax increment revenue to pay obligations of the former Stockton Redevelopment Agency. To receive the tax increment, the Successor Agency

submits a Recognized Obligation Payment Schedule annually to an Oversight Board and the State Department of Finance. After approval by the Oversight Board, tax increment funds are distributed to the Successor Agency by the San Joaquin County Auditor Controller's Office. The use of tax increment is restricted, and the Successor Agency does not receive excess tax increment. Excess tax increment after payment of debt and administrative costs are distributed to other taxing entities such as the City, San Joaquin County, the State of California (for schools), and special districts.

Successor Agency revenue of \$12.7 million is expected to be sufficient for all debt and enforceable obligations in FY 2020-21. The total FY 2020-21 Successor Agency budget, including transfers and loan repayments, is \$12.7 million. Projected revenues are sufficient to fund administration and the repayment of City loans approved by the State Department of Finance. Based on the available revenues, the FY 2020-21 Budget includes approximately \$4.9 million in loan repayments to the General Capital Fund and Community Development Block Grant (there were \$3.3 million in repayments in FY 2019-20). The Ending Available Balance in the Successor Agency will be retained by the San Joaquin County Auditor-Controller for distribution to other taxing entities, including the City of Stockton.

Other Budget Actions

FY 2020-21 Gann Appropriation Limit

The California Constitution limits growth in local government spending and establishes a maximum limit for expenditures from general taxes. The law, commonly known as the Gann Limit, requires that the limit is recalculated and approved annually by the City Council at the beginning of each fiscal year. The Gann Limit is indexed to specified growth factors approved by the Legislature and applied to revenue appropriations. The City's FY 2020-21 Gann Limit, as calculated \$381,194,553, exceeds the proposed appropriations subject to the limit of \$183,447,933. The City's appropriations remain well within the Constitutional appropriations limit.

Continuation of FY 2019-20 Appropriations

Pursuant to Section 1908 of the City Charter, budget appropriations lapse at the end of each fiscal year if not expended or encumbered. With this requirement in place, programs lose funding at year-end unless Council takes action to continue the appropriation into the following fiscal year. A review of approved FY 2019-20 budget activity suggests appropriation balances of \$2,497,149 should continue into FY 2020-21 for completion of funded activities:

Description	Department	Fund	Not to Exceed Amount
Police Fee Study	Police Department	General Fund	20,000
Washer extractors	Fire Department	Measure W	54,000
Firstwatch System project	Fire Department	General Fund	25,000
Fire Academy	Fire Department	General Fund	100,000
Internet Infrastructure	Community Services	Library	20,149
Tracy Library remodel	Community Services	Library	40,000
Angelou Library remodel	Community Services	Library	20,000
Thornton library remodel	Community Services	Library	40,000
Duct Cleaning at Seifert	Community Services	Recreation	17,000
Repair & maintenance project	Municipal Utilities	Wastewater Utility	175,000
Radio Infrastructure	Information Technology	Radio Equipment ISF	1,986,000

FINANCIAL SUMMARY

The proposed FY 2020-21 Annual Budget as modified in the attached addendum appropriates expenditures of \$787,559,017 for all City funds, \$9,255,602 for the Parking Authority, and \$12,735,634 for the Successor Agency.

The complete documents of the City's Proposed FY 2020-21 Annual Budget, the Proposed 2020-2025 Capital Improvement Plan, and the Proposed FY 2020-21 Fee Schedule are available for review on the City's website www.stocktonca.gov <<http://www.stocktonca.gov>> or in the City Clerk's Office.



May 15, 2020

Honorable Mayor and Council:

BUDGET MESSAGE

It is my pleasure to present the City of Stockton proposed Budget for Fiscal Year (FY) 2020-21. Through the clear direction provided by the Mayor and Council, and the financial acumen of our citywide budget team, this Budget is sustainable (both short and long-term) and aligned to match the strategic priorities of the Mayor and Council. Prior budgets have also met these goals but producing this Budget in the COVID-19 era has made it a more challenging exercise.

The COVID-19 pandemic has had a profound impact on every aspect of our lives. The various stay-at-home orders that are preventing the spread of the virus have largely shut down large segments of the economy that generate the revenues to support municipal government. Even before the COVID-19 pandemic, many California cities were struggling to maintain the status quo because cost increases were generally outpacing revenue growth. However, Stockton's prudent financial practices have put us in a position to sustainably support current service levels while making targeted investments in the community and the organization.

The lessons learned from the not-so-distant past underpin our financial planning and decision-making. The economic downturn that we envisioned and planned for has arrived, although no one could have predicted how rapid and widespread that recession would be. Economists and financial pundits are divided on how and when the economy will recover, and the City's recovery will undoubtedly be a significant challenge for the foreseeable future.

Despite the uncertainty surrounding these issues, we shouldn't lose sight of the progress Stockton has made in the last several years. Our long-term financial planning and modeling is an example for other communities to emulate. That work has informed our decisions and placed Stockton in a solid position as we attempt to navigate the unprecedented impact of a worldwide pandemic.

The Council's commitment to responsibly increase service levels only as we can afford them remains a priority that this document reflects. We continue to benefit from state and local efforts that will fund critical infrastructure projects in the form of enhanced safety, library, recreation, street repair, and transportation services.

BUDGET OVERVIEW

City Council's Strategic Targets and Priorities

In March 2020, the Mayor and City Council conducted a strategic planning session to establish priorities for the upcoming year. While the Council's public portion of the budget process began in January, the process has been embedded in routine actions taken, and direction given, by the

Council. When combined with other public processes, the collective input provided valuable insights to shape this spending plan.

Council's planning workshop culminated in reaffirming the core strategic targets and tiered priorities for the upcoming year. A summary of City Council's Strategic Work Plan follows this message. The homeless crisis maintained the highest priority position, followed by public safety. Highlighted below, and included in the department narratives, are some of the recent accomplishments as well as plans for the coming year to keep the City focused on what is important to the community.

Strategic Target - Public Safety

Accomplishments

- Non-fatal shootings and homicides remained flat compared to a low in 2018. Overall Uniform Crime Reporting also decreased with violent crime decreasing by 0.9 percent and property crime by 3.9 percent.
- Fire responded to approximately 51,000 incidents in 2019 (a five percent increase from 2018) including over 25,000 rescue and emergency medical service responses and nearly 3,500 fires.
- Stockton's participation in National Night Out ranked 9th in the nation out of cities with populations over 300,000.
- Expanded Procedural Justice Training to key community stakeholders, including seven faith-based organizations trained in Implicit Bias alongside members of the Police Department.
- Created the Crisis Intervention Team which is an Integrated Dispatch/Patrol mental health training team where dispatchers ride along twice per month with patrol and mental health professionals to receive training and follow up on referrals.
- Removed nearly 785,000 square feet of graffiti from private property and 76,000 cubic feet of trash from over 270 locations.
- Completed nearly 11,000 fire inspections and over 1,000 fire and building plan checks.
- Received a \$6.5 million Homeless Housing, Assistance, and Prevention grant to further assist with homelessness activities and to help with the implementation of the homeless strategic plan.
- Managed the Homeless Employment Litter Abatement program with Caltrans and Ready to Work to employ homeless individuals to undertake cleanup activities along freeway and highway shoulders, including on/off ramps.

Goals

- Develop solutions to address homelessness including increasing the affordable housing supply.
- Focus on crime reduction, including group gun violence, blight reduction, and outreach for focus areas.
- Strengthen community collaborations and relationships.
- Prioritize resource allocation to focus areas within Council districts.

Strategic Target - Fiscal Sustainability

Accomplishments

- Produced an on-time, structurally balanced Budget, and at the close of the fiscal year, the General Fund working capital reserve was fully funded with reserves at 50 percent of the total reserve target, compared to 45 percent in the prior year.
- The non-profit Truth in Accounting evaluated the fiscal health of the largest (by population) 75 cities in the United States and ranked Stockton #6.
- Contributed \$14.5 million to the Section 115 trust for future pension costs.
- Issued timely audits with no findings, including the Comprehensive Annual Financial Report, which was issued on November 27, 2019, approximately one month earlier than the prior year.
- Refunded \$53 million in water bonds that created over \$19 million in savings.
- Closed the Van Buskirk Golf Course and transitioned the Swenson Golf Course from a third-party operator arrangement to a long-term lease.

Goals

- Adopt annual Budget consistent with the Long-Range Financial Plan.
- Complete water utility cost of service rate study.
- Continue with ERP system implementation.
- Continue to improve bond ratings.

Strategic Target – Economic Development

Accomplishments

- Issued nearly 7,900 building permits worth an estimated \$441 million, including over 1.2 million square feet of new industrial development and a sulfuric acid terminal at the Port of Stockton that is the first of its kind on the West Coast.
- Allocated nearly \$7.5 million to advance affordable housing, address brownfields, support local businesses and provide funds to local non-profits for public services and projects.
- Assisted 68 new or expanding businesses in Stockton.
- Updated the existing Community Profile publication for marketing and business attraction efforts and worked with publications on articles highlighting Stockton.
- Sponsored and participated in multiple events such as the California Hispanic Chamber of Commerce Annual Convention, Code Stack Academy's H2O Hackathon, Annual Industrial BBQ event, State of the City, and Univision NorCal Expo.
- Held an Investors Luncheon for local developers/investors to discuss development opportunities and upcoming projects in Stockton.

Goals

- Develop business incentives and tools for underserved neighborhoods.
- Develop core downtown area.

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- Work with community partners to improve quality of life, increase literacy, retain employees, and develop the workforce.
- Engage business community in workforce development and job placement and develop an employment pipeline for Stockton residents to Stockton employers.

Strategic Target – Infrastructure

Accomplishments

- Awarded the final design, engineering services and construction portion of the Regional Wastewater Control Facility Modifications Project design-build project.
- Completed the Thornton Road and Hammer Lane widening projects.
- Secured a \$8.5 million state grant for the McKinley Park improvements project.
- Negotiated a 10-year franchise agreement with Republic Services and Waste Management for recycling/organics/solid waste collection, processing, and disposal that will ensure compliance with new State mandates to take effect in 2022.
- Resurfaced approximately 28 miles of residential roadways.

Goals

- Continue the Regional Wastewater Control Facility Modification project.
- Relocate City Hall to the Waterfront Towers.
- Construct the new Northeast Stockton Library and Community Center.
- Initiate the second phase of the public safety radio infrastructure replacement project.
- Begin the McKinley Park improvements project.

The FY 2020-21 Proposed Budget supports Council strategic targets and priorities through ongoing operations and new expenditure allocations. Public safety is the highest priority in the General Fund budget, with 55% allocated to the Police Department and 19% to the Fire Department. In addition to ongoing operating costs, there is a continual demand to expand General Fund programs and services. The requests for additional funding were reviewed based on Council priorities and operational urgency. The proposed General Fund budget includes \$150,000 for Mayor and Council district project funds and \$137,000 in additional funding for homeless encampment cleanups. The most notable of the items recommended for additional funding are summarized below by funding source and Council target/priority.

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General Fund

<u>Description</u>	<u>Council Priority</u>	<u>Ongoing</u>	<u>One-time</u>	<u>Total</u>
Radio Infrastructure Replacement Project	Public Safety		5,250,000	5,250,000
Homeless Encampment Clean-ups	Homelessness	418,000		418,000
Police Body Worn Cameras and tasers contract	Public Safety	155,000		155,000
Police Office Training Academy	Public Safety	100,000		100,000
Public Works replace HVAC control software	Infrastructure		75,000	75,000
Economic Development Strategic Plan	Economic Dev.		65,000	65,000
Police Special Mission Overtime	Public Safety	50,000		50,000
Police Training for a second pilot	Public Safety		30,000	30,000
Police Automatic Vehicle Locator software	Public Safety	23,000		23,000
Office of Violence Prevention Overtime	Public Safety	20,000		20,000
Police extradition service fees	Public Safety	20,000		20,000
		786,000	5,420,000	6,206,000

Other Funding Sources

<u>Description</u>	<u>Council Priority</u>	<u>Ongoing</u>	<u>One-time</u>	<u>Total</u>
Fire Dispatch SB438 Implementation Project	Public Safety		787,326	787,326
IT Next Generation Firewall purchase	Infrastructure		360,000	360,000
Police Automatic Vehicle Locator hardware	Public Safety	170,000		170,000
Replace Dispatch Center Power Supply	Public Safety		100,000	100,000
Fire equipment to identify unknown chemicals	Public Safety		85,000	85,000
Economic Development Strategic Plan	Economic Dev.		65,000	65,000
Redesign Library online services	Quality of Life		60,000	60,000
Training for Fire Dept. New Divers	Public Safety		37,500	37,500
Increase Library Wi-Fi Access Points	Quality of Life		13,500	13,500
Replace Library Self-Check Machines	Quality of Life		9,300	9,300
		170,000	1,517,626	1,687,626

Total New Appropriations

956,000	6,937,626	7,893,626
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Many of the above goals will be achieved with assistance from grant funding sources appropriated outside of the City's Annual Budget process. FY 2020-21 will be the first year of enhancing services to the homeless population with a one-time block grant of \$6.5 million through the Homeless Housing Assistance and Prevention program. The program is intended to address immediate homelessness challenges and help move and support homeless individuals and families into permanent housing. A Strategic Homelessness Plan has been prepared to identify how funding should be expended.

Financial Overview

The proposed expenditure budget totals \$783.1 million for all programs, funds, and departments of the City, which is an increase of \$23.7 million or 3% from the FY 2019-20 adopted budget. The increase is primarily attributable to capital project funding including an \$8.5 million grant for McKinley Park improvements, \$5.2 million for the next phase of radio infrastructure replacements, over \$50 million for the Municipal Utilities Department wastewater treatment plant modification

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project, and a previously planned \$5.3 million allocation for the Waterfront Office Towers project. While capital expenses increased in the Utility Funds and Non-Departmental areas, less capital funding was needed in the Capital Project Funds and Community Services. Retirement and general liability insurance costs increased the Insurance and Benefit Fund budgets by \$3.9 million and \$2.3 million, respectively.

The table below summarizes the proposed FY 2020-21 Annual Budget by department or program:

Department	FY 2019-20 Budget	FY 2020-21 Budget	Change
Utilities	\$ 182,387,314	\$ 210,375,304	\$ 27,987,990
Police	135,689,455	139,000,624	3,311,169
Insurance and Benefits	116,416,821	126,651,898	10,235,077
Public Works	62,654,264	66,021,322	3,367,058
Fire	57,453,171	60,049,832	2,596,661
Administration	38,491,581	39,739,140	1,247,559
Non-Departmental	26,669,984	33,092,571	6,422,587
Economic Development	28,458,144	32,448,198	3,990,054
Capital Projects Funds	46,919,359	26,115,142	(20,804,217)
Community Services	39,412,321	25,957,149	(13,455,172)
Community Development	12,264,159	12,658,461	394,302
Debt Service Funds	12,596,485	10,956,052	(1,640,433)
	<u>\$ 759,413,058</u>	<u>\$ 783,065,693</u>	<u>\$ 23,652,635</u>

The FY 2020-21 Budget incorporates thirteen additional full-time positions: six in the Emergency Communications Division of the Fire Department, four in the Solid Waste Division of Public Works, and one each in Utilities, Information Technology, and the City Manager's Office of Performance and Data Analytics. One position in Community Services was eliminated with the flattening of the Library supervisory organizational structure. Combined with seven positions approved mid-year, there was a net increase of nineteen full-time positions.

- The six dispatcher positions in the Fire Department are needed to implement SB 438, which changed local public agency requirements for processing emergency calls so the City's dispatch center will receive live 9-1-1 callers and provided emergency medical dispatch services in addition to dispatching emergency resources.
- The four Public Works positions are funded with recycling revenues and will address expanded state-mandated recycling and solid waste requirements, report on regulated activities, monitor customers' use of containers, and provide education on proper cart usage as part of the new solid waste franchise agreements.
- The additional Municipal Utilities position is funded through the Water Utility and is needed to manage compliance with state water conservation and groundwater regulations.
- An additional Systems Analyst in Information Technology will focus on a more proactive approach to cybersecurity, including daily monitoring of security products and awareness training.

- One position in the City Manager's Office to support the new Office of Performance and Data Analytics providing more visibility into the organization and its processes so City services can be delivered better, faster and smarter.

Citywide estimated FY 2020-21 revenues are \$719.8 million for all City programs, which is an increase of \$52.7 million. Revenues from external sources of \$584.9 million combined with transfers of \$32.4 million, benefit and service internal service fund charges of \$134.9 million, and use of \$30.7 million in fund balance support the total expenditures of \$783.1 million for all funds, departments and programs, resulting in a balanced budget. The \$30.7 million drawdown of available fund balances in various city funds is partially for multi-year capital project appropriations. The General Fund is budgeted to draw on \$18.6 million of reserves to fund \$10.9 million in one-time expenses and \$7.7 million for ongoing expenses in the face of a \$18.9 million decline from FY 2018-19 actual revenues.

Based on continued restrained spending, the overall health of the City's funds is relatively stable given the very uncertain economic environment created by the COVID-19 pandemic. The City has made significant progress toward its reserve targets and funding legal claim liabilities over the last few years. While these efforts should enable the City's finances to weather the COVID-19 induced recession, there are a few potential risks to our comprehensive financial planning efforts. The City generally has minimal control related to these risks that include the current unprecedented economic environment, pension obligations, and general liability obligations.

Unprecedented Economic Environment

General Fund revenues have been adjusted for the anticipated economic impact of the COVID-19 shelter-in-place orders. This recession is unlike any other in history, making it very difficult to estimate its severity and length. Some revenues, like Sales Tax and Hotel/Motel tax, experienced significant declines that immediately reduced revenue projections in FY 2019-20. Other revenues like property taxes will not experience declines until after FY 2020-21. In many of the City's other funds like Entertainment Venues, Parking and Gas Tax, revenue projections remain at pre-recession levels since there is not enough information available to use for a basis for FY 2020-21. Revenues will be diligently monitored in case further reductions are warranted. More details on revenue trends can be found in the Citywide section of this document.

Pension Obligations

Pension obligations remain a significant cost to all City funds, and updates are continuously incorporated in the Long-Range Financial Plan (L-RFP) to ascertain the impacts of CalPERS's decisions and earnings. The City contracts with CalPERS to administer retirement benefits of City employees. As the largest fund of its kind in the nation, CalPERS enlists actuaries and investment professionals to manage over \$375 billion of assets for state and local government employees and retirees. In 2016, the CalPERS Board of Trustees voted to systematically lower the expected long-term average annual investment rate of return (discount rate) from 7.5% to 7.0% to strengthen the long-term stability of the fund, reduce its negative cash flows and ensure it could meet its future obligations. The long-term discount rate adjustment is being phased in between 2018 and 2023. FY 2020-21 will be the first year at the 7.0% investment assumption, while the unfunded liability payments will continue to increase in future years under the planned phase-in period.

The CalPERS discount rate decision creates a gap between what is expected to be paid out for current members and the resources on hand to make those payments (referred to as an unfunded

liability). CalPERS made a twenty-year plan for each member agency to pay down its unfunded liability, which creates a more significant financial burden on the City. The City's annual unfunded liability payment will be \$39.4 million in FY 2020-21 and will rise to \$52.6 million in four years.

CalPERS investment returns were -4% as of March 31, 2020. One year of lower than assumed investment returns results in higher employer contributions for the next 22 years as the resulting unfunded liability is amortized. A negative 5% investment return can increase the City pension contributions by \$364 million during the amortization period. Considering market volatility and revenue pressures stemming from COVID-19, CalPERS will likely consider another downward adjustment to assumed rates of return on investments. In anticipation of potential CalPERS changes, the discount rate assumption in the Long-Range Financial Plan has been adjusted to a 6.5% rate of return phased in over ten years. The City has also set aside \$45 million in retirement trust for pension funding to mitigate these rate increases.

General liability claims costs

General liability claims are difficult to predict, vary significantly in potential cost, and can last several years. Although the City has implemented procedures to manage claims, the associated costs have returned to historically high levels in the last few years. The number of claims and their costs have also caused premium increases for purchased excess insurance. Based on actuarial projections, claims costs are expected to rise again in FY 2020-21. The Budget includes a 25% increase in the internal service fund rate to pay for these expected claims and insurance premiums. The Human Resources Department has contracted with an external claims administrator to improve claims analysis and closure with the goal of long-term cost reductions.

Influencing Factors and Significant Trends

Amid this precarious economy, the City continues to make progress toward Council goals and priorities. Each budget cycle represents a balance between maintaining the City's financial health and addressing needs for services, equipment, and facility upkeep. The cost of maintaining current services levels and the demand for more services continue to challenge available resources, which are even more constrained than in the recent past.

Cost Increases to Existing Service Levels

The cost of doing business continues to increase, as do the regulatory requirements of what and how services are delivered. Most increases are consistent with the assumptions incorporated into L-RFP, but a few go beyond what was expected and are described below.

Employee compensation – A city's primary role is to provide services to its citizens, and most of these services are people-driven. Over two-thirds of the General Fund budget is used toward employee salary and benefits. Labor agreements with all employee bargaining units expired on June 30, 2019. Successor agreements with market and cost-of-living adjustments were implemented for the five non-sworn bargaining units and unrepresented employees in FY 2019-20. The FY 2020-21 Proposed Budget does not include labor-related increases for the four bargaining units out of contract. Results of negotiations will be added when determined and finalized and could add to pressures on limited resources. Minimum wage increases are also increasing costs in many of the City's contract operations, such as entertainment venues and parking.

Utilities – Energy, water, telecommunications, and other utility costs are up \$1.5 million (9.6%) compared to the FY 2019-20 budget, and rate increases are the primary driver. Increasing utility costs are seen most heavily in the departments responsible for City office space, community facilities, parks, and plant operations such as Public Works, Community Services, and Municipal Utilities.

Deferred Maintenance and Aging Equipment

Deferred facility maintenance, aging equipment, and obsolete technologies are citywide concerns, regardless of funding source.

Public safety – Existing fire and police facilities need renovation, and this problem is exacerbated by the City's expanded police workforce. Of the General Fund resources allocated to capital projects in FY 2020-21, \$166,000 will be used to improve Fire facilities. This amount will be combined with \$538,000 already allocated in FY 2019-20 to complete window replacements and painting at various fire stations. Progress was made in FY 2019-20 toward improvements at the main Police facility using \$2.8 million in prior-year funding.

The radio system infrastructure is another critical asset that must be replaced. Over the course of five years, the expected cost is more than \$15 million. Radio infrastructure is made up of physical components that provide the backbone of the communication system and connect the various parts of the system, including dispatch centers, towers, stations, staff, and vehicles. Stockton owns some segments of the current infrastructure and partially relies on commercial telecommunications companies for other parts. Increased demand and obsolescence, if left unaddressed, would put the entire system at risk and could result in slower safety response times or even dropped or stopped communication. The Budget includes a second infusion of funding (\$5.2 million) in FY 2020-21 for the next phase of this projection in addition to the \$3.1 million in FY 2019-20. Grants and other funding sources will be pursued for the third and final phase.

Wastewater facility – The Municipal Utilities Department has embarked on a modification project of its Regional Wastewater Control Facility estimated to cost more than \$222 million. The upgrades are necessary for the City to meet stricter treated wastewater discharge limits required by the State of California. An additional \$50.3 million is included in the FY 2020-21 budget for this project.

Recap of Major Funds

General Fund – Summary

At \$242.0 million, the proposed FY 2020-21 General Fund expenditures appropriation is \$11.9 million greater than in the adopted FY 2019-20 Budget of \$230.1 million. The proposed revenues of \$223.5 million for FY 2020-21 are \$13.0 million less than budgeted FY 2019-20 revenues.

CITY OF STOCKTON

<u>General Fund Budget</u>	<u>FY 2019-20 Adopted Budget</u>	<u>FY 2020-21 Proposed Budget</u>	<u>Change</u>
Tax Revenues	\$ 223,271,158	\$ 209,808,389	\$ (13,462,769)
Other Revenues	13,198,255	13,641,937	443,682
	<u>\$ 236,469,413</u>	<u>\$ 223,450,326</u>	<u>\$ (13,019,087)</u>
 Expenditures			
Police	\$ 129,061,956	\$ 131,896,378	\$ 2,834,422
Fire	45,767,332	46,483,254	715,922
Other Programs	55,241,617	63,621,961	8,380,344
	<u>\$ 230,070,905</u>	<u>\$ 242,001,593</u>	<u>\$ 11,930,688</u>

General Fund – Revenues

FY 2020-21 General Fund revenues are estimated to total approximately \$223.5 million, a decline of \$10.0 million from the anticipated receipts in the current fiscal year, and \$13.0 million compared to the FY 2019-20 adopted budget. Sales, Utility User, Business License, Hotel/Motel, and Document Transfer taxes are all projected to decline in FY 2020-21 as a result of the COVID-19 induced recession. These sources are \$17.4 million less in FY 2020-21 than the actual received in FY 2018-19. Property tax revenues are based on assessed values and set before the COVID-19 pandemic. For this reason, property tax revenues are projected to increase by 3% over the prior year. Other revenue sources are stable, with minor increases in reimbursement and program revenues. Further details are provided in Section B of this document.

General Fund – Expenditures

Proposed FY 2020-21 General Fund expenditures are \$242.0 million. The L-RFP growth assumption is 2% for most non-salary spending. For FY 2020-21, this assumption provides approximately \$995,000 for contract escalations, utility rate increases (where the City is the paying customer), and the impact of inflation on goods and services.

One-time expenses account for more than half of the increase seen in FY 2020-21 General Fund expenditures with \$4.0 million allocated to the Waterfront Office Towers project and \$2.1 million increase in funding for the radio infrastructure project compared to the prior year. Operating expenses across the General Fund increased due to employee market and cost-of-living increases in approved labor contracts, retirement rates, general liability charges, utility rates, and maintenance costs. The assumption for employee vacancies remains at the same level as FY 2019-20, reducing the General Fund employee services budget by \$6.1 million. The Debt Service category is \$1.7 million less than FY 2019-20 with reductions to the City's contingent payment based on declining revenues.

The Police Department budget increased \$2.8 million compared to the FY 2019-20 adopted budget. Police Department salary and benefits budgets increased 1.5% with additional expenses of \$1.2 million from increased retirement rates and \$122,000 in additional overtime for special missions and homeless encampment cleanups. Also included in the Police Department is an

CITY OF STOCKTON

additional \$30,000 to train a second pilot for the air support program and \$100,000 for police officer academy costs.

The Fire Department budget increased by \$716,000 for increased retirement costs (\$300,000), general liability charges (\$248,000), and increased emergency dispatch service costs (\$193,000).

The Public Works Department budget increased \$1.0 million with \$578,000 for salaries and retirement benefits, \$75,000 for the replacement of an outdated HVAC control software, \$135,000 for traffic camera maintenance, and \$150,000 for other maintenance activities.

Council increased the originally adopted FY 2019-20 expenditure budget of \$230.1 million to \$254.1 million during the fiscal year. Current projections for FY 2019-20 estimate total revenues at \$233.5 million and expenditures at \$248.9 million. The General Fund is projected to end FY 2019-20 with an available fund balance of \$49.7 million, of which \$40.3 million is required by City Council Reserve policy to be put toward the working capital reserve as a proportion of the FY 2020-21 expenditures.

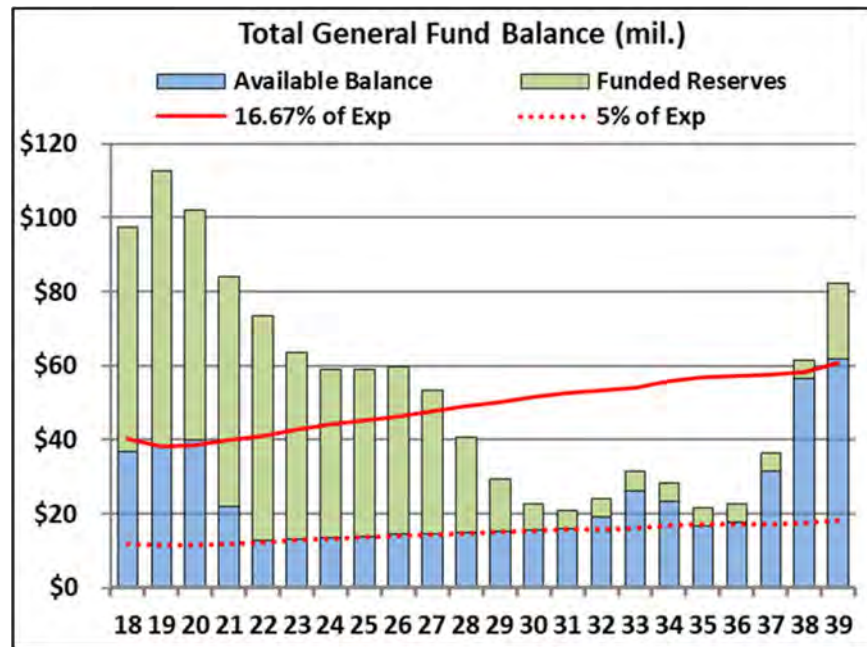
Long-Range Financial Plan

The L-RFP is updated routinely to incorporate actual results and changes in expectations or events. This powerful tool validates and illustrates the budgetary best practice of using one-time savings or revenues on one-time expenditures, rather than towards ongoing costs because the model does not generally support the General Fund's capacity to sustain ongoing increases. Large-scale demands for facilities and infrastructure looming for the General Fund include the ERP project, emergency communications infrastructure, and facility repair and remodel projects across the City.

The L-RFP has been updated to reflect current expectations for revenue, expenditures, and economic conditions as presented to Council on April 28, 2020. The L-RFP incorporates the COVID-19 induced recession, further CalPERS rate of return adjustments, current labor proposals, and the same long-term labor rate assumptions used during the bankruptcy process. Except for FY 2020-21, General Fund contributions to library and recreation activities are limited to the maintenance of effort requirement allowed in the Strong Communities ordinance during the years when the tax is in effect. Because the Strong Communities revenues will be used to increase services, the financial model includes a \$14.7 million General Fund increase beginning FY 2033-34 under the assumption that the transaction and use tax is not renewed.

The following graph illustrates the short and long-term General Fund available balance forecast compared to the target 17% Working Capital Reserve and a 5% warning level.

CITY OF STOCKTON



The graph reflects how the General Fund available balance is anticipated to drop below the goal for a 15-year period between 2021 and 2038 before stabilizing again at or above 17% target required for normal operations. The green bars represent reserves on June 30, 2019, which have been approved by Council and would be utilized as needs within these categories occur. More information on the L-RFP can be found in the General Fund section of this document.

Utility Funds – Summary

The three utility funds present unique long-term challenges. Each utility requires close observation and careful analysis to maintain the appropriate level of fiscal health and meet debt coverage ratio requirements. Maintaining and improving capital facilities is an essential part of the utilities' ability to comply with Federal and State regulations and operate efficiently. The \$210.4 million FY 2020-21 budget includes \$89.4 million for capital project costs, including \$50.3 million for the Regional Wastewater Control Facility Modifications Project.

The Municipal Utilities Department completed a comprehensive wastewater utility rate analysis in FY 2018-19. It included the negotiated construction cost for the Regional Wastewater Control Facility Modifications Project and other necessary capital projects. The rate analysis concluded that beginning in FY 2019-20, an average annual rate increase of 6% was required over the next five years to fund construction and operations adequately.

The approved 2016 Water Rate Study has the fifth and final rate increase scheduled to take effect on July 1, 2020. The new 2021 Water Rate Study was awarded in March 2020 and is expected to be completed by the third quarter of FY 2020-21.

Stormwater fund deficits are so severe that the City continues to delay essential capital projects. The City's prior efforts to increase rates were unsuccessful, so the gap continues to grow. Recent State regulatory requirements have also increased cost pressures on the utility. The combined need to ensure adequate storm drainage and meet heightened regulatory requirements warrants a revisiting of stormwater rates.

CITY OF STOCKTON

The utility master plans for Water, Wastewater, and Stormwater will be updated starting in FY 2020-21. The current Water Utility and Wastewater Utility master plans were both completed in 2008. The new master plans will assist staff in planning and designing infrastructure improvements that support future development and evaluate potentially needed improvements at existing facilities.

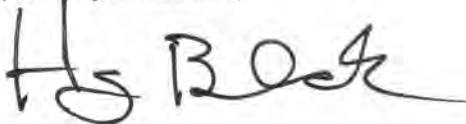
Capital Improvement Program

The FY 2020-21 Capital Improvement Program budget is \$127.3 million, which is a decrease of \$14.0 million. Planned General Government and Transportation projects are down, while Utility projects are up \$14.4 million. The decrease is attributable to the receipt of \$19.9 million in federal grant funds that are received sporadically and a \$19.4 million appropriation for the Northeast Library and Community Center FY 2019-20 capital. Grant funding in FY 2020-21 is \$13.5 million, including \$8.5 million received for the McKinley Park Renovation. The capital plan also includes a \$5.3 million allocation for the Waterfront Office Towers project.

CONCLUSION

This Budget meets our fiduciary obligation to promote the fiscal health of the City well into the future, not just in the short-term. This discipline benefits Stockton today and will benefit the Stockton of the future. Despite the challenges of the COVID-19 pandemic and the associated economic downturn, Stockton is well-prepared, and the City intends to maintain the services on which residents and business owners rely. In the year to come, the City's reserves and other funding will allow critical street, transportation, and construction programs to flourish and provide essential jobs within the community. Each year demands will vary and change, and some will go unfilled, but the City is moving forward in a responsible and enduring manner that will benefit its residents in the years to come.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "H. Black", written over a horizontal line.

HARRY BLACK
CITY MANAGER

CITY COUNCIL TARGETS AND GOALS

CITY COUNCIL 2020 STRATEGIC WORK PLAN DEVELOPED IN THE PLANNING WORKSHOP

Guiding Principles

- Follow our long-term financial plan to ensure financial stability and sustainability.
- Operate in a transparent and open manner to earn and keep trust of our community.
- Create a long-term vision while focusing on meeting day-to-day challenges and taking care of the “small things” that matter to the community.
- Maintain and expand relationships with partner agencies, private sector and organizations to extend capacity in carrying out and funding priority projects.
- Foster performance management, customer service and continuous improvement while supporting the professional development of our employees.
- Measure successes and communicate them to the community.
- Implement voter-approved decisions on taxes and other laws fully with integrity: *honor voter intent*.

The Council established guiding principles, reaffirmed its strategic targets, and updated its Tier 1 and 2 priority goals. While these are the focus of the Council, the ongoing day-to-day operations of the City must be carried out in an efficient and effective way, requiring sound systems and talented people.



CITY COUNCIL TARGETS AND GOALS

2020 Strategic Targets and Priorities

2020 Strategic Targets	
<p>Public Safety: To reduce violent crime and increase public safety, the Stockton City Council adopted the Marshall Plan on Crime. Since the initiative began in 2012, overall crime in Stockton has dropped significantly. Public safety enables the City's economy and communities to thrive.</p>	<p>Fiscal Sustainability: Since filing for Protection under Chapter 9 of the federal bankruptcy code in 2012, the City has maintained its strategic focus on improving fiscal sustainability.</p>
<p>The performance indicators for public safety are:</p> <ul style="list-style-type: none"> • Serious crime rate (UCR Part 1) • Crime rate: Other crimes • Juvenile crime rate • Violence Prevention Program Statistics • Police Department turnover rate 	<p>The performance indicators for fiscal sustainability are:</p> <ul style="list-style-type: none"> • Bond rating • Reserve balance • Accuracy of budgeted expenses
<p>Economic Development: To increase core economic development and quality of life within the City, officials have been working to expand employment and investment in core local businesses and industries.</p>	<p>Infrastructure: Infrastructure maintenance and development enables the city to address deficiencies and accommodate future growth.</p>
<p>The performance indicators for economic development are:</p> <ul style="list-style-type: none"> • Jobs created • Net business license increase/decrease • Valuation of permits issued 	<p>The performance indicators for infrastructure are:</p> <ul style="list-style-type: none"> • Pavement condition index rating • Net investment in capital assets • Capital Improvement Program cost projections • Number of units of affordable housing built

Tier 1 Priorities

Table 1. Tier 1 Priorities

Tier 1 priorities are items that will have the top focus for Council and staff.	
1.1	Develop solutions to address homelessness including increasing the affordable housing supply
1.2	Focus on crime reduction in focus areas
1.3	Prioritize resource allocation to focus areas within Council Districts
1.4	Develop our core downtown

CITY COUNCIL TARGETS AND GOALS

Tier 2 Priorities

Table 2. Tier 2 Priorities

Tier 2 priorities will be worked on as time and resources permit.	
2.1	Develop business incentives and tools for underserved neighborhoods
2.2	Work with education partners to improve quality of life, increase literacy, fund college scholarships and develop the workforce
2.3	Engage private employers and the business community in workforce development and job placement (including individuals with criminal records); develop an employment pipeline for Stockton residents to Stockton employers

Strategic Planning

The City of Stockton established the Office of Performance & Data Analytics (OPDA) in May 2020. Under the direction of the City Manager, the role of OPDA is to establish and implement a comprehensive, integrated performance management program for the City of Stockton that includes:

- A performance scorecard tied to the City's [One Page Strategic Plan®](#) (OGSP®);
- A StocktonStat program to drive cross-departmental performance management;
- An Innovation Lab focused on streamlining municipal processes; and
- An open data portal featuring datasets and dashboards.

The City of Stockton executive leadership team has developed a [One Page Strategic Plan®](#) to accomplish City Council goals. These strategies, plans, and metrics support the vision of making Stockton the best city in America to live, raise a family, and grow a business. The City's vision, objective, and strategies are described below. The specific plans and metrics can be found in the linked [One Page Strategic Plan®](#) and on the City's website.

VISION:

- Stockton will become the best city in America to live, raise a family, and grow a business.

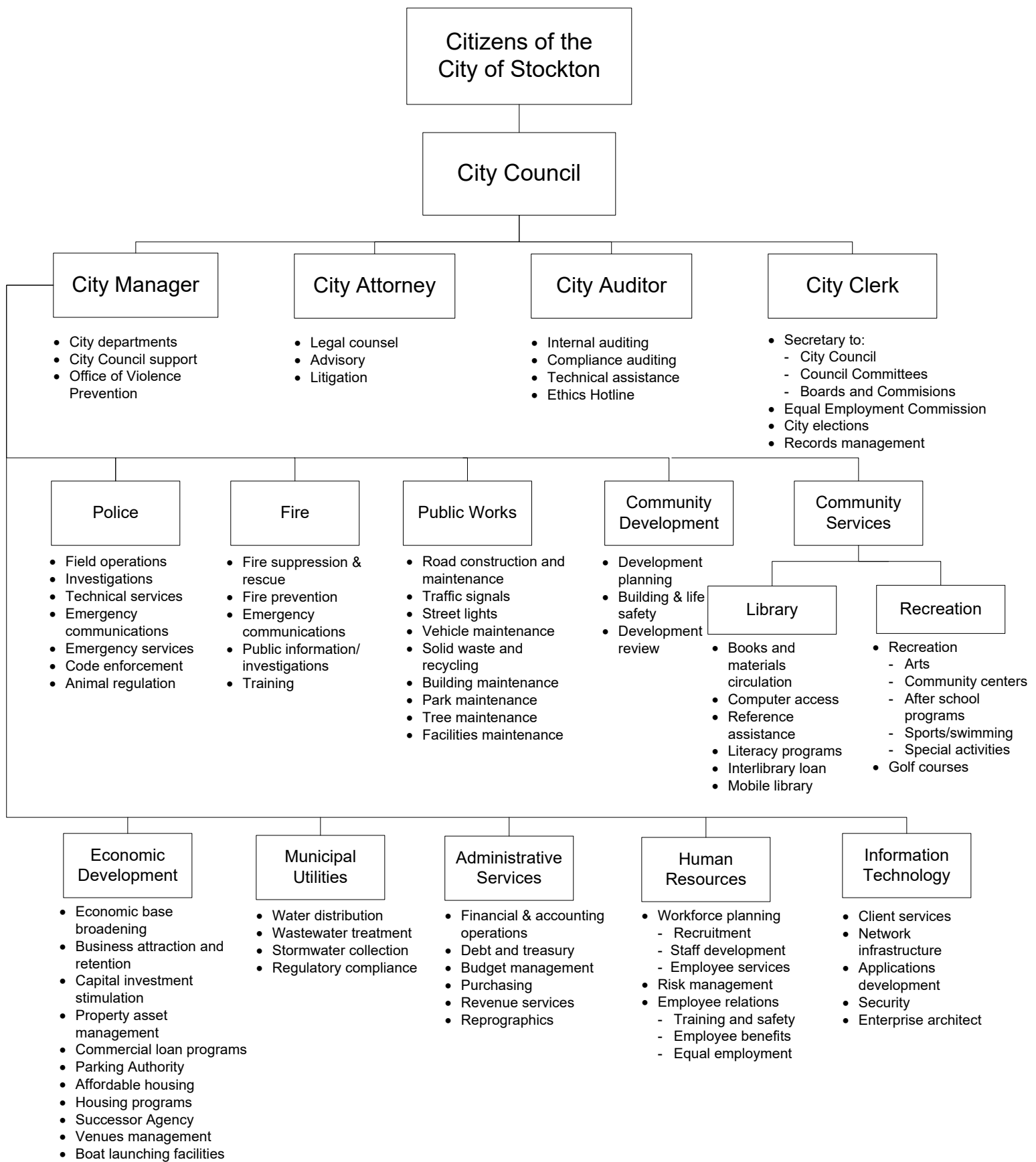
FY 2020-21 OBJECTIVE:

- Provide an exceptional level of customer service to the Stockton community through accountable, innovative, efficient, and effective management of City resources to achieve our vision for Stockton.

STRATEGIES

- Categories include: Safer streets, Growing economy, Housing opportunities for all, Thriving and healthy neighborhoods, and Fiscal sustainability.

TAB 2 CITYWIDE



CITY OF STOCKTON



PERSONNEL SUMMARY

PERSONNEL BY FUND - SUMMARY

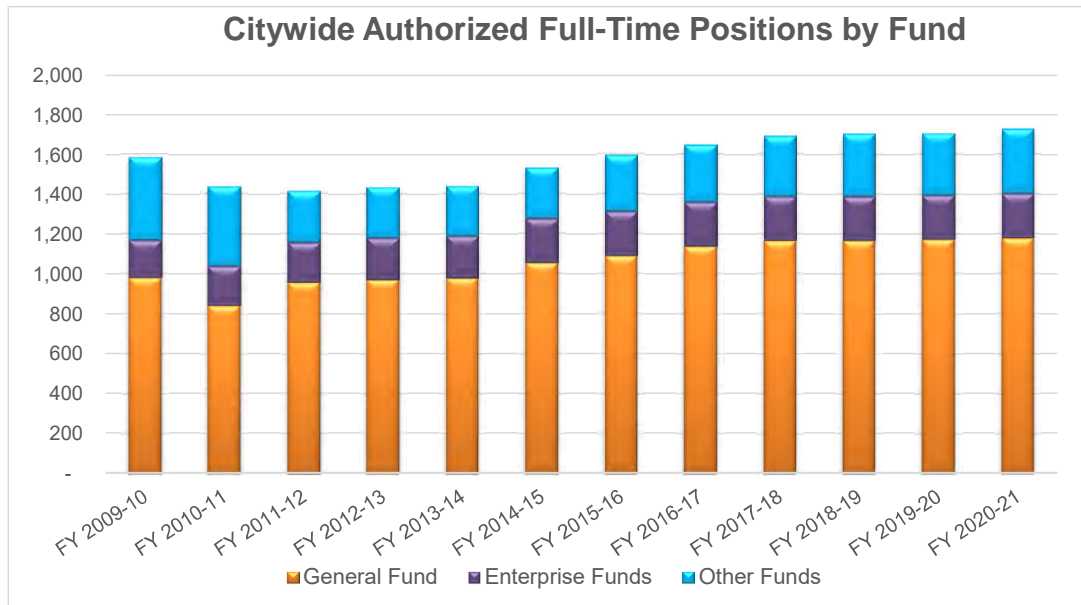
FY 2020-21 Annual Budget

	FY 2017-18	FY 2018-19	FY 2019-20	Staffing Changes	FY 2020-21
General Fund and Tax-Supported Programs					
Programs					
Police	681	682	682	0	682
Fire	177	179	179	6	185
Public Works	54	54	58	0	58
Library	66	66	67	(1)	66
Recreation	24	23	23	(2)	21
Economic Development	8	8	8	0	8
	1,010	1,012	1,017	3	1,020
Administration					
City Council	10	10	10	0	10
City Manager	12	12	12	1	13
City Attorney	12	12	12	0	12
City Clerk	7	7	7	0	7
Administrative Services	80	80	80	0	80
Human Resources	18	18	18	1	19
Non Departmental	3	3	3	0	3
Office of Violence Prevention	14	14	14	0	14
	156	156	156	2	158
Total General Fund	1,166	1,168	1,173	5	1,178
Enterprise Funds					
Parking Authority	5	5	6	0	6
Municipal Utilities	216	216	217	1	218
	221	221	223	1	224
Special Revenue/District Funds					
Community Development Block Grant	5	5	4	2	6
Development Services	47	56	56	5	61
San Joaquin Area Flood Control Agency	5	5	5	0	5
Assessment Districts	3	3	3	0	3
Police grants	8	5	5	0	5
Successor Agency	1	1	1	0	1
Safe Neighborhood Measure W	49	49	49	0	49
Solid Waste & Recycling	9	9	7	6	13
Street Maintenance/ Gas Tax Fund	59	65	64	(2)	62
Strong Communities Measure M	23	23	23	2	25
	209	221	217	13	230

PERSONNEL BY FUND - SUMMARY

FY 2020-21 Annual Budget

	FY 2017-18	FY 2018-19	FY 2019-20	Staffing Changes	FY 2020-21
Internal Service Funds					
Fleet	27	27	27	0	27
General Liability Insurance	3	3	3	(1)	2
Workers' Compensation	3	3	3	1	4
Health Benefits	6	6	6	(1)	5
Information Technology	53	53	51	1	52
Radio	1	1	1	0	1
Document Services	2	2	2	0	2
	95	95	93	0	93
Total All Funds	1,691	1,705	1,706	19	1,725



Summary of Staffing Changes (Detail included in Appendix, pages O-1 to O-24)

New positions approved mid-year in FY 2019-20:

Community Development - Planning and Building positions
Economic Development - Housing positions

Funding Source:

Development fees 5
Housing Grants 2

New positions in FY 2020-21 Proposed Budget:

Fire Department - Fire Telecommunicator II
Fire Department - Call Taker
Public Works - Office Specialist
Public Works - Project Manager I
Public Works - Public Works Field Specialist
Municipal Utilities - Program Manager III
City Manager - Management Assistant
Information Technology - Sr. Systems Analyst

Funding Source:

Dispatch fees/General Fund 2
Dispatch fees/General Fund 4
Solid Waste & Recycling Fees 1
Solid Waste & Recycling Fees 1
Solid Waste & Recycling Fees 2
Utility fees 1
General Fund 1
All City Funds 1

Eliminate Supervising Librarian - Community Services

(1)

Total

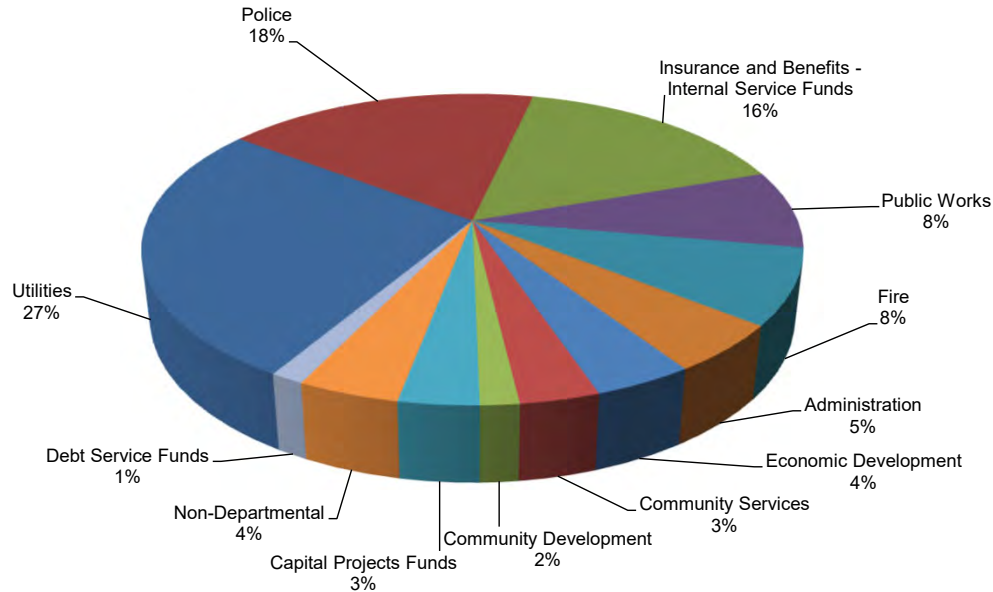
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CITYWIDE BUDGET SUMMARY

City of Stockton
Citywide Expenditures
FY 2020-21 Annual Budget

\$787,559,017



	Operating Budget	Debt Service Budget	Capital Budget	Total	% of Total
Program Appropriations					
Utilities	\$ 98,571,482	\$ 22,449,251	\$ 89,354,571	\$ 210,375,304	27%
Police	143,496,433	-	4,000	143,500,433	18%
Insurance and Benefits - Internal Service Funds	126,953,898	-	-	126,953,898	16%
Public Works	51,053,571	743,782	12,063,969	63,861,322	8%
Fire	61,020,525	-	915,600	61,936,125	8%
Administration	29,945,325	-	9,759,907	39,705,232	5%
Economic Development	25,268,027	3,830,171	3,350,000	32,448,198	4%
Community Services	25,780,149	-	177,000	25,957,149	3%
Community Development	12,657,591	-	-	12,657,591	2%
Non-Departmental Funds					
Capital Projects Funds	1,673,871	-	24,441,271	26,115,142	3%
Non-Departmental	32,992,571	-	100,000	33,092,571	4%
Debt Service Funds	-	10,956,052	-	10,956,052	1%
	<u>\$ 609,413,443</u>	<u>\$ 37,979,256</u>	<u>\$ 140,166,318</u>	<u>\$ 787,559,017</u>	<u>100%</u>

Net Budgeted Expenditures

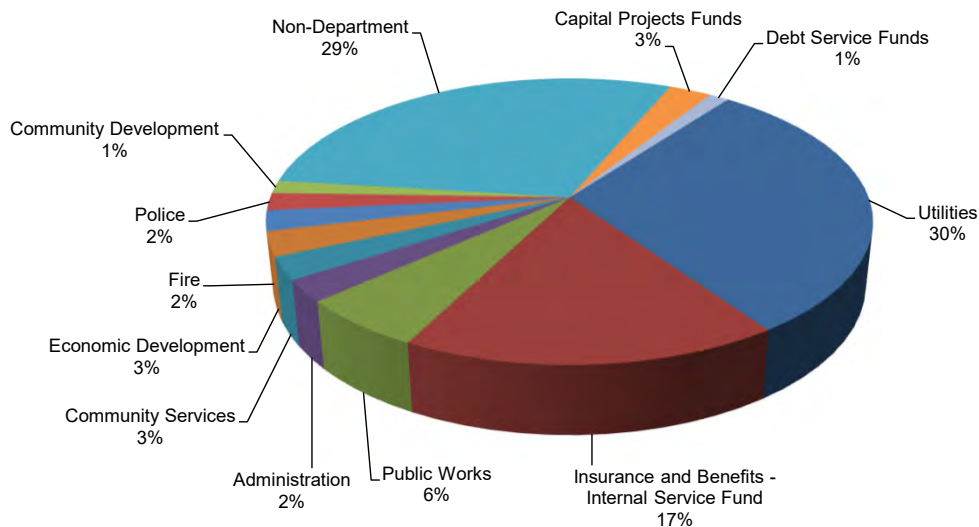
Internal Service Charges	\$ (135,173,728)
Interfund Transfers	(27,312,757)
	<u>\$ 625,072,532</u>

**City of Stockton
Citywide Expenditures
FY 2020-21 Annual Budget**

All Funds - by Fund Type	FY 2017-18 Actual	FY 2018-19 Actual	FY 2019-20 Projected	FY 2020-21 Budget
<u>General Fund</u>				
General Fund	\$ 240,995,628	\$ 230,637,346	\$ 248,894,321	\$ 247,837,393
<u>Special Revenue Funds</u>				
SJA/CA /PEG	1,111,219	885,296	559,495	1,024,197
Asset Forfeiture	15,663	53,178	82,000	292,008
State Citizen Option for Public Safety	573,932	370,148	887,726	917,350
Police Grants Fund	3,916,175	5,670,982	1,882,686	104,500
Street Maintenance/Gas Tax	7,964,731	8,926,400	12,850,329	13,562,010
Library Services	11,198,160	11,312,138	12,710,516	12,272,822
Fire Emergency Communications	2,703,270	2,822,217	3,431,233	4,869,579
Recreation Services	4,788,219	4,567,622	5,072,284	4,624,693
Boat Launching Facilities	110,337	139,489	168,505	192,289
Solid Waste & Recycling	1,494,679	1,464,886	1,792,549	3,046,601
Development Services	10,452,707	10,713,767	13,284,077	14,884,118
Federal Housing Grant Funds	4,295,774	6,863,973	8,135,972	8,447,593
State Housing Funds	-	-	-	609,000
Assessment Districts	4,384,193	4,637,074	6,250,201	6,722,722
Measure W	10,229,065	10,380,932	11,083,404	11,854,792
Strong Communities	3,063,401	6,080,818	18,893,908	8,429,780
Entertainment Venues	7,789,221	9,465,287	8,912,551	9,626,893
Low & Moderate Income Housing	751,339	1,363,670	115,372	988,741
	<u>74,842,085</u>	<u>85,717,877</u>	<u>106,112,808</u>	<u>102,469,688</u>
<u>Enterprise Funds</u>				
Stormwater Fund	4,804,189	6,081,650	7,250,885	7,145,765
Wastewater Fund	52,979,727	51,394,638	123,690,391	145,413,441
Water Fund	39,503,944	38,841,668	48,616,197	57,455,620
Golf Course Fund	2,196,652	2,426,548	1,512,844	597,354
Downtown Marina	512,259	604,393	526,761	548,005
Parking Authority	5,770,778	6,586,661	6,446,420	9,255,602
	<u>105,767,549</u>	<u>105,935,558</u>	<u>188,043,498</u>	<u>220,415,787</u>
<u>Internal Service Funds</u>				
Fleet	11,234,653	11,035,830	13,487,151	13,419,030
Information Technology	12,178,687	11,858,123	19,548,474	17,541,652
Radio	1,130,806	1,255,034	5,991,672	7,414,720
Office Equipment	333,356	341,111	467,489	535,924
General Liability	9,998,876	8,811,946	8,919,552	11,360,754
Workers Comp ISF	7,373,109	9,171,064	11,213,527	11,786,223
Health Benefits	21,816,344	22,953,322	22,835,363	26,208,475
Retirement ISF	53,105,538	59,799,610	66,025,023	74,812,353
Other Benefit Funds	1,999,662	2,117,264	2,326,349	2,786,093
	<u>119,171,031</u>	<u>127,343,304</u>	<u>150,814,600</u>	<u>165,865,224</u>
<u>Capital</u>				
General Capital	20,652,059	4,018,753	2,072,660	7,056,022
Capital Project Administration	-	-	-	4,533,253
Public Art	-	66,666	270,000	461,492
Measure K	16,677,781	10,630,698	20,672,743	8,249,784
Capital Grants	10,949,491	9,910,244	20,189,387	13,777,249
Public Facility Fees	3,034,050	3,199,139	13,446,049	5,584,898
	<u>51,313,381</u>	<u>27,825,500</u>	<u>56,650,839</u>	<u>39,662,698</u>
<u>Debt Service</u>	<u>17,090,639</u>	<u>22,768,492</u>	<u>7,259,963</u>	<u>10,956,052</u>
<u>Permanent</u>	<u>255,238</u>	<u>199,116</u>	<u>321,353</u>	<u>352,175</u>
All Fund Total	\$ 609,435,552	\$ 600,427,193	\$ 758,097,382	\$ 787,559,017

City of Stockton
Citywide Revenues
FY 2020-21 Annual Budget

\$717,483,683



	Taxes	Program Revenues	Enterprise Revenues	Total	% of Total
Revenues by Department*					
Utilities	\$ -	\$ 339,824	\$ 215,323,899	\$ 215,663,723	30%
Insurance and Benefits - Internal	-	123,761,179	-	123,761,179	17%
Public Works	-	41,831,041	-	41,831,041	6%
Administration	-	17,774,339	-	17,774,339	2%
Community Services	9,600,000	8,773,391	-	18,373,391	3%
Economic Development	-	12,719,606	7,126,020	19,845,626	3%
Fire	4,800,000	11,774,457	-	16,574,457	2%
Police	4,800,000	9,206,692	-	14,006,692	2%
Community Development	-	10,304,200	-	10,304,200	1%
Non-Departmental Funds					
Non-Department	198,187,311	13,089,014	-	211,276,325	29%
Capital Projects Funds	-	19,087,751	-	19,087,751	3%
Debt Service Funds	-	8,984,959	-	8,984,959	1%
	<u>\$ 217,387,311</u>	<u>\$ 277,646,453</u>	<u>\$ 222,449,919</u>	<u>\$ 717,483,683</u>	<u>37%</u>

Citywide Revenues with Interfund Transfers

Interfund Transfers	\$ 32,447,603
	<u>\$ 749,931,286</u>

Net Citywide Revenues

Citywide Revenues	\$ 749,931,286
Interfund Transfers	(32,447,603)
Internal Service Charges	(135,173,728)
	<u>\$ 582,309,955</u>

*Excludes interfund transfers

**City of Stockton
Citywide Revenues
FY 2020-21 Annual Budget**

All Funds - by Fund Type	FY 2017-18 Actual	FY 2018-19 Actual	FY 2019-20 Projected	FY 2020-21 Budget
<u>General Fund</u>				
General Fund	\$ 227,530,470	\$ 241,624,524	\$ 233,498,133	\$ 223,082,326
<u>Special Revenue Funds</u>				
SJA/CA /PEG	1,877,460	1,234,065	997,275	1,366,436
Asset Forfeiture	103,894	42,184	75,500	78,000
COPS Hiring Recovery	585,683	370,148	760,308	565,000
Police Grants Fund	3,847,255	5,672,159	1,883,263	104,500
Street Maintenance/Gas Tax	8,757,618	12,387,846	13,354,587	12,654,356
Library Services	6,991,308	6,880,277	7,787,622	7,441,179
Fire Emergency Communications	2,703,270	2,822,217	3,431,233	4,089,579
Recreation Services	1,170,536	1,175,834	989,051	1,203,689
Boat Launching Facilities	188,639	188,171	195,887	199,337
Solid Waste & Recycling	1,524,652	1,786,828	1,555,948	3,143,194
Development Services	11,647,406	13,903,193	12,719,531	12,748,844
Federal Housing Grant Funds	5,340,620	6,072,749	5,549,416	5,721,680
State Housing Funds	208,819	165,304	153,990	59,500
Assessment Districts	4,990,694	6,021,300	5,311,614	5,480,440
Measure W	10,622,053	11,756,500	10,245,000	9,630,000
Strong Communities	10,430,105	11,938,123	10,200,000	9,706,000
Entertainment Venues	4,281,886	5,297,494	5,190,186	5,230,967
Low & Moderate Income Housing	144,705	94,507	61,570	41,000
	<u>75,416,603</u>	<u>87,808,899</u>	<u>80,461,981</u>	<u>79,463,701</u>
<u>Enterprise Funds</u>				
Stormwater Fund	5,694,898	6,731,289	5,602,467	5,529,855
Wastewater Fund	70,635,138	74,059,621	94,639,927	148,304,524
Water Fund	57,612,936	58,060,625	56,055,169	61,489,520
Golf Course Fund	1,621,306	1,572,090	701,757	-
Downtown Marina	240,440	179,517	225,595	251,175
Parking Authority	5,735,816	6,047,354	9,329,276	6,874,845
	<u>141,540,534</u>	<u>146,650,496</u>	<u>166,554,191</u>	<u>222,449,919</u>
<u>Internal Service Funds</u>				
Fleet	12,242,945	12,782,625	12,941,235	13,549,465
Information Technology	15,189,162	15,549,906	18,626,632	14,824,260
Radio	1,955,004	2,090,241	2,427,234	2,395,024
Office Equipment	373,405	441,836	388,491	392,000
General Liability	6,304,236	6,970,805	8,072,016	10,319,000
Workers Comp ISF	11,984,336	12,967,391	11,901,796	11,680,000
Health Benefits	20,603,456	21,371,311	21,317,000	23,881,808
Retirement ISF	60,994,820	63,708,967	66,074,440	75,616,977
Other Benefit Funds	1,568,570	1,400,107	1,960,342	2,263,394
	<u>131,215,934</u>	<u>137,283,189</u>	<u>143,709,186</u>	<u>154,921,928</u>
<u>Capital</u>				
General Capital	783,277	2,955,009	427,203	511,715
Capital Project Administration	-	-	-	4,533,253
Public Art	663	23,095	5,000	-
Measure K	20,860,846	12,909,070	5,622,552	4,100,000
Capital Grants	9,013,339	15,438,808	5,579,570	13,777,249
Public Facility Fees	9,311,690	6,803,115	5,069,704	5,318,787
	<u>39,969,815</u>	<u>38,129,097</u>	<u>16,704,029</u>	<u>28,241,004</u>
<u>Debt Service</u>	<u>8,859,204</u>	<u>40,146,208</u>	<u>22,488,539</u>	<u>8,984,959</u>
<u>Permanent</u>	<u>408,710</u>	<u>406,270</u>	<u>355,937</u>	<u>339,846</u>
All Fund Total	\$ 624,941,270	\$ 692,048,684	\$ 663,771,996	\$ 717,483,683

FISCAL YEAR 2020-21 REVENUES

OVERVIEW

Citywide estimated FY 2020-21 revenues are \$717.5 million for all City programs, which is an increase of \$50.4 million compared to budgeted FY 2019-20 revenues. Revenues from external sources total \$582.3 million with the balance of inflows from interfund transfers (\$32.4 million) and internal service fund charges (\$135.2 million). City revenue will be adversely impacted by protective measures put in place in response to the coronavirus (COVID-19) global pandemic. The economic ramifications of shelter-in-place policies will likely be broad and deep. Since a national emergency was declared in the United States on March 13, 2020, unemployment claims have reached an all-time high. The fallout from COVID-19 has resulted in a sudden contraction of the labor supply, restricted access to many non-essential businesses, and diminished consumer confidence. These factors have led to a sharp decline in consumer spending, particularly in industries involving physical interactions such as retail trade, leisure and hospitality, recreation, and transportation services. Current economic conditions have and will continue to impact state and local government revenues leading to sizable reductions in sales tax and hotel/motel tax revenues, primarily, as well as other revenues from taxes and fees to a lesser extent.

We find ourselves in unprecedented circumstances, which makes predicting future economic activity and the impact on the City's revenues difficult. General Fund revenues have been adjusted for the anticipated economic impact of the COVID-19 pandemic. Some revenues in the General Fund, like sales tax and hotel/motel tax, show significant declines that immediately reduced revenue projections for FY 2019-20. Other revenues like property taxes, will not experience declines until after FY 2020-21. In many of the City's other funds like Entertainment Venues, Parking and Gas Tax, revenue projections remain at pre-recession levels since there is not enough information available to use for a basis for FY 2020-21. Revenues will be diligently monitored in case further reductions are warranted.

GENERAL FUND

The total General Fund revenue budget for FY 2020-21 is \$223.5 million, a 4.3% decrease from FY 2019-20 year-end projections. General Tax Revenue budgets reflect our best estimates based on information currently available regarding the COVID-19 pandemic's impact on the economy. Revenues in the Program Revenues and Interfund Reimbursements categories are less influenced by economic fluctuations. Recessionary adjustments have been applied to most of the revenues in these categories.

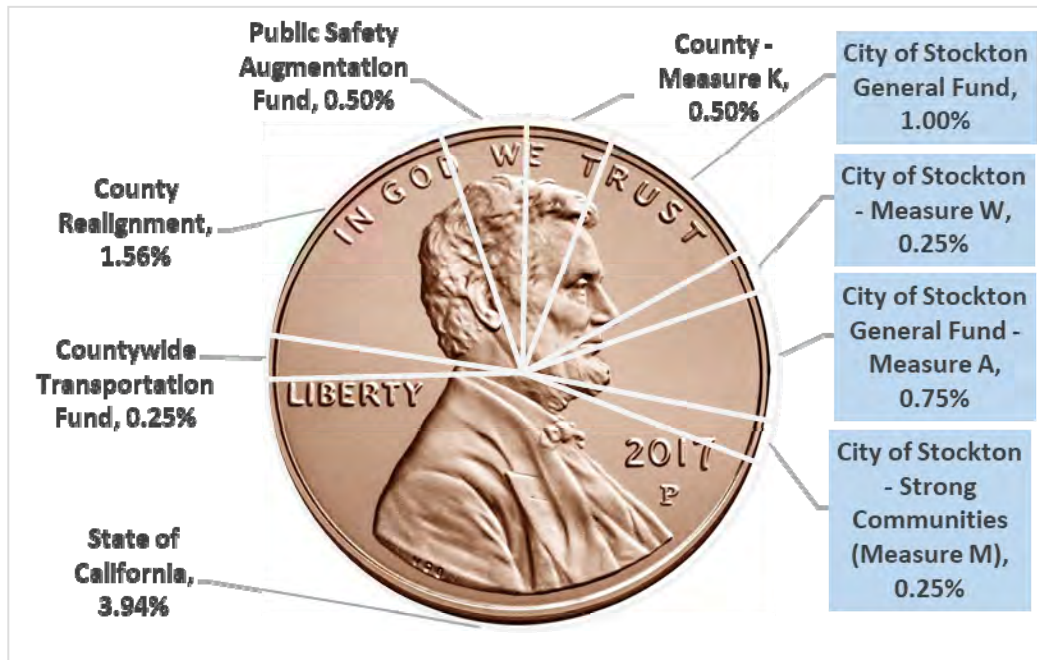
General Tax Revenues

The "Tax" revenue category comprises the majority of the City's General Fund revenues. This category comprises 93.9% of the total estimated General Fund Revenue in FY 2020-21. The estimated FY 2020-21 tax revenue of \$209.8 million is a decrease of approximately 4.5% from the year-end projection in FY 2019-20.

Sales taxes are the largest revenue source in the Tax category, as well as overall General Fund revenues, comprising 37.0% of the Tax category and 32.8% of all General Fund revenue. Sales tax revenue budgeted for FY 2020-21 reflects an 11.8% decrease compared to the revised FY 2019-20 estimate and a decrease of 11.45% compared to the original FY 2019-20 budget.

FISCAL YEAR 2020-21 REVENUES

The sales tax rate in Stockton is 9.0%. For every dollar spent on taxable goods in the City, sales tax revenue is distributed as follows:



Property taxes are a significant source of funds for most California municipalities. Under Proposition 13, the assessed valuation of properties held by the same owner from year-to-year is adjusted annually by the lesser of 2% or the percent change in the California Consumer Price Index (CPI). Property tax revenues can increase by more than the CPI based on growth in assessed valuation from new construction, resale of existing properties, and property improvement projects. Property tax revenue increased due to the higher assessed valuation of residential and commercial properties. The City of Stockton receives about \$0.16 per \$1 of property tax paid by property owners. The FY 2020-21 Budget predicts a \$2.1 million (3.4%) increase in overall property taxes compared to the FY 2019-20 year-end projection. Property tax revenues are based on assessed values established in early 2020, so impacts from development slowdowns will be more evident in future fiscal years.

The Utility Users Tax (UUT) revenue estimate for FY 2020-21 is 3.1% less than the revised FY 2019-20 estimates. The City levies a 6% tax on water, electricity, gas, communications technology, and video services. Multiple factors influence UUT revenue, including population growth, utility rate fluctuations, weather conditions affecting power usage, conservation, and legislation affecting the telecommunications industries.

Franchise Taxes are projected to grow by 1.1%. The City assesses Pacific Gas and Electric Company 2% of the gross receipts representing its sale of electricity and natural gas for a calendar year within the City limits for the use of City streets in the distribution of natural gas and electricity.

The City collects a Cable Television Franchise Tax from any company that provides cable television. The current fee requires each State video franchise holder to pay the City a franchise fee that is 5% of gross revenues derived from subscriptions.

FISCAL YEAR 2020-21 REVENUES

The City receives Waste Haulers Franchise Taxes on residential, commercial and industrial waste collection services provided by Waste Management and Allied Waste.

Business License Tax revenue is projected to decrease by 8.6%. Included in this category are the cannabis businesses which pay an annual business license tax to the City.

Revenue from the Hotel/Motel Room Tax is estimated to return to \$2.6 million in FY 2020-21 after a 35% decline to \$2.2 million in FY 2019-20. The City levies an 8% tax on hotel and motel rentals within the City limits. The City experienced growth in the category over the past fiscal years due to increased occupancy demand.

Based on a projected slowdown in the housing market, revenue from the Document (Real Property) Transfer Tax are estimated to decrease \$405,000 (35%) in FY 2019-20 with a slight recovery in FY 2020-21 of \$80,000 for budgeted revenues of \$780,000. A tax is collected every time a real property exchanges hands or is sold through public records. The documentary transfer tax rate is 55 cents per one thousand dollars of property value transferred.

The Interest revenue category is comprised of investment proceeds and CalPERS prepayment credits. Interest revenues are projected to be lower in FY 2020-21, given economic conditions and budgeted use of reserve funds.

Program Revenues

Fire Contracts revenues include payments to the City for fire protection service agreements with four Rural Fire Protection Districts. District assessment rates are initially determined each year based on a formula that factors in the Fire Department's annual adopted budget and gross taxable property valuation of the City and the Districts. A true-up calculation is made at the end of each fiscal year to adjust the Districts' payment based on actual costs, as reflected in the City's audited financial statements.

Code Enforcement revenues include fines and fees collected from property owners for code violations. If property owners do not pay code enforcement violation fines and fees, the City places a lien on the property and collects the amount due through the property tax bill.

Charges for Services include revenues from City fees to cover all or part of the cost of providing a wide variety of City services. The main revenue sources in this category continue to be related to public safety services. The FY 2020-21 estimate for Charges for Services is approximately 2.7% lower than the amount projected for FY 2019-20.

Fines and Forfeitures include police vehicle, traffic, and parking citations, as well as a small amount from criminal fines. State law allocates a large portion of fine revenues to the State of California and San Joaquin County.

Revenues from Other Agencies includes property taxes passed through to the City from the former Redevelopment project areas, excess tax increment from the Successor Agency, Homeowners' Property Tax Exemption, and Peace Officer Standards & Training (POST) reimbursements. The Homeowners' Property Tax Exemption allocation estimate was calculated using information from San Joaquin County concerning the current year allocation amount. The POST reimbursement for police officer training varies from year to year by the number of officers trained and the State reimbursement formula.

FISCAL YEAR 2020-21 REVENUES

Licenses and Permits include fees such as animal licenses, certain police permits, and cannabis business application and permit fees.

Sale of Fixed Assets revenue is projected to decrease to \$100,000 in FY 2020-21 from the \$395,000 projected in the FY 2019-20 adopted budget as a result of a reduction in the number of City surplus properties for sale.

The Misc. Other Revenues category is used to record those revenues that are miscellaneous in nature and the government fund allowance for uncollectible accounts receivable.

Interfund Reimbursements

The Indirect Cost Allocation category includes the cost recovery allocations for General Fund services provided to all other City funds. Allocations are based on annual Full Cost Allocation Plan updates.

Refunds & Reimbursements are comprised of costs incurred in the City's General Fund that are the legal responsibility of a private party or other separate entity.

Rents/Leases/Concessions are comprised mainly of property rentals, including rent paid to the General Fund by other City funds. The City purchased the Waterfront Office Towers located at 501 and 509 West Weber Avenue during FY 2017-18 and negotiated lease agreements with the existing tenants. The lease revenue is estimated to be \$614,586 in FY 2020-21.

Loan Repayments and Transfers In

For FY 2020-21, the General Fund does not expect any Transfers In from other Funds.

SPECIAL REVENUE FUNDS

Gas Tax Funds – Public Works

Stockton receives gas taxes pursuant to State law, which specifically designates this money for the research, planning, construction, improvement, maintenance, and operation of public streets and highways. California Revenue and Taxation Code (Section 7360) sets the statewide gas tax rate at \$0.18 per gallon. The Road Repair and Accountability Act of 2017 (SB 1) adopted annual inflationary adjustments to all per-gallon motor vehicle fuel excise taxes, including the rates allocated through the Highway Users Tax Account. The State of California transfers Gas Tax Fund revenues to the City based on an allocation formula that distributes taxes collected on fuel sales. The City's gas tax apportionment is expected to decrease 5.2% in FY 2020-21 compared to FY 2019-20. SB 1 funding provides a significant positive impact on the City's street maintenance program moving forward. Gas Tax revenues may be severely impacted by shelter-in-place orders. If actual revenues received in FY 2020-21 are less than the projected budget, the project scopes will be reduced.

Library Fund – Community Services

The City-County library system receives funding from the City's General Fund, San Joaquin County property tax revenues, State library funds, service contracts, fines, and fees for service. In FY 2020-21, revenue from the County and other cities are anticipated to decrease by 4.4% from the FY 2019-20 estimate of \$7.8 million to \$7.4 million. The adjustment in the County

FISCAL YEAR 2020-21 REVENUES

allocation reflects one-time expenses and the use of fund balance. The City's General Fund subsidy of \$4.0 million is expected to remain the same.

Emergency Communications Fund – Fire Department

The San Joaquin County Regional Fire Dispatch Authority was established on August 17, 2015. The purpose of the Authority is to provide emergency and non-emergency dispatch and related services to the general public within the service areas of the cities of Stockton, Lodi, Manteca, Tracy, and the Lathrop-Manteca Fire Protection District. On July 1, 2016, the Authority contracted with the City to provide regional dispatch and administrative services to the Authority. The Emergency Communications Fund was created to account for the revenue and expenditures associated with the contracted dispatch and administrative services.

Recreation Services Fund – Community Services

The Recreation Services Fund is comprised of the recreation sections of the Community Services Department. Revenue is from fees for recreation programs such as sports, instruction classes, after-school and summer camp programs, and rental of facilities such as community centers. Recreation Services is not expected to be self-sustaining and receives an annual subsidy from the General Fund. The General Fund subsidy of approximately \$3.6 million is an increase from FY 2019-20 of \$170,000. Recreation revenues declined in FY 2019-20 with the closure of community centers during the COVID-19 pandemic. The FY 2020-21 Budget assumes that these facilities are fully re-opened during the fiscal year.

Solid Waste and Recycling Fund – Public Works

Revenues for this fund are from a 5% surcharge on waste haulers' gross rate revenues. This revenue is authorized by State Assembly Bill 939 (AB 939-the Integrated Waste Management Act) and was created to fund compliance with the recycling and diversion programs required by AB 939. The revenue estimates assume growth of 106.9% in FY 2020-21 as a result of a change in the share of gross revenues from 3.5% to 5% per the new franchise agreements effective January 1, 2020.

Development Services – Community Development and Fire Departments

Development Services is mostly self-sustaining with full cost recovery fees for development and General Fund support for general planning activities. Development revenues are subject to wide fluctuations based on planning and building activity. The FY 2020-21 revenue estimates reflect the continued growth in industrial development and the housing market.

Community Development Block Grants/Emergency Solutions Grant/HOME Funds – Economic Development

Community Development Block Grant, HOME Program, and Emergency Solutions Grant are grant programs managed by the Federal Housing and Urban Development Department. The City's amount of annual CDBG entitlement increased by 3% from FY 2019-20. The annual allocations for HOME and ESG are similar to that of FY 2019-20. The revenue budgets for these grant programs also include funds received from repayments of housing program loans and Successor Agency loans.

FISCAL YEAR 2020-21 REVENUES

Measure K Fund – Public Works

In 1990, San Joaquin County voters passed a one-half percent sales tax increase dedicated to transportation projects. This original sales tax increase was set to expire in 2011; however, in 2006, voters passed a 30-year extension of the sales tax increase. The San Joaquin Council of Governments administers the Measure K program and distributes 35% (for maintenance).

Stockton receives Measure K maintenance funding on a quarterly basis and historically used this funding for maintenance, local capital projects, and to provide matching funds to leverage state and federal grant programs. Its members, which include San Joaquin County and cities of Stockton, Lodi, Manteca, Tracy, Ripon, Escalon, and Lathrop, receive 35% of the sales tax revenue.

Measure W Fund – Police and Fire Departments

Stockton voters approved Measure W in November 2004, which authorized a one-quarter percent transaction and use tax to be used for police and fire protection services. The Measure W tax proceeds are split evenly between the Police and Fire Departments. Measure W revenues are expected to decrease by 5.9% in FY 2020-21 for total receipts of \$9.6 million.

Measure M - Strong Communities Fund – Community Services

Passed by Stockton voters in 2016, the Strong Communities initiative (Measure M) levies a one-quarter percent transactions and use tax for Library and Recreation services. The initiative went into effect on April 1, 2017 and will sunset after 16 years. Measure M revenues are expected to decrease by 4.0% in FY 2020-21 for total receipts of \$9.6 million.

Entertainment Venues Fund – Economic Development

The Entertainment Venues Fund accounts for the revenues associated with the City's entertainment venues that are managed by ASM Global. The FY 2020-21 budget estimates those revenues at \$5.2 million, a 0.8% increase over FY 2019-20 pre-recession revenue projections. Achieving the projected FY 2020-21 revenues will be dependent on the venues' ability to re-open and any continuing restriction on large scale events. This fund is not expected to be self-sustaining and receives a subsidy from the General Fund. The subsidy for FY 2020-21 is estimated to be \$4.8 million. In FY 2020-21, an additional \$1.5 million was allocated to fund rising operating costs to meet contracted obligations to operate entertainment venues (Arena, Bob Hope, Ball Park, Oak Park).

ENTERPRISE FUNDS

Parking Authority Fund – Economic Development

The Parking Authority receives revenue from parking lots, parking meters, parking enforcement citations, and district assessments. Based on fee increases and updated usage data, the City anticipates total FY 2020-21 parking revenue will decrease by 26.3% from FY 2019-20. The main cause is Bond Revenue proceeds received in FY 2019-20. New on-street parking payment kiosks are stabilizing parking meter revenues. Operating revenues are showing indications of being down as much as 44% during the first few weeks of the shelter-in-place orders.

FISCAL YEAR 2020-21 REVENUES

Water, Wastewater and Stormwater Utilities – Municipal Utilities

The FY 2020-21 budget assumes a water rate increase of approximately 3% based on the Proposition 218 rate study approved in June 2016. The consumption trend is expected to slightly decline or remain constant in FY 2020-21. The revenue associated with the proposed 3% water rate increase and projected water consumption levels in FY 2020-21 do not indicate the need to reinstate the Stage 1 Drought Surcharge.

The department completed a comprehensive wastewater rate study in FY 2018-19 to evaluate the level of revenue necessary to fully support the Utility, including the Regional Wastewater Control Facility Modifications Project. The study anticipates an average annual rate increase of 6% over the next five years, with the second increase of 6% effective July 1, 2020.

The Stormwater Utility is funded by a fee that has not changed since 1992. As a result, the Stormwater Enterprise Fund has been underfunded for several years. The City attempted a Proposition 218 ballot measure in 2010 to approve a new Clean Water fee that would supplement the current fee. The rate study prepared determined the Utility was under-funded by approximately \$9 million a year. The ballot measure failed, and the new user fee was not imposed. With insufficient revenues, the Utility has prioritized capital repair and maintenance activities, and is only performing the most critical work. A study to evaluate the level of revenue necessary to support the Utility will be required and future rate increases are anticipated.

PUBLIC FACILITY FEES FUNDS

Public Facility Fees are development fees the City established to mitigate the impacts of new development. New development creates the need for public facilities such as libraries, parks, fire stations, and transportation infrastructure.

PERMANENT / AGENCY FUNDS

Permanent and Special Purpose funds include money given to the City from individuals or corporate donors, or through program revenues, to fund a specific activity or purpose. The revenue estimates are based on historical revenue and current year estimates.



FUND – DEPARTMENT RELATIONSHIP

City funds by fund type and associated departments

Fund Type	Sub Type	Fund #	Fund Description	Department										
				Administrative Sys.	Community Dev.	Community Services	Economic Dev.	Fire	Human Resources	Information Tech.	Municipal Utilities	Non-Departmental	Police	Public Works
G		10	General Fund											
G	Special Revenue	20	Special Purpose Grant Funds											
G		23	Asset Seizure											
G		24	State Citizens Options for Public Safety											
G		25	Special Revenue Grants											
G		30	Street Maintenance/Gas Tax											
G		34	Transportation Development Act											
G		38	Federal Capital Grants											
G		41	Library											
G		42	Emergency Communications											
G		44	Recreation Services											
G		45	Boat Launching Facilities											
G		47	Solid Waste & Recycling											
G		48	Development Services											
G		53	Special Purpose CDBG Loan Programs											
G		54	Community Development Block Grants											
G		57	Emergency Solutions Grant											
G		58	HOME Grant											
G		60	CALHOME Loan											
G		61	State Housing Loan (HELP)											
G		63	Neighborhood Stabilization Program											
G		64	Neighborhood Stabilization Program #3											
G		71	Lighting Maintenance											
G		72	Assessment District Maintenance											
G		73	Tourism & Business Improvement Fund											
G		74	Storm Drain Maintenance District											
G		80	Measure K Capital											
G		81	Measure W											
G		82	Measure K - Maintenance											
G		83	Strong Communities											
G		86	Entertainment Venues											
G		329	Low & Moderate Income Housing											
G	Debt	201	City Debt Service Fund											
G		231	Successor Agency Debt Service Fund											
G		250	CFD and 1915 ACT Debt Service											
G	Capital	301	General Capital											
G		305	Capital Projects-Bond Funded											
G		306	Public Art											
G		308	Capital Grants											
P	Enterprise	418	Parking Authority											
P		421	Water Utility											
P		431	Wastewater Utility											
P		441	Stormwater Utility											
P		460	Downtown Marina Complex											
P		481	Golf											

Fund Categories: F Fiduciary, G Governmental, P Proprietary

FUND – DEPARTMENT RELATIONSHIP

City funds by fund type and associated departments

Fund Type	Sub Type	Fund #	Fund Description	Department										
				Administrative Sys.	Community Dev.	Community Services	Economic Dev.	Fire	Human Resources	Information Tech.	Municipal Utilities	Non-Departmental	Police	Public Works
P	Internal Services funds	501	Fleet Services											
P		502	Computer Equipment Internal Service											
P		503	Radio Equipment Internal Service											
P		504	Telephone Equipment Internal Service											
P		505	Office Equipment Internal Service											
P		541	General Liability Insurance											
P		551	Workers' Compensation											
P		552	Health Benefits											
P		556	Unemployment											
P		557	LTD and Life Insurance											
P		561	Retirement											
P		562	Compensated Absence											
G	Permanent / Agency	613	Arts Endowment											
G		614	Kolak Trust											
G		622	Cady Endowment											
G		627	Wagner - General Special Revenue											
F		633	Successor Agency											
G		642	General Special Revenue											
G		643	Parks & Recreation Trust											
G		644	Library Special Revenue Fund											
G		645	Police Special Revenue											
G		646	Fire Special Revenue											
G	Public Facility Fees	900	Traffic Signals Citywide											
G		901	Traffic Signals Zone 1											
G		902	Traffic Signals Zone 2											
G		903	Traffic Signals Zone 3											
G		904	Traffic Signals Zone 4											
G		910	Street Improvements Citywide - 910-915											
G		917	Street Improvements Reg Traffic											
G		920	Community Recreation Centers - Citywide											
G		930	City Office Space											
G		940	Fire Station Citywide											
G		950	Library Citywide											
G		960	Police Station Expansion											
G		970	Parkland Citywide											
G		978	Street Trees											
G		979	Street Trees											
G		980	Street Light City Wide											
G		983	Street Light Zone 3 & 4											
G		985	Street Lights Zone 5											
G		990	Air Quality											
G		999	Public Facilities Fee Administration											

Fund Categories: F Fiduciary, G Governmental, P Proprietary



COMMUNITY PROFILE

STOCKTON, CA. COMMUNITY PROFILE

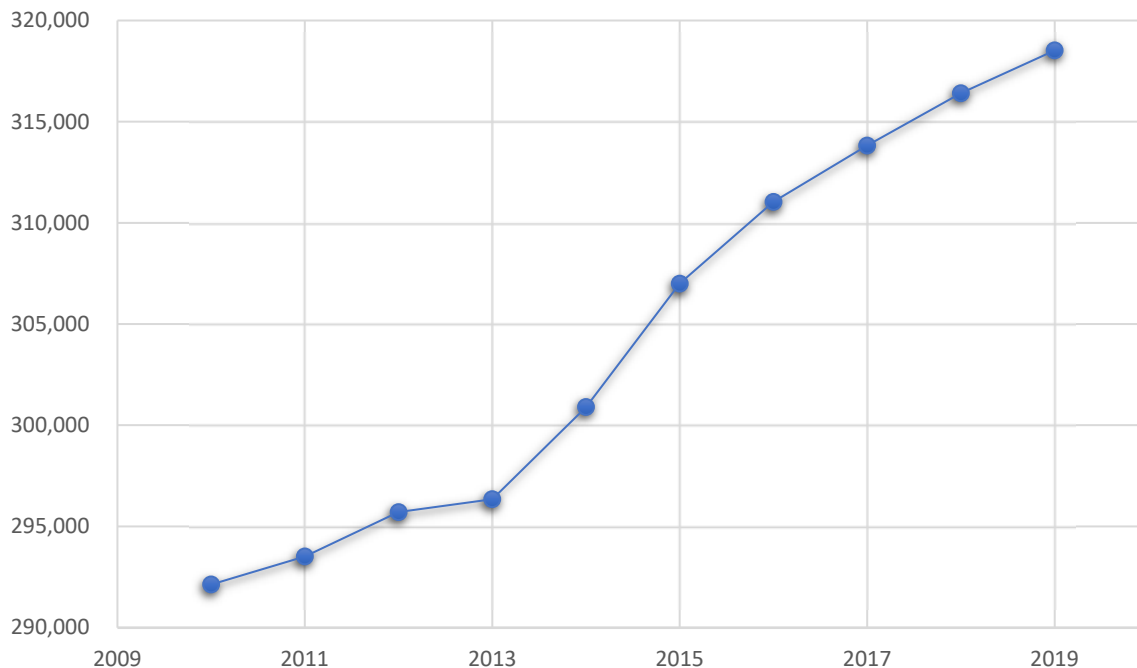
Government

Date of Incorporation: July 23, 1850
Form of Government: City Council/City Manager
City Charter Adopted: November 1922
Full-time Positions (authorized): 1,718
Per 1,000 population: 5.5
Sworn Police Officers (authorized): 485
Sworn Firefighters (authorized): 182

Area

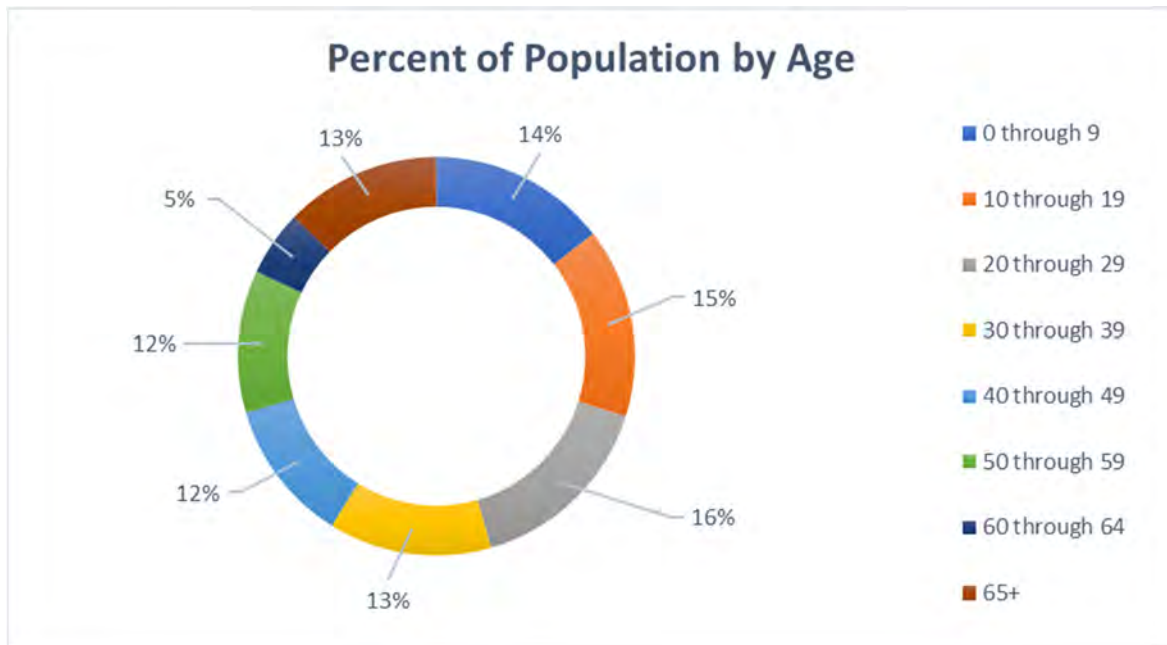
Size: 64.75 square miles
Elevation: 13 feet above sea level
Population: 318,522
Stockton is the 13th largest city in California
Population: Stockton has experienced steady positive population growth for the last ten years, averaging 0.95% per year with an increase of 0.67% in 2019.

Stockton, CA Population Growth

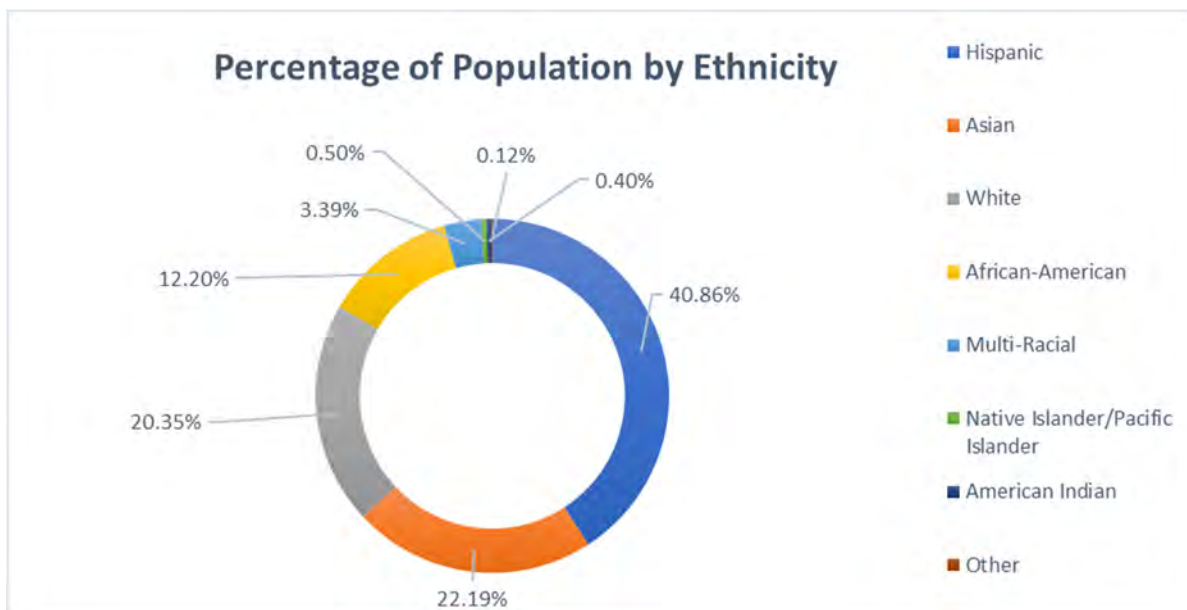


STOCKTON, CA. COMMUNITY PROFILE

Percentage of population broken down by age group.

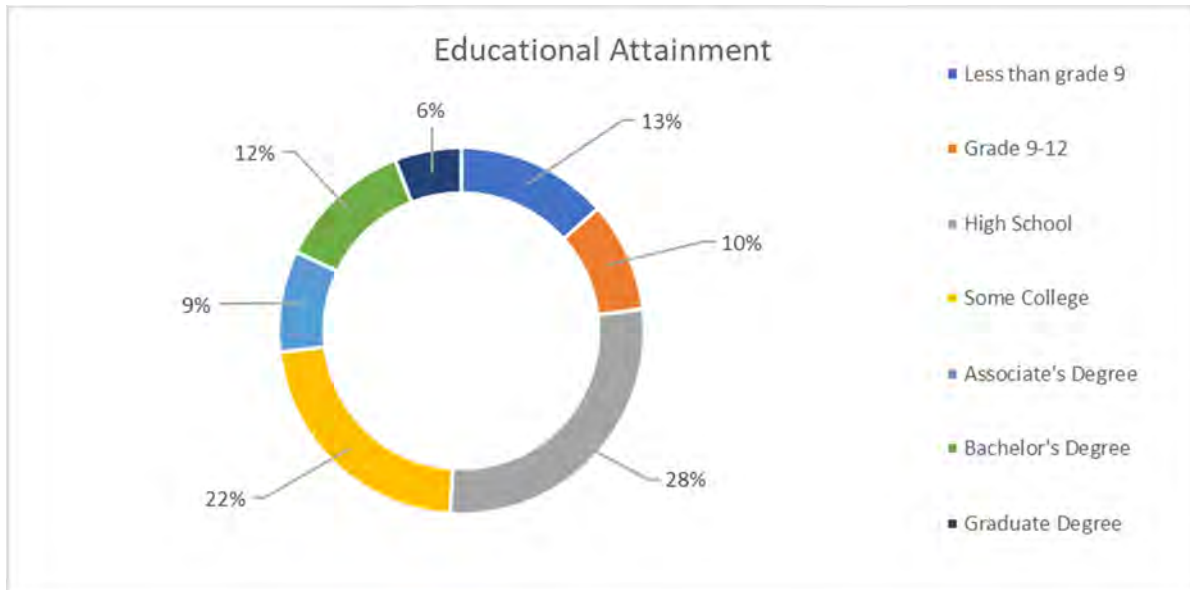


Stockton has a diverse population, with more than 40% of the population derived from Hispanic origin.

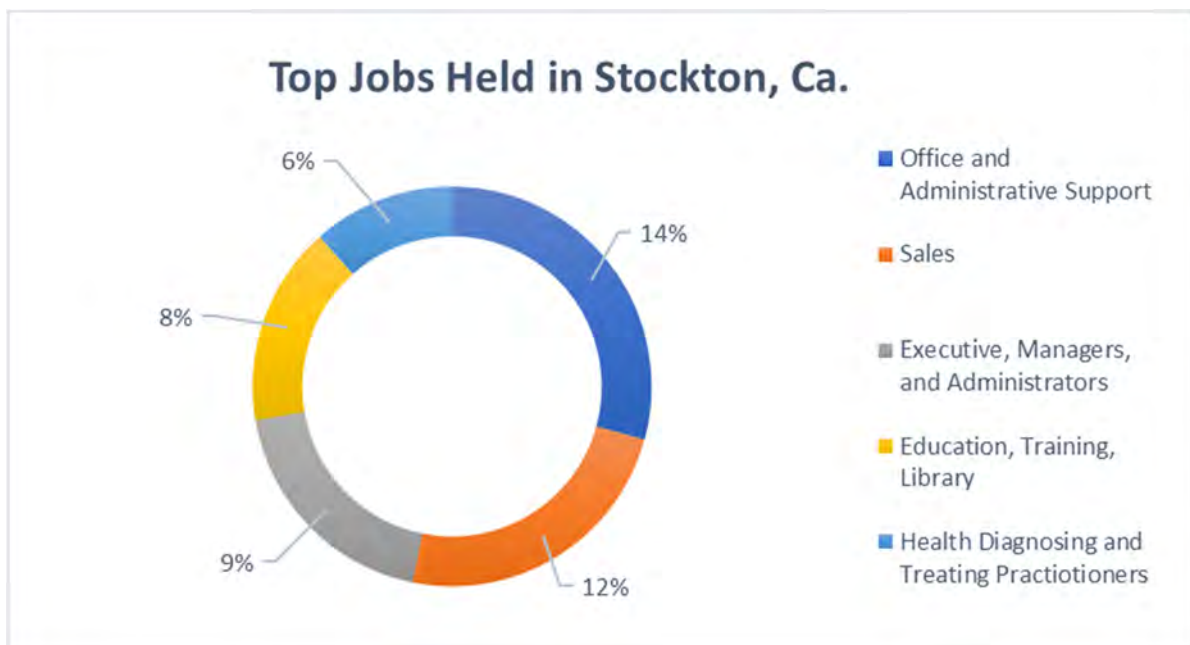


STOCKTON, CA. COMMUNITY PROFILE

27% of Stockton's population has a college degree, with another 22% with some college education.

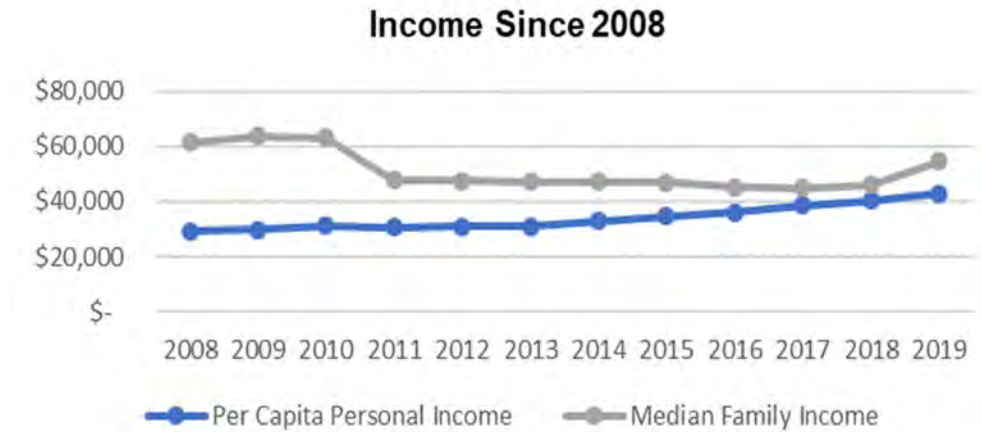


Stockton has a labor force of 139,677 with an unemployment rate of 6.7% which has positively decreased by 1.1% from 2018. Out of this labor force, 49% of jobs are comprised of the following top five career groups.



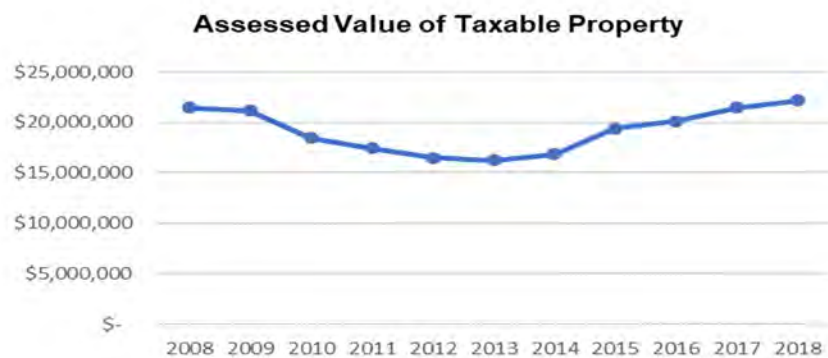
STOCKTON, CA. COMMUNITY PROFILE

Households in Stockton earned a median yearly household income of \$54,640 during 2019, an increase of 19%.



Property assessment values have steadily increased since 2013.

(Dollar amounts in thousands)

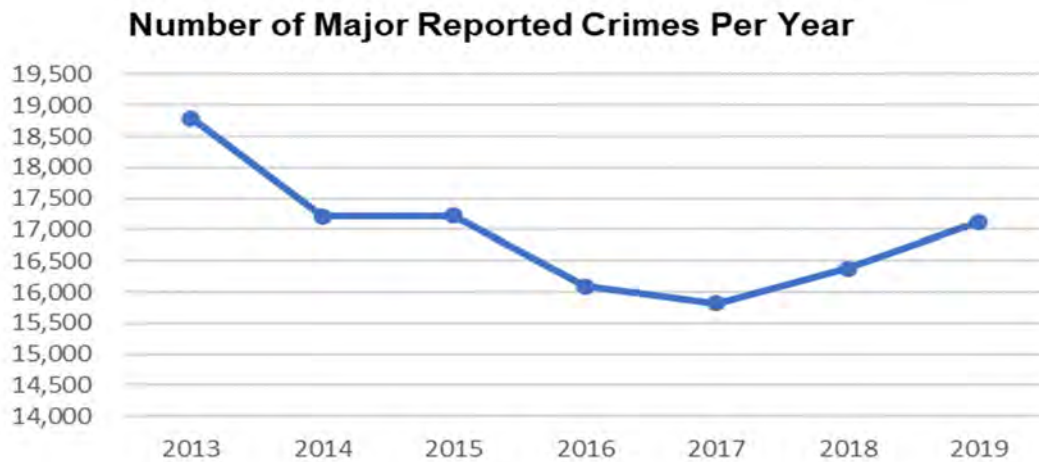


HOUSING (OWNERSHIP VS. RENTAL)



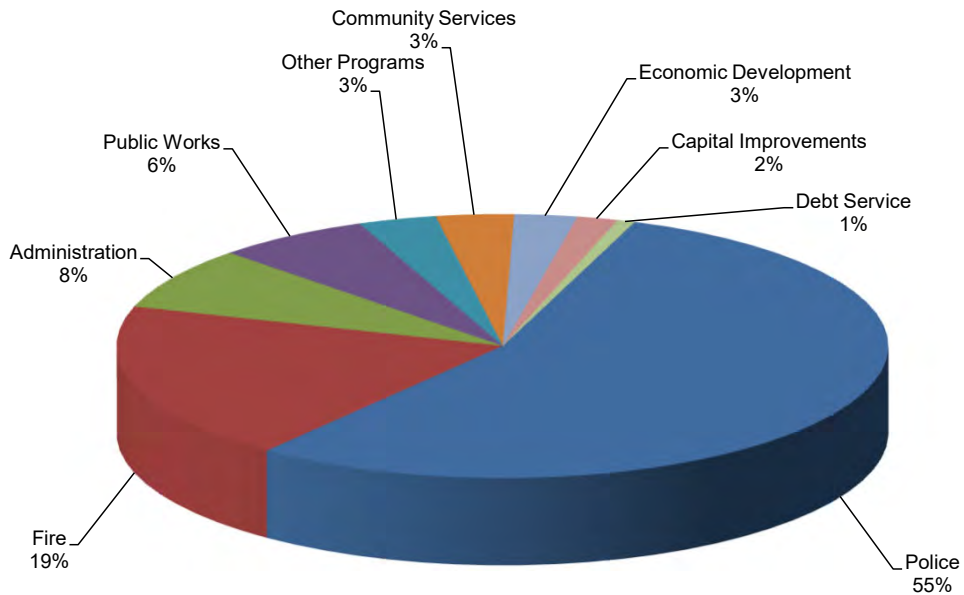
STOCKTON, CA. COMMUNITY PROFILE

While the City has experienced sustained financial and economic stability, Stockton experienced a slight increase in serious crimes in the prior year.



TAB 3 GENERAL FUND SUMMARY

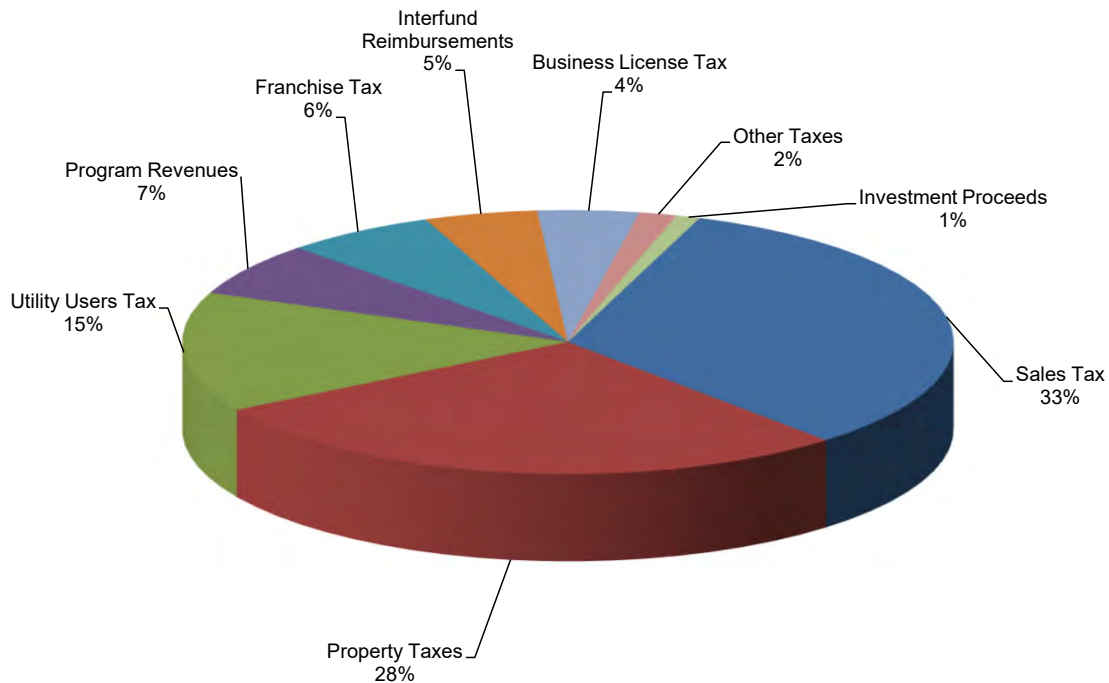
General Fund Expenditures FY 2020-21 Annual Budget



Program Appropriations

Police	\$ 136,160,466	55%
Fire	48,088,874	19%
Administration	18,978,158	8%
Public Works	16,015,900	6%
Other Programs	8,117,245	3%
Community Services	8,100,000	3%
Economic Development	6,534,575	3%
Capital Improvements	4,005,000	2%
Debt Service	1,837,175	1%
	<u>\$ 247,837,393</u>	

General Fund Revenues FY 2020-21 Annual Budget



General Fund Revenues by Category*

Sales Tax	\$	73,303,000	33%
Property Taxes		62,649,000	28%
Utility Users Tax		32,780,000	15%
Program Revenues		14,653,587	7%
Franchise Tax		14,191,000	6%
Interfund Reimbursements		10,609,428	5%
Business License Tax		9,500,000	4%
Other Taxes		3,539,000	2%
Investment Proceeds		2,225,311	1%
Revenues By Category sub-total	\$	223,450,326	
Interfund Transfers		-	
Total Revenues with Transfers	\$	223,450,326	

General Fund - 010
Fund Balance Summary
FY 2020-21 Annual Budget

	<u>FY 2017-18 Actual</u>	<u>FY 2018-19 Actual</u>	<u>FY 2019-20 Projection</u>	<u>FY 2020-21 Budget</u>
Beginning Available Balance	\$ 36,182,997	\$ 36,821,959	\$ 38,576,477	\$ 49,714,975
Revenues	229,544,610	242,342,267	233,498,133	223,450,326
	<u>229,544,610</u>	<u>242,342,267</u>	<u>233,498,133</u>	<u>223,450,326</u>
Expenditures				
Employee Services	146,771,361	151,307,823	154,772,338	165,504,503
Other Services	39,409,352	46,001,136	48,155,913	46,992,545
Materials & Supplies	5,076,590	4,527,884	4,895,173	5,392,480
Other Expenses	2,166,651	2,463,498	4,955,408	4,719,090
Capital Outlay	542,213	466,121	408,763	54,600
Loan Repayment	4,873,669	5,053,931	3,838,175	1,837,175
Transfer Out	42,155,792	20,816,953	31,868,551	23,337,000
	<u>240,995,628</u>	<u>230,637,346</u>	<u>248,894,321</u>	<u>247,837,393</u>
Net Annual Activity	(11,451,018)	11,704,921	(15,396,188)	(24,387,067)
Reserves				
Reserve for future appropriation	(466,570)	(3,891,991)	3,891,991	-
Reserve Policy Contributions	10,972,620	(3,797,000)	-	-
Change in Fund Balance restrictions	1,583,930	(2,261,412)	22,642,695	-
	<u>12,089,980</u>	<u>(9,950,403)</u>	<u>26,534,686</u>	<u>-</u>
Ending Available Balance	\$ 36,821,959	\$ 38,576,477	\$ 49,714,975	\$ 25,327,908
Available Balance Calculation				
Cash		\$ 92,389,771		
Accounts Receivable		13,743,446		
Prepaid Items/Inventory		1,082,549		
Accounts Payable		<u>(8,941,473)</u>		
Total Fund Balance		98,274,293		
Non-Spendable		(4,510,462)		
Encumbrances		(5,275,363)		
Other Commitments & Reserves		<u>(49,911,991)</u>		
Ending Available Balance		<u>\$ 38,576,477</u>		
General Fund balance including funded reserves				
	\$ 36,776,541	\$ 38,576,477	\$ 41,314,493	
	37,240,000	41,037,000	32,070,150	
	4,983,000	4,983,000	4,983,000	
	<u>\$ 78,999,541</u>	<u>\$ 84,596,477</u>	<u>\$ 78,367,643</u>	

FY 2018-19 Working Capital Reserve is included in the FY 2019-20 beginning available balance. Known Contingencies are held in reserves are removed from available fund balance and Risk Based Reserves are held in Fiscal Sustainability and Reserve Fund (012).

Known Contingencies amount for FY 2019-20 is projected subject to Council approval of reserve targets and year end results.

General Fund - 010
Revenues
FY 2020-21 Annual Budget

	FY 2017-18	FY 2018-19	FY 2019-20	FY 2019-20	FY 2020-21
	Actual	Actual	Adopted Budget	Projected	Budget
General Tax Revenues					
Sales Tax					
Point of Sale	\$ 47,011,820	\$ 49,814,495	\$ 48,424,272	\$ 49,263,000	\$ 43,229,000
Measure A Transaction Tax	31,735,727	34,570,561	32,508,651	32,023,000	28,472,000
Proposition 172	1,603,320	1,762,763	1,844,013	1,843,000	1,602,000
	<u>80,350,867</u>	<u>86,147,819</u>	<u>82,776,936</u>	<u>83,129,000</u>	<u>73,303,000</u>
Property Taxes					
Property Taxes	33,068,112	35,342,086	35,857,327	36,171,859	37,023,000
In-Lieu of Motor Vehicle Fees	22,708,979	23,598,797	24,577,718	24,427,101	25,626,000
	<u>55,777,091</u>	<u>58,940,883</u>	<u>60,435,045</u>	<u>60,598,960</u>	<u>62,649,000</u>
Utility Users Tax					
Water	4,750,533	4,583,989	4,822,000	4,540,000	4,442,000
Electric & Gas	21,307,577	21,345,986	22,064,000	22,059,000	21,341,000
Cable	2,635,005	2,605,833	2,553,000	2,675,000	2,564,000
Telecommunications	6,721,966	5,716,580	5,578,000	4,538,000	4,433,000
	<u>35,415,081</u>	<u>34,252,388</u>	<u>35,017,000</u>	<u>33,812,000</u>	<u>32,780,000</u>
Franchise Tax					
Electric & Gas	2,325,883	1,063,441	2,391,000	2,340,000	2,273,000
Cable/Video	2,259,556	2,222,834	2,171,000	2,175,000	2,133,000
Waste Haulers	8,657,577	9,020,276	9,101,000	9,524,000	9,785,000
	<u>13,243,016</u>	<u>12,306,552</u>	<u>13,663,000</u>	<u>14,039,000</u>	<u>14,191,000</u>
Business License Tax	11,914,756	11,557,599	11,941,000	10,395,900	9,500,000
Hotel/Motel Tax	3,193,420	3,376,631	3,400,000	2,200,000	2,609,000
Document Transfer Tax	1,126,240	1,071,041	1,105,000	700,000	780,000
Motor Vehicle License	168,735	-	155,000	250,424	150,000
Investment Proceeds	788,448	6,642,616	3,245,909	2,686,126	2,225,311
	<u>17,191,599</u>	<u>22,647,887</u>	<u>19,846,909</u>	<u>16,232,450</u>	<u>15,264,311</u>
Program Revenues					
Fire Contracts	3,872,299	4,375,395	4,432,189	4,458,735	4,462,636
Code Enforcement	3,863,077	3,705,342	3,617,190	3,597,240	3,677,294
Charges for Services	1,830,898	2,017,761	2,096,603	2,166,536	2,107,754
Fines & Forfeitures	595,447	692,559	358,862	512,506	524,842
Revenues from Other Agencies	4,132,388	4,222,395	2,534,591	2,981,219	2,956,730
Licenses & Permits	509,137	437,234	469,827	528,315	530,735
Sale of Fixed Assets	799,789	52,812	300,000	395,000	100,000
Districts/Area of Benefit Contribution	-	1,164,599	-	-	368,000
Misc. Other Revenues	49,123	28,290	(47,595)	(37,023)	(74,404)
	<u>15,652,158</u>	<u>16,696,387</u>	<u>13,761,667</u>	<u>14,602,527</u>	<u>14,653,587</u>
Interfund Reimbursements					
Indirect Cost Allocation	4,809,750	5,195,253	5,382,463	5,324,716	5,382,463
Refunds & Reimbursements	2,048,637	1,714,982	1,470,896	1,575,820	1,563,157
Rents/Leases/Concessions	3,042,271	3,574,453	3,609,741	3,677,904	3,663,808
	<u>9,900,658</u>	<u>10,484,688</u>	<u>10,463,100</u>	<u>10,578,440</u>	<u>10,609,428</u>
Loan Repayments and Transfers In					
Loan Repayment	53,242	147,919	505,756	505,756	-
From Parking for Debt Service	914,715	714,451	-	-	-
From Districts/Area of Benefits	307,242	-	-	-	-
From General Capital Fund	738,941	3,000	-	-	-
From Other Funds	-	292	-	-	-
	<u>2,014,140</u>	<u>865,662</u>	<u>505,756</u>	<u>505,756</u>	<u>-</u>
Total Revenues	\$ 229,544,610	\$ 242,342,267	\$ 236,469,413	\$ 233,498,133	\$ 223,450,326

General Fund - 010
Revenues by Department
FY 2020-21 Annual Budget

	FY 2017-18	FY 2018-19	FY 2019-20	FY 2019-20	FY 2020-21
	Actual	Actual	Adopted Budget	Projected	Budget
General Tax Revenues					
Taxes	\$ 178,311,493	\$ 184,054,116	\$ 183,760,263	\$ 180,447,759	\$ 170,186,000
Licenses & Permits	166,038	105,412	140,277	207,079	203,971
Intergovernmental Revenue	25,533,390	26,814,790	27,182,309	27,262,072	28,396,058
Charges for Services	-	605	-	153,528	-
Uses of Money & Property	3,672,260	10,069,839	6,705,846	6,214,691	5,739,897
Reimbursements/Other Revenues	4,872,180	5,425,672	5,182,463	5,124,716	5,182,463
Sale of Fixed Assets	799,789	51,910	300,000	395,000	100,000
	<u>213,355,150</u>	<u>226,522,343</u>	<u>223,271,158</u>	<u>219,804,845</u>	<u>209,808,389</u>
Police Department					
Licenses & Permits	343,099	331,822	329,550	321,236	326,764
Intergovernmental Revenue	207,448	477,664	85,000	396,672	336,672
Charges for Services	4,276,502	4,536,229	4,281,488	4,168,598	4,313,496
Fines & Forfeitures	1,158,813	1,183,451	839,255	1,017,670	1,053,257
Uses of Money & Property	371,831	232,506	228,900	211,856	222,463
Reimbursements/Other Revenues	2,070,231	1,588,940	1,884,660	1,969,450	1,972,717
Sale of Fixed Assets	-	902	-	-	-
	<u>8,427,924</u>	<u>8,351,514</u>	<u>7,648,853</u>	<u>8,085,483</u>	<u>8,225,369</u>
Fire Department					
Intergovernmental Revenue	1,269,263	528,738	-	-	-
Charges for Services	4,065,869	4,570,562	4,631,487	4,652,374	4,661,234
Reimbursements/Other Revenues	84,809	87,430	47,000	46,660	47,000
	<u>5,419,941</u>	<u>5,186,730</u>	<u>4,678,487</u>	<u>4,699,034</u>	<u>4,708,234</u>
Public Works					
Uses of Money & Property	13,200	9,600	10,000	10,000	10,000
Reimbursements/Other Revenues	33,743	66,018	27,355	47,267	27,657
	<u>46,943</u>	<u>75,618</u>	<u>37,355</u>	<u>57,267</u>	<u>37,657</u>
Administrative Services					
Charges for Services	48,546	50,245	52,500	46,645	41,025
Fines & Forfeitures	14,536	10,459	4,400	6,727	4,400
Reimbursements/Other Revenues	62,373	116,843	120,200	120,410	100,330
	<u>125,455</u>	<u>177,546</u>	<u>177,100</u>	<u>173,782</u>	<u>145,755</u>
Charter Offices					
Charges for Services	9,345	2,460	10,400	31,824	17,300
Reimbursements/Other Revenues	-	5,500	-	-	-
	<u>9,345</u>	<u>7,960</u>	<u>10,400</u>	<u>31,824</u>	<u>17,300</u>
Economic Development					
Charges for Services	-	711	400	200	400
Uses of Money & Property	145,272	137,503	139,904	139,222	139,222
Reimbursements/Other Revenues	440	-	-	720	-
	<u>145,712</u>	<u>138,215</u>	<u>140,304</u>	<u>140,142</u>	<u>139,622</u>
Loan Repayments and Transfers In					
Loan Repayment	53,242	-	505,756	505,756	-
From Parking for Debt Service	914,715	714,451	-	-	-
From Districts/Area of Benefits	307,242	1,164,599	-	-	368,000
From General Capital Fund	738,941	3,000	-	-	-
From Other Special Funds	-	292	-	-	-
	<u>2,014,140</u>	<u>1,882,342</u>	<u>505,756</u>	<u>505,756</u>	<u>368,000</u>
Total Revenues	\$ 229,544,610	\$ 242,342,267	\$ 236,469,413	\$ 233,498,133	\$ 223,450,326

General Fund - 010
Expenditures by Program
FY 2020-21 Annual Budget

	FY 2017-18	FY 2018-19	FY 2019-20	FY 2019-20	FY 2020-21
	Actual	Actual	Adopted Budget	Projected	Budget
Expenditures					
<u>Programs</u>					
Police	\$ 119,393,268	\$ 124,800,546	\$ 129,061,956	\$ 127,938,254	\$ 136,160,466
Fire	44,601,750	45,378,916	45,767,332	46,208,377	48,088,874
Public Works	12,547,000	13,198,389	15,008,881	15,653,878	16,015,900
Economic Development	1,382,678	1,139,887	1,415,670	3,407,830	1,452,575
Office of Violence Prevention	1,656,716	1,503,008	1,712,164	1,799,215	1,967,245
	<u>179,581,412</u>	<u>186,020,746</u>	<u>192,966,003</u>	<u>195,007,554</u>	<u>203,685,060</u>
<u>Program Support for Other Funds</u>					
Library	3,984,500	3,984,500	3,984,500	3,984,500	3,984,500
Recreation	3,407,000	3,395,500	3,395,500	3,395,500	3,565,500
Entertainment Venues	3,445,000	4,345,000	3,285,000	3,835,000	4,785,000
Development Services	925,000	925,000	825,000	825,000	800,000
Golf Courses	700,000	700,000	700,000	1,050,000	550,000
Downtown Marina	212,000	262,000	262,000	262,000	297,000
Grant Match	117,601	(2,092)	100,000	205,400	100,000
Capital Improvement	10,091,423	156,298	-	580,000	4,005,000
Low & Moderate Income Housing	10,648	29,584	101,151	101,151	-
Radio ISF	700,000	-	3,130,000	3,130,000	5,250,000
Information Technology ISF	-	2,256,149	-	-	-
Retirement ISF	18,562,620	4,765,014	-	14,500,000	-
	<u>42,155,792</u>	<u>20,816,953</u>	<u>15,783,151</u>	<u>31,868,551</u>	<u>23,337,000</u>
<u>Administration</u>					
City Council	754,471	823,247	801,424	1,021,228	994,080
City Manager	1,423,830	1,441,584	1,581,761	1,430,031	1,781,016
City Attorney	1,627,089	1,268,871	1,557,125	1,272,709	1,336,877
City Clerk	796,269	715,729	984,104	891,532	1,001,530
City Auditor	487,316	517,807	613,688	841,681	592,525
Administrative Services	5,120,238	5,166,265	5,666,332	5,437,214	6,025,113
Human Resources	2,033,714	1,974,198	2,299,791	2,065,549	2,481,795
Tax Collection & Election	2,459,295	2,866,073	2,889,000	3,024,567	3,236,600
Other Administration	(861,562)	3,364,259	(1,353,649)	(1,166,780)	(1,317,378)
Labor and Litigation	338,334	443,215	500,000	700,000	500,000
Homeless Program	205,761	164,468	200,000	1,792,311	346,000
	<u>14,384,755</u>	<u>18,745,716</u>	<u>15,739,576</u>	<u>17,310,041</u>	<u>16,978,158</u>
Debt Service	<u>4,873,669</u>	<u>5,053,931</u>	<u>3,582,175</u>	<u>3,838,175</u>	<u>1,837,175</u>
Contingency	<u>-</u>	<u>-</u>	<u>2,000,000</u>	<u>870,000</u>	<u>2,000,000</u>
Total	<u>\$ 240,995,628</u>	<u>\$ 230,637,346</u>	<u>\$ 230,070,905</u>	<u>\$ 248,894,321</u>	<u>\$ 247,837,393</u>

**General Fund - 010
Measures A and B
FY 2020-21 Annual Budget**

	FY 2017-18	FY 2018-19	FY 2019-20	FY 2019-20	FY 2020-21
	Actual	Actual	Adopted Budget	Projected	Budget
Revenues					
Police					
Measure A Transaction and Use Tax	\$ 31,735,727	\$ 34,570,561	\$ 32,508,651	\$ 32,023,000	\$ 28,472,000
Total Revenues	31,735,727	34,570,561	32,508,651	32,023,000	28,472,000
Expenditures (Public Safety Measure B)					
Police					
Salary & Benefits					
Sworn & Non-Sworn	18,787,625	20,638,109	23,828,029	22,471,239	25,256,560
Vacancy Savings	-	-	(904,411)	-	(993,017)
Other Services	1,613,908	1,726,339	2,424,775	2,394,944	2,854,928
Materials & Supplies					
Fuel	226,062	312,503	359,667	318,545	348,096
Other Supplies	213,637	142,380	380,410	396,462	385,825
Equipment					
Radios	8,499	-	-	-	-
Vehicles	240,000	-	-	-	-
Other Expenses					
Training	510,977	528,633	494,107	742,346	595,000
	21,600,708	23,347,964	26,582,577	26,323,536	28,447,392
Office of Violence Prevention					
Salary & Benefits					
Non-Sworn	564,609	621,195	653,384	665,487	863,143
Other Services	275,911	220,279	251,367	350,471	269,353
Materials & Supplies					
Fuel	6,585	5,620	5,752	3,673	6,231
Other Supplies	5,647	5,060	35,000	25,526	35,000
Equipment					
Office Equipment	10,494	3,467	3,979	2,542	3,979
Other Expenses	10,363	19,741	20,250	20,158	20,250
	873,609	875,363	969,732	1,067,857	1,197,956
Total Expenditures (Measure B)	\$ 22,474,317	\$ 24,223,327	\$ 27,552,309	\$ 27,391,393	\$ 29,645,348
Measure B expenditures as a % of annual Measure A revenues	71%	70%	85%	86%	104%



LONG-RANGE FINANCIAL PLAN

Introduction

The City of Stockton continues to focus on the City Council's strategic goals including fiscal sustainability. As part of that effort, the City maintains a comprehensive and detailed long-term forecast for the City's General Fund, referred to as the Long-Range Financial Plan (L-RFP). The L-RFP serves as a tool for sound decisions, accurate projections and financial management of the City's General Fund and supported other funds. This financial planning tool was developed during the City's bankruptcy process to demonstrate that the City could achieve financial stability with restructured debt. The L-RFP was reviewed by the Federal Court and creditors as the foundation for the Plan of Adjustment. The Plan of Adjustment is the City's bankruptcy exit plan and was approved by the court. Since 2012, Fiscal Sustainability has been one of the City Council's main strategic goals, and all financial actions are evaluated in the light of future implications. The L-RFP is an integral part of maintaining and evaluating the City's success in addressing this goal.

The L-RFP calculates, predicts, and offers a visual snapshot of the City's General Fund financial position for the next two decades. It is dynamic and City staff make adjustments as new revenue and expense data becomes available. More importantly, the L-RFP is used to evaluate the future impact of hypothetical changes that can cause short or long-term problems. The model enables informed decision making by showing both short-term and long-term affordability of those decisions.

The City continues to revise and update the L-RFP model. Predicting future budgets is challenging, particularly in the current environment, because of the wide number of variables, including economic, demographic and policy, that can shape the City's financial future. Many of these variables, such as the COVID-19 pandemic and the associated economic consequences, are beyond the City's control. However, it is possible to make reasonable assumptions based on historical trends, knowledge of our specific environment, and fiscal maturity.

Forecasts are predicated on reasonable and relevant assumptions. Applying these assumptions of the future to financial data at a point in time creates the L-RFP model. The model is a living tool which is updated as necessary to account for inevitable future changes. This guiding document is the backbone of the financial decision-making process for the City. Key attributes of the L-RFP are:

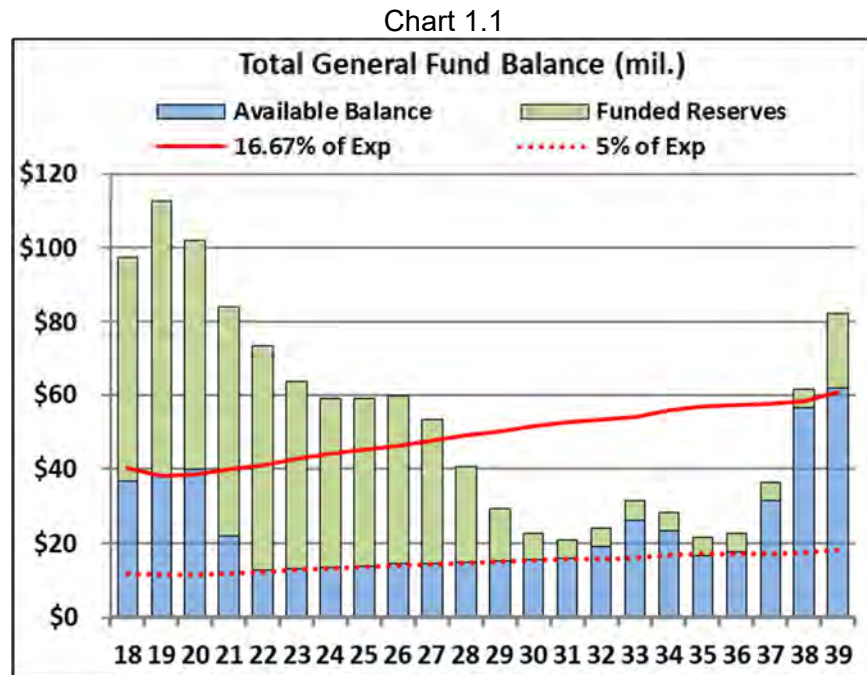
- Transparency - clear assumptions based on realistic rather than overly conservative or overly optimistic trends relative to revenues and expenditures.
- Fiscal Discipline - precludes wishful thinking about the City's capacity for revenue growth.
- Forward-Thinking - measuring significant financial decisions against the assumptions in the model avoids the perils of short-term focus without identifying and taking into consideration long-term impacts of policy decisions.
- Modeling "what if" scenarios - tests the long-term impact of fiscal decisions on the long-term fiscal position of the City.

Most city forecasts utilize a 5 to 10-year time span, while Stockton's L-RFP measures a 20-year span. The much longer and more intricate model developed by Stockton proved its value through the toughest of tests: examination by all parties during bankruptcy proceedings. Using the L-RFP, the City strengthened its financial condition and is now recognized as being one of the most financially-solvent cities in the country.

LONG-RANGE FINANCIAL PLAN

Long-Range Financial Plan Update

Chart 1.1 shows the current General Fund Balance and Reserve in the L-RFP as reflected in the proposed FY 2020-21 Budget. The displayed years include ending balances for FY 2018-19 actuals, FY 2019-20 projections, FY 2020-21 Budget, and projected revenues and expenses from FY 2021-22 through FY 2038-39.



The essence of a forecasted picture is the fund balance status. Because city budgets cannot operate with fund balance deficits, the L-RFP must consistently result in a positive fund balance over time. The size of the fund balance chosen by a city can vary but must be large enough to sustain the organization through unexpected adverse conditions. The Government Finance Officers Association recommends a minimum reserve level of 16.67% just to support operations and account for cash flow fluctuations. Additional reserves are recommended if conditions warrant, and examples include deferred maintenance, significant future cost increases, or anticipated changes.

As the chart indicates, the City is currently generating a General Fund available balance above the 16.67% goal that will begin to fall below the recommended level by FY 2020-21. However, the available balance remains above the 5% minimum at all times. This conclusion is based on the numerous assumptions utilized in the model. These assumptions reflect several factors, including the current COVID-19 economic slowdown and projected future slowdowns and the significant impact of pension costs that are predicted to be assessed by the California Public Employees' Retirement System (CalPERS). As shown above, the model predicts the City's General Fund balance will begin to decrease in FY 2021-22 and will reach the 5% reserve level in FY 2030-31 and generally stay at that level for several years before starting to increase. The 5% reserve level is the minimum acceptable level and a warning that cost-cutting measures may be necessary.

LONG-RANGE FINANCIAL PLAN

General Fund Reserves

In 2016, the City Council approved revisions to the Reserve and Fund Balance Policy – General Fund to set guidelines to fund reserves and plan for future years. The reserve policy sets a working capital reserve level at 16.67% of the annual expenditures (or two months of spending) in any given year. The policy also requires evaluation of known contingencies and future pressures, and Council reserved funds for future priorities when implementing the policy. In prior years, Council reserved funds for a new City Hall, the recruitment and retention of staff, improved financial and human capital management systems, and infrastructure maintenance. The reserves established by the policy will enable the City to maintain service levels during economic downturns.

The L-RFP incorporates the reserve policy. The current version of the L-RFP includes the working capital reserve and integrates reserve goals for known contingencies and risk-based reserves. The known contingency reserves include funding for crucial projects and expenses the City anticipates:

- CalPERS costs
- Employee recruitment and retention
- Replacement of the legacy financial system
- Radio infrastructure
- Police facility improvements

In any given year, the City reserves funds for known contingencies after meeting the working capital goal. Although \$41 million was designated for the known contingency reserve at the close of FY 2018-19, the identified need for known contingencies is far greater. For example, unfunded infrastructure plans are nearly \$400 million.

The third component of the reserve policy is planning for unknown risks such as a severe economic downturn or catastrophic infrastructure failure. The City reserved approximately \$5 million for these uncertain risks. Once the known contingency target is met, the City will allocate additional funds to this portion of the reserves.

Recession Cycles

Economic downturns in the United States and the world economies are a reality that the City needs to consider in its long-term forecast. Later in this section, Chart 1.2 illustrates the history of economic slowdowns going back to the 1927 Great Depression. Unfortunately, there will be another recession to add to this chart when the data from the current downturn is complete. At this time, there is still a great deal of uncertainty about how long the stay-at-home orders will last, and how the economy will respond once the orders are relaxed. But from this historical data, the City can make some reasonable assumptions about the intervals between future slowdowns. What is not as predictable is the severity and length of time of any given economic downturn.

Using the history of economic downturn data displayed in Chart 1.2, recessions have occurred in the United States on an average of every 5.7 years since 1933 and every 6.6 years since 1961. The L-RFP assumes recessions every seven years starting in FY 2019-20, with an associated 5% reduction in most revenue categories. The current COVID-19 induced recession assumes additional decreases above the modeled recessions. As to the severity and time lag in revenue

LONG-RANGE FINANCIAL PLAN

recovery, the model assumes the City to recover 90% of the past reduction in revenue within three years.

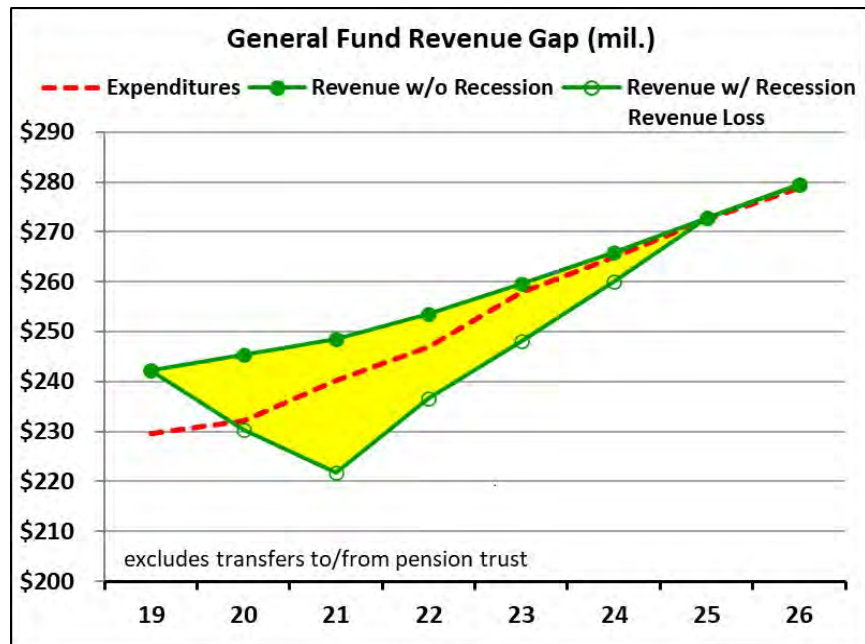
Chart 1.2



The City's model has been updated to forecast revenues during this unique environment of a global pandemic and widespread stay-at-home orders. This recession is different from past downturns in its abruptness, scope, and uncertainty. The pandemic recession is dramatically impacting certain industries like tourism, while other sectors experience expansion. The Council's focus on fiscal sustainability has the City starting from a better financial position than many other local governments. Stockton also has a diverse revenue base that is not heavily dependent on a single industry. The City was also experiencing healthy growth that had not yet been incorporated into the L-RFP. It is still too early to determine the full impact of the COVID-19 pandemic on City revenues and operations. The updated L-RFP includes preliminary estimates by revenue source and sector. As shown in Chart 1.3, projections show a \$50 million gap between pre-recession revenue trends and revised COVID-19 forecasts.

LONG-RANGE FINANCIAL PLAN

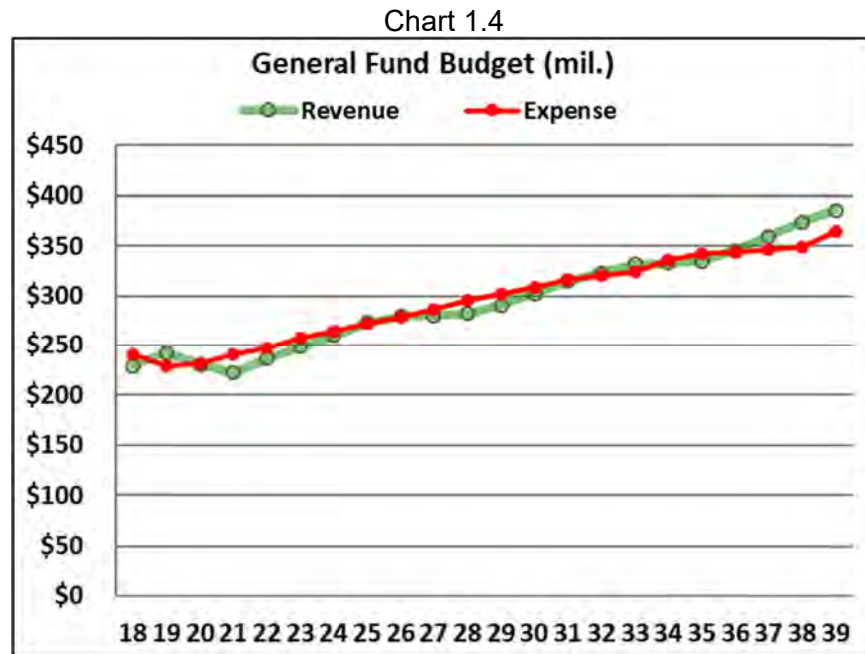
Chart 1.3



General Fund Revenue vs. Expenses

As illustrated in Chart 1.4, General Fund expenditures are projected to generally exceed or be level with General Fund revenues for the next fifteen years, beginning in FY 2020-21 and continuing until FY 2035-36. For the remaining years of the forecast, revenues are projected to meet or exceed estimated expenses. The most substantial gap between revenues and expenditures is expected in FY 2021-22 when the L-RFP anticipates an imbalance of approximately \$18 million. The primary cause of this imbalance is anticipated increases in retirement liability costs. CalPERS is implementing a multi-year strategy to close its unfunded liability and establish a set of actuarial assumptions designed to keep the pension system stable and sustainable for the long-term. It is a necessary but painful fact that implementing this strategy can only be done by increasing the costs paid by the governmental organizations that comprise the pension system. To reduce the financial strain on member organizations, CalPERS is amortizing the costs over time.

LONG-RANGE FINANCIAL PLAN



The value of the L-RFP is that it enables the City to model the impact of significant financial and economic changes and City decisions on the fund balance and reserve over time. Based on the assumptions applied and illustrated in the General Fund Balance and Reserve graph (Chart 1.1), the City reached a position where its General Fund balance and reserves can adequately withstand the anticipated revenue decreases and cost increases. The City demonstrates its commitment to maintain fiscal sustainability by keeping its reserve levels above the 5% warning level at all times.

Revenues

General revenue assumptions included in the model are:

- Property tax growth rates: 2.0% plus some new construction
- Sales tax growth rates: 2.5%
- Utility users tax growth rates: ranges from -1.0% to 2.0%
- Other revenue growth rates: 1.5% to 2.0%
- Investment earnings of 1.7% annually
- Assumes continuation of the Measure A sales tax
- Assumes the Strong Communities sales tax will expire in FY 2032-33
- Assumes a revenue decline due to recession every seven years

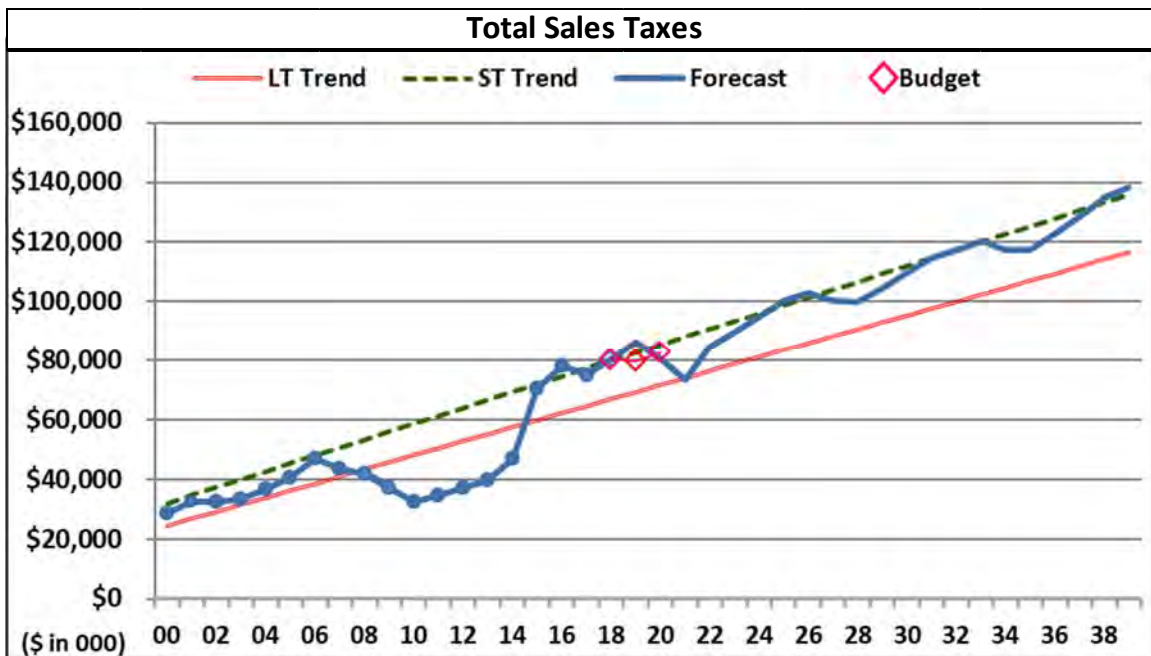
The following charts and discussion are intended to illustrate the assumed status of the General Fund's top three revenue sources. Each chart shows the projected decline in the near term from the current recession.

LONG-RANGE FINANCIAL PLAN

Sales Tax

The General Fund's most significant funding source is sales and transaction taxes. The FY 2020-21 Annual Budget assumes sales tax proceeds to be approximately \$73.3 million, constituting 33% of total General Fund revenue. As displayed in Chart 1.5, a review of actual and projected sales taxes when compared to a trend calculation of the actual collections seen from FY 1999-00 through FY 2017-18 shows the City recovered from the significant revenue dip suffered during the Great Recession. This recovery reflects a substantial increase of approximately \$32 million gained through the passage of Measure A and is projected to significantly exceed the old trend line for the duration of the forecast. The model also assumes that Measure A will remain intact throughout the entire forecast period. Revenues are expected to severely decline in FY 2020-21, followed by a relatively short recovery period. The assumptions used in the sales tax forecast include the first three years of projections from the City's sales tax consultant reduced by COVID-19 recession assumptions and an assumption of 2.5% growth for the subsequent years.

Chart 1.5



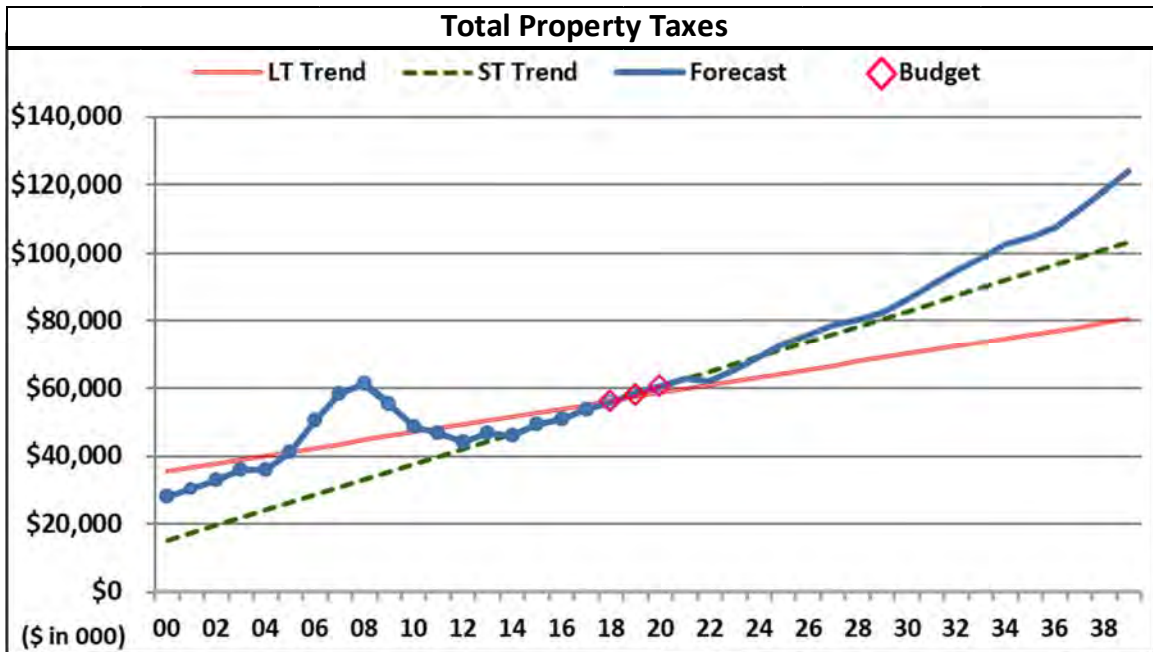
Property Tax

The second-largest source of General Fund revenue is property tax. The FY 2020-21 Annual Budget assumes property tax collections of approximately \$62.6 million, which is 28% of General Fund revenue. As displayed in Chart 1.6, a review of actual and projected property taxes when compared to a trend calculation of the actual collections seen from FY 1999-00 through FY 2017-18 indicates the City's forecasted growth will exceed the collection trend. The assumption used for property tax growth include the first three years of growth projections from the City's property tax consultant and increases of approximately 4% annually, including growth from new construction. The shelter-in-place environment will not impact property tax revenues as

LONG-RANGE FINANCIAL PLAN

severely as other revenue sources. New construction and home values are expected to decline, which will impact FY 2021-22 assessed values and revenues.

Chart 1.6

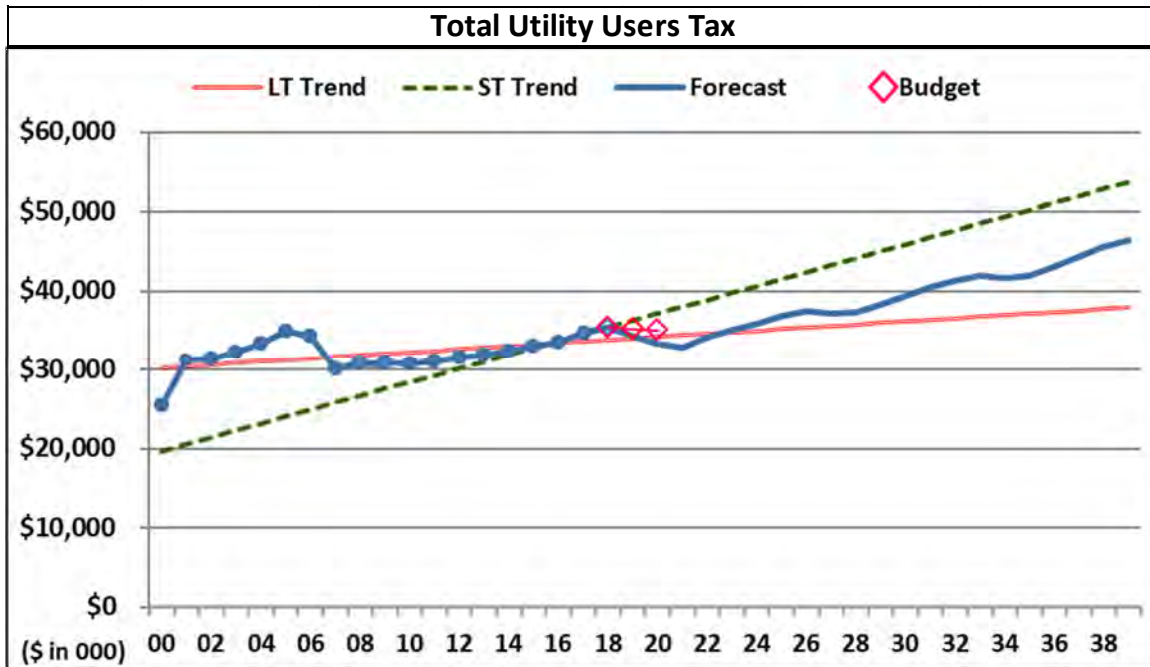


Utility Users Tax

Utility Users Tax (UUT) proceeds (see Chart 1.7) are the third-largest General Fund revenue source. The FY 2020-21 Annual Budget assumes the City will receive approximately \$32.8 million in proceeds from this tax, which constitutes 15% of the General Fund. Presumed annual out-year growth rates for the four taxed utilities are: Water 2%, Energy (gas and electricity) 2%, Cable 0.5%, and Telecommunications negative 1%.

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Chart 1.7



Expenses

General expenditure assumptions included in the model are:

- No service increases
- No part-time or new position growth
- No growth in capital improvement funding
- Annual employee compensation increases of 2%
- CalPERS discount rate of 7.25% in FY 2019-20, 7% until FY 2022-23, and then 6.5% phased in over 10 years.
- Other expenditure growth at 2%
- Resources available above reserve levels are spent on one-time needs

The City's primary expenses are employee costs, which are approximately 70% of total General Fund expenses. In addition to the L-RFP's assumed 2% compensation increases, the model assumes the following employee-related cost factors:

- Merit Increases – an average of 0.3% annually
- Vacancy rates – a five year phased down decrease from the current 5% rate to an annual average of 3%
- City contribution to health benefits increases – 2% annually
- Employee pension costs – based on actuarial reports (see pension section below)

LONG-RANGE FINANCIAL PLAN

All other general expenses are also projected to increase at a 2% annual growth, except the annual capital improvement contribution of \$1.1 million and the annual contingency reserve, which the L-RFP holds at \$2 million.

The L-RFP also incorporates General Fund debt obligations, including a settlement agreement that provides a contingent payment to one of the City's bankruptcy creditors. These payments vary depending on projected revenues.

The General Fund also supports several programs whose finances are tracked outside the City's General Fund. The City broadly classifies these programs into the following categories:

1. *Program Support – Libraries, Recreation, and Venues*

The General Fund supports the Library and Recreation Funds with approximately \$7.4 million annually. The L-RFP holds the subsidy at this level during the 16-year life of the Strong Communities initiative (Measure M). Beyond this point, the L-RFP projects that the loss of the Measure M revenue will result in the need to replace it with General Fund support for the Library and Recreation Funds in the approximate amount of \$14.7 million annually.

The Golf Course Fund continues to require a General Fund transfer since revenues do not cover the costs to maintain the VanBuskirk property while the best use for the land is identified. The L-RFP presumes that golf will continue to receive a subsidy of \$725,000.

The General Fund also continues to support venues like the Stockton Arena, Ballpark, Bob Hope Theatre, Marina, and Ice Arena. The L-RFP assumes that revenues generated will continue at the current levels, but the venues require repairs and include an increase in future years to fund some repairs.

2. *Program Support - Public Safety*

The model assumes that the cost of the 49 Police and Fire positions currently funded by the Measure W transaction and use tax will exceed the available tax resources in future years. As a result, the model assumes that a General Fund subsidy of approximately \$3.5 million over 14 years will be required.

3. *Program Support – Other*

Other items supported by the General Fund include annual subsidies to the Development Services fund at \$800,000, Capital Improvement Plan at \$1.1 million, and Grant Match at \$100,000.

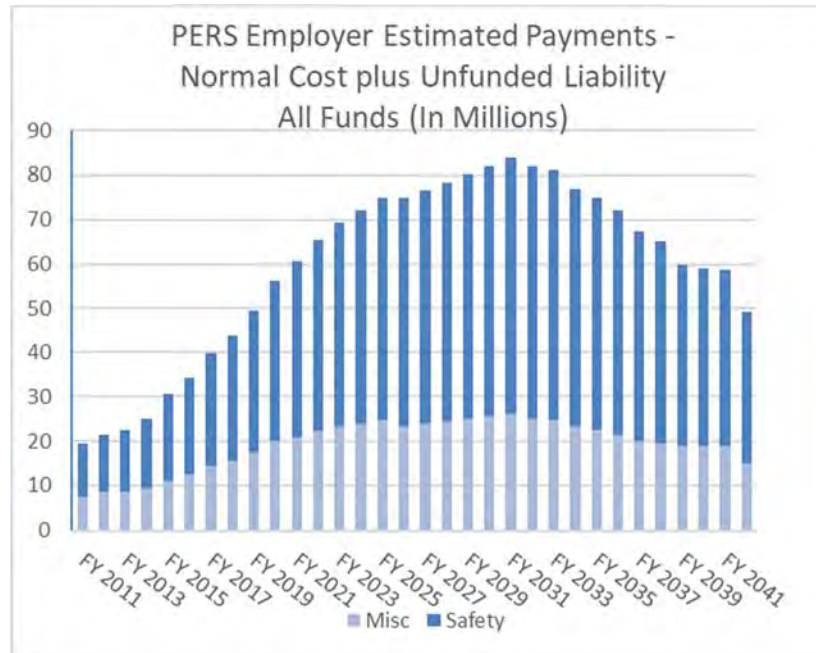
Pension Costs

Some of the City's largest General Fund cost increases over the next several years will come from the actions being implemented by CalPERS as it attempts to address its unfunded liability and establish actuarial assumptions that better reflect current conditions. Some changes, such as a phased-in lowering of the assumed discount rate and changes to actuarial life expectancy assumptions, are already underway. Annual rate increases are included in the model due to CalPERS lowering its discount rate from the current 7.5% to 7% over seven years. Amortization assessments are intended to lessen and eventually eliminate the current unfunded liability. In the model, these reduced costs are evident in the late 2030s after the unfunded liability is paid off,

LONG-RANGE FINANCIAL PLAN

and only the City's normal costs remain. Chart 1.8 demonstrates the increasing pension costs peaking in FY 2030-31.

Chart 1.8

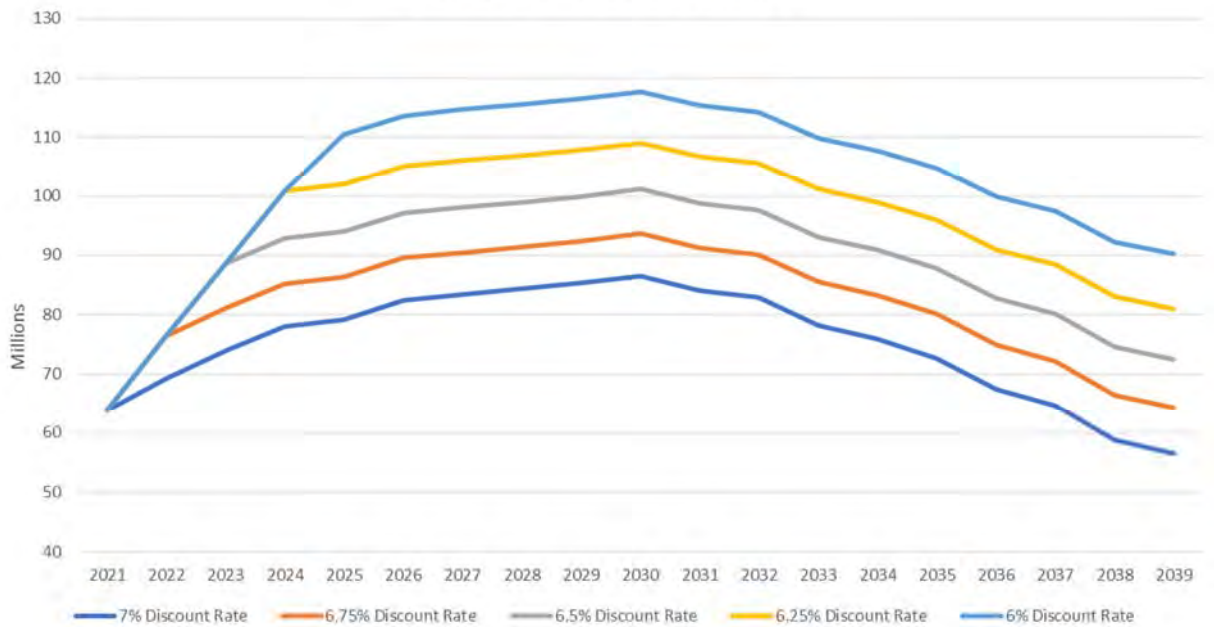


One significant risk that all CalPERS agencies will need to assess is that the CalPERS Board could reduce the discount rate below the planned 7%. Numerous advocates and actuarial experts believe the CalPERS needs to reduce the rate to around 6%. Given the uncertainty surrounding future CalPERS earnings, the model has been updated to assume the discount rate is reduced from 7% to 6.5% effective in FY 2021-22 with a 10-year phase-in, and that projected returns are between 6.2% and 6.7% for the next 3 years. Included below is a depiction of the impact on Safety and Miscellaneous Plan contributions with discount rate assumptions ranging from 7% to 6%. As can be seen, at 6%, the contributions increase significantly from \$87 million to \$118 million at the peak in 2030. The City contribution would be nearly \$1 to CalPERS for every \$1 paid to safety employees under this scenario.

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Chart 1.9

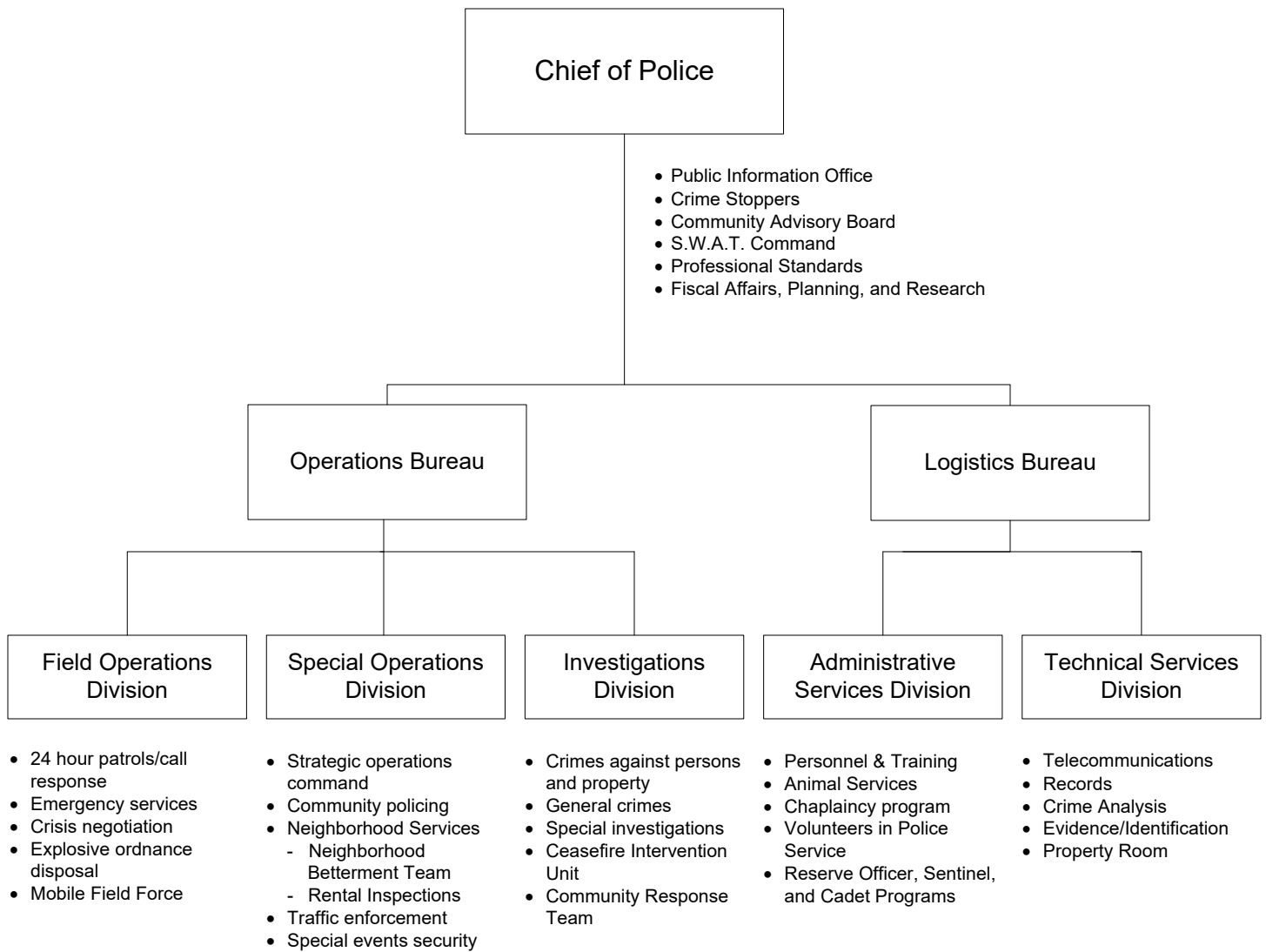
Employer Contribution in Dollars



Looking Forward

The City's prudent financial practices and utilization of the L-RFP provide stability to the services delivered to the public. They will protect those services during the current downturn and against future ones. Continuing to update the model and maintaining realistic assumptions about future revenues and expenditures are essential to keeping the L-RFP a reliable decision-making tool. The model has been a vital factor behind the many positive financial outcomes in recent years, including the buildup of reserves for known cost pressures and the cash purchase of Waterfront Office Towers, high rankings in various financial publications, and the restructuring of available resources for long-term savings. These results have placed the City in a solid position as it navigates the uncertainty of the COVID-19 induced recession, and reinforce the City's commitment to fiscal sustainability and consistent long-term financial forecasting.

TAB 4 POLICE



POLICE DEPARTMENT



POLICE DEPARTMENT

MISSION STATEMENT

To work in partnership with our community, to build and maintain relationships founded on trust and mutual respect, while reducing crime and improving the quality of life.

Budget at a Glance:

Total Revenues	\$14,006,692
Total Expenditures	\$143,500,433
Total Net Cost	\$129,493,741
Total Staff	711

DEPARTMENT DESCRIPTION

The Chief of Police is appointed by the City Manager and under state law, is responsible for the delivery of law enforcement and related emergency services within the City of Stockton. The Chief of Police provides direction for all Police operations including:

- Field Operations Division, commonly known as Patrol.
- Special Operations Division, including Neighborhood Services and Neighborhood Betterment Team, Traffic and Events, and Strategic Operations sections.
- Investigations Division, including Crimes Against Persons and Property, Special Investigations and Ceasefire sections as well as the Community Response Team.
- Technical Services Division, including Telecommunications, Records, Evidence/Identification, Property Room and Crime Analysis sections.
- Administrative Services Division, including Personnel, Training, and Animal Services sections.
- Departmental support functions including the Professional Standards section; Fiscal Affairs and Planning section; and Public Information Office.

There are also programs and specialized units that operate under the Divisions such as Special Weapons and Tactics (SWAT), Crisis Negotiations, Air Support, Explosive Ordnance Disposal, Mobile Field Force, and the Canine Unit among others.

DEPARTMENT STRATEGIC WORK PLAN

The Stockton Police Department will focus its activities on meeting the goals outlined in its FY 2020-23 Three-Year Strategic Plan. The Plan's components include the above Mission Statement, discussion of the Department's policing philosophy, core values, and identified goals and objectives. Each of the Strategic Plan goals is tied to the City Council's goals of increasing officer diversity, improving customer service and response times, increasing the number of officers, and further implementation of the Marshall Plan.

The policing philosophy of the Department is founded upon the pillars of Smarter Policing and Principled Policing. Smarter Policing refers to intelligence-led policing, an approach that includes evidence-based, data-driven, strategic, and innovative use of technology to inform and support real-time-policing and improved service delivery. Principled Policing is the organizational theory practiced by the Stockton Police Department that we must protect the constitutional rights of everyone with fair and impartial treatment in order to live up to our oath to this community.

POLICE DEPARTMENT

The Department's core values include integrity, professionalism, sensitivity, cooperation, and innovation. The core values define who we are and what we as an organization hold as paramount. The mission statement, policing philosophy, and core values establish a strong foundation for the four strategic goals of (1) reducing crime and blight, (2) increasing trust between the community and police, (3) recruiting and hiring a qualified, diverse workforce, and (4) employing staff that are highly-trained, knowledgeable and prepared. The current Strategic Plan will end in December 2022.

1. Reduce crime and blight. A primary focus of the Department's resources and workforce is to reduce violent crime, property crime, traffic collisions, and other quality of life impacts such as neighborhood blight. The framework to achieve this goal remains the "Four P's" of Partnership, Prediction, Prevention, and Pursuit.

2. Increase trust between the community and police. Trust is a key component of a sustainable and collaborative approach to improving public safety in Stockton. The Department implemented several innovative strategies for increasing trust between the community and police. Building upon these initial efforts with the assistance of the National Initiative research effort, procedural justice and implicit bias training, and participating at local, regional, state and national levels of this important dialog furthers Stockton's ability to increase trust.

3. Recruit and hire a qualified and diverse workforce. Rebuilding the Police Department while maintaining a commitment to high-quality standards for hiring and by valuing all forms of diversity, including ethnicity, gender, culture, education, and experience will ensure the department is representative of the community it serves. The Department is looking for individuals who see police service as a calling and not just an occupation. The Department is also focused on a long-term recruitment strategy that includes supporting the Public Safety Academy and increasing participation in our Cadet and Sentinel volunteer programs.

4. Employ staff that are highly-trained, knowledgeable and prepared. The Department's extensive hiring of new staff over the last few years requires a consistent focus on training, both in-house and industry-specific. Police Officers must meet specific mandates related to training to maintain Police Officer Standards and Training certification through the State. This goal includes the implementation of a comprehensive training plan by developing professional training staff, a succession and career plan, and providing adequate training facilities and equipment for staff.

PRIOR YEAR ACCOMPLISHMENTS

Highlights of the accomplishments in FY 2019-20 include:

- Goal One – Reduce crime and blight:
 - In 2019, the Police Department maintained sustained reductions in homicides. After significant homicide reductions of 40% in 2018 from the prior year, there was a slight 3% increase in homicides from 33 in 2018 to 34 in 2019.
 - The FY 2019-20 Budget allocated funding to support costs associated with the addition of a helicopter to the Air Support Unit. The helicopter has been deployed for roughly 400 hours of flight time in efforts to deter crime, apprehend fleeing suspects, locate missing persons, reduce risks during vehicle pursuits, increase police visibility, and respond to natural disasters.

POLICE DEPARTMENT

- Neighborhood Services removed 784,753 square feet of graffiti from private property as well as 75,770 cubic feet of trash from over 270 locations.
- The Animal Shelter achieved a live release rate of 82% with 7,663 animals adopted, rescued and redeemed by their owners.
- Goal Two – Increase trust between the community and police:
 - Led by the Department's Special Operations Division, Stockton's participation in National Night Out ranked 9th in the nation out of cities with populations over 300,000.
 - Provided support to over 200 Neighborhood and Business Watch meetings, held 35 Neighborhood Impact Team meetings in areas affected by gun violence, cleared 52 cases and made 18 arrests from citizen tips received through CrimeStoppers.
 - The department held 46 community engagement events, 12 Chief's Community Advisory Board meetings and held 7 trust building workshops throughout the community.
- Goal Three – Recruit and hire a qualified and diverse workforce:
 - Attended 138 recruiting events, the majority of which were held in San Joaquin County, and successfully hired 43 police officers and 35 professional staff. The Department continues to make improvements in the diversity numbers in underrepresented categories.
- Goal Four – Employ staff that are highly trained, knowledgeable and prepared:
 - Police staff participated in over 71,000 training hours to maintain certifications, ensure proper equipment use, and run through various scenario-based training sessions. Select staff participated in special teams training such as Mobile Field Force, Canine, and SWAT.
 - Trained over 230 officers in Procedural Justice, which focuses on community-police relations and trust-building.

KEY CONSIDERATIONS

The Police Department FY 2020-21 Budget includes funding for 711 full-time staff, part-time staffing, academy costs for new hires, and enhanced recruiting and training strategies. The key considerations fulfill the Council's strategic work plan by increasing officer diversity, improving customer service and response times, increasing the number of officers, and further implementation of the Marshall Plan. Highlights of the General Fund budget include:

- Funding for part-time staff has been retained in key areas to enhance police services, improve revenue collections, and increase hiring capacity.
- Police service contracts with two school districts, the Housing Authority of San Joaquin, and San Joaquin Regional Transit District continue, which reflect approximately \$1 million in both revenues and employee expenses.
- Changes include a 5% annual contractual increase with the City's Animal Shelter services partner.
- Marshall Plan expenses are budgeted to exceed the total Measure A tax revenues in FY 2020-21 with 120 sworn police staff and 33 professional staff funded.
- The FY 2020-21 Budget allocates new funding for overtime to support undercover investigations and homeless encampment clean-ups.

POLICE DEPARTMENT

- Body Worn Camera technology continues to be developed and the department will use \$155,000 in FY 2020-21 to keep equipment and data management up to date. Additional funds are allocated for software and maintenance for automated police vehicle locators.
- The FY 2020-21 Budget reflects increases in allocations for extradition services and \$100,000 for police academy training expenses to address the Council goal of filling police officer positions.
- One-time funding is included in the budget to train a second helicopter pilot.



**Police Department
FY 2020-21 Annual Budget**

	General Fund	Measure W	Asset Seizure	State COPS
	010	081	023	024
	<i>See Page D-10</i>	<i>See Page D-13</i>	<i>See Page D-15</i>	<i>See Page D-17</i>
Beginning Available Balance			\$ 362,070	\$ 1,145,690
Revenues				
Taxes	-	4,800,000	-	-
Grants	-	-	-	560,000
Program Revenue	8,225,369	-	78,000	-
Other Revenue	-	18,000	-	5,000
	8,225,369	4,818,000	78,000	565,000
Expenditures				
Salary & Benefits	110,773,162	4,971,842	-	192,850
Services & Supplies	25,383,304	628,501	292,008	724,500
Administration Overhead	-	297,959	-	-
Capital Outlay	4,000	-	-	-
	136,160,466	5,898,302	292,008	917,350
Transfers				
Transfer In	-	-	-	-
Transfer Out	-	-	-	-
	-	-	-	-
Net Annual Activity	(127,935,097)	(1,080,302)	(214,008)	(352,350)
Ending Available Balance			\$ 148,062	\$ 793,340

Police Department, Continued
FY 2020-21 Annual Budget

	Police Special Revenue 025	Special Revenue 645	Police Total
	<i>See Page D-20</i>	<i>See Page D-23</i>	
Beginning Available Balance	\$ 776,679	\$ 911,961	
Revenues			
	-	-	4,800,000
Grants	-	-	560,000
Program Revenue	-	165,953	8,469,322
Other Revenue	104,500	49,870	177,370
	104,500	215,823	14,006,692
Expenditures			
Salary & Benefits	104,500	-	116,042,354
Services & Supplies	-	127,807	27,156,120
Administration Overhead	-	-	297,959
Capital Outlay	-	-	4,000
	104,500	127,807	143,500,433
Transfers			
Transfer In	-	-	-
Transfer Out	-	-	-
	-	-	-
Net Annual Activity	-	88,016	(129,493,741)
Ending Available Balance	\$ 776,679	\$ 999,977	-
		Revenues	\$ 14,006,692
		Transfers	-
		Total Sources	\$ 14,006,692
		Expenditures	\$ 143,500,433
		Transfers	-
		Total Appropriations	\$ 143,500,433
			-

**Police Department
General Fund - 010
FY 2020-21 Annual Budget**

	FY 2017-18 Actual	FY 2018-19 Actual	FY 2019-20 Projected	FY 2020-21 Budget
Total Police Department				
Employee Services	\$ 97,920,017	\$ 101,468,182	\$ 103,923,821	\$ 110,773,162
Other Services	17,842,435	19,532,666	19,915,143	21,231,216
Materials and Supplies	2,399,295	2,341,910	2,649,157	2,909,895
Other Expenses	989,470	1,359,320	1,419,427	1,242,193
Capital Outlay	242,051	98,468	30,706	4,000
Total	<u>\$ 119,393,268</u>	<u>\$ 124,800,546</u>	<u>\$ 127,938,254</u>	<u>\$ 136,160,466</u>
Administration				
Employee Services	7,086,619	6,953,622	7,136,739	7,458,985
Other Services	2,840,622	2,548,682	3,047,853	2,451,146
Materials and Supplies	334,955	372,704	369,607	386,238
Other Expenses	79,825	149,078	85,011	108,434
Total	<u>10,342,021</u>	<u>10,024,086</u>	<u>10,639,210</u>	<u>10,404,803</u>
Marshall Plan - Administration				
Employee Services	861,575	897,997	845,390	978,935
Other Services	29,813	46,238	52,859	58,252
Materials and Supplies	1,633	7,854	17,812	16,000
Total	<u>893,021</u>	<u>952,089</u>	<u>916,061</u>	<u>1,053,187</u>
Field Services				
Employee Services	41,754,995	42,989,932	44,014,827	45,619,131
Other Services	5,053,414	5,442,416	5,962,501	6,698,469
Materials and Supplies	893,039	932,355	888,935	1,098,200
Other Expenses	286,744	481,457	220,373	309,000
Capital Outlay	2,051	-	4,000	4,000
Total	<u>47,990,243</u>	<u>49,846,160</u>	<u>51,090,636</u>	<u>53,728,800</u>
Marshall Plan - Field Services				
Employee Services	15,389,680	16,105,485	17,363,410	18,446,954
Other Services	1,213,679	1,305,301	1,990,886	2,332,318
Materials and Supplies	419,067	427,254	651,972	674,749
Other Expenses	510,977	528,633	742,346	595,000
Capital Outlay	240,000	-	-	-
Total	<u>17,773,403</u>	<u>18,366,673</u>	<u>20,748,614</u>	<u>22,049,021</u>
Investigations				
Employee Services	20,077,832	20,859,202	19,603,410	21,979,725
Other Services	1,294,109	2,299,490	1,903,238	2,409,204
Materials and Supplies	178,305	145,122	207,116	233,418
Other Expenses	61,669	132,874	277,649	133,500
Capital Outlay	-	95,683	3,706	-
Total	<u>21,611,915</u>	<u>23,532,371</u>	<u>21,995,119</u>	<u>24,755,847</u>

**Police Department
General Fund - 010
FY 2020-21 Annual Budget**

	FY 2017-18 Actual	FY 2018-19 Actual	FY 2019-20 Projected	FY 2020-21 Budget
Marshall Plan - Investigations				
Employee Services	1,559,480	2,495,531	2,979,498	3,451,862
Other Services	151,529	259,224	211,931	252,179
Materials and Supplies	4,241	19,015	24,223	21,172
Total	<u>1,715,250</u>	<u>2,773,770</u>	<u>3,215,652</u>	<u>3,725,213</u>
Support Services				
Employee Services	4,581,120	4,227,097	4,426,926	4,996,925
Other Services	1,479,770	2,178,660	2,156,476	2,217,445
Materials and Supplies	499,736	369,549	352,492	349,318
Other Expenses	18,254	15,835	14,913	15,759
Capital Outlay	-	2,785	23,000	-
Total	<u>6,578,880</u>	<u>6,793,926</u>	<u>6,973,807</u>	<u>7,579,447</u>
Marshall Plan - Support Services				
Employee Services	329,976	341,123	337,794	419,817
Other Services	9,461	28,281	35,185	45,630
Total	<u>339,437</u>	<u>369,404</u>	<u>372,979</u>	<u>465,447</u>
Telecommunications				
Employee Services	5,631,826	5,800,219	6,270,679	6,454,853
Other Services	5,560,612	5,337,079	4,450,131	4,600,024
Materials and Supplies	45,062	67,297	116,000	108,800
Other Expenses	32,001	51,443	79,135	80,500
Total	<u>11,269,501</u>	<u>11,256,038</u>	<u>10,915,945</u>	<u>11,244,177</u>
Marshall Plan - Telecommunications				
Employee Services	646,914	797,974	945,148	965,975
Other Services	209,426	87,295	104,083	166,549
Materials and Supplies	23,257	760	21,000	22,000
Total	<u>879,597</u>	<u>886,029</u>	<u>1,070,231</u>	<u>1,154,524</u>

See summary of Public Safety Measure A funded Marshall Plan expenditures on page C-7.

POLICE DEPARTMENT

MEASURE W FUND (081)

PROGRAM DESCRIPTION

Stockton's voters approved Measure W in November 2004, which authorized a one-quarter percent Transaction and Use Tax to provide additional public safety services with the proceeds being split equally between the Police and Fire Departments. The program guidelines include an Economic Uncertainty fund reserve to be funded at 25% of annually-budgeted revenues. This reserve is currently fully funded.

The Police Department uses the funds primarily to pay for Police Officer salaries and benefits. Some Measure W dollars have also been used to purchase equipment, vehicles, and radios for Measure W-funded Police Officers.

KEY CONSIDERATIONS

- Measure W will continue to pay for salaries, benefits, and equipment for 24 Police Officer positions in FY 2020-21 assigned to the Field Operations Division for street patrol.
- Measure W proceeds are anticipated to decrease by 6% from the current year-end projection. Revenues continue to be monitored closely to ensure the long-term affordability of planned expenditures from tax revenues. Updated revenue estimates with the recessionary impact of the COVID-19 pandemic are \$2 million less than FY 2018-19 receipts. In times of revenue declines, the Economic Uncertainty Fund is intended to be used to maintain service levels. The purpose of the fund balance is to use reserves to fund Police Officer salaries, benefits, and associated equipment. Continuing to fund 24 Officers will draw down the fund balance in both FY 2019-20 and FY 2020-21.
- The budgeted amount in Services and Supplies in FY 2020-21 will fund ammunition for the Measure W funded officers.
- The State of California charges a quarterly administration fee for services associated with the collection of the Measure W Public Safety Sales Tax. A sales tax audit contract provides auditing/compliance services to ensure sales tax is properly collected and distributed.
- In FY 2020-21, the Police Department's share of the recommended Economic Uncertainty reserve is approximately \$1.2 million. The overall budget projection indicates that the balance in the Measure W Economic Uncertainty Fund will fall short of the program guidelines by approximately 1%.

Police and Fire Departments
Measure W - 081 (a)
FY 2020-21 Annual Budget

	<u>FY 2017-18 Actual</u>	<u>FY 2018-19 Actual</u>	<u>FY 2019-20 Projected</u>	<u>FY 2020-21 Budget</u>
Beginning Available Balance	\$ 2,896,657	\$ 3,289,645	\$ 4,665,213	\$ 3,826,809
Revenues				
Police				
Measure W Sales Tax	5,311,128	5,830,051	5,100,000	4,800,000
Investment Proceeds	(116)	47,055	19,762	18,000
	<u>5,311,012</u>	<u>5,877,106</u>	<u>5,119,762</u>	<u>4,818,000</u>
Fire				
Measure W Sales Tax	5,311,128	5,830,051	5,100,000	4,800,000
Investment Proceeds	(87)	49,343	25,238	12,000
	<u>5,311,041</u>	<u>5,879,394</u>	<u>5,125,238</u>	<u>4,812,000</u>
	<u>10,622,053</u>	<u>11,756,500</u>	<u>10,245,000</u>	<u>9,630,000</u>
Expenditures				
Police				
Salary & Benefits	4,421,173	4,496,797	4,587,723	4,971,842
Services & Supplies	376,397	399,953	616,938	628,501
Administration	219,521	236,698	273,194	297,959
	<u>5,017,091</u>	<u>5,133,448</u>	<u>5,477,855</u>	<u>5,898,302</u>
Fire				
Salary & Benefits	4,577,460	4,682,513	4,664,017	5,190,381
Services & Supplies	264,678	223,910	337,856	363,124
Administration	224,971	239,158	279,966	317,985
Equipment & Maintenance	144,865	101,903	323,710	85,000
	<u>5,211,974</u>	<u>5,247,484</u>	<u>5,605,549</u>	<u>5,956,490</u>
	<u>10,229,065</u>	<u>10,380,932</u>	<u>11,083,404</u>	<u>11,854,792</u>
Transfers				
Transfer In	-	-	-	-
Transfer Out	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Annual Activity				
Police	293,921	743,658	(358,093)	(1,080,302)
Fire	99,067	631,910	(480,311)	(1,144,490)
	<u>392,988</u>	<u>1,375,568</u>	<u>(838,404)</u>	<u>(2,224,792)</u>
Ending Available Balance	<u>\$ 3,289,645</u>	<u>\$ 4,665,213</u>	<u>\$ 3,826,809</u>	<u>\$ 1,602,017</u>
Available Balance Calculation				
Current assets		\$ 5,106,291		
Current liabilities		(441,078)		
Program Commitments		-		
Ending Available Balance		<u>\$ 4,665,213</u>		

(a) The portion of Measure W Fund - 081 relating to Fire is also presented in Fire on page E-17.

POLICE DEPARTMENT

ASSET SEIZURE FUND (023)

PROGRAM DESCRIPTION

The City established asset seizure accounts to allow the Police Department to properly manage the proceeds of the sale of seized property under State and Federal forfeiture laws.

There are three sources of asset seizure funding. One source is seized property from cases adjudicated by the San Joaquin County District Attorney's Office. The other two sources are from cases adjudicated by the Federal government. Funds are allocated based on an agreed-upon sharing distribution aligned with the respective effort put into each case by the participating agencies. The Courts determine how the proceeds are distributed. State and Federal law restrict the use of these funds to expenditures that enhance law enforcement and drug/crime prevention and cannot be used to supplant existing General Fund programs or operations.

To comply with state and federal asset seizure laws, the Police Department prioritized the purchase of SWAT Team surveillance and safety equipment, and related services and supplies.

KEY CONSIDERATIONS

- Federal seizure amounts remain low and local seizure amounts are projected to remain flat in FY 2020-21. Revenues for state/local seizures were up in FY 2019-20 and are expected to remain at that level based on known activity.
- Projected staffing in the Special Investigations section should result in a flat volume of asset seizure cases comparable to FY 2019-20; however, payments are largely tied to court proceedings and can take several years to materialize.
- The level of safety equipment and supply purchases is in line with the availability of cash in the fund. Planned purchases in FY 2020-21 include ammunition and equipment for the SWAT Team.

**Police Department
Asset Seizure - 023
FY 2020-21 Annual Budget**

	FY 2017-18 Actual	FY 2018-19 Actual	FY 2019-20 Projected	FY 2020-21 Budget
Beginning Available Balance	\$ 291,333	\$ 379,564	\$ 368,570	\$ 362,070
Revenues				
State/local seizures	23,990	31,483	75,000	75,000
Federal DOJ seizures	26,769	60,485	-	2,500
Federal Treasury seizures	(42)	-	500	500
Other Agency	53,177	(51,309)	-	-
Investment Proceeds	-	1,525	-	-
	103,894	42,184	75,500	78,000
Expenditures				
State/local seizures	13,884	20,165	82,000	279,350
Federal DOJ seizures	-	25,766	-	2,500
Federal Treasury seizures	1,779	7,247	-	10,158
	15,663	53,178	82,000	292,008
Transfers				
Transfer In	-	-	-	-
Transfer Out - 025	-	-	-	-
	-	-	-	-
Net Annual Activity	88,231	(10,994)	(6,500)	(214,008)
Ending Available Balance	\$ 379,564	\$ 368,570	\$ 362,070	\$ 148,062
Available Balance Calculation				
Cash and Interest Receivable		\$ 370,525		
Vouchers payable		(1,955)		
Ending Available Balance		\$ 368,570		

POLICE DEPARTMENT

STATE CITIZENS OPTIONS FOR PUBLIC SAFETY FUND (024)

PROGRAM DESCRIPTION

Since 1997, the California State Budget Act has included allocations to counties and cities for the COPS program. The funding sources and reporting requirements changed with the realignment under the Budget Act of 2011, which shifted a variety of public safety and social welfare programs from state-level administration to local government administration. The fund sources are a 1.0625 cent sales tax and vehicle license fees. Pursuant to Government Code section 30061, there shall be established in each county treasury a Supplemental Law Enforcement Services Account (SLESA), to receive all amounts allocated to a county for county sheriffs' jail construction and operation (5.15%), district attorneys for criminal prosecution (5.15%), counties for implementation of a comprehensive multi-agency juvenile justice system plan (50%), and counties and cities for front-line law enforcement (39.7%). The county auditor shall allocate the SLESA funds, which are population based, within 30 days of deposit and each law enforcement agency shall receive at least \$100,000 per Fiscal Year. The City Council shall appropriate the allocation to fund front-line municipal police services in accordance with written requests submitted by the chief of police.

Front-line law enforcement services include anti-gang, community crime prevention, and juvenile justice programs. The Department uses these funds for equipment and public safety programs. During the years of fiscal uncertainty, the City began funding Community Service Officer personnel from this source and continues to do so today.

KEY CONSIDERATIONS

- Revenue projections have remained stable in recent years, however the impacts due to COVID-19 are unknown at this time. Staff continue to monitor any available information from the State of California on potential changes to funding allocations.
- The Police Department purchased equipment, materials, and supplies to support criminal surveillance, communications, safety and specialized investigations in FY 2019-20. In support of the Explosive Ordnance Detail, these funds were used for continued maintenance and technological upkeep of the replacement bomb robot and training for the Explosive Ordnance Disposal Team. Funds have also been used for the Interview Rooms Camera System replacement for criminal investigations, as well as the purchase of four unmarked Special Investigations Section vehicles.
- Two Community Service Officer positions remain funded through this source in FY 2020-21.
- Remaining funds will be used to purchase equipment and supplies that are one-time in nature and do not require ongoing financial support. Purchases slated for this fiscal year include patrol Automated Vehicle Locator hardware, simunition guns and ammunition for training, Operations Building office equipment, replacement of uniforms and armor equipment, and various items for special teams.

Police Department
State Citizens Options for Public Safety (COPS) - 024
FY 2020-21 Annual Budget

	<u>FY 2017-18 Actual</u>	<u>FY 2018-19 Actual</u>	<u>FY 2019-20 Projected</u>	<u>FY 2020-21 Budget</u>
Beginning Available Balance	\$ 38,700	\$ 50,451	\$ 1,273,108	\$ 1,145,690
Revenues				
State COPS Grant	573,932	370,148	755,308	560,000
Investment Proceeds	11,751	-	5,000	5,000
	<u>585,683</u>	<u>370,148</u>	<u>760,308</u>	<u>565,000</u>
Expenditures				
Salary & Benefits	175,678	176,366	183,613	192,850
Services & Supplies	391,107	173,383	397,904	724,500
Other Expenses	7,147	20,399	306,209	-
	<u>573,932</u>	<u>370,148</u>	<u>887,726</u>	<u>917,350</u>
Transfers				
Transfer In	-	-	-	-
Transfer Out	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Annual Activity	<u>11,751</u>	<u>-</u>	<u>(127,418)</u>	<u>(352,350)</u>
Ending Available Balance	\$ 50,451	\$ 50,451	\$ 1,145,690	\$ 793,340
Available Balance Calculation				
Cash and Interest Receivable		\$ 1,273,470		
Accounts Payable		(362)		
Fund balance		1,273,108		
Due from Other Governments		-		
Ending Available Balance		<u>\$ 1,273,108</u>		

POLICE DEPARTMENT

SPECIAL REVENUE GRANTS FUND (025)

PROGRAM DESCRIPTION

Police Department activities supported by special revenues including Federal and State Grants, donations, and Supplemental Police Services event contracts are tracked in this fund. Separate tracking provides accountability for restricted sources of revenue. Major programs currently active in this fund include: San Joaquin County Community Corrections Partnership Taskforce, Byrne Memorial Justice Assistance funds, and Police Supplemental Services Contracts.

KEY CONSIDERATIONS

Expenditures in this fund vary year to year based on the grants awarded and the associated performance periods. New grants awarded in FY 2019-20 include:

- Office of Traffic Safety's DUI Enforcement, Distracted Driving, and Checkpoints – funding for various overtime missions and equipment to improve traffic safety.
- California Department of Alcoholic Beverage Control (ABC) – funding to expand efforts to reduce alcohol-related problems associated with ABC-licensed establishments that operate in a disorderly manner or contribute to quality of life problems for the community.
- Byrne Memorial Justice Assistance – continued funding for the San Joaquin County Firearms Reduction Consortium.

The Community Corrections Partnership Taskforce, funded through San Joaquin County AB 109 funds and residual State funds from prior year allocations to local law enforcement, proactively addresses violent crimes and early-release offenders. This funding source covers salaries, overtime, training, and equipment for the Task Force. Participation on the Task Force consists of the Police Departments of Stockton, Lodi, and Manteca, as well as the San Joaquin County Sheriff. The funds will continue to fully support the costs of the core team in FY 2020-21.

Firearms Reduction Consortium funding from Edward J. Byrne Memorial Justice Assistance provides upgrades for the Integrated Ballistics Identification System, firearms examination equipment, investigations surveillance tools, training, and overtime for Police, Sheriff, and Probation to conduct firearms missions.

Several local businesses and organizations requested additional police services for special events via Supplemental Services Contracts. Multiple events were canceled in FY 2019-20 due to COVID-19 restrictions. During FY 2020-21, the following contracted services are estimated to generate \$105,000 in revenue:

- Stockton Ports – Thursday, Friday, and Saturday home baseball games
- High School Football – Bear Creek, Lincoln, Lodi, and McNair
- Sherwood Mall and Weberstown Mall – Holiday shopping
- SMG Stockton Arena and the Bob Hope Theatre – Hockey, basketball, concerts, and other community events as needed
- San Joaquin County Fairgrounds – special events

Police Department
Special Revenue Grants - 025
FY 2020-21 Annual Budget

	FY 2017-18 Actual	FY 2018-19 Actual	FY 2019-20 Projected	FY 2020-21 Budget
Beginning Available Balance	\$ 48,814	\$ 82,723	\$ 776,102	\$ 776,679
Revenues				
Federal Grants	1,793,866	1,046,153	-	-
State Grants	1,789,740	1,448,683	1,775,763	-
Other Grants / Donations	169,391	3,032,453	-	-
Contract Reimbursements	87,494	144,870	107,500	104,500
Investment Proceeds	6,764	-	-	-
	3,847,255	5,672,159	1,883,263	104,500
Expenditures				
Federal Grants	1,883,986	1,043,779	-	-
State Grants	1,775,304	1,448,686	1,775,763	-
Other Grants / Donations	169,391	3,032,406	-	-
Contract Reimbursements	87,494	146,111	106,923	104,500
	3,916,175	5,670,982	1,882,686	104,500
Transfers				
Transfer In - Grant Match - General Fund				
Sexual Assault Match	68,167	(2,092)	-	-
Sexual Assault Match	21,952	-	-	-
Strength LE & Comm Relatn Match	12,710	-	-	-
	102,829	(2,092)	-	-
Net Annual Activity	33,909	(915)	577	-
Ending Available Balance	\$ 82,723	\$ 81,808	\$ 776,679	\$ 776,679
Available Balance Calculation				
Cash and Interest Receivable		\$ 1,095,907		
Accounts Payable		(319,805)		
Deferred Revenue		(694,294)		
Fund balance		81,808		
Due from Other Governments		694,294		
Ending Available Balance		\$ 776,102		

POLICE DEPARTMENT

POLICE SPECIAL REVENUE FUND (645)

PROGRAM DESCRIPTION

The Police Department maintains a variety of special revenue programs in this fund. These programs historically provided accounting and management support for activities that are specific to the funding sources but do not require the same level of oversight as a grant or contract.

Revenues in this fund are derived from donations or charges for services from programs. The Geraldine Schmidt Trust, established to provide a direct benefit to the Stockton Animal Shelter, accounts for the majority of the Police Special Revenue fund balance.

KEY CONSIDERATIONS

Donations for the Volunteers in Police Service, and miscellaneous equipment remain consistent with prior years and are expended in support of these key programs.

Donations for community events such as the Holiday Toy Project are now made through the Stockton Police Youth Activities, and reserve funds have been depleted. This fund will no longer supplement the General Fund for National Night Out and other community events supplies. Alternate funding sources for community outreach will be explored.

The Police Department plans to use funds from the Shooting Range recycle proceeds for the Range restroom repairs needed in FY 2019-20.

Funds from the Geraldine Schmidt Trust are reserved for capital improvements to the Animal Shelter buildings. There are no planned improvements for FY 2020-21.

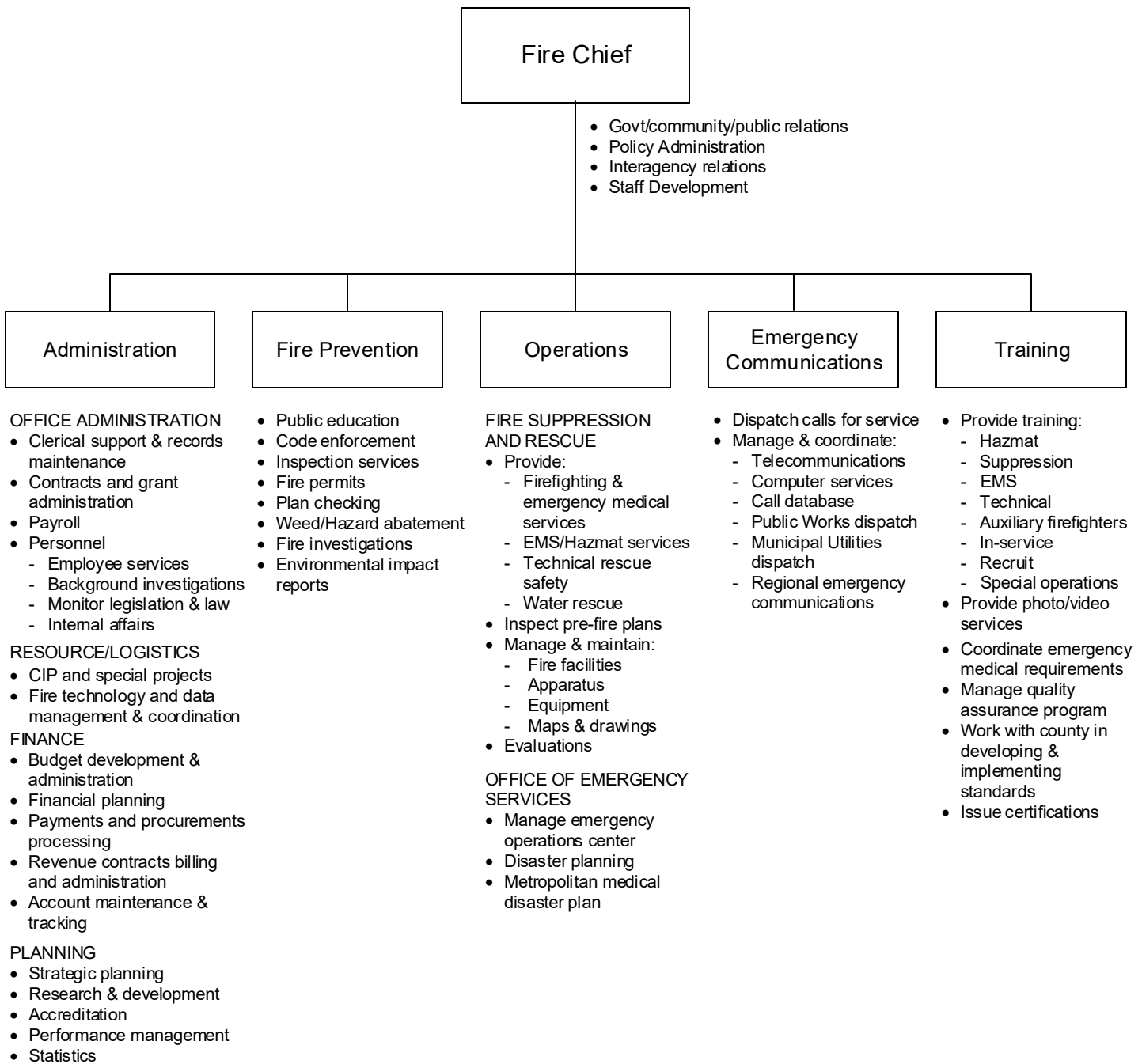
The Pet Overpopulation Fund supports Spay and Neuter Clinics. Revenues remain consistent to cover program expenditures related to preventing pet overpopulation in the community in FY 2020-21.

Police Department
Police Special Revenue - 645
FY 2020-21 Annual Budget

	<u>FY 2017-18 Actual</u>	<u>FY 2018-19 Actual</u>	<u>FY 2019-20 Projected</u>	<u>FY 2020-21 Budget</u>
Beginning Available Balance	\$ 539,372	\$ 615,011	\$ 832,189	\$ 911,961
Revenues				
Pet Overpopulation Program	154,750	169,377	163,483	165,953
Other Revenue	47,041	49,123	52,154	49,870
Investment Proceeds	1,102	10,858	-	-
	<u>202,893</u>	<u>229,358</u>	<u>215,637</u>	<u>215,823</u>
Expenditures				
Pet Overpopulation Program	-	-	100,000	100,000
Program Expense	86,819	12,180	35,865	27,807
	<u>86,819</u>	<u>12,180</u>	<u>135,865</u>	<u>127,807</u>
Transfers				
Transfer In	-	-	-	-
Transfer Out - Capital Fund	(40,435)	-	-	-
	<u>(40,435)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Annual Activity	75,639	217,178	79,772	88,016
Ending Available Balance	<u>\$ 615,011</u>	<u>\$ 832,189</u>	<u>\$ 911,961</u>	<u>\$ 999,977</u>
Available Balance Calculation				
Cash		\$ 826,766		
Accounts Receivable		5,780		
Vouchers Payable		(357)		
Ending Available Balance		<u>\$ 832,189</u>		



TAB 5 FIRE



FIRE DEPARTMENT



FIRE DEPARTMENT

MISSION STATEMENT

The Stockton Fire Department is committed to providing excellent emergency and non-emergency customer service. Our dedicated members ensure a safe community through public education, prevention, and aggressive fire suppression and rescue activities.

Budget at a Glance:

Total Revenues	\$17,354,457
Total Expenditures	\$61,936,125
Total Net Cost	\$44,581,668
Total Staff	223

DEPARTMENT DESCRIPTION

The Fire Department is responsible for fire protection, and emergency medical services within Stockton city limits and under contract to four bordering fire districts. It also provides fire and emergency medical dispatch services on a regional scale to Stockton and other municipalities in San Joaquin County.

The department is organized into five divisions: Administration, Operations, Fire Prevention, Training, and Emergency Communications.

Administrative Division provides overall policy direction and management support for the department including office administration, finance, planning, and logistics.

Operations Division provides fire suppression and emergency medical and rescue services, mitigates hazardous material incidents, and conducts routine fire prevention inspections and fire investigations.

Fire Prevention Division issues fire code operational permits and performs related annual inspections, conducts fire safety education programs, and provides code enforcement and plan checking for fire code compliance.

Training Division coordinates and monitors the professional and technical training plans and programs for over 180 sworn positions related to fire and medical service certification and licensure, fulfills statutorily-mandated reporting requirements, and develops the curriculum for and oversees all firefighter training academies.

Emergency Communications Division dispatches fire and emergency medical calls to Stockton and other municipalities as a regional dispatch contract service provider for the San Joaquin County Regional Fire Dispatch Authority.

DEPARTMENT STRATEGIC WORK PLAN

As part of the department's commitment to continued excellence, sustaining a thoughtful, comprehensive strategic plan is critical as it will drive the organization toward a common vision and optimize resources.

The department's strategic priorities are to evaluate and improve service delivery, implement advanced technologies, employ sound budget practices, develop our workforce and enhance our leadership. Strengthening community relationships will improve preparedness and enhance resiliency during emergency events. The Department can help revitalize the local economy by attracting and supporting new business through efficient fire prevention services.

FIRE DEPARTMENT

PRIOR YEAR ACCOMPLISHMENTS

Administrative Division

- Received a grant award for a total project cost of \$1.05 million from the Federal Emergency Management Agency's 2018 Assistance to Firefighters Grant Program to send Stockton firefighters to paramedic training.
- Completed implementation of the Telestaff Scheduling System to automate and provide tools to manage the department's complex and labor-intensive workforce.
- Worked with Public Works Department to complete the exterior painting of Fire Station Nos. 2, 6 and 9, and to complete the front porch rebuild of Fire Station No. 6.

Operations Division mobilized resources on approximately 51,000 incidents in 2019, a five percent increase from prior year, which includes 25,243 rescue and emergency medical service responses, 3,458 fires, 741 hazardous conditions, and over 21,000 other calls for emergency services. Using industry-specific metrics, the demands in Stockton continue to be among the highest in the country.

- Replaced end-of-life cardiac monitors/defibrillators on all fire engines and trucks with modern cardiac equipment with current and innovative built-in technology that meets current standards for patient emergency cardiac care.
- The Hazardous Materials Program hosted a countywide Hazmat drill and participated in a multi-agency emergency drill at Port of Stockton. The program also completed upgrades to the hazardous material response vehicle.
- Various Fire personnel completed an estimated 25,000 training hours to maintain required certifications and for advanced training classes in water rescue, urban search and rescue, disaster preparedness, tactical emergency medical services and hazardous materials situations.

Fire Prevention Division completed 120 school inspections and observed 97 school fire drills consistent with state-mandated Kindergarten to 8th-grade school fire code requirements. In 2019, staff completed 10,642 fire inspections, 1,019 fire and building plan checks, 240 plan applications and project reviews, 1,906 new construction related inspections and 112 formal fire investigations. Staff provided fire safety education to the public through social media, conducted one community firehouse open house event, and participated in 122 public outreach events.

- Completed a fee study for fire code operational permits, inspections, plan check review and other services provided by the division.
- In conjunction with the Community Development Department, implemented a pre-inspection program for the inspection of new businesses prior to opening to identify and track operational permit requirements to ensure building and fire code compliance for the proposed use.

Training Division

- Conducted Fire Training Academy 20-1 consisting of eleven City of Stockton and eight City of Lodi Firefighter recruits.
- Hosted and participated in various mutual aid training sessions with neighboring Fire Districts and City Fire agencies including one active threat school drill.

FIRE DEPARTMENT

- Coordinated other various training events: Officers Conference training, tower drills and harassment training for all Fire personnel.
- Hired a part-time Quality Improvement Coordinator to manage and administer the Fire Department's Emergency Medical Services (EMS) / Emergency Medical Dispatch (EMD) Quality Improvement Program to meet county EMS agency requirements.

Emergency Communications Division processed 118,000 requests for service or a daily average of 322 service calls in 2019, a 4% increase in service call volume from the prior year.

- Replaced the current data and performance management system with Emergency Reporting Records Management System to increase efficiency and for timely completion and generation of incident reports.
- Completed the replacement and installation of a new State-funded 9-1-1 phone system.

KEY CONSIDERATIONS

The Fire Department FY 2020-21 Annual Budget includes funds to manage and operate twelve firehouses, twelve fire engines, and three ladder trucks that provide fire protection and emergency services to the community. The budget includes payroll appropriation for 182 sworn and 41 non-sworn full-time staff, and part-time staff. Daily staffing levels will remain at three personnel on fire engines and four personnel on ladder trucks. The FY 2020-21 employee services budget increased mainly due to retirement costs and cost of living adjustments. An allocation for hireback overtime is added back to the budget for coverage of injured sworn personnel.

With over 180 sworn positions, the department has continuous needs to fill and train new firefighters. An annual appropriation to conduct a Fire Academy to meet the demand for replacement staff is included in the FY 2020-21 budget. The appropriation includes funds to cover the cost of instructors, personal protective equipment for recruits, training materials, books, and certifications.

The department continues to work on improving public safety to fulfill the City Council's strategic work plan through new and improved technology, advanced and specialized staff training, up-to-date tools and equipment, organization, and team work to save lives and property. Staff will continue to work towards the completion of various system upgrades and ancillary software replacements. The FY 2020-21 Annual Budget includes funds for annual license, hardware, and software maintenance contracts, training, supplies, tools, and equipment for specialized operations teams that provide emergency services outside the scope of typical emergency calls.

The cost of contracted dispatch services with the San Joaquin County Regional Fire Dispatch Authority increased by approximately 9% as a combined result of increased dispatch call volume and a higher cost per call. Additionally, Senate Bill 438, enacted in October 2019, changed local public agency requirements for processing emergency calls and dispatch services. The Stockton Dispatch Center will resume its ability to receive live 9-1-1 callers and provide emergency medical dispatch services, and continue to dispatch emergency response resources for five agencies throughout the San Joaquin County. The FY 2020-21 Annual Budget includes six new dispatcher positions and a one-time allocation of approximately \$800,000 for equipment, software and facility improvements to implement the necessary changes in the Stockton Dispatch Center to handle the increased workload resulting from the new legislation.

FIRE DEPARTMENT

Funds to complete the Fire Station No. 2 kitchen repair and window replacement; and exterior painting of the remaining stations are incorporated in the annual budget. The department will also be working with Public Works and Information Technology to replace the end-of-life Uninterruptible Power Supply System equipment that provides continuous emergency back-up power at the Stockton Dispatch Center during electrical power failure.



Fire Department
FY 2020-21 Annual Budget

	General Fund 010	Emergency Communication 042	Development Services 048	Measure W 081
	<i>See Page E-11</i>	<i>See Page E-13</i>	<i>See Page E-15</i>	<i>See Page E-17</i>
Beginning Available Balance		\$ -		
Revenues				
Taxes	-	-	-	4,800,000
Program Revenue	4,708,234	4,089,579	2,964,644	-
Other Revenue	-	-	-	12,000
	4,708,234	4,089,579	2,964,644	4,812,000
Expenditures				
Salary & Benefits	34,950,002	3,026,668	-	5,190,381
Services & Supplies	13,088,272	800,911	-	363,124
Administration Overhead	-	262,000	-	317,985
Fire Prevention & Education	-	-	2,991,046	-
Capital Outlay	50,600	780,000	-	85,000
	48,088,874	4,869,579	2,991,046	5,956,490
Transfers				
Transfer In	-	780,000	-	-
Transfer Out	-	-	-	-
	-	780,000	-	-
Net Annual Activity	(43,380,640)	-	(26,402)	(1,144,490)
Ending Available Balance		\$ -		

Fire Department, Continued
FY 2020-21 Annual Budget

	Special Revenue 646	Fire Total
	<u>See Page E-19</u>	
Beginning Available Balance	<u>\$ 30,136</u>	
Revenues		
Taxes	-	4,800,000
Program Revenue	-	11,762,457
Other Revenue	-	12,000
	<u>-</u>	<u>16,574,457</u>
Expenditures		
Salary & Benefits	-	43,167,051
Services & Supplies	30,136	14,282,443
Administration Overhead	-	579,985
Fire Prevention & Education	-	2,991,046
Capital Outlay	-	915,600
	<u>30,136</u>	<u>61,936,125</u>
Transfers		
Transfer In	-	780,000
Transfer Out	-	-
	<u>-</u>	<u>780,000</u>
Net Annual Activity	<u>(30,136)</u>	<u>(44,581,668)</u>
Ending Available Balance	<u>\$ -</u>	

Revenues	\$ 16,574,457
Transfers	780,000
Total Sources	<u><u>\$ 17,354,457</u></u>
Expenditures	\$ 61,936,125
Transfers	-
Total Appropriations	<u><u>\$ 61,936,125</u></u>



**Fire Department
General Fund - 010
FY 2020-21 Annual Budget**

	FY 2017-18 Actual	FY 2018-19 Actual	FY 2019-20 Projected	FY 2020-21 Budget
Total Fire Department				
Employee Services	\$ 32,788,684	\$ 33,313,066	\$ 32,849,152	\$ 34,950,002
Other Services	6,980,393	7,281,031	8,304,980	8,463,278
Materials and Supplies	1,275,916	1,211,608	1,302,307	1,329,542
Other Expenses	3,343,075	3,205,558	3,373,881	3,295,452
Capital Outlay	213,682	367,653	378,057	50,600
Total	<u>\$ 44,601,750</u>	<u>\$ 45,378,916</u>	<u>\$ 46,208,377</u>	<u>\$ 48,088,874</u>

Administration

Employee Services	2,114,637	2,105,449	1,912,052	2,008,935
Other Services	307,005	389,616	632,959	437,499
Materials and Supplies	33,079	29,719	25,673	37,161
Other Expenses	<u>3,121,655</u>	<u>3,115,875</u>	<u>3,115,519</u>	<u>3,120,393</u>
Total	<u>5,576,376</u>	<u>5,640,659</u>	<u>5,686,203</u>	<u>5,603,988</u>

Fire Suppression

Employee Services	29,400,494	29,861,648	29,683,969	31,624,550
Other Services	4,145,107	4,423,214	4,927,459	5,105,602
Materials and Supplies	1,150,063	1,013,478	1,096,436	1,101,245
Other Expenses	281	1,476	1,200	5,800
Capital Outlay	<u>113,698</u>	<u>367,653</u>	<u>277,605</u>	<u>50,600</u>
Total	<u>34,809,643</u>	<u>35,667,469</u>	<u>35,986,669</u>	<u>37,887,797</u>

Safe and Sane Fireworks Program

Employee Services	79,833	65,502	62,144	80,425
Other Services	1,823	2,586	2,640	4,764
Materials and Supplies	<u>6,937</u>	<u>2,803</u>	<u>4,258</u>	<u>10,167</u>
Total	<u>88,593</u>	<u>70,891</u>	<u>69,042</u>	<u>95,356</u>

Training/Emergency Services

Employee Services	1,048,048	1,122,685	1,141,138	1,236,092
Other Services	486,026	287,902	295,791	306,890
Materials and Supplies	79,839	165,608	175,565	180,969
Other Expenses	220,899	88,037	256,814	169,259
Capital Outlay	<u>-</u>	<u>-</u>	<u>13,487</u>	<u>-</u>
Total	<u>1,834,812</u>	<u>1,664,232</u>	<u>1,882,795</u>	<u>1,893,210</u>

Dispatch

Employee Services	145,673	157,782	49,849	-
Other Services	2,040,432	2,177,713	2,446,131	2,608,523
Materials and Supplies	5,997	-	375	-
Other Expenses	240	170	348	-
Capital Outlay	<u>99,984</u>	<u>-</u>	<u>86,965</u>	<u>-</u>
Total	<u>2,292,326</u>	<u>2,335,665</u>	<u>2,583,668</u>	<u>2,608,523</u>

FIRE DEPARTMENT

EMERGENCY COMMUNICATIONS FUND (042)

PROGRAM DESCRIPTION

The City provides regional emergency and non-emergency dispatch and administrative services to the San Joaquin County Regional Fire Dispatch Authority (Authority), which serves the communities of Stockton, Lodi, Manteca, Tracy, and Lathrop.

The Emergency Communications Fund was created to account for the revenue and expenditures associated with the contracted dispatch and administrative services, and the associated reimbursements of the Authority and other agencies.

KEY CONSIDERATIONS

Staff will focus on the following efforts in the upcoming fiscal year:

- Complete the recruitment for six new positions; and make the necessary procurements and improvements in the Stockton Dispatch Center for the implementation of the changes required by Senate Bill 438.
- Complete the Fire computer-aided dispatch system upgrade project and replace the outdated software currently used at the dispatch center for improved receipt and management of emergency service calls from the public.
- Partner with the San Joaquin County for community mass notification system.
- Complete the 2019 National Academies of Emergency Dispatch Center of Excellence Re-Accreditation process.
- Complete the installation and replacement of the 9-1-1 call-taker workstations using funds from the State's 9-1-1 Emergency Communications Office.
- Complete a comprehensive communications training and succession planning program.
- Continue to review and update the Emergency Communications Operations Policies & Procedures.
- Continue the replacement of end-of-life mobile data computers and installation of new command and control and status software for these devices.

**Fire Department
Emergency Communications - 042
FY 2020-21 Annual Budget**

	FY 2017-18 Actual	FY 2018-19 Actual	FY 2019-20 Projected	FY 2020-21 Budget
Beginning Available Balance	\$ -	\$ -	\$ -	\$ -
Revenues				
Contract Revenue	2,591,405	2,705,097	3,313,752	3,963,488
Reimbursements	111,865	117,120	117,481	126,091
	2,703,270	2,822,217	3,431,233	4,089,579
Expenditures				
Salary & Benefits	1,927,440	2,045,164	2,445,465	3,026,668
Services & Supplies	525,385	539,013	660,910	696,174
Utilities & Maintenance	92,277	94,703	125,908	104,737
Administrative Expenses	158,168	143,337	198,950	262,000
Capital Outlay	-	-	-	780,000
	2,703,270	2,822,217	3,431,233	4,869,579
Transfers				
Transfer In	-	-	-	780,000
Transfer Out	-	-	-	-
	-	-	-	780,000
Net Annual Activity	-	-	-	-
Ending Available Balance	\$ -	\$ -	\$ -	\$ -
Available Balance Calculation				
Current assets		\$ 101,644		
Current liabilities		(101,644)		
Ending Available Balance		\$ -		

FIRE DEPARTMENT

DEVELOPMENT SERVICES FUND FIRE PREVENTION (048)

PROGRAM DESCRIPTION

The Fire Prevention Division safeguards the lives, welfare, and economy of the community by providing specialized services including commercial, residential, institutional and industrial inspections for California Fire Code compliance. The division also performs technical services such as permit plan review of fire alarm and extinguishing systems; management and issuance of fire code operational permits; and investigation of suspicious fires and hazardous materials incidents. Fire prevention inspection and technical services fees finance the operations of the division.

KEY CONSIDERATIONS

The Division will focus on the following initiatives in FY 2020-21:

- Present the completed Fire Prevention Fee Study to the City Council and implement the fee changes and other recommendations from the study.
- Update all fire inspection databases for completeness and accuracy and implement the Inspection Module of Fire Department's new Emergency Reporting Records Management system.
- Continue the development of a tracking method for private fire hydrants to ensure compliance with annual inspection and maintenance requirements.
- Hold an open-house community outreach event in the fall to highlight "National Fire Prevention Month" educating citizens on fire prevention and safety.

**Fire Department
Development Services - 048 (a)
FY 2020-21 Annual Budget**

	FY 2017-18 Actual	FY 2018-19 Actual	FY 2019-20 Projected	FY 2020-21 Budget
Revenues				
Fire Prevention				
User Fees	\$ 2,346,994	\$ 2,620,126	\$ 2,972,152	\$ 2,894,504
Fines & Penalties	64,897	79,976	77,571	67,015
Other Revenue	2,045	215	2,000	3,125
	<u>2,413,936</u>	<u>2,700,317</u>	<u>3,051,723</u>	<u>2,964,644</u>
Expenditures				
Fire Prevention	1,916,408	2,162,209	2,485,789	2,912,015
Fire Public Education	13,315	15,341	29,067	79,031
	<u>1,929,723</u>	<u>2,177,550</u>	<u>2,514,856</u>	<u>2,991,046</u>
Transfers				
Transfer In	-	-	-	-
Transfer Out	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Annual Activity	<u>\$ 484,213</u>	<u>\$ 522,767</u>	<u>\$ 536,867</u>	<u>\$ (26,402)</u>

(a) The total Development Services Fund - 048 is presented with the Community Development Department on page H-7.

FIRE DEPARTMENT

MEASURE W FUND (081)

PROGRAM DESCRIPTION

Stockton's voters approved Measure W in November 2004, which authorized a one-quarter percent Transaction and Use Tax for public safety services. Proceeds are split equally between the Police and Fire Departments. The program guidelines include an Economic Uncertainty fund reserve of 25% of annually budgeted revenues. The Fire portion of this reserve is fully funded.

The Fire Department uses Measure W proceeds to pay for a portion of Fire suppression personnel salary and benefits assigned to Fire Company No. 3 (southeast Stockton), Fire Company No. 4 (central Stockton) and Fire Company No. 13 (northeast Stockton). Proceeds have also been used for one-time purchases of fire engines, equipment, and radios. For the past six years, Measure W proceeds have consistently funded the salary and benefits of 25 firefighting positions that provide fire protection and other emergency services.

KEY CONSIDERATIONS

- Measure W revenues will continue to pay for 25 firefighting positions. One-time funds from the prior fiscal year will be rolled over to FY 2020-21 to complete the procurement and installation of three extractors to clean and decontaminate firefighter turn-out gear; and to complete other deferred maintenance in various fire stations for removing worn-out carpets, and for decontamination and painting of apparatus bays.
- Measure W proceeds are anticipated to decrease by 6% from the current year-end projection. Revenues continue to be monitored closely to ensure the long-term affordability of planned expenditures from tax revenues. Updated revenue estimates with the recessionary impact of the COVID-19 pandemic are \$2 million less than FY 2018-19 receipts. In times of revenue declines, the Economic Uncertainty Fund is intended to be used to maintain service levels. The purpose of the fund balance is to use reserves to fund firefighter salaries, benefits, and associated equipment. Continuing to fund 25 positions will draw down the fund balance in both FY 2019-20 and FY 2020-21.
- Measure W tax proceeds will be used for annual new diver training for the Fire Department's Water Rescue Operations Program, and will also provide one-time funds in FY 2020-21 for the purchase of a Hazardous Materials Command ID equipment for identifying unknown chemicals and substances accurately and safely during emergency incidents.
- The State of California charges a quarterly administration fee for services associated with the collection of the Measure W Public Safety Sales Tax. A sales tax audit contract provides auditing/compliance services to ensure sales tax is properly collected and distributed.
- In FY 2020-21, the Fire Department's share of the recommended Economic Uncertainty reserve is approximately \$1.2 million. The overall budget projection indicates that the balance in the Measure W Economic Uncertainty Fund will fall short of the program guidelines by approximately 6%.

**Fire Department
Measure W - 081 (a)
FY 2020-21 Annual Budget**

	FY 2017-18 Actual	FY 2018-19 Actual	FY 2019-20 Projected	FY 2020-21 Budget
Revenues				
Measure W Sales Tax	\$ 5,311,128	\$ 5,830,051	\$ 5,100,000	\$ 4,800,000
Investment Proceeds	(87)	49,343	25,238	12,000
	5,311,041	5,879,394	5,125,238	4,812,000
Expenditures				
Salary & Benefits	4,577,460	4,682,513	4,664,017	5,190,381
Services & Supplies	264,678	223,910	337,856	363,124
Administration Overhead	224,971	239,158	279,966	317,985
Equipment & Maintenance	144,865	101,903	323,710	85,000
	5,211,974	5,247,484	5,605,549	5,956,490
Transfers				
Transfer In	-	-	-	-
Transfer Out	-	-	-	-
	-	-	-	-
Net Annual Activity	\$ 99,067	\$ 631,910	\$ (480,311)	\$ (1,144,490)

(a) The total Measure W Fund - 081 is presented with the Police Department budget on page D-13.

FIRE DEPARTMENT

FIRE SPECIAL REVENUE FUND (646)

PROGRAM DESCRIPTION

The Fire Department receives donations and uses them for supplies, equipment, training and safety awareness expenses that are not funded in the General Fund operating budget.

KEY CONSIDERATIONS

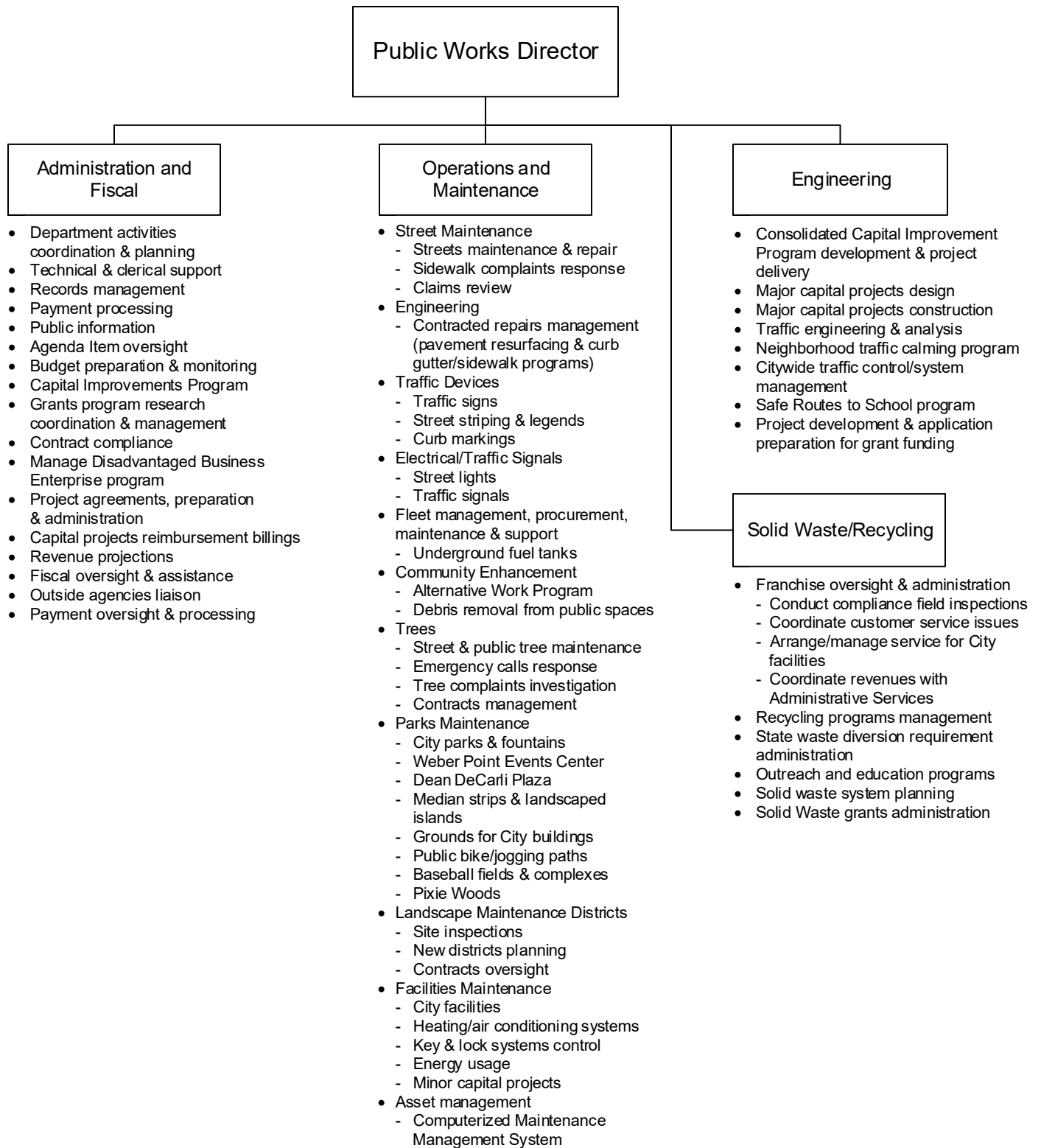
The projected available balance is fully appropriated in anticipation of costs for additional training in specialized emergency rescue operations needed by new firefighters, and supplies and equipment for new programs.

**Fire Department
Special Revenue - 646
FY 2020-21 Annual Budget**

	FY 2017-18 Actual	FY 2018-19 Actual	FY 2019-20 Projected	FY 2020-21 Budget
Beginning Available Balance	\$ 79,719	\$ 68,575	\$ 58,181	\$ 30,136
Revenues				
Other Revenue	797	1,966	1,187	-
	797	1,966	1,187	-
Expenditures				
Program Expenses	11,941	12,360	29,232	30,136
	11,941	12,360	29,232	30,136
Transfers				
Transfer In	-	-	-	-
Transfer Out	-	-	-	-
	-	-	-	-
Net Annual Activity	(11,144)	(10,394)	(28,045)	(30,136)
Ending Available Balance	\$ 68,575	\$ 58,181	\$ 30,136	\$ -
Available Balance Calculation				
Current assets		\$ 58,203		
Current liabilities		(22)		
Ending Available Balance		\$ 58,181		



TAB 6 PUBLIC WORKS



PUBLIC WORKS DEPARTMENT



PUBLIC WORKS DEPARTMENT

MISSION STATEMENT

Plan, design, build and maintain public works for residents, businesses, and departments of the City of Stockton to meet their needs and expectations with pride and professionalism in a cost-effective manner.

Budget at a Glance:

Total Revenues	\$41,831,041
Total Expenditures	\$63,861,322
Total Net Cost	\$22,030,281
Total Staff	168

DEPARTMENT DESCRIPTION

Public Works is comprised of four divisions: Engineering, Solid Waste/Recycling, Operations and Maintenance, and Fiscal and Administration.

Engineering oversees traffic engineering, traffic system management and delivery of the City's Capital Improvement Program (CIP) projects. The CIP is a robust compilation of upgrades and additions to the City's infrastructure. The CIP list of improvements includes work to the City's roads, bridges, signals, lighting, parks, as well as library, fire, police, and other city facilities. The Division also reviews, approves, and inspects public infrastructure improvements resulting from land development projects.

Solid Waste and Recycling manages the City's recycling programs and oversees the City's franchise agreements, including:

- Residential trash, recycling, and organic waste collection.
- Commercial and industrial waste and recycling collection.
- Recycling education and outreach.
- "Clean Sweep" by appointment (bulky waste pick-up).
- Construction/Demolition recycling permits.

This division also oversees contracted street sweeping services and coordinates collection for community cleanups and recycling drop-off events. These activities are funded by fees collected from the franchised haulers' gross rate revenues.

Operations and Maintenance is responsible for maintaining transportation infrastructure, parks, trees, Landscape and Lighting Assessment Districts, City facilities, and the City fleet.

- Transportation maintenance utilizes State gas tax and Measure K maintenance monies for the maintenance, repair, and replacement of:
 - o 763 miles of roads.
 - o Over 1,200 miles of sidewalk, pavement striping, and markings.
 - o More than 16,000 regulatory/warning signs.
 - o 308 traffic signals and over 19,000 street lights.

PUBLIC WORKS DEPARTMENT

- The Community Enhancement program removes weeds, graffiti, and approximately 450 tons of illegally dumped debris from public right-of-way.
- The Division contracts for over 2.0 million square feet of median and streetscape landscape maintenance, alley maintenance, and weed spraying.
- The Landscape Maintenance Assessment District function provides maintenance services to 27 separate zones where fees are collected from benefiting properties. Services include landscaping and irrigation work for streetscapes and medians, painting and repair of walls, landscape/janitorial services at 12 parks, and street lighting repair and electricity costs.
- Fleet operations are funded by rental rates charged to user departments. Fleet services manages the City's mixed fleet of approximately 1,120 vehicles and equipment by:
 - Providing services ranging from preventive maintenance inspections to full engine rebuilds, specialized auto body repairs, and vehicle setups. This work is performed either by an in-house team of mechanics and specialists or by outside vendors.
 - Replacing aging vehicles and equipment including police vehicles, heavy fire equipment, and large construction units.

Fiscal and Administration provides management support for the department, which includes budget development, grants management, contract compliance, and all aspects of office and financial administration.

Public Works' budget consists mainly of restricted funding sources. The Department uses General Fund monies for parks, trees, facilities, and administrative expenses comprising of:

- Maintenance, minor repairs, and capital replacements for 800,000 square feet of City buildings at 60 sites, including janitorial, grounds maintenance, roof maintenance, HVAC, plumbing, carpentry, and key/alarm control services.
- Contracted maintenance services at 50 parks, including janitorial, landscape, vandalism repair, and irrigation work.
- Maintenance of approximately 90,000 trees along streets and in parks, with services limited to safety trimming and emergency response using a combination of City and contracted personnel.

Gas tax and Measure K maintenance funds support traffic safety/engineering, traffic system management, and delivery of the various projects in the CIP. The budget for the capital function is separate from, and in addition to, the operating budget. Public Works staff seek out and secure various capital grants that are essential to complete critical capital improvements. Measure K maintenance funds and developer fees provide important matching funds for capital projects grants.

DEPARTMENT STRATEGIC WORK PLAN

The Department is focused on infrastructure maintenance and on maintaining the level of service provided by our Fiscal, Solid Waste, Engineering, and maintenance operations. Engineering will continue to seek federal and state funding opportunities to deliver the City's capital needs with a focus on delivering portions of the Bike Master plan, Safe Routes to School plan, and other plans and priority projects. The City's long-term infrastructure maintenance and renewal strategy is

PUBLIC WORKS DEPARTMENT

contained in the 5-year CIP which is updated annually. Operations and Maintenance will focus on enhancing asset inventory tracking, managing and evaluating service levels using the computerized maintenance management system, and updating the Fleet Management System as part of the ERP transition. Solid Waste operations will focus on implementing new or improved franchise provisions while continuing to work with the franchised haulers to address recycling contamination issues and upcoming state mandates.

PRIOR YEAR ACCOMPLISHMENTS

The Department was successful in utilizing existing Measure K funding to leverage a variety of existing and new federal and state funding sources. These leveraged funding opportunities made it possible to bring tens of millions in additional revenues that were used to add improvements to the City's transportation infrastructure. The Department successfully prepared numerous transportation, facilities, and utility projects for construction, including the new Northeast Stockton Library and Community Center, the Miner Avenue Complete Streets project, three new roundabout locations, and multiple sanitary sewer rehabilitation projects.

The operations and maintenance division continued its primary mission of timely maintenance of the City's facilities and transportation system comprised of over 800,000 square feet of building space, 62 parks, 763 miles of roads, 308 traffic signals, more than 19,000 street lights and 16,000 regulatory/warning signs. Staff filled over 7,200 potholes and installed over 1,365 signs, replaced sidewalks at 171 locations, replaced 57 street light or traffic signal poles, removed over 700 tons of debris from Mormon Slough, and replaced three damaged playgrounds.

Solid Waste successfully negotiated and commenced 10-year franchise agreements with Republic Services and Waste Management, began planning the transition to franchisee-provided residential billing services with Administrative Services, provided education and outreach to over 4,000 visitors through booth participation at community special events, placed nearly 10,000 informational tags on recycling carts to improve recycling compliance, processed over 2,400 illegally dumped mattresses through the Bye Bye Mattress program, coordinated with the garbage franchise haulers to service nearly 4,000 residential Clean Sweep collections, and managed the online recycling guide, StocktonRecycles.com.

KEY CONSIDERATIONS

Key considerations for Department divisions that are funded separately from the General Fund are addressed in the following sections. For General Fund functions, which are limited to Parks, Trees, and Facilities, the FY 2020-21 budget fully funds the park and street landscape maintenance contracts. Tree maintenance continues to be a concern, as available resources do not permit a proactive trimming, removal and replacement program. Facility considerations primarily focus on the shift of City Hall to the Waterfront Office Towers and the remaining maintenance needs at unoccupied facilities.

**Public Works Department
FY 2020-21 Annual Budget**

	General Fund 010	Street Maintenance Gas Tax 030	Measure K Street Maintenance 082	Solid Waste Recycling 047
	<i>See Page F-9</i>	<i>See Page F-11</i>	<i>See Page F-13</i>	<i>See Page F-15</i>
Beginning Available Balance		\$ 1,731,210	\$ 4,819,883	\$ 2,013,024
Revenues				
State Gas Tax	-	12,654,356	-	-
Measure K Sales Tax	-	-	4,040,000	-
User Fees	-	-	-	3,143,194
Interfund Project Charges	-	-	-	-
Other Revenue	37,657	-	60,000	-
	37,657	12,654,356	4,100,000	3,143,194
Expenditures				
Salary and benefits	6,936,991	4,466,172	-	1,651,136
Operating expenses	9,078,909	3,820,838	4,709,815	1,395,465
Debt service	-	-	-	-
Capital outlay	-	5,275,000	3,539,969	-
	16,015,900	13,562,010	8,249,784	3,046,601
Transfers				
Transfer In	-	-	-	-
Transfer Out	-	-	-	-
	-	-	-	-
Net Annual Activity	(15,978,243)	(907,654)	(4,149,784)	96,593
Ending Available Balance		\$ 823,556	\$ 670,099	\$ 2,109,617

Public Works Department, Continued
FY 2020-21 Annual Budget

	Lighting Maintenance 071	Assessment District Maintenance 072	Capital Project Administration 399/999	Fleet Services 501	Public Works Total
	<i>See Page F-17</i>	<i>See Page F-19</i>		<i>See Page N-9</i>	
	\$ 310,018	\$ 12,810,113	\$ -	\$ 8,451,524	
Revenues					
State Gas Tax	-	-	-	-	12,654,356
Measure K Sales Tax	-	-	-	-	4,040,000
User Fees	15,821	3,729,795	-	13,249,465	20,138,275
Interfund Project Charges	-	-	4,533,253	-	4,533,253
Other Revenue	2,500	65,000	-	300,000	465,157
	18,321	3,794,795	4,533,253	13,549,465	41,831,041
					-
Expenditures					
Salary and benefits	18,261	-	4,533,253	-	17,605,813
Operating expenses	-	5,009,271	-	9,426,248	33,440,546
Debt service	-	-	-	743,782	743,782
Capital outlay	-	-	-	3,249,000	12,063,969
	18,261	5,009,271	4,533,253	13,419,030	63,854,110
					-
Transfers					
Transfer In	-	-	-	-	-
Transfer Out	-	(7,212)	-	-	(7,212)
	-	(7,212)	-	-	(7,212)
Net Annual Activity	60	(1,221,688)	-	130,435	(22,030,281)
	\$ 310,078	\$ 11,588,425	\$ -	\$ 8,581,959	

Revenues	\$ 41,831,041
Transfers	-
Total Sources	\$ 41,831,041
Expenditures	\$ 63,854,110
Transfers	7,212
Total Appropriations	\$ 63,861,322



**Public Works Department
General Fund - 010
FY 2020-21 Annual Budget**

	FY 2017-18 Actual	FY 2018-19 Actual	FY 2019-20 Projected	FY 2020-21 Budget
Total Public Works Department				
Employee Services	\$ 4,927,808	\$ 5,394,835	\$ 6,460,216	\$ 6,936,991
Other Services	6,502,652	6,969,712	8,450,358	8,210,316
Materials and Supplies	1,092,018	774,394	704,898	769,593
Other Expenses	24,522	59,448	38,406	99,000
Capital Outlay	-	-	-	-
Total	<u>\$ 12,547,000</u>	<u>\$ 13,198,389</u>	<u>\$ 15,653,878</u>	<u>\$ 16,015,900</u>

Administration

Employee Services	985,437	1,153,493	1,354,272	1,221,773
Other Services	397,903	386,368	308,108	363,840
Materials and Supplies	38,421	15,052	10,478	20,493
Other Expenses	7,495	13,680	11,908	14,600
Capital Outlay	-	-	-	-
Total	<u>1,429,256</u>	<u>1,568,593</u>	<u>1,684,766</u>	<u>1,620,706</u>

Operations & Maintenance

Employee Services	1,105,240	1,204,012	1,900,758	2,195,857
Other Services	367,944	451,204	708,927	788,081
Materials and Supplies	395,417	65,424	19,315	29,046
Other Expenses	10,540	26,755	19,136	46,700
Total	<u>1,879,141</u>	<u>1,747,395</u>	<u>2,648,136</u>	<u>3,059,684</u>

Parks & Street Trees

Employee Services	1,168,883	1,012,275	1,022,132	1,126,905
Other Services	4,152,365	4,450,926	5,406,861	5,196,209
Materials and Supplies	149,086	235,038	209,790	251,020
Other Expenses	3,641	8,850	1,338	11,700
Capital Outlay	-	-	-	-
Total	<u>5,473,975</u>	<u>5,707,089</u>	<u>6,640,121</u>	<u>6,585,834</u>

Facilities Maintenance

Employee Services	1,668,248	2,025,055	2,183,054	2,392,456
Other Services	1,584,440	1,681,214	2,026,462	1,862,186
Materials and Supplies	509,094	458,880	465,315	469,034
Other Expenses	2,846	10,163	6,024	26,000
Capital Outlay	-	-	-	-
Total	<u>3,764,628</u>	<u>4,175,312</u>	<u>4,680,855</u>	<u>4,749,676</u>

PUBLIC WORKS DEPARTMENT

GAS TAX FUND (030)

PROGRAM DESCRIPTION

The State of California transfers Gas Tax Fund revenues to the City based on an allocation formula that distributes taxes collected on fuel sales.

The Fund supports a transportation system comprised of approximately 763 miles of roads, 308 traffic signals, 19,000 street lights, 16,000 regulatory/warning signs, together with sidewalks, bridges, ditches, graffiti abatement, and the City's street trees.

KEY CONSIDERATIONS

The State authorized additional transportation funding via Senate Bill 1 (SB 1-the Road Repair and Accountability Act of 2017) to fix roads, freeways, and bridges in communities across California. SB 1 funding will provide a positive impact on the maintenance program moving forward, primarily through the Road Maintenance and Rehabilitation Account (RMRA) program. The City's FY 2020-21 RMRA funding allocation is estimated to be almost \$5.3 million, and these projects are included in the CIP:

- \$3.75 million is allocated to the Local Streets Resurfacing Project
- \$1.3 million is allocated to the Curb, Gutter, and Sidewalk Replacement Project
- \$250,000 is allocated to the Street Restriping project

The non-capital gas tax portion of the budget funds operational activities related to engineering, pavement, street lighting, traffic signals, and pavement markings and signs to improve the City's infrastructure.

Gas Tax revenues depend largely on the extent of any longer-term recession so they may be severely impacted by shelter-in-place orders. If actual revenues received in FY 2020-21 are less than the projected budget, the project scopes will be reduced.

**Public Works Department
Gas Tax - 030
FY 2020-21 Annual Budget**

	FY 2017-18 Actual	FY 2018-19 Actual	FY 2019-20 Projected	FY 2020-21 Budget
Beginning Available Balance	\$ 2,151,838	\$ 2,944,725	\$ 1,226,952	\$ 1,731,210
Revenues				
State Gas Tax	6,928,420	10,735,493	10,667,165	10,010,730
Prop 42 Replacement Gas Tax	1,612,730	1,408,020	2,687,422	2,643,626
Refunds and reimbursements	192,341	98,983	-	-
Investment Proceeds	24,127	145,350	-	-
	8,757,618	12,387,846	13,354,587	12,654,356
Expenditures				
Salary and benefits	3,669,378	3,888,136	4,066,764	4,466,172
Maintenance and repair services	190,757	483,788	891,007	631,600
Insurance premiums	108,042	115,400	135,187	187,917
Auto equipment rental	1,132,021	936,496	953,276	1,019,713
Computer/Tech/Operating support	437,261	422,676	242,043	204,576
Engineering services	7,170	23,500	57,760	-
Construction services	326,290	3,600	435,000	281,827
Materials and supplies	1,271,353	457,143	423,776	342,304
Fuels - gas/oil/propane	107,416	115,662	118,188	130,219
All other expenses	681,910	852,612	704,318	1,022,682
Capital projects	76,163	1,627,387	4,823,010	5,275,000
	8,007,761	8,926,400	12,850,329	13,562,010
Transfers				
Transfer In	-	-	-	-
Transfer Out	43,030	-	-	-
	43,030	-	-	-
Net Annual Activity	792,887	3,461,446	504,258	(907,654)
Ending Available Balance	\$ 2,944,725	\$ 6,406,171	\$ 1,731,210	\$ 823,556
Available Balance Calculation				
Current assets		\$ 7,159,575		
Current liabilities		(753,402)		
Fund balance		6,406,173		
Capital Appropriation		(5,179,221)		
Ending Available Balance		\$ 1,226,952		

PUBLIC WORKS DEPARTMENT

MEASURE K MAINTENANCE FUND (082)

PROGRAM DESCRIPTION

In 1990, voters in San Joaquin County passed a ½ cent sales tax increase dedicated to transportation projects. This original sales tax increase was set to expire in 2011; however, in 2006, voters passed a 30-year extension of the sales tax increase. The Measure K program is administered by the San Joaquin Council of Governments (SJCOG).

35% of the sales tax revenue is dedicated to maintenance activities and is distributed to member jurisdictions of the SJCOG which include San Joaquin County and the cities of Stockton, Lodi, Manteca, Tracy, Ripon, Escalon, and Lathrop. Stockton receives Measure K maintenance funding every quarter and has historically used this funding for maintenance, local capital projects, and to provide matching funds to leverage state and federal grant programs.

KEY CONSIDERATIONS

- The San Joaquin Council of Governments has projected that there will be no change in Measure K revenues in FY 2020-21 compared to FY 2019-20.
- The Department utilizes a portion of Measure K revenues to leverage state and federal Grant sources such as the Active Transportation, Congestion Mitigation, Highway Bridge, and Highway Safety Programs. The Department is presently delivering approximately \$20 million in state and federally funded projects that involve new safety improvements, bike facilities, signalization and traffic upgrades, Safe Routes to Schools improvements, and major transportation improvements to identified streets in the City.
- Measure K funds critical engineering programs in the areas of Neighborhood Traffic Calming, Traffic Signal control and modifications, Utility Undergrounding, and Bridges.
- The FY 2020-21 Budget supports operational activities related to engineering, pavement, street lighting, traffic signals, and pavement markings and signs to improve the City's infrastructure.

**Public Works Department
Measure K - Maintenance - 082
FY 2020-21 Annual Budget**

	<u>FY 2017-18 Actual</u>	<u>FY 2018-19 Actual</u>	<u>FY 2019-20 Projected</u>	<u>FY 2020-21 Budget</u>
Beginning Available Balance	\$ 12,520,244	\$ 14,022,608	\$ 7,908,279	\$ 4,819,883
Revenues				
Sales Tax	5,202,124	5,573,997	5,500,000	4,040,000
Investment Proceeds	2,516	395,179	60,000	60,000
Other Revenues	974,308	89,296	62,552	-
	<u>6,178,948</u>	<u>6,058,471</u>	<u>5,622,552</u>	<u>4,100,000</u>
Expenditures				
Operating	2,614,533	3,012,835	3,050,176	4,709,815
Capital projects	2,062,051	1,086,949	5,660,772	3,539,969
	<u>4,676,584</u>	<u>4,099,784</u>	<u>8,710,948</u>	<u>8,249,784</u>
Transfers				
Transfer In	-	-	-	-
Transfer Out	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Annual Activity	1,502,364	1,958,687	(3,088,396)	(4,149,784)
Ending Available Balance	\$ 14,022,608	\$ 15,981,295	\$ 4,819,883	\$ 670,099
Available Balance Calculation				
Current assets		\$ 16,312,844		
Current liabilities		<u>(331,549)</u>		
Fund balance		15,981,295		
Capital Appropriation		<u>(8,073,016)</u>		
Ending Available Balance		<u>\$ 7,908,279</u>		

PUBLIC WORKS DEPARTMENT

SOLID WASTE AND RECYCLING FUND (047)

PROGRAM DESCRIPTION

Revenues for this fund are from a 5% surcharge on waste haulers' gross rate revenues. This revenue is authorized by State Assembly Bill 939 (AB 939-the Integrated Waste Management Act) and was created to fund compliance with the recycling and diversion programs required by AB 939. This program provides franchise oversight in addition to various recycling and compliance initiatives. Several new state requirements (AB 341, AB 1826, and SB 1383) intended to divert solid and organic waste to recycling efforts require extensive administrative and compliance activities which will impact this fund as implementation proceeds.

KEY CONSIDERATIONS

The primary focus for the coming year will be implementing programs associated with the new franchise agreements (effective January 1, 2020) and upcoming state requirements. The new agreement maintains the high service level expected by our customers while allowing staff to address changing state requirements for diversion and organics processing. Addressing recycling and organic waste contamination issues continue to be a focus. New recycling drop-off events will be conducted which will include a free compost giveaway component. Phase I of the residential billing transition to the waste haulers (customers in the California Water Services area) is scheduled for completion in FY 2020-21. Staff will continue to Phase 2 of the billing transition (City of Stockton water service customers) in FY 2020-21 for completion in FY 2021-22.

In FY 2020-21, additional staff will be added to meet SB 1383 and other state-mandated solid waste and recycling requirements. Staffing additions will also assist in franchise management efforts to: 1) ensure the proper use of residential carts and commercial containers; 2) assist in the reduction of cart/container contamination; and 3) comply with the Stockton Municipal Code.

**Public Works Department
Solid Waste & Recycling - 047
FY 2020-21 Annual Budget**

	FY 2017-18 Actual	FY 2018-19 Actual	FY 2019-20 Projected	FY 2020-21 Budget
Beginning Available Balance	\$ 1,897,710	\$ 1,927,683	\$ 2,249,625	\$ 2,013,024
Revenues				
Recycling Fees				
Residential	805,288	824,478	769,103	1,581,869
Commercial	624,550	760,767	683,179	1,451,304
Other	10,140	15,052	12,096	22,515
Industrial	56,986	58,243	54,570	87,506
	<u>1,496,964</u>	<u>1,658,540</u>	<u>1,518,948</u>	<u>3,143,194</u>
Investment Proceeds	2,129	83,084	37,000	-
Other Revenues	25,559	45,204	-	-
	<u>1,524,652</u>	<u>1,786,828</u>	<u>1,555,948</u>	<u>3,143,194</u>
Expenditures				
Salaries and Benefits	1,226,906	938,117	791,100	1,651,136
Rents and Support	97,247	102,985	120,947	156,295
Professional & Special Services	35,239	281,398	567,791	589,750
Materials and Supplies	24,877	27,491	112,450	205,479
Training & Travel	15,841	7,591	19,300	76,200
Indirect Costs	83,411	83,411	88,941	88,941
All Other Expenses	11,158	23,893	92,020	278,800
	<u>1,494,679</u>	<u>1,464,886</u>	<u>1,792,549</u>	<u>3,046,601</u>
Transfers				
Transfer In	-	-	-	-
Transfer Out	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Annual Activity	29,973	321,942	(236,601)	96,593
Ending Available Balance	\$ 1,927,683	\$ 2,249,625	\$ 2,013,024	\$ 2,109,617
Available Balance Calculation				
Current assets		\$ 2,319,789		
Current liabilities		(70,164)		
Ending Available Balance		<u>\$ 2,249,625</u>		

PUBLIC WORKS DEPARTMENT

LIGHTING ASSESSMENT DISTRICT FUND (071)

PROGRAM DESCRIPTION

This fund tracks financial activity relative to the Central Stockton Lighting Maintenance Assessment District formed under the Landscape and Lighting Act of 1972 and collects assessments for the “Special Lighting Benefit” received.

The current district is a reformation of the original Lighting & Maintenance Districts 74 and 75 formed under the Street Light Acts of 1927 and 1931. The District contains one zone – the Oxford Manor zone with 278 street lights.

KEY CONSIDERATIONS

Assessment rates will remain the same as in FY 2019-20.

**Public Works Department
Lighting Maintenance - 071
FY 2020-21 Annual Budget**

	<u>FY 2017-18 Actual</u>	<u>FY 2018-19 Actual</u>	<u>FY 2019-20 Projected</u>	<u>FY 2020-21 Budget</u>
Beginning Available Balance	<u>\$ 297,142</u>	<u>\$ 297,426</u>	<u>\$ 309,017</u>	<u>\$ 310,018</u>
Revenues				
Charges for services	16,001	15,821	17,265	15,821
Investment Proceeds	<u>304</u>	<u>12,277</u>	<u>2,500</u>	<u>2,500</u>
	<u>16,305</u>	<u>28,098</u>	<u>19,765</u>	<u>18,321</u>
Expenditures				
Operations	16,021	16,507	18,764	18,261
	<u>16,021</u>	<u>16,507</u>	<u>18,764</u>	<u>18,261</u>
Transfers				
Transfer In	-	-	-	-
Transfer Out	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Annual Activity	<u>284</u>	<u>11,591</u>	<u>1,001</u>	<u>60</u>
Ending Available Balance	<u>\$ 297,426</u>	<u>\$ 309,017</u>	<u>\$ 310,018</u>	<u>\$ 310,078</u>
Available Balance Calculation				
Cash & Interest Receivable		\$ 310,110		
Accounts receivable		-		
Accounts payable		<u>(1,093)</u>		
Ending Available Balance		<u><u>\$ 309,017</u></u>		

PUBLIC WORKS DEPARTMENT

STOCKTON CONSOLIDATED LANDSCAPE MAINTENANCE ASSESSMENT DISTRICT 96-2 FUND (072)

PROGRAM DESCRIPTION

On February 26, 1996, Council adopted Resolution No. 96-0084 that consolidated the eight Landscape Maintenance Districts that existed at the time into the new Consolidated Landscape District 96-2.

There are 34 separate zones in the Consolidated Landscape District. Assessments are levied in 27 zones. Assessments are not levied in the remaining seven zones as no improvements have been constructed and maintenance is not required.

This fund includes the aggregate fund balances for each of the 27 zones. Funds from one zone cannot be used in a different zone. The fund balances for each zone are intended to be used for replacement of infrastructure, such as irrigation systems, back up walls, street lights, and playground equipment, and for replacement of plant material. However, only certain zones were created with assessments that keep pace with inflation. The fund balance in the seven zones without a cost of living adjustment is reserved to meet future increases in maintenance costs and may be insufficient to replace aged infrastructure in future years.

Improvements maintained include but are not limited to street and median landscaping, fountains, ornamental structures, public lighting (such as street lights and traffic signals), walls, irrigation, parks, and park equipment. Maintenance typically includes mowing, edging, trash collection, irrigation system operation and repairs, and replanting of landscape.

All maintenance services are provided by contract except for some lighting work performed by City staff.

KEY CONSIDERATIONS

The assessment will remain the same for FY 2020-21 for the seven zones with fixed assessments. For the 20 zones where the assessment formula provides for adjustment, the actual FY 2020-21 assessment will remain the same as the FY 2019-20 assessment in eight zones and will be increased in twelve zones.

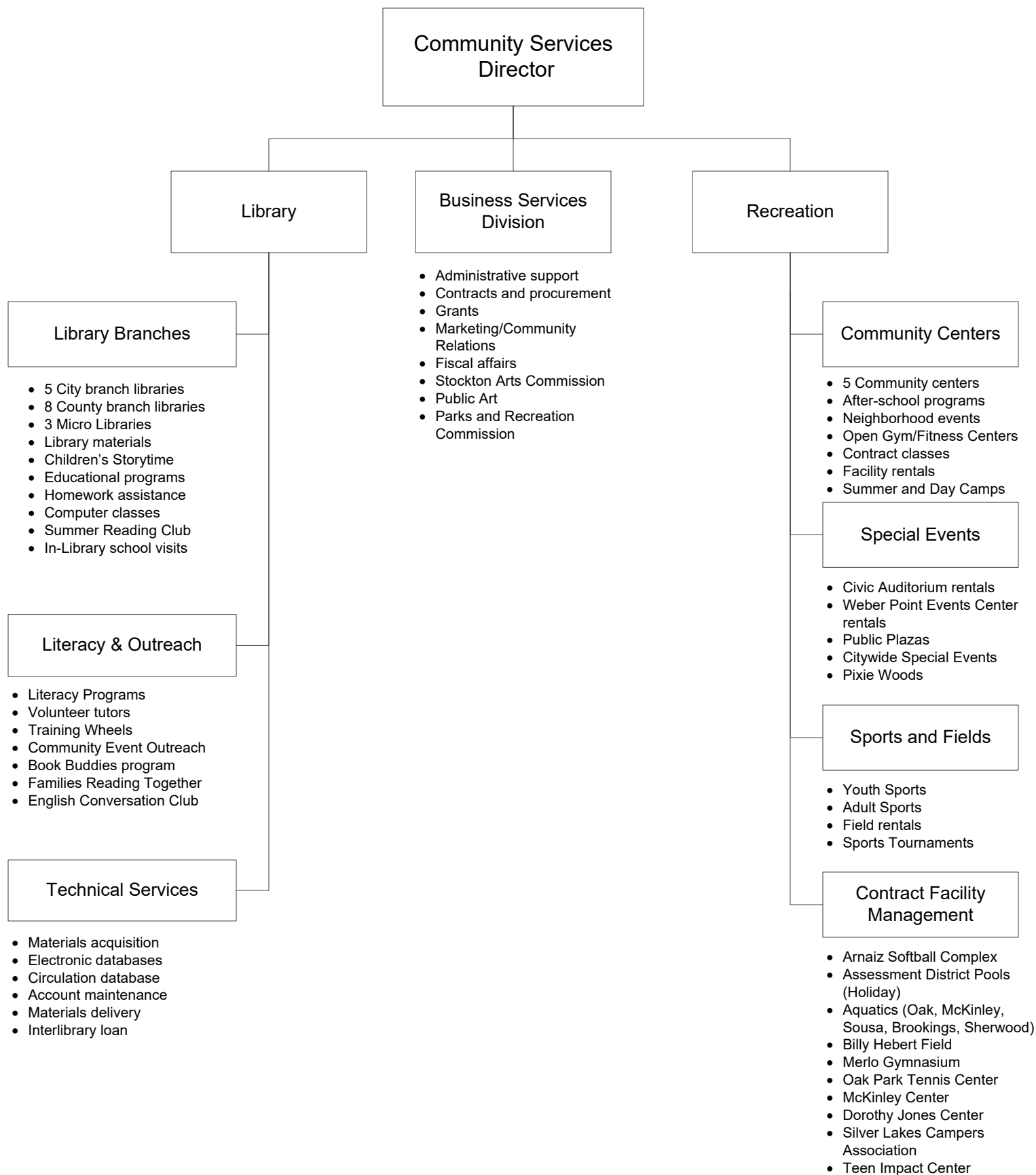
The FY 2020-21 expenditure budget is increasing \$748,440 compared to the FY 2019-20 year-end projection of \$4.2 million to cover water charges, wall repair costs, and corresponding contingency budgets.

**Public Works Department
Assessment District Maintenance - 072
FY 2020-21 Annual Budget**

	<u>FY 2017-18 Actual</u>	<u>FY 2018-19 Actual</u>	<u>FY 2019-20 Projected</u>	<u>FY 2020-21 Budget</u>
Beginning Available Balance	\$ 11,955,667	\$ 12,458,400	\$ 13,614,971	\$ 12,810,113
Stormwater Maintenance District				
Adjusted, Beginning Available Balance				
Revenues				
Assessments	3,046,806	3,370,177	3,455,973	3,729,795
Investment Proceeds	6,927	520,732	-	65,000
	<u>3,053,733</u>	<u>3,890,909</u>	<u>3,455,973</u>	<u>3,794,795</u>
Expenditures				
Operations	2,551,000	2,734,338	4,260,831	5,009,271
	<u>2,551,000</u>	<u>2,734,338</u>	<u>4,260,831</u>	<u>5,009,271</u>
Transfers				
Transfer In	-	-	-	-
Transfer Out - Storm Drain Maint. Dist.	-	-	-	(7,212)
	<u>-</u>	<u>-</u>	<u>-</u>	<u>(7,212)</u>
Net Annual Activity	502,733	1,156,571	(804,858)	(1,221,688)
Ending Available Balance	\$ 12,458,400	\$ 13,614,971	\$ 12,810,113	\$ 11,588,425
Available Balance Calculation				
Cash and Interest Receivable				
Accounts payable		13,833,162		
Encumbrances		(218,191)		
Ending Available Balance		<u>\$ 13,614,971</u>		



TAB 7 COMMUNITY SERVICES



COMMUNITY SERVICES DEPARTMENT



COMMUNITY SERVICES DEPARTMENT

MISSION STATEMENT

Building resilient communities by cultivating healthy bodies and curious minds.

Budget at a Glance:

Total Revenues	\$26,473,391
Total Expenditures	\$25,957,149
Total Net Revenue	\$516,242
Total Staff	112

DEPARTMENT DESCRIPTION

Community Services has two primary budgetary program areas: Library and Recreation.

The Library provides experiences and resources designed to improve the intellectual and educational lives of residents in our community. Programs such as story-time, tutoring, and summer reading focus on literacy, learning, and building strong families and communities. Library collections support this goal as well as high-speed internet access, computer and technology labs, books, music, movies, electronic research tools, and digital format materials.

The Library system, known as the Stockton-San Joaquin County Public Library, is operated by the City of Stockton and serves all of San Joaquin County through an arrangement to provide a regional, multi-branch system. The system is made up of eight branches within Stockton city limits, eight branches throughout the rest of San Joaquin County, and a bookmobile. This centralized system allows all the sites to circulate materials between one another and benefit from combined administrative and management costs.

General Fund allocations from the City of Stockton and San Joaquin County make up the majority of the funding for the library system. Operating and system-wide administration and support costs are tracked separately and assigned to the two agencies in accordance with a contract for services. The Strong Communities (Measure M) initiative provides additional funding for City of Stockton libraries.

Recreation is comprised of programs that improve the health and wellbeing of Stockton residents. Recreation programs are known to foster physical health, promote social equity, build life skills and strengthen community bonds. Through its facilities, the Department offers youth and adult sports leagues, special events, senior programs, afternoon supper for youth, day camps, after-school programs, instructional classes and a variety of other leisure events and activities.

Recreation facilities include community centers, soccer and ball field complexes, swimming pools and special event venues such as the Civic Auditorium, Weber Point Events Center, and Pixie Woods children's theme park. Some facilities and programs are operated by the City directly, some are jointly used with other agencies, and others are contracted out to private and non-profit agencies for full or partial management. Fees and an allocation of General Fund revenue have historically funded operating costs for recreation programs. The Strong Communities (Measure M) initiative provides additional funding for recreation services.

The Department oversees the operations of City golf courses. Golf is offered to residents at the City's Swenson Golf Course through a 15-year lease agreement with Kemper Sports Management, Inc., which began January 2020. Van Buskirk Golf Course was closed July 31,

COMMUNITY SERVICES DEPARTMENT

2019 due to a decline in golf play and the increasing General Fund subsidy required to operate the property as a golf course. The City continues to maintain the land while staff plans the future re-use of the property as a recreation amenity.

In addition to its operational areas, the department provides oversight and support to the Parks and Recreation Commission, Stockton Arts Commission, and Teen Leadership Council.

DEPARTMENT STRATEGIC WORK PLAN

The Community Services Department supports the City Council's strategic work plan specifically in the areas of working with education partners to improve student outcomes, improving quality of life, and creating improved infrastructure. Library goals for the coming year include improving access to digital materials, delivering programs focusing on digital literacy and technology skills, redesigning the library website, and delivering programs to focus on the diverse communities in the Department's service area. Recreation goals include the installation of scoreboards, determining current levels of cost recovery for Recreation programs, and improving program planning and evaluation.

Department infrastructure improvements include continued work on capital projects designated in the Strong Communities expenditure plan. Priorities include soccer field improvements, breaking ground on a new Library and Community Center, and design and construction of the McKinley Park Renovation, which received \$8.5 million in State grant funds from Proposition 68. The Department will also continue its efforts to support the community during the COVID-19 pandemic through virtual programing, food distribution, and community morale initiatives.

PRIOR YEAR ACCOMPLISHMENTS

The Department's major accomplishments include developing cultural and arts programs throughout the Library, presenting workshops for parents to build vocabulary and support literacy development for children age 0-3, providing more digital literacy instruction, and opening a third Micro Library at the Van Buskirk Community Center. The Department has also increased its sports programming including free programs for youth, community center-based camp programs, and special events to engage residents in arts and social activities. In addition, Community Centers have redesigned and implemented curriculum-based afterschool programs focusing on academic and social development.

The Department also experienced service growth in several areas. The Library Summer Reading Club saw a 20% increase in participation and a total of over 62,000 books read by children, teens, and adults in our community. Bookings at the Civic Auditorium, attendance at Pixie Woods, and participation in youth and adult sports leagues all had strong increases compared to prior years. In 2019, summer camp programs were at 99% of capacity. The Department's Youth in Government Day continues to maintain an optimal number of student participants (60), and annual events such as Movies at the Point and Holiday Tree Lighting continued their strong attendance patterns from previous years.

The Department introduced a variety of youth and adult sports programs such as mini-movers and pickleball, and expanded Ultra Friday Nights to one night per month during the school year. The Department also hosted the second annual Collide arts festival.

COMMUNITY SERVICES DEPARTMENT

KEY CONSIDERATIONS

Key considerations for FY 2020-21 include:

- Utilizing \$8.5 million of State grant funds to renovate McKinley Park.
- Managing existing Community Services capital projects.
- Maintaining the Van Buskirk property and engaging in efforts to advance its transformation into a regional recreation complex.
- Utilizing high-speed bandwidth to create innovative programs.
- Researching current Recreation cost recovery levels to inform decision-making.
- Focusing staff resources on improving program quality and evaluation.



Community Services Department
FY 2020-21 Annual Budget

	<u>Strong Communities</u> <i>See Page G-9</i>	<u>Library</u> <i>See Page G-11</i>	<u>Recreation</u> <i>See Page G-17</i>	<u>Total</u>
Beginning Available Balance	\$ 1,682,265	\$ 2,155,879	\$ 382,999	\$ 4,221,143
Revenues				
Measure M Sales Tax	9,600,000	-	-	9,600,000
San Joaquin County Contract	-	6,939,025	-	6,939,025
Additional Hours Contracts	-	163,320	-	163,320
Fines	-	230,700	-	230,700
Other Revenues	106,000	118,254	1,603	225,857
Recreation Programs	-	-	494,440	494,440
Facility Admission and Rentals	-	-	353,833	353,833
Community Centers	-	-	366,216	366,216
	<u>9,706,000</u>	<u>7,451,299</u>	<u>1,216,092</u>	<u>18,373,391</u>
Expenditures				
Administration	304,000	1,232,044	1,213,390	2,749,434
Library Operations	3,186,296	11,062,478	-	14,248,774
Recreation Programs	4,762,484	-	1,105,293	5,867,777
Civic Auditorium	-	-	554,241	554,241
Community Centers	-	-	1,751,769	1,751,769
Other Programs	-	-	608,154	608,154
Capital Projects	177,000	-	-	177,000
	<u>8,429,780</u>	<u>12,294,522</u>	<u>5,232,847</u>	<u>25,957,149</u>
Transfers				
Transfer In - General Fund	-	3,984,500	4,115,500	8,100,000
Transfer In - Other Funds	-	-	-	-
Transfer Out - Other Funds	-	-	-	-
	<u>-</u>	<u>3,984,500</u>	<u>4,115,500</u>	<u>8,100,000</u>
Net Annual Activity	<u>1,276,220</u>	<u>(858,723)</u>	<u>98,745</u>	<u>516,242</u>
				-
Ending Available Balance	<u>\$ 2,958,485</u>	<u>\$ 1,297,156</u>	<u>\$ 481,744</u>	<u>\$ 4,737,385</u>

Revenues	\$ 18,373,391
Transfers	8,100,000
Total Sources	<u>\$ 26,473,391</u>
Expenditures	\$ 25,957,149
Transfers	-
Total Appropriations	<u>\$ 25,957,149</u>

COMMUNITY SERVICES DEPARTMENT

STRONG COMMUNITIES FUND (083)

PROGRAM DESCRIPTION

Passed in 2016, the Strong Communities (Measure M) initiative levies a one-quarter cent sales transaction and use tax for Library and Recreation services.

The initiative went into effect on April 1, 2017, will be in effect for 16 years and is estimated to generate an average of between \$9.4 and \$14.6 million per year. Revenues are estimated to be \$10.4 million in FY 2019-20. Revenues are expected to decrease to \$9.6 million in FY 2020-21 due to the COVID-19 pandemic.

The measure's revenues have been used to add Library and Recreation staff positions for restored and expanded services as well as allow a balance for future capital projects as outlined in the measure's City Council Spending Priorities.

KEY CONSIDERATIONS

Key considerations for the Strong Communities Fund in FY 2020-21 include:

- The Strong Communities Expenditure Plan is being updated to reflect changes in anticipated revenues and expenditures. Despite an anticipated drop in revenues in Fiscal Years 2019-20 and 2020-21 due to COVID-19 economic impacts, the City anticipates moving forward with capital improvement projects and providing program support for expanded Library and Recreation program hours as described below.
 - Complete improvements to the City's soccer facilities.
 - Provide resources for the construction of a new Library and Community Center facility in Northeast Stockton.
 - Complete the renovation at the Troke Library to increase program space.
 - The FY 2020-21 budget also provides for library program support and part-time staff to support expanded hours in all facilities.
 - Chavez Library – 15 Hours
 - Troke Library – 18 Hours
 - Weston Ranch Library – 18 Hours
 - Angelou – 18 Hours
 - Provide funding for a new website and discovery layer for the Library Catalog, and online services.
 - Fund the purchase of new self-checkout equipment at all City libraries.

Community Services Department
Strong Communities - 083
FY 2020-21 Annual Budget

	FY 2017-18 Actual	FY 2018-19 Actual	FY 2019-20 Projected	FY 2020-21 Budget
Beginning Available Balance	\$ 2,391,590	\$ 9,758,294	\$ 10,376,173	\$ 1,682,265
Revenues				
Measure M Sales Tax	10,430,105	11,680,005	10,000,000	9,600,000
Investment Proceeds	-	258,118	200,000	106,000
	10,430,105	11,938,123	10,200,000	9,706,000
Expenditures				
Administration	154,781	-	-	-
Library Programs	1,199,538	2,432,551	3,004,624	3,186,296
Recreation Programs	1,475,034	3,268,633	4,668,812	4,762,484
Tax Collection & Audit Costs	234,048	299,059	300,472	304,000
Capital Projects	-	80,575	10,920,000	177,000
	3,063,401	6,080,818	18,893,908	8,429,780
Transfers				
Transfer In	-	-	-	-
Transfer Out	-	-	-	-
	-	-	-	-
Net Annual Activity	7,366,704	5,857,305	(8,693,908)	1,276,220
Ending Available Balance	\$ 9,758,294	\$ 15,615,599	\$ 1,682,265	\$ 2,958,485
Available Balance Calculation				
Current Assets		\$ 16,450,826		
Current Liabilities		(835,228)		
Capital Projects		(5,239,425)		
Ending Available Balance		\$ 10,376,173		



**Community Services Department
Library Division Summary
FY 2020-21 Annual Budget**

	Library 041	Special Revenue 644	Kolak Trust 614	G. Cady Trust 622	Library Programs Total
	<i>See Page G-13</i>	<i>See Page G-14</i>	<i>See Page G-15</i>	<i>See Page G-16</i>	
Beginning Available Balance	\$ 2,122,488	\$ 32,242	\$ 960	\$ 189	\$ 2,155,879
Revenues					
San Joaquin County	6,939,025	-	-	-	6,939,025
Additional Hours Contracts	163,320	-	-	-	163,320
Fines	230,700	-	-	-	230,700
Other Revenues	108,134	8,500	1,500	120	118,254
	7,441,179	8,500	1,500	120	7,451,299
Expenditures					
Branch operations	9,695,146	21,700	-	-	9,716,846
Technical services	787,212	-	-	-	787,212
Programming and outreach	558,420	-	-	-	558,420
Administration and delivery	1,232,044	-	-	-	1,232,044
	12,272,822	21,700	-	-	12,294,522
Transfers					
Transfer In - General Fund	3,984,500	-	-	-	3,984,500
Transfer In - Other	-	-	-	-	-
Transfer Out	-	-	-	-	-
	3,984,500	-	-	-	3,984,500
Net Annual Activity	(847,143)	(13,200)	1,500	120	(858,723)
Ending Available Balance	\$ 1,275,345	\$ 19,042	\$ 2,460	\$ 309	\$ 1,297,156

COMMUNITY SERVICES DEPARTMENT

LIBRARY FUND (041)

PROGRAM DESCRIPTION

This fund tracks the financial activities for the Stockton-San Joaquin County Public Library.

- Under City of Stockton management, library services have been made available County-wide since 1910.
- Currently, eight City and eight County facilities are open to the public between 25 and 42 hours per week.
- Resources for operations recorded in this Fund are provided from the City of Stockton General Fund, San Joaquin County General Fund, contracts for automation services, support from outlying cities, donations from individuals and charitable organizations, and fines and fee revenues.

KEY CONSIDERATIONS

The General Fund allocation to the Library Fund remains at the FY 2014-15 level in accordance with the Strong Communities measure. The ordinance states the General Fund allocation for library and recreation services may not be lower than FY 2014-15 allocations unless there is a decrease in overall General Fund revenues, in which case the City Council may decrease support only to the level of the decrease in General Fund revenue. While General Fund revenues are anticipated to decrease in FY 2020-21, the amount allocated to Library Services will remain at \$3.98 million. This maintenance of effort requirement is reviewed annually to ensure compliance with the measure.

In FY 2020-21, the Library will be expanding customer use and technology-based programs by adding additional wi-fi access points throughout all libraries. In addition, the Library will invest in expertise support to assist with e-rate and future technology upgrades.

**Community Services Department
Library - 041
FY 2020-21 Annual Budget**

	FY 2017-18 Actual	FY 2018-19 Actual	FY 2019-20 Projected	FY 2020-21 Budget
Beginning Available Balance	\$ 3,730,595	\$ 3,508,243	\$ 3,060,882	\$ 2,122,488
Revenues				
San Joaquin County	6,445,800	6,240,000	7,299,527	6,939,025
Additional Hours Contracts	193,300	163,180	163,300	163,320
Fines & Fees	240,361	224,019	219,202	230,700
Other Revenues	111,847	253,078	105,593	108,134
	6,991,308	6,880,277	7,787,622	7,441,179
Expenditures				
Administration	1,224,839	1,403,026	2,342,622	1,026,570
Programming and Outreach	519,296	543,954	513,277	558,420
Technical Services	743,575	646,709	603,148	787,212
Branch Operations				
Branch Operations - County	4,696,328	5,150,837	5,798,208	6,148,360
Branch Operations - City	3,777,157	3,426,960	3,270,117	3,546,786
Delivery Services	176,344	140,652	183,144	205,474
Capital projects	60,621	-	-	-
	11,198,160	11,312,138	12,710,516	12,272,822
Transfers				
Transfer In - General Fund	3,984,500	3,984,500	3,984,500	3,984,500
Transfer In - Other	-	-	-	-
Transfer Out	-	-	-	-
	3,984,500	3,984,500	3,984,500	3,984,500
Net Annual Activity	(222,352)	(447,361)	(938,394)	(847,143)
Ending Available Balance	\$ 3,508,243	\$ 3,060,882	\$ 2,122,488	\$ 1,275,345
Available Balance Calculation				
Current Assets		\$ 4,164,610		
Current Liabilities		(1,103,728)		
Ending Available Balance		\$ 3,060,882		

**Community Services Department
Library Special Revenue Fund - 644
FY 2020-21 Annual Budget**

	<u>FY 2017-18 Actual</u>	<u>FY 2018-19 Actual</u>	<u>FY 2019-20 Projected</u>	<u>FY 2020-21 Budget</u>
Beginning Available Balance	\$ 30,772	\$ 46,829	\$ 45,742	\$ 32,242
Revenues				
Program Revenue	25,690	8,000	8,000	8,000
Other Revenue	21,779	13,634	-	-
Investment Proceeds	540	723	200	500
	<u>48,009</u>	<u>22,357</u>	<u>8,200</u>	<u>8,500</u>
Expenditures				
Program Expenditures	31,952	23,444	21,700	21,700
	<u>31,952</u>	<u>23,444</u>	<u>21,700</u>	<u>21,700</u>
Transfers				
Transfer In	-	-	-	-
Transfer Out	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Annual Activity	16,057	(1,087)	(13,500)	(13,200)
Ending Available Balance	\$ 46,829	\$ 45,742	\$ 32,242	\$ 19,042
Available Balance Calculation				
Cash		\$ 45,742		
Accounts Receivable		-		
Accounts Payable		-		
Ending Available Balance		<u>\$ 45,742</u>		

**Community Services Department
Kolak Trust - 614
FY 2020-21 Annual Budget**

	<u>FY 2017-18 Actual</u>	<u>FY 2018-19 Actual</u>	<u>FY 2019-20 Projected</u>	<u>FY 2020-21 Budget</u>
Beginning Available Balance	<u>\$ 175,473</u>	<u>\$ 177,885</u>	<u>\$ (40)</u>	<u>\$ 960</u>
Revenues				
Investment Proceeds	<u>2,412</u>	<u>3,168</u>	<u>1,000</u>	<u>1,500</u>
	<u>2,412</u>	<u>3,168</u>	<u>1,000</u>	<u>1,500</u>
Expenditures				
Operating Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Transfers				
Transfer In	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Transfer Out	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Annual Activity	<u>2,412</u>	<u>3,168</u>	<u>1,000</u>	<u>1,500</u>
Ending Available Balance	<u>\$ 177,885</u>	<u>\$ 181,053</u>	<u>\$ 960</u>	<u>\$ 2,460</u>
Available Balance Calculation				
Cash		\$ 181,053		
Accounts Payable		-		
Principal endowment		(181,093)		
Ending Available Balance		<u>\$ (40)</u>		

**Community Services Department
Cady Endowment - 622
FY 2020-21 Annual Budget**

	<u>FY 2017-18 Actual</u>	<u>FY 2018-19 Actual</u>	<u>FY 2019-20 Projected</u>	<u>FY 2020-21 Budget</u>
Beginning Available Balance	<u>\$ 10,253</u>	<u>\$ 10,394</u>	<u>\$ 69</u>	<u>\$ 189</u>
Revenues				
Investment Proceeds	<u>141</u>	<u>185</u>	<u>120</u>	<u>120</u>
	<u>141</u>	<u>185</u>	<u>120</u>	<u>120</u>
Expenditures				
Library Materials	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Transfers				
Transfer In	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Transfer Out	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Annual Activity	<u>141</u>	<u>185</u>	<u>120</u>	<u>120</u>
Ending Available Balance	<u><u>\$ 10,394</u></u>	<u><u>\$ 10,579</u></u>	<u><u>\$ 189</u></u>	<u><u>\$ 309</u></u>
Available Balance Calculation				
Cash		\$ 10,579		
Principal endowment		(10,510)		
Ending Available Balance		<u><u>\$ 69</u></u>		

**Community Services Department
Recreation Division Summary
FY 2020-21 Annual Budget**

	Recreation 044	Golf 481	Parks & Recreation Trust 643	Recreation Total
	<i>See Page G-19</i>	<i>See Page G-21</i>	<i>See Page G-22</i>	
Beginning Available Balance	\$ 4,406	\$ 266,094	\$ 112,499	\$ 382,999
Revenues				
Recreation Programs	483,640	-	10,800	494,440
Facility Admission and Rentals	353,833	-	-	353,833
Community Centers	366,216	-	-	366,216
Other Revenue	-	-	1,603	1,603
	1,203,689	-	12,403	1,216,092
Expenditures				
Administration	1,213,390	-	-	1,213,390
Civic Auditorium	554,241	-	-	554,241
Community Centers	1,751,769	-	-	1,751,769
Pixie Woods	342,956	-	-	342,956
Programs - After School	5,199	-	-	5,199
Programs - Sports	708,005	-	-	708,005
Special Events	49,133	-	-	49,133
Program Costs	-	597,354	10,800	608,154
	4,624,693	597,354	10,800	5,232,847
Transfers				
Transfer In - General Fund	3,565,500	550,000	-	4,115,500
Transfer Out	-	-	-	-
	3,565,500	550,000	-	4,115,500
Net Annual Activity	144,496	(47,354)	1,603	98,745
Ending Available Balance	\$ 148,902	\$ 218,740	\$ 114,102	\$ 481,744

COMMUNITY SERVICES DEPARTMENT

RECREATION FUND (044)

PROGRAM DESCRIPTION

This fund is used to record the activities related to recreation facilities and programs that are funded by an allocation from the General Fund.

- Five community centers are open to the public 63 hours per week.
- Recreation programs and facilities are enjoyed by thousands of Stockton residents and visitors every year.
- Facility rentals and registration fees, donations, admissions, and the City's General Fund are used to support these programs.

KEY CONSIDERATIONS

The General Fund allocation to the Recreation Fund remains at the FY 2014-15 level in accordance with the Strong Communities measure. The ordinance states that that General Fund allocation for library and recreation services may not be at any level lower than FY 2014-15 unless there is a decrease in overall General Fund revenues, in which case the City Council may decrease support only to the level of the decrease in General Fund revenue. This maintenance of effort requirement is reviewed on an annual basis to ensure compliance with the measure. While the General Fund revenues are anticipated to decrease in FY 2020-21, the allocation to Recreation services is increasing by \$170,000 to \$3.6 million. This increase was made possible by an offset reduction to the Golf Fund in the amount of \$150,000, for a total impact to the General Fund of \$20,000.

Efforts to build quality and consistency by training scorekeepers and referees will continue. Increased offerings include two adult kickball leagues, two additional adult basketball leagues, and one adult City-hosted softball tournament. In youth programs, the mini-movers program will be offered up to three times a year.

**Community Services Department
Recreation Services - 044
FY 2020-21 Annual Budget**

	<u>FY 2017-18 Actual</u>	<u>FY 2018-19 Actual</u>	<u>FY 2019-20 Projected</u>	<u>FY 2020-21 Budget</u>
Beginning Available Balance	\$ 899,110	\$ 688,427	\$ 692,139	\$ 4,406
Revenues				
Recreation Programs	396,035	466,690	397,868	483,640
Facility Admission and Rentals	358,280	292,373	282,865	353,833
Community Centers	398,965	374,183	281,824	366,216
Other Revenue	17,256	42,588	26,494	-
	<u>1,170,536</u>	<u>1,175,834</u>	<u>989,051</u>	<u>1,203,689</u>
Expenditures				
Administration	1,302,745	1,266,289	1,629,165	1,213,390
Civic Auditorium	423,539	553,337	532,351	554,241
Community Centers	1,586,431	1,584,980	1,774,925	1,751,769
Pixie Woods	215,866	211,063	315,727	342,956
Programs - After School	77,321	1,384	3,270	5,199
Programs - Sports	997,689	886,830	719,149	708,005
Special Events	184,628	63,739	97,697	49,133
	<u>4,788,219</u>	<u>4,567,622</u>	<u>5,072,284</u>	<u>4,624,693</u>
Transfers				
Transfer In	3,407,000	3,395,500	3,395,500	3,565,500
Transfer Out - Other	-	-	-	-
	<u>3,407,000</u>	<u>3,395,500</u>	<u>3,395,500</u>	<u>3,565,500</u>
Net Annual Activity	(210,683)	3,712	(687,733)	144,496
Ending Available Balance	\$ 688,427	\$ 692,139	\$ 4,406	\$ 148,902
Available Balance Calculation				
Current Assets		1,171,934		
Current Liabilities		(479,795)		
Ending Available Balance		<u>\$ 692,139</u>		

COMMUNITY SERVICES DEPARTMENT

GOLF FUND (481)

PROGRAM DESCRIPTION

This fund tracks the financial activities related to the operation and maintenance of the Swenson and the former Van Buskirk municipal golf courses. In January 2020, due to declining golf play and increasing General Fund subsidy, the City contracted with Kemper Sports Management, Inc. for a 15-year lease to operate the Swenson golf course, eliminating the General Fund subsidy and transitioning all profit and loss to Kemper Sports. Under the new operating arrangement, there will be no incoming revenue or expenditures for Swenson Golf Course.

On July 31, 2019, the Van Buskirk golf course ceased operations. The Golf Fund continues to support the maintenance of the Van Buskirk property, including security, landscaping, repairs and maintenance.

KEY CONSIDERATIONS

The Department oversees the new 15-year lease agreement with Kemper Sports Management, Inc. of the City's Swenson Golf Course, which began January 2020. The Department also continues to oversee the transition of Van Buskirk Golf Course, closed July 31, 2019, into public recreational space. The City continues to maintain the land while staff plans the future re-use of the property as a recreation amenity.

The FY 2020-21 budget includes \$550,000 from the General Fund. Funds are used for landscaping maintenance agreements, security, repairs and support for any operations resulting from two requests for proposals (RFPs) issued in late FY 2019-20. The RFPs were issued to solicit an operator for the former pro shop and café and to select a consultant to create a strategic roadmap for the re-use of the property as a regional recreation complex with potential educational components.

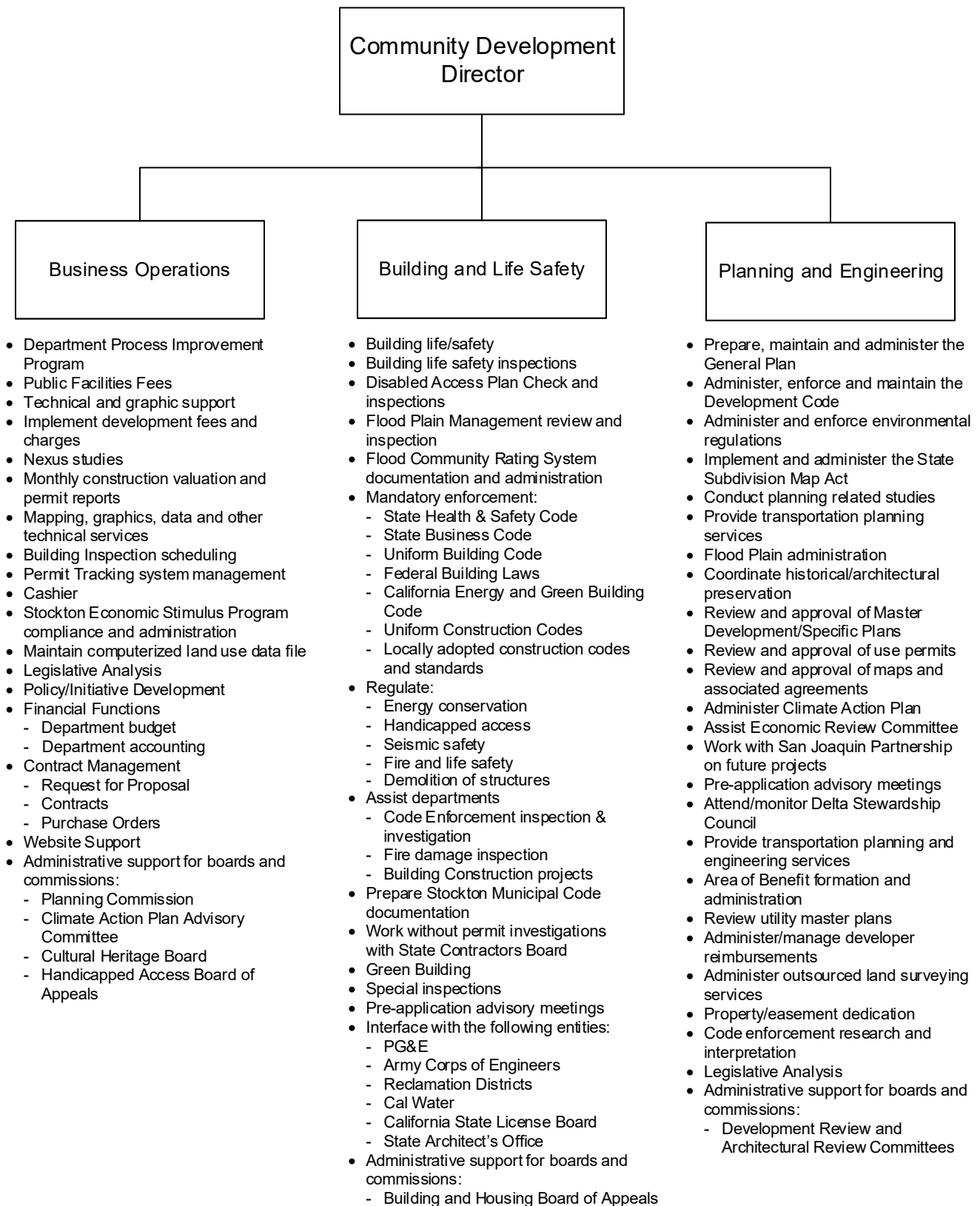
**Community Services Department
Golf - 481
FY 2020-21 Annual Budget**

	FY 2017-18 Actual	FY 2018-19 Actual	FY 2019-20 Projected	FY 2020-21 Budget
Beginning Available Balance	\$ 56,985	\$ 181,639	\$ 27,181	\$ 266,094
Revenues				
Swenson Golf Course	1,278,277	1,359,837	662,924	-
Van Buskirk Golf Course	335,861	203,215	26,962	-
Other Revenues	7,168	9,038	11,871	-
	1,621,306	1,572,090	701,757	-
Expenditures				
Swenson Golf Course	1,308,002	1,642,148	898,485	-
Van Buskirk Golf Course	813,805	677,638	96,988	11,500
Operating Costs	74,845	33,965	447,371	295,854
Repairs and Maintenance	-	72,797	70,000	290,000
	2,196,652	2,426,548	1,512,844	597,354
Transfers				
Transfer In - General Fund	700,000	700,000	1,050,000	550,000
Transfer Out	-	-	-	-
	700,000	700,000	1,050,000	550,000
Net Annual Activity	124,654	(154,458)	238,913	(47,354)
Ending Available Balance	\$ 181,639	\$ 27,181	\$ 266,094	\$ 218,740
Available Balance Calculation				
Current assets		\$ 226,640		
Current liabilities		(199,459)		
Ending Available Balance		\$ 27,181		

**Community Services Department
Parks & Recreation Trust - 643
FY 2020-21 Annual Budget**

	FY 2017-18 Actual	FY 2018-19 Actual	FY 2019-20 Projected	FY 2020-21 Budget
Beginning Available Balance	\$ 117,778	\$ 114,146	\$ 120,135	\$ 112,499
Revenues				
Donations				
Program revenue	11,050	9,800	10,600	10,800
Investment Proceeds	1,334	2,589	1,764	1,603
	12,384	12,389	12,364	12,403
Expenditures				
Program costs	16,016	6,400	20,000	10,800
	16,016	6,400	20,000	10,800
Transfers				
Transfer In - General Fund	-	-	-	-
Transfer Out	-	-	-	-
	-	-	-	-
Net Annual Activity	(3,632)	5,989	(7,636)	1,603
Ending Available Balance	\$ 114,146	\$ 120,135	\$ 112,499	\$ 114,102
Available Balance Calculation				
Current Assets		\$ 120,135		
Current Liabilities		-		
Ending Available Balance		\$ 120,135		

TAB 8 COMMUNITY DEVELOPMENT



COMMUNITY DEVELOPMENT DEPARTMENT



COMMUNITY DEVELOPMENT DEPARTMENT

MISSION STATEMENT

The City of Stockton Community Development Department serves residents and businesses in their desire to successfully grow, build and enhance quality of life by providing dedicated customer service to facilitate solutions for thoughtful urban planning and safe building.

Budget at a Glance:

Total Revenues	\$11,104,200
Total Expenditures	\$12,657,591
Total Net Cost	\$1,553,391
Total Staff	48

DEPARTMENT DESCRIPTION

The Community Development Department (CDD) is comprised of the Building and Life Safety Division, Planning and Engineering Division, and the Business Operations Division. The operational center of the department is at the City Permit Center. The purpose of the department is to:

- Plan for future growth, infrastructure needs, and service demands of the City
- Review and process permit applications for development activities
- Provide permit and life safety inspections of buildings, storage tanks, mechanical equipment lines and other structures
- Provide emergency operations inspection services and action plan support
- Coordinate floodplain management efforts
- Assist in economic development, climate action planning, design review, historic building analysis, environmental impact review, and geographic information mapping and analysis
- Serve as the Public Facilities Fees administrator citywide programmatic lead

The Department supports the Planning Commission, Climate Action Plan Advisory Committee, Cultural Heritage Board, Building and Housing Board of Appeals, and the Handicap Access Board of Appeals. Community-based planning efforts are funded by intergovernmental grants and the General Fund. Development permitting is largely funded by user fees.

DEPARTMENT STRATEGIC WORK PLAN

The Envision Stockton 2040 General Plan was adopted on December 4, 2018 and consists of a comprehensive update of public policies and programs that represented a fundamental shift from emphasizing growth at the periphery of the City, to focusing new construction and redevelopment in existing “infill” neighborhoods. Following completion of the General Plan update, the department will review the Stockton Municipal and Development Codes, land use zoning map, infrastructure needs and development impact fees within the City Fee Schedule for consistency with the change in policy framework for future development in Stockton. The post-General Plan approval activities summarized above will be a top FY 2020-21 budget priority.

COMMUNITY DEVELOPMENT DEPARTMENT

PRIOR YEAR ACCOMPLISHMENTS

The Community Development Department made significant strides to improve its customer service at the permit center. Since the implementation of a cloud-based permit management system, the Department has made continued adjustments over the past year to improve it. The department has also made significant efforts to develop in-house expertise on the system.

The Department continues to digitize permit records and plan sets to reduce paper storage. The initial phase is nearly complete with all historical data scanned, digitized, and backed up on high quality discs as well as cloud storage. Moving forward, periodic scanning and an annual back-up will be all that is needed. Phase two will focus on the refinement of the document library to enable data retrieval for internal and external customers with increased efficiency.

The CDD is continuing to promote voluntary electronic plan submission and review for building permits to save the customer the expense of printing multiple paper plan sets, provide a convenient exchange of comments and maintain an accurate record of revisions up to final. The rate of customer use has increased in the last three months to approximately 60% electronic plan check versus the paper plan submissions and has resulted in positive feedback. The Department has also initiated an expansion of electronic plan review for Development Engineering plans.

The Department successfully initiated its first on-line customer application submission, staff review, and issuance of transportation permits and intends to continue working to expand its on-line customer application opportunities.

The CDD has updated its three-year strategic plan for current and subsequent years. The strategic plan assessed priorities, process improvements, projects and timelines.

Our technical and electronic advancements from last year allowed 94% of our staff to mobilize to a remote operation when the Permit Center was closed to the public on March 12, 2020 due to the COVID-19 pandemic. The Department's ability to leverage our technology tools such as Bluebeam, Microsoft Teams, SharePoint, Accela and accept on-line payments gave us the ability to offer nearly the same level of services as usual.

The General Fund continues to contribute approximately \$800,000 to pay for general government expenses that are not directly related to development services or specific projects/ applications. The ongoing contribution from the General Fund may be adjusted as future analysis is completed and work programs are mandated or refined.

KEY CONSIDERATIONS

For this fiscal year, the Department has experienced significant growth of 13% in the number of permits that have been processed through February 2020. As of February 2020, the department processed 7,426 permits with a valuation of approximately \$302 million thus far in FY 2019-20, compared to FY 2018-19 where there were 6,507 permits processed with a valuation of \$243 million in the same period. Five new positions were approved during the mid-year budget cycle at an estimated cost of \$411,000 for salaries and related expenses. No new positions were requested and approximately \$1.9 million in professional services contract funding will be used to fulfill FY 2020-21 projects listed below. These resources are vital to address the demands of FY 2020-21 and beyond to maintain a sufficient level of service, meet customer service

COMMUNITY DEVELOPMENT DEPARTMENT

expectations of the department, accomplish proposed initiatives and implement the department's goals. It is important to note that additional funding sources from non-competitive State grants are not included in this budget, however, an additional \$1.4 million in grant funds is anticipated. The department has enough reserves to weather a decrease in both development activity and a drop in revenue during the current recession.

Post Council adoption of the General Plan, priority has been placed on the following programs and activities that will be carried out in FY 2020-21:

- A comprehensive update of Municipal Code Title 16 (Development Code) to ensure consistency and alignment with the new policies and implementation action measures contained in the Envision Stockton 2040 General Plan
- A master infrastructure study to determine the infrastructure (i.e. utilities, streets) and service needs that will support the reduced development footprint in the recently adopted General Plan
- A Public Facility Fee nexus study to update the City's Public Facilities Fees and provide for a defined plan for future infrastructure for the City
- Initiate electronic plan submission and review for development engineering permits to save customer expense of printing multiple paper plan sets, provide a convenient customer exchange of comments and maintain an accurate record of revisions up to final
- A citywide zoning map consistency review and update of the land use zoning map to be consistent with the Envision Stockton 2040 General Plan land use designations
- A feasibility study of inclusionary housing and funding programs that would encourage the construction of affordable housing units

In addition to the above, CDD continues to coordinate floodplain management efforts for the City. Flood Plain Management refers to the efforts to administer and operate Stockton's community flood program of corrective and preventative measures for reducing flood damage in compliance with the 100-year (National Flood Insurance Program) and 200-year State (SB 5 Urban Level of Flood Protection) programs. The SB 5 Urban Level of Flood Protection regulations went into full effect on July 1, 2016 and requires significant attention to the consideration of new development in Stockton. In addition to working with the recently expanded San Joaquin Area Flood Control Agency, the Federal Emergency Management Agency and other State agencies, the department will continue being active in achieving an improved Community Rating System score which helps to lower all citywide homeowner flood insurance rates.

The CDD will also continue to partner with the Economic Development Department towards the development of an Affordable Housing Strategic Plan.

**Community Development Department
FY 2020-21 Annual Budget**

	Development Services 048	Public Facilities Fee Administration 999	Total
	<i>See Page H-7 (excludes Fire portion of fund)</i>	<i>See Page H-8</i>	
Beginning Available Balance		\$ 1,598,462	
Revenues			
Fees	9,532,566	510,000	10,042,566
Other Revenues	251,634	10,000	261,634
	9,784,200	520,000	10,304,200
Expenditures			
Operating Expense	11,893,072	764,519	12,657,591
	11,893,072	764,519	12,657,591
Transfers			
Transfer In - General Fund	800,000	-	800,000
Transfer Out	-	-	-
	800,000	-	800,000
Net Annual Activity	(1,308,872)	(244,519)	(1,553,391)
Ending Available Balance		\$ 1,353,943	
		-	
		Revenues	\$ 10,304,200
		Transfers	800,000
		Total Sources	\$ 11,104,200
		Expenditures	\$ 12,657,591
		Transfers	-
		Total Appropriations	\$ 12,657,591

**Community Development and Fire Departments - Combined
Development Services - 048 (a)
FY 2020-21 Annual Budget**

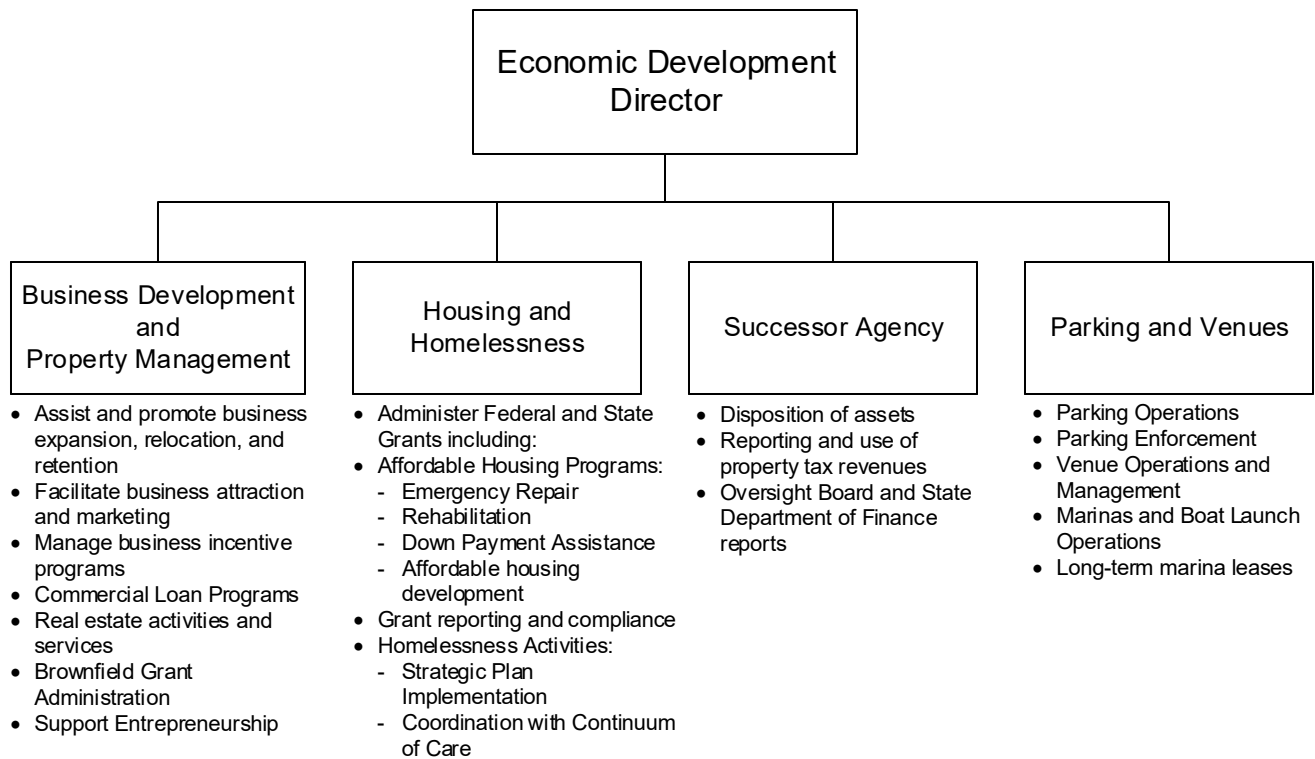
	<u>FY 2017-18 Actual</u>	<u>FY 2018-19 Actual</u>	<u>FY 2019-20 Projected</u>	<u>FY 2020-21 Budget</u>
Beginning Available Balance	\$ 9,264,478	\$ 11,384,177	\$ 15,498,603	\$ 15,759,057
Revenues				
Community Development				
User Fees	7,764,153	9,082,563	8,030,808	8,121,600
Development Oversight	79,890	83,526	34,000	-
Technology Fee	439,766	498,851	488,000	525,300
Comm. Rating System Admin. Fee	101,746	142,363	100,000	102,000
General Plan Maint & Implementation	474,181	501,925	425,000	433,500
Capital Preservation	319,555	335,821	340,000	346,800
Grants	37,690	229	-	-
Fines & Penalties	9,079	3,414	3,300	3,366
Other Revenues	7,410	554,184	246,700	251,634
	<u>9,233,470</u>	<u>11,202,876</u>	<u>9,667,808</u>	<u>9,784,200</u>
Fire Prevention				
User Fees	2,346,994	2,620,126	2,972,152	2,894,504
Fines & Penalties	64,897	79,976	77,571	67,015
Other Revenues	2,045	215	2,000	3,125
	<u>2,413,936</u>	<u>2,700,317</u>	<u>3,051,723</u>	<u>2,964,644</u>
	<u>11,647,406</u>	<u>13,903,193</u>	<u>12,719,531</u>	<u>12,748,844</u>
Expenditures				
Community Development				
Business Ops and Customer Service	2,957,111	2,917,230	3,577,859	2,974,046
Planning & Engineering Services	2,740,910	2,927,979	4,333,416	4,578,051
Building and Life Safety	2,334,463	2,691,008	2,857,946	4,340,975
	<u>8,032,484</u>	<u>8,536,217</u>	<u>10,769,221</u>	<u>11,893,072</u>
Fire Prevention				
Fire Prevention	1,916,408	2,162,209	2,485,789	2,912,015
Fire Public Education	13,315	15,341	29,067	79,031
	<u>1,929,723</u>	<u>2,177,550</u>	<u>2,514,856</u>	<u>2,991,046</u>
	<u>9,962,207</u>	<u>10,713,767</u>	<u>13,284,077</u>	<u>14,884,118</u>
Transfers				
Transfer In - General Fund	925,000	925,000	825,000	800,000
Transfer Out - CIP	(490,500)	-	-	-
	<u>434,500</u>	<u>925,000</u>	<u>825,000</u>	<u>800,000</u>
Net Annual Activity				
Community Development	1,628,076	3,037,478	(523,113)	(1,560,506)
Fire	484,213	522,767	536,868	(26,402)
Other	7,410	554,184	246,700	251,634
	<u>2,119,699</u>	<u>4,114,429</u>	<u>260,455</u>	<u>(1,335,274)</u>
Ending Available Balance	\$ 11,384,177	\$ 15,498,603	\$ 15,759,057	\$ 14,423,783
Available Balance Calculation				
Current Assets		\$ 16,789,966		
Current Liabilities		(1,291,363)		
Ending Available Balance		<u>\$ 15,498,603</u>		

(a) The total Development Services Fund - 048 is presented with the Community Development Department budget. The portion relating to Fire has also been included on page E-13.

**Community Development
Public Facilities Fee Administration - 999
FY 2020-21 Annual Budget**

	<u>FY 2017-18 Actual</u>	<u>FY 2018-19 Actual</u>	<u>FY 2019-20 Projected</u>	<u>FY 2020-21 Budget</u>
Beginning Available Balance	<u>\$ 706,457</u>	<u>\$ 1,087,381</u>	<u>\$ 1,391,766</u>	<u>\$ 1,598,462</u>
Revenues				
Public Facilities Fee	542,742	423,130	500,000	510,000
Investment Proceeds	480	47,393	12,000	10,000
	<u>543,222</u>	<u>470,523</u>	<u>512,000</u>	<u>520,000</u>
Expenditures				
Operating Expenses	162,298	166,138	305,304	764,519
	<u>162,298</u>	<u>166,138</u>	<u>305,304</u>	<u>764,519</u>
Transfers				
Transfer In	-	-	-	-
Transfer Out	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Annual Activity	<u>380,924</u>	<u>304,385</u>	<u>206,696</u>	<u>(244,519)</u>
Ending Available Balance	<u>\$ 1,087,381</u>	<u>\$ 1,391,766</u>	<u>\$ 1,598,462</u>	<u>\$ 1,353,943</u>
Available Balance Calculation				
Cash		\$ 1,401,925		
Accounts Payable		(10,159)		
Ending Available Balance		<u>\$ 1,391,766</u>		

TAB 9 ECONOMIC DEVELOPMENT



ECONOMIC DEVELOPMENT DEPARTMENT



ECONOMIC DEVELOPMENT DEPARTMENT

MISSION STATEMENT

To expand and diversify the City of Stockton's economic base; to provide real property services to City staff and efficient parking facilities downtown; and to facilitate the preservation and production of affordable housing.

Budget at a Glance:

Total Revenues	\$27,847,734
Expenditures	\$32,448,198
Total Net Cost	\$4,600,464
Total Staff	21

DEPARTMENT DESCRIPTION

The Economic Development Department is comprised of four divisions: Business Development and Property Management, Housing and Homelessness, Parking and Venues, and Successor Agency.

The Business Development and Property Management Division engages in activities that expand and diversify the City of Stockton's economic base by supporting existing businesses through business retention and expansion efforts, attracting new investments through marketing and outreach, assisting in the creation of quality jobs, and promoting opportunities for business and development in Stockton to establish an economically sustainable community. The division works directly with businesses and interacts with local resource providers to connect local businesses with resources and services provided by the City. The division manages several economic development incentive programs and provides support through the development process with the Economic Review Committee. The Business Development and Property Management Division supports the Miracle Mile, Downtown Stockton Alliance, and the Tourism and Business Improvement District. The division is responsible for overseeing the implementation of the Economic Development Strategic Plan and Food and Agriculture Action Plan. In addition to economic development activities, the division provides property management of City-owned assets, real estate support services to City departments, and administers the Brownfields Environmental Protection Agency Grant. Lastly, the Business Development and Property Management Division continues to manage and provide oversight of the Waterfront Office Towers buildings until the space planning, design, and improvements phases are completed for new City Hall.

The Housing and Homelessness Division is responsible for administering local, Federal and State grant programs. The division uses these funds to preserve and produce affordable housing, fund non-profit organizations that provide supportive services for low-income residents, rehabilitate or construct public facilities, and assist the homeless. The federal funds are also used for economic development activities. The division works with the Community Development Committee that acts as an advisory board to the City Council and assists with the preparation of the Five-Year Consolidated and One-Year Action plans. The division also plays a key role in participating in regional efforts through the Continuum of Care to support efforts to reduce and prevent homelessness.

The Parking and Venues Division manages downtown City parking facilities, entertainment venues, and marina/boat launching facilities. The division administers third-party contracts with operators who are responsible for daily operations at the Downtown Stockton Marina, Stockton Arena, Banner Island Ballpark, Bob Hope Theatre, Oak Park Ice Rink, and parking in the Downtown Stockton area. This division is also responsible for the boat launching facilities located

ECONOMIC DEVELOPMENT DEPARTMENT

at Louis Park, Buckley Cove, and Morelli Park, and oversees long-term leases for Ladd's and Riverpoint Marinas, and the Stockton Sailing Club. Parking compliance and enforcement services are also provided by this division.

The Successor Agency Division is responsible for completing the activities of the former Stockton Redevelopment Agency. The Agency financed development activities in four targeted geographic "project areas", adopted between 1961 and 2009. Its activities were financed through incremental property taxes earned on property value appreciation over and above the baseline valuations at the time of project area formation. Through the passage of State Assembly Bills x1 26 and 1484, all California redevelopment agencies were dissolved and replaced with successor agencies effective February 1, 2012. The City elected to become the Successor Agency, and an Oversight Board directs and/or approves actions of the Successor Agency.

DEPARTMENT STRATEGIC WORK PLAN

The Economic Development Department's four divisions work collaboratively to strategically improve the community. The Department is focused on several programs and initiatives that further the City and Council's goals:

Business Development and Property Management:

- Develop, through community engagement and professional expertise, a strategic economic development plan.
- Participate as a stakeholder with the county, educational institutions and community groups to further advance workforce development opportunities.
- Implement comprehensive communication strategies to better position Stockton to attract business, enhance the downtown area and build a collaborative environment among partners.
- Continue to develop downtown Stockton by completing the Brownfields Grant program, maximizing utilization of City owned property and making significant progress on the new City Hall project.

Housing and Homelessness:

- Maximize resources to support affordable housing development.
- The City Council approves an Annual Action Plan allocation of approximately \$8 million in Federal funds for the development of affordable housing projects and implementation of various supportive service programs, emergency housing and shelters, economic development programs and other public services targeting Stockton's most vulnerable residents.
- Implement the Homeless Regional Strategic Plan and work collaboratively to distribute funds based on priorities.
- Create an Affordable Housing Strategic Plan.
- Administer use of additional resources (State and Federal) toward COVID-19 response.

ECONOMIC DEVELOPMENT DEPARTMENT

Parking and Venues:

- The centralized management of parking assets, marina assets, and entertainment venues continues to improve efficiencies in planning, parking, and coordination of events, as well as improve business and customer services. In FY 2020-21, the Parking Authority will replace garage equipment and parking enforcement equipment with innovative parking technology. This new technology will provide real time data regarding the day to day operations, tighter internal controls, and improved enforcement efficiency, as well as better support options for downtown businesses.
- In FY 2020-21, there will be additional improvements to the parking facilities, including elevator upgrades, LED solar lighting, Channel Garage painting, and new facility signage to better serve patrons of downtown Stockton. These implementations will further improve operational efficiency in each of the parking venue operations and also help to attract new and returning venue attendees, consumers, and business partners to downtown Stockton and the surrounding areas.
- Banner Island Ballpark will see the installation of a new scoreboard prior to the start of the Stockton Ports season. The Oak Park Ice Rink will be shut down in late spring and through the summer months while the original chiller, which has supported the ice since 1971, is replaced.

Successor Agency:

- The San Joaquin Countywide Oversight Board, established by California Senate Bill 107 to oversee the four successor agencies within San Joaquin County, approved a Recognized Obligation Payment Schedule in January 2020 to utilize Redevelopment Property Tax Trust Funds (former Tax Increment) to meet the obligations of the former Redevelopment Agency. Funding for debt, administration, and City loan payments were included in the schedule. Twenty percent (20%) of the City loan payments must be used for affordable housing.

PRIOR YEAR ACCOMPLISHMENTS

Some highlights of the Department's accomplishments in FY 2019-20 include:

- Supported new business development and retention efforts by: assisting 68 new or expanding businesses in Stockton, conducting business visits, continuing business walk program, administering multiple façade loans and micro-business loans.
- Administered the Storefront Beautification Micro Grant Program to assist small business owners make minor storefront improvements and provided assistance to four businesses.
- Administered the "Stocked Full of Produce" Grant Program and provided funding for two projects that assisted businesses to make necessary infrastructure improvements to support the sale and storage of fresh produce.
- Completed a Commercial Kitchen Incubator Grant to educate six food industry entrepreneurs on necessary skills, and provide incubator space for early-stage businesses with needs to resources, training and mentoring, as well as space for existing small food businesses in Stockton.

ECONOMIC DEVELOPMENT DEPARTMENT

- Conducted the 5th Stockton Entrepreneurship Program, which provides financial assistance to business service providers, local start-ups, entrepreneurs, and small businesses. Awarded \$80,000 in Entrepreneurship Grants to five business service providers.
- Promoted Stockton in multiple publications.
- Led several negotiations for development of City-owned properties: Historic City Hall, Washington Street Properties, and others.
- Completed a new five-year Consolidated Plan, which provides a framework for use of the federal formula block grant programs by identifying housing and community development priorities.
- Led efforts to create a regional homeless strategic plan.
- The City was awarded a Homeless Housing, Assistance, and Prevention (HHAP) grant in the amount of \$6.46 million to further assist with homelessness activities and to help with the implementation of the homeless strategic plan. The City of Stockton's council approved the allocation of approximately \$1.3 million in HOME funds for four projects specifically targeting chronically homeless persons and/or extremely low-income persons with incomes no greater than 30% AMI.
- During the year, five owner occupied single-family homes were rehabilitated through the City's Owner-Occupied Rehabilitation program. In addition, more than 5,000 homeless people received emergency housing and shelter beds through the City's Emergency Solutions Grant program.
- Helped fund the completion of Medici Artist Lofts, an affordable housing development project in the downtown area.
- Executed an Operations Management Agreement with LAZ, Inc. for the Parking operation.
- Added parking payment machines in two event lots near the arena to improve efficiency, security, and customer payment options.
- Received a \$180,000 SAVE grant from Department of Boating and Waterways to aid in the removal of abandoned and derelict boats.
- Replaced the Banner Island Ballpark scoreboard.
- Began Oak Park Ice Chiller Replacement Project.

KEY CONSIDERATIONS

The Economic Development Strategic Plan was adopted in 2015 as a five-year plan. It provides an outline of strategies and action items to attract new investment, expand employment, improve the quality of life, and support local businesses and entrepreneurs. With the global economy changing due to the onset of the COVID-19 pandemic, a new Strategic Plan will provide a framework for the new priorities, action items, and goals while continuing strategies to help expand employment, attract new investment, support new industries, and foster growth of existing businesses that reflect present and future opportunities for the City's growth and areas of focus. In addition, a detailed analysis of the City's current economic landscape is included with the new Strategic Plan and will be instrumental to the City to have a recovery plan vital to business growth,

ECONOMIC DEVELOPMENT DEPARTMENT

economic recovery and stability. The General Fund and Community Development Block Grant Program supports the budget for this purpose in FY 2020-21.

Staff will continue to provide management and oversight of the Waterfront Office Towers buildings until all phases of the space planning, design and construction drawings are completed. In addition, there is a need to continue to review and analyze future plans for the Historic City Hall Building and the City-owned parcels on the South Shore waterfront.

The Housing and Homelessness Division, in coordination with the San Joaquin County Continuum of Care (CoC), will begin implementation of the Regional Homeless Strategic Plan, adopted in FY 2019-20. The plan identifies goals for the City and County that address homelessness, based on local needs and strategies, as well focus \$6.46 million of funding recently awarded to the City through the HHAP grant.

The impact of COVID-19 on the Entertainment Venues will likely be severe. The department will work to mitigate losses while providing, when appropriate, entertainment and events for the community. The venues continue to face challenges from the increase in minimum wages that effect not only event staff but also ancillary services. Active capital projects include the replacement of the Banner Island Ball Park scoreboard as well as the chiller system for the Oak Park Ice Arena. Funding for both projects was allocated in FY 2018-19 and work is underway in FY 2019-20.



**Economic Development Department
FY 2020-21 Annual Budget**

	General Fund 010	HUD/ Housing	Parking and Venues	Economic Development Total
	<i>See Page I-11</i>	<i>See Page I-12</i>	<i>See Page I-30</i>	
Beginning Available Balance		\$ 12,641,567	\$ 6,760,571	
Revenues				
Grants & Entitlements	-	5,315,105	-	5,315,105
Assessment & User Fees	-	-	7,693,769	7,693,769
Fines & Forfeitures	-	-	812,656	812,656
Other Revenue	139,622	507,075	5,377,399	6,024,096
	139,622	5,822,180	13,883,824	19,845,626
Expenditures				
Employee Services	274,733	-	-	274,733
Other Services	75,034	-	-	75,034
Materials and Supplies	4,000	-	-	4,000
Other Expenses	5,500	239,126	-	244,626
Loan Programs	-	4,280,254	-	4,280,254
Program Expense	-	1,077,582	15,621,456	16,699,038
Operating Expense	-	1,647,686	-	1,647,686
Economic Development	1,093,308	560,000	-	1,653,308
Debt Service	-	1,851,338	1,978,833	3,830,171
Capital Projects	-	-	3,350,000	3,350,000
	1,452,575	9,655,986	20,950,289	32,058,850
Transfers				
Transfer In - General Fund	-	-	5,082,000	5,082,000
Transfer In - Other Funds	-	2,920,108	-	2,920,108
Transfer Out	-	(389,348)	-	(389,348)
	-	2,530,760	5,082,000	7,612,760
Net Annual Activity	(1,312,953)	(1,303,046)	(1,984,465)	(4,600,464)
Ending Available Balance		\$ 11,338,521	\$ 4,776,106	

Revenues	\$ 19,845,626
Transfers	8,002,108
Total Sources	\$ 27,847,734
Expenditures	\$ 32,058,850
Transfers	389,348
Total Appropriations	\$ 32,448,198



**Economic Development Department
General Fund - 010
FY 2020-21 Annual Budget**

	FY 2017-18 Actual	FY 2018-19 Actual	FY 2019-20 Projected	FY 2020-21 Budget
Total Economic Development Department				
Employee Services	\$ 837,145	\$ 807,046	\$ 851,559	\$ 879,489
Other Services	513,801	291,583	2,479,482	532,586
Materials and Supplies	11,015	6,491	8,625	6,500
Other Expenses	20,717	34,767	68,164	34,000
Total	<u>\$ 1,382,678</u>	<u>\$ 1,139,887</u>	<u>\$ 3,407,830</u>	<u>\$ 1,452,575</u>

Economic Development

Employee Services	534,157	590,155	597,705	604,756
Other Services	397,591	232,979	2,339,481	457,552
Materials and Supplies	8,377	4,082	5,125	2,500
Other Expenses	19,725	29,288	62,664	28,500
Total	<u>959,850</u>	<u>856,504</u>	<u>3,004,975</u>	<u>1,093,308</u>

Asset Management

Employee Services	302,988	216,891	253,854	274,733
Other Services	116,210	58,604	140,001	75,034
Materials and Supplies	2,638	2,409	3,500	4,000
Other Expenses	992	5,479	5,500	5,500
Total	<u>422,828</u>	<u>283,383</u>	<u>402,855</u>	<u>359,267</u>

**Economic Development Department
Housing and Homelessness
Division Summary
FY 2020-21 Annual Budget**

	Community Development Block Grants 052/054/062	Emergency Solutions Grant 057	HOME 058/059	Special Purpose CDBG Loan Program 053	CALHOME Loan 060
	<i>See Page I-15</i>	<i>See Page I-17</i>	<i>See Page I-19</i>	<i>See Page I-21</i>	<i>See Page I-23</i>
Beginning Available Balance	\$ 3,677,037	\$ 2,018	\$ 5,132,815	\$ 290,330	\$ 619,112
Revenues					
Entitlements	3,428,350	292,582	1,594,173	-	-
Loan Repayments	175,000	-	200,000	-	55,000
Other Revenue	1,575	-	-	-	-
	3,604,925	292,582	1,794,173	-	55,000
Expenditures					
Subrecipient Assistance	795,000	282,582	-	-	-
Operating Expenses	1,332,148	10,000	279,417	-	-
Debt Service - Section 108	1,851,338	-	-	-	-
CHDO Set-aside loan pool	-	-	239,126	-	-
Economic Development	560,000	-	-	-	-
Loan programs	1,422,255	-	1,275,630	-	609,000
	5,960,741	292,582	1,794,173	-	609,000
Transfers					
Transfer In - General Fund	-	-	-	-	-
Transfer In - Other Funds	1,946,738	-	-	-	-
Transfer Out	(389,348)	-	-	-	-
	1,557,390	-	-	-	-
Net Annual Activity	(798,426)	-	-	-	(554,000)
Ending Available Balance	\$ 2,878,611	\$ 2,018	\$ 5,132,815	\$ 290,330	\$ 65,112

**Economic Development Department
Housing and Homelessness
Division Summary, Continued
FY 2020-21 Annual Budget**

	State Housing Loan 061	Neighborhood Stabilization Program 063/064	Low/Mod Housing 329	Housing Total
	<i>See Page I-24</i>	<i>See Page I-27</i>	<i>See Page I-29</i>	
Beginning Available Balance	\$ 38,510	\$ 374,058	\$ 2,507,687	\$ 12,641,567
Revenues				
Entitlements	-	-	-	5,315,105
Loan Repayments	4,500	30,000	-	464,500
Other Revenue	-	-	41,000	42,575
	4,500	30,000	41,000	5,822,180
Expenditures				
Subrecipient Assistance	-	-	-	1,077,582
Operating Expenses	-	10,749	15,372	1,647,686
Debt Service - Section 108	-	-	-	1,851,338
CHDO Set-aside loan pool	-	-	-	239,126
Economic Development	-	-	-	560,000
Loan programs	-	-	973,369	4,280,254
	-	10,749	988,741	9,655,986
Transfers				
Transfer In - General Fund	-	-	-	-
Transfer In - Other Funds	-	-	973,370	2,920,108
Transfer Out	-	-	-	(389,348)
	-	-	973,370	2,530,760
Net Annual Activity	4,500	19,251	25,629	(1,303,046)
Ending Available Balance	\$ 43,010	\$ 393,309	\$ 2,533,316	\$ 11,338,521

ECONOMIC DEVELOPMENT DEPARTMENT

COMMUNITY DEVELOPMENT BLOCK GRANTS (052, 054, AND 062)

PROGRAM DESCRIPTION

The Community Development Block Grant (CDBG) Program is authorized under Title I of the Housing and Community Development Act of 1974, as amended. The program must primarily benefit low and moderate-income persons. The objective of the Act is the development of viable communities by providing decent housing, suitable living environment, and expanded economic opportunities. The City receives a formula-based annual entitlement from the U.S. Department of Housing and Urban Development.

The City uses twenty percent of its annual grant entitlement and program income for administrative costs. The CDBG budget includes the following components:

- Housing Loan Pool – housing programs for low-income households, including the Down Payment Assistance and Owner-Occupied Rehabilitation programs.
- Sub-Recipient Assistance – funds provided to local non-profit organizations for public services and projects.
- Economic Development Programs – programs to assist businesses, including the Commercial Façade, Hire Stockton, and Micro-Business Loan programs.
- Debt Service – repayment of two federal Section 108 Loans used to partially fund projects such as Dean DeCarli Waterfront Square, Stockton Arena, Stockton Ballpark, and Downtown Stockton Marina.
- Program Delivery and Administration – costs attributed to CDBG projects including staff costs, reporting, and project costs.

KEY CONSIDERATIONS

In FY 2020-21, the City's annual CDBG entitlement increased by 3%, to \$3.4 million and includes estimated revenue from Housing and Successor Agency loan repayments. The City successfully refunded the Section 108 loans in FY 2018-19, resulting in an ongoing savings of approximately \$638,000 over the next six fiscal years.

The City has been allocated additional funds through the federal CARES Act that will be distributed through programs intended to combat the impacts of COVID-19.

**Economic Development Department
Community Development Block Grants - 052 - 054 - 062
FY 2020-21 Annual Budget**

	FY 2017-18 Actual	FY 2018-19 Actual	FY 2019-20 Projected	FY 2020-21 Budget
Beginning Available Balance	\$ 740,661	\$ 793,789	\$ 4,090,907	\$ 3,677,037
Revenues				
CDBG Entitlement	2,624,653	1,262,520	3,329,801	3,428,350
Loan Repayments	267,957	373,099	200,873	175,000
Other Revenue	607,715	805,909	1,884	1,575
	3,500,325	2,441,528	3,532,558	3,604,925
Expenditures				
Administration	502,820	580,636	591,017	1,032,148
Program Delivery	173,936	215,655	205,630	300,000
Debt Service - Section 108	1,916,159	1,999,180	1,781,904	1,851,338
Subrecipient Assistance	468,978	457,552	850,000	795,000
Housing Loan Pool	44,231	284,380	1,094,500	1,422,255
Economic Dev Program	178,969	39,299	101,803	560,000
	3,285,093	3,576,702	4,624,854	5,960,741
Transfers				
Transfer In	-	1,529,765	855,533	1,946,738
Transfer Out	(162,104)	(464,686)	(177,107)	(389,348)
	(162,104)	1,065,079	678,426	1,557,390
Net Annual Activity	53,128	(70,095)	(413,870)	(798,426)
Ending Available Balance	\$ 793,789	\$ 723,694	\$ 3,677,037	\$ 2,878,611
Available Balance Calculation				
Current Assets		2,971,892		
Current Liabilities		(2,255,912)		
Subtotal		715,980		
Available Grant Funds		3,374,927		
Ending Available Balance		\$ 4,090,907		

ECONOMIC DEVELOPMENT DEPARTMENT

EMERGENCY SOLUTIONS GRANT (057)

PROGRAM DESCRIPTION

The City receives an annual federal entitlement of Emergency Solutions Grant (ESG) funds. ESG funds can be used for five programs: street outreach, emergency shelter, homelessness prevention, rapid re-housing assistance, and Homeless Management Information System. The City's sub-recipients use ESG funds to operate homeless shelters and services and to provide rapid re-housing assistance. The City's ESG funding is fully committed each year to local homeless shelters, homeless service providers and a minor allocation to program administration.

The City can use up to 7.5 percent of its allocation for administrative activities. ESG funds are required to be matched 100 percent with other funding provided by the non-profit sub-recipients. The City has 180 days to obligate all funds, except for the amount for administrative costs. All ESG funds must be expended within 24 months after the U.S. Department of Housing and Urban Development (HUD) signs the grant agreement with the City.

In FY 2019-20, the City's annual entitlement was approximately \$293,000, an increase of about 1% from the prior fiscal year and funded the following agencies: Gospel Center Rescue Mission, Haven of Peace, St. Mary's Interfaith Dining Room, Stockton Shelter for the Homeless, and Central Valley Low Income Housing Corporation.

KEY CONSIDERATIONS

The City will continue to use ESG funds to address the needs of the homeless community by allocating the funds to homeless shelters and homeless service providers.

**Economic Development Department
Emergency Solutions Grant - 057
FY 2020-21 Annual Budget**

	<u>FY 2017-18 Actual</u>	<u>FY 2018-19 Actual</u>	<u>FY 2019-20 Projected</u>	<u>FY 2020-21 Budget</u>
Beginning Available Balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 260,816</u>	<u>\$ 2,018</u>
Revenues				
ESG Entitlement	<u>320,348</u>	<u>722,190</u>	<u>292,889</u>	<u>292,582</u>
	<u>320,348</u>	<u>722,190</u>	<u>292,889</u>	<u>292,582</u>
Expenditures				
ESG Community Program Services	<u>316,155</u>	<u>705,199</u>	<u>533,647</u>	<u>282,582</u>
Administration	<u>4,193</u>	<u>16,991</u>	<u>18,040</u>	<u>10,000</u>
	<u>320,348</u>	<u>722,190</u>	<u>551,687</u>	<u>292,582</u>
Transfers				
Transfer In	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Transfer Out	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Annual Activity	<u>-</u>	<u>-</u>	<u>(258,798)</u>	<u>-</u>
Ending Available Balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,018</u>	<u>\$ 2,018</u>
Available Balance Calculation				
Current Assets - Cash		\$ 80,936		
Current Liabilities - Due from Other Govt		(80,936)		
Available Grant Funds		<u>260,816</u>		
Ending Available Balance		<u><u>\$ 260,816</u></u>		

ECONOMIC DEVELOPMENT DEPARTMENT

HOME INVESTMENT PARTNERSHIP PROGRAM FUND (058 AND 059)

PROGRAM DESCRIPTION

The federal Home Investment Partnership (HOME) program was created by the National Housing Act of 1990, as amended. The objectives of the HOME Program are to provide decent affordable housing to lower-income households; strengthen the ability of state and local governments to provide housing; and leverage private-sector participation. The City uses HOME monies to build, buy, and/or rehabilitate affordable housing for rent or homeownership or to provide direct rental assistance to low-income persons.

The City's HOME budget includes the following components:

- Housing Loan Fund – Housing programs for low-income households including single-family rehabilitation, down payment assistance, and multi-family residential projects.
- Community Housing Development Organization Set-Aside – HUD requires 15% of the City's HOME allocation be reserved for community-based organizations that develop affordable housing.
- Program Delivery and Administration – Includes the general costs associated with the administration and oversight of the HOME Program. Ten percent of its annual entitlement plus program income received can be used toward administrative costs.

KEY CONSIDERATIONS

The City's annual allocation for HOME funds is approximately \$1.6 million. The City will continue to fund low to moderate- income housing through rehabilitation projects and provide rental assistance.

Based on the Council's strategic priorities, in FY 2019-20 the City issued a Notice of Funding Availability that included approximately \$1.3 million of HOME funds, to provide gap financing for new construction and rehabilitation activities that will result in the provision of housing affordable to households with incomes at or below 80 percent of the Area Median Income. Five affordable housing development projects were awarded funds, ranging from new construction to rehabilitation of existing affordable housing.

**Economic Development Department
HOME - 058/059
FY 2020-21 Annual Budget**

	FY 2017-18 Actual	FY 2018-19 Actual	FY 2019-20 Projected	FY 2020-21 Budget
Beginning Available Balance	\$ 111,497	\$ 749,633	\$ 4,210,849	\$ 5,132,815
Revenues				
HOME Entitlement	477,933	822,084	1,600,000	1,594,173
Loan Repayments	480,470	500,162	65,769	200,000
	958,403	1,322,246	1,665,769	1,794,173
Expenditures				
Administration	57,451	96,664	67,978	179,417
CHDO Set-aside loan pool	-	172,795	-	239,126
Housing Loan Programs	253,698	1,802,420	672,000	1,275,630
Program Delivery	9,118	-	3,825	100,000
	320,267	2,071,879	743,803	1,794,173
Transfers				
Transfer In	-	-	-	-
Transfer Out	-	-	-	-
	-	-	-	-
Net Annual Activity	638,136	(749,633)	921,966	-
Ending Available Balance	\$ 749,633	\$ -	\$ 5,132,815	\$ 5,132,815
Available Balance Calculation				
Current Assets		\$ 561,398		
Current Liabilities		(561,398)		
Subtotal		-		
Available Grant Funds		4,210,849		
Ending Available Balance		\$ 4,210,849		

ECONOMIC DEVELOPMENT DEPARTMENT

SPECIAL PURPOSE CDBG LOAN PROGRAMS FUND (053)

PROGRAM DESCRIPTION

This fund was established to manage one time Community Development Block Grant (CDBG) special purpose grants and loans. Federal U.S. Department of Housing and Urban Development entitlements such as Economic Development Initiative, Brownfields Economic Development Initiative (BEDI) and CDBG-R have moved through this fund in previous years.

KEY CONSIDERATIONS

In FY 2015-16, the City received its final reimbursement of \$1.1 million in BEDI funds which were transferred back to the General Fund in FY 2016-17.

No additional activity is planned for this fund.

**Economic Development Department
Special Purpose CDBG Loan Programs - 053
FY 2020-21 Annual Budget**

	<u>FY 2017-18 Actual</u>	<u>FY 2018-19 Actual</u>	<u>FY 2019-20 Projected</u>	<u>FY 20-21 Budget</u>
Beginning Available Balance	<u>\$ 1,524,171</u>	<u>\$ 1,536,972</u>	<u>\$ 271,330</u>	<u>\$ 290,330</u>
Revenues				
Investment Proceeds	<u>12,801</u>	<u>27,504</u>	<u>19,000</u>	<u>-</u>
	<u>12,801</u>	<u>27,504</u>	<u>19,000</u>	<u>-</u>
Expenditures				
CDBG-R Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Transfers				
Transfer In	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Transfer Out	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Annual Activity	<u>12,801</u>	<u>27,504</u>	<u>19,000</u>	<u>-</u>
Ending Available Balance	<u>\$ 1,536,972</u>	<u>\$ 1,564,476</u>	<u>\$ 290,330</u>	<u>\$ 290,330</u>
Available Balance Calculation				
Current Assets		\$ 1,564,476		
Cash with Fiscal Agent		(1,293,147)		
Ending Available Balance		<u>\$ 271,330</u>		

ECONOMIC DEVELOPMENT DEPARTMENT

STATE OF CALIFORNIA FUNDING CAL HOME (060) / HELP (061)

PROGRAM DESCRIPTION

The City received approximately \$1.5 million in State CalHOME funding in prior fiscal years, and fully spent all grant funds. The City continues to recycle program income from housing loan repayments under both HELP and CalHOME back into additional low and moderate-income housing loans.

CalHOME funding may be used for single-family rehabilitation projects and down payment assistance to benefit low and moderate-income persons and families.

KEY CONSIDERATIONS

CalHOME program income will be used to fund down payment assistance or rehabilitation loans.

**Economic Development Department
CALHOME Loan - 060
FY 2020-21 Annual Budget**

	<u>FY 2017-18 Actual</u>	<u>FY 2018-19 Actual</u>	<u>FY 2019-20 Projected</u>	<u>FY 2020-21 Budget</u>
Beginning Available Balance	<u>\$ 109,070</u>	<u>\$ 311,837</u>	<u>\$ 470,367</u>	<u>\$ 619,112</u>
Revenues				
Loan Repayments	<u>202,767</u>	<u>158,530</u>	<u>148,745</u>	<u>55,000</u>
	<u>202,767</u>	<u>158,530</u>	<u>148,745</u>	<u>55,000</u>
Expenditures				
Housing Loan Programs	<u>-</u>	<u>-</u>	<u>-</u>	<u>609,000</u>
	<u>-</u>	<u>-</u>	<u>-</u>	<u>609,000</u>
Transfers				
Transfer In	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Transfer Out	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Annual Activity	<u>202,767</u>	<u>158,530</u>	<u>148,745</u>	<u>(554,000)</u>
Ending Available Balance	<u>\$ 311,837</u>	<u>\$ 470,367</u>	<u>\$ 619,112</u>	<u>\$ 65,112</u>
Available Balance Calculation				
Current Assets		\$ 470,367		
Current Liabilities		<u>-</u>		
Ending Available Balance		<u>\$ 470,367</u>		

**Economic Development Department
State Housing Loan (HELP) - 061
FY 2020-21 Annual Budget**

	<u>FY 2017-18 Actual</u>	<u>FY 2018-19 Actual</u>	<u>FY 2019-20 Projected</u>	<u>FY 2020-21 Budget</u>
Beginning Available Balance	<u>\$ 20,439</u>	<u>\$ 26,491</u>	<u>\$ 33,265</u>	<u>\$ 38,510</u>
Revenues				
HELP Loan Repayments	<u>6,052</u>	<u>6,774</u>	<u>5,245</u>	<u>4,500</u>
	<u>6,052</u>	<u>6,774</u>	<u>5,245</u>	<u>4,500</u>
Expenditures				
Housing Loan Programs	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Transfers				
Transfer In	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Transfer Out	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Annual Activity	<u>6,052</u>	<u>6,774</u>	<u>5,245</u>	<u>4,500</u>
Ending Available Balance	<u>\$ 26,491</u>	<u>\$ 33,265</u>	<u>\$ 38,510</u>	<u>\$ 43,010</u>
Available Balance Calculation				
Current Assets		\$ 33,265		
Current Liabilities		<u>-</u>		
Ending Available Balance		<u>\$ 33,265</u>		



ECONOMIC DEVELOPMENT DEPARTMENT

NEIGHBORHOOD STABILIZATION GRANT (063 AND 064)

PROGRAM DESCRIPTION

The City was awarded \$16.4 million of Neighborhood Stabilization Program Grant (NSP) funding in 2008 and 2011. The original award combined with program income has made \$31 million available for housing projects. The City used those funds to acquire 107 foreclosed homes, rehabilitate and sell them to qualified low and moderate-income buyers. Five apartment complexes have been rehabilitated and provide 119 units for low-income households. These rental projects utilized both HOME and NSP funds. Program regulations require 25% of NSP funding be used for households with incomes below 50 percent of Area Median Income.

KEY CONSIDERATIONS

Current projects include: Dream Creek, a single-family home ownership project, and Liberty Square (Hunter Street) Apartments, a 72-unit multi-family rental project. These projects are expected to be completed in FY 2020-21.

**Economic Development Department
Neighborhood Stabilization Program - 063
FY 2020-21 Annual Budget**

	FY 2017-18 Actual	FY 2018-19 Actual	FY 2019-20 Projected	FY 2020-21 Budget
Beginning Available Balance	\$ -	\$ -	\$ 1,890,347	\$ 259,866
Revenues				
NSP Entitlement	119,606	(20,695)	-	-
Loan Repayments	86,423	46,471	11,000	15,000
	206,029	25,776	11,000	15,000
Expenditures				
Administration	3,204	3,776	1,600	541
Program Delivery	3,663	-	-	-
Housing Loan Programs	199,162	22,000	1,639,881	
	206,029	25,776	1,641,481	541
Transfers				
Transfer In	-	-	-	-
Transfer Out	-	-	-	-
	-	-	-	-
Net Annual Activity	-	-	(1,630,481)	14,459
Ending Available Balance	\$ -	\$ -	\$ 259,866	\$ 274,325
Available Balance Calculation				
Current Assets		\$ 325,285		
Current Liabilities		(325,285)		
Subtotal		-		
Available Grant Funds		1,890,347		
Ending Available Balance		\$ 1,890,347		

**Economic Development Department
Neighborhood Stabilization Program #3 - 064
FY 2020-21 Annual Budget**

	<u>FY 2017-18 Actual</u>	<u>FY 2018-19 Actual</u>	<u>FY 2019-20 Projected</u>	<u>FY 2020-21 Budget</u>
Beginning Available Balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 483,032</u>	<u>\$ 114,192</u>
Revenues				
NSP Entitlement	(17,822)	(43,317)	-	-
Investment Proceeds	19,755	46,057	28,200	15,000
	<u>1,933</u>	<u>2,740</u>	<u>28,200</u>	<u>15,000</u>
Expenditures				
Administration	1,933	2,740	2,040	10,208
Program Delivery	-	-	-	-
Housing Loan Programs	-	-	395,000	-
	<u>1,933</u>	<u>2,740</u>	<u>397,040</u>	<u>10,208</u>
Transfers				
Transfer In	-	-	-	-
Transfer Out	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Annual Activity	<u>-</u>	<u>-</u>	<u>(368,840)</u>	<u>4,792</u>
Ending Available Balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 114,192</u>	<u>\$ 118,984</u>
Available Balance Calculation				
Current Assets		\$ 83,744		
Current Liabilities		<u>(83,744)</u>		
Subtotal		-		
Available Grant Funding		<u>483,032</u>		
Ending Available Balance		<u>\$ 483,032</u>		

**Economic Development Department
Low & Moderate Income Housing - 329
FY 2020-21 Annual Budget**

	<u>FY 2017-18 Actual</u>	<u>FY 2018-19 Actual</u>	<u>FY 2019-20 Projected</u>	<u>FY 2020-21 Budget</u>
Beginning Available Balance	<u>\$ 1,782,599</u>	<u>\$ 2,153,084</u>	<u>\$ 1,896,374</u>	<u>\$ 2,507,687</u>
Revenues				
Investment Proceeds	136,012	88,039	54,000	40,000
Other Revenues	8,693	6,468	7,570	1,000
	<u>144,705</u>	<u>94,507</u>	<u>61,570</u>	<u>41,000</u>
Expenditures				
Administration	1,339	16,169	15,372	15,372
Housing Loan Programs	750,000	1,347,501	100,000	973,369
	<u>751,339</u>	<u>1,363,670</u>	<u>115,372</u>	<u>988,741</u>
Transfers				
Transfer In - General Fund	10,648	29,584	101,152	-
Transfer In - Other Funds	966,471	982,869	563,963	973,370
Transfer Out	-	-	-	-
	<u>977,119</u>	<u>1,012,453</u>	<u>665,115</u>	<u>973,370</u>
Net Annual Activity	<u>370,485</u>	<u>(256,710)</u>	<u>611,313</u>	<u>25,629</u>
Ending Available Balance	<u>\$ 2,153,084</u>	<u>\$ 1,896,374</u>	<u>\$ 2,507,687</u>	<u>\$ 2,533,316</u>
Available Balance Calculation				
Current Assets		\$ 1,896,374		
Current Liabilities		-		
Ending Available Balance		<u>\$ 1,896,374</u>		

**Economic Development Department
Parking and Venues
Division Summary
FY 2020-21 Annual Budget**

	Boat Launching 045	Tourism and Business Improvement 073	Entertainment Venues 086
	<u>See Page I-33</u>	<u>See Page I-34</u>	<u>See Page I-37</u>
Beginning Available Balance	\$ 779,200	\$ 136,547	\$ 131,586
Revenues			
Taxes/Assessments	-	1,327,500	-
User Fees	193,405	-	-
Fines & Forfeitures	-	-	-
Other Revenue	5,932	-	5,230,967
	199,337	1,327,500	5,230,967
Expenditures			
Operating Expenses	192,289	1,327,500	9,326,893
Debt Service	-	-	-
Capital Improvement	-	-	300,000
	192,289	1,327,500	9,626,893
Transfers			
Transfer In - General Fund	-	-	4,785,000
Transfer In - Other Funds	-	-	-
Transfer Out	-	-	-
	-	-	4,785,000
Net Annual Activity	7,048	-	389,074
Ending Available Balance	\$ 786,248	\$ 136,547	\$ 520,660

**Economic Development Department
Parking and Venues
Division Summary, Continued
FY 2020-21 Annual Budget**

	Parking Authority 418/419	Marina 460	Parking and Venues Total
	<i>See Page I-39</i>	<i>See Page I-41</i>	
Beginning Available Balance	\$ 5,664,251	\$ 48,987	\$ 6,760,571
Revenues			
Taxes/Assessments	1,260,215	-	2,587,715
User Fees	4,676,974	235,675	5,106,054
Fines & Forfeitures	812,656	-	812,656
Other Revenue	125,000	15,500	5,377,399
	6,874,845	251,175	13,883,824
Expenditures			
Operating Expenses	4,226,769	548,005	15,621,456
Debt Service	1,978,833	-	1,978,833
Capital Improvement	3,050,000	-	3,350,000
	9,255,602	548,005	20,950,289
Transfers			
Transfer In - General Fund	-	297,000	5,082,000
Transfer In - Other Funds	-	-	-
Transfer Out	-	-	-
	-	297,000	5,082,000
Net Annual Activity	(2,380,757)	170	(1,984,465)
Ending Available Balance	\$ 3,283,494	\$ 49,157	\$ 4,776,106

ECONOMIC DEVELOPMENT DEPARTMENT

BOAT LAUNCHING FACILITIES FUND (045)

PROGRAM DESCRIPTION

The City maintains boat launching facilities at Louis Park and Buckley Cove. A third boat launching facility, Morelli Park, is operated by a third-party company in unison with the Downtown Marina. This Fund receives launching fees collected from vehicles that launch boats at Buckley Cove. Expenditures from the fund provide dock and landscape maintenance at Louis Park and Buckley Cove and cover security services/fee collection from personnel. When sufficiently accumulated, the fund balance will be utilized to dredge Buckley Cove, address dock infrastructure improvements and traffic control devices, and complete parking lot maintenance and landscaping projects.

KEY CONSIDERATIONS

This facility's operating revenue estimate remains consistent as no increase to fees are proposed and the use rate is expected to continue at the current rate. The operating expenditure budget is anticipated to increase by eight percent largely due to increasing minimum wage rates that impact staffing as well as contracted services such as landscaping.

**Economic Development Department
Boat Launching Facilities - 045
FY 2020-21 Annual Budget**

	<u>FY 2017-18 Actual</u>	<u>FY 2018-19 Actual</u>	<u>FY 2019-20 Projected</u>	<u>FY 2020-21 Budget</u>
Beginning Available Balance	\$ 624,834	\$ 703,136	\$ 751,818	\$ 779,200
Revenues				
Boat Launching Fees	177,332	161,131	189,955	193,405
Investment Proceeds	7,876	23,610	2,500	2,500
Reimbursements	3,431	3,430	3,432	3,432
	<u>188,639</u>	<u>188,171</u>	<u>195,887</u>	<u>199,337</u>
Expenditures				
Salaries & Benefits	2,861	1,404	12,851	19,370
Utilities	2,422	2,069	3,600	3,600
Maintenance & Repair	18,409	39,294	50,000	60,000
Security Contractor	78,571	89,197	90,810	98,075
Materials & Supplies	462	197	1,500	1,500
Other Expenses	7,612	7,328	9,744	9,744
	<u>110,337</u>	<u>139,489</u>	<u>168,505</u>	<u>192,289</u>
Transfers				
Transfer In	-	-	-	-
Transfer Out	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Annual Activity	78,302	48,682	27,382	7,048
Ending Available Balance	\$ 703,136	\$ 751,818	\$ 779,200	\$ 786,248
Available Balance Calculation				
Current Assets		\$ 762,254		
Current Liabilities		(10,436)		
Ending Available Balance		<u>\$ 751,818</u>		

**Economic Development Department
Tourism and Business Improvement Fund - 073
FY 2020-21 Annual Budget**

	<u>FY 2017-18 Actual</u>	<u>FY 2018-19 Actual</u>	<u>FY 2019-20 Projected</u>	<u>FY 2020-21 Budget</u>
Beginning Available Balance	\$ 125,289	\$ 127,129	\$ 131,198	\$ 136,547
Revenues				
Taxes/Assessments				
Tourism Business Improvement	1,592,426	1,656,967	1,504,500	1,327,500
Investment Proceeds	2,610	4,009	5,349	-
	<u>1,595,036</u>	<u>1,660,976</u>	<u>1,509,849</u>	<u>1,327,500</u>
Expenditures				
Pass-Through				
TBID - Convention & Visitors	1,545,400	1,607,200	1,459,365	1,287,675
Administration	47,796	49,707	45,135	39,825
	<u>1,593,196</u>	<u>1,656,907</u>	<u>1,504,500</u>	<u>1,327,500</u>
Transfers				
Transfer In	-	-	-	-
Transfer Out	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Annual Activity	1,840	4,069	5,349	-
Ending Available Balance	\$ 127,129	\$ 131,198	\$ 136,547	\$ 136,547
Available Balance Calculation				
Current Assets		\$ 184,831		
Current Liabilities		(53,633)		
Ending Available Balance		<u>\$ 131,198</u>		



ECONOMIC DEVELOPMENT DEPARTMENT

ENTERTAINMENT VENUES FUND (086)

PROGRAM DESCRIPTION

The City owns four specialty sports and entertainment venues: the 12,000-seat Stockton Arena, 5,000-seat Stockton Banner Island Ballpark, 2,042-seat Bob Hope Theatre, and Oak Park Ice Rink. These venues are managed by ASM Global, a worldwide entertainment and convention/arena venue management corporation, pursuant to a contract approved by Council in 2011 and renewed and amended in 2018 to include the Downtown Marina. ASM develops an annual operating budget and capital repair and improvement plan budget submitted to the City each year. The Entertainment Venues Fund budget represents the ASM operating fund, direct City expenditures, and an allocation for maintenance repairs and improvements. The venues continue to require significant General Fund support.

KEY CONSIDERATIONS

The diversity of facilities and entertainment options in Stockton is reflective of the City's rich culture and a testament to the variety that Stockton has to offer. At the center of the City's entertainment options are the event facilities, which remained busy this past year with sporting events, banquets, concerts, meetings and a large state conference. With nearly 300,000 people visiting the venues prior to mid-March, the venues provide quality of life experiences for residents and attract visitors to the City, who stimulate the local economy. The entertainment venues are a significant driver of the City's hotel tax, as visitors travel and stay in the City to attend events, participate in local tournaments, meetings and festivals.

The impacts of COVID-19 will be severe for the venue and entertainment industry. The Department will work to mitigate the loss in revenue while maintaining the facilities and, when appropriate, open the venues responsibly. With potential closures extending six months, very minimal staff and only base expenses such as utilities and required maintenance will continue.

**Economic Development Department
Entertainment Venues - 086
FY 2020-21 Annual Budget**

	FY 2017-18 Actual	FY 2018-19 Actual	FY 2019-20 Projected	FY 2020-21 Budget
Beginning Available Balance	\$ (243,873)	\$ (306,208)	\$ 18,951	\$ 131,586
Revenues				
Operations:				
Stockton Arena	2,216,624	3,416,076	2,758,408	3,090,872
Bob Hope Theatre	814,385	971,835	1,414,822	1,385,285
Oak Park Ice Arena	444,381	462,491	446,254	399,810
Ballpark	354,608	349,555	270,702	355,000
Other Revenue	451,888	97,537	300,000	-
	4,281,886	5,297,494	5,190,186	5,230,967
Expenditures				
Operations:				
Stockton Arena	4,743,038	6,116,728	5,291,789	5,852,119
Bob Hope Theatre	1,037,005	1,396,145	1,399,404	1,686,287
Oak Park Ice Arena	677,291	765,185	836,178	727,191
Ballpark	781,675	861,710	893,918	869,318
Administration	126,445	143,425	191,262	191,978
Facility Maint. & Equipment	423,767	182,094	300,000	300,000
Capital Projects	-	-	-	-
	7,789,221	9,465,287	8,912,551	9,626,893
Transfers				
Transfer In - General Fund	3,445,000	4,345,000	3,835,000	4,785,000
Transfer In - Capital	-	1,150,000	-	-
Transfer Out	-	-	-	-
	3,445,000	5,495,000	3,835,000	4,785,000
Net Annual Activity	(62,335)	1,327,207	112,635	389,074
Ending Available Balance	\$ (306,208)	\$ 1,020,999	\$ 131,586	\$ 520,660
Available Balance Calculation				
Current Assets		\$ 4,149,550		
Current Liabilities		(2,788,476)		
Adjustment to Liabilities		360,000		
Capital Appropriations		(1,702,123)		
Ending Available Balance		<u>\$ 18,951</u>		

ECONOMIC DEVELOPMENT DEPARTMENT

PARKING AUTHORITY FUND (418 AND 419)

PROGRAM DESCRIPTION

This fund supports the downtown parking garages, lots, on-street payment machines, and parking compliance, which are overseen by the Parking Authority. The Parking Authority has been operated by LAZ, Inc. since May 1, 2020. Parking enforcement is provided by City staff and is not outsourced.

KEY CONSIDERATIONS

The Authority installed 105 parking payment machines in early 2019, replacing street parking meters that had been largely stolen or vandalized. In addition, eight additional payment machines have been added to two event parking lots to increase efficiency, security, and customer payment options. In FY 2019-20, the Parking Authority refinanced existing parking bonds to save money and to procure \$3 million for capital needs. The bonds will fund much needed elevator upgrades and the replacement of the revenue control system, including ingress and egress equipment, at parking garages and lots, beginning in FY 2020-21. These capital upgrades will add safety, reliability and efficiency to the facilities and allow staff to provide better services to parking customers.

Prior to COVID-19, revenues were projected to grow by 9% due to increasing demand and anticipated increase in some rates. Operating expenses were also forecasted to increase due to state-mandated minimum wage increases and rising utility costs. However, overall expenditures are anticipated to be flat as a result of reductions in debt service from the bond re-financing.

Since the COVID-19 outbreak and statewide stay at home directives, the Parking operations have consolidated hourly services and ceased event operations, while continuing to provide monthly and street parking options. Revenues from operations are showing indications of being down as much as 44% in recent months, with an anticipated 11% drop overall for the fiscal year. Expenses have been reduced in the final quarter by an anticipated 40% through factors such as personnel cuts, reductions in service contracts, and consolidation of some facility operations. The Parking fund will have a net positive result in FY 2019-20, despite the effects from COVID-19. Operations and monthly proceeds will be monitored closely as the COVID-19 directives progress. Year-end projections and FY 2020-21 budget have not been updated to reflect the impacts from the COVID-19 pandemic.

**Economic Development Department
Parking Authority - 418/419
FY 2020-21 Annual Budget**

	FY 2017-18 Actual	FY 2018-19 Actual	FY 2019-20 Projected	FY 2020-21 Budget
Beginning Available Balance	\$ 2,791,307	\$ 2,756,345	\$ 2,175,411	\$ 5,664,251
Revenues				
Assessments	1,270,684	1,341,407	1,229,478	1,260,215
Operating Revenue/Fees	3,538,448	3,663,454	4,242,356	4,676,974
Parking Citations/Fines	741,595	793,720	744,354	812,656
Bond Proceeds	-	-	3,000,000	-
Other Revenues	186,635	134,766	119,219	125,000
Investment Proceeds	(1,546)	114,007	(6,131)	-
	5,735,816	6,047,354	9,329,276	6,874,845
Expenditures				
Administration	566,185	555,650	606,583	599,163
Other Services	267,068	37,273	84,794	104,969
Parking Operations	1,833,958	2,043,900	2,029,287	2,424,043
Management Fee	175,776	179,754	184,671	302,508
Parking Enforcement	500,998	594,730	678,302	796,086
Debt Service	1,479,371	1,592,471	2,391,586	1,978,833
Parking Improvements	19,950	832,986	350,000	3,050,000
	4,843,306	5,836,764	6,325,223	9,255,602
Transfers				
Transfer In - Successor Agency	-	-	605,984	-
Transfer Out - SEB Debt	(914,715)	(714,451)	-	-
Transfer Out - Low/Mod Housing	(12,757)	(35,446)	(121,197)	-
	(927,472)	(749,897)	484,787	-
Net Annual Activity	(34,962)	(539,307)	3,488,840	(2,380,757)
Ending Available Balance	\$ 2,756,345	\$ 2,217,038	\$ 5,664,251	\$ 3,283,494
Available Balance Calculation				
Current Assets		\$ 3,236,579		
Current Liabilities		(1,061,168)		
Capital Appropriations		-		
Ending Available Balance		\$ 2,175,411		

ECONOMIC DEVELOPMENT DEPARTMENT

DOWNTOWN MARINA COMPLEX FUND (460)

PROGRAM DESCRIPTION

This fund supports the Downtown Stockton Marina. The Marina has been in operation for just over ten years providing permanent slips and short-term berthing as well as management of the Morelli Park boat launch. The Marina is operated by ASM Global through an agreement awarded by Council on March 20, 2018.

KEY CONSIDERATIONS

The overall budget has been lowered, both in revenues and expenses compared to the FY 2019-20 budget, as the expectation of event revenues from small concerts at the waterfront amphitheater did not materialize and was a drain on the operation. While the budgeted revenue number is lower than the previous budget, it is anticipated that FY 2020-21 revenues will exceed FY 2019-20 actual receipts by 8%, primarily due to the current trend of increasing demand for boat slip rentals and adjustments to fees. The operator will continue to work on outreach and promotion and will review any potential event promotion on a case by case basis with City staff. Over the next year, the focus will remain on a clean and safe marina, competitive rates, and outreach to welcome guests. Additionally, kayak and water-bike rentals will be reviewed as public activities resume. COVID-19 stay-at-home orders have not had an impact on the current year revenues through the first month and a half. Expenses have decreased some with the required office closure and reduction of staff hours. Operational and financial performance will continue to be monitored as the COVID-19 response progresses.

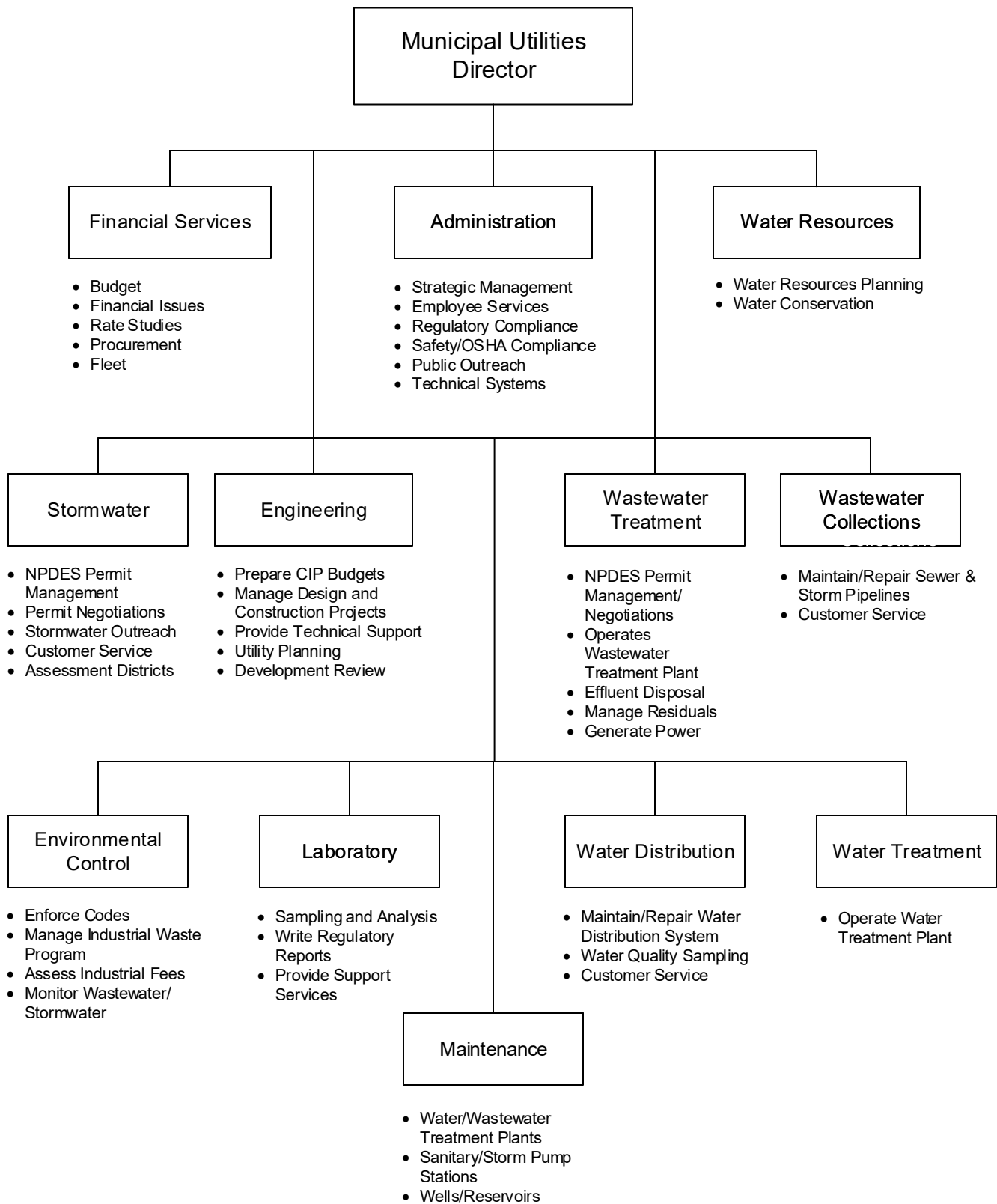
The General Fund support will increase by \$35,000 to cover the gap between current revenue trends and rising personnel and utility costs. Personnel costs have been scrutinized to provide boater support and safety in the most efficient manner, as minimum wage increases continue to impact the expense budget. Overall expenses are projected to rise by 4%.

**Economic Development Department
Downtown Marina Complex - 460
FY 2020-21 Annual Budget**

	FY 2017-18 Actual	FY 2018-19 Actual	FY 2019-20 Projected	FY 2020-21 Budget
Beginning Available Balance	\$ 371,817	\$ 311,998	\$ 88,153	\$ 48,987
Revenues				
User Fees	135,972	161,664	224,886	235,675
Other Revenues	104,070	7,011	1,837	15,500
Investment Proceeds	398	10,842	(1,128)	-
	240,440	179,517	225,595	251,175
Expenditures				
Administration	69,640	9,467	12,082	17,500
Operating Expenses	442,612	505,884	464,679	479,005
Management Contract	7	50,011	50,000	51,500
Capital Projects	-	39,031	-	-
	512,259	604,393	526,761	548,005
Transfers				
Transfer In - General Fund	212,000	262,000	262,000	297,000
Transfer Out	-	-	-	-
	212,000	262,000	262,000	297,000
Net Annual Activity	(59,819)	(162,876)	(39,166)	170
Ending Available Balance	\$ 311,998	\$ 149,122	\$ 48,987	\$ 49,157
Available Balance Calculation				
Current Assets		\$ 282,319		
Current Liabilities		(133,197)		
Less: program commitments		(60,969)		
Ending Available Balance		\$ 88,153		



TAB 10 UTILITIES



MUNICIPAL UTILITIES



MUNICIPAL UTILITIES DEPARTMENT

MISSION STATEMENT

To provide high-quality drinking water on demand; collect, treat, and dispose of wastewater; and collect and dispose of stormwater, all in accordance with applicable regulations and responsible business practices.

Budget at a Glance:

Total Revenues	\$215,670,935
Total Expenditures	\$210,375,304
Total Net Revenue	\$5,295,631
Total Staff	218

DEPARTMENT DESCRIPTION

The Municipal Utilities Department (MUD) encompasses the Water, Wastewater, and Stormwater Utilities, which are regulated for the protection of public health, the environment, and supported by user fees. For operational efficiency, the department includes 12 divisions that operate, maintain, and support the Utilities. Additionally, the Utilities are managed to recognize the independent financial structure and regulatory requirements unique to each.

The Water Utility provides drinking water service to approximately 55% of the Stockton Metropolitan Area, with the California Water Service Company and San Joaquin County serving the remaining 45%. The Delta Water Treatment Plant (DWTP) began operation in May 2012, providing up to 30 million gallons per day of treated surface water from the San Joaquin Delta and Mokelumne River. Stockton's other water supplies are derived from the Calaveras and Stanislaus Rivers through a water supply agreement with the Stockton East Water District, and 21 groundwater wells. The Water Utility maintains a water transmission and distribution system that includes eight reservoirs, 590 miles of pipeline, 48,000 water meters and 7,000 fire hydrants. The Water Utility also provides long-term water resources planning and supports a water conservation program.

The Wastewater Utility features a collection system of approximately 900 miles of gravity sewer main, 554 miles of lower lateral pipe, 27 pump stations, and 30 miles of pressurized force main that route sewage to the Regional Wastewater Control Facility (RWCF). The system collects sewage from many properties within the City, special districts outside the City, and certain areas within San Joaquin County. The RWCF has a 55 million gallon per day advanced treatment capacity and is located on nearly 700 acres in the southwestern portion of the City, adjacent to the San Joaquin River. On average, the Facility treats 30 million gallons of wastewater daily and discharges into the San Joaquin River under a National Pollutant Discharge Elimination System (NPDES) permit.

The Stormwater Utility consists of 74 pump stations, over 600 miles of pipeline, and 22,500 drain inlets that route stormwater from city streets into local basins and waterways. Regular system maintenance is necessary to prevent flooding from storm runoff. The Stormwater Utility is also responsible for oversight and compliance with the City's NPDES Municipal Separate Storm Sewer System permit, which requires extensive monitoring and public outreach programs to promote water quality in the San Joaquin Delta.

MUNICIPAL UTILITIES DEPARTMENT

DEPARTMENT STRATEGIC WORK PLAN

An important FY 2020-21 priority is the Regional Wastewater Control Facility (RWCF) Modifications Project to improve wastewater treatment processes. Upgrades and improvements to the RWCF were originally identified in the 2011 Capital Improvement and Energy Management Plan (CIEMP), and additional improvements are now necessary to meet treated wastewater discharge limits regulated by the Central Valley Regional Water Quality Control Board. The project progressed steadily, with design plans now complete and construction currently underway. The design incorporates upgrades to achieve treated wastewater limits by June 1, 2024. Biosolids and energy production are not part of the current RWCF Modifications Project but have been identified as future phases of the CIEMP. A comprehensive wastewater utility rate analysis was completed in FY 2018-19 and included the negotiated construction cost for the RWCF Modifications Project and other necessary Capital Improvement Projects. The rate analysis concluded an average annual rate increase of 6% was necessary over the next five years, beginning in FY 2019-20, to adequately fund construction and operations.

The department will update the utility master plans for Water, Wastewater and Stormwater starting in FY 2020-21. The current Water Utility and Wastewater Utility master plans were both completed in 2008. The new master plans will assist staff in planning and designing infrastructure improvements that support future development and evaluate potentially needed improvements at existing facilities. The most recent General Plan Update for 2040 projected different buildout land uses in comparison with the 2035 General Plan. The utility master plans will help to support the Development Impact Fee Nexus Study to be prepared by the Community Development Department. The Nexus Study will include a Stormwater Connection Fee Study to establish a connection fee to help fund stormwater infrastructure costs.

The Water Utility provides regional water service to the City through an extensive water production system and distribution infrastructure. The cost to treat and distribute high-quality drinking water that meets all State and Federal regulations, is paid for by water utility rates adopted by the City Council. It is recommended that water utilities re-evaluate water rates every five years to confirm appropriate funding levels for ongoing costs. Water rate studies typically review and analyze updated cost information from administration, production, distribution, maintenance and future capital project improvements and requirements. The approved 2016 Water Rate Study has the fifth and final rate increase scheduled to take effect July 1, 2020. The new 2021 Water Rate Study was awarded in March 2020 and expected to be completed by the third quarter of FY 2020-21. Any future water rate increase proposal would comply fully with Proposition 218 (Prop 218) and will be designed to meet the legal requirements of the California Constitution Article XIII D.

In 2015, the State Water Resources Control Board adopted a statewide Trash Provision Order to address the beneficial uses of surface waters. The water quality objective established by the Order serves as a federally mandated water quality standard. The City does not currently have a funding mechanism in place to meet the Order's requirements. Stockton attempted a Proposition 218 ballot measure in 2010 to approve a new Clean Water fee that would supplement the current stormwater fee. The rate study prepared for the Proposition 218 ballot determined the Stormwater Utility was under-funded by approximately \$9 million a year. The ballot measure failed, prohibiting the City from implementing the new Clean Water fee. In 2017, the City conducted an analysis that demonstrated significant additional funding over the next 20 years would be necessary to maintain compliance with the Order. The possibility of advancing another ballot measure to provide needed funding for this Utility is currently under review.

MUNICIPAL UTILITIES DEPARTMENT

PRIOR YEAR ACCOMPLISHMENTS

Engineering:

- Completed design and awarded construction contracts for the following capital projects:
 - Intake pump station repair and improvements at the DWTP
 - South East Water District Interconnect Hypochlorite Injection System
 - Water Service Lateral Replacement project
 - Abandonment of Wells 1, 9, 11, & 16
 - Brookside North Storm Pump Station Discharge Pipe Rehabilitation
 - 14 Mile Slough Reservoir Site Fencing improvements
 - Scum Concentrator at RWCF
 - The RWCF Modifications Project Phase 2B
- Completed construction of the following capital projects:
 - Stormwater pump stations and pipe cathodic (corrosion) protection improvements
 - Multiple sanitary sewer (SS) rehabilitation projects, including the Highway 99 at Farmington Fresh SS, and Alexandria Place SS trunk line
 - Brookside Storm Pump Station Levee and Pipe Repairs Phase 1
 - Replacement and upsizing of Ferric Chloride Tank at the RWCF
 - Replacement of the RWCF Cogeneration Evaporative Cooling Tower and Gas Dryer
- Awarded professional service agreements to update the Water, Wastewater, and Stormwater Utility Master Plans
- Processed 540 development application reviews, an increase of 28% from last fiscal year

Finance:

- Submitted Clean Water State Revolving Fund (CWSRF) financial assistance application in the amount of \$46,800,000 for planning, design, and construction of the RWCF Modifications Project
- Submitted Water Infrastructure Finance and Innovation Act (WIFIA) financial assistance application in the amount of \$108,000,000 for the RWCF Modifications Project

Wastewater Operations and Maintenance:

The Regional Wastewater Control Facility (RWCF):

- Started construction on the RWCF Modifications Project, which includes the following:
 - Demolished Trickling Filters
 - Began excavation for new Secondary Clarifiers
 - Switched the RWCF power source to facilitate shut-down and process power transfers
 - Relocated staff to facilitate building demolition for Headworks rebuild

MUNICIPAL UTILITIES DEPARTMENT

- Demolished operating mechanisms in Primary Clarifiers 5 and 6 in preparation for rebuild
- Rebuilt chains and internal mechanisms on Primary Clarifiers 1, 2, and 3
- Drained and cleaned Digester No. 5
- Successfully negotiated a new NPDES permit from the State Water Resources Control Board with favorable results for the City

Water Administration and Operations:

- Delivered 7.9 billion gallons of drinking water to the City, meeting or exceeding all State and Federal regulations
- Partnered with the Veterans Affairs (VA) to plan, design, permit, fund, and construct water and sewer utility services for the new VA medical campus in French Camp
- The City and the other 15 agencies of the Eastern San Joaquin Groundwater Authority recently adopted and submitted a Groundwater Sustainability Plan (GSP) for the groundwater sub-basin to the Department of Water Resources
- The City entered into a Cooperation Agreement with Lodi and Woodbridge Irrigation District to jointly manage a portion of the Eastern San Joaquin Sub-basin for the purpose of sharing costs, resources and other efforts to secure future groundwater supplies and implement the GSP in compliance with the Sustainably Groundwater Management Act
- The MUD submitted the triennial Public Health Goals report. This 2019 Report concluded that the City's drinking water quality met or exceeded all State of California, Department of Public Health, and United States Environmental Protection Agency drinking water standards set to protect public health
- As part of its membrane replacement program at the DWTP, the MUD maintenance staff replaced more than 70 control valves to ensure the filtration system is properly maintained for normal treatment operations
- Awarded a professional services contract to conduct a Water cost of service rate study
- Awarded contracts to perform repairs and maintenance of critical infrastructure such as reservoirs and wells throughout the City
- Awarded a professional services contract to complete the 2020 Urban Water Management Plan

Stormwater Collections:

- Cleaned and replaced stormwater filters for the Stockton Event Center/Arena, Eight Mile Road and Lower Sacramento vaults to meet stormwater quality requirements
- Performed maintenance on basins at Arch Road & Newcastle Road, and at El Dorado Street & Clayton Avenue
- Inspected approximately 3200 catch basins

MUNICIPAL UTILITIES DEPARTMENT

Stormwater Administration:

- Based on the Reasonable Assurance Analysis (RAA) approach, determined the number and types of stormwater controls needed to attain specified water quality protection requirements. The RAA is a compliance component of the region-wide municipal stormwater permit.
- Integrated the Industrial Stormwater Program, which works with local industries to prevent stormwater pollution, with Senate Bill No. 205, that would require municipalities to verify that business operations applying for a business license or business license renewal can demonstrate enrollment with the NPDES permit program, such as by providing the Standard Industrial Classification Code (SIC) for the business.

Wastewater Collections:

- Completed the Sanitary Sewer Management Plan (SSMP) Audit to comply with the State Water Resources Control Board Order 2013-0058-EXEC, which requires Sanitary Sewer Overflow (SSO) information be compiled and made available to the public.

KEY CONSIDERATIONS

Key considerations for the Municipal Utilities Department Utilities are addressed in the following sections for each utility.



Utilities
FY 2020-21 Annual Budget

	<u>Water 421-427</u> <i>See Page J-12</i>	<u>Wastewater 431-438</u> <i>See Page J-15</i>	<u>Stormwater 441/447</u> <i>See Page J-17</i>	<u>Storm Districts 074</u> <i>See Page J-19</i>	<u>Utilities Total</u>
Beginning Available Balance	\$ 53,252,302	\$ 47,976,639	\$ 4,954,680	\$ 2,818,156	\$ 109,001,777
Revenues					
User Services	51,531,656	73,578,399	5,272,033	331,916	130,714,004
Connection Fees	2,450,000	1,476,474	-	-	3,926,474
Storm Drain Districts	-	-	89,500	-	89,500
Fines and Penalties	1,049,697	1,415,346	-	-	2,465,043
Investment Proceeds	748,167	1,602,460	97,500	7,908	2,456,035
Other Revenue	5,710,000	231,845	70,822	-	6,012,667
Bond Anticipation Notes (BAN)	-	70,000,000	-	-	70,000,000
	61,489,520	148,304,524	5,529,855	339,824	215,663,723
Expenditures					
Administration	3,754,178	5,803,612	2,311,599	-	11,869,389
Customer Service	1,011,829	3,258,143	475,250	-	4,745,222
Operations and Maintenance	15,637,832	45,672,589	3,788,799	360,478	65,459,698
Water Treatment	322,363	-	-	-	322,363
Water Conservation	164,260	-	-	-	164,260
Purchased Water	16,010,550	-	-	-	16,010,550
Debt Service	14,292,486	8,156,765	-	-	22,449,251
Capital Projects	6,262,122	82,522,332	570,117	-	89,354,571
	57,455,620	145,413,441	7,145,765	360,478	210,375,304
Transfers					
Transfer In	-	-	-	7,212	7,212
Transfer Out	-	-	-	-	-
	-	-	-	7,212	7,212
Net Annual Activity	4,033,900	2,891,083	(1,615,910)	(13,442)	5,295,631
Ending Available Balance	\$ 57,286,202	\$ 50,867,722	\$ 3,338,770	\$ 2,804,714	\$ 114,297,408
				Revenues	\$ 215,663,723
				Transfers	7,212
				Total Sources	<u>\$ 215,670,935</u>
				Expenditures	\$ 210,375,304
				Transfers	-
				Total Appropriations	<u>\$ 210,375,304</u>

MUNICIPAL UTILITIES DEPARTMENT

WATER UTILITY FUND (421, 423-427)

PROGRAM DESCRIPTION

The Water Utility Fund supports the operation and maintenance of the City Water Utility. The Utility is supported by user fees, which are restricted to use by the Water Utility. Water user rate fees and developer impact fees fund the Water Utility Capital Improvement Program.

KEY CONSIDERATIONS

Beginning in 2016, the City implemented a water rate increase of 38.5% over five years. The first increase of 18.5% was implemented on August 1, 2016; the second (of 11%) was effective July 1, 2017; the third (of 3%) was effective July 1, 2018; the fourth (of 3%) was effective July 1, 2019; and the fifth (of 3%) will be implemented July 1, 2020.

As part of the rate increases, the City Council adopted the use and implementation of the Drought Surcharge, an additional per unit charge that may be added to the consumption charge rates and can be activated by the City Council when the state mandates water reduction due to drought conditions. Updating the Drought Surcharge each time the water rates are revised, maintained sufficient revenue levels necessary to fund the operating and capital needs of the Water Utility during times of drought and reduced consumption levels.

The City suspended the Drought Surcharge in FY 2018-19 and FY 2019-20 as water consumption and revenues increased throughout the service area. The Surcharge will remain suspended in FY 2020-21, although the City Council has the option to reinstate this fee as conditions change.

In FY 2020-21, the department will conduct a water cost of service rate study. The objective of the water rate study is to develop a financial plan and cost-based rates for the MUD's water system customers. Cost-based rates must be developed and documented to meet the requirements of California Constitution Article XIII D, Section 6 (Proposition 218). To meet the intent of Proposition 218, the study will develop rates that are cost-based, equitable, and based on the City's specific costs and customer characteristics.

The FY 2019-20 budget provided initial funding for the Delta Water Treatment Plant membrane filter replacement program, even though capital improvements are limited. In FY 2020-21, funding for this program will continue, and membrane replacements will be completed by 2024.

Continued changes in water conservation and use requirements from the State of California, the proposed California Waterfix and State Water Resources Control Board Delta Water Quality Control Plan actions may increase uncertainty in water supplies and water user revenues. Variation in customer water use and additional resource investments to maintain the City's water supply portfolio and infrastructure may change, with corresponding impacts to the Water Utility Fund.

In FY 2020-21, the department will update the Water Master Plan. The current Water Master Plan was developed in 2008 to support the 2035 General Plan. The most recent General Plan Update for 2040 projected different buildout land uses in comparison with the 2035 General Plan. The Plan update will develop a hydraulic model of existing conditions as well as proposed infrastructure. The 2020 Plan will assist staff in planning and designing infrastructure

MUNICIPAL UTILITIES DEPARTMENT

improvements that support future development and to evaluate potentially needed improvements at existing facilities. The Plan will be completed in conjunction with the Community Development Department Master Infrastructure Plans and Development Impact Fee Nexus Study, both consistent and compliant with the 2040 General Plan.

In FY 2020-21, the department will update the Urban Water Management Plan (UWMP). The current UWMP was developed in 2015 and was submitted to the California Department of Water Resources in 2016. UWMPs are prepared by urban water suppliers, such as the MUD, every five years. The UWMP supports the MUD's long-term resource planning to ensure that adequate water supplies are available to meet existing and future water needs for the City of Stockton's customers. In addition, the information collected from the submitted UWMPs is useful for local, regional, and statewide water planning.

Utilities
Water - 421/423/424/425/426/427
FY 2020-21 Annual Budget

	<u>FY 2017-18 Actual</u>	<u>FY 2018-19 Actual</u>	<u>FY 2019-20 Projected</u>	<u>FY 2020-21 Budget</u>
Beginning Available Balance	\$ 132,806,995	\$ 151,141,849	\$ 45,813,330	\$ 53,252,302
Revenues				
User Services Fees	49,397,251	48,382,145	50,209,679	51,531,656
% increase	19%	-2%	4%	3%
Connection Fees	3,004,757	2,615,119	2,472,753	2,450,000
Fines and Penalties	956,099	1,043,123	1,039,304	1,049,697
Investment Proceeds	163,308	3,084,416	856,453	748,167
Federal Build America Bond Grant	3,855,019	2,456,546	-	-
Other Revenue	236,502	479,276	1,476,980	5,710,000
	<u>57,612,936</u>	<u>58,060,625</u>	<u>56,055,169</u>	<u>61,489,520</u>
Expenditures				
Administration	2,478,122	2,773,958	3,539,546	3,754,178
Customer Service	924,655	887,712	966,636	1,011,829
Operations and Maintenance	10,802,531	12,237,161	12,895,656	15,637,832
Water Treatment	219,354	229,867	242,986	322,363
Water Conservation	38,489	34,172	60,101	164,260
Purchased Water	7,925,483	8,987,835	12,768,012	16,010,550
Debt Service	16,337,956	13,064,076	13,281,110	14,292,486
Capital Projects	754,127	370,580	4,862,150	6,262,122
	<u>39,480,717</u>	<u>38,585,361</u>	<u>48,616,197</u>	<u>57,455,620</u>
Transfers				
Transfer In	-	-	-	-
Transfer Out	(23,227)	(256,307)	-	-
	<u>(23,227)</u>	<u>(256,307)</u>	<u>-</u>	<u>-</u>
Net Annual Activity	18,108,992	19,218,957	7,438,972	4,033,900
Non-Current Transactions	(225,862)	7,946,388	-	-
Ending Available Balance *	\$ 151,141,849	\$ 162,414,418	\$ 53,252,302	\$ 57,286,202
Available Balance Calculation ^				
Current Assets		\$ 66,573,822		
Current Liabilities		(10,609,955)		
Capital Appropriations		(10,150,537)		
Ending Available Balance		<u>\$ 45,813,330</u>		

* Beginning and Ending Available Balance amounts for FY 2017-18 and FY 2018-19 are presented using Generally Accepted Accounting Practices (GAAP) for enterprise funds. FY 2019-20 and FY 2020-21 are presented on a budgetary basis. GAAP basis includes all long-term assets and liabilities such as land and equipment. Budgetary basis of accounting only includes current assets and liabilities.

^ The Available Balance Calculation represents the uncommitted, undesignated portion of liquid assets less liabilities available for operations.



MUNICIPAL UTILITIES DEPARTMENT

WASTEWATER UTILITY FUND (431, 433, 434, 435, 437, 438)

PROGRAM DESCRIPTION

The Wastewater Utility Fund supports the operation and maintenance of the City Wastewater Utility. The Utility is supported by user fees, which are restricted to use by the Wastewater Utility. Wastewater user rate fees and developer impact fees fund the Wastewater Utility Capital Improvement Program.

KEY CONSIDERATIONS

The MUD completed a comprehensive wastewater rate study in FY 2018-19 to evaluate the level of revenue necessary to fully support the Utility, including the RWCF Modifications Project. The study anticipates an average annual rate increase of 6% over the next five years, with the first increase of 6% effective July 1, 2019. The second annual increase of 6% will go into effect July 1, 2020.

The RWCF Modifications Project, delivered under a Progressive Design-Build contract, is currently in construction to improve the wastewater treatment processes. Design plans are now 100% complete and incorporate upgrades mandated by the Central Valley Regional Water Quality Control Board for lower nitrate plus nitrite discharge limits. The upgrades are required to be in effect by June 1, 2024.

Biosolids and energy production are not part of the Progressive Design-Build contract but need to be evaluated to meet changing regulations and improved process. An energy consultant is under contract to compare current biosolid management and energy production and use with regulatory changes to land application; removal of fats, oils, and grease from the primary treatment process; and manage increased energy production with the upgraded treatment processes.

The completion of the Asset Management Plan for the City's Gravity Sanitary Sewer Collection System will serve as a management tool for immediate repairs and replacement decisions, as well as future capital projects. The comprehensive rate study included phased funding for these improvements.

The Wastewater Master Plan (WWMP), which was developed in 2008 to support the 2035 General Plan, will be updated in FY 2020-21. The most recent General Plan Update for 2040 projected different buildout land uses in comparison with the 2035 General Plan. The 2020 Wastewater Master Plan will assist staff in planning and designing infrastructure improvements that support future development and include plans for the general downtown area to support the City goal to revitalize the region.

Utilities
Wastewater - 431/433/434/435/437/438
FY 2020-21 Annual Budget

	<u>FY 2017-18 Actual</u>	<u>FY 2018-19 Actual</u>	<u>FY 2019-20 Projected</u>	<u>FY 2020-21 Budget</u>
Beginning Available Balance	\$ 296,435,477	\$ 327,628,759	\$ 77,027,103	\$ 47,976,639
Revenues				
User Services Fees	66,651,435	65,676,286	66,809,661	73,578,399
<i>% increase</i>	2%	-1%	2%	10%
Connection Fees	2,371,453	1,452,853	1,500,096	1,476,474
Fines and Penalties	1,349,601	1,415,998	1,388,194	1,415,346
Investment Proceeds	72,980	4,403,209	1,714,258	1,602,460
Other Revenue	189,669	1,111,275	227,718	231,845
Bond Anticipation Notes (BAN)	-	-	23,000,000	70,000,000
	<u>70,635,138</u>	<u>74,059,621</u>	<u>94,639,927</u>	<u>148,304,524</u>
Expenditures				
Administration	3,590,621	5,266,778	5,381,448	5,803,612
Customer Service	2,825,675	2,567,599	2,754,912	3,258,143
Operations and Maintenance	36,340,593	34,486,304	39,316,308	45,672,589
Debt Service	2,398,769	2,813,733	7,994,394	8,156,765
Capital Projects	7,504,536	6,134,424	68,243,329	82,522,332
	<u>52,660,194</u>	<u>51,268,838</u>	<u>123,690,391</u>	<u>145,413,441</u>
Transfers				
Transfer In - District Funds	2,239,183	13,474	-	-
Transfer Out	(319,533)	(125,800)	-	-
	<u>1,919,650</u>	<u>(112,326)</u>	<u>-</u>	<u>-</u>
Net Annual Activity	<u>19,894,594</u>	<u>22,678,457</u>	<u>(29,050,464)</u>	<u>2,891,083</u>
Non-Current Transactions	(11,298,688)	6,555,886	-	-
Ending Available Balance *	<u>\$ 327,628,759</u>	<u>\$ 343,751,330</u>	<u>\$ 47,976,639</u>	<u>\$ 50,867,722</u>
Available Balance Calculation ^				
Current Assets		\$ 132,813,029		
Current Liabilities		(8,122,160)		
Capital Appropriations		(47,663,766)		
Ending Available Balance		<u><u>\$ 77,027,103</u></u>		

* Beginning and Ending Available Balance amounts for FY 2017-18 and FY 2018-19 are presented using Generally Accepted Accounting Practices (GAAP) for enterprise funds. FY 2019-20 and FY 2020-21 are presented on a budgetary basis. GAAP basis includes all long-term assets and liabilities such as land and equipment. Budgetary basis of accounting only includes current assets and liabilities.

^ The Available Balance Calculation represents the uncommitted, undesignated portion of liquid assets less liabilities available for operations.

MUNICIPAL UTILITIES DEPARTMENT

STORMWATER UTILITY FUND (441, 447)

PROGRAM DESCRIPTION

The Stormwater Utility Fund supports the operation and maintenance of the City's Stormwater Utility. The Stormwater Utility is supported by user fees, which are restricted to use by the Stormwater Utility. Stormwater user rate fees fund the Stormwater Utility Capital Improvement Program.

KEY CONSIDERATIONS

The Stormwater Utility is funded by a fee implemented in 1992. As a result, the Stormwater Utility Fund has been under-funded for years. As described in the Department Strategic Work Plan, the City attempted a Proposition 218 ballot measure in 2010 to approve a new Clean Water fee that would supplement the current fee. The rate study prepared for the Proposition 218 ballot determined the Utility was under-funded by approximately \$9 million a year. The ballot measure failed, and the new user fee was not implemented. The possibility of advancing another ballot measure to provide needed funding for this Utility is currently under review.

As stated, the current fee is insufficient to fund the operations and maintenance needs of the City's aging stormwater and flood control system. Additionally, the Central Valley Regional Water Quality Control Board issued a new Municipal Separate Storm Sewer System NPDES Permit in 2016 that imposes additional requirements on the Stormwater Utility. Significant cuts in operation and maintenance activities have been implemented to stay within the available revenues. Insufficient funding to maintain the City's aging infrastructure increases the potential for system failures and deterioration, such as flooding during heavy rain events, among other impacts. In FY 2020-21, significant infrastructure improvement projects continue to be on hold pending necessary funding. Additionally, emergency infrastructure repairs reduced funding for operations and maintenance activities.

As mentioned in the Department Strategic Work Plan, in 2015, the State Water Resources Control Board adopted a statewide Trash Provision Order to address the beneficial uses of surface waters. The water quality objective established by the Order serves as a federally mandated water quality standard. The City does not currently have a funding mechanism in place to meet the Order's requirements. In 2017, the City conducted an analysis that demonstrated significant additional funding over the next 20 years would be necessary to maintain compliance with the Order.

In FY 2020-21, the MUD will develop a Stormwater Master Plan. The Plan will include hydraulic models of existing stormwater facilities as well as infrastructure proposed in support of future development. The Plan will also support the recent General Plan Update for 2040 and be completed in conjunction with the Community Development Department Master Infrastructure Plans and Development Impact Fee Nexus Study. The Nexus Study will include a Stormwater Connection Fee Study to establish a connection fee to help fund Stormwater infrastructure costs.

Utilities
Stormwater - 441/447
FY 2020-21 Annual Budget

	<u>FY 2017-18 Actual</u>	<u>FY 2018-19 Actual</u>	<u>FY 2019-20 Projected</u>	<u>FY 2020-21 Budget</u>
Beginning Available Balance	\$ 49,487,729	\$ 52,034,406	\$ 6,603,098	\$ 4,954,680
Revenues				
User Services	5,566,463	5,970,119	5,352,777	5,272,033
% increase	3%	7%	-10%	-2%
Admin Fee Storm Drain Districts	84,500	84,500	89,500	89,500
Agency Reimbursements	32,345	352,518	67,690	70,822
Investment Proceeds	11,590	324,152	92,500	97,500
	<u>5,694,898</u>	<u>6,731,289</u>	<u>5,602,467</u>	<u>5,529,855</u>
Expenditures				
Administration	2,017,369	2,434,966	2,413,650	2,311,599
Customer Service	399,949	376,195	391,346	475,250
Operations and Maintenance	2,228,606	2,573,712	2,596,974	3,788,799
Capital Projects	156,672	694,432	1,848,915	570,117
	<u>4,802,596</u>	<u>6,079,305</u>	<u>7,250,885</u>	<u>7,145,765</u>
Transfers				
Transfer In - District Funds	1,300,968	-	-	-
Transfer Out	(1,593)	(2,345)	-	-
	<u>1,299,375</u>	<u>(2,345)</u>	<u>-</u>	<u>-</u>
Net Annual Activity	2,191,677	649,639	(1,648,418)	(1,615,910)
Non-Current Transactions	(355,000)	1,159,813	-	-
Ending Available Balance *	<u>\$ 52,034,406</u>	<u>\$ 51,524,232</u>	<u>\$ 4,954,680</u>	<u>\$ 3,338,770</u>

Available Balance Calculation ^

Current Assets	\$ 9,551,027
Current Liabilities	(499,059)
Capital Appropriations	(2,448,870)
Ending Available Balance	<u>\$ 6,603,098</u>

* Beginning and Ending Available Balance amounts for FY 2017-18 and FY 2018-19 are presented using Generally Accepted Accounting Practices (GAAP) for enterprise funds. FY 2019-20 and FY 2020-21 are presented on a budgetary basis. GAAP basis includes all long-term assets and liabilities such as land and equipment. Budgetary basis of accounting only includes current assets and liabilities.

^ The Available Balance Calculation represents the uncommitted, undesignated portion of liquid assets less liabilities available for operations.

MUNICIPAL UTILITIES DEPARTMENT

CONSOLIDATED STORM DRAIN MAINTENANCE DISTRICT AND 5 STORM DRAINAGE BASIN DISTRICTS (074)

PROGRAM DESCRIPTION

The Storm Drainage Maintenance Assessment Special Districts were formed pursuant to State law and the Stockton Improvement Procedure Code and are managed by the Municipal Utilities Department. The Districts provide for the maintenance and operation of capital improvements that impart a special benefit to a designated area, including stormwater quality treatment and flood control.

The Special Districts require an annual Engineer's Report to identify the budgets, changes to boundaries and assessments for each parcel contained within each District. The budgets for each District include engineering fees for the preparation of the annual Engineer's Report and tax rolls; attorney's fees; estimated costs of maintenance work to the device(s); City administrative costs; County costs to collect the assessments on the tax rolls; replacement reserve costs; and contingency fees. City administrative costs include staff salary expenses to oversee the annual Engineer's Report and tax rolls, maintenance service contracts, coordinate device inspections, and maintenance schedules, as well as District finances management. The assessments are approved by a separate public hearing process.

KEY CONSIDERATIONS

The contract for basin maintenance services for storm drainage maintenance assessment districts was extended through FY 2020-21, with one possible one-year extension remaining.

The budgets include the individually approved budgets for the Consolidated Storm Drain Maintenance District and each of the 5 Storm Drainage Basin Districts. Specific details of the budgets and assessments for each District can be found in the approved Engineer's Reports, which are available at the Office of the City Clerk.

The Public Hearing and approval of the Engineer's Reports and Assessment Rolls will be presented to City Council in June 2020. There will be no increase in the assessments for FY 2020-21.

In FY 2020-21, the MUD will develop a Stormwater Master Plan. The Plan will include hydraulic models of existing stormwater facilities as well as infrastructure proposed in support of future development. The Consolidated Storm Drain Maintenance District and the Storm Drainage Basin Districts are included in the Plan as some of the existing stormwater facilities include pipes, basins, and pump stations within those Districts. The Plan will also support the recent General Plan Update for 2040 and will be completed in conjunction with the Community Development Department Master Infrastructure Plans and Development Impact Fee Nexus Study. The Nexus Study will include a Stormwater Connection Fee Study to establish a connection fee to help fund Stormwater infrastructure costs.

Utilities
Storm Drain Maintenance District - 074
FY 2020-21 Annual Budget

	<u>FY 2017-18</u> <u>Actual</u>	<u>FY 2018-19</u> <u>Actual</u>	<u>FY 2019-20</u> <u>Projected</u>	<u>FY 2020-21</u> <u>Budget</u>
Beginning Available Balance	\$ 2,630,172	\$ 2,731,816	\$ 2,951,023	\$ 2,818,156
Revenues				
Assessments	323,269	326,654	326,027	331,916
Investment Proceeds	2,351	114,663	-	7,908
	<u>325,620</u>	<u>441,317</u>	<u>326,027</u>	<u>339,824</u>
Expenditures				
Miscellaneous expenditures	223,976	229,322	466,106	360,478
Capital projects	-	-	-	-
	<u>223,976</u>	<u>229,322</u>	<u>466,106</u>	<u>360,478</u>
Transfers				
Transfer In	-	7,212	7,212	7,212
Transfer Out	-	-	-	-
	<u>-</u>	<u>7,212</u>	<u>7,212</u>	<u>7,212</u>
Net Annual Activity	101,644	219,207	(132,867)	(13,442)
Ending Available Balance	\$ 2,731,816	\$ 2,951,023	\$ 2,818,156	\$ 2,804,714
Available Balance Calculation				
Current Assets		\$ 2,987,315		
Current Liabilities		(36,292)		
Ending Available Balance		<u>\$ 2,951,023</u>		



TAB 11 ADMIN & SUPPORT



Administration and Support
FY 2020-21 Annual Budget

	Charter Offices	Administrative Services		Human Resources	
	City Council, Manager, Clerk, Attorney, Auditor 010	General Fund 010	Office Equipment Internal Service 505	General Fund 010	Insurance and Benefits Internal Service 541-562
	<i>See Page K-23</i>	<i>See Page K-29</i>	<i>See Page N-15</i>	<i>See Page K-34</i>	<i>See Page N-17</i>
Beginning Available Balance			\$ 1,505,260		\$ 74,951,836
Revenues					
Operating Revenues	-	-	392,000	-	104,944,979
Other Revenue	17,300	145,755	-	-	18,816,200
	17,300	145,755	392,000	-	123,761,179
Expenditures					
Employee Services	3,885,453	4,632,545	-	1,577,709	-
Other Services	1,596,557	1,256,913	-	605,016	-
Materials and Supplies	96,060	76,605	-	27,380	-
Capital Outlay	-	-	-	-	-
Debt Service	-	-	-	-	-
Other Expenses	127,958	59,050	535,924	271,690	126,953,898
	5,706,028	6,025,113	535,924	2,481,795	126,953,898
	-	-	-	-	-
Transfers					
Transfer In - General Fund	-	-	-	-	-
Transfer In - Other Funds	-	-	-	-	-
Transfer Out - Other Funds	-	-	-	-	-
	-	-	-	-	-
Net Annual Activity	(5,688,728)	(5,879,358)	(143,924)	(2,481,795)	(3,192,719)
Ending Available Balance			\$ 1,361,336		\$ 71,759,117
			-		-
Summary by Department					
	Charter Offices		Administrative Services		Human Resources
Revenues	\$ 17,300		\$ 537,755		\$ 123,761,179
Transfers	-		-		-
Total Sources	\$ 17,300		\$ 537,755		\$ 123,761,179
Expenditures	\$ 5,706,028		\$ 6,561,037		\$ 129,435,693
Transfers	-		-		-
Total Appropriations	\$ 5,706,028		\$ 6,561,037		\$ 129,435,693

Administration and Support, Continued
FY 2020-21 Annual Budget

	Information Technology Internal Service 502-503	Non-Departmental		Administration & Support Total
	<u>See Page N-11</u>	General Fund 010	Other Special Programs 020/627/642	
		<u>See Page K-46</u>	<u>See Page K-48</u>	
Beginning Available Balance	\$ 19,459,651		\$ 1,872,258	
Revenues				
Operating Revenues	16,979,284	-	1,366,436	123,682,699
Other Revenue	240,000	-	101,500	19,320,755
	17,219,284	-	1,467,936	143,003,454
Expenditures				
Employee Services	-	1,869,152	757,969	12,722,828
Other Services	-	5,096,663	166,228	8,721,377
Materials and Supplies	-	176,905	-	376,950
Capital Outlay	9,759,907	-	100,000	9,859,907
Debt Service	-	-	-	-
Other Expenses	14,416,465	(410,253)	161,732	142,116,464
	24,176,372	6,732,467	1,185,929	173,797,526
Transfers				
Transfer In - General Fund	5,250,000	-	-	5,250,000
Transfer In - Other Funds	-	-	-	-
Transfer Out - Other Funds	(780,000)	(25,174,175)	-	(25,954,175)
	4,470,000	(25,174,175)	-	(20,704,175)
Net Annual Activity	(2,487,088)	(31,906,642)	282,007	(51,498,247)
Ending Available Balance	\$ 16,972,563		\$ 2,154,265	

Summary by Department

	Information Technology	Non-Departmental
Revenues	\$ 17,219,284	\$ 1,467,936
Transfers	5,250,000	-
Total Sources	\$ 22,469,284	\$ 1,467,936
Expenditures	\$ 24,176,372	\$ 7,918,396
Transfers	780,000	25,174,175
Total Appropriations	\$ 24,956,372	\$ 33,092,571

Administration & Support Section	
Expenditures	\$ 173,797,526
Transfers	25,954,175
Total Appropriations	\$ 199,751,701

Appropriation by Function	
Administration	\$ 39,705,232
Insurance and Benefits	126,953,898
Non-Departmental	33,092,571
	\$ 199,751,701

OFFICE OF THE CITY COUNCIL

MISSION STATEMENT

To serve the community by providing innovative, courteous and responsive service; promoting economic opportunity; enhancing the quality of life for its citizens; and building a better Stockton for future generations.

Budget at a Glance:

Total Revenues	\$0
Total Expenditures	\$994,080
Total Net Cost	\$994,080
Total Staff	10

DEPARTMENT DESCRIPTION

The City Council is the policy-setting body that initiates, studies, discusses, holds public hearings on, and decides various civic issues affecting the citizens of Stockton, based on facts gathered, represented, and citizen input. The Council hires and supervises four officers: City Attorney, City Auditor, City Clerk, and City Manager.

DEPARTMENT STRATEGIC WORK PLAN

A key function of the City Council as the policy-setting body for the City is to establish strategic priorities. The City Council developed a strategic work plan, including Strategic Targets and Priority Goals as outlined in the budget document. The City Council receives regular reports from the City Manager related to progress toward implementation of the strategic work plan.

PRIOR YEAR ACCOMPLISHMENTS

Notable citywide accomplishments in support of the City Council strategic work plan include continued sound fiscal planning and the use of the Long-Range Financial Plan, resulting in the growth of financial reserves for known and unknown contingencies leading to national recognition for the positive financial condition of the City.

The City achieved important outcomes related to public safety. Non-fatal shootings and homicides remained flat compared to a low in 2018. The Neighborhood Betterment Teams continue to address blight hot spots through community clean-ups and city programs. At the same time, the combined efforts of the Police Department and Operation Ceasefire have resulted in an overall decrease in Uniform Crime Reporting. The Police Department is recognized as a national leader in reconciliation and community-trust building efforts with law enforcement. The Office of Violence Prevention continues to foster collective impact strategies to address the underlying factors impacting vulnerable populations.

The City continues to encourage economic development and job growth through efforts that include the Short-term Fee Deferral Program, Residential Neighborhood Reinvestment Program, Hire Stockton Program, and Opportunity Zone Prospectus. The City also held an Investors Luncheon for local investors to discuss upcoming opportunities in Stockton and updated the existing Community Profile publication for marketing and business attraction efforts and worked with publications on articles highlighting Stockton. The City issued nearly 7,900 building permits worth an estimated \$441 million, including over 1.2 million square feet of new industrial development and a sulfuric acid terminal at the Port of Stockton that is the first of its kind on the West Coast and issued approximately \$12 million in bonds to support the Cannery Park and Westlake Villages developments.

OFFICE OF THE CITY COUNCIL

The City received a \$6.46 million Homeless Housing, Assistance, and Prevention grant to further assist with homelessness activities and to help with the implementation of the homeless strategic plan. The City continued to conduct regular homeless encampment cleanups and managed the Homeless Employment Litter Abatement program with Caltrans and Ready to Work to employ homeless individuals to undertake cleanup activities along freeways and highways.

The City made significant investments in its infrastructure by continuing the modernization of the wastewater treatment plant, securing an \$8.5 million state grant for the McKinley Park improvements project, completing the Thornton Road and Hammer Lane widening projects, and resurfacing 28 miles of residential roadways.

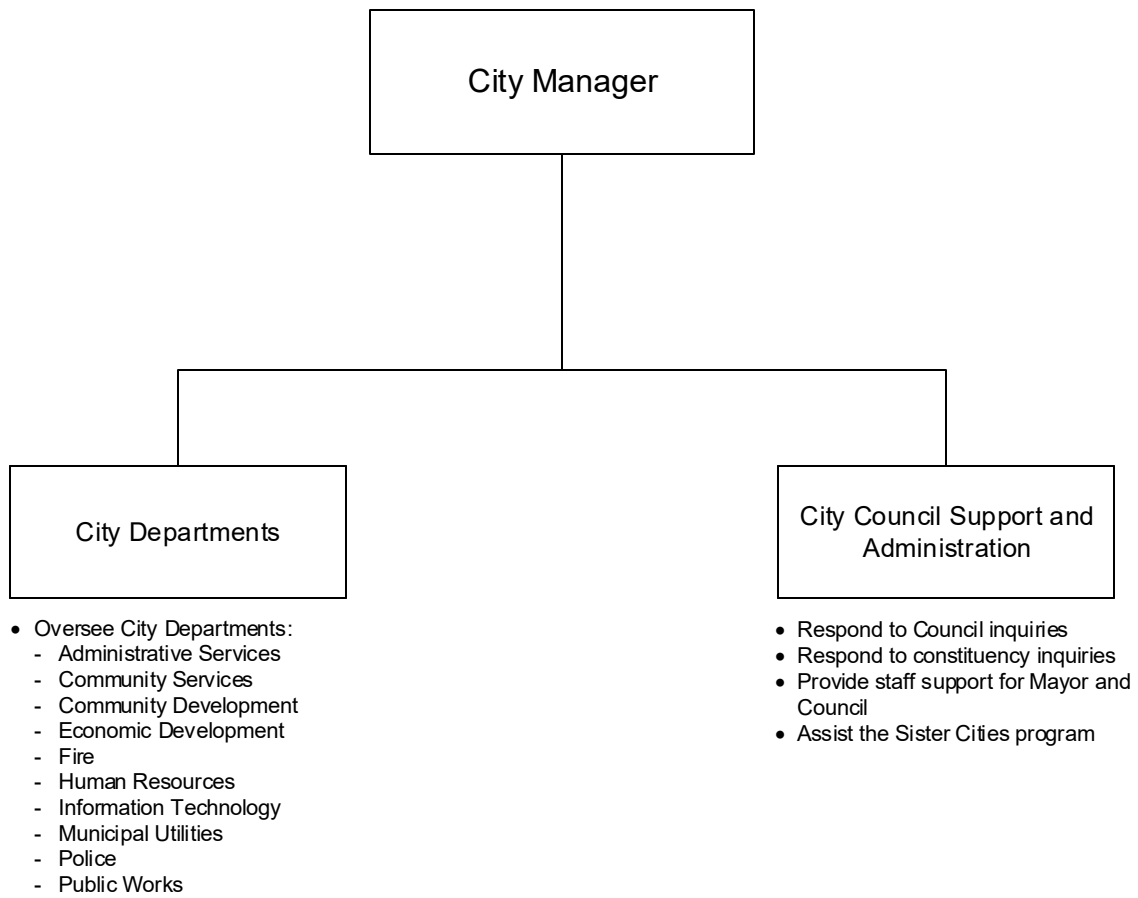
KEY CONSIDERATIONS

The City Council has responsibly managed its finances and put in place policies and practices that put the City in a position to sustainably support current service levels while making targeted investments in the community and the organization. The Council is committed to the Long-Range Financial Plan that will help the City navigate the COVID-19 induced recession. That fiscal discipline has enabled the City to devote over \$14 million in new one-time and ongoing spending in the proposed Budget that supports the Council's goals related to public safety, homelessness, affordable housing, economic development, and quality of life.

Continuing to address public safety is essential to providing a quality of life that will encourage economic development and result in job growth. The FY 2020-21 Annual Budget supports that goal by directing nearly 75% of the General Fund budget to Police and Fire and continuing significant investment in the replacement of the public safety radio infrastructure. The Budget increases funding to support approximately 30 major homeless cleanups and for twice per week contract cleanups and includes the first year of enhancing services to the homeless population with a one-time grant of \$6.46 million through the Homeless Housing Assistance and Prevention program.

The Budget allocates considerable resources towards economic development activities and the infrastructure that supports job growth and creation and also improves residents' quality of life. These investments include funds to develop a new economic development strategic plan, approximately \$8 million for affordable housing, emergency housing, and shelters, economic development programs and other public services targeting Stockton's most vulnerable residents, over \$50 million towards the remodeled wastewater plant project, and \$8.5 million to renovate McKinley Park.

The City Council has stayed focused on its strategic targets and goals throughout the challenges faced in recent years and has pursued aggressive work plans to accomplish its priorities. The FY 2020-21 Annual Budget supports these goals and plans by allocating significant resources towards public safety, homelessness, economic development, and quality of life. A description of these activities can be found in the Introduction and departmental sections contained in the Annual Budget.



CITY MANAGER

OFFICE OF THE CITY MANAGER

MISSION STATEMENT

To provide direction and oversight of all City operations, including City departments and programs, and to ensure Council goals, policy and administrative practices are effectively carried out within the fiscal and physical abilities of the various City departments during normal operations, as well as emergency situations.

Budget at a Glance:

Total Revenues	\$0
Total Expenditures	\$1,781,016
Total Net Cost	\$1,781,016
Total Staff	13

DEPARTMENT DESCRIPTION

The Office of the City Manager provides direction and administration of City departments and general oversight of City operations under the policy direction of the City Council. Other functions within the City Manager's Office include the Office of Violence Prevention, Grants, Legislative Advocacy, Communications, Public Relations and Channel 97 Government Access Cable Channel.

DEPARTMENT STRATEGIC WORK PLAN

As a City Charter Appointed Office, the strategic work plan of the City Manager's Office is to ensure the implementation of the City Council Strategic Targets and Priority Goals as outlined earlier in the budget document. The City Manager's Office is responsible for the oversight of other City departments in developing strategic work plans in support of the City Council Priority Goals and prioritizing the work of departments based on the Council's Strategic Targets.

PRIOR YEAR ACCOMPLISHMENTS

Notable citywide accomplishments in support of the City Council strategic work plan include continued sound fiscal planning and the use of the Long-Range Financial Plan, resulting in the growth of financial reserves for known and unknown contingencies leading to national recognition for the positive financial condition of the City.

The City achieved important outcomes related to public safety. Non-fatal shootings and homicides remained flat compared to a low in 2018. The Neighborhood Betterment Teams continue to address blight hot spots through community clean-ups and city programs. At the same time, the combined efforts of the Police Department and Operation Ceasefire have resulted in an overall decrease in Uniform Crime Reporting. The Police Department is recognized as a national leader in reconciliation and community-trust building efforts with law enforcement. The Office of Violence Prevention continues to foster collective impact strategies to address the underlying factors impacting vulnerable populations.

The City continues to encourage economic development and job growth through efforts that include the Short-term Fee Deferral Program, Residential Neighborhood Reinvestment Program, Hire Stockton Program, and Opportunity Zone Prospectus. The City also held an Investors Luncheon for local investors to discuss upcoming opportunities in Stockton and updated the existing Community Profile publication for marketing and business attraction efforts and worked with publications on articles highlighting Stockton. The City issued nearly 7,900 building permits worth an estimated \$441 million, including over 1.2 million square feet of new industrial development and a sulfuric acid terminal at the Port of Stockton that is the first of its kind on the

OFFICE OF THE CITY MANAGER

West Coast and issued approximately \$12 million in bonds to support the Cannery Park and Westlake Villages developments.

The City received a \$6.46 million Homeless Housing, Assistance, and Prevention grant to further assist with homelessness activities and to help with the implementation of the homeless strategic plan. The City continued to conduct regular homeless encampment cleanups and managed the Homeless Employment Litter Abatement program with Caltrans and Ready to Work to employ homeless individuals to undertake cleanup activities along freeways and highways.

The City made significant investments in its infrastructure by continuing the modernization of the wastewater treatment plant, securing an \$8.5 million state grant for the McKinley Park improvements project, completing the Thornton Road and Hammer Lane widening projects, and resurfacing 28 miles of residential roadways.

KEY CONSIDERATIONS

The City Manager's Office has responsibly managed the City's finances and put in place policies and practices that put the City in a position to sustainably support current service levels while making targeted investments in the community and the organization. The City Manager's Office is committed to using the Long-Range Financial Plan to educate the City's decisions and to help the City navigate the COVID-19 induced recession. That fiscal discipline has enabled the City to devote over \$14 million in new one-time and ongoing spending in the proposed Budget that supports the City Council's goals related to public safety, homelessness, affordable housing, economic development, and quality of life.

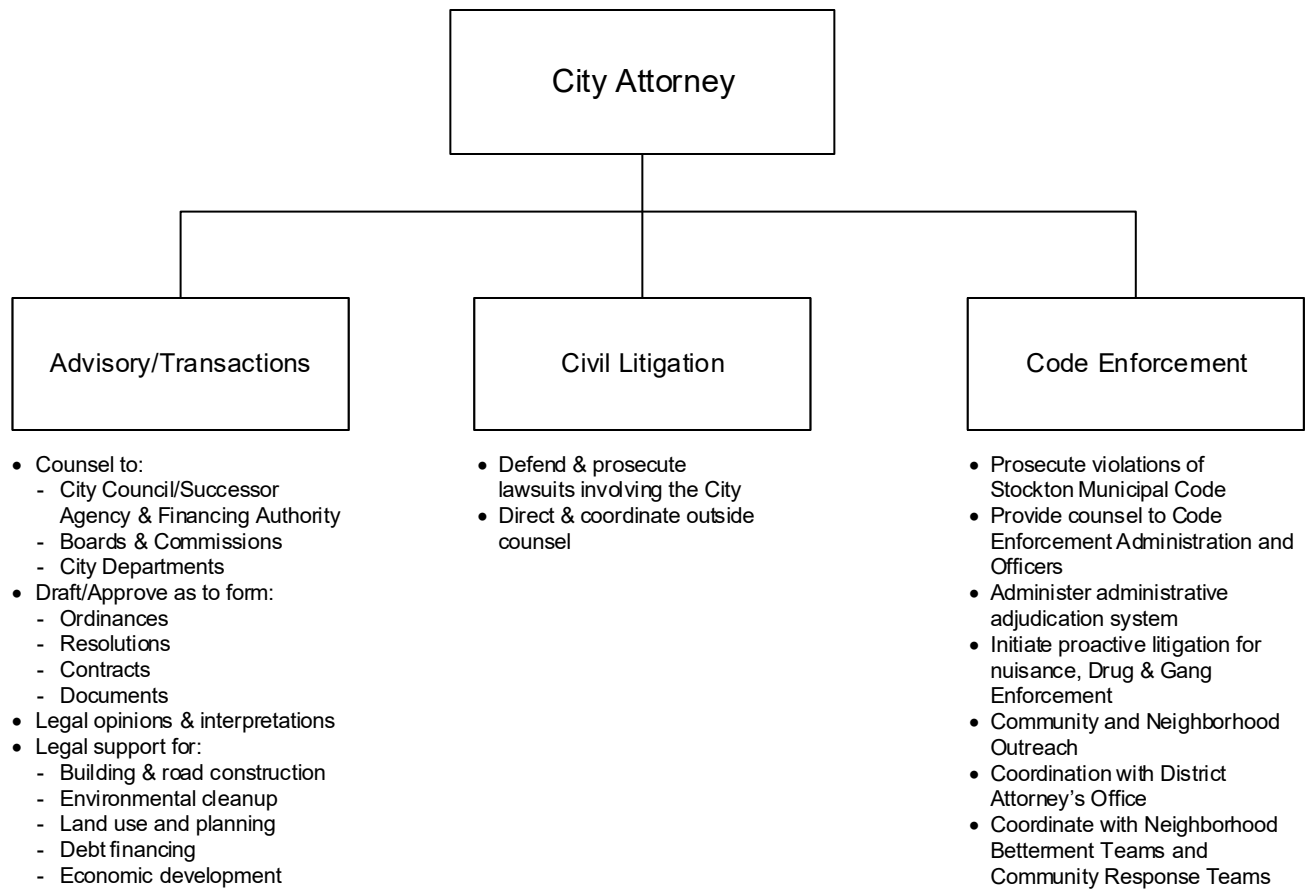
At the same time, the City Manager's Office continues to oversee the regular operations of the City as well as pursuing the City Council strategic priorities. In recent years, significant progress has been made in modernizing the organization. The City has contracted with Tyler Munis as our new Enterprise Resource Program provider and the first phase of transition is anticipated to take place in November 2020. Transitioning to Tyler will streamline processes and create operational efficiencies, expand organizational capacity and institute innovative solutions. The Budget also creates the new Office of Performance and Data Analytics within the City Manager's Office that will provide more visibility into the organization and its processes so City services can be delivered better, faster and smarter.

Continuing to address public safety is essential to providing a quality of life that will encourage economic development and result in job growth. The Budget supports that goal by directing nearly 75% of the General Fund budget to Police and Fire and continuing significant investment in the replacement of the public safety radio infrastructure. The Budget increases funding to support approximately 30 major homeless cleanups and for twice per week contract cleanups and includes the first year of enhancing services to the homeless population with a one-time grant of \$6.46 million through the Homeless Housing Assistance and Prevention program.

The Budget allocates considerable resources towards economic development activities and the infrastructure that supports job growth and creation and also improves residents' quality of life. These investments include funds to develop a new economic development strategic plan, approximately \$8 million for affordable housing, emergency housing, and shelters, economic development programs and other public services targeting Stockton's most vulnerable residents, over \$50 million towards the remodeled wastewater plant project, and \$8.5 million to renovate McKinley Park.

OFFICE OF THE CITY MANAGER

The City Manager's Office will continue to make prudent financial decisions as it remains steadfast in its efforts to maintain long-term financial solvency while pursuing the City Council's strategic priorities and addressing the numerous challenges the City will face along the path to fiscal sustainability, reduced crime, increased economic development and improved service delivery to the community.



CITY ATTORNEY

OFFICE OF THE CITY ATTORNEY

MISSION STATEMENT

To provide professional, high-quality legal advice and services that protect the interests of the City of Stockton, its departments, the City Council, and the citizens of the community.

Budget at a Glance:

Total Revenues	\$0
Total Expenditures	\$1,336,877
Total Net Cost	\$1,336,877
Total Staff	12

DEPARTMENT DESCRIPTION

The Office of the City Attorney provides legal services and advice to the City Council, officials, boards, commissions, and departments regarding legal and regulatory matters of concern to the City and its operations, including:

- Providing advice regarding matters relating to their official duties.
- Defending lawsuits and preparing legal opinions and documents, ordinances, and resolutions.
- Reviewing and approving contracts, bonds, deeds, and other legal documents.
- Prosecuting violations of the Stockton Municipal Code.

Due to its size and complexity, the City suffers a significant amount of litigation filed against it. Cost-effectively managing this litigation without sacrificing the quality of representation is a constant challenge that the Office meets through the balancing of in-house and contract resources on a case-by-case basis.

The Office consists of eight attorneys, one paralegal, and three support staff members, and is divided into two divisions. One division is primarily focused on litigation and code enforcement. The second division is primarily focused on advisory and employment-related matters.

The Office supports a significant volume of litigation and expects this activity will continue in the next fiscal year. The Office maintain a large volume of criminal prosecution and code enforcement matters consistent with Council priorities.

DEPARTMENT STRATEGIC WORK PLAN

As a City Charter appointed office, the strategic work plan of the Attorney's Office is to ensure the implementation of the City Council Strategic Priorities as outlined earlier in the budget document. For the next fiscal year, this office will focus on competently managing its significant workload while specifically enhancing its efforts to carry forward with more robust internal litigation efforts. To support that goal, the City Attorney's Office filled one vacancy with an attorney that specializes in litigation.

PRIOR YEAR ACCOMPLISHMENTS

Community Development Department (CDD)

The City Attorney's Office assisted CDD with review, revision, and approval of the Interim Municipal Services Review/Sphere of Influence (MSRT/SOI) plan, including Local Agency

OFFICE OF THE CITY ATTORNEY

Formation Commission (LAFCO) approval and amendments to Title 16 related to Cannabis and the development of a social equity program.

Community Services Department (CSD)

The City Attorney's Office worked with CSD to draft and review the new Swenson Golf Course Lease and continues to support the Department as it works through the closure and transition of the Van Buskirk Golf Course, including addressing security and preventing nuisance behavior at the property.

Information Technology Department

The City Attorney's Office continues to support the Information Technology Department work through the implementation of the new Enterprise Resource Planning (ERP) solution.

Miscellaneous Council Directed Projects

The City Attorney's Office assisted in drafting an Urgency Ordinance for Just Cause Evictions that allowed the City to immediately implement "just cause" protections for City of Stockton tenants while the State Legislation was pending and a Flag Display Policy for the display of commemorative flags on City flagpoles that allowed display of commemorative flags and protected the City's ability to regulate which flags are displayed on City flagpoles.

Code Enforcement

The City Attorney's Office, in conjunction with the Police Department, Neighborhood Services, Fire Department, Community Development, and Public Works coordinated a joint task force for attacking the City's worst problematic properties. Referred to as Stockton's Top Offending Properties (STOP) Team, chronic problem properties were identified, triaged, and systematically addressed through a comprehensive multi-department enforcement approach.

During this reporting period, the STOP team took on several problematic properties, the most significant of which was a 7.4 acre industrial property which contained a multitude of violations, including improper storage of hazardous materials, several unsafe electrical and structural issues, and multiple other violations ranging from the fairly routine to serious safety issues such as failure to maintain fire sprinklers and faulty ventilation. Enforcement efforts resulted in proper permitting and necessary corrections.

Additionally, compliance efforts continue for the Empire Theatre Building to correct dangerous conditions created by the existence of numerous and substantial fire and building code violations. Enforcement efforts resulted in property owner working towards compliance and reoccupation of the building.

Other significant STOP cases include:

- A residential property whose house fell off its foundation, creating an immediate safety issue for the homeowner and surrounding properties. The structure was demolished with property owner consent.
- A bar/nightclub lacked sufficient egress and fire sprinklers, creating a potentially disastrous situation with the number of people occupying the nightclub. Enforcement resulted in a Cease

OFFICE OF THE CITY ATTORNEY

and Desist Order from Fire and an “Exit Analysis” from an architect to address egress concerns.

- Several pallet yard businesses were non-compliant with a City Code requiring pallets to be stored within a certain distance of fire hydrants. Enforcement resulted in administrative actions and criminal prosecutions against the owners and ultimate compliance and/or closure.
- A property was considered dangerous due to severe fire damage and its proximity to an active rail line. Enforcement ended with permission from the courts to move forward with shoring the walls of the building to ensure the structure’s stability.
- A commercial modular structure was placed on an undeveloped lot and illegally used as a residence for over three years. The modular structure was dangerously propped up by cinder blocks on an illegal foundation and property owners were illegally connecting to utility services, including electrical, sewer, and water. Enforcement efforts resulted in a Notice and Order to Repair or Abate by Demolition which was confirmed by an Administrative Law Judge. Ultimately, the structure was demolished.

Employment

Termination: The City Attorney’s Office prevailed in two termination hearings: Fire Department (arbitration) and Municipal Utilities Department (Civil Service Commission.)

Arbitrations (Contractual/Discipline): When an employee is disciplined short of termination, per the applicable Memorandum of Understanding (MOU), the employee may appeal, usually through arbitration. The City Attorney’s Office prevailed in four suspensions: Public Works, Municipal Utilities Department, and Police Department and one contractual interpretation of MOU.

Public Employment Relations Board (PERB): PERB governs the employer-employee contractual relationship. The City Attorney’s Office has appeared before PERB and resolved five unfair labor practice charges: Fire Department and Municipal Utilities Department.

Workplace Violence Restraining Order: When an employee is threatened by a co-worker or member of the public, the City Attorney’s Office will seek a restraining order protecting the employee. The City Attorney’s Office obtained two: Public Works and Stockton Police Department.

CALPERS Industrial Disability Retirement: When a safety member applies for disability retirement and is denied by the City, the member is entitled to appeal the decision. Appeals are heard at the Office of Administrative Hearings in Sacramento. The City Attorney’s Office had one and prevailed: Stockton Police Department.

KEY CONSIDERATIONS

The primary focus of the work of the Office remains the effectuation of Council goals through support of the various activities undertaken by all City departments. However, there are areas in which there is a need to enhance the Office’s efforts:

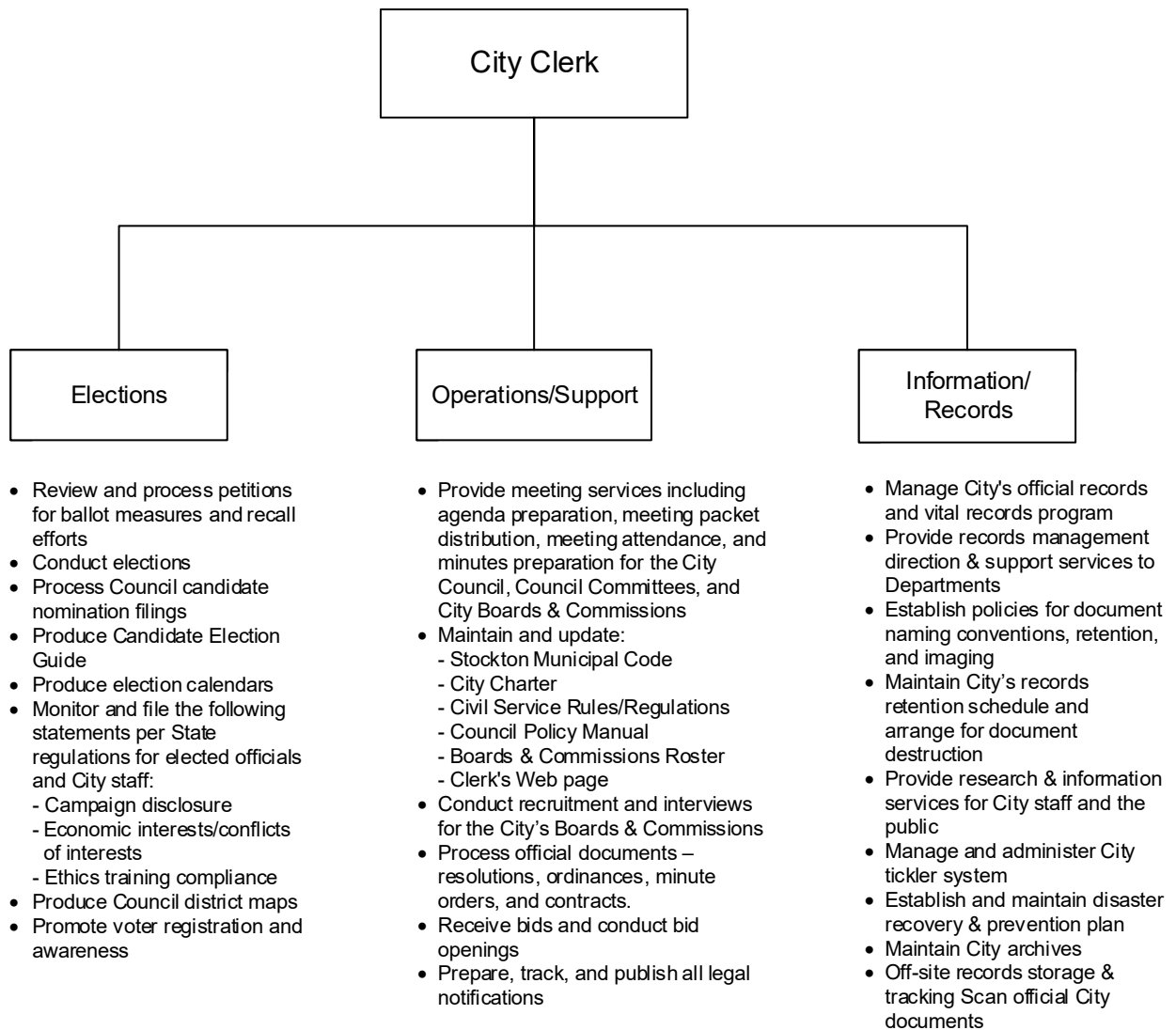
- Code Enforcement and liability litigation – The Office has largely worked through the backlog of litigation matters remaining after the bankruptcy. However, new matters continue to arise and must be properly handled. Also, the Police Department continues to enhance its Code

OFFICE OF THE CITY ATTORNEY

Enforcement activities and that ongoing work should remain steady over the next fiscal year. These activities will be closely monitored to determine if the workload exceeds capacity.

- The City has undertaken significant new efforts over the last two fiscal years, while the staffing in the City Attorney's office devoted to advisory activities has remained static. Given this situation, there is a continuing need for robust training and cross-training of staff to ensure that services can continue to be provided in a timely and effective manner.





CITY CLERK

OFFICE OF THE CITY CLERK

MISSION STATEMENT

To support the City Council's stated goals and objectives to build trust and confidence in the community by promoting transparency and civic engagement, guaranteeing fair and impartial elections, while ensuring open access to information and the legislative process.

Budget at a Glance:

Total Revenues	\$17,300
Total Expenditures	\$1,001,530
Total Net Cost	\$984,230
Total Staff	7

DEPARTMENT DESCRIPTION

The Office of the City Clerk administers municipal elections and promotes voter registration and participation; monitors compliance with campaign filing requirements; updates Conflict of Interest Code and receives annual filings; ensures adherence to the Open Meetings Act; administers the City's Records Management program that preserves and protects the official public record; attends all City Council meetings and assigned City meetings to record actions taken by these bodies; receives and conducts bid openings; manages the City's Board and Commission recruitment process.

DEPARTMENT STRATEGIC WORK PLAN

As a City Charter Appointed Office, the strategic work plan of the City Clerk's Office is to ensure the implementation of the City Council Strategic Targets and Priority Goals. Specific to the City Clerk's Office, the City Clerk works to ensure transparency to the public in the following areas:

Operations: Enhance preservation and access to City records in a cost-effective and environmentally smart manner while complying with legal record retention requirements. Develop Records Management Manual Training as an essential part of managing City records to maintain consistency in process, improve customer service and efficiency in supporting all aspects of city government.

Civic Engagement: Increase engagement and collaboration with local agencies to promote civic participation in boards and commissions. Through partnerships, Clerk staff will present educational material to coalition meetings that encompass the recruitment and appointment process. Additionally, the City Clerk's Office started a "Get Out the Vote" campaign focusing on awareness, education, and pre-registration of eligible 16 and 17 year old high school students.

PRIOR YEAR ACCOMPLISHMENTS

Operations

- Conducted a Strategic and Operational Review of Clerk Office duties and services.
- Supported 22 legislative meeting bodies (i.e. Council, Committee, Boards, Commissions).
- Staffed and published agendas for over 200 public meetings.
- Facilitated adoption of 235 local legislative actions in the form of 1,216 Resolutions and 19 Ordinances.

OFFICE OF THE CITY CLERK

Records Management

- Coordinated with departments to review the City's records retention schedule and finalize updates.
- Selected new records management software to replace failing off-site records management database.
- Provided training and guidance to departments for the usage of agenda creation software Legistar.
- Established e-Minutes Review procedures saving time and reducing paper usage.
- Processed 155 publications for legal notices, and 86 Bids/RFPs.

Boards and Commissions

- Conducted four recruitments that produced 125 individual applicants.
- Scheduled and conducted 22 applicant interviews, filling 47 vacancies.

Elections

- Successfully qualified 14 candidates for the March 3, 2020 primary election.
- Expanded voter education through in person presentation on site and in the field.
- Maintained ballot drop off box in the lobby of City Hall.

Staff Development

- Clerk staff attended approximately 220 hours of City provided and off-site training for staff development.
- Four newly hired staff members have begun training programs specific to their areas of interest and specification.
- One member of staff began Technical Training for Clerk's, a four-part educational series which is co-sponsored by the City Clerks Association of California, the League of California Cities and University of California, Riverside Extension.
- One staff member received their Certified Municipal Clerk designation.

KEY CONSIDERATIONS

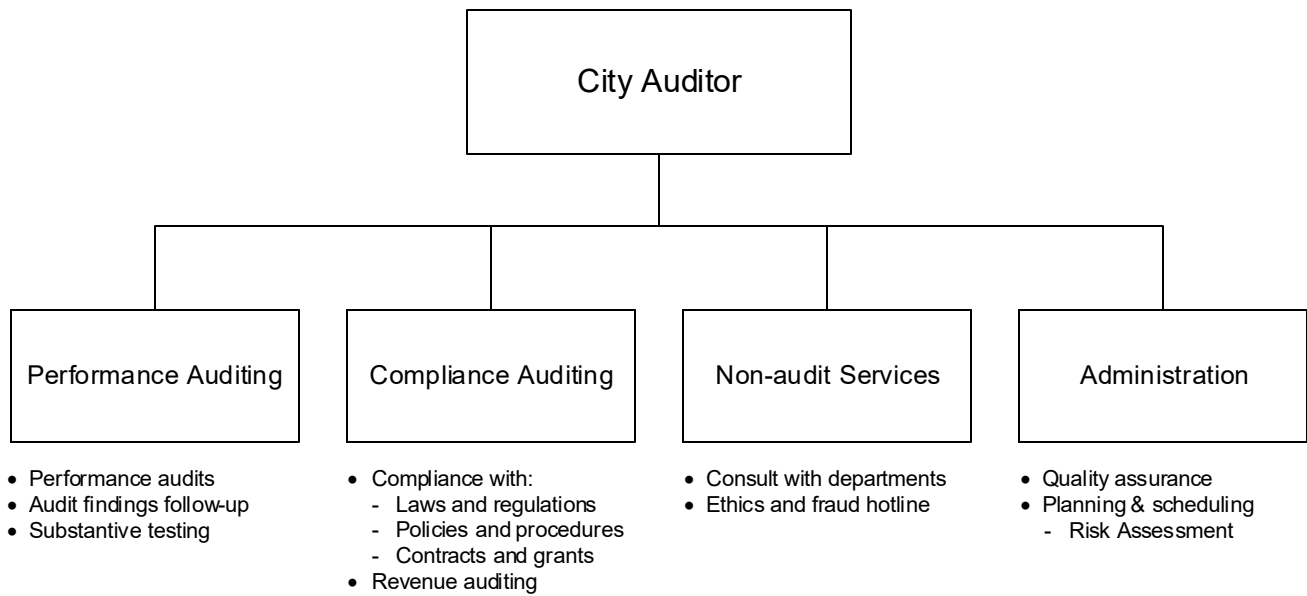
Following several vacancies, the City Clerk's Office is now fully staffed. The City Clerk's Office has done well to maintain operations and service levels despite those vacancies. As the Office became fully staffed, priority was placed on providing effective training to ensure staff was ready to perform as soon as possible to enable several initiatives to improve both Clerk and citywide processes in moving forward.

As the City implements new technology, such as the new Enterprise Resource Planning (ERP) solution, records management will continue to be a priority for maintaining the City's archival integrity. The City Clerk's Office will play a significant role in developing the policies and procedures that will preserve the City's vital records.

OFFICE OF THE CITY CLERK

The City Clerk's Office will develop a citywide training program to ensure staff is equipped to adhere to the Records Management guidelines set forth in the policy, gain an understanding of information request procedures, statements of economic filings, and the relationship between staff duties and City Council goals.

An area of concern continues to be legal compliance with the State of California Trustworthy Electronic Records Act. While the City is working to implement the new ERP solution, Clerk staff is working to implement a solution to help the City achieve mandated compliance for our electronic records.



CITY AUDITOR

CITY AUDITOR

MISSION STATEMENT

To independently promote ethical, efficient, and effective governance for Stockton's residents.

Budget at a Glance:

Total Revenues	\$0
Total Expenditures	\$592,525
Total Net Cost	\$592,525
Total Staff	0

DEPARTMENT DESCRIPTION

The Office of the City Auditor provides the City Council, management, and employees with objective analyses, appraisals, and recommendations for improvements to the City systems and activities. The primary activity of the department is to conduct performance internal audits. These audits may focus on internal controls, compliance with laws and policies, accomplishment of goals and objectives, or a combination of these areas.

This department is funded primarily through the General Fund with appropriate cost allocations made to other funds. The Office of the City Auditor conducts regular organizational risk assessments and prepares a proposed annual internal audit plan that lists potential projects. The City Council, through the Council Audit Committee, selects those audit projects to be included in the final annual audit plan.

DEPARTMENT STRATEGIC WORK PLAN

As a City Charter Appointed Office, the strategic work plan of the City Auditor is to ensure the implementation of the City Council Strategic Targets and Priority Goals as outlined earlier in the budget document. The City Auditor accomplishes this goal by completing annual risk assessments to determine the areas where the City has the greatest opportunities for strategic growth and areas where the City is exposed to risk. The City Auditor develops an annual Internal Audit Plan to test internal controls, develop necessary City policy and procedures, and carry out special projects that will facilitate the City Council's Priority Goals.

PRIOR YEAR ACCOMPLISHMENTS

The FY 2019-20 Internal Audit Plan maintained focus on improvements to citywide policies, processes and controls. The Plan included support for rolling out the City's revised internal policy framework and performance measures. The Plan also included projects to support the implementation of capital programs, evaluate contract management, and assess internal controls related to grants management and P-cards, as well as the overall control environment within MUD. Furthermore, the City Auditor continued to conduct ongoing program management, audit findings validation, and Ethics Hotline administration.

KEY CONSIDERATIONS

The services provided by the internal auditor will continue to focus on opportunities to reduce risks, strengthen controls, and enhance performance. The FY 2020-21 internal audit program will consist of a variety of projects to continue policy development and updates, application of meaningful performance measures to support decision making, internal controls testing, and efficiency and effectiveness studies to enhance performance.

CITY AUDITOR

The FY 2020-21 internal audit plan will be developed based on input provided by the City Council, executive leadership, and management through the 2019 enterprise risk assessment. The plan will be presented for review by the Audit Committee for approval by the City Council.

**Charter Officers
General Fund - 010
FY 2020-21 Annual Budget**

	FY 2017-18 Actual	FY 2018-19 Actual	FY 2019-20 Projected	FY 2020-21 Budget
Total Charter Officers				
Employee Services	\$ 3,458,586	\$ 3,284,077	\$ 3,390,194	\$ 3,885,453
Other Services	1,433,735	1,267,904	1,887,245	1,596,557
Materials and Supplies	76,325	78,834	80,122	96,060
Other Expenses	120,329	136,423	99,619	127,958
Total	<u>\$ 5,088,975</u>	<u>\$ 4,767,238</u>	<u>\$ 5,457,180</u>	<u>\$ 5,706,028</u>

City Council

Employee Services	604,961	635,387	678,069	717,032
Other Services	120,939	157,324	324,153	252,048
Materials and Supplies	7,228	2,564	628	8,000
Other Expenses	21,343	27,972	18,378	17,000
Total	<u>754,471</u>	<u>823,247</u>	<u>1,021,228</u>	<u>994,080</u>

City Manager

Employee Services	1,204,416	1,188,800	1,135,862	1,471,522
Other Services	155,176	181,280	236,011	237,136
Materials and Supplies	6,777	6,353	9,708	17,500
Other Expenses	57,461	65,151	48,450	54,858
Total	<u>1,423,830</u>	<u>1,441,584</u>	<u>1,430,031</u>	<u>1,781,016</u>

City Attorney

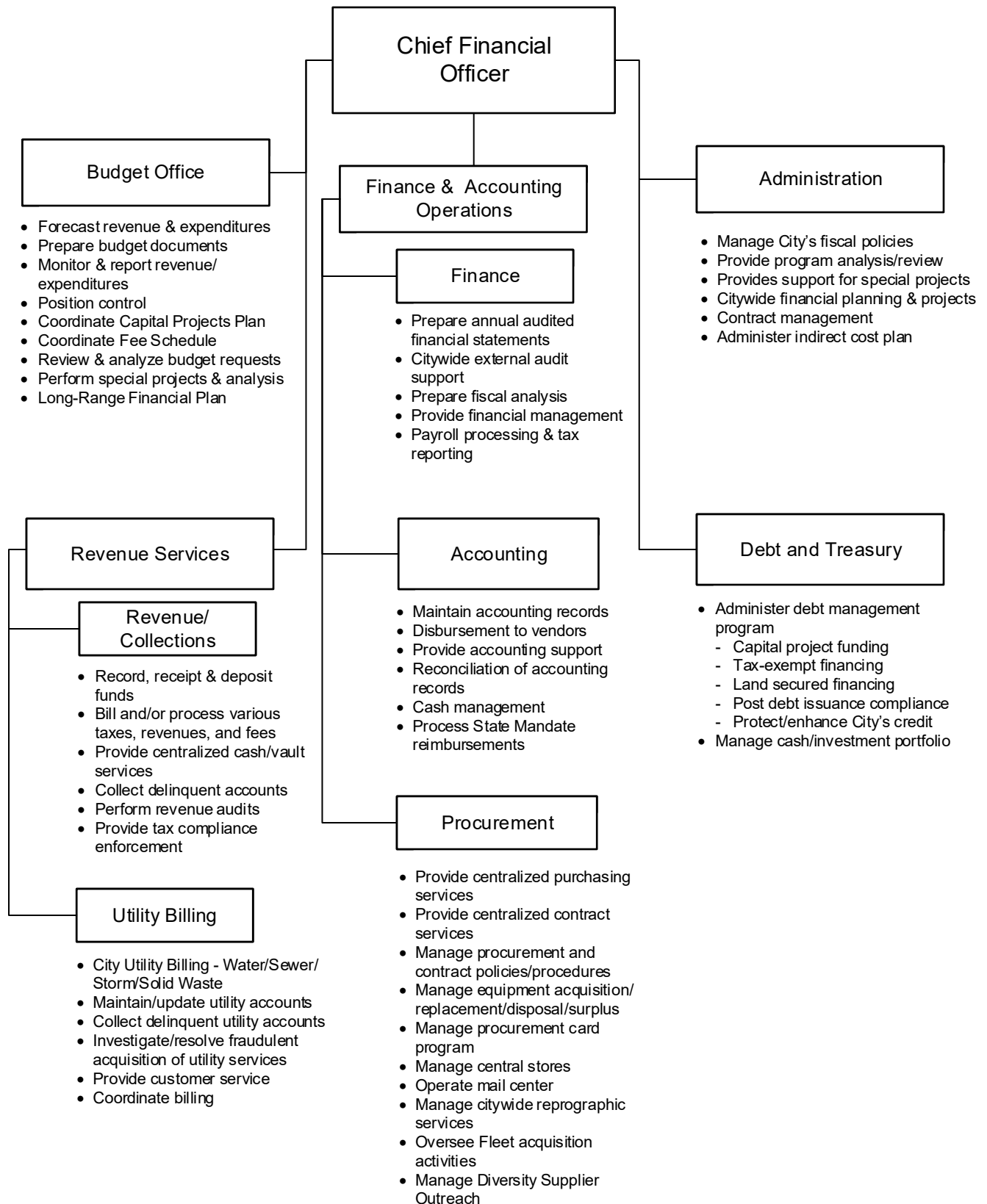
Employee Services	1,043,799	922,209	865,482	901,912
Other Services	513,639	274,556	333,098	351,605
Materials and Supplies	41,050	39,507	44,684	45,060
Other Expenses	28,601	32,599	29,445	38,300
Total	<u>1,627,089</u>	<u>1,268,871</u>	<u>1,272,709</u>	<u>1,336,877</u>

City Clerk

Employee Services	605,410	537,681	710,781	794,987
Other Services	156,665	136,937	152,302	163,243
Materials and Supplies	21,270	30,410	25,103	25,500
Other Expenses	12,924	10,701	3,345	17,800
Total	<u>796,269</u>	<u>715,729</u>	<u>891,532</u>	<u>1,001,530</u>

City Auditor

Employee Services	-	-	-	-
Other Services	487,316	517,807	841,681	592,525
Materials and Supplies	-	-	-	-
Other Expenses	-	-	-	-
Total	<u>487,316</u>	<u>517,807</u>	<u>841,681</u>	<u>592,525</u>



ADMINISTRATIVE SERVICES DEPARTMENT

ADMINISTRATIVE SERVICES DEPARTMENT

MISSION STATEMENT

To provide financial, administrative and technical support to residents, business partners, decision-makers and other City departments; and to safeguard and facilitate the optimal use of City resources for strategic financial planning.

Budget at a Glance:

Total Revenues	\$537,755
Total Expenditures	\$6,561,037
Total Net Cost	\$6,023,282
Total Staff	82

DEPARTMENT DESCRIPTION

The Administrative Services Department provides vital systems and services administered through five divisions: Administration, Budget, Financial and Accounting Operations, Debt and Treasury, and Revenue Services.

The Administration Division provides support to the various areas within the department and directs its overall activities. This unit also provides support to various citizen advisory committees.

The Budget Office is responsible for developing and monitoring the City's annual budget, coordinating financial planning and management, comparing budgeted amounts with actual outcomes, and tracking financial progress relative to budget during the year. This division provides long-term fiscal forecasts for the City through the City's fiscal forecasting tool (Long-Range Financial Plan) and throughout the fiscal year assists City management and departments by analyzing and evaluating financial performance and projections as it relates to budget.

The Finance and Accounting Operations Division is responsible for the following citywide operations:

- Finance is responsible for the recording and reporting of financial transactions, reporting financial positions in accordance with generally accepted accounting principles, and preparing the Comprehensive Annual Financial Report and other financial reports.
- Accounting responsibilities include payroll processing for over 1,700 employees, payroll tax compliance, benefit reporting, accounts payable, cash activity and all central accounting recording and monitoring.
- Procurement is responsible for the procurement of all supplies and services necessary for the operation of City departments. Procurement also provides centralized document services and high-volume print production and mail services to departments.

The Debt and Treasury Division manages the City's \$600 million pooled investment portfolio and debt issuances that total approximately \$621 million. Services include oversight of the cash and investment portfolio, investor relations, market disclosures, and financing/refinancing programs. The Division regularly reviews the City's debt portfolio for potential savings and closely monitors its cash flow and investments to ensure the City is managing its assets efficiently and responsibly and complies with California investment regulations.

The Revenue Services Division is responsible for the following citywide services:

- Customer Services Unit serves over 92,000 utility customers who receive water, sewer, stormwater or solid waste services, and 17,000 business license tax accounts.

ADMINISTRATIVE SERVICES DEPARTMENT

- Revenue Operations Unit manages accounts receivable for non-utility customers, centralized cash/vault services, and business licenses. It is responsible for the collection and audit of taxes, assessments, and other fees and charges owed to the City, as well as the accurate recording, reconciliation, receipting, control, and deposit of all monies received by City departments.
- Collection, Compliance, and Revenue Reporting Unit is responsible for the recovery of City revenues from delinquent accounts. It promotes compliance through audits of the business license tax and transient occupancy tax. The unit also sends uncollectible accounts to the City's outside collection agency and provides revenue reporting functions such as cash collections and deposits, quarterly receivables and write-offs.

DEPARTMENT STRATEGIC WORK PLAN

Administrative Services continues to focus on the City Council strategic goal of fiscal sustainability. Toward that goal, the department is engaged in several initiatives to improve and guide citywide fiscal practices and systems.

- Administrative Services is a key partner in the City's efforts to implement a new Enterprise Resource Planning (ERP) system to replace the current outdated financial system. Current expert resources are being utilized and will continue throughout the next few years to accomplish this goal.
- In the years prior to and during the bankruptcy, the City received many audit findings from internal and external auditors. In collaboration with the City Manager's Office, Administrative Services has led consistent progress towards the resolution of audit findings and resulting recommendations and implementation of improvements.
- The Budget Office maintains the City's Long-Range Financial Plan model and its underlying assumptions. The model provides a long-term view of the City's General Fund and demonstrates the City's ability to afford its current service levels. The Budget Office also anticipates creating Long-Range Financial Plans for the Water, Wastewater and Stormwater enterprise funds.
- With a focus on best practices in government operations, Administrative Services participates in the City's efforts to review and revise policies and procedures.

PRIOR YEAR ACCOMPLISHMENTS

During FY 2019-20, the department focused on numerous initiatives in support of the goal of fiscal sustainability, including:

- At the close of FY 2018-19, the General Fund working capital reserve was fully funded and funded reserves were 50 percent of the total reserve target, compared to 45 percent in the prior year.
- Held extensive discussions with Council regarding possible changes/updates to the General Fund reserve policy. As part of the fourth quarter update, identified \$3 million over budget estimates for Council to allocate to priorities. Council subsequently allocated those funds to COVID-19 relief, homeless cleanups and the City's Pension Trust.
- Contributed \$14.5 million in the City's Section 115 Pension Trust to set aside and invest funds specifically designated for pension costs.

ADMINISTRATIVE SERVICES DEPARTMENT

- Issued timely audits with no findings, including the Comprehensive Annual Financial Report, which was issued on November 27, 2019, approximately one month earlier than the prior year.
- Improved/updated numerous citywide financial policies and procedures.
- Implemented an online payment option for non-utility accounts.
- Refunded almost \$53 million in water bonds related to construction of the Delta Water Supply Project, saving Stockton water utility customers over \$19 million (average annual savings are over \$900,000 per year).
- Procured interim financing of \$118 million for the Regional Wastewater Control Facility Modifications project.
- Refunded a \$26 million 2015 Agreement in the Parking Authority related to the bankruptcy that created over \$6 million of savings and provided \$3 million for new elevators and parking control systems in the City's garages.
- Cleared approximately 70 audit findings.
- The non-profit Truth in Accounting evaluated the fiscal health of the largest (by population) 75 cities in the United States and ranked Stockton #6.
- Issued approximately \$9 million in bonds to support the Cannery Park residential development and \$3 million in bonds to support the Westlake Villages residential development.

KEY CONSIDERATIONS

Administrative Services continues to focus on the City Council strategic goal of fiscal sustainability, particularly considering the economic impact of the COVID-19 pandemic. The Department will continue to provide the necessary information, analysis and recommendations to help guide the City through the economic challenges created by the pandemic. The Long-Range Financial Plan is a key tool that enables the City to understand the long-term fiscal effects of its decisions and to plan for future challenges like CalPERS cost increases.

In collaboration with other City departments, Administrative Services continues to actively participate in the replacement of its 30-year old financial system with a new, modern Enterprise Resource Planning system. Administrative Services has dedicated 7 functional owners to lead areas such as Accounts Payable, General Ledger, Budget, and Procurement, while the City has connected 60 subject matter experts to support the implementation. Functional teams review the City's current state, redesign processes to incorporate industry best practices, define system configuration, and test the system. This new technology will enable the City to serve the public and its internal customers more efficiently and effectively through streamlined processes, automated workflows, and increased access to information. City staff will be able to better access data and as a result make data-driven decisions.

Administrative Services enforces and monitors the General Fund Reserve and Fund Balance Policy that reflects best practices and prudently protects the fiscal solvency of the City. At the close of last fiscal year, the working capital reserve (2 months of expenditures) was fully funded in addition to setting aside funds for known contingencies (CalPERS costs, financial system replacement, etc.) and risk-based reserves (catastrophic infrastructure failure, recession, etc.).

ADMINISTRATIVE SERVICES DEPARTMENT

Timeliness, accuracy, and transparency in financial reporting is an important City goal. The Finance and Accounting Operations Division continues to provide timely delivery of the Comprehensive Annual Financial Report, in which the independent auditor issued a clean opinion for last year. Administrative Services continues to promptly deliver budget, financial and investment updates to the City Council, various Committees and Commissions, and the public.

Administrative Services continues to proactively address delinquent accounts through its audit and collections efforts to maximize City collections and cash flow. The City Council granted the authority to collect property owner utility delinquencies via the property tax roll and to lien said properties, and also mandated that City utility accounts be converted to property-owner billing. In conjunction with the new solid waste franchise agreements, Administrative Services will be coordinating in the transition of residential waste hauler billing services to the franchisees.

**Administrative Services
General Fund - 010
FY 2020-21 Annual Budget**

	FY 2017-18 Actual	FY 2018-19 Actual	FY 2019-20 Projected	FY 2020-21 Budget
Total Administrative Services Department				
Employee Services	\$ 3,892,217	\$ 4,049,410	\$ 4,236,450	\$ 4,632,545
Other Services	1,033,083	1,008,476	1,057,504	1,256,913
Materials and Supplies	160,367	63,914	73,877	76,605
Other Expenses	34,571	44,465	69,383	59,050
Total	<u>\$ 5,120,238</u>	<u>\$ 5,166,265</u>	<u>\$ 5,437,214</u>	<u>\$ 6,025,113</u>

Administration

Employee Services	706,081	675,667	750,932	958,381
Other Services	118,877	190,575	167,674	277,607
Materials and Supplies	64,936	21,361	10,500	22,300
Other Expenses	6,221	6,798	8,500	10,500
Total	<u>896,115</u>	<u>894,401</u>	<u>937,606</u>	<u>1,268,788</u>

Budget

Employee Services	599,395	604,213	568,014	620,038
Other Services	148,596	102,008	140,697	140,854
Materials and Supplies	6,832	4,535	2,800	5,800
Other Expenses	7,064	8,311	7,604	10,600
Total	<u>761,887</u>	<u>719,067</u>	<u>719,115</u>	<u>777,292</u>

Financial Services

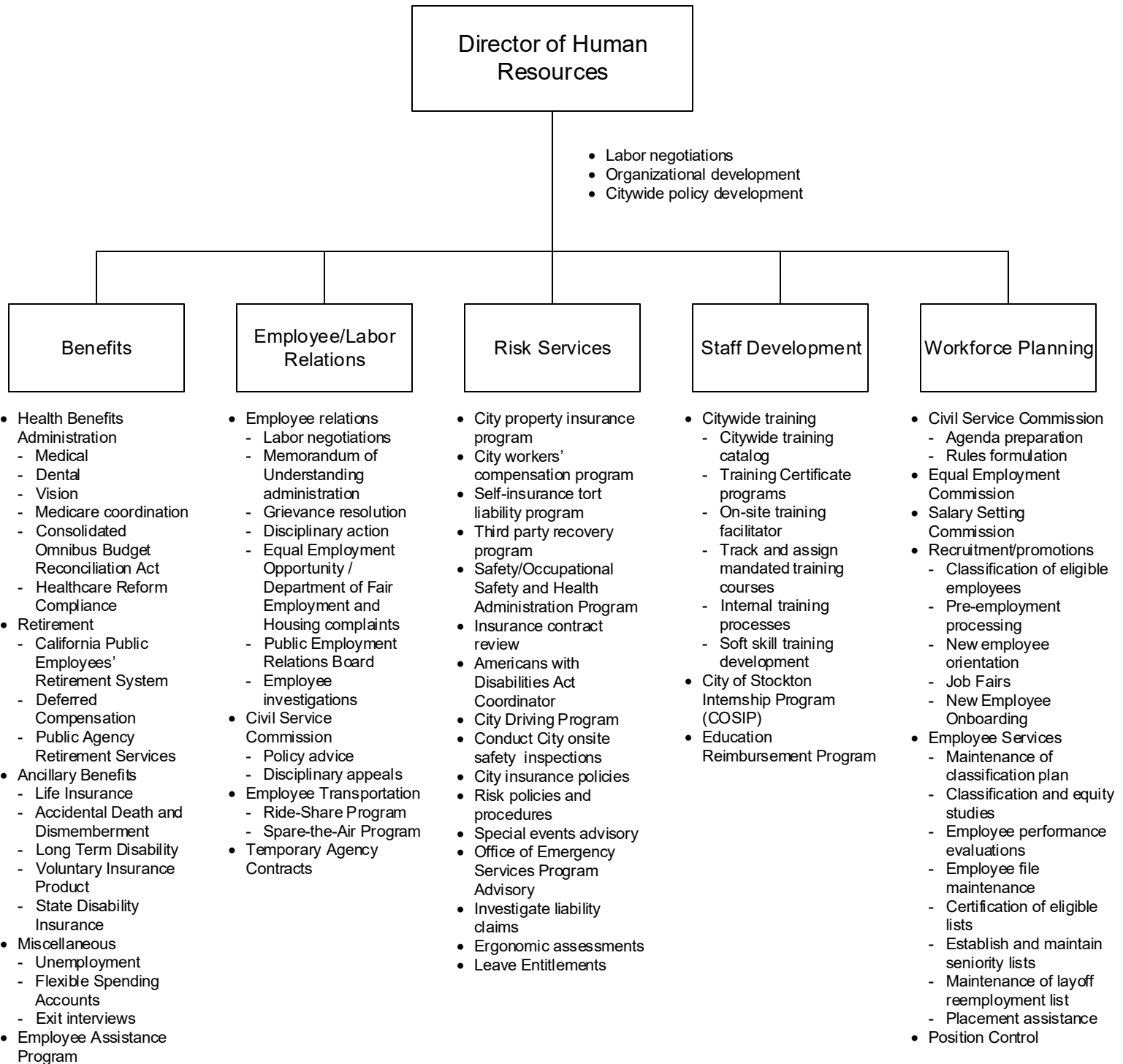
Employee Services	1,021,694	1,227,110	1,366,340	1,439,265
Other Services	337,208	268,178	282,750	288,711
Materials and Supplies	27,546	13,582	12,800	14,348
Other Expenses	4,653	10,840	12,200	12,200
Total	<u>1,391,101</u>	<u>1,519,710</u>	<u>1,674,090</u>	<u>1,754,524</u>

Revenue Services

Employee Services	1,005,172	1,073,490	1,039,271	1,117,137
Other Services	264,389	296,827	301,460	392,359
Materials and Supplies	27,936	15,265	10,000	13,325
Other Expenses	5,822	3,321	6,094	7,250
Total	<u>1,303,319</u>	<u>1,388,903</u>	<u>1,356,825</u>	<u>1,530,071</u>

Purchasing

Employee Services	559,875	468,930	511,893	497,724
Other Services	164,013	150,888	164,923	157,382
Materials and Supplies	33,117	9,171	37,777	20,832
Other Expenses	10,811	15,195	34,985	18,500
Total	<u>767,816</u>	<u>644,184</u>	<u>749,578</u>	<u>694,438</u>



HUMAN RESOURCES DEPARTMENT

HUMAN RESOURCES DEPARTMENT

MISSION STATEMENT

To attract, hire, and develop a qualified diverse workforce. Since our employees are our most valuable resource, Human Resources provides quality and innovative customer-driven services and programs to create a healthy and positive work environment for City employees to deliver high-quality service to the citizens of Stockton.

Budget at a Glance:

Total Revenues	\$123,761,179
Total Expenditures	
General Fund	\$2,481,795
Benefits Program	\$126,953,898
Total Net Cost	\$5,674,514
Total Staff	30

DEPARTMENT DESCRIPTION

The Human Resources Department consists of five divisions: Benefits Administration, Employee/Labor Relations, Risk Management Services, Staff Development, and Workforce Planning.

Benefits Division assists employees, retirees and dependents by providing and coordinating all aspects of employee compensation and benefit packages including health, life and long-term disability insurances, retirement services, leave entitlements, employee assistance programs and flexible spending accounts.

Employee and Labor Relations develops, negotiates, implements, and administers policies, procedures and labor agreements that support and promote workplace diversity, fairness, and equality for City employees. This division advises on employee and labor relations matters, assists in the timely resolution of grievances, complaints and other personnel-related matters.

Risk Services Division works to proactively limit liability exposure and provides cost-effective risk management programs, such as employee safety, workers' compensation claims oversight, contract review, and insurance monitoring. The division also selects property and liability insurance products, manages agency relationships and recovers monies from third parties for damages.

Staff Development develops the Citywide training catalog for employees, tracks mandatory training, creates training certificate programs, administers facilitator vendor contracts, the City of Stockton Internship Program (COSIP), and the Education Reimbursement Program. The division also contributes to employee retention by providing training, tools, skills, and assistance with professional growth and development for opportunities within the City.

Workforce Planning assists in maximizing efficiency and providing equal employment opportunities by hiring, retaining and developing a skilled, diverse and efficient workforce. The division also creates, amends and maintains salaries for class specifications for both the classified and unclassified service.

HUMAN RESOURCES DEPARTMENT

DEPARTMENT STRATEGIC WORK PLAN

To meet the City Council strategic targets, the Human Resources Department focuses on the following areas:

Public Safety: The Workforce Planning Division provides ongoing recruitment efforts to attract a diverse candidate pool for both the Police and Fire Departments. Through our Risk Management Division, Human Resources will continue to provide information to safety departments regarding claims that may impact public safety and may assist in training efforts and decision-making.

Economic Development: The Workforce Planning Division will continue to assist City departments in organizational restructuring and strategic staffing placements (including positions funded through Measure A) that support organizational and departmental missions. Workforce Planning will continue its efforts to strengthen organizational capacity by recruiting and diversifying the workforce.

PRIOR YEAR ACCOMPLISHMENTS

Benefits

- Negotiated enhanced benefits for health care, dental, and vision at a savings of \$640,000 to the City. Changes will be available through open enrollment and go into effect July 1, 2020.
- Facilitated open enrollment for all employees which included multiple information sessions by health carriers.
- Procured and implemented a new benefit and eligibility system within a 60-day notice of termination by the former vendor.
- Reintroduced the City of Stockton Employee Wellness Program.
- Facilitated the annual Health and Safety fair for all employees.

Labor/Employee Relations

- Responded to 4 discrimination complaints filed with the California Department of Fair Employment Housing.
- Received 19 grievances; resolved 9 grievances and 10 grievances are pending.
- Processed 17 formal complaints; completed 10 out of the 17 investigations.
- Reached agreement with 8 of the 9 bargaining units.

Risk Services

- Due to positive claims management, total savings to the Workers' Compensation program was \$3.3 million.
- Collected \$610,273 in subrogation, revenue recovery, and insurance reimbursements.
- Received and processed 415 new Workers' Compensation claims.
- Received and processed 340 new General Liability claims.

HUMAN RESOURCES DEPARTMENT

Workforce Planning

- Expanded organizational capacity through focused efforts to attract, develop and keep talented employees to improve the City's operations and customer services.
- Filled 179 vacancies citywide, including 58 sworn positions.
- Attended 10 local job fairs and 7 community outreach events.
- Conducted 41 classified recruitments for various departments and held 2 Police Officer Trainee one-day recruitments.

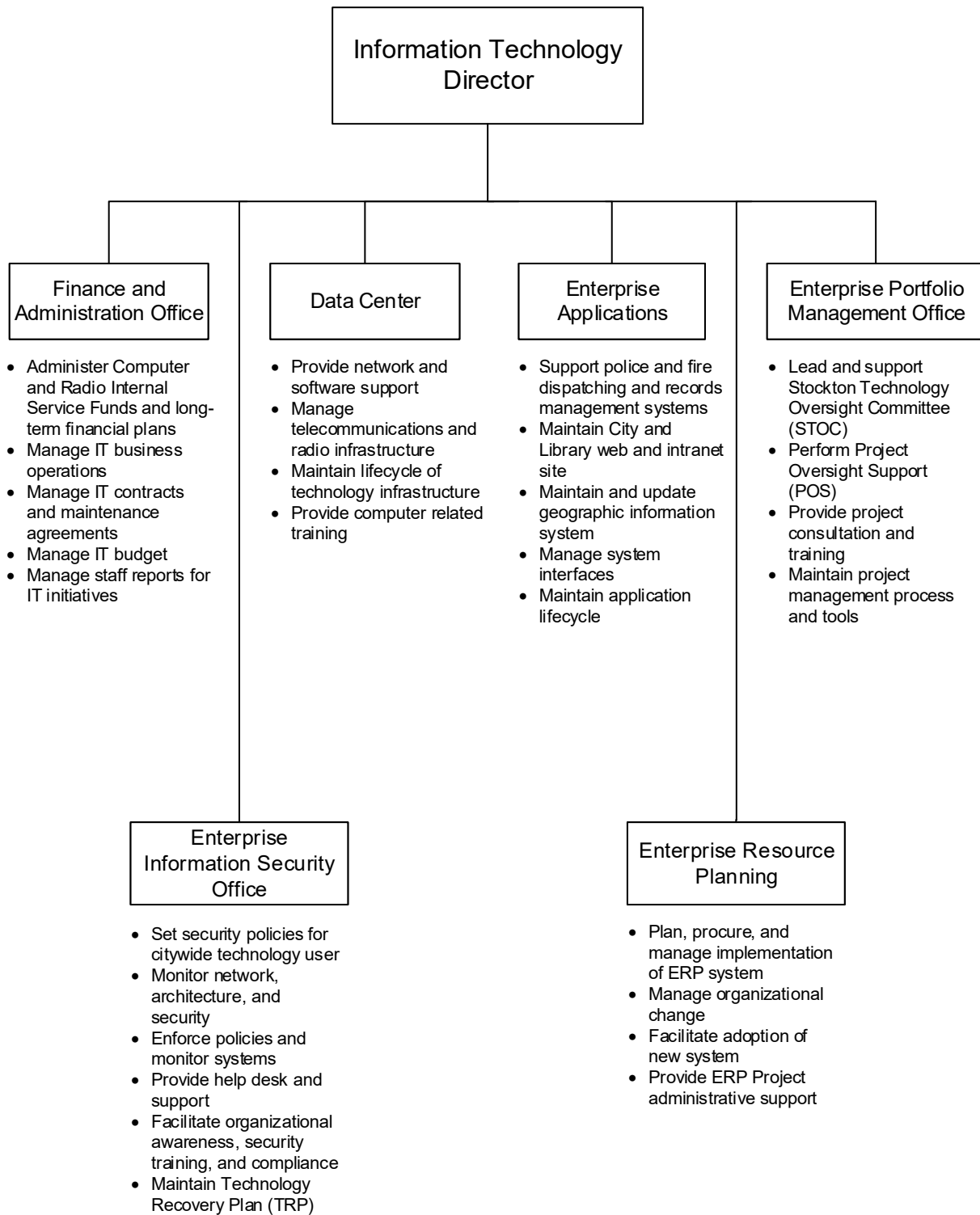
KEY CONSIDERATIONS

Human Resources is embracing the challenge of developing the City's human capital. It does this by recruiting a significant number of public safety and other citywide employees each year, providing training and development opportunities, managing and closing insurance claims to limit loss exposure, and selecting health care providers who meet employee needs. As we look forward, we are excited at the prospect of upgrading the City's financial and human resources system over the next several years. While this will require a significant effort from Department staff, we expect that having modern tools will better equip us to meet the City's needs.

**Human Resources
General Fund - 010
FY 2020-21 Annual Budget**

	FY 2017-18 Actual	FY 2018-19 Actual	FY 2019-20 Projected	FY 2020-21 Budget
Total Human Resources Department				
Employee Services	\$ 1,362,190	\$ 1,300,084	\$ 1,301,300	\$ 1,577,709
Other Services	496,759	502,270	529,357	605,016
Materials and Supplies	30,067	23,647	25,514	27,380
Other Expenses	144,698	148,197	209,378	271,690
Capital Outlay	-	-	-	-
Total	<u>\$ 2,033,714</u>	<u>\$ 1,974,198</u>	<u>\$ 2,065,549</u>	<u>\$ 2,481,795</u>
Workforce Planning				
Employee Services	564,926	547,965	534,041	710,423
Other Services	293,642	257,916	294,279	319,719
Materials and Supplies	15,125	13,469	12,214	16,330
Other Expenses	7,532	3,786	25,248	14,295
Total	<u>881,225</u>	<u>823,137</u>	<u>865,782</u>	<u>1,060,767</u>
Employee Relations				
Employee Services	797,264	752,119	767,259	867,286
Other Services	203,117	244,354	235,078	285,297
Materials and Supplies	14,942	10,177	13,300	11,050
Other Expenses	137,166	144,410	184,130	257,395
Total	<u>1,152,489</u>	<u>1,151,061</u>	<u>1,199,767</u>	<u>1,421,028</u>





INFORMATION TECHNOLOGY

INFORMATION TECHNOLOGY DEPARTMENT

MISSION STATEMENT

A focus on business solutions, service reliability, security services, innovations, and customer satisfaction.

Budget at a Glance:

Total Revenues	\$22,469,284
Total Expenditures	\$24,956,372
Total Net Cost	\$2,487,088
Total Staff	53

DEPARTMENT DESCRIPTION

The Information Technology (IT) Department is responsible for providing:

- leadership and vision for integrating City Council, City Manager, and departmental goals into a citywide information technology strategy;
- flexible, cost-effective enterprise business systems;
- reliable and secure data center services and support for citywide technology systems;
- network design and support, including network monitoring and security;
- support for internet and intranet services as well as desktop support services;
- protection of the confidentiality of the City's data, preserving the integrity of the City's data, and ensuring the availability of the City's data for authorized use;
- support for citywide telecommunications;
- partnering with departments to develop technology solutions and provide project management processes and tools.

The Finance and Administration Office directs and maintains efficient administrative systems and control mechanisms to ensure economical operations and compliance with administrative, human resources, procurement, and financial rules and procedures.

The Data Center provides reliable and secure enterprise computer and telecommunications infrastructure. The Center directs the delivery of computer purchases, repairs, replacements, and services to departments. It provides support for computer hardware, software, and technology solutions as well as providing computer-related training for City staff. The Center also evaluates and plans for the upgrade, consolidation, and the replacement of IT infrastructure, explores new technologies such as cloud computing, and determines how to apply new technologies to the current infrastructure.

Enterprise Applications supports custom and third-party applications, including the geographic information system, enterprise resource planning, public safety dispatch, records management system, web applications, and analytics systems. This area also supports Enterprise Architecture and the overall strategy to provide enterprise business systems. Finally, this area optimizes and transforms business processes, information application systems, and technologies into an efficient and integrated environment, and provides system interface management, integrations, and replacement planning.

INFORMATION TECHNOLOGY DEPARTMENT

Enterprise Portfolio Management Office facilitates all phases of the IT governance process; partners with departments to develop technology solutions based upon business needs, facilitates all phases of the information technology governance process; provides guidance and oversight of project management processes, tools, project consultation and training, documentation, and project archiving.

Enterprise Information Security Office establishes and enforces IT security policies for citywide technology users. The Office provides oversight of IT security policies to ensure alignment and optimization of business strategy, IT security, and strategic partnerships. The Office has established a continuous Security Awareness Training Program to educate employees on the appropriate use, protection, and security of the City's data. Finally, the Office provides oversight into the City's security architecture, performs audits of systems for security compliance, and actively shares cyber intelligence with state and local governments.

Enterprise Resource Planning (ERP) provides administrative project support for planning, organization, and control of business and technical operations for the City's ERP project while ensuring its alignment with city business objectives. The goal is to ensure project success, which entails on-time and within budget evaluation, selection, and delivery of a new ERP system that meets business users' current and emerging needs. This effort is a multi-year project that will satisfy multiple Council strategic priorities and resolve outstanding audit findings.

DEPARTMENT STRATEGIC WORK PLAN

The Department's objectives are tied to the City Council targets and goals of Fiscal Sustainability and Public Safety, by implementing solutions that provide financial transparency to the community, and on providing technology solutions to improve public safety services and response times.

Security – Security operations and response are a part of the City's security immune system. This system consists of solutions that prevent, detect, and respond to attacks, including security analytics, threat hunting, incident response, and threat intelligence with network and endpoint protection.

Cloud Services – With the rise of mobility across the enterprise, migration, and integration services have become a higher priority for IT. Migration to cloud services provides a huge swath of benefits for the City, both in mobilizing the workforce and delivering things faster and better to end-users.

Consolidation/Optimization – Ongoing consolidation and optimization have laid a foundation for success. IT and departments will continue their work on the following three priorities: (1) creating high-quality citizen and business experiences with City programs; (2) supporting City employees with common and efficient enterprise solutions; and (3) providing secure and reliable information technology solutions.

Budget and Cost Control – Knowing the initiatives business units will propose enables a head start on forecasting IT costs. Forecasting operating costs requires an accurate view of historical costs and an understanding of how business changes will affect IT costs. With the implementation of the Enterprise Portfolio Management Office, ongoing portfolio management, and governance-led project prioritizations will enable the City to provide better forecasts. Cost reductions will be tied to service reductions and deferred projects.

INFORMATION TECHNOLOGY DEPARTMENT

Talent Management (People/Culture) – Creating a culture that embraces organizational excellence, with the right people, a defined career path and education, promotes ownership and accountability.

Technology Recovery Plan/Business Continuity – A plan for recovery of applications that are critical to business operations is a key component of the business strategy.

Customer-Centric – Empower City employees with technology assistance and tools that will enable departments to integrate into the City's technology framework and deliver solutions to meet departmental goals and business needs.

Aging Infrastructure – Technology infrastructure is critical to the City's operations. IT equipment has an expected lifecycle and needs to be replaced at the end of its useful life. The business benefits of maintaining technology currency are many: better performance, greater efficiency, reduced cost, reduced outages attributed to failures of old equipment, new capabilities, and modernized services.

PRIOR YEAR ACCOMPLISHMENTS

- The City continues its efforts to replace the existing, antiquated financial system. In 2019, the City completed vendor selection, began implementation of Phase I (Core Finance), and initiated data clean-up for conversion to the new ERP system. This process involved significant staff hours with the onsite vendor implementation team.
- Replaced the current ERP system hardware to ensure continued operations during the new ERP implementation.
- Continued to improve the network security platform that addresses the detection of viruses, malware, and attempts to compromise the City's network infrastructure. Installed advanced monitoring and mitigation tools for the protection of city data and continued the citywide Security Awareness Training Program.
- Redesigned network to accommodate infrastructure upgrade and completed failover internet connection for redundancy and service reliability.
- Initiated Oracle migration to Microsoft database platform for the Police Department for improved data storage and reporting.
- Implemented a new backup solution with near real-time data recovery and offsite disaster recovery features.
- Maintained the internship program that provides on-the-job training and career readiness for students at partnering institutions, which include the University of the Pacific and San Joaquin Delta College.
- Initiated replacement of dispatch workstation consoles and logging recorders at the Police and Fire Department dispatch centers, which is phase 1 of a multi-year radio infrastructure replacement project.
- Completed technology setup for two micro libraries.
- Assisted the Fire Department with the conversion from Windows Tablets to Apple Tablets in its vehicles, with estimated annual cost savings of \$100,000.

INFORMATION TECHNOLOGY DEPARTMENT

KEY CONSIDERATIONS

The IT department will continue to provide solutions to improve the City's operating systems. There is continued need to implement new technologies this fiscal year, including building out the network and security operations center, integrating security tools, enhancing modern device management practices, and continuing to deliver scheduled lifecycle replacements of network infrastructure, computers, radios, and other end-user equipment.

The City continues to put significant resources toward implementing a new ERP system that involves replacing core finance and human resources. The department will also continue to replace the Fire Department's computer-aided dispatch system and complete the first phase of the radio infrastructure replacement project, completing replacements of the Motorola core and installations of both Fire and Police dispatch consoles. The next phase of the project will begin the replacement of microwave and channel equipment, along with the enlistment of a consulting firm to verify engineering and ensure appropriate coverage is maintained. The department continues to update the multi-year purchase and prioritization plan for all hardware, software, and services for the radio system infrastructure.

Other key considerations include:

- One Sr. Systems Analyst was added to provide cybersecurity services for monitoring network and endpoint traffic to identify and resolve vulnerabilities, perform patch management, and develop more comprehensive education and planning programs around cybersecurity.
- One-time influx of funds of \$5,250,000 for radio infrastructure. This is a joint request between Information Technology, Police and Fire departments for additional funds needed for Phase 3 Channel Equipment Replacements.
- One-time influx of funds of \$360,000 for a next-generation firewall. Next-Generation Firewalls (NGFWs) work together with traditional firewalls to perform a deeper inspection of network traffic in real time to detect and prevent network threats. It integrates with other security products such as antivirus, authentication systems, intrusion detection systems and intrusion prevention systems.
- Inventory and Control of Software Assets – Implement Center for Internet Security controls to enhance applications portfolio management and upgrade Software as a Service (SaaS) environment.
- Migrate Geographic Information System to the Cloud – Reduce the City's data center footprint.
- IT Student Program – Continue to expand the IT Student Program, partnering with local colleges and universities, and providing on-the-job training and career readiness for students.
- Smart City Stockton Strategic Plan – The City is preparing for the future as a Smart City and a Smart region by adopting 5G broadband policies and preparing for both wired and wireless emerging technologies.

**Information Technology
Internal Service Funds
FY 2020-21 Annual Budget**

	Computer Equipment 502	Radio Equipment 503	Internal Service Total
	<i>See Page N-11</i>	<i>See Page N-13</i>	
Beginning Available Balance	\$ 15,971,752	\$ 3,487,899	\$ 19,459,651
Revenues			
Charge for Services			
Police	5,211,812	1,540,657	6,752,469
Fire	1,198,104	704,589	1,902,693
Other General Fund	1,735,793	3,268	1,739,061
Other Funds	6,453,551	131,510	6,585,061
	<u>14,599,260</u>	<u>2,380,024</u>	<u>16,979,284</u>
Refunds & Reimbursements	-	-	-
Investment Proceeds	225,000	15,000	240,000
	<u>14,824,260</u>	<u>2,395,024</u>	<u>17,219,284</u>
Expenditures			
General & Administrative	2,166,575	-	2,166,575
Operations & Maintenance	11,317,377	932,513	12,249,890
Equipment Replacements	3,277,700	6,482,207	9,759,907
Debt Service	-	-	-
	<u>16,761,652</u>	<u>7,414,720</u>	<u>24,176,372</u>
			-
Transfers			
Transfer In	-	5,250,000	5,250,000
Transfer Out	(780,000)	-	(780,000)
	<u>(780,000)</u>	<u>5,250,000</u>	<u>4,470,000</u>
Net Annual Activity	<u>(2,717,392)</u>	<u>230,304</u>	<u>(2,487,088)</u>
Ending Available Balance	<u>\$ 13,254,360</u>	<u>\$ 3,718,203</u>	<u>\$ 16,972,563</u>
			\$ 17,219,284
			<u>5,250,000</u>
			<u>\$ 22,469,284</u>
			\$ 24,176,372
			<u>780,000</u>
			<u>\$ 24,956,372</u>



NON-DEPARTMENTAL

MISSION STATEMENT

To provide for citywide General Fund expenses not solely related to one department. Functions include: reporting, securing and providing technical assistance for grant funding from state, local and federal agencies; violence prevention and intervention; providing timely, accurate, and complete information that is readily accessible to the public, via print, web-based and broadcast mediums, about City services, events, issues and actions; responding to public inquiries and requests for public information; and reaching out to the community to encourage public participation in local government.

Budget at a Glance:

Total Revenues	\$1,467,936
Total Expenditures	\$33,092,571
Total Net Cost	\$31,624,635
Total Staff	17

DEPARTMENT DESCRIPTION

Non-Departmental is a funding category for functions within the City Manager's Office that have citywide impact and are not directly attributable to any single department. The programs funded, in whole or part, through Non-Departmental, include: Channel 97, Office of Violence Prevention, Labor Litigation, Communications and Public Relations. Non-Departmental funds are also used to pay for expenses and costs related to receipt of tax revenues from other agencies, general elections costs, advertising and outreach for the City, contracts for legislative advocacy, certain Council initiatives and dues to the California League of Cities. Also contained in the Non-Departmental section are three other categories of funding that are citywide in nature:

- Debt service payments, which under the Plan of Adjustment are limited to payments on the Stewart Eberhardt Building, Assured Guaranty Contingent Payment and Settlement Agreement, and a small amount of staff time.
- Transfers for Program Support for Other Funds (e.g. Capital Improvement Fund, Development Services, Golf, Entertainment Venues, Library, Recreation, etc.)
- Contingency Reserve of \$2 million to cover unexpected expenditures or emergencies

DEPARTMENT STRATEGIC WORK PLAN

Because the Non-Departmental budget is the funding source for functions within the City Manager's Office that have a citywide impact, the strategic work plan of these functions is to support the implementation of the City Council Strategic Targets and Priority Goals as outlined earlier in the budget document. Key strategic initiatives of the Office of Violence Prevention (OVP) include the development of a program model and strategic plan, developing more robust life-skills curriculum for successful Operation Ceasefire clients, leveraging City funds to expand Operation Ceasefire client services, and building additional partnerships in support of Operation Ceasefire and violence prevention efforts.

PRIOR YEAR ACCOMPLISHMENTS

The OVP continued its efforts to combat violence in Stockton by mentoring youth and young adults with the highest risk of gang involvement, particularly serious gun-related violence, and providing positive alternatives for a healthier, non-violent lifestyle. Its outreach workers

NON-DEPARTMENTAL

("Peacekeepers") collaborate with government, community-based, and faith-based organizations to further its mission. The Peacekeepers put in nearly 4,300 hours building relationships with high-risk individuals while offering support, opportunities, and services. The OVP's clients also experienced a recidivism rate of less than 10% for violent crimes.

The Non-Departmental budget also supported the City's costs associated with the March primary election, and its expenses related to successfully negotiating new labor contracts with its nine bargaining units.

KEY CONSIDERATIONS

The OVP has restructured its staffing and resources and is anticipating being fully staffed in FY 2020-21. The Budget adds \$20,000 for additional overtime in anticipation of additional efforts related to conflict mediation and keeping its clients healthy. Also, as the OVP's strategies are implemented, funding for client services delivered by the City or community partners will be critical to success.

In broader consideration of the Non-Departmental budget, legislative advocacy, community outreach, and strategic media relations will play a pivotal role in moving forward with the City's goals and objectives. The City needs to work with government delegations, employees, citizens, visitors, and ultimately employers that may wish to locate their businesses here to continue the progress that this organization and community have made. The City is poised to build on its past accomplishments and leverage these successes to enhance Stockton's public image.



**Non-Departmental
General Fund - 010
FY 2020-21 Annual Budget**

	FY 2017-18 Actual	FY 2018-19 Actual	FY 2019-20 Projected	FY 2020-21 Budget
Total Non-Departmental				
Employee Services	\$ 1,584,714	\$ 1,691,123	\$ 1,759,646	\$ 1,869,152
Other Services	4,606,494	9,147,494	5,531,844	5,096,663
Materials and Supplies	31,587	27,086	50,673	176,905
Other Expenses	(2,510,731)	(2,524,680)	(322,850)	(410,253)
Capital Outlay	86,480	-	-	-
Transfers Out	47,029,461	25,870,884	35,706,726	25,174,175
Total	<u>\$ 50,828,005</u>	<u>\$ 34,211,907</u>	<u>\$ 42,726,039</u>	<u>\$ 31,906,642</u>
Office of Violence Prevention				
Employee Services	559,461	541,310	552,713	651,119
Other Services	208,654	79,588	163,820	106,800
Materials and Supplies	7,994	4,692	11,513	8,370
Other Expenses	6,997	2,056	3,312	3,000
Total	<u>783,106</u>	<u>627,646</u>	<u>731,358</u>	<u>769,289</u>
Marshall Plan - Office of Violence Prevention				
Employee Services	564,609	621,195	665,487	863,143
Other Services	275,911	220,279	350,471	269,353
Materials and Supplies	22,727	14,147	31,741	45,210
Other Expenses	10,363	19,741	20,158	20,250
Capital Outlay	-	-	-	-
Total	<u>873,610</u>	<u>875,362</u>	<u>1,067,857</u>	<u>1,197,956</u>
Tax Collection & Election				
Other Services	1,980,525	2,378,309	2,524,567	2,721,600
Other Expenses	478,770	487,764	500,000	515,000
Total	<u>2,459,295</u>	<u>2,866,073</u>	<u>3,024,567</u>	<u>3,236,600</u>
Labor and Litigation/Fiscal Sustainability*				
Other Services	338,334	443,215	700,000	500,000
Total	<u>338,334</u>	<u>443,215</u>	<u>700,000</u>	<u>500,000</u>
Other Administration				
Employee Services	397,889	468,166	479,618	235,952
Other Services	1,416,430	5,243,159	722,739	688,348
Materials and Supplies	866	2,983	2,419	113,325
Other Expenses	(3,006,861)	(3,034,633)	(2,951,820)	(2,966,003)
Capital Outlay	86,480	-	-	-
Total	<u>(1,105,196)</u>	<u>2,679,675</u>	<u>(1,747,044)</u>	<u>(1,928,378)</u>

**Non-Departmental
General Fund - 010
FY 2020-21 Annual Budget**

	FY 2017-18 Actual	FY 2018-19 Actual	FY 2019-20 Projected	FY 2020-21 Budget
Homeless Program/COVID-19 Response				
Employee Services	62,755	60,452	61,828	118,938
Other Services	143,006	104,016	495,483	227,062
Other Expenses	-	-	1,235,000	-
Total	<u>205,761</u>	<u>164,468</u>	<u>1,792,311</u>	<u>346,000</u>
Waterfront Office Towers				
Other Services	243,634	678,928	574,764	583,500
Materials and Supplies	-	5,264	5,000	10,000
Other Expenses	-	392	500	17,500
Total	<u>243,634</u>	<u>684,584</u>	<u>580,264</u>	<u>611,000</u>
Debt Service				
Assured Guaranty Contingent Payment	2,106,000	2,173,000	2,271,000	500,000
Assured Guaranty Settlement	1,337,175	1,337,175	1,337,175	1,337,175
Parking Bond (SEB)	914,894	714,547	-	-
Civic Aud. HVAC Lease	248,779	479,307	-	-
Debt Administration	266,821	349,902	230,000	-
Total	<u>4,873,669</u>	<u>5,053,931</u>	<u>3,838,175</u>	<u>1,837,175</u>
Program Support for Other Funds				
Transfers				
Library - 041	3,984,500	3,984,500	3,984,500	3,984,500
Recreation - 044	3,407,000	3,395,500	3,395,500	3,565,500
Entertainment Venues - 086	3,445,000	4,345,000	3,835,000	4,785,000
Development Services - 048	925,000	925,000	825,000	800,000
Golf - 481	700,000	700,000	1,050,000	550,000
Downtown Marina - 460	212,000	262,000	262,000	297,000
Grant Match - 025	117,601	(2,092)	205,400	100,000
Capital Improvement - 301	10,091,423	156,298	580,000	4,005,000
Low & Mod. Income Housing - 329	10,648	29,584	101,151	-
Information Technology ISF - 502	-	2,256,149	-	-
Radio ISF - 503	700,000	-	3,130,000	5,250,000
Retirement ISF - 561	18,562,620	4,765,014	14,500,000	-
Total	<u>42,155,792</u>	<u>20,816,953</u>	<u>31,868,551</u>	<u>23,337,000</u>
Contingency				
Other Expenses	-	-	870,000	2,000,000
Total	<u>-</u>	<u>-</u>	<u>870,000</u>	<u>2,000,000</u>

**Administration and Support
Special Purpose Grant Funds - 020
FY 2020-21 Annual Budget**

	FY 2017-18 Actual	FY 2018-19 Actual	FY 2019-20 Projected	FY 2020-21 Budget
Beginning Available Balance	\$ 870,098	\$ 1,437,934	\$ 1,189,396	\$ 1,627,176
Revenues				
Flood Agency Reimbursement	1,111,220	191,929	559,415	924,197
Public Education Gov. Access Fee	567,835	444,829	437,860	442,239
	1,679,055	636,758	997,275	1,366,436
Expenditures				
San Joaquin Area Flood Control Agency				
Employee Services	606,497	408,487	432,378	757,969
Other Services	148,495	139,670	127,037	166,228
	754,992	548,157	559,415	924,197
Public Education Gov. Access Fee				
Equipment Purchases	23,227	4,139	80	100,000
	23,227	4,139	80	100,000
	778,219	552,296	559,495	1,024,197
Transfers				
Transfer In	-	-	-	-
Transfer Out	(333,000)	(333,000)	-	-
	(333,000)	(333,000)	-	-
Net Annual Activity	567,836	(248,538)	437,780	342,239
Ending Available Balance	\$ 1,437,934	\$ 1,189,396	\$ 1,627,176	\$ 1,969,415

Other Special Programs
Wagner - General Special Revenue - 627 *
FY 2020-21 Annual Budget

	<u>FY 2017-18 Actual</u>	<u>FY 2018-19 Actual</u>	<u>FY 2019-20 Proposed</u>	<u>FY 2020-21 Budget</u>
Beginning Available Balance	<u>\$ 61,509</u>	<u>\$ 61,579</u>	<u>\$ -</u>	<u>\$ -</u>
Revenues				
Other Revenue	<u>70</u>	<u>500</u>	<u>-</u>	<u>-</u>
	<u>70</u>	<u>500</u>	<u>-</u>	<u>-</u>
Expenditures				
Program Expenses	<u>-</u>	<u>62,079</u>	<u>-</u>	<u>-</u>
	<u>-</u>	<u>62,079</u>	<u>-</u>	<u>-</u>
Transfers				
Transfer In	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Transfer Out	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Annual Activity	<u>70</u>	<u>(61,579)</u>	<u>-</u>	<u>-</u>
Ending Available Balance	<u>\$ 61,579</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Available Balance Calculation				
Current assets		\$ -		
Principal endowment		-		
Ending Available Balance		<u>\$ -</u>		

* Annie Wagner endowment balance transferred to Stockton Unified School District for continued administration of scholarship funds.

**Other Special Programs
General Special Revenue - 642
FY 2020-21 Annual Budget**

	<u>FY 2017-18 Actual</u>	<u>FY 2018-19 Actual</u>	<u>FY 2019-20 Projected</u>	<u>FY 2020-21 Budget</u>
Beginning Available Balance	<u>\$ 131,036</u>	<u>\$ 206,327</u>	<u>\$ 242,209</u>	<u>\$ 245,082</u>
Revenues				
Program Revenue	8,498	2,738	2,125	1,500
Other Revenue	<u>134,868</u>	<u>115,797</u>	<u>115,304</u>	<u>100,000</u>
	<u>143,366</u>	<u>118,535</u>	<u>117,429</u>	<u>101,500</u>
Expenditures				
Program Expenses	<u>68,075</u>	<u>82,653</u>	<u>114,556</u>	<u>161,732</u>
	<u>68,075</u>	<u>82,653</u>	<u>114,556</u>	<u>161,732</u>
Transfers				
Transfer In	-	-	-	-
Transfer Out	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Annual Activity	<u>75,291</u>	<u>35,882</u>	<u>2,873</u>	<u>(60,232)</u>
Ending Available Balance	<u>\$ 206,327</u>	<u>\$ 242,209</u>	<u>\$ 245,082</u>	<u>\$ 184,850</u>
Available Balance Calculation				
Current assets		\$ 245,150		
Current liabilities		<u>(2,941)</u>		
Ending Available Balance		<u><u>\$ 242,209</u></u>		

TAB 12 DEBT

DEBT

CITY DEBT SERVICE FUNDS

Debt Service Funds are used to administer the City's General Government and Assessment District debt obligations.

Budget at a Glance:

Total Revenues	\$10,822,134
City Debt Service Fund	\$3,401,130
CFD & Assessment Districts	\$7,259,963
Administration	<u>\$294,959</u>
Total Expenditures	\$10,956,052
Total Net Cost	\$133,918

As part of its efforts to support the City Council strategic goal of fiscal sustainability, the Administrative Services Department has concentrated on refunding most of the City's debt portfolio to take advantage of historically low interest rates and to save Stockton's taxpayers and ratepayers millions of dollars.

GENERAL FUND DEBT OBLIGATIONS

The City's General Fund secures the Assured Guaranty settlement and one fire truck lease. Other debt is administered in the City's Debt Service Fund or in individual budgets as described below.

Assured Guaranty Settlement Repayment

Upon exit from bankruptcy in FY 2014-15, the City started paying on an agreement with the insurer that replaced payments formerly required on the following bonds:

- Pension Obligation Bonds 2007 Series A and B

The 2007 Taxable Pension Obligation Bonds, Series A and B were issued in the amount of \$125,310,000 in March 2007. The bonds were issued to refinance a portion of the City's unfunded actuarial liability with respect to retirement benefits accruing to its members of the California Public Employees' Retirement System.

- Lease Revenue Bonds 2007 Series A and B – City Administration Building

The 2007 bonds were issued in two series: Series A (Tax-Exempt) in the amount of \$36,500,000 and Series B (Taxable) in the amount of \$4,270,000 in September 2007. The bonds were issued to finance the acquisition of property at 400 East Main Street which the City planned to use as City Hall. The Plan of Adjustment and its accompanying settlement agreement canceled the bonds, and the City surrendered the property to the insurer. The City entered into a separate lease to use portions of the building.

The City's settlement agreement covered both bond series and was confirmed by the bankruptcy court effective February 25, 2015. The City Plan of Adjustment contains the details of the modified agreement. The City's settlement agreement includes four series of payments to be made to the trustee. The first series of payments from restricted City funding sources began in 2014 and the second series of payments started in 2018. Contingent payments described below went into effect in 2018 and the fourth series of supplemental payments starts in 2023. These payments are applied to the remaining bondholder debt service payments with the balance paid by the

DEBT

insurer. The City's fixed settlement payment and fees under the modified reimbursement agreement with the insurer are budgeted at \$2,903,430 in FY 2020-21.

This amount does not include an estimated payment for a "contingent revenue" that is required, in addition to the fixed payment streams, to be made to Assured Guaranty if core General Fund revenues (as defined in the settlement agreement) increase above those projected in the settlement agreement. The contingent payment due to be paid June 1, 2021, is budgeted at \$500,000.

INTERNAL SERVICE FUNDS DEBT SERVICE (*NOT INCLUDED IN BUDGET AT A GLANCE)

Capital Lease - Fire Vehicles (see page N-9)

On January 24, 2012, the City Council approved a tax-exempt lease purchase agreement with Oshkosh Capital for the acquisition of four Pierce Fire Pumper vehicles. Subsequently, the City filed for Chapter 9 bankruptcy protection. On January 30, 2013, the U.S. Bankruptcy Court approved an amended agreement with a cost of \$1,871,404, and delivery of the trucks occurred in the spring of 2013. The annual debt service payment for the lease is budgeted at \$213,300 in the Fleet Internal Service Fund.

The Fleet Internal Service Fund borrowed from the Workers' Compensation Internal Service Fund in FY 2018-19 to pay off three fire truck leases taken out in 2007, 2015, and 2017. This transaction also resulted in a savings of approximately \$300,000. The annual debt service payment is budgeted at \$530,482 in the Fleet Internal Service Fund.

COMMUNITY FACILITIES DISTRICTS AND ASSESSMENT DISTRICTS

Approximately 15 special districts have been formed throughout the City to finance improvements that support development through the issuance of bonds. The types of improvements the districts have financed include subdivision improvements, streetlights, and parks. Assessments are levied and added to the property tax roll on properties within the various districts and assessments provide the source of payment on the bonds. The annual debt service payment is budgeted at \$6,795,076 plus associated administrative costs of \$464,887, for a total budget of \$7,259,963.

SUCCESSOR AGENCY, PARKING AUTHORITY AND UTILITIES DEBT

Other City debt obligations secured by the Successor Agency, Parking Authority and utility funds are listed in the following pages for informational purposes only. Debt service payments are included within the Successor Agency, Parking Authority, and Municipal Utilities fund budgets.

SUCCESSOR AGENCY

Successor Agency - 2016 Tax Allocation Refunding Bonds - Series A and B (see page L-7)

The Series A Bonds were issued in the amount of \$73,310,000 and the Taxable Series B Bonds were issued in the amount of \$30,010,000 in November 2016. The Bonds were issued to refund and defease the following obligations: 2003 Series A and B Certificates of Participation (Redevelopment Housing Projects); 2004 Revenue Bonds (Stockton Events Center-Arena Project); and the 2006 Series A and C (Housing and Redevelopment Projects). The source for repayment is Successor Agency property tax revenue that is pledged toward repayment of the bonds. The annual debt service payment and fees for the bonds are budgeted at \$7,468,788.

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PARKING AUTHORITY

Parking Revenue Bonds Series 2020 – Parking and Capital Projects (see page I-39)

The 2020 Revenue Bonds were issued in February 2020 in the amount of \$24,355,000 to refinance the 2015 Bankruptcy settlement on bonds issued in 2004 that financed construction of two parking garages. In addition to paying off the Settlement, the 2020 Bonds also provided \$3,000,000 to address deferred capital maintenance and technology upgrades to existing facilities. The 2015 Settlement of the 2004 bonds removed the City's General Fund backing. The 2020 Bonds also have no General Fund backing and have a pledge of Net Revenues of the Parking Authority, which makes the payments toward the bonds. Annual payment and fees for the 2020 Revenue Bonds are budgeted at \$1,196,270 in the Parking Authority Fund.

The Parking Authority borrowed from the Workers' Compensation Internal Services Fund in FY 2018-19 to pay off the 2006 Essential Services Building Refunding Bonds. The annual debt service payment is budgeted at \$782,563 in the Parking Authority Fund.

MUNICIPAL UTILITIES DEBT

Stockton Public Financing Authority Revenue Bonds Series 2018A (See page L-8)

The 2018A Water Refunding Revenue Bonds, Series A were issued in the amount of \$145,220,000 in November 2018. The 2018A Bonds refunded bonds issued in 2002 (refinance of bonds issued in 1993), 2005 (financed numerous projects), and 2009 (financed a large portion of the Delta Water Supply Project). The repayment of the 2018A Bonds is from a pledge of net revenues of the Water Utility Fund. The annual debt service payment and fees for the bonds are budgeted at \$11,863,050.

Stockton Public Financing Authority Revenue Bonds Series 2019A (See page L-8)

The 2019 Water Revenue Bonds, Series A were issued in the amount of \$54,785,000 in November 2019. The 2019A Bonds were issued to refinance bonds previously issued for the design and construction of the final phase of the Delta Water Supply Project. The repayment of the 2019A Bonds is from a pledge of net revenues of the Water Utility Fund. The annual debt service payment and fees for the bonds are budgeted at \$2,429,436.

Stockton Public Financing Authority Wastewater Revenue Refunding Bonds Series 2014 (See page L-9)

The 2014 Wastewater Revenue Bonds were issued in the amount of \$69,440,000 in November 2014 to refund and defease Certificates of Participation issued by the Utility in 1998 and 2003. These earlier debt issues financed various projects throughout the wastewater system. The repayment of the 2014 Bonds is from a pledge of net revenues of the Wastewater Fund. The annual debt service payment and fees for the bonds are budgeted at \$6,494,875.

Stockton Public Financing Authority Wastewater Bond Anticipation Notes Series 2019 (See page L-9)

The 2019 Wastewater Bond Anticipation Notes Series were issued in the amount of \$118,510,000 in October 2019 to provide interim financing for improvements to the City's wastewater system, including improvements to the Regional Wastewater Control Facility. Repayment of the 2019 Notes is pledged from net revenues of the Wastewater Fund. The Notes are planned to be repaid through a combination of low-interest loans provided by the United States Environmental

DEBT

Protection Agency and the California Water Resources Control Board, and revenue bonds. The annual debt service payment and fees for the notes are budgeted at \$1,661,890.

OTHER DEBT SERVICE

Section 108 Loans (See page I-12)

The City entered into four Section 108 loan guarantee agreements with the U.S. Department of Housing and Urban Development to complete redevelopment projects. One has been paid off and of the remaining three, one had its rates re-priced in 2019, and the remaining two were refunded at lower rates in 2015. Loans will be repaid from Community Development Block Grant entitlement funds with an annual debt service payment of \$1,851,338 in FY 2020-21.

City Debt Service Fund - 201
FY 2020-21 Annual Budget

	<u>FY 2017-18</u> <u>Actual</u>	<u>FY 2018-19</u> <u>Actual</u>	<u>FY 2019-20</u> <u>Projected</u>	<u>FY 2020-21</u> <u>Budget</u>
Beginning Available Balance	\$ 1,549,904	\$ 1,553,479	\$ 1,743,260	\$ 1,826,270
Revenues				
Charges for Services	1,514,381	1,540,593	1,566,255	1,592,496
Other	10,000	131,508	85,260	132,500
Investment Proceeds	(1,568)	40,575	-	-
	<u>1,522,813</u>	<u>1,712,676</u>	<u>1,651,515</u>	<u>1,724,996</u>
Expenditures				
Principal Payments	748,565	9,961,771	99,423	130,569
Interest Expense	5,306,237	2,996,337	2,776,045	2,770,561
Contingent Payment	-	2,173,000	2,271,000	500,000
Operating Expenses	4,300	2,348	2,300	2,300
Administration & Overhead	649,547	592,649	558,912	608,659
Cost Reimbursed	(315,742)	(248,175)	(301,000)	(316,000)
	<u>6,392,907</u>	<u>15,477,930</u>	<u>5,406,680</u>	<u>3,696,089</u>
Transfers				
Transfer In - General Fund	4,873,669	5,053,930	3,838,175	1,837,175
Transfer In - Other	-	8,915,000	-	-
Transfer Out	-	-	-	-
	<u>4,873,669</u>	<u>13,968,930</u>	<u>3,838,175</u>	<u>1,837,175</u>
Net Annual Activity	3,575	203,676	83,010	(133,918)
Ending Available Balance	\$ 1,553,479	\$ 1,757,155	\$ 1,826,270	\$ 1,692,352
Available Balance Calculation				
Current Assets		\$ 1,793,982		
Current Liabilities		(50,722)		
Ending Available Balance		<u>\$ 1,743,260</u>		

**City Debt Service Funds
FY 2020-21 Annual Budget**

	Debt and Cash Administration 201	Assured Guaranty Repayment 201	CFD and 1915 Act Debt Service 250s/701s Various	Total
Date Issued				
Purpose		Settlement Agreement	Assessment Districts	
Beginning Available Balance	\$ 260,015	\$ 1,566,255	\$ -	\$ 1,826,270
Revenues				
Charges for Services	132,500	1,592,496	-	1,724,996
Assessments	-	-	7,259,963	7,259,963
	132,500	1,592,496	7,259,963	8,984,959
Expenditures				
Principal	-	130,569	3,201,000	3,331,569
Interest	-	2,770,561	3,096,467	5,867,028
Contingent Payment	-	500,000	-	500,000
Administrative Costs	608,659	2,300	464,887	1,075,846
Other Debt Service Cost	-	-	497,609	497,609
Cost Reimbursed	(316,000)	-	-	(316,000)
	292,659	3,403,430	7,259,963	10,956,052
Transfers				
Transfer In - General Fund	-	1,837,175	-	1,837,175
Transfer In - Other	-	-	-	-
Transfer Out	-	-	-	-
	-	1,837,175	-	1,837,175
Net Annual Activity	(160,159)	26,241	-	(133,918)
Ending Available Balance	\$ 99,856	\$ 1,592,496	\$ -	\$ 1,692,352
			Revenues	\$ 8,984,959
			Transfers	1,837,175
			Total Sources	\$ 10,822,134
			Expenditures	\$ 10,956,052
			Transfers	-
			Total Appropriations	\$ 10,956,052

**Successor Agency Debt Service Fund - 231
FY 2020-21 Annual Budget**

	Revenue Bonds 2016A Series 231	Revenue Bonds 2016B Series 231	Total Debt Service 231
Date Issued	11/3/2016	11/3/2016	
Purpose	RDA Projects	Housing RDA Projects	
Expenditures			
Principal	\$ -	\$ 3,685,000	\$ 3,685,000
Interest	3,373,800	399,988	3,773,788
Administration	5,000	5,000	10,000
	<u>3,378,800</u>	<u>4,089,988</u>	<u>7,468,788</u>
			-
Transfers			
Transfer In - Successor Agency	3,378,800	4,089,988	7,468,788
	<u>3,378,800</u>	<u>4,089,988</u>	<u>7,468,788</u>
Net Annual Activity	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**Water Debt Service Funds - 423
FY 2020-21 Annual Budget**

	Stockton Public Financing Authority Revenue Bonds Series 2018A 423	Stockton Public Financing Authority Revenue Bonds Series 2019A 423	Total Water Debt Service
Date Issued	<u>11/20/2018</u>	<u>11/1/2019</u>	
Purpose	<u>Delta Water Supply Project</u>	<u>Delta Water Supply Project</u>	
Revenues			
Charges for Services	\$ -	\$ -	\$ -
Build America Bonds	-	-	-
Other Revenue	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>
Expenditures			
Principal	5,090,000	540,000	5,630,000
Interest	6,770,050	1,885,436	8,655,486
Operating Expenses	3,000	4,000	7,000
Capital Projects	-	-	-
	<u>11,863,050</u>	<u>2,429,436</u>	<u>14,292,486</u>
Transfers			
Transfer In			
Water User Fees - 421	10,580,133	2,429,436	13,009,569
Water Connections Fees - 424	1,282,917	-	1,282,917
Delta Water Surface Fee - 425	-	-	-
Transfer Out			
Water Debt Service - 423	-	-	-
Water Capital Projects - 427	-	-	-
	<u>11,863,050</u>	<u>2,429,436</u>	<u>14,292,486</u>
Net Annual Activity	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**Wastewater Debt Service Funds - 433
FY 2020-21 Annual Budget**

	Stockton Public Financing Authority Wastewater Revenue Refunding Bonds Series 2014 433	Stockton Public Financing Authority Wastewater Bond Anticipation Notes Series 2019 433	Total Wastewater Debt Service
Date Issued	10/22/2014	10/1/2019	
Purpose	Wastewater Projects	Wastewater Projects	
Expenditures			
Principal	\$ 3,995,000	\$ -	\$ 3,995,000
Interest	2,497,375	1,659,140	4,156,515
Disclosure fees	2,500	2,750	5,250
	6,494,875	1,661,890	8,156,765
			-
Transfers			
Transfer In	-	-	-
Wastewater User Fees - 431	3,050,095	1,661,890	4,711,985
Wastewater Connection Fees Capital Projects - 434	3,444,780	-	3,444,780
	6,494,875	1,661,890	8,156,765
			-
Net Annual Activity	\$ -	\$ -	\$ -



TAB 13 CAPITAL

CAPITAL IMPROVEMENT PROGRAM

MISSION STATEMENT

The Capital Improvement Program is a five-year plan of the public projects necessary to maintain and improve the public works of the City and the orderly implementation of the Stockton General Plan. The public works include buildings, parks, golf courses, utilities, and transportation systems.

Budget at a Glance:

Total Revenues	\$52,851,215
Total Expenditures	\$56,356,716
Total Net Cost	\$3,505,501

PROGRAM DESCRIPTION

The projects listed in the accompanying five-year Capital Improvement Plan (CIP) have a minimum estimated individual cost of \$50,000 and provide long-term assets that maintain and improve our community. Budgeted funds for each project cover design, construction, equipment, land purchases, project administration, and contingency costs. The Capital Improvement Program generally includes buildings, parks, golf courses, utilities, and transportation system projects. The costs identified in the first year of the program are appropriated as a part of the operating and capital budget process. Each year, the five-year plan is reviewed considering the City's needs, priorities, available funds, and revised as necessary.

PRIOR YEAR ACCOMPLISHMENTS

The City received \$20.1 million in Federal and State grants from the following sources: \$4.9 million from Highway Safety Improvement Program Cycle 9, \$9.3 million from Active Transportation Program Cycle 4, and \$5.9 million from Congestion Mitigation Air Quality 2019.

Measure K funding of \$4.0 million was also obtained to complete the design phase of the Lower Sacramento Road Widening Project north of Royal Oaks Drive. The City worked with the San Joaquin Regional Rail Commission to commence design of the Channel Street Complete Street project.

Major project completions:

- Pershing Avenue Adaptive Traffic Signal Control System
- March Lane Adaptive Traffic Signal Control System
- Rectangular Rapid Flashing Beacons – 14 Locations
- French Camp Road I-5 Interchange Landscaping
- Traffic Signal and Intersection Improvements Pacific/Castle & Hammer/Kelley
- Della Street Sanitary Sewer Rehabilitation
- Corporation Yard Central Stores Roof Reconstruction
- Fire Station No. 2 Kitchen
- Remodel Main Police Department Parking Lot Rehabilitation
- Traffic Calming installations in 16 residential neighborhoods
- Annual Street Resurfacing of existing street pavement

CAPITAL IMPROVEMENT PROGRAM

- Replacement and Upsizing of the Ferric Chloride Tanks at Regional Wastewater Control Facility (RWCF)
- Brookside Storm Pump Station Levee and Pipe Repairs Phase 1
- Storm Drain Stations & Forcemain Cathodic Protection Repairs
- Replacement of the RWCF Cogeneration Evaporative Cooling Tower and Gas Dyer

Key projects completed design and prepared for construction:

- New Northeast Stockton Library and Community Center
- Police Department Basement Remodel
- Cesar Chavez staff and children's bathroom remodel
- Install Pedestrian Crossings at 9 Intersections
- Wilson Way Corridor Project
- Filbert and Miner Traffic Signal Installation
- Bicycle Facilities Class II and III
- Miner Avenue Complete Streets Project
- Curb, Gutter, and Sidewalk Repairs
- Street Light Knockdown Replacement
- Local Street Resurfacing
- Street Resurfacing on Federal-Aid Streets
- The RWCF Modifications Project Phases 1, 2A, & 2B
- South East Water District Interconnect Hypochlorite Injection System
- Water Service Lateral Replacement
- Well Abandonments
- Brookside North Pump Station Discharge Pipe Rehabilitation
- 14 Mile Slough Pump Station Fencing

KEY CONSIDERATIONS

The CIP includes a list of projects with a total value of \$1.03 billion, including Municipal Utility projects of \$383.5 million, transportation projects of \$309.3 million, and other citywide projects of \$340.6 million. The first year of the CIP is financially constrained and reflects projects where the City has identified funding. The second year through the fifth year of the CIP, reflect the City's unfunded facility and transportation needs in addition to projects with identified or anticipated funding. The majority of the unfunded projects are in the fifth year. In accordance with the Long-Range Financial Plan, the CIP assumes \$1.1 million from the General Fund annually. This amount is insufficient to fund the General Fund capital improvement needs over the same five-year period, which are estimated at over \$250 million. In total, there is an additional \$476 million in unfunded needs identified in the plan. There are some projects the City expects to begin within the five years of this document, but the full project cost is not shown because the projects will not

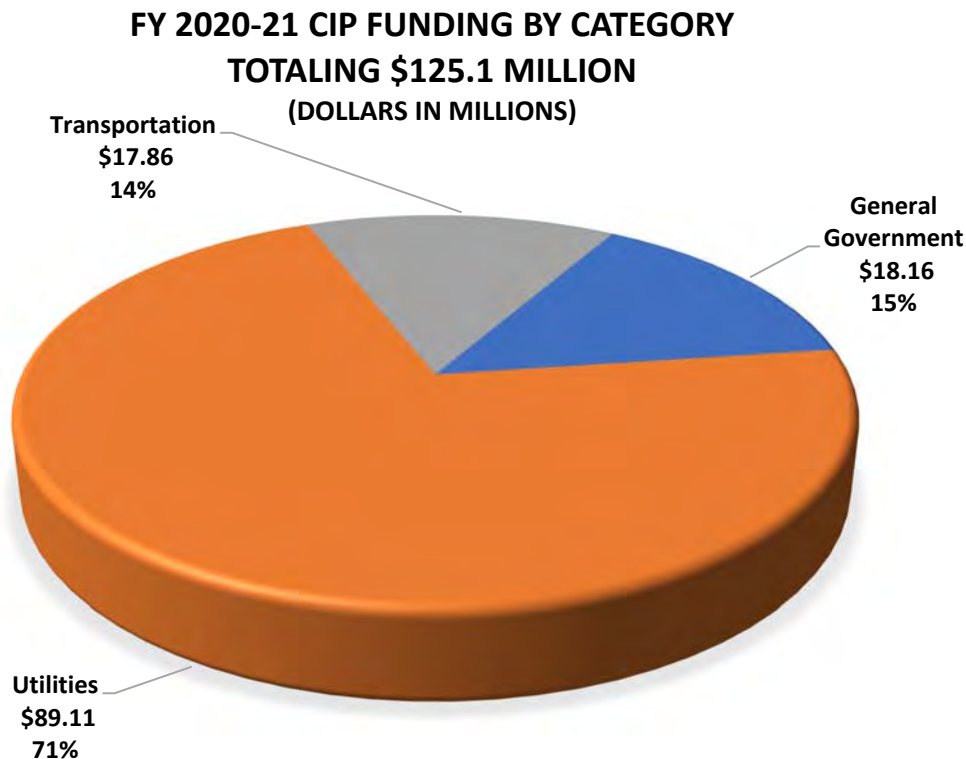
CAPITAL IMPROVEMENT PROGRAM

be completely funded until future years.

The capital program envisions funding \$125.1 million in projects in FY 2020-21. This year is the only year of the plan with available funding appropriated. FY 2020-21 funding by program is as follows: \$18.2 million for General Government projects; \$17.9 million for Transportation/Street projects; and \$89.1 million for Utilities projects. Of the \$18.2 million for General Government projects, \$6.2 million is from unrestricted General Fund sources, excluding Parking, Fleet, Library, Recreation, and one-time special reimbursements. Included in the General Government category is \$8.5 million from the State Proposition 68 grant for the McKinley Park and Recreation Center Renovation and Upgrades project. Proposed funding for utility projects is from utility fees.

The transportation projects assumed in the CIP require an allocation in FY 2020-21 of \$17.9 million, with \$5.0 million coming from State and Federal grants, \$5.3 million from Gas Tax Road Maintenance Rehabilitation Account, \$3.5 million from Measure K, and \$287,000 from the General Fund. Additional funding sources include Transportation Development Act monies and Public Facility Fees (PFF) paid by the development community for specific infrastructure improvements and other reimbursements.

The following chart summarizes the FY 2020-21 capital projects by the three categories in the CIP: General Government, Transportation, and Utilities.



CAPITAL IMPROVEMENT PROGRAM

General Government

This category includes improvements associated with City-owned facilities, including police, fire, parks, golf courses, libraries, community centers, and city buildings. The CIP assumes these improvements are funded from the General Fund, as well as dedicated funding sources such as PFF, Measure M Strong Communities, and other reimbursements.

The recommended General Fund allocation for capital projects in FY 2020-21 is \$6.2 million, which has been allocated to several projects that address the Council's strategic priorities relative to infrastructure. These projects are:

- Stribley Park Irrigation Well Abandonment and Reconstruction
- Arena and Ballpark Infrastructure Upgrade and Replacement
- Miracle Mile Parking Lots Resurfacing
- Fire Station No. 2 Window Replacement
- Waterfront Office Towers Renovations

The other significant project under General Government in FY 2020-21 is the McKinley Park and Recreation Center Renovation and Upgrades project. The total project cost is \$8.5 million, with funding from Proposition 68.

Transportation

The City funds improvements to its transportation system from non-General Fund sources that are restricted to transportation uses. These sources include State and Federal grants, Transportation Development Act, Gas Tax, SB 1 (RMRA), Measure K, PFF, and other reimbursements.

The transportation projects included in the CIP represent the City's continuing effort to improve traffic flow, safety, and personal mobility; reduce air pollution; accommodate growth; foster economic development; promote the use of alternate transportation modes; and preserve the transportation infrastructure. The City draws projects from many sources, including existing precise road plans, Circulation Element of the General Plan, Bicycle Master Plan, Safe Routes to School Plan, Downtown Active Transportation Plan, Complete Streets Plans and other planning documents from San Joaquin Council of Governments.

The City has been successful in obtaining significant funding for transportation projects from local, state, and federal funding sources. Based on past performance, the CIP includes an aggressive list of transportation projects for which the Department will seek grant funds to facilitate the design and construction of the needed improvements.

In general, the larger transportation projects included for funding in FY 2020-21 include:

- Fencing Along Smith Canal and Foot Bridge
- Leaking Underground Fuel Tank (LUFT) Program
- Safe Routes to School Sidewalk Improvements
- Neighborhood Traffic Calming Program

CAPITAL IMPROVEMENT PROGRAM

- Local Street Resurfacing
- Sidewalks, Curbs and Gutter Repair and Infill
- Arterial Road Resurfacing
- Traffic Management Center Upgrade
- California Street Road Diet/Bike Lanes
- Eight Mile Road Precise Road Plan
- Industrial Drive Extension
- Bridge Rehabilitation and Replacement
- Installation of Bus Detection Devices and Traffic Signal Upgrades (Bus Rapid Transit 1B and V Projects)

Utilities

The City funds capital improvements to its Water, Wastewater, and Stormwater utility systems from non-General Fund sources dedicated to utility operations, maintenance, and improvements. These sources include utility user fees, connection fees, and PFF.

The Municipal Utilities Department continues to budget new project funds in the Water Utility for improvements and repairs at Delta Water Treatment Plant and water service laterals at various locations. Other projects in the FY 2020-21 budget include the evaluation and rehabilitation of wells and reservoirs, a new water well, and lateral replacements.

The Regional Wastewater Control Facility Modifications Project, a major component of the 2011 Capital Improvement and Energy Management Plan (CIEMP), is a multi-year \$222 million project to repair, replace and upgrade the treatment process units at the Regional Wastewater Control Facility (RWCF). Upgrades and improvements to the RWCF were originally identified in the 2011 Capital Improvement and Energy Management Plan, and additional improvements are now necessary to meet treated wastewater discharge limits regulated by the Central Valley Regional Water Quality Control Board by June 1, 2024. The project has progressed steadily, with design plans now complete and construction currently underway. The Wastewater Utility is also proposing to fund other improvements both within the RWCF and throughout the City, such as rehabilitation of several trunk line facilities and pump stations, and an assessment of the solids handling processes at the RWCF. Other projects in the FY 2020-21 budget include:

- An update to the Wastewater Master Plan
- Veterans Affairs Medical Facility Sewer Line Extensions
- Preliminary engineering for a new RWCF Outfall
- RWCF Cogeneration Engine No. 3 Retrofit, Fuel Blending System Installation
- Sanitary Sewer Maintenance Hole Rehabilitation
- Ralph Avenue Sanitary Sewer Trunk Line Rehabilitation
- RWCF Bio-scrubber Assessment and Repair

CAPITAL IMPROVEMENT PROGRAM

The Stormwater Utility fee has been unchanged since 1992, and the utility's revenues have not kept pace with the costs for needed capital improvements. Therefore, the CIP moves a large number of capital improvement projects to later years. For FY 2020-21, available funding will be used to address a small fraction of needed pipeline deficiencies and development of a comprehensive citywide Stormwater Master Plan.

Capital Improvement Plan Operational Impact

The City of Stockton's capital improvement program is primarily focused on maintaining existing facilities and infrastructure. Of the \$125.1 million appropriated for capital projects in FY 2020-21, only a few capital projects are expected to impact ongoing operating costs. The ongoing operating costs are included in the City's budget and may include personnel, supplies, and contract costs needed to maintain completed projects.

The only brand-new facility in the capital plan is a combination library and recreation center in Northeast Stockton. Operations will be funded by the Strong Communities tax measure initially. Following expiration of the tax, operating costs will be absorbed by the General Fund. The Waterfront Towers – New City Hall Renovation and Relocation project will result in ongoing utility, janitorial, and building maintenance expenses, which will be offset by the closure of other office buildings and energy efficiency features. The anticipated expenditure changes related to these capital projects are planned in the City's Long-Range Financial Plan. The Regional Wastewater Control Facility Modifications Project, while a major facility upgrade, is not expected to result in additional staffing needs. Many features integrated in the project will be more efficient than the current facility and may result in cost savings. Projects for initial studies of facility renovations, such as the Aquatic Facilities Renovation and Replacement project, will further define the project scope so that future operating expenses can be estimated.

The Capital Improvement Plan includes development financed facilities and infrastructure through Public Facility Fees. The City has also established a Community Facilities District (CFD) to fund the cost of providing services to new residential development. The first few homes in this services CFD will start paying assessments in FY 2020-21.

**Capital Project Funds
Summary
FY 2020-21 Annual Budget**

	<u>General Government</u> <i>See Page M-8</i>	<u>Transportation Programs</u> <i>See Page M-9</i>	<u>Public Facilities Fees</u> <i>See Page M-10</i>	<u>Capital Improvement Total</u>
Beginning Available Balance	\$ 3,461,317	\$ 6,638,024	\$ 31,701,177	\$ 41,800,518
Revenues				
Grants	-	13,777,249	-	13,777,249
Fees	106,000	12,654,356	4,533,777	17,294,133
Investment Proceeds	-	60,000	265,010	325,010
Other Revenue	10,111,715	4,040,000	-	14,151,715
	<u>10,217,715</u>	<u>30,531,605</u>	<u>4,798,787</u>	<u>45,548,107</u>
Expenditures				
Capital Projects - General Government	6,362,000	8,500,000	-	14,862,000
Capital Projects - Transportation	287,000	14,092,218	3,230,000	17,609,218
Other	8,714,272	12,996,825	1,212,379	22,923,476
	<u>15,363,272</u>	<u>35,589,043</u>	<u>4,442,379</u>	<u>55,394,694</u>
Transfers				
Transfer In - General Fund	4,005,000	-	-	4,005,000
Transfer In - Successor Agency	2,920,108	-	-	2,920,108
Transfer In - Public Facilities Fees	-	-	378,000	378,000
Transfer Out	(584,022)	-	(378,000)	(962,022)
	<u>6,341,086</u>	<u>-</u>	<u>-</u>	<u>6,341,086</u>
Net Annual Activity	<u>1,195,529</u>	<u>(5,057,438)</u>	<u>356,408</u>	<u>(3,505,501)</u>
Ending Available Balance	<u>\$ 4,656,846</u>	<u>\$ 1,580,586</u>	<u>\$ 32,057,585</u>	<u>\$ 38,295,017</u>
			Revenues	\$ 45,548,107
			Transfers	7,303,108
			Total Sources	<u>\$ 52,851,215</u>
Reconciliation of Capital Funds				
Capital Projects	\$ 32,471,218		Expenditures	\$ 55,394,694
Public Works Fleet Internal Service Fund (pg. N-9)	249,000		Transfers	962,022
Economic Dev. Parking Authority (pg. I-39)	3,050,000		Total Capital Project Funds	<u>\$ 56,356,716</u>
Utilities (pg. J-9)	89,354,571			
Total Appropriations	<u>\$ 125,124,789</u>		Utilities Projects	<u>\$ 89,354,571</u>
Project Total by Category (pg. M-15)	<u><u>\$ 125,124,789</u></u>			

**Capital Project Funds
General Government Funds
FY 2020-21 Annual Budget**

	General Capital 301	Public Art 306	Strong Communities 083	General Government Total
			<i>See Page G-9</i>	
Beginning Available Balance	\$ 1,261,450	\$ 517,602	\$ 1,682,265	\$ 3,461,317
Revenues				
Other Revenue	511,715	-	9,600,000	10,111,715
Fees	-	-	106,000	106,000
Investment Proceeds	-	-	-	-
	511,715	-	9,706,000	10,217,715
Expenditures				
Capital Projects - General Government	6,185,000	-	177,000	6,362,000
Capital Projects - Transportation	287,000	-	-	287,000
Other Maintenance	-	461,492	-	461,492
Other Expenses	-	-	8,252,780	8,252,780
	6,472,000	461,492	8,429,780	15,363,272
Transfers				
Transfer In - General Fund	4,005,000	-	-	4,005,000
Transfer In - Successor Agency	2,920,108	-	-	2,920,108
Transfer Out - Low/Mod Housing	(584,022)	-	-	(584,022)
	6,341,086	-	-	6,341,086
Net Annual Activity	380,801	(461,492)	1,276,220	1,195,529
Ending Available Balance	\$ 1,642,251	\$ 56,110	\$ 2,958,485	\$ 4,656,846

**Capital Project Funds
Transportation Funds
FY 2020-21 Annual Budget**

	Gas Tax 030	Transportation Dev. Act. 034	Grants 038/304/308	Measure K Maintenance 082	Transportation Total
	<i>See Page F-11</i>			<i>See Page F-13</i>	
Beginning Available Balance	\$ 1,731,210	\$ 86,932	\$ -	\$ 4,819,883	\$ 6,638,024
Revenues					
Grants	-	303,249	13,474,000	-	13,777,249
Taxes	12,654,356	-	-	-	12,654,356
Reimbursements	-	-	-	4,040,000	4,040,000
Investment Proceeds	-	-	-	60,000	60,000
	12,654,356	303,249	13,474,000	4,100,000	30,531,605
Expenditures					
Capital Projects - General Government	-	-	8,500,000	-	8,500,000
Capital Projects - Transportation	5,275,000	303,249	4,974,000	3,539,969	14,092,218
Other	8,287,010	-	-	4,709,815	12,996,825
	13,562,010	303,249	13,474,000	8,249,784	35,589,043
Transfers					
Transfer In	-	-	-	-	-
Transfer Out	-	-	-	-	-
	-	-	-	-	-
Net Annual Activity	(907,654)	-	-	(4,149,784)	(5,057,438)
Ending Available Balance	\$ 823,556	\$ 86,932	\$ -	\$ 670,099	\$ 1,580,586

**Capital Project Funds
Public Facilities Fee
FY 2020-21 Annual Budget**

	Traffic Signals Citywide 900	Traffic Signals Zone 1 901	Traffic Signals Zone 2 902	Traffic Signals Zone 3 903	Traffic Signals Zone 4 904
Beginning Available Balance	\$ 465,646	\$ 241,637	\$ 241,869	\$ 317,180	\$ 173,743
Revenues					
Fees	30,000	18,100	25,800	2,900	23,000
Investment Proceeds	2,100	1,100	1,200	1,500	900
	32,100	19,200	27,000	4,400	23,900
Expenditures					
Capital Projects	-	-	-	-	-
Other	-	-	-	-	-
	-	-	-	-	-
Transfers					
Transfer In	-	-	-	-	-
Transfer Out	-	-	-	-	-
	-	-	-	-	-
Net Annual Activity	32,100	19,200	27,000	4,400	23,900
Ending Available Balance	\$ 497,746	\$ 260,837	\$ 268,869	\$ 321,580	\$ 197,643

**Capital Project Funds
Public Facilities Fee, Continued
FY 2020-21 Annual Budget**

	Street Improvements Citywide 910 - 915	Street Improvements Reg Traffic 917	Community Recreation Centers-Citywide 920	City Office Space 930	Fire Station Citywide 940
Beginning Available Balance	<u>\$10,775,735</u>	<u>\$ 9,305,320</u>	<u>\$ 40,741</u>	<u>\$ 294,563</u>	<u>\$ 173,145</u>
Revenues					
Fees	1,443,777	1,530,000	25,000	51,600	170,000
Investment Proceeds	57,190	56,100	250	720	2,100
	<u>1,500,967</u>	<u>1,586,100</u>	<u>25,250</u>	<u>52,320</u>	<u>172,100</u>
Expenditures					
Capital Projects	3,230,000	-	-	-	-
Other	1,000,000	3,000	-	-	-
	<u>4,230,000</u>	<u>3,000</u>	<u>-</u>	<u>-</u>	<u>-</u>
Transfers					
Transfer In	213,000	-	-	-	-
Transfer Out	-	-	(25,000)	-	(165,000)
	<u>213,000</u>	<u>-</u>	<u>(25,000)</u>	<u>-</u>	<u>(165,000)</u>
Net Annual Activity	<u>(2,516,033)</u>	<u>1,583,100</u>	<u>250</u>	<u>52,320</u>	<u>7,100</u>
Ending Available Balance	<u>\$ 8,259,702</u>	<u>\$ 10,888,420</u>	<u>\$ 40,991</u> (a)	<u>\$ 346,883</u>	<u>\$ 180,245</u> (a)

(a) These fee programs have been over leveraged with spending outpacing available revenues.

Capital Project Funds
Public Facilities Fee, Continued
FY 2020-21 Annual Budget

	<u>Library Citywide 950</u>	<u>Police Station Expansion 960</u>	<u>Parkland Citywide 970</u>	<u>Street Trees 978</u>	<u>Street Signs 979</u>
Beginning Available Balance	\$ 259,150	\$ 184,898	\$ 4,766,322	\$ 42,885	\$ 30,956
Revenues					
Fees	150,000	188,000	10,000	-	600
Investment Proceeds	20,000	-	100,000	6,500	2,000
	<u>170,000</u>	<u>188,000</u>	<u>110,000</u>	<u>6,500</u>	<u>2,600</u>
Expenditures					
Capital Projects		-	-	-	-
Other	-	-	100,000	-	-
	<u>-</u>	<u>-</u>	<u>100,000</u>	<u>-</u>	<u>-</u>
Transfers					
Transfer In	165,000	-	-	-	-
Transfer Out	-	(188,000)	-	-	-
	<u>165,000</u>	<u>(188,000)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Annual Activity	<u>335,000</u>	<u>-</u>	<u>10,000</u>	<u>6,500</u>	<u>2,600</u>
Ending Available Balance	<u>\$ 594,150</u>	<u>\$ 184,898</u>	<u>\$ 4,776,322</u>	<u>\$ 49,385</u>	<u>\$ 33,556</u>
		(a)			

(a) These fee programs have been over leveraged with spending outpacing available revenues.

**Capital Project Funds
Public Facilities Fee, Continued
FY 2020-21 Annual Budget**

	Street Lights City Wide 980	Street Lights Zone 1 981	Street Lights Zone 3 & 4 983	Street Lights Zone 5 985	Air Quality 990	Public Facilities Total
Beginning Available Balance	\$ 12,102	\$ 14,811	\$ 41,379	\$ 20,268	\$ 4,298,827	\$ 31,701,177
Revenues						
Fees	-	-	-	-	865,000	4,533,777
Investment Proceeds	1,000	150	700	1,500	10,000	265,010
	1,000	150	700	1,500	875,000	4,798,787
Expenditures						
Capital Projects	-	-	-	-	-	3,230,000
Other	-	-	-	-	109,379	1,212,379
	-	-	-	-	109,379	4,442,379
Transfers						
Transfer In	-	-	-	-	-	378,000
Transfer Out	-	-	-	-	-	(378,000)
	-	-	-	-	-	-
Net Annual Activity	1,000	150	700	1,500	765,621	356,408
Ending Available Balance	\$ 13,102	\$ 14,961	\$ 42,079	\$ 21,768	\$ 5,064,448	\$ 32,057,585



**FY 2020-2025 Capital Improvement Plan
Five Year Capital Summary by Program
(Dollars in thousands)**

	Remaining Appropriation 6/30/19	FY 2019-20 Adopted	FY 2020-21 Proposed	FY 2021-22 Projected	FY 2022-23 Projected	FY 2023-24 Projected	FY 2024-25 Projected
General Government							
Citywide	9,259	440	5,986	18,075	8,050	1,650	200,400
Golf	-	-					
Economic Development	-	-	3,050	450	1,700	200	200
Library	1,497	19,430	-	1,665	-	7,335	-
Recreation	5,332	-	8,677	-	809	357	8,948
Fire	725	141	166	1,178	12,534	-	24,902
Police	2,885	400	-	1,218	1,648	8,666	-
Parks & Trees	5,903	86	282	603	70	-	21,817
	<u>25,600</u>	<u>20,497</u>	<u>18,161</u>	<u>23,189</u>	<u>24,811</u>	<u>18,208</u>	<u>256,267</u>
Transportation/Streets	<u>62,996</u>	<u>46,120</u>	<u>17,855</u>	<u>30,308</u>	<u>23,710</u>	<u>50,771</u>	<u>186,708</u>
Utilities	<u>47,470</u>	<u>74,668</u>	<u>89,108</u>	<u>98,462</u>	<u>92,590</u>	<u>61,236</u>	<u>42,142</u>
Total CIP Program	<u>136,066</u>	<u>141,284</u>	<u>125,124</u>	<u>151,958</u>	<u>141,110</u>	<u>130,215</u>	<u>485,117</u>



FY 2020-2025 Capital Improvement Plan
Five Year Capital Summary by Fund
(Dollars in thousands)

	Fund Number	Remaining Appropriation 6/30/19	FY 2019-20 Adopted	FY 2020-21 Proposed	FY 2021-22 Projected	FY 2022-23 Projected	FY 2023-24 Projected	FY 2024-25 Projected
General Government and Grants								
Other Reimbursements	020	-	-	-	150	1,500	-	-
Gas Tax	030	4,649	5,215	5,275	5,005	4,715	4,715	1,700
Transportation Dev Act	034	371	279	303	290	296	302	310
Federal Grants	038/308	23,514	19,911	4,566	16,881	5,891	2,696	2,696
State Grants	304	-	-	8,907	102	1,126	-	-
Landscape Maint Dist	072	-	-	-	-	-	-	-
Measure K Renewal	080	6,537	11,692	-	-	-	-	-
Measure K Maintenance	082	8,679	5,738	3,540	5,888	4,595	3,816	3,790
Strong Communities	083	5,027	10,920	177	1,665	809	7,692	1,943
Entertainment Venues	086	-	-	-	1,650	-	50	-
General Capital Fund	301	20,632	1,207	6,472	18,007	1,297	1,375	11,996
Strong Neighborhoods	305	477	-	-	-	-	-	-
Parking Authority	419	-	-	3,050	100	200	200	200
Boat Launching/Marina	045/460	-	-	-	400	200	200	-
Fleet ISF	501	150	40	249	-	-	-	-
		70,035	55,002	32,539	50,138	20,629	21,046	22,635
Public Facilities Fees								
Traffic Signals	900-904	56	-	2,070	-	-	-	-
Street Improvement	910-915	13,636	3,000	200	300	300	300	300
Regional Streets	917	-	-	-	-	-	-	-
Library	950	774	8,330	-	-	-	-	-
Parkland	970	2,510	-	-	-	-	-	14,424
Street Trees	978	342	-	960	138	-	-	-
Street Signs	979	140	-	-	-	-	-	-
Street Lights	980-985	531	-	-	-	-	-	-
Air Quality	990	573	-	-	692	6,575	-	-
		18,561	11,330	3,230	1,130	6,875	300	14,724
Utilities								
Water	423/427	4,862	4,862	6,262	3,549	3,102	962	4,362
Wastewater	437	35,417	68,243	82,523	92,980	88,466	59,440	36,878
Stormwater	447	7,192	1,849	570	1,934	1,020	834	903
		47,470	74,953	89,355	98,463	92,588	61,236	42,143
Unfunded								
Unidentified Funding		-	-	-	2,227	21,018	47,633	405,615
Total CIP Funding		136,066	141,284	125,124	151,958	141,110	130,215	485,117

FY 2020-2025 Capital Improvement Plan
Project List by Category
(Dollars in thousands)

	Project Number	Remaining Balance as of 6/30/19	FY 2019-20 Adopted	FY 2020-21 Proposed	FY 2021-22 Projected	FY 2022-23 Projected	FY 2023-24 Projected	FY 2024-25 Projected
City-Wide								
ADA Compliance Program (General)	PW1701	75	-	-	100	100	100	100
ADA Compliance Program	PW7022	189	-	-	-	-	-	-
Arena and Ballpark Infrastructure Upgrade and Replacement Project	ED8601	-	-	150	150	150	750	-
Arena Video Equipment and Scoreboard	EV3661	-	-	-	1,500	-	-	-
Asbestos Removal City Buildings	PW7002	13	-	-	-	-	-	-
Bob Hope Theatre Facilities and HVAC Repairs	0000	-	-	-	150	-	50	-
Buckley Cove Inlet Dredging	0000	-	-	-	150	1,500	-	-
Build Fleet Parts Supply Warehouse	0000	-	-	100	-	-	-	-
City Facility Assessment Rehabilitation Program	0000	-	-	-	-	-	-	200,000
Downtown Acquisition/Demolition	PW7102	31	-	-	-	-	-	-
Emergency Back up Generators	PW1822	150	-	-	-	-	-	-
Evaluation of Fuel Storage/Dispensing Sites	PW1501	50	-	-	-	-	-	-
Historic City Hall Renovations	0000	-	-	-	558	5,442	-	-
Janet Leigh Plaza Pedestrian Improvements	0000	-	-	-	-	-	250	-
Marina Sail Covering Replacement Project	ED8605	-	-	-	200	200	200	-
Miracle Mile Parking Lots Resurfacing	PW2121	-	-	277	277	358	-	-
Oak Park Ice Arena Upgrades and Rehabilitation	ED8604	477	-	-	100	100	100	100
Paint Shop Building Conversion	0000	-	-	149	-	-	-	-
Re-roofing City Buildings	PW7087	316	-	-	-	-	-	-
Roof Replacement and Construction Program	PW1320	828	400	-	200	200	200	200
SEB Public Works Relocation	PW1614	1,072	-	-	-	-	-	-
Vehicle and Equipment Wash Rack Improvements and Upgrades	PW1616	-	40	-	-	-	-	-
Waterfront Towers - New City Hall Renovations and Relocation	PW1615	6,058	-	5,310	14,690	-	-	-
Total City-Wide		9,259	440	5,986	18,075	8,050	1,650	200,400
Library								
Cesar Chavez Library Remodel	0000	-	-	-	665	-	7,335	-
Chavez Library Restroom Renovations and ADA Compliance - Children's Area	PW1408	9	-	-	-	-	-	-
Chavez Library Upgrades and Maintenance	PW1509	81	-	-	-	-	-	-
Chavez Library Restroom Renovations and ADA Compliance - Staff	PW1620	239	180	-	-	-	-	-
Northeast Stockton McNair Library and Recreation Center	PW1724	1,050	19,250	-	1,000	-	-	-
Troke Program Room Remodel	PW1728	118	-	-	-	-	-	-
Total Library		1,497	19,430	-	1,665	-	7,335	-
Recreation								
Aquatic Facilities Renovation and Replacement	PW1820	1,710	-	177	-	809	357	1,943
Civic Auditorium Stage Controls/Rigging	PW1409	107	-	-	-	-	-	623
Civic Auditorium Upgrades	0000	-	-	-	-	-	-	1,324

FY 2020-2025 Capital Improvement Plan
Project List by Category
(Dollars in thousands)

	Project Number	Remaining Balance as of 6/30/19	FY 2019-20 Adopted	FY 2020-21 Proposed	FY 2021-22 Projected	FY 2022-23 Projected	FY 2023-24 Projected	FY 2024-25 Projected
Louis Park Softball Complex Parking Lot & Walk Improvements	PW1323	-	-	-	-	-	-	520
McKinley Park & Recreation Center Renovation & Upgrades	PW2117	-	-	8,500	-	-	-	-
McNair Soccer Complex - Fencing, Gate & Turf Improvements	PW1624	19	-	-	-	-	-	-
Oak Park Facilities Upgrades	0000	-	-	-	-	-	-	3,606
Oak Park Tennis Center Upgrades	0000	-	-	-	-	-	-	820
Park Sportfield Lighting Repairs	0000	-	-	-	-	-	-	112
Recreation Facilities Upgrade	PW1537	169	-	-	-	-	-	-
Swimming Pool Evaluations	PW1513	404	-	-	-	-	-	-
Stockton Soccer Complex Upgrades and Maintenance Program	PW1510	2,923	-	-	-	-	-	-
Total Recreation		5,332	-	8,677	-	809	357	8,948
Total Community Services		6,829	19,430	8,677	1,665	809	7,692	8,948
Economic Development								
Parking Authority								
Buckley Cove Parking Lot Pavement Resurfacing	0000	-	-	-	200	-	-	-
Parking Garage Elevator Upgrade Project	0000	-	-	1,000	-	-	-	-
Parking Lot Resurfacing and Upgrade Project	0000	-	-	-	100	200	200	200
Parking Revenue Control System Replacement Project	0000	-	-	2,000	-	-	-	-
Parking Signage Project	ED4181	-	-	50	-	-	-	-
Weber Parking Lot Construction	0000	-	-	-	150	1,500	-	-
Total Parking Authority		-	-	3,050	450	1,700	200	200
Total Economic Development		-	-	3,050	450	1,700	200	200
Public Safety - Fire								
Emergency Vehicle Pre-emption	0000	-	-	-	-	-	-	550
Fire House Seismic Evaluations - Citywide	0000	-	-	-	-	-	-	298
Fire Station No. 11 Driveway and Parking Lot Replacement - Back of Station	0000	-	-	-	459	-	-	-
Fire Station Asphalt Preservation	0000	-	-	-	197	-	-	-
Fire Station Interior Apparatus Bay Painting	0000	-	-	-	-	-	-	372
Fire Station Landscaping - Design & Construction	0000	-	-	-	-	-	-	654
Fire Station No. 13 Storage and Driveway Improvements	0000	-	-	-	-	-	-	458
Fire Station No. 14 Concrete Driveway and Parking Lot	0000	-	-	-	522	-	-	-
Fire Station No. 2 Parking Lot	0000	-	-	-	-	500	-	-
Fire Station No. 2 Window Replacement	PW1819	387	20	166	-	-	-	-
Fire Station No. 2 Burn Room	PW1503	7	-	-	-	-	-	-
Fire Station No. 3 Reconstruction	0000	-	-	-	-	-	-	11,144
Fire Station No. 5 Concrete Driveway and Parking Lot Replacement	0000	-	-	-	-	500	-	-
Fire Station No. 6 Reconstruction	0000	-	-	-	-	-	-	11,144

FY 2020-2025 Capital Improvement Plan
Project List by Category
(Dollars in thousands)

	Project Number	Remaining Balance as of 6/30/19	FY 2019-20 Adopted	FY 2020-21 Proposed	FY 2021-22 Projected	FY 2022-23 Projected	FY 2023-24 Projected	FY 2024-25 Projected
Fire Station Nos. 2,4,5,6,7,9,10,&14 Exterior Painting	PW1706	10	121	-	-	-	-	-
Fire Station Security Systems	PW1707	321	-	-	-	-	-	-
Public Parking in Front of Fire Stations	0000	-	-	-	-	-	-	283
Regional Dispatch Center	0000	-	-	-	-	11,534	-	-
Total Public Safety - Fire		725	141	166	1,178	12,534	-	24,902
Public Safety - Police								
Animal Shelter Renovation	PW1321	60	-	-	500	344	-	-
Police Department Under Freeway Parking	PW1621	19	-	-	-	-	-	-
Police Facilities	PW1535	2,806	400	-	-	1,304	8,666	-
Replace Modular Buildings at Firing Range, Officer Training, Rangemaster's Office, etc.	0000	-	-	-	718	-	-	-
Total Public Safety - Police		2,885	400	-	1,218	1,648	8,666	-
Municipal Utilities								
Wastewater (Sanitation)								
2016 Sanitary Sewer Rehabilitation	M16006	832	-	-	-	-	-	-
2017 Sanitary Sewer Rehabilitation - Phase II	M19001	600	-	187	-	-	-	-
Abandon Old Brookside Sanitary Sewer Pump Station	M20015	-	193	-	-	-	-	-
Alexandria Place Sewer Rehabilitation	M15001	747	-	-	-	-	-	-
Airport Way Sewer Trunk Rehabilitation (SJC Fairgrounds to Ralph Ave.)	MXXXXX	-	-	613	4,372	-	-	-
Assessment of Various Unit Processes in the RWCF	M20021	-	300	604	-	-	-	-
Asset Condition Assessment for Sanitary Sewer Force mains	M20018	-	480	596	-	-	-	-
Asset Condition Assessment for Sanitary Sewer Pump Stations	M20019	-	519	-	-	-	-	-
Black Oak Public Utilities Easement Sewer Rehabilitation	M15002	193	-	-	-	-	-	-
Bianchi and Calaveras River Storm Station New Sanitary Sewer Line Installation	MXXXXX	-	-	-	-	378	-	-
Brookside and I-5 Pump Station Emergency Power	MXXXXX	-	-	-	-	-	236	-
Brookside Estates Sanitary Sewer Pump Station	MXXXXX	-	-	-	-	288	-	-
California Street Road Diet Sanitary Sewer Rehabilitation	PW1805	-	-	15	610	-	-	-
Clean Water State Revolving Fund	M14030	(31)	-	-	-	-	-	-
Congregation No. 1 & No. 4 Overhaul	M16009	928	-	-	-	-	-	-
Congregation Evaporative Cooling Tower Replacement	M18013	391	-	-	-	-	-	-
Del Norte Street Sewer Rehabilitation	MXXXXX	-	-	-	-	-	-	8,333
Della Street Sanitary Sewer Line Rehabilitation	M17025	390	-	-	-	-	-	-
Digesters 4, 5 - 36 Valves	M16011	828	-	-	-	-	-	-
Downtown Sewer Collection System	M17018	15	244	250	271	278	7,141	-

FY 2020-2025 Capital Improvement Plan
Project List by Category
(Dollars in thousands)

	Project Number	Remaining Balance as of 6/30/19	FY 2019-20 Adopted	FY 2020-21 Proposed	FY 2021-22 Projected	FY 2022-23 Projected	FY 2023-24 Projected	FY 2024-25 Projected
El Dorado Street (Alpine to Wyandotte) Rehabilitation	MXXXXX	-	-	-	-	229	1,119	-
El Dorado Street (Fremont to Oak Street) Sewer Line Rehabilitation	MXXXXX	-	-	-	-	98	520	-
EL Dorado Street (Market to Fremont) Sewer Line Rehabilitation	MXXXXX	-	-	-	-	-	1,868	-
Etna Street Rehabilitation	MXXXXX	-	-	-	-	900	10,795	-
FY 17-18 Maintenance Hole Rehabilitation	M18054	270	-	-	-	-	-	-
Ferric Tanks Digester Feed	M17008	71	-	-	-	-	-	-
Five Mile Slough Force Main Assessment	M18015	317	-	-	-	-	-	-
Fourteen Mile Slough Pump Station	M20022	-	82	347	3,124	-	-	-
Harding Way Sewer Rehabilitation	MXXXXX	-	-	-	-	-	-	1,572
Hazelton Avenue Sewer Trunk Rehabilitation (Della to Pilgrim Streets)	MXXXXX	-	-	-	-	-	2,147	-
Highway 99 at Farmington Fresh Sewer	M14034	422	-	-	-	-	-	-
Howard Street Sanitary Sewer Line Rehabilitation	M18031	108	431	-	-	-	-	-
Kelley and Mosher Slough Sanitary Sewer Pump Station	MXXXXX	-	-	-	-	820	-	-
Lincoln Road Sewer Trunk Rehabilitation - Pershing Ave. and Alexandria Pl.	M21018	-	-	585	3,620	-	-	-
Lincoln Street Sanitary Sewer Pump Station and Forcemain	MXXXXX	-	-	-	-	603	7,987	-
Longview Avenue Sewer Rehabilitation - Pacific Ave. to El Dorado St.	MXXXXX	-	-	-	109	977	-	-
Louis Park Access Road	MXXXXX	-	-	163	-	-	-	-
March Lane Sewer Trunk Rehabilitation (I-5 to Brookside Sewer pump station)	MXXXXX	-	-	-	-	1,119	5,089	-
Market Street Sanitary Sewer Upsize	M18014	3,429	-	-	-	-	-	-
Mormon Slough Sanitary Sewer Line Rehabilitation	M18030	182	1,933	-	1,087	-	-	-
MUD Cogeneration HVAC and Reroofing	M15006	296	-	-	-	-	-	-
Myrtle Street Sanitary Sewer Line Rehabilitation	M17024	2,249	-	-	-	-	-	-
Navy Drive Sewer Trunk Line (Between I-5 and Fresno Ave.)	M15003	6,011	-	-	-	-	-	-
Navy Drive 30" and 24" Sewer Trunk	M16004	2,594	-	-	-	-	-	-
North Pump Station Assessment and Improvement	M19002	264	-	-	-	-	-	-
Oak Street Sewer Trunk Rehabilitation (Wilson Way to Pershing Avenue)	M20016	-	949	-	-	11,611	-	-
Pardee Lane Rehabilitation	MXXXXX	-	-	-	-	-	897	15,813
Pershing Avenue Sewer Trunk Line	M16003	1,586	-	-	-	-	-	-

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Project List by Category
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Pershing Avenue Sewer Trunk Rehabilitation (Oak Street to Tuxedo Avenue)	MXXXXX	-	-	-	4,372	-	-	-
Pershing Avenue Sewer Trunk Rehabilitation (Church Street to Navy Drive)	M17023	2,427	-	-	-	94	1,504	-
Pilgrim and Union Streets Easement Sanitary Sewer Rehabilitation	M18032	79	388	-	-	-	-	-
Plymouth & Five Mile Creek Sanitary Sewer Pump Station	MXXXXX	-	-	-	95	2,092	-	-
Pump Station Pipe Inspection	M16013	717	-	-	-	-	-	-
Quail Lakes Sanitary Sewer Lift Station Upgrade/Rehabilitation	M21015	-	-	191	608	-	-	-
Ralph Avenue Sewer Trunk Line Rehabilitation - Phase II	M18024	-	1,037	9,475	-	-	-	-
Regional Wastewater Control Facility Main Plant Flood Study	M21008	-	-	260	-	-	-	-
Regional Wastewater Control Facility Main Plant Switchgear Upgrade with Load Shedding	MXXXXX	-	-	-	-	117	112	112
Regional Wastewater Control Facility Modifications Project - Progressive Design Build	M16022	-	-	50,274	61,794	53,518	9,128	-
Regional Wastewater Control Facility Pond No. 1 Cleaning	M18011	250	-	750	2,281	2,281	2,281	2,281
Rehabilitate Digesters A & B for Sludge Storage	M09006	-	-	-	1,990	1,990	-	-
Replacement of Compressors at Tertiary and Main Plants	M20012	-	374	376	-	-	-	-
Replacement of valve for the Secondary Clarifier No. 1	M20013	-	237	-	-	-	-	-
Rosemarie Lane Sewer Rehabilitation	MXXXXX	-	-	-	-	-	-	1,880
RWCF 2017 Paving	M16021	572	-	-	-	-	-	-
RWCF 60 KV Transformer Replacement	M21010	-	-	2,103	-	-	-	-
RWCF Bio-Scrubber Repairs	M21011	-	-	903	-	-	-	-
RWCF CIEMP Program Design	M16022	-	44,119	-	-	-	-	-
RWCF CIEMP Environmental Impact Report	M12019	190	-	-	-	-	-	-
RWCF - Coating for Digester Gas Holder	M21012	-	-	293	-	-	-	-
RWCF - Cogeneration Engine No. 1 Rebuild	MXXXXX	-	-	-	-	802	-	-
RWCF - Cogeneration Engine No. 3 Retrofit, Fuel Blending System	M20014	-	478	442	-	-	-	-
RWCF - Cogeneration Engine No. 4 Rebuild	MXXXXX	-	-	-	-	-	760	-
RWCF - Cogeneration Gas Dryer	M14011	446	-	-	-	-	-	-
RWCF - Electrical MCC Upgrades	M18010	291	-	350	-	-	-	-
RWCF - New Outfall at the Main Plant Site (eastern side) of the San Joaquin River	M20023	-	1,041	2,070	2,072	5,194	76	-
RWCF Primary Treatment Process Rehabilitation	M19004	549	-	-	-	-	-	-
RWCF Recycle Water Pump Station Rehabilitation	M21014	-	-	316	-	-	-	-
RWCF - Replace Digester Gas Pipeline Expansion Joints	M21013	-	-	107	-	-	-	-
RWCF SCADA Master Plan	M14010	580	-	-	-	-	-	-

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RWCF Sludge Day Tank Mixing Rehabilitation	MXXXXX	-	-	-	162	158	-	-
Ryde Avenue Sewer Rehabilitation	MXXXXX	-	-	-	-	-	-	3,390
Sanitary Sewer and Forcemain Cathodic Protection Repairs - Priority 3	M17014	87	1,708	-	-	-	-	-
Sanitary Sewer Extension for VA Medical Facility in French Camp	M20025	694	328	-	-	-	-	-
Sanitary Sewer Large Diameter Lines Rehabilitation	M20020	-	400	1,442	369	835	947	-
Sanitary Sewer Maintenance Hole Rehabilitation Project	M20011	-	300	300	300	300	300	-
Sanitary Sewer Master Plan Update	M20024	-	955	-	-	-	-	-
Sanitary Sewer Small Diameter Lines Replacement	M21016	-	-	378	1,472	-	-	-
Sanitary Sewer Street Improvements	M20017	(24)	93	-	-	-	-	-
Sanitary Sewer Trunk Line Rehabilitation Project (Navy Drive and I-5)	M17026	1,645	-	2,012	-	-	-	-
Sanitary System Street Improvements	M18052	5	-	-	-	-	-	-
Sewer Pump Station Rehabilitation	M13010	230	-	-	-	-	-	-
Scotts Avenue Rehabilitation	MXXXXX	-	-	-	-	-	313	-
Scum Hopper	M17004	631	-	-	-	-	-	-
Sewer System Street Improvements Reimbursements	M21020	-	-	166	15	15	15	15
Sierra Nevada Street Sanitary Sewer Line Rehabilitation	M18029	154	1,553	-	-	-	-	-
South Tuxedo Avenue Sewer Trunk Rehabilitation	MXXXXX	-	-	-	-	512	-	-
Sperry Road/Gibraltar Court Sanitary Sewer Rehabilitation	MXXXXX	-	-	-	-	555	4,067	-
Storm Statins Cathodic RPR	M16010	855	-	-	-	-	-	-
Swain Road and Alturas Avenue Sewer Rehabilitation	MXXXXX	-	-	-	-	57	516	-
Swenson & Five Mile Creek Sanitary Sewer Pump Station	MXXXXX	-	-	-	85	2,753	-	-
Thornton and Davis Road Sanitary Sewer	M13009	477	-	-	-	-	-	-
Union Street Rehabilitation - Harding Avenue to Acacia Street	MXXXXX	-	-	199	1,179	-	-	-
Veteran Affairs Medical Center Off-Site Improvements	M20026	447	5,219	6,733	2,993	-	-	-
Water Field Office Remodel	M14014	1,837	-	-	-	-	-	-
West Lane and Calaveras River North Storm Station New Sanitary Sewer Line Installation	MXXXXX	-	-	-	-	135	811	-
West Lane and Calaveras River South Storm Station New Sanitary Sewer	MXXXXX	-	-	-	-	135	811	-
Worth Street Sanitary Sewer Line Rehabilitation	M18028	597	4,847	-	-	-	-	-
Wyandotte Street Sewer Rehabilitation	MXXXXX	-	-	-	-	-	-	3,482
Total Wastewater		36,427	68,207	82,499	92,979	88,845	59,438	36,878
Stormwater (Drainage)								
1025 E. Park Street Storm Drain	M16007	33	-	-	-	-	-	-
2020 Storm Line Replacement	M20008	-	279	-	-	-	-	-
Abandonment of Wells 4 & 7	M13016	292	-	-	-	-	-	-

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Alexandria and 14-Mile Slough Storm Drain Pump Station	MXXXXX	-	-	-	-	69	412	-
Assess Condition Assessment for Stormwater Pump Stations	M20010	-	-	-	1,400	-	-	-
Blossom Ranch Storm Drain Pump Station	MXXXXX	-	-	-	-	-	86	-
Charter Way and Tillie Lewis Drive Flood Relief	MXXXXX	-	-	-	-	-	-	321
Charter Way Subway Storm Pump	M16001	72	-	-	-	-	-	-
Charter/Walnut Storm Pump	M16002	12	-	-	-	-	-	-
Charter Way and Walnut Plant Storm Drain Pump Station	MXXXXX	-	-	-	-	20	221	-
Charter Way Subway Storm Drain Pump Station	MXXXXX	-	-	-	-	72	65	-
Discharge Pipe Replacement - San Joaquin River at Hwy 4 Storm Station	M17021	239	-	147	-	-	-	-
DSWP Treatment Plant Intake	M17029	465	-	-	-	-	-	-
El Dorado Street Storm Drain Installation	MXXXXX	-	-	-	-	-	-	345
Harding Way Subway Storm Pump	M15010	40	-	-	-	-	-	-
Mission Road Storm Drainage Installation	MXXXXX	-	-	-	-	-	-	237
North Stockton Chloramine Conversion	M17012	2,662	-	-	-	-	-	-
Pipe Replacement Sutter/Calaveras River	M17022	281	-	-	-	-	-	-
Pump Station Discharge Modification for Pipe Inspections	M16013	717	-	-	534	-	-	-
Reimbursement for Blossom Ranch Drainage Study	M17033	262	52	-	-	-	-	-
Rose Street Storm Line Upsize	M18045	81	342	207	-	-	-	-
SEWD North and South Aqueducts	M18001	249	-	-	-	-	-	-
Spanos Park West Infiltration Assessment	MXXXXX	-	-	-	-	73	-	-
Storm Drain Master Plan	M20009	-	994	-	-	-	-	-
Storm System Street Improvements	M20007	52	-	-	-	-	-	-
Underground Emergency Repairs	M17027	(7)	-	-	-	-	-	-
Water Wells 25 & 26	M14020	857	-	-	-	-	-	-
West Lane and Mosher Slough Storm Drain Pump Station	MXXXXX	-	-	-	-	329	-	-
Western Pacific Stormwater Pump Station Improvements	MXXXXX	-	-	-	-	-	50	-
Weston Ranch Infiltration Assessment	MXXXXX	-	-	-	-	79	-	-
Wilson Way Subway Storm Pump	M15011	30	-	-	-	-	-	-
Total Stormwater (Drainage)		6,337	1,667	354	1,934	642	834	903
Water								
16" Water Line Along I-5 North of East Roth Road	MXXXXX	-	-	-	-	-	87	637
Abandonment of Wells 1, 9, 11 & 16	M18004	47	352	-	-	-	-	-
Advanced Metering Infrastructure	MXXXXX	-	-	-	-	-	-	491
Cathodic Protection for Potable Water Line at Bear Creek and Trinity Pkwy	M21003	-	-	121	-	-	-	-

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Delta Water Treatment Plant - Intake	M17029	564	-	-	-	-	-	-
Henry Long Loop Reimbursement	MXXXXX	-	-	-	-	-	-	134
Holman Road/Hendrix Drive to Eight Mile Oversizing	MXXXXX	-	-	-	-	-	-	216
Intake Pump Station Discharge Pipe Support Study	M21002	-	-	150	-	-	-	-
Lower Sacramento Road Water Main between Marlette and Eight Mile Roads	MXXXXX	-	-	-	-	-	-	206
Newcastle Loop Phase II	M18053	3,001	-	-	-	-	-	-
Northeast Reservoir No. 1 and Pump Station	MXXXXX	-	-	-	-	-	558	-
Origone Ranch Oversizing Reimbursement	MXXXXX	-	-	-	-	-	-	262
Preserve/Atlas Tract Oversizing Reimbursements	MXXXXX	-	-	-	-	-	-	483
Sanctuary/Shima Tract Oversizing Reimbursement	MXXXXX	-	-	-	-	-	-	1,726
Water - Groundwater Recharge Basin	M21005	-	-	329	-	-	-	-
Water Main Relocation along Bonniebrook Drive	M21004	-	-	281	-	-	-	-
Water Master Plan Update	M20006	-	994	-	-	-	-	-
Water Service Lateral Replacement	M17028	150	-	-	-	-	-	-
Water Service Lateral Replacement	M20001	-	223	-	-	-	-	-
Water Service Line Replacement	M21006	-	-	195	195	195	195	195
Water Supply - Well #33 (Pumping Plant Only)	MXXXXX	-	-	-	447	-	-	-
Water System Street Improvements - 427	M20005	(2)	4	-	-	-	-	-
Water System Street Improvements Reimbursements	M21019	-	-	77	12	12	13	12
Water Well SSS#10	M17002	273	-	1,750	-	-	-	-
Waterline Extension for VA Medical Facility in French Camp	M20004	377	102	1,758	-	-	-	-
Well/Reservoir Site Improvements	M07033	296	-	-	-	-	-	-
Well/Reservoir Site Improvements Phase 2	M20002	-	75	-	-	-	-	-
West, East and South Bear Creek Oversizing Reimbursements	MXXXXX	-	-	1,045	2,895	2,895	-	-
Westlake Village Oversizing Reimbursement	MXXXXX	-	-	-	-	-	110	-
Veteran Affairs Medical Center Off-Site Improvements	M20026	-	2,810	-	-	-	-	-
Zephyr Road Water Main Connection	M20003	-	234	548	-	-	-	-
Total Water		4,706	4,794	6,254	3,549	3,102	964	4,362
Total Municipal Utilities		47,470	74,668	89,108	98,462	92,590	61,236	42,142
Public Works								
Parks and Trees								
American Legion Park Lagoon Fencing Replacement	0000	-	-	-	-	-	-	60
Bin Enclosures at City Facilities	PW1504	-	-	-	-	-	-	400
Cannery Park Neighborhood Park - 2.7 Acres	PW9270	14	-	-	-	-	-	994

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Cannery Park Neighborhood Park - 7.48 Acres	PW9271	-	-	-	-	-	-	3,380
Center Street Weir Repair	PW1908	-	86	-	553	-	-	-
Citywide Park Shade Structure Replacement Program	PW1414	-	-	-	50	70	-	-
Citywide Park Walkway Replacement	0000	-	-	-	-	-	-	500
Equinoa Park Improvements	PW1802	147	-	-	-	-	-	-
Game Court Rehabilitation Program	0000	-	-	-	-	-	-	2,363
General Emergency Maintenance	PW1505	13	-	-	-	-	-	-
Harrell Park Restroom Demolition	0000	-	-	-	-	-	-	100
Irrigation Controller Upgrade	PW1506	76	-	-	-	-	-	-
Library and Teen Center Landscape Refurbishment	0000	-	-	-	-	-	-	50
Louis Park Softball Parking Lot Lighting	0000	-	-	-	-	-	-	125
Louis Park Pump House Rehabilitation	PW1623	-	-	-	-	-	-	-
Misasi Park	PW9131	2	-	-	-	-	-	2,206
Oak Park Well Replacement	0000	-	-	-	-	-	-	82
La Morada Neighborhood Park	PW9173	1,598	-	-	-	-	-	-
Fong Park (Blossom Ranch)	PW9207	772	-	-	-	-	-	-
North Stockton Open Space Improvements	PW1803	1,077	-	-	-	-	-	-
Oakmore Montego Neighborhood Park - 6 Acres	PW9254	123	-	-	-	-	-	2,533
Park Parking Renovation Program	0000	-	-	-	-	-	-	806
Park Restroom Rehabilitation and Repair Program	0000	-	-	-	-	-	-	350
Play Equipment Replacement	PW1512	18	-	-	-	-	-	600
Pool UV System Installations	0000	-	-	-	-	-	-	105
Residential Development Street Trees	PW1524	50	-	-	-	-	-	-
Street Tree Planting - City	PW9118	292	-	-	-	-	-	-
Stribley Park Burned Restroom Demo and Replacement	0000	-	-	-	-	-	-	347
Stribley Park Irrigation Well Abandonment and Reconstruction	PW2120	-	-	282	-	-	-	-
Swenson Park and Golf Irrigation System Separation	0000	-	-	-	-	-	-	242
Van Buskirk Playground Rubber Fall Surface Replacement	PW1729	-	-	-	-	-	-	78
Victory Park Restrooms Demolition and Replacement	0000	-	-	-	-	-	-	235
Victory Park Well Replacement	PW1736	134	-	-	-	-	-	-
Waterfront Lighting Restoration	0000	-	-	-	-	-	-	320
Weber Point Shade Structure Fabric Replacement	0000	-	-	-	-	-	-	631
Westlake Villages Park - 11.5 Acres	PW9269	1	-	-	-	-	-	5,311
Weber Point Events Center Fountain Filtration	PW1735	575	-	-	-	-	-	-
Weston Ranch Area Improvements	PW1804	1,011	-	-	-	-	-	-
Total Parks and Trees		5,903	86	282	603	70	-	21,817
Streets								
2018-19 St Lights Knockdown SB1	PW1826	21	-	-	-	-	-	-
Accessible Pedestrian Signals (APS) Program	PW1528	129	180	180	180	180	180	180
Airport Way Bridge Fire Repair	PW1909	-	511	-	-	-	-	-

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Alexandria and Five Mile Slough Culvert Replacement	PW1602	19	208	-	-	-	-	1,223
Alpine and Alvarado Conversion to 3-Way Traffic Signal	3-PW2112	-	-	205	944	-	-	-
Alpine Avenue Grade Separation	0000	-	-	-	-	-	-	30,685
Arch Road TS Fiber Optic	PW7239	-	-	-	-	-	-	-
Arch Road Widening - Austin Road to Performance Drive	0000	-	-	-	-	-	-	39,444
Arch-Airport Road and B Street Signalization	PW1417	155	-	-	-	-	-	-
Arch-Airport Road Precise Road Plan		-	-	-	960	138	-	-
Arch-Airport Road Traffic Signal Synchronization	PW2111	-	-	245	1,289	-	-	-
ATP - Bicycle Master Plan	PW1436	-	-	-	-	-	-	-
ATP - Calaveras River Bicycle and Pedestrian Path	PW1437	346	-	-	-	-	-	-
ATP - McKinley Elementary Safe Routes to School	PW1440	-	-	-	-	-	-	-
ATP - Miner Avenue Complete Streets	PW1439	-	-	-	-	-	-	-
ATP - Safe Routes to School	PW1441	-	-	-	-	-	-	-
ATP 4 - Safe Routes to School Sidewalk Gap Closure	PW1913	-	490	452	113	1,251	-	-
Bear Creek and Pixley Slough Bicycle and Pedestrian Path	PW1702	277	1,514	-	-	-	-	-
Bicycle Master Plan Implementation Program	PW1703	145	-	-	-	-	-	-
Bridge Engineering Program	PW1520	90	26	26	26	26	26	-
Bridge Maintenance Plan FY2019/20 SB1	PW1910	-	200	-	-	-	-	-
Bridge Maintenance Program FY2020/21 SB1	0000	-	-	-	-	-	-	-
Bridge Maintenance Program FY2021/22 SB1	0000	-	-	-	500	500	500	500
Bridge Rehabilitation and Replacement	PW1603	1,843	-	-	-	-	-	-
Bridge Rehabilitation and Replacement Program FY 17/18	PW1704	1,894	-	-	-	-	-	-
Bridge Rehabilitation and Replacement Program FY 18/19	PW1801	306	1,085	-	-	-	-	-
Bridge Rehabilitation and Replacement Program FY 19/20	PW1911	-	236	836	-	-	-	-
Bridge Rehabilitation and Replacement Program FY 20/21	0000	-	-	354	1,258	-	-	-
Bridge Rehabilitation and Replacement Program FY 21/22	0000	-	-	-	209	735	-	-
Bus Rapid Transit (BRT) 1-B	PW1515	1,928	-	-	-	-	-	-
Bus Rapid Transit (BRT) V on Weber Avenue, Miner Avenue, Fremont Street, Filbert Street, and Main St.	PW1516	1,889	145	-	-	-	-	-
Bus Rapid Transit, Phase IV (MLK Jr. Blvd. and Mariposa Rd.)	PW1303	470	-	-	-	-	-	-
California St. Road Diet - Phase 1	PW1805	246	6,346	-	-	-	-	-
California Street Gap Closure Improvements	0000	-	-	-	-	-	-	396
Central Stockton Road Diet and Striping Connections	PW1811	22	1,086	-	-	-	-	-
City Street Re-striping FY 20/21 - SB1	PW2109	-	-	250	-	-	-	-
City Wide Traffic Safety Program	0	-	-	300	710	710	710	710

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Citywide Transportation Demand Management (TDM) Suitability Study	0000	-	-	-	-	-	-	155
Citywide Video System Upgrade	0000	-	-	-	-	-	-	5,848
Claremont Avenue Reconstruction (include bike lane striping)	0000	-	-	-	-	-	-	1,764
Closing Pedestrian Access Gaps to Schools	PW1705	403	2,295	122	-	-	-	-
Complete Streets Plan	0000	-	-	-	-	-	-	407
Corporation Yard Improvements	0000	-	-	-	-	-	-	1,000
Corporation Yard Storage Building Installation	0000	-	-	-	290	-	-	-
Curb, Gutter, and Sidewalk Infill Program	PW1816	2,599	-	-	-	-	-	6,925
Davis Road Widening (Bear Creek to Waterford)	0000	-	-	-	-	-	-	4,371
Developers Reimbursements	PW1817	10,253	-	-	-	-	-	-
EBMUD - March Lane Greenscape, Phase 2	0000	-	-	-	-	-	-	2,704
Eight Mile Road Precise Road Plan	PW2113	-	-	960	138	-	-	-
El Dorado & Center St. Corridor Study & Design	0000	-	-	-	-	-	-	400
El Dorado Street Improvements Phase 3	0000	-	-	-	-	-	-	3,108
Emergency Vehicle Pre-emption (EVP) System	PW1211	123	-	-	-	-	-	-
Fencing Along Smiths Canal and Foot Bridge	PW2114	-	-	237	-	-	-	-
Filbert Street/Miner Avenue Traffic Signal	PW1310	628	365	-	-	-	-	-
Fremont Square Sidewalk Reconstruction	PW1438	52	-	-	-	-	-	-
French Camp Road and McDougald Blvd. Traffic Signal	PW1823	1,061	-	-	-	-	-	-
French Camp Road/I-5 Interchange Landscaping	PW1418	1,268	-	-	-	-	-	-
French Camp/Sperry Road	PW9945	239	-	-	-	-	-	-
Grant Match Program	0000	-	-	200	600	700	700	700
Green Initiatives	PW9276	268	-	-	-	-	-	-
Guard Rail and Impact Attenuator Installation	PW1606	210	-	-	-	-	-	-
Hammer Lane Widening Phase 3B	PW1427	1,542	-	-	-	-	-	-
HAWK Pedestrian Signal Installation	PW1604	323	-	-	-	-	-	-
High Friction Surface Treatment	PW1622/ 1711	917	-	-	-	-	-	-
HSIP 8 - Convert Signals from Pedestal Mount to Mast Arm	PW1713	1,075	38	-	-	-	-	-
HSIP 8 - Install Guardrails	PW1714	1,037	-	-	-	-	-	-
HSIP 8 - Install Pedestrian Crossings	PW1715	908	-	-	-	-	-	-
HSIP 8 - Raised Median along Dr. Martin Luther King Blvd.	PW1716	385	-	-	-	-	-	-
HSIP 8 - Raised Median along N. El Dorado Street	PW1718	708	-	200	-	-	-	-
HSIP 8 - Raised Median along Pacific Avenue	PW1717	972	-	-	-	-	-	-
HSIP 8 - Road Diet on N. El Dorado Street, Turn and Bike Lanes	PW1719	553	5	-	-	-	-	-

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Project List by Category
(Dollars in thousands)

	Project Number	Remaining Balance as of 6/30/19	FY 2019-20 Adopted	FY 2020-21 Proposed	FY 2021-22 Projected	FY 2022-23 Projected	FY 2023-24 Projected	FY 2024-25 Projected
HSIP 9 - Install Left Turn Lanes Airport Way and Hazelton Avenue	PW1902	-	283	-	-	1,301	-	-
HSIP 9 - Install Left Turn Lanes at El Dorado Street and March Lane	PW1901	-	64	-	-	730	-	-
HSIP 9 - Install Sidewalk and Median Fencing along Dr Martin Luther King Blvd	PW1903	-	119	-	-	548	-	-
HSIP 9 - Rectangular Rapid Flashing Beacons (4 locations)	PW1904	-	29	-	-	221	-	-
Hunter Street Road Diet/Bike Lance Installation	PW1609	404	-	-	-	-	-	-
Industrial Drive Extension		-	-	2,070	-	-	-	-
Installation and Upgrade of Bicycle Facilities (Class 2 & 3) Citywide	PW1517	293	-	-	-	-	-	-
Leaking Underground Fuel Tank (LUFT) Program	PW1425	54	-	50	50	75	75	75
LED Street Lights Conversion - Phase III	PW1536	455	-	-	-	-	-	-
LED Street Lights Conversion on Collector and Residential Streets - Phase IV	0000	-	-	-	500	500	500	500
Left Turn Lane Additions at Various Locations	PW1720	128	1,864	-	-	-	-	-
Lighted Crosswalk Upgrade	PW1526	715	-	-	-	-	-	-
Lincoln Street and Eighth Street Roundabout	PW1721	309	861	33	-	-	-	-
Little John Creek Reimbursement	PW9165	133	-	-	-	-	-	-
Local Street Repair 2016	PW1538	-	-	-	-	-	-	-
Local Street Resurfacing Program 2016	PW1532	89	-	-	-	-	-	-
Local Street Resurfacing Program FY2018/19 SB1	PW1814	2,401	-	-	-	-	-	-
Local Street Resurfacing Program FY2019/20 SB1	PW1914	-	2,500	-	-	-	-	-
Local Street Resurfacing Program FY2020/21 SB1	PW2103	-	-	3,750	3,015	3,015	3,015	-
Lower Sacramento Road Widening and Bridge Replacements	PW1907	-	4,000	-	692	5,275	37,701	-
Main Street Complete Streets	0000	-	-	-	-	-	-	-
March Lane Adaptive Traffic Control System	PW1312	967	-	-	-	-	-	-
March Lane Widening - Venezia Blvd to I-5	0000	-	-	-	-	-	-	5,145
March Lane/EBMUD Bicycle and Pedestrian Path Connectivity Improvements	PW1722	208	3,509	-	-	-	-	-
Microsurfacing of City Streets	PW1730	53	-	-	-	-	-	-
Miner Avenue Complete Streets Improvements - III	PW1732	6,812	576	-	-	-	-	-
Miner Avenue Complete Streets Improvements Phase 1	PW1607	86	-	-	-	-	-	-
Montauban Avenue and Hammettown Drive Roundabout	PW1723	166	918	10	-	-	-	-
Montauban/Swain Roundabout	PW1315	-	-	-	-	-	-	-
Mormon Slough Bikeway Improvement Project	0000	-	-	-	-	-	-	1,242
Mormon Slough Feasibility Study	0000	-	-	-	-	-	-	150
Neighborhood Traffic Calming Program	PW1608	836	750	750	750	750	750	750
Pacific Avenue and March Lane Intersection Modifications	PW1725	208	437	-	-	-	-	-

FY 2020-2025 Capital Improvement Plan
Project List by Category
(Dollars in thousands)

	Project Number	Remaining Balance as of 6/30/19	FY 2019-20 Adopted	FY 2020-21 Proposed	FY 2021-22 Projected	FY 2022-23 Projected	FY 2023-24 Projected	FY 2024-25 Projected
Pedestrian Bridge over Calaveras River Rehabilitation	PW1316	230	245	-	350	-	-	-
Pershing Adaptive Traffic Control System	PW1311	144	-	-	-	-	-	-
Pershing Avenue Roadway Crown Reduction - Princeton Ave to Elmwood Ave	0000	-	-	-	-	-	-	761
Railroad Crossing Program	PW1527	-	-	-	-	-	-	50
Real Time Traffic Monitoring System	PW1726	591	-	-	-	-	-	-
Rectangular Rapid Flashing Beacon HSIP Cycle 6	PW1420	114	-	-	-	-	-	-
Rectangular Rapid Flashing Beacon Installation Project	0000	-	-	-	-	-	-	790
Relocation of Traffic Control Communications Center	0000	-	-	-	844	-	-	-
Residential Development Street Signs	PW1525	80	-	-	-	-	-	-
Robinhood Drive Bike Lanes	0000	-	-	-	-	-	-	519
Roundabout Program	0000	-	-	-	-	-	1,166	-
Rule 20A Streetlighting Program	PW1521	171	50	280	50	50	50	1,404
Safe Routes to School Priority Safety Projects	0000	-	1,237	-	-	-	-	-
Safe Routes to School Sidewalk Network Completion Project	0000	-	2,082	-	-	-	-	-
San Joaquin Trail Improvements	PW1442	246	-	-	-	-	-	-
Security Lid Conversion on Electrical Utility Boxes	0000	-	-	-	-	-	-	620
Sidewalk, Curb, and Gutter Repair Program	PW1531	213	-	-	-	-	-	-
Sidewalk, Curb, and Gutter Repair Program FY2018/19 SB1	PW1815	2,301	-	-	-	-	-	-
Sidewalk, Curb, and Gutter Repair Program FY2019/20 SB1	PW1915	-	1,575	-	-	-	-	-
Sidewalk, Curb, and Gutter Repair Program FY2020/21 SB1	PW2104	-	-	1,578	1,040	1,046	1,052	1,060
South Airport Way Separated Bikeway	PW1808	316	1,912	76	-	-	-	-
Stockton Safe Routes to Schools Safety and Connectivity Improvements	PW1905	-	127	380	2,718	-	-	-
Street Furniture Painting FY2020/21 SB1	0000	-	-	-	250	250	250	250

FY 2020-2025 Capital Improvement Plan
Project List by Category
(Dollars in thousands)

	Project Number	Remaining Balance as of 6/30/19	FY 2019-20 Adopted	FY 2020-21 Proposed	FY 2021-22 Projected	FY 2022-23 Projected	FY 2023-24 Projected	FY 2024-25 Projected
Street Light Pole Replacement FY2020/21 SB1	PW2108	-	-	-	200	200	200	200
Street Lighting Upgrade	PW6689	81	-	-	-	-	-	-
Street Name Sign Installation	PW9176	60	-	-	-	-	-	-
Street Resurfacing	PW9928	439	-	-	-	-	-	-
Street Resurfacing on Federal Aid Streets FY 2019/20	PW1916	-	2,905	-	-	-	-	-
Street Resurfacing on Federal Aid Streets FY2020/21	0000	-	-	2,904	-	-	-	-
Street Resurfacing on Federal-Aid Streets FY 2015-16	PW1519	602	-	-	-	-	-	-
Street Resurfacing on Federal-Aid Streets FY 2016-17	PW1610	1,272	-	-	-	-	-	-
Street Resurfacing on Federal-Aid Streets FY2021/22	0000	-	-	-	7,800	-	-	-
Street Resurfacing on Federal-Aid Streets FY2022/23-FY2023/24	0000	-	-	-	-	2,696	2,696	2,696
Street Sign Installation	PW9191	529	-	-	-	-	-	-
Street Smarts Program	0000	-	-	-	-	-	-	313
Systematic Safety Analysis Report Program- Collision Analysis	PW1813	28	-	-	-	-	-	-
Tam O'Shanter / Castle Oaks	PW1443	62	-	-	-	-	-	-
Tam O'Shanter Drive and Knickerbocker Drive Roundabout	PW1727	194	701	6	-	-	-	-
Thornton Road / Lower Sacramento Road / Hammer Lane Triangle Left Turn Lanes	PW1518	920	6	-	-	-	-	-
Thornton Road Widening	PW1428	2,157	3,000	-	-	-	-	-
Traffic Signal Control System Program	PW9906/ PW1522	652	500	600	600	600	600	600
Traffic Signal Conversions to City Standard	0000	-	-	-	-	-	-	1,200
Traffic Signal Head Visibility Improvements - 8" to 12" Signal Indicators	0000	-	-	-	-	-	-	140
Traffic Signal Modifications Program	PW1529	258	500	500	475	475	600	600
Traffic Signal New Installations Program	0000	-	-	-	-	1,300	-	-
Traffic Signal Retrofit	PW1422	-	-	-	-	-	-	-
Transportation Management Center Equipment Upgrade	PW2110	-	-	300	3,756	-	-	-
Weber Ave. at Grant and Aurora St. Median Reconstruction	0000	-	-	-	-	437	-	-
West Lane Complete Streets Corridor Study	0000	-	-	-	-	-	-	250
West Lane Grade Separation	0000	-	-	-	-	-	-	44,240
West Lane Pedestrian Access Improvements	PW1424	1,030	49	-	-	-	-	-
West Lane Traffic Responsiveness Signal Control System	PW1611	683	92	-	-	-	-	-
West Lane Widening - Hammer Lane to Morada Lane	0000	-	-	-	-	-	-	22,634
Wilson Way Bridge Installation of Slope Protection	PW1912	-	500	-	-	-	-	-
Total Streets		62,996	46,120	17,855	30,308	23,710	50,771	186,708
Total Public Works		68,899	46,206	18,137	30,911	23,780	50,771	208,526
Grand Total		136,066	141,284	125,124	151,958	141,110	130,215	485,117

**FY 2020-2025 Capital Improvement Plan
Project List by Fund
(Dollars in thousands)**

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Other Reimbursement: 020								
Buckley Cove Inlet Dredging	0000	-	-	-	150	1,500	-	-
Total Other Reimbursement:		-	-	-	150	1,500	-	-
Gas Tax: 030								
2018-19 St Lights Knockdown SB1	PW1826	21	-	-	-	-	-	-
Alexandria and Five Mile Slough Culvert Replacement	PW1602	-	208	-	-	-	-	-
Airport Way Bridge Fire Repair	PW1909	-	511	-	-	-	-	-
Bridge Maintenance Program FY2019/20 SB1	PW1910	-	200	-	-	-	-	-
Bridge Maintenance Program FY2021/22 SB1	0000	-	-	-	500	500	500	500
Corporation Yard Storage Building Installation	0000	-	-	-	290	-	-	-
City Street Re-striping FY 20/21 - SB1	PW2109	-	-	250	-	-	-	-
Local Street Resurfacing Program FY2018/19 SB1	PW1814	2,401	-	-	-	-	-	-
Local Street Resurfacing Program FY2019/20 SB1	PW1914	-	2,500	-	-	-	-	-
Local Street Resurfacing Program FY2020-21 SB1	PW2103	-	-	3,750	3,015	3,015	3,015	-
Neighborhood Traffic Calming	PW1608	176	-	-	-	-	-	-
Microsurfacing of City Streets	PW1730	53	-	-	-	-	-	-
Sidewalk, Curb, and Gutter Repair Program FY2018/19 SB1	PW1815	1,998	-	-	-	-	-	-
Sidewalk, Curb, and Gutter Repair Program FY2019/20 SB1	PW1915	-	1,296	-	-	-	-	-
Sidewalk, Curb, and Gutter Repair Program FY2020-21 SB1	PW2104	-	-	1,275	750	750	750	750
Street Furniture Painting FY2020/21 SB1	0000	-	-	-	250	250	250	250
Street Light Pole Replacement FY2020/21 SB1	PW2108	-	-	-	200	200	200	200
Wilson Way Bridge Installation of Slope Protection	PW1912	-	500	-	-	-	-	-
Total Gas Tax:		4,649	5,215	5,275	5,005	4,715	4,715	1,700
State Grant								
Transportation Development Act: 034								
Sidewalk, Curb and Gutter Repair	PW1531	68	-	-	-	-	-	-
Sidewalk, Curb, and Gutter Repair Program FY2018/19 SB1	PW1815	303	-	-	-	-	-	-
Sidewalk, Curb, and Gutter Repair Program FY2019/20 SB1	PW1915	-	279	-	-	-	-	-
Sidewalk, Curb, and Gutter Repair Program FY2020/21 SB1	PW2104	-	-	303	290	296	302	310
Total Transportation Development Act:		371	279	303	290	296	302	310
State & Local Partnership Program								
McKinley Park & Recreation Center Renovation & Upgrades	PW2117	-	-	8,500	-	-	-	-
Total State & Local Partnership		-	-	8,500	-	-	-	-
State Grant								
STIP								
ATP 4 - Safe Routes to School Sidewalk Gap Closure	PW1913	-	-	407	102	1,126	-	-
Total STIP:		-	-	407	102	1,126	-	-
Federal Grants 038/308								
CMAQ								
Alpine and Alvarado Conversion to 3-Way Traffic Signal	PW2112	-	-	132	789	-	-	-
Arch-Airport Road Traffic Signal Synchronization	PW2111	-	-	150	1,007	-	-	-
Bear Creek and Pixley Slough Bicycle and Pedestrian Path	PW1702	227	1,256	-	-	-	-	-
Closing Pedestrian Access Gaps to Schools	PW1705	355	2,032	-	-	-	-	-
Left Turn Lane Additions at Various Locations	PW1720	113	1,599	-	-	-	-	-

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Project List by Fund
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Lincoln Street and Eighth Street Roundabout	PW1721	273	763	-	-	-	-	-
March Lane/EBMUD Bicycle and Pedestrian Path Connectivity Improvements	PW1722	181	3,106	-	-	-	-	-
Montauban Avenue and Hammertown Drive Roundabout	PW1723	146	784	-	-	-	-	-
Pacific Avenue and March Lane Intersection Modifications	PW1725	184	387	-	-	-	-	-
Real Time Traffic Monitoring System	PW1726	523	-	-	-	-	-	-
Tam O'Shanter Drive and Knickerbocker Drive Roundabout	PW1727	171	618	-	-	-	-	-
Transportation Management Center Equipment Upgrade	PW2110	-	-	250	3,656	-	-	-
Total CMAQ:		2,173	10,545	532	5,452	-	-	-
Federal - SAFETEA-LU-STP (Surface Transportation)								
Emergency Vehicle Pre-emption (EVP)	PW1211	15	-	-	-	-	-	-
Bus Rapid Transit, Phase IV (MLK Jr. Blvd and Mariposa Rd)	PW1303	470	-	-	-	-	-	-
Filbert Street/Miner Avenue Traffic Signal	PW1310	473	-	-	-	-	-	-
Pershing Avenue Adaptive Traffic Control System	PW1311	144	-	-	-	-	-	-
March Lane Adaptive Traffic Control System	PW1312	699	-	-	-	-	-	-
Arch-Airport Road and B Street Signalization	PW1417	102	-	-	-	-	-	-
French Camp Road/I-5 Interchange Landscaping	PW1418	93	-	-	-	-	-	-
Installation and Upgrade of Bicycle Facilities (Class 2 & 3) Citywide	PW1517	237	-	-	-	-	-	-
Thornton Road / Lower Sacramento Road / Hammer Lane Triangle Left Turn Lanes	PW1518	687	-	-	-	-	-	-
HAWK Pedestrian Signal Installation	PW1604	323	-	-	-	-	-	-
Guard Rail and Impact Attenuator Installation	PW1606	210	-	-	-	-	-	-
Miner Avenue Complete Streets Improvements Phase 1	PW1607	86	-	-	-	-	-	-
Hunter Street Road Diet/Bike Lane Installation	PW1609	363	-	-	-	-	-	-
High Friction Surface Treatment	PW1622	824	-	-	-	-	-	-
Bus Rapid Transit (BRT) 1-B	PW1515	1,310	-	-	-	-	-	-
Bus Rapid Transit (BRT) V on Weber Avenue, Miner Avenue, Fremont Street, Filbert Street, and Main St	PW1516	1,732	-	-	-	-	-	-
West Lane Traffic Responsiveness Signal Control System	PW1611	659	-	-	-	-	-	-
Miner Avenue Complete Streets Improvements - III	PW1732	2,566	190	-	-	-	-	-
HSIP 8 - Convert Signals from Pedestal Mount to Mast Arm	PW1713	1,075	-	-	-	-	-	-
HSIP 8 - Safety Improvement Program 8 Install Guardrails	PW1714	1,037	-	-	-	-	-	-
HSIP 8- Install Pedestrian Crossings	PW1715	908	-	-	-	-	-	-
HSIP 8- Raised Median along Dr. Martin Luther King Blvd.	PW1716	346	-	-	-	-	-	-
HSIP 8- Raised Median along Pacific Avenue	PW1717	874	-	-	-	-	-	-
HSIP 8 - Raised Median N. El Dorado Street including Fencing, Sidewalks and Curb Ramps	PW1718	637	-	-	-	-	-	-
HSIP 8 - Road Diet on N. El Dorado Street, Turn and Bike Lanes	PW1719	498	-	-	-	-	-	-
Bridge Rehabilitation and Replacement Program FY 17/18	PW1704	1,677	-	-	-	-	-	-
Bridge Rehabilitation and Replacement Program FY 18/19	PW1801	271	961	-	-	-	-	-
Bridge Rehabilitation and Replacement Program FY 19/20	PW1911	-	209	740	-	-	-	-
Bridge Rehabilitation and Replacement Program FY 20/21	0000	-	-	314	1,114	-	-	-

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Bridge Rehabilitation and Replacement Program FY 21/22	0000	-	-	-	184	651	-	-
Street Resurfacing on Federal Aid Streets FY 2019/20	PW1916	-	2,601	-	-	-	-	-
Street Resurfacing on Federal Aid Streets FY 2020/21	PW2106	-	-	2,600	-	-	-	-
Total Federal - SAFETEA-LU-STP:		18,316	3,960	3,654	1,298	651	-	-
Federal - SAFETEA-LU-TE (Transportation Enhancement)								
ATP 4 - Safe Routes to School Sidewalk Gap Closure	PW1913	-	441	-	-	-	-	-
Calaveras River Bicycle and Pedestrian Path Rehabilitation	PW1437	33	-	-	-	-	-	-
California St. Road Diet - Phase 1	PW1805	-	4,390	-	-	-	-	-
Fremont Square Sidewalk Reconstruction	PW1438	52	-	-	-	-	-	-
HSIP 9 - Install Left Turn Lanes at El Dorado Street and March Lane	PW1901	-	57	-	-	657	-	-
HSIP 9 - Install Left Turn Lanes Airport Way and Hazelton Avenue	PW1902	-	255	-	-	1,173	-	-
HSIP 9 - Install Sidewalk and Median Fencing along Dr Martin Luther King Blvd	PW1903	-	107	-	-	493	-	-
HSIP 9 - Rectangular Rapid Flashing Beacons (4 locations)	PW1904	-	29	-	-	221	-	-
Rectangular Rapid Flashing Beacon HSIP Cycle 6	PW1420	83	-	-	-	-	-	-
West Lane Pedestrian Access Improvements	PW1424	925	-	-	-	-	-	-
San Joaquin Trail Improvements	PW1442	246	-	-	-	-	-	-
Stockton Safe Routes to Schools Safety and Connectivity Improvements	PW1905	-	127	380	2,331	-	-	-
Street Resurfacing on Federal-Aid Streets FY 2015-16	PW1519	413	-	-	-	-	-	-
Street Resurfacing on Federal-Aid Streets FY 2016-17	PW1610	1,272	-	-	-	-	-	-
Street Resurfacing on Federal-Aid Streets FY2020-21	0000	-	-	-	7,800	-	-	-
Street Resurfacing on Federal-Aid Streets FY2022/23-FY2023/24	0000	-	-	-	-	2,696	2,696	2,696
Total Federal - SAFETEA-LU-TE:		3,025	5,406	380	10,131	5,240	2,696	2,696
Measure K - Renewal: 080								
California St. Road Diet - Phase 1	PW1805	221	1,775	-	-	-	-	-
Central Stockton Road Diet and Striping Connections	PW1811	22	1,086	-	-	-	-	-
French Camp/Sperry Road	PW9945	239	-	-	-	-	-	-
Hammer Lane Widening Phase 3B	PW1427	1,542	-	-	-	-	-	-
Lower Sacramento Road Widening and Bridge Replacements	PW1907	-	4,000	-	-	-	-	-
Miner Avenue Complete Streets Improvements - III	PW1732	3,246	-	-	-	-	-	-
Pedestrian Bridge Over Calaveras	PW1418	1,175	-	-	-	-	-	-
Rectangular Rapid Flashing Beacon Installation Project	0000	-	-	-	-	-	-	-
Safe Routes to School Priority Safety Projects	0000	-	1,082	-	-	-	-	-
Safe Routes to School Sidewalk Network Completion Project	0000	-	1,837	-	-	-	-	-
South Airport Way Separated Bikeway	PW1808	92	1,912	-	-	-	-	-
Total Measure K - Renewal:		6,537	11,692	-	-	-	-	-
Measure K- Maintenance: 082								
Accessible Pedestrian Signals (APS) Program	PW1528	129	180	180	180	180	180	180
Alexandria and Five Mile Slough Culvert Replacement	PW1602	19	-	-	-	-	-	-
Alpine and Alvarado Conversion to 3-Way Traffic Signal	PW2112	-	-	73	155	-	-	-
Arch-Airport Road Traffic Signal Synchronization	PW2111	-	-	95	282	-	-	-
ATP - Calaveras River Bike and Pedestrian Path	PW1437	313	-	-	-	-	-	-

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Project List by Fund
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ATP 4 - Safe Routes to School Sidewalk Gap Closure	PW1913	-	49	45	11	125		
Bear Creek and Pixley Slough Bicycle and Pedestrian Path	PW1622	93	-	-	-	-	-	-
Bear Creek and Pixley Slough Bicycle and Pedestrian Path	PW1702	50	258	-	-	-	-	-
Bicycle Master Plan Implementation Program	PW1703	145	-	-	-	-	-	-
Bridge Engineering Program	PW1520	90	26	26	26	26	26	-
Bridge Rehabilitation and Replacement Program FY 17/18	PW1704	217	-	-	-	-	-	-
Bridge Rehabilitation and Replacement Program FY 18/19	PW1801	35	124	-	-	-	-	-
Bridge Rehabilitation and Replacement Program FY 19/20	PW1911	-	27	96	-	-	-	-
Bridge Rehabilitation and Replacement Program FY 20/21	0000	-	-	41	144	-	-	-
Bridge Rehabilitation and Replacement Program FY 21/22		-	-	-	24	84	-	-
Bridge Rehabilitation/Replacement	PW1603	1,843	-	-	-	-	-	-
Bus Rapid Transit (BRT) V on Weber Avenue, Miner Avenue, Fremont Street, Filbert Street, and Main St	PW1516	-	107	-	-	-	-	-
California St. Road Diet - Phase 1	PW1805	25	181	-	-	-	-	-
City Wide Traffic Safety Program	0000			300	710	710	710	710
Closing Pedestrian Access Gaps to Schools	PW1705	48	263	-	-	-	-	-
Emergency Vehicle Pre-emption System	PW1211	108	-	-	-	-	-	-
Filbert Street/Miner Avenue Traffic Signal	PW1310	84	365	-	-	-	-	-
Grant Match Program	0000		-	-	300	400	400	400
HSIP 8- Raised Median along Martin Luther King Blvd.	PW1716	39	-	-	-	-	-	-
HSIP 8- Raised Median along Pacific Avenue	PW1717	98	-	-	-	-	-	-
HSIP 8- Raised Median N. El Dorado Street including Fencing, Sidewalks and Curb Ramps	PW1718	71	-	200	-	-	-	-
HSIP 8- Road Diet on N. El Dorado Street Turn and Bike Lanes	PW1719	55	-	-	-	-	-	-
HSIP 9 - Install Left Turn Lanes Airport Way and Hazelton Avenue	PW1902	-	28	-	-	130	-	-
HSIP 9 - Install Left Turn Lanes at El Dorado Street and March Lane	PW1901	-	6	-	-	73	-	-
HSIP 9 - Install Sidewalk and Median Fencing along Dr Martin Luther King Blvd	PW1903	-	12	-	-	55	-	-
Hunter Street Road Diet/Bike Lane Installation	PW1609	41	-	-	-	-	-	-
Installation and Upgrade of Bicycle Facilities (Class 2 & 3) Citywide	PW1517	56	-	-	-	-	-	-
LED Street Lights Conversion on Collector and Residential Streets - Phase IV	0000	-	-	-	500	500	500	500
Left Turn Lane Additions at Various Locations	PW1720	15	207	-	-	-	-	-
Lighted Crosswalk Upgrade	PW1526	715	-	-	-	-	-	-
Lincoln Street and Eighth Street Roundabout	PW1721	36	99	-	-	-	-	-
March Lane/EBMUD Bicycle and Pedestrian Path Connectivity Improvements	PW1722	27	402	-	-	-	-	-
Miner Avenue Complete Streets Improvements - III	PW1732	1,000	328	-	-	-	-	-
Montauban Avenue and Hammertown Drive Roundabout	PW1723	20	135	-	-	-	-	-
Neighborhood Traffic Calming Program	PW1608	660	750	750	750	750	750	750
Neighborhood Traffic Management Maintenance Program	PW1530	-	-	-	-	-	-	-
Pacific Avenue and March Lane Intersection Modifications	PW1725	24	50	-	-	-	-	-
Pedestrian Bridge over Calaveras River Rehabilitation	PW1316	230	245	-	350	-	-	-
Rapid Flashing Beacons	PW1420	31	-	-	-	-	-	-

**FY 2020-2025 Capital Improvement Plan
Project List by Fund
(Dollars in thousands)**

	Project Number	Remaining Balance as of 6/30/19	FY 2019-20 Adopted	FY 2020-21 Proposed	FY 2021-22 Projected	FY 2022-23 Projected	FY 2023-24 Projected	FY 2024-25 Projected
Real Time Traffic Monitoring System	PW1726	68	-	-	-	-	-	-
Relocation of Traffic Control Communications Center	0000	-	-	-	844	-	-	-
Rule 20A Streetlighting Program	PW1521	171	50	280	50	50	50	50
Safe Routes to School Priority Safety Projects	0000	-	155	-	-	-	-	-
Safe Routes to School Sidewalk Network Completion Project	0000	-	245	-	-	-	-	-
Sidewalk, Curb, and Gutter Repair Program	PW1531	145	-	-	-	-	-	-
South Airport Way Separated Bikeway	PW1808	224	-	-	-	-	-	-
Stockton Safe Routes to Schools Safety and Connectivity Improvements	PW1905	-	-	-	387	-	-	-
Street Lighting Upgrade	PW6689	81	-	-	-	-	-	-
Street Resurfacing	PW9928	439	-	-	-	-	-	-
Street Resurfacing on Federal Aid Streets FY 2019/20	PW1916	-	304	-	-	-	-	-
Street Resurfacing on Federal-Aid Streets FY 2015-16	PW1519	189	-	-	-	-	-	-
Street Resurfacing on Federal-Aid Streets FY2021/22	0000	-	-	304	-	-	-	-
System Safety Analysis Program - Collision Analysis	PW1813	28	-	-	-	-	-	-
Tam O'Shanter / Castle Oaks	PW1443	35	-	-	-	-	-	-
Tam O'Shanter Drive and Knickerbocker Drive Roundabout	PW1727	23	80	-	-	-	-	-
Traffic Signal Control System Program	PW9906/PW1522	596	500	600	600	600	600	600
Traffic Signal Head Retrofit	PW1422	-	-	-	-	-	-	-
Traffic Signal Modifications Program	PW1529	258	500	500	475	475	600	600
Transportation Management Center Equipment Upgrade	PW2110	-	-	50	100	-	-	-
Weber Ave. at Grant and Aurora St. Median Reconstruction	0000	-	-	-	-	437	-	-
West Lane Pedestrian Access Improvements	PW1424	105	-	-	-	-	-	-
West Lane Traffic Responsiveness Signal Control System	PW1611	-	60	-	-	-	-	-
Wilson Way Bridge Installation of Slope Protection	PW1912	-	-	-	-	-	-	-
Total Measure K- Maintenance:		8,679	5,738	3,540	5,888	4,595	3,816	3,790
Strong Communities- Library: 083								
Aquatic Facilities Renovation and Replacement	PW1820	1,710	-	177	-	809	357	1,943
Cesar Chavez Library Remodel	0000	-	-	-	665	-	7,335	-
McKinley Park & Recreation Center Renovation & Upgrades	PW2117	-	-	-	-	-	-	-
Northeast Stockton McNair Library and Recreation Center	PW1724	276	10,920	-	1,000	-	-	-
Stockton Soccer Complex Upgrades and Maintenance Program	PW1510	2,923	-	-	-	-	-	-
Troke Program Room Remodel	PW1728	118	-	-	-	-	-	-
Total Strong Communities - Library:		5,027	10,920	177	1,665	809	7,692	1,943
Entertainment Venue: 086								
Arena Video Equipment and Scoreboard	EV3661	-	-	-	1,500	-	-	-
Bob Hope Theatre Facilities and HVAC Repairs	0000	-	-	-	150	-	50	-
Total Entertainment Venue:		-	-	-	1,650	-	50	-
Capital Improvement: 301								
2016 Local Street Resurfacing	PW1532	89	-	-	-	-	-	-
ADA Compliance Program	PW7022	189	-	-	-	-	-	-
ADA Compliance Program	PW1701	75	-	-	100	100	100	100
Animal Shelter Renovation	PW1321	60	-	-	500	344	-	-
Arch-Airport Road and B Street Signalization	PW1417	53	-	-	-	-	-	-
Asbestos Removal City Buildings	PW7002	13	-	-	-	-	-	-
Arena and Ballpark Infrastructure Upgrade and Replacement Project	ED8601	-	-	150	150	150	750	-

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Chavez Library Restroom Renovations and ADA Compliance - Children's Area	PW1408	9	-	-	-	-	-	-
Chavez Library Restroom Renovations and ADA Compliance - Staff	PW1620	239	180	-	-	-	-	-
Chavez Library Upgrades and Maintenance	PW1509	81	-	-	-	-	-	-
Center Street Weir Repair	PW1908	-	86	-	553	-	-	-
Citywide Drinking Fountain Vandalism Repairs & Replacements	PW1324	-	-	-	-	-	-	-
Citywide Park Shade Structure Replacement Program	PW1414	-	-	-	50	70	-	-
Civic Auditorium Stage Controls/Rigging	PW1409	107	-	-	-	-	-	-
Curb, Gutter, and Sidewalk Infill Program	PW1816	2,599	-	-	-	-	-	-
Downtown Acquisition/Demolition	PW7102	31	-	-	-	-	-	-
Equinoa Park Improvements	PW1802	147	-	-	-	-	-	-
Evaluation of Fuel Storage/Dispensing Sites	PW1501	50	-	-	-	-	-	-
Fencing Along Smiths Canal and Foot Bridge	PW2114	-	-	237	-	-	-	-
Fire Station Asphalt Preservation	0000	-	-	-	197	-	-	-
Fire Station No. 2 Burn Room	PW1503	7	-	-	-	-	-	-
Fire Station No. 2 Window Replacement	PW1819	387	20	166	-	-	-	-
Fire Station Nos. 2,4,5,6,7,9,10,&14 Exterior Painting	PW1706	10	121	-	-	-	-	-
Fire Station No. 3 Reconstruction	0000	-	-	-	-	-	-	11,144
Fire Station No. 14 Concrete Driveway and Parking Lot	0000	-	-	-	522	-	-	-
Fire Stations Security Systems	PW1707	321	-	-	-	-	-	-
French Camps Road and McDougald Blvd. Traffic Signal	PW1823	1,061	-	-	-	-	-	-
General Emergency Maintenance (Citywide)	PW1505	13	-	-	-	-	-	-
Irrigation Controller Upgrade	PW1506	76	-	-	-	-	-	-
Janet Leigh Plaza Pedestrian Improvements	-	-	-	-	-	-	250	-
Leaking Underground Fuel Tank (LUFT) Program	PW1425	54	-	50	50	75	75	75
LED Light Conversion Phase 3	PW1536	455	-	-	-	-	-	-
McNair Soccer Complex Upgrade	PW1624	19	-	-	-	-	-	-
Miracle Mile Parking Lots Resurfacing	PW2121	-	-	277	277	358	-	-
North Stockton Open Space Improvements	PW1803	1,077	-	-	-	-	-	-
Oak Park Well Replacement	0000	-	-	-	-	-	-	82
Permit Center Relocation	PW1614	1,072	-	-	-	-	-	-
Play Equipment Replacement	PW1512	18	-	-	-	-	-	-
Park Sportfield Lighting Repairs	0000	-	-	-	-	-	-	112
Police Department Under Freeway Parking	PW1621	19	-	-	-	-	-	-
Police Facilities	PW1535	2,806	400	-	-	-	-	-
Public Parking in Front of Fire Stations	0000	-	-	-	-	-	-	283
Recreation Facilities Upgrade	PW1537	169	-	-	-	-	-	-
Replace Modular Buildings at Firing Range, Officer Training, Rangemaster's Office, etc.	0000	-	-	-	718	-	-	-
Re-roofing City Buildings	PW7087	316	-	-	-	-	-	-
Roof Replacement and Construction Program	PW1320	828	400	-	200	200	200	200
Stribley Park Irrigation Well Abandonment and Reconstruction	PW2120	-	-	282	-	-	-	-
Swimming Pool Evaluations	PW1513	404	-	-	-	-	-	-
Victory Park Well Replacement	PW1736	134	-	-	-	-	-	-
Waterfront Towers - New City Hall Renovations and Relocation	PW1615	6,058	-	5,310	14,690	-	-	-
Weber Point Events Center Fountain Filtration	PW1735	575	-	-	-	-	-	-
Weston Ranch Area Improvements	PW1804	1,011	-	-	-	-	-	-
Total Capital Improvement:		20,632	1,207	6,472	18,007	1,297	1,375	11,996
Strong Neighborhoods Bond: 305								
Oak Park Ice Arena Upgrades and Rehabilitation	ED8604	477	-	-	-	-	-	-
Total Strong Neighborhoods Bond:		477	-	-	-	-	-	-

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Central Parking District: 419								
Parking Garage Elevator Upgrade Project	0000	-	-	1,000	-	-	-	-
Parking Lot Resurfacing and Upgrade Project	0000	-	-	-	100	200	200	200
Parking Revenue Control System Replacement Project	0000	-	-	2,000	-	-	-	-
Parking Signage Project	ED4181	-	-	50	-	-	-	-
Total Central Parking District:		-	-	3,050	100	200	200	200
Stormwater: 423/427								
2020 Storm Line Replacement	M20008	-	279	-	-	-	-	-
Abandonment of Wells 4 & 7	M13016	292	-	-	-	-	-	-
Alexandria and 14-Mile Slough Storm Drain Pump Station	MXXXXX	-	-	-	-	69	412	-
Assess Condition Assessment for Stormwater Pump Stations	M20010	-	-	-	1,400	-	-	-
Bianchi and Calaveras River Storm Station	MXXXXX	-	-	-	-	378	-	-
New Sanitary Sewerline Installation								
Blossom Ranch Storm Drain Pump Station	MXXXXX	-	-	-	-	-	86	-
Bus Rapid Transit (BRT) V on Weber Avenue, Miner Avenue, Fremont Street, Filbert Street, and Main St	PW1516	-	38	-	-	-	-	-
Charter Way and Tillie Lewis Drive Flood Relief	MXXXXX	-	-	-	-	-	-	321
Charter Way and Walnut Plant Storm Drain Pump Station	MXXXXX	-	-	-	-	20	221	-
Charter Way Subway Storm Drain Pump Station	MXXXXX	-	-	-	-	72	65	-
Closing Pedestrian Access Gaps to Schools	PW1705	-	-	122	-	-	-	-
Discharge Pipe Replacement - San Joaquin River at Hwy 4 Storm Station	M17021	239	-	147	-	-	-	-
DSWP Treatment Plant Intake	M17029	465	-	-	-	-	-	-
El Dorado Street Storm Drain Installation	MXXXXX	-	-	-	-	-	-	345
HSIP 8 - Convert Signals from Pedestal Mount to Mast Arm	PW1713	-	38	-	-	-	-	-
HSIP 8 - Road Diet on N. El Dorado Street, Turn and Bike Lanes	PW1719	-	5	-	-	-	-	-
Lincoln Street and Eighth Street Roundabout	PW1721	-	-	8	-	-	-	-
Miner Avenue Complete Streets Improvements - III	PW1732	-	21	-	-	-	-	-
Mission Road Storm Drainage Installation	MXXXXX	-	-	-	-	-	-	237
Montauban Avenue and Hammertown Drive Roundabout	PW1723	-	-	7				
North Stockton Chloramine Conversion	M17012	2,662	-	-	-	-	-	-
Pump Station Discharge Modification for Pipe Inspections	M16013	717	-	-	534	-	-	-
Reimbursement for Blossom Ranch Drainage Study	M17033	262	52	-	-	-	-	-
Rose Street Storm Line Upsize	M18045	81	342	207	-	-	-	-
SEWD North and South Aqueducts	M18001	249	-	-	-	-	-	-
South Airport Way Separated Bikeway	PW1808	-	-	76	-	-	-	-
Spanos Park West Infiltration Assessment	MXXXXX	-	-	-	-	73	-	-
Storm Drain Master Plan	M20009	-	994	-	-	-	-	-
Storm Drain Pump Stations and Force mains Cathodic Protection Repairs - Priority #1 and Priority #2	M16010	855	-	-	-	-	-	-
Tam O'Shanter Drive and Knickerbocker Drive Roundabout	PW1727	-	-	3	-	-	-	-
Thornton Road / Lower Sacramento Road / Hammer Lane Triangle Left Turn Lanes	PW1518	-	6	-	-	-	-	-
Underground Emergency Repairs	M17027	(7)	-	-	-	-	-	-
Water Wells 25 & 26	M14020	857	-	-	-	-	-	-
West Lane and Mosher Slough Storm Drain Pump Station	MXXXXX	-	-	-	-	329	-	-

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West Lane Pedestrian Access Improvements	PW1424	-	42	-	-	-	-	-
West Lane Traffic Responsiveness Signal Control System	PW1611	-	32	-	-	-	-	-
Western Pacific Stormwater Pump Station Improvements	MXXXXX	-	-	-	-	-	50	-
Weston Ranch Infiltration Assessment	MXXXXX	-	-	-	-	79	-	-
Total Stormwater :		6,672	1,849	570	1,934	1,020	834	903
Wastewater: 437								
2014 Sanitary Sewer Rehabilitation - Phase II	M19001	600	-	187	-	-	-	-
2016 Sanitary Sewer Rehabilitation	M16006	832	-	-	-	-	-	-
Abandon Old Brookside Sanitary Sewer Pump Station	M20015	-	193	-	-	-	-	-
Airport Way Sewer Trunk Rehabilitation (SJC Fairgrounds to Ralph Ave)	M21017	-	-	613	4,372	-	-	-
Alexandria Place Sewer Rehabilitation	M15001	747	-	-	-	-	-	-
Assessment of Various Unit Processes in the RWCF	M20021	-	300	604	-	-	-	-
Asset Condition Assessment for Sanitary Sewer Force mains	M20018	-	480	596	-	-	-	-
Asset Condition Assessment for Sanitary Sewer Pump Stations	M20019	-	519	-	-	-	-	-
Biotower No. 4 Assessment	M14027	-	-	-	-	-	-	-
Black Oak Public Utilities Easement Sewer Rehabilitation	M15002	193	-	-	-	-	-	-
Brookside and I-5 Pump Station Emergency Power	MXXXXX	-	-	-	-	-	236	-
Brookside Estates Sanitary Sewer Pump Station	MXXXXX	-	-	-	-	288	-	-
California St. Road Diet - Phase 1	PW1805	-	-	15	610	-	-	-
Clean Water State Revolving Fund	M14030	(31)	-	-	-	-	-	-
Cogeneration Evaporative Cooling Tower Replacement	M18013	391	-	-	-	-	-	-
Della Street Sanitary Sewer Line Rehabilitation	M17025	390	-	-	-	-	-	-
Del Norte Street Sewer Rehabilitation	MXXXXX	-	-	-	-	-	-	8,333
Digesters 4, 5 - 36 Valves	M16011	828	-	-	-	-	-	-
Don Avenue and Santiago Way Sanitary Sewer Pump Station Rehabilitation	M13010	230	-	-	-	-	-	-
El Dorado Street (Alpine to Wyandotte) Rehabilitation	MXXXXX	-	-	-	-	229	1,119	-
El Dorado Street (Fremont to Oak Street) Sewer Line Rehabilitation	MXXXXX	-	-	-	-	98	520	-
EL Dorado Street (Market to Fremont) Sewer Line Rehabilitation	MXXXXX	-	-	-	-	-	1,868	-
Etna Street Rehabilitation	MXXXXX	-	-	-	-	900	10,795	-
Ferric Tanks Digester Feed	M17008	71	-	-	-	-	-	-
Five Mile Slough Force Main Assessment	M18015	317	-	-	-	-	-	-
Fourteen Mile Slough Pump Station	M20022	-	82	347	3,124	-	-	-
FY 17-18 Maintenance Hole Rehabilitation	M18054	270	-	-	-	-	-	-
Harding Way Sewer Rehabilitation	MXXXXX	-	-	-	-	-	-	1,572
Hazelton Avenue Sewer Trunk Rehabilitation (Della to Pilgrim Streets)	MXXXXX	-	-	-	-	-	2,147	-
Highway 99 at Farmington Fresh Sewer	M14034	422	-	-	-	-	-	-
Howard Street Sanitary Sewer Line Rehabilitation	M18031	108	431	-	-	-	-	-
Kelley and Mosher Slough Sanitary Sewer Pump Station	MXXXXX	-	-	-	-	820	-	-
Lincoln Road Sewer Trunk Rehabilitation - Pershing Ave. and Alexandria Pl.	M21018	-	-	585	3,620	-	-	-
Lincoln Street and Eighth Street Roundabout	PW1721	-	-	17	-	-	-	-
Lincoln Street Sanitary Sewer Pump Station and Force main	MXXXXX	-	-	-	-	422	5,591	-
Longview Avenue Sewer Rehabilitation - Pacific Ave. to El Dorado St.	MXXXXX	-	-	-	109	977	-	-
Louis Park Access Road	MXXXXX	-	-	163	-	-	-	-
March Lane Sewer Trunk Rehabilitation (I-5 to Brookside Sewer PS)	MXXXXX	-	-	-	-	1,119	5,089	-

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Miner Avenue Complete Streets Improvements - III	PW1732	-	37	-	-	-	-	-
Montauban Avenue and Hammertown Drive Roundabout	PW1723	-	-	3	-	-	-	-
Mormon Slough Sanitary Sewer Line Rehabilitation	M18030	182	1,933	-	1,087	-	-	-
MUD Cogeneration HVAC and Reroofing	M15006	296	-	-	-	-	-	-
Myrtle Street Sanitary Sewer Line Rehabilitation	M17024	2,249	-	-	-	-	-	-
Navy Drive 30" and 24" Sewer Trunk	M16004	2,594	-	-	-	-	-	-
Navy Drive 48 Inch Sewer Rehabilitation	M15003	6,011	-	-	-	-	-	-
North Pump Station Assessment and Improvement	M19002	264	-	-	-	-	-	-
Oak Street Sewer Trunk Rehabilitation (Wilson Way to Pershing Avenue)	M20016	-	949	-	-	11,611	-	-
Pardee Lane Rehabilitation	MXXXXX	-	-	-	-	-	897	15,813
Pershing Avenue Sewer Trunk Line	M16003	1,586	-	-	-	-	-	-
Pershing Avenue Sewer Trunk Rehabilitation (Church Street to Navy Drive)	M17023	2,427	-	-	-	94	1,504	-
Pershing Avenue Sewer Trunk Rehabilitation (Oak Street to Tuxedo Avenue)	MXXXXX	-	-	-	4,372	-	-	-
Pilgrim and Union Streets Easement Sanitary Sewer Rehabilitation	M18032	79	388	-	-	-	-	-
Plymouth & Five Mile Creek Sanitary Sewer Pump Station	MXXXXX	-	-	-	95	2,092	-	-
Pump Station Pipe Inspection	M16013	717	-	-	-	-	-	-
Quail Lakes Sanitary Sewer Lift Station Upgrade/Rehabilitation	M21015	-	-	191	608	-	-	-
Ralph Avenue Sewer Trunk Line Rehabilitation - Phase II	M18024	-	1,037	9,475	-	-	-	-
Rehabilitate Digesters A & B for Sludge Storage	M09006	-	-	-	1,990	1,990	-	-
Replacement of Compressors at Tertiary and Main Plants	M20012	-	374	376	-	-	-	-
Replacement of valve for the Secondary Clarifier No. 1	M20013	-	237	-	-	-	-	-
Rosemarie Lane Sewer Rehabilitation	MXXXXX	-	-	-	-	-	-	1,880
RWCF Bio-Scrubber Repairs	M21011	-	-	903	-	-	-	-
RWCF - New Outfall at the Main Plant Site (eastern side) of the San Joaquin River	M20023	-	1,041	-	-	-	-	-
RWCF 2017 Paving	M16021	572	-	-	-	-	-	-
RWCF 60 KV Transformer Replacement	M21010	-	-	2,103	-	-	-	-
RWCF 60" River Crossing Forcemain Rehabilitation	MXXXXX	-	-	-	-	-	-	-
RWCF CIEMP Environmental Impact Report	M12019	190	-	-	-	-	-	-
RWCF CIEMP Program Design	M16022	-	-	50,274	61,794	53,518	9,128	-
RWCF Coating for Digester Gas Holder	M21012	-	-	293	-	-	-	-
RWCF Cogeneration Engine No. 1 Rebuild	MXXXXX	-	-	-	-	802	-	-
RWCF Cogeneration Engines No. 1 & No. 4 Overhaul	M16009	928	-	-	-	-	-	-
RWCF Cogeneration Engine No. 3 Retrofit, Fuel Blending System	M20014	-	478	442	-	-	-	-
RWCF Cogeneration Engine No. 4 Rebuild	MXXXXX	-	-	-	-	-	760	-
RWCF Cogeneration Gas Dryer	M14011	446	-	-	-	-	-	-
RWCF Electrical MCC Upgrades	M18010	291	-	350	-	-	-	-
RWCF Main Plan Switchgear Upgrade with Load Shedding	MXXXXX	-	-	-	-	117	112	112
RWCF Main Plant Flood Study	M21008	-	-	260	-	-	-	-
RWCF Modifications Project - Progressive Design Build	M16022	-	44,119	-	-	-	-	-
RWCF New Outfall at the Main Plant Site (eastern side) of the San Joaquin River	M20023	-	-	2,070	2,072	5,194	76	-
RWCF Pond No. 1 Cleaning	M18011	250	-	750	2,281	2,281	2,281	2,281
RWCF Primary Treatment Process Rehabilitation	M19004	549	-	-	-	-	-	-
RWCF Recycle Water Pump Station Rehabilitation	M21014	-	-	316	-	-	-	-

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RWCF Replace Digester Gas Pipeline Expansion Joints	M21013	-	-	107	-	-	-	-
RWCF SCADA Master Plan	M14010	580	-	-	-	-	-	-
RWCF Site Security Upgrade	M14015	-	-	-	-	-	-	-
RWCF Sludge Day Tank Mixing Rehabilitation	MXXXXX	-	-	-	162	158	-	-
Ryde Avenue Sewer Rehabilitation	MXXXXX	-	-	-	-	-	-	3,390
Sanitary Sewer Maintenance Hole Rehabilitation Project	M20011	-	300	300	300	300	300	-
Sanitary Sewer and Forcemain Cathodic Protection Repairs - Priority 3	M17014	87	1,708	-	-	-	-	-
Sanitary Sewer Large Diameter Lines Rehabilitation	M20020	-	400	1,442	369	835	947	-
Sanitary Sewer Master Plan Update	M20024	-	955	-	-	-	-	-
Sanitary Sewer Small Diameter Lines Replacement	M21016	-	-	378	1,472	-	-	-
Sanitary Sewer Street Improvements	M20017	(24)	93	-	-	-	-	-
Sanitary System Street Improvements	M18052	5	-	-	-	-	-	-
Sanitary Sewer Trunk Line Rehabilitation Project (Navy Drive and I-5)	M17026	1,645	-	2,012	-	-	-	-
Sewer System Street Improvements Reimbursements	M21020	-	-	166	15	15	15	15
Scum Hopper	M17004	631	-	-	-	-	313	-
Sierra Nevada Street Sanitary Sewer Line Rehabilitation	M18029	154	1,553	-	-	-	-	-
Sludge Day Tank Mixing Rehabilitation	MXXXXX	-	-	-	-	-	-	-
South Tuxedo Avenue Sewer Trunk Rehabilitation	MXXXXX	-	-	-	-	512	-	-
Sperry Road/Gibraltar Court Sanitary Sewer Rehabilitation	MXXXXX	-	-	-	-	555	4,067	-
Swain Road and Alturas Avenue Sewer Rehabilitation	MXXXXX	-	-	-	-	57	516	-
Swenson & Five Mile Creek Sanitary Sewer Pump Station	MXXXXX	-	-	-	85	2,753	-	-
Tam O'Shanter Drive and Knickerbocker Drive Roundabout	PW1727	-	-	3	-	-	-	-
Thornton and Davis Road Sanitary Sewer Pump Station Rehabilitation	M13009	477	-	-	-	-	-	-
Union Street Rehabilitation - Harding Avenue to Acacia Street	M21007	-	-	199	1,179	-	-	-
Water Field Office Remodel	M14014	1,837	-	-	-	-	-	-
West Lane and Calaveras River North Storm Station New Sanitary Sewer Line Installation	MXXXXX	-	-	-	-	135	811	-
West Lane and Calaveras River South Storm Station New Sanitary Sewer	MXXXXX	-	-	-	-	135	811	-
Worth Street Sanitary Sewer Line Rehabilitation	M18028	597	4,847	-	-	-	-	-
Wyandotte Street Sewer Rehabilitation	MXXXXX	-	-	-	-	-	-	3,482
Total Wastewater:		30,987	62,453	75,540	89,716	88,007	49,903	36,878
Wastewater Connection Fee: 434								
Downtown Sewer Collection System	M17018	15	244	250	271	278	7,141	-
Lincoln Street Sanitary Sewer Pump Station and Forcemain	MXXXXX	-	-	-	-	181	2,396	-
Market Street Sanitary Sewer Upsize	M18014	3,429	-	-	-	-	-	-
Sanitary Sewer Extension for VA Medical Facility in French Camp	M20025	694	328	-	-	-	-	-
Veteran Affairs Medical Center Off-Site Improvements	M20026	291	5,218	6,733	2,993	-	-	-
Total Wastewater Connection Fee:		4,429	5,790	6,983	3,264	459	9,537	-
Water Connection Fees: 424								
Henry Long Loop Reimbursement	MXXXXX	-	-	-	-	-	-	134
Holman Road/Hendrix Drive to Eight Mile Oversizing	MXXXXX	-	-	-	-	-	-	216
Lower Sacramento Road Water Main between Marlette and Eight Mile Roads	MXXXXX	-	-	-	-	-	-	206
Northeast Reservoir No. 1 and Pump Station	MXXXXX	-	-	-	-	-	558	-
Origone Ranch Oversizing Reimbursement	MXXXXX	-	-	-	-	-	-	262
Preserve/Atlas Tract Oversizing Reimbursements	MXXXXX	-	-	-	-	-	-	483

**FY 2020-2025 Capital Improvement Plan
Project List by Fund
(Dollars in thousands)**

	Project Number	Remaining Balance as of 6/30/19	FY 2019-20 Adopted	FY 2020-21 Proposed	FY 2021-22 Projected	FY 2022-23 Projected	FY 2023-24 Projected	FY 2024-25 Projected
Sanctuary/Shima Tract Oversizing Reimbursement	MXXXXX	-	-	-	-	-	-	1,726
Tam O'Shanter Drive and Knickerbocker Drive Roundabout	PW1727	-	3	-	-	-	-	-
Veteran Affairs Medical Center Off-Site Improvements	M20026	156	2,810	-	-	-	-	-
Water Supply - Well #33 (Pumping Plant Only)	MXXXXX	-	-	-	447	-	-	-
Waterline Extension for VA Medical Facility in French Camp	M20004	377	102	-	-	-	-	-
West, East and South Bear Creek Oversizing Reimbursements	MXXXXX	-	-	1,045	2,895	2,895	-	-
Westlake Village Oversizing Reimbursement	MXXXXX	-	-	-	-	-	110	-
Total Water Connection Fees:		533	2,915	1,045	3,342	2,895	668	3,027
Water: 423/427								
16" Water Line Along I-5 North of East Roth Road	MXXXXX	-	-	-	-	-	87	637
Abandonment of Wells 1, 9, 11 & 16	M18004	47	352	-	-	-	-	-
Advanced Metering Infrastructure	MXXXXX	-	-	-	-	-	-	491
Cathodic Protection for Potable Water Line at Bear Creek and Trinity Pkwy	M21003	-	-	121	-	-	-	-
Delta Water Treatment Plant Intake	M17029	564	-	-	-	-	-	-
Pumping Facility Repairs								
Intake Pump Station Discharge Pipe	M21002	-	-	150	-	-	-	-
Support Study								
Left Turn Lane Additions at Various Locations	PW1720	-	58	-	-	-	-	-
Lincoln Street and Eighth Street Roundabout	PW1721	-	-	8	-	-	-	-
Newcastle Loop Phase II	M18053	3,001	-	-	-	-	-	-
Water - Groundwater Recharge Basin	M20005	-	-	329	-	-	-	-
Waterline Extension for VA Medical Facility in French Camp	M20004	-	-	1,758	-	-	-	-
Water Main Relocation along Bonniebrook Drive	M21004	-	-	281	-	-	-	-
Water Master Plan Update	M20006	-	994	-	-	-	-	-
Water Service Lateral Replacement	M20001	-	223	-	-	-	-	-
Water Service Lateral Replacement	M17028	150	-	-	-	-	-	-
Water Service Line Replacement	M21006	-	-	195	195	195	195	195
Water System Street Improvements - 427	M20005	(2)	4	77	12	12	12	12
Water Well SSS#10	M17002	273	-	1,750	-	-	-	-
Well/Reservoir Site Improvements	M07033	296	-	-	-	-	-	-
Well/Reservoir Site Improvements Phase 2	M20002	-	75	-	-	-	-	-
West Lane Pedestrian Access Improvements	PW1424	-	7	-	-	-	-	-
Zephyr Road Water Main Connection	M20003		234	548				
Total Water :		4,328	1,946	5,217	207	207	294	1,335
Stormwater Capital: 447								
Harding Way Subway Storm Pump	M15010	40	-	-	-	-	-	-
Wilson Way Subway Storm Pump	M15011	30	-	-	-	-	-	-
Charter Way Subway Storm Pump	M16001	72	-	-	-	-	-	-
Charter/Walnut Storm Pump	M16002	12	-	-	-	-	-	-
1025 E. Park Street Storm Drain	M16007	33	-	-	-	-	-	-
Pipe Replacement Sutter/Calaveras River	M17022	281	-	-	-	-	-	-
Storm System Improvements	M18046	52	-	-	-	-	-	-
Total Stormwater:		520	-	-	-	-	-	-
Boat Launching Fees: 045/460								
Buckley Cove Parking Lot Pavement Resurfacing	0000	-	-	-	200	-	-	-
Marina Sail Covering Replacement Project	ED8605	-	-	-	200	200	200	-
Total Boat Launching Fees:		-	-	-	400	200	200	-
Fleet: 501								
Vehicle and Equipment Wash Rack Improvements and Upgrades	PW1616	-	40	-	-	-	-	-
Paint Shop Building Conversion	0000	-	-	149	-	-	-	-
Build Fleet Parts Supply Warehouse	0000	-	-	100	-	-	-	-

**FY 2020-2025 Capital Improvement Plan
Project List by Fund
(Dollars in thousands)**

	Project Number	Remaining Balance as of 6/30/19	FY 2019-20 Adopted	FY 2020-21 Proposed	FY 2021-22 Projected	FY 2022-23 Projected	FY 2023-24 Projected	FY 2024-25 Projected
Emergency Backup Generators	PW1822	150	-	-	-	-	-	-
Total Fleet:		150	40	249	-	-	-	-
Public Facilities Fee - Traffic Signals: 900-904								
Industrial Drive Extension	0000	-	-	2,070	-	-	-	-
Traffic Signal Control System	PW9906/ PW1522	56	-	-	-	-	-	-
Total PFF - Traffic Signals:		56	-	2,070	-	-	-	-
Public Facilities Fee - Street Improvement: 910-915								
Bus Rapid Transit (BRT) 1-B	PW1515	618	-	-	-	-	-	-
Bus Rapid Transit (BRT) V on Weber Avenue, Miner Avenue, Fremont Street, Filbert Street, and Main Street	PW1516	157	-	-	-	-	-	-
Developers Reimbursements	PW1817	10,253	-	-	-	-	-	-
Fiber/Miner Traffic Signal	PW1310	35	-	-	-	-	-	-
Grant Match Program	0000	-	-	200	300	300	300	300
Little John Creek Reimbursement	PW9165	133	-	-	-	-	-	-
Tam O'Shanter/ Castle Oaks	PW1443	27	-	-	-	-	-	-
Thornton Road / Lower Sacramento Road / Hammer Lane Triangle Left Turn Lanes	PW1518	233	-	-	-	-	-	-
Thornton Road Widening	PW1428	2,157	3,000	-	-	-	-	-
West Lane Traffic Responsiveness Signal Control System	PW1611	24	-	-	-	-	-	-
Total PFF - Street Improvement:		13,636	3,000	200	300	300	300	300
Public Facilities Fee - Library Citywide: 950								
Northeast Stockton McNair Library and Recreation Center	PW1724	774	8,330	-	-	-	-	-
Total PFF Library Citywide:		774	8,330	-	-	-	-	-
Public Facilities Fee Parkland - Citywide: 970								
Cannery Park Neighborhood Park - 2.7 Acres	PW9270	14	-	-	-	-	-	994
Cannery Park Neighborhood Park - 7.48 Acres	PW9271	-	-	-	-	-	-	3,380
Fong Park (Blossom Ranch)	PW9207	772	-	-	-	-	-	-
La Morada Neighborhood Park	PW9173	1,598	-	-	-	-	-	-
Misasi Park	PW9131	2	-	-	-	-	-	2,206
Oakmore Montego Neighborhood Park - 6 Acres	PW9254	123	-	-	-	-	-	2,533
Westlake Villages Park - 11.5 Acres	PW9269	1	-	-	-	-	-	5,311
Total PFF Parkland - Citywide:		2,510	-	-	-	-	-	14,424
Public Facilities Fee - Street Trees: 978								
Eight Mile Road Precise Road Plan	PW2113	-	-	960	138	-	-	-
Residential Development Street Trees	PW1524	50	-	-	-	-	-	-
Street Tree Planting - City	PW9118	292	-	-	-	-	-	-
Total PFF Street Trees:		342	-	960	138	-	-	-
Public Facilities Fees - Street Signs: 979								
Residential Development Street Signs	PW1525	80	-	-	-	-	-	-
Street Name Sign Installation	PW9176	60	-	-	-	-	-	-
Total PFF Street Signs:		140	-	-	-	-	-	-
Public Facilities Fees - Street Lights: 980-985								
Wood Pole Replacement/Infill	PW1523	2	-	-	-	-	-	-
Street Light Installation	PW9191	529	-	-	-	-	-	-
Total PFF Street Lights:		531	-	-	-	-	-	-
Public Facilities Fee - Air Quality Citywide: 990								
Filbert/Miner Traffic Signal	PW1310	36	-	-	-	-	-	-
Green Initiatives	PW9276	268	-	-	-	-	-	-
Lower Sacramento Road Widening and Bridge Replacements	PW1907	-	-	-	692	5,275	-	-
March Lane Adaptive Traffic Control System	PW1312	269	-	-	-	-	-	-
Traffic Signal New Installations Program	0000	-	-	-	-	1,300	-	-
Total PFF Air Quality Citywide:		573	-	-	692	6,575	-	-
Unidentified Sources								

**FY 2020-2025 Capital Improvement Plan
Project List by Fund
(Dollars in thousands)**

	Project Number	Remaining Balance as of 6/30/19	FY 2019-20 Adopted	FY 2020-21 Proposed	FY 2021-22 Projected	FY 2022-23 Projected	FY 2023-24 Projected	FY 2024-25 Projected
Alexandria and Five Mile Slough Culvert Replacement	PW1602	-	-	-	-	-	-	1,223
Alpine Avenue Grade Separation	0000	-	-	-	-	-	-	30,685
American Legion Park Lagoon Fencing Replacement	0000	-	-	-	-	-	-	60
Arch Road Widening - Austin Road to Performance Drive	0000	-	-	-	-	-	-	39,444
Arch-Airport Road Precise Road Plan		-	-	-	960	138	-	-
Bin Enclosures at City Facilities	PW1504	-	-	-	-	-	-	400
California Street Gap Closure Improvements	0000	-	-	-	-	-	-	396
City Facility Assessment Rehabilitation Program	0000	-	-	-	-	-	-	200,000
Citywide Park Walkway Replacement	0000	-	-	-	-	-	-	500
Citywide Transportation Demand Management (TDM) Suitability Study	0000	-	-	-	-	-	-	155
Citywide Video System Upgrade	0000	-	-	-	-	-	-	5,848
Civic Auditorium Stage Controls/Rigging	PW1409	-	-	-	-	-	-	623
Civic Auditorium Upgrades	0000	-	-	-	-	-	-	1,324
Claremont Avenue Reconstruction (include bike lane striping)	0000	-	-	-	-	-	-	1,764
Complete Streets Plan	0000	-	-	-	-	-	-	407
Corporation Yard Improvements	0000	-	-	-	-	-	-	1,000
Curb, Gutter, and Sidewalk Infill Program	PW1816	-	-	-	-	-	-	6,925
Davis Road Widening (Bear Creek to Waterford)	0000	-	-	-	-	-	-	4,371
EBMUD - March Lane Greenscape, Phase 2	0000	-	-	-	-	-	-	2,704
El Dorado & Center St. Corridor Study & Design	0000	-	-	-	-	-	-	400
El Dorado Street Improvements Phase 3	0000	-	-	-	-	-	-	3,108
Emergency Vehicle Pre-emption	0000	-	-	-	-	-	-	550
Fire House Seismic Evaluations - Citywide	0000	-	-	-	-	-	-	298
Fire Station Interior Apparatus Bay Painting	0000	-	-	-	-	-	-	372
Fire Station Landscaping - Design & Construction	0000	-	-	-	-	-	-	654
Fire Station No. 11 Driveway and Parking Lot Replacement - Back of Station	PW2116	-	-	-	459	-	-	-
Fire Station No. 13 Storage and Driveway Improvements	0000	-	-	-	-	-	-	458
Fire Station No. 2 Parking Lot	0000	-	-	-	-	500	-	-
Fire Station No. 5 Concrete Driveway and Parking Lot Replacement	0000	-	-	-	-	500	-	-
Fire Station No. 6 Reconstruction	0000	-	-	-	-	-	-	11,144
Game Court Rehabilitation Program	0000	-	-	-	-	-	-	2,363
Harrell Park Restroom Demolition	0000	-	-	-	-	-	-	100
Historic City Hall Renovations	0000	-	-	-	558	5,442	-	-
Library and Teen Center Landscape Refurbishment	0000	-	-	-	-	-	-	50
Louis Park Softball Complex Parking Lot & Walk Improvements	PW1323	-	-	-	-	-	-	520
Louis Park Softball Parking Lot Lighting	0000	-	-	-	-	-	-	125
Lower Sacramento Road Widening and Bridge Replacements	PW1907	-	-	-	-	-	37,701	-
March Lane Widening - Venezia Blvd to I-5	0000	-	-	-	-	-	-	5,145
Mormon Slough Bikeway Improvement Project	0000	-	-	-	-	-	-	1,242
Mormon Slough Feasibility Study	0000	-	-	-	-	-	-	150
Oak Park Facilities Upgrades	0000	-	-	-	-	-	-	3,606
Oak Park Ice Rink Facility Upgrade Project	0000	-	-	-	100	100	100	100
Oak Park Tennis Center Upgrades	0000	-	-	-	-	-	-	820
Park Parking Renovation Program	0000	-	-	-	-	-	-	806
Park Restroom Rehabilitation and Repair Program	0000	-	-	-	-	-	-	350
Play Equipment Replacement	PW1512	-	-	-	-	-	-	600

**FY 2020-2025 Capital Improvement Plan
Project List by Fund
(Dollars in thousands)**

	Project Number	Remaining Balance as of 6/30/19	FY 2019-20 Adopted	FY 2020-21 Proposed	FY 2021-22 Projected	FY 2022-23 Projected	FY 2023-24 Projected	FY 2024-25 Projected
Pershing Avenue Roadway Crown Reduction - Princeton Ave to Elmwood Ave	0000	-	-	-	-	-	-	761
Police - Install Baffles at Firing Range	0000	-	-	-	-	-	-	-
Police Facilities	PW1535	-	-	-	-	1,304	8,666	-
Police Firing Range	0000	-	-	-	-	-	-	-
Pool UV System Installations	0000	-	-	-	-	-	-	105
Railroad Crossing Program	PW1527	-	-	-	-	-	-	50
Rectangular Rapid Flashing Beacon Installation Project	0000	-	-	-	-	-	-	790
Regional Dispatch Center	0000	-	-	-	-	11,534	-	-
Robinhood Drive Bike Lanes	0000	-	-	-	-	-	-	519
Roundabout Program	0000	-	-	-	-	-	1,166	-
Rule 20A Streetlighting Program	PW1521	-	-	-	-	-	-	1,354
Security Lid Conversion on Electrical Utility Boxes	0000	-	-	-	-	-	-	620
Street Smarts Program	0000	-	-	-	-	-	-	312
Stribley Park Burned Restroom Demo and Replacement	0000	-	-	-	-	-	-	347
Swenson Park and Golf Irrigation System Separation	0000	-	-	-	-	-	-	242
Traffic Signal Conversions to City Standard	0000	-	-	-	-	-	-	1,200
Traffic Signal Head Visibility Improvements - 8" to 12" Signal Indicators	0000	-	-	-	-	-	-	140
Van Buskirk Playground Rubber Fall Surface Replacement	PW1729	-	-	-	-	-	-	78
Victory Park Restrooms Demolition and Replacement	0000	-	-	-	-	-	-	235
Waterfront Lighting Restoration	0000	-	-	-	-	-	-	320
Weber Parking Lot Construction	0000	-	-	-	150	1,500	-	-
Weber Point Shade Structure Fabric Replacement	0000	-	-	-	-	-	-	631
West Lane Complete Streets Corridor Study	0000	-	-	-	-	-	-	250
West Lane Grade Separation	0000	-	-	-	-	-	-	44,240
West Lane Widening - Hammer Lane to Morada Lane	0000	-	-	-	-	-	-	22,631
Total Unidentified Sources:		-	-	-	2,227	21,018	47,633	405,615
Grand Total		136,066	141,284	125,124	151,958	141,110	130,215	485,117



TAB 14 INTERNAL SERVICE FUNDS

INTERNAL SERVICE FUNDS

MISSION STATEMENT

Internal Service Funds are used to report the centralized financing of goods and services provided by one department on a cost reimbursement basis. The City of Stockton uses internal service funds for the central administration of insurance, equipment replacement, and technology services.

Budget at a Glance:

Total Revenues	\$160,171,928
Total Expenditures	\$165,865,224
Total Net Cost	\$5,693,296

PROGRAM DESCRIPTION

The City has Internal Service Funds (ISF) for equipment, risk management, and employee benefits funding. City departments contribute to these funds as part of their annual budgets. The funds are used to provide services and equipment to departments and pay for overall citywide programs. Approximately 75% of ISF expenditures are related to the City's insurance and other benefits costs, while the remainder are related to equipment services. The City's ISFs are as follows:

Equipment:

- Fleet
- Technology
- Radio
- Office Equipment

Insurance/Benefits:

- General Liability
- Workers Compensation
- Health
- Unemployment
- Long-Term Disability, Life and Accidental Death and Dismemberment
- Retirement
- Compensated Absences

DEPARTMENT STRATEGIC WORK PLAN

In general, an Internal Service Fund is used as a governmental financial mechanism to provide goods and services to multiple departments on a cost reimbursement basis in a systemized manner. Stockton's specific overall ISF goals go beyond the general objective and include developing rates that are stable over time and cover the cost of current use that might involve cash payouts in future periods. Consequently, Stockton's ISFs manage a relatively stable inflow of resources to pay for equipment and services that do not necessarily have a consistent or recurring nature.

Internal Service Funds, therefore, play a significant role in the City Council Strategic Target of fiscal sustainability and indirectly in several other targets because if money is not available, other targets cannot be met. Developing a sustainable funding level requires experience and analysis while setting aside money for future periods requires discipline and restraint. The City's ISF rate methodologies have proven fairly successful over the last few years, as several risk funds have recovered sufficient balances to pay for expected claim payouts, and the short-term funding of needs is available. Fleet, radio and technology requirements expected in the next five years and the retirement demands of CalPERS scheduled for the next 10 years are not fully covered by stabilized, consistent rates at this time. The long-term plan for ISFs is to develop accurate

INTERNAL SERVICE FUNDS

forecasts of the likeliest needs and related payout scenarios while remaining true to the overall fund goals and rate stabilization goals.

KEY CONSIDERATIONS

The expectations laid out for the ISFs were overall favorable as appropriations for claims and equipment were sufficient to pay for what was incurred or required. A few of the ISFs are experiencing challenges to the long-term stability of the programs. These areas are being monitored closely.

CalPERS payments are expected to continue increasing until 2031. To properly fund the retirement obligation for current and retired City employees, CalPERS reduced the rate of return on investments from 7.5% to 7%, requiring additional payments over the next decade. Given the uncertainty surrounding future CalPERS earnings, the Long-Range Financial Plan assumes a reduction in the discount rate from 7% to 6.5% effective in FY 2021-22 with 10-year phase-in period. To plan for future pension payments, the City continues contributions to an IRC Section 115 Pension Trust and to date has set approximately \$45 million aside in the trust which, while restricted solely for pension costs, affords the City greater flexibility than remitting to CalPERS, greater earnings potential than the City investment pool, and is expected to pay four to five of the fifteen balloon payments scheduled by CalPERS between now and 2036.

Managing claims cost in the General Liability ISF will be a focus in FY 2020-21. Resources were short of covering the long-term claims liability after June 30, 2019 actuarial adjustments. Rates have been increased in FY 2019-20 and FY 2020-21 to adjust for the higher cost of claims. Human Resources is also working to improve claims management and mitigation by contracting with a third-party administrator.

In response to COVID-19 shelter-in-place orders, the City had to close facilities and reduce part-time positions. As a result of the closures, unemployment claims are expected to increase. Rates for unemployment coverage charged to departments may not be sufficient to cover the claims costs depending on the duration of closures.

The General Fund will infuse \$5.25 million into the Radio Equipment ISF in FY 2020-for the public safety radio infrastructure project. The City will seek grant funding and/or financing options for the final phase of the project. The full-scale replacement of the radio system infrastructure, the backbone of the system, is the City's continued priority.

To provide value, long-term ISF rates should be identifiable, relative to how expenditures will be incurred and cover the operating needs of the departments. With the ISFs accounting for 21% of overall City spending, sound management of these funds is vital to the City's fiscal sustainability. Continuous analysis of the spending trends, forecasts and rate methodologies, and updates to the City's Long-Range Financial Plan will be key components to managing the resources and demands in these funds. Further detail on the equipment and benefit ISFs is included in the following pages.



**Internal Service Funds
FY 2020-21 Annual Budget**

	Fleet Services 501	Computer Equipment 502	Radio Equipment 503	Office Equipment Printing/Mailing 505
	<i>See Page N-9</i>	<i>See Page N-11</i>	<i>See Page N-13</i>	<i>See Page N-15</i>
Beginning Available Balance	\$ 8,451,524	\$ 15,971,752	\$ 3,487,899	\$ 1,505,260
Revenues				
Charge for Services				
Police	5,994,194	5,211,812	1,540,657	-
Fire	3,116,296	1,198,104	704,589	-
Other General Fund	115,284	1,735,793	3,268	-
Other Funds	4,023,691	6,453,551	131,510	-
	13,249,465	14,599,260	2,380,024	-
Refunds & Reimbursements	200,000	-	-	382,000
Investment Proceeds	100,000	225,000	15,000	10,000
	13,549,465	14,824,260	2,395,024	392,000
Expenditures				
Administration	1,760,927	2,166,575	-	-
Operations & Maintenance	7,665,321	11,317,377	932,513	535,924
Equipment Replacements	3,000,000	3,277,700	6,482,207	-
Capital Projects	249,000	-	-	-
Debt Service	743,782	-	-	-
Claims	-	-	-	-
Excess Insurance Premium	-	-	-	-
Third Party Administrator	-	-	-	-
Pension contributions to CalPERS	-	-	-	-
Employee leave balance payoffs	-	-	-	-
	13,419,030	16,761,652	7,414,720	535,924
Transfers				
Transfer In	-	-	5,250,000	-
Transfer Out	-	(780,000)	-	-
	-	(780,000)	5,250,000	-
Net Annual Activity	130,435	(2,717,392)	230,304	(143,924)
Ending Available Balance	\$ 8,581,959	\$ 13,254,360	\$ 3,718,203	\$ 1,361,336

**Internal Service Funds, Continued
FY 2020-21 Annual Budget**

	General Insurance 541	Workers' Compensation 551	Health Insurance 552	Unemployment 556
	<i>See Page N-17</i>	<i>See Page N-18</i>	<i>See Page N-21</i>	<i>See Page N-23</i>
Beginning Available Balance	\$ 10,465,018	\$ 524,351	\$ 9,625,037	\$ 597,188
Revenues				
Charge for Services				
Police	4,290,177	5,279,612	7,582,795	36,279
Fire	1,341,969	1,985,877	1,769,368	8,194
Other General Fund	828,322	388,853	1,751,336	8,626
Other Funds	3,568,532	2,695,658	7,867,140	44,102
	<u>10,029,000</u>	<u>10,350,000</u>	<u>18,970,639</u>	<u>97,201</u>
Refunds & Reimbursements	40,000	500,000	4,811,169	-
Investment Proceeds	250,000	830,000	100,000	14,000
	<u>10,319,000</u>	<u>11,680,000</u>	<u>23,881,808</u>	<u>111,201</u>
Expenditures				
Administration	2,688,536	848,924	1,073,949	-
Operations & Maintenance	-	517,825	-	-
Equipment Replacements	-	-	-	-
Capital Projects	-	-	-	-
Debt Service	-	-	-	-
Claims	5,796,000	8,423,000	25,021,716	454,000
Excess Insurance Premium	2,876,218	1,292,000	-	-
Third Party Administrator	-	704,474	112,810	-
Pension contributions to CalPERS	-	-	-	-
Employee leave balance payoffs	-	-	-	-
	<u>11,360,754</u>	<u>11,786,223</u>	<u>26,208,475</u>	<u>454,000</u>
Transfers				
Transfer In	-	-	-	-
Transfer Out	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Annual Activity	<u>(1,041,754)</u>	<u>(106,223)</u>	<u>(2,326,667)</u>	<u>(342,799)</u>
Ending Available Balance	<u>\$ 9,423,264</u>	<u>\$ 418,128</u>	<u>\$ 7,298,370</u>	<u>\$ 254,389</u>

**Internal Service Funds, Continued
FY 2020-21 Annual Budget**

	Long Term Disability & Life 557	Retirement 561	Compensated Absences 562	Internal Service Total
	<i>See Page N-25</i>	<i>See Page N-27</i>	<i>See Page N-29</i>	
Beginning Available Balance	\$ 74,818	\$ 52,921,693	\$ 743,731	\$ 104,368,271
Revenues				
Charge for Services				
Police	250,788	31,410,178	680,434	62,276,926
Fire	61,433	10,021,152	221,874	20,428,856
Other General Fund	60,282	3,807,320	120,949	8,820,033
Other Funds	257,590	18,117,396	488,743	43,647,913
	<u>630,093</u>	<u>63,356,046</u>	<u>1,512,000</u>	<u>135,173,728</u>
Refunds & Reimbursements	-	11,260,931	-	17,194,100
Investment Proceeds	100	1,000,000	10,000	2,554,100
	<u>630,193</u>	<u>75,616,977</u>	<u>1,522,000</u>	<u>154,921,928</u>
Expenditures				
Administration	-	199,376	-	8,738,287
Operations & Maintenance	-	-	-	20,968,960
Equipment Replacements	-	-	-	12,759,907
Capital Projects	-	-	-	249,000
Debt Service	-	-	-	743,782
Claims	-	-	-	39,694,716
Excess Insurance Premium	630,093	-	-	4,798,311
Third Party Administrator	-	-	-	817,284
Pension contributions to CalPERS	-	74,612,977	-	74,612,977
Employee leave balance payoffs	-	-	1,702,000	1,702,000
	<u>630,093</u>	<u>74,812,353</u>	<u>1,702,000</u>	<u>165,085,224</u>
				-
Transfers				
Transfer In	-	-	-	5,250,000
Transfer Out	-	-	-	(780,000)
	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,470,000</u>
Net Annual Activity	<u>100</u>	<u>804,624</u>	<u>(180,000)</u>	<u>(5,693,296)</u>
Ending Available Balance	<u>\$ 74,918</u>	<u>\$ 53,726,317</u>	<u>\$ 563,731</u>	<u>\$ 98,674,975</u>

Revenues	\$ 154,921,928
Transfers	5,250,000
Total Sources	<u>\$ 160,171,928</u>
Expenditures	\$ 165,085,224
Transfers	780,000
Total Appropriations	<u>\$ 165,865,224</u>



INTERNAL SERVICE FUNDS

FLEET SERVICES FUND (501)

PROGRAM DESCRIPTION

Public Works manages the Fleet Internal Service Fund and is responsible for maintaining and replacing the City's fleet of approximately 1,149 vehicles and heavy equipment valued at over \$62 million. Departments are charged monthly rental rates to finance operations and vehicle replacements. Maintenance activities are performed either by City staff or outside vendors and include preventative maintenance inspections, comprehensive mechanical repairs, and specialized auto body work. A replacement reserve is needed to save for the future replacement of vehicles at the end of their useful life. The replacement reserve amount has ranged from \$1.0 million to \$5.0 million over the past ten years. Approximately 360 items in the inventory are past their standard life cycle with an estimated replacement cost of \$14.7 million.

KEY CONSIDERATIONS

- FY 2020-21 budget includes \$3.0 million for vehicle replacement purchases, including funding emergency response vehicles, generators and heavy equipment.
- Complete second phase installation of E.J. Ward Fueling System and fuel site pump upgrades.
- Purchase and upfit approximately 89 vehicles to maintain FY 2020-21 Fleet Replacement Plan.
- Source, secure and integrate Telematics/GPS into fleet operations.
- Continue ongoing efforts to review and improve fleet operations through process improvement, revision of shop structure, space utilization and parts acquisition.

**Internal Service Funds
Fleet Services - 501
FY 2020-21 Annual Budget**

	FY 2017-18 Actual	FY 2018-19 Actual	FY 2019-20 Projected	FY 2020-21 Budget
Beginning Available Balance	\$ 6,242,353	\$ 7,250,645	\$ 8,997,440	\$ 8,451,524
Revenues				
Charge for Services				
Police	4,771,081	5,408,627	5,304,453	5,994,194
Fire	2,433,853	2,533,756	2,676,737	3,116,296
Other General Fund	656,109	627,112	647,075	115,284
Other Funds	4,135,499	3,943,334	4,012,970	4,023,691
	<u>11,996,542</u>	<u>12,512,829</u>	<u>12,641,235</u>	<u>13,249,465</u>
Refunds & Reimbursements	7,793	92,907	80,000	100,000
Sale of Assets	159,708	21,929	100,000	100,000
Investment Proceeds	78,902	154,960	120,000	100,000
	<u>12,242,945</u>	<u>12,782,625</u>	<u>12,941,235</u>	<u>13,549,465</u>
Expenditures				
Operations & Maintenance	4,283,077	4,478,122	4,536,596	5,514,022
Fuel	1,731,605	1,842,834	1,985,421	2,151,299
General & Administrative	2,090,549	1,904,080	2,126,783	1,760,927
Debt Service	776,617	765,425	744,007	743,782
Replacements	1,970,805	1,895,369	3,616,344	3,000,000
Capital Projects	-	-	40,000	249,000
	<u>10,852,653</u>	<u>10,885,830</u>	<u>13,049,151</u>	<u>13,419,030</u>
Transfers				
Transfer In	-	-	-	-
Transfer Out	(382,000)	(150,000)	(438,000)	-
	<u>(382,000)</u>	<u>(150,000)</u>	<u>(438,000)</u>	<u>-</u>
Net Annual Activity	1,008,292	1,746,795	(545,916)	130,435
Ending Available Balance	\$ 7,250,645	\$ 8,997,440	\$ 8,451,524	\$ 8,581,959
Available Balance Calculation				
Current Assets		\$ 9,792,771		
Current Liabilities		(795,331)		
Encumbrances		-		
Ending Available Balance		<u>\$ 8,997,440</u>		

INTERNAL SERVICE FUNDS

COMPUTER EQUIPMENT FUND (502)

PROGRAM DESCRIPTION

The Information Technology (IT) Department manages the Computer Equipment Fund. City departments pay into this fund as part of their annual budgets for IT programmatic services and equipment for computers, telephones, multi-functional copiers, application systems, network connectivity, and IT consulting services. This fund also supports the City's IT Governance efforts and the implementation of the Information Technology Capital Plan.

The City continues to make significant progress towards replacing critical data center infrastructure equipment and end-user devices such as network storage equipment, desktop computers, laptops, and tablets. Over the past five years, the City set aside significant funds toward the replacement of its nearly 30-year-old financial system.

KEY CONSIDERATIONS

IT projects support the City Council's strategic targets of Public Safety and Fiscal Sustainability, with a focus on providing technological solutions and support to improve public safety services while implementing solutions that provide fiscal transparency to the community. The major FY 2020-21 projects funded by the Computer Equipment Fund are as follows:

- Enterprise Resource Planning (ERP) – The City continues to put resources toward replacing its antiquated financial system. The core finance module is scheduled to go live late in 2020. The second phase (Revenue and Collections) and third phase (Payroll/Human Resources) have begun and will finish within 9-12 months.
- Data Center Hardware Infrastructure – Sustain the primary data center and begin preparations for the relocation to the Waterfront Office Towers.
- Network and Infrastructure Improvements – Implement the priority projects identified through the network and security technology roadmap that address the risks and gaps in IT policies, processes, and technology.
- Inventory and Control of Software Assets – Implement Center for Internet Security controls to enhance applications portfolio management.
- Geographic Information System Migration – Migrate the system to the cloud to reduce the City's Data Center footprint.
- One Sr. Systems Analyst was added to provide cybersecurity services for monitoring network and endpoint traffic to identify and resolve vulnerabilities, perform patch management, and develop more comprehensive education and planning programs around cybersecurity.
- One-time influx of funds of \$360,000 for a next-generation firewall. Next-Generation Firewalls (NGFWs) work together with traditional firewalls to perform a deeper inspection of network traffic in real time to detect and prevent network threats. It integrates with other security products such as antivirus, authentication systems, intrusion detection systems and intrusion prevention systems.

Internal Service Funds
Computer Equipment Internal Service - 502
FY 2020-21 Annual Budget

	<u>FY 2017-18 Actual</u>	<u>FY 2018-19 Actual</u>	<u>FY 2019-20 Projected</u>	<u>FY 2020-21 Budget</u>
Beginning Available Balance	\$ 22,898,447	\$ 28,822,667	\$ 16,893,594	\$ 15,971,752
Revenues				
Charges for services				
Police	6,204,845	5,976,297	4,854,783	5,211,812
Fire	1,175,371	1,120,854	1,210,543	1,198,104
Other General Fund	1,621,368	1,797,754	1,524,388	1,735,793
Other Funds	6,163,737	6,056,813	6,893,067	6,453,551
Investment Proceeds	23,053	597,707	300,000	225,000
Reimbursements	788	481	3,843,851	-
	<u>15,189,162</u>	<u>15,549,906</u>	<u>18,626,632</u>	<u>14,824,260</u>
Expenditures				
Computer Maintenance	3,221,077	3,242,588	4,736,848	5,331,570
Administration	1,025,496	805,982	1,260,529	1,484,915
Enterprise Applications	1,436,811	1,538,349	1,726,693	1,731,596
Telephone	648,453	391,730	522,039	782,984
Enterprise Resource Planning (ERP)	1,317,818	1,088,024	5,468,037	1,624,186
Enterprise Portfolio Management Office	989,588	671,367	667,517	681,660
Maintenance	1,950,428	1,821,532	2,094,323	1,847,041
Replacements	1,232,028	2,137,467	2,816,566	3,207,700
New equipment	162	8,169	39,677	70,000
Capital Projects	356,826	152,915	216,245	-
	<u>12,178,687</u>	<u>11,858,123</u>	<u>19,548,474</u>	<u>16,761,652</u>
Transfers				
Transfer In - General Fund	-	2,256,149	-	-
Transfer In - Other	2,913,745	-	-	-
Transfer Out	-	-	-	(780,000)
	<u>2,913,745</u>	<u>2,256,149</u>	<u>-</u>	<u>(780,000)</u>
Net Annual Activity	5,924,220	5,947,932	(921,842)	(2,717,392)
Ending Available Balance	\$ 28,822,667	\$ 34,770,599	\$ 15,971,752	\$ 13,254,360
Available Balance Calculation				
Current Assets		\$ 37,523,635		
Current Liabilities		(2,394,394)		
ERP		(17,278,762)		
Capital Projects		(956,885)		
Ending Available Balance		<u>\$ 16,893,594</u>		

INTERNAL SERVICE FUNDS

RADIO EQUIPMENT FUND (503)

PROGRAM DESCRIPTION

The Radio Equipment Fund supports mission-critical programmatic services and equipment replacements for public safety radios, dispatch consoles, and radio system infrastructure. Police, Fire, Public Works, and Municipal Utilities pay into the fund as part of their annual budgets.

The City continues to make significant progress towards replacing mission-critical and aged radio equipment. The IT Department is working on a long-range financial plan that includes both radio system infrastructure and portable and mobile radios, which will forecast investment requirements to maintain and replace radio equipment for ten years. This plan allows staff to provide detailed information on the investments required for multiple budget cycles. A full-scale replacement of the public safety radio system infrastructure, the backbone of the system, is the City's continued priority.

KEY CONSIDERATIONS

The standard charges for services paid by department users to continue the public safety radio infrastructure project. The Radio Equipment Fund will receive approximately \$5.25 million from the General Fund in FY 2020-21 for this project in addition to the \$3.13 million contributed in FY 2019-20. The City will seek grant funding and/or financing options to complete the project. The first and second phases of the project are described below:

- Dispatch Consoles and Core – Replace Motorola core and install Police and Fire dispatch consoles to support 911 calls and public safety radio traffic on a 24/7/365 basis.
- Microwave Links – Replace microwaves that distribute radio traffic from the tower sites throughout the City's network.
- Radio Channel Equipment – Replace radio channel system equipment used to distribute public safety radio traffic, with enlistment of a consulting firm to verify engineering and ensure appropriate coverage is maintained.
- Replace portable and mobile radios as part of the equipment lifecycle.

Internal Service Funds
Radio Equipment Internal Service - 503
FY 2020-21 Annual Budget

	<u>FY 2017-18 Actual</u>	<u>FY 2018-19 Actual</u>	<u>FY 2019-20 Projected</u>	<u>FY 2020-21 Budget</u>
Beginning Available Balance	\$ 1,562,931	\$ 3,087,129	\$ 3,922,337	\$ 3,487,899
Revenues				
Charge for Services				
Police	1,201,785	1,252,456	1,377,493	1,540,657
Fire	558,337	616,625	775,465	704,589
Other General Fund	2,865	2,563	3,816	3,268
Other Funds	153,515	150,372	170,818	131,510
	<u>1,916,502</u>	<u>2,022,016</u>	<u>2,327,592</u>	<u>2,380,024</u>
Investment Proceeds	38,502	68,225	99,642	15,000
	<u>1,955,004</u>	<u>2,090,241</u>	<u>2,427,234</u>	<u>2,395,024</u>
Expenditures				
Operations & Maintenance	734,110	708,145	1,100,459	932,513
Replacements	396,696	546,889	4,771,213	6,482,207
New equipment	-	-	120,000	-
	<u>1,130,806</u>	<u>1,255,034</u>	<u>5,991,672</u>	<u>7,414,720</u>
Transfers				
Transfer In - General Fund	700,000	-	3,130,000	5,250,000
Transfer Out	-	-	-	-
	<u>700,000</u>	<u>-</u>	<u>3,130,000</u>	<u>5,250,000</u>
Net Annual Activity	<u>1,524,198</u>	<u>835,207</u>	<u>(434,438)</u>	<u>230,304</u>
Ending Available Balance	<u>\$ 3,087,129</u>	<u>\$ 3,922,336</u>	<u>\$ 3,487,899</u>	<u>\$ 3,718,203</u>
Available Balance Calculation				
Current Assets		\$ 4,155,381		
Current Liabilities		(233,044)		
Ending Available Balance		<u><u>\$ 3,922,337</u></u>		

INTERNAL SERVICE FUNDS

OFFICE EQUIPMENT FUND (505) PRINTING, PRODUCTION & MAILING

PROGRAM DESCRIPTION

Administrative Services Department Document Services division is responsible for maintaining and managing the City's print and production equipment as well as mailroom services. Program departments are charged monthly usage rates to offset citywide printing and production services, operations and replacement costs.

KEY CONSIDERATIONS

Document Services is the one-stop, internal option for all printing and mailing needs citywide. Staff are readily available to process incoming job requests that are usually finished by the next day depending on complexity and workload. Citywide use of this centralized operation will enhance stakeholder experience and maximize mail and print production efficiencies. Document Services is a strategic partner for departments by providing expert, expedient delivery of mail services and print production jobs and evaluating the most cost-effective method for single and ongoing print production requests.

Internal Service Funds
Office Equipment Internal Service - 505
FY 2020-21 Annual Budget

	<u>FY 2017-18 Actual</u>	<u>FY 2018-19 Actual</u>	<u>FY 2019-20 Projected</u>	<u>FY 2020-21 Budget</u>
Beginning Available Balance	<u>\$ 1,443,487</u>	<u>\$ 1,483,536</u>	<u>\$ 1,584,258</u>	<u>\$ 1,505,260</u>
Revenues				
Printing & Mailroom Fees	371,735	381,174	382,000	382,000
Investment Proceeds	<u>1,670</u>	<u>60,662</u>	<u>6,491</u>	<u>10,000</u>
	<u>373,405</u>	<u>441,836</u>	<u>388,491</u>	<u>392,000</u>
Expenditures				
Operations & Maintenance	331,031	301,104	467,489	535,924
Replacements	<u>2,325</u>	<u>40,007</u>	<u>-</u>	<u>-</u>
	<u>333,356</u>	<u>341,111</u>	<u>467,489</u>	<u>535,924</u>
Transfers				
Transfer In	-	-	-	-
Transfer Out	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Annual Activity	<u>40,049</u>	<u>100,725</u>	<u>(78,998)</u>	<u>(143,924)</u>
Ending Available Balance	<u>\$ 1,483,536</u>	<u>\$ 1,584,261</u>	<u>\$ 1,505,260</u>	<u>\$ 1,361,336</u>
Available Balance Calculation				
Current Assets		\$ 1,634,233		
Current Liabilities		<u>(49,975)</u>		
Ending Available Balance		<u><u>\$ 1,584,258</u></u>		

INTERNAL SERVICE FUNDS

RISK SERVICES – GENERAL LIABILITY FUND (541) AND WORKERS' COMPENSATION FUND (551)

PROGRAM DESCRIPTION

The City established the General Liability and Workers' Compensation funds to create greater financial stability for impacts of liability, property damage, and workers compensation claims. To lower costs, the City self-insures a portion of its claims and procures re-insurance for large claims.

The Human Resources Department manages these programs and develops methods to minimize claim expenses by promoting safe work environments. As part of their annual expenses, City departments pay into the internal service funds. The risk funds pay for administration, claims costs, excess policies, legal settlements, and for risk reduction analysis and programming.

KEY CONSIDERATIONS

Key considerations for the future of each program stem from costs being directly tied to accidents, illness, and injuries, which are unknown events that by definition, are difficult to project. The Human Resources Department will assist other departments with targeted training or the development of procedures to minimize these risks and reduce the overall cost of these programs.

Actuaries assist in analyzing claim data and projecting claim costs and reserve targets. Consistent with the City Council strategic target of fiscal sustainability, reserve levels in the funds will continue to be in line with the associated claims of the organization.

In 2013, the Workers' Compensation Fund had funding for only 34% of its claims. In the ensuing seven years, the City increased the funded status to 99% of claims, while lowering what departments will pay for the program. These accomplishments were achieved by closing old claims and improved management of current claims to control costs. For FY 2019-20, the Workers' Compensation Fund saw a savings of \$3.3 million through improved management of all claims.

The cost of general liability claims can vary greatly. Most involve sensitive and confidential information and are administered over several years. The City uses a conservative approach in its risk fund to accumulate sufficient resources for open cases, while it attempts to keep rates paid by departments stable over time. Rates charged to departments will increase for the second year in FY 2020-21 to account for increased premium and settlement costs.

Managing claims cost in the General Liability ISF will be a focus in FY 2020-21. Resources were short of covering the long-term claims liability after June 30, 2019 actuarial adjustments. Rates have been increased in FY 2019-20 and FY 2020-21 to adjust for the higher cost of claims. Human Resources is also working to improve claims management and mitigation by contracting with a third-party administrator.

Internal Service Funds
General Liability Insurance - 541
FY 2020-21 Annual Budget

	<u>FY 2017-18 Actual</u>	<u>FY 2018-19 Actual</u>	<u>FY 2019-20 Projected</u>	<u>FY 2020-21 Budget</u>
Beginning Available Balance	\$ 4,326,564	\$ 631,924	\$ 11,312,554	\$ 10,465,018
Revenues				
Charge for Services				
Police	2,700,924	2,759,829	3,343,884	4,290,177
Fire	925,087	945,262	1,030,328	1,341,969
Other General Fund	500,023	510,928	635,964	828,322
Other Funds	2,315,932	2,366,440	2,739,824	3,568,532
Reimbursements	(365,816)	108,496	47,016	40,000
Investment Proceeds	228,086	279,850	275,000	250,000
	<u>6,304,236</u>	<u>6,970,805</u>	<u>8,072,016</u>	<u>10,319,000</u>
Expenditures				
Claims Paid	4,222,156	4,504,045	5,148,613	5,796,000
Actuarial Accrued Claims Liability	3,378,677	851,397	-	-
	<u>7,600,833</u>	<u>5,355,442</u>	<u>5,148,613</u>	<u>5,796,000</u>
Excess Insurance Premium	1,096,454	1,440,328	1,916,486	2,876,218
Administration	1,301,589	2,016,176	1,854,453	2,688,536
	<u>9,998,876</u>	<u>8,811,946</u>	<u>8,919,552</u>	<u>11,360,754</u>
Transfers				
Transfer In	-	-	-	-
Transfer Out	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Annual Activity	<u>(3,694,640)</u>	<u>(1,841,141)</u>	<u>(847,536)</u>	<u>(1,041,754)</u>
Ending Available Balance	<u>\$ 631,924</u>	<u>\$ (1,209,217)</u>	<u>\$ 10,465,018</u>	<u>\$ 9,423,264</u>
Available Balance Calculation				
Cash and Current Assets		\$ 16,644,776		
Current Liabilities		(744,542)		
Current Claims		(4,587,680)		
Ending Available Balance		<u>\$ 11,312,554</u>		
Rates (percentage of payroll)				
All employees	4.51%	4.51%	5.30%	6.60%

Note

Program revenues are estimated based upon percentage of projected actual payroll.
Actual revenues and the cash flow to settle claims will fluctuate based on actual payroll.

Internal Service Funds
Workers' Compensation - 551
FY 2020-21 Annual Budget

	<u>FY 2017-18 Actual</u>	<u>FY 2018-19 Actual</u>	<u>FY 2019-20 Projected</u>	<u>FY 2020-21 Budget</u>
Beginning Available Balance	\$ (9,071,475)	\$ (4,460,248)	\$ (163,918)	\$ 524,351
Revenues				
Charge for Services				
Police	5,393,241	5,615,680	4,952,292	5,279,612
Fire	2,162,487	2,156,264	1,862,758	1,985,877
Other General Fund	356,019	369,217	364,746	388,853
Other Funds	2,771,664	2,731,511	2,528,536	2,695,658
	<u>10,683,411</u>	<u>10,872,672</u>	<u>9,708,332</u>	<u>10,350,000</u>
Refunds & Reimbursements	715,734	1,332,312	1,359,049	500,000
Investment Proceeds	585,191	762,407	834,415	830,000
	<u>11,984,336</u>	<u>12,967,391</u>	<u>11,901,796</u>	<u>11,680,000</u>
Expenditures				
Claims Paid	5,532,669	7,530,357	8,410,480	8,423,000
Actuarial Accrued Claims Liability	(804,000)	(911,000)	-	-
	<u>4,728,669</u>	<u>6,619,357</u>	<u>8,410,480</u>	<u>8,423,000</u>
Administration	689,110	608,721	647,011	848,924
Third Party Administrator	735,725	687,050	684,104	704,474
Excess Insurance Premium	957,946	1,038,030	1,054,675	1,292,000
California State Assessment	212,807	167,854	353,192	441,500
Safety Program	48,852	50,052	64,065	76,325
	<u>7,373,109</u>	<u>9,171,064</u>	<u>11,213,527</u>	<u>11,786,223</u>
Transfers				
Transfer In	-	500,000	-	-
Transfer Out	-	-	-	-
	<u>-</u>	<u>500,000</u>	<u>-</u>	<u>-</u>
Net Annual Activity	4,611,227	4,296,327	688,269	(106,223)
Ending Available Balance	\$ (4,460,248)	\$ (163,921)	\$ 524,351	\$ 418,128
Available Balance Calculation				
Cash and Current Assets		\$ 47,333,242		
Accounts Payable		(87,752)		
Estimated Claims		(47,409,408)		
Ending Available Balance		<u>\$ (163,918)</u>		
Rates (percent of payroll)				
Police	10.7%	10.7%	9.8%	10.0%
Fire	10.7%	10.7%	9.8%	9.9%
Manual	7.7%	7.7%	7.6%	9.7%
Non-Manual	3.9%	3.9%	3.5%	2.6%
Office/Clerical	2.3%	2.3%	2.0%	2.0%
Library	3.3%	3.3%	2.8%	3.0%

Note

Program revenues are estimated based upon percentage of projected payroll.
Actual revenues will fluctuate based on actual payroll.



INTERNAL SERVICE FUNDS

HEALTH BENEFITS FUND (552)

PROGRAM DESCRIPTION

The City established the Health Benefits Fund to purchase and administer the health, dental and vision benefit plans for employees and their eligible dependents. The Human Resources Benefits Division administers the employee health benefits program. The City and its employees share in the cost of the plans, and the City's share of cost is determined during the collective bargaining process.

City departments pay into the Health Benefits fund based on the number of active full-time employees. These proceeds are used to pay the City share of premiums and administrative costs of employee health benefits. The City offers employees plans from Kaiser, Sutter Health Plus, and Anthem (the City self-funded health plan). Additionally, some employees may select other options through their labor unions. The City has no post-employment medical benefit.

KEY CONSIDERATIONS

The City continues to see a favorable active employee medical plan claims experience, the changes in premium for FY 2020-21 vary by plan. The City self-insured PPO plan increased 21%, Kaiser plans decreased 7%, Sutter Health Plus HMO decreased 12%, the dental plan increased 11% and the vision plans increased 3%. The dental PPO plan has been enhanced to include 100% preventive coverage and vision plans have been combined into one plan with the enhanced benefits under the vision buy-up plan. For FY 2020-21, the City has established High Deductible Health Plans (HDHP) with Kaiser and Sutter Health. These plans include a Health Savings Account (HSA) to allow employees to set aside pre-tax funds to help pay for their deductible costs. As an incentive for employees to convert to the High Deductible Health Plan, the City has allocated \$1,000,000 to fund a one-time contribution into the employees' Health Savings Account in FY 2020-21 only. The city will contribute \$1,000 for an employee or \$2,000 for an employee plus 1 or family. The Benefits Division continues to review options that would be attractive to employees while maintaining long-term affordability.

**Internal Service Funds
Health Benefits - 552
FY 2020-21 Annual Budget**

	FY 2017-18 Actual	FY 2018-19 Actual	FY 2019-20 Projected	FY 2020-21 Budget
Beginning Available Balance	\$ 13,938,299	\$ 12,725,411	\$ 11,143,400	\$ 9,625,037
Revenues				
Charge for Services				
Police	6,858,728	6,905,943	7,017,962	7,582,795
Fire	1,724,224	1,668,132	1,677,283	1,769,368
Other General Fund	1,440,487	1,443,959	1,540,461	1,751,336
Other Funds	6,697,307	6,895,681	6,686,082	7,867,140
	<u>16,720,746</u>	<u>16,913,715</u>	<u>16,921,788</u>	<u>18,970,639</u>
Participant Contributions				
Employees (current MOUs)	3,163,626	3,801,758	3,745,008	4,193,634
Retirees	211,268	138,739	96,971	305,798
Continuation	66,703	130,266	106,808	86,533
Rebates and reimbursements	415,384	(48,079)	286,425	225,204
Investment Proceeds	25,729	434,912	160,000	100,000
	<u>20,603,456</u>	<u>21,371,311</u>	<u>21,317,000</u>	<u>23,881,808</u>
Expenditures				
City Medical Plans	17,907,890	19,424,380	19,193,162	22,035,785
Actuarial Adjustments	58,000	44,772	-	-
Operating Engineers	731,716	510,004	621,619	650,000
Vision	179,777	163,425	169,258	222,826
Dental	1,435,896	1,400,329	1,483,533	1,855,075
Health & Wellness Program	-	620	6,811	8,500
Administration	1,037,568	988,672	1,024,023	1,073,949
Stop Loss Premium	230,224	243,483	233,827	249,530
Vendor Administration Fee	235,273	177,637	103,130	112,810
	<u>21,816,344</u>	<u>22,953,322</u>	<u>22,835,363</u>	<u>26,208,475</u>
Net Annual Activity	(1,212,888)	(1,582,011)	(1,518,363)	(2,326,667)
Ending Available Balance	\$ 12,725,411	\$ 11,143,400	\$ 9,625,037	\$ 7,298,370
Available Balance Calculation				
Cash and interest receivable		\$ 10,493,180		
Accounts Receivable and deposits		1,414,437		
Current Liabilities		(257,445)		
Expected Claims		(506,772)		
Ending Available Balance		<u>\$ 11,143,400</u>		

Note

Budget based on total authorized position. Actual revenue and expenses will fluctuate based on health plan enrollment.

INTERNAL SERVICE FUNDS

UNEMPLOYMENT FUND (556)

PROGRAM DESCRIPTION

The Unemployment Fund is used for the payout of unemployment claims. Benefits are paid to former employees by the State of California, and the City reimburses the State upon request. City departments pay into the Unemployment Fund based on total wages.

KEY CONSIDERATIONS

The Department closely monitors unemployment claims for eligibility and challenges potential non-eligible claims when appropriate. Rates for unemployment coverage that are charged to departments have been minimal in the past five years and will be \$60 per year for each full-time employee in FY 2020-21. The funding mechanism lowering FY 2020-21 revenues was established before the City had to close facilities and reduce part-time positions in response to COVID-19 shelter-in-place orders. As a result of the closures, unemployment claims are expected to increase as reflected in the projected and budgeted claims costs.

**Internal Service Funds
Unemployment - 556
FY 2020-21 Annual Budget**

	FY 2017-18 Actual	FY 2018-19 Actual	FY 2019-20 Projected	FY 2020-21 Budget
Beginning Available Balance	\$ 790,316	\$ 791,714	\$ 667,985	\$ 597,188
Revenues				
Charge for Services				
Police	59,188	-	62,779	36,279
Fire	20,433	-	14,180	8,194
Other General Fund	11,087	-	14,926	8,626
Other Funds	51,665	-	76,318	44,102
Investment Proceeds	1,153	30,577	16,000	14,000
	143,526	30,577	184,203	111,201
Expenditures				
Claims Paid	142,128	154,306	255,000	454,000
	142,128	154,306	255,000	454,000
Transfers				
Transfer In	-	-	-	-
Transfer Out	-	-	-	-
	-	-	-	-
Net Annual Activity	1,398	(123,729)	(70,797)	(342,799)
Ending Available Balance	\$ 791,714	\$ 667,985	\$ 597,188	\$ 254,389
Available Balance Calculation				
Cash and interest receivable		\$ 700,786		
Current Liabilities		(32,801)		
Cash and Interest Receivable		\$ 667,985		

Rates 0.10% 0.00% \$96 \$60
Percentage of payroll in FY 2017-18 and FY 2018-19. Flat rate in FY 2019-20 and FY 2020-21.

Note
Program revenues are estimated based upon projected payroll.
Actual revenues will fluctuate based on actual payroll.

INTERNAL SERVICE FUNDS

LONG TERM DISABILITY, LIFE INSURANCE & ACCIDENTAL DEATH AND DISMEMBERMENT FUND (557)

PROGRAM DESCRIPTION

The City provides long-term disability and life insurance benefits to its employees as part of a total compensation package. The Human Resources Department administers these plans for eligible employees and their eligible dependents. Some employees are covered by collective bargaining plans and do not participate in the City sponsored plans. Departments are assessed a rate that is used to pay premiums and administrative expenses.

KEY CONSIDERATIONS

Rates will remain the same in this fund for FY 2020-21. Human Resources will continue to monitor the marketplace for these products to maintain an adequate benefit at an affordable cost.

**Internal Service Funds
LTD and Life Insurance - 557
FY 2020-21 Annual Budget**

	FY 2017-18 Actual	FY 2018-19 Actual	FY 2019-20 Projected	FY 2020-21 Budget
Beginning Available Balance	\$ 117,685	\$ 98,111	\$ 73,230	\$ 74,818
Revenues				
Charge for Services				
Police	136,436	216,276	219,111	250,788
Fire	17,057	52,979	53,673	61,433
Other General Fund	70,477	51,986	52,668	60,282
Other Funds	282,670	222,142	225,054	257,590
Investment Proceeds	285	4,058	442	100
	506,925	547,441	550,948	630,193
Expenditures				
Insurance Premiums	526,499	572,322	549,360	630,093
	526,499	572,322	549,360	630,093
Transfers				
Transfer In	-	-	-	-
Transfer Out	-	-	-	-
	-	-	-	-
Net Annual Activity	(19,574)	(24,881)	1,588	100
Ending Available Balance	\$ 98,111	\$ 73,230	\$ 74,818	\$ 74,918
Available Balance Calculation				
Cash and Interest Receivable		\$ 118,258		
Current Liabilities		(45,028)		
Ending Available Balance		\$ 73,230		

Note

Program revenues are estimated based upon budgeted payroll.
Actual revenues and expenses will fluctuate based on actual payroll.

INTERNAL SERVICE FUNDS

RETIREMENT FUND (561)

PROGRAM DESCRIPTION

The Retirement Fund is used to make contributions to the California Public Employees' Retirement System (CalPERS) for the City's defined benefit programs. Employee benefits are determined by the plan in place at date of hire and are made up of employee and employer contributions as well as investment earnings. The City also has a supplemental retirement plan for a select group of municipal utility employees outside of CalPERS. City departments pay into the Retirement Fund based on rates that are set by CalPERS applied to eligible payroll.

Also accounted for in the Retirement Fund are monies in the form of an IRS approved Section 115 Plan, set aside to pay for future payment increases announced by CalPERS. At the end of FY 2018-19, the Section 115 Plan, has \$30.6 million available to fund the annual liability payments. In FY 2019-20, an additional \$14.5 million was deposited from General Fund reserves. The Trust is monitored by the Administrative Services and Human Resources Departments.

KEY CONSIDERATIONS

Payments charged by CalPERS will increase in FY 2020-21 and are expected to continue to increase until 2031. The current funding plan approved by CalPERS requires a stream of additional payments over the next decade to properly fund the retirement obligation for current and retired City employees. As part of that plan, CalPERS will reduce the assumed rate of return on its investments to 7% in FY 2020-21. The associated City contribution increases have been incorporated into the Long-Range Financial Plan, and the implications are regularly monitored by management. Given the uncertainty surrounding future CalPERS earnings, the Long-Range Financial Plan also assumes the discount rate is reduced from 7% to 6.5% effective in FY 2021-22 with 10-year phase-in period.

**Internal Service Funds
Retirement - 561
FY 2020-21 Annual Budget**

	FY 2017-18 Actual	FY 2018-19 Actual	FY 2019-20 Projected	FY 2020-21 Budget
Beginning Available Balance	\$ 3,246,003	\$ 29,697,905	\$ 38,372,276	\$ 52,921,693
Revenues				
Charge for Services				
Police	24,773,149	25,557,906	27,125,225	31,410,178
Fire	8,097,785	8,482,822	8,719,558	10,021,152
Other General Fund	2,911,350	3,170,998	3,101,754	3,807,320
Other Funds	14,703,838	15,196,936	14,615,160	18,117,396
Employee Paid	10,192,553	10,560,636	10,926,743	11,256,931
Investment Proceeds	309,845	732,769	1,580,000	1,000,000
Refunds & Reimbursements	6,300	6,900	6,000	4,000
	60,994,820	63,708,967	66,074,440	75,616,977
Expenditures				
CalPERS payments	53,056,898	59,605,650	65,852,792	74,612,977
Other Operating Costs	48,640	193,960	172,231	199,376
	53,105,538	59,799,610	66,025,023	74,812,353
Transfers				
Transfer In	18,562,620	4,765,014	14,500,000	-
Transfer Out	-	-	-	-
	18,562,620	4,765,014	14,500,000	-
Net Annual Activity	26,451,902	8,674,371	14,549,417	804,624
Ending Available Balance	\$ 29,697,905	\$ 38,372,276	\$ 52,921,693	\$ 53,726,317
Available Balance Calculation				
Cash and Interest Receivable		\$ 7,811,600		
Sec. 115 Pension Trust		30,652,996		
Current Liabilities		(92,320)		
Ending Available Balance		\$ 38,372,276		
PERs Employer Retirement Rates excluding Pension Obligation Bond (percentages of payroll)				
Safety	52.480%	55.700%	59.867%	63.160%
Miscellaneous	26.760%	27.100%	28.145%	29.230%

Notes

Program revenues are estimated based upon budgeted payroll.
Payments to CalPERS will fluctuate with staffing levels.
Rates incorporate both CalPERS employer normal cost rate and employer payment of unfunded liability converted to a percent of payroll.

INTERNAL SERVICE FUNDS

COMPENSATED ABSENCE FUND (562)

PROGRAM DESCRIPTION

The Compensated Absence Fund is used to pay accumulated compensation upon employee separation, pursuant to collective bargaining agreements and City policy. City departments pay into the fund as part of their annual budget.

KEY CONSIDERATIONS

The rate charged to departments for separation and vacation sell back will increase to 0.90% in FY 2020-21. Actual expenses vary based on employee separations, employees opting to sell back vacation, and the rate of pay of these employees. Rates charged were increased based on an upward trend in payouts for the last two years. The FY 2020-21 budget does not include vacation sell back for the City's safety units, since labor negotiations are not complete.

**Internal Service Funds
Compensated Absence - 562
FY 2020-21 Annual Budget**

	FY 2017-18 Actual	FY 2018-19 Actual	FY 2019-20 Projected	FY 2020-21 Budget
Beginning Available Balance	\$ 2,021,992	\$ 1,609,076	\$ 1,040,529	\$ 743,731
Revenues				
Charge for Services				
Police	367,565	328,356	448,477	680,434
Fire	103,744	92,677	110,246	221,874
Other General Fund	91,771	81,982	152,107	120,949
Other Funds	332,448	296,985	494,361	488,743
Investment Proceeds	22,591	22,089	20,000	10,000
	918,119	822,089	1,225,191	1,522,000
Expenditures				
Employee Separation Pay	1,331,035	1,390,636	1,521,989	1,702,000
	1,331,035	1,390,636	1,521,989	1,702,000
Transfers				
Transfer In	-	-	-	-
Transfer Out	-	-	-	-
	-	-	-	-
Net Annual Activity	(412,916)	(568,547)	(296,798)	(180,000)
Ending Available Balance	\$ 1,609,076	\$ 1,040,529	\$ 743,731	\$ 563,731
Available Balance Calculation				
Cash and Interest Receivable		\$ 1,040,529		
Accrued Compensated Absences		-		
Ending Available Balance		\$ 1,040,529		
Program Contribution Rate	0.70%	0.70%	0.70%	0.90%



TAB 15 APPENDIX

PERSONNEL LISTING

PERSONNEL LISTING - POLICE DEPARTMENT

FY 2020-21 Annual Budget

	FY 2017-18	FY 2018-19	FY 2019-20	Staffing Changes	FY 2020-21	
<u>GENERAL FUND</u>						
010-2410 Police Administration						
Administrative Analyst I/II/Sr	3	3	3	(1)	2	PD01
Community Service Officer I/II	1	2	2		2	
Executive Assistant	1	1	1		1	
Finance Assistant I/II	2	2	2		2	
Office Asst I/II/Specialist/Secretary/Technician	3	3	3		3	
Program Manager I/II	1	1	1	1	2	PD01
Police Fiscal Affairs & Planning Manager	1	1	1		1	
Sr Finance Assistant	1	1	1		1	
Supervising Office Assistant	1	1	1		1	
Chief of Police	1	1	1		1	
Deputy Chief of Police I/II	2	2	2		2	
Police Captain	1	1	1		1	
Police Lieutenant	4	4	4		4	
Police Officer/Trainee	12	12	12		12	
Police Sergeant	7	7	7	(1)	6	PD02
	41	42	42	(1)	41	
010-2420 Police Field Services						
Administrative Analyst I/II/Sr	1	1	0		0	
Code Enforcement Field Manager	1	1	1		1	
Code Enforcement Officer I/II	20	20	20		20	
Code Enforcement Supervisor	2	2	2		2	
Community Service Officer I/II	25	24	24	1	25	PD03
Graffiti Abatement Technician	4	4	4		4	
Office Asst I/II/Specialist/Secretary/Technician	9	9	9		9	
Police Court Coordinator	1	1	1		1	
Police Records Assistant I/II/III/Sr	1	1	1		1	
Police Services Manager	1	1	1		1	
Program Manager I/II	0	0	1		1	
Sr Code Enforcement Officer	3	3	3		3	
Sr Community Service Officer	1	1	1		1	
Sr Finance Assistant	1	1	1		1	
Supervising Office Assistant	1	1	1		1	
Police Captain	2	2	2		2	
Police Lieutenant	9	9	10		10	
Police Officer/Trainee	258	266	240	38	278	PD04
Police Sergeant	36	34	34	1	35	PD02
	376	381	356	40	396	

PERSONNEL LISTING - POLICE DEPARTMENT

FY 2020-21 Annual Budget

	FY 2017-18	FY 2018-19	FY 2019-20	Staffing Changes	FY 2020-21	
010-2430 Police Investigations						
Crime Analyst	0	0	1	(1)	0	PD05
Community Service Officer I/II	3	3	3	(1)	2	PD03
Evidence Technician I/II	12	12	12		12	
Office Asst I/II/Specialist/Secretary/Technician	3	3	3		3	
Police Records Assistant I/II/III/Sr	3	3	2		2	
Sr Evidence Technician	6	6	6		6	
Supervising Evidence Technician	2	2	2		2	
Police Captain	1	1	1		1	
Police Lieutenant	4	4	3		3	
Police Officer/Trainee	106	99	125	(38)	87	PD04
Police Sergeant	14	16	16		16	
	154	149	174	(40)	134	
010-2462-63 Police Support Services						
Office Asst I/II/Specialist/Secretary/Technician	1	1	1		1	
Police Records Assistant I/II/III/Sr	25	26	27	1	28	PD05
Property Clerk	5	4	4		4	
Property Room Supervisor	1	1	1		1	
Supervising Police Records Assistant	2	2	2		2	
Police Captain	1	1	1		1	
	35	35	36	1	37	
010-2466-67 Police Animal Control						
Animal Services Assistant I/II	7	7	7	1	8	PD06
Animal Services Officer/Sr	5	5	4		4	
Animal Services Supervisor	1	1	2		2	
Office Asst I/II/Specialist/Secretary/Technician	3	3	3	(1)	2	PD06
Police Services Manager	1	1	1		1	
	17	17	17	0	17	
010-2470 Police Telecommunications						
Administrative Analyst I/II/Sr	0	1	1		1	
Crime Analyst	7	6	5		5	
Office Asst I/II/Specialist/Secretary/Technician	1	1	1		1	
Police Records Assistant I/II/III/Sr	1	0	0		0	
Police Telecommunicator Call Taker	0	2	1		1	
Police Telecommunicator I/II	41	39	40		40	
Police Telecommunications Supervisor	6	6	6		6	
Police Services Manager	2	2	2		2	
Supervising Crime Analyst	0	1	1		1	
	58	58	57	0	57	
Total General Fund	681	682	682	0	682	

PERSONNEL LISTING - POLICE DEPARTMENT

FY 2020-21 Annual Budget

	FY 2017-18	FY 2018-19	FY 2019-20	Staffing Changes	FY 2020-21
<u>SPECIAL REVENUE FUNDS</u>					
Police Grant Funded					
024-6426 COPS Grant: Community Service Officer	2	2	2		2
025-6478 CCP Task Force: Crime Analyst	1	0	0		0
025-6478 CCP Task Force: Police Officer	1	1	1		1
025-6478 CCP Task Force: Police Sergeant	1	1	1		1
025-6436 VAWA Grant: Police Officer	1	0	0		0
025-6468 Firearms Examiner	1	1	1		1
025-6498 Admin Analyst I/II/Sr	1	0	0		0
	8	5	5	0	5
081-2436 Police Safe Neighborhood Measure W					
Police Officer/Trainee	24	24	24		24
Total	24	24	24	0	24
Total Special Revenue Funds	32	29	29	0	29
Total Police	713	711	711	0	711
Police Department Summary					
Sworn Positions					
General Fund	458	459	459		459
Safe Neighborhood Measure W	24	24	24		24
Grant Funded	3	2	2		2
	485	485	485	0	485
Non-Sworn Positions					
General Fund	223	223	223		223
Grant Funded	5	3	3		3
	228	226	226	0	226
Total Police Department	713	711	711	0	711

PERSONNEL LISTING - FIRE DEPARTMENT

FY 2020-21 Annual Budget

	<u>FY 2017-18</u>	<u>FY 2018-19</u>	<u>FY 2019-20</u>	<u>Staffing Changes</u>	<u>FY 2020-21</u>	
<u>GENERAL FUND</u>						
010-2610 Fire Administration						
Deputy Fire Chief I/II	2	2	2		2	
Executive Assistant	1	1	1		1	
Fire Battalion Chief	1	1	1	(1)	0	FD01
Fire Chief	1	1	1		1	
Office Asst I/II/Specialist/Secretary	2	2	2		2	
Office Technician	1	1	1		1	
Program Manager I/II	0	1	2		2	
Program Manager III	2	1	0		0	
Project Manager I/II/III	1	1	1		1	
Supervising Office Assistant	1	1	1		1	
	12	12	12	(1)	11	
010-2620 Fire Suppression/Rescue						
Fire Battalion Chief	6	6	6		6	
Fire Captain	45	45	45	1	46	FD02
Fire Fighter	47	47	47		47	
Fire Fighter Engineer	49	49	49		49	
	147	147	147	1	148	
010-2650 Fire Training						
Fire Battalion Chief	1	1	1		1	
Fire Captain	2	2	2		2	
	3	3	3	0	3	
010-2660 Fire Dispatch						
Emergency Communications Manager	1	1	1		1	
Fire Battalion Chief	0	0	0	1	1	FD01
Fire Captain	1	1	1	(1)	0	FD02
Fire Telecom Call Taker	0	0	0	4	4	FD03
Fire Telecommunicator I/II	10	12	12	2	14	FD04
Fire Telecommunications Supervisor	3	3	3		3	
	15	17	17	6	23	
Total General Fund	177	179	179	6	185	

PERSONNEL LISTING - FIRE DEPARTMENT

FY 2020-21 Annual Budget

	<u>FY 2017-18</u>	<u>FY 2018-19</u>	<u>FY 2019-20</u>	<u>Staffing Changes</u>	<u>FY 2020-21</u>	
<u>SPECIAL REVENUE FUNDS</u>						
048-2630 Development Services - Fire Prevention						
Community Development Technician	0	1	1		1	
Fire Battalion Chief	1	1	1		1	
Fire Captain	1	1	1		1	
Fire Prevention Inspector I/II	3	5	6		6	
Fire Protection Specialist	1	1	1		1	
Office Asst I/II/Specialist/Secretary/Technician	1	2	2		2	
Plan Checker I/II	1	1	0		0	
Program Manager I/II	1	0	0	1	1	FD05
Project Manager I/II/III	0	1	1	(1)	0	FD05
	9	13	13	0	13	
081-2636 Fire Safe Neighborhood Measure W						
Fire Captain	6	6	6		6	
Fire Fighter	14	14	14		14	
Fire Fighter Engineer	5	5	5		5	
	25	25	25	0	25	
Total Special Revenue Funds	34	38	38	0	38	
Total Fire	211	217	217	6	223	
Fire Department Summary						
Sworn Positions						
General Fund	155	155	155		155	
Safe Neighborhood Measure W	25	25	25		25	
Development Services - Fire Prevention	2	2	2		2	
	182	182	182	0	182	
Non-Sworn Positions						
General Fund	22	24	24	6	30	
Development Services - Fire Prevention	7	11	11		11	
	29	35	35	6	41	
Total Fire Department	211	217	217	6	223	

PERSONNEL LISTING - PUBLIC WORKS DEPARTMENT

FY 2020-21 Annual Budget

	<u>FY 2017-18</u>	<u>FY 2018-19</u>	<u>FY 2019-20</u>	<u>Staffing Changes</u>	<u>FY 2020-21</u>		
<u>GENERAL FUND</u>							
010-3010 Public Works Administration							
Administrative Analyst I/II/Sr	2	2	3	(1)	2	PW01	
Deputy Public Works Director/City Engineer	0	0	1		1		
Engineering Services Manager	0	0	1		1		
Executive Assistant	1	1	1		1		
Office Asst I/II/Specialist/Secretary	3	2	3		3		
Office Technician	0	1	1		1		
Program Manager I/II	1	1	1		1		
Program Manager III	1	1	1		1		
Public Works Director	1	1	1		1		
Records Specialist	1	1	1		1		
Supervising Office Assistant	1	1	1		1		
	<u>11</u>	<u>11</u>	<u>15</u>	<u>(1)</u>	<u>14</u>		
010-3061 Public Works Operations & Maintenance							
Deputy Public Works Dir/Ops & Maint	1	1	1		1	PW02	
Engineering Services Manager	0	1	1		1		
Office Asst I/II/Specialist/Secretary	3	2	2		2		
Office Technician	0	1	1		1		
Program Manager I/II	1	1	1		1		
Project Manager I/II/III	0	0	0	1	1		
Public Works Safety Training Officer	0	1	1		1		
Sr Civil Engineer	1	0	0		0		
Supervising Office Assistant	1	1	1		1		
	<u>7</u>	<u>8</u>	<u>8</u>	<u>1</u>	<u>9</u>		
010-3070 Public Works Parks & Street Trees							
Parks Manager	1	1	1		1	PW03	
Project Manager I/II/III	1	1	1		1		
Public Works Field Specialist	3	3	3		3		
Public Works Maintenance Worker I/II/Sr	2	2	2		2		
Public Works Supervisor	3	3	3		3		
Sr Tree Surgeon	1	1	1		1		
Tree Surgeon	4	4	4	(2)	2		
Tree Worker	0	0	0	2	2		
	<u>15</u>	<u>15</u>	<u>15</u>	<u>0</u>	<u>15</u>		
010-3090 Public Works Facilities Maintenance							
Craft Maintenance Worker I/II	5	5	5		5		PW03
Electrician I/II/Sr	3	3	3		3		
Facilities Maintenance Worker I/II/III	4	4	2		2		
Facilities Manager	0	1	1		1		
Heating, Ventilation and Air Mechanic	3	3	3		3		
Janitor	0	0	2		2		
Office Asst I/II/Specialist/Secretary	1	1	1		1		
Program Manager III	1	0	0		0		
Project Manager I/II/III	2	2	2		2		
Public Works Safety Training Officer	1	0	0		0		
Public Works Supervisor	1	1	1		1		
	<u>21</u>	<u>20</u>	<u>20</u>	<u>0</u>	<u>20</u>		
Total General Fund	<u>54</u>	<u>54</u>	<u>58</u>	<u>0</u>	<u>58</u>		

PERSONNEL LISTING - PUBLIC WORKS DEPARTMENT

FY 2020-21 Annual Budget

	<u>FY 2017-18</u>	<u>FY 2018-19</u>	<u>FY 2019-20</u>	<u>Staffing Changes</u>	<u>FY 2020-21</u>	
<u>SPECIAL REVENUE FUNDS</u>						
030-3020 Gas Tax - Street Maintenance Engineering						
Administrative Analyst I	0	1	0		0	
Assistant City Traffic Engineer	1	1	1		1	
City Traffic Engineer	1	1	1		1	
Deputy Public Works Director/City Engineer	1	1	0		0	
Engineering Aide/Eng Technician I/II/Sr	1	1	0		0	
Engineering Services Manager	1	1	1		1	
Jr/Asst/Assoc Engineer/Civil Engineer	12	15	15	1	16	PW04
Office Asst I/II/Specialist/Secretary	0	1	0		0	
Parks Facility Planner	1	1	0		0	
Project Manager I/II/III	2	2	2	(1)	1	PW04
Public Works Inspector	4	4	5		5	
Supervising Public Works Inspector	1	1	1		1	
Sr Civil Engineer	3	3	3		3	
	28	33	29	0	29	
030-3060 Gas Tax Street Maintenance and Operations						
Civil Engineer Assoc/Sr	1	1	1		1	
Engineering Aide/Engineering Technician I/II/Sr	1	1	1		1	
Jr/Asst/Assoc Engineer/Civil Engineer	1	1	2	(1)	1	PW05
Maintenance Repair Technician I/II	10	10	10		10	
Project Manager I/II/III	0	0	0	1	1	PW05
Public Works Heavy Equipment Operator	2	2	2		2	
Public Works Maintenance Worker	2	2	2		2	
Public Works Supervisor	1	1	1		1	
Public Works Supervisor/Electrical	1	1	1		1	
Sr Maintenance Repair Technician	5	5	5		5	
Sr Traffic Signal Electrician	1	1	1		1	
Traffic Signal Electrician/Trainee	6	7	7		7	
	31	32	33	0	33	
Total Gas Tax Fund	59	65	62	0	62	

PERSONNEL LISTING - PUBLIC WORKS DEPARTMENT

FY 2020-21 Annual Budget

	<u>FY 2017-18</u>	<u>FY 2018-19</u>	<u>FY 2019-20</u>	<u>Staffing Changes</u>	<u>FY 2020-21</u>	
020-0137 San Joaquin Area Flood Control Agency						
Deputy Public Works Director/City Engineer	1	1	1		1	
Jr/Asst/Assoc Engineer/Civil Engineer	1	1	1		1	
Office Asst I/II/Specialist/Secretary/Technician	1	1	1		1	
Project Manager I/II/III	1	1	1		1	
Sr Civil Engineer	1	1	1		1	
	5	5	5	0	5	
072-6900 Assessment Districts						
Assessment District Program Coordinator	1	1	1		1	
Project Manager I/II/III	2	2	2		2	
	3	3	3	0	3	
047-3080 Solid Waste & Recycling						
Administrative Analyst I/II/SR	0	0	0	1	1	PW01
Office Asst I/II/Specialist/Secretary	0	0	0	1	1	PW06
Program Manager I/II/III	1	1	1		1	
Project Manager I/II/III	3	3	4		4	PW02 PW07 PW08
Public Works Field Specialist	1	1	1	2	3	
Recycling Specialist	1	1	0		0	
Solid Waste Manager	1	1	1		1	
Sr Maintenance Repair Technician	2	2	0	2	2	PW09
	9	9	7	6	13	
082-3087 Measure K Street Maintenance						
Sr Maintenance Repair Technician	0	0	2	(2)	0	PW09
Total Special Revenue Funds	76	82	79	4	83	
<u>INTERNAL SERVICE FUNDS</u>						
<u>FLEET</u>						
501-5021 Fleet Administration						
Fleet Manager	1	1	1		1	
Office Asst I/II/Specialist/Secretary	2	2	2		2	
Project Manager I/II/III	1	1	1		1	
Supervising Mechanic	2	2	2		2	
	6	6	6	0	6	
501-5023 Fleet Equipment Maintenance						
Facilities Maintenance Worker I/II/III	3	3	3	(1)	2	PW10
Sr. Facilities Maint Worker	0	0	0	1	1	PW10
Mechanic I/II/III	17	17	17		17	
Welder/Fabricator Specialist	1	1	1		1	
	21	21	21	0	21	
Total Internal Service Funds	27	27	27	0	27	
Total Public Works Department	157	163	164	4	168	

PERSONNEL LISTING - COMMUNITY SERVICES DEPARTMENT

FY 2020-21 Annual Budget

	<u>FY 2017-18</u>	<u>FY 2018-19</u>	<u>FY 2019-20</u>	<u>Staffing Changes</u>	<u>FY 2020-21</u>	
<u>SPECIAL REVENUE FUNDS</u>						
LIBRARY						
041-3510 Administration						
Administrative Analyst I/II/Sr	1	1	1		1	
Deputy Dir of Comm Services/City Librarian	1	1	1		1	
Office Asst I/II/Specialist/Secretary/Technician	2	2	2		2	
Program Manager III	1	1	1		1	
	5	5	5	0	5	
041-3524/30 Outreach/Technical Services						
Circulation Assistant	1	1	1	(1)	0	CS01
Librarian I/II/Trainee	2	2	1	1	2	CS01
Library Assistant I/II	2	3	3		3	
Library Driver/Clerk	1	1	1		1	
Office Asst I/II/Specialist/Secretary/Technician	2	2	2		2	
Supervising Librarian	1	1	1	(1)	0	CS02
	9	10	9	(1)	8	
041-3550 City Branches						
Circulation Assistant I/II	6	6	6		6	
Librarian I/II/Trainee	7	7	7		7	
Library Aide I/II	2	3	1		1	
Library Assistant I/II/Sr	8	7	9		9	
Supervising Librarian	1	2	2	(2)	0	CS03
Library Manager	0	0	0	2	2	CS03
	24	25	25	0	25	
041-3540 County Branches						
Circulation Assistant I/II	6	6	6		6	
Librarian I/II/Trainee	8	8	11		11	
Library Aide I/II	2	1	2		2	
Library Assistant I/II/Sr	10	10	8		8	
Supervising Librarian	2	1	1	(1)	0	CS04
Library Manager	0	0	0	1	1	CS04
	28	26	28	0	28	
Total Library Fund	66	66	67	(1)	66	

PERSONNEL LISTING - COMMUNITY SERVICES DEPARTMENT

FY 2020-21 Annual Budget

	<u>FY 2017-18</u>	<u>FY 2018-19</u>	<u>FY 2019-20</u>	<u>Staffing Changes</u>	<u>FY 2020-21</u>	
RECREATION						
044-3610 Recreation-Administration						
Administrative Analyst I/II/Sr	1	1	1		1	
Deputy Director of Community Services	1	1	1		1	
Director of Community Services	1	1	1		1	
Executive Assistant	1	1	1		1	
Office Asst I/II/Specialist/Secretary/Technician	4	3	3		3	
	8	7	7	0	7	
044-3600 Recreation Services						
Recreation Assistant I/II/Sr	9	9	9		9	
Recreation Program Coordinator	4	4	4	(1)	3	CS05
Recreation Supervisor	3	3	3	(1)	2	CS06
	16	16	16	(2)	14	
Total Recreation Fund	24	23	23	(2)	21	
083 - Strong Communities Tax-Measure M						
Administrative Analyst I/II/Sr	2	2	2		2	
Circulation Assistant I/II	2	2	2		2	
Librarian I/II	1	1	1		1	
Library Assistant I/II/Sr	6	6	6		6	
Recreation Assistant I/II/Sr	8	8	8	1	9	CS05
Recreation Program Coordinator	2	2	2		2	
Recreation Supervisor	0	0	0	1	1	CS06
Recreation Superintendent	1	1	1		1	
Supervising Office Assistant	1	1	1		1	
Total Strong Communities Tax Fund	23	23	23	2	25	
Total Community Services Department	113	112	113	(1)	112	

PERSONNEL LISTING - COMMUNITY DEVELOPMENT DEPARTMENT

FY 2020-21 Annual Budget

	FY 2017-18	FY 2018-19	FY 2019-20	Staffing Changes	FY 2020-21	
<u>DEVELOPMENT SERVICES FUND</u>						
048-1810 Development Services-Administration						
Community Development Director	1	1	1		1	
Community Development Assistant Director	1	1	1		1	
Community Development Tech I/II/Sr	3	4	5	(5)	0	CD01
Executive Assistant	1	1	1		1	
Office Asst I/II/Specialist/Secretary/Technician	1	0	1		1	
Assistant/Associate Planner	0	0	0	1	1	CD02
Planning Technician I/II	1	1	0		0	
Planning Manager	1	1	1		1	
Program Manager I/II	2	2	2		2	
Program Manager III	1	1	1		1	
Revenue Assistant I/II	1	2	2		2	
	13	14	15	(4)	11	
048-1820 Development Services-Planning						
Assistant/Associate Planner	2	3	4	(1)	3	CD02
Deputy Dir - Engineering & Transportation	1	1	1		1	
Eng Aide/Engineering Technician I/II/Sr	1	1	1		1	
Junior/Assistant/Associate Civil Engineer	2	2	2		2	
Office Asst I/II/Specialist/Secretary/Technician	0	1	0		0	
Planning Manager	3	3	3		3	
Sr Planner	1	1	1	3	4	CD03
	10	12	12	2	14	
048-1830 Development Services-Building						
Community Development Tech I/II/Sr	1	1	0	5	5	CD01
Combination Inspector I/II	5	7	7		7	
Deputy Director - Building	1	1	1		1	
Deputy Building Official	1	1	1		1	
Plan Check Engineer	1	1	1		1	
Plan Checker I/II/Sr	4	4	4	1	5	CD03
Sr Building Inspector	1	1	1		1	
Supervising Combination Inspector	1	1	1	1	2	CD03
	15	17	16	7	23	
Total Community Development Department	38	43	43	5	48	

PERSONNEL LISTING - ECONOMIC DEVELOPMENT DEPARTMENT

FY 2020-21 Annual Budget

	FY 2017-18	FY 2018-19	FY 2019-20	Staffing Changes	FY 2020-21	
<u>GENERAL FUND</u>						
010-1700 Economic Development						
Asst Economic Development Director	1	1	1		1	
Director of Economic Development	1	1	1		1	
Economic Development Analyst I/II/Sr	3	3	2		2	
Executive Assistant	1	1	1		1	
Office Asst I/II/Specialist/Secretary/Technician	1	1	1		1	
Program Manager III	1	1	1		1	
Real Property Agent I/II/Sr	0	0	1		1	
Total General Fund	8	8	8	0	8	
<u>SPECIAL REVENUE FUND</u>						
054-8120 Housing - Community Development Block Grant						
Administrative Analyst I/II/Sr	1	1	1	1	2	ED01
Deputy Housing Director	0	0	0	1	1	ED02
Economic Development Analyst I/II/Sr	1	1	1	(1)	0	ED01
Office Asst I/II/Specialist/Secretary/Technician	1	1	0		0	
Program Manager I	0	0	0	1	1	ED02
Program Manager III	1	1	1		1	
Project Manager I/II/III	1	1	1		1	
	5	5	4	2	6	
<u>AGENCY FUND</u>						
633-7310 Successor Agency (RDA)						
Program Manager I/II	1	1	1	(1)	0	ED03
Program Manager III	0	0	0	1	1	ED03
	1	1	1	0	1	
<u>ENTERPRISE FUND</u>						
418-4000 Parking Authority						
Administrative Analyst I/II/Sr	0	0	1		1	
Office Asst I/II/Specialist/Secretary/Technician	1	1	1		1	
Parking Enforcement Officer	2	2	2		2	
Parking & Venues Manager	0	0	0	1	1	ED04
Program Manager III	1	1	1	(1)	0	ED04
Supervising Parking Enforcement Officer	1	1	1		1	
	5	5	6	0	6	
Total Other Funds	11	11	11	2	13	
Total Economic Development Department	19	19	19	2	21	

PERSONNEL LISTING - MUNICIPAL UTILITIES DEPARTMENT

FY 2020-21 Annual Budget

	FY 2017-18	FY 2018-19	FY 2020-21	Staffing Changes	FY 2020-21	
<u>WATER FUND</u>						
421-4210 Water Administration						
Deputy Director Water Resource Planning	1	1	1		1	
Office Asst I/II/ Office Specialist/Secretary	2	1	1		1	
Program Manager III	1	1	1	1	2	MD01
	4	3	3	1	4	
421-4223 Hydrant Maintenance						
Hydrant Worker/Sr	0	0	0	2	2	MD02
	0	0	0	2	2	
421-4231 Water Distribution						
Hydrant Worker/Sr	1	2	2	(2)	0	MD02
Office Asst I/II/ Specialist/Secretary/Technician	1	1	1		1	
Plant Operations Supervisor	1	0	0		0	
Water Field Technician	2	4	4		4	
Water Systems Superintendent	1	1	1		1	
Water Systems Supervisor	0	0	1		1	
Water Systems Operator I/II/Sr	20	18	18		18	
Water/Sewer Equipment Operator	1	1	1		1	
	27	27	28	(2)	26	
421-4234/35 Water Operations & Maintenance						
Chief Plant Operator	1	1	1		1	
Electrical Technician I/II	2	2	2	(1)	1	MD03
Sr Electrical Technician	0	0	0	1	1	MD03
Plant Maintenance Mechanic	3	3	3		3	
Plant Operator I/II/Sr	8	8	8		8	
Plant Operations Supervisor	1	1	1		1	
Sr Plant Maintenance Mechanic	1	1	1		1	
Water Systems Operator I/II/Sr	4	4	4		4	
	20	20	20	0	20	
Total Water	51	50	51	1	52	

PERSONNEL LISTING - MUNICIPAL UTILITIES DEPARTMENT

FY 2020-21 Annual Budget

	FY 2017-18	FY 2018-19	FY 2020-21	Staffing Changes	FY 2020-21	
<u>WASTEWATER FUND</u>						
431-4311 Wastewater Administration						
Administrative Analyst I/II/Sr	0	0	1		1	
Assistant MUD Director	1	2	2		2	
Director of Municipal Utilities	1	1	1		1	
Executive Assistant	1	1	1		1	
MUD Finance Officer	1	1	1		1	
Office Asst I/II/Specialist/Secretary/Technician	5	6	5		5	
Program Manager III	1	1	1		1	
Supervising Office Assistant	0	0	1		1	
	10	12	13	0	13	
431-4312 Engineering & Capital Projects						
Assistant MUD Director	1	0	0		0	
Engineering Services Manager	1	1	1		1	
Junior/Assistant/Associate Civil Engineer	7	7	7		7	
Office Asst I/II/Specialist/Secretary/Technician	2	2	2		2	
Principal Civil Engineer	1	1	1		1	
Public Works Inspector	1	1	1		1	
Sr Civil Engineer	2	2	2		2	
	15	14	14	0	14	
431-4331 Wastewater Operations						
Chief Plant Operator	1	1	1		1	
Deputy Director Wastewater	1	1	1		1	
Office Asst I/II/Specialist/Secretary/Technician	2	2	2		2	
Plant Operator in Training/I/II/Sr	25	25	25		25	
Plant Operations Supervisor	2	2	2		2	
Program Manager III	1	1	1		1	
	32	32	32	0	32	
431-4331 Wastewater Maintenance						
Electrical Technician I/II	3	3	3	(2)	1	MD04
Sr Electrical Technician	0	0	0	2	2	MD04
Office Asst I/II/Specialist/Secretary/Technician	1	1	1		1	
Plant Maintenance Machinist	1	1	1		1	
Plant Maintenance Mechanic	11	11	10		10	
Plant Maintenance Worker I/II	2	2	1		1	
Plant Maintenance Supervisor	1	1	1		1	
Program Manager III	0	0	1		1	
Sr Plant Maintenance Mechanic	3	3	3		3	
Sr Plant Maintenance Supervisor	1	1	1		1	
	23	23	22	0	22	

PERSONNEL LISTING - MUNICIPAL UTILITIES DEPARTMENT

FY 2020-21 Annual Budget

	FY 2017-18	FY 2018-19	FY 2020-21	Staffing Changes	FY 2020-21	
431-4332 Sanitary Sewers/Collections						
Collection Systems Operator I/II/Sr	34	34	34		34	
Sr Collection Systems Supervisor	1	1	1		1	
Collection Systems Supervisor	2	2	2		2	
Deputy Director Maintenance & Collections	1	1	1		1	
Program Manager III	1	1	1		1	
Office Asst I/II/ Office Specialist/Secretary	1	1	1		1	
Water/Sewer Equipment Operator	2	2	2		2	
	42	42	42	0	42	
431-4333 Sanitary Pump Stations						
Electrical Technician I/II	2	2	2	(1)	1	MD05
Sr Electrical Technician	0	0	0	1	1	MD05
Plant Maintenance Mechanic	10	10	11		11	
Plant Maintenance Worker I/II	0	0	1		1	
Plant Maintenance Supervisor	1	1	1		1	
Sr Plant Maintenance Mechanic	1	1	1		1	
	14	14	16	0	16	
431-4341 Environmental Control						
Environmental Control Officer	3	3	3		3	
Office Asst I/II/Specialist/Secretary/Technician	1	1	1		1	
Sr Environmental Control Officer	2	2	2		2	
Technical Services Supervisor	1	1	1		1	
	7	7	7	0	7	
Total Wastewater	143	144	146	0	146	

PERSONNEL LISTING - MUNICIPAL UTILITIES DEPARTMENT

FY 2020-21 Annual Budget

	<u>FY 2017-18</u>	<u>FY 2018-19</u>	<u>FY 2020-21</u>	<u>Staffing Changes</u>	<u>FY 2020-21</u>	
<u>STORMWATER FUND</u>						
441-4410 Stormwater-Policy, Planning, Management						
Environmental Control Officer	0	0	1		1	
Program Manager III	1	1	1	1	2	MD06
Project Manager I/II	1	1	1	(1)	0	MD06
Public Works Inspector	1	1	0		0	
	<u>3</u>	<u>3</u>	<u>3</u>	<u>0</u>	<u>3</u>	
441-4431 Stormwater Collections						
Collections Systems Operator I/II/Sr	2	2	2		2	
	<u>2</u>	<u>2</u>	<u>2</u>	<u>0</u>	<u>2</u>	
441-4432 Stormwater Pump Stations						
Sr Plant Maintenance Mechanic	1	1	1		1	
	<u>1</u>	<u>1</u>	<u>1</u>	<u>0</u>	<u>1</u>	
Total Stormwater	<u>6</u>	<u>6</u>	<u>6</u>	<u>0</u>	<u>6</u>	
<u>OPERATIONAL SUPPORT SERVICES</u>						
Laboratory						
Chemist	2	2	2		2	
Laboratory Technician	3	3	3		3	
Laboratory Supervisor	1	1	1		1	
Microbiologist	1	1	1		1	
	<u>7</u>	<u>7</u>	<u>7</u>	<u>0</u>	<u>7</u>	
Regulatory Compliance, Outreach, SCADA						
Electrical Technician I/II	1	1	0		0	
GIS Specialist I/II	1	1	1		1	
Occupational Health/Safety Compliance Specialist	1	1	1		1	
Office Asst I/II/Specialist/Secretary/Technician	1	1	1		1	
Program Manager I/II	1	1	1		1	
Program Manager III	1	1	1		1	
Regulatory Compliance Officer	1	1	0		0	
SCADA/CMMS Manager	1	1	1		1	
Utility Technology Specialist	1	1	1		1	
	<u>9</u>	<u>9</u>	<u>7</u>	<u>0</u>	<u>7</u>	
Total Municipal Utilities Department	<u>216</u>	<u>216</u>	<u>217</u>	<u>1</u>	<u>218</u>	

PERSONNEL LISTING - ADMINISTRATIVE AND SUPPORT DEPARTMENTS

FY 2020-21 Annual Budget

	FY 2017-18	FY 2018-19	FY 2019-20	Staffing Changes	FY 2020-21	
CITY COUNCIL						
Councilmember	6	6	6		6	
Executive Assistant to the Mayor	1	1	1		1	
Public Information Officer	1	1	1		1	
Mayor	1	1	1		1	
Mayor's Senior Policy Advisor	1	1	1		1	
	10	10	10	0	10	
CITY MANAGER						
Administrative Aide I/II	2	2	2	(1)	1	CM01
Executive Assistant to the Deputy CM's	0	0	0	1	1	CM01
Assistant to the City Manager	0	0	0	1	1	CM02
City Manager	1	1	1		1	
Deputy City Manager I/II	4	4	4	(2)	2	CM02
Executive Assistant to City Manager	1	1	1		1	
Office Asst I/II/Specialist/Secretary/Technician	1	1	1		1	
Deputy of Performance & Data Analytics	0	0	0	1	1	CM02
Management Assistant / Data & Performance	0	0	0	1	1	CM03
Program Manager III	3	3	3		3	
	12	12	12	1	13	
CITY ATTORNEY						
Assistant City Attorney	1	1	1		1	
City Attorney	1	1	1		1	
Deputy City Attorney	6	6	6		6	
Executive Assistant to City Attorney	1	1	1		1	
Paralegal	1	1	1		1	
Legal Secretary I/II	2	2	2		2	
	12	12	12	0	12	
CITY CLERK						
Assistant City Clerk I/II	1	1	1		1	
City Clerk	1	1	1		1	
Deputy City Clerk I/II/Sr	4	4	4		4	
Records Research Specialist	1	1	1		1	
	7	7	7	0	7	
NON-DEPARTMENTAL						
Administrative Aide I/II	2	2	2		2	
Community Relations Officer	1	1	1		1	
	3	3	3	0	3	
OFFICE OF VIOLENCE PREVENTION						
Administrative Aide I/II	1	1	1		1	
Community Engagement Coordinator	0	0	1		1	
Director of the Office of Violence Prevention	0	0	0	1	1	CM04
Management Assistant	1	1	1		1	
Office of Violence Prevention Program Asst	1	1	0		0	
Office of Violence Prevention Manager	1	1	1	(1)	0	CM04
Outreach Supervisor	2	2	2		2	
Outreach Worker	8	8	8		8	
	14	14	14	0	14	
Total Non-Departmental	17	17	17	0	17	

PERSONNEL LISTING - ADMINISTRATIVE AND SUPPORT DEPARTMENTS

FY 2020-21 Annual Budget

	<u>FY 2017-18</u>	<u>FY 2018-19</u>	<u>FY 2019-20</u>	<u>Staffing Changes</u>	<u>FY 2020-21</u>	
ADMINISTRATIVE SERVICES DEPARTMENT						
<u>GENERAL FUND</u>						
010-1310 Administration						
Assistant Chief Financial Officer	1	1	1		1	
Chief Financial Officer	1	1	1		1	
Executive Assistant	1	1	1		1	
Office Asst I/II/Specialist	4	4	4	(1)	3	AS01
Administrative Aide I/II	0	0	0	1	1	AS01
Program Manager III	1	1	1		1	
	8	8	8	0	8	
010-1320/60 Financial Services						
Accountant I/II/Sr	7	7	7		7	
Accounting Manager	1	1	1		1	
Finance Assistant I/II/Sr	8	8	8		8	
Payroll Supervisor	1	1	1		1	
Program Manager I/II	2	2	2		2	
Supervising Accountant	2	2	2		2	
	21	21	21	0	21	
010-1322 Budget						
Budget Officer	1	1	1		1	
Budget Analyst I/II/Sr	5	5	5		5	
	6	6	6	0	6	
010-1331 Revenue/Collections						
Revenue Assistant I/II/Sr	11	11	11	1	12	AS02
Revenue Collector	1	1	0		0	
Revenue Officer	1	1	1		1	
Revenue Supervisor	1	1	1	1	2	AS03
	14	14	13	2	15	
010-1340 Procurement						
Materials Specialist	3	3	3		3	
Procurement Manager	1	1	1		1	
Procurement Specialist I/II/Sr	4	4	4		4	
Supervising Procurement Specialist	2	2	2		2	
	10	10	10	0	10	
010-1350/51 Utility Billing/Customer Service						
Customer Service Assistant	2	2	2		2	
Revenue Assistant I/II/Sr	13	13	13	(1)	12	AS02
Revenue Collector	4	4	5		5	
Revenue Supervisor	2	2	2	(1)	1	AS03
	21	21	22	(2)	20	
Total General Fund	80	80	80	0	80	
<u>INTERNAL SERVICE FUNDS</u>						
502-5400 Document Services						
Reprographics/Mailroom Supervisor	1	1	1		1	
Reprographics/Mailroom Technician I/II	1	1	1		1	
	2	2	2	0	2	
Total Administrative Services Department	82	82	82	0	82	

PERSONNEL LISTING - ADMINISTRATIVE AND SUPPORT DEPARTMENTS

FY 2020-21 Annual Budget

	<u>FY 2017-18</u>	<u>FY 2018-19</u>	<u>FY 2019-20</u>	<u>Staffing Changes</u>	<u>FY 2020-21</u>	
HUMAN RESOURCES						
<u>GENERAL FUND</u>						
010-1610 Recruitment & Workforce Planning						
Human Resources Analyst I/II/Sr	4	4	4	1	5	HR07
Human Resources Asst I/II /Specialist	1	1	1		1	
Office Asst I/II/Specialist/Secretary/Technician	0	0	0	1	1	HR02
Supervising Human Resource Analyst	1	1	1		1	
	6	6	6	2	8	
010-1620 Administration & Employee Labor Relations						
Administrative Aide I/II	1	1	1	(1)	0	HR01
Assistant Director of Human Resources	1	1	1		1	
Director of Human Resources	1	1	1		1	
Executive Assistant (Confidential)	1	1	1		1	
Human Resources Analyst I/II/Sr	2	2	2	(1)	1	HR07
Human Resources Asst/Specialist I/II	1	1	1	(1)	0	HR02
Human Resources Program Assistant	1	1	1	(1)	0	HR03
Human Resources Technician	2	2	2	1	3	HR03
Program Manager III	1	1	1		1	
Supervising Human Resource Analyst	1	1	1		1	HR01
Training & Internship Coordinator	0	0	0	2	2	HR04
	12	12	12	(1)	11	
Total General Fund	18	18	18	1	19	
<u>INTERNAL SERVICE FUNDS</u>						
552-5500 Health Benefits						
Deputy Director of Human Resources	1	1	1		1	
Human Resources Analyst I/II/Sr	1	1	1		1	
Human Resources Asst/Specialist I/II	1	1	1		1	
Human Resources Technician	2	2	2	(1)	1	HR05
Supervising Human Resources Analyst	1	1	1		1	
	6	6	6	(1)	5	
551-5600 Workers Compensation						
Human Resources Analyst I/II/Sr	0	0	0	1	1	HR06
Human Resources Manager/Safety Officer	1	1	1		1	
Risk Analyst I/II	2	2	2		2	HR05
	3	3	3	1	4	HR06
541-5700 General Liability Insurance						
Liability Claims Investigator I/II	1	1	1	(1)	0	HR04
Risk Analyst I/II	1	1	1		1	
Risk/Loss Control Specialist	1	1	1		1	
	3	3	3	(1)	2	
Total Internal Service Funds	12	12	12	(1)	11	
Total Human Resources Department	30	30	30	0	30	

PERSONNEL LISTING - ADMINISTRATIVE AND SUPPORT DEPARTMENTS

FY 2020-21 Annual Budget

	FY 2017-18	FY 2018-19	FY 2019-20	Staffing Changes	FY 2020-21	
INFORMATION TECHNOLOGY DEPARTMENT						
<u>INTERNAL SERVICE FUNDS</u>						
502-5100 Information Technology						
Administrative Analyst I/II/Sr	1	2	3		3	
Director of Information Technology	1	1	1		1	
Executive Assistant	1	1	1		1	
Information Technology Officer	2	2	2		2	
Information Technology Supervisor	3	3	3		3	
GIS Analyst I/II/Sr	2	2	1		1	
GIS Specialist I/II/Sr	1	1	0		0	
Network Support Analyst I/II/Sr	4	4	4		4	
Office Asst I/II/Specialist/Secretary/Technician	3	3	2		2	
Program Manager I/II	2	2	2	2	4	IT01
Program Manager III	7	7	7	(2)	5	IT01
Systems Analyst I/II/Sr	19	18	18	1	19	IT02
Technology Project Coordinator	1	1	1		1	
Technology Support Specialist I/II	6	5	5		5	
Technology Training Coordinator	0	1	1		1	
	53	53	51	1	52	
503-5200 Radio						
Technology Project Coordinator	0	0	0	1	1	IT03
Project Manager I/II	1	1	1	(1)	0	IT03
	1	1	1	0	1	
Total Information Technology Department	54	54	52	1	53	

PERSONNEL LISTING - FOOTNOTES
FY 2020-21 Annual Budget

Police Department

PD01 Reclassify one Sr. Administrative Analyst to Program Manager II
PD02 Move one Police Sergeant to Field Services from Administration
PD03 Move one Community Service Officer I/II to Field Services from Investigations
PD04 Move 38 Police Officers to Field Services from Investigations
PD05 Reclassify one Crime Analyst to Police Records Assistant III and move to Support Services from Investigations
PD06 Reclassify one Office Assistant II to Animal Services Assistant I/II

Fire Department

FD01 Move one Fire Battalion Chief to Fire Dispatch from Fire Administration
FD02 Move one Fire Captain to Fire Suppression from Fire Dispatch
FD03 NEW - four Fire Call Taker positions
FD04 NEW - two Fire Telecommunicator II positions
FD05 Reclassify one Project Manager to Program Manager I

Public Works Department

PW01 Move one Administrative Analyst to Solid Waste & Recycling from Administration
PW02 Move one Project Manager II to Operations & Maintenance from Solid Waste & Recycling
PW03 Reclassify two Tree Surgeon to Tree Worker
PW04 Reclassify one Project Manager to Junior Engineer
PW05 Reclassify one Associate Engineer to Project Manager
PW06 NEW - one Office Specialist position
PW07 NEW - one Project Manager I position
PW08 NEW - two Public Works Field Specialist positions
PW09 Move two Sr. Maintenance Repair Technicians to Solid Waste & Recycling from Measure K Street Maintenance
PW10 Reclassify one Facilities Maintenance Worker III to Sr Facilities Maintenance Worker

Community Services Department

CS01 Reclassify one Circulation Assistant to Librarian
CS02 Eliminate one Supervising Librarian position
CS03 Reclassify two Supervising Librarians to Library Manager
CS04 Reclassify one Supervising Librarian to Library Manager
CS05 Underfilled Recreation Program Coordinator with Recreation Assistant I/II/SR
CS06 Move one Recreation Supervisor to Strong Communities from Recreation Services

Community Development Department

CD01 Move five Community Development Technicians to Building from Administration
CD02 Move one Assistant Planner to Administration from Planning
CD03 Five additional positions approved by Reso 2019-12-17-1106 on 12/17/2019

Economic Development Department

ED01 Reclassify one Economic Development Analyst to Administrative Analyst
ED02 Two additional positions approved by Reso 2020-03-24-1103 on 3/24/2020
ED03 Reclassify one Program Manager I/II to Program Manager III
ED04 Reclassify one Program Manager III to Parking & Venues Manager

PERSONNEL LISTING - FOOTNOTES
FY 2020-21 Annual Budget

Municipal Utilities Department

MD01 NEW - one Program Manager III position
MD02 Move two Hydrant Workers to Hydrant Maintenance from Water Distribution
MD03 Reclassify one Electrical Technician to Sr. Electrical Technician
MD04 Reclassify two Electrical Technician to Sr. Electrical Technician
MD05 Reclassify one Electrical Technician to Sr. Electrical Technician
MD06 Reclassify one Project Manager to Program Manager

City Manager's Office

CM01 Reclassify one Administrative Aide to Executive Assistant to Deputy City Manager
CM02 Reclass two Deputy City Manager to one Assistant to the City Manager and one Deputy of Performance & Data Analytics
CM03 NEW - one Management Assistant / Data & Performance position
CM04 Reclassify one Office of Violence Prevention Manager to Director of the Office of Violence Prevention

Administrative Services Department

AS01 Reclassify one Office Specialist to Administrative Aide
AS02 Move one Revenue Assistant I from Utility Billing/Customer Service to Revenue/Collections
AS03 Move one Revenue Supervisor from Utility Billing/Customer Service to Revenue/Collections

Human Resources Department

HR01 Reclassify one Administrative Aide to Training & Internship Coordinator
HR02 Reclassify one Human Resources Assistant to Office Assistant
HR03 Reclassify one Human Resources Program Assistant to Human Resources Technician
HR04 Reclassify one Liability Claims Investigator to Training & Internship Coordinator and move to Administration & Employee Labor Relations
HR05 Reclassify one Human Resources Technician to Risk Analyst and moved to Workers Compensation from Health Benefits
HR06 Reclassify one Risk Analyst II to Human Resources Analyst Sr
HR07 Move one Human Resource Analyst from Administration & Employee Labor Relations to Recruitment & Workforce Planning

Information Technology Department

IT01 Reclassify two Program Manager III to Program Manager I/II
IT02 NEW - one Sr. Systems Analyst position
IT03 Reclassify one Project Manager to Technology Project Coordinator

PERSONNEL LISTING - END NOTES
FY 2020-21 Annual Budget

- (A) Grant funded positions are authorized to be added as grant funding is received. Positions may be eliminated when grant funding ends. Positions correspond to the grant period, and do not necessarily correspond to the City's fiscal year.
- (B) The City Manager is authorized to establish additional Library positions if mid-year funding is provided by San Joaquin County.
- (C) When separations are imminent, but have not yet occurred, the City Manager is authorized to fill unfunded positions, as necessary, subject to availability, for the effective conduct of training and transition, and to avoid excessive overtime.
- (D) The City Manager is authorized to fill Police Officers as Police Officer Trainees or Police Officers, and with recommendation of the Human Resources Director, can reclassify Police Officer Trainees as Police Officers.
- (E) Persons employed by the City who are later defined by the State of California PERS, the Internal Revenue Service, the City Attorney, or other rulings, to be City employees performing on-going City activities may be converted to City positions and added to the City's position list during the fiscal year.
- (F) Fire Captains and Firefighters in Fire Prevention may be designated as Deputy Fire Marshals.
- (G) Groupings on the Personnel Listing of various classification titles does not indicate a "deep classification" or other form of alternative staffing.

BUDGET AND FISCAL POLICIES

BUDGET AND FINANCIAL POLICIES

Fund Structure

The City organizes its accounts into funds. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The operation of each fund is maintained with a self-balancing set of accounts that comprise its assets, liabilities, fund balance or net position, revenues, and expenditures or expenses. The City, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related requirements. Government resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. The various funds are grouped into generic fund types and broad fund categories as follows:

Governmental funds

- **General Fund:** The General Fund is the City's general operating fund. It is used to account for all financial resources that are not required to be accounted for in another fund. Transactions related to municipal government services supported by taxes, intergovernmental revenues, charges for services and other governmental type revenues are reported within the General Fund.
- **Special Revenue Funds:** Special Revenue Funds are used to account for the proceeds of specific revenue sources (other than special assessments, expendable trusts, or major capital projects) that are legally restricted to expenditures for specified purposes.
- **Debt Service Funds:** Debt Service Funds are used to account for the accumulation of resources for, and the payment of, general long-term debt principal, interest, and related costs.
- **Capital Projects Funds:** The Capital Projects Funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by Proprietary Funds and Trust / Agency Funds).

Proprietary funds

- **Enterprise funds:** Enterprise Funds are used to account for operations:
 - (a) That are financed and operated like private business enterprises where the governing body intends the full costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges.
 - (b) Where the governing body has decided periodic determination of revenues earned, expenses incurred, and net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes.
- **Internal Service Funds:** Internal service funds account for the financing of goods and services provided by one department in the City to other departments in the City on a cost reimbursement basis as a basis for allocation.
- **Fiduciary funds:** Fiduciary funds are used to account for assets held by the City in a trustee or agent capacity for individuals, private organizations, other governments, and other funds.

BUDGET AND FINANCIAL POLICIES

Basis of Accounting

The term “basis of accounting” is used to describe the timing of recognition, that is when the effects of transactions or events should be recognized. The basis of accounting used for purposes of financial reporting in accordance with generally accepted accounting principles (GAAP) is not necessarily the same basis used in preparing the budget document. The City uses the modified accrual basis of accounting for governmental funds (general, special revenue, debt service, and capital projects) and agency funds. The City recognizes revenues for these funds when they become measurable and available, and recognizes expenditures when the liability is incurred, except for principal and interest on long-term debt, which is recognized when due. The City records Federal and State reimbursement-type grants as revenue when it incurs related eligible expenditures.

The City uses the full accrual basis of accounting for proprietary and permanent funds. Under the full accrual basis of accounting, the City recognizes revenues when earned, and expenses are recognized when incurred.

The City’s *Comprehensive Annual Financial Report* can be found at:
<http://www.stocktongov.com/government/departments/adminServices/finRep.html>

Basis of Budgeting

The City’s operating budget is prepared using the *current financial resources measurement* focus and the *modified accrual basis* of accounting for all funds, which recognizes revenues when they become available and measurable and recognizes expenditures when liabilities are incurred. Some exceptions to this recognition of expenditures include those related to debt service, compensated absences, and claims and judgments which are recorded only when due. With respect to real and personal property tax revenue and other local taxes, the term “available” is limited to collection within 60 days of the fiscal year-end.

Common differences between the basis of accounting and the basis of budgeting include:

Activity	Type	Budgetary Basis	Accounting Basis
<u>All Types of Funds</u>			
Fair value on investments	Revenue	No	Yes
Encumbrances	Expenditure	Yes	No
Compensated absences	Expenditure	No	Yes
<u>Proprietary Funds Only</u>			
Long-term debt proceeds	Revenue	Yes	No
Capital outlay	Expenditure	Yes	No
Debt service principal payments	Expenditure	Yes	No
Depreciation	Expenditure	No	Yes
Amortization	Expenditure	No	Yes

BUDGET AND FINANCIAL POLICIES

Financial Policies

Balanced Budget

Section 1905 of the City Charter states: “The total proposed expenditures shall not exceed the total of estimated income, estimated unencumbered balances of funds to be carried over from the preceding year and unencumbered available reserves.” If the City meets these criteria, the budget is considered balanced. The budget is considered balanced when the total amount of revenues, including transfers in from other funds and the use of fund balance, equals the total amount of expenditures. The budget is also considered balanced, however, when total expenditures are less than total revenues, which is technically a surplus. Instances also arise when the City plans to spend fund balances from previous years on one-time or non-routine expenditures. The City also considers the budget to be balanced in this case, provided the funding from previous years is available, and a plan is in place to create on-going expenditures with one-time funding.

Long-Range Financial Plan

The City Council’s Strategic Work Plan includes Fiscal Sustainability as a Strategic Target and has a Tier 1 Priority Goal to “Adopt a budget and allocate resources consistent with the Long-Range Financial Plan; implement solutions that provide financial transparency to the community.”

To ensure long-term sustainability, the City utilizes the Long-Range Financial Plan (L-RFP) as part of budget development. The City created L-RFP as part of the bankruptcy process to demonstrate the financial viability of the Plan of Adjustment over a 20-year period. This window is longer than most long-term forecasts but was necessary to adequately present significant changes such as debt restructuring, pension costs, and equipment replacement. The City continues to update and refine the L-RFP and is proving to be a useful framework to make budget decisions. By incorporating the L-RFP into its decision-making process, the City Council has an effective tool to forecast the future effects of its decisions. Because so many facets of City services include long-term commitments such as labor, infrastructure improvements and sufficient reserves, it is imperative for the City to take a long-term view.

Reserve Policies

The City Council has adopted policies establishing minimum target levels of unreserved fund balance to be maintained in various funds. These target reserves protect the City’s financial exposure to severe unforeseen emergencies and economic uncertainties and are an important component of the City’s long-term financial management. The following are examples of reserve policies for different funds:

- General Fund: Priority I targets for a Working Capital Reserve and Known Contingencies, and Priority II targets for risk-based contingencies;
- Measure W: 25% of anticipated annual revenue; and
- Municipal Utilities: Six months of operating expenditures.

In March 2016, the City Council adopted a reserve policy for the General Fund that describes various reserve types, funding priorities, and calculation guidelines. The Working Capital Reserve target is based on a percentage of total budgeted General Fund expenditures, and the current Known Contingencies Reserve target is a list of known future expenses, contingent on as of yet

BUDGET AND FINANCIAL POLICIES

unknown facts or circumstances that require significant resources. The Risk-Based Reserves are based on potential costs related to infrastructure replacement, extreme events/disasters, legal claims, and severe economic or revenue volatility. The reserve targets are reviewed annually in accordance with the Council's General Fund – Fund Balance and Reserve Policy.

The reserve policies were adopted with the goal to accumulate the targeted reserves over the course of future years. The following links for City reserve policies are:

General Fund Policy - http://www.stocktongov.com/files/General_Fund_Reserve_Policy.pdf

Municipal Utilities Funds Policy -

http://qcode.us/codes/stockton-cpm/view.php?topic=700-700_5&frames=on

Investment Policy

The City adopts an investment policy annually that is intended to provide guidelines for the prudent investment of the City's cash balances and outlines the policies to assist in maximizing the efficiency of the City's cash management system while meeting the daily cash flow demands of the City. The City's investment policy can be found at:

<http://www.stocktonca.gov/government/departments/adminServices/debt.html>

Debt Policies

Policies *Capital Financing and Debt Management Policy* and the *Policies and Procedures for Land-Secured Financing* can be found at:

<http://www.stocktonca.gov/government/departments/adminServices/debt.html>

Budget Amendments

It may be necessary to amend the budget for unforeseen circumstances that arise during the year. The City Manager may amend the budget up to the limit of his authority as defined in the annual budget resolution. Amendment can also be approved by resolution with the concurrence of at least four members of the City Council for items above the City Manager's authority.

The City Manager may approve transfers of appropriations between departments within a fund.

All transfers of appropriation from Priority II Risk Based Reserves require City Council approval by a super majority (6 out of 7).

BUDGET AND FINANCIAL POLICIES

Budget Process

The City annually adopts and executes a budget for such funds as may be required by law or by sound financial practices and generally accepted accounting principles. The budget controls the expenditure of money for all City purposes during the ensuing fiscal year. City departments receive guidance and training from the Budget Office to assist in preparing budget requests and narratives. Departments are provided current salary projections and staffing allocations for their review and revision for the budget year. All fees for service are reviewed and updated by departments and a multi-departmental fee review team. Likewise, departments submit capital project requests for review by the Public Works Department and the City Manager's Office. Departments submit budget plans and new requests to the Budget Office that incorporate updates to resource allocations, service delivery, programs, and staffing.

The City's L-RFP greatly restricts growth in General Fund expenditures. The Budget Office provides each department that relies on General Fund support a baseline budget amount, and the Budget Office and City Manager review any proposed expenditure growth above that baseline for approval. Budget staff review all submitted budgets for reasonableness and compliance with the guidelines and budget priority direction provided by the Council and City Manager.

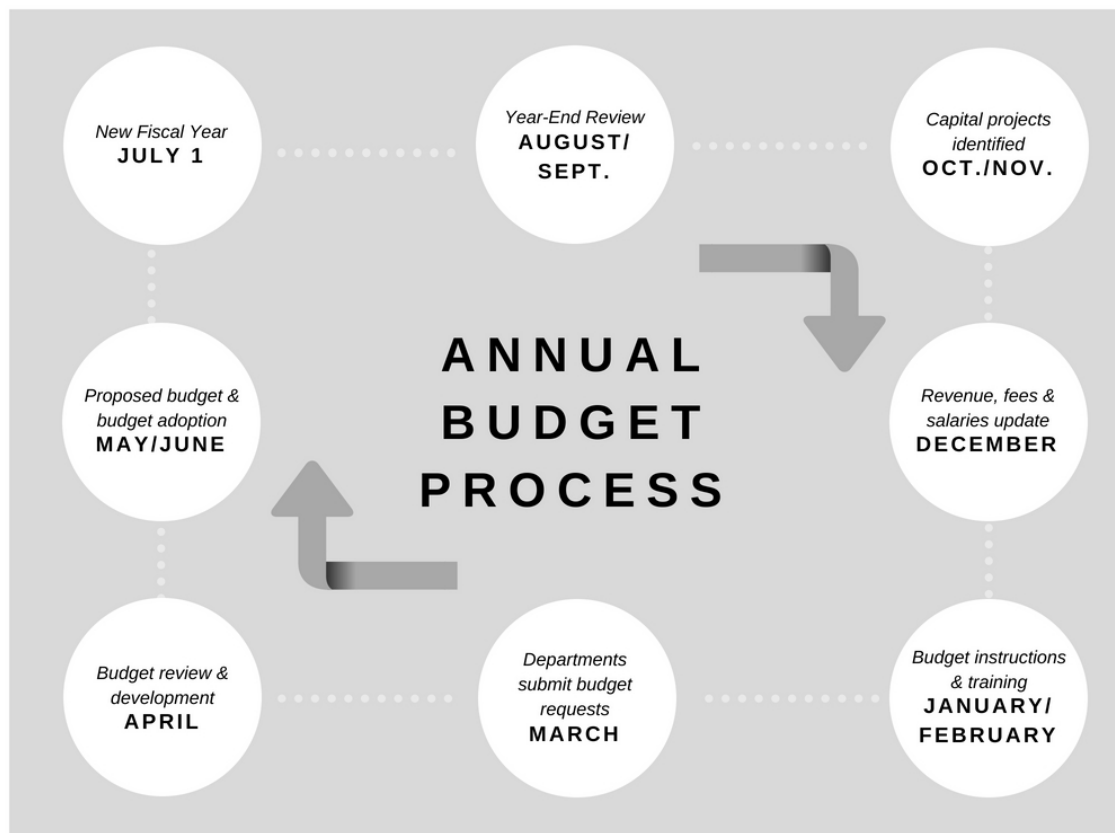
Following the City Manager review, the City Manager's Proposed Budget is released. City departments each presents its budget recommendations to the City Council during a budget study session. During this session, the Council also reviews General Fund revenues, Special Revenues, the Capital Improvement Program, and fee changes as proposed by the City Manager. The Council asks each department questions about their budget proposals and makes policy decisions and suggestions for changes to the City Manager.

A combined Council public hearing on the Capital Improvement Program, Operating Budgets, Successor Agency Budget and Fee Schedule is held in June each year. The Council adopts the budget before the beginning of the fiscal year. The budget resolution defines the level of budgetary control which determines if the budget can be amended administratively or if Council approval is required.

BUDGET AND FINANCIAL POLICIES

Budget Process Calendar

October	Departments work with Public Works Department to identify capital needs.
Nov. - Dec.	Salary projections, fee review and internal service fund analysis begins.
January	Mid-year review of City funds and fee adjustments due.
February	Budget instruction memo sent to City departments. Capital project requests submitted to Budget Office.
March	Departments submit operating budget requests to Budget Office.
April	City Manager reviews department budgets.
April 28	Budget Update provided to City Council.
May	Draft Capital Improvement Plan to Planning Commission.
May 15	City Manager submits Proposed Budget, Capital Improvement Plan, and Fee Scheduel to Mayor and City Council.
May 27 – June 4	Review of Proposed Budget at Citizen Advisory Committee meetings.
June 10-16	Council holds a budget study session to review the Proposed Budget.
June 23	Council holds a Public Hearing to adopt the City's Operating, Capital, and other agency budgets along with the Fee Schedule for the fiscal year.





LEGAL DEBT MARGIN

LEGAL DEBT MARGIN

(Dollar amounts in thousands)

	Fiscal Year			
	2019	2018	2017	2016
Assessed valuation	\$ 22,407,298	\$ 21,362,446	\$ 20,337,129	\$ 19,628,594
Conversion percentage	<u>25%</u>	<u>25%</u>	<u>25%</u>	<u>25%</u>
Adjusted assessed valuation	5,601,825	5,340,612	5,084,282	4,907,149
Debt limit percentage	<u>15%</u>	<u>15%</u>	<u>15%</u>	<u>15%</u>
Debt Limit	840,274	801,092	762,642	736,072
Total net debt applicable to limit	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Legal debt margin	<u>\$ 840,274</u>	<u>\$ 801,092</u>	<u>\$ 762,642</u>	<u>\$ 736,072</u>
Legal debt margin/debt limit	100%	100%	100%	100%

Under State law, the City has a legal debt limitation not to exceed 15% of the total assessed valuation of taxable property within the City boundaries, adjusted for subsequent legislative actions. In accordance with California Government Code Section 43605, only the City's general obligation bonds are subject to the legal limit. The City of Stockton does carry bonded debt secured by special assessments and other revenue sources, but at this time, doesn't have any outstanding general obligation bonds. The City is not at risk of exceeding its legal debt limit.

GLOSSARY

GLOSSARY

Account: Basic component of a formal accounting system. Individual record of increases and decreases in a specific asset, liability, revenue, expenditure or expense.

Accrual basis of accounting: Revenue and expenses are recorded in the period in which they are earned or incurred, regardless of whether cash is received or disbursed in that period. The enterprise and internal service funds use the accrual basis of accounting for external reporting purposes.

Actual: Actual level of revenues or expenditures in the fiscal year noted.

Ad Valorem: In proportion to the value. Basis of property taxes, both real and personal, imposed by the City.

Appropriation: Authorization by a governing body to incur obligations for specific purposes. Appropriations are limited to amount, purpose, and time. All appropriations of the City Council lapse on June 30th, unless provided for by the City Council in a direct action.

Adopted budget: Version of the operating budget approved by the City Council through a formal process.

Agency Funds: Funds to account for resources held by a government in a custodial capacity.

Approved budget: Adopted budget plus Council approved and administrative budget amendments.

Assess: Place a value on property for tax purposes.

Assessed valuation of assessment: Dollar value placed upon real estate or personal property as a basis for levying taxes of the governing body.

Assessment: Tax revenue related to the assessed value of real or personal property.

Assets: Resources owned by the City that have a monetary value.

Audit: Examination of records or financial accounts to form an opinion whether they are prepared in conformity with a specific standard.

Authorized positions: Number and classification of the full-time staffing levels approved by the City Council funded in a budget cycle.

Available balance: The uncommitted, undesignated portion of liquid assets less liabilities available for operations. Fund balance represents the working capital portion of a fund's equity, which excludes capital assets, debt, obligations incurred but not yet paid, and other non-current items.

Bad debt expense: Incurred when a buyer fails to pay for goods or services acquired from the City.

Balanced budget: Within a fund, the total revenues, including transfers in from other funds and use of fund balance equals the total amount of expenditures, including transfers out to other funds and contributions to fund balance.

Bankruptcy: Bankruptcy for Municipalities is covered under Chapter 9 of the United States Bankruptcy Code to provide a financially-distressed municipality protection from its creditors while it develops and negotiates a plan for adjusting its debts.

GLOSSARY

Baseline: An estimate of spending, revenue, related the deficit or surplus expected during a fiscal year under current laws, labor agreements, and policy. The baseline is a starting point for measuring the budgetary effects of proposed changes in revenues and spending.

Basis of accounting: Timing of recognition for financial reporting purposes. The basis of accounting determines when revenues, expenses, assets and liabilities are recognized and reported. Cash, accrual and modified accrual are the three accounting methods used by local governments. Modified accrual, with a focus on current financial resources, is used for budgetary purposes.

Beginning/ending fund balance: Resources available in a fund after payment of prior/current year expenses.

Benchmarking: Ongoing search for best practices and processes that produce superior performance when adopted and implemented in an organization.

Block grant: Awarded primarily to general-purpose governments, block grants are distributed according to formulas established in the law and can be used for any locally determined activities that fall within the functional purpose of the grant.

Bond: A type of debt security sold to finance capital improvements, projects or purchases.

Brown Act: Governs the conduct of public meetings in the State of California under Government Code Sec. 54953.

Budget: A financial plan for a specified period of time that matches all planned revenues and expenditures with various municipal services. The City uses a fiscal year for the budgetary period of time. The budget is the primary tool by which most of the financing, acquisition, spending, and service delivery activities of a government are planned and controlled. The approved budget is authorized by City Council action and thus specifies the legal spending limits for the fiscal year.

Budget adoption: Formal process through which a governing body approves a budget. The City adopts its budget by a resolution following a public hearing.

Budget hearing: A public meeting to allow citizens to comment of a proposed budget.

Budget resolution: Method used by the City to move spending authority already budgeted and appropriated from one fund to another, from contingencies, or from budgetary fund balances.

Budgeted positions: The number of full-time positions funded in a fiscal year.

Capital budget: Appropriations for the acquisition or construction of fixed assets or tangible property subject to capitalization under City policy. Current City capitalization threshold is \$5,000.

Capital Improvement Program (CIP): A list of capital project needs and related funding sources for a five-year period, which is updated annually.

Capital outlay/Capital Purchase: Expenditures for tangible property of relatively permanent nature. Current capital asset threshold is \$5,000.

Capital project: Major construction, acquisition or renovation which result in added value to a government's physical assets or significantly increase their useful life. In order to be a capital project, a project must have a cost greater than \$50,000.

GLOSSARY

Contingency: A budgetary reserve set aside for emergencies or unforeseen expenditures that are possible, but cannot be predicted with certainty.

Debt service: Payment of interest and principal on an obligation resulting from the issuance of bonds and notes.

Debt service fund: Account groups in the financial system to record the payment of principal and interest on debt.

Deficit: A description of the state whereby more money is spent than is received. Used to describe the excess of liabilities over assets or of expenditures over revenue during a single budget year.

Defined benefit plan: Employer sponsored retirement plan based on paying a specific amount for each year of retirement.

Defined contribution plan: Employer sponsored retirement plan based on paying a specific amount into the plan during the term of employment.

Department: A major organizational unit of the City that has management responsibility for related operations.

District fund: A fund used to account for the resources, revenues and expenditures of separate special districts formed to provide certain public services.

Division: A sub-unit of a department which encompasses more specific functions of that department and may consist of several activities.

Encumbrance: Obligation against budgeted appropriations in the form of a purchase order or contract. Encumbrances cease when obligations are paid or otherwise terminated.

Enterprise fund: A classification of proprietary fund type whereby a set of accounts within the financial system used to record specific activities wherein fees and charges are sufficient to cover the cost of providing goods and services.

Expenditure: A term used to describe the cost of goods or services in a governmental fund recorded on the modified accrual basis of accounting.

Fiduciary funds: Account groups in the financial system used when a governmental unit acts in a trustee or agent capacity.

Financial policy: City's policy with respect to taxes, spending, debt and reserve management as related to the provision of City services, programs and capital investment.

Fixed asset: Individual assets used in operations of the City that have a value greater than or equal to \$5,000 and a useful life of greater than one year, e.g., buildings, vehicles, furniture, etc.

Fiscal year: The 12-month period designated as the budget year from July 1 through June 30.

Fund: A fiscal and accounting entity with a self-balancing set of accounts recording assets, liabilities, fund balance or net assets, revenues and expenditures or expenses.

GLOSSARY

Fund category: Financial activities for state and local governments fall into three groups or categories. Categories can be broken down further into fund types. The three fund categories used in governmental accounting are governmental, proprietary and fiduciary.

Fund balance: A term to describe assets less liabilities of governmental fund types. In the context of the City's budget discussions, fund balance generally refers to the undesignated spendable fund balance that has not been appropriated nor designated for reserves or other uses.

Fund type: Fund categories can be further broken down into fund types. General, special revenue, capital projects, debt service and non-expendable trust are governmental category fund types. Enterprise and internal service funds are proprietary category fund types. Trust and agency funds are fiduciary fund types.

General Fund: Set of accounts for all financial transactions not required to be accounted for in any other fund. The General Fund accounts for the normal recurring activities of the City departments such as public safety, public works, recreation, library, and other governmental departments. These activities are funded by revenue sources such as general property taxes, permits, fees, licenses, and charges for services.

General liability insurance: Protection against risk of financial loss due to a civil wrong that results in property damage or bodily injury. Included in the general liability insurance internal service fund are the costs to administer and litigate claims, in addition to any damages or premiums.

General obligation bond: A debt instrument backed by the full faith and credit of the issuing government. In California, local governments can only issue such bonds with voter approval subject to a legal debt limit.

Governmental funds: Funds used to record activities that are financed through taxes, grants, licenses and similar general government revenues. The measurement focus of governmental funds recognizes events when they affect current financial resources. Reductions are called expenditures. These funds operate on a modified accrual basis.

Grants: Award given by a government to a public agency in a lower level of government or a special recipient for a specified purpose.

Indirect costs: Elements of cost necessary in the production of a good or service that are not directly traceable to the product or service. These are sometimes referred to as overhead costs.

Investment proceeds: Income or loss earned on the investment of available cash.

Internal service fund: A set of accounts created to provide a mechanism to allocate shared costs to promote efficiency or effectiveness of a shared activity.

Legal debt margin: Excess of the amount of debt legally authorized over the amount of debt outstanding. California code defines the amount of general obligation debt the City is legally authorized to issue as not to exceed 15% of the total assessed valuation of taxable property within the City boundaries, adjusted for subsequent legislative actions.

Lien: A document recorded with the County Recorder placing a debt against a parcel of land.

Long-term debt: Debt with a maturity of more than one year after the date of issuance.

GLOSSARY

Marshall plan: A City of Stockton Strategic Initiative adopted by the Council to reduce crime and increase public safety. Funding for these efforts are appropriated from Measure A sales tax revenues. Specific elements of the Marshall Plan are present in the Measure B Implementation Plan (see Council meetings June 25, 2013 and February 25, 2014)

Measure A: A general transaction and use tax measure approved by the citizens of Stockton on November 5, 2013 for $\frac{3}{4}$ cent sales tax effective April 1, 2014. Revenue from Measure A sales tax is reported in the General Fund to pay for law enforcement services, to emerge from bankruptcy and restore other City services.

Measure B: A non-binding advisory measure approved by the citizens of Stockton on November 5, 2013 related to the Measure A $\frac{3}{4}$ cent general sales tax effective April 1, 2014, 65% of which is to be used for law enforcement and crime prevention services in the City.

Measure K: A San Joaquin County special transaction and use tax measure approved in 1990 for $\frac{1}{2}$ cent sales tax dedicated to transportation projects. This original sales tax increase was to expire in 2011; however, in 2006, voters passed a 30-year extension. The program is administered by the San Joaquin Council of Governments.

Measure W: A special transaction and use tax measure approved by the citizens of Stockton in November 2004 for $\frac{1}{4}$ cent sales tax dedicated to public safety services. Proceeds from the measure are allocated 50% to Fire Department and 50% to Police Department.

Municipal code: Codification of ordinances (laws) of a municipality.

Non-departmental: Program costs that do not relate to any one department, but represent costs of a general citywide nature.

Operating budget: Annual appropriation of funds for on-going program costs, including personnel, operations, capital outlay, and debt service.

Operating transfers: Transfers from a fund receiving revenue to a fund which will expend the resources.

Ordinance: A formal legislative enactment by the City Council. It has the full force and effect of law within the City boundaries unless it conflicts with any higher form of law such as a State statute or constitutional provision. An ordinance has higher legal standing than a resolution.

Permanent fund: A governmental fund type to account for and report resources that are restricted to the extent that only earnings, and not principal, may be used for government programs.

Personnel costs: The cost of a City department, including wage/salary, direct and indirect benefits such as health insurance, retirement contribution, workers' compensation, unemployment insurance, etc.

Plan of adjustment: A long term financial plan, approved by the bankruptcy court, which comprehensively restructures financial commitments through creditor settlement agreements to demonstrate solvency.

Proclamation: An official announcement or public declaration.

Reserve: Amount of fund balance designated for a specific purpose.

GLOSSARY

Resolution: A document confirming City Council administrative action.

Resources: Total amounts available for appropriation during the fiscal year, including revenues, fund transfers, and beginning fund balances.

Revenue: Money received from taxes, fees, permits, licenses, interest, inter-governmental sources, and other sources.

Section 108: Section 108 is the loan guarantee provision of the Community Development Block Grant (CDBG) program. Section 108 provides communities with a source of financing for economic development, housing rehabilitation, public facilities, and large-scale physical development projects.

Section 115 Trust: An Internal Revenue Code Section 115 Trust enables public agency employers to fund post-retirement benefits for employees. The City participates as a member in a Sec. 115 trust to pre-fund future retirement related payments. Once assets are placed in the trust, they may only be used for the purpose of pension costs.

Special assessments: Compulsory charges levied by a government to finance current or permanent public services or facilities to a particular group or persons or property.

Special revenue fund: A governmental fund type to account for and report proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects. which collects revenues that are restricted by the City, State, or Federal Government as to the purpose of spending.

Strategic planning: Continuous and systematic process whereby guiding members of the City make decisions about the future, develop the necessary procedures and operations to achieve the future, and determine how success will be measured.

Successor Agency: An agency that replaces a redevelopment agency as dissolved by Assembly Bill x1 26 (AB1 26 or Dissolution Act) which was signed into law by Governor Brown on June 28, 2011 which was later amended by Assembly Bill 1484 in June 2012. The Successor Agency became operative February 1, 2012, and is responsible for unwinding the affairs of the former Stockton Redevelopment Agency and ensuring recognized obligations are met.

Surplus: The result of taking in more than is spent. Either the excess of fund assets over liabilities or the excess of revenue over expenditures or expenses during a single budget year.

Taxes: Compulsory charges levied by a government to finance services performed.

User fee: Charges for services provided only to those benefiting from the service

ACRONYMS

CalPERS: California Public Employees' Retirement System is an agency the City contracts with to administer the defined benefit pension plan for its eligible employees.

Caltrans: California Department of Transportation

CDBG: Community Development Block Grant - Funded from the Federal Department of Housing and Urban Development provides programs for general community development to eliminate blight and provide to low and moderate income persons.

CEQA: California Environmental Quality Act

COPs: Certificates of Participation – This financing technique provides long-term financing through a lease installment sale agreement or loan agreement. Certificates of Participation (COPs) allow the public to purchase participation relating to the acquisition or construction of specific equipment, land, or facilities.

CPI: Consumer Price Index, measure of inflation in area of consumer products.

CTSP: Citywide Technology Strategic Plan

CWEA: California Water Environment Association

DOJ: Department of Justice

EIR: Environmental Impact Report - A detailed document describing and analyzing the significant environmental effects of a project and ways to mitigate or avoid the effects.

EMS: Emergency Medical Services

EPA: Environmental Protection Agency

FEMA: Federal Emergency Management Agency

FLSA: Fair Labor Standards Act

GAAP: Generally Accepted Accounting Principles - The guidelines established for financial accounting and reporting which govern the form and content of the financial statements of an entity. GAAP encompass the conventions, rules, and procedures necessary to define accepted accounting practice at a particular time.

GASB: Governmental Accounting Standards Board

HOME: Home Investment Partnership Program

HUD: Housing and Urban Development - The Federal department which provides various housing and community direct loans, guarantees, and grants.

LTD: Long Term Disability insurance

MBE: Minority Business Enterprise

ACRONYMS

MDC: Mobile Data Computers

MFF: Mobile Field Force

MOE: Maintenance of Effort

NPDES: National Pollutant Discharge Elimination System

OSHA: Occupational Safety and Health Administration

OVP: Office of Violence Prevention

PERS: Public Employees Retirement System

POST: Police Officers Standards and Training

RDA: Redevelopment Agency – An entity created by a legislative body in accordance with state statutes which has elected to exercise the powers granted to it for planning, development, replanning, redesign, clearance, reconstruction, or rehabilitation of an area.

RFP: Request for Proposal

RWQCB: Regional Water Quality Control Board - Issues the wastewater treatment plant discharge permit and regulates its programs.

SMC: Stockton Municipal Code

SRDA: Stockton Redevelopment Agency

SRF: State Revolving Fund

SWAT: Special Weapons and Tactics Team

SWRCB: State Water Resources Control Board

TFCA: Transportation Fund for Clean Air

UAAL: Unfunded Accrued Actuarial Liability - The excess of the Actuarial Accrued Liability over the Actuarial Value of Assets.

UBC: Uniform Building Code

VIPS: Volunteers in Police Service

VLF: Vehicle License Fees

