

FY 2021-22

ANNUAL BUDGET



FY 2021-22 ANNUAL BUDGET

City Council

Kevin J. Lincoln II, Mayor

Christina Fugazi, Vice Mayor

Dan Wright, Councilmember

Susan Lenz, Councilmember

Sol Jobrack, Councilmember

Paul Canepa, Councilmember

Kimberly Warmesley, Councilmember

Council Appointees

Harry Black, City Manager

John Luebberke, City Attorney

Eliza R. Garza, City Clerk

Executive Team

John Alita, Deputy City Manager

Maraskeshia Smith, Deputy City Manager

Jay Kapoor, Chief Financial Officer

William Crew, Community Development Director

Suzy Daveluy, Community Service Director

Carrie Wright, Economic Development Director

Eric Jones, Chief of Police

Richard Edwards, Fire Chief

Allison Dichoso, Human Resources Director

Norbert Ruijling, Information Technology Director

John Abrew, Municipal Utilities Director

Jodi Almassy, Public Works Director

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CITY OF STOCKTON

CITY COUNCIL



KEVIN J. LINCOLN II
MAYOR



CHRISTINA FUGAZI
VICE MAYOR
District 5



SOL JOBRACK
COUNCILMEMBER
District 1



DAN WRIGHT
COUNCILMEMBER
District 2



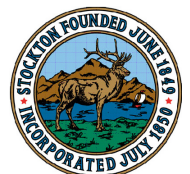
PAUL CANEPA
COUNCILMEMBER
District 3



SUSAN LENZ
COUNCILMEMBER
District 4



KIMBERLEY WARMSLEY
COUNCILMEMBER
District 6



City of Stockton

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For the Fiscal Year Beginning

July 1, 2020

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, 2020. 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, 2020. 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. **2021-06-22-1602**

STOCKTON CITY COUNCIL

RESOLUTION OF THE CITY OF STOCKTON APPROVING THE FISCAL YEAR 2021-22 ANNUAL BUDGET; APPROVING THE 2021-2026 CAPITAL IMPROVEMENT PLAN; APPROVING THE FISCAL YEAR 2021-22 FEE SCHEDULE; ADOPT THE FISCAL YEAR 2021-22 CALIFORNIA CONSTITUTIONAL APPROPRIATIONS LIMIT, AND ADMINISTRATIVE ACTIONS

On May 15, 2021, in accordance with City Charter, Article XIX, Section 1905, the City Manager provided City Council the Proposed Fiscal Year (FY) 2021-22 Annual Budget, Proposed 2021-2026 Capital Improvement Plan, and Proposed FY 2021-22 Fee Schedule; and

On May 14, 2021, the Planning Commission determined that the 2021-2026 Capital Improvement Plan conforms to the 2040 General Plan; and

On May 11, 2021, 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 9 and 10, 2021, 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 2021-22 Annual Budget, 2021-2026 Capital Improvement Plan, and FY 2021-22 Fee Schedule; and

On June 22, 2021, the City Council conducted a duly noticed public hearing on the Proposed FY 2021-22 Annual Budget, the Proposed 2021-2026 Capital Improvement Plan, and the Proposed FY 2021-22 Fee Schedule; now, therefore,

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

1. The FY 2021-22 Annual Budget with expenditure appropriations of \$991,770,073, as submitted by the City Manager is adopted.
2. The number of full-time positions authorized under the FY 2021-22 Annual Budget is 1,736.
3. The 2021-2026 Capital Improvement Plan with a five-year CIP project total of \$1.02 billion and \$162.6 million in appropriations for FY 2021-22 capital projects is adopted.

4. The 2021-2026 Capital Improvement Plan conforms to the City of Stockton 2040 General Plan.
5. The FY 2021-22 Fee Schedule is adopted effective July 1, 2021. Any fee changes that are not effective July 1, 2021, 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 2021-22 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 \$409,001,948 for FY 2021-22 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, 2021, component in the calculation of the appropriation limit.
9. 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.
10. 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.
11. 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.
12. 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.

13. The remaining balances on all capital projects, capital transfers, 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.
14. Upon completion of a capital project, the City Manager, or his designee, is authorized to distribute any remaining unencumbered unrestricted appropriation balances up to \$100,000 to incomplete projects previously authorized in a five-year Capital Improvement Plan as allowed by funding source.
15. Budget adjustments and transfer activity between funds and subfunds that do not increase total appropriation or expenditures, including transfers that net to zero, and are necessary to implement chart of account changes in the new financial system are authorized.
16. 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 2021-22.
17. 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 2021-22 in accordance with section 16.72.050 of the Stockton Municipal Code.
18. 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.
19. City of Stockton Fire Department, as a member of the San Joaquin County Regional Fire Dispatch Authority (SJCRFDA), shall receive reimbursement of its pro rata share of surplus funds after termination of the SJCRFDA Joint Exercise of Powers Agreement on June 30, 2021. Reimbursed funds are authorized to be applied in full as early repayment of the seven-year interfund loan of the Emergency Communications Fund from the Information Technology Internal Service Fund that was approved under Item No. 9 of Council Resolution No. 2020-06-23-1503.

20. The FY 2020-21 Information Technology Capital Plan, including the Enterprise Resource Planning project, totaling \$18,669,461 is adopted and remaining appropriations in the technology projects are authorized to continue to future fiscal years until the project is fully expended, completed, or cancelled.
21. The continuation of FY 2020-21 appropriations to FY 2021-22 is authorized for the completion of specific programs as listed in the following table:

Description	Department	Fund	Not to Exceed Amount
Council Discretionary Project Funds	Mayor and City Council	General Fund	256,000
Scoreboard Installation Misty Holt	Community Services	Strong Communities	20,000
Marina SMG/ASM Contract	Economic Development	Downtown Marina	60,969
GIS Migration	Information Tech.	Technology Fund	100,000
Cisco DNA Appliance	Information Tech.	Technology Fund	70,000
Electrical Arc Hazard Assessment-Safety	Municipal Utilities	Water Utility Fund	25,000
Electrical Arc Hazard Assessment-Safety	Municipal Utilities	Wastewater Utility Fund	50,000
Electrical Arc Hazard Assessment-Safety	Municipal Utilities	Stormwater Utility Fund	25,000
Economic Development Strategic Plan	Economic Development	General Fund	65,000
Infrastructure Improvements	Public Works	General Fund	568,000
Tax Collections	Admin. Services	General Fund	47,000
Leadership Training	Human Resources	General Fund	67,000
Open Data and iLab	City Manager	General Fund	290,808
Training/Equipment	City Manager	General Fund	107,000
Grand Total			1,751,777

22. The following administrative actions required to implement the FY 2021-22 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 2021-22 Annual Budget with a subsequent report to Council on any corrections greater than \$100,000.
- 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 established in 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 2021-22 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 2021-22 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, 2021 through June 30, 2022, 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 13, 2021 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 2021-22 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 2021-22 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 22, 2021.

ATTEST:


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




KEVIN J. LINCOLN II
Mayor of the City of Stockton





City of Stockton

Legislation Text

File #: 21-0445, Version: 1

PUBLIC HEARING TO ADOPT THE FISCAL YEAR (FY) 2021-22 ANNUAL BUDGET; APPROVE THE 2021-2026 CAPITAL IMPROVEMENT PLAN; APPROVE THE FY 2021-22 FEE SCHEDULE; APPROVE THE FY 2021-22 CALIFORNIA CONSTITUTIONAL APPROPRIATIONS LIMIT; ADOPT THE FY 2021-22 ANNUAL BUDGET FOR THE PARKING AUTHORITY OF THE CITY OF STOCKTON; ADOPT THE FY 2021-22 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 2021-22 Annual Budget, the 2021-2026 Capital Improvement Plan, and the FY 2021-22 Fee Schedule,
2. Adopt the FY 2021-22 California Constitutional (Gann) Appropriations Limit,
3. 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 2021-22 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 2021-22 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, 2021. 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 9 and 10, 2021, to review the budget in detail and receive public comment for consideration.

The FY 2021-22 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, totaled \$991.8 million for the operations, capital, debt, and transfers for all funds and programs of the City. This amount represents an increase of \$204.2 million or 26% from the FY 2020-21 Annual Budget. The increase is primarily attributable to the planned \$120.2 million Bond Anticipation Note payoff by the Wastewater utility, over \$81.8 million for the Municipal Utilities Department wastewater treatment plant modification project, and \$20.6 million for capital projects.

Citywide estimated revenues are \$805.7 million in the FY 2021-22 Proposed Budget for all City programs excluding transfers between City funds, which is an increase of \$88.2 million compared to the FY 2020-21 Annual Budget. Revenue growth is primarily attributable to anticipated bond revenues in the Wastewater Utility of \$35.2 million and sales tax revenue growth of \$28.0 million. The FY 2021-22 Annual Budget supports 1,736 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 2021-22 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 on February 19, 2021 to establish its priorities for the year. The priorities and targets developed by the City Council shaped the development of the FY 2021-22 Proposed Annual Budget. On May 11, 2021, 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 2021-22 budget development. The City Manager provided the FY 2021-22 Proposed Annual Budget, along with the 2021-2026 Proposed Capital Improvement Plan and the FY 2021-22 Proposed Fee Schedule to Council on May 15, 2021. The City held two public study sessions on June 9 and 10, 2021, 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 2020-21 projections, and the FY 2021-22 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 2021-22 Annual Budget**Citywide Budget**

Citywide revised revenues are budgeted at \$805.7 million, which represents a 12% increase from the prior year budgeted revenue of \$717.5 million. Revenue growth is primarily attributable to anticipated bond revenues in the Wastewater Utility of \$35.2 million and sales tax revenue growth of \$28.0 million. Revenues from external sources of \$657.5 million combined with transfers of \$45.5 million, benefit and equipment internal service fund charges of \$148.1 million, and use of \$140.6 million in fund balance support the total expenditures of \$991.8 million for all funds, departments and programs, resulting in a balanced budget. The City is anticipating approximately \$78 million in the next two years from the federal American Rescue Plan Act (ARP Act). However, the ARP Act funding is not included in the FY 2021-22 Proposed Budget as regulations on how the funds can be programmed are still in development. The budget will be adjusted when those revenues are received.

The table below summarizes the proposed FY 2021-22 revenue budgets by department:

Department	FY 2020-21 Budget	FY 2021-22 Budget	Change
Non-Departmental	\$ 211,276,325	\$ 238,585,932	\$ 27,309,607
Utilities	215,663,723	250,813,743	35,150,020
Insurance and Benefits	123,761,179	136,793,292	13,032,113
Public Works	41,831,041	45,043,749	3,212,708
Capital Projects Funds	19,087,751	21,197,706	2,109,955
Community Services	18,373,391	21,160,839	2,787,448
Administration	17,774,339	18,351,303	576,964
Fire	16,574,457	18,192,626	1,618,169
Economic Development	19,845,626	15,646,013	(4,199,613)
Police	14,006,692	14,785,871	779,179
Debt Service Funds	8,984,959	14,138,025	5,153,066
Community Development	10,304,200	10,947,775	643,575
	<u>\$ 717,483,683</u>	<u>\$ 805,656,874</u>	<u>\$ 88,173,191</u>

Total City expenditures of \$991.8 million in the FY 2021-22 Proposed Budget reflect a 26% increase from the FY 2020-21 total appropriation of \$787.6 million. The increase is primarily attributable to the planned \$120.2 million Bond Anticipation Note payoff by the Wastewater utility, over \$81.8 million for the Municipal Utilities Department wastewater treatment plant modification project, and \$20.6 million for capital projects. Expenses in most of the Insurance and Benefit Funds are greater than FY 2020-21, including a \$6.4 million increase in retirement expenses, \$1.8 million in the Health Benefits Fund, and \$1.5 million in general liability expenses. Total salary and benefit costs are 6% higher than FY 2020-21, an increase of \$16.7 million across all City funds of which \$9.1 million is attributable to the General Fund.

The table below summarizes the proposed FY 2021-22 Annual Budget by department, including changes made in the Budget Addendum:

Department	FY 2020-21 Budget	FY 2021-22 Budget	Change
Utilities	\$ 210,375,304	\$ 354,137,721	\$ 143,762,417
Police	143,500,433	152,928,298	9,427,865
Insurance and Benefits	126,953,898	137,755,288	10,801,390
Public Works	63,861,322	66,280,920	2,419,598
Fire	61,936,125	66,166,001	4,229,876
Administration	39,705,232	45,556,251	5,851,019
Capital Projects Funds	26,115,142	46,748,430	20,633,288
Community Services	25,957,149	30,701,995	4,744,846
Economic Development	32,448,198	29,684,853	(2,763,345)
Non-Departmental	33,092,571	25,747,567	(7,345,004)
Debt Service Funds	10,956,052	18,499,077	7,543,025
Community Development	12,657,591	17,563,672	4,906,081
	\$ 787,559,017	\$ 991,770,073	\$ 204,211,056

The proposed FY 2021-22 Annual Budget funds 1,736 full-time positions, an increase of 11 full-time positions compared to the adopted FY 2020-21 Annual Budget.

- Three grant-funded positions approved mid-year.
- Two civilian positions in the Police Department for data analysis and records requests.
- One position expanding the Office of Performance and Data Analytics to a total of three full-time employees.
- One grants management position to assist with additional workload from new grant sources.
- One Plan Checker in Fire Prevention to assist with development workload.
- Two County-funded Library Assistants for Mountain House branch.
- One Program Manager focused on promoting economic development.

Based on continued restrained spending, the City's overall fiscal health is relatively stable. 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 impacts, Stockton has been able 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 park, transportation, and construction programs to flourish and provide for the essential needs of the community. Looking ahead, the focus will continue to be on pandemic management and post-pandemic readiness and preparedness.

General Fund Operating Budget

The total General Fund revenue budget for FY 2021-22 is \$250.8 million, an increase of \$27.4 million from the FY 2020-21 Adopted Budget, and \$2.2 million more than FY 2020-21 year-end projections. Sales, Utility User, Business License, Hotel/Motel, and Document Transfer taxes were all projected to decline in FY 2020-21 due to the COVID-19 pandemic. While these revenues sources have seen some declines, the timing varies and the revenue impacts are not as severe as originally projected. Sales tax revenues remained flat in FY 2020-21 and are budgeted to increase 4% in FY 2021-22. The Utility Users Tax (UUT) revenue estimate for FY 2021-22 is 1% less than the revised FY 2020-21

estimates. Business License Tax revenues, based on gross receipts for the prior year, are projected to decrease by 13%. Hotel/Motel and Document Transfer taxes are down \$441,000 in FY 2020-21 with less than 1% growth anticipated in FY 2021-22. Property tax revenues in FY 2021-22 have been affected by the pandemic with assessed value growth based on a Consumer Price Index (CPI) of less than 2%. Other revenue sources are stable, with minor variances from year-end projections.

The table below summarizes the proposed FY 2021-22 Annual Budget:

<u>General Fund Budget</u>	<u>FY 2020-21 Adopted Budget</u>	<u>FY 2021-22 Proposed Budget</u>	<u>Change</u>
Tax Revenues	\$ 209,096,392	\$ 237,785,182	\$ 28,688,790
Other Revenues	14,353,934	13,062,768	(1,291,166)
	<u>\$ 223,450,326</u>	<u>\$ 250,847,950</u>	<u>\$ 27,397,624</u>
Expenditures			
Police	\$ 136,160,466	\$ 143,771,046	\$ 7,610,580
Fire	48,088,874	50,152,050	2,063,176
Other Programs	63,588,053	61,934,214	(1,653,839)
	<u>\$ 247,837,393</u>	<u>\$ 255,857,310</u>	<u>\$ 8,019,917</u>

The General Fund expenditure budget is \$255.9 million and reflects an \$8.0 million increase from the FY 2020-21 Adopted Budget of \$247.8 million. Operating expenses across the General Fund increased due to employee payroll growth in approved labor contracts, retirement rates, health insurance, general liability charges, utility rates, and maintenance costs. Salary expenses are 3% greater than prior year based on a 2% cost of living adjustment, planned market adjustments, and merit growth. Employee benefits are up 8% primarily because of retirement rates (6%) and health insurance (17%). The assumption for employee vacancies remains at the same level as FY 2020-21, reducing the General Fund employee services budget by \$6.2 million. The General Fund's share of cost increases in the general liability program and the radio internal service fund were 15% and 21%, respectively. The Debt Service category is \$2.3 million more than FY 2020-21 with increases to the City's contingent payment based on higher revenues. More detail on General Fund expenditures is available on page C-6 of the budget document.

The General Fund is projected to experience negative net annual activity of approximately \$5.0 million in FY 2021-22, which, when combined with FY 2020-21 projections, would result in an available fund balance of roughly \$44.6 million, excluding projected reserves of \$33.3 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	\$42.6
Known Contingencies	58.6
Risk-Based	72.2
Total	\$173.4

With the increase in budgeted expenditures compared to the prior year, the Working Capital Reserve target will increase from \$41.6 million to \$42.7 million. The Working Capital reserve is equivalent to two months of annual operating expenses. The Known Contingency reserve target increased from the prior year (from \$46.5 to \$58.6 million) based on identified needs. The target for the Priority II Risk-Based Reserve in the Fiscal Sustainability Fund increased from \$70.2 million to \$72.2 million based on updated revenues and reduced unfunded liabilities values.

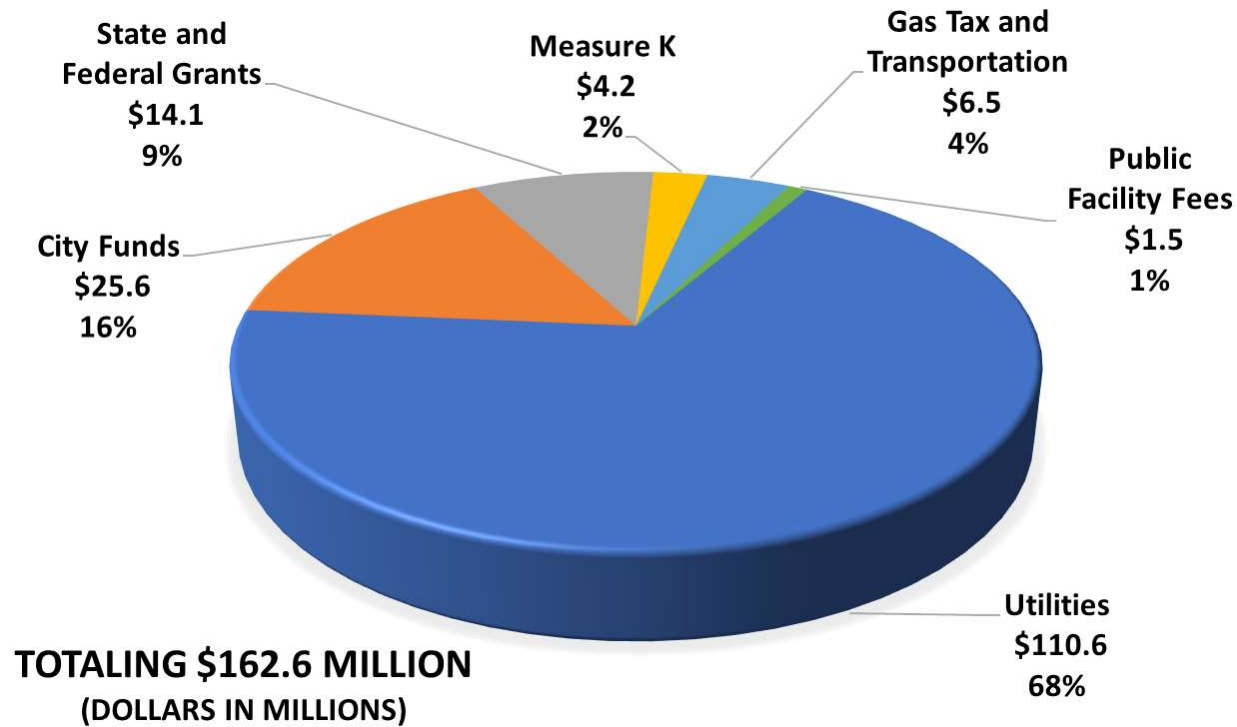
At the end of FY 2020-21, the General Fund projected available balance of \$49.6 million would first be assigned to the Working Capital reserve consistent with the reserve policy. Known Contingency reserves fund future pension costs, radio infrastructure, public safety facility needs, retention and recruitment 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

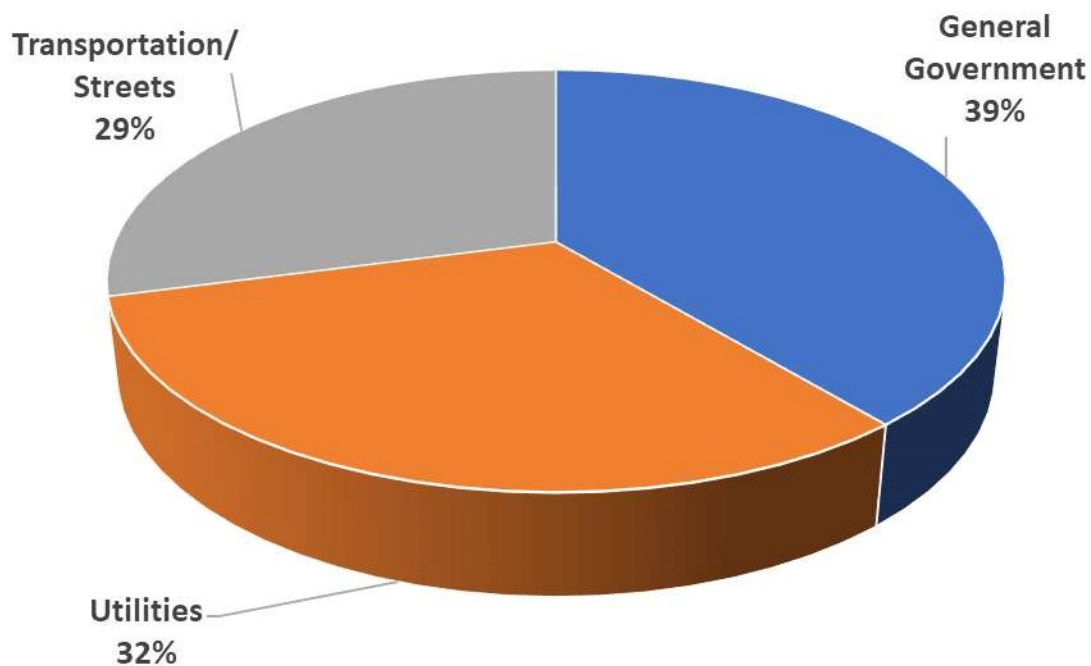
The FY 2021-22 Proposed Annual Budget is also reviewed by three citizen advisory committees. On June 11, 2021, the Measure A Citizens' Advisory Committee reviewed the FY 2021-22 Proposed Budget as it relates to Measure A revenues (page C-7). The Measure W Oversight Committee reviewed the plan for the use of Measure W proceeds (pages D-11 and E-17) by the Police and Fire Departments at its meeting on June 9, 2021. The Strong Communities Advisory Committee discussed the planned use of Measure M proceeds (page G-11) by the Community Services Department at its meeting on May 4, 2021. By motion, the Strong Communities Committee recommended the addition of the renovation of Victory Park pool as a priority for Measure M expenditures, and recommended the City Council review the North West Stockton Library services. The annotated agenda from this committee meeting with motions under Item 4.3 is included as Attachment A. The Measure A and Measure W committees made no recommendations regarding the proposed budget.

2021-2026 CAPITAL IMPROVEMENT PLAN (CIP)

The CIP is a five-year plan that lists the City's facility and infrastructure needs. On April 22, 2021, the Planning Commission determined that the proposed 2021-26 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 2021-22 Annual Budget for appropriation. Below is an updated breakdown of the FY 2021-22 capital projects by fund source.



The proposed five-year Capital Improvement Plan covers fiscal years 2021-22 through 2025-26 and totaled \$1.02 billion with revisions. Two-thirds of the CIP is related to Municipal Utility projects (\$329 million) and transportation projects (\$297 million), with other Citywide projects (\$396 million) comprising the remainder.



The first year of the CIP is financially constrained and reflects 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 2021-22 Fee Schedule

The FY 2021-22 Fee Schedule reflects new and proposed changes to existing fees in several City departments, including a 1.4% inflationary adjustment to all fees that is intended to address the increasing cost of providing services. Section 1 of the Proposed FY 2021-22 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, Recreation & Leisure, and Sports. Proposed fee changes include Municipal Utilities, Parking, and Police. Wastewater rates are increasing by 6% per the approved 2019 rate study. Water utility rates are not increasing in FY 2021-22. Two City departments are proposing to inactivate fees. Fee changes are summarized in the Proposed Fee Schedule, pages I-3 to I-9.

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 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. In February 2020, 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. These capital upgrades will add safety, reliability and efficiency to the facilities and allow staff to provide better services to parking customers.

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 by nearly 30%. Expenses have been reduced through factors such as personnel cuts, reductions in service contracts, and consolidation of some facility operations, throughout FY 2020-21. Operations and monthly proceeds will continue to be monitored closely as the COVID-19 directives progress.

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 \$12.8 million is expected to be sufficient for all debt and enforceable obligations in FY 2021-22. The total FY 2021-22 Successor Agency budget, including transfers and loan repayments, is \$12.8 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 2021-22 Budget includes approximately \$5.0 million in loan repayments to the General Capital Fund and Community Development Block Grant (there were \$4.9 million in repayments projected in FY 2020-21). 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 2021-22 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 2021-22 Gann Limit, as calculated \$409,001,948, exceeds the proposed appropriations subject to the limit of \$209,007,647. The City's appropriations remain well within the Constitutional appropriations limit.

Continuation of FY 2020-21 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 2020-21 budget activity suggests appropriation balances of \$1,751,777 should continue into FY 2021-22 for completion of funded activities:

Description	Department	Fund	Not to Exceed Amount
Council Discretionary	Mayor and City Council	General Fund	256,000
Project Funds			
Scoreboard	Community Services	Strong Communities	20,000
Installation Misty Holt			
Marina SMG/ASM	Economic	Downtown Marina	60,969
Contract	Development		
GIS Migration	Information Tech.	Technology Fund	100,000
Cisco DNA Appliance	Information Tech.	Technology Fund	70,000

Electrical Arc Hazard Assessment-Safety	Municipal Utilities	Water Utility Fund	25,000
Electrical Arc Hazard Assessment-Safety	Municipal Utilities	Wastewater Utility Fund	50,000
Electrical Arc Hazard Assessment-Safety	Municipal Utilities	Stormwater Utility Fund	25,000
Economic Development Strategic Plan	Economic Development	General Fund	65,000
Infrastructure Improvements	Public Works	General Fund	568,000
Tax Collections	Admin. Services	General Fund	47,000
Leadership Training	Human Resources	General Fund	67,000
Open Data and iLab	City Manager	General Fund	290,808
Training/Equipment	City Manager	General Fund	107,000
Grand Total			1,751,777

FINANCIAL SUMMARY

The proposed FY 2021-22 Annual Budget appropriates expenditures of \$991,770,073 for all City funds, \$6,384,062 for the Parking Authority, and \$12,767,916 for the Successor Agency.

The complete documents of the City's Proposed FY 2021-22 Annual Budget, the Proposed 2021-2026 Capital Improvement Plan, and the Proposed FY 2021-22 Fee Schedule are available for review on the City's website www.stocktonca.gov/budget <<http://www.stocktonca.gov/budget>> or in the City Clerk's Office.



May 15, 2021

Honorable Mayor and Council:

BUDGET MESSAGE

The Fiscal Year (FY) 2021-22 reflects the City's continued efforts in making progress toward City Council priorities while responding to a once-in-a-century pandemic crisis. The upcoming fiscal year will see the City and the world move forward through this crisis and into recovery. The City of Stockton has been successful in pivoting the way services are provided during a pandemic in ways that other communities have not, truly focusing on the community first. One-time relief dollars have been distributed out to the community to keep the economy strong and help the citizens of Stockton. These efforts will continue as we begin to return to "normal" operations, including re-opening facilities in ways that are safe for the community. Moving forward, the City is focusing on a data driven and performance management-based approach to accomplishing City Council priorities and streamlining service delivery. The initial results of this approach are reflected in this budget and will become more evident in each annual budget document thereafter.

The Office of Performance and Data Analytics (OPDA) was launched in May 2020 to establish and implement a comprehensive, integrated performance management program for the City tracked by a performance scorecard tied to the City's One Page Strategic Plan®. OPDA has launched the StocktonStat process which is a cross-departmental review beginning with the Fire, Police, Community Development and Public Works departments. The development process has been the focus of the City's first Innovation Lab (iLab) with key stakeholders deconstructing the development process, identifying inefficiency and effectiveness opportunities, and outlining critical success factors as the City moves forward. In the upcoming fiscal year, OPDA will be leading a project to implement a publicly available open data portal with datasets, dashboards, and insights for the Community Development, Public Works, Police, and Fire departments. The focus on priorities, data, and performance is noticeable in department sections of the Annual Budget.

Through the clear direction provided by the 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 Council. The FY 2021-22 Proposed Budget includes expenditures of \$991.8 million for all programs, funds, and departments of the City including \$255.9 million from the General Fund. 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 non-profit *Truth in Accounting* once again ranked Stockton in the top five of the most fiscally healthy large cities.

The lessons learned from the not-so-distant past continue to underpin our financial planning and decision-making. The crisis of the last year has demonstrated how important it is to be prepared for uncertainty. The recession assumption in our long-term financial planning allowed the City to weather a global pandemic with far reaching economic impacts without layoffs or service reductions. 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 move forward through this crisis and into recovery.

City Council's Strategic Targets and Priorities

In February 2021, the 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 February, 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 and refining the core strategic targets and priority goals for the upcoming year. A summary of City Council's Strategic Work Plan follows this message. COVID-19 pandemic response and the homeless crisis maintained the highest priority position, followed by public safety.

The City of Stockton executive leadership team has developed the following strategy areas to accomplish the City Council identified priority goals. 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.



Strategy 1 - Safer Streets

Accomplishments

- There were 129 non-fatal shootings in 2020, which is a 2% decrease compared to 2019.
- A decrease in overall Uniform Crime Reporting (-19.4%), with violent crime decrease of 8.2% and property crime decrease of 23.3%, and seized over 800 firearms.
- Fire mobilized resources on approximately 46,000 incidents in 2020, which includes 20,078 rescue and emergency medical service responses, 4,093 fires, 593 hazardous conditions, and over 21,000 other calls for emergency services.
- Organized a Citywide emergency operations and communications center, provided oversight and coordination of COVID-19 emergency policies and response including Citywide purchases of PPEs and decontamination equipment, employee screening/testing, public vaccination centers, and access to portable restrooms and hand-wash stations near homeless encampments.
- Organized and implemented the Homeless Outreach Team program to coordinate homeless outreach resources and educate the homeless population in the community on COVID-19 and fire prevention.

- The City Manager's Review Board started meeting in October 2020 to review and discuss police data as a means of tackling tough and sensitive subject matter, holding ourselves accountable in a mutual accountability model of police-community relations.
- Adopted the Police Department's 2020-2022 Strategic Plan.
- Graduated ten new firefighters from Fire Training Academy 20-2 in December 2020 and fifteen firefighters from Fire Training Academy 21-1 in May 2021.
- Removed over 879,000 square feet of graffiti, 83,000 cubic feet of trash, and over 1,000 abandoned vehicles from private property.
- Deployed 110 new Mobile Data Terminals in police cars and replaced 45 iPads in Fire trucks and other vehicles.

Goals

- Build upon Ceasefire Strategy to reduce shootings and homicides.
- Build out our community infrastructure with an emphasis on high-risk population through a focus on equity.
- Emphasize multi-lateral and two-way communications to further community engagement, conversation, and trust building.
- Build on Intelligence, Communication, and Planning (ICAP).
- Reactivate the Neighborhood Enhancement Program (NEP).
- Conduct two Fire Training Academies to maintain staffing levels.



Strategy 2 – Growing Economy

Accomplishments

- EDD worked with video production firms to develop a series of videos that captured different characteristics of Stockton. The "Stockton Assets" combined video footage and motion graphics with pertinent data to highlight transportation assets, key industries, workforce, available space, and other demographic data. The "Pride in Place" video showed the community aspect of Stockton by featuring footage from community gatherings, family events, and local businesses.
- The business and site selection portal, Advantage Stockton, was updated to become a marketing piece for the City. A new layout incorporates a background video with different attributes of Stockton – our scenic downtown waterfront; housing development opportunities; and food processing, logistics, and manufacturing sectors. The links also incorporate more visuals of the City. Labor force data, number of business establishments, and available square feet were also added to the landing page to provide useful data to visitors.
- Established a COVID resource page on AdvantageStockton.com which includes a Business Guide mapping tool to connect the community with businesses and resources available during COVID restrictions.
- Comstock's Magazine published a special 40-page insert featuring "Stockton – City of Makers"

- Increased support for entrepreneurs and small businesses through grant opportunities and education.
- Received \$52.3 million in funding to support COVID efforts with much of the funding distributed out to the community.

Goals

- Adopt and launch a new City of Stockton Strategic Economic Development Action Plan.
- Leverage our maritime and agricultural assets.
- Leverage our logistics and multi modal transport assets.
- Discover and take advantage of right of way monetization opportunities.
- Establish industry partnerships.
- Optimize workforce development support.
- Complete the updates for the utility master plans for Water, Wastewater and Stormwater.
- 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.



Strategy 3 – Housing Opportunities for all

Accomplishments

- As of March 2021, processed 9,713 permits with a valuation of approximately \$511 million this fiscal year, compared to 8,108 permits with a valuation of \$326 million in the same period last year.
- Issued a Notice of Funding Availability for \$8 million to advance affordable housing, address brownfields, support local businesses and provide funds to local non-profits for public services and projects.
- Supported Project Homekey – Partnership with non-profits to convert and renovate 39-unit motel for permanent housing development for homeless.
- Implementation of the Emergency Rental Assistance Program to assist Stockton residents facing economic hardship caused by the pandemic.
- Three housing projects, receiving financial support from the city broke ground. Turnpike is a 13-unit modular housing project being developed by the San Joaquin Housing Authority for the homeless and Liberty Square is 74 units being built by Visionary Home Builders with a focus on Veteran residents. The third is Grandview a 75-unit multi-family complex downtown.
- Supported the goals of the Homeless Strategic Plan by strategically distributing HHAP funding, COVID related rental and mortgage assistance and expanded support for shelters and outreach.

Goals

- Provide ongoing support to City/County joint efforts on housing and homelessness.
- Strategically distribute State and Federal grant dollars that support overall City priorities and serve the community.
- Enable access to housing opportunities through education and awareness.
- Identify and remediate barriers.
- Leverage data to mobilize service response.
- Continue to develop downtown Stockton by completing the Brownfields Grant program.
- Maximize resources to support affordable housing development by seeking additional grant dollars, building partnerships, and working collaboratively within the region.
- Implement the Homeless Regional Strategic Plan and work collaboratively to distribute funds based on priorities.
- Create an Affordable Housing Strategic Plan and provide tools that encourage housing development.



Strategy 4 – Thriving and Healthy Neighborhoods

Accomplishments

- Filled over 8,100 potholes and installed over 2,700 signs, replaced sidewalks at 180 locations, replaced 107 street light or traffic signal poles, and removed over 1,100 tons of debris from Mormon Slough.
- Public Works developed the Clean City Initiative and completed Community Clean-up and recycling events throughout the City. These efforts have led to the removal of 550 trucks of trash and junk, equaling more than 891 tons. In addition, Public Works launched our recycling and community clean-up initiative, partnering with our waste haulers, and hundreds of community volunteers.
- Developed and implemented safe curbside delivery of library resources.
- Created an eCard for access to Library's digital resources.
- Partnered with several school districts to provide access to the Library's Overdrive eBook collection for area students.
- Implemented virtual class visits to promote online homework help, test preparation, and research resources.
- Installed 37 new water quality sampling stations. The new enclosed, stainless steel sample locations provide more efficient and sterile sampling environment.
- Completed the Oak Park Ice Rink project.

Goals

- Construct the new Northeast Stockton Library and Community Center.

- Design work and begin construction on the McKinley Park improvements project.
- Produce an annual citywide community cohesion project.
- Leverage anticipated Smart Cities efforts to create technology and connectivity opportunities.
- Emphasize community outreach through surveys, focus groups, and resident engagement.
- Increase access to programs, tools, and resources for youth to enable career development.
- Optimize community center utilization.
- Develop sustainability strategy building on existing efforts.
- Upgrade and improve sport fields and complexes.
- Continue to build on the virtual programming success realized during the pandemic.
- Trim 440 trees at Weber Events Center.
- Repair and renovation of pools.



Strategy 5 - Fiscal Sustainability

Accomplishments

- Produced an on-time, structurally balanced Budget, incorporating projected revenue loss from a global pandemic without service cuts or lay offs.
- At the close of the fiscal year, we were able to appropriate \$4.8M toward Council priority projects including maintenance of City trees, playground replacement, park game courts, homeless encampment clean-ups, Gospel Center Rescue Mission New Life Men's Home Environmental Impact Review activities, Office of Performance and Data Analytics (OPDA) open data portal, a second Fire Academy, and additions to Mayor and Council District funds.
- The non-profit Truth in Accounting evaluated the fiscal health of the largest (by population) 75 cities in the United States and ranked Stockton #4, up from #6 in the prior year.
- Entered into a loan agreement with the Environmental Protection Agency to secure long term financing for \$108 million of the cost associated with the Regional Wastewater Control Facility Modifications project.
- Issued timely audits, including the Comprehensive Annual Financial Report, the second year in a row with no findings.
- Contributed \$21 million to the Section 115 trust for future pension costs.
- Continued support of electronic plan review for building permits which prompted the streamlined standardization of the plan review submittal process.
- Initiated the first on-line customer application submission, staff review, and issuance of transportation permits.
- Completed implementation of the City's primary Next-Generation Firewalls (NGFWs) to perform a deeper inspection of network traffic in real time to detect and prevent network threats.
- Completed the 2021 Water Utility Rate Study.

CITY OF STOCKTON

Goals

- Adopt annual Budget consistent with the Long-Range Financial Plan
- Create L-RFPs for the Water, Wastewater and Stormwater enterprise funds.
- Continue to improve bond ratings
- Initiate revenue maximization project
- Continue implementation of new ERP system
- Continuous pursuit of opportunities for greater efficiency
- Optimize City workforce retention, development, and recruitment

The FY 2021-22 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 56% allocated to the Police Department and 20% 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 \$50,000 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 strategy area.

General Fund					
Department	Description	Strategy	Ongoing	One Time	Total
Fire	Second Fire Academy in FY 2021-22	1. Safer Streets		330,000	330,000
Public Works	Homeless Encampment Cleanups - increase in dump fees	1. Safer Streets	50,000		50,000
Fire	Emergency Operations Center - Supplies, Training, Security	1. Safer Streets and COVID Response	57,500	35,000	92,500
Econ. Dev.	Implementation of Economic Development Strategic Action Plan	2. Growing Economy		100,000	100,000
Comm. Svs.	Special Events - Including additional Concerts in the Park	4. Neighborhoods	28,450		28,450
Comm. Svs.	Sports field, restroom, and play area maintenance	4. Neighborhoods	23,200		23,200
Public Works	Parks - drinking fountain repairs, playground wood fiber fill, and other maintenance	4. Neighborhoods	10,000	62,000	72,000
Public Works	Parks - Additional daily cleaning of Exeloo restrooms	4. Neighborhoods	37,000		37,000
Public Works	Stop gap pothole repair at Louis Park softball parking lot	4. Neighborhoods		25,000	25,000
Public Works	Haz Mat Report and demolition of old restroom at Victory Park	4. Neighborhoods		30,000	30,000
Public Works	Maintenance of Weber Events Fountain	4. Neighborhoods	20,000		20,000
Public Works	Weber Events Center tree trimming	4. Neighborhoods		57,000	57,000
Public Works	Annual maintenance of EBMUD west of Pershing	4. Neighborhoods	27,900		27,900
Public Works	Annual weed abatement for fire control	4. Neighborhoods	10,000		10,000
Public Works	Mistletoe infested tree removal on March Lane	4. Neighborhoods		6,000	6,000
Public Works	COVID cleaning needs	COVID Response		30,000	30,000
			264,050	675,000	939,050

CITY OF STOCKTON

Other Funding Sources

Department	Description	Strategy	Ongoing	One Time	Total
Police	Speed Monitoring Equipment	1. Safer Streets		30,000	30,000
Police	Professional Standards Case Software	1. Safer Streets		47,400	47,400
Comm. Svs.	Community Centers - Theater Program	4. Neighborhoods	6,000		6,000
Comm. Svs.	Hotspot Lending	4. Neighborhoods	20,000		20,000
Comm. Svs.	Weston Ranch Library Renovation	4. Neighborhoods		25,000	25,000
Info. Technology	Security Software	5. Fiscal Sustainability	120,000		120,000
			146,000	102,400	248,400

The FY 2021-22 Proposed Budget includes expenditures of \$992 million for all programs, funds, and departments of the City, which is an increase of \$204 million or 26% from the FY 2020-21 adopted budget. The General Fund portion of the budget is \$256 million, a 3% increase from the prior year adopted budget. The increase in the City budget is primarily attributable to the anticipated pay off of \$120 million in Bond Anticipation Notes (BANs) from the Wastewater Utility fund, capital project funding including \$82 million for the Municipal Utilities Department wastewater treatment plant modification project and increases in employee salaries and benefits totaling \$16 million (6%).

The FY 2021-22 Budget incorporates eight additional full-time positions that will support the efforts to accomplish Council priorities. The new positions include:

- 2 civilian positions in the Police Department for data analysis and records requests,
- 1 position expanding the Office of Performance and Data Analytics to a total of 3 full-time employees,
- 1 grant position to assist with additional workload from new grant sources,
- 1 Plan Checker in Fire Prevention to assist with development workload,
- 2 County-funded Library Assistants for Mountain House branch, and
- 1 Program Manager focused on promoting economic development

Combined with three grant-funded positions approved mid-year, there was a net increase of eleven full-time positions.

In addition to the expenditure plans in the Annual Budget, the City receives one-time grant funds for restricted uses. Many of the above goals will be achieved with assistance of grant funding sources. Over \$35 million of new grant dollars were awarded or received in FY 2020-21 for homeless and housing assistance programs. State passthrough of Federal CARES Act funding provided \$27 million in FY 2020-21 for COVID response programs. The City is anticipating approximately \$79 million in the next two years from the federal American Rescue Plan Act (ARP Act), providing the opportunity to have an even greater community impact. The ARP Act funding is not included in the Proposed FY 2021-22 Annual Budget, as regulations on how the funds can be programmed are still in development.

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 impacts, Stockton has been able 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 park, transportation, and construction programs to flourish and provide for the essential needs of the community. Looking ahead, our focus will continue to be on pandemic management and post pandemic readiness and preparedness. In addition to delivering basic services to the public, we also expect to successfully carry out housing and homelessness initiatives and pandemic response utilizing one-time grant funds and the ARP Act funding.

Respectfully submitted,

A handwritten signature in blue ink, appearing to read "H. Black", with a stylized flourish extending to the right.

HARRY BLACK
CITY MANAGER

CITY COUNCIL TARGETS AND GOALS

CITY COUNCIL 2021 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

Tier 1 Priority Goals

Table 1. Tier 1 Priority Goals

Tier 1 priorities are items that will have the top focus for Council and staff.	
1a.	Focus on COVID response and recovery
1b.	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	Prioritize Economic Development

Tier 2 Priority Goals

Table 2. Tier 2 Priority Goals

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, and develop the workforce
2.3	Engage private employers and the business community in workforce development and job placement (including individuals with criminal records) and develop an employment pipeline for Stockton residents to Stockton employers

Strategic Planning

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 highlighted in the figure below. The specific plans and metrics can be found on the following page in the One Page Strategic Plan® and on [the City's website](#).

CITY COUNCIL TARGETS AND GOALS

VISION:

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

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

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

In addition to the OGSP, 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.

For more information about OPDA, please visit [the City's website](#).

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

FY 2021-22 OBJECTIVE:

“What” is Winning ...

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.

COUNCIL PRIORITY GOALS (Tier 1 & 2):

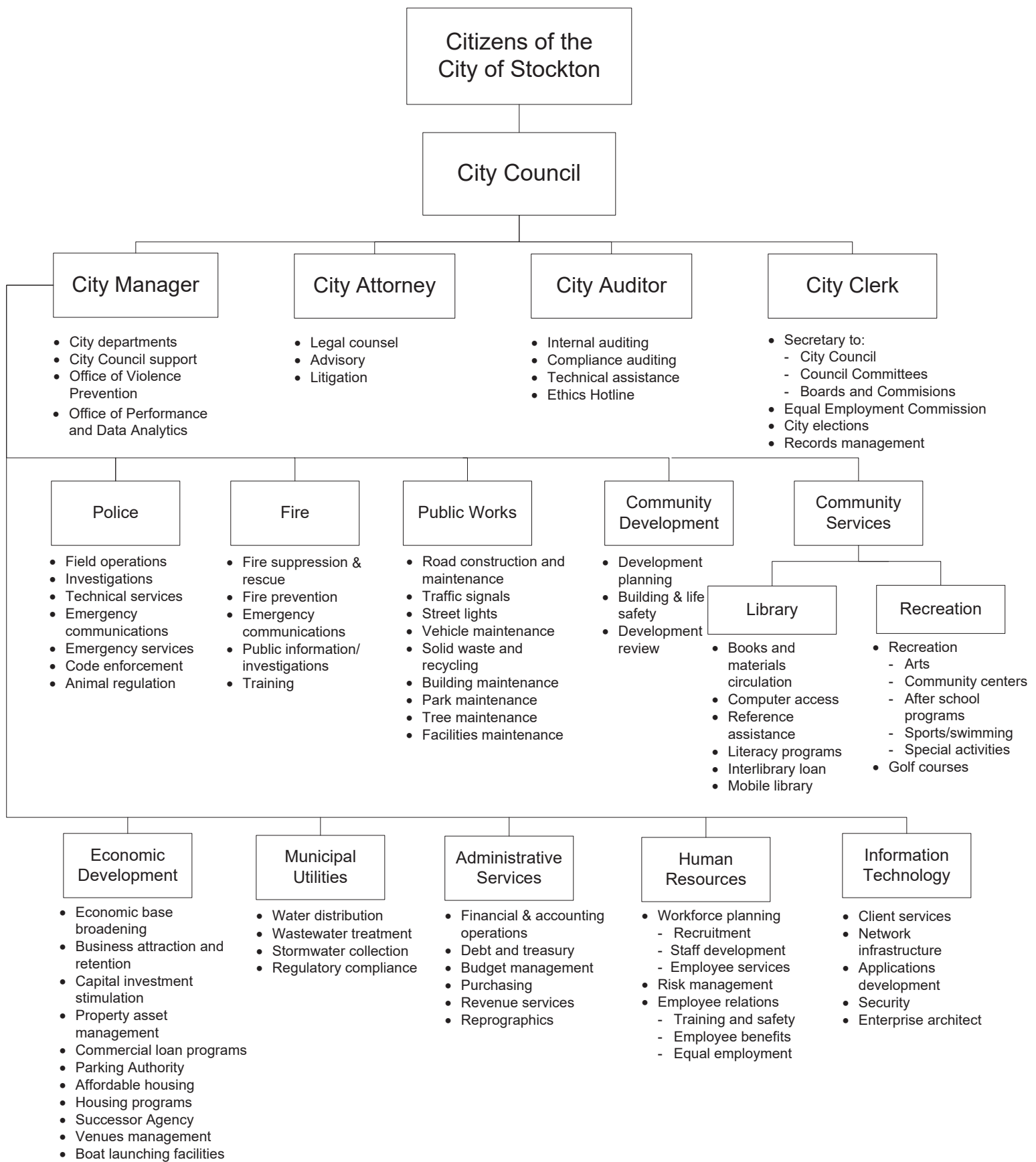
- 1a. Focus on COVID response and recovery**
- 1b. Develop solutions to address homelessness, including increasing the affordable housing supply**
- 2. Focus on crime reduction in focus areas**
- 3. Prioritize resource allocation to focus areas within Council Districts**
- 4. Prioritize Economic Development**

- 1. Develop business incentives and tools for underserved neighborhoods**
- 2. Work with education partners to improve quality of life, increase literacy, and develop the workforce**
- 3. Engage private employers and the business community in workforce development and job placement (including people with criminal records) and develop an employment pipeline for Stockton residents to Stockton employers**

STRATEGIES: (Captain) ‘How’ we will Win ...		FY 2021-22 PLANS:	FY 2021-22 METRICS:
1. Safer Streets (Chief Jones) a) Reduce violent crime b) Increase community partnerships & engagement c) Increase data driven strategies & tactics d) Reduce property crime		<ul style="list-style-type: none"> Build upon Ceasefire Strategy to reduce shootings and homicides Build out our community infrastructure with an emphasis on high-risk population through a focus on equity Emphasize multi-lateral and two-way communications to further community engagement, conversation, and trust building Build on Intelligence, Communication, and Planning (ICAP) Reactivate the Neighborhood Enhancement Program (NEP) 	FY 2021-22 METRICS: 1a) Reduce Uniform Crime Report (UCR) rate of violent crime, target – 5% reduction 1b) Increase number of engagements and interventions (Y/N) 1c) Emphasize use of SPD’s ICAP and OVP’s life coaching and case management system (Y/N) 1d) Reduce UCR rate of property crime, target – 5% reduction
	2. Growing Economy (Carrie Wright/ Will Crew) a) Grow jobs b) Increase economic development incentives c) Reduce the barriers to entry d) Increase small business development e) Foster and support entrepreneurship	<ul style="list-style-type: none"> Leverage our maritime and agricultural assets Leverage our logistics and multi-modal transport assets Discover and take advantage of right-of-way monetization opportunities Establish industry partnerships Optimize workforce development support Adopt and launch City of Stockton Strategic Economic Development Action Plan 	2a) Stabilize small businesses through COVID recovery efforts (Y/N) 2b) Develop economic development toolkit (Y/N) 2c) Reduce average duration for building permit project reviews, target – 25% reduction 2d) Establish meaningful linkages and partnerships with various small business partners (Y/N) 2e) Establish the City’s first Smart Cities initiative (Y/N)
	3. Housing Opportunities for all (Will Crew/Carrie Wright) a) Reduce the barriers to entry b) Optimize partnerships & linkages c) Increase investment in high impact affordable and market rate housing strategies d) Optimize performance-based distribution of available city funds, e.g. grants	<ul style="list-style-type: none"> Provide ongoing support to City/County joint efforts on housing and homelessness Reinvent our distribution of state and federal funds to be more performance- and outcomes -based Enable access to housing opportunities through education and awareness Identify and remediate barriers Leverage data to mobilize service response 	3a) Increase residential permits, target – 10% increase 3b) Establish and enhance partnerships and linkages (Y/N) 3b) Establish baseline measurement through HMIS for the time between assessment for services and placement into a transitional or permanent housing program (Y/N) 3c) Transform data-rich environment to useful insights (Y/N) 3d) Establish performance-based distribution model for available city funds, e.g. grants (Y/N)
4. Thriving and Healthy Neighborhoods (Suzy Daveluy) a) Establish a City integrated team approach, e.g. cross-departmental team, to optimize clean and safe neighborhoods b) Increase placemaking and space activation c) Increase community engagement d) Positively impact overall community well-being		<ul style="list-style-type: none"> Produce an annual citywide community cohesion project Leverage anticipated Smart Cities efforts to create technology and connectivity opportunities Emphasize community outreach through surveys, focus groups, and resident engagement. Increase access to programs, tools and resources for youth to enable career development Optimize community center utilization Develop sustainability strategy building on existing efforts 	4a) Improve Stockton’s livability indicators, i.e. vacant properties, abandoned cars, graffiti, weed abatement, per capita code enforcement, and trash (Y/N) 4b) Enhance community cohesion through increased participation in City produced and sponsored events (Y/N) 4c) Increase community center utilization and library circulation (Y/N) 4d) Emphasize education, awareness, and investment to positively impact community well-being (Y/N) 4d) Establish sustainability portfolio (Y/N)
	5. Fiscal Sustainability (Jay Kapoor) a) Continue learning from the past b) Mitigate risk c) Optimize resources through innovative business practices	<ul style="list-style-type: none"> Upgrade bond rating Continue commitment to L-RFP Initiate revenue maximization project Continue implementation of new ERP system Continuous pursuit of opportunities for greater efficiency Optimize City workforce retention, development, and recruitment. 	5a) Refresh long range financial plan (Y/N) 5a) Increase fiscal transparency (Y/N) 5b) Clean/unmodified audit opinions (Y/N) 5c) GFOA Certificate of Achievement for Excellence in Financial Reporting for FY21-22 CAFR (Y/N) 5c) GFOA Distinguished Budget Presentation Award (Y/N) 5c) Increase workforce retention and recruitment (Y/N)



TAB 2 CITYWIDE



CITY OF STOCKTON



PERSONNEL SUMMARY

PERSONNEL BY FUND - SUMMARY

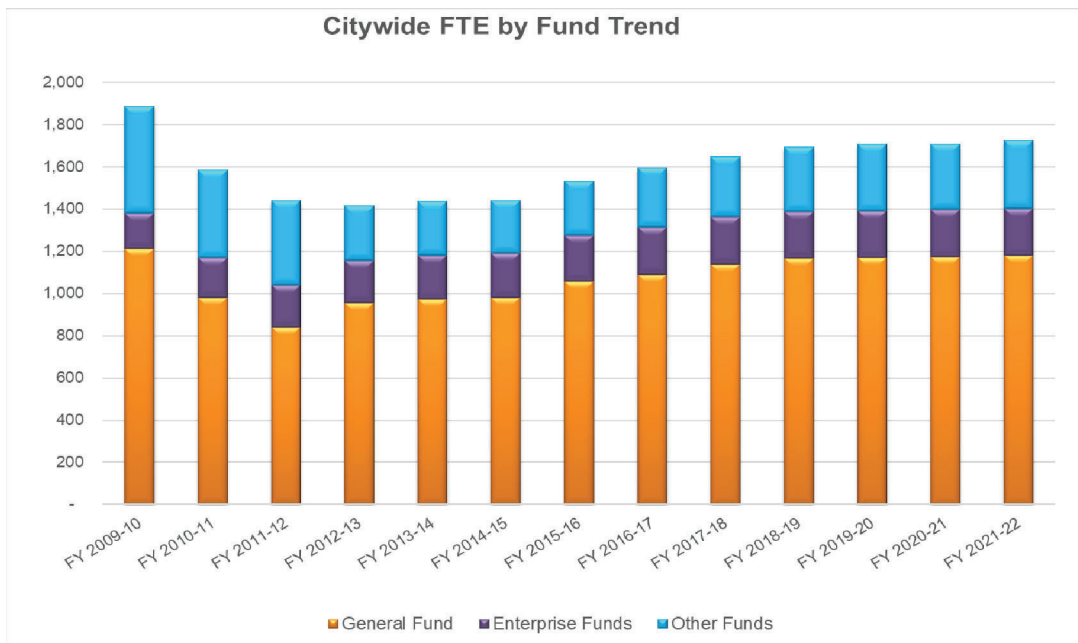
FY 2021-22 Annual Budget

	FY 2018-19	FY 2019-20	FY 2020-21	Staffing Changes	FY 2021-22
General Fund and Tax-Supported Programs					
Programs					
Police	682	682	682	2	684
Fire	179	179	185	0	185
Public Works	54	58	58	1	59
Library	66	67	66	0	66
Recreation	23	23	21	2	23
Economic Development	8	8	8	(1)	7
	1,012	1,017	1,020	4	1,024
Administration					
City Council	10	10	10	0	10
City Manager	15	15	16	1	17
City Attorney	12	12	12	0	12
City Clerk	7	7	7	0	7
Administrative Services	80	80	80	2	82
Human Resources	18	18	19	0	19
Office of Violence Prevention	14	14	14	0	14
	156	156	158	3	161
Total General Fund	1,168	1,173	1,178	7	1,185
Enterprise Funds					
Parking Authority	5	6	6	0	6
Municipal Utilities	216	217	218	0	218
	221	223	224	0	224
Special Revenue/District Funds					
Community Development Block Grant	5	4	4	2	6
Economic Development Grants	0	0	2	1	3
City Manager Grants	0	0	0	2	2
Development Services	56	56	61	1	62
San Joaquin Area Flood Control Agency	5	5	5	(4)	1
Assessment Districts	3	3	3	0	3
Police Grants	5	5	5	0	5
Successor Agency	1	1	1	0	1
Safe Neighborhood Measure W	49	49	49	0	49
Solid Waste & Recycling	9	7	13	0	13
Street Maintenance/ Gas Tax Fund	65	64	62	3	65
Strong Communities Measure M	23	23	25	0	25
	221	217	230	5	235

PERSONNEL BY FUND - SUMMARY

FY 2021-22 Annual Budget

	FY 2018-19	FY 2019-20	FY 2020-21	Staffing Changes	FY 2021-22
Internal Service Funds					
Fleet	27	27	27	0	27
General Liability Insurance	3	3	2	0	2
Workers' Compensation	3	3	4	(1)	3
Health Benefits	6	6	5	1	6
Information Technology	53	51	52	(1)	51
Radio	1	1	1	0	1
Document Services	2	2	2	0	2
	95	93	93	(1)	92
Total All Funds	1,705	1,706	1,725	11	1,736



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

New positions approved mid-year in FY 2020-21:

Economic Development - Program Manager I
City Manager - Program Manager III
City Manager - Management Asst

Funding Source:

Housing Grants 1
TCC Grant 1
CalVIP Grant 1

New positions in FY 2021-22 Proposed Budget:

Admin. Services - Program Manager III
City Manager - Sr. Admin. Analyst (Conf.)
Community Services - Library Assistant II
Economic Development - Program Manager III
Fire Department - Plan Checker I
Police Department - Crime Analyst
Police Department - Community Service Officer I

Funding Source:

General Fund/Housing Grants 1
General Fund/Utility Funds 1
San Joaquin County 2
General Fund/Housing Grants 1
Development Fees 1
General Fund 1
General Fund 1

Total

11



CITYWIDE BUDGET SUMMARY

BUDGET OVERVIEW

Budget Overview

The proposed expenditure budget totals \$991.8 million for all programs, funds, and departments of the City, which is an increase of \$204.2 million or 26% from the FY 2020-21 adopted budget. The increase is primarily attributable to the planned \$120.2 million Bond Anticipation Note payoff by the Wastewater utility and capital project funding including over \$81.8 million for the Municipal Utilities Department wastewater treatment plant modification project and a \$22.2 million allocation for the Waterfront Office Towers project. Expenses in most of the Insurance and Benefit Funds are greater than FY 2020-21 including a \$6.4 million increase in Retirement expenses, \$1.8 million in the Health Benefits Fund, and \$1.5 million in general liability expenses. Total salary and benefit costs are 6% higher than FY 2020-21, an increase of \$16.7 million across all City funds of which \$9.1 million is attributable to the General Fund.

The table below summarizes the proposed FY 2021-22 Annual Budget by department/program:

Department	FY 2020-21 Budget	FY 2021-22 Budget	Change
Utilities	\$ 210,375,304	\$ 354,137,721	\$ 143,762,417
Police	143,500,433	152,928,298	9,427,865
Insurance and Benefits	126,953,898	137,755,288	10,801,390
Public Works	63,861,322	66,280,920	2,419,598
Fire	61,936,125	66,166,001	4,229,876
Administration	39,705,232	45,556,251	5,851,019
Capital Projects Funds	26,115,142	46,748,430	20,633,288
Community Services	25,957,149	30,701,995	4,744,846
Economic Development	32,448,198	29,684,853	(2,763,345)
Non-Departmental	33,092,571	25,747,567	(7,345,004)
Debt Service Funds	10,956,052	18,499,077	7,543,025
Community Development	12,657,591	17,563,672	4,906,081
	<u>\$ 787,559,017</u>	<u>\$ 991,770,073</u>	<u>\$ 204,211,056</u>

Citywide estimated FY 2021-22 revenues are \$805.7 million for all City programs, increasing \$85.9 million from the prior year. Revenue growth is primarily attributable to anticipated bond revenues in the Wastewater Utility of \$36 million and sales tax revenue growth of \$28 million. Revenues from external sources of \$657.5 million combined with transfers of \$45.5 million, benefit and equipment internal service fund charges of \$148.1 million, and use of \$140.6 million in fund balance support the total expenditures of \$991.8 million for all funds, departments and programs, resulting in a balanced budget. The \$140.6 million drawdown of available fund balances is in various city funds with approximately \$96 million in the Wastewater Utility as the short-term bonds are repaid from the low-interest federal financing and construction continues on the regional wastewater control facility. The General Fund is budgeted to draw on \$5.0 million of reserves for one-time capital expenses.

The FY 2021-22 Annual Budget was prepared in a new financial system implemented in February 2021. The City's funds and accounts were reviewed and adjusted to improve reporting. For this reason, some programs have moved between City funds and departments. During this transition

BUDGET OVERVIEW

period, the budget document may not always reflect an apples-to-apples comparison and prior year amounts may have been adjusted to improve the year-over-year comparison.

Based on continued restrained spending, the overall health of the City's funds is relatively stable. The City has made significant progress toward its reserve targets and funding legal claim liabilities over the last few years. Each budget cycle represents a balance between maintaining the City's financial health, and addressing needs for services, equipment, and facility upkeep.

Recap of Major Funds

General Fund – Summary

At \$255.9 million, the proposed FY 2021-22 General Fund expenditures appropriation is \$8.0 million greater than in the adopted FY 2020-21 Budget of \$247.8 million. The proposed revenues of \$250.8 million are \$27.4 million more than budgeted FY 2020-21 revenues. In the last Annual Budget, it was assumed that General Fund revenues would be severely impacted by the COVID-19 pandemic. Experience in FY 2019-20 and FY 2020-21 has demonstrated a negative impact but not a significant reduction. FY 2020-21 projected General Fund revenues of \$248.7 million are \$1.3 million less than the prior year and FY 2021-22 revenues are expected to grow by 1%, or \$2.2 million.

<u>General Fund Budget</u>	<u>FY 2020-21 Adopted Budget</u>	<u>FY 2021-22 Proposed Budget</u>	<u>Change</u>
Tax Revenues	\$ 209,096,392	\$ 237,785,182	\$ 28,688,790
Other Revenues	14,353,934	13,062,768	(1,291,166)
	<u>\$ 223,450,326</u>	<u>\$ 250,847,950</u>	<u>\$ 27,397,624</u>
 Expenditures			
Police	\$ 136,160,466	\$ 143,771,046	\$ 7,610,580
Fire	48,088,874	50,152,050	2,063,176
Other Programs	63,588,053	61,934,214	(1,653,839)
	<u>\$ 247,837,393</u>	<u>\$ 255,857,310</u>	<u>\$ 8,019,917</u>

General Fund – Revenues

General Tax revenues are the source of the growth in FY 2021-22 General Fund revenues which are \$27.4 million more than the FY 2020-21 original budget and \$2.2 million more than projected year-end revenues. Sales, Utility User, Business License, Hotel/Motel, and Document Transfer taxes were all projected to decline in FY 2020-21 based on the COVID-19 pandemic. While these revenues sources have seen some declines, the timing varies and the revenue impacts are not as severe as originally projected. Sales tax revenues remained flat in FY 2020-21 and are budgeted to increase 4% in FY 2021-22. The Utility Users Tax (UUT) revenue estimate for FY 2021-22 is 1% less than the revised FY 2020-21 estimates. Business License Tax revenues, based on of gross receipts for the prior year, are projected to decrease by 13%. Hotel/Motel and

BUDGET OVERVIEW

Document Transfer taxes are down \$441,000 in FY 2020-21 with less than 1% growth anticipated in FY 2021-22. Property tax revenues in FY 2021-22 have been effected by the pandemic with assessed value growth based on a CPI of less than 2%. Other revenue sources are stable, with minor variances from year-end projections. Further details are provided in Section B of this document.

General Fund – Expenditures

Proposed FY 2021-22 General Fund expenditures are \$255.9 million. The L-RFP growth assumption is 2% for most non-salary spending. For FY 2021-22, this assumption provides approximately \$1.1 million for contract escalations, utility rate increases (where the City is the paying customer), and the impact of inflation on goods and services.

Operating expenses across the General Fund increased due to employee payroll growth in approved labor contracts, retirement rates, health insurance, general liability charges, utility rates, and maintenance costs. Salary expenses are 3% greater than prior year based on a 2% cost of living adjustment, planned market adjustments, and merit growth. Employee benefits are up 8% primarily because of retirement rates (6%) and health insurance (17%). The assumption for employee vacancies remains at the same level as FY 2020-21, reducing the General Fund employee services budget by \$6.2 million. The General Fund's share of cost increases in the general liability program and the radio internal service fund were 15% and 21% increases, respectively. The Debt Service category is \$2.3 million more than FY 2020-21 with increases to the City's contingent payment based on higher revenues.

The Police Department budget increased \$7.6 million compared to the FY 2020-21 adopted budget. Police Department salary and benefits budgets account for \$6.5 million of the increase, with the remainder due to general liability and radio costs mentioned above.

The Fire Department budget increased by \$2.1 million of which \$1.5 million is in the salary and benefits category. The City's share of emergency dispatch service costs increased \$480,000 this year as the dispatch center resumes the ability to receive live 9-1-1 callers and provide emergency medical dispatch.

The Public Works Department budget increased \$1.5 million with \$635,000 for salaries and retirement benefits, almost \$400,000 for utility expenses, and \$315,000 for parks, landscapes and other maintenance needs.

Council approved budget amendments and carryforward budgets increased the originally adopted FY 2020-21 expenditure budget of \$247.8 million to \$275.8 million during the fiscal year. Current projections for FY 2020-21 estimate total revenues at \$248.7 million and expenditures at \$268.4 million. The General Fund is projected to end FY 2020-21 with an available fund balance of \$49.6 million, of which \$42.7 million is required by City Council Reserve policy to be put toward the working capital reserve as a proportion of the FY 2021-22 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.

BUDGET OVERVIEW

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.

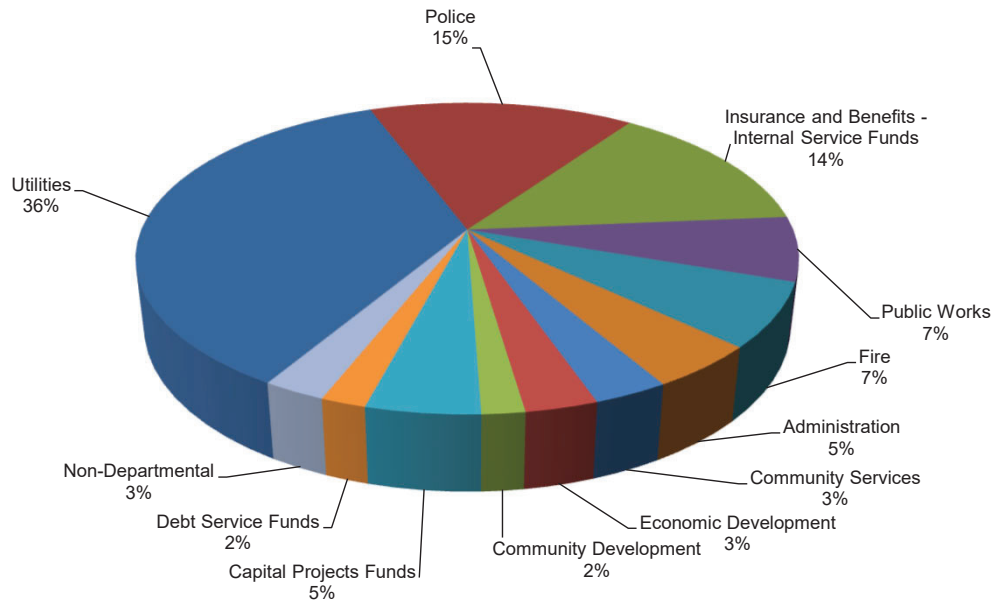
The L-RFP has been updated to reflect current expectations for revenue, expenditures, and economic conditions as presented to Council on May 11, 2021. More information on the L-RFP can be found in the General Fund section of this document.

Capital Improvement Program

The FY 2021-22 Capital Improvement Program budget is \$162.6 million, which is an increase of \$37.5 million. Planned General Government projects increased \$10.5 million, Transportation projects are up \$8.6 million, and Utility projects are increasing \$18.3 million. Almost half of the total FY 2021-22 appropriation is for the Regional Wastewater Control Facility Modification project. General Government projects include \$22.2 million allocation for the Waterfront Office Towers. Transportation projects increased with the inflow of \$14.0 million in federal and state grant funds. More information on capital projects can be found in the Capital section of this document and in the City's 2021-2026 Capital Improvement Plan.

City of Stockton
Citywide Expenditures
FY 2021-22 Annual Budget

\$991,770,073



	Operating Budget	Debt Service Budget	Capital Budget	Total	% of Total
Program Appropriations					
Utilities	\$ 101,549,283	\$ 141,937,552	\$ 110,650,886	\$ 354,137,721	36%
Police	152,924,298	-	4,000	152,928,298	15%
Insurance and Benefits - Internal Service Funds	137,755,288	-	-	137,755,288	14%
Public Works	51,284,199	745,230	14,251,491	66,280,920	7%
Fire	64,110,952	-	2,055,049	66,166,001	7%
Administration	34,906,749	-	10,649,502	45,556,251	5%
Community Services	27,466,995	-	3,235,000	30,701,995	3%
Economic Development	25,131,771	4,103,082	450,000	29,684,853	3%
Community Development	13,516,672	-	4,047,000	17,563,672	2%
Non-Departmental Funds					
Capital Projects Funds	571,909	-	46,176,521	46,748,430	5%
Debt Service Funds	1,199,525	17,299,552	-	18,499,077	2%
Non-Departmental	18,747,567	-	7,000,000	25,747,567	3%
	<u>\$ 629,165,208</u>	<u>\$ 164,085,416</u>	<u>\$ 198,519,449</u>	<u>\$ 991,770,073</u>	<u>100%</u>

Net Budgeted Expenditures

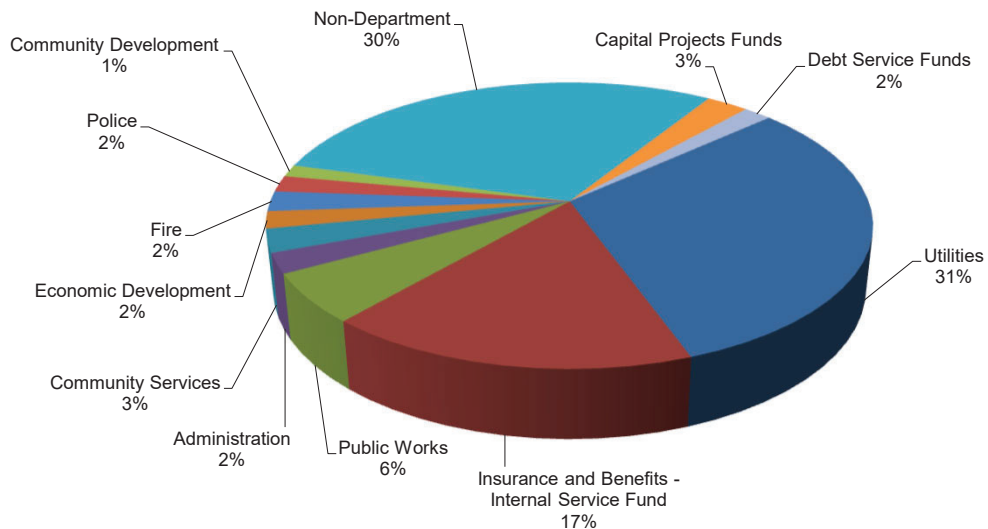
Internal Service Charges	\$ (148,137,683)
Interfund Transfers	(36,696,589)
	<u>\$ 806,935,801</u>

**City of Stockton
Citywide Expenditures
FY 2021-22 Annual Budget**

All Funds - by Fund Type	FY 2018-19 Actual	FY 2019-20 Actual	FY 2020-21 Projected	FY 2021-22 Budget
<u>General Fund</u>				
General Fund	\$ 230,637,346	\$ 241,184,447	\$ 247,837,393	\$ 255,857,310
<u>General Fund Sub Funds</u>				
Library Services	11,312,138	11,906,217	11,818,932	13,416,279
Fire Emergency Communications	2,822,217	3,169,791	4,342,830	4,684,026
Recreation Services	4,567,622	4,640,147	4,154,098	4,941,019
Boat Launching Facilities	139,489	112,454	127,809	557,442
Entertainment Venues	9,465,287	8,242,802	3,240,879	7,905,140
	<u>28,306,753</u>	<u>28,071,411</u>	<u>23,684,548</u>	<u>31,503,906</u>
<u>Special Revenue Funds</u>				
Street Maintenance/Gas Tax	8,926,400	11,512,321	12,904,049	14,382,785
Solid Waste & Recycling	1,464,886	1,517,595	1,660,564	3,643,828
Development Services	10,713,767	12,207,792	13,263,314	22,330,389
Federal Housing Grant Funds	6,863,973	8,997,843	8,032,317	9,841,606
State Housing Funds	1,363,670	100,075	189,372	1,021,783
Special Grants Fund	1,529,038	1,015,831	2,387,678	-
Assessment Districts	4,637,074	5,081,675	5,327,735	6,848,077
Measure W	10,380,932	10,712,594	11,495,509	12,459,892
Strong Communities	6,080,818	6,608,927	6,699,771	11,790,245
Asset Forfeiture	53,178	97,314	108,351	229,492
State Citizen Option for Public Safety	370,148	874,420	663,947	1,439,315
Other Special Revenues	5,144,222	1,764,262	1,950,272	4,125,330
	<u>57,528,106</u>	<u>60,490,649</u>	<u>64,682,879</u>	<u>88,112,742</u>
<u>Enterprise Funds</u>				
Stormwater Fund	6,081,650	5,660,798	6,081,131	7,630,214
Wastewater Fund	51,394,638	95,042,951	138,832,983	280,852,710
Water Fund	38,841,668	41,276,780	57,583,412	65,220,322
Golf Course Fund	2,426,548	1,645,786	264,300	348,047
Downtown Marina	604,393	501,507	555,195	634,536
Parking Authority	6,586,661	5,887,199	8,323,790	6,384,062
	<u>105,935,558</u>	<u>150,015,021</u>	<u>211,640,811</u>	<u>361,069,891</u>
<u>Internal Service Funds</u>				
Fleet	11,035,830	10,002,300	14,662,269	13,232,787
Information Technology	11,858,123	14,318,284	19,269,594	21,759,864
Radio	1,255,034	3,824,279	5,865,123	2,757,961
Office Equipment	341,111	335,324	311,597	1,754,836
General Liability	8,811,946	5,657,036	8,987,467	12,862,517
Workers Comp ISF	9,171,064	14,422,034	11,093,189	12,700,187
Health Benefits	22,953,322	22,800,294	23,600,005	28,009,995
Retirement ISF	59,881,744	66,220,913	70,277,655	81,252,496
Other Benefit Funds	2,117,264	2,701,132	2,534,034	2,930,093
	<u>127,425,438</u>	<u>140,281,596</u>	<u>156,600,933</u>	<u>177,260,736</u>
<u>Capital</u>				
General Capital	4,018,753	4,851,822	5,044,968	34,125,555
Public Art	66,666	33,910	6,000	500,000
Measure K	10,630,698	4,113,922	6,733,005	8,305,190
Capital Grants	9,910,244	5,400,022	13,777,249	14,369,736
Public Facility Fees	3,199,139	6,045,117	5,523,445	2,165,930
	<u>27,825,500</u>	<u>20,444,793</u>	<u>31,084,667</u>	<u>59,466,411</u>
<u>Debt Service</u>	<u>22,768,492</u>	<u>30,775,773</u>	<u>11,961,742</u>	<u>18,499,077</u>
All Fund Total	\$ 600,427,193	\$ 671,263,690	\$ 747,492,973	\$ 991,770,073

City of Stockton
Citywide Revenues
FY 2021-22 Annual Budget

\$805,656,874



	Taxes	Program Revenues	Enterprise Revenues	Total	% of Total
Revenues by Department*					
Utilities	\$ -	\$ 445,153	\$ 250,368,590	\$ 250,813,743	31%
Insurance and Benefits - Internal	-	136,793,292	-	136,793,292	17%
Public Works	-	45,043,749	-	45,043,749	6%
Administration	-	18,351,303	-	18,351,303	2%
Community Services	12,077,000	9,083,839	-	21,160,839	3%
Economic Development	-	10,526,939	5,119,074	15,646,013	2%
Fire	5,914,500	12,278,126	-	18,192,626	2%
Police	5,914,500	8,871,371	-	14,785,871	2%
Community Development	-	10,947,775	-	10,947,775	1%
Non-Departmental Funds					
Non-Department	226,137,188	12,448,744	-	238,585,932	30%
Capital Projects Funds	-	21,197,706	-	21,197,706	3%
Debt Service Funds	-	14,138,025	-	14,138,025	2%
	<u>\$ 250,043,188</u>	<u>\$ 300,126,022</u>	<u>\$ 255,487,664</u>	<u>\$ 805,656,874</u>	<u>37%</u>

Citywide Revenues with Interfund Transfers

Interfund Transfers	\$ 45,485,179
	<u>\$ 851,142,053</u>

Net Citywide Revenues

Citywide Revenues	\$ 851,142,053
Interfund Transfers	(45,485,179)
Internal Service Charges	(148,137,683)
	<u>\$ 657,519,191</u>

*Excludes interfund transfers

**City of Stockton
Citywide Revenues
FY 2021-22 Annual Budget**

All Funds - by Fund Type	FY 2018-19 Actual	FY 2019-20 Actuals	FY 2020-21 Projected	FY 2021-22 Budget
<u>General Fund</u>				
General Fund	\$ 242,342,267	\$ 249,938,705	\$ 248,662,317	\$ 250,847,950
<u>General Fund Sub Funds</u>				
Library Services	6,786,588	7,800,700	7,014,734	7,717,104
Fire Emergency Communications	2,822,217	3,169,791	3,916,960	4,363,520
Recreation Services	1,144,392	1,049,895	33,783	1,245,435
Boat Launching Facilities	188,171	190,027	251,449	227,932
Entertainment Venues	5,297,494	4,120,163	135,116	3,117,187
	<u>16,238,862</u>	<u>16,330,576</u>	<u>11,352,042</u>	<u>16,671,178</u>
<u>Special Revenue Funds</u>				
Street Maintenance/Gas Tax	12,387,846	13,069,555	13,098,354	14,187,118
Solid Waste & Recycling	1,786,828	2,068,337	3,203,194	3,168,622
Development Services	13,903,193	13,545,518	18,154,691	13,457,118
Federal Housing Grant Funds	5,279,086	8,850,535	6,856,962	5,335,181
State Housing Funds	165,305	179,912	47,200	4,500
Low & Moderate Income Housing	94,507	204,756	91,773	41,000
Special Grants Fund	1,530,215	1,015,831	2,415,547	292,379
Assessment Districts	9,912,209	9,545,799	5,281,559	5,492,903
Measure W	11,756,500	11,538,956	11,455,000	11,829,000
Strong Communities	11,938,123	11,848,004	11,663,000	12,177,000
SJAFCA /PEG	1,234,065	970,365	836,669	800,750
Asset Forfeiture	42,185	80,653	60,488	78,000
COPS Hiring Recovery	370,148	878,283	712,221	755,000
Other Special Revenues				336,640
	<u>70,400,210</u>	<u>73,796,504</u>	<u>73,876,658</u>	<u>67,955,211</u>
<u>Enterprise Funds</u>				
Stormwater Fund	6,731,289	6,776,955	5,679,062	5,529,007
Wastewater Fund	74,059,621	84,395,881	166,655,565	184,874,743
Water Fund	58,060,625	66,821,701	62,172,514	59,964,840
Golf Course Fund	1,572,090	750,413	-	-
Downtown Marina	179,517	274,621	291,117	372,828
Parking Authority	6,014,439	9,241,664	4,613,422	4,746,246
	<u>146,617,581</u>	<u>168,261,235</u>	<u>239,411,680</u>	<u>255,487,664</u>
<u>Internal Service Funds</u>				
Fleet	12,782,625	12,918,354	14,034,899	13,542,624
Information Technology	15,549,906	19,261,882	14,824,258	15,114,676
Radio	2,090,241	2,503,627	2,440,226	2,682,022
Office Equipment	441,836	403,517	310,000	392,000
General Liability	6,970,805	8,503,118	10,233,124	11,574,318
Workers Comp ISF	12,967,391	12,554,321	12,517,718	13,418,463
Health Benefits	21,122,047	21,306,828	20,563,143	26,967,355
Retirement ISF	63,821,433	70,757,814	71,324,556	81,836,678
Other Benefit Funds	1,380,110	2,077,826	2,203,851	2,996,478
	<u>137,126,394</u>	<u>150,287,287</u>	<u>148,451,775</u>	<u>168,524,614</u>
<u>Capital</u>				
General Capital	2,955,009	1,830,880	511,715	2,991,070
Capital Project Administration	-	-	-	4,085,520
Public Art	23,095	21,673	-	-
Measure K	6,058,471	8,049,807	6,200,725	6,255,706
Capital Grants	15,438,808	6,096,654	13,777,249	14,369,736
Public Facility Fees	6,803,115	6,789,917	6,986,310	4,328,900
	<u>31,278,498</u>	<u>22,788,932</u>	<u>27,475,999</u>	<u>32,030,932</u>
<u>Debt Service</u>	<u>40,146,208</u>	<u>22,488,539</u>	<u>3,300,129</u>	<u>14,138,025</u>
<u>Permanent</u>	<u>406,270</u>	<u>1,527,887</u>	<u>3,401,768</u>	<u>1,300</u>
All Fund Total	\$ 684,556,291	\$ 705,419,665	\$ 755,932,368	\$ 805,656,874

FISCAL YEAR 2021-22 REVENUES

OVERVIEW

Citywide estimated FY 2021-22 revenues are \$805.7 million for all City programs, which is an increase of \$133.2 million compared to budgeted FY 2020-21 revenues. Revenues from external sources total \$657.5 million with the balance of inflows from interfund transfers (\$45.7 million) and internal service fund charges (\$148.1 million). Over a year of a global pandemic has certainly impacted City revenues and is expected to continue to do so for three years. Experience to date has not been as severe as originally anticipated.

These unprecedented circumstances make predicting future economic activity and the impact on the City's revenues difficult. City revenues continue to be adjusted for the anticipated economic impact of the COVID-19 pandemic. Revenues will be diligently monitored in case further adjustments are warranted.

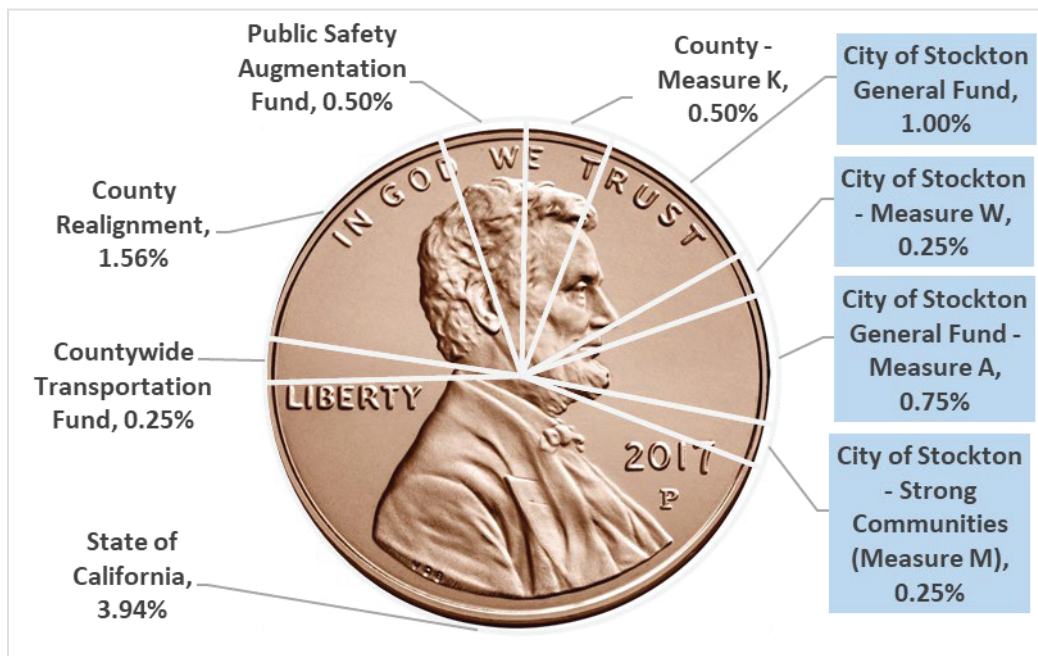
GENERAL FUND

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 continue to be applied to many 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 90.1% of the total estimated General Fund Revenue in FY 2021-22. The estimated FY 2021-22 tax revenue of \$226.1 million is a decrease of approximately 16.2% from the year-end projection in FY 2020-21.

Sales taxes are the largest revenue source in the Tax category, as well as overall General Fund revenues, comprising 41.8% of the Tax category and 37.7% of all General Fund revenue. Sales tax revenue budgeted for FY 2021-22 reflects a 3.9% increase compared to the revised FY 2020-21 estimate.



FISCAL YEAR 2021-22 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). In FY 2021-22, the applied CPI is only 1.036%. 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 2021-22 Budget predicts a \$1.4 million (2.3%) increase in overall property taxes compared to the FY 2020-21 year-end projection. While revenue growth will be lower with a CPI of less than 2%, the City has not seen significant declines in property values and sales.



The Utility Users Tax (UUT) revenue estimate for FY 2021-22 is 1.0% less than the revised FY 2020-21 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 1.2%. 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.

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 13.3%. Included in this category are the cannabis businesses which pay an annual business license tax to the City. Most licenses fees are based on the business' gross receipts, so revenues are lower to reflect business

FISCAL YEAR 2021-22 REVENUES

activity in 2020.

Revenue from the Hotel/Motel Room Tax is estimated to return to \$2.6 million in FY 2021-22. The City levies an 8% tax on hotel and motel rentals within the City limits. The City experienced a decline in the category over the past fiscal year.

Document (Real Property) Transfer Tax are budgeted at \$852,000. 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. This tax has also declined during the current economic downturn.

The Interest revenue category is comprised of investment proceeds and CalPERS prepayment credits. Interest revenues are projected to be lower in FY 2021-22 given economic conditions, interest rates, and budgeted use of reserve funds.

Program Revenues

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

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. Fire contracts and Code Enforcement are the two largest General Fund sources of Charges for Services.

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 District's 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.

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 2021-22 REVENUES

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.

Sale of Fixed Assets revenue is projected to decrease by \$78,000 in FY 2021-22 from the \$100,000 projected in the FY 2020-21 adopted budget as a result of a reduction in activity related to City surplus properties for sale.

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

Uses of Money & Property

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.

Loan Repayments and Transfers In

For FY 2021-22, 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 increased by 8.3% in FY 2021-22 compared to FY 2020-21 projections based on raising fuel prices and usage. SB 1 funding provides a significant positive impact on the City's street maintenance program moving forward.

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. The City's General Fund subsidy of \$4.1 million is expected to continue.

Emergency Communications Fund – Fire Department

The City provided regional emergency and non-emergency dispatch and administrative services to the San Joaquin County Regional Fire Dispatch Authority (Authority) thru an operating agreement from FY 2017 thru FY 2021. The City entered into separate agreements with South San Joaquin County Fire Authority, City of Lodi, City of Manteca, and Lathrop-Manteca Fire

FISCAL YEAR 2021-22 REVENUES

District to provide dispatch services to the communities served by these agencies effective July 1, 2021. The Emergency Communications Fund was created to account for the revenue and expenditures associated with the operations of the Stockton Dispatch Center, the dispatch service contracts, and the associated payments received from the contracted agencies.

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 is approximately \$3.5 million. Recreation revenues declined about \$1.0 million in FY 2020-21 with the closure of community centers during the COVID-19 pandemic. The FY 2021-22 Budget assumes that these facilities will be 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.

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 2021-22 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 administered by the Federal Housing and Urban Development Department. The City's amount of annual CDBG entitlement and HOME entitlement decreased by 2.6% and 0.6% respectively from FY 2020-21. The annual allocation for ESG is similar to that of FY 2020-21. The revenue budgets for these grant programs also include funds received from repayments of housing program loans and Successor Agency loans.

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.

FISCAL YEAR 2021-22 REVENUES

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 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 be in effect for 16 years.

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. Achieving the projected FY 2021-22 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 General Fund contribution for FY 2021-22 is estimated to be \$3.3 million.

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 2021-22 parking revenue will increase by 2.9% from FY 2020-21. New on-street parking payment kiosks are stabilizing parking meter revenues. Revenues from parking operations are showing indications of being down nearly 30% due to venue closures and less utilization of downtown parking.

Water, Wastewater and Stormwater Utilities – Municipal Utilities

In FY 2020-21, the MUD conducted a Water Rate Study. The 2021 Water Rate Study does not propose any rate adjustments for FY 2021-22 based on the Proposition 218 rate study going to Council in June 2021. The first increase of 3.5% will be implemented on July 1, 2022.

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 third increase of 6% effective July 1, 2021.

The Stormwater Utility is funded by a fee that has not changed since 1992. As a result, the Stormwater Enterprise Fund has been under-funded for several years. The City attempted a Proposition 218 ballot measure in 2010 to approve a new Clean Water fee that would

FISCAL YEAR 2021-22 REVENUES

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 #	Subfund #	Fund Description	Department											
					Administrative Svcs.	Community Dev.	Community Services	Economic Dev.	Fire	Human Resources	Information Tech.	Municipal Utilities	Non-Departmental	Police	Public Works	Charter Offices
G	General	100	000	General Fund												
G			120	Library												
G			125	Recreation												
G			130	Emergency Communications												
G			140	Boat Launch												
G			145	Entertainment Venues												
G	Special Revenue	200	201-202	Measure W												
G		210	000	Strong Communities												
G		220	000	Development Services												
G		230	000	Housing Grant Funds - Federal Revolving												
G			231-232	Community Dev. Block Grant (CDBG)												
G			233	HOME Grant												
G			234-235	Neighborhood Stabilization Program												
G		240	241-242	Gas Tax												
G		245	000	Transportation Development Act												
G		250	251-252	Measure K												
G		255	000	Solid Waste & Recycling												
G		260	000-263	General Special Revenue												
G			264-267	Asset Forfeiture												
G		270	000	Maintenance District Fund												
G			Various	Lighting & Landscape Maint. Districts												
G			Various	Storm Drain Maint. Districts												
G			052	Tourism Business Improvement District												
G		280	Various	Special Grant Funds												
G		290	000	Housing Grant Funds - State												
G			291	CALHOME Reuse Loan Program												
G			292	State Housing Loan (HELP)												
G			293	Low & Moderate Income Housing												
G	Capital	300	000-301	General Capital Improvements												
G			302-303	Capital Projects-Bond Funded												
G			304	Public Art												
G	Public Facility Custodial	310	000	Public Facility Fees												
G			311	Traffic Signals												
G			312	Street Improvements												
G			313	Community Recreation Centers												
G			314	City Office Space												
G			315	Fire Station Citywide												
G			316	Library Citywide												
G			317	Police Station Expansion												
G			318	Parkland Citywide												
G			319	Street Trees												
G			320	Street Signs												
G			321	Street Lights												
G			322	Air Quality												
G			323	Public Facilities Administration												
G			324	Regional Transportation Impact Fee												

Fund Categories: F Fiduciary, G Governmental, P Proprietary

FUND – DEPARTMENT RELATIONSHIP

City funds by fund type and associated departments

Fund Type	Sub Type	Fund #	Subfund #	Fund Description	Department										
					Administrative Svcs.	Community Dev.	Community Services	Economic Dev.	Fire	Human Resources	Information Tech.	Municipal Utilities	Non-Departmental	Police	Public Works
G	Debt	400	000	City Debt Service Fund											
P	Internal Services Funds	500	000	Fleet Services											
P		510	000	Technology											
P		511		Technology											
P		515		Communications											
P		520	000	General Liability Insurance											
P		530	000	Workers' Compensation											
P		540	000	Health Benefits											
P		550	000	Retirement											
P		560	000	Other Benefits											
P		561		Long Term Disability											
P		562		Life Insurance											
P		563		Unemployment											
P		564		Compensated Absence											
P		570	000	Reprographics											
P	Enterprise	600	000-606	Water Utility Fund											
P		610	000-615	Wastewater Utility Fund											
P		620	000-622	Stormwater Utility Fund											
P		630	000-632	Parking Authority Fund											
P		640	000-641	Downtown Marina Fund											
P		650	000	Golf Fund											
F	Permanent/Custodial	730	730	CFD and 1915 ACT Debt Service											
F		780	000	Misc. Agency Fund											
F		800	000	Permanent Fund											
F		801		Tricentennial Endowment											
F		802		Charitable Improvement Foundation											
F		804		Ched K. Kolak Trust											
F		805		G. Cady Endowment											

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 - excluding Council members): 1,729

Per 1,000 population: 5.4

Sworn Police Officers (authorized): 485

Sworn Firefighters (authorized): 183

Area

Size: 64.75 square miles

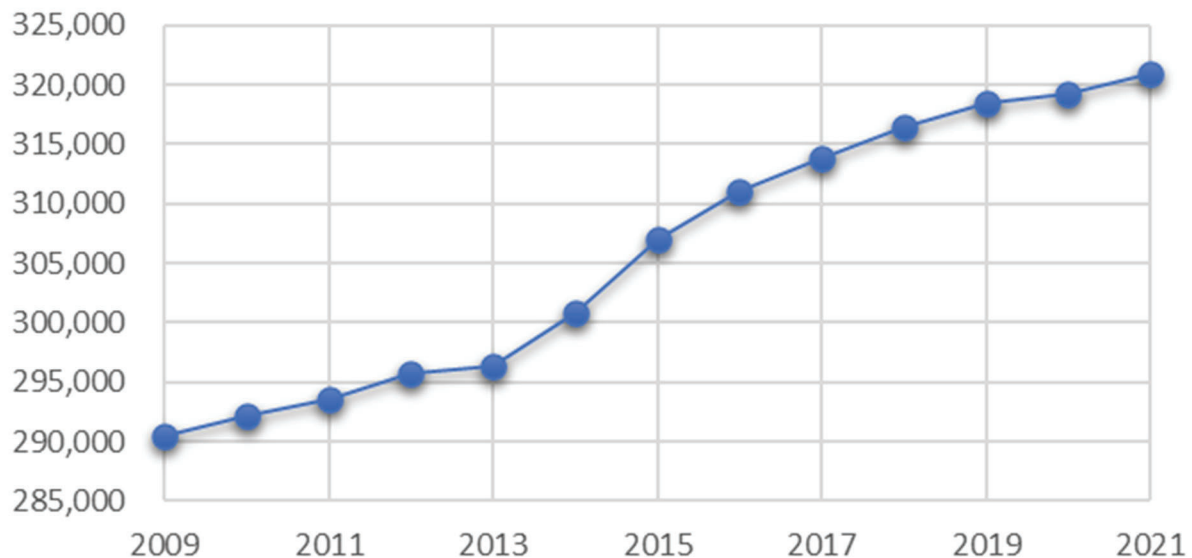
Elevation: 13 feet above sea level

Population: 320,876

Stockton is the 13th largest city in California

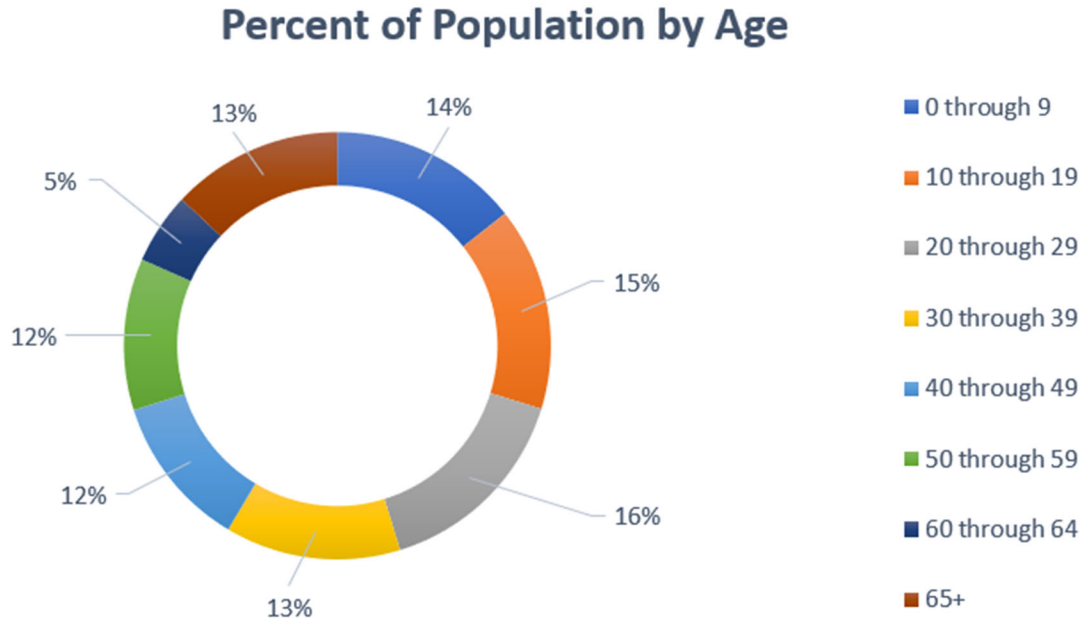
Population: Stockton has experienced steady positive population growth for the last twelve years, averaging 0.95% per year.

Stockton, CA Population Growth

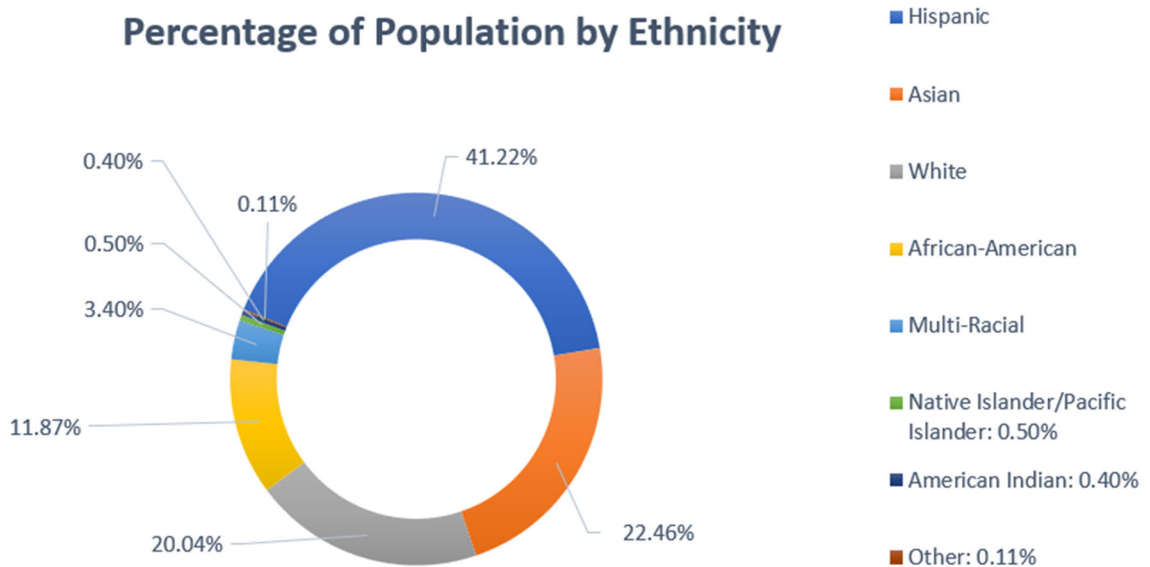


STOCKTON, CA. COMMUNITY PROFILE

Percentage of population broken down by age group.

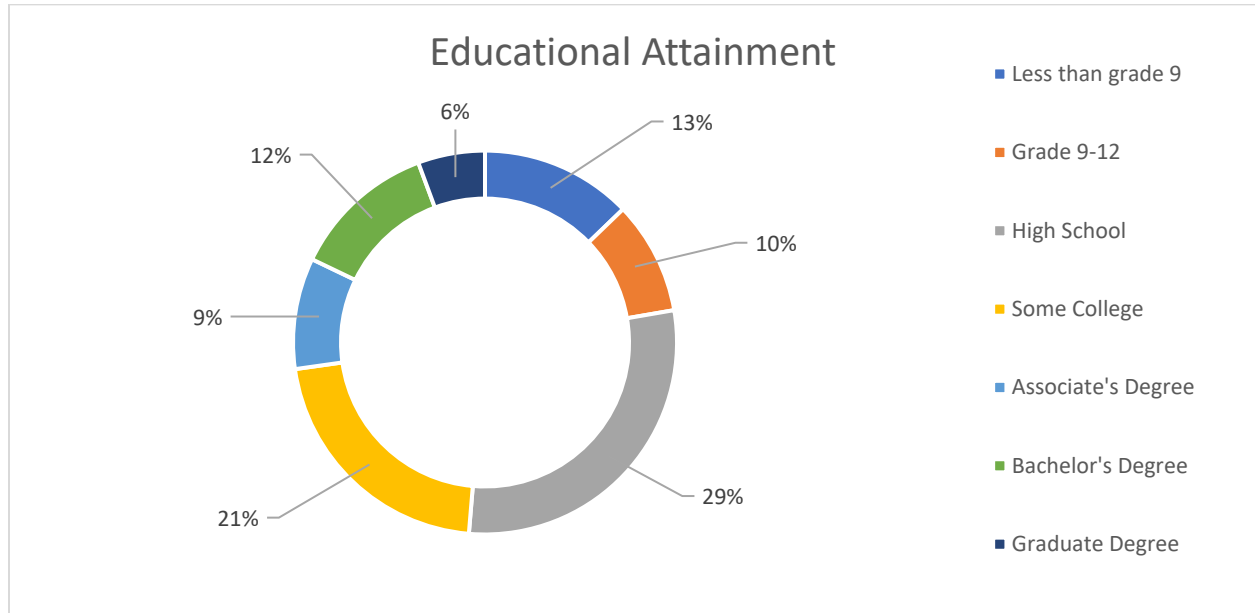


Stockton has a diverse population, with more than 40% of the population derived from Hispanic origin.



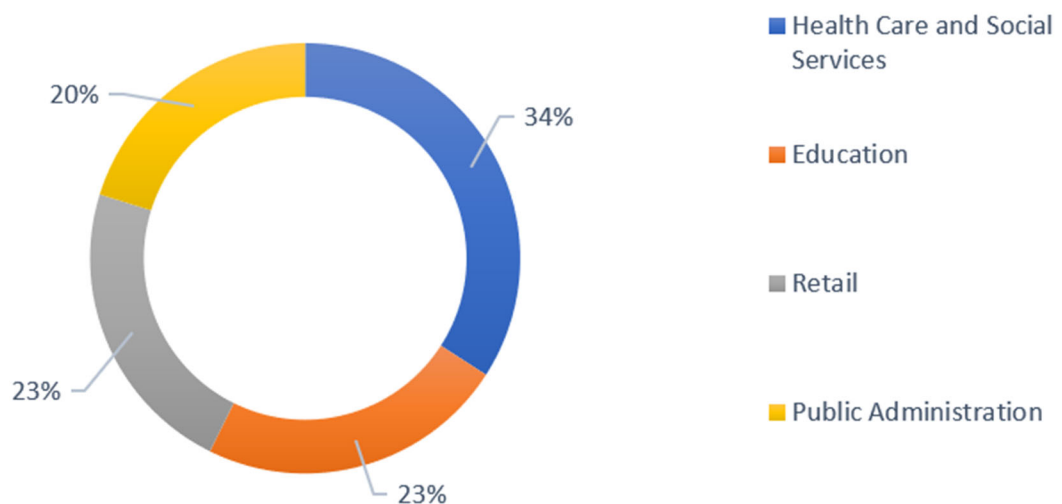
STOCKTON, CA. COMMUNITY PROFILE

27% of Stockton's population has a college degree, with another 21% with some college education.



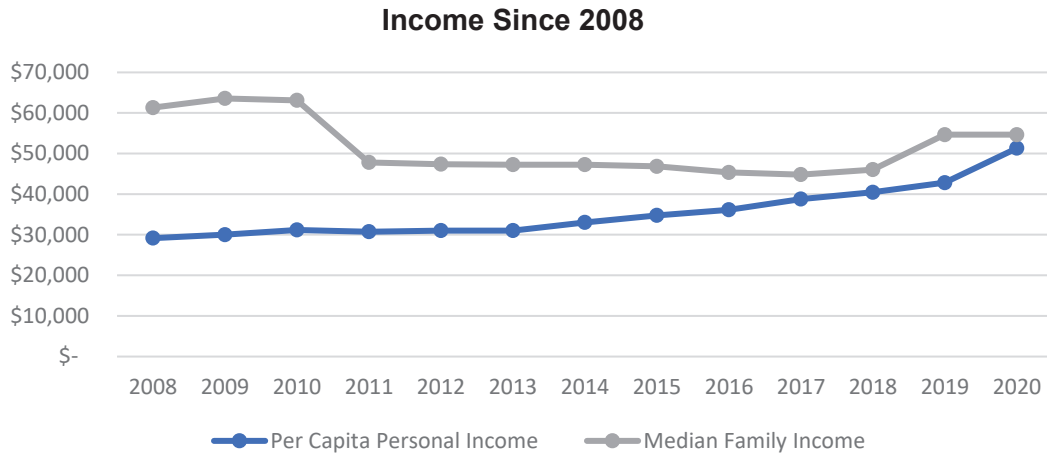
Stockton has a labor force of 142,327 with an unemployment rate of 12% which has increased by 5% from 2019. The labor force is comprised of the following top four career groups.

Top Industries Held in Stockton, Ca.

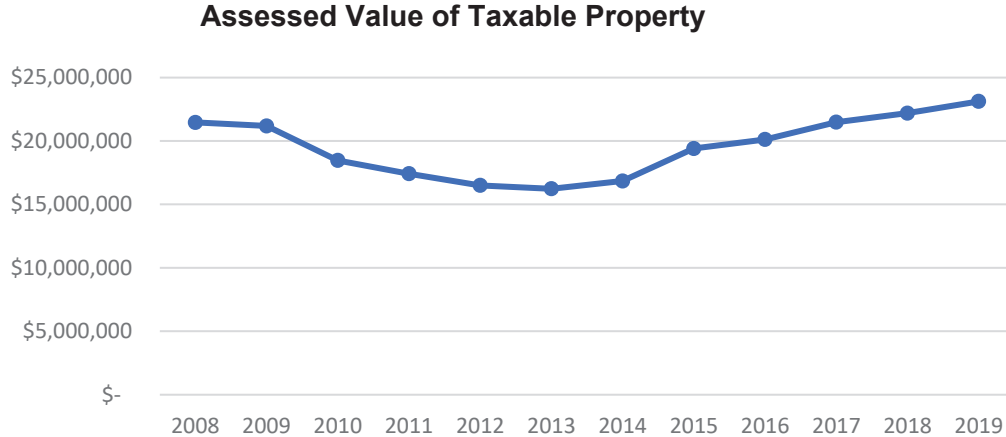


STOCKTON, CA. COMMUNITY PROFILE

Households in Stockton earned a median yearly household income of \$54,640 during 2020. Household expenditures average \$57,486 per year.



Property assessment values have steadily increased since 2013.
(Dollar amounts in thousands)

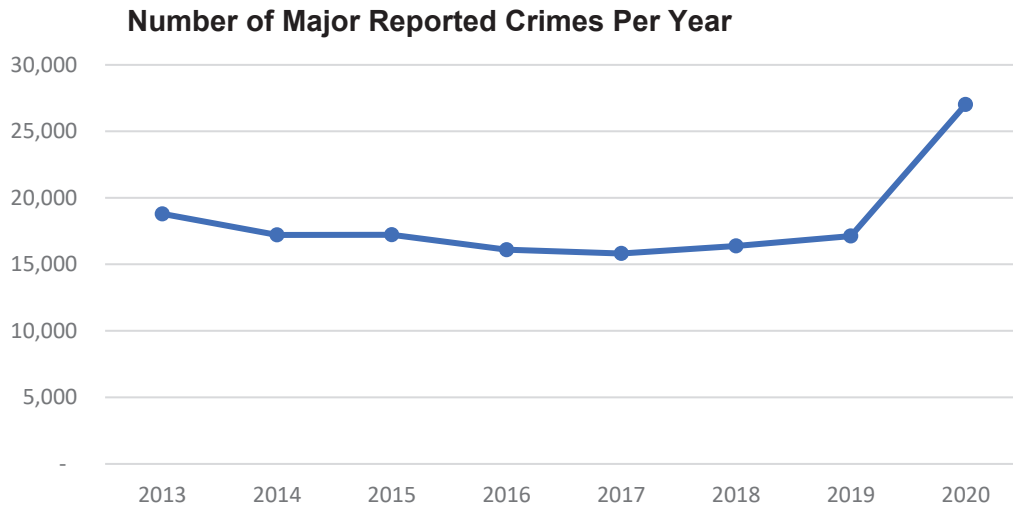


HOUSING (OWNERSHIP VS. RENTAL)



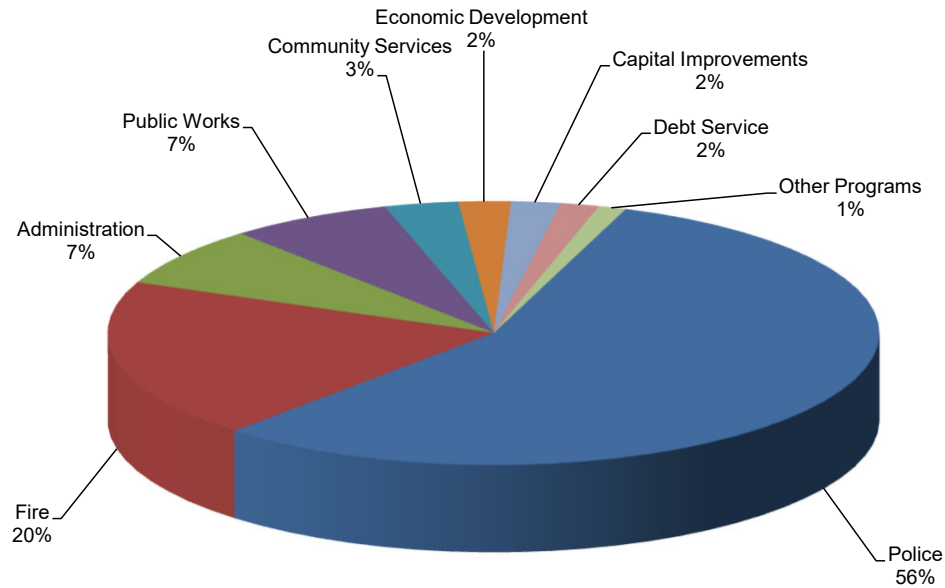
STOCKTON, CA. COMMUNITY PROFILE

While the City has experienced increase in serious crimes in 2020, there was an overall decrease in Uniform Crime Reporting. Violent crime decreased 8.2% and property crimes decreased 23.3%.



TAB 3 GENERAL FUND SUMMARY

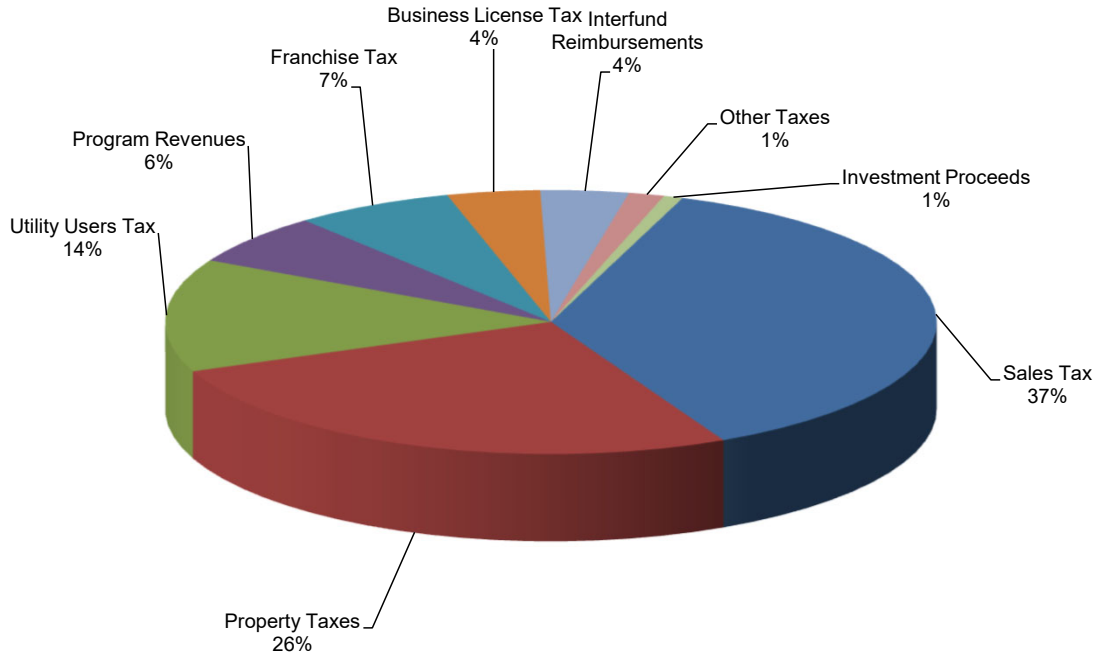
General Fund Expenditures FY 2021-22 Annual Budget



Program Appropriations

Police	\$ 143,771,046	56%
Fire	50,152,050	20%
Administration	18,762,286	7%
Public Works	17,498,458	7%
Community Services	7,915,150	3%
Economic Development	5,606,034	2%
Capital Improvements	5,000,000	2%
Debt Service	4,174,175	2%
Other Programs	2,978,111	1%
	<u>\$ 255,857,310</u>	

General Fund Revenues FY 2021-22 Annual Budget



General Fund Revenues by Category*

Sales Tax	\$	94,587,000	37%
Property Taxes		65,207,495	26%
Utility Users Tax		34,342,000	14%
Program Revenues		15,522,155	6%
Franchise Tax		16,595,630	7%
Business License Tax		9,695,000	4%
Interfund Reimbursements		9,186,977	4%
Other Taxes		3,700,000	1%
Investment Proceeds		2,011,693	1%
Revenues By Category sub-total	\$	250,847,950	
Interfund Transfers		-	
Total Revenues with Transfers	\$	250,847,950	

General Fund - 100
Fund Balance Summary
FY 2021-22 Annual Budget

	FY 2018-19 Actual	FY 2019-20 Actual	FY 2020-21 Projection	FY 2021-22 Budget
Beginning Available Balance	\$ 36,821,959	\$ 38,576,477	\$ 41,563,200	\$ 49,628,899
Revenues	242,342,267	249,938,705	248,662,317	250,847,950
	242,342,267	249,938,705	248,662,317	250,847,950
Expenditures				
Employee Services	151,307,823	154,943,785	160,909,932	174,594,210
Other Services	46,001,136	43,453,808	52,752,022	49,863,406
Materials & Supplies	4,527,884	4,449,575	5,892,005	5,295,314
Other Expenses	2,463,498	2,306,043	3,986,879	4,513,455
Capital Outlay	466,121	359,698	237,748	54,600
Loan Repayment	5,053,931	3,838,175	2,991,175	4,174,175
Transfer Out	20,816,953	31,833,364	41,670,192	17,362,150
	230,637,346	241,184,447	268,439,954	255,857,310
Net Annual Activity	11,704,921	8,754,258	(19,777,637)	(5,009,360)
Reserves				
Reserve for future appropriation	(3,891,991)	(1,132,938)	-	-
Reserve Policy Contributions	(3,797,000)	(4,289,000)	-	-
Change in Fund Balance restrictions	(2,261,412)	(345,597)	27,843,336	-
	(9,950,403)	(5,767,535)	27,843,336	-
Ending Available Balance	\$ 38,576,477	\$ 41,563,200	\$ 49,628,899	\$ 44,619,539
Available Balance Calculation				
Cash	\$ 92,389,771	\$ 100,847,597		
Accounts Receivable	13,743,446	15,442,434		
Prepaid Items/Inventory	1,082,549	905,718		
Accounts Payable	(8,941,473)	(7,873,197)		
Total Fund Balance	98,274,293	109,322,552		
Non-Spendable	(4,510,462)	(6,595,411)		
Encumbrances	(5,275,363)	(5,830,012)		
Other Commitments & Reserves	(49,911,991)	(55,333,929)		
Ending Available Balance	\$ 38,576,477	\$ 41,563,200		
General Fund balance including funded reserves				
Working Capital Reserve - 16.67%	\$ 38,576,477	\$ 41,563,000	\$ 42,651,000	
Known Contingency Reserves	41,037,000	45,326,000	35,315,000	
Risk-Based Reserves	4,983,000	4,983,000	4,983,000	
	\$ 84,596,477	\$ 91,872,000	\$ 82,949,000	

FY 2019-20 Working Capital Reserve is included in the FY 2020-21 beginning available balance. Known Contingencies and Risk Based Reserves are removed from available fund balance.

Known Contingencies amount for FY 2020-21 is projected subject to Council approval of reserve targets and year-end results.

General Fund - 100
Revenues
FY 2021-22 Annual Budget

	FY 2018-19	FY 2019-20	FY 2020-21	FY 2020-21	FY 2021-22
	Actual	Actual	Adopted Budget	Projected	Budget
General Tax Revenues					
Sales Tax					
Point of Sale	\$ 49,814,495	\$ 54,277,120	\$ 43,229,000	\$ 54,903,000	\$ 56,076,000
Measure A Transaction Tax	34,570,561	34,329,713	28,472,000	34,115,000	36,132,000
Proposition 172	1,762,763	1,845,041	1,602,000	1,982,000	2,379,000
	<u>86,147,819</u>	<u>90,451,874</u>	<u>73,303,000</u>	<u>91,000,000</u>	<u>94,587,000</u>
Property Taxes					
Property Taxes	35,342,123	36,697,287	37,023,000	37,917,755	38,416,000
In-Lieu of Motor Vehicle Fees	23,598,797	24,427,101	25,626,000	25,848,041	26,791,495
	<u>58,940,920</u>	<u>61,124,388</u>	<u>62,649,000</u>	<u>63,765,796</u>	<u>65,207,495</u>
Utility Users Tax					
Water	4,583,989	4,737,664	4,442,000	4,834,000	4,923,000
Electric & Gas	21,345,986	22,359,911	21,341,000	22,774,100	22,500,000
Cable	2,605,833	2,676,695	2,564,000	2,644,000	2,620,000
Telecommunications	5,716,580	4,763,157	4,433,000	4,451,000	4,299,000
	<u>34,252,388</u>	<u>34,537,427</u>	<u>32,780,000</u>	<u>34,703,100</u>	<u>34,342,000</u>
Franchise Tax					
Electric & Gas	1,063,441	2,310,445	2,273,000	2,352,000	2,328,000
Cable/Video	2,222,834	2,174,848	2,133,000	2,181,000	2,160,000
Waste Haulers	9,020,276	10,806,889	9,785,000	11,869,000	12,106,000
Other	1,230	1,630	1,630	1,630	1,630
	<u>12,307,782</u>	<u>15,293,812</u>	<u>14,192,630</u>	<u>16,403,630</u>	<u>16,595,630</u>
Business License Tax	11,557,599	13,001,797	9,500,000	11,182,000	9,695,000
Hotel/Motel Tax	3,376,594	2,828,535	2,609,000	2,400,000	2,648,000
Document Transfer Tax	1,071,041	912,388	780,000	900,000	852,000
Motor Vehicle License	-	250,424	150,000	233,615	200,000
Investment Proceeds	6,642,616	4,979,061	2,225,311	2,720,312	2,011,693
	<u>22,647,850</u>	<u>21,972,206</u>	<u>15,264,311</u>	<u>17,435,927</u>	<u>15,406,693</u>
Program Revenues					
Fire Contracts	4,375,395	4,462,316	4,462,636	4,537,863	4,691,240
Code Enforcement	3,735,179	3,746,045	3,677,294	3,573,937	3,498,413
Charges for Services	3,298,488	2,987,416	3,399,143	3,129,308	3,150,079
Fines & Forfeitures	692,750	674,714	525,039	394,094	501,694
Revenues from Other Agencies	4,435,292	3,735,185	3,143,159	3,840,846	3,253,496
Licenses & Permits	437,050	526,296	530,538	564,489	577,014
Sale of Fixed Assets	52,812	393,281	100,000	20,000	22,000
Districts/Area of Benefit Contribution	1,164,599	-	368,000	368,000	-
Misc. Other Revenues	(141,596)	(244,252)	(171,798)	(174,257)	(171,781)
	<u>18,049,969</u>	<u>16,281,001</u>	<u>16,034,011</u>	<u>16,254,280</u>	<u>15,522,155</u>
Interfund Reimbursements					
Indirect Cost Allocation	5,195,253	5,664,765	5,382,463	5,100,000	5,904,220
Refunds & Reimbursements	361,402	436,452	182,733	429,532	230,309
Rents/Leases/Concessions	3,573,223	3,671,025	3,662,178	3,570,052	3,052,448
	<u>9,129,878</u>	<u>9,772,242</u>	<u>9,227,374</u>	<u>9,099,584</u>	<u>9,186,977</u>
Loan Repayments and Transfers In					
Loan Repayment	147,919	505,756	-	-	-
From Parking for Debt Service	714,451	-	-	-	-
From General Capital Fund	3,000	-	-	-	-
From Other Funds	292	-	-	-	-
	<u>865,662</u>	<u>505,756</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Revenues	<u>\$ 242,342,267</u>	<u>\$ 249,938,705</u>	<u>\$ 223,450,326</u>	<u>\$ 248,662,317</u>	<u>\$ 250,847,950</u>

General Fund - 100
Revenues by Department
FY 2021-22 Annual Budget

	FY 2018-19	FY 2019-20	FY 2020-21	FY 2020-21	FY 2021-22
	Actual	Actual	Adopted Budget	Projected	Budget
General Tax Revenues					
Taxes	\$ 184,054,116	\$ 193,721,490	\$ 170,186,000	\$ 194,504,855	\$ 197,134,000
Licenses & Permits	56,320	136,169	106,560	160,000	164,867
Intergovernmental Revenue	27,049,816	27,854,411	28,396,058	29,425,939	29,931,434
Charges for Services	605	-	-	-	-
Fines & Forfeitures	-	(350)	-	-	-
Uses of Money & Property	10,069,839	8,503,449	5,125,311	5,633,117	4,828,661
Refunds & Reimbursements	5,257,161	5,495,138	5,182,463	5,076,430	5,704,220
Sale of Fixed Assets	51,910	393,281	100,000	20,000	22,000
Other Revenues	(66,515)	-	-	-	-
	<u>226,473,252</u>	<u>236,103,588</u>	<u>209,096,392</u>	<u>234,820,341</u>	<u>237,785,182</u>
Police Department					
Licenses & Permits	380,730	390,127	423,978	404,489	412,147
Intergovernmental Revenue	859,873	933,590	904,536	757,916	717,895
Charges for Services	5,710,975	4,573,074	5,551,691	4,860,065	5,138,063
Fines & Forfeitures	1,031,103	1,910,189	1,142,164	1,021,128	1,029,594
Uses of Money & Property	232,506	166,605	222,463	496,907	298,443
Refunds & Reimbursements	124,875	215,419	77,403	170,142	125,029
Sale of Fixed Assets	902	-	-	-	-
Other Revenues	59,641	(22,315)	545	656	560
	<u>8,400,606</u>	<u>8,166,689</u>	<u>8,322,780</u>	<u>7,711,303</u>	<u>7,721,731</u>
Fire Department					
Intergovernmental Revenue	528,738	-	-	188,074	-
Charges for Services	4,628,693	4,712,024	4,703,234	4,745,051	4,908,263
Fines & Forfeitures	7	-	-	-	-
Refunds & Reimbursements	29,292	5,217	5,000	408	5,000
	<u>5,186,730</u>	<u>4,717,241</u>	<u>4,708,234</u>	<u>4,933,533</u>	<u>4,913,263</u>
Public Works					
Uses of Money & Property	9,600	9,000	10,000	(600)	10,000
Refunds & Reimbursements	28,484	33,436	-	272	-
Other Revenues	37,534	42,475	27,657	25,087	27,659
	<u>75,618</u>	<u>84,911</u>	<u>37,657</u>	<u>24,759</u>	<u>37,659</u>
Administrative Services					
Charges for Services	50,245	49,962	41,025	40,525	40,525
Fines & Forfeitures	10,459	12,507	4,400	4,400	4,400
Refunds & Reimbursements	116,843	126,164	100,330	82,280	100,280
	<u>177,546</u>	<u>188,634</u>	<u>145,755</u>	<u>127,205</u>	<u>145,205</u>
Charter Offices					
Charges for Services	2,460	31,837	17,300	17,500	17,400
Other Revenues	5,500	-	-	-	-
	<u>7,960</u>	<u>31,837</u>	<u>17,300</u>	<u>17,500</u>	<u>17,400</u>
Economic Development					
Taxes	1,230	1,630	1,630	1,630	1,630
Charges for Services	711	200	400	200	400
Uses of Money & Property	136,273	137,500	752,178	657,846	225,480
Other Revenues	-	720	-	-	-
	<u>138,214</u>	<u>140,050</u>	<u>754,208</u>	<u>659,676</u>	<u>227,510</u>
Loan Repayments and Transfers In					
Loan Repayment	-	505,756	-	-	-
From Parking for Debt Service	714,451	-	-	-	-
From Districts/Area of Benefits	1,164,599	-	368,000	368,000	-
From General Capital Fund	3,000	-	-	-	-
From Other Special Funds	292	-	-	-	-
	<u>1,882,342</u>	<u>505,756</u>	<u>368,000</u>	<u>368,000</u>	<u>-</u>
Total Revenues	<u>\$ 242,342,267</u>	<u>\$ 249,938,706</u>	<u>\$ 223,450,326</u>	<u>\$ 248,662,317</u>	<u>\$ 250,847,950</u>

General Fund - 100
Expenditures by Program
FY 2021-22 Annual Budget

	FY 2018-19	FY 2019-20	FY 2020-21	FY 2020-21	FY 2021-22
	Actual	Actual	Adopted Budget	Projected	Budget
Expenditures					
<u>Programs</u>					
Police	\$ 124,800,546	\$ 127,111,170	\$ 136,160,466	\$ 132,594,925	\$ 143,771,046
Fire	45,378,916	45,583,134	48,088,874	48,965,751	50,152,050
Public Works	13,198,389	14,830,968	16,015,900	18,592,521	17,498,458
Economic Development	1,824,471	1,871,983	2,063,575	4,244,036	2,059,034
Office of Violence Prevention	1,503,008	1,618,812	1,967,245	1,879,091	2,078,111
	<u>186,705,330</u>	<u>191,016,067</u>	<u>204,296,060</u>	<u>206,276,324</u>	<u>215,558,699</u>
<u>Program Support for Other Funds</u>					
Library	3,984,500	3,984,500	3,984,500	3,984,500	4,068,000
Recreation	3,395,500	3,395,500	3,565,500	3,840,500	3,497,150
Entertainment Venues	4,345,000	3,835,000	4,785,000	4,785,000	3,285,000
Development Services	925,000	825,000	800,000	800,000	800,000
Golf Courses	700,000	1,050,000	550,000	275,000	350,000
Downtown Marina	262,000	262,000	297,000	297,000	262,000
Grant Match	(2,092)	113,819	100,000	100,000	100,000
Capital Improvement	156,298	636,394	4,005,000	5,975,000	5,000,000
Low & Moderate Income Housing	29,584	101,151	-	-	-
Radio ISF	-	3,130,000	5,250,000	5,250,000	-
Information Technology ISF	2,256,149	-	-	249,192	-
Retirement ISF	4,765,014	14,500,000	-	16,114,000	-
	<u>20,816,953</u>	<u>31,833,364</u>	<u>23,337,000</u>	<u>41,670,192</u>	<u>17,362,150</u>
<u>Administration</u>					
City Council	823,247	887,467	994,080	1,170,482	1,005,703
City Manager	1,843,428	1,854,155	2,220,749	2,168,939	2,624,622
City Attorney	1,268,871	1,275,235	1,336,877	1,225,103	1,290,602
City Clerk	715,729	899,590	1,001,530	996,501	1,101,024
City Auditor	517,807	479,521	592,525	651,909	483,582
Administrative Services	7,384,029	7,427,765	8,361,613	7,773,355	8,347,597
Human Resources	1,974,198	2,105,893	2,481,795	2,011,548	2,352,349
Election	453,706	557,265	700,000	523,709	550,000
Other Administration	2,636,902	(1,491,166)	(1,822,011)	(1,541,128)	(1,493,193)
Labor and Litigation	443,215	501,116	500,000	521,845	500,000
	<u>18,061,132</u>	<u>14,496,841</u>	<u>16,367,158</u>	<u>15,502,263</u>	<u>16,762,286</u>
Debt Service	<u>5,053,931</u>	<u>3,838,175</u>	<u>1,837,175</u>	<u>2,991,175</u>	<u>4,174,175</u>
Contingency	<u>-</u>	<u>-</u>	<u>2,000,000</u>	<u>2,000,000</u>	<u>2,000,000</u>
Total	<u>\$ 230,637,346</u>	<u>\$ 241,184,447</u>	<u>\$ 247,837,393</u>	<u>\$ 268,439,954</u>	<u>\$ 255,857,310</u>

**General Fund - 100
Measures A and B
FY 2021-22 Annual Budget**

	FY 2018-19	FY 2019-20	FY 2020-21	FY 2020-21	FY 2021-22
	Actual	Actual	Adopted Budget	Projected	Budget
Revenues					
Police					
Measure A Transaction and Use Tax	\$ 34,570,561	\$ 34,329,713	\$ 28,472,000	\$ 34,115,000	\$ 36,132,000
Total Revenues	34,570,561	34,329,713	28,472,000	34,115,000	36,132,000
Expenditures (Public Safety Measure B)					
Police					
Salary & Benefits					
Sworn & Non-Sworn	20,638,109	21,477,158	25,256,560	24,900,526	26,859,722
Vacancy Savings	-	-	(993,017)	-	(936,054)
Other Services	1,726,339	2,239,423	2,854,928	2,733,291	3,035,090
Materials & Supplies					
Fuel	312,503	269,189	348,096	333,080	281,265
Other Supplies	142,380	285,686	385,825	378,054	385,825
Other Expenses					
Training	528,633	654,522	595,000	680,000	595,000
	23,347,964	24,925,978	28,447,392	29,024,951	30,220,848
Office of Violence Prevention					
Salary & Benefits					
Non-Sworn	621,195	680,195	863,143	771,728	881,709
Other Services	220,279	299,386	269,353	304,712	310,626
Materials & Supplies					
Fuel	5,620	3,190	6,231	6,000	3,182
Other Supplies	5,060	15,781	35,000	32,000	35,000
Equipment					
Office Equipment	3,467	1,379	3,979	3,979	3,979
Other Expenses	19,741	11,572	20,250	18,300	20,000
	875,363	1,011,503	1,197,956	1,136,719	1,254,496
Total Expenditures (Measure B)	\$ 24,223,327	\$ 25,937,481	\$ 29,645,348	\$ 30,161,670	\$ 31,475,344
Measure B expenditures as a % of annual Measure A revenues	70%	76%	104%	88%	87%



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 with City staff having the ability to adjust variables and update the model 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 to point in time financial data produces estimates of future outcomes. The model is a living tool that requires maintenance and is updated as necessary to account for inevitable future changes. This guiding document ensures the City's financial decision-making process is sustainable. Key attributes of the L-RFP are:

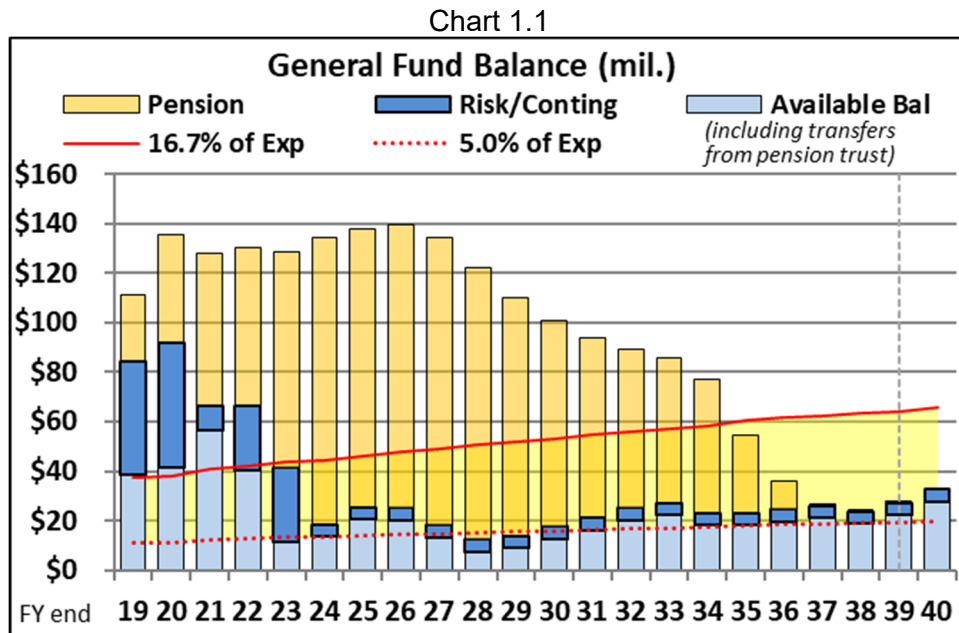
- Transparency - clear assumptions based on realistic rather than overly conservative or overly optimistic trends relative to revenues and expenditures.
- Fiscal Discipline - precludes wishful thinking about the City's capacity for revenue growth.
- Forward-Thinking - measuring significant financial 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 2021-22 Budget. The displayed years include ending balances for FY 2018-19 and FY 2019-20 actuals, FY 2020-21 projections, FY 2021-22 Budget, and projected revenues and expenses from FY 2022-23 through FY 2039-40.



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 2034-35. 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 decrease in FY 2021-22 and will reach the 5% reserve level in FY 2036-37 and generally stay at that level for a few years before starting to increase. The 5% reserve level is the minimum acceptable level and a warning that cost-cutting measures may be necessary. The fund balance chart above assumes that the City draws on the Pension Trust, represented by the yellow bars, to make annual payments to CalPERS starting around FY 2025-26.

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 \$45 million was designated for the known contingency reserve at the close of FY 2019-20, the identified need for known contingencies is far greater. For example, unfunded infrastructure project needs are over \$500 million.

The final 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.

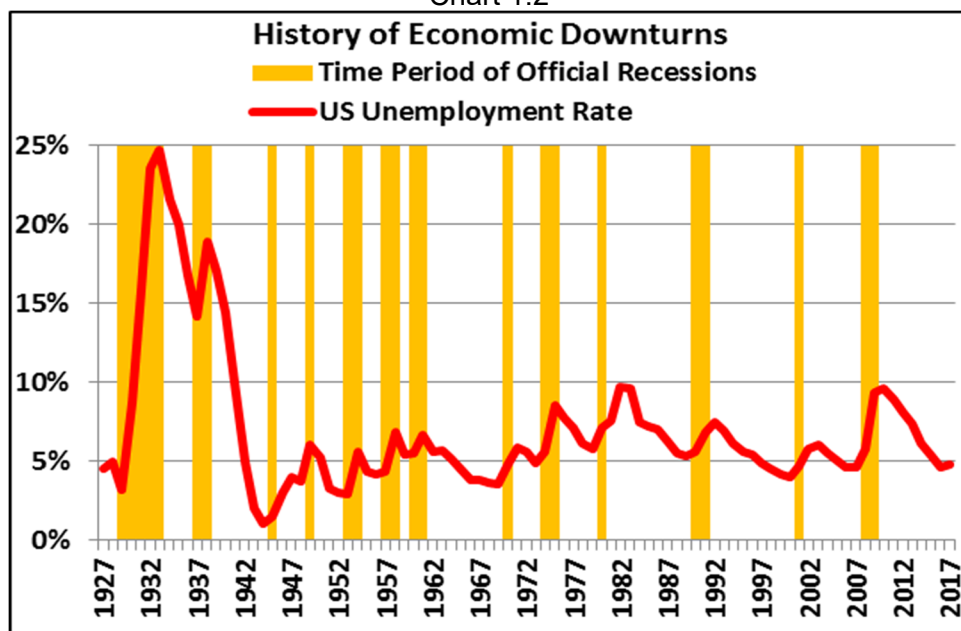
LONG-RANGE FINANCIAL PLAN

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. As to the severity and time lag in revenue recovery, the model assumes the City to recover 90% of the past reduction in revenue within three years.

Chart 1.2

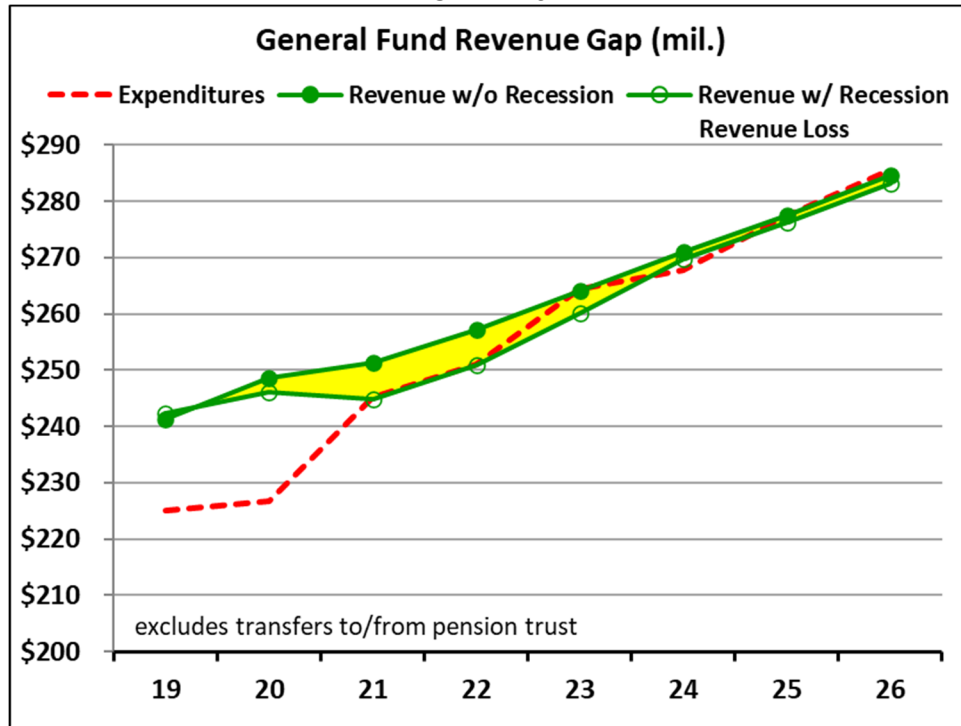


The City's model has been updated to forecast revenues during this unique environment of a global pandemic and widespread stay-at-home orders. This recession is different from past downturns in its abruptness, scope, and uncertainty. The pandemic recession is dramatically impacting certain industries like tourism, while other sectors experience expansion. With the Council's focus on fiscal sustainability, the City went into the recession from a better financial position than many other local governments. Stockton also has a diverse revenue base that is not heavily dependent on tourism or another single industry. The updated L-RFP includes preliminary estimates by revenue source and sector based on what has occurred in the last year.

LONG-RANGE FINANCIAL PLAN

As shown in Chart 1.3, projections show a \$23 million gap between pre-recession revenue trends and revised COVID-19 forecasts. The original revenue loss projection was over \$50 million. Revenue losses resulting from the pandemic are expected to impact General Fund revenues for at least another three years.

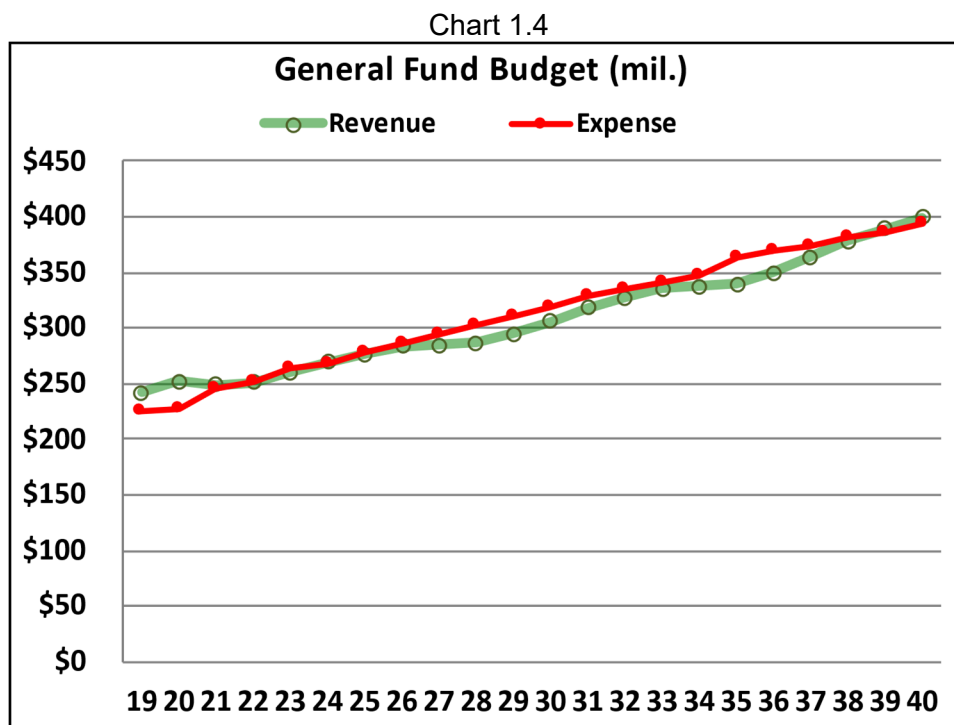
Chart 1.3



LONG-RANGE FINANCIAL PLAN

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 16 of the next 20 years. The most substantial gap between revenues and expenditures are expected around FY 2027-28 and FY 2034-35 following the projected recession cycles in 2027 and 2034. 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.



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 new construction growth

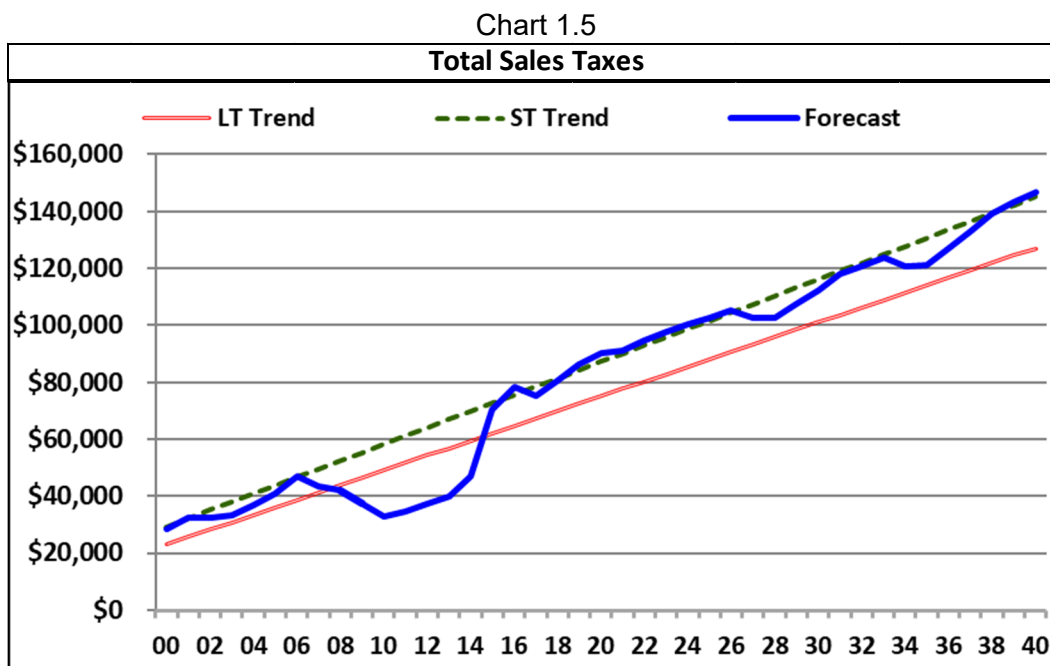
LONG-RANGE FINANCIAL PLAN

- Sales tax growth rates: 2.5%
- Utility users tax growth rates: ranges from -3.0% 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.

Sales Tax

The General Fund's most significant funding source is sales and transaction taxes. The FY 2021-22 Annual Budget assumes sales tax proceeds to be approximately \$94.6 million, constituting 38% 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 2019-20 shows the City recovered from the significant revenue dip suffered during the Great Recession. This recovery reflects a substantial increase of approximately \$36 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. The assumptions used in the sales tax forecast include the first three years of projections from the City's sales tax consultant and an assumption of 2.5% growth for the subsequent years factoring in recessionary adjustments.

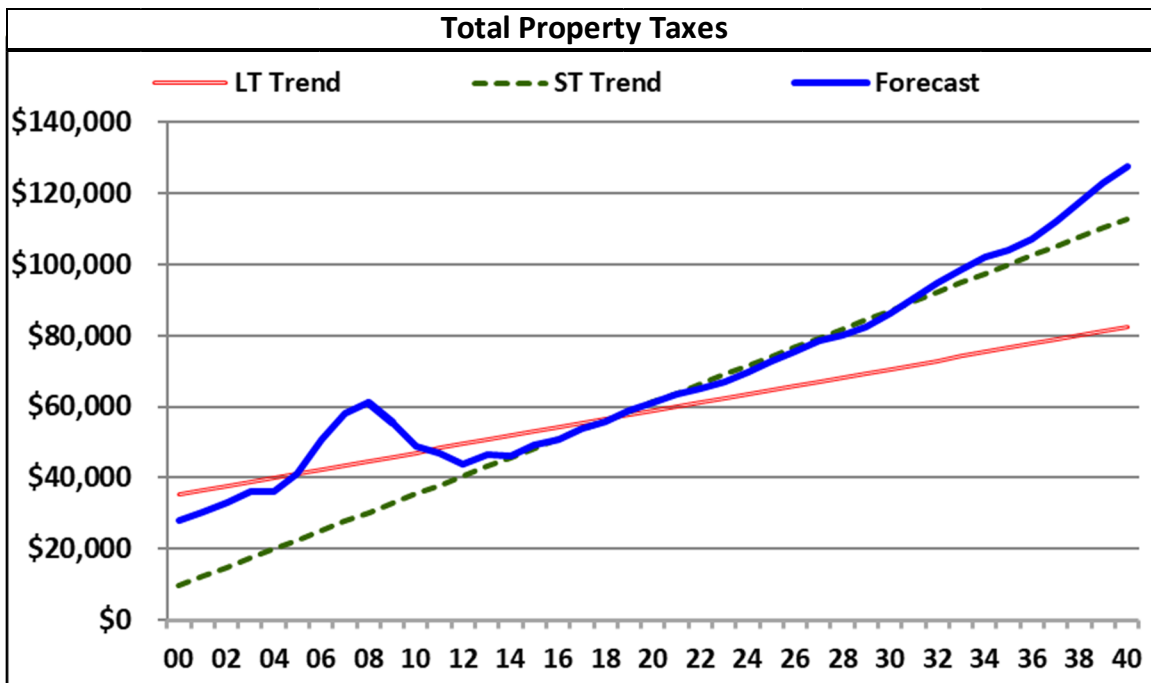


LONG-RANGE FINANCIAL PLAN

Property Tax

The second-largest source of General Fund revenue is property tax. The FY 2021-22 Annual Budget assumes property tax collections of approximately \$65.2 million, which is 26% 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 2019-20 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 severely as other revenue sources. New construction and home values are expected to decline, which will impact FY 2022-23 assessed values and revenues.

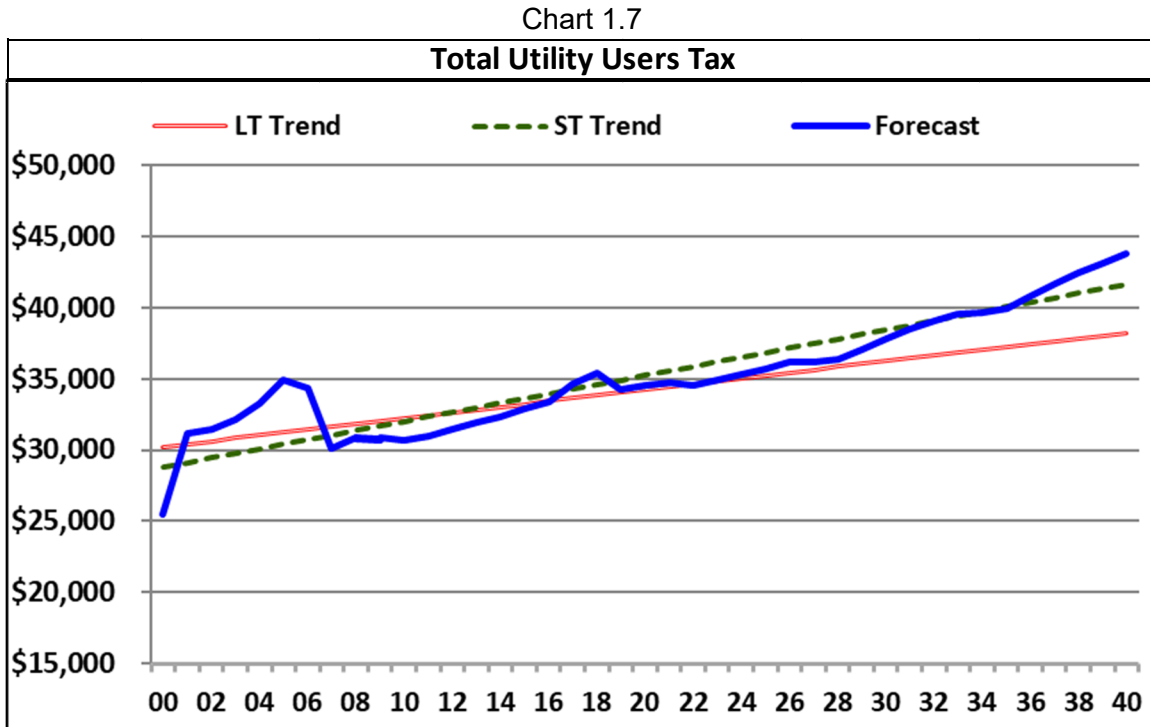
Chart 1.6



LONG-RANGE FINANCIAL PLAN

Utility Users Tax

Utility Users Tax (UUT) proceeds (see Chart 1.7) are the third-largest General Fund revenue source. The FY 2021-22 Annual Budget assumes the City will receive approximately \$34.3 million in proceeds from this tax, which constitutes 14% of the General Fund. Presumed annual out-year growth rates for the four taxed utilities are: Water 2%, Energy (gas and electricity) 2%, Cable negative 1%, and Telecommunications negative 3%.



Expenses

Realistic expenditure assumptions, rather than overly conservative or overly optimistic trends, enable the City to make sustainable forward-thinking decisions. 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 7.0% in FY 2021-22 reduced to 6.0% with a phased in over 20 years.
- Other expenditure growth at 2%
- Resources available above reserve levels are spent on one-time needs

LONG-RANGE FINANCIAL PLAN

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 six 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)

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 \$7.6 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 million annually.

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 \$7.7 million over 9 years will be required.

3. *Program Support – Other*

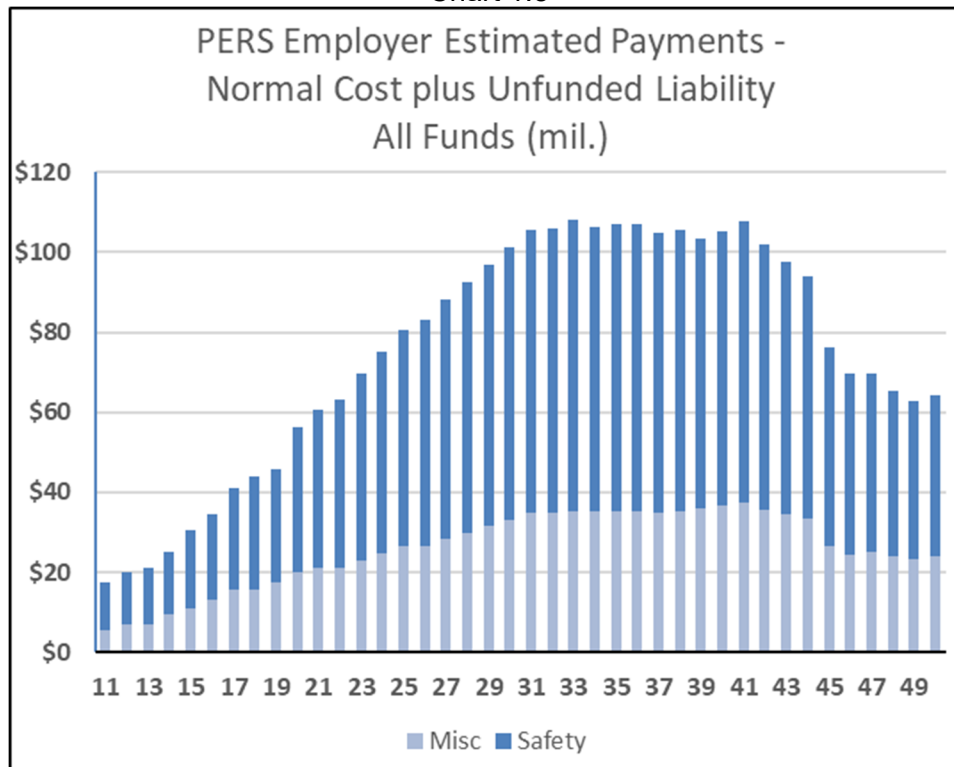
Other items supported by the General Fund include annual subsidies to the Development Services fund at \$800,000, Capital Improvement Plan at \$1.1 million, and Grant Match at \$100,000.

LONG-RANGE FINANCIAL PLAN

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

Chart 1.8



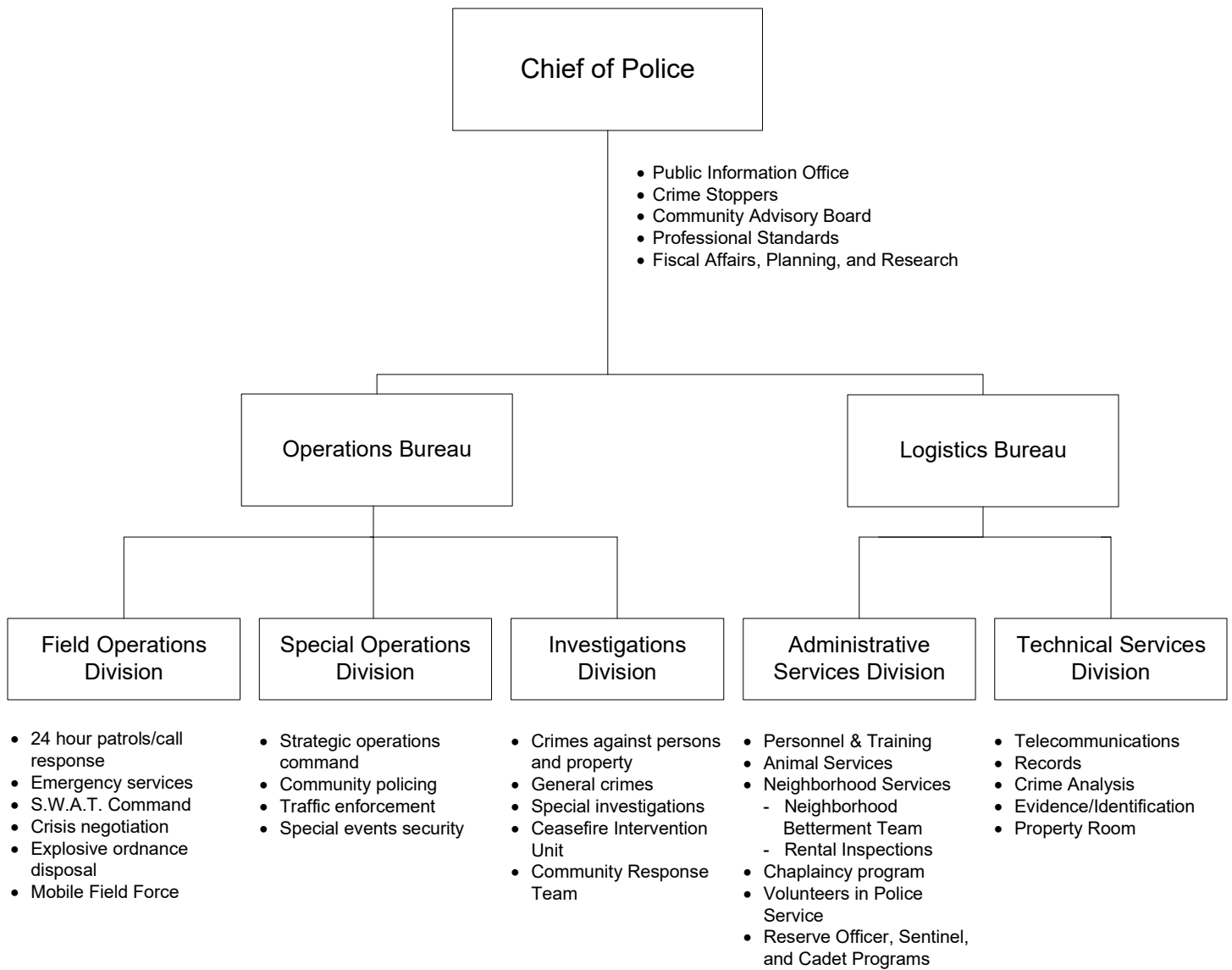
One significant risk that all CalPERS agencies will need to assess is that the CalPERS Board could reduce the discount rate below the planned 7%. Numerous advocates and actuarial experts believe the CalPERS needs to reduce the rate to around 6%. Given the uncertainty surrounding future CalPERS earnings, the model has been updated to assume the discount rate is reduced from 7% to 6.0% effective in FY 2022-23 with a 20-year phase-in, and that projected returns are 6.2% in the near term.

LONG-RANGE FINANCIAL PLAN

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	\$14,785,871
Total Expenditures	\$152,928,298
Total Net Cost	\$138,142,427
Total Staff	713

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, 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, Neighborhood Services and Neighborhood Betterment Team, 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 2020-22 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 2020-21 include:

- Goal One – Reduce crime and blight:
 - The FY 2020-21 Budget allocated funding to support costs associated with the helicopter and 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.
 - Despite the effects of the COVID-19 pandemic, Neighborhood Services removed 943,057 square feet of graffiti from private property compared to 784,753 in FY 2020. Additionally, removed 71,560 cubic feet of trash from over 254 locations.
 - The Animal Shelter achieved a live release rate of 91%, with 7,796 animals adopted, rescued, and redeemed by their owners.

POLICE DEPARTMENT

- The Department's Telecommunications Center handled 728,837 requests for service.
- Goal Two – Increase trust between the community and police:
 - Provided support to 107 Neighborhood and Business Watch meetings, held 9 Neighborhood Impact Team meetings in areas affected by gun violence, cleared 22 cases, and made 14 arrests from citizen tips received through Crime Stoppers. Community outreach and engagement meetings were limited due to COVID-19 restrictions.
 - The Department held 28 community engagement events, 12 Chief's Community Advisory Board meetings and held 2 trust-building workshops throughout the community.
 - Participated and presented police statistics at four of the newly formed City Manager's Review Board meetings.
- Goal Three – Recruit and hire a qualified and diverse workforce:
 - Due to the COVID-19 Pandemic, attendance at recruiting events significantly declined compared to prior fiscal years. The Department attended 13 in-person and 9 virtual recruiting events. Successful hiring of 36 police officers and 16 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 training was significantly impacted by the COVID-19 pandemic. Staff participated in approximately 1,000 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 170 officers in Procedural Justice, which focuses on community-police relations and trust-building.

KEY CONSIDERATIONS

The Police Department FY 2021-22 Budget includes funding for 713 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 continued implementation of the Marshall Plan. Highlights of the General Fund budget include:

- Two new positions, a Crime Analyst and a Community Services Officer, are included in the FY 2021-22 General Fund budget to respond to the increasing demand for Department statistics and body worn camera requests received by the public and other agencies.
- Additional funding is allocated for Professional Standards Case software and Speed Monitoring equipment out of restricted funding sources.
- 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.

Police Department
FY 2021-22 Annual Budget

	General Fund	Measure W	Asset Seizure	State COPS
	100	200	260	260
	<u>See Page D-8</u>	<u>See Page D-11</u>	<u>See Page D-13</u>	<u>See Page D-15</u>
Beginning Available Balance			\$ 304,047	\$ 1,194,427
Revenues				
Taxes	-	5,914,500	-	-
Grants	-	-	-	750,000
Program Revenue	7,721,731	-	78,000	-
Other Revenue	-	-	-	5,000
	7,721,731	5,914,500	78,000	755,000
Expenditures				
Salary & Benefits	117,275,006	5,223,408	-	202,547
Services & Supplies	26,492,040	891,961	229,492	1,236,768
Administration Overhead	-	140,600	-	-
Capital Outlay	4,000	-	-	-
	143,771,046	6,255,969	229,492	1,439,315
Transfers				
Transfer In	-	-	-	-
Transfer Out	-	-	-	-
	-	-	-	-
Net Annual Activity	(136,049,315)	(341,469)	(151,492)	(684,315)
Ending Available Balance			\$ 152,555	\$ 510,112

Police Department, Continued
FY 2021-22 Annual Budget

	<u>Special Revenue 260</u> <i>See Page D-17</i>	<u>Special Grants 280</u> <i>See Page D-19</i>	<u>Police Total</u>
Beginning Available Balance	\$ 3,587,093	\$ 27,869	
Revenues			
	-	-	5,914,500
Grants	-	-	750,000
Program Revenue	158,804	-	7,958,535
Other Revenue	157,836	-	162,836
	<u>316,640</u>	<u>-</u>	<u>14,785,871</u>
Expenditures			
Salary & Benefits	-	-	122,700,961
Services & Supplies	1,232,476	-	30,082,737
Administration Overhead	-	-	140,600
Capital Outlay	-	-	4,000
	<u>1,232,476</u>	<u>-</u>	<u>152,928,298</u>
Transfers			
Transfer In	-	-	-
Transfer Out	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>
Net Annual Activity	<u>(915,836)</u>	<u>-</u>	<u>(138,142,427)</u>
Ending Available Balance	<u>\$ 2,671,257</u>	<u>\$ 27,869</u>	-
		Revenues	\$ 14,785,871
		Transfers	-
		Total Sources	<u>\$ 14,785,871</u>
		Expenditures	\$ 152,928,298
		Transfers	-
		Total Appropriations	<u>\$ 152,928,298</u>
			-

**Police Department
General Fund - 100
FY 2021-22 Annual Budget**

	FY 2018-19 Actual	FY 2019-20 Actual	FY 2020-21 Projected	FY 2021-22 Budget
Total Police Department				
Employee Services	\$ 101,468,183	\$ 104,087,287	\$ 106,697,776	\$ 117,275,006
Other Services	19,532,665	19,416,634	21,718,467	22,367,628
Materials and Supplies	2,341,910	2,394,712	3,092,775	2,912,219
Other Expenses	1,359,320	1,201,757	1,085,907	1,212,193
Capital Outlay	98,468	10,780	-	4,000
Total	<u>\$ 124,800,546</u>	<u>\$ 127,111,170</u>	<u>\$ 132,594,925</u>	<u>\$ 143,771,046</u>
Administration				
Employee Services	6,953,622	7,070,221	7,406,799	8,089,935
Other Services	2,548,682	2,948,269	2,585,159	2,637,428
Materials and Supplies	372,704	261,439	372,604	428,999
Other Expenses	149,078	73,813	65,522	108,434
Total	<u>10,024,086</u>	<u>10,353,742</u>	<u>10,430,084</u>	<u>11,264,796</u>
Marshall Plan - Administration				
Employee Services	897,997	867,351	837,256	1,168,999
Other Services	46,238	45,592	52,732	61,652
Materials and Supplies	7,854	960	10,422	16,000
Other Expenses	-	-	-	-
Total	<u>952,089</u>	<u>913,903</u>	<u>900,410</u>	<u>1,246,651</u>
Field Services				
Employee Services	42,989,932	44,311,727	42,988,325	48,176,630
Other Services	5,442,416	5,739,975	6,961,442	6,892,110
Materials and Supplies	932,355	912,241	1,354,890	1,147,795
Other Expenses	481,457	361,048	233,571	279,000
Capital Outlay	-	-	-	4,000
Total	<u>49,846,160</u>	<u>51,324,991</u>	<u>51,538,228</u>	<u>56,499,535</u>
Marshall Plan - Field Services				
Employee Services	16,105,485	16,293,138	19,001,078	18,854,161
Other Services	1,305,301	1,862,370	2,226,435	2,484,187
Materials and Supplies	427,254	518,738	657,605	604,705
Other Expenses	528,633	654,522	610,000	595,000
Capital Outlay	-	-	-	-
Total	<u>18,366,673</u>	<u>19,328,768</u>	<u>22,495,118</u>	<u>22,538,053</u>
Investigations				
Employee Services	20,859,202	20,929,255	21,117,248	23,001,516
Other Services	2,299,490	2,010,978	2,499,502	2,456,719
Materials and Supplies	145,122	190,061	180,516	215,910
Other Expenses	132,874	72,692	125,832	133,500
Capital Outlay	95,683	3,706	-	-
Total	<u>23,532,371</u>	<u>23,206,692</u>	<u>23,923,098</u>	<u>25,807,645</u>

**Police Department
General Fund - 100
FY 2021-22 Annual Budget**

	FY 2018-19 Actual	FY 2019-20 Actual	FY 2020-21 Projected	FY 2021-22 Budget
Marshall Plan - Investigations				
Employee Services	2,495,531	3,082,092	3,802,231	4,419,719
Other Services	259,224	215,888	322,074	313,200
Materials and Supplies	19,015	21,992	21,254	24,385
Other Expenses	-	-	-	-
Total	<u>2,773,770</u>	<u>3,319,972</u>	<u>4,145,559</u>	<u>4,757,304</u>
Support Services				
Employee Services	4,227,097	4,299,080	4,326,474	5,257,966
Other Services	2,178,660	2,119,727	2,258,712	2,318,098
Materials and Supplies	369,549	362,196	360,131	343,625
Other Expenses	15,835	3,139	14,014	25,259
Capital Outlay	2,785	-	-	-
Total	<u>6,793,926</u>	<u>6,784,142</u>	<u>6,959,331</u>	<u>7,944,948</u>
Marshall Plan - Support Services				
Employee Services	341,123	305,984	340,905	452,700
Other Services	28,281	34,599	45,217	51,876
Materials and Supplies	-	-	-	-
Other Expenses	-	-	-	-
Total	<u>369,404</u>	<u>340,583</u>	<u>386,122</u>	<u>504,576</u>
Telecommunications				
Employee Services	5,800,220	5,999,846	5,958,404	6,825,291
Other Services	5,337,078	4,358,262	4,610,361	5,028,183
Materials and Supplies	67,297	113,900	113,500	108,800
Other Expenses	51,443	36,543	36,968	71,000
Capital Outlay	-	7,074	-	-
Total	<u>11,256,038</u>	<u>10,515,625</u>	<u>10,719,233</u>	<u>12,033,274</u>
Marshall Plan - Telecommunications				
Employee Services	797,974	928,593	919,056	1,028,089
Other Services	87,295	80,974	156,833	124,175
Materials and Supplies	760	13,185	21,853	22,000
Other Expenses	-	-	-	-
Capital Outlay	-	-	-	-
Total	<u>886,029</u>	<u>1,022,752</u>	<u>1,097,742</u>	<u>1,174,264</u>

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

POLICE DEPARTMENT

MEASURE W SUBFUND (200-201)

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 2021-22 assigned to the Field Operations Division for street patrol.
- Measure W proceeds are anticipated to increase by 3% from the current year-end projection. Revenues continue to be monitored closely to ensure the long-term affordability of planned expenditures from tax revenues. Revenue projections for FY 2020-21 remain relatively flat compared to FY 2019-20 despite the COVID-19 pandemic. 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 on the fund balance in FY 2021-22.
- The budgeted amount in Services and Supplies in FY 2021-22 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 2021-22, the Police Department's share of the recommended Economic Uncertainty reserve is approximately \$1.5 million.

Police and Fire Departments
Measure W - 200 (a)
FY 2021-22 Annual Budget

	<u>FY 2018-19 Actual</u>	<u>FY 2019-20 Actual</u>	<u>FY 2020-21 Projected</u>	<u>FY 2021-22 Budget</u>
Beginning Available Balance	\$ 3,289,645	\$ 4,665,213	\$ 5,491,575	\$ 5,451,066
Revenues				
Police				
Measure W Sales Tax	5,830,051	5,688,479	5,727,500	5,914,500
Reimbursements	-	-	-	-
Investment Proceeds	48,571	84,359	-	-
	<u>5,878,622</u>	<u>5,772,838</u>	<u>5,727,500</u>	<u>5,914,500</u>
Fire				
Measure W Sales Tax	5,830,051	5,688,479	5,727,500	5,914,500
Reimbursements	-	-	-	-
Investment Proceeds	47,827	77,639	-	-
	<u>5,877,878</u>	<u>5,766,118</u>	<u>5,727,500</u>	<u>5,914,500</u>
	<u>11,756,500</u>	<u>11,538,956</u>	<u>11,455,000</u>	<u>11,829,000</u>
Expenditures				
Police				
Salary & Benefits	4,496,797	4,605,229	4,790,566	5,223,408
Services & Supplies	509,292	541,908	756,491	891,961
Administration	127,359	115,449	109,008	140,600
Capital Outlay	-	-	-	-
	<u>5,133,448</u>	<u>5,262,586</u>	<u>5,656,065</u>	<u>6,255,969</u>
Fire				
Salary & Benefits	4,682,513	4,696,748	5,034,999	5,442,198
Services & Supplies	335,709	379,362	488,013	566,125
Administration	127,359	115,449	109,008	140,600
Equipment & Maintenance	101,903	258,449	207,424	55,000
	<u>5,247,484</u>	<u>5,450,008</u>	<u>5,839,444</u>	<u>6,203,923</u>
	<u>10,380,932</u>	<u>10,712,594</u>	<u>11,495,509</u>	<u>12,459,892</u>
Transfers				
Transfer In	-	-	-	-
Transfer Out	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Annual Activity				
Police	745,174	510,252	71,435	(341,469)
Fire	630,394	316,110	(111,944)	(289,423)
	<u>1,375,568</u>	<u>826,362</u>	<u>(40,509)</u>	<u>(630,892)</u>
Ending Available Balance	\$ 4,665,213	\$ 5,491,575	\$ 5,451,066	\$ 4,820,174
Available Balance Calculation				
Current assets		\$ 6,075,829		
Current liabilities		(584,254)		
Program Commitments		-		
Ending Available Balance		<u>\$ 5,491,575</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/SUBFUNDS (260-264, 265, 266)

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 are projected to remain flat in FY 2021-22. Revenues for State/Local seizures began to trend upward in FY 2020-21 and are expected to continue at that level in FY 2021-22.
- Projected staffing in the Special Investigations section should result in a flat volume of asset seizure cases comparable to FY 2020-21; 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 2021-22 include ammunition and equipment for the SWAT Team.

**Police Department
Asset Seizure - 260
FY 2021-22 Annual Budget**

	FY 2018-19 Actual	FY 2019-20 Actual	FY 2020-21 Projected	FY 2021-22 Budget
Beginning Available Balance	\$ 379,564	\$ 368,571	\$ 351,910	\$ 304,047
Revenues				
State/local seizures	31,483	31,196	57,488	75,000
Federal DOJ seizures	60,486	42,663	2,500	2,500
Federal Treasury seizures	-	1,306	500	500
Other Agency	(51,308)	-	-	-
Investment Proceeds	1,524	5,488	-	-
	42,185	80,653	60,488	78,000
Expenditures				
State/local seizures	20,165	97,314	105,851	216,834
Federal DOJ seizures	25,766	-	2,500	2,500
Federal Treasury seizures	7,247	-	-	10,158
	53,178	97,314	108,351	229,492
Transfers				
Transfer In	-	-	-	-
Transfer Out - 025	-	-	-	-
	-	-	-	-
Net Annual Activity	(10,993)	(16,661)	(47,863)	(151,492)
Ending Available Balance	\$ 368,571	\$ 351,910	\$ 304,047	\$ 152,555
Available Balance Calculation				
Cash and Interest Receivable		\$ 351,910		
Vouchers payable		-		
Ending Available Balance		\$ 351,910		

POLICE DEPARTMENT

STATE CITIZENS OPTIONS FOR PUBLIC SAFETY SUBFUND (260-262)

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 economic impacts on sales tax and vehicle license fees can cause revenues to fluctuate. 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 2020-21. 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.
- Two Community Service Officer positions remain funded through this source in FY 2021-22.
- The 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 FY 2021-22 include Professional Standards case maintenance software.

Police Department
State Citizens Options for Public Safety (COPS) - 260
FY 2021-22 Annual Budget

	<u>FY 2018-19</u> <u>Actual</u>	<u>FY 2019-20</u> <u>Actual</u>	<u>FY 2020-21</u> <u>Projected</u>	<u>FY 2021-22</u> <u>Budget</u>
Beginning Available Balance	\$ 50,451	\$ 50,451	\$ 1,146,153	\$ 1,194,427
Revenues				
State COPS Grant	370,148	878,283	707,221	750,000
Investment Proceeds	-	-	-	-
Reimbursements	-	-	5,000	5,000
	<u>370,148</u>	<u>878,283</u>	<u>712,221</u>	<u>755,000</u>
Expenditures				
Salary & Benefits	176,366	181,048	192,422	202,547
Services & Supplies	173,383	311,726	471,525	1,232,316
Other Expenses	20,399	381,646	-	4,452
	<u>370,148</u>	<u>874,420</u>	<u>663,947</u>	<u>1,439,315</u>
Transfers				
Transfer In	-	-	-	-
Transfer Out	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Annual Activity	<u>-</u>	<u>3,863</u>	<u>48,274</u>	<u>(684,315)</u>
Ending Available Balance	\$ 50,451	\$ 54,314	\$ 1,194,427	\$ 510,112
Available Balance Calculation				
Cash and Interest Receivable		\$ 1,154,375		
Accounts Payable		<u>(8,222)</u>		
Fund balance		1,146,153		
Due from Other Governments		-		
Ending Available Balance		<u>\$ 1,146,153</u>		

POLICE DEPARTMENT

POLICE OTHER SPECIAL REVENUE FUND (260)

PROGRAM DESCRIPTION

The Police Department maintains a variety of special revenue programs in this fund, including donations, charges for service, prepaid and reimbursable budget allocations. 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.

Revenues in this fund are derived from donations or charges for services from programs. Supplemental Police Services event contracts are tracked in this fund. Programs accounting for the majority of the fund balance include: San Joaquin County Community Corrections Partnership Taskforce and The Geraldine Schmidt Trust, established to provide a direct benefit to the Stockton Animal Shelter.

KEY CONSIDERATIONS

The Community Corrections Partnership Taskforce, funded through San Joaquin County AB109 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 in 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 2021-22.

The Stockton Police Foundation, established as a non-profit in 2012, accepts private donations to provide financial and material support to programs not otherwise funded by the City's General Fund. Current funding includes Air Support fuel, Unmanned Aerial System (UAS) equipment, and the Stockton Police Observation Truck (SPOT) expenses.

Several local businesses and organizations request additional police services for special events via Supplemental Services Contracts. Planned annual events were canceled in FY 2020-21 due to COVID-19 restrictions. During FY 2021-22, pending the lifting of COVID-19 restrictions, the following contracted services are estimated to generate approximately \$100,000 in revenue:

- Stockton Ports 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

Donations for the Volunteers in Police Service and miscellaneous equipment were negligible in FY 2020-21 due to COVID-19 pandemic. Any funds received are expended in support of these key programs.

Funds from the Geraldine Schmidt Trust are reserved for capital improvements to the Animal Shelter buildings. There are no planned improvements for FY 2021-22.

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 2021-22.

Police Department
Police Special Revenue - 260
FY 2021-22 Annual Budget

	FY 2018-19 Actual	FY 2019-20 Actual	FY 2020-21 Projected	FY 2021-22 Budget
Beginning Available Balance	\$ 615,011	\$ 821,331	\$ 1,562,018	\$ 3,587,093
Revenues				
Pet Overpopulation Program	169,377	152,972	165,527	158,804
Refunds & Reimbursements	4,134,623	1,120,886		
Other Revenue	47,097	(6,520)	1,333,896	55,836
Investment Proceeds	9,348	13,339	1,887,145	102,000
	4,360,445	1,280,677	3,386,568	316,640
Expenditures				
Pet Overpopulation Program	-	69,998	70,000	100,000
Program Expense	4,154,125	1,088,309	1,291,493	1,132,476
	4,154,125	1,158,307	1,361,493	1,232,476
	4,577,451	2,130,041	2,133,791	2,901,283
Transfers				
Transfer In	-	-	-	-
Transfer Out - Capital Fund	-	-	-	-
	-	-	-	-
Net Annual Activity	206,320	122,370	2,025,075	(915,836)
Ending Available Balance	\$ 821,331	\$ 943,701	\$ 3,587,093	\$ 2,671,257
Available Balance Calculation				
Cash and Interest Receivable		\$ 948,240		
Accounts Payable		(22)		
		948,218		
AB109 Balance Transfer		613,800		
Ending Available Balance		\$ 1,562,018		

POLICE DEPARTMENT

SPECIAL GRANTS FUND (280)

PROGRAM DESCRIPTION

Police Department programs are supported by Federal, State, Local, and Corporate Grants. Separate tracking provides accountability for restricted sources of revenue. Major programs currently active in this fund include: Byrne Memorial Justice Assistance funds, Bureau of Justice Assistance Coronavirus Emergency Supplemental Funding, Office of Juvenile Justice and Delinquency Prevention Anti-Gang Programs for Youth, and Office of Traffic Safety Selective Traffic Enforcement Program.

KEY CONSIDERATIONS

Expenditures in this fund vary from year to year based on the grants awarded and the associated performance periods. New grants awarded in FY 2020-21 include:

- Office of Traffic Safety's DUI Enforcement, Distracted Driving, and Checkpoints – funding for various overtime missions and equipment to improve traffic safety.
- Office of Juvenile Justice and Delinquency Prevention's Comprehensive Anti-Gang Programs for Youth – funding overtime missions and undercover operations to support suppression strategies.
- Byrne Memorial Justice Assistance – continued funding for the San Joaquin County Firearms Reduction Consortium, which 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.
- Bureau of Justice Assistance Coronavirus Emergency Supplemental Funding – funding for furnishing and equipment needs of the City's new Emergency Response Center, two tactical response vehicles, communications equipment, and other emergency response supplies.

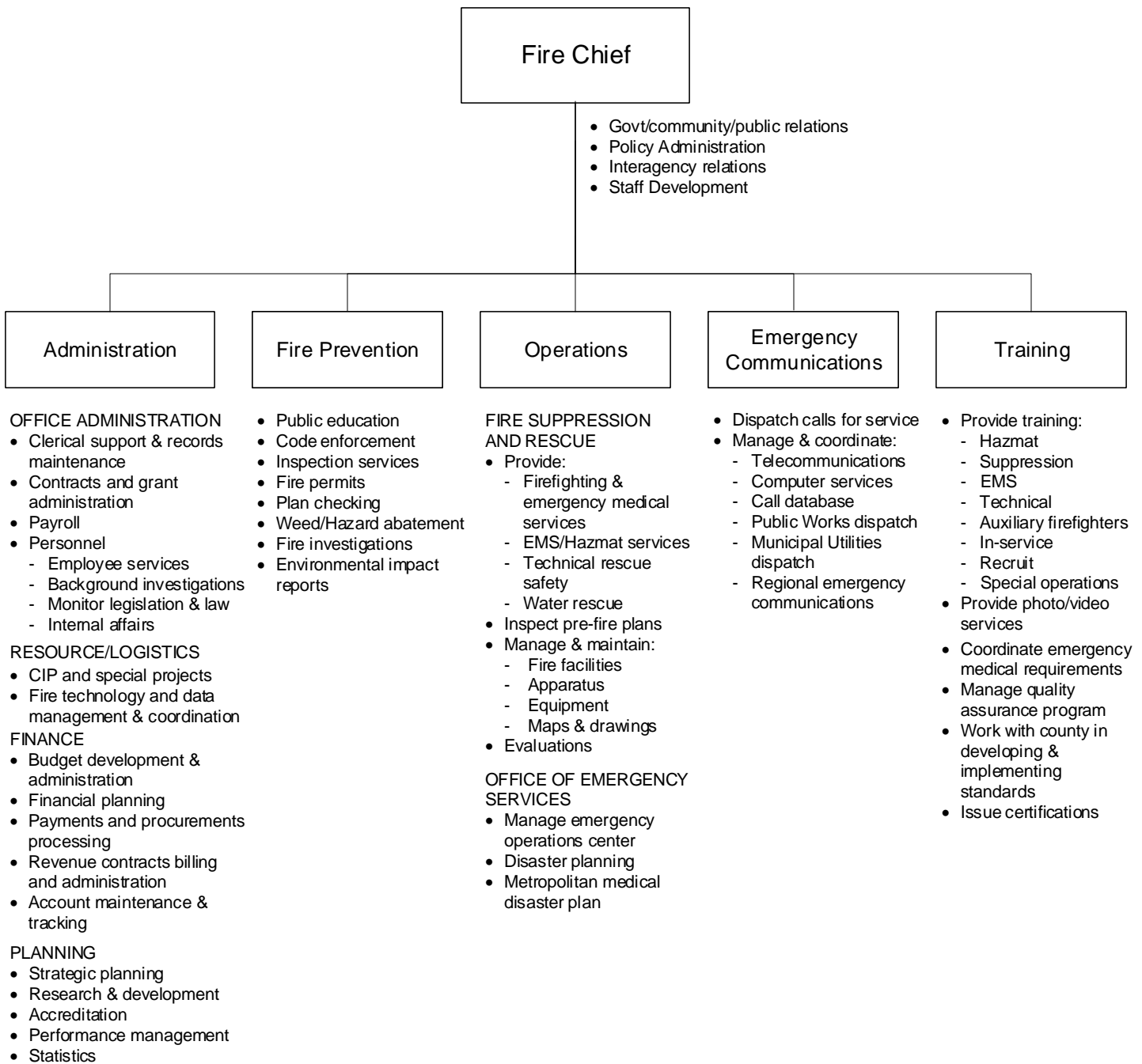
One-time grant funding is appropriated throughout the year as it is received and is not included in the Annual Budget process.

**Police Department
Special Grants - 280
FY 2021-22 Annual Budget**

	<u>FY 2018-19 Actual</u>	<u>FY 2019-20 Actual</u>	<u>FY 2020-21 Projected</u>	<u>FY 2021-22 Budget</u>
Beginning Available Balance	\$ 82,723	\$ 81,808	\$ -	\$ 27,869
Revenues				
Federal Grants	1,046,153	430,688	1,738,155	-
State Grants	370,750	585,143	647,392	-
Other Grants / Donations	114,553	-	30,000	-
Investment Proceeds	(1,241)	-	-	-
	<u>1,530,215</u>	<u>1,015,831</u>	<u>2,415,547</u>	<u>-</u>
Expenditures				
Federal Grants	1,043,779	430,688	2,167,786	-
State Grants	370,753	585,143	189,892	-
Other Grants / Donations	114,506	-	30,000	-
	<u>1,529,038</u>	<u>1,015,831</u>	<u>2,387,678</u>	<u>-</u>
Transfers				
Transfer In - Grant Match - General Fund	(2,092)			
	<u>(2,092)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Annual Activity	(915)	-	27,869	-
Ending Available Balance	\$ 81,808	\$ 81,808	\$ 27,869	\$ 27,869
Available Balance Calculation				
Cash and Interest Receivable		\$ 871,020		
Accounts Payable		<u>(257,220)</u>		
		613,800		
AB109 Balance Transfer		<u>(613,800)</u>		
Ending Available Balance		<u>\$ -</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	\$18,192,626
Total Expenditures	\$62,860,001
Total Net Cost	\$44,667,375
Total Staff	224

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 in the San Joaquin County. The dispatch center also processes after hour calls for Stockton's Municipal Utilities and Public Works departments.

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 \$111,025 from the Federal Emergency Management Agency's FY 2020 Assistance to Firefighters Grant Program – COVID 19 Supplemental, for the purchase of Personal Protective Equipment (PPE) and related supplies to prevent, prepare for, and respond to the Coronavirus.
- Organized a Citywide emergency operations and communications center, provided oversight and coordination of COVID-19 emergency policies and response including Citywide purchases of PPEs and decontamination equipment, employee screening/testing, public vaccination centers, and access to portable restrooms and hand-wash stations near homeless encampments.
- Completed Fire Station Nos. 4, 5, 10, 11, 13, & 14 carpet removal and replaced with polished concrete floors.
- Completed the procurement and installation of three extractors to clean and decontaminate firefighter structural gear.

Operations Division mobilized resources on approximately 46,000 incidents in 2020, which includes 20,078 rescue and emergency medical service responses, 4,093 fires, 593 hazardous conditions, and over 21,000 other calls for emergency services.

- Organized and implemented the Homeless Outreach Team program to coordinate homeless outreach resources and educate the homeless population in the community on COVID-19 and fire prevention.
- Implemented virtual fire station tours to adhere to COVID-19 social distancing requirements.
- Completed the replacement and installation of mobile data computers (MDC) with cellular-enabled Wi-Fi and Tablet Command incident management system in all fire units for real-time location tracking and incident management.
- Replaced a failing 40-year old alerting system with new alerting systems in all twelve fire stations.
- Acquired various systems: a) Hazardous Materials Identification system to improve the analysis and mitigation of unknown substances and to determine the associated hazards, b) surface-supplies air system for the Water Rescue Team, an equipment that will help increase the duration divers can stay underwater to search and rescue victims and also to improve personnel safety; and c) Handtevy Pediatric Emergency Standards System software application that addresses complex pediatric treatment to reduce paramedic procedural errors.

Fire Prevention Division completed 122 school inspections and observed 45 school fire drills for compliance with state-mandated Kindergarten to 8th-grade school fire code requirements. In 2020, staff completed 8,131 fire inspections, 854 fire and building plan checks, 174 plan applications and project reviews, 869 new construction related inspections and 106 formal fire investigations. Staff completed a video for a virtual Fire Prevention Week and conducted 107 hours of public fire safety education activities and events. Overall services performed by the division are significantly lower than the past fiscal year due to temporary community closures required by the State due to COVID-19.

FIRE DEPARTMENT

- Partnered with the Library Division of the Community Services Department in the “Reading with a Firefighter” program.
- Implemented the use of the Emergency Reporting Records Management System for operational fire permits and fire inspections record management and reporting.
- Implemented and provided customers an on-line payment option for plan review services, operational fire permits, fire inspections and false alarm fees.

Training Division

- Completed Fire Training Academy 20-2 in December 2020 and graduated ten new City of Stockton Firefighters.
- As one of the City Council’s priority projects, received additional appropriation to conduct a second Fire Training Academy from a new list of lateral recruits. Fifteen Firefighter trainees successfully completed Fire Training Academy 21-1 and became full-time Stockton Firefighters in May 2021.
- Trained key Fire personnel for the Hazardous Materials Technician and Specialist skill levels.
- Various Fire personnel completed an estimated 26,000 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.

Emergency Communications Division processed over 122,000 requests for service or a daily average of 337 service calls in 2020, a 4% increase in service call volume from the prior year.

- Completed the Fire computer-aided dispatch system upgrade project and replaced the outdated software previously used at the dispatch center to improve receipt and management of emergency service calls from the public.

Senate Bill 438, enacted in October 2019, allowed the Stockton Dispatch Center to resume its ability to receive live 9-1-1 callers and provide emergency medical dispatch services, and continue to dispatch emergency response resources for four agencies throughout the San Joaquin County.

- Hired four new Fire Telecommunicator Call Taker positions to handle the increased volume from 9-1-1 callers as a result of the SB-438 legislation.
- Procured and installed additional office furniture, work stations, communications system enhancements, software, radio and computer equipment and completed improvements at the dispatch center to handle the expanded dispatch operations resulting from the new legislation.
- Implemented the use of the Firstwatch Early Event Detection software for 9-1-1 caller data management, analysis, and reporting for dispatch and suppression operations (NFIRS National Fire Incident Reporting Systems).

FIRE DEPARTMENT

KEY CONSIDERATIONS

The Fire Department FY 2021-22 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 183 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.

With over 180 sworn positions, the department has continuous needs to fill and train new firefighters. The Fire Department budget includes an annual appropriation for a Fire Academy to meet the demand for replacement staff. Due to a high number of employees eligible for retirement in FY 2021-22, an additional one-time appropriation to conduct a second Fire Academy is included in the budget to fill a high number of anticipated vacancies before the end of the fiscal year. The appropriation includes funds to cover the cost of instructors, personal protective equipment for recruits, training materials, books, and certifications.

The Fire Department is increasing the use of available data to improve delivery of services for increased public safety. The Firstwatch Data Management System was purchased for the Emergency Communications Division in 2017 to comply with San Joaquin County emergency medical dispatch requirements. Enhancements to the current Firstwatch system will be implemented to allow for fast and efficient collection of other emergency related data i.e., alarm times, turnout times, travel times, total response times, electronic patient care report (ePCR) clinical quality measurement and protocol monitoring, and forecasting needs for staffing, scheduling, and resource deployment.

The cost of providing dispatch services to Stockton citizens and the communities served by the contracted agencies in San Joaquin County increased by approximately 21% mainly as a result of the expansion of dispatch center operations to meet the requirements of the Senate Bill 438 legislation. The FY 2021-22 Annual Budget includes the full annual cost of six new dispatcher positions; and, annual maintenance and license subscription costs of newly installed computer, telephone and radio equipment and software to handle the increased workload in the dispatch center resulting from the new legislation.

An emergency operations and communications center (EOC) was set-up by the City in 2020 in response to the COVID-19 pandemic. The Fire Department will continue to provide oversight and coordination of emergency policies and response for COVID-19 and any other future emergencies. The FY 2021-22 budget includes an on-going appropriation for annual operating and maintenance costs of the EOC.

Additional funds to complete the Fire Station Exterior Painting project is incorporated in the annual budget. The department will be working with Public Works and Information Technology on the Dispatch Center Uninterruptible Power Supply (UPS) System project to replace the end-of-life UPS equipment that provides continuous emergency back-up power at the Stockton Dispatch Center.



Fire Department
FY 2021-22 Annual Budget

	General Fund 100	Emergency Communication 100-130	Development Services 220	Measure W 200
	<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		\$ 354,130		
Revenues				
Taxes	-	-	-	5,914,500
Program Revenue	4,913,263	4,363,520	3,001,343	-
Other Revenue	-	-	-	-
	4,913,263	4,363,520	3,001,343	5,914,500
Expenditures				
Salary & Benefits	36,415,370	3,172,191	-	5,442,198
Services & Supplies	13,686,080	911,836	-	566,125
Administration Overhead	-	303,550	-	140,600
Fire Prevention & Education	-	-	3,440,988	-
Capital Outlay	50,600	296,449	-	55,000
	50,152,050	4,684,026	3,440,988	6,203,923
Transfers				
Transfer In	-	-	-	-
Transfer Out	-	-	(1,653,000)	-
	-	-	(1,653,000)	-
Net Annual Activity	(45,238,787)	(320,506)	(2,092,645)	(289,423)
Ending Available Balance		\$ 33,624		

Fire Department, Continued
FY 2021-22 Annual Budget

	Special Revenue 260	Fire Total
	<i>See Page E-19</i>	
Beginning Available Balance		
Revenues		
Taxes	-	5,914,500
Program Revenue	-	12,278,126
Other Revenue	-	-
	<u>-</u>	<u>18,192,626</u>
Expenditures		
Salary & Benefits	-	45,029,759
Services & Supplies	32,014	15,196,055
Administration Overhead	-	444,150
Fire Prevention & Education	-	3,440,988
Capital Outlay	-	402,049
	<u>32,014</u>	<u>64,513,001</u>
Transfers		
Transfer In	-	-
Transfer Out	-	(1,653,000)
	<u>-</u>	<u>(1,653,000)</u>
Net Annual Activity	<u>(32,014)</u>	<u>(47,973,375)</u>

Ending Available Balance

Revenues	\$ 18,192,626
Transfers	-
Total Sources	<u>\$ 18,192,626</u>
Expenditures	\$ 64,513,001
Transfers	(1,653,000)
Total Appropriations	<u>\$ 62,860,001</u>



**Fire Department
General Fund - 100**

	FY 2018-19 Actual	FY 2019-20 Actual	FY 2020-21 Projected	FY 2021-22 Budget
Total Fire Department				
Employee Services	\$ 33,308,984	\$ 33,153,662	\$ 34,922,869	\$ 36,415,370
Other Services	7,285,113	7,995,053	9,040,140	10,015,605
Materials and Supplies	1,211,608	1,062,410	1,655,572	1,263,968
Other Expenses	3,205,558	3,146,327	3,109,421	2,406,507
Capital Outlay	367,653	225,682	237,748	50,600
Total	<u>\$ 45,378,916</u>	<u>\$ 45,583,134</u>	<u>\$ 48,965,751</u>	<u>\$ 50,152,050</u>

Administration

Employee Services	2,105,449	2,041,927	2,206,780	2,119,595
Other Services	389,616	466,066	528,706	538,191
Materials and Supplies	29,719	25,925	31,637	34,839
Other Expenses	3,115,875	3,100,835	3,103,753	2,385,267
Total	<u>5,640,659</u>	<u>5,634,753</u>	<u>5,870,876</u>	<u>5,077,892</u>

Fire Suppression

Employee Services	29,861,648	29,943,379	31,369,408	32,910,296
Other Services	4,423,214	4,792,468	5,367,896	5,421,435
Materials and Supplies	1,013,478	951,124	1,275,969	1,033,134
Other Expenses	1,476	-	-	5,300
Capital Outlay	367,653	175,814	150,783	50,600
Total	<u>35,667,469</u>	<u>35,862,785</u>	<u>38,164,056</u>	<u>39,420,765</u>

Safe and Sane Fireworks Program

Employee Services	65,502	33,014	61,618	80,925
Other Services	2,586	4,642	3,315	5,342
Materials and Supplies	2,803	8,364	8,066	10,167
Other Expenses	-	-	-	-
Total	<u>70,891</u>	<u>46,020</u>	<u>72,999</u>	<u>96,434</u>

Training/Emergency Services

Employee Services	1,122,685	1,073,523	1,285,063	1,304,554
Other Services	287,902	291,203	480,808	851,922
Materials and Supplies	165,608	70,381	338,793	185,828
Other Expenses	88,037	45,194	5,618	15,940
Capital Outlay	-	13,487	-	-
Total	<u>1,664,232</u>	<u>1,493,789</u>	<u>2,110,282</u>	<u>2,358,244</u>

Dispatch

Employee Services	153,700	61,819	-	-
Other Services	2,181,795	2,440,674	2,659,415	3,198,715
Materials and Supplies	-	6,616	1,107	-
Other Expenses	170	298	50	-
Capital Outlay	-	36,381	86,965	-
Total	<u>2,335,665</u>	<u>2,545,788</u>	<u>2,747,537</u>	<u>3,198,715</u>

FIRE DEPARTMENT

EMERGENCY COMMUNICATIONS FUND (100-130)

PROGRAM DESCRIPTION

The City provided regional emergency and non-emergency dispatch and administrative services to the San Joaquin County Regional Fire Dispatch Authority (Authority) thru an operating agreement from FY 2017 thru FY 2021. The City entered into separate agreements with South San Joaquin County Fire Authority, City of Lodi, City of Manteca, and Lathrop-Manteca Fire District to provide dispatch services to the communities served by these agencies effective July 1, 2021.

The Emergency Communications Fund accounts for the revenue and expenditures associated with the operations of the Stockton Dispatch Center, the dispatch services contracts, and the associated payments received from contracted agencies.

KEY CONSIDERATIONS

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

- Replace the existing vacant Emergency Communications Manager position and recruit a new Fire Captain to manage operations and personnel of the Stockton Dispatch Center.
- Complete the recruitment of two vacant Fire Telecommunicator positions; and complete the remaining procurements and improvements in the dispatch center for the implementation of the changes required by Senate Bill 438.
- The Citywide Radio Project will replace the end-of-life equipment with a modern radio system that will require an increase in computer equipment. Acquisition and construction of a new radio communications shelter will be completed to house and support the expansion of computer radio equipment in the Dispatch Center.
- 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 a comprehensive communications training and succession planning program.
- Continue to review and update the Emergency Communications Operations Policies & Procedures.

Fire Department
Emergency Communications - 100-130
FY 2021-22 Annual Budget

	<u>FY 2018-19</u> <u>Actual</u>	<u>FY 2019-20</u> <u>Actual</u>	<u>FY 2020-21</u> <u>Projected</u>	<u>FY 2021-22</u> <u>Budget</u>
Beginning Available Balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 354,130</u>
Revenues				
Contract Revenue	2,705,097	3,064,501	3,801,949	1,430,935
Reimbursements	117,120	105,290	115,011	2,932,585
	<u>2,822,217</u>	<u>3,169,791</u>	<u>3,916,960</u>	<u>4,363,520</u>
Expenditures				
Employee Services	1,980,775	2,206,590	2,807,667	3,172,191
Equipment & Technology	589,438	685,010	781,078	711,354
Supplies	13,964	30,619	57,978	85,272
Utilities & Maintenance	94,703	95,938	108,389	115,210
Administrative Expenses	143,337	151,634	222,343	303,550
Capital Outlay	-	-	365,375	296,449
	<u>2,822,217</u>	<u>3,169,791</u>	<u>4,342,830</u>	<u>4,684,026</u>
Transfers				
Transfer In	-	-	780,000	-
Transfer Out	-	-	-	-
	<u>-</u>	<u>-</u>	<u>780,000</u>	<u>-</u>
Net Annual Activity	<u>-</u>	<u>-</u>	<u>354,130</u>	<u>(320,506)</u>
Ending Available Balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 354,130</u>	<u>\$ 33,624</u>
Available Balance Calculation				
Current assets		\$ 114,995		
Current liabilities		(114,995)		
Ending Available Balance		<u>\$ -</u>		

FIRE DEPARTMENT

DEVELOPMENT SERVICES FUND FIRE PREVENTION (220)

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 2021-22:

- Recruit for one new Plan Checker I position to address current and projected workload associated to the City's master services and general growth plan.
- Complete and incorporate recent updates to the Fire Prevention Fee Study and implement the assessment of the restructured fees and other recommendations from the study.
- Complete the implementation of the inspection module of Fire Department's Emergency Reporting Records Management System to include R-2 and school inspection programs.
- Continue to develop a tracking method and initiate data upload for private fire hydrants into the Emergency Reporting Records Management System to ensure compliance with annual inspection and maintenance requirements.
- Increase open-house community outreach events and expand the Public Education Program for fire prevention and life safety.
- Complete the implementation of inspections and issuance of operational permits for food trucks.

**Fire Department
Development Services - 220 (a)
FY 2021-22 Annual Budget**

	FY 2018-19 Actual	FY 2019-20 Actual	FY 2020-21 Projected	FY 2021-22 Budget
Revenues				
Fire Prevention				
User Fees	\$ 2,620,126	\$ 2,713,547	\$ 2,534,471	\$ 2,929,828
Fines & Penalties	79,976	49,968	70,543	70,015
Other Revenue	215	1,160	1,124	1,500
	2,700,317	2,764,675	2,606,138	3,001,343
Expenditures				
Fire Prevention	2,162,209	2,434,639	2,532,857	3,440,988
Fire Public Education	15,341	17,252	-	-
	2,177,550	2,451,891	2,532,857	3,440,988
Transfers				
Transfer In	-	-	-	-
Transfer Out	-	-	-	(1,653,000)
	-	-	-	(1,653,000)
Net Annual Activity	\$ 522,767	\$ 312,784	\$ 73,281	\$ (2,092,645)

(a) The total Development Services Fund - 220 is presented with the Community Development Department on page H-7.

FIRE DEPARTMENT

MEASURE W FUND (200)

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.
- Measure W proceeds are anticipated to increase by 3% from the current year-end projection. Revenues continue to be monitored closely to ensure the long-term affordability of planned expenditures from tax revenues.
- The Economic Uncertainty Fund will be used for the increased cost of maintaining the current service levels as a result of the significant increase in employee benefit costs. Continuing to fund 25 positions is projected to draw down the fund balance in FY 2021-22.
- Measure W tax proceeds will continue to be used for annual new diver training for the Fire Department's Water Rescue Operations Program and will also provide one-time funds for the purchase of additional washer-extractors.
- 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 2021-22, the Fire Department's share of the recommended Economic Uncertainty reserve is approximately \$1.5 million. The overall budget projection indicates that the balance in the Measure W Economic Uncertainty Fund will stay above the program's requirement.

**Fire Department
Measure W - 200 (a)
FY 2021-22 Annual Budget**

	FY 2018-19 Actual	FY 2019-20 Actual	FY 2020-21 Projected	FY 2021-22 Budget
Revenues				
Measure W Sales Tax	\$ 5,830,051	\$ 5,688,479	\$ 5,727,500	\$ 5,914,500
Reimbursements	-	-	-	-
Investment Proceeds	47,827	77,639	-	-
	<u>5,877,878</u>	<u>5,766,118</u>	<u>5,727,500</u>	<u>5,914,500</u>
Expenditures				
Salary & Benefits	4,682,513	4,696,748	5,034,999	5,442,198
Services & Supplies	335,709	379,362	488,013	566,125
Administration Overhead	127,359	115,449	109,008	140,600
Equipment & Maintenance	101,903	258,449	207,424	55,000
	<u>5,247,484</u>	<u>5,450,008</u>	<u>5,839,444</u>	<u>6,203,923</u>
Transfers				
Transfer In	-	-	-	-
Transfer Out	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Annual Activity	<u>\$ 630,394</u>	<u>\$ 316,110</u>	<u>\$ (111,944)</u>	<u>\$ (289,423)</u>

(a) The total Measure W Fund - 200 is presented with the Police Department budget on page D-13.

FIRE DEPARTMENT

FIRE SPECIAL REVENUE FUND (260)

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

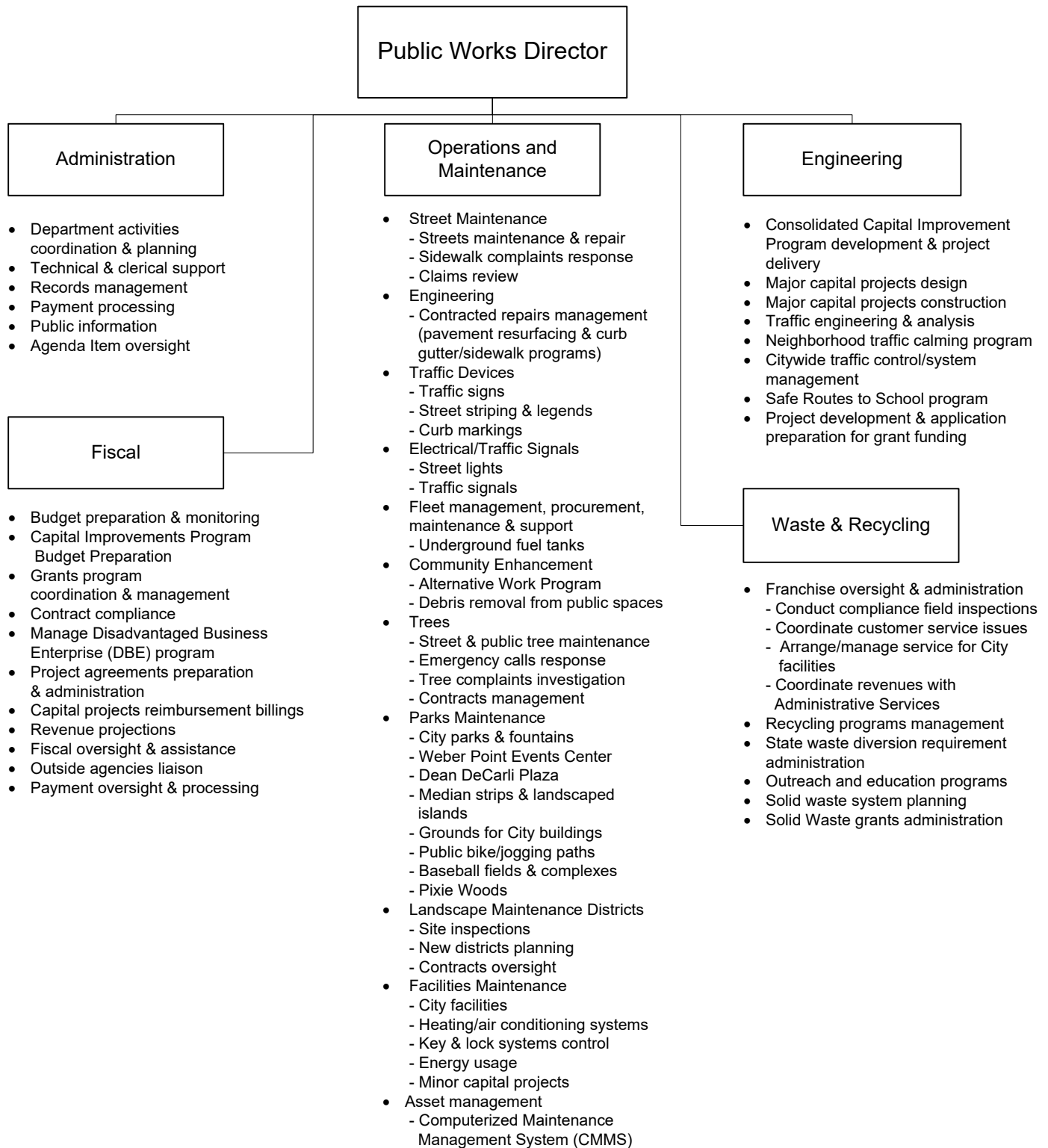
The projected available balance is fully appropriated in anticipation of costs for additional training in specialized emergency rescue operations needed by new firefighters, and supplies and equipment for new programs.

**Fire Department
Special Revenue - 260
FY 2021-22 Annual Budget**

	FY 2018-19 Actual	FY 2019-20 Actual	FY 2020-21 Projected	FY 2021-22 Budget
Revenues				
Program Revenue	\$ -	\$ 136	\$ -	\$ -
Donations			-	-
Other Revenue	1,348	1,368	-	-
	<u>1,348</u>	<u>1,504</u>	<u>-</u>	<u>-</u>
Expenditures				
Program Expenses	12,739	23,198	3,728	32,014
	<u>12,739</u>	<u>23,198</u>	<u>3,728</u>	<u>32,014</u>
Transfers				
Transfer In	-	-	-	-
Transfer Out	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Annual Activity	<u>\$ (11,391)</u>	<u>\$ (21,694)</u>	<u>\$ (3,728)</u>	<u>\$ (32,014)</u>



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	\$45,043,749
Total Expenditures	\$66,280,920
Total Net Cost	\$21,237,171
Total Staff	168

DEPARTMENT DESCRIPTION

Public Works is comprised of four divisions: Engineering, Waste and 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.

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 City Initiative (public recycling and community clean-up events)
- "Clean Sweep" by appointment (bulky waste pick-up)
- Contracted street sweeping services
- Public waste containers in the Downtown area
- Construction/Demolition recycling permits

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:
 - Over 770 miles of roads, pavement striping, and markings
 - Over 1,500 miles of sidewalk,
 - More than 16,000 regulatory/warning signs

PUBLIC WORKS DEPARTMENT

- o 308 traffic signals and over 19,000 street lights
- The Community Enhancement program removes weeds, graffiti, and approximately 2,100 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 the Internal Service Fund (ISF), primarily comprised of rental rates charged to departments to maintain and replace City vehicles. Fleet services manage the City's mixed fleet of approximately 989 vehicles and equipment including emergency service vehicles in addition to maintain the City's 15 fueling sites and regulatory compliance.

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 66 parks, including janitorial, landscape, vandalism repair, and irrigation work.
- Maintenance of approximately 92,510 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, Waste and Recycling, 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 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

PUBLIC WORKS DEPARTMENT

Management System as part of the ERP transition. Waste and recycling operations will focus on implementing franchise provisions designed to comply with state mandates, providing expanded outreach and educational opportunities for residential, commercial and multi-family customers, developing and implementing a program to address illegal dumping while continuing to work with the franchised haulers to address ongoing recycling contamination issues. Fiscal will continue to seek timely reimbursements of Capital Improvement project expenditures from Federal, State and Local funding agencies.

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 Library and Recreation Center, the Miner Avenue Complete Streets project, Neighborhood Traffic Calming Neighborhoods, March Lane East-Bay MUD Bike and Trail project, and other Active Transportation projects addressing pedestrian and bicycle user needs.

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, 770 miles of roads, 308 traffic signals, more than 19,000 street lights and 16,000 regulatory/warning signs. Staff filled over 8,100 potholes and installed over 2,700 signs, replaced sidewalks at 180 locations, replaced 107 street light or traffic signal poles, and removed over 1,100 tons of debris from Mormon Slough.

Waste and Recycling developed the Clean City Initiative Plan with assistance from the City Manager's Office, Public Works Operations and Maintenance, Police Department, Republic Services and Waste Management, completed a Community Clean-up event in District 6 collecting 25.15 tons of trash, 6.2 tons of green waste, 87 mattresses/box springs, 65 appliances, and 72 tires from 235 customer vehicles, performed a condition assessment of 68 public waste containers in the Downtown area for planned replacement in 2021, conducted an audit of utility accounts for customers in California Water Service area for garbage services resulting in 341 account updates, coordinated 148 departmental e-waste collections resulting in 220,291 lbs. of e-waste recycled, distributed over 500 informational tags to customers with uncontainerized leaf piles, processed over 2,000 illegally dumped mattresses through the Bye Bye Mattress program, coordinated with the garbage franchise haulers to service over 6,000 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 2021-22 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

New budgeted Public Works Department expenses in FY 2021-22 are summarized in the table below.

New Request	Description Summary	Funding Source	Approved Amount
Additional Restroom cleaning	Additional daily cleaning of exeloo restrooms	General Fund	37,000
Park drinking fountains	Annual drinking fountain repair and replacement allowance	General Fund	10,000
Annual maintenance of Weber Events Fountain	Annual maintenance of Weber Events Fountain	General Fund	20,000
Homeless Encampment Cleanups	Homeless Encampment Cleanups	General Fund	50,000
Janitorial Contract	Janitorial contract increase and COVID cost increases	General Fund	30,000
Safety Training	Safety Training Videos and Materials	General Fund	10,000
Additional playground wood fiber	Additional playground wood fiber fill for proper fall attenuation	General Fund	22,000
Annual maintenance of EBMUD west of Pershing	Annual maintenance of EBMUD west of Pershing	General Fund	27,900
Annual weed abatement for fire control	Annual weed abatement for fire control	General Fund	10,000
Haz Mat Report and demolition	Haz Mat Report and demolition of Victory Park restroom	General Fund	30,000
Materials for repairs	Materials for Repair at City Parks	General Fund	40,000
Mistletoe infested tree removal	Mistletoe infested tree removal on March Ln between West Ln and Montauban	General Fund	6,000
Stop gap pothole repair at Louis Park	Stop gap pothole repair at Louis Park softball parking lot	General Fund	25,000
Weber Events Center tree trimming	Weber Events Center tree trimming for nighttime visibility and pedestrian clearance (440 trees)	General Fund	57,000



**Public Works Department
FY 2021-22 Annual Budget**

	General Fund 100	Street Maintenance Gas Tax 240-242	Measure K Street Maintenance 250-252	Solid Waste Recycling 255
	<i>See Page F-11</i>	<i>See Page F-13</i>	<i>See Page F-15</i>	<i>See Page F-17</i>
Beginning Available Balance		\$ 2,740,792	\$ 6,034,367	\$ 4,342,996
Revenues				
State Gas Tax	-	14,187,118	-	-
Measure K Sales Tax	-	-	6,077,567	-
Assessments	-	-	-	-
User Fees	-	-	-	3,168,622
Interfund Project Charges	-	-	-	-
Other Revenue	37,659	-	178,139	-
	37,659	14,187,118	6,255,706	3,168,622
Expenditures				
Salary and benefits	7,571,581	4,587,928	-	1,638,276
Operating expenses	9,926,877	3,610,857	4,095,648	1,921,762
Debt service	-	-	-	-
Capital outlay	-	6,184,000	4,209,542	-
	17,498,458	14,382,785	8,305,190	3,560,038
Transfers				
Transfer In	-	-	-	-
Transfer Out	-	-	-	(83,790)
	-	-	-	(83,790)
Net Annual Activity	(17,460,799)	(195,667)	(2,049,484)	(475,206)
Ending Available Balance		\$ 2,545,125	\$ 3,984,883	\$ 3,867,790

Public Works Department, Continued
FY 2021-22 Annual Budget

	Lighting Maintenance 270	Capital Project Administration 300	Fleet Services 500	Public Works Total
	<i>See Page F-20</i>		<i>See Page N-9</i>	
	\$ 14,727,104	\$ -	\$ 11,286,276	
Revenues				
State Gas Tax	-	-	-	14,187,118
Measure K Sales Tax	-	-	-	6,077,567
Assessments	3,766,500	-	-	3,766,500
User Fees	-	-	13,242,624	16,411,246
Interfund Project Charges	-	4,085,520	-	4,085,520
Other Revenue	-	-	300,000	515,798
	3,766,500	4,085,520	13,542,624	45,043,749
				-
Expenditures				
Salary and benefits	-	4,085,520	-	17,883,305
Operating expenses	5,125,140	-	8,713,398	33,393,682
Debt service	-	-	745,230	745,230
Capital outlay	-	-	3,774,159	14,167,701
	5,125,140	4,085,520	13,232,787	66,189,918
				-
Transfers				
Transfer In	-	-	-	-
Transfer Out	(7,212)	-	-	(91,002)
	(7,212)	-	-	(91,002)
Net Annual Activity	(1,365,852)	-	309,837	(21,237,171)
	\$ 13,361,252	\$ -	\$ 11,596,113	

Revenues	\$ 45,043,749
Transfers	-
Total Sources	\$ 45,043,749

Expenditures	\$ 66,189,918
Transfers	91,002
Total Appropriations	\$ 66,280,920



**Public Works Department
General Fund - 100
FY 2021-22 Annual Budget**

	FY 2018-19 Actual	FY 2019-20 Actual	FY 2020-21 Projected	FY 2021-22 Budget
Total Public Works Department				
Employee Services	\$ 5,394,835	\$ 6,235,146	\$ 6,829,087	\$ 7,571,581
Other Services	6,969,712	7,746,030	10,920,070	9,018,950
Materials and Supplies	786,590	745,849	822,524	811,627
Other Expenses	47,252	88,473	20,840	96,300
Capital Outlay	-	15,470	-	-
Total	<u>\$ 13,198,389</u>	<u>\$ 14,830,968</u>	<u>\$ 18,592,521</u>	<u>\$ 17,498,458</u>

Administration

Employee Services	1,153,493	1,271,018	1,284,150	2,570,506
Other Services	386,368	303,569	605,936	660,482
Materials and Supplies	15,052	12,891	19,090	18,218
Other Expenses	13,680	7,169	8,142	11,500
Capital Outlay	-	-	-	-
Total	<u>1,568,593</u>	<u>1,594,647</u>	<u>1,917,318</u>	<u>3,260,706</u>

Operations & Maintenance

Employee Services	1,204,012	1,794,151	2,103,550	1,212,452
Other Services	451,204	651,173	1,160,249	647,570
Materials and Supplies	77,620	32,833	86,650	69,369
Other Expenses	14,559	14,388	6,130	49,900
Total	<u>1,747,395</u>	<u>2,492,545</u>	<u>3,356,579</u>	<u>1,979,291</u>

Parks & Street Trees

Employee Services	1,012,275	989,467	1,060,805	1,236,559
Other Services	4,450,926	5,126,398	7,114,248	5,779,918
Materials and Supplies	235,038	230,007	142,518	291,282
Other Expenses	8,850	47,353	5,650	10,900
Capital Outlay	-	-	-	-
Total	<u>5,707,089</u>	<u>6,393,225</u>	<u>8,323,221</u>	<u>7,318,659</u>

Facilities Maintenance

Employee Services	2,025,055	2,180,510	2,380,582	2,552,064
Other Services	1,681,214	1,664,890	2,039,637	1,930,980
Materials and Supplies	458,880	470,118	574,266	432,758
Other Expenses	10,163	19,563	918	24,000
Capital Outlay	-	15,470	-	-
Total	<u>4,175,312</u>	<u>4,350,551</u>	<u>4,995,403</u>	<u>4,939,802</u>

PUBLIC WORKS DEPARTMENT

GAS TAX FUND (240)

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 770 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 (SB1-the Road Repair and Accountability Act of 2017) to fix roads, freeways, and bridges in communities across California. SB1 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 2021-22 RMRA funding allocation is estimated to be almost \$6.2 million, and these projects are included in the CIP:

- \$3.85 million is allocated to the Local Streets Resurfacing Project
- \$1.45 million is allocated to the Curb, Gutter, and Sidewalk Replacement Project
- \$347,000 is allocated to the Residential Streetlight LED Replacement Project
- \$231,000 is allocated to the Streetlight Pole Replacement project
- \$306,000 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 are dependent on fuel prices and usage. Third party revenue estimates project growth in FY 2021-22 after flat revenues in FY 2020-21. If economic impacts result in lower revenues in FY 2021-22, the above street projects scopes will be reduced.

**Public Works Department
Gas Tax - 240-242
FY 2021-22 Annual Budget**

	FY 2018-19 Actual	FY 2019-20 Actual	FY 2020-21 Projected	FY 2021-22 Budget
Beginning Available Balance	\$ 2,944,725	\$ 6,406,171	\$ 2,546,487	\$ 2,740,792
Revenues				
State Gas Tax	10,735,493	10,074,402	12,915,165	14,187,118
Prop 42 Replacement Gas Tax	1,408,020	2,537,478	-	-
Refunds and reimbursements	98,983	103,619	83,189	-
Investment Proceeds	145,350	354,056	100,000	-
	12,387,846	13,069,555	13,098,354	14,187,118
Expenditures				
Salary and benefits	3,888,136	3,847,276	3,977,142	4,587,928
Maintenance and repair services	483,788	204,996	730,929	355,000
Insurance premiums	115,400	130,659	30,228	218,977
Auto equipment rental	936,496	952,618	1,019,713	1,136,650
Computer/Tech/Operating support	422,676	233,779	230,728	164,327
Engineering services	23,500	(950)	-	-
Construction services	3,600	4,418	281,827	80,327
Materials and supplies	457,143	274,967	354,914	327,000
Fuels - gas/oil/propane	115,662	109,131	130,382	104,344
All other expenses	852,612	899,934	872,486	1,224,232
Capital projects	1,627,387	4,855,493	5,275,700	6,184,000
	8,926,400	11,512,321	12,904,049	14,382,785
Transfers				
Transfer In	-	-	-	-
Transfer Out	-	-	-	-
	-	-	-	-
Net Annual Activity	3,461,446	1,557,234	194,305	(195,667)
Ending Available Balance	\$ 6,406,171	\$ 7,963,405	\$ 2,740,792	\$ 2,545,125
Available Balance Calculation				
Current assets		\$ 8,962,612		
Current liabilities		(999,207)		
Fund balance		7,963,405		
Capital Appropriation		(5,416,918)		
Ending Available Balance		\$ 2,546,487		

PUBLIC WORKS DEPARTMENT

MEASURE K MAINTENANCE FUND (250)

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).

Of the sales tax revenue collected, 35% 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 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 \$22.8 million in state and federally-funded projects that involve new safety improvements, bicycle and pedestrian 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 2021-22 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 - 250-252
FY 2021-22 Annual Budget**

	FY 2018-19 Actual	FY 2019-20 Actual	FY 2020-21 Projected	FY 2021-22 Budget
Beginning Available Balance	\$ 14,022,608	\$ 15,981,295	\$ 6,566,647	\$ 6,034,367
Revenues				
Sales Tax	5,573,997	5,490,483	5,893,585	6,077,567
Investment Proceeds	395,179	815,585	285,000	178,139
Other Revenues	89,296	1,743,739	22,140	-
	6,058,471	8,049,807	6,200,725	6,255,706
Expenditures				
Operating	3,012,835	2,713,290	3,193,036	4,095,648
Capital projects	1,086,949	1,233,408	3,539,969	4,209,542
	4,099,784	3,946,698	6,733,005	8,305,190
Transfers				
Transfer In	-	-		
Transfer Out	-	-		
	-	-	-	-
Net Annual Activity	1,958,687	4,103,109	(532,280)	(2,049,484)
Ending Available Balance	\$ 15,981,295	\$ 20,084,404	\$ 6,034,367	\$ 3,984,883
Available Balance Calculation				
Current assets		\$ 20,476,334		
Current liabilities		(391,931)		
Fund balance		20,084,403		
Capital Appropriation		(13,517,756)		
Ending Available Balance		\$ 6,566,647		

PUBLIC WORKS DEPARTMENT

WASTE AND RECYCLING FUND (255)

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 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 franchise provisions which address state requirements. This division administers the waste hauler franchise agreements to ensure customers receive high quality services while making progress toward changing state requirements for diversion and organics processing. Addressing recycling and organic waste contamination issues continue to be a focus.

**Public Works Department
Solid Waste & Recycling - 255
FY 2021-22 Annual Budget**

	FY 2018-19 Actual	FY 2019-20 Actual	FY 2020-21 Projected	FY 2021-22 Budget
Beginning Available Balance	\$ 1,927,683	\$ 2,249,625	\$ 2,800,366	\$ 4,342,996
Revenues				
Recycling Fees	1,658,540	1,908,516	3,143,194	3,168,622
Investment Proceeds	83,084	118,238	20,000	-
Other Revenues	45,204	41,583	40,000	-
	1,786,828	2,068,337	3,203,194	3,168,622
Expenditures				
Salaries and Benefits	938,117	1,029,673	1,179,478	1,638,276
Rents and Support	102,985	124,606	104,733	152,410
Professional & Special Services	281,398	145,527	127,960	959,813
Materials and Supplies	27,491	36,223	50,000	202,979
Training & Travel	7,591	12,100	1,600	76,200
Indirect Costs	83,411	88,941	193,843	199,960
All Other Expenses	23,893	80,525	2,950	330,400
	1,464,886	1,517,595	1,660,564	3,560,038
Transfers				
Transfer In	-	-	-	-
Transfer Out - Capital	-	-	-	(83,790)
	-	-	-	(83,790)
Net Annual Activity	321,942	550,742	1,542,630	(475,206)
Ending Available Balance	\$ 2,249,625	\$ 2,800,367	\$ 4,342,996	\$ 3,867,790
Available Balance Calculation				
Current assets		\$ 2,840,531		
Current liabilities		(40,165)		
Ending Available Balance		\$ 2,800,366		

PUBLIC WORKS DEPARTMENT

LIGHTING ASSESSMENT DISTRICT FUND (270)

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 2020-21 and will not cover projected operating costs calculated in the Engineer's report.

STOCKTON CONSOLIDATED LANDSCAPE MAINTENANCE ASSESSMENT DISTRICT 96-2 FUND (270)

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 by contractors typically includes mowing, edging, trash collection, irrigation system operation and repairs, and replanting of landscape.

KEY CONSIDERATIONS

The assessment will remain the same for FY 2021-22 for the seven zones with fixed assessments. (For the remaining 20 zones where the assessment formula provides for adjustment, the maximum allowable assessment will be increased by 3%; however, the actual annual assessment

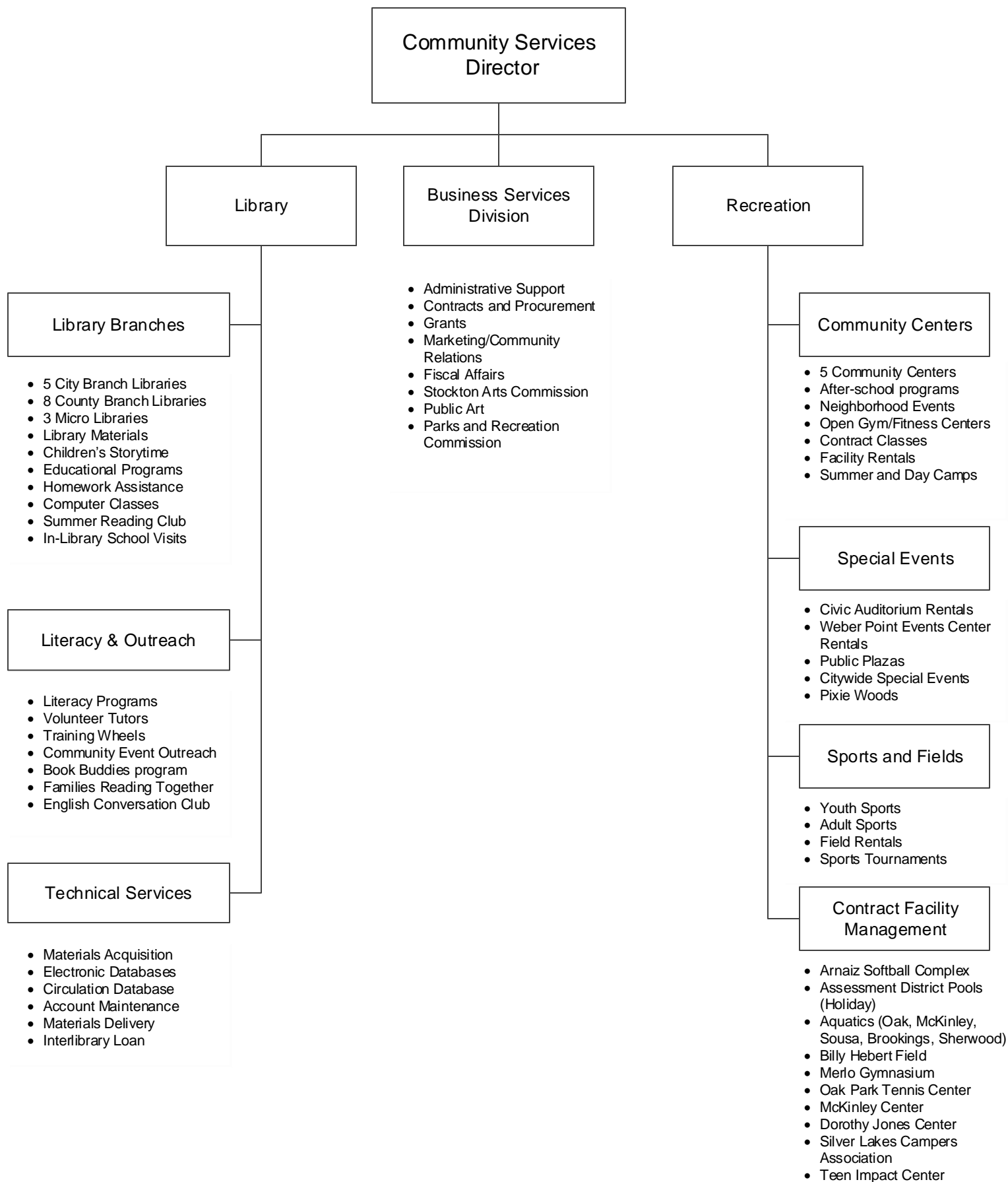
PUBLIC WORKS DEPARTMENT

for FY 2021-22 will not change from the assessment levied in FY 2020-21.) The overall FY 2021-22 budget increase of approximately \$40,000 is attributable to a small increase in number of new single-family homes in the Westlake Villages development in northwest Stockton.

**Public Works Department
Maintenance Districts - 270
FY 2021-22 Annual Budget**

	FY 2018-19 Actual	FY 2019-20 Actual	FY 2020-21 Projected	FY 2021-22 Budget
Beginning Available Balance	\$ 12,755,826	\$ 13,923,988	\$ 14,860,664	\$ 14,727,104
Revenues				
Assessments				
Lighting Maintenance Districts	15,821	15,821	15,821	15,813
Landscape Maintenance Districts	3,370,177	3,457,707	3,729,795	3,750,687
Investment Proceeds	533,009	587,976	16,750	-
	3,919,007	4,061,504	3,762,366	3,766,500
Expenditures				
Operations				
Lighting Maintenance Districts	16,507	13,712	15,342	52,539
Landscape Maintenance Districts	2,734,338	3,111,116	3,873,372	5,072,601
	2,750,845	3,124,828	3,888,714	5,125,140
Transfers				
Transfer In	-	-	-	-
Transfer Out	-	-	(7,212)	(7,212)
	-	-	(7,212)	(7,212)
Net Annual Activity	1,168,162	936,676	(133,560)	(1,365,852)
Ending Available Balance	\$ 13,923,988	\$ 14,860,664	\$ 14,727,104	\$ 13,361,252
Available Balance Calculation				
Cash & Interest Receivable		\$ 14,966,840		
Accounts receivable		58,164		
Accounts payable		(164,340)		
Ending Available Balance		\$ 14,860,664		

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	\$29,075,989
Total Expenditures	\$30,701,995
Total Net Cost	\$1,626,006
Total Staff	114

DEPARTMENT DESCRIPTION

Community Services has two primary 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, supplemental food distribution, afternoon supper for youth, day camps, after-school programs, instructional classes, and a variety of other community engagement 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 enhanced 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

COMMUNITY SERVICES DEPARTMENT

Management, Inc., which began January 2020. Van Buskirk Golf Course was closed July 31, 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 and the Stockton Arts Commission.

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.

In support of Council strategy #4 to positively impact the overall community well-being, Library goals for the coming year include:

- Removing barriers to access by providing device and connectivity support for the most underserved areas.
- Enhancing customer experiences on the Library website, decentralizing library services through pop-up locations and other delivery options.
- Continuing to build on the virtual programming success realized during the pandemic.
- Recreation goals focused on increasing community engagement include:
- Upgrading and improving sport fields and complexes.
- Enhancing teen programming. Bringing recreation programs to local parks and communities.
- Consistently evaluating all program offerings.

Department infrastructure improvements include continued work on capital projects designated in the Strong Communities expenditure plan. Priorities include:

- Soccer field improvements.
- Construction on the new Library and Community Center.
- Repair and renovation of pools. The McKinley Park Renovation, which received \$8.5 million in State grant funds from Proposition 68, is currently in the design and construction phase of the project.

The Department will also continue its efforts to support the community during the COVID-19 pandemic while it finds its way toward a more normal operation. Virtual programming, food distribution, library curbside service and community morale initiatives will continue as facilities transition to reopening and safely welcoming people back into spaces.

PRIOR YEAR ACCOMPLISHMENTS

The Department's major accomplishments include developing and implementing safe curbside delivery services, creating an eCard for immediate access to the Library's digital resources, providing an array of virtual programming for all ages, and implementing a robust and modern messaging system for patron holds and information. The Department also increased its sports

COMMUNITY SERVICES DEPARTMENT

programming by 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 COVID pandemic necessitated the closure of facilities, including libraries, community centers, and sports fields and complexes. While circulation of physical materials decreased, patrons' use of digital books, audiobooks, and magazines increased. The Library partnered with several school districts to provide access to the Library's Overdrive eBook collection for area students and implemented virtual class visits to promote online homework help, test preparation, and research resources. Recreation introduced a variety of new programs, replacing in-person activities with virtual and "grab and go" events. Staff also distributed over 5,000 meals on average per month through the community centers, offered family "drive through" programs, and began offering electronic sports (Esports) tournaments. Library and Recreation staff developed a robust slate of online virtual programs including arts and crafts, story-times, sports tips and drills, book clubs, and highlighting community resources. Staff collaborated to offer a Distance Learning Camp for the children of City staff who needed a safe, productive environment to learn while their parents serve the citizens of Stockton.

KEY CONSIDERATIONS

Key considerations for FY 2021-22 include:

- Utilizing high-speed bandwidth to create innovative programs.
- Deploying library and recreation programming to the most under-served parts of the community.
- Developing an operational plan for the new Northeast Library and Recreation Community Center.
- Utilizing \$8.5 million of State grant funds to renovate McKinley Park.
- Managing existing Community Services capital projects.
- Researching current Recreation cost recovery levels to inform decision-making.
- Focusing staff resources on improving program quality and evaluation.

COMMUNITY SERVICES DEPARTMENT

New budgeted Community Services Department expenses in FY 2021-22 are summarized in the following table.

New Request	Description Summary	Funding Source	Approved Amount
Community Centers	Re-introduction of the theater program	Strong Communities/ Measure M	6,000
Library Staff Copiers	Copiers at Angelou Library, Troke Library, Linden Library, Manteca Library, Ripon Library, and Tracy Library	General Fund and reimbursement from San Joaquin County Library System Agreement	41,764
Microfilm Maintenance and Replacement	At Chavez Library, Manteca Library, and Tracy Library	General Fund and reimbursement from San Joaquin County Library System Agreement	23,350
Hotspot Lending	Hotspot lending - City	Strong Communities/ Measure M	10,000
	Hotspot lending - County	Reimbursement from San Joaquin County Library System Agreement	10,000
Increased Security	Increased security for Ripon library.	Other - reimbursement from San Joaquin County Library System Agreement	6,000
Renovation for Manteca Branch Library	Manteca library ADA remodel project	Reimbursement from San Joaquin County Library System Agreement	190,000
Renovation for Weston Ranch Branch Library	Weston library furniture refresh	Strong Communities/ Measure M	25,000
Special Events	Additional concerts in the park, Showmobile towing, and public meeting services	General Fund - Ongoing	28,450
Sports	Louis Park and Misty Holt Singh Softball complex cinder/clay infield mix	General Fund - Ongoing	13,200
	McNair soccer complex grass seeding	General Fund - Ongoing	10,000
	Soccer complex restroom and play area maintenance	Strong Communities/ Measure M	16,000

COMMUNITY SERVICES DEPARTMENT

New Request	Description Summary	Funding Source	Approved Amount
Teen Center repairs and operations	Teen Center Building IT equipment	General Fund - One Time	50,000
	Teen Center janitorial, maintenance, and security	Strong Communities/ Measure M	40,000

**Community Services Department
FY 2021-22 Annual Budget**

	Strong Communities 210	Library 100-120	Recreation 100-125	Golf 650
	<i>See Page G-11</i>	<i>See Page G-13</i>	<i>See Page G-15</i>	<i>See Page G-17</i>
Beginning Available Balance	\$ 9,726,545	\$ 2,077,097	\$ 202,092	\$ 192,508
Revenues				
Measure M Sales Tax	12,077,000	-	-	-
San Joaquin County Contract	-	7,240,000	-	-
Additional Hours Contracts	-	163,320	-	-
Fines	-	263,249	-	-
Other Revenues	100,000	50,535	6,338	-
Recreation Programs	-	-	790,511	-
Community Centers	-	-	448,586	-
	12,177,000	7,717,104	1,245,435	-
Expenditures				
Administration	894,487	1,804,742	1,274,623	-
Library Operations	3,252,326	11,611,537	-	-
Recreation Programs	4,408,432	-	1,257,282	-
Civic Auditorium	-	-	559,754	-
Community Centers	-	-	1,849,360	-
Other Programs	-	-	-	348,047
Capital Projects	3,235,000	-	-	-
	11,790,245	13,416,279	4,941,019	348,047
Transfers				
Transfer In - General Fund	-	4,068,000	3,497,150	350,000
Transfer In - Other	-	-	-	-
Transfer Out	-	-	-	-
	-	4,068,000	3,497,150	350,000
Net Annual Activity	386,755	(1,631,175)	(198,434)	1,953
Ending Available Balance	\$ 10,113,300	\$ 445,922	\$ 3,658	\$ 194,461

**Community Services Department
FY 2021-22 Annual Budget**

	Special Revenue 260	Permanent 800	Community Services Total
	<i>See Page G-18</i>	<i>See Page G-19</i>	
Beginning Available Balance		\$ 199,240	\$ 12,397,482
Revenues			
Measure M Sales Tax	-	-	12,077,000
San Joaquin County Contract	-	-	7,240,000
Additional Hours Contracts	-	-	163,320
Fines	-	-	263,249
Other Revenues	20,000	1,300	178,173
Recreation Programs	-	-	790,511
Community Centers	-	-	448,586
	20,000	1,300	21,160,839
Expenditures			
Administration	-	-	3,973,852
Library Operations	-	-	14,863,863
Recreation Programs	-	-	5,665,714
Civic Auditorium	-	-	559,754
Community Centers	-	-	1,849,360
Other Programs	206,405	-	554,452
Capital Projects	-	-	3,235,000
	206,405	-	30,701,995
Transfers			
Transfer In - General Fund - 100	-	-	7,915,150
Transfer In - Other	-	-	-
Transfer Out	-	-	-
	-	-	7,915,150
Net Annual Activity	(186,405)	1,300	(1,626,006)
Ending Available Balance		\$ 200,540	\$ 10,771,476
		Revenues	\$ 21,160,839
		Transfers	7,915,150
		Total Sources	\$ 29,075,989
		Expenditures	\$ 30,701,995
		Transfers	-
		Total Appropriations	\$ 30,701,995

COMMUNITY SERVICES DEPARTMENT

STRONG COMMUNITIES FUND (210)

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 \$11.5 million in FY 2020-21. Revenues are expected to increase slightly to \$12.1 million in FY 2021-22.

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

KEY CONSIDERATIONS

The Strong Communities Expenditure Plan is being updated to reflect changes in anticipated revenues and expenditures. 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 softball and soccer facilities. Funding for these improvements is included as a new request in the FY 2021-22 Budget.
- Provide resources for the construction of a new Library and Community Center facility in Northeast Stockton. Groundbreaking for the Northeast Stockton facility occurred in March 2021.
- Initiate design for Chavez Library renovation.
- Update worn furnishings at the Weston Ranch Library to create a safe and welcoming space.
- Re-introduce a theater program for youth, to be offered in conjunction with seasonal camp programs, after school programs, and as a stand-alone instructional class.
- Expand access for community members by seeking funding opportunities to purchase computer devices and Wi-Fi enabled hotspots for loan to library patrons.
- Complete improvements at the Stockton Soccer Complex including the parking lot, addition of a children's play area and new restrooms, and provide ongoing maintenance and janitorial services.
- Provide ongoing maintenance and security at the Teen Impact Center.

Community Services Department
Strong Communities - 210
FY 2021-22 Annual Budget

	FY 2018-19 Actual	FY 2019-20 Actual	FY 2020-21 Projected	FY 2021-22 Budget
Beginning Available Balance	\$ 9,758,294	\$ 15,615,599	\$ 4,763,316	\$ 9,726,545
Revenues				
Measure M Sales Tax	11,680,005	11,363,216	11,528,000	12,077,000
Investment Proceeds	258,118	484,788	135,000	100,000
	11,938,123	11,848,004	11,663,000	12,177,000
Expenditures				
Administration	407,675	535,849	689,610	640,287
Library Programs	2,427,095	2,500,146	2,623,188	3,252,326
Recreation Programs	2,866,414	3,005,326	2,822,123	4,408,432
Tax Collection & Audit Costs	299,059	230,072	238,300	254,200
Capital Projects	80,575	337,534	326,550	3,235,000
	6,080,818	6,608,927	6,699,771	11,790,245
Transfers				
Transfer In	-	-	-	-
Transfer Out	-	-	-	-
	-	-	-	-
Net Annual Activity	5,857,305	5,239,077	4,963,229	386,755
Ending Available Balance	\$ 15,615,599	\$ 20,854,676	\$ 9,726,545	\$ 10,113,300
Available Balance Calculation				
Current Assets		\$ 21,302,705		
Current Liabilities		(717,498)		
Capital Projects		(15,821,891)		
Ending Available Balance		\$ 4,763,316		

COMMUNITY SERVICES DEPARTMENT

LIBRARY FUND (100-120)

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

While many expanded services are funded through Strong Communities, the General Fund supports core library services and centralized functions with an allocation to the Library Fund. 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 have been negatively impacted by the worldwide pandemic, the amount allocated to Library Services has not been reduced. The amount will be increased by \$83,000 to \$4.1 million in FY 2021-22. This maintenance of effort requirement is reviewed annually to ensure compliance with the measure.

In FY 2021-22, the Library will continue to focus on identifying services, resources, and programming that is responsive and reflective of community interests and needs. Goals include:

- Providing new microfilm machines at several branches.
- Providing a better library user experience on the Library website and catalog through redesign.
- Exploring innovative delivery options to meet changing customer needs.
- Continuing virtual programming and virtual class visits to support elementary age students.

In FY 2020-21 the Mountain House Community Services District completed the construction of a new Library space for the system's branch at this location, making it the second largest branch in the system. The new library offers an expansive collection of over 20,000 items, a Maker Space, program room, and study rooms. The Library has included a request in the FY 2021-22 Budget for two new Library Assistant positions to serve this growing community at the expanded branch.

The FY 2021-22 budget includes funding for a renovation at the Manteca Library to provide ADA compliant service points, revamp shelving, and update furnishings throughout the building. Finally, a request was made to the County to supplement Ripon's security to include Saturday hours.

**Community Services Department
Library - 100-120
FY 2021-22 Annual Budget**

	FY 2018-19 Actual	FY 2019-20 Actual	FY 2020-21 Projected	FY 2021-22 Budget
Beginning Available Balance	\$ 3,558,861	\$ 3,017,811	\$ 2,896,795	\$ 2,077,097
Revenues				
San Joaquin County	6,240,000	7,299,527	6,939,025	7,240,000
Additional Hours Contracts	163,180	163,300	-	163,320
Fines & Fees	224,019	210,605	71,954	263,249
Other Revenues	159,389	127,268	3,755	50,535
	6,786,588	7,800,700	7,014,734	7,717,104
Expenditures				
Administration	1,403,026	2,383,869	1,421,317	1,603,686
Programming and Outreach	543,954	521,814	520,137	570,207
Technical Services	646,709	579,634	636,318	737,685
Branch Operations				
Branch Operations - County	5,150,837	5,085,594	5,570,907	6,533,375
Branch Operations - City	3,426,960	3,178,284	3,490,815	3,770,270
Delivery Services	140,652	157,022	179,438	201,056
	11,312,138	11,906,217	11,818,932	13,416,279
Transfers				
Transfer In - General Fund	3,984,500	3,984,500	3,984,500	4,068,000
Transfer In - Other	-	-	-	-
Transfer Out	-	-	-	-
	3,984,500	3,984,500	3,984,500	4,068,000
Net Annual Activity	(541,050)	(121,017)	(819,698)	(1,631,175)
Ending Available Balance	\$ 3,017,811	\$ 2,896,794	\$ 2,077,097	\$ 445,922
Available Balance Calculation				
Current Assets		\$ 3,493,208		
Current Liabilities		(596,413)		
Ending Available Balance		<u>\$ 2,896,795</u>		

COMMUNITY SERVICES DEPARTMENT

RECREATION FUND (100-125)

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 ordinance states that the 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 General Fund revenues have been negatively impacted by the worldwide pandemic, the amount allocated to Recreation Services has not been reduced, and will be increased by \$102,000 to \$3.5 million in FY 2021-22. This increase was made possible by an offset reduction to the Golf Fund.

Recreation staff will continue its efforts to implement new ways of providing recreation to our community, while following health protocols. Goals include:

- Enhanced virtual programs (including Esports).
- Youth seasonal camps, after-school programs, and instructional classes relocated outdoors for safety.
- Limited high contact youth sports.
- New clinics and skill-based competitions for Adult Sports participants.
- Staff will add locations for the popular concert in the park series.
- The expansion of drive-in movie events will take the place of high density/large public gathering events until State guidelines allow those activities.

The City will address deferred maintenance at Misty Holt-Singh and Louis Park Softball Complexes. At McNair Soccer Complex, a seeding program will repair the field to improve the quality and safety of playing surfaces while reducing the impact of dust to neighboring homes.

For FY 2021-22, the City will begin managing the operations of the Teen Impact Center. Once privately operated, this downtown location will remain open for youth sports and education activities. Special Events and Sports & Field staff will be relocated to the Teen Impact Center to provide residents with a central location to register for events or sports teams. To facilitate the move, the FY 2021-22 Budget includes an additional \$50,000 for workstations, IT network access, janitorial, maintenance, and security costs.

**Community Services Department
Recreation Services - 100-125
FY 2021-22 Annual Budget**

	<u>FY 2018-19 Actual</u>	<u>FY 2019-20 Actual</u>	<u>FY 2020-21 Projected</u>	<u>FY 2021-22 Budget</u>
Beginning Available Balance	\$ 704,389	\$ 676,659	\$ 481,907	\$ 202,092
Revenues				
Recreation Programs	663,344	658,894	14,012	790,511
Facility Admission and Rentals	-	-	-	-
Community Centers	458,113	345,489	18,837	448,586
Other Revenue	22,935	45,512	934	6,338
	<u>1,144,392</u>	<u>1,049,895</u>	<u>33,783</u>	<u>1,245,435</u>
Expenditures				
Administration	1,266,290	1,560,355	1,087,126	1,274,623
Civic Auditorium	553,335	494,130	469,188	559,754
Community Centers	1,642,658	1,684,077	1,606,788	1,849,360
Pixie Woods	211,063	217,211	284,098	349,686
Programs - After School	-	-	-	-
Programs - Sports	860,505	592,732	647,398	819,646
Special Events	33,771	91,642	59,500	87,950
	<u>4,567,622</u>	<u>4,640,147</u>	<u>4,154,098</u>	<u>4,941,019</u>
Transfers				
Transfer In	3,395,500	3,395,500	3,840,500	3,497,150
Transfer Out - Other	-	-	-	-
	<u>3,395,500</u>	<u>3,395,500</u>	<u>3,840,500</u>	<u>3,497,150</u>
Net Annual Activity	(27,730)	(194,752)	(279,815)	(198,434)
Ending Available Balance	\$ 676,659	\$ 481,907	\$ 202,092	\$ 3,658
Available Balance Calculation				
Current Assets		824,872		
Current Liabilities		(342,965)		
Ending Available Balance		<u>\$ 481,907</u>		

COMMUNITY SERVICES DEPARTMENT

GOLF FUND (650)

PROGRAM DESCRIPTION

This fund tracks the financial activities related to the operation and maintenance of the Swenson Golf Course and the former Van Buskirk course. 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. While Kemper Sports is currently responsible for overall maintenance and repair of the golf course, the City is responsible for 25 percent of the cost to maintain, repair, or replace the water pump used primarily for the golf course, but also serves the adjacent city owned Swenson Park. The City is also responsible for any required ADA compliance upgrades and potential capital improvements projects that affects Kemper Sports' ability to operate the 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, landscape maintenance, and repairs through a General Fund contribution. California Conservation Corps will be completing nearly 150,000 hours of work clearing dead and dying trees as well as invasive plants. Upon completion of the cleanup, the closed Van Buskirk golf course could be reopened as a passive recreation space as early as May 2021.

KEY CONSIDERATIONS

The Department oversees the new 15-year lease agreement with Kemper Sports Management, Inc. of the City's Swenson Golf Course. The Department also continues to oversee the transition of Van Buskirk Golf Course, 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 2021-22 budget includes \$350,000 from the General Fund. Funds are used for landscaping maintenance agreements, security, repairs and support for Van Buskirk and Swenson. The City continues to work with a consultant to create a strategic roadmap for the re-use of the Van Buskirk as a regional recreation facility. Due to the change in use, maintenance costs of the former Van Buskirk Golf Course property will be transferred to Public Works Department.

**Community Services Department
Golf - 650
FY 2021-22 Annual Budget**

	FY 2018-19 Actual	FY 2019-20 Actual	FY 2020-21 Projected	FY 2021-22 Budget
Beginning Available Balance	\$ 181,639	\$ 27,181	\$ 181,808	\$ 192,508
Revenues				
Swenson Golf Course	1,359,837	722,001	-	-
Van Buskirk Golf Course	203,215	26,962	-	-
Other Revenues	9,038	1,450	-	-
	1,572,090	750,413	-	-
Expenditures				
Swenson Golf Course	1,642,148	1,166,436	30,000	62,500
Van Buskirk Golf Course	677,638	97,881	234,300	234,300
Repairs and Maintenance	106,762	381,469	-	51,247
	2,426,548	1,645,786	264,300	348,047
Transfers				
Transfer In - General Fund	700,000	1,050,000	275,000	350,000
Transfer Out	-	-	-	-
	700,000	1,050,000	275,000	350,000
Net Annual Activity	(154,458)	154,627	10,700	1,953
Ending Available Balance	\$ 27,181	\$ 181,808	\$ 192,508	\$ 194,461
Available Balance Calculation				
Current assets		\$ 283,250		
Current liabilities		(101,442)		
Ending Available Balance		\$ 181,808		

**Community Services Department
Special Revenue Fund - 260
FY 2021-22 Annual Budget**

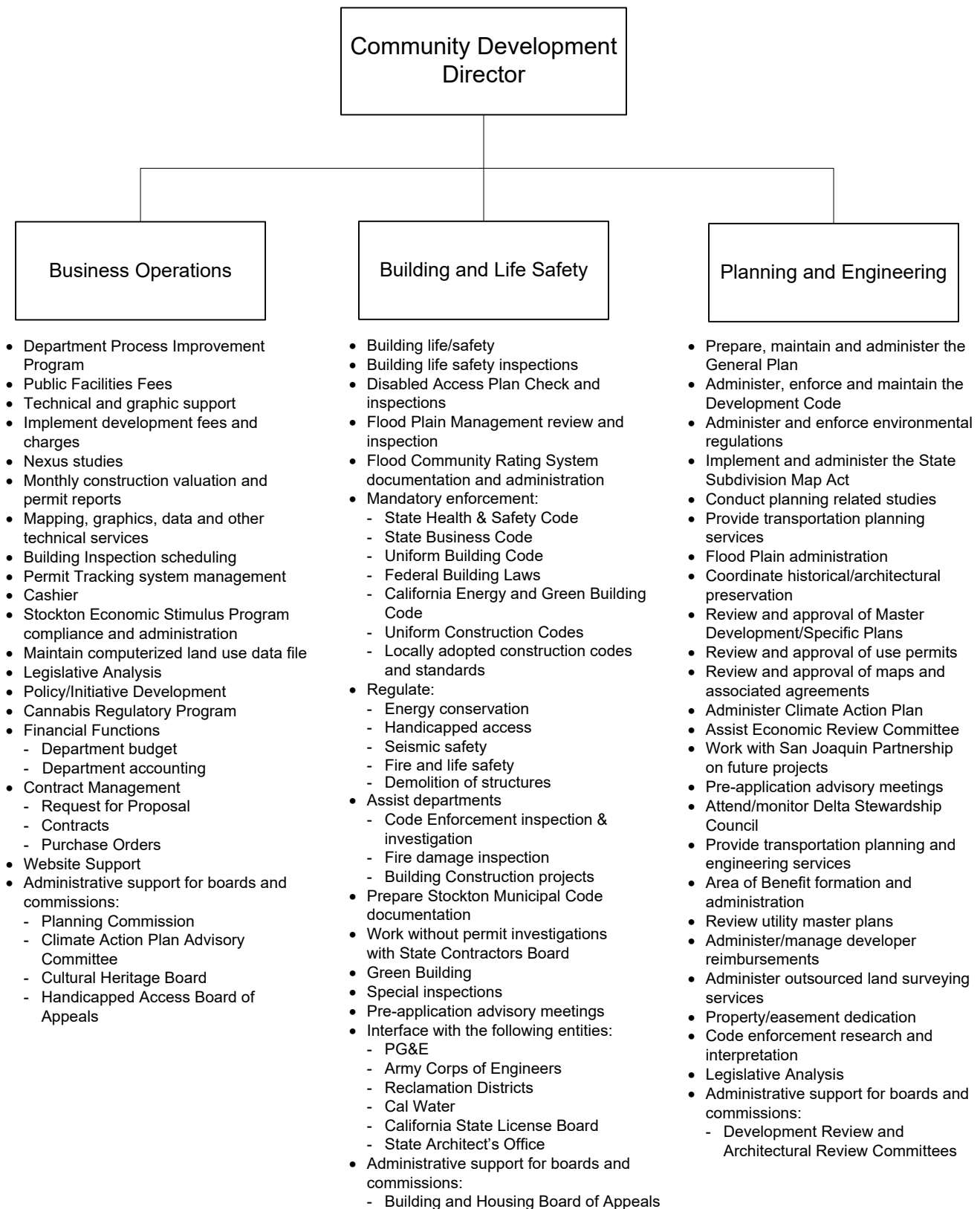
	FY 2018-19 Actual	FY 2019-20 Actual	FY 2020-21 Projected	FY 2021-22 Budget
Revenues				
Library Literacy Foundation	\$ 8,000	\$ 30,485	\$ 8,000	\$ 8,000
Library Donations	14,219	52,272	-	-
Parks Donations	509	706	-	-
Recreation Facility Operations	13,703	15,166	5,900	12,000
Youth Sports	-	-	-	-
	36,431	98,629	13,900	20,000
Expenditures				
Library Literacy Foundation				
Library Donations	23,443	49,957	15,000	83,000
Parks Donations	-	-	-	-
Recreation Facility Operations	6,404	844	18,382	123,405
Youth Sports	-	-	-	-
	29,847	50,801	33,382	206,405
Transfers				
Transfer In	-	-	-	-
Transfer Out	-	-	-	-
	-	-	-	-
Net Annual Activity	\$ 6,584	\$ 47,828	\$ (19,482)	\$ (186,405)

**Community Services Department
Permanent - 800
FY 2021-22 Annual Budget**

	<u>FY 2018-19 Actual</u>	<u>FY 2019-20 Actual</u>	<u>FY 2020-21 Projected</u>	<u>FY 2021-22 Budget</u>
Beginning Available Balance	<u>\$ 358,067</u>	<u>\$ 372,681</u>	<u>\$ 197,940</u>	<u>\$ 199,240</u>
Revenues				
Investment Proceeds	<u>14,614</u>	<u>17,164</u>	<u>1,300</u>	<u>1,300</u>
	<u>14,614</u>	<u>17,164</u>	<u>1,300</u>	<u>1,300</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>14,614</u>	<u>17,164</u>	<u>1,300</u>	<u>1,300</u>
Ending Available Balance	<u>\$ 372,681</u>	<u>\$ 389,845</u>	<u>\$ 199,240</u>	<u>\$ 200,540</u>
Available Balance Calculation				
Cash		\$ 389,845		
Accounts Payable		-		
Principal endowment		(191,905)		
Ending Available Balance		<u>\$ 197,940</u>		



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	\$11,747,775
Total Expenditures	\$17,563,672
Total Net Cost	\$5,815,897
Total Staff	48

DEPARTMENT DESCRIPTION

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

- Plan for the City's future growth, infrastructure needs, and service demands
- Review and process land use 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
- Administer the Public Facilities Fee Program

The Department supports the Planning Commission, 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

On December 4, 2018, the City adopted the Envision Stockton 2040 General plan. This plan comprehensively updated public policies and programs to fundamentally shift focus from emphasizing growth at the periphery of the City to new construction and redevelopment in existing "infill" neighborhoods.

The Department is in the process of reviewing the Stockton Municipal and Development Codes, land use zoning map, infrastructure needs, and development impact fees for consistency with the policy framework for future development in Stockton. These activities, elaborated on further under "Key Considerations" later in this section, continue to be a top budget priority for FY 2021-22.

In a joint effort with the new Office of Performance Data and Analytics (OPDA) to streamline and renovate the Building Plan Check process through data driven performance total management, the Department underwent a detailed review of the Building Plan check process undertaking an

COMMUNITY DEVELOPMENT DEPARTMENT

Innovation Lab (i-Lab) exercise which identified several improvement opportunities. The i-Lab, through ongoing DevStat meetings, will continue to explore and capitalize on identified improvement opportunities and identify additional potential process improvements. The process improvement measures will be ongoing through and beyond this fiscal year, and will include process modifications, training, software modifications, and outreach. The end-goal of this new budget priority will be to streamline the building permit process with a focus on improving customer service to help facilitate increased development.

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 and 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. This next phase may involve integrating the permitting software with the City's existing database software for a one-stop end-user experience.

The Department will continue to promote electronic plan review for building permits to save the customer the expense of printing multiple paper plan sets. The electronic plan review process provides a convenient exchange of comments and maintains an accurate record of revisions up to final plan review. The rate of customer utilization of this process increased over the year from 60% to approximately 90%. The overwhelmingly positive reception of the electronic plan check review process prompted the Department to standardize all building permit plan review submittals to be electronic only. The Department has also initiated an expansion of electronic plan review for Development Engineering plans.

In FY 2020-21, the Department successfully initiated its first on-line customer application submission, staff review, and issuance of transportation permits. Due in no small part to the COVID-19 global pandemic, online permitting was rapidly expanded to include the typical over-the-counter building permit types. The Department now offers eight different permit types online, of which six are issued instantly. The Department intends to continue working to expand its on-line customer application services. Our technical and electronic advancements from last year allowed 94% of our staff to mobilize to a remote operation during the periods when the Permit Center was closed to the public due to the COVID-19 pandemic. The Department's unique ability to leverage our technology tools such as Bluebeam, Microsoft Teams, SharePoint, Accela, as well as our expanded online permitting gave the Department the ability to offer nearly the same level of service during the Permit Center's 2020 closures.

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.

COMMUNITY DEVELOPMENT DEPARTMENT

KEY CONSIDERATIONS

For this fiscal year, the Department has experienced significant growth of approximately 20% in the number of permits that have been processed through March 2021. As of March 2021, the department processed 9,713 permits with a valuation of approximately \$511 million thus far in FY 2020-21, compared to the same period in FY 2019-20 where there were 8,108 permits processed with a valuation of approximately \$326 million in the same period. For FY 2021-22, no new staff positions are being requested and approximately \$2.1 million in professional services contract will continue to be budgeted to meet service demands. These resources are vital to address the demands of FY 2021-22 and beyond to maintain a sufficient level of service, meet customer service 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.

Post Council adoption of the Envision Stockton 2040 General Plan, priority has been placed on the following programs and activities that will be carried out in FY 2021-22 and beyond:

- A comprehensive update of Municipal Code Title 16 (Development Code) to establish greater process efficiencies and streamlining, incentives for all types of residential construction, and 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 nexus fee analysis study to update the City's Public Facilities Fee Program to finance a defined infrastructure plan to accommodate future City growth.
- Continue automation of the City's permitting processes by modification of existing systems and investigation and implementation of new technologies.
- A citywide zoning map consistency review and update of the land use zoning map, including community outreach and public engagement, to be consistent with the Envision Stockton 2040 General Plan land use designations.
- Preparation of a housing strategic plan to develop strategies and incentives measures, including feasibility study of inclusionary housing and funding programs that would encourage the construction of affordable housing units.
- Implementation of grant funded programs to streamline the review and permitting processes for housing projects and provide development incentives and development code allowances to increase housing unit production.
- Review and modify pertinent sections of the Stockton Municipal Code to mitigate concerns, add clarity, address equity, and streamline the City's Cannabis Regulatory Program.
- Implementation of grant funded programs to streamline the review and permitting processes for housing projects and provide development incentives and development code allowances to increase housing unit production.

Community Development Department
FY 2021-22 Annual Budget

	Development Services 220	Public Facilities Fee Administration 310-323	Total
	<i>See Page H-7 (excludes Fire portion of fund)</i>	<i>See Page H-8</i>	
Beginning Available Balance		\$ 1,704,149	
Revenues			
Fees	10,239,165	492,000	10,731,165
Other Revenues	216,610	-	216,610
	10,455,775	492,000	10,947,775
Expenditures			
Operating Expense	13,189,401	327,271	13,516,672
	13,189,401	327,271	13,516,672
Transfers			
Transfer In - General Fund	800,000	-	800,000
Transfer Out	(4,047,000)	-	(4,047,000)
	(3,247,000)	-	(3,247,000)
Net Annual Activity	(5,980,626)	164,729	(5,815,897)
Ending Available Balance		\$ 1,868,878	
		-	
		Revenues	\$ 10,947,775
		Transfers	800,000
		Total Sources	\$ 11,747,775
		Expenditures	\$ 13,516,672
		Transfers	4,047,000
		Total Appropriations	\$ 17,563,672

**Community Development and Fire Departments - Combined
Development Services - 220
FY 2021-22 Annual Budget**

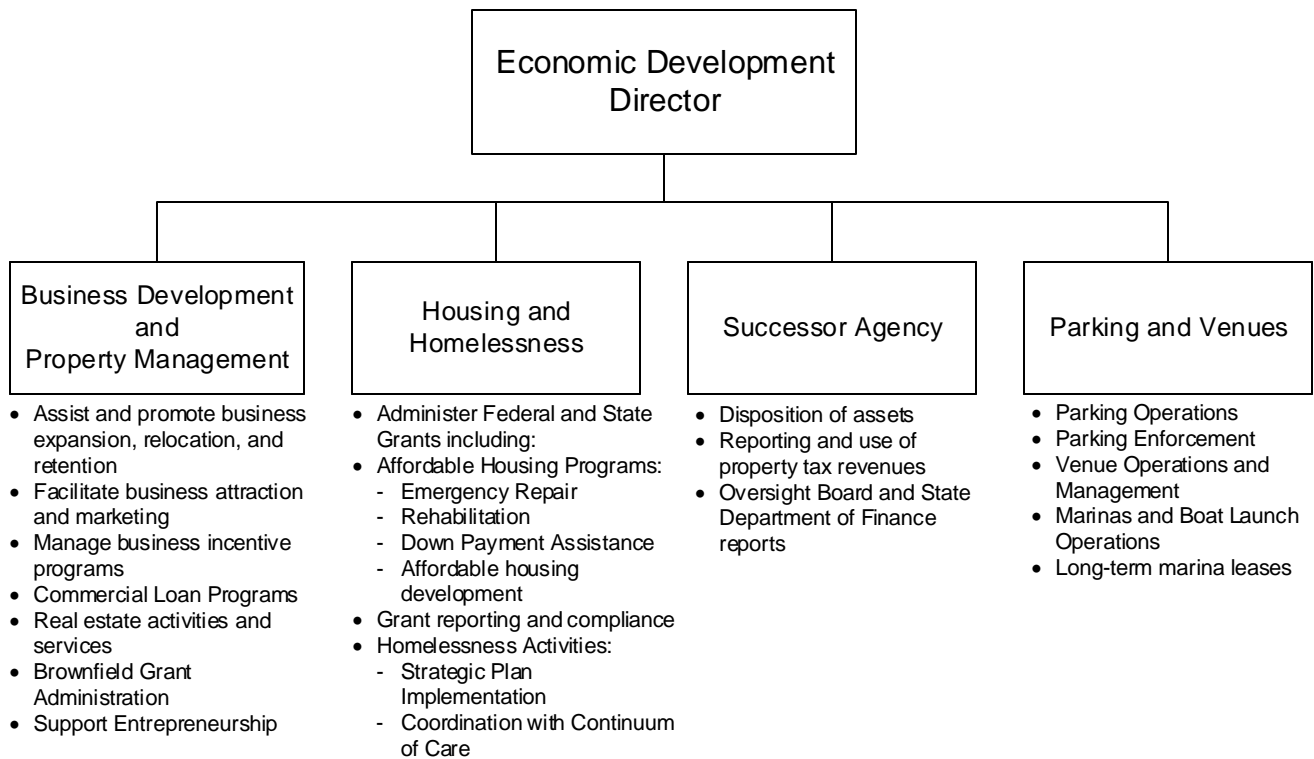
	FY 2018-19 Actual	FY 2019-20 Actual	FY 2020-21 Projected	FY 2021-22 Budget
Beginning Available Balance	\$ 11,384,177	\$ 15,498,603	\$ 17,661,329	\$ 23,352,706
Revenues				
Community Development				
User Fees	9,082,563	8,409,892	13,050,835	8,654,165
Development Oversight	83,526	50,972	(4,826)	-
Technology Fee	498,851	508,991	702,022	524,500
Comm. Rating System Admin. Fee	142,363	131,835	162,630	134,500
General Plan Maint & Implementation	501,925	543,235	831,756	555,000
Capital Preservation	335,821	360,189	554,502	371,000
Grants	229	-	-	-
Fines & Penalties	3,414	2,150	-	-
Other Revenues	554,184	773,579	251,634	216,610
	<u>11,202,876</u>	<u>10,780,843</u>	<u>15,548,553</u>	<u>10,455,775</u>
Fire Prevention				
User Fees	2,620,126	2,713,547	2,534,471	2,929,828
Fines & Penalties	79,976	49,968	70,543	70,015
Other Revenues	215	1,160	1,124	1,500
	<u>2,700,317</u>	<u>2,764,675</u>	<u>2,606,138</u>	<u>3,001,343</u>
	13,903,193	13,545,518	18,154,691	13,457,118
Expenditures				
Community Development				
Business Ops and Customer Service	2,917,230	3,550,809	3,054,897	3,544,301
Planning & Engineering Services	2,927,979	3,345,567	3,841,956	4,635,131
Building and Life Safety	2,691,008	2,859,525	3,833,604	5,009,969
	<u>8,536,217</u>	<u>9,755,901</u>	<u>10,730,457</u>	<u>13,189,401</u>
Fire Prevention				
Fire Prevention	2,162,209	2,434,639	2,532,857	3,440,988
Fire Public Education	15,341	17,252	-	-
	<u>2,177,550</u>	<u>2,451,891</u>	<u>2,532,857</u>	<u>3,440,988</u>
	10,713,767	12,207,792	13,263,314	16,630,389
Transfers				
Transfer In - General Fund	925,000	825,000	800,000	800,000
Transfer Out - CDD Capital Fund	-	-	-	(4,047,000)
Transfer Out - Fire Capital Fund	-	-	-	(1,653,000)
	<u>925,000</u>	<u>825,000</u>	<u>800,000</u>	<u>(4,900,000)</u>
Net Annual Activity				
Community Development	3,037,478	1,076,362	5,366,461	(6,197,236)
Fire	522,767	312,783	73,281	(2,092,645)
Other	554,184	773,579	251,634	216,610
	<u>4,114,429</u>	<u>2,162,724</u>	<u>5,691,376</u>	<u>(8,073,271)</u>
Ending Available Balance	\$ 15,498,603	\$ 17,661,329	\$ 23,352,706	\$ 15,279,435
Available Balance Calculation				
Current Assets		\$ 18,971,236		
Current Liabilities		<u>(1,309,907)</u>		
Ending Available Balance		<u>\$ 17,661,329</u>		

(a) The total Development Services Fund - 220 is presented with the Community Development Department budget. The portion relating to Fire has also been included on page E-15.

Community Development
Public Facilities Fee Administration - 310-323
FY 2021-22 Annual Budget

	<u>FY 2018-19</u> <u>Actual</u>	<u>FY 2019-20</u> <u>Actual</u>	<u>FY 2020-21</u> <u>Projected</u>	<u>FY 2021-22</u> <u>Budget</u>
Beginning Available Balance	\$ 1,087,381	\$ 1,391,766	\$ 1,754,591	\$ 1,704,149
Revenues				
Public Facilities Fee	423,130	477,802	790,000	492,000
Investment Proceeds	47,393	60,966	10,000	-
	<u>470,523</u>	<u>538,768</u>	<u>800,000</u>	<u>492,000</u>
Expenditures				
Operating Expenses	166,138	175,943	850,442	327,271
	<u>166,138</u>	<u>175,943</u>	<u>850,442</u>	<u>327,271</u>
Transfers				
Transfer In	-	-	-	-
Transfer Out	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Annual Activity	304,385	362,825	(50,442)	164,729
Ending Available Balance	<u>\$ 1,391,766</u>	<u>\$ 1,754,591</u>	<u>\$ 1,704,149</u>	<u>\$ 1,868,878</u>
Available Balance Calculation				
Cash		\$ 1,773,960		
Accounts Payable		(19,369)		
Ending Available Balance		<u>\$ 1,754,591</u>		

TAB 9 ECONOMIC DEVELOPMENT



ECONOMIC DEVELOPMENT DEPARTMENT



ECONOMIC DEVELOPMENT DEPARTMENT

MISSION STATEMENT

To support the City of Stockton becoming the best City in America to live, raise a family, and grow a business through its Business Development and Real Property, Housing and Homelessness, and Parking and Venues management efforts.

Budget at a Glance:

Total Revenues	\$22,184,084
Expenditures	\$29,684,853
Total Net Cost	\$7,500,769
Total Staff	23

DEPARTMENT DESCRIPTION

The Economic Development Department (EDD) 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 Housing and Homelessness Division is responsible for administering local, State, and Federal 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 division also plays a key role in participating in regional efforts through the Continuum of Care 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 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. 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:

ECONOMIC DEVELOPMENT DEPARTMENT

Business Development and Property Management:

- Develop, through community engagement and professional expertise, a strategic economic development plan that will lead to implementation of the plan.
- Participate as a stakeholder with the county, educational institutions, and community groups to further advance workforce development opportunities, and support small businesses.
- 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.

Housing and Homelessness:

- Maximize resources to support affordable housing development by seeking additional grant dollars, building partnerships, and working collaboratively within the region.
- Successfully and strategically distribute State and Federal grant dollars that support overall City priorities and serve the community.
- Implement the Homeless Regional Strategic Plan and work collaboratively to distribute funds based on priorities.
- Create an Affordable Housing Strategic Plan and provide tools that encourage housing development.
- Remain nimble, adaptive, and responsive to the ongoing pandemic and administer additional resources (State and Federal) toward COVID-19 response as they become available.

Parking and Venues:

- The Parking Authority will replace garage equipment and upgrade existing garage elevators with innovative technology and supported systems. This new technology will provide real time data regarding the day-to-day operations, tighter internal controls, and improved operability of equipment, as well as better support options for downtown visitors and businesses.
- All event venues look forward to re-opening following COVID closures and welcoming the public back to live events and games. Until such time as it is deemed safe to gather again, the facilities are being maintained and large projects, such as the replacement of the Banner Island Ballpark Scoreboard and the Oak Park Ice Rink Chiller Replacement project have been completed.

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 2021 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.

ECONOMIC DEVELOPMENT DEPARTMENT

PRIOR YEAR ACCOMPLISHMENTS

The department was not only responsible for the day-to-day operations but also for key initiatives in response to COVID, including small business stabilization efforts, community support to non-profits, and efforts to protect and serve the homeless. This was primarily done through the distribution of funding and the development of programs. Some highlights of the Department's accomplishments in FY 2020-21 include:

- Made the case for investing in the City of Stockton through the first ever virtual Investor's Summit, video production, paid media, and upgrades to the Advantage Stockton website.
- Increased support for entrepreneurs and small businesses through grant opportunities and education.
- Installed technology and process improvements to better deliver and manage State and Federal grants.
- Supported the goals of the Homeless Strategic Plan by strategically distributing HHAP funding, COVID related rental and mortgage assistance and expanded support for shelters and outreach.
- To the greatest degree possible mitigated the effects of COVID on parking and venue operations, while continuing planned capital projects.
- Received more than \$50 million in funding to support COVID efforts.
- Completed the Oak Park Ice Rink project.

KEY CONSIDERATIONS

The COVID pandemic impacted all divisions within the department and staff responded quickly, efficiently and adapted to an ever-changing environment. The overall special funds managed by the department has increased by 200%. Much of the increase is due directly to COVID response, however, grants such as Homeless Housing Assistance Prevention (HHAP) and Permanent Local Housing Allocation (PLHA) are also new to the department. Funds to administer the programs are not permanent dollars. The department is managing output by strategically allocating staff and working with community-based nonprofits to accomplish goals.

Economic Development opportunities have not slowed down during COVID and EDD continues to respond to and plan for future development. The new Economic Development Strategic Action Plan, scheduled to be completed in FY 2021-22, will focus on the following areas: Development of a robust Economic Development Toolkit, highlighting the successes in Stockton, supporting small businesses, continuing to build a thriving entrepreneur ecosystem, attracting, and retaining high caliber businesses, making data-driven decisions, and defining the department's role in workforce development.

The level of support available to Housing and Homelessness efforts dramatically increased with COVID related funding and EDD will continue to manage existing efforts. Housing production continues to remain a priority, rental rates continue to increase compounding the need for more housing.

ECONOMIC DEVELOPMENT DEPARTMENT

A new position has been added in the FY 2021-22 budget to the General Fund and Community Development Block Grant (CDBG) funds.

The impact of COVID-19 will continue to be felt in the Entertainment Venues. The majority of operational costs associated with the Entertainment Venues will be incurred, however, revenue will be lower than normal until capacity levels return to 100%.

During the transition from Historic City Hall to Waterfront Office Towers, EDD has managed the leases and operating costs. As construction begins in FY 2021-22, both lease revenues and expenses will be less than prior years.

**Economic Development Department
FY 2021-22 Annual Budget**

	General Fund 100	HUD/ Housing	Parking and Venues	Economic Development Total
	<i>See Page I-9</i>	<i>See Page I-10</i>	<i>See Page I-26</i>	
Beginning Available Balance		\$ 15,181,676	\$ 5,108,860	
Revenues				
Grants & Entitlements	-	5,392,560	-	5,392,560
Assessment & User Fees	-	-	5,958,189	5,958,189
Fines & Forfeitures	-	-	500,000	500,000
Other Revenue	227,510	280,500	3,287,254	3,795,264
	227,510	5,673,060	9,745,443	15,646,013
Expenditures				
Employee Services	303,192	-	-	303,192
Other Services	495,068	-	-	495,068
Materials and Supplies	8,000	-	-	8,000
Other Expenses	20,250	264,079	-	284,329
Loan Programs	-	4,647,420	-	4,647,420
Program Expense	-	1,032,379	14,095,119	15,127,498
Operating Expense	-	1,599,931	-	1,599,931
Economic Development	1,232,524	1,035,000	-	2,267,524
Debt Service	-	1,885,771	2,217,311	4,103,082
Capital Projects	-	-	450,000	450,000
	2,059,034	10,464,580	16,762,430	29,286,044
Transfers				
Transfer In - General Fund	-	-	3,547,000	3,547,000
Transfer In - Other Funds	-	2,991,071	-	2,991,071
Transfer Out	-	(398,809)	-	(398,809)
	-	2,592,262	3,547,000	6,139,262
Net Annual Activity	(1,831,524)	(2,199,258)	(3,469,987)	(7,500,769)
Ending Available Balance		\$ 12,982,418	\$ 1,638,873	
				Revenues
				Transfers
				Total Sources
				\$ 22,184,084
				Expenditures
				Transfers
				Total Appropriations
				\$ 29,684,853



**Economic Development Department
General Fund - 100
FY 2021-22 Annual Budget**

	FY 2018-19 Actual	FY 2019-20 Actual	FY 2020-21 Projected	FY 2021-22 Budget
Total Economic Development Department				
Employee Services	\$ 807,046	\$ 846,199	\$ 872,416	\$ 1,009,621
Other Services	970,511	958,212	3,318,868	997,363
Materials and Supplies	11,755	10,885	21,762	14,400
Other Expenses	35,159	56,687	30,990	37,650
Total	<u>\$ 1,824,471</u>	<u>\$ 1,871,983</u>	<u>\$ 4,244,036</u>	<u>\$ 2,059,034</u>

Economic Development

Employee Services	590,155	594,177	591,688	706,429
Other Services	232,979	265,419	2,657,272	502,295
Materials and Supplies	4,082	4,406	9,362	6,400
Other Expenses	29,288	54,022	11,840	17,400
Total	<u>856,504</u>	<u>918,024</u>	<u>3,270,162</u>	<u>1,232,524</u>

Asset Management

Employee Services	216,891	252,022	280,728	303,192
Other Services	58,604	134,272	71,496	117,968
Materials and Supplies	2,409	1,721	4,900	3,000
Other Expenses	5,479	2,320	2,150	3,250
Total	<u>283,383</u>	<u>390,336</u>	<u>359,274</u>	<u>427,410</u>

City Hall Relocation

Employee Services	-	-	-	-
Other Services	678,928	558,521	590,100	377,100
Materials and Supplies	5,264	4,757	7,500	5,000
Other Expenses	392	345	17,000	17,000
Total	<u>684,584</u>	<u>563,623</u>	<u>614,600</u>	<u>399,100</u>

**Economic Development Department
Housing and Homelessness
Division Summary
FY 2021-22 Annual Budget**

	Community Development Block Grants 230-231, 232	Emergency Solutions Grant 280	HOME 230-233	CALHOME Loan 290-291
	<i>See Page I-13</i>	<i>See Page I-15</i>	<i>See Page I-17</i>	<i>See Page I-19</i>
Beginning Available Balance	\$ 5,443,835	\$ -	\$ 5,145,875	\$ 685,730
Revenues				
Entitlements	3,339,652	292,379	1,760,529	-
Loan Repayments	105,000	-	100,000	-
Other Revenue	-	-	-	-
	3,444,652	292,379	1,860,529	-
Expenditures				
Subrecipient Assistance	760,000	272,379	-	-
Operating Expenses	1,279,118	20,000	276,053	-
Debt Service - Section 108	1,885,771	-	-	-
CHDO Set-aside loan pool	-	-	264,079	-
Economic Development	1,035,000	-	-	-
Loan programs	2,330,000	-	1,320,397	-
	7,289,889	292,379	1,860,529	-
Transfers				
Transfer In - General Fund	-	-	-	-
Transfer In - Other Funds	1,994,047	-	-	-
Transfer Out	(398,809)	-	-	-
	1,595,238	-	-	-
Net Annual Activity	(2,249,999)	-	-	-
Ending Available Balance	\$ 3,193,836	\$ -	\$ 5,145,875	\$ 685,730

**Economic Development Department
Housing and Homelessness
Division Summary, Continued
FY 2021-22 Annual Budget**

	State Housing Loan 290-292	Neighborhood Stabilization Program 230-234, 235	Low/Mod Housing 290-293	Housing Total
	<i>See Page I-20</i>	<i>See Page I-23</i>	<i>See Page I-25</i>	
Beginning Available Balance	\$ 45,016	\$ 319,281	\$ 3,541,939	\$ 15,181,676
Revenues				
Entitlements	-	-	-	5,392,560
Loan Repayments	4,500	30,000	-	239,500
Other Revenue	-	-	41,000	41,000
	4,500	30,000	41,000	5,673,060
Expenditures				
Subrecipient Assistance	-	-	-	1,032,379
Operating Expenses	-	-	24,760	1,599,931
Debt Service - Section 108	-	-	-	1,885,771
CHDO Set-aside loan pool	-	-	-	264,079
Economic Development	-	-	-	1,035,000
Loan programs	-	-	997,023	4,647,420
	-	-	1,021,783	10,464,580
Transfers				
Transfer In - General Fund	-	-	-	-
Transfer In - Other Funds	-	-	997,024	2,991,071
Transfer Out	-	-	-	(398,809)
	-	-	997,024	2,592,262
Net Annual Activity	4,500	30,000	16,241	(2,199,258)
Ending Available Balance	\$ 49,516	\$ 349,281	\$ 3,558,180	\$ 12,982,418

ECONOMIC DEVELOPMENT DEPARTMENT

COMMUNITY DEVELOPMENT BLOCK GRANTS (230-231, 232)

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 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 capital projects.
- Economic Development Programs – programs to assist businesses, including the Commercial Façade, Stocked Full of Produce, Storefront Beautification, Stockton Entrepreneurship Grants, and Food Entrepreneurship and Urban Garden Support.
- 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 2021-22, the City's annual CDBG entitlement decreased by 2.6% to \$3.34 million. The total available sources of \$6.7 million for CDBG include estimated revenue from reprogrammed funds, program income, and Successor Agency loan repayments. The City successfully refinanced 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 CDBG Program 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 - 230-231, 232
FY 2021-22 Annual Budget**

	FY 2018-19 Actual	FY 2019-20 Actual	FY 2020-21 Projected	FY 2021-22 Budget
Beginning Available Balance	\$ 793,789	\$ 723,694	\$ 4,651,786	\$ 5,443,835
Revenues				
CDBG Entitlement	1,262,520	5,216,535	4,916,543	3,339,652
Loan Repayments	373,099	351,087	208,262	105,000
Other Revenue	12,246	10,525	1,575	-
	1,647,865	5,578,147	5,126,380	3,444,652
Expenditures				
Administration	580,636	699,138	880,027	986,977
Program Delivery	215,655	163,962	138,701	292,141
Debt Service - Section 108	1,999,180	1,781,904	1,851,338	1,885,771
Subrecipient Assistance	457,552	771,161	795,000	760,000
Housing Loan Pool	284,380	1,970,925	1,206,655	2,330,000
Economic Dev Program	39,299	180,258	1,020,000	1,035,000
	3,576,702	5,567,348	5,891,721	7,289,889
Transfers				
Transfer In	2,323,428	-	1,946,738	1,994,047
Transfer Out	(464,686)	(177,107)	(389,348)	(398,809)
	1,858,742	(177,107)	1,557,390	1,595,238
Net Annual Activity	(70,095)	(166,308)	792,049	(2,249,999)
Ending Available Balance	\$ 723,694	\$ 557,386	\$ 5,443,835	\$ 3,193,836
Available Balance Calculation				
Current Assets		673,506		
Current Liabilities		(130,958)		
Subtotal		542,548		
Available Grant Funds		4,109,238		
Ending Available Balance		\$ 4,651,786		

ECONOMIC DEVELOPMENT DEPARTMENT

EMERGENCY SOLUTIONS GRANT (280)

PROGRAM DESCRIPTION

The City receives an annual federal entitlement of Emergency Solutions Grant (ESG) funds. ESG funds can be used for five program activities: street outreach, emergency shelter, homelessness prevention, rapid re-housing assistance, and Homeless Management Information System. The City uses ESG funds to fund the operation of homeless shelters and provide essential services to shelter residents, provide eviction prevention assistance to prevent households from becoming homeless, and 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% of its allocation for administrative activities. ESG funds are required to be matched 100% 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.

KEY CONSIDERATIONS

In FY 2021-22, the City's annual entitlement is \$292,379, a decrease of 0.07% from the prior fiscal year. In FY 2020-21 the following agencies were allocated ESG funding: Gospel Center Rescue Mission, Haven of Peace, St. Mary's Interfaith Dining Room, Stockton Shelter for the Homeless, Women's Center, and Central Valley Low Income Housing Corporation.

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.

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

**Economic Development Department
Emergency Solutions Grant - 280
FY 2021-22 Annual Budget**

	FY 2018-19 Actual	FY 2019-20 Actual	FY 2020-21 Projected	FY 2021-22 Budget
Beginning Available Balance	\$ -	\$ -	\$ 97,991	\$ -
Revenues				
ESG Entitlement	722,190	455,714	292,582	292,379
	722,190	455,714	292,582	292,379
Expenditures				
ESG Community Program Services	705,199	438,015	380,573	272,379
Administration	16,991	17,699	10,000	20,000
	722,190	455,714	390,573	292,379
Transfers				
Transfer In	-	-		
Transfer Out	-	-		
	-	-	-	-
Net Annual Activity	-	-	(97,991)	-
Ending Available Balance	\$ -	\$ -	\$ -	\$ -
Available Balance Calculation				
Current Assets - Cash		\$ 117,626		
Current Liabilities - Due from Other Govt		(117,626)		
Available Grant Funds		97,991		
Ending Available Balance		\$ 97,991		

ECONOMIC DEVELOPMENT DEPARTMENT

HOME INVESTMENT PARTNERSHIP PROGRAM FUND (230-233)

PROGRAM DESCRIPTION

The Federal Home Investment Partnership (HOME) program was created by the National Housing Act of 1990 and amended under the 2013 HOME Final Rule. The objectives of the HOME Program is to fund a wide range of activities including building, purchasing, and/or rehabilitating affordable housing for rent or homeownership or providing direct rental assistance to low-income households. HOME funds are designed specifically to create quality affordable housing for lower-income households; strengthen the ability of State and local governments to create partnerships with the private sector in the development of affordable housing and provide set-aside of housing funds for qualified community-based nonprofit housing groups to increase their development capacity.

The City uses HOME funding to acquire, develop and/or rehabilitate affordable housing for rent or homeownership or to provide direct rental assistance to low-income persons. HOME funded projects must be completed within four years of commitment; CHDO set-aside funds must be committed to an eligible project within 24 months and expended within five years.

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 (CHDO) 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 will continue to fund low-income multi-family and single-family housing through new construction or the rehabilitation of existing projects. In FY 2021-22, the City's annual entitlement is \$1.76 million.

Based on the Council's strategic priorities, in FY 2020-21 the City issued a Notice of Funding Availability that included approximately \$3.2 million of HOME funds, to provide gap financing for new construction and rehabilitation activities that will result in the provision of quality housing affordable to households with incomes at or below 60 percent of the Area Median Income.

**Economic Development Department
HOME - 230-233
FY 2021-22 Annual Budget**

	FY 2018-19 Actual	FY 2019-20 Actual	FY 2020-21 Projected	FY 2021-22 Budget
Beginning Available Balance	\$ 749,633	\$ -	\$ 4,965,733	\$ 5,145,875
Revenues				
HOME Entitlement	822,084	364,585	1,100,000	1,760,529
Loan Repayments	500,162	400,906	320,000	100,000
	1,322,246	765,491	1,420,000	1,860,529
Expenditures				
Administration	96,664	67,220	179,381	176,053
CHDO Set-aside loan pool	172,795	195,998	487,862	264,079
Housing Loan Programs	1,802,420	499,000	500,000	1,320,397
Program Delivery	-	3,273	72,615	100,000
	2,071,879	765,491	1,239,858	1,860,529
Transfers				
Transfer In	-	-	-	-
Transfer Out	-	-	-	-
	-	-	-	-
Net Annual Activity	(749,633)	-	180,142	-
Ending Available Balance	\$ -	\$ -	\$ 5,145,875	\$ 5,145,875
Available Balance Calculation				
Current Assets		\$ 596,313		
Current Liabilities		(596,313)		
Subtotal		-		
Available Grant Funds		4,965,733		
Ending Available Balance		\$ 4,965,733		

ECONOMIC DEVELOPMENT DEPARTMENT

STATE OF CALIFORNIA FUNDING CAL HOME (290-291) / HELP (290-292)

PROGRAM DESCRIPTION

The City received approximately \$1.5 million in State CalHOME funding in prior fiscal years and has expended all original grant funds. The City continues to receive program income from housing loan repayments under both the HELP and CalHOME programs. Program Income funds are recycled back into the down payment assistance and owner-occupied rehabilitation below market interest rate loan programs for low and moderate income households.

KEY CONSIDERATIONS

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

**Economic Development Department
CALHOME Loan - 290-291
FY 2021-22 Annual Budget**

	<u>FY 2018-19 Actual</u>	<u>FY 2019-20 Actual</u>	<u>FY 2020-21 Projected</u>	<u>FY 2021-22 Budget</u>
Beginning Available Balance	<u>\$ 311,837</u>	<u>\$ 470,367</u>	<u>\$ 642,830</u>	<u>\$ 685,730</u>
Revenues				
Loan Repayments	<u>158,530</u>	<u>172,462</u>	<u>42,900</u>	<u>-</u>
	<u>158,530</u>	<u>172,462</u>	<u>42,900</u>	<u>-</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>158,530</u>	<u>172,462</u>	<u>42,900</u>	<u>-</u>
Ending Available Balance	<u>\$ 470,367</u>	<u>\$ 642,829</u>	<u>\$ 685,730</u>	<u>\$ 685,730</u>
Available Balance Calculation				
Current Assets		\$ 642,830		
Current Liabilities		<u>-</u>		
Ending Available Balance		<u>\$ 642,830</u>		

**Economic Development Department
State Housing Loan (HELP) - 290-292
FY 2021-22 Annual Budget**

	<u>FY 2018-19 Actual</u>	<u>FY 2019-20 Actual</u>	<u>FY 2020-21 Projected</u>	<u>FY 2021-22 Budget</u>
Beginning Available Balance	<u>\$ 26,491</u>	<u>\$ 33,266</u>	<u>\$ 40,716</u>	<u>\$ 45,016</u>
Revenues				
HELP Loan Repayments	<u>6,775</u>	<u>7,450</u>	<u>4,300</u>	<u>4,500</u>
	<u>6,775</u>	<u>7,450</u>	<u>4,300</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>6,775</u>	<u>7,450</u>	<u>4,300</u>	<u>4,500</u>
Ending Available Balance	<u>\$ 33,266</u>	<u>\$ 40,716</u>	<u>\$ 45,016</u>	<u>\$ 49,516</u>
Available Balance Calculation				
Current Assets		\$ 40,716		
Current Liabilities		-		
Ending Available Balance		<u>\$ 40,716</u>		



ECONOMIC DEVELOPMENT DEPARTMENT

NEIGHBORHOOD STABILIZATION GRANT (230-234, 235)

PROGRAM DESCRIPTION

The City was awarded \$16.4 million of Neighborhood Stabilization Program Grant (NSP1 and NSP3) funding in 2008 and 2011. The City used NSP funds to acquire, rehabilitate and resell 107 foreclosed homes to qualified low and moderate-income first-time homebuyers; acquire and rehabilitate five apartment complexes providing 119 units of very low and low-income households. The original award combined with program income resulted in approximately \$31 million of funding available for affordable housing projects. These rental projects utilized both HOME and NSP funds. The City continues to receive program income from these activities. Program Income funds are recycled back into the NSP program. Program regulations require 25% of NSP funding be used for households with incomes at or 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 2021-22.

**Economic Development Department
Neighborhood Stabilization Program - 230-234
FY 2021-22 Annual Budget**

	FY 2018-19 Actual	FY 2019-20 Actual	FY 2020-21 Projected	FY 2021-22 Budget
Beginning Available Balance	\$ -	\$ -	\$ 267,986	\$ 246,665
Revenues				
NSP Entitlement	(20,695)	1,619,329	-	-
Loan Repayments	46,471	25,906	15,000	15,000
	25,776	1,645,235	15,000	15,000
Expenditures				
Administration	25,776	2,396	5,223	
Program Delivery	-	-	-	-
Housing Loan Programs	-	1,642,839	31,098	
	25,776	1,645,235	36,321	-
Transfers				
Transfer In	-	-	-	-
Transfer Out	-	-	-	-
	-	-	-	-
Net Annual Activity	-	-	(21,321)	15,000
Ending Available Balance	\$ -	\$ -	\$ 246,665	\$ 261,665
Available Balance Calculation				
Current Assets		\$ 351,540		
Current Liabilities		(351,540)		
Subtotal		-		
Available Grant Funds		267,986		
Ending Available Balance		\$ 267,986		

**Economic Development Department
Neighborhood Stabilization Program #3 - 230-235
FY 2021-22 Annual Budget**

	FY 2018-19 Actual	FY 2019-20 Actual	FY 2020-21 Projected	FY 2021-22 Budget
Beginning Available Balance	\$ -	\$ -	\$ 154,112	\$ 72,616
Revenues				
NSP Entitlement	(43,317)	359,155	-	-
Investment Proceeds	46,057	27,793	3,000	15,000
	2,740	386,948	3,000	15,000
Expenditures				
Administration	2,740	2,862	23,718	
Program Delivery	-	-	30,000	
Housing Loan Programs	-	384,086	30,778	
	2,740	386,948	84,496	-
Transfers				
Transfer In	-	-		
Transfer Out	-	-		
	-	-	-	-
Net Annual Activity	-	-	(81,496)	15,000
Ending Available Balance	\$ -	\$ -	\$ 72,616	\$ 87,616
Available Balance Calculation				
Current Assets		\$ 111,347		
Current Liabilities		(111,347)		
Available Grant Funding		154,112		
Ending Available Balance		\$ 154,112		

**Economic Development Department
Low & Moderate Income Housing - 290-293
FY 2021-22 Annual Budget**

	FY 2018-19 Actual	FY 2019-20 Actual	FY 2020-21 Projected	FY 2021-22 Budget
Beginning Available Balance	\$ 2,153,084	\$ 1,896,374	\$ 2,666,169	\$ 3,541,939
Revenues				
Investment Proceeds	88,039	197,036	52,788	40,000
Other Revenues	6,468	7,720	38,985	1,000
	94,507	204,756	91,773	41,000
Expenditures				
Administration	16,169	75	15,372	24,760
Housing Loan Programs	1,347,501	100,000	174,000	997,023
	1,363,670	100,075	189,372	1,021,783
Transfers				
Transfer In - General Fund	29,584	101,151	-	-
Transfer In - Other Funds	982,869	563,963	973,369	997,024
Transfer Out	-	-	-	-
	1,012,453	665,114	973,369	997,024
Net Annual Activity	(256,710)	769,795	875,770	16,241
Ending Available Balance	\$ 1,896,374	\$ 2,666,169	\$ 3,541,939	\$ 3,558,180
Available Balance Calculation				
Current Assets		\$ 2,666,169		
Current Liabilities		-		
Ending Available Balance		\$ 2,666,169		

**Economic Development Department
Parking and Venues
Division Summary
FY 2021-22 Annual Budget**

	Boat Launching 100-140	Tourism and Business Improvement 270-052	Entertainment Venues 100-145
	<u>See Page I-29</u>	<u>See Page I-30</u>	<u>See Page I-33</u>
Beginning Available Balance	\$ 953,031	\$ 53,715	\$ 1,689,146
Revenues			
Taxes/Assessments	-	1,281,250	-
User Fees	220,000	-	-
Fines & Forfeitures	-	-	-
Rent	-	-	-
Other Revenue	7,932	-	3,117,187
	227,932	1,281,250	3,117,187
Expenditures			
Operating Expenses	207,442	1,281,250	7,905,140
Debt Service	-	-	-
Capital Improvement	350,000	-	-
	557,442	1,281,250	7,905,140
Transfers			
Transfer In - General Fund	-	-	3,285,000
Transfer In - Other Funds	-	-	-
Transfer Out	-	-	-
	-	-	3,285,000
Net Annual Activity	(329,510)	-	(1,502,953)
Ending Available Balance	\$ 623,521	\$ 53,715	\$ 186,193

**Economic Development Department
Parking and Venues
Division Summary, Continued
FY 2021-22 Annual Budget**

	Parking Authority 630	Marina 640	Parking and Venues Total
	<i>See Page I-35</i>	<i>See Page I-37</i>	
Beginning Available Balance	\$ 2,256,778	\$ 156,190	\$ 5,108,860
Revenues			
Taxes/Assessments	1,260,215	-	2,541,465
User Fees	2,851,353	345,371	3,416,724
Fines & Forfeitures	500,000	-	500,000
Rent	-	-	-
Other Revenue	134,678	27,457	3,287,254
	4,746,246	372,828	9,745,443
Expenditures			
Operating Expenses	4,066,751	634,536	14,095,119
Debt Service	2,217,311	-	2,217,311
Capital Improvement	100,000	-	450,000
	6,384,062	634,536	16,762,430
Transfers			
Transfer In - General Fund	-	262,000	3,547,000
Transfer In - Other Funds	-	-	-
Transfer Out	-	-	-
	-	262,000	3,547,000
Net Annual Activity	(1,637,816)	292	(3,469,987)
Ending Available Balance	\$ 618,962	\$ 156,482	\$ 1,638,873

ECONOMIC DEVELOPMENT DEPARTMENT

BOAT LAUNCHING FACILITIES FUND (100-140)

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 has risen by 26% due to increased interest, likely contributable to the continued allowance of boating during COVID restrictions. There is no increase to fees proposed and the use rate is expected to slow a bit as more recreational areas enjoy reduced COVID restrictions, however, Buckley's boat launch is still anticipated to be used more frequently than prior to COVID. The operating expenditure budget is anticipated to increase, due to increasing minimum wage rates that impact staffing, as well as contracted services such as landscaping.

Louis Park Boat Launch continues to include free launching and water access, however due to the Smith Canal Flood Control Project, it is anticipated that the boat launch and surrounding parking area will be closed. Efforts are underway to redirect boaters to Morelli Boat Launch facilities during the closure.

**Economic Development Department
Boat Launching Facilities - 100-140
FY 2021-22 Annual Budget**

	FY 2018-19 Actual	FY 2019-20 Actual	FY 2020-21 Projected	FY 2021-22 Budget
Beginning Available Balance	\$ 703,136	\$ 751,818	\$ 829,391	\$ 953,031
Revenues				
Boat Launching Fees	161,131	152,537	243,793	220,000
Investment Proceeds	23,610	34,074	4,224	4,500
Reimbursements	3,430	3,416	3,432	3,432
	188,171	190,027	251,449	227,932
Expenditures				
Salaries & Benefits	1,404	10,669	17,491	19,728
Utilities	2,069	2,183	2,606	3,200
Capital Projects	-	-	-	350,000
Maintenance & Repair	39,294	12,573	8,434	50,000
Professional Services	-	-	90,965	105,921
Security Contractor	89,197	79,262	-	-
Materials & Supplies	197	587	796	1,500
Other Expenses	7,328	7,180	7,517	27,093
	139,489	112,454	127,809	557,442
Transfers				
Transfer In	-	-	-	-
Transfer Out	-	-	-	-
	-	-	-	-
Net Annual Activity	48,682	77,573	123,640	(329,510)
Ending Available Balance	\$ 751,818	\$ 829,391	\$ 953,031	\$ 623,521
Available Balance Calculation				
Current Assets		\$ 833,570		
Current Liabilities		(4,179)		
Ending Available Balance		\$ 829,391		

**Economic Development Department
Tourism and Business Improvement - 270-052
FY 2021-22 Annual Budget**

	FY 2018-19 Actual	FY 2019-20 Actual	FY 2020-21 Projected	FY 2021-22 Budget
Beginning Available Balance	\$ 127,129	\$ 131,198	\$ 53,715	\$ 53,715
Revenues				
Taxes/Assessments				
Tourism Business Improvement	1,656,967	1,632,689	1,147,277	1,281,250
Investment Proceeds	4,009	7,375	-	-
Other Revenues	-	(77,748)	-	-
	1,660,976	1,562,316	1,147,277	1,281,250
Expenditures				
Pass-Through				
TBID - Convention & Visitors	1,607,200	1,590,947	1,112,175	1,243,150
Administration	49,707	48,852	35,102	38,100
	1,656,907	1,639,799	1,147,277	1,281,250
Transfers				
Transfer In	-	-	-	-
Transfer Out	-	-	-	-
	-	-	-	-
Net Annual Activity	4,069	(77,483)	-	-
Ending Available Balance	\$ 131,198	\$ 53,715	\$ 53,715	\$ 53,715
Available Balance Calculation				
Current Assets		\$ 106,690		
Current Liabilities		(52,975)		
Ending Available Balance		\$ 53,715		



ECONOMIC DEVELOPMENT DEPARTMENT

ENTERTAINMENT VENUES FUND (100-145)

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 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 host events such as sporting events, banquets, concerts, meetings, and a large state conference. 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.

KEY CONSIDERATIONS

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.

The impacts of COVID-19 have been severe for the venue and entertainment industry. The Department continues to work to mitigate the loss in revenue while maintaining the facilities and, when appropriate, open the venues responsibly. With closures extending beyond a year, very minimal staff, and only base expenses such as utilities, and required maintenance continue. When approval is granted for gathering again, staff and events will return to welcome the community and its visitors.

General Fund dollars support the annual venue operations. The FY 2020-21 level of support was higher due to one-time discretionary funding from the General Fund, due to operating costs coming in higher than revenues in previous years. The General Fund contribution in FY 2021-22 has been reduced back down to a normal level.

**Economic Development Department
Entertainment Venues - 100-145
FY 2021-22 Annual Budget**

	FY 2018-19 Actual	FY 2019-20 Actual	FY 2020-21 Projected	FY 2021-22 Budget
Beginning Available Balance	\$ (306,208)	\$ 1,020,999	\$ 9,909	\$ 1,689,146
Revenues				
Operations:				
Stockton Arena	3,416,076	2,608,376	135,116	1,982,368
Bob Hope Theatre	971,835	813,384	-	498,438
Oak Park Ice Arena	462,491	362,861	-	399,810
Ballpark	349,555	135,351	-	236,571
Other Revenue	97,537	200,191	-	-
	5,297,494	4,120,163	135,116	3,117,187
Expenditures				
Operations:				
Stockton Arena	6,116,728	5,137,853	1,806,410	4,865,293
Bob Hope Theatre	1,396,145	1,051,317	822,473	1,150,415
Oak Park Ice Arena	765,185	651,147	245,894	803,533
Ballpark	861,710	640,621	219,071	863,805
Administration	143,425	146,844	147,031	122,094
Facility Maint. & Equipment	182,094	615,020	-	100,000
	9,465,287	8,242,802	3,240,879	7,905,140
Transfers				
Transfer In - General Fund	4,345,000	3,835,000	4,785,000	3,285,000
Transfer In - Capital	1,150,000	-	-	-
Transfer Out	-	-	-	-
	5,495,000	3,835,000	4,785,000	3,285,000
Net Annual Activity	1,327,207	(287,639)	1,679,237	(1,502,953)
Ending Available Balance	\$ 1,020,999	\$ 733,360	\$ 1,689,146	\$ 186,193
Available Balance Calculation				
Current Assets		\$ 3,542,523		
Current Liabilities		(2,504,105)		
Adjustment to Liabilities		1,038,418		
Capital Appropriations		(1,028,509)		
Ending Available Balance		<u>\$ 9,909</u>		

ECONOMIC DEVELOPMENT DEPARTMENT

PARKING AUTHORITY FUND (630)

PROGRAM DESCRIPTION

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

KEY CONSIDERATIONS

In February 2020, 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. These capital upgrades will add safety, reliability and efficiency to the facilities and allow staff to provide better services to parking customers.

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 by nearly 30%. Expenses have been reduced through factors such as personnel cuts, reductions in service contracts, and consolidation of some facility operations, throughout FY 2020-21. Operations and monthly proceeds will continue to be monitored closely as the COVID-19 directives progress.

**Economic Development Department
Parking Authority - 630
FY 2021-22 Annual Budget**

	FY 2018-19 Actual	FY 2019-20 Actual	FY 2020-21 Projected	FY 2021-22 Budget
Beginning Available Balance	\$ 2,760,210	\$ 2,176,900	\$ 5,967,146	\$ 2,256,778
Revenues				
Assessments	1,341,407	1,407,114	1,463,242	1,260,215
Operating Revenue/Fees	3,663,454	3,918,644	2,641,900	2,851,353
Parking Citations/Fines	793,720	699,562	399,397	500,000
Bond Proceeds	-	3,000,000	-	-
Other Revenues	134,766	131,020	99,047	115,000
Investment Proceeds	81,092	85,324	9,836	19,678
Uncollectible A/R	-	-	-	-
	6,014,439	9,241,664	4,613,422	4,746,246
Expenditures				
Administration	555,650	613,072	559,552	813,609
Other Services	37,273	3,875	8,500	111,571
Parking Operations	2,223,654	2,467,174	1,969,898	2,301,811
Parking Enforcement	594,730	591,540	746,630	839,760
Debt Service	1,592,471	2,030,959	1,817,088	2,217,311
Parking Improvements	832,986	59,382	3,222,122	100,000
	5,836,764	5,766,002	8,323,790	6,384,062
Transfers				
Transfer Out - SEB Debt	(714,451)	-	-	-
Transfer Out - Low/Mod Housing	(35,446)	(121,197)	-	-
	(749,897)	(121,197)	-	-
Net Annual Activity	(572,222)	3,354,465	(3,710,368)	(1,637,816)
Ending Available Balance	\$ 2,187,988	\$ 5,531,365	\$ 2,256,778	\$ 618,962
Available Balance Calculation				
Current Assets		\$ 3,755,149		
Current Liabilities		(790,028)		
Capital Appropriations		3,002,025		
Ending Available Balance		\$ 5,967,146		

ECONOMIC DEVELOPMENT DEPARTMENT

DOWNTOWN MARINA COMPLEX FUND (640)

PROGRAM DESCRIPTION

This fund supports the Downtown Stockton Marina. The Marina has been in operation since 2009 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

While COVID shutdowns have had negative effects on many operations, the continued allowance of single-household boating has generated a heightened interest in the Downtown Marina and other boating facilities in Stockton resulting in an increase in revenues.

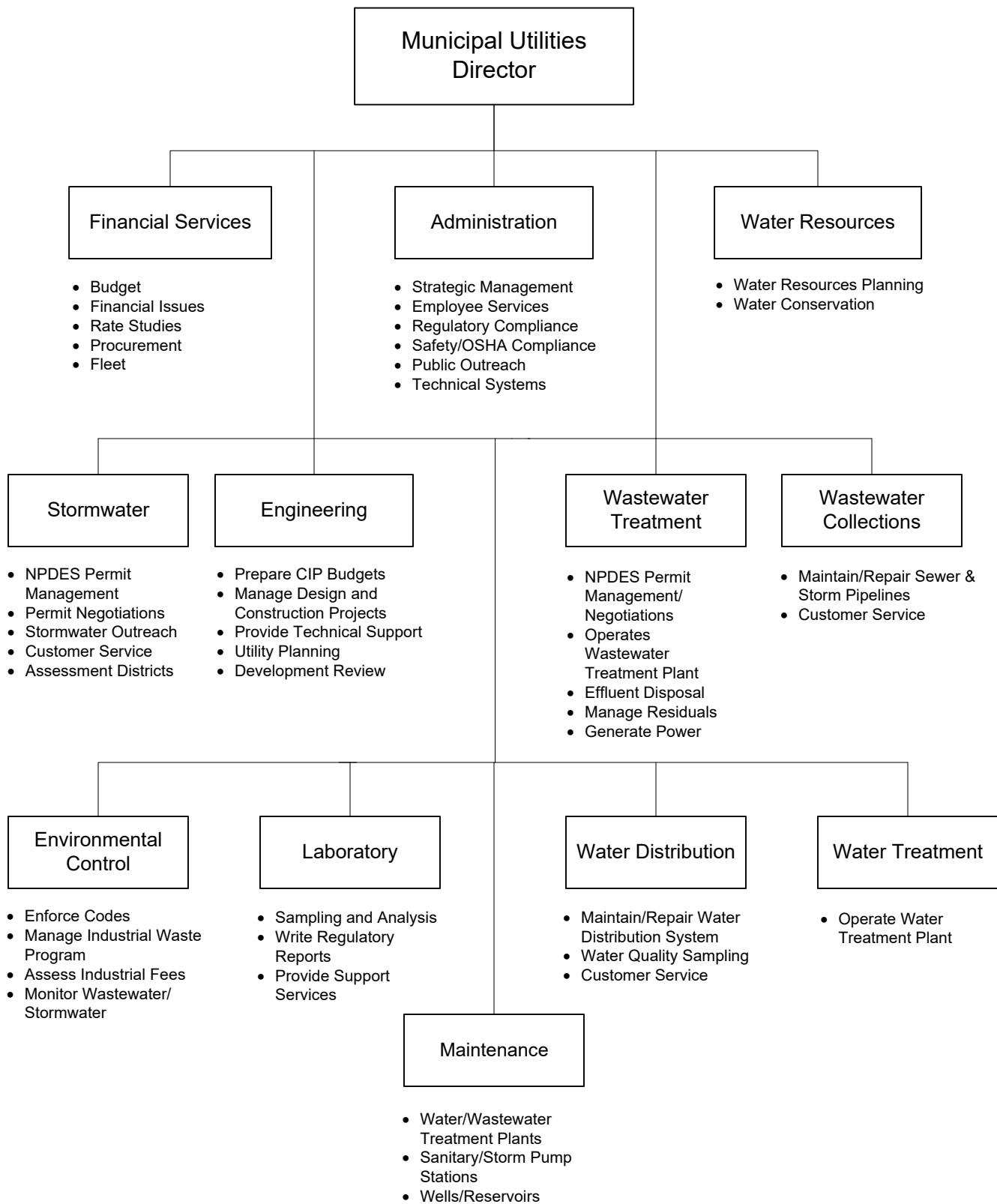
FY 2021-22 revenue is projected to increase over FY 2020-21's anticipated year end due to increasing interest in boat slips, electrical fees (now charged based on use), and anticipated one-time use payment from Smith Canal Flood Control Improvement Project while Louis Park boat launch is closed. Minimum wage increases, maintenance impacts caused by additional use due to Louis Park boat launch closure, and heightened need for security services are expected to impact expenses in FY 2021-22.

**Economic Development Department
Downtown Marina Complex - 640
FY 2021-22 Annual Budget**

	FY 2018-19 Actual	FY 2019-20 Actual	FY 2020-21 Projected	FY 2021-22 Budget
Beginning Available Balance	\$ 311,998	\$ 149,122	\$ 123,268	\$ 156,190
Revenues				
User Fees	161,664	261,545	285,190	345,371
Other Revenues	7,011	9,677	-	-
Investment Proceeds	10,842	3,399	5,927	27,457
	179,517	274,621	291,117	372,828
Expenditures				
Administration	9,467	8,171	10,611	17,400
Operating Expenses	555,895	493,336	544,584	617,136
Capital Projects	39,031	-	-	-
	604,393	501,507	555,195	634,536
Transfers				
Transfer In - General Fund	262,000	262,000	297,000	262,000
Transfer Out	-	-	-	-
	262,000	262,000	297,000	262,000
Net Annual Activity	(162,876)	35,114	32,922	292
Ending Available Balance	\$ 149,122	\$ 184,236	\$ 156,190	\$ 156,482
Available Balance Calculation				
Current Assets		\$ 330,512		
Current Liabilities		(146,275)		
Less: program commitments		(60,969)		
Ending Available Balance		\$ 123,268		



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	\$250,820,955
Total Expenditures	\$354,137,721
Total Net Cost	\$103,316,766
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 and 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 the northern and southern regions of the Stockton Metropolitan Area, with the California Water Service Company and San Joaquin County serving the central region. 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 16 operational groundwater wells. The Water Utility maintains a water transmission and distribution system that includes seven reservoirs including 15 pumps, approximately 590 miles of pipeline, and approximately 49,000 water meters. 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 2021-22 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 is 50% complete and when finished, will 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. 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 began updating the utility master plans for Water, Wastewater and Stormwater starting in FY 2020-21 and will complete the updates in FY 2021-22. The master plans 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 Stormwater utility master plan 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.

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 proposed a new Clean Water fee in 2010 in accordance with California Proposition 218 (California Constitution Article XIIIID, section 6) that would supplement the current stormwater fee. The rate study prepared for and which served as the basis for the proposed new Clean Water fee determined the Stormwater Utility was under-funded by approximately \$9 million a year. The proposed new Clean Water fee was not approved, therefore, the City did not implement 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 proposing a rate adjustment to provide needed funding for this Utility is currently under review.

PRIOR YEAR ACCOMPLISHMENTS

Engineering:

Completed design and awarded construction contracts for the following capital projects:

- Veterans Affairs Medical Facility Offsite Utilities Improvements
- Sanitary Sewer Pump Stations and Force Main Cathodic Protection
- Abandon Old Brookside Sanitary Sewer Pump Station
- Brookside Calaveras Storm Pump Station Roof Replacement

MUNICIPAL UTILITIES DEPARTMENT

Completed construction of the following capital projects:

- Sutter and Calaveras River Storm Station Discharge Pipe Replacement Project
- RWCF Digester Wall Repairs Project
- Brookside North Storm Pump Station Discharge Pipe Rehabilitation
- Water Service Laterals Replacement
- RWCF Polymer Room Ventilation
- Area Relief Valve Vault Replacement at 99 Frontage Road/Imperial Way
- RWCF Containment Curb for Polymer Tanks
- Delta Water Treatment Plant Intake Pump Station Improvements
- Abandonment of Water Wells 1, 9, 11, and 16
- 14 Mile Slough Reservoir Site Fencing improvements
- Scum Concentrator Replacement at RWCF
- Updated the Water Master Plan
- Processed 622 development application reviews, an increase of 15% from last fiscal year

Finance:

- Completed the Clean Water State Revolving Fund (CWSRF) draft loan agreement in the amount of \$46,800,000 for planning, design, and construction of the RWCF Modifications Project. The MUD plans to submit the final agreement to the City Council for approval during the fall of calendar year 2021.
- Executed the Water Infrastructure Finance and Innovation Act (WIFIA) – Wastewater Revenue Bond in the amount of \$108,000,000 for the RWCF Modifications Project on September 30, 2020.

Wastewater Operations and Maintenance:

The Regional Wastewater Control Facility (RWCF):

- Continued construction on the RWCF Modifications Project, including:
 - Construction of four (4) new Secondary Clarifiers
 - Construction of new Aeration Basin
 - Construction of new Chemical Dosing Area, including operational training prior to commissioning
 - Installed new gates in Headworks
 - Demolition of a Biotower
 - Began construction of the new Ultraviolet Disinfection facility
 - Began construction of the new Disk Filter facility
 - Began construction of the new Administration and Engineering Building

MUNICIPAL UTILITIES DEPARTMENT

- Began construction of the new Laboratory
- Began construction of Maintenance and Collections Building expansion
- Retrofit of Primary Clarifiers 5 and 6
- Coordinated construction activities while maintaining full operation of RWCF to treat and discharge over 8.9 billion gallons of wastewater while meeting NPDES permit requirements

Water Administration and Operations:

- Delivered 8.5 billion gallons of drinking water to the City, meeting or exceeding all State and Federal regulations
- The City and the other 11 member agencies of the Greater San Joaquin County Regional Water Coordinating Committee completed and adopted the Integrated Regional Water Management Plan – 2020 Addendum
- The City and the other 15 member agencies of the Eastern San Joaquin Groundwater Authority submitted the Groundwater Sustainability Plan Annual Report to the Department of Water Resources
- Participated on the Delta Conveyance Design & Construction Authority Stakeholder Engagement Committee
- Completed and submitted the Water Right Permit 21176 Extension Application to the State Water Resources Control Board
- Completed the 2021 Water Rate Study
- Completed the Emergency Response Plan for the Water Division
- Prepared four Water Supply Assessments to confirm water supply availability for new development areas at Airpark 599, Mariposa Industrial Park, South Stockton Commerce Center, and Sanchez-Hoggan
- Completed the 2020 Urban Water Management Plan
- Installed 37 new water quality sampling stations. The new enclosed, stainless steel sample locations provide more efficient and sterile sampling environment
- Recoated both three million gallon water storage tanks at Weston Ranch Reservoir Site

Stormwater Collections:

- Cleaned and replaced stormwater filters to meet stormwater quality requirements
- Performed maintenance on basins at Arch Road & Newcastle Road, and at El Dorado Street & Clayton Avenue
- Inspected approximately 4500 catch basins

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.

MUNICIPAL UTILITIES DEPARTMENT

- Integrated the Industrial Stormwater Program, to prevent stormwater pollution and comply with Senate Bill No. 205, requiring municipalities to verify that businesses can demonstrate enrollment with the NPDES permit program
- Completed On-land Visual Trash Assessment
- Completed update of Stormwater Quality Control Criteria Plan (SWQCCP) which aligned the City's new development and redevelopment standards with the corresponding requirements of the Statewide Trash Amendments and the Region-wide Permit. The revised 2020 SWQCCP will help to assure conformance with revisions to the governing requirements and permits and provide the foundation for consistent implementation of water quality control requirements within the City.
- Awarded contract to perform Street Sweeping Study and Assessment
- Awarded contract for Stormwater Program Professional Services and Monitoring
- Updated Stockton Municipal Codes 13.16 and 15.48 to align with current development standards
- Established two new stormwater drainage assessment districts (BD Homes and North Newcastle)
- Completed the following Stormwater Compliance Inspections:
 - Commercial: 700
 - Construction: 500
 - Industrial: 115
 - Illicit Discharge: 40

Wastewater Collections:

- Cleaned approximately 1.5 Million feet of Sanitary Lines
- Inspected approximately 240,000 feet of Sanitary Lines utilizing CCTV (Closed Circuit TV) equipment
- Inspected approximately 10,000 feet of Lateral Lines
- Completed approximately 266 Repairs of Sanitary Laterals
- Completed approximately 33 Repairs of Sanitary Mainlines
- Reduced Sanitary Sewer Overflows (SSO) by approximately 25% from previous year

KEY CONSIDERATIONS

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



Utilities
FY 2021-22 Annual Budget

	<u>Water 600</u> <i>See Page J-11</i>	<u>Wastewater 610</u> <i>See Page J-13</i>	<u>Stormwater 620</u> <i>See Page J-15</i>	<u>Storm Districts 270</u> <i>See Page J-17</i>	<u>Utilities Total</u>
Beginning Available Balance	\$ 65,692,382	\$ 193,858,443	\$ 6,302,670	\$ 3,201,788	\$ 269,055,283
Revenues					
User Services	48,757,286	73,698,831	5,113,995	405,153	127,975,265
Connection Fees	4,015,753	3,195,559	-	-	7,211,312
Storm Drain Districts	-	-	89,500	-	89,500
Fines and Penalties	596,865	542,200	-	-	1,139,065
Investment Proceeds	881,732	1,108,653	97,500	40,000	2,127,885
Other Revenue	5,713,204	329,500	228,012	-	6,270,716
Bond Anticipation Notes (BAN)	-	106,000,000	-	-	106,000,000
	59,964,840	184,874,743	5,529,007	445,153	250,813,743
Expenditures					
Administration	4,347,219	5,878,615	2,338,221	-	12,564,055
Customer Service	1,021,955	3,168,787	475,470	-	4,666,212
Operations and Maintenance	17,407,098	47,182,882	3,714,368	434,475	68,738,823
Water Treatment	310,636	-	-	-	310,636
Water Conservation	120,000	-	-	-	120,000
Purchased Water	15,149,557	-	-	-	15,149,557
Debt Service	14,300,287	127,637,265	-	-	141,937,552
Capital Projects	12,563,570	96,985,161	1,102,155	-	110,650,886
	65,220,322	280,852,710	7,630,214	434,475	354,137,721
Transfers					
Transfer In	-	-	-	7,212	7,212
Transfer Out	-	-	-	-	-
	-	-	-	7,212	7,212
Net Annual Activity	(5,255,482)	(95,977,967)	(2,101,207)	17,890	(103,316,766)
Ending Available Balance	\$ 60,436,900	\$ 97,880,476	\$ 4,201,463	\$ 3,219,678	\$ 165,738,517
				Revenues	\$ 250,813,743
				Transfers	7,212
				Total Sources	<u>\$ 250,820,955</u>
				Expenditures	\$ 354,137,721
				Transfers	-
				Total Appropriations	<u>\$ 354,137,721</u>

MUNICIPAL UTILITIES DEPARTMENT

WATER UTILITY FUND (600)

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 be used by the Water Utility. Water user rate fees and developer impact fees fund the Water Utility Capital Improvement Program.

KEY CONSIDERATIONS

In FY 2020-21, the department conducted a Water Rate Study. The objective of the water rate study was 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 developed rates that are cost-based, equitable, and based on the City's specific costs and customer characteristics.

The 2021 Water Rate Study does not propose any rate adjustments for FY 2021-22. The first increase of 3.5% will be implemented on July 1, 2022; the second (of 3.5%) will be effective July 1, 2023; the third (of 4%) will be effective July 1, 2024; and the fourth and final (of 4%) will be effective July 1, 2025.

As part of the rate increases, the City Council adopted the use and implementation of the Drought Recovery Charge, 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 Recovery Charge 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.

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

In FY 2020-21, the department updated the Water Master Plan. The plan was developed based on growth and land uses defined in the Envision Stockton 2040 General Plan. The Water Master Plan Update developed a hydraulic model of existing conditions as well as proposed infrastructure. The 2021 Water Master Plan will assist staff in planning and designing infrastructure improvements that support future development and to evaluate potentially needed improvements at existing facilities.

In FY 2020-21, the department updated the Urban Water Management Plan (UWMP). 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 in the UWMP is useful for local, regional, and statewide water planning.

Utilities
Water - 600
FY 2021-22 Annual Budget

	FY 2018-19 Actual	FY 2019-20 Actual	FY 2020-21 Projected	FY 2021-22 Budget
Beginning Available Balance	\$ 151,141,846	\$ 162,414,415	\$ 61,103,280	\$ 65,692,382
Revenues				
User Services Fees	48,382,145	52,301,591	50,787,365	48,757,286
% increase	-2%	8%	-3%	-4%
Connection Fees	2,615,119	3,853,942	3,975,993	4,015,753
Fines and Penalties	1,043,123	852,649	621,734	596,865
Investment Proceeds	3,084,416	2,889,422	955,487	881,732
Federal Build America Bond Grant	2,456,546	-	-	-
Other Revenue	479,276	6,924,097	5,831,935	5,713,204
	58,060,625	66,821,701	62,172,514	59,964,840
Expenditures				
Administration	2,773,958	3,245,105	4,070,911	4,347,219
Customer Service	887,712	899,836	886,489	1,021,955
Operations and Maintenance	12,237,161	12,807,668	15,134,032	17,407,098
Water Treatment	229,867	207,990	408,798	310,636
Water Conservation	34,172	52,476	35,574	120,000
Purchased Water	8,987,835	13,371,599	16,500,000	15,149,557
Debt Service	13,064,076	9,446,732	14,285,486	14,300,287
Capital Projects	370,580	1,177,684	6,262,122	12,563,570
	38,585,361	41,209,090	57,583,412	65,220,322
Transfers				
Transfer In	-	-	-	-
Transfer Out	(256,307)	(67,690)	-	-
	(256,307)	(67,690)	-	-
Net Annual Activity	19,218,957	25,544,921	4,589,102	(5,255,482)
Non-Current Transactions	7,946,388	6,469,592	-	-
Ending Available Balance *	\$ 162,414,415	\$ 181,489,744	\$ 65,692,382	\$ 60,436,900
Available Balance Calculation ^				
Current Assets		\$ 85,338,466		
Current Liabilities		(11,999,584)		
Capital Appropriations		(12,235,602)		
Ending Available Balance		\$ 61,103,280		

* Beginning and Ending Available Balance amounts for FY 2018-19 and FY 2019-20 are presented using Generally Accepted Accounting Practices (GAAP) for enterprise funds. FY 2020-21 and FY 2021-22 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 (610)

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 be used 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% effective July 1, 2020, and the third annual increase of 6% will go into effect July 1, 2021.

The RWCF Modifications Project, delivered under a Progressive Design-Build contract, will improve the wastewater treatment processes. The improvements will 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 current Wastewater Master Plan (WWMP) was developed in 2008 to support the 2035 General Plan. The process to update of the WWMP was initiated in FY 2020-21 and will be completed in FY 2021-22. The most recent General Plan Update for 2040 projected different buildout land uses in comparison with the 2035 General Plan. The 2021 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 - 610
FY 2021-22 Annual Budget

	FY 2018-19 Actual	FY 2019-20 Actual	FY 2020-21 Projected	FY 2021-22 Budget
Beginning Available Balance	\$ 327,628,751	\$ 343,751,322	\$ 166,035,861	\$ 193,858,443
Revenues				
User Services Fees	65,676,286	69,634,196	69,527,040	73,698,831
% increase	-1%	6%	0%	6%
Connection Fees	1,452,853	2,463,943	3,163,674	3,195,559
Fines and Penalties	1,415,998	1,036,253	542,318	542,200
Investment Proceeds	4,403,209	5,969,950	1,091,950	1,108,653
Other Revenue	1,111,275	5,291,539	330,583	329,500
Bond Proceeds	-	-	92,000,000	106,000,000
	74,059,621	84,395,881	166,655,565	184,874,743
Expenditures				
Administration	5,266,778	6,268,033	7,963,841	5,878,615
Customer Service	2,567,599	2,763,577	2,930,575	3,168,787
Operations and Maintenance	34,486,304	36,243,157	37,259,220	47,182,882
Debt Service	2,813,733	4,274,405	8,157,015	127,637,265
Capital Projects	6,134,424	45,315,742	82,522,332	96,985,161
	51,268,838	94,864,914	138,832,983	280,852,710
Transfers				
Transfer In - District Funds	13,474	-	-	-
Transfer Out	(125,800)	(178,037)	-	-
	(112,326)	(178,037)	-	-
Net Annual Activity	22,678,457	(10,647,070)	27,822,582	(95,977,967)
Non-Current Transactions	6,555,886	(31,221,652)	-	-
Ending Available Balance *	\$ 343,751,322	\$ 364,325,904	\$ 193,858,443	\$ 97,880,476
Available Balance Calculation ^				
Current Assets		\$ 240,086,843		
Current Liabilities		(14,647,046)		
Capital Appropriations		(59,403,936)		
Ending Available Balance		<u>\$ 166,035,861</u>		

* Beginning and Ending Available Balance amounts for FY 2018-19 and FY 2019-20 are presented using Generally Accepted Accounting Practices (GAAP) for enterprise funds. FY 2020-21 and FY 2021-22 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 (620)

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 be used 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 proposed a new Clean Water fee in 2010 in accordance with California Proposition 218 (California Constitution Article XIID, section 6) that would supplement the current stormwater fee. The rate study prepared for and which served as the basis for the proposed new Clean Water fee determined the Utility was under-funded by approximately \$9 million a year. The proposed new Clean Water fee was not approved, therefore, the City did not implement the new Clean Water fee. The possibility of proposing a rate adjustment 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 2021-22, 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.

The MUD initiated a Stormwater Master Plan in FY 2020-21 and will complete the Plan in FY 2021-22. 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 - 620
FY 2021-22 Annual Budget

	FY 2018-19 Actual	FY 2019-20 Actual	FY 2020-21 Projected	FY 2021-22 Budget
Beginning Available Balance	\$ 52,034,399	\$ 51,524,225	\$ 6,704,739	\$ 6,302,670
Revenues				
User Services	5,970,119	6,068,832	5,262,888	5,113,995
% increase	7%	2%	-13%	-3%
Admin Fee Storm Drain Districts	84,500	89,500	89,500	89,500
Agency Reimbursements	352,518	258,624	229,174	228,012
Investment Proceeds	324,152	359,999	97,500	97,500
	6,731,289	6,776,955	5,679,062	5,529,007
Expenditures				
Administration	2,439,777	2,276,864	2,142,564	2,338,221
Customer Service	376,195	390,038	383,310	475,470
Operations and Maintenance	2,568,901	2,142,552	2,985,140	3,714,368
Capital Projects	694,432	828,309	570,117	1,102,155
	6,079,305	5,637,763	6,081,131	7,630,214
Transfers				
Transfer In - District Funds	-	-	-	-
Transfer Out	(2,345)	(23,035)	-	-
	(2,345)	(23,035)	-	-
Net Annual Activity	649,639	1,116,157	(402,069)	(2,101,207)
Non-Current Transactions	1,159,813	657,153	-	-
Ending Available Balance *	\$ 51,524,225	\$ 51,983,229	\$ 6,302,670	\$ 4,201,463
Available Balance Calculation ^				
Current Assets		\$ 10,362,344		
Current Liabilities		(294,495)		
Capital Appropriations		(3,363,110)		
Ending Available Balance		\$ 6,704,739		

* Beginning and Ending Available Balance amounts for FY 2018-19 and FY 2019-20 are presented using Generally Accepted Accounting Practices (GAAP) for enterprise funds. FY 2020-21 and FY 2021-22 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 (270)

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 2021-22, which is the final one-year extension. A request for proposal for a multi-year contract will be completed in FY 2021-22.

The budgets include the individually approved budgets for the 17 Consolidated Storm Drain Maintenance District and each of the 6 Industrial 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 was held in April 2021 and the Engineer's Reports and Assessment Rolls were approved by the City Council in June 2021. There will be no increase in the assessments for FY 2021-22.

The MUD is developing a Stormwater Master Plan in FY 2020-21 that will be completed in FY 2021-22. 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.

Utilities
Storm Drain Maintenance District - 270
FY 2021-22 Annual Budget

	<u>FY 2018-19</u> <u>Actual</u>	<u>FY 2019-20</u> <u>Actual</u>	<u>FY 2020-21</u> <u>Projected</u>	<u>FY 2021-22</u> <u>Budget</u>
Beginning Available Balance	\$ 2,731,816	\$ 2,951,023	\$ 3,107,192	\$ 3,201,788
Revenues				
Assessments	326,654	339,403	331,916	405,153
Investment Proceeds	114,663	126,603	40,000	40,000
	<u>441,317</u>	<u>466,006</u>	<u>371,916</u>	<u>445,153</u>
Expenditures				
Miscellaneous expenditures	229,322	317,048	284,532	434,475
Capital projects	-	-	-	-
	<u>229,322</u>	<u>317,048</u>	<u>284,532</u>	<u>434,475</u>
Transfers				
Transfer In	7,212	7,212	7,212	7,212
Transfer Out	-	-	-	-
	<u>7,212</u>	<u>7,212</u>	<u>7,212</u>	<u>7,212</u>
Net Annual Activity	219,207	156,170	94,596	17,890
Ending Available Balance	<u>\$ 2,951,023</u>	<u>\$ 3,107,193</u>	<u>\$ 3,201,788</u>	<u>\$ 3,219,678</u>
Available Balance Calculation				
Current Assets		\$ 3,122,384		
Current Liabilities		(15,192)		
Ending Available Balance		<u>\$ 3,107,192</u>		



TAB 11 ADMINISTRATION & SUPPORT



Administration and Support
FY 2021-22 Annual Budget

	Charter Offices	Administrative Services		Human Resources	
	City Council, Manager, Clerk, Attorney, Auditor 100	General Fund 100	Reprographics 570	General Fund 100	Insurance and Benefits Internal Service 520-560
	<i>See Page K-24</i>	<i>See Page K-31</i>	<i>See Page N-15</i>	<i>See Page K-36</i>	<i>See Page N-17</i>
Beginning Available Balance			\$ 1,652,451		\$ 117,388,674
Revenues					
Operating Revenues	-	-	392,000	-	117,305,237
Other Revenue	17,400	145,205	-	-	19,488,055
	17,400	145,205	392,000	-	136,793,292
Expenditures					
Employee Services	6,111,302	4,883,135	-	1,477,416	-
Other Services	2,095,362	2,825,805	-	629,928	-
Materials and Supplies	168,095	83,807	-	26,198	-
Capital Outlay	-	-	-	-	-
Debt Service	-	-	-	-	-
Other Expenses	208,885	554,850	354,836	218,807	137,755,288
	8,583,644	8,347,597	354,836	2,352,349	137,755,288
	-	-	-	-	-
Transfers					
Transfer In - General Fund	-	-	-	-	-
Transfer In - Other Funds	-	-	-	-	-
Transfer Out - Capital	-	-	-	-	-
Transfer Out - Operating	-	-	(1,400,000)	-	-
	-	-	(1,400,000)	-	-
Net Annual Activity	(8,566,244)	(8,202,392)	(1,362,836)	(2,352,349)	(961,996)
Ending Available Balance			\$ 289,615		\$ 116,426,678
			-		-

Summary by Department

	Charter Offices	Administrative Services	Human Resources
Revenues	\$ 17,400	\$ 537,205	\$ 136,793,292
Transfers	-	-	-
Total Sources	\$ 17,400	\$ 537,205	\$ 136,793,292
Expenditures	\$ 8,583,644	\$ 8,702,433	\$ 140,107,637
Transfers	-	1,400,000	-
Total Appropriations	\$ 8,583,644	\$ 10,102,433	\$ 140,107,637

Administration and Support, Continued
FY 2021-22 Annual Budget

		<u>Non-Departmental</u>		
	<u>Information Technology 510</u>	<u>General Fund 100</u>	<u>Other Special Programs 260</u>	<u>Administration & Support Total</u>
	<i>See Page N-11</i>	<i>See Page K-48</i>	<i>See Page K-50</i>	
Beginning Available Balance	\$ 28,037,971		\$ 1,946,376	
Revenues				
Operating Revenues	17,589,822	-	800,750	136,087,809
Other Revenue	206,876	-	-	19,857,536
	17,796,698	-	800,750	155,945,345
Expenditures				
Employee Services	-	(149,221)	-	12,322,632
Other Services	-	1,912,765	-	7,463,860
Materials and Supplies	-	15,000	-	293,100
Capital Outlay	5,249,502	-	-	5,249,502
Debt Service	-	-	-	-
Other Expenses	15,268,323	(221,737)	654,435	154,793,687
	20,517,825	1,556,807	654,435	180,122,781
		-		
Transfers				
Transfer In - General Fund	-	-	-	-
Transfer In - Other Funds	-	-	-	-
Transfer Out - Capital	-	(5,000,000)	-	(5,000,000)
Transfer Out - Other Funds	(4,000,000)	(16,536,325)	(2,000,000)	(23,936,325)
	(4,000,000)	(21,536,325)	(2,000,000)	(28,936,325)
Net Annual Activity	(6,721,127)	(23,093,132)	(1,853,685)	(53,113,761)
		-		-
Ending Available Balance	\$ 21,316,844		\$ 92,691	
	-		-	

Summary by Department

	<u>Information Technology</u>	<u>Non-Departmental</u>
Revenues	\$ 17,796,698	\$ 800,750
Transfers	-	-
Total Sources	\$ 17,796,698	\$ 800,750
Expenditures	\$ 20,517,825	\$ 2,211,242
Transfers	4,000,000	23,536,325
Total Appropriations	\$ 24,517,825	\$ 25,747,567

<u>Administration & Support Section</u>	
Expenditures	\$ 180,122,781
Transfers	28,936,325
Total Appropriations	\$ 209,059,106

<u>Appropriation by Function</u>	
Administration	\$ 45,556,251
Insurance and Benefits	137,755,288
Non-Departmental	25,747,567
	\$ 209,059,106

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	\$1,005,703
Total Net Cost	\$1,005,703
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. The Neighborhood Betterment Teams, in conjunction with the newly established Clean City Initiative, 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 held its first Virtual Investors Summit to promote and discuss upcoming opportunities in Stockton, updated the existing Community Profile publication for marketing and business attraction efforts, and worked with publications on articles highlighting Stockton. The City issued nearly 7,800 building permits worth an estimated \$448 million, issued a \$30,000 NOFA to support a Commercial Kitchen Incubator program, in addition to a \$200,000 NOFA to support the Entrepreneurship Grant Program.

The City received \$10 million from the Permanent Local Housing Allocation to support and expand the number of affordable housing units in support of the City's Regional Housing Needs Allocation

OFFICE OF THE CITY COUNCIL

The City also received \$9 million from the Homeless Housing, Assistance, and Prevention, rounds 1 and 2 grants, to further assist with homelessness activities and to help with the implementation of the homeless strategic plan and continues 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 with a \$108 million Water Infrastructure Finance and Innovation Act loan, as well as expanded its environmental and sustainability efforts by securing a \$10.8 million Transformative Climate Communities Implementation Grant.

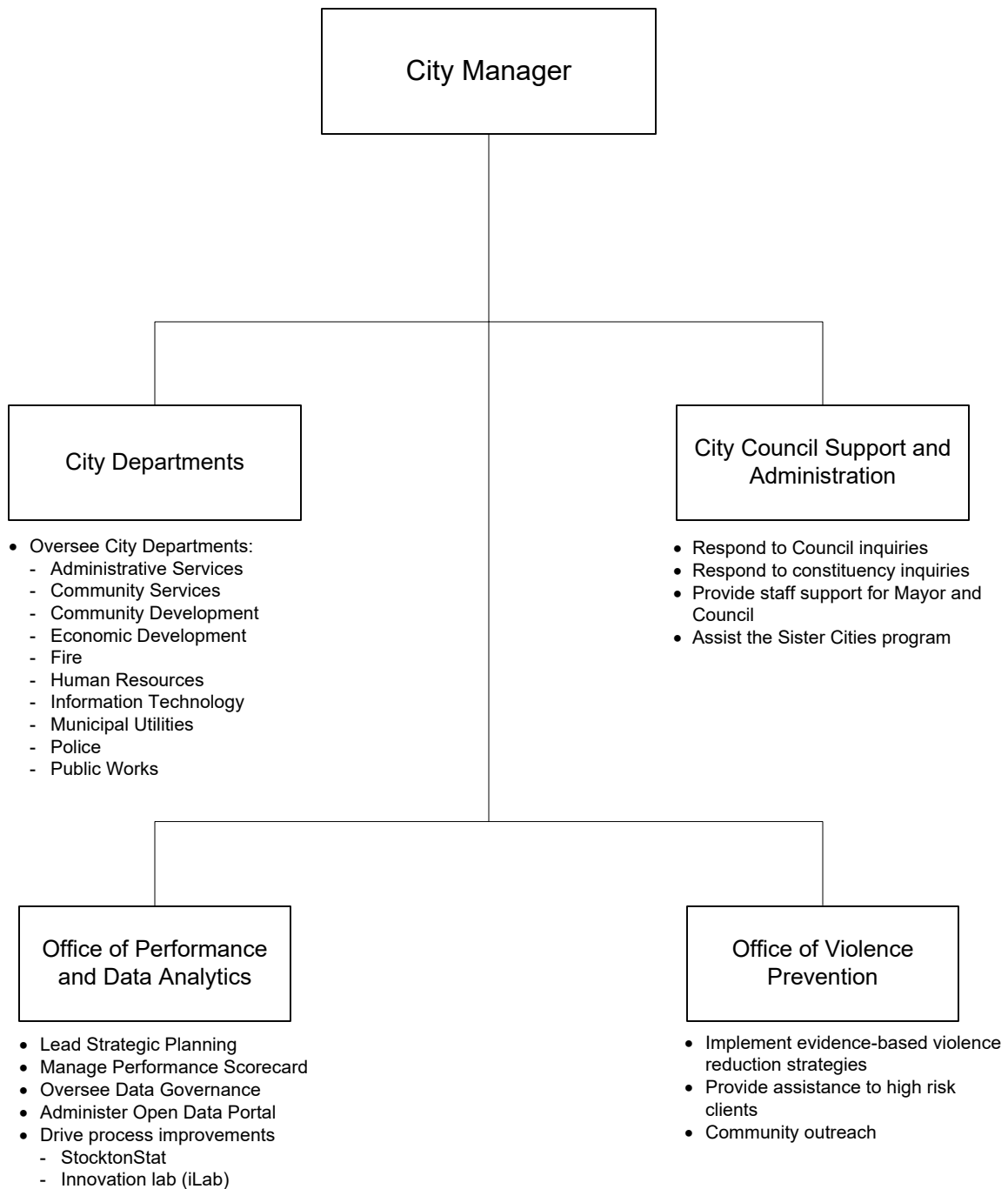
KEY CONSIDERATIONS

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 \$5 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 2021-22 Annual Budget supports that goal by directing over 76% of the General Fund budget to Police and Fire and continuing significant investment in the replacement of the public safety radio infrastructure. The Budget also increases funding to provide continued support to the Clean City Initiative.

Management and distribution of the more than \$27 million of State CARES funds received to address COVID-19 relief efforts was also a priority for the prior year. These funds were divided into four main categories: Community and Economic Support, Housing and Homelessness, Community Well-Being, and Management Response to COVID-19. With these funds the City was able to provide testing services and personal protective equipment to our community, financially support residence and homeowners, small businesses, shelters, non-profits and other community partners, and continue services to our community while also improving our emergency response efforts. The City Council will continue to look ahead to potential relief coming by way of the Federal Coronavirus State and Local Fiscal Recovery Funds.

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 2021-22 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	\$4,702,733
Total Net Cost	\$4,702,733
Total Staff	33

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, Office of Performance and Data Analytics, Grants, Legislative Advocacy, Communications, Public Relations and Government Access Television – Stockton GovTV.

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 active monitoring of the Long-Range Financial Plan to ensure that the City optimizes its financial resiliency and solvency. This practice has resulted in the growth of financial reserves for known and unknown contingencies, allowing the City to appropriate \$4.8 million toward Council priority projects including tree maintenance, playground equipment replacements, park game courts maintenance, and other initiatives with Citywide impact. The non-profit Truth in Accounting evaluated the fiscal health of the largest (by population) 75 cities in the United States and ranked Stockton #4.

The Office of Performance and Data Analytics (OPDA) was launched to establish and implement a comprehensive, integrated performance management program for the City designed to support the Innovation Lab (iLab), StocktonStat, and Open Data. These initiatives focus on deconstructing and improving City processes to ultimately provide more visibility into the organization so City services can be delivered better, faster and smarter.

The City Manager's Review Board (CMRB) has been established as an innovative approach to comprehensive public safety strategies and ensuring continuous improvement of community-police relations by promoting comprehensive public safety strategies and building, enhancing, and expanding relationships with our local community. The CMRB will focus on the review and analysis of qualitative and quantitative data to ascertain actionable insights and the review of policies and practices.

OFFICE OF THE CITY MANAGER

The City achieved important outcomes related to public health and safety. The Clean City Initiative was launched in the fall of 2020, incorporating efforts from the Public Works, Police Neighborhood Betterment Teams, and our local waste franchisers to tackle cleanliness and illegal dumping throughout our City. 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 held its first Virtual Investors Summit to promote and discuss upcoming opportunities in Stockton, updated the existing Community Profile publication for marketing and business attraction efforts, and worked with publications on articles highlighting Stockton. The City issued nearly 7,800 building permits worth an estimated \$448 million, issued a \$30,000 Notice of Funding Availability (NOFA) to support a Commercial Kitchen Incubator program, in addition to a \$200,000 NOFA to support the Entrepreneurship Grant Program.

The City received \$10 million from the Permanent Local Housing Allocation to support and expand the number of affordable housing units in support of the City's Regional Housing Needs Allocation. The City also received \$9 million from the Homeless Housing, Assistance, and Prevention, rounds 1 and 2 grants, to further assist with homelessness activities and to help with the implementation of the homeless strategic plan and continues 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 with a \$108 million Water Infrastructure Finance and Innovation Act loan, as well as expanded its environmental and sustainability efforts by securing a \$10.8 million Transformative Climate Communities Implementation Grant.

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 and recovery efforts. That fiscal discipline has enabled the City to devote over \$5 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 by organizing and tracking the Fiscal Year One Page Strategic Plan ®. In recent years, significant progress has been made in modernizing the organization as we continue to work with Tyler Technologies on the implementation of our new Enterprise Resource Program and the Socrata Open Data platform.

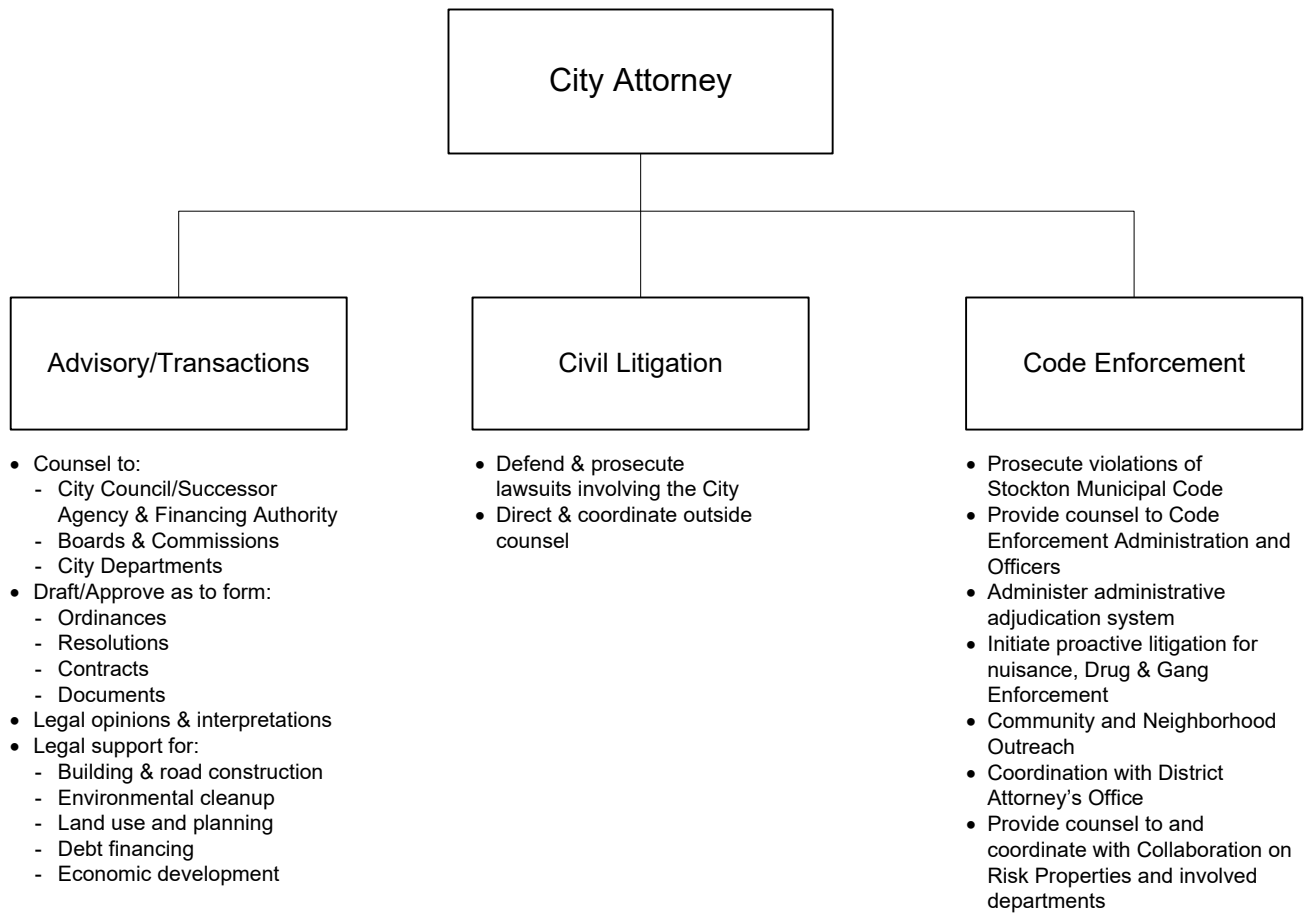
OFFICE OF THE CITY MANAGER

The City Manager's office budget includes programs, like OVP and Public Relations, that were previously reported in the Non-Departmental budget. This change was implemented with the new ERP system to improve reporting and fiscal management.

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 over 76% of the General Fund budget to Police and Fire and directing funds toward Economic Development initiatives. The Budget also increases funding to provide continued support to the Clean City Initiative.

The City Manager's Office also oversaw the management and distribution of the more than \$27 million of State CARES funds received to address COVID-19 relief efforts, as authorized by Council. These funds were divided into four main categories: Community and Economic Support, Housing and Homelessness, Community Well-Being, and Management Response to COVID-19. With these funds the City was able to provide testing services and personal protective equipment to our community, financially support residence and homeowners, small businesses, shelters, non-profits and other community partners, and continue services to our community while also improving our emergency response efforts.

The City Manager's Office will pivot to now look ahead to the potential relief coming by way of the Federal Coronavirus State and Local Fiscal Recovery Funds while continuing 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	\$1,290,602
Total Net Cost	\$1,290,602
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.

PRIOR YEAR ACCOMPLISHMENTS

Community Development Department (CDD)

The City Attorney's Office assisted CDD with review, revision, and approval of the Wireless and "Dig One" ordinances related to regulation and permitting of wireless facilities and in connection with the citywide "smart city" project, the review revision, and approval of the City Ag Ordinance, and the first 2 phases of the Citywide Zoning update.

OFFICE OF THE CITY ATTORNEY

Community Services Department (CSD)

The City Attorney's Office continues to support CSD as it works through transition of the Van Buskirk Golf Course, including addressing security and preventing nuisance behavior at the property. It has also offered support to the Department as it addressed changing public service restrictions during the COVID-19 pandemic.

Economic Development Department (EDD)

The City Attorney's Office continued to support EDD, especially on COVID-19-related projects such as Project Homekey – a partnership with local non-profits that will convert and renovate a 39-unit motel into a permanent supportive housing development for homeless households and individuals – and implementation of the Emergency Rental Assistance Program to assist Stockton residents facing economic hardship caused by the pandemic. The Office also provided support and guidance regarding the City's venues with respect to ongoing leases, third-party management contracts, and COVID-19 guidelines from the county and state.

Information Technology Department (IT)

The City Attorney's Office continues to support the IT Department work through the implementation of the new Enterprise Resource Planning (ERP) solution.

Public Works Department (PW)

The City Attorney's Office coordinated with PW to ensure the completion of the Weber Point Fountain repair project by assisting in the termination of an underperforming contractor and implementing an emergency contract for the completion of the project. It also worked with PW to respond to bid protests received for various projects, including the Northeast Library and Community Center projects. Further, the City Attorney's Office continues to offer support as the Department works towards the move of City Hall to the Waterfront Towers, including providing feedback on prequalification and bid materials for the project.

Municipal Utilities Department (MUD)

The City Attorney's Office assisted MUD with the review, revision, and hearing process for the City's Water Rate Update and the property negotiations, bidding, and contracts for the Veteran Affairs Hospital project.

Miscellaneous Council Directed Projects

The City Attorney's Office conducted research on the feasibility of implementing a Critical Infrastructure Ordinance in the City of Stockton to address homeless encampments on levies. The City Attorney's Office continues to support the Council as it explores alternative solutions to the homeless situation in the City.

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 addressing properties within the City that posed the greatest potential risk to the citizens of

OFFICE OF THE CITY ATTORNEY

Stockton and surrounding buildings and properties. Referred to as the Collaboration on Risk Properties (CRP) team, chronic problem properties were identified, triaged, and systematically addressed through a comprehensive multi-department enforcement approach.

Employment

Termination: The City Attorney's Office prevailed in four termination hearings: Fire Department (arbitration/Civil Service Commission) and Stockton Police Department (arbitration).

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 two suspensions: Public Works and Municipal Utilities Department.

Litigation. City prevailed in an employment discrimination/retaliation lawsuit involving a Municipal Utilities employee.

DFEH/EEOC Investigations: The City Attorney's office has assisted with several investigations conducted by outside agencies concerning claims of discrimination, retaliation, and harassment. This process involves preparation of interviewees, coordination of documents being produced and zealous advocacy. This year DFEH and EEOC has rejected all complaints made against the City.

Civil Litigation

The City was able to secure complete dismissals in the following matters:

Payne v. COS - Fire hazard/pallet yard

Hughes v COS - Jail escapee/canine use

Mayorga v. COS/Stevens v. COS /Wormley v. COS - Vehicle accidents; Mayorga claim \$500,000 in medical bills

Garcha v. COS/Whitsitt v. COS/Hin v. COS/Peterson v. COS/Witt v. COS - PD arrests with injuries/civil rights allegations

Harris v. COS/Obasohan v. COS - Code Enforcement related litigation

Gagante et al v. COS - Wrongful death

Harvey v. COS - Misidentification leading to arrest in another city

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:

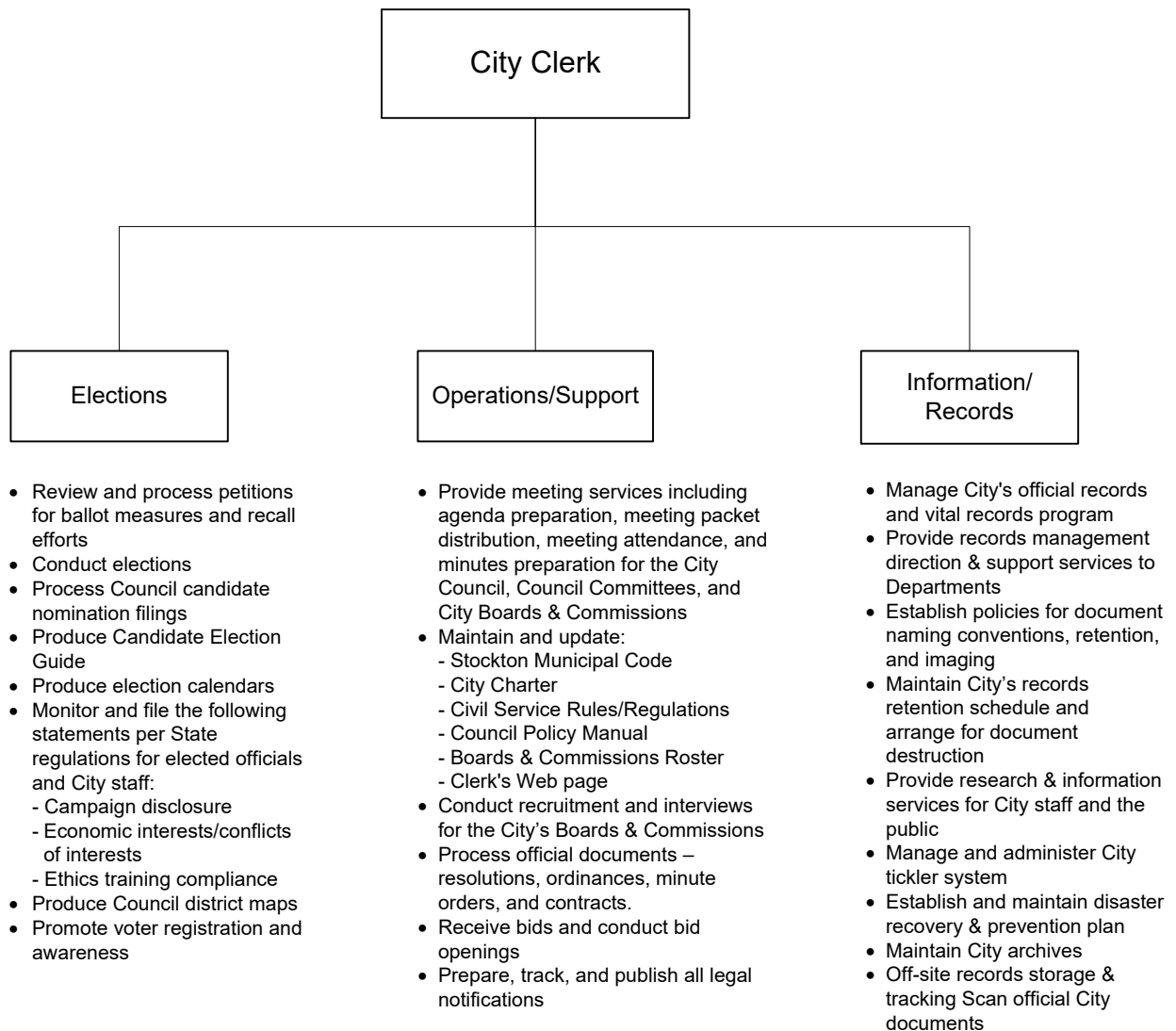
- Code Enforcement and liability litigation – The Office has largely worked through the backlog of litigation matters remaining after the bankruptcy. However, new matters continue to arise

OFFICE OF THE CITY ATTORNEY

and must be properly handled. Also, the Police Department continues to enhance its Code 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	\$17,400
Total Expenditures	\$1,101,024
Total Net Cost	\$1,083,624
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.

PRIOR YEAR ACCOMPLISHMENTS

Operations

- Conducted a Strategic and Operational Review of Clerk Office duties and services.
- Supported 14 legislative meeting bodies (i.e. Council, Committee, Boards, Commissions).
- Staffed and published agendas for over 200 public meetings.

OFFICE OF THE CITY CLERK

Records Management

- Coordinated with departments to review the City's records retention schedule and finalize updates.
- Implemented new records management software, Total Recall, to replace failing off-site records management database.
- Provided training and guidance to departments for the usage of agenda creation software Legistar.
- Processed 198 publications for legal notices and 80 Bids/Request for Proposals.

Boards and Commissions

- Conducted recruitments that produced 107 individual applicants.
- Scheduled and conducted 11 applicant interviews, filling 25 vacancies.

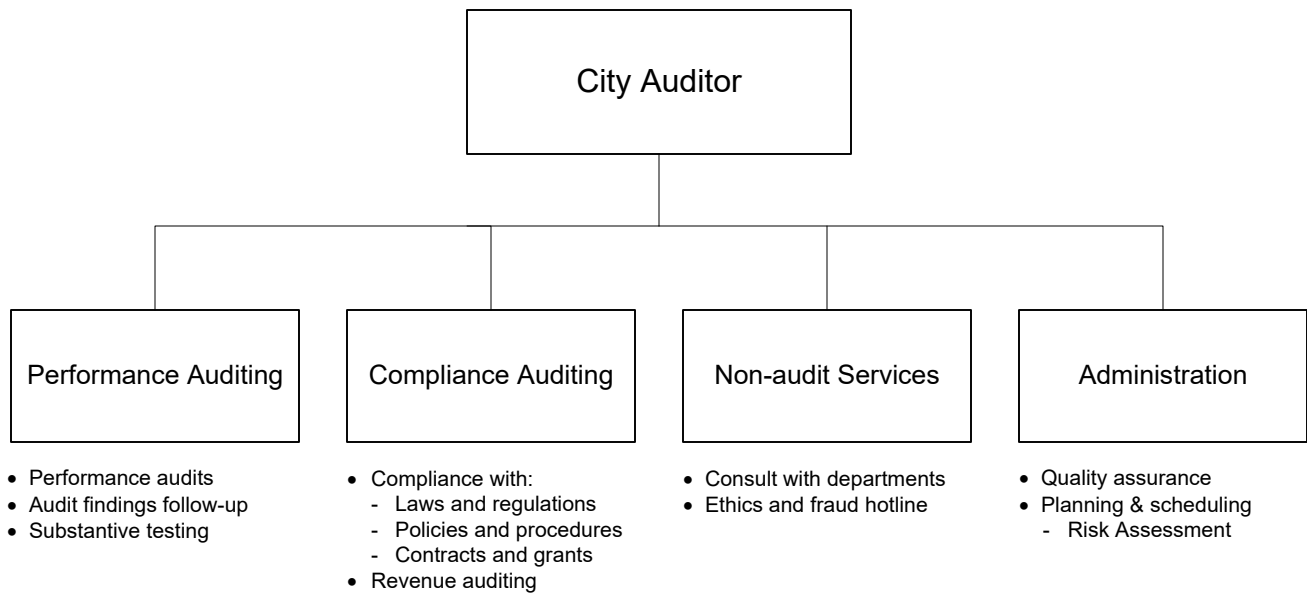
Staff Development

- Clerk staff participated in 50 hours of virtual training courses for professional development.

KEY CONSIDERATIONS

Following the onset of the COVID-19 pandemic experience, the City Clerk's Office has done well to adapt operational models to continue to meet the needs of our community. Clerk staff have demonstrated exceptional levels of professionalism while adjusting to virtual/hybrid public meetings and offering assistance to the public in their efforts to participate in these unprecedented times.





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	\$483,582
Total Net Cost	\$483,582
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, the 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 2020-21 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 comprised of operational reviews, efficiency studies, and internal controls testing. 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 2021-22 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 2021-22 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.

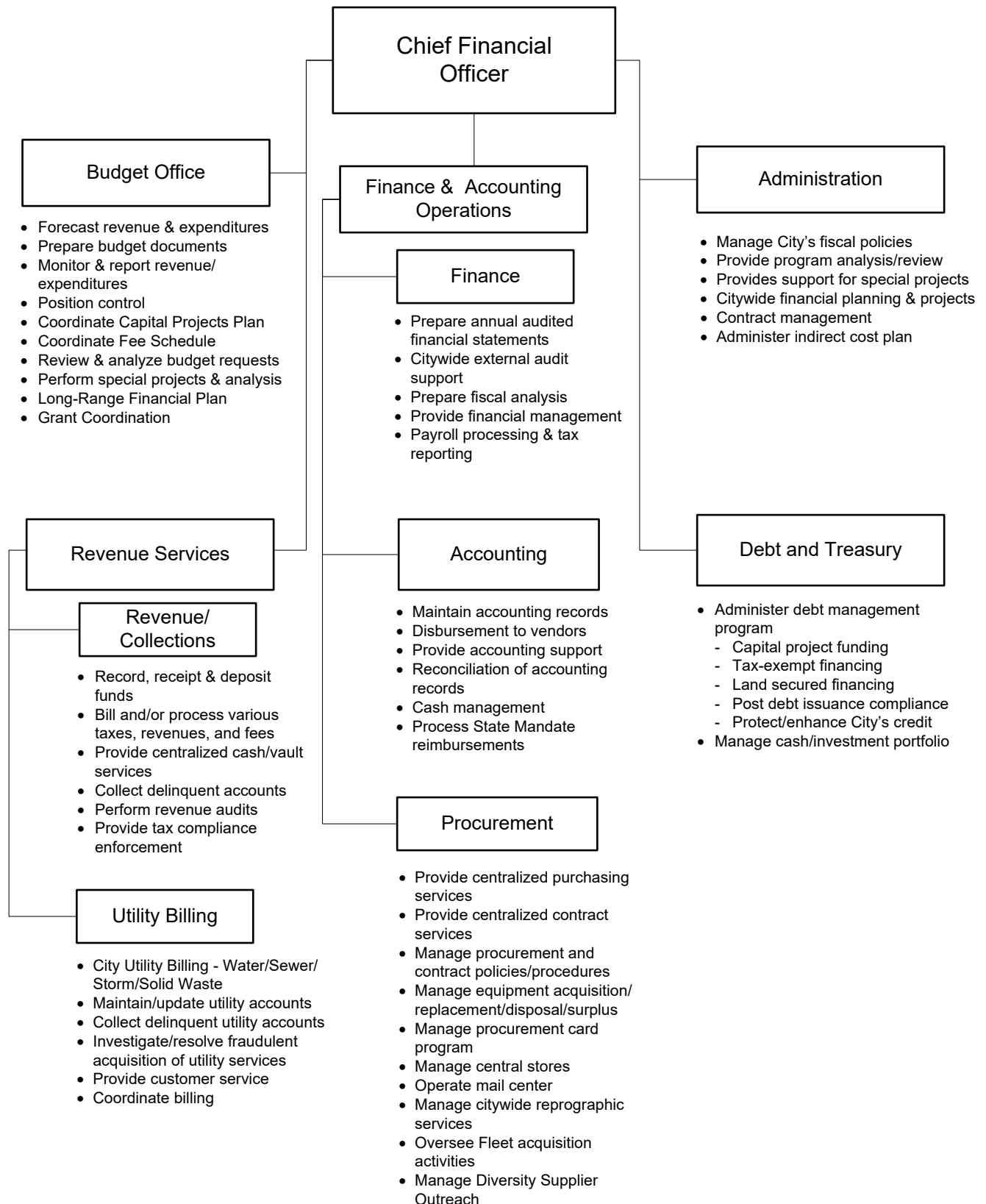


**Charter Officers
General Fund - 100
FY 2021-22 Annual Budget**

	<u>FY 2018-19 Actual</u>	<u>FY 2019-20 Actual</u>	<u>FY 2020-21 Projected</u>	<u>FY 2021-22 Budget</u>
Total Charter Officers				
Employee Services	\$ 4,799,480	\$ 4,956,772	\$ 5,631,276	\$ 6,111,302
Other Services	1,606,391	1,797,038	2,228,350	2,095,362
Materials and Supplies	97,673	117,248	156,352	168,095
Other Expenses	168,546	143,722	76,047	208,885
Total	<u>\$ 6,672,090</u>	<u>\$ 7,014,780</u>	<u>\$ 8,092,025</u>	<u>\$ 8,583,644</u>
City Council				
Employee Services	635,387	678,014	685,562	709,880
Other Services	157,324	193,771	472,253	267,323
Materials and Supplies	2,564	1,876	5,600	11,500
Other Expenses	27,972	13,807	7,067	17,000
Total	<u>823,247</u>	<u>887,467</u>	<u>1,170,482</u>	<u>1,005,703</u>
City Attorney				
Employee Services	922,209	900,524	886,336	850,512
Other Services	274,556	308,200	275,205	349,428
Materials and Supplies	39,507	48,730	45,762	52,362
Other Expenses	32,599	17,781	17,800	38,300
Total	<u>1,268,871</u>	<u>1,275,235</u>	<u>1,225,103</u>	<u>1,290,602</u>
City Clerk				
Employee Services	537,681	728,980	805,000	883,784
Other Services	136,937	139,094	156,711	173,940
Materials and Supplies	30,410	26,052	25,790	25,500
Other Expenses	10,701	5,463	9,000	17,800
Total	<u>715,729</u>	<u>899,590</u>	<u>996,501</u>	<u>1,101,024</u>
City Auditor				
Employee Services	-	-	-	-
Other Services	517,807	479,521	651,909	483,582
Materials and Supplies	-	-	-	-
Other Expenses	-	-	-	-
Total	<u>517,807</u>	<u>479,521</u>	<u>651,909</u>	<u>483,582</u>

**Charter Officers
General Fund - 100
FY 2021-22 Annual Budget**

	FY 2018-19 Actual	FY 2019-20 Actual	FY 2020-21 Projected	FY 2021-22 Budget
Total City Manager				
Employee Services	2,704,203	2,649,254	3,254,378	3,667,126
Other Services	519,767	676,452	672,272	821,089
Materials and Supplies	25,192	40,590	79,200	78,733
Other Expenses	97,274	106,671	42,180	135,785
Total	<u>3,346,436</u>	<u>3,472,967</u>	<u>4,048,030</u>	<u>4,702,733</u>
City Manager Administration				
Employee Services	1,541,698	1,469,705	1,798,944	1,716,802
Other Services	219,900	279,944	258,004	312,593
Materials and Supplies	6,353	11,286	18,900	20,125
Other Expenses	75,477	93,220	17,030	107,460
Total	<u>1,843,428</u>	<u>1,854,155</u>	<u>2,092,878</u>	<u>2,156,980</u>
Office of Performance & Data Analytics				
Employee Services	-	-	60,064	389,196
Other Services	-	-	7,885	66,559
Materials and Supplies	-	-	4,062	6,562
Other Expenses	-	-	4,050	5,325
Total	<u>-</u>	<u>-</u>	<u>76,061</u>	<u>467,642</u>
Office of Violence Prevention - General Fund				
Employee Services	541,310	499,354	623,642	679,419
Other Services	79,588	97,122	101,671	131,311
Materials and Supplies	4,692	8,954	14,259	9,885
Other Expenses	2,056	1,879	2,800	3,000
Total	<u>627,646</u>	<u>607,309</u>	<u>742,372</u>	<u>823,615</u>
Office of Violence Prevention - Measure A/B				
Employee Services	621,195	680,195	771,728	881,709
Other Services	220,279	299,386	304,712	310,626
Materials and Supplies	14,147	20,350	41,979	42,161
Other Expenses	\$ 19,741	\$ 11,572	\$ 18,300	\$ 20,000
Total	<u>875,362</u>	<u>1,011,503</u>	<u>1,136,719</u>	<u>1,254,496</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	\$537,205
Total Expenditures	\$10,102,433
Total Net Cost	\$9,565,228
Total Staff	84

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 impacts of proposals and programs.

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 \$700 million pooled investment portfolio and debt issuances that total approximately \$650 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 94,000 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 (L-RFP) 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 L-RFPs 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 2020-21, the department focused on numerous initiatives in support of the goal of fiscal sustainability. Highlights include:

- The non-profit Truth in Accounting evaluated the fiscal health of the largest (by population) 75 cities in the United States and ranked Stockton #4.
- At the close of FY 2019-20, the General Fund working capital reserve was fully funded with reserves at 58 percent of the total reserve target, compared to 50 percent in the prior year.
- Identified \$4.8 million in available resources at fiscal year end for Council to allocate to priorities.
- Contributed \$21 million to the Section 115 trust for future pension costs.

ADMINISTRATIVE SERVICES DEPARTMENT

- Issued the Comprehensive Annual Financial Report on December 8, 2020 with no findings for the second year in a row.
- Improved/updated numerous citywide financial policies and procedures.
- Implemented ERP Phase 1-Core Financials with a go-live date of February 3, 2021, and continue to support staff training and policy updates.
- Cleared approximately 35 audit findings through the internal auditors.
- Entered into a loan agreement with the Environmental Protection Agency to secure long-term financing for \$108 million of the cost associated with the Regional Wastewater Control Facility Modifications project. Additionally, worked with the State of California to secure additional long-term financing for additional portions of the above project.
- Prepared a financing plan to ensure the Parking Authority's continued operational needs are met, while still meeting the obligations of loan payments that are subordinated to the \$26 million in bonds issued in FY 2019-20.

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 L-RFP 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. ERP Phase 1, which incorporated core financial services including Budget, Accounting, Accounts Payable, and Procurement, went live in February 2021. Phase 2 involving General Billing and Business Licensing is anticipated to roll out mid 2021. Phase 3, involving human resources and payroll services, is scheduled to go live in September 2021. Administrative Services has continued to play a central role throughout all phases, as most of the functions involved are managed by the department. This new technology has and will continue to 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. Access to key data by City staff will continue to be dramatically improved through this new technology and will allow for improved, data-driven decision making. To maximize efficiencies in the new system, the Department will need to provide continue training and assistance to over 500 system end users while updating policies and processes to correspond to system features.

The budget for costs associated with the collection and audit of tax revenues has been removed from Non-Departmental to Administrative Services with the implementation of the new ERP system and the redesign of the general ledger accounts.

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

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.

A new position has been added to Administrative Services to coordinate grants management across all city departments. This function has been recommended by past city audits and is greatly needed to assist with the wide variety of special funding coming into the City to respond to the pandemic and address housing needs.

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
General Fund - 100
FY 2021-22 Annual Budget**

	FY 2018-19 Actual	FY 2019-20 Actual	FY 2020-21 Projected	FY 2021-22 Budget
Total Administrative Services Department				
Employee Services	\$ 4,049,410	\$ 4,119,421	\$ 4,487,756	\$ 4,883,135
Other Services	2,738,476	2,715,913	2,692,691	2,825,805
Materials and Supplies	63,914	78,937	90,043	83,807
Other Expenses	532,229	513,494	502,865	554,850
Total	<u>\$ 7,384,029</u>	<u>\$ 7,427,765</u>	<u>\$ 7,773,355</u>	<u>\$ 8,347,597</u>

Administration

Employee Services	675,667	757,651	884,269	937,733
Other Services	190,575	171,913	214,631	252,472
Materials and Supplies	21,361	20,847	22,118	22,350
Other Expenses	6,798	4,780	4,000	8,500
Total	<u>894,401</u>	<u>955,191</u>	<u>1,125,018</u>	<u>1,221,055</u>

Budget

Employee Services	604,213	555,672	647,430	768,040
Other Services	102,008	118,489	114,212	124,263
Materials and Supplies	4,535	562	2,000	8,500
Other Expenses	8,311	4,496	2,800	10,600
Total	<u>719,067</u>	<u>679,219</u>	<u>766,442</u>	<u>911,403</u>

Financial Services

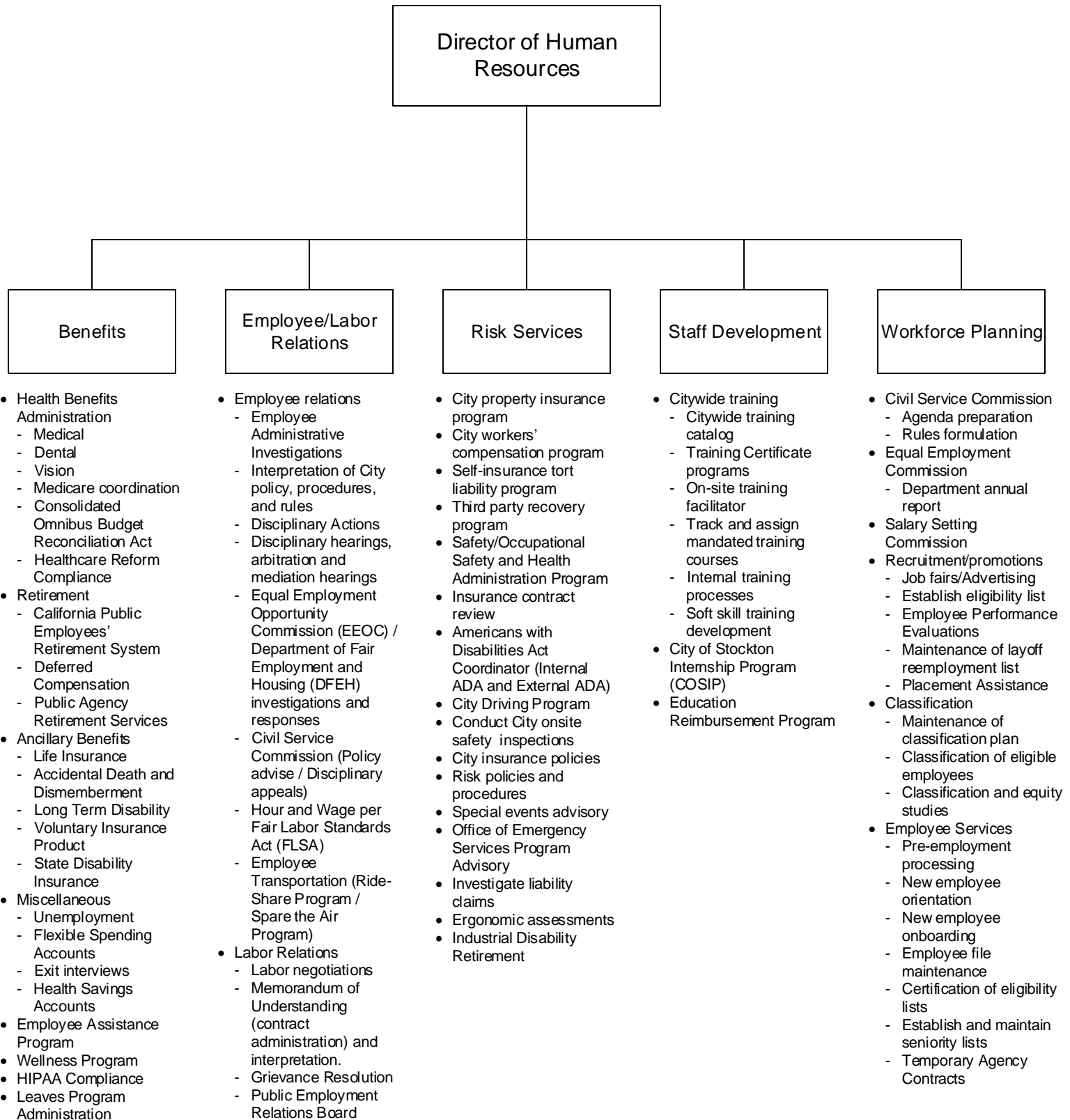
Employee Services	1,227,110	1,308,076	1,284,766	1,496,922
Other Services	268,178	261,716	289,542	297,269
Materials and Supplies	13,582	17,376	18,600	16,800
Other Expenses	10,840	6,616	4,300	10,000
Total	<u>1,519,710</u>	<u>1,593,784</u>	<u>1,597,208</u>	<u>1,820,991</u>

Revenue Services

Employee Services	1,073,490	1,011,583	1,160,586	1,157,505
Other Services	296,827	330,716	357,506	375,745
Materials and Supplies	15,265	30,374	10,825	13,325
Other Expenses	3,321	5,028	-	7,250
Total	<u>1,388,903</u>	<u>1,377,701</u>	<u>1,528,917</u>	<u>1,553,825</u>

Procurement

Employee Services	468,930	486,439	510,705	522,935
Other Services	150,888	164,322	158,000	159,656
Materials and Supplies	9,171	9,778	36,500	22,832
Other Expenses	15,195	5,700	2,500	18,500
Total	<u>644,184</u>	<u>666,239</u>	<u>707,705</u>	<u>723,923</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	\$136,793,292
Total Expenditures	
General Fund	\$2,352,349
Benefits Program	\$137,755,288
Total Net Cost	\$3,314,345
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 provides and administers the comprehensive benefits offered to employees and their families. Benefits programs include health, wellness, retirement, deferred compensation, life and long-term disability insurances, leave entitlements, employee assistance programs, tax saving cafeteria plans, and voluntary insurance plans.

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 responsible third parties for damages sustained.

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 provides support to the civil service, equal employment, and salary setting commissions and 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 class specifications and salaries 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

- Implemented new health Savings Account for eligible HDHP participants, and City subsidized over \$600,000 for the FY 2020-21 plan year.
- Introduced two High Deductible Health Plans with Sutter Health Plus and Kaiser Permanente. Enrolled 376 employees, 28.2% in the High Deductible Health Plans.
- Offered new and improved voluntary insurance plans and reduced product premiums overall by 5-20%. Participation increased by approximately 400%.
- Conducted the first virtual Open Enrollment with 88% employees completing successful benefit elections using the online Benefits and Eligibility System.
- Implemented State Disability Insurance (SDI) for the Unrepresented Management/Confidential and Law Employees.
- Administered 127 FMLA Leaves and 1,022 COVID related leaves.
- Provided 20 deferred compensation workshops, 8 wellness events, and 2 virtual retirement planning workshops.

Labor/Employee Relations

- Implemented agreements with safety and trades bargaining units. Agreements were reached in June.
- Implemented quarterly Joint Labor Management meetings with all bargaining units.
- Implemented the extension of vacation accruals for all bargaining units including the safety units during the COVID-19 pandemic.
- Revised the City's telecommuting policy, reviewed, and assisted with the approval of 36 telecommuting arrangements.
- Resolved 7 union grievances.
- Completed 10 investigations.

HUMAN RESOURCES DEPARTMENT

Risk Services

- Development and regular updates to COVID-19 policy and communication to departments.
- Processed 600 contracts and bond approvals.
- Completed transition of general liability claims handling to Sedgwick and reduced estimated outstanding liability losses by \$1.5 million.
- Processed 1,174 new Workers' Comp claims but reduced total estimated losses by \$790,000.

Workforce Planning

- Filled 203 vacancies, including 76 sworn positions.
- Promoted 2 Police Captains, 1 Police Lieutenant, 3 Police Sergeants, 1 Deputy Fire Chief, 2 Battalion Chiefs, 5 Captains, and 14 Fire Fighter Engineers
- Conducted 76 classified recruitments.
- Attended 12 virtual job fairs.

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 human resources and payroll system in the upcoming fiscal year. 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 - 100
FY 2021-22 Annual Budget**

	FY 2018-19 Actual	FY 2019-20 Actual	FY 2020-21 Projected	FY 2021-22 Budget
Total Human Resources Department				
Employee Services	\$ 1,300,084	\$ 1,355,174	\$ 1,259,500	\$ 1,477,416
Other Services	502,270	586,185	579,559	629,928
Materials and Supplies	23,647	37,184	32,977	26,198
Other Expenses	148,197	127,350	139,512	218,807
Capital Outlay	-	-	-	-
Total	<u>\$ 1,974,198</u>	<u>\$ 2,105,893</u>	<u>\$ 2,011,548</u>	<u>\$ 2,352,349</u>

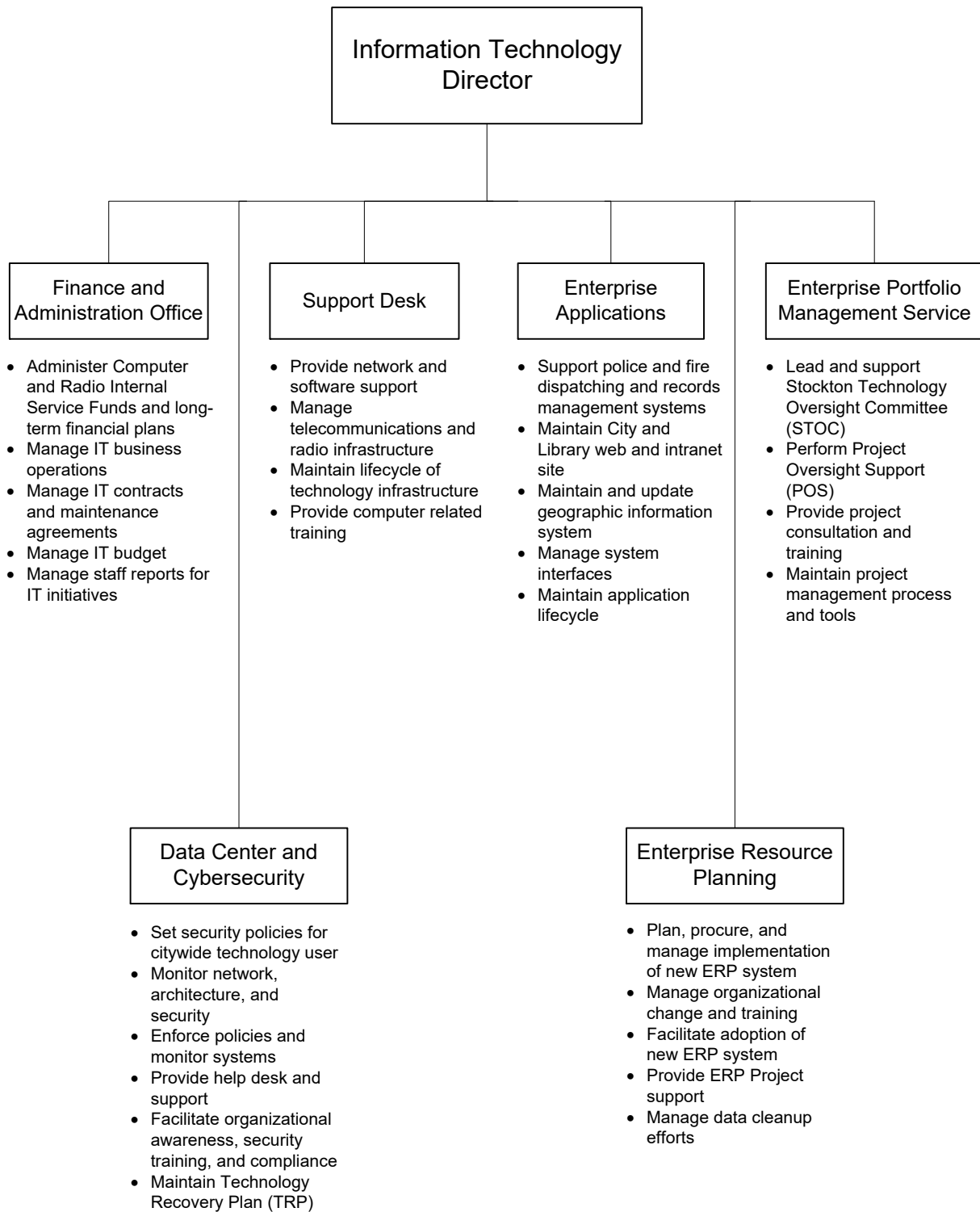
Workforce Planning

Employee Services	547,965	563,288	515,530	603,875
Other Services	257,916	334,338	290,461	341,006
Materials and Supplies	13,469	13,809	20,977	15,148
Other Expenses	3,786	21,463	5,012	14,307
Total	<u>823,137</u>	<u>932,898</u>	<u>831,980</u>	<u>974,336</u>

Employee Relations

Employee Services	752,119	791,886	743,970	873,541
Other Services	244,354	251,847	289,098	288,922
Materials and Supplies	10,177	23,375	12,000	11,050
Other Expenses	144,410	105,887	134,500	204,500
Total	<u>1,151,061</u>	<u>1,172,995</u>	<u>1,179,568</u>	<u>1,378,013</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	\$17,796,698
Total Expenditures	\$24,517,825
Total Net Cost	\$6,721,127
Total Staff	52

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.

Enterprise Portfolio Management Office facilitates all phases of the IT governance process; partners with departments to develop technology solutions based upon business needs, facilitates

INFORMATION TECHNOLOGY DEPARTMENT

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 One Page Strategic Plan (OGSP) for FY 2020-21 which reflects 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. The IT Department continues to respond to the economic recovery due to the ongoing COVID-19 pandemic.

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 continues to be a 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 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, inclusion and equity, 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. Inclement weather events have highlighted the need for a strong business continuity plan.

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.

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.

Waterfront Towers – Continuing to work with Public Works for final design and tenant improvements.

PRIOR YEAR ACCOMPLISHMENTS

- The City continues its efforts to replace the existing, antiquated financial system. In February 2021, the City completed implementation of Phase I Finance modules (Accounts Payable, Bid Management, Budget, Capital Assets, Cash Management, Contracts, General Ledger Purchasing, Project and Grants, and Vendor). Phase 2 General Billing/Revenue and Phase 3 HR/Payroll implementations were also very active with designing, data conversion, and testing. This process involved significant staff hours with the onsite vendor implementation team.
- Completed implementation of the City's primary Next-Generation Firewalls (NGFWs) to perform a deeper inspection of network traffic in real time to detect and prevent network threats.
- Completed redundant internet path to support business continuity.
- Continued to improve the network security platform that addresses the detection of viruses, malware, and attempts to compromise the City's network infrastructure. The City continues to implement cybersecurity tools that elevate its security posture, as defined by the three-year cybersecurity strategy.
- Completed Oracle migration to Microsoft database platform for the Police Department for improved data storage and reporting.
- Maintained the internship program during COVID 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.
- Completed replacement of dispatch workstation consoles and logging recorders at the Police and Fire Department dispatch centers, Phase I of a multi-year radio infrastructure replacement project.

INFORMATION TECHNOLOGY DEPARTMENT

- Completed CityWorks Upgrade for Public Works and Municipal Utilities.
- Completed Police Building Remodel.
- Completed Fire Emergency Operations Center (EOC).

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 phases two and three of the radio infrastructure replacement project, replacing and installing the microwave backhaul network and radio infrastructure at tower sites with an upgrade to trunk technology. 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:

- Provide technology support for the creation of Office of Performance and Data Analytics dashboard.
- Data Center Hardware Infrastructure – Sustain the primary data center, upgrade VMware infrastructure, and continue preparations for the relocation to the Waterfront Office Towers.
- Waterfront Towers – Network infrastructure wiring buildout
- 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.
- Network Infrastructure Optimization and Expansion – extend network management to other sites.
- California Governor's Office of Emergency Services (CalOES) Partnership: Network security monitoring detection and mitigation.

The FY 2021-22 IT budget incorporates additional ongoing costs for radio system maintenance, a new security solution, and an additional \$1.8 million for replacement equipment.

**Information Technology
Internal Service Funds
FY 2021-22 Annual Budget**

	<u>Technology 510-511</u> <i>See Page N-11</i>	<u>Communications 510-515</u> <i>See Page N-13</i>	<u>Internal Service Total</u>
Beginning Available Balance	\$ 20,481,183	\$ 7,556,788	\$ 28,037,971
Revenues			
Charge for Services			
Police	5,289,694	1,739,250	7,028,944
Fire	1,452,306	734,033	2,186,339
Other General Fund	1,618,608	3,555	1,622,163
Other Funds	6,575,929	176,447	6,752,376
	<u>14,936,537</u>	<u>2,653,285</u>	<u>17,589,822</u>
Refunds & Reimbursements	-	-	-
Investment Proceeds	178,139	28,737	206,876
	<u>15,114,676</u>	<u>2,682,022</u>	<u>17,796,698</u>
Expenditures			
General & Administrative	10,040,698	-	10,040,698
Operations & Maintenance	3,839,064	1,388,561	5,227,625
Equipment Replacements	3,880,102	1,369,400	5,249,502
Debt Service	-	-	-
	<u>17,759,864</u>	<u>2,757,961</u>	<u>20,517,825</u>
			-
Transfers			
Transfer In	-	-	-
Transfer Out	(4,000,000)	-	(4,000,000)
	<u>(4,000,000)</u>	<u>-</u>	<u>(4,000,000)</u>
Net Annual Activity	<u>(6,645,188)</u>	<u>(75,939)</u>	<u>(6,721,127)</u>
Ending Available Balance	<u>\$ 13,835,995</u>	<u>\$ 7,480,849</u>	<u>\$ 21,316,844</u>
			\$ 17,796,698
			-
			<u>\$ 17,796,698</u>
			\$ 20,517,825
			4,000,000
			<u>\$ 24,517,825</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	\$800,750
Total Expenditures	\$25,747,567
Total Net Cost	\$24,946,817

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 Non-Departmental funds are also used to pay for expenses and costs related to 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 administered by 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.

PRIOR YEAR ACCOMPLISHMENTS

The City utilizes contracted advocates, at both the State and Federal levels, to accurately and persuasively represent the City of Stockton in Sacramento and Washington D.C. These efforts have not only assisted the City in securing millions of dollars in additional funds and grants, but have also promoted legislation to support the City Council's Priority Goals, Strategic Targets, and protections to preserves local control.

The Non-Departmental budget also supported the City's costs associated with the November 2020 election, preliminary work related to redistricting, labor and litigation expenses, and other citywide efforts such as pursuing environmental and sustainability efforts.

NON-DEPARTMENTAL

Through the PEG fee, the City replaced Government Access Television equipment, moving from analog to fully digital HD programming, and improving community access and participation and the City's ability to facilitate virtual meetings.

KEY CONSIDERATIONS

The FY 2021-22 will restructure the budgets for the Office of Violence Prevention, and the Office of Performance and Data Analytics, reassigning the offices as divisions within the City Manager's Office. The costs for audit and collection of City revenues has also been moved from Non Departmental to ASD with the new ERP system implementation. During this fiscal year the City will also be releasing Requests for Proposals, seeking new contracts for Legislative Advocates as the current contracts expire at the end of the calendar year. The City will also look to complete its redistricting efforts during FY 2021-22.

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 - 100
FY 2021-22 Annual Budget**

	FY 2018-19 Actual	FY 2019-20 Actual	FY 2020-21 Projected	FY 2021-22 Budget
Total Non-Departmental				
Employee Services	\$ 171,802	\$ 190,123	\$ 209,252	\$ (149,221)
Other Services	6,400,079	2,238,743	2,253,877	1,912,765
Materials and Supplies	2,983	2,351	20,000	15,000
Other Expenses	(3,041,041)	(2,971,768)	(978,703)	(221,737)
Capital Outlay	-	107,766	-	-
Transfers Out	25,870,884	35,671,539	44,661,367	21,536,325
Total	<u>\$ 29,404,707</u>	<u>\$ 35,238,754</u>	<u>\$ 46,165,793</u>	<u>\$ 23,093,132</u>

Election

Other Services	453,706	557,265	523,709	550,000
Total	<u>453,706</u>	<u>557,265</u>	<u>523,709</u>	<u>550,000</u>

Labor and Litigation/Fiscal Sustainability*

Other Services	443,215	501,116	521,845	500,000
Total	<u>443,215</u>	<u>501,116</u>	<u>521,845</u>	<u>500,000</u>

Other Administration

Employee Services	171,802	190,123	209,252	(149,221)
Other Services	5,503,158	1,180,362	1,208,323	862,765
Materials and Supplies	2,983	2,351	20,000	15,000
Other Expenses	(3,041,041)	(2,971,768)	(2,978,703)	(2,221,737)
Capital Outlay	-	107,766	-	-
Total	<u>2,636,902</u>	<u>(1,491,166)</u>	<u>(1,541,128)</u>	<u>(1,493,193)</u>

Debt Service

Assured Guaranty Contingent Payment	2,173,000	2,271,000	1,654,000	2,837,000
Assured Guaranty Settlement	1,337,175	1,337,175	1,337,175	1,337,175
Parking Bond (SEB)	714,547	-	-	-
Civic Aud. HVAC Lease	479,307	-	-	-
Debt Administration	349,902	230,000	-	-
Total	<u>5,053,931</u>	<u>3,838,175</u>	<u>2,991,175</u>	<u>4,174,175</u>

**Non-Departmental
General Fund - 100
FY 2021-22 Annual Budget**

	FY 2018-19 Actual	FY 2019-20 Actual	FY 2020-21 Projected	FY 2021-22 Budget
Program Support for Other Funds				
Transfers				
Library - 041	3,984,500	3,984,500	3,984,500	4,068,000
Recreation - 044	3,395,500	3,395,500	3,840,500	3,497,150
Entertainment Venues - 086	4,345,000	3,835,000	4,785,000	3,285,000
Development Services - 048	925,000	825,000	800,000	800,000
Golf - 481	700,000	1,050,000	275,000	350,000
Downtown Marina - 460	262,000	262,000	297,000	262,000
Grant Match - 025	(2,092)	113,819	100,000	100,000
Capital Improvement - 301	156,298	636,394	5,975,000	5,000,000
Information Technology ISF - 502	2,256,149	-	249,192	-
Radio ISF - 503	-	3,130,000	5,250,000	-
RDA Successor Agency - 633	29,584	101,151	-	-
Retirement ISF - 561	4,765,014	14,500,000	16,114,000	-
Total	<u>20,816,953</u>	<u>31,833,364</u>	<u>41,670,192</u>	<u>17,362,150</u>
Contingency				
Other Expenses	-	-	2,000,000	2,000,000
Total	<u>-</u>	<u>-</u>	<u>2,000,000</u>	<u>2,000,000</u>

**Administration and Support
General Special Revenue - 260
FY 2021-22 Annual Budget**

	FY 2018-19 Actual	FY 2019-20 Actual	FY 2020-21 Projected	FY 2021-22 Budget
Beginning Available Balance	\$ 1,467,456	\$ 1,222,967	\$ 1,661,376	\$ 1,946,376
Revenues				
Flood Agency Reimbursement	191,929	531,148	396,669	358,750
Public Education Gov. Access Fee	444,829	437,889	440,000	442,000
Donations	217	1,328	-	-
Investment Proceeds	3,968	-	-	-
	640,943	970,365	836,669	800,750
Expenditures				
San Joaquin Area Flood Control Agency	548,157	531,147	396,669	358,750
Public Education Gov. Access Fee	4,139	809	155,000	280,685
Office of Violence Prevention	136	-	-	15,000
Delta Coalition	-	-	-	-
	552,432	531,956	551,669	654,435
Transfers				
Transfer In	-	-	-	-
Transfer Out - Capital	(333,000)	-	-	(2,000,000)
	(333,000)	-	-	(2,000,000)
Net Annual Activity	(244,489)	438,409	285,000	(1,853,685)
Ending Available Balance	\$ 1,222,967	\$ 1,661,376	\$ 1,946,376	\$ 92,691

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	\$18,312,200
City Debt Service Fund	\$5,766,671
CFD & Assessment Districts	\$12,519,742
Administration	<u>\$212,664</u>
Total Expenditures	\$18,499,077
Total Net Cost	\$186,877

As part of its efforts to support the City Council's 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's Plan of Adjustment contains the details of the modified agreement. The 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 fixed payments from the General Fund started in 2018. Contingent payments described below went into effect in 2018 and the fourth series of supplemental payments start in 2023. These payments are applied to the remaining bondholder debt service payments with the

DEBT

balance paid by the insurer. The City's fixed settlement payment and fees under the modified reimbursement agreement with the insurer are budgeted at \$2,929,671 in FY 2021-22.

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, 2022, and a true-up payment based on actual FY 2020-21 revenues are budgeted at \$2,837,000.

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 resulted in a savings of approximately \$300,000. The annual debt service payment is budgeted at \$531,930 in the Fleet Internal Service Fund.

COMMUNITY FACILITIES DISTRICTS AND ASSESSMENT DISTRICTS

Approximately 16 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 \$12,519,742.

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 \$7,466,988.

DEBT

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 the 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 \$1,421,700 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 \$779,532 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 \$11,876,875.

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 \$2,423,412.

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 \$6,490,125.

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 cash on hand. The payoff of the notes, which are due to be retired June 1, 2022, is budgeted at \$120,172,140.

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. Three have been paid off and the remaining one will be repaid from Community Development Block Grant entitlement funds with an annual debt service payment of \$1,888,271 in FY 2021-22.

BOND RATINGS

The City of Stockton currently has investment grade ratings on its enterprise funds debt, ranging from a BBB- from Standard & Poors (S&P) on the 2020 Parking Revenue Bonds to AA- from Fitch on the 2018 Water Refunding Revenue Refunding Bonds. Additional information on the City's outstanding debt may be obtained at:

http://www.stocktongov.com/files/9-21-20_Ratings_Update_for_Webpage.pdf

The City has no current General Fund rating as the only General Fund-backed debt is the 2015 Assured Guaranty Settlement. At the time of their payoff, S&P rated the 2006 Essential Services Bonds at BB.

**City Debt Service Funds
FY 2021-22 Annual Budget**

	Debt and Cash Administration 400	Assured Guaranty Repayment 400	CFD and 1915 Act Debt Service 730	Total
Date Issued			Various	
Purpose		Settlement Agreement	Assessment Districts	
Beginning Available Balance	\$ 387,466	\$ 1,592,496	\$ -	\$ 1,979,962
Revenues				
Charges for Services	-	1,618,283	-	1,618,283
Assessments	-	-	12,519,742	12,519,742
	-	1,618,283	12,519,742	14,138,025
Expenditures				
Principal	-	164,013	3,349,000	3,513,013
Interest	-	2,763,358	8,186,181	10,949,539
Contingent Payment	-	2,837,000	-	2,837,000
Administrative Costs	550,664	2,300	490,691	1,043,655
Other Debt Service Cost	-	-	493,870	493,870
Cost Reimbursed	(338,000)	-	-	(338,000)
Capital Projects	-	-	-	-
	212,664	5,766,671	12,519,742	18,499,077
Transfers				
Transfer In - General Fund	-	4,174,175	-	4,174,175
Transfer In - Other	-	-	-	-
Transfer Out	-	-	-	-
	-	4,174,175	-	4,174,175
Net Annual Activity	(212,664)	25,787	-	(186,877)
Ending Available Balance	\$ 174,802	\$ 1,618,283	\$ -	\$ 1,793,085
			Revenues	\$ 14,138,025
			Transfers	4,174,175
			Total Sources	\$ 18,312,200
			Expenditures	\$ 18,499,077
			Transfers	-
			Total Appropriations	\$ 18,499,077

City Debt Service Fund - 400
FY 2021-22 Annual Budget

	<u>FY 2018-19</u> <u>Actual</u>	<u>FY 2019-20</u> <u>Actual</u>	<u>FY 2020-21</u> <u>Projected</u>	<u>FY 2021-22</u> <u>Budget</u>
Beginning Available Balance	\$ 1,566,773	\$ 1,743,264	\$ 2,008,720	\$ 1,979,962
Revenues				
Charges for Services	1,540,593	1,566,255	1,592,496	1,618,283
Other	131,508	181,348	89,350	-
Investment Proceeds	13,389	27,340	-	-
	<u>1,685,490</u>	<u>1,774,943</u>	<u>1,681,846</u>	<u>1,618,283</u>
Expenditures				
Principal Payments	9,961,771	99,423	130,569	164,013
Interest Expense	2,996,337	2,776,045	2,770,561	2,763,358
Contingent Payment	2,173,000	2,271,000	1,654,000	2,837,000
Operating Expenses	2,348	2,300	2,300	2,300
Administration & Overhead	592,649	497,600	499,349	550,664
Cost Reimbursed	(248,175)	(298,706)	(355,000)	(338,000)
	<u>15,477,930</u>	<u>5,347,662</u>	<u>4,701,779</u>	<u>5,979,335</u>
Transfers				
Transfer In - General Fund	5,053,931	3,838,175	2,991,175	4,174,175
Transfer In - Other	8,915,000	-	-	-
Transfer Out	-	-	-	-
	<u>13,968,931</u>	<u>3,838,175</u>	<u>2,991,175</u>	<u>4,174,175</u>
Net Annual Activity	176,491	265,456	(28,758)	(186,877)
Ending Available Balance	\$ 1,743,264	\$ 2,008,720	\$ 1,979,962	\$ 1,793,085
Available Balance Calculation				
Current Assets		\$ 20,025,714		
Current Liabilities		(16,994)		
Ending Available Balance		<u>\$ 20,008,720</u>		

**Successor Agency Debt Service Fund - 700
FY 2021-22 Annual Budget**

	Revenue Bonds 2016A Series 700	Revenue Bonds 2016B Series 700	Total Debt Service 700
Date Issued	<u>11/3/2016</u>	<u>11/3/2016</u>	
Purpose	<u>RDA Projects</u>	<u>Housing RDA Projects</u>	
Expenditures			
Principal	\$ -	\$ 3,760,000	\$ 3,760,000
Interest	3,373,800	323,188	3,696,988
Administration	5,000	5,000	10,000
	<u>3,378,800</u>	<u>4,088,188</u>	<u>7,466,988</u>
			-
Transfers			
Transfer In - Successor Agency	3,378,800	4,088,188	7,466,988
	<u>3,378,800</u>	<u>4,088,188</u>	<u>7,466,988</u>
Net Annual Activity	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**Water Debt Service Funds - 600
FY 2021-22 Annual Budget**

	Stockton Public Financing Authority Revenue Bonds Series 2018A 600	Stockton Public Financing Authority Revenue Bonds Series 2019A 600	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	5,365,000	545,000	5,910,000
Interest	6,508,875	1,874,412	8,383,287
Operating Expenses	3,000	4,000	7,000
Capital Projects	-	-	-
	<u>11,876,875</u>	<u>2,423,412</u>	<u>14,300,287</u>
Transfers			
Transfer In			
Water User Fees - 421	10,591,414	2,423,412	13,014,826
Water Connections Fees - 424	1,285,461	-	1,285,461
Delta Water Surface Fee - 425	-	-	-
Transfer Out			
Water Debt Service - 423	-	-	-
Water Capital Projects - 427	-	-	-
	<u>11,876,875</u>	<u>2,423,412</u>	<u>14,300,287</u>
Net Annual Activity	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**Wastewater Debt Service Funds - 610
FY 2021-22 Annual Budget**

	Stockton Public Financing Authority Wastewater Revenue Refunding Bonds Series 2014 610	Stockton Public Financing Authority Wastewater Bond Anticipation Notes Series 2019 610	Total Wastewater Debt Service
Date Issued	<u>10/22/2014</u>	<u>10/1/2019</u>	
Purpose	<u>Wastewater Projects</u>	<u>Wastewater Projects</u>	
Expenditures			
Principal	\$ 4,195,000	\$ 118,510,000	\$ 122,705,000
Interest	2,292,625	1,659,140	3,951,765
Disclosure fees	2,500	3,000	5,500
	<u>6,490,125</u>	<u>120,172,140</u>	<u>126,662,265</u>
Transfers			
Transfer In	-	-	-
Wastewater User Fees - 431	2,920,556	120,172,140	123,092,696
Wastewater Connection Fees Capital Projects - 434	3,569,569	-	3,569,569
	<u>6,490,125</u>	<u>120,172,140</u>	<u>126,662,265</u>
Net Annual Activity	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>



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	\$79,768,101
Total Expenditures	\$80,586,363
Total Net Cost	\$818,262

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 \$14.1 million in Federal and State grants from the following sources: Highway Safety Improvement Program Cycle 10 and Active Transportation Program Cycle 5, and Measure K.

Major project completions include:

- Police Headquarters Basement Remodel
- Filbert/Miner Traffic Signal
- Install Pedestrian Crossing at 9 Intersections
- Wilson Way Corridor Project
- Myrtle Street Sanitary Sewer Rehabilitation
- Pershing Avenue Sanitary Sewer Rehabilitation (March Lane to Black Oak)
- Abandonment of Water Wells 4 & 7
- 2016 Sanitary Sewer Rehabilitation
- Alexandria Place Sanitary Sewer Rehabilitation
- Annual Street Resurfacing of existing street pavement

Key projects completed design and prepared for construction:

- Hunter Street Road Diet
- Fire Station 2 Window Replacement
- Lincoln and 8th Street Roundabout
- Montauban/Hammertown Roundabout

CAPITAL IMPROVEMENT PROGRAM

- Tam O'Shanter/Knickerbocker Roundabout
- West Lane Pedestrian Access
- Bear Creek – Pixley Slough Bicycle Path Improvements
- March Lane/EBMUD Bike/Pedestrian Path Improvement
- California Street Road Diet
- Wilson Way Bridge at Mormon Slough Slope Paving
- Howard Street Sanitary Sewer Rehabilitation
- Stockton Soccer Complex Phase 2
- McNair Soccer Complex Phase 2

KEY CONSIDERATIONS

The CIP includes a list of projects with a total value of \$1.02 billion, including Municipal Utility projects of \$327 million, transportation projects of \$298 million, and other citywide projects of \$399 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 is a fraction of the dollars needed for all capital improvement projects over the five-year period, which are estimated at over \$562.9 million. The Transportation area, specifically, accounts for \$271.4 million in unfunded needs listed 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 be completely funded until future years.

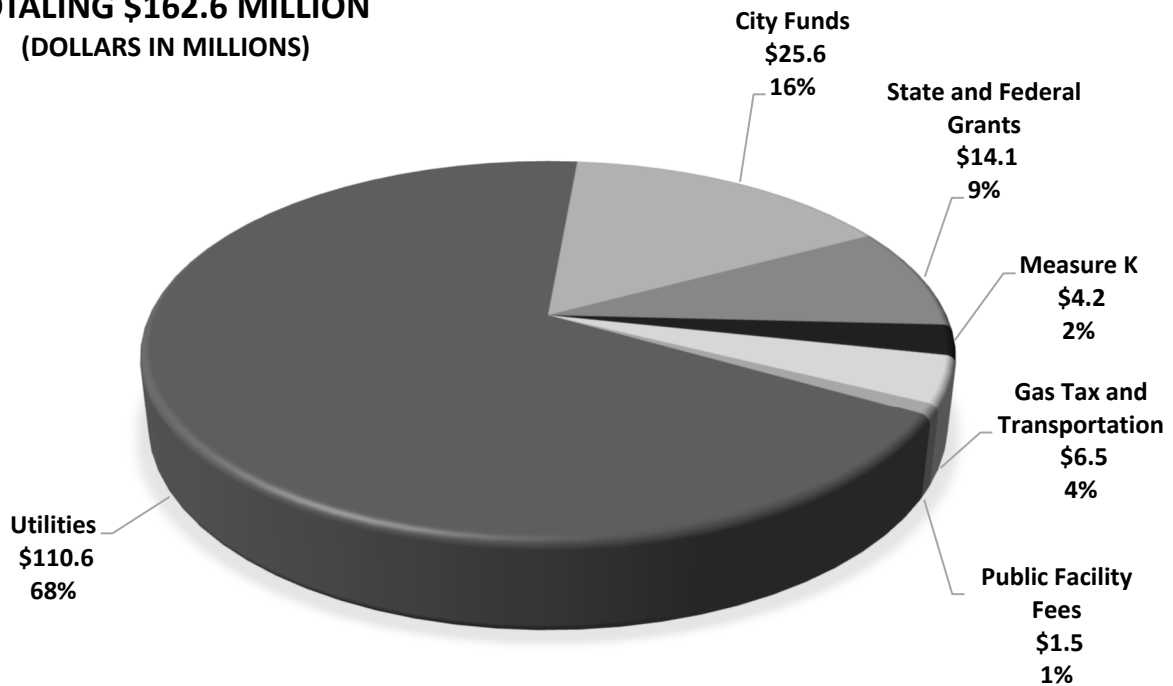
The capital program envisions funding \$162.6 million in projects in FY 2021-22. This year is the only year of the plan with available funding appropriated. CIP projects are grouped into three categories: General Government, Transportation, and Utilities. FY 2021-22 funded projects by category are as follows: \$28.7 million for General Government projects; \$26.5 million for Transportation/Street projects; and \$107.4 million for Utilities projects. Of the FY 2021-22 funding, \$8.6 million is from the General Fund and other unrestricted sources. The utility projects are primarily funded through utility user fees.

The transportation projects in FY 2021-22 are primarily funded with \$14.1 million coming from State and Federal grants, \$6.2 million from Gas Tax Road Maintenance Rehabilitation Account, and \$4.2 million from Measure K. State funding sources also include Transportation Development Act monies for specific infrastructure improvements and other reimbursements.

CAPITAL IMPROVEMENT PROGRAM

The following chart summarizes the FY 2021-22 capital projects by funding sources.

CIP FUNDING FOR FY 2021-22 TOTALING \$162.6 MILLION (DOLLARS IN MILLIONS)



General Government

This category includes improvements associated with City-owned facilities, including police, fire, parks, golf courses, libraries, community centers, and city buildings. These improvements are funded from the General Fund, as well as dedicated funding sources such as Parkland PFF, Measure M Strong Communities, and other reimbursements.

The recommended General Fund allocation for capital projects in FY 2021-22 is \$8.6 million, which has been allocated to several projects that address the Council's strategic priorities relative to infrastructure. These projects are:

- ADA Compliance Program
- Arena and Ballpark Infrastructure Upgrade and Replacement
- Leaking Underground Fuel Tank (LUFT) Program
- Fire Station Exterior Painting – Stations 3, 4, 5, 7, 10, 11 and 14
- Uninterruptable Power Supply Replacement at Stockton Fire Department Emergency Communications Division

CAPITAL IMPROVEMENT PROGRAM

- Waterfront Office Towers Renovations
- Police Facilities – Main Facility Women’s Locker Room
- Pixie Woods U.S. Consumer Product Safety Commission Compliance Plan Development
- Weber Events Center Fountain Loop Lock Cover
- Misasi Park
- Oakmore and Montego Park
- Cannery Park
- Cannery Park Neighborhood

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 Public Works 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 2021-22 include:

- Airport Way Over Mormon Slough Bridge Fire Damage Repair
- LED Street Lights Conversion on Collector and Residential Streets – Phase V
- El Dorado Bridge Over Bianchi Column Damage Repair
- Neighborhood Traffic Calming Program
- Local Street Resurfacing
- Sidewalks, Curbs and Gutter Repair and Infill
- City Street Restriping Project
- Traffic Management Center Upgrade
- Traffic Signal Control Program
- Traffic Signal Modification Program
- California Street Road Diet/Bike Lanes
- Bridge Rehabilitation and Replacement

CAPITAL IMPROVEMENT PROGRAM

- West Lane at Union Pacific Railroad Queue Cutter
- Install Left Turn Lanes at Airport and Hazelton
- Install Left Turn Lanes at El Dorado and March Lane
- Install Traffic Signal at Alpine and Alvarado
- 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 and connection fees.

The Municipal Utilities Department continues to budget new project funds in the Water Utility for improvements and repairs at Delta Water Treatment Plant (DWTP) and water service laterals at various locations. Other projects in the FY 2021-22 budget include the evaluation and rehabilitation of wells and reservoirs and a new water well.

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 CIEMP 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 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.

Other projects in the FY 2021-22 budget include:

- DWTP Recharge Basins
- RWCF Pond No. 1 Cleaning
- RWCF New Outfall
- Union Street Rehabilitation between Harding and Acacia
- Sanitary Sewer Small Diameter Lines Replacement
- Airport Way Sewer Trunk Rehabilitation

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 2021-22, available funding will be used for the Alexandria and Five Mile Slough Culvert Replacement and utility adjustments associated street improvement projects.

CAPITAL IMPROVEMENT PROGRAM

Capital Improvement Plan Operational Impact

The City of Stockton's capital improvement program is primarily focused on maintaining existing facilities and infrastructure. Of the \$162.6 million appropriated for capital projects in FY 2021-22, 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 in 2034, 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. New homes in this services CFD started paying assessments in FY 2020-21.

**Capital Project Funds
Summary
FY 2021-22 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	\$ 13,869,147	\$ 8,862,091	\$ 33,103,347	\$ 55,834,585
Revenues				
Grants	14,050,247	319,489	-	14,369,736
Fees	-	14,187,118	3,826,900	18,014,018
Investment Proceeds	-	178,139	10,000	188,139
Other Revenue	15,068,070	6,077,567	-	21,145,637
	<u>29,118,317</u>	<u>20,762,313</u>	<u>3,836,900</u>	<u>53,717,530</u>
Expenditures				
Capital Projects - General Government	25,762,790	-	1,114,000	26,876,790
Capital Projects - Streets/Transportation	17,729,278	7,084,000	-	24,813,278
Other	8,414,958	12,294,433	71,909	20,781,300
	<u>51,907,026</u>	<u>19,378,433</u>	<u>1,185,909</u>	<u>72,471,368</u>
Transfers				
Transfer In - General Fund	5,000,000	-	-	5,000,000
Transfer In - Multi-funded	7,283,031	-	-	7,283,031
Transfer In - Development Services	5,700,000	-	-	5,700,000
Transfer In - PEG Fees	2,000,000	-	-	2,000,000
Transfer In - Internal Service Funds	5,400,000	-	-	5,400,000
Transfer In - Other	433,790	-	-	433,790
Transfer In - Public Facilities Fees	-	-	233,750	233,750
Transfer Out	(3,833,214)	(3,629,031)	(652,750)	(8,114,995)
	<u>21,983,607</u>	<u>(3,629,031)</u>	<u>(419,000)</u>	<u>17,935,576</u>
Net Annual Activity	<u>(805,102)</u>	<u>(2,245,151)</u>	<u>2,231,991</u>	<u>(818,262)</u>
Ending Available Balance	<u>\$ 13,064,045</u>	<u>\$ 6,616,940</u>	<u>\$ 35,335,338</u>	<u>\$ 55,016,323</u>
			Revenues	\$ 53,717,530
			Transfers	26,050,571
			Total Sources	<u>\$ 79,768,101</u>
Reconciliation of Capital Funds				
Capital Projects	\$ 51,690,068		Expenditures	\$ 72,471,368
Economic Dev. Comm. Dev. Block Grant (pg. I-13)	150,000		Transfers	8,114,995
Economic Dev. Parking Authority (pg. I-39)	100,000		Total Capital Project Funds	<u>\$ 80,586,363</u>
Utilities (pg. J-9)	110,650,886			
Total Appropriations	<u>\$ 162,590,954</u>		Utilities Projects	<u>\$ 110,650,886</u>
Project Total by Category (pg. M-15)	<u><u>\$ 162,590,954</u></u>			

**Capital Project Funds
General Government Funds
FY 2021-22 Annual Budget**

	General Capital 300	Federal & State Grants 300	Public Art 300-304	Strong Communities 210	General Government Total
				<i>See Page G-11</i>	
Beginning Available Balance	\$ 3,625,000	\$ -	\$ 517,602	\$ 9,726,545	\$ 13,869,147
Revenues					
Grants	-	14,050,247	-	-	14,050,247
Other Revenue	2,991,070	-	-	12,077,000	15,068,070
Fees	-	-	-	-	-
Investment Proceeds	-	-	-	100,000	100,000
	2,991,070	14,050,247	-	12,177,000	29,218,317
Expenditures					
Capital Projects - General Government	25,762,790	-	-	-	25,762,790
Capital Projects - Streets/Transportation	3,679,031	14,050,247	-	-	17,729,278
Other Maintenance	-	-	500,000	-	500,000
Other Expenses	-	-	-	8,555,245	8,555,245
	29,441,821	14,050,247	500,000	8,555,245	52,547,313
Transfers					
Transfer In - General Fund	5,000,000	-	-	-	5,000,000
Transfer In - Multi-funded	7,283,031	-	-	-	7,283,031
Transfer In - Development Services	5,700,000	-	-	-	5,700,000
Transfer In - PEG Fees	2,000,000	-	-	-	2,000,000
Transfer In - Internal Service Funds	5,400,000	-	-	-	5,400,000
Transfer In - Other	433,790	-	-	-	433,790
Transfer Out - Multi-funded	(598,214)	-	-	(3,235,000)	(3,833,214)
	25,218,607	-	-	(3,235,000)	21,983,607
Net Annual Activity	(1,232,144)	-	(500,000)	386,755	(1,345,389)
Ending Available Balance	\$ 2,392,856	\$ -	\$ 17,602	\$ 10,113,300	\$ 12,523,758

**Capital Project Funds
Transportation Funds
FY 2021-22 Annual Budget**

	<u>Gas Tax 240</u> <i>See Page F-13</i>	<u>Transportation Dev. Act. 245</u>	<u>Measure K Maintenance 250</u> <i>See Page F-15</i>	<u>Transportation Total</u>
Beginning Available Balance	\$ 2,740,794	\$ 86,932	\$ 6,034,367	\$ 8,862,093
Revenues				
Grants	-	319,489	-	319,489
Taxes	14,187,118	-	-	14,187,118
Reimbursements	-	-	6,077,567	6,077,567
Investment Proceeds	-	-	178,139	178,139
	<u>14,187,118</u>	<u>319,489</u>	<u>6,255,706</u>	<u>20,762,313</u>
Expenditures				
Capital Projects - General Government	-	-	-	-
Capital Projects - Transportation	6,184,000	-	900,000	7,084,000
Other	8,198,785	-	4,095,648	12,294,433
	<u>14,382,785</u>	<u>-</u>	<u>4,995,648</u>	<u>19,378,433</u>
Transfers				
Transfer In	-	-	-	-
Transfer Out	-	(319,489)	(3,309,542)	(3,629,031)
	<u>-</u>	<u>(319,489)</u>	<u>(3,309,542)</u>	<u>(3,629,031)</u>
Net Annual Activity	<u>(195,667)</u>	<u>-</u>	<u>(2,049,484)</u>	<u>(2,245,151)</u>
Ending Available Balance	<u>\$ 2,545,127</u>	<u>\$ 86,932</u>	<u>\$ 3,984,883</u>	<u>\$ 6,616,942</u>

**Capital Project Funds
Public Facilities Fee
FY 2021-22 Annual Budget**

	Traffic Signals Citywide 310-311	Traffic Signals Zone 1 310-311	Traffic Signals Zone 2 310-311	Traffic Signals Zone 3 310-311	Traffic Signals Zone 4 310-311
Beginning Available Balance	\$ 387,905	\$ 268,090	\$ 324,746	\$ 251,187	\$ 212,637
Revenues					
Fees	56,200	20,100	3,000	45,000	32,500
Investment Proceeds	-	-	-	-	-
	56,200	20,100	3,000	45,000	32,500
Expenditures					
Capital Projects	-	-	-	-	-
Other	-	-	-	-	-
	-	-	-	-	-
Transfers					
Transfer In	-	-	-	-	-
Transfer Out	-	-	-	-	-
	-	-	-	-	-
Net Annual Activity	56,200	20,100	3,000	45,000	32,500
Ending Available Balance	\$ 444,105	\$ 288,190	\$ 327,746	\$ 296,187	\$ 245,137

**Capital Project Funds
Public Facilities Fee, Continued
FY 2021-22 Annual Budget**

	Street Improvements Citywide 310-312	Street Improvements Reg Traffic 310-324	Community Recreation Centers-Citywide 310-313	City Office Space 310-314	Fire Station Citywide 310-315
Beginning Available Balance	\$ 7,460,855	\$ 13,614,206	\$ 38,250	\$ 325,606	\$ 105,001
Revenues					
Fees	914,000	1,801,200	59,000	31,500	106,300
Investment Proceeds	-	-	-	-	-
	914,000	1,801,200	59,000	31,500	106,300
Expenditures					
Capital Projects	-	-	-	-	-
Other	-	3,500	30,000	-	-
	-	3,500	30,000	-	-
Transfers					
Transfer In	233,750	-	-	-	-
Transfer Out	-	-	(38,250)	-	(105,000)
	233,750	-	(38,250)	-	(105,000)
Net Annual Activity	1,147,750	1,797,700	(9,250)	31,500	1,300
Ending Available Balance	\$ 8,608,605	\$ 15,411,906	\$ 29,000	\$ 357,106	\$ 106,301
			(a)		(a)

(a) These fee programs have been over leveraged with spending outpacing available revenues.

**Capital Project Funds
Public Facilities Fee, Continued
FY 2021-22 Annual Budget**

	Library Citywide 310-316	Police Station Expansion 310-317	Parkland Citywide 310-318	Street Trees 310-319	Street Signs 310-320
Beginning Available Balance	\$ 697,029	\$ 90,498	\$ 5,013,177	\$ 58,809	\$ 46,416
Revenues					
Fees	69,000	98,000	4,000	-	2,600
Investment Proceeds	-	-	-	-	-
	69,000	98,000	4,000	-	2,600
Expenditures					
Capital Projects	-	-	1,114,000	-	-
Other	-	22,000	-	-	-
	-	22,000	1,114,000	-	-
Transfers					
Transfer In	-	-	-	-	-
Transfer Out	-	(90,500)	(419,000)	-	-
	-	(90,500)	(419,000)	-	-
Net Annual Activity	69,000	(14,500)	(1,529,000)	-	2,600
Ending Available Balance	\$ 766,029	\$ 75,998	\$ 3,484,177	\$ 58,809	\$ 49,016
		(a)			

(a) These fee programs have been over leveraged with spending outpacing available revenues.

**Capital Project Funds
Public Facilities Fee, Continued
FY 2021-22 Annual Budget**

	Street Lights City Wide 310-321	Street Lights Zone 1 310-321	Street Lights Zone 3 & 4 310-321	Street Lights Zone 5 310-321	Air Quality 310-322	Public Facilities Total
Beginning Available Balance	\$ 16,582	\$ 15,271	\$ 44,021	\$ 27,069	\$ 4,105,992	\$ 33,103,347
Revenues						
Fees	-	-	-	-	584,500	3,826,900
Investment Proceeds	-	-	-	-	10,000	10,000
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>594,500</u>	<u>3,836,900</u>
Expenditures						
Capital Projects	-	-	-	-	-	1,114,000
Other	-	-	-	-	16,409	71,909
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>16,409</u>	<u>1,185,909</u>
Transfers						
Transfer In	-	-	-	-	-	233,750
Transfer Out	-	-	-	-	-	(652,750)
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(419,000)</u>
Net Annual Activity	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>578,091</u>	<u>2,231,991</u>
Ending Available Balance	<u>\$ 16,582</u>	<u>\$ 15,271</u>	<u>\$ 44,021</u>	<u>\$ 27,069</u>	<u>\$ 4,684,083</u>	<u>\$ 35,335,338</u>



**2021-2026 Capital Improvement Plan
Five Year Capital Summary by Category**

	FY 2021-22 Proposed	FY2022-23 Projected	FY 2023-24 Projected	FY 2024-25 Projected	FY 2025-26 Projected
General Government					
Citywide	23,138,790	15,223,000	13,444,000	500,000	200,300,000
Fire	462,000	3,767,920	14,781,000	-	37,244,000
Fleet	-	290,000	-	-	1,000,000
Library	1,735,000	-	7,345,000	-	136,000
Parks	1,633,000	21,107,650	13,754,580	3,872,570	1,308,000
Police	250,000	1,574,000	1,648,000	8,666,000	
Recreation	1,500,000	2,218,000	2,721,000	5,553,000	13,535,500
	<u>28,718,790</u>	<u>44,180,570</u>	<u>53,693,580</u>	<u>18,591,570</u>	<u>253,523,500</u>
Utilities					
Stormwater	-	1,757,570	422,700	1,046,300	903,000
Wastewater	95,224,358	65,896,952	44,322,517	52,482,648	15,331,000
Water	12,161,237	14,265,000	4,181,500	12,983,500	5,760,000
	<u>107,385,595</u>	<u>81,919,522</u>	<u>48,926,717</u>	<u>66,512,448</u>	<u>21,994,000</u>
Transportation/Streets					
Streets	2,431,189	5,599,893	3,696,239	3,696,239	10,620,921
Transportation	24,055,239	14,889,151	7,158,815	3,386,000	222,382,600
	<u>26,486,428</u>	<u>20,489,044</u>	<u>10,855,054</u>	<u>7,082,239</u>	<u>233,003,521</u>
Grand Total	<u>162,590,813</u>	<u>146,589,136</u>	<u>113,475,351</u>	<u>92,186,257</u>	<u>508,521,021</u>



**2021-2026 Capital Improvement Plan
Five Year Capital Summary by Fund**

	FY 2021-22 Proposed	FY2022-23 Projected	FY 2023-24 Projected	FY 2024-25 Projected	FY 2025-26 Projected
General Government and Grants					
Capital Improvement	8,625,000	3,368,000	1,489,000	686,500	375,000
Community Development Block Grant	150,000	-	-	-	-
Development Fees	5,700,000	-	-	-	-
Federal Grants	12,426,147	7,061,464	6,032,054	2,696,239	2,696,239
Gas Tax	6,184,000	750,000	500,000	500,000	500,000
Internal Service Fund Equipment	1,400,000	-	-	-	-
Internal Service Fund Technology	4,000,000	-	-	-	-
Marina	350,000	-	-	-	-
Measure K Maintenance	4,209,542	7,926,480	3,948,000	3,511,000	3,511,000
Other Special Revenue	2,000,000	-	-	-	-
Parking Authority	100,000	-	-	-	-
Solid Waste & Recycling	83,790	-	-	-	-
State Grants	1,624,100	1,815,100	-	-	-
Strong Communities	3,235,000	1,500,000	7,345,000	-	1,250,000
Transportation Development Act	319,489	-	-	-	-
	<u>50,407,068</u>	<u>22,421,044</u>	<u>19,314,054</u>	<u>7,393,739</u>	<u>8,332,239</u>
Public Facilities Fees					
Public Facilities Fees Parks	1,533,000	15,533,800	-	2,206,070	-
Public Facilities Fees Street Imp	-	1,130,000	300,000	300,000	300,000
Public Facilities Fees Traffic Signals	-	1,300,000	-	-	-
	<u>1,533,000</u>	<u>17,963,800</u>	<u>300,000</u>	<u>2,506,070</u>	<u>300,000</u>
Utilities					
Stormwater Fund	1,101,950	1,757,570	422,700	1,046,300	903,000
Wastewater Fund	96,985,358	65,896,952	44,322,517	52,482,648	15,331,000
Water Fund	12,563,437	14,265,000	4,181,500	12,983,500	5,760,000
	<u>110,650,745</u>	<u>81,919,522</u>	<u>48,926,717</u>	<u>66,512,448</u>	<u>21,994,000</u>
Unfunded					
Unidentified Funding	-	24,284,770	44,934,580	15,774,000	477,894,782
	<u>-</u>	<u>24,284,770</u>	<u>44,934,580</u>	<u>15,774,000</u>	<u>477,894,782</u>
Grand Total	<u>162,590,813</u>	<u>146,589,136</u>	<u>113,475,351</u>	<u>92,186,257</u>	<u>508,521,021</u>



**2021-2026 Capital Improvement Plan
Project List by Category**

Project Number	Name	FY 2020-21 Revised Budget	FY 2021-22 Proposed	FY2022-23 Projected	FY 2023-24 Projected	FY 2024-25 Projected	FY 2025-26 Projected
Citywide							
E016015	New City Hall- Waterfront Office Towers	7,626,550	22,188,790	8,990,000	-	-	-
E016603	Bob Hope Theatre HVAC Rep	95,000	-	50,000	150,000	-	-
E016604	ASM Capital Invest-Venues	1,293,315	-	-	1,000,000	-	-
EED8601	Arena Upgrades And Maint	205,900	150,000	150,000	750,000	-	-
EV22601	Buckley Cove Inlet Dredging	-	150,000	1,500,000	-	-	-
EV22602	BC Parking Lot Pavement Resurfacing	-	200,000	-	602,000	-	-
EV22603	Oak Park Ice Rink Facility Upgrades	-	150,000	-	-	-	-
EV22604	Parking Lot Resurfacing And Upgrade	-	100,000	-	-	-	-
EV22606	Arena Video Equipment & Scoreboard	-	-	2,000,000	-	-	-
EV23605	Marina Sail Covering Replacement	-	-	200,000	200,000	200,000	-
WC13020	Roof Replace & Const Prog	1,116,309	-	-	200,000	200,000	200,000
WC15004	Bin Enclosure At City Facilities	-	-	-	400,000	-	-
WC17001	ADA Compliance Program	188,921	200,000	100,000	100,000	100,000	100,000
WC21018	Citywide Traffic Safety Program	300,000	-	710,000	-	-	-
WC21021	Miracle Mile Parking Lots	277,000	-	277,000	400,000	-	-
WC23002	Historic City Hall Renovations	-	-	558,000	5,442,000	-	-
WC23021	Weber Parking Lot Construction	-	-	688,000	3,950,000	-	-
WC24020	Janet Leigh Plaza Ped Improvements	-	-	-	250,000	-	-
WC26001	City Facility Assessment Rehab Prgm	-	-	-	-	-	200,000,000
Total Citywide		11,102,995	23,138,790	15,223,000	13,444,000	500,000	200,300,000
Fire							
F017006	Fire Station Ext Paint	121,001	362,000	-	-	-	-
F022001	UPS Replacement At ECD	-	100,000	-	-	-	-
F023011	Fire Station Asphalt Preservation	-	-	303,000	-	-	-
F023012	Fire Station No. 9 Kitchen Remodel	-	-	1,064,520	-	-	-
F023013	Fire Station No.10 Kitchen Remodel	-	-	498,200	-	-	-
F023014	Fire Station No. 11 Driveway And Pa	-	-	554,000	-	-	-
F023015	Fire Station No. 11 Kitchen Remodel	-	-	498,200	-	-	-
F023016	Fire Station No. 14 - Concrete Driv	-	-	600,000	-	-	-
F023022	Regional Dispatch Center - Phase 1	-	-	250,000	11,294,000	-	11,534,000
F024015	Fire Station 1 Driveway Replacement & Restore	-	-	-	2,487,000	-	-
F024018	Fire Station 2 Parking Lot	-	-	-	500,000	-	-
F024019	Fire Station 5 Concrete Drwy/Prking Replace	-	-	-	500,000	-	-
F026011	Fire House Seismic Evaluations	-	-	-	-	-	298,000
F026012	Fire Station Landscaping Design/Con	-	-	-	-	-	654,000
F026014	Fire Station 3 Reconstruction	-	-	-	-	-	11,144,000
F026015	Fire Station 6 Reconstruction	-	-	-	-	-	11,144,000
F026016	Fire Station 9 Kitchen Remodel	-	-	-	-	-	536,000
F026018	Fire Station 10 Kitchen Remodel	-	-	-	-	-	597,000
F026019	Fire Station 11 Kitchen Remodel	-	-	-	-	-	597,000
F026020	Fire Station 13 Storage/Drway Improvements	-	-	-	-	-	457,500
F026021	Public Parking In Front Of Fire Station	-	-	-	-	-	282,500
Total Fire		121,001	462,000	3,767,920	14,781,000	-	37,244,000
Fleet							
WV23025	Corp Yard Storage Bld Installation	-	-	290,000	-	-	-
WV24021	Corporation Yard Improvements	-	-	-	-	-	1,000,000
Total Fleet		-	-	290,000	-	-	1,000,000
Library							
CL17024	Northeast McNair Library/Rec Center	20,920,000	1,000,000	-	-	-	-
CL22001	Cesar Chavez Library Remodel	-	735,000	-	7,345,000	-	-
CL26001	Maya Angelou Library Carpet Replace	-	-	-	-	-	136,000
Total Library		20,920,000	1,735,000	-	7,345,000	-	136,000
Parks							
WP13131	Misasi Park	1,992	20,000	-	-	2,206,070	-
WP13254	Oakmore And Montego Park	124,795	953,000	-	-	-	-
WP13270	Cannery Park (2.7 Acres)	13,998	141,000	1,218,000	994,000	-	-
WP22011	Pixie Woods CPSC Compliance Pln Dev	-	50,000	-	44,000	-	-
WP22012	Weber Events Center Fountain Loop Lock	-	50,000	-	-	-	-
WP22013	Cannery Park Neighborhood Park 7.48	-	419,000	4,546,800	3,380,280	-	-
WP22014	City Park Shade Structure Replacement	-	-	123,000	70,000	-	100,000
WP22015	Citywide Park Walkway Replacement	-	-	100,000	100,000	100,000	-
WP22016	Exeloo Installations At City Parks	-	-	374,850	-	-	-
WP22018	Harrell Park Restroom Demolition	-	-	100,000	-	-	-
WP22019	Louis Park Lrg Picnic Area Reconstruction	-	-	122,000	-	-	-
WP22020	Louis Park Softball Cmplx Turf Conversion	-	-	354,000	-	-	-

**2021-2026 Capital Improvement Plan
Project List by Category**

Project Number	Name	FY 2020-21 Revised Budget	FY 2021-22 Proposed	FY2022-23 Projected	FY 2023-24 Projected	FY 2024-25 Projected	FY 2025-26 Projected
WP22021	Louis Prk Softball Prking Lot Light	-	-	125,000	-	-	-
WP22022	Oak Park Back-Up Well Construction	-	-	150,000	-	-	-
WP22023	Oak Park Magpie Fencing Replacement	-	-	136,000	-	-	-
WP22024	Park Parking Renovation Program	-	-	806,000	-	-	-
WP22025	Park Restroom Rehab & Rpr Program	-	-	350,000	-	-	-
WP22026	Play Equipment Replacement	-	-	1,240,000	935,000	935,000	935,000
WP22027	Pool UV System Installations	-	-	105,000	-	-	-
WP22028	Swenson Park And Golf Irrigation System	-	-	242,000	-	-	-
WP22029	Van Buskirk Playground Rubber Fall	-	-	120,000	-	-	-
WP22030	Victory Park Tennis Court Lighting	-	-	70,000	-	-	-
WP22031	Victory Park Totem Picnic Area	-	-	76,000	-	-	-
WP22032	Waterfront Lighting Restoration	-	-	180,000	-	-	-
WP22033	Weber Point Shade Structure Fabric	-	-	800,000	-	-	-
WP23019	Victory Park Tennis Court Lighting	-	-	-	143,000	-	213,000
WP23020	Westlake Villages Park - 11.5 Acres	-	-	7,100,000	-	-	-
WP23024	Oakmore Montego Neighborhood Park	-	-	2,669,000	-	-	-
WP24011	American Legion Park Lagoon Fencing	-	-	-	60,000	-	60,000
WP24012	Game Court Rehab Program	-	-	-	2,362,500	-	-
WP24013	Van Buskirk Golf Course Irrigation	-	-	-	5,430,800	-	-
WP24014	Victory Park Restroom Demo/Replacement	-	-	-	235,000	-	-
WP25012	Louis Park Softball Complex Parking	-	-	-	-	520,000	-
WP25013	Park Sport Field Lighting Repairs	-	-	-	-	111,500	-
Total Parks		140,785	1,633,000	21,107,650	13,754,580	3,872,570	1,308,000
Police							
P015035	Police Facility Improvements	400,000	250,000	-	1,304,000	8,666,000	-
P023001	Animal Shelter Renovation	-	-	750,000	344,000	-	-
P023023	Replace Modular Building At Firing Range	-	-	824,000	-	-	-
Total Police		400,000	250,000	1,574,000	1,648,000	8,666,000	-
Recreation							
CR18020	Aquatic Fac Renov & Replc	-	1,500,000	1,500,000	-	-	1,250,000
CR22001	Teen Center Reconfiguration	-	-	718,000	-	-	-
CR24001	Mckinley Park Community Center Reno	-	-	-	2,721,000	-	3,110,000
CR25001	Civic Auditorium Stage Controls/Rig	-	-	-	-	623,000	-
CR25002	Civic Auditorium Upgrades	-	-	-	-	1,324,000	-
CR26002	Civic Auditorium Stage Controls Rig	-	-	-	-	-	623,000
CR26003	Civic Auditorium Upgrades	-	-	-	-	-	3,000,000
CR26004	Louis Park Softball Complex Parking	-	-	-	-	-	520,000
CR26005	Oak Park Facility Upgrades	-	-	-	-	3,606,000	-
CR26006	Oak Park Tennis Center Upgrades	-	-	-	-	-	820,000
CR26007	Park Sportfield Lighting Repairs	-	-	-	-	-	111,500
CR26008	Pixie Woods Improvements Project	-	-	-	-	-	3,838,000
CR26009	Oak Park Sr Center RR/ADA Upgrade	-	-	-	-	-	263,000
Total Recreation		-	1,500,000	2,218,000	2,721,000	5,553,000	13,535,500
Stormwater							
US16013	Pump Station Discharge Mod For Pipe Insp	208,197	-	357,570	-	-	-
US23001	Condition Assessment For SW PS	-	-	1,400,000	-	-	-
US24001	Alexandria & 14 Mile Storm PS	-	-	-	69,700	411,300	-
US24002	Charter & Walnut Plant Storm PS	-	-	-	20,000	221,000	-
US24003	West Lane & Mosher Slough Storm PS	-	-	-	333,000	-	-
US25001	Spanos Park West Infiltration Asmt	-	-	-	-	100,000	-
US25002	Weston Ranch Infiltration Assmnt	-	-	-	-	106,000	-
US25003	Charter Way Subway Storm Drain PS	-	-	-	-	72,000	-
US25004	Blossom Ranch Storm Drain PS	-	-	-	-	86,000	-
US25005	Western Pacific SW PS Improvements	-	-	-	-	50,000	-
US26001	Charter & Tillie Lewis Flood Relief	-	-	-	-	-	321,000
US26002	El Dorado Storm Drain Installation	-	-	-	-	-	345,000
US26003	Mission Rd Storm Drain Installation	-	-	-	-	-	237,000
Total Stormwater		208,197	-	1,757,570	422,700	1,046,300	903,000
Streets							
WD18016	Curb, Gutter, Sdewlk Infill	1,307,318	-	-	-	-	6,924,682
WD19008	Center St Weir Repair	85,999	-	1,431,000	-	-	-
WD19014	19-20 Local St Resurf SB1	2,648,787	14,900	-	-	-	-
WD19016	19-20 St Resurfacing	304,167	42,000	-	-	-	-
WD21003	20-21 Local St Resurf SB1	3,750,000	20,300	-	-	-	-
WD21006	20-21 Resurf Fed Aid St	304,066	47,500	2,918,893	2,696,239	2,696,239	2,696,239
WD22004	Sidewalk,Curb,And Gutter Rpr SB1	-	1,769,489	-	-	-	-

**2021-2026 Capital Improvement Plan
Project List by Category**

Project Number	Name	FY 2020-21 Revised Budget	FY 2021-22 Proposed	FY2022-23 Projected	FY 2023-24 Projected	FY 2024-25 Projected	FY 2025-26 Projected
WD22006	Street Light Pole Replace FY21-22 SB1	-	231,000	-	-	-	-
WD22009	City St Restriping FY21-22 SB1	-	306,000	-	-	-	-
WD23008	Street Furniture Painting FY21-22 S	-	-	250,000	-	-	-
WD23010	Bridge Maintenance Program	-	-	500,000	-	-	-
WD23017	Led Street Lights Conversion	-	-	500,000	-	-	-
WD24010	Bridge Maintenance Program	-	-	-	500,000	-	-
WD24017	Led Street Lights Conversion	-	-	-	500,000	-	-
WD25010	Bridge Maintenance Program	-	-	-	-	500,000	500,000
WD26017	Led Street Lights Conversion	-	-	-	-	500,000	500,000
Total Streets		8,400,337	2,431,189	5,599,893	3,696,239	3,696,239	10,620,921
Transportation							
WT14025	Leaking Underground Fuel Tank Prgm	50,001	50,000	75,000	75,000	75,000	75,000
WT15015	Bus Rapid Transit 1-B	618,029	200,000	-	-	-	-
WT15020	Bridge Engineering Prog	204,999	25,000	26,000	26,000	26,000	26,000
WT15021	Rule 20A Street Lighting	530,000	50,000	50,000	50,000	50,000	50,000
WT15022	Traffic Signal Contrl System	1,576,001	300,000	600,000	600,000	600,000	600,000
WT15027	Railroad Crossing Program	-	25,000	25,000	25,000	25,000	25,000
WT15028	Accessible Ped Signals	699,999	-	250,000	250,000	250,000	250,000
WT15029	Traffic Signal Modification	1,948,001	300,000	600,000	600,000	600,000	600,000
WT16008	Neighborhood Traffic Calming	3,500,002	100,000	750,000	750,000	750,000	750,000
WT16011	West Ln Traf Sig Control Sys	115,328	65,000	-	-	-	-
WT16022	High Friction Treatment	99,442	5,000	-	-	-	-
WT17002	Bear Creek/Pixley Slough Bike	313,099	5,000	-	-	-	-
WT17022	March Ln EBMUD Bike & Ped	445,452	5,000	-	-	-	-
WT17025	Pacific/March Intrsec Mod	78,329	100,000	-	-	-	-
WT17032	Miner Ave Comp St Impr Ph3	6,030,138	65,000	-	-	-	-
WT18005	Calif St Road Diet Ph 1	283,999	713,000	2,000,000	-	-	-
WT18009	Safe Routes To School	155,002	19,800	-	-	-	-
WT18010	Safe Routes To School Sidewalk	245,001	72,000	-	-	-	-
WT19001	HSIP 9-Lt El Dorado/March	28,491	730,300	-	-	-	-
WT19002	HSIP 9-Lt Airport/Hazelton	28,299	1,343,000	-	-	-	-
WT19003	HSIP 9-Sidewlk Med MLK Blvd	11,909	551,300	-	-	-	-
WT19004	HSIP 9-Rec Rapid Flash Beacons	-	221,000	-	-	-	-
WT19005	ATP 4-Stkn SRTS	-	144,000	2,718,000	-	-	-
WT19007	Lwr Sac Widen-Royal Oaks	-	-	692,000	-	-	42,976,000
WT19009	Airport Wy Bridge Fire Rep SB	-	550,000	-	-	-	-
WT19013	ATP4-SRTS Sdwk Gap Close	99,201	-	1,677,000	-	-	-
WT19018	Alexandria/5-Mi SI Culv SB1	227,960	1,214,000	-	-	-	1,223,000
WT21007	Bridge Rehab & Replace Ph5	40,712	1,258,460	-	-	-	-
WT21010	Transportation Mgmt Ctr Equip Upgrade	50,000	3,756,000	-	-	-	-
WT21011	Arch-Airport Rd TS Synch	95,000	20,000	1,817,000	-	-	-
WT21012	Alpine & Alvarado 3-Wy TS	73,000	944,000	-	-	-	-
WT21013	Eight Mile Rd Precise Plan	960,000	-	138,000	-	-	-
WT21016	Grant Match Prog 20-21	200,000	300,000	300,000	300,000	300,000	300,000
WT21018	Citywide Traffic Safety Prgm	-	-	-	710,000	710,000	710,000
WT22001	Five-Mile Creek Assessment District	-	150,000	-	-	-	-
WT22002	El Dorado St Bridge Over Bianchi	-	200,000	-	-	-	-
WT22003	Local St Resurface Prgm FY 21-22 SB1	-	3,850,000	-	-	-	-
WT22005	Residential Streetlight LED Replace	-	347,000	-	-	-	-
WT22007	Bridge Rehab & Replace Ph7	-	207,379	735,251	-	-	-
WT22008	West Lane Queue Cutter	-	3,810,000	49,000	3,335,815	-	-
WT22017	LED St Lights Conversion Ph5	-	500,000	-	-	-	-
WT22034	Arch-Airport Road Precise Road Plan	-	-	-	-	-	1,236,000
WT22035	Aurora St Over Mormon Slough Bridge	-	-	-	-	-	347,000
WT22036	Eight Mile Road Over Slope Repair	-	-	-	-	-	270,000
WT22037	El Dorado Street Bridge Over Calaveras	-	-	-	-	-	400,000
WT22038	Lower Sac Rd Bridge Over Mosher Slough	-	-	-	-	-	684,000
WT22039	Santa Paula St Over Mosher Slough Bridge	-	-	-	-	-	275,000
WT22040	West Ln Over Calaveras River Bridge	-	-	-	-	-	480,000
WT22043	HSIP 10-Systemic Rd Safety Devices	-	-	320,000	-	-	-
WT22044	HSIP 10-Enhanced Pedestrian Safety	-	150,800	-	-	-	-
WT22045	HSIP 10-Install Edgelines	-	-	250,000	-	-	-
WT22046	HSIP 10-Left Turn Pockets	-	276,000	-	-	-	-
WT22047	HSIP 10-Pershing Safety Enhancement	-	134,300	-	-	-	-
WT22048	HSIP 10-S. Stkn Pedestrian Hawk Imp	-	1,046,000	-	-	-	-
WT22049	HSIP 10-Guardrail Rehabilitation	-	66,900	66,900	-	-	-
WT22050	Downtown East-West Connection	-	110,000	-	-	-	-
WT22051	Greater Downtwn Bike/Ped Connect	-	75,000	-	-	-	-
WT23018	Relocation Of Traffic Control	-	-	450,000	-	-	-

**2021-2026 Capital Improvement Plan
Project List by Category**

Project Number	Name	FY 2020-21 Revised Budget	FY 2021-22 Proposed	FY2022-23 Projected	FY 2023-24 Projected	FY 2024-25 Projected	FY 2025-26 Projected
WT24001	Weber Ave At Grant And Aurora St	-	-	-	437,000	-	-
WT24002	Emergency Vehicle Pre-Emption	-	-	-	-	-	550,000
WT25001	Roundabout Program	-	-	-	-	-	2,000,000
WT25002	Street Smarts Program	-	-	-	-	-	500,000
WT25011	Traffic Signal New Installation	-	-	1,300,000	-	-	-
WT25014	Traffic Signal HD Visibility Imprmnts	-	-	-	-	-	400,000
WT26022	Alpine Ave Grade Separation	-	-	-	-	-	30,685,000
WT26023	Arch Rd Widening	-	-	-	-	-	39,444,000
WT26024	Ca St Gap Closure Improvements	-	-	-	-	-	396,000
WT26025	Citywide TDM Suitability Study	-	-	-	-	-	200,000
WT26026	Citywide Video System Upgrade	-	-	-	-	-	6,000,000
WT26027	Claremont Ave Re-Construction	-	-	-	-	-	1,764,000
WT26028	Complete Streets Plan	-	-	-	-	-	406,600
WT26029	Davis Rd Widening	-	-	-	-	-	4,371,000
WT26030	EBMUD March Ln Greenscape Ph2	-	-	-	-	-	2,704,000
WT26031	El Dorado/Center St Corridor Study	-	-	-	-	-	400,000
WT26032	El Dorado St Improvements Ph3	-	-	-	-	-	3,108,000
WT26033	March Ln Widening	-	-	-	-	-	5,145,000
WT26034	Mormon Slough Bikeway Improvement	-	-	-	-	-	1,242,000
WT26035	Mormon Slough Feasibility Study	-	-	-	-	-	150,000
WT26036	Pershing Ave Rdwy Crown Reduction	-	-	-	-	-	2,000,000
WT26037	Rectangular Rpd Flash Beacon Instal	-	-	-	-	-	800,000
WT26038	Robinhood Dr Bike Lane	-	-	-	-	-	519,000
WT26039	Traffic Signal Conversions	-	-	-	-	-	1,200,000
WT26040	West Ln Complete St Corridors Study	-	-	-	-	-	250,000
WT26041	West Ln Grade Separation	-	-	-	-	-	44,240,000
WT26042	West Ln Widening	-	-	-	-	-	22,631,000
Total Transportation		18,707,394	24,055,239	14,889,151	7,158,815	3,386,000	222,382,600
Wastewater							
UW09006	Rehab Digesters A & B For Sludge	454,164	-	-	1,990,348	1,990,348	-
UW16006	Sanitary Sewer Rehab Project	1,303,003	300,000	-	-	-	-
UW16022	RWCF Modify Project - PDB	116,304,237	81,793,924	28,518,223	4,128,240	-	-
UW17023	Pershing Swr Trunk Rehab	2,459,998	-	4,123,100	-	-	-
UW18011	RWCF Pond No. 1 Cleaning	1,000,000	1,000,000	2,281,000	2,281,000	2,281,000	2,281,000
UW18029	Sierra Nevada St Sewer Line Rehab	1,725,999	400,000	-	-	-	-
UW18030	Mormon Slough Sewer Line Rehab	2,126,000	-	1,087,450	-	-	-
UW20011	Sewer MH Rehab Project	600,000	300,000	300,000	300,000	300,000	300,000
UW20016	Oak St Swr Trnk Rehab-Wilson To Pershing	948,999	-	500,000	-	-	-
UW20020	Sewer Lrg Diameter Lines Rehab	1,841,306	368,846	834,995	946,994	-	-
UW20022	Fourteen Mile Slough Pump Station	429,790	970,000	2,153,210	-	-	-
UW20023	RWCF New Outfall At Main Plant	3,110,617	2,075,608	5,195,247	75,528	-	-
UW21007	Union St Rehab-Harding To Acacia St	199,400	1,178,600	-	-	-	-
UW21015	Quail Lakes Sewer Lift Station Upgrader	191,395	-	607,855	-	-	-
UW21016	Sewer Small Diameter Lines Replmt	377,520	1,471,600	-	-	-	-
UW21017	Airport Wy Sewer Trnk Rehab	612,560	4,372,440	-	-	-	-
UW21018	Lincoln Rd Swr Trnk Rehab-Pershing	584,500	-	-	3,619,500	-	-
UW21020	Sewer System Street Improvements	166,000	84,340	150,000	150,000	150,000	-
UW22001	ARV Vaults Replacement On Metro Drive	-	120,000	-	-	-	-
UW22002	Sludge Day Tank Mixing Rehab	-	162,000	158,000	-	-	-
UW22003	Pershing Ave Sewer Trunk Rehab	-	527,000	2,753,080	-	-	-
UW22004	System 10 Sewer Relief Forcemain	-	100,000	777,000	6,799,000	-	-
UW23001	Plymouth & 5 Mile Creek SS PS	-	-	99,000	2,342,000	-	-
UW23002	Bianchi & Calaveras New SS Install	-	-	378,400	-	-	-
UW23003	Brookside Estates Sanitary Sewer PS	-	-	391,000	-	-	-
UW23004	Main Plant Switchgear Upgrade	-	-	117,000	111,500	111,500	-
UW23005	Cogeneration Engine No. 1 Rebuild	-	-	802,000	-	-	-
UW23006	Longview Ave Sewer Rehabilitation	-	-	108,600	977,400	-	-
UW23007	South Tuxedo Ave Sewer Trunk Rehab	-	-	512,000	-	-	-
UW23008	Pershing Ave Sewer Trunk Rehab	-	-	93,943	1,504,057	-	-
UW23009	Sperry Rd/Gibraltar Ct SS Rehab	-	-	555,000	4,067,000	-	-
UW23010	Swain Rd/Alturas Ave Sewer Rehab	-	-	57,300	515,700	-	-
UW23011	El Dorado St Rehab (Alpine-Wyandotte)	-	-	229,000	1,119,000	-	-
UW23012	El Dorado Street Rehab Fremont-Oak	-	-	98,000	519,890	-	-
UW23013	Etna Street Rehabilitation	-	-	11,620,000	-	-	-
UW23014	Rosemarie Ln Sewer Rehabilitation	-	-	1,396,549	-	-	-
UW24001	West Lane & Calaveras South SS	-	-	-	135,000	811,000	-
UW24002	West Lane & Calaveras North SS	-	-	-	135,000	811,000	-
UW24003	Swenson & 5 Mile Sanitary PS	-	-	-	87,900	2,841,100	-
UW24004	Kelly & Mosher Slough SS PS & FM	-	-	-	929,000	-	-

**2021-2026 Capital Improvement Plan
Project List by Category**

Project Number	Name	FY 2020-21 Revised Budget	FY 2021-22 Proposed	FY2022-23 Projected	FY 2023-24 Projected	FY 2024-25 Projected	FY 2025-26 Projected
UW24005	Lincoln St Sanitary PS FM	-	-	-	602,800	3,993,700	-
UW24006	French Camp Sewer & Lift Station	-	-	-	5,001,000	1,000,000	-
UW24007	Cogeneration Engine No. 3 Rebuild	-	-	-	760,000	-	-
UW24008	Pardee Lane Rehabilitation	-	-	-	897,000	15,813,000	-
UW24009	Scotts Avenue Rehabilitation	-	-	-	312,750	-	-
UW24010	El Dorado Street Rehabilitation	-	-	-	1,867,910	-	-
UW24011	Hazelton Ave Sewer Trunk Rehab	-	-	-	2,147,000	-	-
UW25001	Brookside & I-5 PS Emergency Pwr	-	-	-	-	237,000	-
UW25002	Camanche Sanitary PS Rehab	-	-	-	-	550,000	-
UW25003	College Park Sanitary PS Rehab	-	-	-	-	750,000	-
UW25004	Waterloo Sanitary PS Rehab	-	-	-	-	1,303,000	-
UW25005	Drake Sanitary PS Rehab	-	-	-	-	1,303,000	-
UW25006	March Lane Sewer Trunk Rehab	-	-	-	-	720,000	5,591,000
UW25007	Wyandotte St Sewer Rehabilitation	-	-	-	-	3,482,000	-
UW25008	Harding Way Sewer Rehabilitation	-	-	-	-	1,572,000	-
UW25009	Ryde Avenue Sewer Rehabilitation	-	-	-	-	3,390,000	-
UW25010	Del Norte Street Sewer Rehab	-	-	-	-	8,333,000	-
UW25011	Thornton & Macduff Sewer Rehab	-	-	-	-	486,000	3,554,000
UW25012	Ralph Ave Sewer Trunk Rehab	-	-	-	-	254,000	2,261,000
UW26001	Cogeneration Engine No. 3 Rebuild	-	-	-	-	-	760,000
UW26003	Waterloo East Easement SS Rehab	-	-	-	-	-	584,000
Wastewater		134,435,488	95,224,358	65,896,952	44,322,517	52,482,648	15,331,000
Water							
UH14014	Water Field Office Remodel	1,874,001	924,000	-	-	-	-
UH18053	Newcastle Loop Phase II	3,130,930	350,000	450,000	-	-	-
UH21001	W/E/S Bear Creek Oversizing Reimb	1,045,000	2,894,500	2,894,500	-	-	-
UH21002	DWTP Intake Pump Station Discharge	150,000	2,567,000	2,636,000	-	-	-
UH21005	Water Ground Water Recharge Basin	329,000	1,643,200	-	-	-	-
UH21006	Water Service Line Replacement 2021	195,400	513,000	527,000	541,000	556,000	-
UH21019	Water System Street Improvements	77,000	370	153,000	153,000	153,000	-
UH22001	Advance Metering Infrastructure	-	503,000	4,218,000	-	5,562,000	-
UH22002	Condition Assessment (Pipelines)	-	256,700	263,500	-	-	-
UH22003	North & South Well Capacity Study	-	250,000	-	-	-	-
UH22004	Backup Power Imp At SSS#4	-	739,000	-	-	-	-
UH22005	Water Supply Well #33	-	459,000	-	-	-	-
UH22006	Pipeline Upsizing - Priority 1	-	909,467	959,000	985,000	688,000	-
UH22007	Pipeline Upsizing - Priority 2	-	152,000	160,000	-	-	-
UH23001	Replace Undersized/Old Mains	-	-	2,004,000	2,220,000	2,220,000	-
UH24001	Westlake Oversizing Reimbursement	-	-	-	110,000	-	-
UH24002	16" Water Line Upsize Along I-5 N	-	-	-	172,500	777,500	-
UH25001	Sanctuary/Shima Tract O/S Reimb	-	-	-	-	1,726,000	-
UH25002	Lower Sac Marlette & 8Mi Reimb	-	-	-	-	206,000	-
UH25003	Holman Rd Oversizing Reimbursement	-	-	-	-	216,000	-
UH25004	Origone Ranch Oversizing Reimburse	-	-	-	-	262,000	-
UH25005	Henry Long Loop Reimbursement	-	-	-	-	134,000	-
UH25006	Preserve/Atlas Tract Reimbursement	-	-	-	-	483,000	-
UH26001	North Wells - Reliability	-	-	-	-	-	5,760,000
Total Water		6,801,331	12,161,237	14,265,000	4,181,500	12,983,500	5,760,000
Grand Total		201,237,528	162,590,813	146,589,136	113,475,351	92,186,257	508,521,021

**2021-2026 Capital Improvement Plan
Project List by Fund**

Project Number	Name	FY 2021-22 Proposed	FY2022-23 Projected	FY 2023-24 Projected	FY 2024-25 Projected	FY 2025-26 Projected
DEVELOPMENT FEES						
E016015	New City Hall- Waterfront Office Towers	5,700,000	-	-	-	-
		5,700,000	-	-	-	-
FEDERAL						
WD21006	20-21 Resurf Fed Aid St	-	2,618,546	2,696,239	2,696,239	2,696,239
WT19001	HSIP 9-Lt El Dorado/March	657,270	-	-	-	-
WT19002	HSIP 9-Lt Airport/Hazelton	1,172,700	-	-	-	-
WT19003	HSIP 9-Sidewlk Med MLK Blvd	493,470	-	-	-	-
WT19004	HSIP 9-Rec Rapid Flash Beacons	221,000	-	-	-	-
WT19005	ATP 4-Stkn SRTS	144,000	2,331,000	-	-	-
WT21007	Bridge Rehab & Replace Ph5	1,114,115	-	-	-	-
WT21010	Transportation Mgmt Ctr Equip Upgrade	3,656,000	-	-	-	-
WT21011	Arch-Airport Rd TS Synch	-	1,412,000	-	-	-
WT21012	Alpine & Alvarado 3-Wy TS	789,000	-	-	-	-
WT22007	Bridge Rehab & Replace Ph7	183,592	650,918	-	-	-
WT22008	West Lane Queue Cutter	3,810,000	49,000	3,335,815	-	-
WT22050	Downtown East-West Connection	110,000	-	-	-	-
WT22051	Greater Downtwn Bike/Ped Connect	75,000	-	-	-	-
		12,426,147	7,061,464	6,032,054	2,696,239	2,696,239
GAS TAX						
WD22004	Sidewalk,Curb,And Gutter Rpr SB1	1,450,000	-	-	-	-
WD22006	Street Light Pole Replace FY21-22 SB1	231,000	-	-	-	-
WD22009	City St Restriping FY21-22 SB1	306,000	-	-	-	-
WD23008	Street Furniture Painting FY21-22 S	-	250,000	-	-	-
WD23010	Bridge Maintenance Program	-	500,000	-	-	-
WD24010	Bridge Maintenance Program	-	-	500,000	-	-
WD25010	Bridge Maintenance Program	-	-	-	500,000	500,000
WT22003	Local St Resurface Prgm FY 21-22 SB1	3,850,000	-	-	-	-
WT22005	Residential Streetlight LED Replace	347,000	-	-	-	-
		6,184,000	750,000	500,000	500,000	500,000
INTERNAL SERVICE FUND EQUIPMENT						
E016015	New City Hall- Waterfront Office Towers	1,400,000	-	-	-	-
		1,400,000	-	-	-	-
INTERNAL SERVICE FUND TECHNOLOGY						
E016015	New City Hall- Waterfront Office Towers	4,000,000	-	-	-	-
		4,000,000	-	-	-	-
MEASURE K MAINTENANCE						
WC21018	Citywide Traffic Safety Program	-	710,000	-	-	-
WD21006	20-21 Resurf Fed Aid St	-	300,347	-	-	-
WD23017	Led Street Lights Conversion	-	500,000	-	-	-
WD24017	Led Street Lights Conversion	-	-	500,000	-	-
WD26017	Led Street Lights Conversion	-	-	-	500,000	500,000
WT15015	Bus Rapid Transit 1-B	200,000	-	-	-	-
WT15020	Bridge Engineering Prog	25,000	26,000	26,000	26,000	26,000
WT15021	Rule 20A Street Lighting	50,000	50,000	50,000	50,000	50,000
WT15022	Traffic Signal Contrl System	300,000	600,000	600,000	600,000	600,000
WT15027	Railroad Crossing Program	25,000	25,000	25,000	25,000	25,000
WT15028	Accessible Ped Signals	-	250,000	250,000	250,000	250,000
WT15029	Traffic Signal Modification	300,000	600,000	600,000	600,000	600,000
WT16008	Neighborhood Traffic Calming	100,000	750,000	750,000	750,000	750,000
WT18005	Calif St Road Diet Ph 1	-	2,000,000	-	-	-
WT19001	HSIP 9-Lt El Dorado/March	73,030	-	-	-	-
WT19002	HSIP 9-Lt Airport/Hazelton	130,300	-	-	-	-
WT19003	HSIP 9-Sidewlk Med MLK Blvd	54,830	-	-	-	-
WT19005	ATP 4-Stkn SRTS	-	387,000	-	-	-
WT19009	Airport Wy Bridge Fire Rep SB	550,000	-	-	-	-
WT19013	ATP4-SRTS Sdwk Gap Close	-	498,800	-	-	-
WT19018	Alexandria/5-Mi SI Culv SB1	778,350	-	-	-	-
WT21007	Bridge Rehab & Replace Ph5	144,345	-	-	-	-
WT21010	Transportation Mgmt Ctr Equip Upgrade	100,000	-	-	-	-

**2021-2026 Capital Improvement Plan
Project List by Fund**

Project Number	Name	FY 2021-22 Proposed	FY2022-23 Projected	FY 2023-24 Projected	FY 2024-25 Projected	FY 2025-26 Projected
WT21011	Arch-Airport Rd TS Synch	-	405,000	-	-	-
WT21012	Alpine & Alvarado 3-Wy TS	155,000	-	-	-	-
WT21016	Grant Match Prog 20-21	300,000	-	-	-	-
WT21018	Citywide Traffic Safety Prgm	-	-	710,000	710,000	710,000
WT22001	Five-Mile Creek Assessment District	150,000	-	-	-	-
WT22002	El Dorado St Bridge Over Bianchi	200,000	-	-	-	-
WT22007	Bridge Rehab & Replace Ph7	23,787	84,333	-	-	-
WT22017	LED St Lights Conversion Ph5	500,000	-	-	-	-
WT22044	HSIP 10-Enhanced Pedestrian Safety	17,800	-	-	-	-
WT22046	HSIP 10-Left Turn Pockets	32,100	-	-	-	-
WT23018	Relocation Of Traffic Control	-	450,000	-	-	-
WT24001	Weber Ave At Grant And Aurora St	-	-	437,000	-	-
WV23025	Corp Yard Storage Bld Installation	-	290,000	-	-	-
		4,209,542	7,926,480	3,948,000	3,511,000	3,511,000
PUBLIC FACILITIES FEES PARKS						
WP13131	Misasi Park	20,000	-	-	2,206,070	-
WP13254	Oakmore And Montego Park	953,000	-	-	-	-
WP13270	Cannery Park (2.7 Acres)	141,000	1,218,000	-	-	-
WP22013	Cannery Park Neighborhood Park 7.48	419,000	4,546,800	-	-	-
WP23020	Westlake Villages Park - 11.5 Acres	-	7,100,000	-	-	-
WP23024	Oakmore Montego Neighborhood Park	-	2,669,000	-	-	-
		1,533,000	15,533,800	-	2,206,070	-
PUBLIC FACILITIES FEES STREET IMP						
WT19007	Lwr Sac Widen-Royal Oaks	-	692,000	-	-	-
WT21013	Eight Mile Rd Precise Plan	-	138,000	-	-	-
WT21016	Grant Match Prog 20-21	-	300,000	300,000	300,000	300,000
			1,130,000	300,000	300,000	300,000
PUBLIC FACILITIES FEES TRAFFIC SIGNALS						
WT25011	Traffic Signal New Installation	-	1,300,000	-	-	-
		-	1,300,000	-	-	-
SOLID WASTE & RECYCLING						
E016015	New City Hall- Waterfront Office Towers	83,790	-	-	-	-
		83,790	-	-	-	-
STATE						
WT19013	ATP4-SRTS Sdwk Gap Close	-	1,178,200	-	-	-
WT22043	HSIP 10-Systemic Rd Safety Devices	-	320,000	-	-	-
WT22044	HSIP 10-Enhanced Pedestrian Safety	133,000	-	-	-	-
WT22045	HSIP 10-Install Edgelines	-	250,000	-	-	-
WT22046	HSIP 10-Left Turn Pockets	243,900	-	-	-	-
WT22047	HSIP 10-Pershing Safety Enhancement	134,300	-	-	-	-
WT22048	HSIP 10-S. Stkn Pedestrian Hawk Imp	1,046,000	-	-	-	-
WT22049	HSIP 10-Guardrail Rehabilitation	66,900	66,900	-	-	-
		1,624,100	1,815,100	-	-	-
STORMWATER FUND						
E016015	New City Hall- Waterfront Office Towers	150,500	-	-	-	-
US16013	Pump Station Discharge Mod For Pipe Insp	-	357,570	-	-	-
US23001	Condition Assessment For SW PS	-	1,400,000	-	-	-
US24001	Alexandria & 14 Mile Storm PS	-	-	69,700	411,300	-
US24002	Charter & Walnut Plant Storm PS	-	-	20,000	221,000	-
US24003	West Lane & Mosher Slough Storm PS	-	-	333,000	-	-
US25001	Spanos Park West Infiltration Asmt	-	-	-	100,000	-
US25002	Weston Ranch Infiltration Assmnt	-	-	-	106,000	-
US25003	Charter Way Subway Storm Drain PS	-	-	-	72,000	-
US25004	Blossom Ranch Storm Drain PS	-	-	-	86,000	-
US25005	Western Pacific SW PS Improvements	-	-	-	50,000	-
US26001	Charter & Tillie Lewis Flood Relief	-	-	-	-	321,000
US26002	El Dorado Storm Drain Installation	-	-	-	-	345,000
US26003	Mission Rd Storm Drain Installation	-	-	-	-	237,000
WT16011	West Ln Traf Sig Control Sys	65,000	-	-	-	-
WT16022	High Friction Treatment	5,000	-	-	-	-

**2021-2026 Capital Improvement Plan
Project List by Fund**

Project Number	Name	FY 2021-22	FY2022-23	FY 2023-24	FY 2024-25	FY 2025-26
		Proposed	Projected	Projected	Projected	Projected
WT17022	March Ln EBMUD Bike & Ped	5,000	-	-	-	-
WT17025	Pacific/March Intrsec Mod	100,000	-	-	-	-
WT17032	Miner Ave Comp St Impr Ph3	65,000	-	-	-	-
WT18005	Calif St Road Diet Ph 1	126,000	-	-	-	-
WT18009	Safe Routes To School	17,800	-	-	-	-
WT18010	Safe Routes To School Sidewalk	72,000	-	-	-	-
WT19002	HSIP 9-Lt Airport/Hazelton	40,000	-	-	-	-
WT19018	Alexandria/5-Mi SI Culv SB1	435,650	-	-	-	-
WT21011	Arch-Airport Rd TS Synch	20,000	-	-	-	-
		1,101,950	1,757,570	422,700	1,046,300	903,000
STRONG COMMUNITIES						
CL17024	Northeast McNair Library/Rec Center	1,000,000	-	-	-	-
CL22001	Cesar Chavez Library Remodel	735,000	-	7,345,000	-	-
CR18020	Aquatic Fac Renov & Replc	1,500,000	1,500,000	-	-	1,250,000
		3,235,000	1,500,000	7,345,000	-	1,250,000
TRANSPORTATION DEVELOPMENT ACT						
WD22004	Sidewalk,Curb,And Gutter Rpr SB1	319,489	-	-	-	-
		319,489	-	-	-	-
WASTEWATER FUND						
E016015	New City Hall- Waterfront Office Towers	1,098,800	-	-	-	-
UW09006	Rehab Digesters A & B For Sludge	-	-	1,990,348	1,990,348	-
UW16006	Sanitary Sewer Rehab Project	300,000	-	-	-	-
UW16022	RWCF Modify Project - PDB	81,793,924	28,518,223	4,128,240	-	-
UW17023	Pershing Swr Trunk Rehab	-	4,123,100	-	-	-
UW18011	RWCF Pond No. 1 Cleaning	1,000,000	2,281,000	2,281,000	2,281,000	2,281,000
UW18029	Sierra Nevada St Sewer Line Rehab	400,000	-	-	-	-
UW18030	Mormon Slough Sewer Line Rehab	-	1,087,450	-	-	-
UW20011	Sewer MH Rehab Project	300,000	300,000	300,000	300,000	2,281,000
UW20016	Oak St Swr Trnk Rehab-Wilson To Pershing	-	500,000	-	-	-
UW20020	Sewer Lrg Diameter Lines Rehab	368,846	834,995	946,994	-	-
UW20022	Fourteen Mile Slough Pump Station	970,000	2,153,210	-	-	-
UW20023	RWCF New Outfall At Main Plant	2,075,608	5,195,247	75,528	-	-
UW21007	Union St Rehab-Harding To Acacia St	1,178,600	-	-	-	-
UW21015	Quail Lakes Sewer Lift Station Upgrader	-	607,855	-	-	-
UW21016	Sewer Small Diameter Lines Replmt	1,471,600	-	-	-	-
UW21017	Airport Wy Sewer Trnk Rehab	4,372,440	-	-	-	-
UW21018	Lincoln Rd Swr Trnk Rehab-Pershing	-	-	3,619,500	-	-
UW21020	Sewer System Street Improvements	84,340	150,000	150,000	150,000	-
UW22001	ARV Vaults Replacement On Metro Drive	120,000	-	-	-	-
UW22002	Sludge Day Tank Mixing Rehab	162,000	158,000	-	-	-
UW22003	Pershing Ave Sewer Trunk Rehab	527,000	2,753,080	-	-	-
UW22004	System 10 Sewer Relief Forcemain	100,000	777,000	6,799,000	-	-
UW23001	Plymouth & 5 Mile Creek SS PS	-	99,000	2,342,000	-	-
UW23002	Bianchi & Calaveras New SS Install	-	378,400	-	-	-
UW23003	Brookside Estates Sanitary Sewer PS	-	391,000	-	-	-
UW23004	Main Plant Switchgear Upgrade	-	117,000	111,500	111,500	-
UW23005	Cogeneration Engine No. 1 Rebuild	-	802,000	-	-	-
UW23006	Longview Ave Sewer Rehabilitation	-	108,600	977,400	-	-
UW23007	South Tuxedo Ave Sewer Trunk Rehab	-	512,000	-	-	-
UW23008	Pershing Ave Sewer Trunk Rehab	-	93,943	1,504,057	-	-
UW23009	Sperry Rd/Gibraltar Ct SS Rehab	-	555,000	4,067,000	-	-
UW23010	Swain Rd/Alturas Ave Sewer Rehab	-	57,300	515,700	-	-
UW23011	El Dorado St Rehab (Alpine-Wyandotte)	-	229,000	1,119,000	-	-
UW23012	El Dorado Street Rehab Fremont-Oak	-	98,000	519,890	-	-
UW23013	Etna Street Rehabilitation	-	11,620,000	-	-	-
UW23014	Rosemarie Ln Sewer Rehabilitation	-	1,396,549	-	-	-
UW24001	West Lane & Calaveras South SS	-	-	135,000	811,000	-
UW24002	West Lane & Calaveras North SS	-	-	135,000	811,000	-
UW24003	Swenson & 5 Mile Sanitary PS	-	-	87,900	2,841,100	-
UW24004	Kelly & Mosher Slough SS PS & FM	-	-	929,000	-	-
UW24005	Lincoln St Sanitary PS FM	-	-	602,800	3,993,700	-
UW24006	French Camp Sewer & Lift Station	-	-	5,001,000	1,000,000	-
UW24007	Cogeneration Engine No. 3 Rebuild	-	-	760,000	-	-

**2021-2026 Capital Improvement Plan
Project List by Fund**

Project Number	Name	FY 2021-22	FY2022-23	FY 2023-24	FY 2024-25	FY 2025-26
		Proposed	Projected	Projected	Projected	Projected
UW24008	Pardee Lane Rehabilitation	-	-	897,000	15,813,000	-
UW24009	Scotts Avenue Rehabilitation	-	-	312,750	-	-
UW24010	El Dorado Street Rehabilitation	-	-	1,867,910	-	-
UW24011	Hazelton Ave Sewer Trunk Rehab	-	-	2,147,000	-	-
UW25001	Brookside & I-5 PS Emergency Pwr	-	-	-	237,000	-
UW25002	Camanche Saniary PS Rehab	-	-	-	550,000	-
UW25003	College Park Sanitary PS Rehab	-	-	-	750,000	-
UW25004	Waterloo Sanitary PS Rehab	-	-	-	1,303,000	-
UW25005	Drake Sanitary PS Rehab	-	-	-	1,303,000	-
UW25006	March Lane Sewer Trunk Rehab	-	-	-	720,000	2,281,000
UW25007	Wyandotte St Sewer Rehabilitation	-	-	-	3,482,000	-
UW25008	Harding Way Sewer Rehabilitation	-	-	-	1,572,000	-
UW25009	Ryde Avenue Sewer Rehabilitation	-	-	-	3,390,000	-
UW25010	Del Norte Street Sewer Rehab	-	-	-	8,333,000	-
UW25011	Thornton & Macduff Sewer Rehab	-	-	-	486,000	2,281,000
UW25012	Ralph Ave Sewer Trunk Rehab	-	-	-	254,000	2,281,000
UW26001	Cogeneration Engine No. 3 Rebuild	-	-	-	-	3,342,000
UW26003	Waterloo East Easement SS Rehab	-	-	-	-	584,000
WD19014	19-20 Local St Resurf SB1	8,400	-	-	-	-
WD19016	19-20 St Resurfacing	23,800	-	-	-	-
WD21003	20-21 Local St Resurf SB1	11,200	-	-	-	-
WD21006	20-21 Resurf Fed Aid St	28,000	-	-	-	-
WT18005	Calif St Road Diet Ph 1	587,000	-	-	-	-
WT18009	Safe Routes To School	800	-	-	-	-
WT19003	HSIP 9-Sidewlk Med MLK Blvd	3,000	-	-	-	-
		96,985,358	65,896,952	44,322,517	52,482,648	15,331,000

WATER FUND

E016015	New City Hall- Waterfront Office Towers	342,700	-	-	-	-
UH14014	Water Field Office Remodel	924,300	-	-	-	-
UH18053	Newcastle Loop Phase II	350,000	450,000	-	-	-
UH21001	W/E/S Bear Creek Oversizing Reimb	2,894,500	2,894,500	-	-	-
UH21002	DWTP Intake Pump Station Discharge	2,567,000	2,636,000	-	-	-
UH21005	Water Ground Water Recharge Basin	1,643,270	-	-	-	-
UH21006	Water Service Line Replacement 2021	513,000	527,000	541,000	556,000	-
UH21019	Water System Street Improvements	-	153,000	153,000	153,000	-
UH22001	Advance Metering Infrastructure	503,000	4,218,000	-	5,562,000	-
UH22002	Condition Assessment (Pipelines)	256,700	263,500	-	-	-
UH22003	North & South Well Capacity Study	250,000	-	-	-	-
UH22004	Backup Power Imp At SSS#4	739,000	-	-	-	-
UH22005	Water Supply Well #33	459,000	-	-	-	-
UH22006	Pipeline Upsizing - Priority 1	909,467	959,000	985,000	688,000	-
UH22007	Pipeline Upsizing - Priority 2	152,000	160,000	-	-	-
UH23001	Replace Undersized/Old Mains	-	2,004,000	2,220,000	2,220,000	-
UH24001	Westlake Oversizing Reimbursement	-	-	110,000	-	-
UH24002	16" Water Line Upsize Along I-5 N	-	-	172,500	777,500	-
UH25001	Sanctuary/Shima Tract O/S Reimb	-	-	-	1,726,000	-
UH25002	Lower Sac Marlette & 8Mi Reimb	-	-	-	206,000	-
UH25003	Holman Rd Oversizing Reimbursement	-	-	-	216,000	-
UH25004	Origone Ranch Oversizing Reimburse	-	-	-	262,000	-
UH25005	Henry Long Loop Reimbursement	-	-	-	134,000	-
UH25006	Preserve/Atlas Tract Reimbursement	-	-	-	483,000	-
UH26001	North Wells - Reliability	-	-	-	-	5,760,000
WD19014	19-20 Local St Resurf SB1	6,500	-	-	-	-
WD19016	19-20 St Resurfacing	18,200	-	-	-	-
WD21003	20-21 Local St Resurf SB1	9,100	-	-	-	-
WD21006	20-21 Resurf Fed Aid St	19,500	-	-	-	-
WT17002	Bear Creek/Pixley Slough Bike	5,000	-	-	-	-
WT18009	Safe Routes To School	1,200	-	-	-	-
		12,563,437	14,265,000	4,181,500	12,983,500	5,760,000

OTHER SPECIAL REVENUE

E016015	New City Hall- Waterfront Office Towers	2,000,000	-	-	-	-
		2,000,000	-	-	-	-

**2021-2026 Capital Improvement Plan
Project List by Fund**

Project Number	Name	FY 2021-22 Proposed	FY2022-23 Projected	FY 2023-24 Projected	FY 2024-25 Projected	FY 2025-26 Projected
CAPITAL IMPROVEMENT						
E016015	New City Hall- Waterfront Office Towers	7,413,000	990,000	-	-	-
E016603	Bob Hope Theatre HVAC Rep	-	50,000	150,000	-	-
EED8601	Arena Upgrades And Maint	150,000	150,000	-	-	-
EV22601	Buckley Cove Inlet Dredging	-	1,500,000	-	-	-
EV23605	Marina Sail Covering Replacement	-	200,000	200,000	200,000	-
F017006	Fire Station Ext Paint	362,000	-	-	-	-
F022001	UPS Replacement At ECD	100,000	-	-	-	-
F023011	Fire Station Asphalt Preservation	-	303,000	-	-	-
P015035	Police Facility Improvements	250,000	-	-	-	-
P023001	Animal Shelter Renovation	-	-	344,000	-	-
WC13020	Roof Replace & Const Prog	-	-	200,000	200,000	200,000
WC17001	ADA Compliance Program	200,000	100,000	100,000	100,000	100,000
WC24020	Janet Leigh Plaza Ped Improvements	-	-	250,000	-	-
WP22011	Pixie Woods CPSC Compliance Pln Dev	50,000	-	-	-	-
WP22012	Weber Events Center Fountain Loop Lock	50,000	-	-	-	-
WP22014	City Park Shade Structure Replacement	-	-	70,000	-	-
WP22015	Citywide Park Walkway Replacement	-	-	100,000	-	-
WP25013	Park Sport Field Lighting Repairs	-	-	-	111,500	-
WT14025	Leaking Underground Fuel Tank Prgm	50,000	75,000	75,000	75,000	75,000
		8,625,000	3,368,000	1,489,000	686,500	375,000
COMMUNITY DEVELOPMENT BLOCK GRANT						
EV22603	Oak Park Ice Rink Facility Upgrades	150,000	-	-	-	-
		150,000	-	-	-	-
PARKING AUTHORITY						
EV22604	Parking Lot Resurfacing And Upgrade	100,000	-	-	-	-
		100,000	-	-	-	-
MARINA						
EV22601	Buckley Cove Inlet Dredging	150,000	-	-	-	-
EV22602	BC Parking Lot Pavement Resurfacing	200,000	-	-	-	-
		350,000	-	-	-	-
UNIDENTIFIED FUNDING						
CL26001	Maya Angelou Library Carpet Replace	-	-	-	-	136,000
CR22001	Teen Center Reconfiguration	-	718,000	-	-	-
CR24001	Mckinley Park Community Center Reno	-	-	2,721,000	-	3,110,000
CR25001	Civic Auditorium Stage Controls/Rig	-	-	-	623,000	-
CR25002	Civic Auditorium Upgrades	-	-	-	1,324,000	-
CR26002	Civic Auditorium Stage Controls Rig	-	-	-	-	623,000
CR26003	Civic Auditorium Upgrades	-	-	-	-	3,000,000
CR26004	Louis Park Softball Complex Parking	-	-	-	-	520,000
CR26005	Oak Park Facility Upgrades	-	-	-	3,606,000	-
CR26006	Oak Park Tennis Center Upgrades	-	-	-	-	820,000
CR26007	Park Sportfield Lighting Repairs	-	-	-	-	111,500
CR26008	Pixie Woods Improvements Project	-	-	-	-	3,838,000
CR26009	Oak Park Sr Center RR/ADA Upgrade	-	-	-	-	263,000
E016015	New City Hall- Waterfront Office Towers	-	8,000,000	-	-	-
E016604	ASM Capital Invest-Venues	-	-	1,000,000	-	-
EED8601	Arena Upgrades And Maint	-	-	750,000	-	-
EV22602	BC Parking Lot Pavement Resurfacing	-	-	602,000	-	-
EV22606	Arena Video Equipment & Scoreboard	-	2,000,000	-	-	-
F023012	Fire Station No. 9 Kitchen Remodel	-	1,064,520	-	-	-
F023013	Fire Station No.10 Kitchen Remodel	-	498,200	-	-	-
F023014	Fire Station No. 11 Driveway And Pa	-	554,000	-	-	-
F023015	Fire Station No. 11 Kitchen Remodel	-	498,200	-	-	-
F023016	Fire Station No. 14 - Concrete Driv	-	600,000	-	-	-
F023022	Regional Dispatch Center - Phase 1	-	250,000	11,294,000	-	11,534,000
F024015	Fire Station 1 Driveway Replacement & Restore	-	-	2,487,000	-	-
F024018	Fire Station 2 Parking Lot	-	-	500,000	-	-
F024019	Fire Station 5 Concrete Drwy/Prking Replace	-	-	500,000	-	-
F026011	Fire House Seismic Evaluations	-	-	-	-	298,000
F026012	Fire Station Landscaping Design/Con	-	-	-	-	654,000

**2021-2026 Capital Improvement Plan
Project List by Fund**

Project Number	Name	FY 2021-22 Proposed	FY2022-23 Projected	FY 2023-24 Projected	FY 2024-25 Projected	FY 2025-26 Projected
F026014	Fire Station 3 Reconstruction	-	-	-	-	11,144,000
F026015	Fire Station 6 Reconstruction	-	-	-	-	11,144,000
F026016	Fire Station 9 Kitchen Remodel	-	-	-	-	536,000
F026018	Fire Station 10 Kitchen Remodel	-	-	-	-	597,000
F026019	Fire Station 11 Kitchen Remodel	-	-	-	-	597,000
F026020	Fire Station 13 Storage/Drway Improvements	-	-	-	-	457,500
F026021	Public Parking In Front Of Fire Station	-	-	-	-	282,500
P015035	Police Facility Improvements	-	-	1,304,000	8,666,000	-
P023001	Animal Shelter Renovation	-	750,000	-	-	-
P023023	Replace Modular Building At Firing Range	-	824,000	-	-	-
WC15004	Bin Enclosure At City Facilities	-	-	400,000	-	-
WC21021	Miracle Mile Parking Lots	-	277,000	400,000	-	-
WC23002	Historic City Hall Renovations	-	558,000	5,442,000	-	-
WC23021	Weber Parking Lot Construction	-	688,000	3,950,000	-	-
WC26001	City Facility Assessment Rehab Prgm	-	-	-	-	200,000,000
WD18016	Curb, Gutter, Sdewlk Infill	-	-	-	-	6,924,682
WD19008	Center St Weir Repair	-	1,431,000	-	-	-
WP13270	Cannery Park (2.7 Acres)	-	-	994,000	-	-
WP22011	Pixie Woods CPSC Compliance Pln Dev	-	-	44,000	-	-
WP22013	Cannery Park Neighborhood Park 7.48	-	-	3,380,280	-	-
WP22014	City Park Shade Structure Replacement	-	123,000	-	-	100,000
WP22015	Citywide Park Walkway Replacement	-	100,000	-	100,000	-
WP22016	Exeloo Installations At City Parks	-	374,850	-	-	-
WP22018	Harrell Park Restroom Demolition	-	100,000	-	-	-
WP22019	Louis Park Lrg Picnic Area Reconstruction	-	122,000	-	-	-
WP22020	Louis Park Softball Cmplx Turf Conversion	-	354,000	-	-	-
WP22021	Louis Prk Softball Prking Lot Light	-	125,000	-	-	-
WP22022	Oak Park Back-Up Well Construction	-	150,000	-	-	-
WP22023	Oak Park Magpie Fencing Replacement	-	136,000	-	-	-
WP22024	Park Parking Renovation Program	-	806,000	-	-	-
WP22025	Park Restroom Rehab & Rpr Program	-	350,000	-	-	-
WP22026	Play Equipment Replacement	-	1,240,000	935,000	935,000	935,000
WP22027	Pool UV System Installations	-	105,000	-	-	-
WP22028	Swenson Park And Golf Irrigation System	-	242,000	-	-	-
WP22029	Van Buskirk Playground Rubber Fall	-	120,000	-	-	-
WP22030	Victory Park Tennis Court Lighting	-	70,000	-	-	-
WP22031	Victory Park Totem Picnic Area	-	76,000	-	-	-
WP22032	Waterfront Lighting Restoration	-	180,000	-	-	-
WP22033	Weber Point Shade Structure Fabric	-	800,000	-	-	-
WP23019	Victory Park Tennis Court Lighting	-	-	143,000	-	213,000
WP24011	American Legion Park Lagoon Fencing	-	-	60,000	-	60,000
WP24012	Game Court Rehab Program	-	-	2,362,500	-	-
WP24013	Van Buskirk Golf Course Irrigation	-	-	5,430,800	-	-
WP24014	Victory Park Restroom Demo/Replacement	-	-	235,000	-	-
WP25012	Louis Park Softball Complex Parking	-	-	-	520,000	-
WT19007	Lwr Sac Widen-Royal Oaks	-	-	-	-	42,976,000
WT19018	Alexandria/5-Mi SI Culv SB1	-	-	-	-	1,223,000
WT22034	Arch-Airport Road Precise Road Plan	-	-	-	-	1,236,000
WT22035	Aurora St Over Mormon Slough Bridge	-	-	-	-	347,000
WT22036	Eight Mile Road Over Slope Repair	-	-	-	-	270,000
WT22037	El Dorado Street Bridge Over Calaveras	-	-	-	-	400,000
WT22038	Lower Sac Rd Bridge Over Mosher Slough	-	-	-	-	684,000
WT22039	Santa Paula St Over Mosher Slough Bridge	-	-	-	-	275,000
WT22040	West Ln Over Calaveras River Bridge	-	-	-	-	480,000
WT24002	Emergency Vehicle Pre-Emption	-	-	-	-	550,000
WT25001	Roundabout Program	-	-	-	-	2,000,000
WT25002	Street Smarts Program	-	-	-	-	500,000
WT25014	Traffic Signal HD Visibility Imprmnts	-	-	-	-	400,000
WT26022	Alpine Ave Grade Separation	-	-	-	-	30,685,000
WT26023	Arch Rd Widening	-	-	-	-	39,444,000
WT26024	Ca St Gap Closure Improvements	-	-	-	-	396,000
WT26025	Citywide TDM Suitability Study	-	-	-	-	200,000
WT26026	Citywide Video System Upgrade	-	-	-	-	6,000,000
WT26027	Claremont Ave Re-Construction	-	-	-	-	1,764,000
WT26028	Complete Streets Plan	-	-	-	-	406,600
WT26029	Davis Rd Widening	-	-	-	-	4,371,000

**2021-2026 Capital Improvement Plan
Project List by Fund**

Project Number	Name	FY 2021-22	FY2022-23	FY 2023-24	FY 2024-25	FY 2025-26
		Proposed	Projected	Projected	Projected	Projected
WT26030	EBMUD March Ln Greenscape Ph2	-	-	-	-	2,704,000
WT26031	El Dorado/Center St Corridor Study	-	-	-	-	400,000
WT26032	El Dorado St Improvements Ph3	-	-	-	-	3,108,000
WT26033	March Ln Widening	-	-	-	-	5,145,000
WT26034	Mormon Slough Bikeway Improvement	-	-	-	-	1,242,000
WT26035	Mormon Slough Feasibility Study	-	-	-	-	150,000
WT26036	Pershing Ave Rdwy Crown Reduction	-	-	-	-	2,000,000
WT26037	Rectangular Rpd Flash Beacon Instal	-	-	-	-	800,000
WT26038	Robinhood Dr Bike Lane	-	-	-	-	519,000
WT26039	Traffic Signal Conversions	-	-	-	-	1,200,000
WT26040	West Ln Complete St Corridors Study	-	-	-	-	250,000
WT26041	West Ln Grade Separation	-	-	-	-	44,240,000
WT26042	West Ln Widening	-	-	-	-	22,631,000
WV24021	Corporation Yard Improvements	-	-	-	-	1,000,000
		-	24,284,770	44,934,580	15,774,000	477,894,782
Grand Total		162,590,813	146,589,136	113,475,351	92,186,257	508,521,021

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	\$168,524,614
Total Expenditures	\$177,260,736
Total Net Cost	\$8,736,122

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
- Communications (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 been 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.

In the Radio Communication ISF a full-scale replacement of the public safety radio system infrastructure, the backbone of the communication system, is underway.

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. Experts recommend CalPERS reduce the rate farther, so last year the City built into the Long-Range Financial Plan a reduction from 7% to 6.5% phased in over 10 years. Given the continued uncertainty surrounding future CalPERS earnings, the Long-Range Financial Plan assumption was updated to reduce the discount rate to 6% with 20-year phase-in period beginning in FY 2022-23. To plan for future pension payments, the City continues contributions to an IRC Section 115 Pension Trust and to date has set approximately \$66 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.

Due to continued increases in the cost of General Liability and Workers Compensation premiums, managing claims cost will continue to be a focus in FY 2021-22. To offset some of the premium increases, the City increased its self-insured retention in the General Liability program from \$1 million to \$1.25 million. To improve claims management and mitigation, Human Resources has contracted with Sedgewick, a third-party administrator for General Liability claims.

Unemployment claims are expected to continue increasing as a result of the COVID-19 pandemic. In response to shelter-in-place orders, the City was required to close facilities and reduce part-time positions.

Effective July 1, 2021 the City is terminating the Anthem self-insured PPO medical plan due to increasing plan costs and steady declines in participation. As a replacement, the city will offer a Kaiser hybrid PPO/HMO. The existing HMO and HDHP plans offered through Kaiser and Sutter are increasing slightly, however, as an incentive for employees to participate in the HDHP plan, the City has allocated \$700,000 to fund a one-time contribution into the employees' Health Savings account.

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 18% 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

INTERNAL SERVICE FUNDS

demands in these funds. Further detail on the equipment and benefit ISFs is included in the following pages.

**Internal Service Funds
FY 2021-22 Annual Budget**

	Fleet Services 500	Technology 510-511	Communications 510-515	Office Equipment Printing/Mailing 570
	<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	\$ 11,286,276	\$ 20,481,183	\$ 7,556,788	\$ 1,652,451
Revenues				
Charge for Services				
Police	5,970,007	5,289,694	1,739,250	-
Fire	3,072,807	1,452,306	734,033	-
Other General Fund	867,740	1,618,608	3,555	-
Other Funds	3,332,070	6,575,929	176,447	-
	<u>13,242,624</u>	<u>14,936,537</u>	<u>2,653,285</u>	<u>-</u>
Refunds & Reimbursements	200,000	-	-	382,000
Investment Proceeds	100,000	178,139	28,737	10,000
	<u>13,542,624</u>	<u>15,114,676</u>	<u>2,682,022</u>	<u>392,000</u>
Expenditures				
Administration	1,767,190	10,040,698	-	-
Operations & Maintenance	6,946,208	3,839,064	1,388,561	354,836
Equipment Replacements	3,774,159	3,705,102	1,369,400	-
Capital Projects	-	175,000	-	-
Debt Service	745,230	-	-	-
Claims	-	-	-	-
Excess Insurance Premium	-	-	-	-
Third Party Administrator	-	-	-	-
Pension contributions to CalPERS	-	-	-	-
Employee leave balance payoffs	-	-	-	-
Litigation	-	-	-	-
	<u>13,232,787</u>	<u>17,759,864</u>	<u>2,757,961</u>	<u>354,836</u>
Transfers				
Transfer In	-	-	-	-
Transfer Out	-	(4,000,000)	-	(1,400,000)
	<u>-</u>	<u>(4,000,000)</u>	<u>-</u>	<u>(1,400,000)</u>
Net Annual Activity	309,837	(6,645,188)	(75,939)	(1,362,836)
Ending Available Balance	\$ 11,596,113	\$ 13,835,995	\$ 7,480,849	\$ 289,615

**Internal Service Funds, Continued
FY 2021-22 Annual Budget**

	General Insurance 520	Workers' Compensation 530	Health Insurance 540	Retirement 550
	<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	\$ 2,882,522	\$ 32,402,602	\$ 6,507,093	\$ 74,776,563
Revenues				
Charge for Services				
Police	4,498,620	5,074,733	8,801,597	35,167,217
Fire	1,401,687	2,103,876	2,067,352	10,940,773
Other General Fund	961,650	418,687	2,028,974	4,017,653
Other Funds	4,422,361	3,409,705	9,896,018	19,109,856
	<u>11,284,318</u>	<u>11,007,001</u>	<u>22,793,941</u>	<u>69,235,499</u>
Refunds & Reimbursements	40,000	500,000	4,108,343	11,601,179
Investment Proceeds	250,000	1,911,462	65,071	1,000,000
	<u>11,574,318</u>	<u>13,418,463</u>	<u>26,967,355</u>	<u>81,836,678</u>
Expenditures				
Administration	1,409,249	866,420	1,323,438	419,818
Operations & Maintenance	-	429,400	-	-
Equipment Replacements	-	-	-	-
Capital Projects	-	-	-	-
Debt Service	-	-	-	-
Claims	6,275,000	9,135,000	26,686,013	-
Excess Insurance Premium	3,936,208	1,530,000	-	-
Third Party Administrator	300,000	739,367	544	-
Pension contributions to CalPERS	-	-	-	80,832,678
Employee leave balance payoffs	-	-	-	-
Litigation	942,060	-	-	-
	<u>12,862,517</u>	<u>12,700,187</u>	<u>28,009,995</u>	<u>81,252,496</u>
Transfers				
Transfer In	-	-	-	-
Transfer Out	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Annual Activity	<u>(1,288,199)</u>	<u>718,276</u>	<u>(1,042,640)</u>	<u>584,182</u>
Ending Available Balance	<u>\$ 1,594,323</u>	<u>\$ 33,120,878</u>	<u>\$ 5,464,453</u>	<u>\$ 75,360,745</u>

**Internal Service Funds, Continued
FY 2021-22 Annual Budget**

	Other Benefits 560	Internal Service Total
	<i>See Page N-25</i>	
Beginning Available Balance	\$ 819,894	\$ 158,365,372
Revenues		
Charge for Services		
Police	835,205	67,376,323
Fire	214,506	21,987,340
Other General Fund	229,350	10,146,217
Other Funds	1,705,417	48,627,803
	<u>2,984,478</u>	<u>148,137,683</u>
Refunds & Reimbursements	-	16,831,522
Investment Proceeds	12,000	3,555,409
	<u>2,996,478</u>	<u>168,524,614</u>
Expenditures		
Administration	-	15,826,813
Operations & Maintenance	-	12,958,069
Equipment Replacements	-	8,848,661
Capital Projects	-	175,000
Debt Service	-	745,230
Claims	600,000	42,696,013
Excess Insurance Premium	630,093	6,096,301
Third Party Administrator	-	1,039,911
Pension contributions to CalPERS	-	80,832,678
Employee leave balance payoffs	1,700,000	1,700,000
Litigation	-	942,060
	<u>2,930,093</u>	<u>171,860,736</u>
Transfers		
Transfer In	-	-
Transfer Out	-	(5,400,000)
	<u>-</u>	<u>(5,400,000)</u>
Net Annual Activity	<u>66,385</u>	<u>(8,736,122)</u>
Ending Available Balance	<u>\$ 886,279</u>	<u>\$ 149,629,250</u>
	Revenues	\$ 168,524,614
	Transfers	-
	Total Sources	<u>\$ 168,524,614</u>
	Expenditures	\$ 171,860,736
	Transfers	5,400,000
	Total Appropriations	<u>\$ 177,260,736</u>



INTERNAL SERVICE FUNDS

FLEET SERVICES FUND (500)

PROGRAM DESCRIPTION

Public Works manages the Fleet Internal Service Fund and is responsible for maintaining and replacing the City's fleet of approximately 982 vehicles and heavy equipment valued at over \$64 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 2021-22 budget includes \$3.7 million for vehicle replacement purchases, including funding emergency response vehicles, generators and heavy equipment.
- Purchase and upfit approximately 91 vehicles to maintain FY 2021-22 Fleet Replacement Plan.
- Source, secure, and integrate a dedicated Fleet Management System & Telematics/GPS into fleet operations.
- Continue ongoing efforts to review and improve fleet operations through process improvement, revision of shop and staff structure, space utilization, and parts acquisition.

**Internal Service Funds
Fleet Services - 500
FY 2021-22 Annual Budget**

	FY 2018-19 Actual	FY 2019-20 Actual	FY 2020-21 Projected	FY 2021-22 Budget
Beginning Available Balance	\$ 7,250,645	\$ 8,997,440	\$ 11,913,646	\$ 11,286,276
Revenues				
Charge for Services				
Police	5,408,627	5,232,700	5,712,165	5,970,007
Fire	2,533,756	2,676,455	2,785,532	3,072,807
Other General Fund	627,112	641,224	634,349	867,740
Other Funds	3,943,334	3,950,869	4,117,419	3,332,070
	<u>12,512,829</u>	<u>12,501,248</u>	<u>13,249,465</u>	<u>13,242,624</u>
Refunds & Reimbursements	92,907	118,230	87,624	100,000
Sale of Assets	21,929	-	594,251	100,000
Investment Proceeds	154,960	298,876	103,559	100,000
	<u>12,782,625</u>	<u>12,918,354</u>	<u>14,034,899</u>	<u>13,542,624</u>
Expenditures				
Operations & Maintenance	4,478,122	4,693,262	4,828,409	5,180,208
Fuel	1,842,834	1,622,943	1,848,153	1,766,000
General & Administrative	1,904,080	1,763,475	1,502,138	1,767,190
Debt Service	765,425	744,007	743,782	745,230
Replacements	1,895,369	740,613	5,490,787	3,774,159
Capital Projects	-	-	249,000	-
	<u>10,885,830</u>	<u>9,564,300</u>	<u>14,662,269</u>	<u>13,232,787</u>
Transfers				
Transfer In	-	-	-	-
Transfer Out - Capital	(150,000)	(438,000)	-	-
	<u>(150,000)</u>	<u>(438,000)</u>	<u>-</u>	<u>-</u>
Net Annual Activity	1,746,795	2,916,054	(627,370)	309,837
Ending Available Balance	\$ 8,997,440	\$ 11,913,494	\$ 11,286,276	\$ 11,596,113
Available Balance Calculation				
Current Assets		\$ 12,359,989		
Current Liabilities		(446,343)		
Encumbrances		-		
Ending Available Balance		<u>\$ 11,913,646</u>		

INTERNAL SERVICE FUNDS

TECHNOLOGY FUND (511)

PROGRAM DESCRIPTION

The Information Technology (IT) Department manages the Technology 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 One Page Strategic Plan (OGSP) which reflects 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 2021-22 projects funded by the Technology Fund are as follows:

- Enterprise Resource Planning (ERP) – The City continues to put resources toward replacing its antiquated financial system. The core finance module went live in February 2021. 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, upgrade VMware infrastructure, and continue preparations for the relocation to the Waterfront Office Towers.
- Waterfront Office Towers – Network infrastructure wiring buildout during construction.
- 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.
- Geographic Information System Migration – Migrate the system to the cloud to reduce the City's Data Center footprint.
- Network Infrastructure Optimization and Expansion – extend network management to other sites.
- California Governor's Office of Emergency Services (CalOES) Partnership- Network security monitoring detection and mitigation.

**Internal Service Funds
Technology - 510-511
FY 2021-22 Annual Budget**

	FY 2018-19 Actual	FY 2019-20 Actual	FY 2020-21 Projected	FY 2021-22 Budget
Beginning Available Balance	\$ 29,181,309	\$ 35,129,241	\$ 24,926,519	\$ 20,481,183
Revenues				
Charges for services				
Police	5,976,297	4,854,783	5,211,811	5,289,694
Fire	1,120,854	1,212,371	1,198,103	1,452,306
Other General Fund	1,797,754	1,524,388	1,735,793	1,618,608
Other Funds	6,056,813	6,753,589	6,453,551	6,575,929
Investment Proceeds	597,707	1,072,820	225,000	178,139
Reimbursements	481	3,843,931	-	-
	15,549,906	19,261,882	14,824,258	15,114,676
Expenditures				
Administration	810,842	1,161,661	1,329,861	1,545,493
Operations	6,571,654	7,135,833	8,329,300	9,188,311
Telephone	671,367	559,813	629,580	669,385
Enterprise Resource Planning (ERP)	1,088,024	3,650,214	6,221,955	1,624,186
Enterprise Portfolio Management Office	417,685	583,281	627,439	852,387
Replacements	2,145,636	1,122,174	1,941,174	3,705,102
Capital Projects	152,915	105,308	190,285	175,000
	11,858,123	14,318,284	19,269,594	17,759,864
Transfers				
Transfer In - General Fund	2,256,149	-	-	-
Transfer Out	-	-	-	(4,000,000)
	2,256,149	-	-	(4,000,000)
Net Annual Activity	5,947,932	4,943,598	(4,445,335)	(6,645,188)
Ending Available Balance	\$ 35,129,241	\$ 40,072,839	\$ 20,481,183	\$ 13,835,995
Available Balance Calculation				
Current Assets		\$ 40,967,316		
Current Liabilities		(894,477)		
ERP		(14,497,843)		
Capital Projects		(648,477)		
Ending Available Balance		<u>\$ 24,926,519</u>		

INTERNAL SERVICE FUNDS

COMMUNICATIONS FUND (515)

PROGRAM DESCRIPTION

The Communications (Radio) 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 developed a long-range financial plan that includes both radio system infrastructure and portable and mobile radios, which forecasts 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 Radio Communications Fund will receive a rate increase of approximately 10% from General Fund in FY 2021-22 for ongoing cost of radio infrastructure subscriptions for this project in addition to the \$5.3 million from the General Fund in FY 2020-21 and the \$3.1 million contributed in FY 2019-20. The City received 0% financing for the first two years of a 36-month Equipment Lease-Purchase Agreement to complete the \$12.3 million project. The first, second and third phases of the project are described below:

- Phase 1 Dispatch Consoles and Core – Replaced Motorola core and install Police and Fire dispatch consoles to support 911 calls and public safety radio traffic on a 24/7/365 basis.
- Phase 2 Microwave Links – Replace microwaves that distribute radio traffic from the tower sites throughout the City's network.
- Phase 3 Radio Channel Equipment – Replace radio channel system equipment used to distribute public safety radio traffic, with an upgrade to trunk technology.
- Replace portable and mobile radios as part of the equipment lifecycle.

**Internal Service Funds
Communications - 510-515
FY 2021-22 Annual Budget**

	FY 2018-19 Actual	FY 2019-20 Actual	FY 2020-21 Projected	FY 2021-22 Budget
Beginning Available Balance	\$ 3,087,129	\$ 3,922,337	\$ 5,731,685	\$ 7,556,788
Revenues				
Charge for Services				
Police	1,252,456	1,377,493	1,540,657	1,739,250
Fire	616,625	775,465	704,589	734,033
Other General Fund	2,563	3,816	3,268	3,555
Other Funds	150,372	170,481	127,750	176,447
	<u>2,022,016</u>	<u>2,327,255</u>	<u>2,376,264</u>	<u>2,653,285</u>
Investment Proceeds	68,225	176,372	63,962	28,737
	<u>2,090,241</u>	<u>2,503,627</u>	<u>2,440,226</u>	<u>2,682,022</u>
Expenditures				
Operations & Maintenance	708,145	829,022	1,001,028	1,388,561
Replacements	546,889	2,995,257	4,864,095	1,369,400
	<u>1,255,034</u>	<u>3,824,279</u>	<u>5,865,123</u>	<u>2,757,961</u>
Transfers				
Transfer In - General Fund	-	3,130,000	5,250,000	-
Transfer Out	-	-	-	-
	<u>-</u>	<u>3,130,000</u>	<u>5,250,000</u>	<u>-</u>
Net Annual Activity	<u>835,208</u>	<u>1,809,348</u>	<u>1,825,103</u>	<u>(75,939)</u>
Ending Available Balance	<u>\$ 3,922,337</u>	<u>\$ 5,731,685</u>	<u>\$ 7,556,788</u>	<u>\$ 7,480,849</u>
Available Balance Calculation				
Current Assets		\$ 6,079,077		
Current Liabilities		(347,392)		
Ending Available Balance		<u>\$ 5,731,685</u>		

INTERNAL SERVICE FUNDS

REPROGRAPHICS FUND (570)

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
Reprographics - 570
FY 2021-22 Annual Budget**

	FY 2018-19 Actual	FY 2019-20 Actual	FY 2020-21 Projected	FY 2021-22 Budget
Beginning Available Balance	\$ 1,483,536	\$ 1,584,261	\$ 1,652,454	\$ 1,652,451
Revenues				
Printing & Mailroom Fees	381,174	337,508	300,000	382,000
Investment Proceeds	60,662	66,009	10,000	10,000
	441,836	403,517	310,000	392,000
Expenditures				
Operations & Maintenance	301,104	335,324	311,597	354,836
Replacements	40,007	-	-	-
	341,111	335,324	311,597	354,836
Transfers				
Transfer In	-	-	-	-
Transfer Out	-	-	-	(1,400,000)
	-	-	-	(1,400,000)
Net Annual Activity	100,725	68,193	(1,597)	(1,362,836)
Ending Available Balance	\$ 1,584,261	\$ 1,652,454	\$ 1,650,857	\$ 289,615
Available Balance Calculation				
Current Assets		\$ 1,687,274		
Current Liabilities		(34,822)		
Ending Available Balance		\$ 1,652,452		

INTERNAL SERVICE FUNDS

RISK SERVICES – GENERAL LIABILITY FUND (520) AND WORKERS' COMPENSATION FUND (530)

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 excess 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 program Management.

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 eight years, the City increased the funded status to 96% of claims. This accomplishment was achieved by closing old claims and improved management of current claims to control costs. Rates charged to some departments will increase for FY 2021-22 to account for increased premium and claims costs.

The cost of general liability claims continues to increase. 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 equitably allocate the increased rates paid by departments. Rates charged to departments will increase for the third year in FY 2021-22 to account for increased excess premium and settlement costs. The City increased its self-insured retention from \$1 million to \$1.25 million to offset some of the premium increases.

Goals for FY 2021-22 include streamlining the approval of contracts via efficiencies anticipated through implementation of the ERP MUNIS system. In FY 2020-21 the department contracted with Sedgewick, a third-party administrator, to improve claims management and mitigation. As COVID restrictions begin to ease, on-site safety inspections will resume.

Internal Service Funds
General Liability Insurance - 520
FY 2021-22 Annual Budget

	<u>FY 2018-19</u> <u>Actual</u>	<u>FY 2019-20</u> <u>Actual</u>	<u>FY 2020-21</u> <u>Projected</u>	<u>FY 2021-22</u> <u>Budget</u>
Beginning Available Balance	\$ 631,924	\$ (1,209,217)	\$ 1,636,865	\$ 2,882,522
Revenues				
Charge for Services				
Police	2,759,829	3,392,223	4,195,844	4,498,620
Fire	945,262	1,076,400	1,319,940	1,401,687
Other General Fund	510,928	676,488	879,740	961,650
Other Funds	2,366,440	2,918,689	3,660,663	4,422,361
Reimbursements	108,496	46,319	28,595	40,000
Investment Proceeds	279,850	392,999	148,342	250,000
	<u>6,970,805</u>	<u>8,503,118</u>	<u>10,233,124</u>	<u>11,574,318</u>
Expenditures				
Claims Expenses	5,268,114	3,813,736	4,285,000	6,275,000
Actuarial Accrued Claims Liability	851,397	(1,701,111)	-	-
	<u>6,119,511</u>	<u>2,112,625</u>	<u>4,285,000</u>	<u>6,275,000</u>
Third Party Administrator	-	-	200,000	300,000
Excess Insurance Premium	1,440,328	1,929,331	2,496,635	3,936,208
Administration	778,719	957,939	1,162,545	1,409,249
Litigation	473,388	657,141	843,287	942,060
	<u>8,811,946</u>	<u>5,657,036</u>	<u>8,987,467</u>	<u>12,862,517</u>
Transfers				
Transfer In	-	-	-	-
Transfer Out	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Annual Activity	(1,841,141)	2,846,082	1,245,657	(1,288,199)
Ending Available Balance	\$ (1,209,217)	\$ 1,636,865	\$ 2,882,522	\$ 1,594,323
Available Balance Calculation				
Cash and Current Assets		\$ 17,213,580		
Current Liabilities		(168,374)		
Current Claims		(15,408,341)		
Ending Available Balance		<u>\$ 1,636,865</u>		
Rates (percentage of payroll)				
All employees	4.51%	5.30%	6.60%	7.40%

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 - 530
FY 2021-22 Annual Budget

	FY 2018-19 Actual	FY 2019-20 Actual	FY 2020-21 Projected	FY 2021-22 Budget
Beginning Available Balance	\$ (4,460,248)	\$ (163,921)	\$ 30,978,073	\$ 32,402,602
Revenues				
Charge for Services				
Police	5,615,680	5,165,298	5,323,857	5,074,733
Fire	2,156,264	1,951,303	2,015,093	2,103,876
Other General Fund	369,217	377,505	395,091	418,687
Other Funds	2,731,511	2,701,470	2,897,096	3,409,705
	10,872,672	10,195,576	10,631,137	11,007,001
Refunds & Reimbursements	1,332,312	1,127,369	1,176,581	500,000
Investment Proceeds	762,407	1,231,376	710,000	1,911,462
	12,967,391	12,554,321	12,517,718	13,418,463
Expenditures				
Claims Paid	7,530,357	7,422,766	8,109,000	9,135,000
Actuarial Accrued Claims Liability	(911,000)	4,145,000	-	-
	6,619,357	11,567,766	8,109,000	9,135,000
Administration	608,721	712,505	669,109	866,420
Third Party Administrator	687,050	684,379	740,590	739,367
Excess Insurance Premium	1,038,030	1,054,675	1,231,924	1,530,000
California State Assessment	167,854	353,192	286,566	353,000
Safety Program	50,052	49,517	56,000	76,400
	9,171,064	14,422,034	11,093,189	12,700,187
Transfers				
Transfer In	500,000	-	-	-
Transfer Out	-	-	-	-
	500,000	-	-	-
Net Annual Activity	4,296,327	(1,867,713)	1,424,529	718,276
Ending Available Balance	\$ (163,921)	\$ (2,031,634)	\$ 32,402,602	\$ 33,120,878
Available Balance Calculation				
Cash and Current Assets		\$ 39,698,750		
Accounts Payable		(120,677)		
Estimated Claims		(8,600,000)		
Ending Available Balance		\$ 30,978,073		
Rates (percent of payroll)				
Police	10.7%	9.8%	10.0%	9.8%
Fire	10.7%	9.8%	9.9%	11.1%
Manual	7.7%	7.6%	9.7%	10.5%
Non-Manual	3.9%	3.5%	2.6%	2.6%
Office/Clerical	2.3%	2.0%	2.0%	2.2%
Library	3.3%	2.8%	3.0%	3.3%

Note

Program revenues are estimated based upon percentage of projected payroll.

Actual revenues will fluctuate based on actual payroll.

* Beginning and Ending Available Balance amounts for FY 2018-19 and FY 2019-20 are presented using Generally Accepted Accounting Practices (GAAP). FY 2020-21 and FY 2021-22 are presented on a budgetary basis. GAAP basis includes all long-term assets and liabilities. Budgetary basis of accounting only includes current assets and liabilities.



INTERNAL SERVICE FUNDS

HEALTH BENEFITS FUND (540)

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. For FY 2021-22, the department's monthly charge per full-time employee is increasing to \$1,105 to maintain adequate balance in the fund. 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 and Sutter Health. Additionally, some employees may select other options through their labor unions. The City has no post-employment medical benefit.

KEY CONSIDERATIONS

The City-sponsored health, dental, and vision plans include self-insured and fully insured plans. The City's Benefits Consultant provides an annual actuarial analysis to set the rates for the self-insured plans and reviews the fully insured plan rates with the carriers to ensure the premium rates align with claims experience and benefit plan design. Participation in the self-insured PPO health plan has decreased significantly over the past few years, jeopardizing the plans' ability to maintain stop-loss insurance to cover high dollar claims. Stop loss insurance requires a minimum of 50 plan participants to carry the insurance policy. As of the 2020 plan year, there were 76 participants. The department cannot predict that the minimum enrollment requirement will be met for the 2021 plan year, therefore, the PPO plan will be terminated as of June 30, 2021. As an alternative to the self-insured PPO health plan, the Kaiser hybrid PPO/HMO POS plan will be offered. In comparison to the self-insured PPO plan, the Kaiser POS plan is 41.7% more than the self-insured PPO Plan. The Kaiser HMO and HDHP is increasing slightly by 3.8%, and the Sutter Health Plus HMO and HDHP are increasing 2.3%. While there is no change in the cost of the dental HMO plan, the dental PPO plan is increasing slightly by 0.9% and has been enhanced to include 100% preventive coverage. The City's vision plan is increasing by 10.2% and was upgraded last year to include the enhanced benefits under the vision buy-up. The City's HDHP plans have been paired with 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 allocated \$1,000,000 to fund a one-time contribution into the employees' Health Savings Account in FY 2020-21. For FY 2021-22, the City has allocated another \$700,000 to fund a one-time contribution into the employees' Health Savings account as an incentive for new HDHP participants enrolled during FY 2020-21.

**Internal Service Funds
Health Benefits - 540
FY 2021-22 Annual Budget**

	FY 2018-19 Actual	FY 2019-20 Actual	FY 2020-21 Projected	FY 2021-22 Budget
Beginning Available Balance	\$ 12,868,696	\$ 11,037,421	\$ 9,543,955	\$ 6,507,093
Revenues				
Charge for Services				
Police	6,905,943	7,028,636	6,649,410	8,801,597
Fire	1,668,132	1,633,762	1,517,526	2,067,352
Other General Fund	1,443,959	1,548,895	1,536,000	2,028,974
Other Funds	6,895,681	6,706,797	7,792,403	9,896,018
	16,913,715	16,918,090	17,495,339	22,793,941
Participant Contributions				
Employees (current MOUs)	3,801,758	3,660,195	2,670,473	3,915,055
Retirees	138,739	71,294	69,668	28,971
Continuation	130,266	84,898	44,773	90,000
Rebates and reimbursements	(48,079)	348,484	194,890	74,317
Investment Proceeds	185,648	223,867	88,000	65,071
	21,122,047	21,306,828	20,563,143	26,967,355
Expenditures				
City Medical Plans	19,934,384	20,001,409	20,379,500	24,254,072
Actuarial Adjustments	44,772	(69,772)	-	-
Vision	163,425	140,427	292,000	309,053
Dental	1,400,329	1,262,095	1,599,932	2,102,388
Health & Wellness Program	620	10,940	20,500	20,500
Administration	988,672	1,099,299	1,080,971	1,323,438
Stop Loss Premium	243,483	241,397	145,377	-
Vendor Administration Fee	177,637	114,499	81,725	544
	22,953,322	22,800,294	23,600,005	28,009,995
Net Annual Activity	(1,831,275)	(1,493,466)	(3,036,862)	(1,042,640)
Ending Available Balance	\$ 11,037,421	\$ 9,543,955	\$ 6,507,093	\$ 5,464,453
Available Balance Calculation				
Cash and interest receivable		\$ 8,874,930		
Accounts Receivable and deposits		1,285,102		
Current Liabilities		(179,077)		
Expected Claims		(437,000)		
Ending Available Balance		<u>\$ 9,543,955</u>		

Note

Budget based on total authorized position. Actual revenue and expenses will fluctuate based on health plan enrollment.

INTERNAL SERVICE FUNDS

RETIREMENT FUND (550)

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 2019-20, the Section 115 Plan, had \$45.7 million available to fund the annual liability payments. In FY 2020-21, an additional \$21 million was deposited from General Fund and ISF reserves. The Trust is monitored by the Administrative Services and Human Resources Departments.

KEY CONSIDERATIONS

Payments charged by CalPERS will increase in FY 2021-22 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. 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% with a 20-year phase-in period beginning in FY 2022-23.

**Internal Service Funds
Retirement - 550
FY 2021-22 Annual Budget**

	FY 2018-19 Actual	FY 2019-20 Actual	FY 2020-21 Projected	FY 2021-22 Budget
Beginning Available Balance	\$ 29,874,058	\$ 38,578,761	\$ 57,615,662	\$ 74,776,563
Revenues				
Charge for Services				
Police	25,557,906	29,557,414	32,739,713	35,167,217
Fire	8,482,822	9,723,738	10,480,167	10,940,773
Other General Fund	3,170,998	3,439,011	3,863,735	4,017,653
Other Funds	15,196,936	16,144,771	18,153,977	19,109,856
Employee Paid	10,560,636	10,873,891	4,983,264	11,597,179
Investment Proceeds	736,474	902,951	1,000,000	1,000,000
Refunds & Reimbursements	115,661	116,038	103,700	4,000
	63,821,433	70,757,814	71,324,556	81,836,678
Expenditures				
CalPERS payments	59,605,650	65,963,564	70,080,494	80,832,678
Other Operating Costs	276,094	257,349	197,161	419,818
	59,881,744	66,220,913	70,277,655	81,252,496
Transfers				
Transfer In	4,765,014	14,500,000	16,114,000	-
Transfer Out	-	-	-	-
	4,765,014	14,500,000	16,114,000	-
Net Annual Activity	8,704,703	19,036,901	17,160,901	584,182
Ending Available Balance	\$ 38,578,761	\$ 57,615,662	\$ 74,776,563	\$ 75,360,745

Available Balance Calculation

Cash and Interest Receivable	\$ 13,194,895
Sec. 115 Pension Trust	45,781,858
Current Liabilities	(1,361,091)
Ending Available Balance	<u>\$ 57,615,662</u>

PERs Employer Retirement Rates excluding Pension Obligation Bond (percentages of payroll)

Safety	55.700%	59.867%	63.160%	65.560%
Miscellaneous	27.100%	28.145%	29.230%	29.700%

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

OTHER BENEFITS FUND (560)

PROGRAM DESCRIPTION

The City provides long-term disability, life insurance, unemployment, and compensated absence benefits to its employees as part of a total compensation package.

The Human Resources Department administers the long-term disability and life insurance benefit plans for eligible employees. Safety employees are covered by collective bargaining plans and do not participate in the City sponsored long-term disability plans. Departments are assessed a rate that is used to pay premiums and administrative expenses.

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. City departments pay into the Unemployment Fund based on total wages.

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, based on a percentage of full-time wages, as part of their annual budget.

KEY CONSIDERATIONS

Long-term disability and life insurance rates will remain the same for FY 2021-22. Human Resources will continue to monitor the marketplace for these products to maintain an adequate benefit at an affordable cost.

The Human Resources Department closely monitors unemployment claims for eligibility and challenges potential non-eligible claims when appropriate. Rates for unemployment coverage in FY 2021-22 that are charged to the departments will be 0.4% per employee and will be based on a percentage of payroll. Due to the impacts of COVID-19, which required the City to close facilities and reduce part-time staffing, unemployment costs have increased. Unemployment claims expenses are expected to increase as reflected in the budgeted claims cost. While the federal government assisted with unemployment claims cost in FY 2020-21, no federal assistance is assumed in FY 2021-22.

The rate charged to departments for separation and vacation sell back will increase to 1.2% in FY 2021-22. Actual expenses vary based on employee separations, employees opting to sell back vacation, and the rate of pay of these employees. Beginning in FY 2020-21, all bargaining units became eligible to participate in the vacation sell back program. Previously, all four safety units (SPOA, SPMA, Fire, and Fire Management) were not eligible. Rates charged to the departments were increased based on an upward trend in payouts for the last three years.

**Internal Service Funds
Other Benefits - 560
FY 2021-22 Annual Budget**

	FY 2018-19 Actual	FY 2019-20 Actual	FY 2020-21 Projected	FY 2021-22 Budget
Beginning Available Balance	\$ 2,510,537	\$ 1,773,383	\$ 1,150,077	\$ 819,894
Revenues				
Charge for Services				
Police	534,463	751,428	616,872	835,205
Fire	130,915	180,100	154,802	214,506
Other General Fund	128,486	180,001	173,541	229,350
Other Funds	549,519	793,496	1,246,867	1,705,417
Reimbursements	-	138,944	-	-
Investment Proceeds	36,726	33,857	11,768	12,000
	1,380,110	2,077,826	2,203,851	2,996,478
Expenditures				
Unemployment Claims Paid	154,306	412,632	395,119	600,000
Life Insurance Premium	137,784	136,775	137,482	151,338
Disability Insurance Premium	434,538	411,650	440,699	478,755
Vacation Sell Back	315,736	135,210	460,734	500,000
Employee Separation Pay	1,074,900	1,604,865	1,100,000	1,200,000
	2,117,264	2,701,132	2,534,034	2,930,093
Transfers				
Transfer In	-	-	-	-
Transfer Out	-	-	-	-
	-	-	-	-
Net Annual Activity	(737,154)	(623,306)	(330,183)	66,385
Ending Available Balance	\$ 1,773,383	\$ 1,150,077	\$ 819,894	\$ 886,279
Available Balance Calculation				
Cash and interest receivable		\$ 1,427,964		
Current Liabilities		(277,887)		
Cash and Interest Receivable		<u>\$ 1,150,077</u>		

Note

Program revenues are estimated based upon projected payroll.
Actual revenues will fluctuate based on actual payroll.



TAB 15 APPENDIX

PERSONNEL LISTING

PERSONNEL LISTING - POLICE DEPARTMENT

FY 2021-22 Annual Budget

	FY 2018-19	FY 2019-20	FY 2020-21	Staffing Changes	FY 2021-22	
<u>GENERAL FUND</u>						
010-2410 Police Administration						
Administrative Analyst I/II/Sr	3	3	2		2	
Community Service Officer I/II	2	2	2		2	
Executive Assistant	1	1	1		1	
Finance Assistant I/II/Sr	3	3	3	(2)	1	PD01
Office Asst I/II/Specialist/Secretary/Technician	3	3	3	2	5	PD01
Program Manager I/II	1	1	2		2	
Police Fiscal Affairs & Planning Manager	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	1	3	PD02
Police Captain	1	1	1		1	
Police Lieutenant	4	4	4	(1)	3	PD02
Police Officer/Trainee	12	12	12	1	13	PD03
Police Sergeant	7	7	6		6	
	42	42	41	1	42	
010-2420 Police Field Services						
Administrative Analyst I/II/Sr	1	0	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	24	24	25	1	26	PD04
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	1	1		1	
Sr Code Enforcement Officer	3	3	3		3	
Sr Community Service Officer	1	1	1	(1)	0	PD04
Sr Finance Assistant	1	1	1		1	
Supervising Office Assistant	1	1	1		1	
Police Captain	2	2	2		2	
Police Lieutenant	9	10	10		10	
Police Officer/Trainee	266	240	278	(3)	275	PD03
Police Sergeant	34	34	35	(1)	34	PD06
	381	356	396	(4)	392	

PERSONNEL LISTING - POLICE DEPARTMENT

FY 2021-22 Annual Budget

	FY 2018-19	FY 2019-20	FY 2020-21	Staffing Changes	FY 2021-22	
010-2430 Police Investigations						
Crime Analyst	0	1	0		0	
Community Service Officer I/II	3	3	2	1	3	PD05
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	2	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	3	3		3	
Police Officer/Trainee	99	125	87	2	89	PD03
Police Sergeant	16	16	16	1	17	PD06
	149	174	134	4	138	
010-2462-63 Police Support Services						
Office Asst I/II/Specialist/Secretary/Technician	1	1	1		1	
Police Records Assistant I/II/III/Sr	26	27	28		28	
Property Clerk	4	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	36	37	0	37	
010-2466-67 Police Animal Control						
Animal Services Assistant I/II	7	7	8		8	
Animal Services Officer/Sr	5	4	4		4	
Animal Services Supervisor	1	2	2		2	
Office Asst I/II/Specialist/Secretary/Technician	3	3	2		2	
Police Services Manager	1	1	1		1	
	17	17	17	0	17	
010-2470 Police Telecommunications						
Administrative Analyst I/II/Sr	1	1	1		1	
Crime Analyst	6	5	5	1	6	PD07
Office Asst I/II/Specialist/Secretary/Technician	1	1	1		1	
Police Telecommunicator Call Taker	2	1	1		1	
Police Telecommunicator I/II	39	40	40		40	
Police Telecommunications Supervisor	6	6	6		6	
Police Services Manager	2	2	2		2	
Supervising Crime Analyst	1	1	1		1	
	58	57	57	1	58	
Total General Fund	682	682	682	2	684	

PERSONNEL LISTING - POLICE DEPARTMENT

FY 2021-22 Annual Budget

	FY 2018-19	FY 2019-20	FY 2020-21	Staffing Changes	FY 2021-22
<u>SPECIAL REVENUE FUNDS</u>					
Police Grant Funded (A)					
024-6426 COPS Grant: Community Service Officer	2	2	2		2
025-6478 CCP Task Force: Police Officer	1	1	1		1
025-6478 CCP Task Force: Police Sergeant	1	1	1		1
025-6468 Firearms Examiner	1	1	1		1
	5	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	29	29	29	0	29
Total Police	711	711	711	2	713
Police Department Summary					
Sworn Positions					
General Fund	459	459	459		459
Safe Neighborhood Measure W	24	24	24		24
Grant Funded	2	2	2		2
	485	485	485	0	485
Non-Sworn Positions					
General Fund	223	223	223	2	225
Grant Funded	3	3	3		3
	226	226	226	2	228
Total Police Department	711	711	711	2	713

PERSONNEL LISTING - FIRE DEPARTMENT

FY 2021-22 Annual Budget

				Staffing	
	FY 2018-19	FY 2019-20	FY 2020-21	Changes	FY 2021-22
<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	0		0
Fire Chief	1	1	1		1
Office Asst I/II/Specialist/Secretary	2	2	2	(1)	1
Office Technician	1	1	1	1	2
Program Manager I/II	1	2	2		2
Program Manager III	1	0	0		0
Project Manager I/II/III	1	1	1		1
Supervising Office Assistant	1	1	1		1
	12	12	11	0	11
010-2620 Fire Suppression/Rescue					
Fire Battalion Chief	6	6	6		6
Fire Captain	45	45	46		46
Fire Fighter	47	47	47		47
Fire Fighter Engineer	49	49	49		49
	147	147	148	0	148
010-2650 Fire Training					
Fire Battalion Chief	1	1	1		1
Fire Captain	2	2	2		2
	3	3	3	0	3
042-2660 Fire Dispatch					
Emergency Communications Manager	1	1	1	(1)	0
Fire Battalion Chief	0	0	1		1
Fire Captain	1	1	0	1	1
Fire Telecom Call Taker	0	0	4		4
Fire Telecommunicator I/II	12	12	14		14
Fire Telecommunications Supervisor	3	3	3		3
	17	17	23	0	23
Total General Fund	179	179	185	0	185

FD01

FD01

FD02

FD02

PERSONNEL LISTING - FIRE DEPARTMENT

FY 2021-22 Annual Budget

	FY 2018-19	FY 2019-20	FY 2020-21	Staffing Changes	FY 2021-22	
<u>SPECIAL REVENUE FUNDS</u>						
048-2630 Development Services - Fire Prevention						
Community Development Technician	1	1	1		1	
Fire Battalion Chief	1	1	1		1	
Fire Captain	1	1	1		1	
Fire Prevention Inspector I/II	5	6	6		6	
Fire Protection Specialist	1	1	1	(1)	0	FD03
Office Asst I/II/Specialist/Secretary/Technician	2	2	2		2	
Plan Checker I/II	1	0	0	1	1	FD04
Program Manager I/II	0	0	1		1	
Project Manager I/II/III	1	1	0		0	
Supervising Fire Prevention Inspector	0	0	0	1	1	FD03
	13	13	13	1	14	
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	38	38	38	1	39	
Total Fire	217	217	223	1	224	
Fire Department Summary						
Sworn Positions						
General Fund	155	155	155	1	156	
Safe Neighborhood Measure W	25	25	25		25	
Development Services - Fire Prevention	2	2	2		2	
	182	182	182	1	183	
Non-Sworn Positions						
General Fund	24	24	30	(1)	29	
Development Services - Fire Prevention	11	11	11	1	12	
	35	35	41	0	41	
Total Fire Department	217	217	223	1	224	

PERSONNEL LISTING - PUBLIC WORKS DEPARTMENT

FY 2021-22 Annual Budget

	FY 2018-19	FY 2019-20	FY 2020-21	Staffing Changes	FY 2021-22	
<u>GENERAL FUND</u>						
010-3010 Public Works Administration						
Administrative Analyst I/II/Sr	2	3	2		2	
Deputy Public Works Director/City Engineer	0	1	1		1	
Engineering Services Manager	0	1	1		1	
Executive Assistant	1	1	1		1	
Office Asst I/II/Specialist/Secretary	2	3	3		3	
Office Technician	1	1	1		1	
Program Manager I/II	1	1	1		1	
Program Manager III	1	1	1		1	
Director of Public Works	1	1	1		1	
Records Specialist	1	1	1		1	
Supervising Office Assistant	1	1	1		1	
	11	15	14	0	14	
010-3061 Public Works Operations & Maintenance						
Deputy Public Works Dir	1	1	1		1	
Engineering Services Manager	1	1	1		1	
Office Asst I/II/Specialist/Secretary	2	2	2		2	
Office Technician	1	1	1		1	
Program Manager I/II	1	1	1		1	
Project Manager I/II/III	0	0	1	(1)	0	PW02
Public Works Safety Training Officer	1	1	1		1	
Supervising Office Assistant	1	1	1		1	
	8	8	9	(1)	8	
010-3070 Public Works Parks & Street Trees						
Parks Manager	1	1	1		1	
Project Manager I/II/III	1	1	1	1	2	PW02
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	2		2	
Tree Worker	0	0	2		2	
	15	15	15	1	16	
010-3090 Public Works Facilities Maintenance						
Craft Maintenance Worker I/II	5	5	5		5	
Electrician I/II/Sr	3	3	3		3	
Facilities Maintenance Worker I/II/III	4	2	2		2	
Facilities Manager	1	1	1		1	
Heating, Ventilation and Air Mechanic	3	3	3		3	
Janitor	0	2	2		2	
Office Asst I/II/Specialist/Secretary	1	1	1		1	
Project Manager I/II/III	2	2	2	1	3	PW03
Public Works Supervisor	1	1	1		1	
	20	20	20	1	21	
Total General Fund	54	58	58	1	59	

PERSONNEL LISTING - PUBLIC WORKS DEPARTMENT

FY 2021-22 Annual Budget

	FY 2018-19	FY 2019-20	FY 2020-21	Staffing Changes	FY 2021-22	
<u>SPECIAL REVENUE FUNDS</u>						
030-3020 Gas Tax Public Works Engineering						
Administrative Analyst I	1	0	0		0	
Assistant City Traffic Engineer	1	1	1		1	
City Traffic Engineer	1	1	1		1	
Deputy Public Works Director/City Engineer	1	0	0		0	
Engineering Aide/Eng Technician I/II/Sr	1	0	0		0	PW01
Engineering Services Manager	1	1	1		1	PW04
Jr/Asst/Assoc Engineer/Civil Engineer	15	15	16	4	20	PW05
Office Asst I/II/Specialist/Secretary	1	0	0		0	PW06
Parks Facility Planner	1	0	0		0	
Project Manager I/II/III	2	2	1		1	
Public Works Inspector	4	5	5		5	
Supervising Public Works Inspector	1	1	1		1	
Sr Civil Engineer	3	3	3		3	
	33	29	29	4	33	
030-3060 Gas Tax Street Maintenance and Operations						
Civil Engineer Assoc/Sr	1	1	1	(1)	0	
Engineering Aide/Engineering Technician I/II/Sr	1	1	1		1	
Jr/Asst/Assoc Engineer/Civil Engineer	1	2	1	1	2	
Maintenance Repair Technician I/II	10	10	10		10	
Project Manager I/II/III	0	0	1	(1)	0	PW03
Public Works Heavy Equipment Operator	2	2	2		2	
Public Works Maintenance Worker I/II/Sr	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	7	7	7		7	
	32	33	33	(1)	32	
Total Gas Tax Fund	65	62	62	3	65	

PERSONNEL LISTING - PUBLIC WORKS DEPARTMENT

FY 2021-22 Annual Budget

	FY 2018-19	FY 2019-20	FY 2020-21	Staffing Changes	FY 2021-22	
020-0137 San Joaquin Area Flood Control Agency						
Deputy Public Works Director/City Engineer	1	1	1	(1)	0	PW04
Jr/Asst/Assoc Engineer/Civil Engineer	1	1	1	(1)	0	PW05
Office Asst I/II/Specialist/Secretary/Technician	1	1	1	(1)	0	PW01
Project Manager I/II/III	1	1	1	(1)	0	PW06
Sr Civil Engineer	1	1	1		1	
	5	5	5	(4)	1	
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 Waste & Recycling						
Administrative Analyst I/II/SR	0	0	1		1	
Office Asst I/II/Specialist/Secretary	0	0	1		1	
Program Manager III	1	1	1		1	
Project Manager I/II/III	3	4	4		4	
Public Works Field Specialist	1	1	3		3	
Recycling Specialist	1	0	0		0	
Solid Waste Manager	1	1	1		1	
Sr Maintenance Repair Technician	2	0	2		2	
	9	7	13	0	13	
082-3087 Measure K Street Maintenance						
Sr Maintenance Repair Technician	0	2	0	0	0	
	0	2	0	0	0	
Total Special Revenue Funds	82	79	83	(1)	82	
<u>INTERNAL SERVICE FUNDS</u>						
FLEET						
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	2		2	
Sr. Facilities Maint Worker	0	0	1		1	
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	163	164	168	0	168	

PERSONNEL LISTING - COMMUNITY SERVICES DEPARTMENT

FY 2021-22 Annual Budget

	FY 2018-19	FY 2019-20	FY 2020-21	Staffing Changes	FY 2021-22	
<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						
Bookmobile Driver/Circulation Assistant	0	0	0	1	1	CS01
Circulation Assistant I/II	1	1	0		0	
Librarian I/II/Trainee	2	1	2		2	
Library Assistant I/II	3	3	3		3	
Library Driver/Clerk	1	1	1		1	
Library Manager	0	0	0	1	1	CS02
Office Asst I/II/Specialist/Secretary/Technician	2	2	2	(1)	1	CS03
Supervising Librarian	1	1	0		0	
	10	9	8	1	9	
041-3550 City Branches						
Circulation Assistant I/II	6	6	6	1	7	CS04
Librarian I/II/Trainee	7	7	7	(1)	6	CS05
Library Aide I/II	3	1	1	(1)	0	CS04
Library Assistant I/II/Sr	7	9	9	(1)	8	CS01
Library Manager	0	0	2	(1)	1	CS02
Supervising Librarian	2	2	0		0	
	25	25	25	(3)	22	
041-3540 County Branches						
Circulation Assistant I/II	6	6	6		6	
Librarian I/II/Trainee	8	11	11		11	
Library Aide I/II	1	2	2		2	
Library Assistant I/II/Sr	10	8	8	2	10	CS06
Library Manager	0	0	1		1	
Supervising Librarian	1	1	0		0	
	26	28	28	2	30	
Total Library Fund	66	67	66	0	66	

PERSONNEL LISTING - COMMUNITY SERVICES DEPARTMENT

FY 2021-22 Annual Budget

	FY 2018-19	FY 2019-20	FY 2020-21	Staffing Changes	FY 2021-22	
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	3	3	3	1	4	CS03
	7	7	7	1	8	
044-3600 Recreation Services						
Recreation Assistant I/II/Sr	9	9	9	1	10	CS07
Recreation Program Coordinator	4	4	3		3	
Recreation Supervisor	3	3	2		2	
	16	16	14	1	15	
Total Recreation Fund	23	23	21	2	23	
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	2	CS05
Library Assistant I/II/Sr	6	6	6		6	
Recreation Assistant I/II/Sr	8	8	9	(1)	8	CS07
Recreation Program Coordinator	2	2	2		2	
Recreation Superintendent	1	1	1		1	
Recreation Supervisor	0	0	1		1	
Supervising Office Assistant	1	1	1		1	
Total Strong Communities Tax Fund	23	23	25	0	25	
Total Community Services Department	112	113	112	2	114	

PERSONNEL LISTING - COMMUNITY DEVELOPMENT DEPARTMENT

FY 2021-22 Annual Budget

	FY 2018-19	FY 2019-20	FY 2020-21	Staffing Changes	FY 2021-22	
<u>DEVELOPMENT SERVICES FUND</u>						
048-1810 Development Services-Administration						
Administrative Analyst I/II/Sr/Principal	0	0	0	1	1	CD01
Community Development Director	1	1	1		1	
Community Development Assistant Director	1	1	1		1	
Community Development Tech I/II/Sr	4	5	0		0	
Executive Assistant	1	1	1		1	
Office Asst I/II/Specialist/Secretary/Technician	0	1	1		1	
Assistant/Associate Planner	0	0	1	(1)	0	CD01
Planning Technician I/II	1	0	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/Sr	2	2	2		2	
	14	15	11	0	11	
048-1820 Development Services-Planning						
Assistant/Associate Planner	3	4	3		3	
Deputy Director - Engineering & Transportation	1	1	0		0	
Deputy Director - Planning & Engineering	0	0	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	1	0	0		0	
Planning Manager	3	3	3	(1)	2	CD02
Principal Civil Engineer	0	0	0	1	1	CD02
Sr Planner	1	1	4		4	
	12	12	14	0	14	
048-1830 Development Services-Building						
Community Development Tech I/II/Sr	1	0	5		5	
Combination Inspector I/II	7	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	5		5	
Sr Building Inspector	1	1	1		1	
Supervising Combination Inspector	1	1	2		2	
	17	16	23	0	23	
Total Community Development Department	43	43	48	0	48	

PERSONNEL LISTING - ECONOMIC DEVELOPMENT DEPARTMENT

FY 2021-22 Annual Budget

	<u>FY 2018-19</u>	<u>FY 2019-20</u>	<u>FY 2020-21</u>	<u>Staffing Changes</u>	<u>FY 2021-22</u>	
<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	2	2	(2)	0	ED01
Executive Assistant	1	1	1		1	
Office Asst I/II/Specialist/Secretary/Technician	1	1	1		1	
Program Manager III	1	1	1	1	2	ED03
Real Property Agent I/II/Sr	0	1	1		1	
Total General Fund	8	8	8	(1)	7	
<u>SPECIAL REVENUE FUND</u>						
054-8120 Housing - Community Development Block Grant						
Administrative Analyst I/II/Sr	1	1	2		2	
Economic Development Analyst I/II/Sr	1	1	0	2	2	ED01
Office Asst I/II/Specialist/Secretary/Technician	1	0	0		0	
Program Manager III	1	1	1		1	
Project Manager I/II/III	1	1	1		1	
	5	4	4	2	6	
<u>AGENCY FUND</u>						
633-7310 Successor Agency (RDA)						
Program Manager I/II	1	1	0		0	
Program Manager III	0	0	1		1	
	1	1	1	0	1	
<u>ENTERPRISE FUND</u>						
418-4000 Parking Authority						
Administrative Analyst I/II/Sr	0	1	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	1		1	
Program Manager III	1	1	0		0	
Supervising Parking Enforcement Officer	1	1	1		1	
	5	6	6	0	6	
<u>GRANT FUND</u>						
020-17XX Economic Development Grants (A)						
Program Manager I/II	0	0	1	1	2	ED02
Deputy Housing Director	0	0	1		1	
	0	0	2	1	3	
Total Other Funds	11	11	13	3	16	
Total Economic Development Department	19	19	21	2	23	

PERSONNEL LISTING - MUNICIPAL UTILITIES DEPARTMENT

FY 2021-22 Annual Budget

	FY 2018-19	FY 2019-20	FY 2020-21	Staffing Changes	FY 2021-22	
<u>WATER FUND</u>						
421-4210 Water Administration						
Deputy Director Water Resource Planning	1	1	1		1	
Office Asst I/II/ Office Specialist/Secretary	1	1	1		1	
Program Manager III	1	1	2		2	
	3	3	4	0	4	
421-4223 Hydrant Maintenance						
Hydrant Worker/Sr	0	0	2		2	
	0	0	2	0	2	
421-4231 Water Distribution						
Hydrant Worker/Sr	2	2	0		0	
Office Asst I/II/ Specialist/Secretary/Technician	1	1	1		1	
Water Field Technician	4	4	4		4	
Water Systems Superintendent	1	1	1		1	
Water Systems Supervisor	0	1	1		1	
Water Systems Operator I/II/Sr	18	18	18	1	19	MD01
Water/Sewer Equipment Operator	1	1	1		1	
	27	28	26	1	27	
421-4234/35 Water Operations & Maintenance						
Chief Plant Operator	1	1	1		1	
Electrical Technician I/II	2	2	1		1	
Sr Electrical Technician	0	0	1		1	
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	(1)	3	MD01
	20	20	20	(1)	19	
Total Water	50	51	52	0	52	

PERSONNEL LISTING - MUNICIPAL UTILITIES DEPARTMENT

FY 2021-22 Annual Budget

	FY 2018-19	FY 2019-20	FY 2020-21	Staffing Changes	FY 2021-22	
<u>WASTEWATER FUND</u>						
431-4311 Wastewater Administration						
Administrative Analyst I/II/Sr	0	1	1		1	
Assistant MUD Director	2	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	6	5	5	2	7	MD02
Program Manager III	1	1	1		1	MD09
Supervising Office Assistant	0	1	1		1	
	12	13	13	2	15	
431-4312 Engineering & Capital Projects						
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	
	14	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	1		1	
Sr Electrical Technician	0	0	2	(1)	1	MD03
Office Asst I/II/Specialist/Secretary/Technician	1	1	1	(1)	0	MD09
Plant Maintenance Machinist	1	1	1		1	
Plant Maintenance Mechanic	11	10	10		10	
Plant Maintenance Worker I/II	2	1	1		1	
Plant Maintenance Supervisor	1	1	1		1	
Program Manager III	0	1	1		1	
Sr Plant Maintenance Mechanic	3	3	3		3	
Sr Plant Maintenance Supervisor	1	1	1		1	
	23	22	22	(2)	20	

PERSONNEL LISTING - MUNICIPAL UTILITIES DEPARTMENT

FY 2021-22 Annual Budget

				Staffing	
	FY 2018-19	FY 2019-20	FY 2020-21	Changes	FY 2021-22
431-4332 Sanitary Sewers/Collections					
Collection Systems Operator I/II/Sr	34	34	34		34
Sr Collection Systems Supervisor	1	1	1	(1)	0
Collection Systems Supervisor	2	2	2	1	3
Deputy Director Maintenance & Collections	1	1	1		1
Program Manager I/II	0	0	0	1	1
Program Manager III	1	1	1		1
Office Asst I/II/ Office Specialist/Secretary	1	1	1	1	2
Water/Sewer Equipment Operator	2	2	2		2
	42	42	42	2	44
431-4333 Sanitary Pump Stations					
Electrical Technician I/II	2	2	1		1
Sr Electrical Technician	0	0	1	1	2
Plant Maintenance Mechanic	10	11	11		11
Plant Maintenance Worker I/II	0	1	1		1
Plant Maintenance Supervisor	1	1	1		1
Sr Plant Maintenance Mechanic	1	1	1	1	2
	14	16	16	2	18
431-4341 Environmental Control					
Environmental Control Officer	3	3	3	(1)	2
Office Asst I/II/Specialist/Secretary/Technician	1	1	1	(1)	0
Sr Environmental Control Officer	2	2	2		2
Technical Services Supervisor	1	1	1		1
	7	7	7	(2)	5
Total Wastewater	144	146	146	2	148

PERSONNEL LISTING - MUNICIPAL UTILITIES DEPARTMENT

FY 2021-22 Annual Budget

	<u>FY 2018-19</u>	<u>FY 2019-20</u>	<u>FY 2020-21</u>	<u>Staffing Changes</u>	<u>FY 2021-22</u>	
<u>STORMWATER FUND</u>						
441-4410 Stormwater - Policy, Planning, and Management						
Environmental Control Officer	0	1	1	1	2	MD08
Program Manager III	1	1	2	(1)	1	MD05
Project Manager I/II	1	1	0		0	
Public Works Inspector	1	0	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)	0	MD07
	<u>1</u>	<u>1</u>	<u>1</u>	<u>(1)</u>	<u>0</u>	
Total Stormwater	<u>6</u>	<u>6</u>	<u>6</u>	<u>(1)</u>	<u>5</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, and Safety						
Electrical Technician I/II	1	0	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)	0	MD06
Program Manager I/II	1	1	1		1	
Program Manager III	1	1	1		1	
Regulatory Compliance Officer	1	0	0		0	
SCADA/CMMS Manager	1	1	1		1	
Utility Technology Specialist	1	1	1		1	
	<u>9</u>	<u>7</u>	<u>7</u>	<u>(1)</u>	<u>6</u>	
Total Municipal Utilities Department	<u>216</u>	<u>217</u>	<u>218</u>	<u>0</u>	<u>218</u>	

PERSONNEL LISTING - ADMINISTRATIVE AND SUPPORT DEPARTMENTS

FY 2021-22 Annual Budget

				Staffing	
	FY 2018-19	FY 2019-20	FY 2020-21	Changes	FY 2021-22
CITY COUNCIL					
Councilmember	6	6	6		6
Chief Aide	0	0	0	1	1
Executive Assistant to the Mayor	1	1	1	(1)	0
Public Information Officer	1	1	1		1
Mayor	1	1	1		1
Mayor's Policy Advisor	0	0	0	1	1
Mayor's Senior Policy Advisor	1	1	1	(1)	0
	10	10	10	0	10
CITY MANAGER					
Administrative Aide I/II	4	4	3		3
Administrative Analyst I/II/Sr	0	0	0	1	1
Assistant to the City Manager	0	0	1		1
City Manager	1	1	1		1
Community Relations Officer	1	1	1		1
Deputy City Manager I/II	4	4	2		2
Director of Performance & Data Analytics	0	0	1		1
Executive Assistant to City Manager	1	1	2		2
Management Assistant / Data & Performance	0	0	1		1
Office Asst I/II/Specialist/Secretary/Technician	1	1	1		1
Program Manager III	3	3	3		3
	15	15	16	1	17
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	1	1	1		1
City Clerk	1	1	1		1
Deputy City Clerk I/II/Sr	4	4	3		3
Records Research Specialist	1	1	1		1
Supervising Deputy City Clerk	0	0	1		1
	7	7	7	0	7
OFFICE OF VIOLENCE PREVENTION					
Administrative Aide I/II	1	1	1		1
Community Engagement Coordinator	0	1	1		1
Director of the Office of Violence Prevention	0	0	1		1
Management Assistant	1	1	1		1
Office of Violence Prevention Program Asst	1	0	0		0
Office of Violence Prevention Manager	1	1	0		0
Outreach Supervisor	2	2	2		2
Outreach Worker	8	8	8		8
	14	14	14	0	14
GRANTS (A)					
Program Manager III	0	0	0	1	1
Management Assistant	0	0	0	1	1
	0	0	0	2	2

PERSONNEL LISTING - ADMINISTRATIVE AND SUPPORT DEPARTMENTS

FY 2021-22 Annual Budget

	FY 2018-19	FY 2019-20	FY 2020-21	Staffing Changes	FY 2021-22	
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	3		3	
Administrative Aide I/II	0	0	1		1	AS01
Program Manager III	1	1	1	2	3	AS02
	8	8	8	2	10	
010-1320/60 Financial Services						
Administrative Analyst I/II/Sr/Principal	0	0	0	1	1	AS03
Accountant I/II/Sr	7	7	7	(1)	6	AS03
Accounting Manager	1	1	1		1	
Finance Assistant I/II/Sr	8	8	8	(1)	7	AS04
Payroll Supervisor	1	1	1		1	AS02
Program Manager I/II	2	2	2	(2)	0	AS05
Supervising Accountant	2	2	2		2	
	21	21	21	(2)	19	
010-1322 Budget						
Budget Analyst I/II/Sr	5	5	5		5	
Budget Officer	1	1	1		1	
Management Assistant	0	0	0	1	1	AS04
Program Manager III (Grants Manager)	0	0	0	1	1	AS06
	6	6	6	2	8	
010-1331 Revenue/Collections						
Revenue Assistant I/II/Sr	11	11	12		12	
Revenue Collector	1	0	0		0	
Revenue Officer	1	1	1		1	
Revenue Supervisor	1	1	2	(1)	1	AS07
	14	13	15	(1)	14	
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	12		12	
Revenue Collector	4	5	5		5	
Revenue Supervisor	2	2	1	1	2	AS07
	21	22	20	1	21	
Total General Fund	80	80	80	2	82	
<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	2	84	

PERSONNEL LISTING - ADMINISTRATIVE AND SUPPORT DEPARTMENTS

FY 2021-22 Annual Budget

				Staffing	
	FY 2018-19	FY 2019-20	FY 2020-21	Changes	FY 2021-22
HUMAN RESOURCES					
<u>GENERAL FUND</u>					
010-1610 Recruitment & Workforce Planning					
Human Resources Analyst I/II/Sr	4	4	5	(1)	4
Human Resources Asst I/II /Specialist	1	1	1	(1)	0
Human Resources Technician	0	0	0	1	1
Office Asst I/II/Specialist/Secretary/Technician	0	0	1	(1)	0
Supervising Human Resource Analyst	1	1	1		1
	6	6	8	(2)	6
010-1620 Administration & Employee Labor Relations					
Administrative Aide I/II	1	1	0		0
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	1	1	2
Human Resources Asst I/II /Specialist	1	1	0	1	1
Human Resources Program Assistant	1	1	0		0
Human Resources Technician	2	2	3		3
Program Manager III	1	1	1		1
Supervising Human Resource Analyst	1	1	1		1
Training & Internship Coordinator	0	0	2		2
	12	12	11	2	13
Total General Fund	18	18	19	0	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	2	3
Human Resources Asst/Specialist I/II	1	1	1		1
Human Resources Technician	2	2	1	(1)	0
Supervising Human Resources Analyst	1	1	1		1
	6	6	5	1	6
551-5600 Workers Compensation					
Human Resources Analyst I/II/Sr	0	0	1	(1)	0
Human Resources Manager/Safety Officer	1	1	1	(1)	0
Risk Manager/Safety Officer	0	0	0	1	1
Risk Analyst I/II	2	2	2		2
	3	3	4	(1)	3

HR01

HR02

HR02

HR03

HR01

HR03

HR04

HR05

HR04

HR05

HR06

HR06

PERSONNEL LISTING - ADMINISTRATIVE AND SUPPORT DEPARTMENTS

FY 2021-22 Annual Budget

	FY 2018-19	FY 2019-20	FY 2020-21	Staffing Changes	FY 2021-22
541-5700 General Liability Insurance					
Liability Claims Investigator I/II	1	1	0		0
Risk Analyst I/II	1	1	1		1
Risk/Loss Control Specialist	1	1	1		1
	3	3	2	0	2
Total Internal Service Funds	12	12	11	0	11
Total Human Resources Department	30	30	30	0	30

INFORMATION TECHNOLOGY DEPARTMENT

INTERNAL SERVICE FUNDS

502-5100 Information Technology

Administrative Analyst I/II/Sr	1	2	2		2	
Director of Information Technology	1	1	1		1	
Executive Assistant	1	1	1		1	
Information Technology Officer	1	1	1		1	
Information Technology Supervisor	3	3	3		3	
GIS Analyst I/II/Sr	2	1	1	1	2	IT01
GIS Specialist I/II/Sr	1	0	0		0	
Network Support Analyst I/II/Sr	4	4	4		4	
Office Asst I/II/Specialist/Secretary/Technician	2	1	1		1	
Program Manager I/II	2	2	2	1	3	IT02
Program Manager III	2	2	2		2	
Systems Analyst I/II/Sr	15	15	16	(1)	15	IT01
Technology Project Coordinator	1	1	1	(1)	0	IT02
Technology Support Specialist I/II	5	5	5		5	
Technology Training Coordinator	1	1	1		1	
	42	40	41	0	41	

502-5121 Enterprise Resource Planning

Administrative Analyst I/II/Sr	1	1	1		1	
Information Technology Officer	1	1	1		1	
Office Asst I/II/Specialist/Secretary/Technician	1	1	1		1	
Program Manager I/II	0	0	2	(2)	0	IT03
Program Manager III	5	5	3	2	5	IT03
Systems Analyst I/II/Sr	3	3	3	(1)	2	AS01
	11	11	11	(1)	10	

503-5200 Radio

Technology Project Coordinator	0	0	1		1	
Project Manager I/II	1	1	0		0	
	1	1	1	0	1	
Total Information Technology Department	54	52	53	(1)	52	

PERSONNEL LISTING - FOOTNOTES

FY 2021-22 Annual Budget

Police Department

PD01	Reclassify one Finance Assistant II to Office Specialist, and one Sr Finance Assistant to Office Technician
PD02	Reclassify one Police Lieutenant to Deputy Chief of Police II
PD03	Move one Police Officer/Trainee to Administration and two Police Officer/Trainees to Investigations, from Field Services
PD04	Underfill one Sr Community Service Officer with a Community Service Officer I/II
PD05	NEW - one Community Service Officer I position
PD06	Move one Police Sergeant to Investigations from Field Services
PD07	NEW - one Crime Analyst position

Fire Department

FD01	Reclassify one Office Specialist to an Office Technician
FD02	Reclassify one Emergency Communications Manager to a Fire Captain
FD03	Reclassify one Fire Protection Specialist to a Supervising Fire Prevention Inspector
FD04	NEW - one Plan Checker I position

Public Works Department

PW01	Move one Office Specialist from San Joaquin Area Flood Control Agency to Gas Tax Public Works Engineering and reclassify as Asst Civil Engineer
PW02	Move one Project Manager II from Public Works Operations & Maintenance to Public Works Parks & Street Trees
PW03	Move one Project Manager I from Gas Tax Maintenance and Operations to Public Works Facilities Maintenance
PW04	Move one Deputy Public Works Director from San Joaquin Area Flood Control Agency to Gas Tax Public Works Engineering and reclassify as Asst Civil Engineer
PW05	Move one Assoc Civil Engineer from San Joaquin Area Flood Control Agency to Gas Tax Public Works Engineering and reclassify as Asst Civil Engineer
PW06	Move one Project Manager III from San Joaquin Area Flood Control Agency to Gas Tax Public Works Engineering and reclassify as Asst Civil Engineer

Community Services Department

CS01	Reclassify one Library Assistant to Bookmobile Driver/Circulation Assistant and move from City Branches to Outreach/Technical Services
CS02	Move one Library Manager from City Branches to Outreach/Technical Services.
CS03	Move one Office Assistant from Outreach/Technical Services to Recreation Administration
CS04	Reclassify one Library Aide to Circulation Assistant
CS05	Move one Librarian from City Branches to Strong Communities
CS06	NEW - two Library Assistant II positions at Mountain House Library
CS07	Move Recreation Assistant from Strong Communities to Recreation Services

Community Development Department

CD01	Reclassify one Assistant/Associate Planner to Administrative Analyst II
CD02	Reclassify one Planning Manager to Principal Civil Engineer

Police Grants

ED01	Move two Economic Development Analyst to Special Revenue Fund from General Fund
ED02	One additional Program Manager I position approved mid-year Reso 2020-06-23-1503
ED03	NEW - one Program Manager III position

PERSONNEL LISTING - FOOTNOTES

FY 2021-22 Annual Budget

Municipal Utilities Department

MD01 Move one Water Systems Operator to Water Distribution from Water Operations & Maintenance
MD02 Move one Office Specialist to Wastewater Administration from Environmental Control
MD03 Move one Sr Electrical Tech to Sanitary Pump Stations from Wastewater Maintenance
MD04 Underfilled Sr Collection Systems Supervisor with Collection System Supervisor
MD05 Move one Program Manager to Sanitary Sewers/Collections from Stormwater - Policy, Planning, & Management
MD06 Move one Office Specialist to Sanitary Sewers/Collections from Regulatory Compliance, Outreach, SCADA, and Safety
MD07 Move one Sr Plant Maintenance Mechanic to Sanitary Pump Stations from Stormwater Pump Stations
MD08 Move one Environmental Control Officer to Stormwater - Policy, Planning, and Management from Environmental Control
MD09 Move one Office Specialist to Wastewater Administration from Wastewater Maintenance

City Council

CC01 Reclassify one Executive Assistant to the Mayor to Chief Aide
CC02 Reclassify one Mayor's Senior Policy Advisor to Mayor's Policy Advisor

City Manager's Office

CM01 NEW - one Sr Administrative Analyst position
CM02 One additional Program Manager III position approved mid-year Reso 2020-12-15-1402
CM03 One additional Management Assistant position approved mid-year Reso 2020-12-15-1113

Administrative Services Department

AS01 Converted one ERP System Analyst to a Program Manager III and moved to Administrative Services from Information Technology for ongoing system support
AS02 Reclassify one Program Manager II to a Program Manager III and move to Administration from Financial Services
AS03 Reclassify one Accountant I to an Administrative Analyst I
AS04 Reclassify one Finance Assistant I to a Management Assistant and move to Budget from Financial Services
AS05 Reclassify one Program Manager II to a Program Manager III
AS06 NEW - one Program Manager III position
AS07 Move one Revenue Supervisor from Revenue/Collections to Utility Billing/Customer Service

Human Resources Department

HR01 Move one Sr Human Resources Analyst to Administration & Employee Labor Relations from Recruitment & Workforce Planning
HR02 Reclassify one Human Resources Specialist to Human Resources Technician
HR03 Reclassify one Office Assistant II to Human Resources Assistant II and move to Administration & Employee Labor Relations from Recruitment & Workforce Planning
HR04 Reclassify one Human Resources Technician to a Human Resources Analyst I
HR05 Reclassify one Sr Human Resources Analyst to Human Resources Analyst I
HR06 Retitle one Human Resources Manager/Safety Officer to Risk Manager/Safety Officer

Information Technology Department

IT01 Reclassify one Sr Systems Analyst position to a GIS Analyst I
IT02 Reclassify one Technology Project Coordinator to a Program Manager I
IT03 Reclassify two Program Manager I to Program Manager III

PERSONNEL LISTING - END NOTES
FY 2021-22 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.
- (H) Enterprise Resource Planning (ERP) positions are funded for the duration of the ERP Project. Continuation of positions is subject to availability funding.

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.

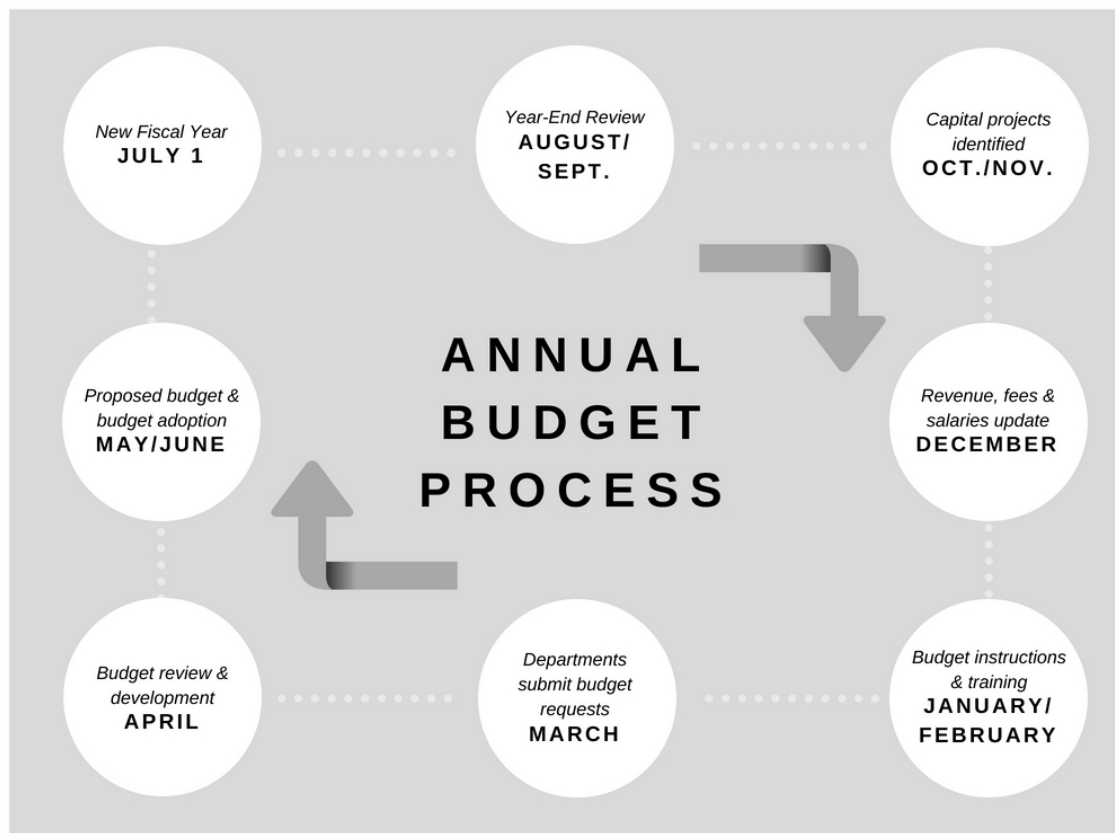
Following the City Manager review, the City Manager's Proposed Budget is released. City departments each presents its budget recommendations to the City Council during a budget study session. During this session, the Council also reviews General Fund revenues, Special Revenues, the Capital Improvement 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. 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 Schedule to Mayor and City Council.
May 27 – June 2	Review of Proposed Budget at Citizen Advisory Committee meetings.
June 9-10	Council holds a budget study session to review the Proposed Budget.
June 22	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				
	2020	2019	2018	2017	2016
Assessed valuation (1)	\$ 23,343,395	\$ 22,407,298	\$ 21,362,446	\$ 20,337,129	\$ 19,628,594
Conversion percentage	25%	25%	25%	25%	25%
Adjusted assessed valuation	5,835,849	5,601,825	5,340,612	5,084,282	4,907,149
Debt limit percentage	15%	15%	15%	15%	15%
Debt Limit	875,377	840,274	801,092	762,642	736,072
Total net debt applicable to limit	-	-	-	-	-
Legal debt margin	<u>\$ 875,377</u>	<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%	100%

(1) Reflects City assessed valuation excluding other exemptions of \$1,454,976,489. Redevelopment Agency was dissolved in 2013.

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.

GLOSSARY

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.

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.

GLOSSARY

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.

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.

GLOSSARY

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.

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.

GLOSSARY

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. One time grant awards are not included in the annual Budget development process. Entitlement grants received annually and revolving grant funds are included in the annual budget.

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.

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 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.

GLOSSARY

Measure W: A special transaction and use tax measure approved by the citizens of Stockton in November 2004 for 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.

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.

GLOSSARY

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

OPDA: Office of Performance and Data Analytics

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 it 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