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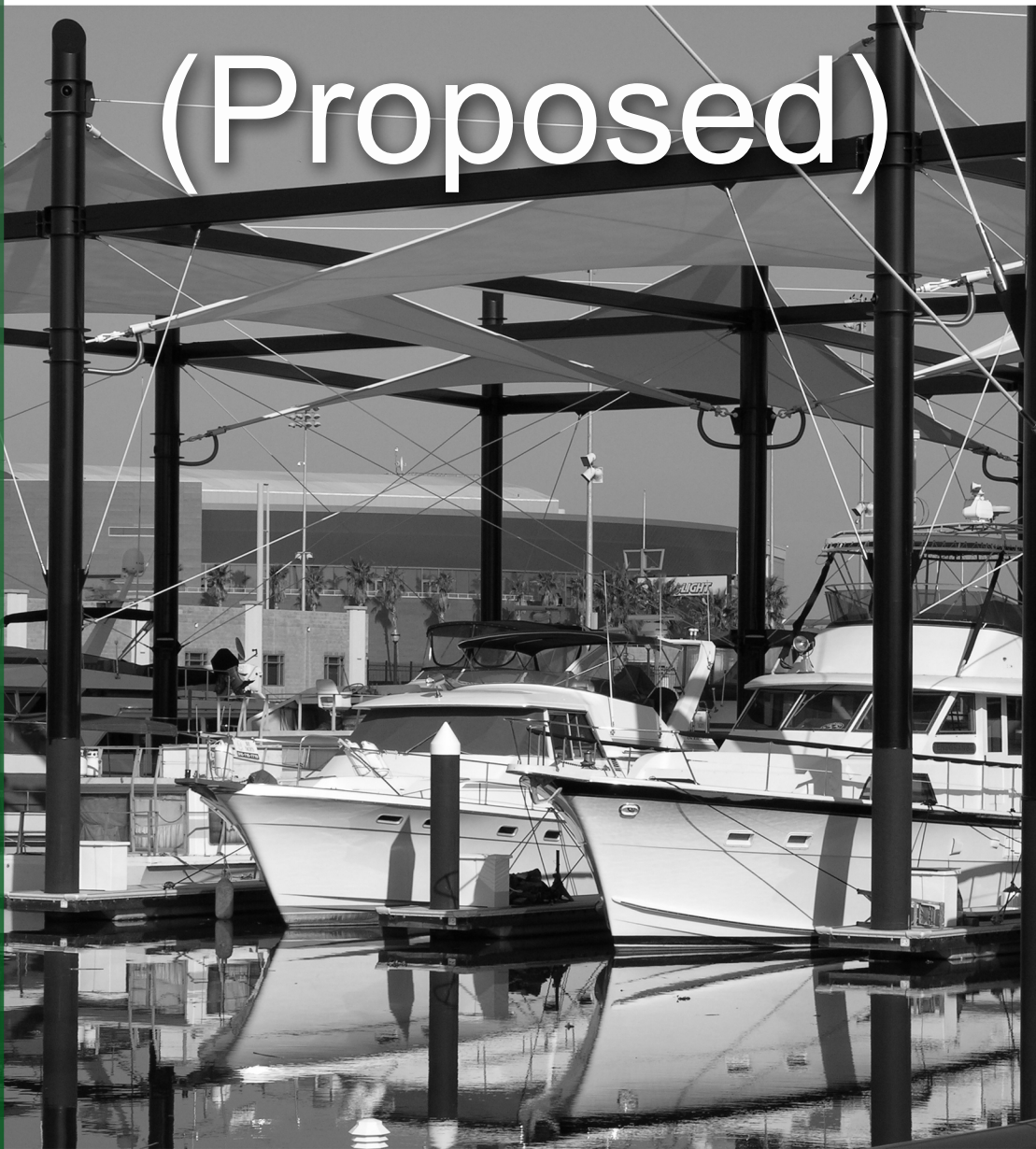


ANNUAL BUDGET

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(Proposed)





2012-2013 PROPOSED ANNUAL BUDGET

City Council

Ann Johnston, Mayor

Katherine M. Miller, Vice Mayor
Paul Canepa, Councilmember
Susan T. Eggman, Councilmember

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Diana Lowery, Councilmember
Dale Fritchen, Councilmember

Executive Team

Bob Deis, City Manager

Laurie K. Montes, Deputy City Manager
Mike Locke, Deputy City Manager
Eric Jones, Chief of Police
David L. Rudat, Interim Fire Chief
David Millican, Interim Chief Financial Officer
Robert K. Murdoch, Public Works Director
Vacant, Community Services Director

John Luebberke, City Attorney
F. Michael Taylor, City Auditor
Bonnie Paige, City Clerk
Teresa Haase, Human Resources Director
Mel Lytle, Municipal Utilities Director
Wendy Saunders, Economic Development Director
Vacant, Community Development Director

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City Council Page

City of Stockton
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Introduction

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May 15, 2012

City Council
City of Stockton, California

BUDGET MESSAGE

With this memorandum I am transmitting to the City Council the Fiscal Year 2012-13 Proposed Budget. For many reasons, I am not pleased to transmit this budget. The real options that you have to balance next year's budget are unpleasant. The fact that I cannot offer you a specific budget balancing recommendation at this time is equally unpleasant. Finally, given the myriad of processes that our modestly staffed Finance Department is engaged in concurrently i.e. the annual independent audit, the State Controller's audit and the extremely complex and time intensive AB 506 (financial restructuring) process, the level of detailed review of the departmental budgets was less than last year. Our rigorous review will continue and may produce budget adjustments later.

Our financial situation should not be a surprise to anyone that has been following the City. In order to balance the last two budgets, the Council had to adopt two fiscal emergencies that required imposition of compensation concessions. While 7 of the 9 labor groups agreed to many of these concessions, the two largest labor groups did not and are litigating these impositions. The current year exposure if we lost these lawsuits amounts to \$16.9 million of which \$12.5 million is General Fund.

In my budget transmittal memo for last year I mentioned:

"The City of Stockton is near insolvency. Reserves in the General Fund are exhausted, reserves in internal service funds are near depletion and the City has leveraged itself with inter-fund loans and debt that puts the General Fund at risk for backfilling deficits in other funds. Furthermore, the City is saddled with multi year labor contracts with escalating costs that simply cannot be paid within anticipated revenues in the foreseeable future."

We face another deficit next year that ranges from \$26 million to \$43 million. The deficit range is due to the lawsuit exposure and slightly less optimistic revenue projections. After extensive review of our finances over this last year some of our warnings from the last budget year have come to pass. The General Fund has had to backfill for the bad financial management decisions in the excerpt described above. We have stripped away all discretionary funds, suspended three debt payments and leave payouts for employees on February 28, 2012, all with the goal of maintaining solvency until June 30, 2012. This provided the time for the AB 506 process to play out. However, since I am required to submit a Proposed Budget by May 15th, I do so while certain budget balancing options have yet to take their course.

Budget Options

As you know, there are three basic options for balancing our budget before July 1, 2012. First, we can cut more staffing. After suffering the massive cuts of the past three years, I think this option truly puts the Stockton citizenry at risk. See Attachment A for service level impacts of further cuts (originally published with the 02/28/2012 Fiscal Condition Update Council Report). Second, we can achieve a negotiated financial restructuring via the AB 506 process that is in progress. Third, we can declare bankruptcy via a Chapter 9 filing and adopt a "Pendency" Plan. Since the AB 506 process is confidential per state law, and due to the Council preference of avoiding a Chapter 9 filing, the details for two of the balancing options are not available at this time. Some might argue there is a fourth option i.e. more compensation reductions. Given the major compensation reductions either negotiated or imposed in the past, we feel any further material reductions would cause a major hit to the already fragile organizational capacity. As you may recall, we plugged a \$37 million dollar General Fund deficit for the current year with \$25 million in compensation reductions and \$12 million in staffing reductions. Materially more reductions in our compensation will bring us below the labor market average and increase employee turnover and harm our ability to recruit.

Budget Format

Due the reasons mentioned above, you will find that this document looks different than the Proposed Budget that would normally be issued at this time. As mentioned before, you will note that the document does not contain a recommended budget balancing recommendation for the General Fund, due to the fact that the City is still involved in the confidential AB 506 process that will hopefully shape the balancing strategy. Instead, for the General Fund, this document contains 1) our latest estimate for Baseline Budget revenues and expenditures, 2) a revised estimate for the gap or shortfall for the 2012-13 fiscal

year, 3) a discussion of the options the City has to close the gap, and 4) a description of the process and timing we expect to follow for the release of specific proposals recommended to be included in a balanced 2012-13 General Fund Adopted Budget.

The document contains proposed budgets in a Pro-Forma schedule format for all other City funds, with brief highlights of the history, current status and significant 2012-13 proposals and issues for each fund included. Included are the Capital Improvement funds that are described in much more detail in the Five Year Capital Improvement Program document (CIP) that will be released to the Planning Commission and City Council shortly. It does need to be noted that due to the time constraints we faced, the document does not contain all of the elements that a normal proposed budget should contain. For example, the departmental descriptions and performance plans are abbreviated, and a number of the financial schedules and appendices that would normally be included are not yet ready for publication. Note the demands of conflicting priorities has left very little time for staff to review the proposed budgets received from the departments compared to our normal process. You can expect that revisions to some budget detail may be forthcoming.

A summary of the Proposed Budget is provided in the table below:

	2011-12	2012-13	
City-wide Budget, All Funds	Adopted	Proposed	Difference
General Fund	\$ 161,761,313	\$ 154,915,405	\$ (6,845,908)
Utilities	112,060,802	109,129,043	(2,931,759)
Capital/Street Maintenance	68,173,480	35,032,101	(33,141,379)
Redevelopment Agency	21,258,486	-	(21,258,486)
HUD/Housing Programs	23,788,431	12,257,221	(11,531,210)
Other Community Programs	61,781,622	58,967,392	(2,814,230)
Debt Service	25,875,051	27,261,545	1,386,494
Internal Services	128,759,617	124,283,540	(4,476,077)
	<u>\$ 603,458,802</u>	<u>\$ 521,846,247</u>	<u>\$ (81,612,555)</u>

As can be seen, the proposed budget appropriations included in this document total \$521 million and include operating, capital, debt, transfers, and internal service operations for all programs of the City. Pending a balancing plan, the amount listed for the General Fund is the amount of revenue available, as balancing the budget will require reducing expenditures to that level. Total appropriations proposed (with the \$26 million budget gap omitted) represent a decrease of \$82 million from the 2011-12 Adopted Budget.

The largest contributions to this decrease include: 1) Capital/Street Maintenance, 2) Redevelopment Agency, 3) HUD/Housing Programs.

General Fund

As the table below illustrates, General Fund expenditures total \$180.8 million, which includes \$2.9 million for three additions to the budget (described below) that are intended to begin to build back the financial strength of the City. Total revenues now projected, however are only \$154.9 million. This results in a \$26 million gap or shortfall that will need to be resolved prior to adopting the budget. Expenditures increased by seven percent over the 2011-12 Current Budget. This increase is primarily in the Police Department due to the addition of 20 Police Officer positions previously funded by the COPS Hiring Recovery Program Grant, hiring and recruitment costs, increase Workers Compensation and PERS rates, increased pension obligation bond costs, and elimination of the 2011-12 vacancy savings factor.

<u>General Fund Budget</u>	<u>2011-12 Current Budget</u>	<u>2012-13 Proposed</u>	<u>Difference</u>
Beginning Available Balance	\$8,717,885	\$0	\$ (8,717,885)
Revenues	158,002,514	154,915,405	(3,087,109)
Expenditures			
Police	(83,306,025)	(93,023,477)	(9,717,452)
Fire	(40,447,868)	(40,529,586)	(81,718)
Other Programs	(42,966,506)	(44,341,615)	(1,375,109)
	<u>(166,720,399)</u>	<u>(177,894,678)</u>	<u>(11,174,279)</u>
Fiscal Stabilization Measures	-	(2,929,016)	(2,929,016)
	<u>(166,720,399)</u>	<u>(180,823,694)</u>	<u>(14,103,295)</u>
Ending Available Balance	<u>\$0</u>	<u>\$ (25,908,289)</u>	<u>\$ (25,908,289)</u>

On February 28, as part of a staff report entitled "Fiscal Condition Update for Fiscal Years 2010-11, 2011-12, and 2012-13", staff provided a Four-Year General Fund Forecast. For the 2012-13 fiscal year a significant deficit was estimated. The shortfall estimate was provided in the form of a range for two cases, an "Optimistic" case and a "Pessimistic" case. The shortfall for the Optimistic case was projected to be \$20.2 million; the shortfall for the pessimistic case was projected to be \$38.2 million. Thus, for planning purposes, as staff refined projections for next year, we have referred to our shortfall estimates as a

range between \$20 and \$38 million. Staff has now, however, completed a thorough review of all of the revenue and expenditure line items in the Baseline Budget for the General Fund and have updated the General Fund forecast for next year.

The resulting updated 2012-13 General Fund Baseline Budget shortfall is \$26 million. This is a change of \$6 million from the Optimistic case estimate provided to Council in the February 28th comprehensive Fiscal Condition Update memorandum. As could be expected from a top down review of every revenue and expenditure line item there are changes from the February 28 forecast for Fiscal 2012-2013. The net of these revisions is justified because important budget elements put the City on a path to a healthy and sustainable future. The most significant changes, are detailed below:

1. Improvement in sales tax revenues of almost \$1 million is reflected in the new forecasts. The opening of the Walmart Supercenter will increase sales taxes. Some of this will be offset by a reduction in sales at competing businesses in the City. Reports that gasoline prices have peaked and will begin dropping were taken into account in estimating revenues for next year. Fuel sales are a major component of the City's sales tax revenue.
2. Franchise taxes show continuing weakness, reducing estimates by \$411,000 because of low rate increases by electric and gas suppliers and continued competition in telephony and telecommunication markets.
3. Code enforcement revenue was below estimates at midyear because of lack of staffing and conflicting priorities for the Police Department. Recent efforts have increased revenue which equates to a \$250,000 increase to the forecast in 12-13. The earlier forecast and this budget also account for the likely discontinuation of code enforcement liens paid through the Teeter Plan.
4. Revenue from indirect cost, or the overhead charged to other funds has been reduced by \$500,000. This is due to the loss of the Redevelopment Agency and revisions to cost plan methodology.
5. Temporary salary expenses are up by \$465,000 because departments are using temps to fill vacancies on an interim basis to handle workloads reflecting the lack of organizational capacity.

6. Worker's compensation costs will increase by \$743,000 as rates are adjusted to reflect the ongoing cost of this legal obligation.
7. Overtime use is expected to increase by \$485,000 from the earlier forecast next year due to low staffing and increased incidence of Police and Fire overtime.
8. General expenses have increased by \$1,016,000 to cover increased training, testing and recruiting costs for public safety positions and for professional services for system improvements, training programs and timely completion of projects like the annual audit.
9. Reductions and reorganizations savings have increased by \$400,000 and consist mainly of Police service reimbursement contracts that will result in the transfer of nearly \$800,000 of costs to the fund where those revenues are recorded.
10. Redevelopment debt has been reduced \$1.5 million as a result of a one time conversion of bond proceeds to working capital eliminating the need to transfer General Fund resources in Fiscal 2012-2013. In Fiscal 2013-2014 the General Fund obligation grows to \$1 million.
11. General Fund costs to cover a shortfall in Public Facilities Fee Fund debt service were reduced for one time only in the base budget to reflect the current practice of using fund balances to pay debt when fee revenues cannot cover the payments.
12. Increases in Other Program Support are primarily attributable to an increase of \$1,000,000 to be transferred to the General Capital Improvements Fund to address the deterioration of the City's capital assets and infrastructure. The recent shutdown of the skating rink is just one example where lack of maintenance and repair could cause unplanned ceasing of a city project. The total transfer now proposed is \$1,575,000. A transfer of \$1,000,000 to support the reorganization and restructuring of Community Development Department has been added. These efforts will ensure that fees charged to citizens and developers do not subsidize activities that should be supported by the General Fund. This will reduce the likelihood of litigation.
13. Debt Other/Admin increased primarily to reflect an existing obligation to pay \$500,000 on an unsecured promissory note for the purchase of the Main Hotel.

14. In addition to the changes in estimate and services described above the proposed budget also includes three recommended appropriations to begin to build back the financial strength of the City, putting it on the path to sustainability. These are:
- a. An additional \$1,000,000 for maintenance projects to preserve infrastructure roads and capital assets parks, buildings, etc. At historical values the City's non-utility assets are valued at \$800 million dollars and protecting the citizens' investment must be a top priority. The action taken on February 28, 2012 to balance the budget and avoid insolvency included canceling several capital projects and sweeping these unrestricted funds. These and other projects are necessary for maintaining the City's facilities.
 - b. A \$750,000 transfer to the City's Workers Compensation Fund to make a step toward funding an actuarial unfunded liability in excess of \$40 million.
 - c. Reduction of half of the current 96 furlough hours to efficiently increase hours available to get work done and to move toward a sustainable and competitive compensation level at a cost of \$1.13 million. This would add as many productive hours for the General Fund as 40 trained employees at a total equivalent cost of less than \$30,000 per employee. Furloughs were intended to be a temporary cost saving measure, not a permanent one.

To close this gap we have three options, none of which are desirable. The first option is what I would call an "all cuts" budget, where the shortfall would be closed through massive reductions to departmental budgets. The City Council has seen what these reductions would look like in the form of the 5%, 10%, and 15% reduction proposals submitted by departments earlier this year that were included as an attachment to the February 28 Fiscal Condition Update memorandum, and that are included again as an Attachment A to this Message.

The total amount of savings that were estimated in February to be achieved if all of these reductions were approved was \$22.8 million at the 15% cut level. These proposals were calculated assuming a July 1 implementation of all reductions. These reductions would likely take place later in the fiscal year, due to lay off noticing and other transition requirements. As a result the savings that would be achieved with these reductions will fall short of \$22.8 million.

Closing the revised shortfall of \$26 million would require implementing all of these reductions and more. Since the Council has expressed no interest in going

here, I am not going to put the organization through the process of cutting an extra \$3.2 million. A review of the reduction proposals indicates just how devastating they would be to the City. Already severely reduced public safety services, for example, would be hard hit, and other City services reduced to unacceptable levels. The “all cuts” budget balancing strategy would cripple and endanger the City and its citizens.

The second budget balancing strategy option is a set of negotiated proposals that could, and hopefully will, emerge from the in-progress AB 506 mediation process. The elements of such a strategy and cannot, due to the confidential nature of the process, be discussed at this time. The desired outcome of the mediation process, however, is an agreed upon restructuring of City expenditures that would allow for balancing the General Fund budget to minimize service impacts and to protect the community.

The third budget balancing strategy option, undesirable as it may be, is the implementation of a budget that would serve as the Pendency Plan to define spending during a Chapter 9 bankruptcy filing. This option would be a last resort, but should be used if the AB506 process fails to produce an agreement, and the Council decides that the “all cuts” reductions would threaten the health, safety and welfare of the Citizens.

Additional information regarding the General Fund balancing strategy will be provided to the Council sometime in June as the AB506 process plays out, and we determine what strategy should be used to balance the General Fund. The impacts of a budget built using either the outcome of the AB506 mediation process, or a bankruptcy filing would directly affect our costs owed to employees, creditors and our retirees and would impact budgets throughout the organization, affecting many if not most of the City’s operations in this Proposed Budget. The issues subject to mediation, especially compensation and benefits, affect all departments. Revisions to those budgets where required would be brought forward to Council as amendments to the Proposed Budget and included in your final budget adoption before July 1st.

Other City Funds

As described above, included in the Proposed Budget are balanced pro forma schedules for all funds except the General Fund. In the body of the document, grouped by the departments that retain responsibilities for each fund, you will find a pro forma schedule for each fund that includes actual expenditures and revenues for the two prior fiscal years, a year-end estimate for the current fiscal year, and a proposed 2012-13 budget. Included also is a brief bulleted summary

of the history, current year issues and significant developments, and comments about significant elements of the 2012-13 budget being proposed. Highlights for each department fund group are described below:

Police

The Police Department is responsible for six funds: Asset Seizure, COPS State Block Grant, Special Revenue Grant, Police State COPS, Police Measure W and Police Special Revenue. Notable elements of the 2012-13 proposed budgets for these funds include the following:

- In the Asset Seizure Fund revenues continue to decline and the available funds will be used to fund safety equipment and supplies.
- The COPS fund will continue to pay salaries and benefits for six Community Service Officers.
- In the Special Revenue Grant Fund the Federal COPS Hiring Grant for 17 new entry-level Police Officers is budgeted to begin in 2012-13 when the Department has 344 filled sworn positions. This will bring the total authorized Police Officer count to 361. The 2011-12 year was the last year that the 20 officers hired under the Federal ARRA COPS Hiring Program were funded by the federal grant. The costs for these 20 officers must be picked up by the General Fund in 2012-13, and have been included in our Baseline Budget.
- The Police Measure W fund continues to pay the salaries, benefits, equipment and supplies for 21 Police Officer positions. Measure W sales tax proceeds are projected to grow by approximately 3.5% from the current year Adopted Budget level.
- In the Police Special Revenue Fund the Geraldine Schmidt Trust funds will continue to be held in reserve until a long-term plan is developed for the Animal Shelter Replacement project.

Fire

The Fire Department is responsible for two funds: Fire Measure W, and Fire Special Revenue. Notable elements of the 2012-13 proposed budgets for these funds include the following:

- The Fire Measure W fund continues to pay the salaries, benefits, equipment and supplies for 22 firefighter positions. Measure W sales tax proceeds are projected to grow by approximately 3.5% from the current year Adopted Budget level.
- There are no issues or major changes in the Fire Special Revenue fund.

Community Services

The Community Services Department is responsible for three fund groups: Library, Recreation, and Golf. Notable elements of the 2012-13 proposed budgets for these funds include the following:

- The proposed 2012-13 budget for the Library Fund requires a General Fund subsidy of \$4.1 million. This is consistent with the prior General Fund forecast. The proposed budget does not reflect any service reductions or enhancements.
- The proposed 2012-13 budget for the Recreation Fund requires a subsidy of \$2.8 million. This is also consistent with the prior General Fund forecast. The Civic Center utility costs have decreased due the more efficient HVAC system installed in 2010. Civic Center Rentals have steadily increased since the 2011 re-opening. After School programs will increase by 18% and 300 new middle school youth will participate.
- The proposed 2012-13 budget for the Golf Fund requires a General Fund subsidy of \$322,000, down from the \$500,000 included in the current year budget. Revenues are projected to be up at the Swenson Course, which closes the gap between operating expenses and revenues to less than \$100,000. The loss for the Van Buskirk Course however continues to be significant (\$247,000). Kemper Sports Inc., the new Golf operator, has also submitted a zero subsidy budget. In order to operate with a zero subsidy the Van Buskirk course would need to be closed.

Community Development

The Community Development Department is responsible for one fund: the Development Services fund. Notable elements of the 2012-13 proposed budget for this fund includes the following:

- In the Community Development section of this fund a General Fund subsidy of \$1.0 million is being proposed to be placed in the budget. We believe this is critical to avoid future litigation. There are many services and initiatives in this department that are more appropriately charged to the General Fund rather than recovered through development fees. The exact disposition of these funds will be determined following the Council review and direction for implementation of recommendations contained in a recent Management Partners review of development fees and program activities. Increases to restore a portion of the training funding cut in recent years, and to upgrade ten-year old Microsoft Office software for all staff is proposed.

- In the Fire Prevention section of the fund revenue projections for 2012-13 are based on the current fee structure. That fee structure is currently undergoing evaluation to determine whether they correctly align with program costs. Revenues fall short of fully covering costs by approximately \$88,000. The difference will be covered by fund balance.

Public Works

The Public Works Department is responsible for seven funds: Street Maintenance Gas Tax, Boat Launching Facilities, Solid Waste and Recycling, Lighting Maintenance District, Assessment District Maintenance, and Measure K Maintenance. Notable elements of the 2012-13 proposed budgets for these funds include the following:

- In the Gas Tax fund funding is proposed to start a crack filling and street surface repair program starting in South Stockton. Funding is also included to start re-striping arterial and collector streets, to address deteriorated pavement markings that have not been maintained for several years, as well as to start replacing large overhead street name signs on arterials. Proposed expenditures will exceed revenue by almost \$700,000. This will reduce the projected fund balance to \$822,000.
- In the Solid Waste and Recycling Fund projected revenues reflect a 1% annual CPI adjustment for residential and commercial service. An increase in program expenses is proposed in order to provide funds for tree trimming related to street sweeping, consulting services to rework a data base and franchise agreement analysis, and translation services for printed outreach material.
- In the Street Lighting Assessment District Fund no reduction in services will occur next year in the four zones that did not adopt a new assessment as sufficient funds is available in the Gas Tax Fund to cover these costs in the short term. A longer term strategy for the four zones will be brought forward for Council consideration.
- In the Assessment District Maintenance Fund assessments for the 2012-13 fiscal year will not be increased. Existing assessments will be sufficient to provide a maintenance budget of \$3.25 million.
- In the Measure K Maintenance Fund revenues are projected to increase by approximately 5%. Approximately \$1.2 million is proposed to be transferred to the Measure K Capital Improvement Fund. The proposed transfer to the Gas Tax Fund is up by \$1.9 million to fund additional electrical costs for street lighting and traffic signals and for maintenance costs for the Traffic Control System.

Economic Development

The Economic Development Department is responsible for 10 Housing funds, as well as the City Administration Building, Central Parking District, and Downtown Marina Complex funds. The department formerly oversaw the Redevelopment Agency funds prior to the dissolution of the Agency. The General Fund will be required to fund administrative and overhead costs for the Successor Agency, due to the fall-off in tax increment proceeds. Those costs, estimated at \$1.6 million, are included in the General Fund revised Baseline Budget. The Successor Agency budget is not included in this document. Notable elements of the 2012-13 proposed budget for this department's funds include the following:

- Included in the Housing funds is the impact of an 18% decrease in the CDBG entitlement on top of last year's 17% decrease, and a 42% reduction in the HOME entitlement grant. This will result in reductions to the CDBG Housing Loan Pool, Sub-Recipient Assistance and the budget for CDBG and HOME Administration and Program Delivery. Homeless Prevention and Rapid Re-Housing (HPRP) grant funds run out by September 2012, and there is no renewal. CalHOME grant funding also expires in September 2012.
- The 2012-13 proposed budget reflects a reduction in revenue and expenses for 400 E. Main based on occupancy and reduced rental income. The anticipated revenue for next year is only slightly greater than the projected operational costs. Up to last year rents paid by city operations, including the General Fund, deferred debt payments and low variable interest rates let building revenues support capital costs, but the City's inability to move in and the departure of some large tenants would cause \$2.6 million of the debt service payment to fall on the General Fund.
- The Central Parking District Fund proposed budget reflects the changes necessitated by the possession of the Market Street, Coy and Arena garages by Wells Fargo. No increases to monthly or hourly fees are planned for next fiscal year. Monthly rates will, however, be established for surface lots that presently do not offer monthly parking.
- The proposed 2012-13 budget for the Downtown Marina Complex will again require a subsidy from the General Fund in the amount of \$732,000. The subsidy amount is unchanged from the current year level, and is included in the General Fund Baseline Budget estimate. Marina staff will increase marketing efforts to attempt to increase berthing and boat launching revenue.

Municipal Utilities Department

The Municipal Utilities Department is responsible for three fund groups: Water Enterprise, Wastewater Enterprise, and Stormwater Enterprise. Notable elements of the 2012-13 proposed budgets for these funds include the following:

- In the Water Enterprise Fund the final increase (10%) of a 4-year rate increase plan approved by Council in 2009 is reflected. The new Delta Water Supply Project treatment plant will begin its first full year of full operation. Reliance on water purchases and groundwater extraction is expected to be reduced. Water conservation efforts will continue to meet the State's mandate to reduce water use by 20% by the year 2020.
- In the Wastewater Fund a third year rate increase of 9%, part of an approved 5 year increase plan, is reflected. Construction of the Phase I projects identified in the Capital Improvement and Energy Management Plan will begin and be cash funded. Application for a new Wastewater NPDES permit will be necessary this year.
- As rates are capped in the Stormwater Fund, some required NPDES program elements have been reduced to stay within projected revenue levels. No funding is available for needed infrastructure repairs. The 2012-13 proposed budget for this fund is balanced, but without a rate increase, there is General Fund exposure for this fund in future years if NPDES requirements are to be met.

City Manager/Administrative Services

The City Manager's Office, in addition to be responsible for the entire City budget, monitors and manages one fund, the Entertainment Venues Fund: The Administrative Services Department oversees the San Joaquin Area Flood Control Agency (SJAFC) fund. Notable elements of the 2012-13 proposed budget for these funds include the following:

- The 2012-13 General Fund subsidy requirement for the Entertainment Venues Fund is estimated at \$2,152,000. This is down about \$289,000 from the current year level. This reflects the improved performance under the SMG management structure. There is however, no funding allocated for the approximately \$800,000 in outstanding and urgent repairs and maintenance needs of the four venues.

Internal Service Funds

There are 13 Internal Service Funds: Five of the funds are overseen by the Administrative Services Department (Information Technology, Radio, Telecommunications, Equipment and Document Services) Seven Internal Services Funds are overseen by the Human Resources Department (General Liability Insurance Claims, Workers Compensation and Benefits, Employee/Retiree Health Benefits, Unemployment, Long-Term Disability, Pension Benefits and Compensated Absences). One (Fleet) is managed by the Public Works Department. Notable elements of the 2012-13 proposed budget for this fund include the following:

- For Fleet the 2012-13 proposed budget includes a replacement schedule which over a four-year period, would reduce the current estimated replacement backlog of \$8.5 million (172 vehicles past their useful life) to \$5.5 million. The budget also reflects approximately \$1.0 million in savings that are being achieved by leasing rather purchasing fire apparatus. Proposed O&M expenditures are increased by approximately \$540,000 over current levels, reflecting primarily a \$400,000 increase in fuel purchases. The budget also proposes setting aside \$500,000 for the replacement of the Computerized Maintenance Management System Fleet Module and the Fuel Management System.
- The Information Technology proposed budget includes approximately \$3.2 million to be set aside for implementing a number of new technology projects included in a recently developed IT Strategic Plan. This Plan will come before the City Council very soon.
- In the Risk Services and Workers Compensation Funds proposed budget, insurance rates charged to the departments have been raised to reflect the higher cost of insurance coverage. I should mention, we still are carrying huge fund balance deficits in the Liability and Workers Compensation Funds because past administrations did not budget adequate contributions of the General Fund and other Funds to finance accrued liabilities.
- In the Health Benefits Fund a new Pharmacy Benefit Manager (CVS/Caremark) will be providing management services for the City's self-funded medical plan. This is estimated to result in overall savings of at least \$300,000. During the next fiscal year, the City will be implementing a change in the contract with its Preferred Provider Organization (PPO), Anthem, for larger discounts on medical services. The City expects to achieve net savings of at least \$2.0 million from this change.

Upcoming Schedule

The current schedule, which is still being formulated, calls for the City Council to conduct two budget study sessions during the month of June and the adoption of the final budget document on June 26, 2012.

Finally, I wish to thank the department heads and their staffs, and the staff of the Administrative Services Department and the Budget Office for the extraordinary effort that it took to pull together this document in a highly condensed time line. This is a budget process being conducted under unprecedented conditions which puts intense pressure on everyone involved. The work that went into this brief but informative document is much appreciated.

Stockton City Council Workplan

While we are clearly in a rough patch in Stockton's history, it is important for the reader of this document to recognize that this City Council did not create this financial crisis, it inherited it. Moreover, the Council "has their eye on the ball" and unlike the state and federal government, you have a comprehensive plan for moving Stockton forward. The City Council adopted four goals to focus the organization: 1) getting our fiscal house in order, 2) increasing public safety, 3) increasing economic development and 4) increasing organizational capacity. As presented most recently at the Council Study Session held on May 1, 2012, the Council continues to pursue these aggressive goals with 38 Strategic Initiatives, that includes not only getting our fiscal house in order, but concurrently we are working towards improving the climate for economic investment along with an omnibus plan to turn the tide on an unacceptable crime rate that has plagued Stockton for multiple generations.

The future will be bright, but the transition will be difficult. When given accurate information you have made the difficult decisions that other governmental agencies refuse to make. Unlike others, you have not "buried your head in the sand" hoping things would go away. I am proud to work for this City Council.

Respectfully submitted,

BOB DEIS
CITY MANAGER

General Fund
Department Reduction Summary
2012-2013

Service Reductions	Service Level Impacts	Savings @5%	Savings @10%	Savings @15%	FTE's Eliminate @5%	Part-time Eliminate @5%	FTE's Eliminate @10%	Part-time Eliminate @10%	FTE's Eliminate @15%	Part-time Eliminate @15%
Programs										
Police										
Eliminate all Community Service Officer positions. Reduce revenue from \$1.2 mil to \$600,000. Net reduction is \$2,012,133	All current CSO and Sr. CSO activities would be reassigned to Police Officers. VIPS being considered for parking tickets.	2,012,133	2,012,133	2,012,133	30		30		30	
Reduce the number of Police Records staffing for filled and vacant civilian positions	This overall reduction in the Records Division would increase the amount of time related to all functions of the Records Division. This would include access to documented reports and provision of reports to the public and government agencies, including the Court system.	220,573	220,573	220,573	3		3		3	
Reduced staffing in the Telecommunications Division. 3 Telecommunications Specialist	Decrease level of Telecommunications support for Police Dispatch. Longer wait for 911 calls.	296,402	296,402	296,402	3		3		3	
Reduced civilian support staffing in the Traffic Division	Clerical duties would be assigned to Police Officers as time permits. This would greatly reduce the level of customer service related to towed vehicles and citation disputes.	167,483	167,483	167,483	2		2		2	
Eliminate Investigations Division Police Records Assistant	Case work for CSO's & PRA would be absorbed by Police Officers.	75,216	75,216	75,216	1		1		1	
Eliminate Special Investigations Records Assistant vacancy	Nominal effect on current Special Investigations operations	74,544	74,544	74,544	1		1		1	
Reduce staffing in Animal Services & Animal Control	Reduced hours at Shelter and reduced coverage for animal control	371,077	371,077	371,077	5		5		5	
Eliminate Graffiti Abatement Program salary and costs	Dramatic increase in graffiti throughout Stockton	577,190	577,190	577,190	5		5		5	
Sworn salary savings		448,484	448,484	448,484						

<u>Service Reductions</u>	<u>Service Level Impacts</u>	<u>Savings @5%</u>	<u>Savings @10%</u>	<u>Savings @15%</u>	<u>FTE's Eliminate @5%</u>	<u>Part-time Eliminate @5%</u>	<u>FTE's Eliminate @10%</u>	<u>Part-time Eliminate @10%</u>	<u>FTE's Eliminate @15%</u>	<u>Part-time Eliminate @15%</u>
Police (Continued)										
Eliminate 9 Police Officers, 2 Sergeant's and 1 Lieutenant from the Traffic Division	No separate Traffic Section. Only 8 Police Motor Officers assigned to regular Patrol shifts to handle essential traffic support and manage fatal traffic accidents		1,519,573	1,519,573			12		12	
Eliminate 18 Special Investigation Section (SIS) Police Officer Positions, 2 SIS Sergeant's & 1 SIS Lieutenant. Transfer remaining 2 Sergeant's and 6 Police Officer Investigators into the Investigations Section. Restructure Investigations Section.	Remaining 2 GSET Sgts reassigned; only 6 Police Officers remain in Special Investigations. Either GSET or Task Force operations eliminated		2,825,022	2,825,022			21		21	
Decline the 17 positions funded by the 2011 COPS CHP Grant	Few Police Officers to handle calls for service.		100,000	100,000						
Eliminate 26 Police Officer Positions. 4 Sergeants & 1 Lieutenants from Patrol duties. Restructure entire Patrol and Investigative Operations	Reduction in staff available to respond to 911 calls.			4,141,608					31	
	Sub Total	4,243,102	8,687,697	12,829,305	50		83		114	
Fire										
Close Engine No. 11	Increased response time	1,500,697	1,500,697	1,500,697	9		9		9	
Reduce Truck No. 3 by 1 Fire Fighter (1 for each shift = 3)	Increased fire loss, reduced staff safety, increased incident loss, morbidity and mortality	450,445	450,445	450,445	3		3		3	
Fire District Contracts - Revenue reduction estimate		(397,873)	(586,984)	(776,095)						
Reduce Truck No. 2 by 1 Fire Fighter (1 for each shift = 3)	Increased fire loss, reduced staff safety, increased incident loss, morbidity and mortality	450,445	450,445	450,445	3		3		3	
Close Engine No. 6	Increased response time		1,500,697	1,500,697			9		9	
Reduce Truck No. 7 by 1 Fire Fighter (1 for each shift = 3)	Reduced staff safety		450,445	450,445			3		3	

<u>Service Reductions</u>	<u>Service Level Impacts</u>	<u>Savings @5%</u>	<u>Savings @10%</u>	<u>Savings @15%</u>	<u>FTE's Eliminate @5%</u>	<u>Part-time Eliminate @5%</u>	<u>FTE's Eliminate @10%</u>	<u>Part-time Eliminate @10%</u>	<u>FTE's Eliminate @15%</u>	<u>Part-time Eliminate @15%</u>
Fire (Continued)										
Reduce Truck No. 7 by 1 Fire Fighter (1 for each shift = 1)	Increased fire loss, reduced staff safety, increased incident loss, morbidity and mortality		150,148	150,148			1		1	
Savings from other expenditures			65,390	65,390						
Close Engine No. 14	Increased response time			1,500,697					9	
Close Truck No. 3	Increased fire loss and reduce staff safety			1,500,697					9	
Keep 1 Fire Fighter in Truck No. 2 (Reduce by 1 shift)	Increased incident loss and increased morbidity and mortality			(150,148)					-1	
Keep 4 Fire Fighters in Truck No. 7				(665,983)					-4	
	Sub Total	2,003,714	3,981,284	5,977,435	15		28		41	
Public Works										
Reduce contract budget for Trees	Reduced ability to respond to emergencies	100,000	100,000	100,000						
Reduce contract budget for Parks	Delayed repairs to playgrounds and irrigation systems	135,000	135,000	135,000						
Reduce contract budget for HVAC	Probable service delays as more work shifted to staff	60,000	60,000	60,000						
Shift portion of Street Trees non-payroll costs to Gas Tax	Less Gas Tax for Street maintenance	60,000	60,000	60,000						
Shift portion of Pixie Woods maintenance to Pixie Woods Board	Depends on ability of Board to make alternative arrangements		110,000	110,000			1		1	
Eliminate vacant but funded Parks Inspector	Maintains reduced Parks oversight		100,000	100,000			1		1	
Shift additional Street Trees non-payroll costs to Gas Tax for total shift equaling 50%	Less Gas Tax for Street maintenance		65,000	65,000						
Shift Facilities Electrician to Streets and Gas Tax	Probable delays for Facilities electrical issues; improved Traffic electrical		85,000	85,000						
Reduce Parks maintenance to minimum levels	Higher grass and more trash			185,000						
Reduce Parks water usage by 50%	Brown grass and stressed landscaping			165,000						
	Sub Total	355,000	715,000	1,065,000			2		2	

<u>Service Reductions</u>	<u>Service Level Impacts</u>	<u>Savings @5%</u>	<u>Savings @10%</u>	<u>Savings @15%</u>	<u>FTE's Eliminate @5%</u>	<u>Part-time Eliminate @5%</u>	<u>FTE's Eliminate @10%</u>	<u>Part-time Eliminate @10%</u>	<u>FTE's Eliminate @15%</u>	<u>Part-time Eliminate @15%</u>
Economic Development										
Elimination of Deputy Economic Development Director position and redistribution of staff allocations.	Reduced resources for business outreach, attraction, and retention	24,260	48,520	72,780	1		1		1	
	Sub Total	24,260	48,520	72,780	1		1		1	
Peacekeeper										
Eliminate Phones budget	Staff will not have City Hall numbers; will use cell phones	8,596	8,596	8,596						
Reduce Consultant budget	Reduce services for clients: tattoo removal, conflict management, counseling classes	622								
Eliminate Printing budget	No outreach materials for community fairs, etc.	2,000	2,000	1,657						
Eliminate Travel budget	No training and travel for award programs or training staff	1,200	2,000							
Eliminate Training budget	No training and travel for award programs or training staff	2,000	1,200							
Eliminate Equipment budget	No purchase of radios, scanners, etc	1,000	1,000							
Eliminate Supplies budget	No purchases for the fiscal year	1,000	1,000							
Reduce Full Time Position to Part Time	Reduce current caseload by 200; turn away additional 200 referrals		14,000				1		1	
Reduce Pooled Vehicle budget	Reduce car rental for field trips- fewer field trips		1,000							
Reduce Fuel budget	Reduce fuel budget to match reduction of YOW hours in car (from full time to part time)		2,039							
Eliminate one Youth Outreach Worker Position	Reduce the current caseload by 400, turn away an additional 400 referrals			39,000					1	
	Sub Total	16,418	32,835	49,253			1		2	
Arts Commission										
Supplies reduced		1,837	3,674	5,511						
	Sub Total	1,837	3,674	5,511						

<u>Service Reductions</u>	<u>Service Level Impacts</u>	<u>Savings @5%</u>	<u>Savings @10%</u>	<u>Savings @15%</u>	<u>FTE's Eliminate @5%</u>	<u>Part-time Eliminate @5%</u>	<u>FTE's Eliminate @10%</u>	<u>Part-time Eliminate @10%</u>	<u>FTE's Eliminate @15%</u>	<u>Part-time Eliminate @15%</u>
Programs Support for Other Funds										
Community Services - Library										
Hold Librarian II Vacant	Delays completion of project to transition to 100% "shelf-ready" new materials, No donations/local history added to catalog and eliminates 5 hours per week of public service desk support lost	53,934	53,934	53,934	1		1		1	
Eliminate Library Asst II (PPJ)	20% of Chavez Library Reference Desk staffing lost (Chavez averages 48,000 reference interactions per year), Longer customer wait times for reference service, Collection maintenance work delayed – customers may not find desired materials on the shelves	85,228	85,228	85,228	1		1		1	
Parity of all late fees		47,000	47,000	47,000						
Reduce PT staff funding by 21%	Less PT and FT staff leads to longer lines at customer service desks, reduced capacity to fill leave time/vacancies, and less skilled tasks performed by higher-paid employees	11,000	11,000	11,000		1		1		1
Reduce Tech Services Supplies by 30%	Reduced capacity to recover books with damaged covers and to replace damaged media cases (audiobooks/music, DVDs) so that serviceable materials can still circulate and virtually eliminates capacity to accept not-shelf-ready donations from customers	4,000	4,000	4,000						

<u>Service Reductions</u>	<u>Service Level Impacts</u>	<u>Savings @5%</u>	<u>Savings @10%</u>	<u>Savings @15%</u>	<u>FTE's Eliminate @5%</u>	<u>Part-time Eliminate @5%</u>	<u>FTE's Eliminate @10%</u>	<u>Part-time Eliminate @10%</u>	<u>FTE's Eliminate @15%</u>	<u>Part-time Eliminate @15%</u>
Community Services - Library (Continued)										
Eliminate Librarian I (PS)	25% of Chavez Library Reference Desk staffing lost beyond that lost at 5% reduction target (total 45% lost), Troke Library Reference Desk staffing reduced by 25% and significantly increased customer wait times at both Chavez and Troke libraries	93,736	93,736	93,736			1		1	
Eliminate Librarian I (AC)		98,054	98,054	98,054			1		1	
Reduce City branch landscaping by 50%		10,000	10,000	10,000						
Eliminate Circulation Asst (LT)	Eliminate Library Assistant from Chavez Library and necessitates operating hours reduction of 31% (from 36 to 25 hours weekly maintains 5-day/week service)	62,812		62,812					1	
Eliminate Library Aide (SN)	Eliminate Circulation Assistant and Library Aide from Troke Library. Necessitates operating hours reduction of 31% (from 36 to 25 hours weekly maintains 5-day/week service)	61,771		61,771					1	
Eliminate Library Asst II (KBT)	Less skilled tasks performed by higher-paid employees	76,934		76,934					1	
	Sub Total	201,162	402,952	604,469	2	1	4	1	7	1

<u>Service Reductions</u>	<u>Service Level Impacts</u>	<u>Savings @5%</u>	<u>Savings @10%</u>	<u>Savings @15%</u>	<u>FTE's Eliminate @5%</u>	<u>Part-time Eliminate @5%</u>	<u>FTE's Eliminate @10%</u>	<u>Part-time Eliminate @10%</u>	<u>FTE's Eliminate @15%</u>	<u>Part-time Eliminate @15%</u>
Community Services - Recreation										
Fewer Civic supplies/repairs & maintenance after remodel	No impacts	20,000	20,000	20,000						
Reduce utilities in Civic Auditorium	No impacts	10,000	10,000	10,000						
Reduce gas utility	Efficiency from upgrade and no impact	80,000	80,000	80,000						
Reduce PT Comm Ctrs & Sports	Contracted field maintenance and no decrease in service	20,000	20,000	20,000		3		3		
Sr AA to PM savings	No impacts	11,500	11,500	11,500						
Rec Asst II separation not filled	Transactions performed by higher paid staff, less time for contract monitoring, program mgmt/development, slightly slower customer service at centers		79,005	79,005			1		1	
Rec Asst II remains vacant			79,146	79,146			1		1	
Layoff Office Asst II	Admin transactions, scheduling performed by higher paid staff, less time for committees, commission participation and support. Full time staff will assist in after school program, no impacts to after school, but other community center customers may incur slower service			61,708					1	
Recreation staff pick up Public Art duties of lay off OA funded by Public Art Fund				11,287						
After school program reduction				48,443						5
	Sub Total	141,500	299,651	421,089		3	2	3	3	5

<u>Service Reductions</u>	<u>Service Level Impacts</u>	<u>Savings @5%</u>	<u>Savings @10%</u>	<u>Savings @15%</u>	<u>FTE's Eliminate @5%</u>	<u>Part-time Eliminate @5%</u>	<u>FTE's Eliminate @10%</u>	<u>Part-time Eliminate @10%</u>	<u>FTE's Eliminate @15%</u>	<u>Part-time Eliminate @15%</u>
Entertainment Venues										
Reduction of maintenance, repairs, and supplies	Barebones maintenance, repair, contracted services budget. Deferred maintenance issues may create risks to facilities	122,065								
Reduction of maintenance, repairs, and supplies; and reduction of any further line items	Barebones maintenance, repair, contracted services budget. Deferred maintenance issues may create risks to facilities. Deferral of critical maintenance items may create risks. Staff will need to meet and confer with SMG to determine if facilities can safely operate with lower budget.		244,130							
Closure of Baseball Stadium	Further reduction will create risk. Staff will need to meet and confer with SMG. It is estimated that this level or above in service reductions will require the Baseball Stadium closure. Stadium generate lowest level of revenue of all four facilities.			366,195						
	Sub Total	122,065	244,130	366,195						

<u>Service Reductions</u>	<u>Service Level Impacts</u>	<u>Savings @5%</u>	<u>Savings @10%</u>	<u>Savings @15%</u>	<u>FTE's Eliminate @5%</u>	<u>Part-time Eliminate @5%</u>	<u>FTE's Eliminate @10%</u>	<u>Part-time Eliminate @10%</u>	<u>FTE's Eliminate @15%</u>	<u>Part-time Eliminate @15%</u>
Administration										
Non-Departmental, City Manager and City Council	Inability to launch Social Media efforts. Significant impacts to Website, Ask Stockton, and media relations support. Severe impacts to the ability to be responsive to Public Disclosure Requests. Impacts the already strained ability to support City Executives.	131,045	131,045	131,045	2		2		2	
	Inability to broadcast Council Meetings on Channel 97. Severe impacts to Channel 97 programming and maintenance. Severe impacts to media relations and community access to City business.		131,045	131,045			2		2	
	Reduce citizen support, public outreach, and strategic planning.			131,045					1	
	Sub Total	131,045	262,090	393,135	2		4	-	5	-
Administrative Services										
Reduce 3 Administrative Services Positions	Reduce administrative support to the City wide programs and increase risks to the accounting and financial activities	160,081	160,081	160,081	3		3		3	
Reduce 3 Administrative Support Positions	Reduce administrative support to the City wide programs. Increase risks to the accounting and financial activities, delay in accounting transactions' reconciliation, and delay in payroll and disbursement processing		160,081	160,081			3		3	

<u>Service Reductions</u>	<u>Service Level Impacts</u>	<u>Savings @5%</u>	<u>Savings @10%</u>	<u>Savings @15%</u>	<u>FTE's Eliminate @5%</u>	<u>Part-time Eliminate @5%</u>	<u>FTE's Eliminate @10%</u>	<u>Part-time Eliminate @10%</u>	<u>FTE's Eliminate @15%</u>	<u>Part-time Eliminate @15%</u>
Administration (Continued)										
Reduce 3 Administrative Support Positions	Reduce administrative support to the City wide programs. Increase risks to the accounting and financial activities, delay in accounting transactions' reconciliation, and delay in payroll and disbursement processing			160,081					3	
	Sub Total	160,081	320,162	480,243	3		6	-	9	-
Human Resources										
Reduction in Training Budget	Eliminate a portion of City-Wide training program which provides the courses for the various certificate programs. The City has class specs requiring these various certifications, there would be meet and confer obligations over elimination/suspension of the programs and corresponding job requirements. Contrary to Council strategic initiative on increasing organizational capacity.	63,617								
Reduction in Training Budget	Eliminate an additional amount of funding for City-Wide training program which provides the courses for the various certificate programs. The City has class specs requiring these various certifications, there would be meet and confer obligations over elimination/suspension of the programs and corresponding job requirements. Contrary to Council strategic initiative on increasing organizational capacity.		38,452							

<u>Service Reductions</u>	<u>Service Level Impacts</u>	<u>Savings @5%</u>	<u>Savings @10%</u>	<u>Savings @15%</u>	<u>FTE's Eliminate @5%</u>	<u>Part-time Eliminate @5%</u>	<u>FTE's Eliminate @10%</u>	<u>Part-time Eliminate @10%</u>	<u>FTE's Eliminate @15%</u>	<u>Part-time Eliminate @15%</u>
Administration (Continued) Eliminate HR Specialist	Eliminate last remaining support personnel to Civil Service Commission and the City's Air Quality liaison. The majority of CSC agenda preparation and other support activities would fall to analyst staff, significantly reducing their capacity to perform analytical level work.		88,781				1		1	
Reduction in Training Budget	Eliminate the remaining funding for City-Wide training program which provides the courses for the various certificate programs. The City has class specs requiring these various certifications, there would be meet and confer obligations over elimination/suspension of the programs and corresponding job requirements. This would also eliminate all training for HR staff, significantly impairing ability to develop employee/labor relations expertise in house. Contrary to multiple City Council strategic initiatives.			80,000						
Eliminate HR Specialist	Eliminate last remaining support personnel to Civil Service Commission and the City's Air Quality liaison. The majority of CSC agenda preparation and other support activities would fall to analyst staff, significantly reducing their capacity to perform analytical level work.			88,781			1		1	

<u>Service Reductions</u>	<u>Service Level Impacts</u>	<u>Savings @5%</u>	<u>Savings @10%</u>	<u>Savings @15%</u>	<u>FTE's Eliminate @5%</u>	<u>Part-time Eliminate @5%</u>	<u>FTE's Eliminate @10%</u>	<u>Part-time Eliminate @10%</u>	<u>FTE's Eliminate @15%</u>	<u>Part-time Eliminate @15%</u>
Administration (Continued)										
Eliminate HR Assistant II	Eliminate all reception and mail services. Potential reduction in hours lobby would be open to public. Reduces customer service, incoming calls would potentially receive voicemail. Mail services and other low level clerical tasks would be reassigned to remaining higher level employees, thereby reducing efficiency.			22,679					1	
	Sub Total	63,617	127,233	191,460			2		3	
City Clerk										
Eliminate Office Specialist Position	Statement of Economic Interest tracking; Tracking of Ethics Training; Document Research; Customer Service; meeting support; bid openings; Agenda prep & distribution; staff training & development; filing; records mgmt.	88,281	85,633	85,633	1		1		1	
Reclass Supervising Deputy City Clerk to Senior Deputy City Clerk		7,000								
	High possibility of non-compliance with State mandates re: Legal Noticing, Public Hearings, Boards & Commissions recruitment and roster maintenance eliminated/meeting support, i.e. preparation of meeting record, filing of documents, meeting action followup decreased by 45%/processing of official documents (mandated), i.e. recordation of documents will be missed									
Reduce Senior Deputy City Clerk to 3/4 hrs.				23,593						
	Sub Total	95,281	85,633	109,226	1		1		1	

<u>Service Reductions</u>	<u>Service Level Impacts</u>	<u>Savings @5%</u>	<u>Savings @10%</u>	<u>Savings @15%</u>	<u>FTE's Eliminate @5%</u>	<u>Part-time Eliminate @5%</u>	<u>FTE's Eliminate @10%</u>	<u>Part-time Eliminate @10%</u>	<u>FTE's Eliminate @15%</u>	<u>Part-time Eliminate @15%</u>
Administration (Continued)										
City Attorney										
Loss of one advisory attorney	Serious delay in delivery of advisory advice/projects due to lack of staff and increased cost for consultation with outside counsel.	45,656	91,312	136,967	1		1		1	
	Sub Total	45,656	91,312	136,967	1		1		1	
City Auditor										
Vacancy Savings (3/4 position - 1 FTE)		20,290	20,290	20,290						
Reduce staff by 1 full time position			64,800	64,800	1		1		1	
Increase Contractual Services			(24,220)	(24,220)						
Vacancy savings reversed			(20,290)	(20,290)						
Reduce Contractual Services				20,290						
	Sub Total	20,290	40,580	60,870	1		1		1	
	Grand Total	7,625,028	15,342,753	22,762,938	76	4	136	4	190	6

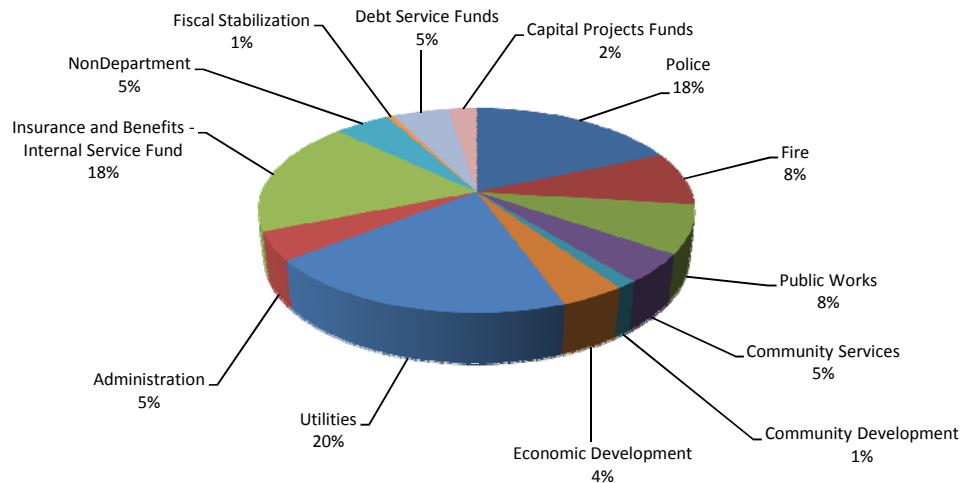
TAB

Citywide Budget

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City of Stockton Citywide Budget 2012-13 Baseline and Proposed Budget

Baseline **\$547,754,536**
Proposed **\$521,846,247**

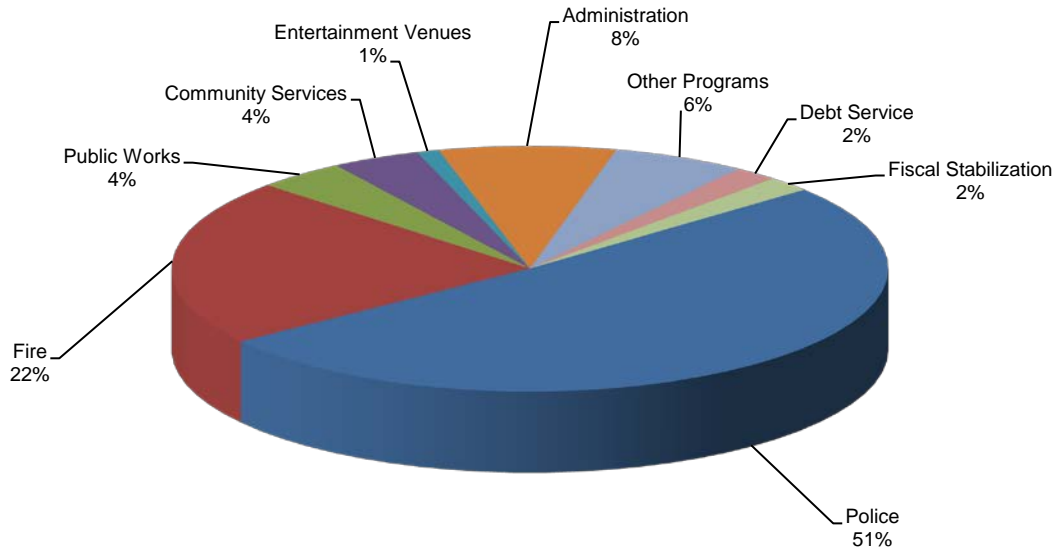


	Operating Budget	Debt Service Budget	Capital Budget	Total	
Program Appropriations					
Police	\$ 101,320,283			\$ 101,320,283	18%
Fire	46,333,121			46,333,121	8%
Public Works	36,972,482	\$ 1,365,771	\$ 3,404,760	41,743,013	8%
Community Services	24,997,758		-	24,997,758	5%
Community Development	6,947,489			6,947,489	1%
Economic Development	20,040,115	2,207,670		22,247,785	4%
Utilities	70,914,582	27,473,909	10,740,552	109,129,043	20%
Administration	20,249,138	325,000	4,083,672	24,657,810	5%
Insurance and Benefits - Internal	92,022,544	7,712,550		99,735,094	18%
NonDepartmental Funds					
NonDepartment	26,911,808			26,911,808	5%
Fiscal Stabilization	1,929,016		1,000,000	2,929,016	1%
Debt Service Funds		27,261,545		27,261,545	5%
Capital Projects Funds	117,257	248,781	13,174,733	13,540,771	2%
	<u>\$ 448,755,593</u>	<u>\$ 66,595,226</u>	<u>\$ 32,403,717</u>	<u>\$ 547,754,536</u>	<u>100%</u>
Pending Balancing Plan					
				(25,908,289)	
				<u>\$ 521,846,247</u>	
Net Budget					
Internal Service Charges				\$ (124,283,540)	
Interfund Transfers				(29,407,257)	
				<u>\$ 368,155,450</u>	

(a) The Proposed Citywide Budget depicts the full City baseline budget before implementation of any balancing measures in the General Fund. It also includes \$2.9 million in Fiscal Stabilization measures for capital, internal service fund reserves and phasing out employee furloughs.



General Fund Budget 2012-13 Baseline Budget



Baseline

Program Appropriations

Police	\$	93,023,477	51%
Fire		40,529,586	22%
Public Works		7,369,140	4%
Community Services		7,284,687	4%
Entertainment Venues		2,152,000	1%
Administration		14,108,590	8%
Other Programs		10,690,065	6%
Debt Service		2,737,133	2%
Fiscal Stabilization		2,929,016	2%
		<u>180,823,694</u>	
Pending Balancing Plan		(25,908,289)	
	\$	<u><u>154,915,405</u></u>	
		-	

(a) The chart above reflects the 2012-13 General Fund Baseline Budget with Fiscal Stabilization measures and before budget balancing plan.

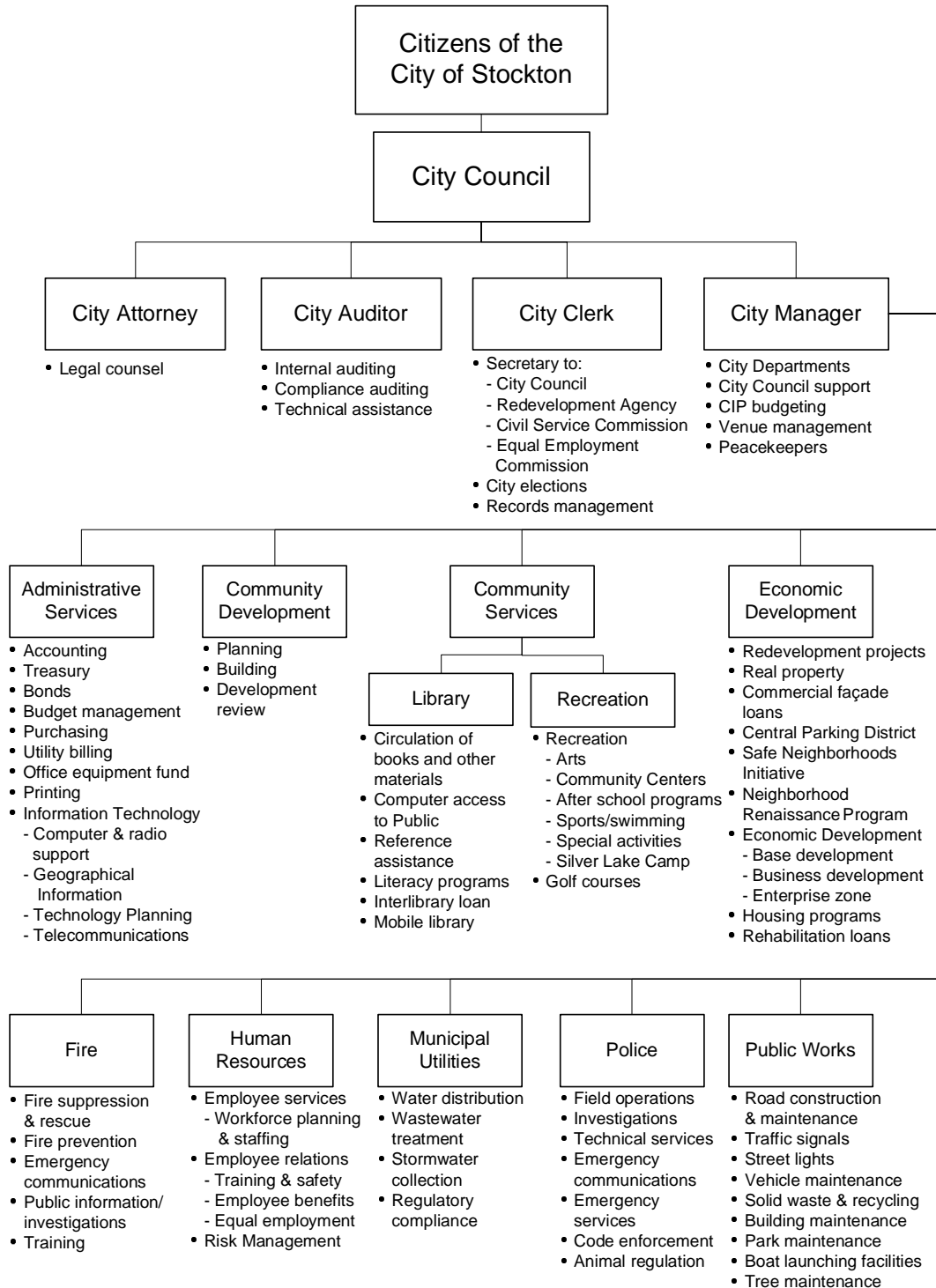


TAB

Organization Chart

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CITY OF STOCKTON ORGANIZATION CHART



PERSONNEL BY FUND
2012-13 Proposed Budget

	<u>2008-09</u>	<u>2009-10</u>	<u>2010-11</u>	<u>FY 2011-12</u>	<u>FY 2012-13</u>	
				<u>Adopted</u>	<u>Proposed</u>	
				<u>With Labor Concessions / Reductions</u>	<u>Staffing Modifications</u>	<u>With Labor Concessions / Reductions</u>
General Fund and Tax-Supported Programs						
Programs						
Police-Sworn	401	322	320	324	17	341
Police-Non Sworn	235	214	202	188	(1)	187
Fire	253	265	226	177	(1)	176
Public Works	163	78	59	62	(6)	56
Library	105	69	57	57	1	58
Recreation	46	32	27	26	(1)	25
Economic Development	5	1	2	2	4	6
	1,208	981	893	836	13	849
Adminstration						
City Council	9	8	8	8	0	8
City Manager	18	13	11	10	0	10
City Attorney	17	14	13	11	0	11
City Clerk	8	6	5	6	0	6
City Auditor	7	4	4	4	0	4
Admin Services	63	49	57	59	0	59
Human Resources	20	18	15	14	1	15
Non Departmental	10	10	10	10	0	10
	152	122	123	122	1	123
Total General Fund	1,360	1,103	1,016	958	14	972
			-25%	-30%		-29%
Enterprise Funds						
Golf Course	3	2	2	2	(2)	0
Municipal Utilities	168	187	197	198	10	208
	171	189	199	200	8	208
Special Revenue/District Funds						
Central Parking District	3	3	3	3	0	3
Community Development Block Grant	13	12	11	9	(2)	7
Development Services	98	53	50	42	(6)	36
Emergency Communications	17	0	0	0	0	0
Maintenance District	1	2	4	2	0	2
Redevelopment	24	20	10	6	(4)	2
Safe Neighborhood Measure W	68	45	41	41	2	43
Solid Waste & Recycling	6	9	9	9	0	9
Street Maintenance/ Gas Tax Fund	24	65	66	64	7	71
	254	209	194	176	(3)	173
Internal Service Funds						
Fleet	31	26	27	27	0	27
General Liability Insurance	3	3	4	6	(1)	5
Workers' Compensation	4	4	4	3	(2)	1
Health Benefits	3	4	4	5	1	6
Information Technology	52	40	39	36	0	36
Radio	2	2	2	2	0	2
Telecommunications	1	1	1	1	0	1
Document Services	4	3	3	2	0	2
	100	83	84	82	(2)	80
Capital Improvement Funds						
Public Art	1	0	0	0		0
	1	0	0	0	0	0
Total All Funds	1,886	1,584	1,493	1,416	17	1,433
			-21%	-25%		-24%

TAB

General Fund Summary

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General Fund - 010
2012-13 Proposed Budget Summary

	FY 2009-2010	FY 2010-2011	FY 2011-2012	FY 2012-13	FY 2012-13
	Actual	Unaudited Actual	Current Budget	Baseline	Proposed
Beginning Balance	\$ 8,607,000	\$ (2,694,401) (a)	\$ 8,717,885	\$ -	\$ -
Revenues	166,907,289	186,944,693	158,002,514	154,915,405	154,915,405
	<u>166,907,289</u>	<u>186,944,693</u>	<u>158,002,514</u>	<u>154,915,405</u>	<u>154,915,405</u>
	-	-	-	-	-
Expenditures					
Employee Services	126,662,253	125,427,170	113,305,518	121,519,717	121,519,717
Other Services	23,453,256	25,159,702	32,453,162	29,892,900	29,892,900
Materials & Supplies	2,410,045	2,575,751	2,504,519	2,744,485	2,744,485
Other Expenses	5,913,318	1,193,236	1,226,433	3,857,753	3,857,753
Capital Outlay	3,800	21,698	-	4,000	4,000
Loan Repayment	777,164	2,152,648	3,013,468	-	-
Transfer Out	14,419,033	19,630,538	14,217,299	19,875,823	19,875,823
Pending Balancing Plan					(22,979,273)
	<u>173,638,869</u>	<u>176,160,743</u>	<u>166,720,399</u>	<u>177,894,678</u>	<u>154,915,405</u>
	-	-	-	-	-
Reserves					
Change in Fund					
Balance restrictions	(774,420)	628,336	-	-	-
	<u>(774,420)</u>	<u>628,336</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Annual Activity	(7,506,000)	11,412,286	(8,717,885)	(22,979,273)	-
Ending Balance	\$ 1,101,000	\$ 8,717,885	\$ 0	\$ (22,979,273)	\$ -
Fiscal Stabilization Measures				2,929,016	
Ending Deficit Balance				\$ (25,908,289)	

(a) FY 2010-11 is presented with the Unaudited Actual. Current revenue projections indicate that the General Fund is at risk. The City Council authorized interfund transfers on 2/28/12 to establish a positive ending balance at June 30, 2011 and balance the FY 2011-12 Budget. The General Fund continues to be at risk in FY 2011-12. Accordingly, no beginning balance has been projected for FY 2011-12.

General Fund - 010
2012-13 Proposed Revenues

	FY 2009-2010	FY 2010-2011	FY 2011-2012	FY 2012-13
	Actual	Unaudited Actual	Current Budget	Baseline
General Tax Revenues				
Property Taxes				
Property Taxes	\$ 29,169,700	\$ 28,318,428	\$ 26,848,000	\$ 25,386,000
In-Lieu of Motor Vehicle Fees	19,612,336	18,534,224	17,664,970	16,967,100
	<u>48,782,036</u>	<u>46,852,652</u>	<u>44,512,970</u>	<u>42,353,100</u>
Sales Tax				
75% Point of Sale	24,558,180	25,463,533	26,628,762	27,896,856
25% County ERAF Backfill	7,086,587	8,118,132	8,392,001	9,799,434
Proposition 172	1,065,346	1,087,330	1,159,238	1,217,200
	<u>32,710,113</u>	<u>34,668,995</u>	<u>36,180,001</u>	<u>38,913,490</u>
Utility Users Tax				
Water	2,541,674	2,699,052	2,952,000	3,121,400
Electric & Gas	16,068,172	16,517,005	16,850,000	17,296,500
Cable	1,995,069	1,985,307	1,943,326	1,887,000
Telecommunications	10,111,984	9,784,959	9,491,410	9,182,100
	<u>30,716,899</u>	<u>30,986,323</u>	<u>31,236,736</u>	<u>31,487,000</u>
Franchise Tax				
PG&E	1,745,610	1,799,027	1,835,000	1,871,700
Cable/Video	2,094,157	2,204,115	2,940,000	2,144,000
Waste Haulers	7,514,550	7,499,593	7,432,238	7,245,000
	<u>11,354,317</u>	<u>11,502,735</u>	<u>12,207,238</u>	<u>11,260,700</u>
Business License Tax	9,288,875	9,249,774	9,145,000	9,235,000
Hotel/Motel Tax	1,750,153	1,798,740	1,800,000	1,811,000
Document Transfer Tax	558,611	583,418	604,000	530,000
Motor Vehicle License	855,878	1,479,303	-	-
Interest	1,014,602	881,221	140,250	(310,423)
	<u>13,468,119</u>	<u>13,992,456</u>	<u>11,689,250</u>	<u>11,265,577</u>
Program Revenues				
Fire Contracts	4,688,889	3,885,672	4,915,879	3,923,678
Code Enforcement	5,504,189	3,670,739	3,266,084	3,026,300
Charges for Services	2,549,574	2,128,003	1,971,385	1,963,786
Fines & Forfeitures	3,461,164	2,486,772	1,393,500	1,455,600
Revenues from Other Agencies	1,052,767	832,931	742,400	758,000
Licenses & Permits	391,661	143,191	458,226	371,825
Misc Other Revenues	165,933	254,512	(54,658)	(168,000)
	<u>17,814,177</u>	<u>13,401,820</u>	<u>12,692,816</u>	<u>11,331,189</u>
Interfund Reimbursements				
Indirect Cost Allocation	6,243,088	6,005,969	5,300,000	4,850,000
Workers Comp Reimbursement	1,503,684	1,492,517	-	-
Refunds & Reimbursements	430,981	1,195,388	820,431	173,383
Rents/Leases/Concessions	2,655,215	2,544,647	2,588,557	2,508,746
	<u>10,832,968</u>	<u>11,238,521</u>	<u>8,708,988</u>	<u>7,532,129</u>
Transfers In				
Transfers In	451,496	22,321,880	-	-
From Technology Fund - 502		1,200,000	-	-
From Parking for Debt Service - 417	777,164	779,311	774,515	772,220
	<u>1,228,660</u>	<u>24,301,191</u>	<u>774,515</u>	<u>772,220</u>
Total Revenues	\$ 166,907,289	\$ 186,944,693	\$ 158,002,514	\$ 154,915,405
	-	-	-	-

General Fund - 010
2012-13 Proposed Budget by Program

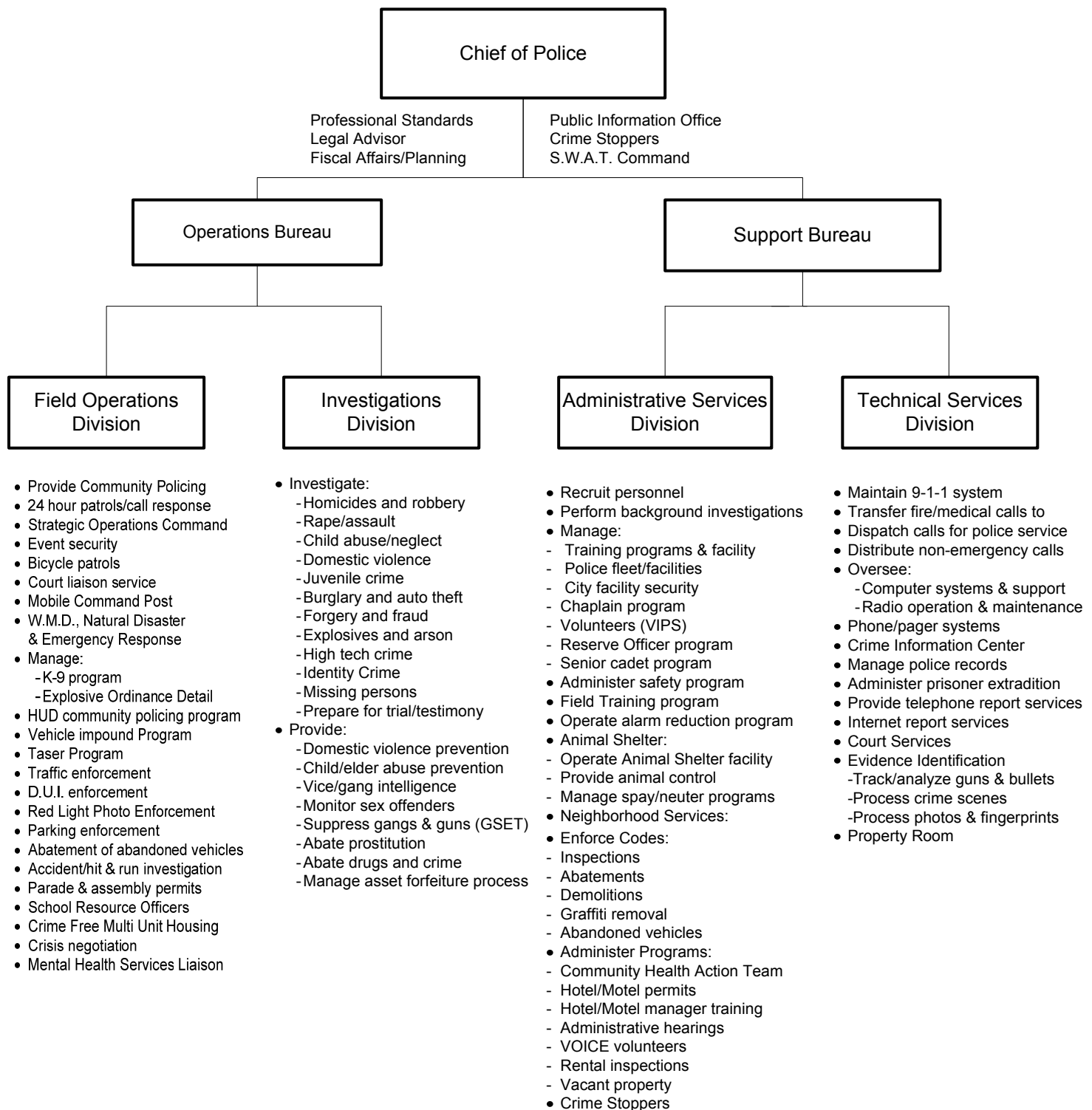
	FY 2009-2010	FY 2010-2011	FY 2011-2012	FY 2012-13
	Actual	Unaudited Actual	Current Budget	Baseline
Expenditures				
<u>Programs</u>				
Police	\$ 86,308,498	\$ 86,855,958	\$ 83,306,025	\$ 93,023,477
Fire	47,500,662	47,618,852	40,447,868	40,529,586
Public Works	7,748,101	7,135,215	7,438,423	7,369,140
Economic Development	359,011	318,981	487,199	725,760
Peacekeeper Program	91,538	61,760	132,055	249,615
Arts Commission	30,976	40,025	36,737	37,687
	<u>142,038,786</u>	<u>142,030,791</u>	<u>131,848,307</u>	<u>141,935,265</u>
<u>Program Support for Other Funds</u>				
Library	4,227,451	4,111,205	3,977,759	4,125,000
Recreation	3,023,774	2,941,711	2,757,263	2,800,000
Entertainment Venues	3,187,473	2,191,299	2,441,299	2,152,000
RDA Successor Agency		3,875,976	3,100,000	1,319,248
Compensated Absences		3,697,917		
Downtown Marina		966,000	732,000	732,000
Capital Improvement		480,000	500,000	1,575,000
Administration Building			235,000	2,588,442
Golf Courses				322,000
Grant Match	257,947	854,112	303,100	500,000
Development Services		512,318	150,000	1,000,000
	<u>10,696,645</u>	<u>19,630,538</u>	<u>14,196,421</u>	<u>17,113,690</u>
<u>Administration</u>				
City Council	485,649	506,449	501,797	495,641
City Manager	824,582	1,079,271	748,054	1,087,031
City Attorney	1,131,916	886,204	838,894	1,004,351
City Clerk	651,082	760,661	766,597	789,120
City Auditor	433,347	441,772	535,545	508,827
Administrative Services	2,492,087	2,709,626	3,303,066	3,822,076
Human Resources	1,427,295	1,468,742	1,358,532	2,185,971
Tax Collection & Election	2,474,301	3,247,483	2,620,000	2,745,250
Other Administration	9,941,013	(589,387)	1,139,718	(842,177)
Labor Litigation	265,002	1,835,945	5,000,000	2,312,500
	<u>20,126,274</u>	<u>12,346,766</u>	<u>16,812,203</u>	<u>14,108,590</u>
Debt Service	<u>777,164</u>	<u>2,152,648</u>	<u>3,013,468</u>	<u>2,737,133</u>
Contingency			850,000	2,000,000
Baseline Subtotal				<u>177,894,678</u>
Fiscal Stabilization Measures				<u>2,929,016</u>
Subtotal with Fiscal Stabilization				<u>180,823,694</u>
Pending Balancing Plan				<u>(25,908,289)</u>
Total	<u>\$ 173,638,869</u>	<u>\$ 176,160,743</u>	<u>\$ 166,720,399</u>	<u>\$ 154,915,405</u>



TAB

Police

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POLICE DEPARTMENT



MISSION STATEMENT

To work in partnership with the people of Stockton to build a safe and secure community.

BUDGET AT A GLANCE – Baseline:

Total Expenditures	\$101,320,283
Total Revenues	\$20,262,130
Total Net Cost	\$80,958,153
Total Staff	549

DEPARTMENTAL 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 over all Police operations including:

- Field Services Division
- Patrol, including the Traffic Section;
- Investigations Division, including the Evidence/Identification Section and Property Room;
- Support Services Division, including the Records Section;
- Telecommunications;
- Crime Information Center, and Information Technology;
- Administrative Services Division, including the Personnel and Training;
- Neighborhood Services/Code Enforcement;
- Animal Services Sections;
- Professional Standards Section;
- Public Information Office; and
- Fiscal Affairs and Planning Section.

Other special services include those performed by the, Special Weapons and Tactics (SWAT) Team, Crisis Negotiations Team, Explosive Ordnance Disposal Team, Canine Unit, and Narcotics Hazardous Materials Team.

KEY ISSUES

Retention of currently trained staff will be a key issue in fiscal year 2012-13. As the changes in workload and job requirements increase, the Police Department will become more heavily dependent on the current employee workforce.

- **Recruitment of Police Officers** to replace those who plan to retire near the end of fiscal year 2011-12 and those who leave Stockton for other employment, will offer a new challenge to the Police Department. The hiring of a new Police Officer can take up to six months from the time of the employment announcement to the end of field training when a new officer can take on a regular assignment. Because sworn officer staffing levels are at the lowest in more than 20 years, it will be critical to the mission of the Department to maximize the recruitment effort. The new federal hiring grant will allow the City to hire 17 new police officers when 344 positions are filled.

KEY ISSUES, continued

- **Adjustment to emerging crime trends** that develop during the fiscal year, by using evidence-based and community policing approach strategies. As public safety needs change, the demands for innovative policing are critical to meeting the challenges facing Stockton Police Department Patrol Officers. We will leverage the latest information available from local and national resources to develop plans and partnerships necessary to keep the public safe.
- **New funding sources**, such as grants and new federal or state programs, have become increasingly important to the Police Department staffing levels. At the federal level, we are actively seeking funds from the Office of Community Oriented Policing (COPS), Department of Homeland Security, National Institute of Justice, and Department of Justice. At the state level, we continue to rely on funds from Vehicle License Fees (VLF), fines, fees, forfeitures, and other fluctuating revenues. In addition, the Police Department will work with all public safety partners to optimize our funding and reimbursement opportunities through statewide associations like the California Police Chiefs Association and California Emergency Management Agency.
- **Relationships with community partners**, such as other local law enforcement agencies, have become more critical over the past five years of economic downturn. As fewer public safety dollars are available, consolidation of resources is often the key element when applying for new dollars from federal and state programs. Our partnerships include local agencies such as the Women's Center of San Joaquin County; the San Joaquin County District Attorney's Office, including the Victim-Witness Program; and the San Joaquin County Probation Department. The Police Department is also partnered with all other local, state, and federal law enforcement agencies in the county to address crime concerns related to drugs, gangs, domestic violence, elder abuse, and other issues as they arise.



Police Department
2012-13 Proposed Budget

	General Fund Baseline 010	Measure W 081	Asset Forfeiture 023	COPS 024
	<i>See Page E-7</i>	<i>See Page E-9</i>	<i>See Page E-11</i>	<i>See Page E-</i>
Beginning Available Balance			\$ 191,421	\$ 263,614
Revenues				
Grants				400,000
Program Revenue	6,459,349	4,155,000	66,500	
Other Revenue			-	
	6,459,349	4,155,000	66,500	400,000
Expenditures				
Salary & Benefits	76,829,332	3,170,351		547,914
Services & Supplies	16,194,145	658,041	167,670	
Administration Overhead		161,119		
	93,023,477	3,989,511	167,670	547,914
	-			
Transfers				
Transfer In - General Fund				
CHRP and Other Grant Match				
Transfer Out				
	-	-	-	-
Net Annual Activity	\$ (86,564,128)	\$ 165,489	(101,170)	(147,914)
Ending Available Balance			\$ 90,251	\$ 115,700
	-	-	-	-

Police Department, Continued
2012-13 Proposed Budget

	Law Enforcement Block Grants 025	Trusts 645	Police Total
	<i>See Page E-17</i>	<i>See Page E-19</i>	
Beginning Available Balance	\$ 51,452	\$ 638,213	
Revenues			
Grants	7,967,161		\$ 8,367,161
Program Revenue		218,120	10,898,969
Other Revenue	984,000	12,000	996,000
	8,951,161	230,120	20,262,130
Expenditures			
Salary & Benefits	3,404,461		83,952,058
Services & Supplies		187,250	17,207,106
Administration Overhead			161,119
	3,404,461	187,250	101,320,283
Transfers			
Transfer In - General Fund			-
CHRP and Other Grant Match	100,000		100,000
Transfer Out			-
	100,000	-	100,000
Net Annual Activity	5,646,700	42,870	\$ (80,958,153)
Ending Available Balance	\$ 5,698,152	\$ 681,083	
	-	-	-
		Revenues	\$ 20,262,130
		Transfers	100,000
		Total Sources	\$ 20,362,130
		Expenditures	\$ 101,320,283
		Transfers	
		Total Appropriations	\$ 101,320,283
			-

**Police Department
General Fund - 010
2012-13 Proposed Budget**

	FY 2009-2010	FY 2010-2011	FY 2011-2012	FY 2012-13
	Actual	Unaudited Actual	Current Budget	Proposed Baseline
Total Police Department				
Employee Services	\$ 74,435,209	\$ 73,922,472	\$ 68,581,532	\$ 76,829,332
Other Services	10,406,873	11,475,152	13,266,024	14,202,914
Materials and Supplies	1,265,120	1,251,457	1,208,719	1,437,542
Other Expenses	197,496	202,179	249,750	549,689
Capital Outlay	3,800	4,698	-	4,000
Total	<u>\$ 86,308,498</u>	<u>\$ 86,855,958</u>	<u>\$ 83,306,025</u>	<u>\$ 93,023,477</u>
Administration				
Employee Services	4,138,470	4,307,595	4,772,765	5,097,265
Other Services	1,337,596	1,484,862	1,629,405	2,069,679
Materials and Supplies	183,368	171,664	157,956	246,200
Other Expenses	83,258	71,411	110,850	412,989
Total	<u>5,742,692</u>	<u>6,035,532</u>	<u>6,670,976</u>	<u>7,826,133</u>
Field Services				
Employee Services	44,157,409	43,297,158	38,360,785	46,184,829
Other Services	4,159,409	4,597,692	5,017,534	5,024,751
Materials and Supplies	802,847	760,348	778,468	880,356
Other Expenses	134,043	131,235	131,520	126,320
Capital Outlay	3,800	4,698	-	4,000
Total	<u>49,257,508</u>	<u>48,791,131</u>	<u>44,288,307</u>	<u>52,220,256</u>
Investigations				
Employee Services	16,347,429	16,704,859	15,959,075	14,859,371
Other Services	590,562	643,766	947,200	891,637
Materials and Supplies	135,379	155,372	120,407	132,810
Other Expenses	2,946	2,389	3,500	6,500
Total	<u>17,076,316</u>	<u>17,506,386</u>	<u>17,030,182</u>	<u>15,890,318</u>
Support Services				
Employee Services	4,547,214	4,224,979	3,887,277	4,400,372
Other Services	323,385	345,898	381,733	407,807
Materials and Supplies	130,754	145,387	123,887	128,926
Other Expenses	(22,751)	(3,516)	300	300
Total	<u>4,978,602</u>	<u>4,712,748</u>	<u>4,393,197</u>	<u>4,937,405</u>
Telecommunications				
Employee Services	5,244,687	5,387,881	5,601,630	6,287,495
Other Services	3,995,921	4,402,934	5,290,152	5,809,040
Materials and Supplies	12,772	18,686	28,001	49,250
Other Expenses	-	660	3,580	3,580
Total	<u>9,253,380</u>	<u>9,810,161</u>	<u>10,923,363</u>	<u>12,149,365</u>

POLICE DEPARTMENT

POLICE MEASURE W FUND 081

History

- The people of the City approved Measure W on November 2, 2004, which authorized Ordinance No. 038-04 CS that added a new Part to Chapter 8 of the Stockton Municipal Code. This Ordinance provided authorization for an additional one-quarter of one percent transaction and use tax, the proceeds of which shall be used for police and fire protection services and to contract with the State Board of Equalization to perform all functions incident to the administration and operation hereof.

2011-12 Events

- The adopted budget of \$3,964,777 to fund 21 Police Officers was modified to fund 24 Officers as part of the mid-year budget actions related to the fiscal emergency.
- Continued to monitor revenue closely to ensure the fund balance would remain available for further fiscal problems.

2012-13 Proposed Budget Issues and Proposed Changes

- A slight increase in revenue, \$142,800 is budgeted.
- Fund will continue to pay salaries, benefits, equipment and supplies for 21 Police Officer positions.

**Police and Fire Departments
Measure W - 081(a)
2012-13 Proposed Budget**

	FY 2009-2010	FY 2010-2011	FY 2011-2012	FY 2012-13
	Actual	Unaudited Actual	Projected	Proposed Budget
Beginning Available Balance	<u>\$ 225,428</u>	<u>\$ 814,768</u>	<u>\$ 268,505</u>	<u>\$ 565,710</u>
Revenues				
Police				
Measure W Sales Tax	3,825,731	3,937,717	4,078,550	4,155,000
Reimbursements - Workers Comp	69,049	127,155		
Interest	(11,759)	(1,063)		
	<u>3,883,021</u>	<u>4,063,809</u>	<u>4,078,550</u>	<u>4,155,000</u>
Fire				
Measure W Sales Tax	3,825,731	3,937,714	4,078,550	4,155,000
Reimbursements - Workers Comp	69,049	54,420		
Interest	(11,759)	(1,709)		
	<u>3,883,021</u>	<u>3,990,425</u>	<u>4,078,550</u>	<u>4,155,000</u>
	<u>7,766,041</u>	<u>8,054,234</u>	<u>8,157,100</u>	<u>8,310,000</u>
Expenditures				
Police				
Salary & Benefits	2,841,853	3,684,294	3,420,756	3,170,351
Services & Supplies	480,614	575,936	592,410	658,041
Administration Overhead	127,357	134,582	150,381	161,119
	<u>3,449,824</u>	<u>4,394,812</u>	<u>4,163,547</u>	<u>3,989,511</u>
Fire				
Salary & Benefits	3,541,657	3,993,639	3,480,576	3,764,404
Services & Supplies	51,008	67,324	68,441	76,646
Administration Overhead	134,212	144,722	147,331	176,447
	<u>3,726,877</u>	<u>4,205,685</u>	<u>3,696,348</u>	<u>4,017,497</u>
	<u>7,176,701</u>	<u>8,600,497</u>	<u>7,859,895</u>	<u>8,007,008</u>
Transfers				
Transfer In				
Transfer Out				
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Annual Activity				
Police	433,197	(331,003)	(84,997)	165,489
Fire	156,144	(215,260)	382,202	137,503
	<u>589,340</u>	<u>(546,263)</u>	<u>297,205</u>	<u>302,992</u>
Ending Available Balance	<u>\$ 814,768</u>	<u>\$ 268,505</u>	<u>\$ 565,710</u>	<u>\$ 868,702</u>
Available Balance Calculation				
Current assets		\$ 275,365		
Current liabilities		(6,866)		
Ending Available Balance		<u>268,499</u>		

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

POLICE DEPARTMENT

POLICE ASSET SEIZURE FUND 023

History

Asset seizure accounts were established 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 are properties from cases adjudicated by the San Joaquin County District Attorney's Office. The other two sources are from cases adjudicated by the Federal government. Each agency allocates a share of the proceeds from their case to the City. This money is restricted by State and Federal law for expenditures that enhance law enforcement and drug/crime prevention. It cannot be used to supplant existing General Fund programs or operations.
- To comply with state and federal asset seizure laws, the Police Department established the following priority and program expenditures for asset forfeiture proceeds.
 - Purchase of Vice/Narco Unit and SWAT Team special surveillance and safety equipment, and their related services and supplies.
 - Purchase of Explosive Ordnance Detail specialized equipment unique to this unit that does not depend on internal service fund support for replacement.
 - Purchase of Firearms Training System equipment for computer training program scenarios, equipment, and accessories used to train sworn staff in use-of-force decision making to improve officer and citizen safety and reduce liability to the City.

2011-12 Events

- The adopted budget of \$361,500 was increased to \$427,304 in order to allocate fund balance to the purchase of a new armored vehicle for Police SWAT Operations.
- Revenues dropped due to a decrease in seized property.
- Funds matched a Cal Emergency Management Agency Violence Against Women Act (Cal EMA VAWA) grant.

2012-13 Proposed Budget Issues and Proposed Changes

- Revenue estimates continue to drop.
- Normal levels of safety equipment and supply purchases are planned.

**Police Department
Asset Forfeiture - 023
2012-13 Proposed Budget**

	FY 2009-2010	FY 2010-2011	FY 2011-2012	FY 2012-13
	Actual	Unaudited Actual	Projected	Proposed Budget
Beginning Available Balance	\$ 569,358	\$ 592,181	\$ 628,385	\$ 191,421
Revenues				
Interest	22,823	12,227	10,000	
State/local seizures	85,426	54,440	40,000	34,000
FED DOJ seizures	39,500	66,824		27,000
FED Tres seizures	1,140	18,219		5,500
	148,889	151,710	50,000	66,500
Expenditures				
State/local seizures	85,426	77,317	195,000	122,500
FED DOJ seizures	39,500	31,714	188,533	40,170
FED Tres seizures	1,140	6,475	43,771	5,000
	126,066	115,506	427,304	167,670
Transfers				
Transfer In				
Transfer Out - F 025			(59,660)	
	-	-	(59,660)	-
Net Annual Activity	22,823	36,204	(436,964)	(101,170)
Ending Available Balance	\$ 592,181	\$ 628,385	\$ 191,421	\$ 90,251
Available Balance Calculation				
Cash and interest receivable		\$ 634,924		
Vouchers payable		(6,539)		
Ending Available Balance		\$ 628,385		

POLICE DEPARTMENT

POLICE STATE COPS FUND 024

History

- The Citizens Options for Public Safety COPS fund was established by the State of California to assist in funding front line law enforcement activities.
- State funding mechanisms have changed over the past few fiscal years from annual general budget appropriations, to VLF funding of COPS Grant funding. For cities the statewide impact eliminated general VLF funding and supplemented state funded COPS grant funding with VLF revenues previously received by cities' general funds. Money lost to Cities went to Counties as part of the service realignment. For FY 12/13 State COPS funds continue to be included in the Governor's Realignment proposal.
- Most past expenditures were for equipment and programs not funded by the General Fund.
- Beginning in FY 9/10 the Police Department began funding Community Service Officers with State COPS funds to avoid Police Officer layoffs.

2011-12 Events

- The adopted budget of \$240,000 increased to \$474,172 upon approval of the State Budget as a result of an overall shift in VLF funding from cities with an offsetting increase to direct Police funding described above.
- Shifted 2 additional Community Service Officers to this account as a result of the increased funding.
- Management of the State COPS fund shifted to California Department of Corrections and Rehabilitation, Local Law Enforcement Services Account (CDCR - LLESA).

2012-13 Proposed Budget Issues and Proposed Changes

- Decrease in revenue of \$74,000 anticipated from State due to decrease in VLF funds available.
- Fund will continue pay salaries and benefits for six Community Service Officers.

**Police Department
COPS - 024
2012-13 Proposed Budget**

	FY 2009-2010	FY 2010-2011	FY 2011-2012	FY 2012-13
	Actual	Unaudited Actual	Projected	Proposed Budget
Beginning Available Balance	\$ 63,930	\$ 64,195	\$ 15,540	\$ 263,614
Revenues				
State COPS Grant	427,906	207,000	698,237	400,000
Interest	(3,171)	6,234		
Reimbursements	3,436			
	428,171	213,234	698,237	400,000
Expenditures				
State COPS Grant	427,906	261,889	450,163	547,914
	427,906	261,889	450,163	547,914
Transfers				
Transfer In				
Transfer Out				
	-	-	-	-
Net Annual Activity	265	(48,655)	248,074	(147,914)
Ending Available Balance	\$ 64,195	\$ 15,540	\$ 263,614	\$ 115,700
Available Balance Calculation				
Cash and interest receivable		\$ 125,741		
Due from Other Governments		113,864		
Due to Other Governments		(224,065)		
Ending Available Balance		\$ 15,540		

POLICE DEPARTMENT

SPECIAL REVENUE GRANT FUND 025

History

- This fund maintains and finances Police Department special revenues including Federal and State Grants and Supplemental Police Services activities.
- Recently created, this fund is intended to provide accountability for additional sources of revenue to fund Police Department operations.

2011-12 Events

- New State grants awarded include:
 - California Emergency Management Agency's (CalEMA) Violence Against Women Act (VAWA)– funding for one Domestic Violence Investigator, 53% of a Community Service Officer and a contract with Women's Center of San Joaquin for Victim Witness services.
 - CalEMA Project Safe Neighborhood (PSN) – gang and gun violence suppression funding for one Police Officer.
 - Byrne Memorial Justice Assistance – joint funding with San Joaquin County for creation of a Firearms Reduction Consortium, including upgrades for the Integrated Ballistics Identification System (IBIS), a new Firearms Examiner position, training, and overtime for Police, Sheriff, and Probation to conduct firearms missions.
 - Alcohol Beverage Control (ABC) – overtime funding to educate ABC licensees on how to reduce alcohol related crimes, enforcement missions, and media outreach.
 - Department of Boating and Waterways Abandoned Watercraft – funded removal and disposal of sunken boats and vehicles from Stockton waterways.
 - Office of Traffic Safety's AVOID, DUI Enforcement, and Click It or Ticket – funded various overtime missions to improve traffic safety.
- Federal COPS Office Methamphetamine and Technology grants completed during the year funding overtime for drug enforcement missions and the completion of the new Telecommunications Center on the fourth floor of the Stewart Eberhardt Building, respectively.
- Federal ARRA COPS Hiring Program – third and final year funding 20 Police Officers. Due to compensation reductions, a small portion of the grant will carry over into 2012-13 and a grant extension has been granted to complete final bookkeeping. The 20 officers funded with this grant must be retained during 2012-13 in the Police Department's General Fund Budget.
- Police Supplemental Services Contracts provide businesses and organizations with the opportunity to pay for enhanced Police Services. During 2011-12 an estimated \$100,000 and seven organizations participated in this program.

2012-13 Proposed Budget Issues and Proposed Changes

- Two grants previously held in the 020 Fund – CRACNET and Housing Authority – are included in this fund beginning Fiscal Year 2012-13, completing the transition process for this fund to house all grants and contracts for the Police Department.
- The Federal COPS Hiring Grant for 17 entry-level Police Officers is budgeted to begin this year. Once the Police Department reaches 344 filled positions, it will begin filling the additional 17 to bring the total authorized and filled strength to 361.
- Police Service Contracts for full-time officers budgeted for 2012-13 include:
 - Lodi Unified School District

POLICE DEPARTMENT

- Lincoln Unified School District
 - Housing Authority of San Joaquin County
 - San Joaquin Regional Transit District
- Police Supplemental Service Contracts for part time assistance include:
 - Stockton Ports – Thursday, Friday, Saturday Home games
 - Downtown Alliance – Bike Patrol
 - High School Football – Bear Creek, Lincoln, Lodi, and McNair

Police Department
Special Revenue Grant Funds - 025
2012-13 Proposed Budget

	FY 2009-2010	FY 2010-2011	FY 2011-2012	FY 2012-13
	Actual	Unaudited Actual	Projected	Proposed Budget
Beginning Available Balance	\$ 3,440	\$ 31,508	\$ 57,036	\$ 51,452
Revenues				
Federal and State Grants	4,789,269	3,738,697	5,168,521	7,967,161
Contract Reimbursements	672,141	6,357	309,814	984,000
Reimbursements	28,070	25,515		
	5,489,480	3,770,569	5,478,335	8,951,161
Expenditures				
Fed ARRA COPS CHRP/CHP Grant	2,449,134	2,422,592	3,227,727	2,270,461
Fed JAG 2007-08 - <i>Peacekeeper</i>	148,885			
Fed JAG 2008-09	34,118			
Fed ARRA JAG (1-time) Grant	1,112,347	28,580		
Fed ARRA JAG 2009 - <i>Peacekeeper</i>	140,012	104,485		
Fed JAG 2009 Grant (<i>PD & PK</i>)	400,639	23,571	253,249	
Fed JAG 2010 Grant		210,000	142,760	
Fed JAG 2011 & 2012			467,765	
Fed COPS METH Grant	85,859	33,279	130,863	
Fed OES Cat Preparedness Grant		12,605	32,202	
Fed Cracnet Anti-Drug				150,000
State Cal EMA Sexual Assault Grant	183,176	148,848	238,637	
State OTS DUI Grant	231,507	101,980		
State OTS Sobriety Check Point Grant	40,712	17,568		
State Cal EMA Cal GRIP (<i>PD & PK</i>)	188,012	199,582		
State Cal GRIP - <i>Peacekeeper</i>	25,917	27,078		
State Cal EMA Safe Neighborhood			132,550	
State OTS AVOID the 10 Grant		140,608	250,456	
State OTS DUI EAP Grant		193,214	206,546	
State OTS Click It of Ticket Grant		10,165	6,576	
State VAWA Grant		111,886	184,754	
Pet Smart Grant	6,900	19,915		
Contract Reimbursements	672,141	6,357	309,814	984,000
ABC Grant			70,000	
DBAW Abandoned Watercraft			26,350	
	5,719,359	3,812,313	5,680,249	3,404,461
Transfers				
Transfer In - General Fund Match			104,000	100,000
JAG Match	148,885			
CHRP Match	63,293			
Cal EMA SAG Match	45,769	37,237		
DBAW Abandoned Watercraft			2,635	
VAWA Match		30,035	89,695	
	257,947	67,272	196,330	100,000
Net Annual Activity	28,068	25,528	(5,584)	5,646,700
Ending Available Balance	\$ 31,508	\$ 57,036	\$ 51,452	\$ 5,698,152
Available Balance Calculation				
Cash and interest receivable		\$ (434,551)		
Due from Other Governments		580,159		
Accounts Payable		(15,387)		
Deferred Revenue		(73,185)		
Ending Available Balance		\$ 57,036		

POLICE DEPARTMENT

POLICE SPECIAL REVENUE FUND 645

History

- The Police Department maintains a variety of special revenue programs in this fund. These programs have historically provided accounting and management support for programs which are specific to the funding sources but do not require the same level of oversight as a grant or contract.
- Funds for these accounts are provided as donations or special purpose money from programs.
- The Geraldine Schmidt Trust was established to provide a direct benefit to the Stockton Animal Shelter and has an estimated balance of \$434,000.

2011-12 Events

- Donations to the Cadet program, miscellaneous equipment and Community Events were down from previous years.
- As the Pet Overpopulation Program entered the fourth year of operations it appears to maintain a steady amount of income for managing the overpopulation programs.
- There were no additional donations into the Schmidt Shelter Trust, which was established to benefit the Animal Shelter. The program continues to accrue interest.

2012-13 Proposed Budget Issues and Proposed Changes

- There are no changes being proposed to the accounts in this fund.
- The Geraldine Schmidt Trust will continue to be held in reserve while a long-term plan is developed for the overall Shelter Replacement.

**Police Department
Police Trusts - 645
2012-13 Proposed Budget**

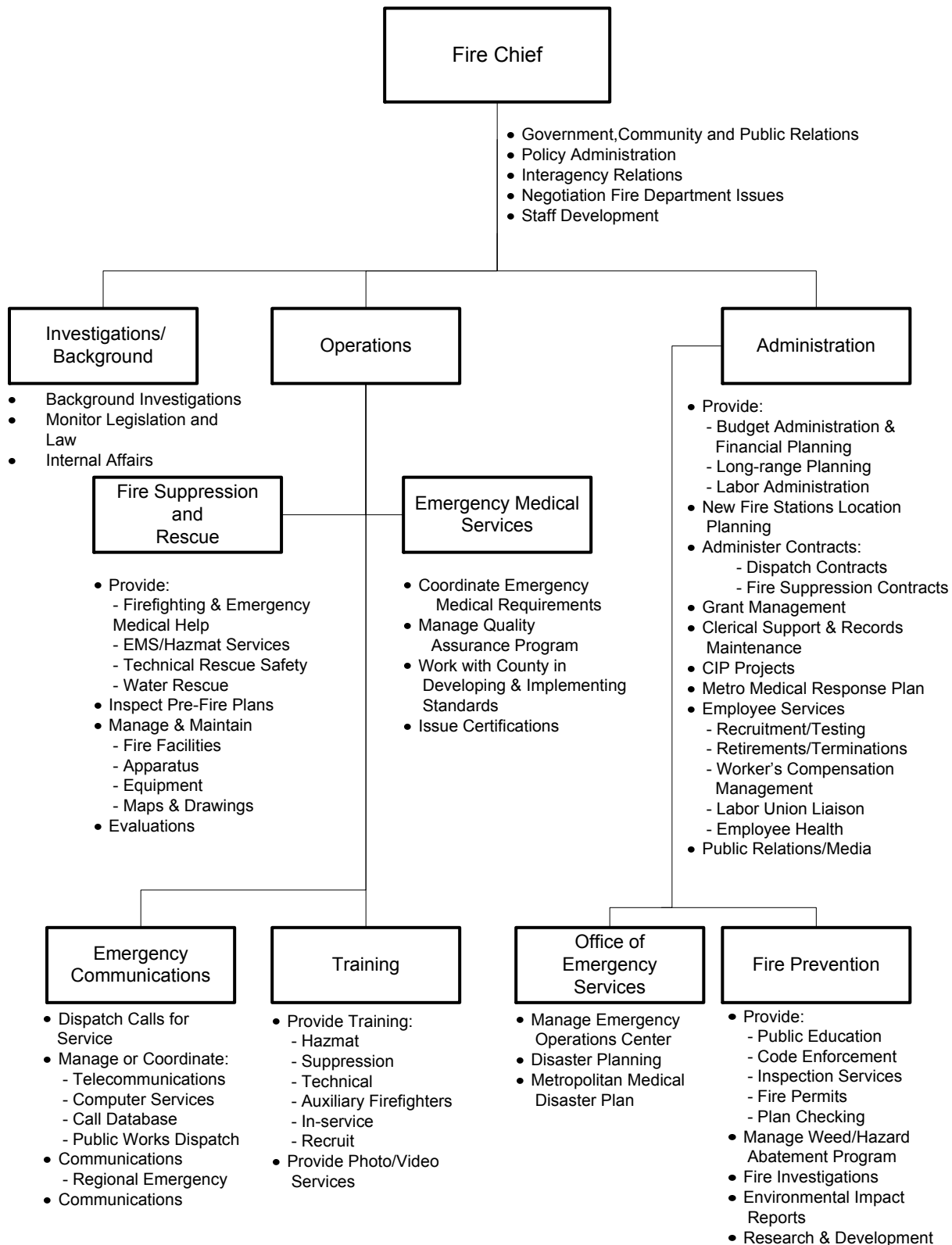
	FY 2009-2010	FY 2010-2011	FY 2011-2012	FY 2012-13
	Actual	Unaudited Actual	Projected	Proposed Budget
Beginning Available Balance	\$ 330,824	\$ 544,630	\$ 557,773	\$ 638,213
Revenues				
Interest	6,484	(14,165)		1,000
Animal Pound Trust	187,647	26,316	9,000	6,000
Pet Overpopulation Program	248,986	196,536	203,940	212,120
Other Revenue	1,000		4,000	11,000
	444,117	208,687	216,940	230,120
Expenditures				
Pet Overpopulation Program	230,073	195,544	135,000	175,250
Miscellaneous Expense	238		1,500	12,000
	230,311	195,544	136,500	187,250
Transfers				
Transfer In				
Transfer Out				
	-	-	-	-
Net Annual Activity	213,806	13,143	80,440	42,870
Ending Available Balance	\$ 544,630	\$ 557,773	\$ 638,213	\$ 681,083
Available Balance Calculation				
Cash		\$ 558,643		
Interest Receivable				
Accounts Receivable		3,267		
Vouchers Payable		(4,137)		
Ending Available Balance		\$ 557,773		



TAB

Fire

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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 suppression and rescue activities.

Budget at a Glance – Baseline:

Total Expenditures	\$46,333,121
Total Revenues	\$10,069,124
Total Net Cost	\$36,263,997
Total Staff	205

DEPARTMENTAL DESCRIPTION

The Fire Department is responsible for fire protection and related services including emergency medical services in the city of Stockton as well as four bordering county fire districts that contract for our services: Boggs Tract, Eastside, Lincoln and Tuxedo-Country Club.

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

The Administrative Division provides overall policy direction and management support for the department.

The Suppression Division is responsible for emergency and non-emergency services to the community that, in addition to fire suppression and EMS responses include: mitigation of hazardous materials incidents, technical rescue / Urban Search and Rescue (USAR), water / dive rescue, routine fire prevention inspections, and arson investigations.

The Fire Prevention Division provides code enforcement, fire safety education, fire prevention inspections, and technical services such as plan checking and managing fire code operational permits to safe guard the lives, welfare, and economy of the community.

The Training Division maintains technical and operational proficiency in the suppression division through ongoing prescriptive training that ensures compliance with all statutory mandates and adjusts its programs to assure the department adapts to a constantly changing work environment.

The Emergency Communications Division processes fire and emergency medical calls to dispatch fire department resources for the Stockton area and the City of Manteca.

The Stockton Fire Department responded to more than 39,000 incidents in 2011 including 414 structure fires, 211 vehicle fires, 2,030 fire alarms, 2,027 vehicle accidents, and 30,506 medical emergencies. The Fire Prevention Division handles more than 3,000 annual operational permits. The Emergency Communications Division processes more than 165 calls for service each day and also provides after hours dispatch coverage for the Public Works Department.

KEY ISSUES

The Fire Department has been greatly impacted in past years by the reduction in discretionary City General Fund revenues. General Fund support for fire protection services decreased by 32% or \$18.89 million from the adopted budget in FY2008-09. Staff decreased by 34% from 310 total positions. Truck Company No. 4 and Engine Company No. 1 were closed. Daily staffing for truck companies have been reduced from 5 per truck to 4 and engine companies from 4 per engine to 3. These budget reductions decreased fire protection and emergency

FIRE DEPARTMENT

services available to the community by increasing response times and limiting resources at major incidents. However, these reductions produced significant scorings without significantly reducing service effectiveness.

The department continues to experience turnover in key positions. Skills, expertise, and institutional knowledge were lost due to turnover in the department's management and leadership. The hiring process, staff training and development, require at least a year to complete. Loss of qualified, experienced personnel increases costs as new recruits some up to speed and reduce efficiency in operations.

Deferred maintenance requirements increase each year as fire houses and equipment become older or obsolete. The department spends its appropriation for facility and equipment minor repairs. Lack of adequate funding for maintenance will have an increasing impact on operations.

The Fire Department urgently needs to replace eight of its sixteen fire pumpers as they are beyond the twenty year useful life of these vehicles. Necessary replacement of fire vehicles has been delayed due to the City's current financial situation. The lease financing arrangement for the acquisition of four units planned over the 2011-13 two-year period was delayed by the lessor as it reviews its financial risk while the City is in the AB 506 mediation process. Until funding issues are resolved old pumpers will stay in service. This will result in increasing repair costs. The fleet's existing condition limits the Stockton Fire Department's participation in State-Wide mutual aid programs and influences tactical decisions relating to daily fire and rescue operations.

Fire Prevention Division's systems are being streamlined and recent changes have reduced underlying costs. This will lead to a review of the Department's fee related revenues. A comprehensive review of the Fire Prevention Division and its inspection program has been started.

Operational levels remain unchanged in Fiscal 12-13. Twelve engine companies and three truck companies will remain open and will continue to provide fire and emergency services to the community. Funding for the Fire Department will maintain staffing levels at 3 personnel for engines and 4 personnel on truck companies. The decline in the economy that has resulted in major losses in General Fund revenues has significantly reduced the level of fire protection and emergency services it can afford to provide to the Stockton community.

**Fire Department
2012-13 Proposed Budget**

	General Fund Baseline 010 048	Development Services	Measure W 081	Special Revenue 646	Fire Total
	<i>See Page F-6</i>	<i>See Page F-8</i>	<i>See Page F-10</i>	<i>See Page F-13</i>	
Beginning Available Balance				\$ 131,792	
Revenues					
Program Revenue	\$ 4,255,329	\$ 1,623,295	4,155,000	14,000	\$ 10,047,624
Donations				1,500	1,500
Other Revenue				20,000	20,000
	4,255,329	1,623,295	4,155,000	35,500	10,069,124
Expenditures					
Salary & Benefits (a)	34,217,683	1,696,136	\$ 3,764,404		39,678,223
Services & Supplies	6,311,903	15,471	76,646	74,431	6,478,451
Administration Overhead			176,447		176,447
	40,529,586	1,711,607	4,017,497	74,431	46,333,121
Transfers					
Transfer In					-
Transfer Out					-
	-	-	-	-	-
Net Annual Activity	\$ (36,274,257)	\$ (88,312)	\$ 137,503	(38,931)	\$ (36,263,997)
Ending Available Balance				\$ 92,861	
	-	-	-	-	-
				Revenues	\$ 10,069,124
				Transfers	
				Total Sources	\$ 10,069,124
				Expenditures	\$ 46,333,121
				Transfers	
				Total Appropriations	\$ 46,333,121
					-

**Fire Department
General Fund - 010
2012-13 Proposed Budget**

	FY 2009-2010	FY 2010-2011	FY 2011-2012	FY 2012-13
	Actual	Unaudited Actual	Current Budget	Baseline
Total Fire Department				
Employee Services	\$ 42,325,548	\$ 41,615,013	\$ 35,228,975	\$ 34,217,683
Other Services	4,547,168	3,729,062	4,376,659	4,145,757
Materials and Supplies	605,964	641,104	771,134	764,562
Other Expenses	21,982	1,633,673	53,100	1,401,584
Capital Outlay			18,000	
Total	<u>\$ 47,500,662</u>	<u>\$ 47,618,852</u>	<u>\$ 40,447,868</u>	<u>\$ 40,529,586</u>
Administration				
Employee Services	1,886,417	1,932,867	2,208,634	1,876,695
Other Services	386,855	438,230	643,994	453,576
Materials and Supplies	16,798	18,757	18,922	18,717
Other Expenses	2,405	1,611,276	9,810	1,359,769
Total	<u>2,292,475</u>	<u>4,001,130</u>	<u>2,881,360</u>	<u>3,708,757</u>
Fire Suppression				
Employee Services	37,794,519	37,224,980	30,511,991	29,974,162
Other Services	2,385,812	2,520,609	2,993,250	3,073,417
Materials and Supplies	568,661	606,412	701,021	701,020
Other Expenses	(1,098)	(200)		
Capital Outlay			18,000	
Total	<u>40,747,894</u>	<u>40,351,801</u>	<u>34,224,262</u>	<u>33,748,599</u>
Training/Emergency Services				
Employee Services	663,621	449,769	655,032	441,520
Other Services	77,191	82,076	104,089	122,273
Materials and Supplies	7,506	12,646	21,396	22,625
Other Expenses	20,595	21,868	41,465	40,365
Total	<u>768,913</u>	<u>566,359</u>	<u>821,982</u>	<u>626,783</u>
Dispatch				
Employee Services	1,980,991	2,007,397	1,853,318	1,925,306
Other Services	1,697,310	688,147	635,326	496,491
Materials and Supplies	12,999	3,289	29,795	22,200
Other Expenses	80	729	1,825	1,450
Total	<u>3,691,380</u>	<u>2,699,562</u>	<u>2,520,264</u>	<u>2,445,447</u>

FIRE DEPARTMENT

DEVELOPMENT SERVICES FUND FIRE PREVENTION (048)

History

- Fire Prevention Division inspects various operations, industrial and commercial buildings, and multi-family dwellings for California Fire Code compliance and life safety.
- Customers are charged various fees for fire prevention inspections and technical services such as plan checking and managing fire code operational permits.
- Fees collected from services finance the operations of the Division.
- Actual revenues went down in FY2010-11 by 12% \$225,189 from FY2009-10 and are projected to go down more in FY2011-12 as a result of the decline in development activities in Stockton specifically the housing market as a result of the economic crisis.
- Three years of historical balances and activity are attached.

2011-12 Events

- Completed the study and evaluation of the division's operations by an outside consultant. The information gathered by the consultant will be used as a tool to evaluate the current organizational structure and fee structure.
- Revised the Fireworks Ordinance to better define which organizations qualify to participate in the Safe and Sane Fireworks Program and to administer the program more smoothly. This revision increased the program's administrative and enforcement fees to serve as a deterrent to violating the ordinance and to keep the program financially neutral.
- Outstanding receivables over 90 days amount to approximately \$450,000 as of May 7, 2012. It has been very challenging for Admin Services Department to collect fees from customers due to weak past practices. Fire Prevention is working closely with Administrative Services to improve their collection efforts to reduce the current level of outstanding receivables. Fire Prevention staff are assisting with the collection of the more current receivables (less than 90 days) and are making phone calls to businesses. Outstanding receivables that are less than 90 days amount to approximately \$182,000.
- The overall budget projection reflects a shortfall of approximately (\$57,000) at the end of the current fiscal year.

2012-13 Budget Issues and Proposed Changes

- The division's fee structure is currently undergoing evaluation to determine if appropriate fees are charged for services. The department is also looking at the possibility of restructuring the division to reduce operating costs.
- Revenue projections for FY2012-13 are based on the current fee structure. Staff anticipates slightly improved collection efforts on outstanding receivables for the upcoming fiscal year. Revenues are therefore projected to slightly increase by 4% or approximately \$65,000 next fiscal year from FY2011-12.
 - Both FY2011-12 and FY2012-13 revenue projections reflect a drop in revenues from FY2010-11 actual revenues.

**Fire Department
Development Services - 048 (a)
2012-13 Proposed Budget**

	FY 2009-2010	FY 2010-2011	FY 2011-2012	FY 2012-13
	Actual	Unaudited Actual	Projected	Proposed Budget
Revenues				
Fire Prevention				
User Fees	\$ 1,799,178	\$ 1,565,099	\$ 1,479,725	\$ 1,535,712
Safe & Sane Fireworks Program	23,540	29,282	26,750	27,583
Fines & Penalties	40,226	82,784	51,206	60,000
	<u>1,862,944</u>	<u>1,677,165</u>	<u>1,557,681</u>	<u>1,623,295</u>
Expenditures				
Fire Prevention				
Fire Prevention	1,586,937	1,634,020	1,570,232	1,696,136
Fire Public Education	16,997	18,814	21,649	-
Safe & Sane Fireworks Program	6,524	26,113	22,562	15,471
	<u>1,610,458</u>	<u>1,678,947</u>	<u>1,614,443</u>	<u>1,711,607</u>
Transfers				
Transfer In				
Transfer Out				
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Annual Activity	<u>\$ 252,486</u>	<u>\$ (1,782)</u>	<u>\$ (56,762)</u>	<u>\$ (88,312)</u>

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

FIRE DEPARTMENT

MEASURE W FUND (081)

History

- Measure W funds provide increased fire protection and emergency medical services in the City of Stockton.
- Funds are collected from proceeds of the one-quarter percent sales tax approved by the voters of Stockton in November 2004.
- The Fire Department receives 50% of the Measure W tax proceeds. Funds are used mainly to provide staffing at Fire Station No. 13 (Northeast Stockton), Truck Company 3 (Southeast Stockton) and Truck Company 7 (Hammer Lane).
- The average annual revenue for fire protection services amounted to \$3.97 million for the past three years. This revenue provided funding for an average of 20 to 23 firefighter positions for the past three-year period.
- Three years of historical balances and activity are attached.

2011-12 Events

- Employee costs decreased in FY2011-12 as a result of labor concessions. Savings generated from these concessions allowed funding for two additional firefighter positions in the Measure W Fund thereby increasing the total number of positions from 20 to 22.
- The State Board of Equalization (BOE) notified the City of Stockton of a revision of the FY2011-12 Administrative Cost Assessment for the Public Safety Transactions and Use Tax. The assessment went down by approximately 11% or \$20,300 from the original adopted budget. Net budget savings on assessments for Fire Department amounts to \$10,150.
- The overall budget projection reflects a surplus of approximately \$382,000 at the end of the current fiscal year for the Fire Department.

2012-13 Budget Issues and Proposed Changes

- FY2012-13 Measure W sales tax revenues are projected to be approximately 4% higher than the past three year's annual average.
- Full-time Employee Costs
 - New retirement expenditure items were added, Retiree Health Insurance and Retirement Pension Bond, increasing Fire employee costs by approximately \$284,000.
 - Measure W Fund will continue to provide funding for 22 firefighter positions.
- ISF Rental Rates and Fuel
 - Funding is also provided for automotive equipment and fuel used by the firefighters to provide fire protection services. ISF rental on automotive equipment increased by approximately 15% or \$10,189.
- Costs for Other Services
 - The State BOE charges a quarterly administration fee for services associated with 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 by the BOE.
 - Costs for the above mentioned services are projected to go down by 10.5% or (\$10,200).

**Fire Department
Measure W - 081 (a)
2012-13 Proposed Budget**

	FY 2009-2010	FY 2010-2011	FY 2011-2012	FY 2012-13
	Actual	Unaudited Actual	Projected	Proposed Budget
Revenues				
Measure W Sales Tax	3,825,731	3,937,714	4,078,550	4,155,000
Reimbursements - Workers Comp	85,026	54,420		
Interest	(15,468)	(1,709)		
	3,895,289	3,990,425	4,078,550	4,155,000
Expenditures				
Salary & Benefits	\$ 3,541,657	\$ 3,993,639	\$ 3,480,576	\$ 3,764,404
Services & Supplies	51,008	67,327	68,441	76,646
Administration Overhead	134,212	144,722	147,331	176,447
	3,726,877	4,205,688	3,696,348	4,017,497
Transfers				
Transfer In				
Transfer Out				
	-	-	-	-
Net Annual Activity	\$ 168,412	\$ (215,263)	\$ 382,202	\$ 137,503

(a) The total Measure W Fund - 081 is presented with the Police Department budget

FIRE DEPARTMENT

SPECIAL REVENUE FUND (646)

History

- Fire Department receives donations and conducts special programs and activities to provide funding for materials, supplies, equipment and training expenses that are not funded in its operating account.
 - Paramedic (646-0222) – Provides funds through field training fees to buy paramedic related materials and to provide paramedic training for staff.
 - Hazardous Materials (646-0223) – Provides funds through class fees to buy unbudgeted materials and training for response to hazardous materials incidents.
 - Water Rescue (646-0224) – Provides funds through fees and donations to buy unbudgeted water rescue equipment, supplies and to provide training for staff.
 - Fire Clothing (646-0227) – Provides funds through proceeds from clothing sales to buy clothing items with Stockton Fire Department emblem.
 - Fire Heavy Rescue (646-0228) – Provides funds through fees from Technical Rescue Training classes to buy unbudgeted rescue equipment, supplies and to provide training for staff.
 - Fire Training (646-0229) – Provides funds through donations and academy fees to support the Stockton Fire Department's training program.
 - Public Education (646-0230) - Provides funds through donations to promote fire safety awareness throughout the community.
 - Arson Investigation (646-0291) - Provides funds through donations to improve arson investigation capabilities.
 - Fire Prevention (646-0294) - Provides funds through donations to support hazardous materials safety awareness in the community.
 - Emergency Preparedness (646-0297) - Provides funds through donations to support the City's Emergency Preparedness programs and public awareness.
- Fire Department's Special Revenue funds maintained an average overall annual balance of \$120,000 over the past three years.
- Three years of historical balances and activity are attached.

2011-12 Events

- Only three special fund programs, Heavy Rescue, Fire Training, and Fire Prevention, had activities during the current fiscal year.
- The overall budget projection reflects a surplus of \$8,315 at the end of the fiscal with an ending balance of \$131,800.

2012-13 Budget Summary

- There are no issues and major changes in the proposed budget.
- As a result of the department's staff re-assignments, the proposed budget anticipates increased program activities in the three special fund programs: Heavy Rescue, Fire Training, and Fire Prevention.
- The sum of the total revenue and approximately one-third of the estimated beginning balance is being requested for appropriation to ensure a gradual drawdown of funds available in Fire's Special Revenue Fund.
- Funds are mostly appropriated for materials and supplies and training expenditures.

FIRE DEPARTMENT

- Full-time Employee Costs
 - New retirement expenditure items, Retiree Health Insurance and Retirement Pension Bond, were added to the proposed budget in the amount of approximately \$138,000.
 - Employee separation pay increased by 122% or \$14,298.
 - The labor allocation of one (1) Office Assistant II in Fire Prevention account was corrected and transferred to Fire Administration.
 - Overall payroll costs went down by approximately 20% or \$309,000 mainly due to the reduction in employee medical and retirement benefit costs.
- ISF Rental Rates and Fuel
 - Combined rental rates and fuel increased by 29% or approximately \$37,000.
- Costs for Other Services
 - The proposed budget provides additional funding of \$22,620 for contractual clerical support staff.
 - These contractual staff costs are offset by the savings generated from the reduction of one full-time clerical support staff in the division.
- Annual Activity and Ending Balance
 - Projected revenues are sufficient to cover the division's basic operating expenditures.
 - The projected revenues, however, cannot provide funding for the new retirement expenditure items in the amount of \$138,000 that were recently added to the division's proposed budget. These new costs will result to a revenue shortfall in the division in the amount of (\$88,000) in FY2012-13.

**Fire Department
Special Revenue - 646
2012-13 Proposed Budget**

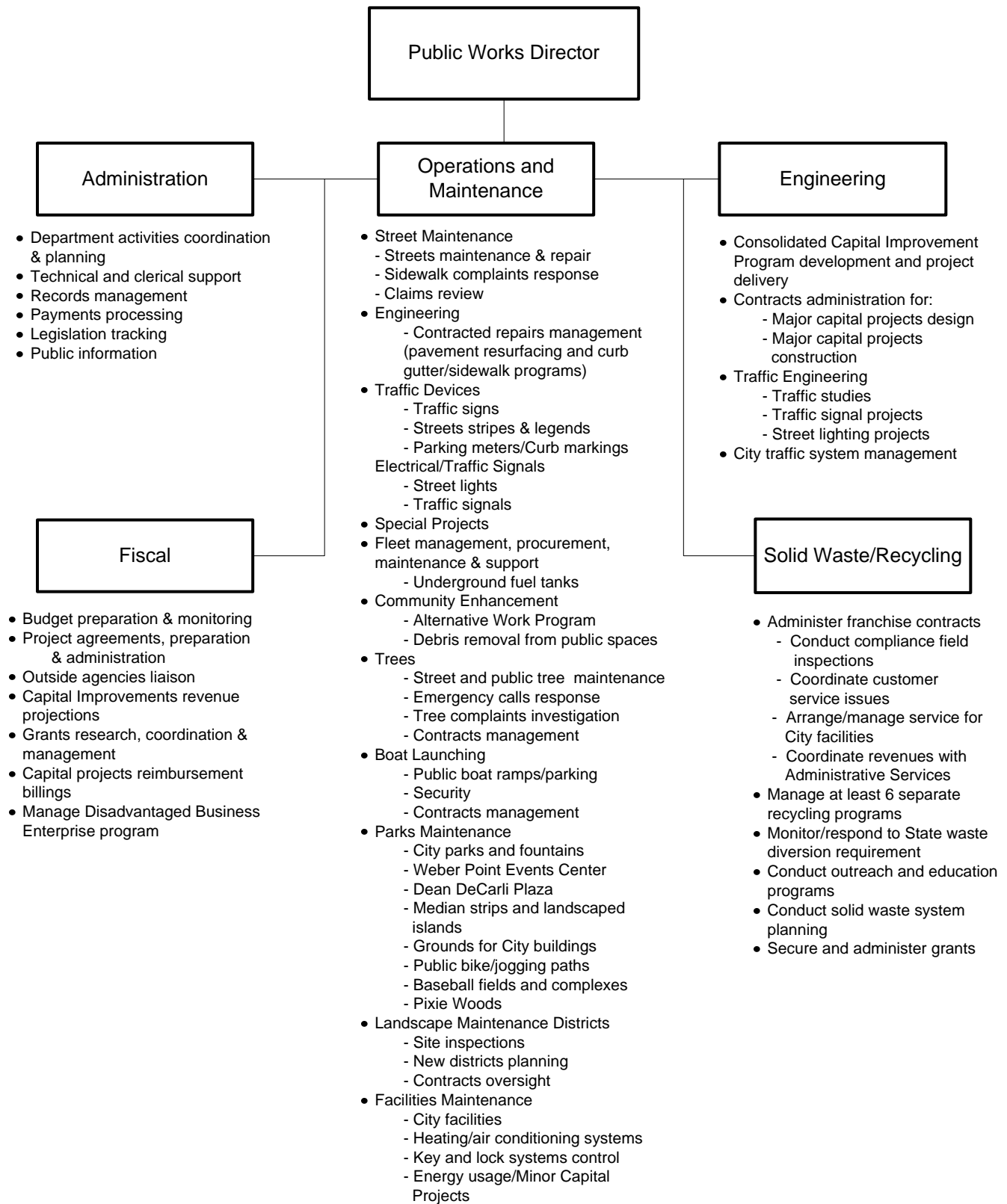
	FY 2009-2010	FY 2010-2011	FY 2011-2012	FY 2012-13
	Actual	Unaudited Actual	Projected	Proposed Budget
Beginning Available Balance	\$ 118,187	\$ 122,312	\$ 123,477	\$ 131,792
Revenues				
Program Revenue	63,696	2,805	7,037	14,000
Donations	104,571	101,500	1,001	1,500
Other Revenue	14,770	24,467	27,145	20,000
	183,037	128,772	35,183	35,500
Expenditures				
Program Expenses	78,912	27,607	26,868	74,431
	78,912	27,607	26,868	74,431
Transfers				
Transfer In				
Transfer Out - Grant Fund - 020	(100,000)	(100,000)		
	(100,000)	(100,000)	-	-
Net Annual Activity	4,125	1,165	8,315	(38,931)
Ending Available Balance	\$ 122,312	\$ 123,477	\$ 131,792	\$ 92,861
Available Balance Calculation				
Current assets				
Current liabilities				
Ending Available Balance		\$ -		



TAB

Public Works

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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 – Baseline:

Total Expenditures	\$41,743,013
Total Revenues	\$33,436,216
Total Net Cost	\$8,306,797
Total Staff	164

DEPARTMENTAL DESCRIPTION

Public Works is located in two different facilities. Operations and Maintenance, located at the Municipal Service Center, is responsible for maintaining the transportation system, Parks (including Landscape Maintenance Districts), Trees, Facilities, City Fleet, and Boat Launching Facilities. Remaining functions consisting of Engineering, Capital Program Management, Solid Waste and Recycling, and Administration are housed in the Stewart-Eberhardt Building.

The Budget at a Glance consists mainly of restricted funding sources augmented by General Fund monies. The General Fund is now used exclusively for Parks, Trees, and Facilities. This pays for 1) maintenance, minor repairs, and capital replacements for 800,000 square feet of City buildings at 60 sites, including janitorial, roof maintenance, HVAC, plumbing, carpentry, and key/alarm control services, 2) contracted maintenance services at 50 parks, including janitorial, landscape and irrigation work, median maintenance and weed control, 3) responsibility for over 125,000 trees along streets and in parks, with services limited to safety trimming and emergency response using a combination of City and contracted personnel, and 4) management, fiscal, and administrative support.

Transportation operations are funded by State Gas Tax and Measure K Maintenance. Responsibilities include maintaining and replacing 763 miles of pavement, over 1,200 miles of sidewalk, pavement striping and markings such as crosswalks, and more than 16,000 traffic control signs. Public Works also maintains and pays the electrical power costs for over 20,000 street lights and 300 traffic signals. The Community Enhancement Section removes weeds, debris, and graffiti from public spaces.

Gas Tax and Measure K Maintenance also help fund our Engineering Section. Work consists of traffic engineering, traffic system management, and Capital Improvement Program (CIP) design, delivery, and contract administration. The budget for the Public Works capital function is separate from, and in addition to, the operating budget noted above. The FY 12-13 transportation and facility capital budget is \$10.6 million. Of this amount, only \$1,575,000 comes from the General Fund. This means there is constant pressure to seek out, apply for, and secure various capital grants, without which needed capital improvements could not be completed. Measure K Maintenance and developer fee revenues provide important matching funds for capital projects grants.

The Solid Waste and Recycling Division manages the solid waste franchise agreements and participates in, oversees, or directly provides 48 waste reduction and recycling programs. These include programs for 1) recycling education and outreach, 2) 3-cart residential trash, recycling, and green/food waste composting, 3) neighborhood "Clean Sweep", 4) construction and demolition recycling, 5) multi-family housing recycling, 6) business recycling, and 7) food waste composting. The Division also oversees contracted street sweeping services and funds the Community Enhancement Program. The Division is funded by fees based on 3.5% of franchised hauler gross rate revenues.

PUBLIC WORKS DEPARTMENT

The Fleet Section is responsible for maintaining and replacing the City's mixed fleet of approximately 1,000 vehicles and equipment. Fleet operates as an Internal Service Fund that receives revenue from rental rates charged to user departments. Maintenance activities range from preventive maintenance inspections to full engine rebuilds to specialized auto body repairs and vehicle setups, and are performed either by an in-house team of mechanics and specialists or by outside vendors.

The Boat Launching function is responsible for facilities at Louis Park, and Buckley Cove. Parking fees are collected from vehicles that launch boats at the Buckley Cove facility, and revenue is used to fund boat launch infrastructure maintenance and to provide security services.

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 to streetscapes and medians, painting and repair of walls, landscape/janitorial services at 12 parks, and street lighting repair and electricity costs.

KEY ISSUES

We cannot maintain the City's infrastructure at acceptable levels. The cost of completing deferred maintenance increases across all infrastructure categories at the current funding level including transportation, buildings, parks, and the urban forest. In particular, the loss of General Fund dollars for transportation maintenance has reduced standards and forced diversion of Measure K Maintenance funds from capital projects to day to day maintenance activities.

The City has benefited from one time funding sources (Federal Stimulus, SNI, and State Proposition 1B) to fund maintenance, masking the the loss of sustainable funding. But these one time funding sources were exhausted in FY 2011-12 and deterioration of the transportation system will accelerate. As a result the Department will define service standards what the City can afford given the funds available.

To blunt the impact of reduced funding, Public Works must operate efficiently. To accomplish this, an upgrade in technology is needed that provides a comprehensive maintenance management system. Public Works and the Municipal Utilities have begun a cooperative process to identify the best system for each department's needs. It is anticipated that a system will be purchased, installed, and staff trained over the next 18 to 24 months. This system will improve cost effectiveness and accountability; and help to balance available funding between operations and capital needs.

Finally, this Department has lost and will continue to lose key staff because of budget reductions and retirements. Staff development will be essential to compensate for the skills and institutional knowledge that will be lost.



**Public Works Department
2012-13 Proposed Budget**

	General Fund Baseline 010 030	Street Maintenance Gas Tax	Measure K Street Maintenance 082	Boat Launching 045	Solid Waste Recycling 047
	<i>See Page G-8</i>	<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		\$ 1,522,142	\$ 3,010,592	\$ 306,776	\$ 2,097,586
Revenues					
State Gas Tax		7,568,662			
Measure K Sales Tax			\$ 3,915,000		
User Fees				160,000	1,411,971
Interfund Project Charges					
Other Revenue	\$ 125,800	25,000	-	2,500	80,000
	125,800	7,593,662	3,915,000	162,500	1,491,971
Expenditures					
Salary and benefits	3,147,938	4,959,176		10,152	1,145,115
Operating expenses	4,221,202	5,238,673		164,698	426,262
Debt service			1,277,247		
Capital projects			1,171,487		
	7,369,140	10,197,849	2,448,734	174,850	1,571,377
Transfers					
Transfer In - Measure K		1,905,060			
Transfer Out - Gas Tax - 030			(1,905,060)		
	-	1,905,060	(1,905,060)	-	-
Net Annual Activity	\$ (7,243,340)	(699,127)	(438,794)	(12,350)	(79,406)
Ending Available Balance		\$ 823,015	\$ 2,571,798	\$ 294,426	\$ 2,018,180

Public Works Department, Continued
2012-13 Proposed Budget

	Assessment Capital				
	Lighting District Maintenance 071	Maintenance 072	Project Administration 399/999	Fleet Services 501	Public Works Total
	See Page G-19	See Page G-19		See Page G-21	
	\$ 202,898	\$ 12,560,749	\$ -	\$ 2,053,950	
Revenues					
State Gas Tax					7,568,662
Measure K Sales Tax					3,915,000
User Fees	23,823	3,251,220		9,751,051	14,598,065
Interfund Project Charges			5,019,129		5,019,129
Other Revenue	2,000	150,000		45,000	430,300
	25,823	3,401,220	5,019,129	9,796,051	31,531,156
					-
Expenditures					
Salary and benefits	22,000		5,019,129		14,303,510
Operating expenses		3,251,221		7,461,856	20,763,912
Debt service				88,524	1,365,771
Capital projects		-		2,233,273	3,404,760
	22,000	3,251,221	5,019,129	9,783,653	39,837,953
					-
Transfers					
Transfer In - Measure K					1,905,060
Transfer Out - Gas Tax - 030					(1,905,060)
	-	-	-	-	-
Net Annual Activity	3,823	149,999	-	12,398	\$ (8,306,797)
	\$ 206,721	\$ 12,710,748	\$ -	\$ 2,066,348	-
	-	-	-	-	
				Revenues	\$ 31,531,156
				Transfers	1,905,060
				Total Sources	\$ 33,436,216
				Expenditures	\$ 39,837,953
				Transfers	1,905,060
				Total Appropriations	\$ 41,743,013

**Public Works Department
General Fund - 010
2012-13 Proposed Budget**

	FY 2009-2010	FY 2010-2011	FY 2011-2012	FY 2012-13
	Actual	Unaudited Actual	Current Budget	Baseline
Total Public Works Department				
Employee Services	\$ 3,948,285	\$ 3,430,377	\$ 2,922,738	\$ 3,147,938
Other Services	3,380,032	3,409,660	3,866,991	3,804,179
Materials and Supplies	438,709	529,414	380,646	394,023
Other Expenses	(18,925)	(251,236)	268,048	23,000
Capital Outlay		17,000		
Total	<u>\$ 7,748,101</u>	<u>\$ 7,135,215</u>	<u>\$ 7,438,423</u>	<u>\$ 7,369,140</u>
Administration				
Employee Services	197,438	197,301	120,229	204,323
Other Services	68,665	66,138	54,288	91,883
Materials and Supplies	442	812	2,000	2,000
Other Expenses	86			
Total	<u>266,631</u>	<u>264,251</u>	<u>176,517</u>	<u>298,206</u>
Operations & Maintenance				
Employee Services	567,187	405,485	221,458	287,388
Other Services	381,085	329,183	224,768	222,147
Materials and Supplies	23,983	11,921	9,976	10,425
Other Expenses	5,171	5,214	5,000	5,000
Total	<u>977,426</u>	<u>751,803</u>	<u>461,202</u>	<u>524,960</u>
Parks & Street Trees				
Employee Services	1,768,971	1,211,067	875,322	1,000,591
Other Services	2,300,800	2,501,811	2,907,687	2,802,396
Materials and Supplies	155,657	148,684	142,953	148,041
Other Expenses	(19,125)	(259,352)	260,148	15,100
Capital Outlay		17,000		
Total	<u>4,206,303</u>	<u>3,619,210</u>	<u>4,186,110</u>	<u>3,966,128</u>
Facilities Maintenance				
Employee Services	1,414,689	1,616,524	1,705,729	1,655,636
Other Services	629,482	512,528	680,248	687,753
Materials and Supplies	258,627	367,997	225,717	233,557
Other Expenses	(5,057)	2,902	2,900	2,900
Total	<u>2,297,741</u>	<u>2,499,951</u>	<u>2,614,594</u>	<u>2,579,846</u>

GAS TAX FUND (030)

History

- Revenue for the Gas Tax Fund is from the State based on an allocation formula to distribute taxes collected on fuel sales, and from a transfer from Measure K Maintenance (082).
- The City maintains a transportation asset inventory that includes approximately 760 centerline miles of roads, 303 traffic signals, 20,000 street lights, 16,000 regulatory signs, and 70,000 street trees.
- Expenditures from the Fund are used to fund maintenance on signals, street lights, traffic devices, streets and sidewalks, bridges, ditches, graffiti abatement, and street trees throughout the City of Stockton.

2011-12 Events

- Completed preparatory crack filling and patching for 10-15 Proposition 1B funded Overlay Project, and for the 10-18 Proposition 1B funded Cape Seal Project.
- Replaced 170 street light lamps with LEDs as a pilot project using a combination of ARRA and Gas Tax funds.
- Completed annual preventative maintenance inspections on 303 Traffic signal controllers
- Continued ongoing effort to upgrade 138 Traffic signal controllers. Completed 15 upgrades this year.
- Started a multi-year project to convert pedestrian crossing modules to the countdown style heads. Completed 17 intersections this year.
- Continued retro reflectivity upgrades on all regulatory and warning signs as required by Federal mandate. Completed all signs between 8 Mile Road and Hammer Lane this year.
- Revenues are projected to slightly exceed expenditures, with a projected end of year surplus of \$140,309.

2012-13 Proposed Budget

- Start a crack filling and street surface repair program starting in South Stockton as part of a new cyclical Street Maintenance program. Intent of this program is to undertake repairs in one area of the city per year, with a projected six year cycle. This work is in addition to city wide responsive maintenance to address potholes, major pavement failures, and sidewalk issues.
- Start re-striping of arterial and collector streets, to address deteriorated pavement markings that have not been maintained for several years (102 miles).
- Start replacing large overhead street name signs on arterials. Will begin on El Dorado and Center Streets.
- Continue retro reflectivity upgrades as required by Federal mandate on all regulatory and warning signs between Hammer Lane and March Lane. Following completion of this area, only the area between March Lane and Harding Way, and a portion of the area between Harding Way and Martin Luther King, Jr. west of El Dorado, will remain to be completed prior to the 2017 compliance deadline.

PUBLIC WORKS DEPARTMENT

- Complete annual traffic signal controller preventative maintenance inspections for 303 controllers.
- Continue ongoing effort to upgrade 138 traffic signal controllers.
- Continue ongoing effort to convert pedestrian crossing modules to the countdown style heads.
- Utilize seasonal staff during the construction season to assist with striping, sign replacement, and crack filling, and street repairs.
- Work with MUD to implement new CMMS in accordance with recommendation of the Strategic Technology Plan. Intent is for new system to be selected and implemented within 18 to 24 months.
- Projected expenditures will exceed revenue by almost \$700,000 which will reduce the projected fund balance to approximately \$822,000. However, the true reserve for the transportation system includes the fund balance from the Measure K Maintenance Fund which will be \$2.5M.
- In addition, it is anticipated that a similar amount of the Gas Tax fund balance will be used in FY13/14 to continue to address deferred maintenance. This multi-year plan is sustainable because the \$1.2M annual loan payment to SJCOG that is described in the Measure K Maintenance narrative will end in FY13/14 and will free up funding equivalent to this loan payment (\$1.2M) starting in FY14/15.

**Public Works Department
Street Maintenance/Gas Tax - 030
2012-13 Proposed Budget**

	FY 2009-2010	FY 2010-2011	FY 2011-2012	FY 2012-13
	Actual	Unaudited Actual	Projected	Proposed Budget
Beginning Available Balance	\$ 241,397	\$ 786,410	\$ 1,381,833	\$ 1,522,142
Prior Period Adjustments	417,767	(417,767)		
Adjusted Available Balance	659,164	319,519	1,381,833	1,522,142
Revenues				
State Gas Tax	4,628,398	4,842,991	4,421,731	4,397,663
Prop 42 Replacement Gas Tax		2,767,906	3,080,609	3,170,999
Refunds and reimbursements	95,902	69,340	43,811	-
Interest	26,435	1,142	11,662	25,000
	4,750,735	7,681,379	7,557,813	7,593,662
Expenditures				
Salary and benefits	3,620,129	4,004,054	4,391,061	4,959,176
Electricity	1,725,623	1,751,783	1,758,826	1,800,000
Maintenance and repair services	52,985	165,698	234,130	285,643
Insurance premiums	54,056	65,876	86,451	123,585
Auto equipment rental	588,826	653,599	672,105	976,508
Computer/Tech/Operating support	130,711	219,194	279,442	210,127
Engineering services	6,410	20,285	74	51,000
Construction services	83,601	50,242	72,482	77,300
Materials and supplies	591,787	777,851	1,204,427	1,195,000
Fuels - gas/oil/propane	113,836	126,056	128,868	141,263
All other expenses	(39,854)	(15,883)	174,390	378,247
	6,928,110	7,818,755	9,002,256	10,197,849
Transfers				
Transfer In - General Fund - 010	2,722,388			
Transfer in - Measure K - 082		1,740,000	1,584,752	1,905,060
Transfer Out - Grants - 020		(60,000)		
Transfer Out - SAFETEA - 038		(919,920)		
	2,722,388	760,080	1,584,752	1,905,060
Net Annual Activity	545,013	622,704	140,309	(699,127)
Ending Available Balance	\$ 786,410	\$ 1,409,114	\$ 1,522,142	\$ 823,015
Available Balance Calculation				
Cash and Interest Receivable		\$ 766,167		
Accounts Receivable		847,774		
Vouchers Payable		(204,827)		
Capital Appropriations		(27,281)		
Ending Available Balance		\$ 1,381,833		

MEASURE K MAINTENANCE FUND (082)

History

- In 1990, voters in San Joaquin County passed a ½ cent sales tax increase dedicated to transportation projects. This sales tax increase was to last for 20 years. In 2006, voters passed a 30 year extension of the sales tax increase.
- Of the funds collected, 35% are dedicated to maintenance activities and are divided among the jurisdictions in the County. The program is administered by the San Joaquin Council of Governments and they distribute Measure K maintenance funds on a quarterly basis to each jurisdiction.
- The City of Stockton has used this funding for both maintenance activities and to provide matching funds to leverage state and federal grant programs.
- In 2002, the City borrowed \$6.5 million from future Measure K maintenance revenues for street resurfacing. To pay back the loan, \$1,247,247 from the City's annual allocation is retained by SJCOG. This loan will be paid off in FY 13-14.

2011-12 Events

- After several years of declining revenues, the budgeted revenue projections were increased based on improving sales tax receipts.
- Of the funding received, \$774,000 was transferred to the Capital Improvement fund for several capital projects including the Traffic Calming Program, modification of Traffic Signals, and to provide the required local match for federal RSTP funds used in the Street Resurfacing Program.
- In addition, \$1,584,752 was transferred to the Gas Tax fund to provide maintenance resources for pavement, street lighting, traffic signals, pavement markings, and signs.

2012-13 Proposed Budget Issues and Proposed Changes

- Based upon information provided by the San Joaquin Council of Governments (SJCOG), projected revenues are budgeted to increase by 5%.
- Of the funding received, \$1,171,487 was transferred to the Capital Improvement fund for several capital projects including the Traffic Calming Program, to provide the required matching funds for the Wilson Way Corridor Adaptive Traffic Control System, and to provide the required local match for federal RSTP funds used in the Street Resurfacing Program. The amount transferred increased from last year in large part because the grant used to fund a portion of the Traffic Calming Program has been exhausted.
- The transfer to Gas Tax has been budgeted to increase to \$1,905,060 to account for additional electrical costs for street lighting and traffic signals and for maintenance costs for the Traffic Control System. In addition, this will be the first year that Indirect Costs will be charged to the Gas Tax Fund so \$118,000 will be needed to cover this cost.

The transfers to the Capital Improvement Fund and the Gas Tax Fund will require the use of \$438,794 from Fund Balance. This amount is needed to provide enough funding for both maintenance and capital needs. Since the starting fund balance is in excess of \$3M and because Measure K Maintenance loan will be paid off in FY13-14 and free up over \$1.2M in additional funds per year, this transfer is sustainable.

**Public Works Department
Measure K - Maintenance - 082
2012-13 Proposed Budget**

	FY 2009-2010	FY 2010-2011	FY 2011-2012	FY 2012-13
	Actual	Unaudited Actual	Projected	Proposed Budget
Beginning Available Balance	\$ -	\$ 1,065,812	\$ 2,933,939	\$ 3,010,592
Revenues				
Sales Tax	3,232,693	3,509,936	3,728,600	3,915,000
Interest	25,508	29,054	(15,948)	
Other Revenues	112,181			
	3,370,382	3,538,990	3,712,652	3,915,000
Expenditures				
Capital projects	2,295,076	(1,482,706)	774,000	1,171,487
Debt service	1,090,540	1,137,216	1,277,247	1,277,247
	3,385,616	(345,490)	2,051,247	2,448,734
Transfers				
Transfer In - Capital - 080	1,081,046	8,484,769		
Transfer Out - Capital - 039		(147,084)		
Transfer Out - Capital - 080		(4,279,385)		
Transfer Out - Gas Tax - 030		(1,740,000)	(1,584,752)	(1,905,060)
	1,081,046	2,318,300	(1,584,752)	(1,905,060)
Net Annual Activity	1,065,812	6,202,780	76,653	(438,794)
Ending Available Balance	\$ 1,065,812	\$ 7,268,592	\$ 3,010,592	\$ 2,571,798
Available Balance Calculation				
Cash & interest receivable		\$ 7,034,828		
Accrued Revenue		865,696		
Current liabilities		(631,932)		
Capital Appropriations		(2,444,114)		
Encumbrances		(1,890,539)		
Ending Available Balance		\$ 2,933,939		

BOAT LAUNCHING FACILITIES FUND (045)

History

- The City maintains boat launching facilities at Louis Park, and Buckley Cove. The Marina operator is responsible for operation of the Morelli Park facility. Public Works is responsible for the Louis Park and Buckley Cove facilities.
- The Boat Launching Facilities Fund is funded from parking fees collected from vehicles that launch boats at Buckley Cove.
- Expenditures from the Fund are used to fund dock and landscape maintenance at the Louis Park and Buckley Cove facilities, and to fund security services at Buckley Cove.
- The Fund has historically run a small surplus, with an available balance of approximately \$300,000.

2011-12 Events

- The guard shack at Buckley Cove was replaced.
- Landscape and janitorial maintenance costs for the boat launch and parking areas were charged to the Fund. In prior years these costs had been charged to the General Fund account for park maintenance.
- Because of these additional expenses, expenditures are expected to exceed revenues by about \$25,000. However, this will still leave a fund balance in excess of \$300,000 at the end of the fiscal year.

2012-13 Proposed Budget

- There are no proposed changes in security service or maintenance levels at either the Louis Park or Buckley Cove facilities.
- Landscape and janitorial maintenance costs will continue to be charged to the Fund.
- Fees for parking at Buckley Cove will not be changed from the current rates.
- With the above assumptions, the expenditures are projected to exceed revenues by \$9,450, which will decrease the fund balance. This operating loss can be addressed in future years by an increase in facility use to pre-recession levels, and/or an increase in parking fees.

**Public Works Department
Boat Launching Facilities - 045
2012-13 Proposed Budget**

	FY 2009-2010	FY 2010-2011	FY 2011-2012	FY 2012-13
	Actual	Unaudited Actual	Projected	Proposed Budget
Beginning Available Balance	\$ 281,786	\$ 299,875	\$ 332,156	\$ 306,776
Revenues				
Boat Launching Fees	155,459	174,976	162,900	160,000
Other Reimbursements	3,351	2,555	6,236	2,500
	158,810	177,531	169,136	162,500
Expenditures				
Salaries & Benefits	1,398	10,523	10,958	10,152
Electricity	1,094	1,240	1,800	1,800
Stormwater	5,106	10,212	12,500	12,500
Maintenance & Repair		2,204	32,201	15,000
Security Contractor	115,668	111,903	121,550	121,550
Materials & Supplies	5,456	228	4,081	1,000
Indirect Costs	9,714	6,403	9,000	9,000
Other Expenses	2,285	2,537	2,426	3,848
	140,721	145,250	194,516	174,850
Transfers				
Transfer In				
Transfer Out				
	-	-	-	-
Net Annual Activity	18,089	32,281	(25,380)	(12,350)
Ending Available Balance	\$ 299,875	\$ 332,156	\$ 306,776	\$ 294,426
Available Balance Calculation				
Cash		\$ 331,709		
Accounts Receivable		5,854		
Vouchers Payable		(5,407)		
Ending Available Balance		\$ 332,156		

PUBLIC WORKS DEPARTMENT

SOLID WASTE FUND (047)

History

- This fund was established to finance the management of solid waste services for the City residents, businesses, industries, and institutions.
- Revenues for this fund come from the 3.5% surcharge on gross revenues paid by the franchise haulers – Waste Management and Allied Waste. This results in approximately \$1,500,000 per year for the operating budget.
- The franchise fees are the primary revenue source for the Division with the exception of a small grant to promote beverage container recycling.

2011-12 Events

- Salary costs are in transition with the retirement of two senior staff members and the resignation of a project manager.
- Salary savings have resulted from position vacancies as well as the reduction in salary and benefits.
- An annual work plan is being developed for FY 12/13 that maintains compliance with state requirements and outlines steps to ensure the financial health of the collection franchises.
- Revenue has been budgeted the same as the previous year for the last several years and has generally remained flat.

2012-13 Proposed Budget Issues

- Projected revenues include a 1% increase due to an annual CPI rate adjustment for residential and commercial service - \$1,491,970
- Two vacant positions will be retained in the budget and filled when feasible.
- A fund balance policy will be developed and it is anticipated that the needed fund balance will be less than the current fund balance which will provide funding for one time needs.
- An increase in program expenses is included which will provide funds for :
 - Tree trimming related to street sweeping
 - Consultant to rework database for Construction & Demolition Recycling
 - Financial consultant for franchise agreement analysis
 - Translation services for printed outreach material

**Public Works Department
Solid Waste & Recycling - 047
2012-13 Proposed Budget**

	FY 2009-2010	FY 2010-2011	FY 2011-2012	FY 2012-13
	Actual	Unaudited Actual	Projected	Proposed Budget
Beginning Available Balance	\$ 2,083,745	\$ 2,138,166	\$ 1,848,578	\$ 2,097,586
Revenues				
Franchise Fees				
Allied Waste/Residential	336,184	337,982	342,181	342,099
Waste Management/Residential	385,011	384,997	395,536	395,230
Waste Management/Commercial	323,823	307,760	287,559	332,640
Allied Waste/Commercial	268,354	251,785	236,251	271,675
California Waste Recovery	6,932	5,186	6,546	6,802
Waste Management/Industrial		15,868	20,868	24,013
Allied Waste/Industrial		15,015	34,446	39,512
	<u>1,320,304</u>	<u>1,318,593</u>	<u>1,323,387</u>	<u>1,411,971</u>
Interest	79,284	51,927	70,000	80,000
Refunds and reimbursements		9,404		
Other Revenues	16,021			
	<u>1,415,609</u>	<u>1,379,924</u>	<u>1,393,387</u>	<u>1,491,971</u>
Expenditures				
Salaries and Benefits	1,176,552	1,363,458	928,056	1,145,115
Maintenance & Repair Services	3,005	5,715	3,858	4,320
Duplication/Copy Costs	7,635	4,441	7,276	7,500
Insurance Premiums	16,415	6,757	18,985	33,227
Automotive Equipment Rental	25,406	31,600	31,285	37,973
Computer/Tech/Oper Support	10,437	14,267	16,460	19,997
Professional & Special Services	29,580	5,352	33,296	106,500
Materials and Supplies	10,278	5,563	20,211	22,150
Fuels-Gas/Oil/Propane	4,896	6,358	6,062	7,152
Indirect Costs	54,209	47,174	55,079	143,243
All Other Expenses	22,775	25,168	23,811	44,200
	<u>1,361,188</u>	<u>1,515,853</u>	<u>1,144,379</u>	<u>1,571,377</u>
Transfers				
Transfer In				
Transfer Out - F 455		(147,251)		
	<u>-</u>	<u>(147,251)</u>	<u>-</u>	<u>-</u>
Net Annual Activity	54,421	(283,180)	249,008	(79,406)
Ending Available Balance	\$ 2,138,166	\$ 1,854,986	\$ 2,097,586	\$ 2,018,180
Available Balance Calculation				
Cash/Interest Rec		\$ 1,808,288		
Accounts Receivable		48,743		
Vouchers Payable		(2,046)		
Encumbrances		(6,407)		
Ending Available Balance		<u>\$ 1,848,578</u>		

STREET LIGHTING ASSESSMENT DISTRICT FUND (071)

History

- The fund finances the Central Stockton Lighting Maintenance Assessment District (CSLMD) formed under the Landscape and Lighting Act of 1972 and collects assessments for the “Special Lighting Benefit” received.
- The CSLMD is a reformation of the original Lighting & Maintenance Districts 74 & 75 formed under the Street Light Acts of 1927 and 1931.
- The following five specific zones of the CSLMD were the subject of a Proposition 218 vote in FY 2011/12: Zone 1- Caldwell Village; Zone 2- Miner Avenue; Zone 3-Pacific Avenue; Zone 4-Oxford Manor; and Zone 5- Downtown Business District

2011-12 Events

- The CSLMD Proposition 218 ballot process concluded with only Zone 4-Oxford Manor (729 total parcels) being passed by a majority of the voters.
- The CSLMD Engineer’s Report for 2011/12 sets the total annual estimated budget for energy and maintenance of lighting in the district.
- FY 2011/12 was the first year of approved assessments for CSLMD.

2012-13 Proposed Budget Issues and proposed Changes

- No reduction in service will occur in the four zones that did not adopt a new assessment. Sufficient funding is available from the Gas Tax Fund to cover these operating costs in the short term.
- Staff has been reviewing alternatives for the four zones that did not approve a new assessment. These alternatives will be finalized and brought forward for consideration.

**Public Works Department
Lighting Maintenance - 071
2012-13 Proposed Budget**

	FY 2009-2010	FY 2010-2011	FY 2011-2012	FY 2012-13
	Actual	Unaudited Actual	Projected	Proposed Budget
Beginning Available Balance	\$ 165,137	\$ 154,411	\$ 208,302	\$ 202,898
Revenues				
Charges for services	53,800	54,632	38,500	23,823
Investment earnings	5,514	3,129	2,096	2,000
	59,314	57,761	40,596	25,823
Expenditures				
Operations	70,040	3,870	46,000	22,000
	70,040	3,870	46,000	22,000
Transfers				
Transfer In				
Transfer Out				
	-	-	-	-
Net Annual Activity	(10,726)	53,891	(5,404)	3,823
Ending Available Balance	\$ 154,411	\$ 208,302	\$ 202,898	\$ 206,721
Available Balance Calculation				
Cash & interest receivable		\$ 211,349		
Accounts receivable		3,029		
Accounts payable		(6,076)		
Ending Available Balance		\$ 208,302		

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

History

- Most accounts in this fund are managed by Public Works. Some of the 072 accounts are for storm drain maintenance assessment districts which are under Municipal Utilities Department purview (072-6901 to -6905 and -6950 and up.)
- On February 26, 1996, Council adopted Resolution No. 96-0084 that consolidated the eight Landscape Maintenance Districts that existed at that time into the new Consolidated Landscape District 96-2.
- Total of 34 zones in the Consolidated Landscape District. Assessments are levied in 27 zones. Assessments are not levied in seven zones since maintenance is not required, as no improvements have been constructed.
- Improvements maintained include, but are not limited to, street and median landscaping, fountains, ornamental structures, public lighting (such as street lights and traffic signals), walls, irrigation, parks, and park equipment. Maintenance typically includes mowing, edging, trash collection, irrigation system operation and repairs, replantings
- All maintenance services are provided by contract with the exception that lighting work is typically performed by City staff with time charged to the District.

2011-12 Events

- New maintenance contractor, Odyssey Landscape Companies, started providing service on January 1, 2012. One (1) year initial term plus option to extend up to 2 additional years.
- New maintenance specifications consolidated all District work into one contract. Regular service work now includes tree trimming for trees up to 20 feet in height, booster pump service, and installing City provided tennis and basketball nets when needed.
- Entered into long term contract with Siegfried Engineering to provide annual engineer services for the district. Three year initial term plus option to extend up to two additional years.
- Retained Siegfried Engineering to prepare long term capital replacement plan.
- Wood chip fall attenuation surfacing was replenished at 11 play areas
- Fall attenuation surfacing was changed from sand to wood chips at 2 play areas

2012-13 Proposed Budget

- The assessments for FY 12/13 will not be increased from FY 11/12. Existing assessments will be sufficient to provide a maintenance budget of \$3.25 million and provide a surplus of almost \$150,000 at the end of the fiscal year.
- Maintenance activities will be consistent with the previous fiscal year.

**Public Works Department
Assessment District Maintenance - 072
2012-13 Proposed Budget**

	FY 2009-2010	FY 2010-2011	FY 2011-2012	FY 2012-13
	Actual	Unaudited Actual	Projected	Proposed Budget
Beginning Available Balance	\$ 8,547,826	\$ 10,179,477	\$ 11,415,025	\$ 12,560,749
Revenues				
Charges for services	3,483,036	3,317,013	3,121,551	3,251,220
Investment earnings	376,622	274,165	124,173	150,000
	3,859,658	3,591,178	3,245,724	3,401,220
Expenditures				
Miscellaneous expenditures	2,228,007	2,355,630	2,100,000	3,251,221
Capital projects				
	2,228,007	2,355,630	2,100,000	3,251,221
Transfers				
Transfer In				
Transfer Out				
	-	-	-	-
Net Annual Activity	1,631,651	1,235,548	1,145,724	149,999
Ending Available Balance	\$ 10,179,477	\$ 11,415,025	\$ 12,560,749	\$ 12,710,748
Available Balance Calculation				
Cash & interest receivable		\$ 11,674,773		
Accounts payable		(259,748)		
Ending Available Balance		\$ 11,415,025		



TAB

Community Services

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Community Services Director

Library

- Branch Libraries
 - Books & materials circulation
 - Library & community sponsored programs
 - In use of facility
 - Reference & reader advisory
- Technical Services
 - Catalog/database of materials
 - Customer database maintenance
 - Interlibrary loan service
 - Materials review & procurement
 - Material circulation
- Programming and Outreach Services
 - Literacy outreach programs
 - Outreach events & school participation
 - Mobile library
 - Programs to attract non-traditional library users
 - Library & cultural programs

Administration

- Operations & Personnel Management
- Budget Preparation & Control
- Policies & Procedures
- Grant & Contract Administration
- Safety Program
- Liaison to Fundraising & Support Organizations
 - Friends of the Library organizations
 - Literacy organizations
- Public Information

Recreation

- Recreation Programs
 - 5 Community centers
 - After School Program at 13 local schools
 - Youth day camps
 - Pixie Woods Park
 - Teen programs & activities
 - Instructional classes
 - Facility rentals & reservations
 - Weber Point Events Center
 - Civic Auditorium
 - Downtown Plaza venues
 - Sports facilities
 - Parks & picnic areas
 - "Showmobile" mobile stage
- Sports Leagues
- Citywide Special Events
- Contract Management
 - Golf courses
 - Oak Park Tennis Complex
 - Arnaiz Softball Complex
 - Stockton Soccer Complex
 - G&J Podesto Teen Center
 - Children's Museum
 - Swimming pools
- Community Relations
 - Children's Museum Board
 - Pixie Woods Board
 - Parks & Recreation Foundation

Arts

- Public Art Projects Promotion & Planning
- Stockton Arts Commission

Community Services Department



COMMUNITY SERVICES DEPARTMENT

MISSION STATEMENT

To enhance the quality of life, economic vitality, health and well-being of the community by creating and providing the resources and program opportunities to its residents of all ages to pursue their educational, civic, business, and personal interests and to meet their recreational and leisure needs.

Budget at a Glance – Baseline:

Total Expenditures	\$24,997,758
Total Revenues	\$17,255,067
Total Net Cost	\$7,742,691
Total Staff	83

DEPARTMENTAL DESCRIPTION

The Community Services Department has four divisions: Administration, Library Services (Special Revenue Fund 041-3500), Recreation Services (Special Revenue Fund 044-3600) and Golf (Enterprise Fund 481-3650). The department also oversees the City's arts programs (General Fund 010-3643 and CIP Fund 306-7000).

The Administration Division provides leadership and support required to plan, direct, and coordinate operations of the department. The division is responsible for business operations including budget preparation, financial monitoring, policy and process development, contract management, purchasing, payroll, accounts payable, personnel, publicity, and delivery.

The Library Services Division, the Stockton-San Joaquin County Public Library (SSJCPL), creates an environment for connecting people and ideas by providing various library resources to pursue their educational, civic, business and personal interests. Through an agreement with the County of San Joaquin, the Library provides services throughout the county with the only exception being the City of Lodi. SSJCPL serves the residents of San Joaquin County at twelve library facilities and a Mobile Library in Stockton, Escalon, Lathrop, Linden, Manteca, Mountain House, Ripon, Thornton, and Tracy. The division is divided into two major functional areas: Public Services and Technical Services. Public Services is responsible for direct service delivery to library customers in branch libraries, the development and implementation of outreach events and program offerings at branch libraries, Mobile Library operations and the management of the Library's Adult and Family Literacy programs. Technical Services is responsible for all aspects of collection development and management including the selection, acquisition, cataloging, and processing of new books and other materials. Technical Services also manages customer accounts to include customer notifications and the Library's interaction with our collection agency organization.

The Recreation Services Division provides a system of recreational facilities and programs benefiting City of Stockton residents and visitors. The division provides the leadership for healthier communities, environmental stewardship, community connections, partnerships, professionalism, and integrity in its abilities to promote social, recreational and cultural opportunities for residents and visitors through quality programming, services and customer satisfaction. The division seeks recreation opportunities with local non-profit organizations and community groups. Its expectations include being a partner to reduce juvenile crime, establishing healthy community centers and facilities, enhancing the social well being of children and their families and influencing economic well-being. The division is responsible for the operations of more than 24 facilities including 5 community centers, 4 joint use facilities, 4 swimming pools, 3 softball complexes, Gary Podesto Teen Center, Silver Lake Family Camp, Billy Hebert Baseball Stadium, Stockton Soccer Complex (6 fields), Oak Park Tennis Center, Pixie Woods Children's Theme Park, Weber Point Events Center and the Stockton Memorial Civic Auditorium.

COMMUNITY SERVICES DEPARTMENT

The Golf Division, in July of 2011, the City Council adopted a resolution which allowed the City Manager to contract the operations and maintenance of its two municipal golf courses to Kemper Sports Inc. The City Council approved user fees fund the operations. Swenson Park Golf Course, a champion 18-hole course and a 9-hole executive par 3 course on approximately 240 acres, and Van Buskirk Golf Course, an 18-hole championship course on approximately 214 acres.

The department also provides oversight to the Stockton Arts Commission and the Public Art Program. The Arts Commission was established by ordinance to promote and encourage programs to further the development and public awareness of an interest in the fine and performing arts and to act in advisory capacity to the Stockton City Council in connection with the artistic and cultural development of the City. The Public Art Program was established by ordinance to foster creative expression of the arts in public places by funding public art projects and requiring a public art component on capital improvement projects.

KEY ISSUES

Operations of both Library Services and Recreation Services have been greatly impacted in past years by the reduction in discretionary City General Fund contributions. Funding for Library Services from the General Fund has decreased by almost 40% or \$2.6 million from its original budget in FY 2008-09. As a consequence of severe reductions to the Library's operating budget, library open hours have been reduced by 48% in City of Stockton branches over the same period of time. Recreation Services Division has received a total reduction in subsidy of 32% or \$1.3 million since FY 2008-09. These reductions in contributions from the General Fund for the past three years have significantly decreased the volume and quality of recreational opportunities available to the Stockton community.

The Library Services Division will be impacted for the second straight year by the Governor's proposed cuts to State-funded public library services. Three revenue sources are targeted for elimination. (1) The State Public Library Fund (PLF) program provides funding to local public library jurisdictions based on a service area population formula. SSJCPL receives approximately \$200,000 annually to provide funding for purchases of library books and materials. (2) The California Library Literacy Services (CLLS) program provides funding of approximately \$50,000 for the Library's Adult and Family Literacy programming. Funds for the CLLS program are used primarily for teaching materials and to pay for the Training Wheels bookmobile that travels around the County providing literacy-based programming outside of the Chavez Library. (3) The California Library Services Act (CLSA) program provides annual funding for the 49-99 consortium. Funds are primarily used to contract with SSJCPL to provide daily pick-up and delivery services among member libraries of the 49-99 Cooperative Library system (49-99).

Due to the economic recession, Northern California golf facilities have reported a decline in the number of golf rounds at private, resort and municipal sites with many areas experiencing declines ranging from single digit up to 15%. Competition, increasing operating costs, and the deteriorating condition of the golf courses will also continue to impact the performance of the City's golf courses. A Request for Proposal (RFP) was distributed to explore the interests from the private golf industry to operate one or both Stockton's golf courses under a long term lease agreement, or to purchase and operate one or both golf courses and to consider other options for the City's golf operations. A five-year management agreement with a golf management company was selected and a contract was awarded to operate and maintain both courses beginning FY 2011-12.

Community Services Department
2012-13 Proposed Budget

	<u>General Fund</u> <u>Baseline</u> <i>See Page H-6</i>	<u>Library</u> <i>See Page H-8</i>	<u>Recreation</u> <i>See Page H-18</i>	<u>Total</u>
Beginning Available Balance		\$ 873,645	\$ 781,965	
Revenues				
San Joaquin County Contract		5,006,073		5,006,073
Additional Hours Contracts		148,700		148,700
Fines		130,000		130,000
Other Revenues		309,931	8,727	318,658
Recreation Programs			3,215,972	3,215,972
Facility Admission and Rentals			447,050	447,050
Community Centers			290,000	290,000
	<u>-</u>	<u>5,594,704</u>	<u>3,961,749</u>	<u>9,556,453</u>
Expenditures				
Salary and benefits	36,720			36,720
Services & Supplies	967			967
Library Operations		8,625,232		8,625,232
Administration		1,434,494	938,736	2,373,230
Children's Museum			5,000	5,000
Civic Auditorium			305,971	305,971
Community Centers			1,805,924	1,805,924
Program Expenses			4,132,138	4,132,138
	<u>37,687</u>	<u>10,059,726</u>	<u>7,187,769</u>	<u>17,285,182</u>
Transfers				
Transfer In - General Fund		4,125,000	3,122,000	7,247,000
Transfer In - Other Funds		7,750	443,864	451,614
Transfer Out - Other Funds	(7,247,000)	(6,250)	(459,326)	(7,712,576)
	<u>(7,247,000)</u>	<u>4,126,500</u>	<u>3,106,538</u>	<u>(13,962)</u>
Net Annual Activity	<u>(7,284,687)</u>	<u>(338,522)</u>	<u>(119,482)</u>	<u>(7,742,691)</u>
				-
Ending Available Balance		<u><u>\$ 535,123</u></u>	<u><u>\$ 662,483</u></u>	
	-	-	-	
			Revenues	\$ 9,556,453
			Transfers	7,698,614
			Total Sources	<u>\$ 17,255,067</u>
			Expenditures	\$ 17,285,182
			Transfers	7,712,576
			Total Appropriations	<u>\$ 24,997,758</u>

**Community Services Department
General Fund - 010
2012-13 Proposed Budget**

	FY 2009-2010	FY 2010-2011	FY 2011-2012	FY 2012-2013
	Actual	Unaudited Actual	Current Budget	Baseline
Total Community Services Department				
Employee Services	\$ 30,534	\$ 37,193	\$ 35,978	\$ 36,720
Other Services	442	2,832	759	967
Materials and Supplies	-	-	-	-
Other Expenses	-	-	-	-
Transfers	7,251,225	7,052,916	6,735,022	7,247,000
Total	<u>\$ 7,282,201</u>	<u>\$ 7,092,941</u>	<u>\$ 6,771,759</u>	<u>\$ 7,284,687</u>

Arts Commission

Employee Services	30,534	37,193	35,978	36,720
Other Services	442	2,832	759	967
Materials and Supplies				
Other Expenses				
Total	<u>30,976</u>	<u>40,025</u>	<u>36,737</u>	<u>37,687</u>

Library

Employee Services				
Other Services				
Materials and Supplies				
Other Expenses				
Transfer - Library	4,227,451	4,111,205	3,977,759	4,125,000
Total	<u>4,227,451</u>	<u>4,111,205</u>	<u>3,977,759</u>	<u>4,125,000</u>

Recreation

Employee Services				
Other Services				
Materials and Supplies				
Other Expenses				
Transfer - Recreation	3,023,774	2,941,711	2,757,263	2,800,000
Total	<u>3,023,774</u>	<u>2,941,711</u>	<u>2,757,263</u>	<u>2,800,000</u>

Golf

Employee Services				
Other Services				
Materials and Supplies				
Other Expenses				
Transfer - Golf Fund				322,000
Total	<u>-</u>	<u>-</u>	<u>-</u>	<u>322,000</u>



**Community Services Department
Library Programs
2012-13 Proposed Budget**

	Library 041	Special Revenue 644	Kolak Trust 614	Bess Larsen Trust 621
	<i>See Page H-11</i>	<i>See Page H-12</i>	<i>See Page H-13</i>	<i>See Page H-14</i>
Beginning Available Balance	\$ 422,190	\$ 258,350	\$ 187,230	\$ 100
Revenues				
San Joaquin County	5,006,073			
Additional Hours Contracts	148,700			
Fines	130,000			
Other Revenues	186,046	119,500	4,000	35
	5,470,819	119,500	4,000	35
Expenditures				
Branch operations	7,023,614	219,000	8,750	135
Technical services	1,043,062			
Programming and outreach	324,546			
Administration and delivery	1,434,494			
Capital projects	-			
	9,825,716	219,000	8,750	135
Transfers				
Transfer In - General Fund	4,125,000			
Transfer In - Other	7,750			
Transfer Out			(6,250)	
	4,132,750	-	(6,250)	-
Net Annual Activity	(222,147)	(99,500)	(11,000)	(100)
Ending Available Balance	\$ 200,043	\$ 158,850	\$ 176,230	\$ -
	-	-	-	-

**Community Services Department
Library Programs, Continued
2012-13 Proposed Budget**

	G. Cady Trust 622	Kiersch Memorial 628	Library Programs Total
	<i>See Page H-15</i>	<i>See Page H-16</i>	
Beginning Available Balance	\$ 5,234	\$ 541	\$ 873,645
Revenues			
San Joaquin County			5,006,073
Additional Hours Contract			148,700
Fines			130,000
Other Revenues	250	100	309,931
	<u>250</u>	<u>100</u>	<u>5,594,704</u>
Expenditures			
Branch operations	5,484	641	7,257,624
Technical services			1,043,062
Programming and outreach			324,546
Administration and delivery			1,434,494
Capital projects			-
	<u>5,484</u>	<u>641</u>	<u>10,059,726</u>
Transfers			
Transfer In - General Fund - 010			4,125,000
Transfer In - Fund - 614			7,750
Transfer Out			(6,250)
	<u>-</u>	<u>-</u>	<u>4,126,500</u>
Net Annual Activity	<u>(5,234)</u>	<u>(541)</u>	<u>(338,522)</u>
Ending Available Balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 535,123</u>
	-	-	-

COMMUNITY SERVICES DEPARTMENT

LIBRARY SERVICES FUND (041)

History

- This fund allows for the provision of Library services at four City of Stockton libraries, eight County branches, and the Mobile Library.
- The City of Stockton has funded public library services since 1880 and, in partnership with San Joaquin County since 1910, has provided library services across the county.
- Due to budget reductions starting in FY 08/09, the Stockton-San Joaquin County Public Library has reduced operating hours System-wide by 28% and reduced staffing levels by 50%.

2011-12 Events

- The City of Stockton and the County of San Joaquin jointly signed a new Agreement for Library Services in February, 2011.
- The Library made available for the first time to its customers downloadable e-books and audiobooks.
- The Library joined a two-state consortium of more than 50 public and academic libraries making more than 9 million unique titles available to customers.
- 28 state-of-the-art customer self-service stations were deployed in both City and County libraries providing greater customer flexibility and staff efficiency.
- System-wide, the Library is projected to lend more than 1.7 million items.

2012-13 Proposed Budget Issues and Proposed Changes

- The proposed baseline budget for FY 12/13 neither allows for service enhancements nor requires any service reductions. Operating schedules will remain status quo with the exception that branches may undertake a modest shift in operating hours so that each branch could be open during one evening each week.

**Community Services Department
Library - 041
2012-13 Proposed Budget**

	FY 2009-2010	FY 2010-2011	FY 2011-2012	FY 2012-2013
	Actual	Unaudited Actual	Projected	Proposed Budget
Beginning Available Balance	\$ 4,285,681	\$ 3,747,079	\$ 847,686	\$ 422,190
Revenues				
San Joaquin County	5,323,298	5,202,986	5,086,478	4,835,323
San Joaquin Material Match Program	100,000	76,100	62,699	170,750
Additional Hours Contracts	113,125	142,107	142,565	148,700
State of California Grant	104,241	103,896		
Fines & Fees	223,965	206,106	130,000	130,000
Other Revenues	126,129	343,020	202,766	186,046
	5,990,758	6,074,215	5,624,508	5,470,819
Expenditures				
Administration	1,281,988	1,071,178	1,456,079	1,267,323
Programming and Outreach	424,844	441,051	311,125	324,546
Technical Services	2,596,172	1,505,010	1,057,320	1,043,062
Branch Operations	6,325,199			
Branch Operations - County		3,436,887	3,276,919	3,464,649
Branch Operations - City		3,417,930	3,246,325	3,558,965
Delivery Services	66,561	72,382	146,995	167,171
Capital projects	60,047	44,942	533,000	
	10,754,811	9,989,380	10,027,763	9,825,716
Transfers				
Transfer In - General Fund	4,227,451	4,111,205	3,977,759	4,125,000
Transfer In - Other				7,750
Transfer Out	(2,000)	(736,760)		
	4,225,451	3,374,445	3,977,759	4,132,750
Net Annual Activity	(538,602)	(540,720)	(425,496)	(222,147)
Ending Available Balance	\$ 3,747,079	\$ 3,206,359	\$ 422,190	\$ 200,043
Available Balance Calculation				
Cash		\$ 3,162,931		
Accounts Receivable		163,867		
Accounts Payable		(120,436)		
Encumbrances		(70,492)		
Capital Projects		(2,288,184)		
Ending Available Balance		\$ 847,686		

**Community Services Department
Library Special Revenue Fund - 644
2012-13 Proposed Budget**

	FY 2009-2010	FY 2010-2011	FY 2011-2012	FY 2012-2013
	Actual	Unaudited Actual	Projected	Proposed Budget
Beginning Available Balance	\$ 467,618	\$ 473,914	\$ 471,350	\$ 258,350
Revenues				
Program Revenue	97,706	125,977	95,000	115,000
Other Revenue	125,469	105,545	6,000	4,500
	223,175	231,522	101,000	119,500
Expenditures				
Program Expenditures	216,879	234,086	314,000	219,000
	216,879	234,086	314,000	219,000
Transfers				
Transfer In				
Transfer Out				
	-	-	-	-
Net Annual Activity	6,296	(2,564)	(213,000)	(99,500)
Ending Available Balance	\$ 473,914	\$ 471,350	\$ 258,350	\$ 158,850
Available Balance Calculation				
Cash		\$ 526,033		
Accounts Receivable		5,761		
Accounts Payable		(60,444)		
Ending Available Balance		\$ 471,350		

**Community Services Department
Kolak Trust - 614
2012-13 Proposed Budget**

	FY 2009-2010	FY 2010-2011	FY 2011-2012	FY 2012-2013
	Actual	Unaudited Actual	Projected	Proposed Budget
Beginning Available Balance	<u>\$ 207,155</u>	<u>\$ 207,038</u>	<u>\$ 191,740</u>	<u>\$ 187,230</u>
Revenues				
Interest	<u>7,857</u>	<u>4,725</u>	<u>3,990</u>	<u>4,000</u>
	<u>7,857</u>	<u>4,725</u>	<u>3,990</u>	<u>4,000</u>
Expenditures				
Operating Expenditures	<u>7,974</u>	<u>20,023</u>	<u>8,500</u>	<u>8,750</u>
	<u>7,974</u>	<u>20,023</u>	<u>8,500</u>	<u>8,750</u>
Transfers				
Transfer In				
Transfer Out				<u>(6,250)</u>
	<u>-</u>	<u>-</u>	<u>-</u>	<u>(6,250)</u>
Net Annual Activity	<u>(117)</u>	<u>(15,298)</u>	<u>(4,510)</u>	<u>(11,000)</u>
Ending Available Balance	<u>\$ 207,038</u>	<u>\$ 191,740</u>	<u>\$ 187,230</u>	<u>\$ 176,230</u>
Available Balance Calculation				
Cash		<u>\$ 193,379</u>		
Accounts Payable		<u>(1,638)</u>		
Ending Available Balance		<u><u>\$ 191,741</u></u>		

**Community Services Department
Bess Larson Trust - 621
2012-13 Proposed Budget**

	FY 2009-2010	FY 2010-2011	FY 2011-2012	FY 2012-2013
	Actual	Unaudited Actual	Projected	Proposed Budget
Beginning Available Balance	\$ 1,687	\$ 505	\$ 315	\$ 100
Revenues				
Interest	66	46	35	35
	66	46	35	35
Expenditures				
Operating Expenditures		236	250	135
	-	236	250	135
Transfers				
Transfer In				
Transfer Out				
	-	-	-	-
Net Annual Activity	66	(190)	(215)	(100)
Ending Available Balance	\$ 1,753	\$ 315	\$ 100	\$ -
Available Balance Calculation				
Cash		\$ 1,777		
Accounts Payable		\$ (216)		
Principal endowment		(1,246)		
Ending Available Balance		\$ 315		

**Community Services Department
Cady Endowment - 622
2012-13 Proposed Budget**

	FY 2009-2010	FY 2010-2011	FY 2011-2012	FY 2012-2013
	Actual	Unaudited Actual	Projected	Proposed Budget
Beginning Available Balance	\$ 10,332	\$ 5,733	\$ 6,014	\$ 5,234
Revenues				
Interest	399	281	220	250
	399	281	220	250
Expenditures				
Books & media			1,000	5,484
	-	-	1,000	5,484
Transfers				
Transfer In				
Transfer Out				
	-	-	-	-
Net Annual Activity	399	281	(780)	(5,234)
Ending Available Balance	\$ 10,731	\$ 6,014	\$ 5,234	\$ -
Available Balance Calculation				
Cash		\$ 11,014		
Principal endowment		(5,000)		
Ending Available Balance		\$ 6,014		

**Community Services Department
Kiersch Memorial Trust - 628
2012-13 Proposed Budget**

	FY 2009-2010	FY 2010-2011	FY 2011-2012	FY 2012-2013
	Actual	Unaudited Actual	Projected	Proposed Budget
Beginning Available Balance	\$ 10,182	\$ 621	\$ 741	\$ 541
Revenues				
Interest	170	120	100	100
	170	120	100	100
Expenditures				
Books & media			300	641
	-	-	300	641
Transfers				
Transfer In				
Transfer Out				
	-	-	-	-
Net Annual Activity	170	120	(200)	(541)
Ending Available Balance	\$ 10,352	\$ 741	\$ 541	\$ -
Available Balance Calculation				
Cash		\$ 4,691		
Principal endowment		(3,950)		
Ending Available Balance		\$ 741		



**Community Services Department
Recreation Division
2012-13 Proposed Budget**

	Recreation 044	Golf 481	Arts Endowment 613	E. Blum Recreation Trust 623	Blum Trust Pixie Woods 624
	<i>See Page H-21</i>	<i>See Page H-23</i>	<i>See Page H-16</i>	<i>See Page H-25</i>	<i>See Page H-26</i>
Beginning Available Balance	\$ 123,439	\$ (12)	\$ 78,659	\$ 2,000	\$ 9,846
Revenues					
Recreation Programs	1,203,400	1,992,572			
Facility Admission and Rentals	447,050				
Community Centers	290,000				
Other Revenue			3,000		306
Donations					
	1,940,450	1,992,572	3,000	-	306
Expenditures					
Administration	938,736				
Children's Museum	5,000				
Civic Auditorium	305,971				
Community Centers	1,805,924				
Pixie Woods	111,605				
Programs - After School	959,602				
Programs - Instructional	41,901				
Programs - Sports	418,326				
Silver Lake Camp	7,901				
Special Events	131,324				
Swimming Facilities	36,225				
Tennis Facilities	18,443				
Grants Awarded			60,000		
Materials & Supplies			2,300		
Program Costs		2,314,511			
	4,780,958	2,314,511	62,300	-	-
Transfers					
Transfer In - General Fund	2,800,000	322,000			
Transfer In - Other	413,721		30,143		
Transfer Out		-		(2,000)	(10,152)
	3,213,721	322,000	30,143	(2,000)	(10,152)
Net Annual Activity	373,213	61	(29,157)	(2,000)	(9,846)
Ending Available Balance	\$ 496,652	\$ 49	\$ 49,502	\$ -	\$ -

**Community Services Department
Recreation Division, Continued
2012-13 Proposed Budget**

Blum Trust Ice Rink 625	A Cross 626	Arts Commission Special 641	Parks & Recreation Trust 643	Special Revenue 683	Recreation Total
<i>See Page H-27</i>	<i>See Page H-28</i>	<i>See Page H-29</i>	<i>See Page H-30</i>	<i>See Page H-31</i>	
\$ 13,541	\$ 57,260	\$ 30,143	\$ 173,829	\$ 293,260	\$ 781,965
			20,000		3,215,972
					447,050
					290,000
421			4,000	1,000	8,727
				-	-
421	-	-	24,000	1,000	3,961,749
					938,736
					5,000
					305,971
					1,805,924
					111,605
					959,602
					41,901
					418,326
					7,901
					131,324
					36,225
					18,443
					60,000
					2,300
			30,000	-	2,344,511
-	-	-	30,000	-	7,187,769
					3,122,000
					443,864
(13,962)	(57,260)	(30,143)	(145,809)	(200,000)	(459,326)
(13,962)	(57,260)	(30,143)	(145,809)	(200,000)	3,106,538
(13,541)	(57,260)	(30,143)	(151,809)	(199,000)	(119,482)
\$ -	\$ -	\$ -	\$ 22,020	\$ 94,260	\$ 662,483

COMMUNITY SERVICES DEPARTMENT

RECREATION SERVICES FUND (044)

History

- This fund provides finances to operate the City's Recreation Services Division.
- The division provides a system of recreational facilities and programs benefiting City of Stockton residents.
- This Special Revenue Fund is maintained through program revenues and general fund subsidy.

2011-12 Events

- The adopted budget of \$5.4 million included a transfer in of \$500,000 from the Recreation Fund Balance to offset the Golf Fund.
- The budget projection assumes that all recreation programs and rentals maintain previous years actual.

2012-13 Proposed Budget Issues and Proposed Changes

- Program and operating expenditures
 - Civic Auditorium, the new more efficient HVAC system installed in 2010 has resulted in a decrease of utility costs.
 - Civic Auditorium rentals have steadily increased since re-opening in 2011. Previous customers have returned and new customers have been drawn due to the additional marketing strategies, such as print ads and upcoming bridal shows.
 - Recreation staff reassignments have been implemented in an effort to focus on increasing quality services and revenue generating programs such as, Youth Sports, Community Center rentals, Seasonal Day Camps and contract management.
 - Pixie Woods marketing strategies will refocus on communication with school districts and community groups in an effort to increase attendance and revenue.
 - After School Programs will increase by 18%, 300 new middle school youth will attend positive after school programs.
 - The City will be selecting a long term operator to manage City owned swimming pools. The result will be an overall reduction of expenses to the City.
 - New marketing strategies such as an on-line magazine and use of social media outlets will increase community awareness of recreational opportunities.
- Annual Activity and ending balance
 - With the above assumptions, the fund will not require an increase in General Fund subsidy. The division will operate a balanced budget for the year.

**Community Services Department
Recreation Services - 044
2012-13 Proposed Budget**

	FY 2009-2010	FY 2010-2011	FY 2011-2012	FY 2012-2013
	Actual	Unaudited Actual	Current Budget	Proposed Budget
Beginning Available Balance	\$ 854,977	\$ 950,267	\$ 554,572	\$ 123,439
Revenues				
Entertainment Venues (a)	2,007			
Recreation Programs	1,316,900	1,250,052	998,663	1,203,400
Facility Admission and Rentals	500,549	256,853	228,763	447,050
Community Centers	346,970	302,588	236,272	290,000
Other Revenue	45,352	(26,454)	16,309	
	2,211,778	1,783,039	1,480,007	1,940,450
Expenditures - Plan B Service Level				
Administration	756,829	837,184	759,620	938,736
Children's Museum	311,851	94,120	4,978	5,000
Civic Auditorium	50,129	199,800	255,683	305,971
Community Centers	1,955,606	1,782,619	1,663,108	1,805,924
Entertainment Venues (a)				
Pixie Woods	176,917	124,788	92,585	111,605
Programs - After School	807,332	684,584	820,561	959,602
Programs - Instructional	126,017	52,674	40,244	41,901
Programs - Sports	387,980	346,798	334,819	418,326
Silver Lake Camp	1,454	4,151	6,163	7,901
Special Events	110,302	97,078	112,172	131,324
Sports Commission	96,678	55,363	5,144	
Swimming Facilities	179,029	80,161	54,400	36,225
Tennis Facilities	19,947	18,589	18,926	18,443
	4,980,071	4,377,909	4,168,403	4,780,958
Transfers				
Transfer In - General Fund	3,023,774	2,941,711	2,757,263	2,800,000
Transfer In - Other				413,721
Transfer Out - Golf Course	(160,191)	(677,622)	(500,000)	
	2,863,583	2,264,089	2,257,263	3,213,721
Net Annual Activity	95,290	(330,781)	(431,133)	373,213
Ending Available Balance	\$ 950,267	\$ 619,486	\$ 123,439	\$ 496,652
Available Balance Calculation				
Cash		\$ 707,090		
Accounts Receivable		308,927		
Current Liabilities		(396,536)		
Encumbrances		(64,908)		
Ending Available Balance		\$ 554,573		

(a) Entertainment Venues activity has been moved to a separate fund (086).

COMMUNITY SERVICES DEPARTMENT

GOLF SERVICES FUND (481)

History

- This fund provides finances to operate the City's Golf Division.
- The division provides recreational golf opportunities benefiting City of Stockton residents through the operation of two municipal golf courses. Swenson Golf Course is a twenty seven holes golf course and Van Buskirk is an eighteen hole golf course.
- This Enterprise Fund is maintained through program revenues.
- The Recreation Division subsidized the fund with \$500,000 in FY 2011-12.

2011-12 Events

- The adopted budget of \$2.1 million included a transfer in of \$500,000 from the Recreation Fund Balance to offset the Golf Fund.
- Golf was contracted to Kemper Sports Inc. by the City Council in July of 2011.
- Transition expenditures such as maintenance and food and beverages contracts caused an increase in costs for the first year.
- New operational procedures have provided for a more efficient operation.
- New marketing strategies that tie into existing Kempers' existing national marketing strategies are proving to increase revenues. Kempers' web page and its user friendly design are positive improvements.
- Kempers' use of social media outlets has increased community awareness of golfing opportunities.

2012-13 Proposed Budget Issues and Proposed Changes

- Should both courses remain open, the fund will require a General Fund subsidy in FY 2012-13 of \$325,000.
- Kemper has also submitted a zero subsidy budget. In order to operate with a zero subsidy, the Van Buskirk golf course would need to be closed. This option will produce a profit to the City in future years.

**Community Services Department
Golf - 481
2012-13 Proposed Budget**

	FY 2009-2010	FY 2010-2011	FY 2011-2012	FY 2012-2013
	Actual	Unaudited Actual	Projected	Proposed Budget
Beginning Available Balance		\$ (347,466)	\$ (9,063)	\$ (12)
Revenues				
Swenson Golf Course	\$ 1,127,824	1,126,374	1,280,000	1,354,343
Van Buskirk Golf Course	571,476	532,091	606,051	638,229
	1,699,300	1,658,465	1,886,051	1,992,572
Expenditures				
Swenson Golf Course	1,236,506	1,195,093	1,495,000	1,429,291
Van Buskirk Golf Course	836,808	802,591	882,000	885,220
	2,073,314	1,997,684	2,377,000	2,314,511
Transfers				
Transfer In - General Fund	160,191	677,622	500,000	322,000
	160,191	677,622	500,000	322,000
Net Annual Activity	\$ (213,823)	338,403	- 9,051	61
Ending Available Balance		\$ (9,063)	\$ (12)	\$ 49
Available Balance Calculation				
Current assets				
Current liabilities				
Ending Available Balance		\$ -		

**Community Services Department
Arts Endowment - 613
2012-13 Proposed Budget**

	FY 2009-2010	FY 2010-2011	FY 2011-2012	FY 2012-2013
	Actual	Unaudited Actual	Projected	Proposed Budget
Beginning Available Balance	\$ 1,483,826	\$ 1,501,362	\$ 136,959	\$ 78,659
Revenues				
Interest	54,686	36,818	4,000	3,000
Grant	2,000	2,000		
	56,686	38,818	4,000	3,000
Expenditures				
Grants Awarded	39,150	103,221	60,000	60,000
Materials & Supplies			2,300	2,300
	39,150	103,221	62,300	62,300
Transfers				
Transfer In - 641 Fund				30,143
Transfer Out		(1,300,000)		
	-	(1,300,000)	-	30,143
Net Annual Activity	17,536	(1,364,403)	(58,300)	(29,157)
Ending Available Balance	\$ 1,501,362	\$ 136,959	\$ 78,659	\$ 49,502
Available Balance Calculation				
Cash		\$ 186,960		
Accounts Receivable				
Accounts Payable		(50,000)		
Principal endowment				
Ending Available Balance		\$ 136,960		

**Community Services Department
Blum - General Recreation - 623
2012-13 Proposed Budget**

	FY 2009-2010	FY 2010-2011	FY 2011-2012	FY 2012-2013
	Actual	Unaudited Actual	Projected	Proposed Budget
Beginning Available Balance	\$ 2,000	\$ 2,000	\$ 2,000	\$ 2,000
Revenues				
Interest	-	-	-	-
Expenditures				
Library materials	-	-	-	-
Transfers				
Transfer In				
Transfer Out - Recreation Fund	-	-	-	(2,000)
Net Annual Activity	-	-	-	(2,000)
Ending Available Balance	\$ 2,000	\$ 2,000	\$ 2,000	\$ -
Available Balance Calculation				
Cash		\$ 2,000		
Ending Available Balance		\$ 2,000		

**Community Services Department
Blum - Pixie Woods - 624
2012-13 Proposed Budget**

	FY 2009-2010	FY 2010-2011	FY 2011-2012	FY 2012-2013
	Actual	Unaudited Actual	Projected	Proposed Budget
Beginning Available Balance	\$ 8,950	\$ 9,296	\$ 9,540	\$ 9,846
Revenues				
Interest	346	244	306	306
	346	244	306	306
Expenditures				
Materials & Supplies	-	-	-	-
	-	-	-	-
Transfers				
Transfer In				
Transfer Out - Recreation Fund				(10,152)
	-	-	-	(10,152)
Net Annual Activity	346	244	306	(9,846)
Ending Available Balance	\$ 9,296	\$ 9,540	\$ 9,846	\$ -
Available Balance Calculation				
Cash		\$ 9,540		
Ending Available Balance		\$ 9,540		

**Community Services Department
Blum Red Feather - 625
2012-13 Proposed Budget**

	FY 2009-2010	FY 2010-2011	FY 2011-2012	FY 2012-2013
	Actual	Unaudited Actual	Projected	Proposed Budget
Beginning Available Balance	\$ 12,310	\$ 12,786	\$ 13,121	\$ 13,541
Revenues				
Interest	476	335	420	421
	476	335	420	421
Expenditures				
Materials & Supplies	-	-	-	-
	-	-	-	-
Transfers				
Transfer In				
Transfer Out - Ent. Venues Fund	-	-	-	(13,962)
	-	-	-	(13,962)
Net Annual Activity	476	335	420	(13,541)
Ending Available Balance	\$ 12,786	\$ 13,121	\$ 13,541	\$ -
Available Balance Calculation				
Cash		\$ 13,122		
Ending Available Balance		\$ 13,122		

**Community Services Department
Arlo Cross - 626
2012-13 Proposed Budget**

	FY 2009-2010	FY 2010-2011	FY 2011-2012	FY 2012-2013
	Actual	Unaudited Actual	Projected	Proposed Budget
Beginning Available Balance	\$ 37,925	\$ 46,910	\$ 56,130	\$ 57,260
Revenues				
Interest	9,180	9,416	1,130	-
	9,180	9,416	1,130	-
Expenditures				
Operating Expenditures	195	196	-	-
	195	196	-	-
Transfers				
Transfer In				
Transfer Out - Library Fund				(1,500)
Transfer Out - Recreation Fund				(55,760)
	-	-	-	(57,260)
Net Annual Activity	8,985	9,220	1,130	(57,260)
Ending Available Balance	\$ 46,910	\$ 56,130	\$ 57,260	\$ -
Available Balance Calculation				
Cash		\$ 56,131		
Ending Available Balance		\$ 56,131		

**Community Services Department
Stockton Arts Commission Special Revenue - 641
2012-13 Proposed Budget**

	FY 2009-2010	FY 2010-2011	FY 2011-2012	FY 2012-2013
	Actual	Unaudited Actual	Projected	Proposed Budget
Beginning Available Balance	\$ 58,523	\$ 37,612	\$ 29,553	\$ 30,143
Revenues				
Program Revenues	16,361	780		
Donations	2,722			
Interest	1,098		590	
	20,181	780	590	-
Expenditures				
Program costs	16,397	8,839		
Art awards	21,493			
Publicity & marketing	3,202			
	41,092	8,839	-	-
Transfers				
Transfer In				
Transfer Out - 613 Fund				(30,143)
	-	-	-	(30,143)
Net Annual Activity	(20,911)	(8,059)	590	(30,143)
Ending Available Balance	\$ 37,612	\$ 29,553	\$ 30,143	\$ -
Available Balance Calculation				
Cash		\$ 29,554		
Accounts Receivable				
Ending Available Balance		\$ 29,554		

**Community Services Department
Parks & Recreation Trust - 643
2012-13 Proposed Budget**

	FY 2009-2010	FY 2010-2011	FY 2011-2012	FY 2012-2013
	Actual	Unaudited Actual	Projected	Proposed Budget
Beginning Available Balance	\$ 302,332	\$ 270,429	\$ 278,429	\$ 173,829
Revenues				
Donations	9,241	10,789		
Program revenue	13,456	16,467		20,000
Interest income	8,563	5,591	5,400	4,000
Fundraisers	450			-
	31,710	32,847	5,400	24,000
Expenditures				
Program costs	63,613	24,847	110,000	30,000
	63,613	24,847	110,000	30,000
Transfers				
Transfer In - General Fund				
Transfer Out - Recreation Fund				(145,809)
	-	-	-	(145,809)
Net Annual Activity	(31,903)	8,000	(104,600)	(151,809)
Ending Available Balance	\$ 270,429	\$ 278,429	\$ 173,829	\$ 22,020
Available Balance Calculation				
Cash		\$ 278,960		
Accounts Receivable		2,250		
Accounts Payable		(2,781)		
Ending Available Balance		\$ 278,429		

**Community Services Department
Recreation Special Revenue - 683
2012-13 Proposed Budget**

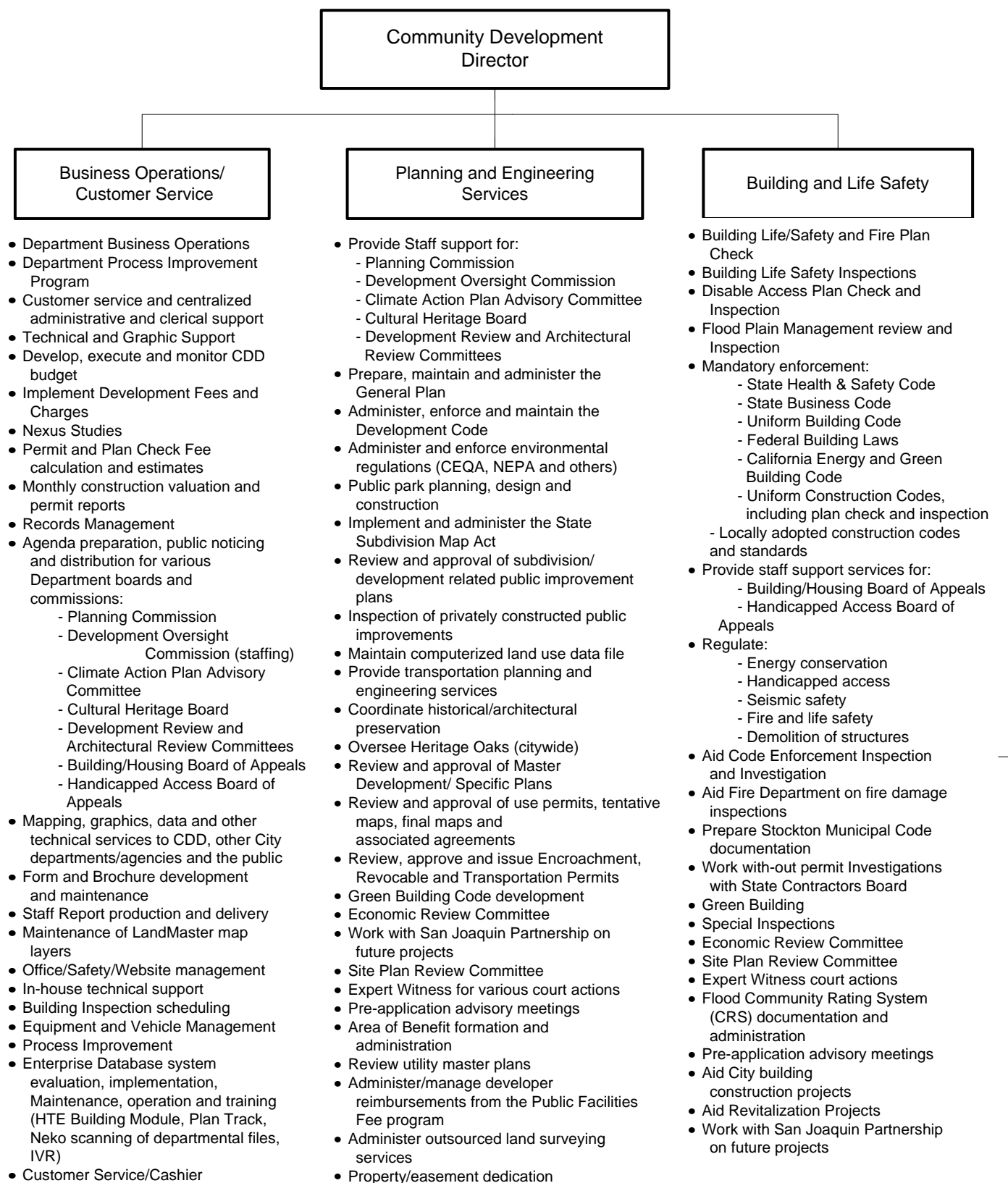
	FY 2009-2010	FY 2010-2011	FY 2011-2012	FY 2012-2013
	Actual	Unaudited Actual	Projected	Proposed Budget
Beginning Available Balance	\$ 279,431	\$ 307,140	\$ 281,627	\$ 293,260
Revenues				
Donations	-			
Interest income	27,709		11,633	1,000
	27,709	-	11,633	1,000
Expenditures				
Program costs		25,513		
	-	25,513	-	-
Transfers				
Transfer In				
Transfer Out - Recreation Fund				(200,000)
	-	-	-	(200,000)
Net Annual Activity	27,709	(25,513)	11,633	(199,000)
Ending Available Balance	\$ 307,140	\$ 281,627	\$ 293,260	\$ 94,260
Available Balance Calculation				
Cash		\$ 281,631		
Accounts Payable		(4)		
Ending Available Balance		\$ 281,627		



TAB

Community Development

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COMMUNITY DEVELOPMENT DEPARTMENT



COMMUNITY DEVELOPMENT DEPARTMENT

MISSION STATEMENT

To serve the public by providing courteous, effective, efficient and accurate planning and development services to ensure a safe community that enhances the quality of life for all residents of the City of Stockton.

Budget at a Glance:

Total Expenditures	\$6,947,489
Total Revenues	\$6,912,962
Total Net Cost	\$34,527
Total Staff	29

DEPARTMENTAL DESCRIPTION

The Community Development Department is composed of the Building & Life Safety and Planning & Engineering Services divisions with departmental and Permit Center support provided by Administration/Business Operations. The purpose of the Department is to provide development services review to ensure that applicable codes and laws are implemented and the directives of the City Council and City Manager are carried out. Community Development supports the Planning Commission, Development Oversight Commission, Climate Action Plan Advisory Committee, Cultural Heritage Board, Building and Housing Board of Appeals, and Handicap Access Board of Appeals. All divisions are located at the Permit Center. Funding is derived primarily from user fees with allocations from federal grants and the General Fund.

Projected statistics through the end of FY 2010-11: Building Permits 3,964; Building Inspections 28,708; Planning Applications 128; Home Occupation Permits 272; and Encroachment Permits 1,133.

KEY ISSUES

Development Industry Weakness: The development industry as a whole continues to see weakness that will continue through FY 2012-13 with gradual improvement beginning the second half of the fiscal year. Although the number of building permits for FY 2011-12 are down around 10%, the valuation of permits are down nearly 30%, reflecting overall smaller projects. The City of Stockton has realized a number of years of historically low new single family home construction rates starting in FY 2006-07. In FY 2006-07, the City issued 680 single family permits decreasing to an estimated 90 permits in FY 2011-12. FY 2011-12 represents a further 41% reduction from last fiscal year. To put this in perspective, in FY 1991-92, a year where California's economy began early recovery from the last severe recession, Stockton issued 1,299 new single family construction permits. At the height of the recent construction boom, FY 2002-03 through FY 2004-05, nearly 3,000 new permits were issued annually.

Review Fees and Processes: Given the dramatic slowdown in development the City needs revise assumptions underlying public facilities, mitigation and processing fees. This review will revise the build-out assumptions of the 2035 General Plan, setting the stage for a plan revision in the future. Setting appropriate fee levels and managing expenditures financed by fees restricted to specific purposes will be a high priority.

Transition to new leadership: Forming an effective team to provide services and increase institutional knowledge following the departure of highly experienced staff members will be an important focus.

Technology: Staffing constraints and the need to change and adapt to the new development environment make successful implementation of the permitting and land use information system critical to the department's future success.

FEMA Modification of Special Flood Hazard Area: On hold pending FEMA re-evaluation of levee certification criteria.

COMMUNITY DEVELOPMENT DEPARTMENT

- Full-time Employee Costs
 - New retirement expenditure items, Retiree Health Insurance and Retirement Pension Bond costs previously reflected in active personnel compensation and benefit costs, were reclassified in the budget in the amount of approximately \$138,000. The new cost allocation system charges non-PERS post employment benefits to departments and divisions for all positions whether filled or vacant.
 - Employee separation pay increased by 122% or \$14,298.
 - The labor allocation of one (1) Office Assistant II in Fire Prevention account was corrected and transferred to Fire Administration.
 - Overall compensation costs went down by approximately 20% or \$309,000 partially due to the reduction in employee medical and retirement benefit costs described above.
- ISF Rental Rates and Fuel
 - Combined rental rates and fuel increased by 29% or approximately \$37,000.
- Costs for Other Services
 - The proposed budget provides additional funding of \$22,620 for contractual clerical support staff.
 - These contractual staff costs are offset by the savings generated from the reduction of one full-time clerical support staff in the division.
- Annual Activity and Ending Balance
 - Projected revenues are sufficient to cover the division's basic operating expenditures.

Community Development Department
2012-13 Proposed Budget

	Development Public Services 048	Facilities Fee Administration 999	Total
	<i>See Page I-8</i>	<i>See Page I-9</i>	
Beginning Available Balance		\$ 35,543	
Revenues			
Fees	\$ 5,670,850	113,931	\$ 5,784,781
Grants	102,308	873	103,181
	5,773,158	114,804	5,887,962
Expenditures			
Operating Expense	6,773,158	174,331	6,947,489
	6,773,158	174,331	6,947,489
Transfers			
Transfer In - General Fund	1,000,000	25,000	1,025,000
Transfer Out	-	-	-
	1,000,000	25,000	1,025,000
Net Annual Activity	\$ -	(34,527)	\$ (34,527)
Ending Available Balance		\$ 1,016	
		-	
		Revenues	\$ 5,887,962
		Transfers	1,025,000
		Total Sources	\$ 6,912,962
		Expenditures	\$ 6,947,489
		Transfers	-
		Total Appropriations	\$ 6,947,489

COMMUNITY DEVELOPMENT DEPARTMENT

Development Services Fund 048

History

- This fund includes both the Community Development Department and Fire Prevention.
- The Development Services fund is a special revenue fund.
- Operating costs borne primarily by permit revenues.

2011-12 Events

- Salary savings were attained from the delayed hiring of the Department Director, Deputy Director, and other staff positions.

2012-13 Proposed Budget Issues and Proposed Changes

- Management Partners Development Services Review
 - Expect subsequent budget amendment(s) related to a potential increase in staffing and resources as an outcome of the review recommending implementation of specific action items.
 - Fee study to review Permit Center fees based on Management Partners recommendation may impact overall revenue balances.
 - Implement recommended efficiencies and reorganization of the department.
 - The contribution from the General Fund has increased to implement service improvements and to reflect support for those department costs appropriately funded by the community that have previously been supported by development related revenues.
- Technology Projects
 - Expect to release a Request for Proposal (RFP) for electronic permit management system funded through IT budget.
- Operating expenditures
 - Training budgets significantly pared down in prior years have been increased to more realistic levels.
 - Upgrading ten-year old Microsoft Office software for all staff.
- Annual Activity and ending balance
 - Department is tracking close to last year's projection for building permit activity and will slightly exceed that projection by year-end.



**Community Development and Fire Departments
Development Services - 048
2012-13 Proposed Budget**

	FY 2009-2010	FY 2010-2011	FY 2011-2012	FY 2012-2013
	Actual	Unaudited Actual	Proposed Budget	Proposed Budget
Beginning Available Balance	\$ (3,349,676)	\$ 1,117,014	\$ (512,318)	\$ 596,925
Prior Period Adjustment		\$ (633,638)		
Adjusted Beginning Fund Balance		\$ 483,376		
	5,670,850			
Revenues	102,308			
Community Development				
User Fees	6,031,430	5,465,997	4,346,980	4,339,350
Development Oversight	140,915	112,154	157,856	130,000
Technology Fee	338,504	276,974	284,477	350,000
CRS Administrative Fee			63,220	56,000
General Plan Maint & Impl			474,445	350,000
Development Code Maintenance			157,892	120,000
Climate Action Plan			157,892	120,000
Housing Element Prep/Impl/Main			78,954	55,000
Capital Preservation			157,686	150,000
Grants			40,000	102,308
Fines & Penalties	-		1,853	500
Refunds & Reimbursements		(25,874)		
	<u>6,510,849</u>	<u>5,829,251</u>	<u>5,921,255</u>	<u>5,773,158</u>
Fire Prevention				
User Fees	1,838,588	1,565,099	1,479,725	1,535,712
Safe & Sane Fireworks Program	23,540	29,282	26,750	27,583
Fines & Penalties	105,211	82,784	51,206	60,000
	<u>1,967,339</u>	<u>1,677,165</u>	<u>1,557,681</u>	<u>1,623,295</u>
Other Revenue	<u>4,849,672</u>	<u>77,453</u>		
	13,327,860	7,583,869	7,478,936	7,396,453
Expenditures				
Community Development				
Business Ops and Customer Svc	2,253,382	2,320,233	1,607,816	2,003,990
Planning & Engineering Services	2,736,239	2,376,754	1,835,507	1,781,849
Building and Life Safety	2,261,091	2,118,243	1,461,927	1,987,319
Dept. restructuring				1,000,000
	<u>7,250,712</u>	<u>6,815,230</u>	<u>4,905,250</u>	<u>6,773,158</u>
Fire Prevention				
Fire Prevention	1,586,937	1,634,020	1,570,232	1,696,136
Fire Public Education	16,997	18,814	21,649	
Safe & Sane Fireworks Program	6,524	26,113	22,562	15,471
	<u>1,610,458</u>	<u>1,678,947</u>	<u>1,614,443</u>	<u>1,711,607</u>
	8,861,170	8,494,177	6,519,693	8,484,765
Transfers				
Transfer In - General Fund				
Business Plans			150,000	1,000,000
Transfer Out				
	<u>-</u>	<u>-</u>	<u>150,000</u>	<u>1,000,000</u>
Net Annual Activity				
Community Development	(739,863)	(985,979)	1,166,005	-
Fire	356,881	(1,782)	(56,762)	(88,312)
Other	4,849,672	77,453	-	-
	<u>4,466,690</u>	<u>(910,308)</u>	<u>1,109,243</u>	<u>(88,312)</u>
	-	-	-	-
Ending Available Balance	\$ 1,117,014	\$ (426,932)	\$ 596,925	\$ 508,613
Available Balance Calculation				
Current Assets		\$ 258,265		
Current Liabilities		(685,422)		
Encumbrances		(85,161)		
Ending Available Balance		<u>\$ (512,318)</u>		

(a) The total Development Services Fund - 048 is presented with the Community Development Department budget. The portion relating to Fire has also been included on page F-8.

**Community Development
Public Facilities Fee Administration - 999
2012-13 Proposed Budget**

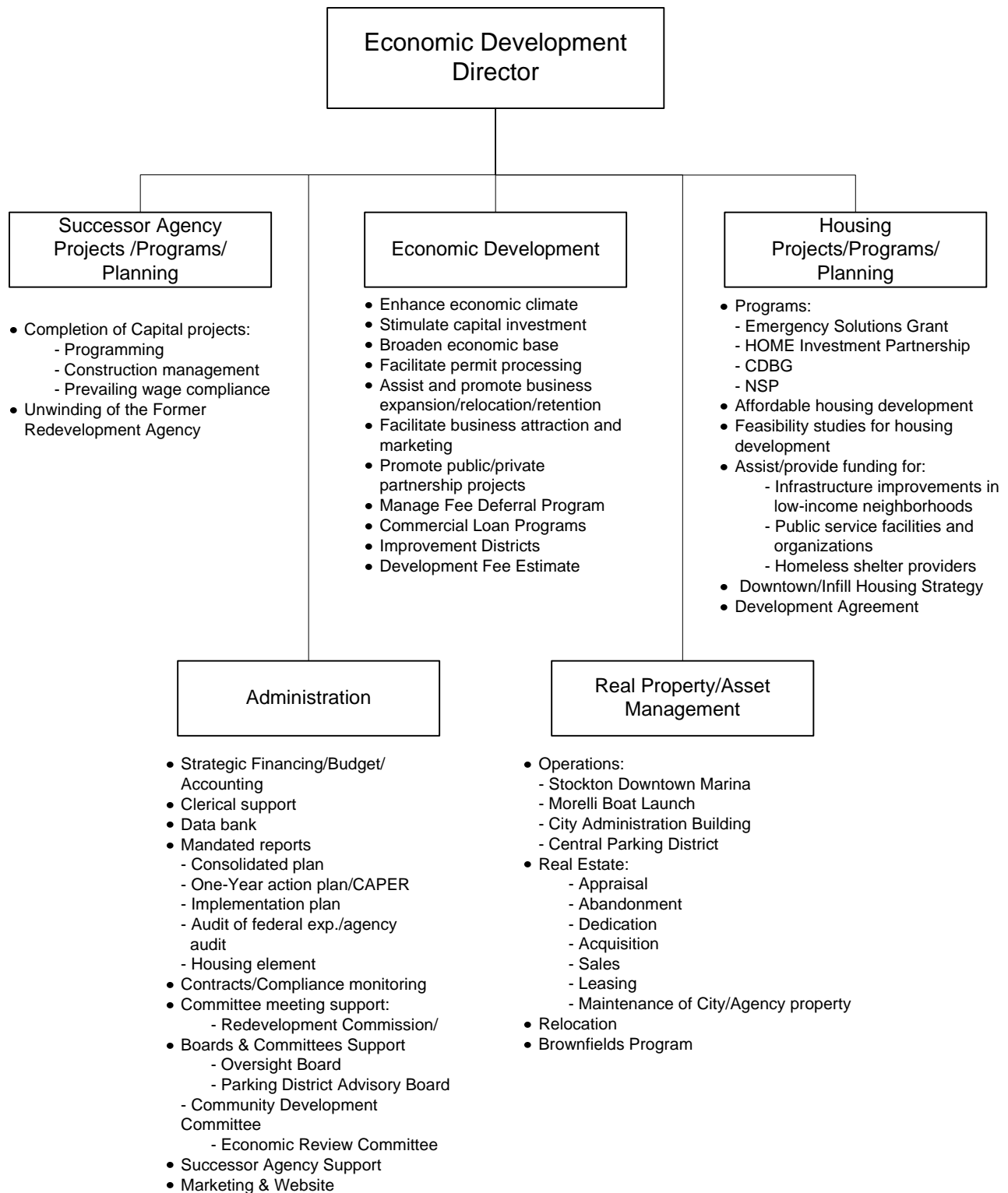
	FY 2009-2010	FY 2010-2011	FY 2011-2012	FY 2012-13
	Actual	Unaudited Actual	Current Budget	Proposed Budget
Beginning Available Balance	\$ 104,136	\$ 5,488,310	\$ 90,739	\$ 35,543
Revenues				
Public Facilities Fee	5,670,850	135,520	113,931	113,931
Interest	102,308	(12,931)	873	873
	5,773,158	122,589	114,804	114,804
Expenditures				
Operating Expenses	388,984	404,484	170,000	174,331
	388,984	404,484	170,000	174,331
Transfers				
Transfer In - General Fund		480,000		25,000
Transfer Out				
	-	480,000	-	25,000
Net Annual Activity	5,384,174	198,105	(55,196)	(34,527)
Ending Available Balance	\$ 5,488,310	\$ 5,686,415	\$ 35,543	\$ 1,016
Available Balance Calculation				
Cash		\$ 110,206		
Encumbrances		(19,467)		
Ending Available Balance		\$ 90,739		



TAB

Economic Development

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ECONOMIC DEVELOPMENT DEPARTMENT



ECONOMIC DEVELOPMENT DEPARTMENT

MISSION STATEMENT

To expand and diversify the City of Stockton's economic base; to aid in the elimination of slums and blight; to provide real property services to City and Agency staff; to provide adequate parking facilities downtown; and to facilitate the preservation and production of affordable housing.

Budget at a Glance – Baseline:

Total Expenditures	\$22,247,785
Total Revenues	\$15,726,513
Total Net Cost	\$6,521,272
Total Staff	18

DEPARTMENTAL DESCRIPTION

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

The Economic Development Division engages in activities that expand and diversify the City of Stockton's economic base to attract, retain, and assist with the creation of quality jobs in an effort to establish an economically sustainable community. The division works directly with businesses to facilitate start-up or expansion within Stockton and interacts with resource providers, such as the San Joaquin Partnership, San Joaquin County WorkNet, and San Joaquin Delta College Small Business Development Center to connect those resources to business. The division also supports the Miracle Mile and Downtown Stockton improvement districts. The division manages a micro loan program, commercial facade improvement forgivable loan program, commercial emergency grant program, and non-residential fee deferral program.

The Successor Agency Division is responsible for winding down the activities of the former Stockton Redevelopment Agency (SRDA). The Redevelopment Agency financed development activities in four targeted geographic "project areas," adopted between 1961 and 2009. Activities were financed through incremental property taxes earned on property value appreciation over and above the baseline valuations at the time of project area formation. Through the passage of Assembly Bill x1 26, redevelopment agencies were dissolved and replaced with successor agencies effective February 1, 2012. An Oversight Board directs and/or approves actions of the Successor Agency.

The Housing Division is responsible for administering a number of Federal Grant Programs. The division uses these funds to preserve and produce affordable and workforce housing, fund non-profit organizations that provide public services for low-income residents of the community, to rehabilitate or construct public facilities, and to assist the homeless.

The Property Management Division manages City facilities, for example 400 E. Main and the Marina, and provides real estate related services to City and Agency departments. The division assumed management responsibilities of the Central Parking District (CPD) in February, 2010, reducing budgeted operating expenses and installed new meter equipment to update the system in fiscal year 2011-12.

KEY ISSUES

For the Economic Development Division, the state and national economy continue to be the key issues restraining overall economic development activities throughout the nation. The division continues to meet with retail, logistics, and manufacturing companies, however, only one announced a Stockton location this year. The ongoing state budget crisis threatens to eliminate or drastically reduce the benefits of the Enterprise Zone program upon which Stockton and San Joaquin County rely to attract new companies.

Successor Agency Division annual tax increment revenues have declined from \$25 million to \$9 million, over a four year period. A working capital conversion of available bond proceeds was completed to provide coverage for Arena Revenue Bond and the 2003 COPs debt service payments. However, it will be necessary for the City's General Fund to support the administrative and overhead costs of the Successor Agency and debt costs associated with City issuance of debt on behalf of the SRDA.

Housing Division annual Federal entitlement funds have been reduced by an additional 18% in the Community Development Block Grant Program and by 42% in the HOME Investment Partnerships Program from the FY 2011-12 level. Reductions in allocations resulted in the elimination of two staff positions during FY 2011-12. With debt repayments from prior HUD Section 108 loans obligated through 2024, these entitlement reductions directly affect the of housing programs and services provided to the community. One-time Federal Stimulus funds through the Community Development Block Grant – Recovery (CDBG-R), and Homeless Prevention and Rapid Rehousing Programs (HPRP) will be fully expended by September 2012.

The Emergency Solutions Grant Program received an additional \$103,247 for FY 2011-12, and an increased allotment for FY 2012-13 to \$327,098, which replaces only about 20% of the HPRP grant. The Neighborhood Stabilization Program grant (NSP), awarded in 2009, continues to fund acquisition and rehabilitation of foreclosed homes through the use of program income received from the sale of those homes to low and moderate income buyers. An additional \$4.2 million was awarded in 2011 under the NSP3 grant and will continue to fund this program.

Real Property Division shared support staffing will complicate facilitation and oversight of projects planned for this fiscal year, including: continued property management of City and Successor Agency assets, developing programs to redefine the CPD following transfer of three garages to our bond trustee's receiver and CPD major maintenance projects to replace and upgrade aging equipment, sale of City and Successor Agency assets, oversight of 400 East Main property management contract with CBRE , demolition of the Land Hotel, and close monitoring of Downtown Stockton Marina income and expenses to minimize the City subsidy.

**Economic Development Department
2012-13 Proposed Budget**

	General Fund Baseline 010 <i>See Page</i>	HUD/ Housing <i>See Page</i>	Property Management <i>See Page</i>	Economic Development Total
Beginning Available Balance		\$ 9,798,346	\$ 722,313	
Revenues				
Tax Increment				-
Grants & Entitlements		5,793,547		5,793,547
Assessment & Use Fees			6,612,524	6,612,524
Interest				-
Other Revenue	7,200			-
	7,200	5,793,547	6,612,524	12,406,071
Expenditures				
Employee Services	358,900			358,900
Other Services	329,576			329,576
Materials and Supplies	13,104			13,104
Other Expenses	24,180			24,180
Loan Programs		5,833,111		5,833,111
Program Expense		2,351,074	5,470,240	7,821,314
Operating Expense		1,043,628		1,043,628
Economic Development		650,000		650,000
Debt Service		2,207,670	-	2,207,670
Capital Projects			-	-
Other Expenses		171,738		171,738
	725,760	12,257,221	5,470,240	18,453,221
Transfers				
Transfer In - General Fund			3,320,442	3,320,442
Transfer Out			(3,794,564)	(3,794,564)
	-	-	(474,122)	(474,122)
Net Annual Activity	\$ (718,560)	\$ (6,463,674)	\$ 668,162	\$ (6,521,272)
Ending Available Balance		\$ 3,334,672	\$ 1,390,475	
		-	-	
			Revenues	\$ 12,406,071
			Transfers	3,320,442
			Total Sources	\$ 15,726,513
			Expenditures	\$ 18,453,221
			Transfers	3,794,564
			Total Appropriations	\$ 22,247,785
				-

**Economic Development Department
General Fund - 010
2012-13 Proposed Budget**

	FY 2009-2010	FY 2010-2011	FY 2011-2012	FY 2012-13
	Actual	Unaudited Actual	Current Budget	Baseline
Total Economic Development Department				
Employee Services	111,126	150,852	213,017	358,900
Other Services	244,003	166,582	244,398	329,576
Materials and Supplies	2,289	662	14,289	13,104
Other Expenses	1,593	885	15,495	24,180
Total	<u>359,011</u>	<u>318,981</u>	<u>487,199</u>	<u>725,760</u>
Economic Development				
Employee Services	104,528	130,010	184,848	286,191
Other Services	241,589	163,358	234,743	319,999
Materials and Supplies	50	334	11,984	11,984
Other Expenses	1,183	137	14,000	23,000
Total	<u>347,350</u>	<u>293,839</u>	<u>445,575</u>	<u>641,174</u>
Real Property				
Employee Services	6,598	20,842	28,169	72,709
Other Services	2,414	3,224	9,655	9,577
Materials and Supplies	2,239	328	2,305	1,120
Other Expenses	410	748	1,495	1,180
Total	<u>11,661</u>	<u>25,142</u>	<u>41,624</u>	<u>84,586</u>



**Economic Development Department
Housing Division
2012-13 Proposed Budget**

	Community Development Block Grants 052/054/062	Emergency Shelter Grant 057	HOME 058/059	Special Grant and Loans 053
	<i>See Page</i>	<i>See Page</i>	<i>See Page</i>	<i>See Page</i>
Beginning Available Balance	\$ 4,202,326	\$ -	\$ 4,703,350	\$ 124,634
Revenues				
Entitlements	3,103,142	327,098	1,144,923	-
Loan Repayments				
Other Revenue	150,000		60,000	
	3,253,142	327,098	1,204,923	-
Expenditures				
Program Expenses	939,954	327,098	234,984	
Operating Expenses	1,043,628			
Debt Service - Section 108	2,207,670			
CHDO Set-aside loan pool			171,738	
Economic Development	650,000			
Loan programs	2,190,285		3,122,254	
	7,031,537	327,098	3,528,976	-
Transfers				
Transfer In - Other Funds				-
Transfer Out - Waterfront 343				-
	-	-	-	-
Net Annual Activity	(3,778,395)	-	(2,324,053)	-
Ending Available Balance	\$ 423,931	\$ -	\$ 2,379,297	\$ 124,634
	-	-	-	-

**Economic Development Department
Housing Division, Continued
2012-13 Proposed Budget**

	FAÇADE Rehab Loan 056	CALHOME Loan 060	State Ne Housing St Loan 061	ighborhood abilization Program 063	Housing Total
	<i>See Page</i>	<i>See Page</i>	<i>See Page</i>	<i>See Page</i>	
Beginning Available Balance	\$ -	\$ -	\$ 406,130	\$ 361,906	\$ 9,798,346
Revenues					
Entitlements				-	4,575,163
Loan Repayments		680	1,094	1,000,000	1,001,774
Other Revenue			6,610		216,610
	-	680	7,704	1,000,000	5,793,547
Expenditures					
Program Expenses			7,704	841,334	2,351,074
Operating Expenses					1,043,628
Debt Service - Section 108					2,207,670
CHDO Set-aside loan pool					171,738
Economic Development					650,000
Loan programs		-		520,572	5,833,111
	-	-	7,704	1,361,906	12,257,221
Transfers					
Transfer In - Other Funds					-
Transfer Out - Waterfront 343					-
	-	-	-	-	-
Net Annual Activity	-	680	-	(361,906)	(6,463,674)
Ending Available Balance	\$ -	\$ 680	\$ 406,130	\$ -	\$ 3,334,672
	-	-	-	-	-

ECONOMIC DEVELOPMENT DEPARTMENT

COMMUNITY DEVELOPMENT BLOCK GRANTS (CDBG) (052)

History

- 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 primary objective of the Act is the development of viable communities by providing:
 - Decent Housing
 - Suitable living environment
 - Expanded economic opportunities
- These funds manage the annual federal entitlement funding for CDBG activities.
- Entitlement, program income, and revolving loan funds are separated for ease of federal financial reporting.
- 20% of entitlement plus program income received during the current fiscal year can be used for administrative costs.
- The CDBG budget includes the following components:
 - Program Delivery costs
 - Housing Loan Pool
 - Sub-Recipient Assistance
 - Economic Development Program
 - Debt Service (Section 108)

2011-12 Events

- The original adopted budget of \$8.5 million was amended on 10/18/2011 to \$7.8 million due to a 17% decrease in our annual federal entitlement grant.
- Elimination of the Redevelopment Agency has resulted in moving eligible staffing costs to CDBG Administration and Program Delivery where appropriate.
- Short term funding from CalHome relieved the CDBG fund to allow additional funding for the Housing Loan Pool.

2012-13 Proposed Budget Issues and Proposed Changes

- HUD has reduced the CDBG annual entitlement grant by an additional 18% resulting in reductions to the Housing Loan Pool, Sub-Recipient Assistance, and available budget for Administration and Program Delivery.
- CalHome funding terminates in September 2012.
- Unused funds in the loan pool roll over to the next fiscal year, but administrative and program delivery budgets expire at the end of the fiscal year.

Housing Division
Community Development Block Grants - 052 - 054 - 062
2012-13 Proposed Budget

	FY 2009-2010	FY 2010-2011	FY 2011-2012	FY 2012-13
	Actual	Unaudited Actual	Current Budget	Proposed Budget
Beginning Available Balance	\$ 28,405,922	\$ 27,666,916	\$ 4,686,242	\$ 4,202,326
Prior Period Adjustment to Fund Balance		(9,178,067)		
Adjusted Fund Balance	28,405,922	18,488,849	4,686,242	4,202,326
Revenues				
CDBG Entitlement	3,548,697	3,835,222	3,777,223	3,103,142
Loan Repayments	60,642	302,919	123,983	150,000
Other Revenue	1,090	1,453,437	3,253	
Interest	(21,394)	(137,473)	(29,253)	
	3,589,035	5,454,105	3,875,206	3,253,142
Expenditures				
Administration	591,969	467,577	505,694	633,628
Program Delivery	348,923	513,189	370,137	410,000
Debt Service - Section 108	2,090,228	2,272,543	2,237,493	2,207,670
Subrecipient Assistance	255,988	257,245	710,930	281,152
Housing Loan Pool				2,190,285
Economic Dev Program			110,640	650,000
Code Enforcement	684,505	579,196	424,228	458,802
Emergency Repair				200,000
Infrastructure	2,255	184		
Other expenditures	330,528	1,038,661		
Interest Paid to HUD	23,645			
	4,328,041	5,128,595	4,359,122	7,031,537
Transfers				
Transfer In - FAÇADE - 056		185,725		
Transfer In		407,846		
Transfer Out				
	-	593,571	-	-
Net Annual Activity	(739,006)	919,081	(483,916)	(3,778,395)
Ending Available Balance	\$ 27,666,916	\$ 19,407,930	\$ 4,202,326	\$ 423,931
GAAP				
Available Balance Calculation				
Current assets		\$ 991,787		
Current liabilities		(152,635)		
Encumbrances		(210,474)		
Loan commitments		(1,492,524)		
Due from HUD		5,550,088		
Ending Available Balance		\$ 4,686,242		

ECONOMIC DEVELOPMENT DEPARTMENT

EMERGENCY SOLUTIONS GRANT (ESG) HOMELESS PREVENTION & RAPID RE-HOUSING (HPRP) (057)

History

- This fund was established primarily to manage the annual federal entitlement for the Emergency Shelter Grant (ESG).
- In 2009, we received an additional one-time grant of \$1.7 million for Homeless Prevention & Rapid Re-Housing (HPRP) through the American Recovery and Reinvestment Act of 2009.
- In 2011, Emergency Shelter Grant became Emergency Solutions Grant, and the parameters were expanded.
- Use of ESG funds has a requirement that they be matched 100% with other funding.
- ESG funds are used to assist homeless shelters and service providers with maintenance and operation expenses, to provide homeless prevention, and to re-house those who have become homeless.
- HPRP funds are used to assist individuals and families who are homeless or at risk of becoming homeless.

2011-12 Events

- ESG annual entitlement was decreased only 1%, and a second allocation of \$103,237 was later awarded.

2012-13 Proposed Budget Issues and Proposed Changes

- HPRP funding will run out by September 2012, and there is no renewal.
- Requirements for administration of the revised ESG fund are significantly increased, so for the first time ESG funds are being allocated for Administration costs.
- ESG funding is fully committed each year.

**Housing Division
Emergency Shelter Grant - 057
2012-13 Proposed Budget**

	FY 2009-2010	FY 2010-2011	FY 2011-2012	FY 2012-13
	Actual	Unaudited Actual	Current Budget	Proposed Budget
Beginning Available Balance	\$ (2,081)	\$ (5,914)	\$ -	\$ -
Revenues				
ESG Entitlement	167,159	185,475	286,770	327,098
HPRP Grant	425,644	617,873		
Interest Earned	(3,833)	(1,979)		
	588,970	801,369	286,770	327,098
Expenditures				
ESG Community Program Services	167,159	198,805	286,770	315,098
HPRP Employee Services	8,451	11,383		
HPRP Community Program Services	417,193	670,378		
Administration				12,000
	592,803	880,566	286,770	327,098
Transfers				
Transfer In - FAÇADE - 056		6,603		
Transfer Out				
	-	6,603	-	-
Net Annual Activity	(3,833)	(72,594)	-	-
Ending Available Balance	(5,914)	(78,508)	-	-
Available Balance Calculation				
Cash		\$ (32,735)		
Accounts payable		(45,773)		
Encumbrances		(551,722)		
HPRP commitments		(66,445)		
ESG commitments		(54,405)		
Due from HUD - HPRP		682,055		
Due from HUD - ESG		69,025		
Ending Available Balance		\$ -		

ECONOMIC DEVELOPMENT DEPARTMENT

HOME INVESTMENT PARTNERSHIP PROGRAM (HOME) (058)

History

- The HOME program was created by the National Housing Act of 1990, as amended. The objectives of the HOME Program is to:
 - Provide decent affordable housing to lower-income households;
 - Strengthen the ability of state and local governments to provide housing;
 - Leverage private-sector participation.
- These funds manage the annual federal entitlement funding for HOME activities.
- Entitlement and program income are separated for ease of federal financial reporting.
- 10% of entitlement plus program income received during the current fiscal year can be used toward administrative costs.
- The HOME budget includes the following components:
 - HOME Administration
 - Program Delivery
 - Loan Fund
 - CHDO Set-Aside

2011-12 Events

- The original adopted budget of \$6.2 million was amended on 10/18/2011 to \$2.8 due to a 12% decrease in our federal entitlement grant, and a commitment of \$3.1 million to the Casa de Esperanza multi-family project.
- Elimination of the Redevelopment Agency has resulted in moving eligible staffing costs to HOME Administration and Program Delivery where appropriate.

2012-13 Proposed Budget Issues and Proposed Changes

- HUD has reduced the annual 2012-13 HOME entitlement grant by an additional 42%, impacting the budget for administration and program delivery.
- An excess of unused funds in the loan pool is resulting in a need to commit at least \$900,000 to an eligible project by 7/31/2012.
- Unused funds in the loan pool roll over to the next fiscal year, but administrative and program delivery budgets expire at the end of the fiscal year.

**Housing Division
HOME - 058/059
2012-13 Proposed Budget**

	FY 2009-2010	FY 2010-2011	FY 2011-2012	FY 2012-13
	Actual	Unaudited Actual	Current Budget	Proposed Budget
Beginning Available Balance	\$ 24,474,119	\$ 24,578,792	\$ 3,689,515	\$ 4,703,350
Revenues				
HOME Program Income	255,592	2,172,152	1,984,970	1,144,923
HOME Recaptured Funds	51,424	370,380	73,032	60,000
Interest	9,654	8,853	2,100	
Other Revenue		1,189		
	316,670	2,552,574	2,060,102	1,204,923
Expenditures				
Administration	168,951	163,055	147,453	120,492
CHDO Set-aside loan pool			128,447	171,738
Loan programs			705,243	3,122,254
Program Delivery	42,046	80,296	65,124	114,492
Loan Forgiveness	1,000	(147,369)		
Prior Period Correction		2,273,453		
	211,997	2,369,435	1,046,267	3,528,976
Transfers				
Transfer In				
Transfer Out				
	-	-	-	-
Net Annual Activity	104,673	183,139	1,013,835	(2,324,053)
Ending Available Balance	\$ 24,578,792	\$ 24,761,931	\$ 4,703,350	\$ 2,379,297
	GAAP			
Available Balance Calculation				
Current assets		\$ (149,704)		
Current liabilities		(2,935)		
Loan commitments		(3,452,598)		
Due from HUD		7,294,752		
Ending Available Balance		\$ 3,689,515		

ECONOMIC DEVELOPMENT DEPARTMENT

SPECIAL PURPOSE CDBG FUND (053)

History

- This fund was established to manage one-time Community Development Block Grant (CDBG) special purpose grants.
- Entitlements such as EDI and BEDI have moved through this fund.
- This fund is currently being used for the CDBG-R disaster recovery grant awarded in 2009 in the amount of \$1,128,456, authorized under the American Recovery and Reinvestment Act of 2009.
- 10% of total grant funds can be used for administration costs.
- The purpose of the CDBG-R grant is for communities to carry out, on an expedited basis, activities eligible under the CDBG Program, in particular:
 - Economic Development
 - Housing
 - Infrastructure
 - Other public facility activities that will further economic development

2011-12 Events

- Rehabilitation of Diamond Cove Townhomes was completed with CDBG-R funding for \$350,000.
- Four commercial façade loans and one micro-business loan have been funded, totaling \$150,000.
- Demolition of the Land Hotel for \$380,000 is pending.
- Recent amendment set aside funding for two public facility projects totaling \$97,980.

2012-13 Proposed Budget Issues and Proposed Changes

- Funds must be fully expended by September 30, 2012
- Administration costs may need to be adjusted to actuals, not exceeding the cap.

**Housing Division
Special Grant & Loan Programs - 053
2012-13 Proposed Budget**

	FY 2009-2010	FY 2010-2011	FY 2011-2012	FY 2012-13
	Actual	Unaudited Actual	Current Budget	Proposed Budget
Beginning Available Balance	\$ 1,519,907	\$ 1,490,763	\$ 124,634	\$ 124,634
Revenues				
EDJ Grant Funds (8601)				
BEDI Grant Funds (8602)	(108,866)	1,212,806		
CDBG-R Grant 2009-10 (8229)		247,674		
Interest Earnings	79,722	2,140		
	(29,144)	1,462,620	-	-
Expenditures				
CDBG-R Expenditures		9,818		
CIP399 for Morelli				
	-	9,818	-	-
Transfers				
Transfer In - FAÇADE - 056		16,659		
Transfer Out - CDBG - 054		(319,846)		
	-	(303,187)	-	-
Net Annual Activity	(29,144)	1,149,615	-	-
Ending Available Balance	\$ 1,490,763	\$ 2,640,378	\$ 124,634	\$ 124,634
Available Balance Calculation				
Cash		\$ 1,389,842		
Accounts Receivable		\$ 1,212,937		
Loan Commitments		(880,782)		
BEDI		(1,212,806)		
Section 108		(1,513,013)		
Due from HUD		1,128,456		
Ending Available Balance		\$ 124,634		

**Housing Division
FACE Rehab Loan - 056
2012-13 Proposed Budget**

	FY 2009-2010	FY 2010-2011	FY 2011-2012	FY 2012-13
	Actual	Unaudited Actual	Current Budget	Proposed Budget
Beginning Available Balance	\$ 229,575	\$ 238,457	\$ -	\$ -
Revenues				
Revenue Source				
Interest Earned	8,882	5,240		
	8,882	5,240	-	-
Expenditures				
Administration				
Loan Expenditures				
	-	-	-	-
Transfers				
Transfer In				
Transfer Out - CDBG - 052		(189,528)		
Transfer Out - Special Grant & Loan - 053		(17,000)		
Transfer Out - Emergency Shelter - 057		(6,738)		
Transfer Out - CALHOME - 060		(30,431)		
	-	(243,697)	-	-
Net Annual Activity	8,882	(238,457)	-	-
Ending Available Balance	\$ 238,457	\$ -	\$ -	\$ -
Available Balance Calculation				
Cash		\$ 238,457		
Ending Available Balance		\$ 238,457		

ECONOMIC DEVELOPMENT DEPARTMENT

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

History

- HELP funding was received in prior fiscal years in amounts totaling \$1,050,000.
- HELP fund has been fully expended and the debt to the State of California was paid in full in FY 2010-11.
- CalHOME funding was received in prior fiscal years in amounts totaling \$1,500,000.
- CalHOME fourth round funding was awarded in 2009 for \$900,000.
- HELP and CalHOME funding is used for single-family and multi-family rehabilitation and down payment assistance to benefit low and moderate income persons and families.
- Program income under both HELP and CalHOME has been recycled back into loans.

2011-12 Events

- To date, 9 rehabilitation loans and 9 down payment assistance loans have been granted in FY 2011-12 totaling \$267,123.

2012-13 Proposed Budget Issues and Proposed Changes

- CalHOME funding expires in September 2012.
- Due to the difficulty of meeting income and loan to value requirements, the entire amount of this grant might not be fully expended before the grant expires.

**Housing Division
CALHOME Loan - 060
2012-13 Proposed Budget**

	FY 2009-2010	FY 2010-2011	FY 2011-2012	FY 2012-13
	Actual	Unaudited Actual	Current Budget	Proposed Budget
Beginning Available Balance	\$ 1,757,574	\$ 2,073,803	\$ 892,408	\$ -
Revenues				
CalHome Loan Program 2005	110,100			
CalHome Loan Program 2007	210,857			
CalHome Loan Program 2009				
Loan Repayments			7,524	680
Interest Earnings	(4,728)	(1,507)	(144)	
	316,229	(1,507)	7,380	680
Expenditures				
Prior Period Adjustment		3,850		
Loans to Property Owners			899,788	
	-	3,850	899,788	-
Transfers				
Transfer In - FAÇADE - 056		29,820		
Transfer Out				
	-	29,820	-	-
Net Annual Activity	316,229	24,463	(892,408)	680
Ending Available Balance	\$ 2,073,803	\$ 2,098,266	\$ -	\$ 680
Available Balance Calculation				
Cash		\$ (4,313)		
Due from State		\$ 896,721		
Ending Available Balance		\$ 892,408		

**Housing Division
State Housing Loan - 061
2012-13 Proposed Budget**

	FY 2009-2010	FY 2010-2011	FY 2011-2012	FY 2012-13
	Actual	Unaudited Actual	Current Budget	Proposed Budget
Beginning Available Balance	\$ 1,132,866	\$ 1,182,352	\$ 395,574	\$ 406,130
Revenues				
Loan Repayments	35,243	4,419	2,188	1,094
Interest	14,243	10,580	8,368	6,610
	49,486	14,999	10,556	7,704
Expenditures				
Prior Yr Expenditure Correction		42,369		
Loans to Property Owners				7,704
	-	42,369	-	7,704
Transfers				
Transfer In				
Transfer Out				
	-	-	-	-
Net Annual Activity	49,486	(27,370)	10,556	-
Ending Available Balance	\$ 1,182,352	\$ 1,154,982	\$ 406,130	\$ 406,130
Available Balance Calculation				
Cash		\$ 394,519		
Receivable		1,055		
Ending Available Balance		\$ 395,574		

ECONOMIC DEVELOPMENT DEPARTMENT

NEIGHBORHOOD STABILIZATION GRANT (NSP) (063)

History

- NSP Grant funding was awarded in 2009 in the amount of \$12.1 million.
- NSP third round funding was awarded in 2012 in the amount of \$4.2 million.
- NSP funds are used to acquire foreclosed homes and rehabilitate them, then sell them to qualified low and moderate income buyers.
- A portion of the funding is also used to acquire foreclosed apartments, rehabilitate them, and rent them to households with incomes below 50% of AMI.
- Program income received from the sale of those homes is recycled back into additional loans.
- 10% of the grant award plus program income is allowed for administrative costs.

2011-12 Events

- To date, over 50 homes have been salvaged through this program.
- A full time Housing Finance Advisor has been assigned to handle NSP.
- Marketing continues to be done to promote the program.

2012-13 Proposed Budget Issues and Proposed Changes

- NSP 3rd round funding will begin marketing and used to acquire, rehabilitate, and fund low to moderate income buyers.

Housing Division
Neighborhood Stabilization Program - 063
2012-13 Proposed Budget

	FY 2009-2010	FY 2010-2011	FY 2011-2012	FY 2012-13
	Actual	Unaudited Actual	Current Budget	Proposed Budget
Beginning Available Balance	\$ 1,097,294	\$ 7,842,832	\$ 361,906	\$ 361,906
Revenues				
NSP Entitlement	7,663,008		4,280,994	
Interest Earned	109,024	47,765	52,580	
Other		105		
Loan Repayments	618,955		2,109,399	1,000,000
Fannie Mae Grant	24	75,000		
	8,391,011	122,870	6,442,973	1,000,000
Expenditures				
Administration	234,243	381,531	170,265	791,334
Program Delivery	112,835	129,190	50,285	50,000
Loan Forgiveness	1,293,395			
Program Loans	5,000	3,385	6,222,423	520,572
	1,645,473	514,106	6,442,973	1,361,906
Transfers				
Transfer In				
Transfer Out				
	-	-	-	-
Net Annual Activity	6,745,538	(391,236)	-	(361,906)
Ending Available Balance	\$ 7,842,832	\$ 7,451,596	\$ 361,906	\$ -
Available Balance Calculation				
Cash		\$ 2,101,999		
Accounts Payable		(6,754)		
Encumbrances		(16,177)		
Loan commitments		(6,367,499)		
Due from HUD		4,650,337		
Ending Available Balance		\$ 361,906		

**Economic Development Department
Property Management
2012-13 Proposed Budget**

	Parking & Business City Improvement Districts 073	Administration Building 085	Central Pkng 416/417	Marina 460	Property Management Total
	<i>See Page</i>	<i>See Page</i>	<i>See Page</i>	<i>See Page</i>	
Beginning Available Balance	\$ 76,639	\$ (15,751)	\$ 518,572	\$ 142,853	\$ 722,313
Revenues					
Taxes	835,000				835,000
Fees			3,903,310	223,360	4,126,670
Rent		1,628,254			1,628,254
Other Revenue	2,000			20,600	22,600
	837,000	1,628,254	3,903,310	243,960	6,612,524
Expenditures					
Operating Expenses	903,961	1,528,600	1,963,298	1,074,381	5,470,240
Debt Service			-		-
Capital Improvement		-			-
	903,961	1,528,600	1,963,298	1,074,381	5,470,240
Transfers					
Transfer In - General Fund		2,588,442		732,000	3,320,442
Transfer Out		(2,672,344)	(1,122,220)		(3,794,564)
	-	(83,902)	(1,122,220)	732,000	(474,122)
Net Annual Activity	(66,961)	15,752	817,792	(98,421)	668,162
Ending Available Balance	\$ 9,678	\$ 1	\$ 1,336,364	\$ 44,432	\$ 1,390,475
	-	-	-	-	-

**Property Management
Parking & Business Improvement Districts - 073
2012-13 Proposed Budget**

	FY 2009-2010	FY 2010-2011	FY 2011-2012	FY 2012-13
	Actual	Unaudited Actual	Current Budget	Proposed Budget
Beginning Available Balance	\$ 215,005	\$ 100,869	\$ 118,463	\$ 76,639
Revenues				
Taxes				
Improvement	427,535	605,257	837,900	835,000
Downtown Hospitality District	17,000			
Interest	4,018	3,277	2,000	2,000
	448,553	608,534	839,900	837,000
Expenditures				
Pass-Thru				
TBID - Chamber of Commerce	201,700	163,290		
TBID - Sports Commission	303,082	208,704	62	
TBID - Convention & Visitors		193,425	841,860	809,950
Downtown Hospitality District	36,000			68,961
Administration	21,907	25,521	25,140	25,050
	562,689	590,940	867,062	903,961
Transfers				
Transfer In				
Transfer Out			(14,662)	
	-	-	(14,662)	-
Net Annual Activity	(114,136)	17,594	(41,824)	(66,961)
Ending Available Balance	\$ 100,869	\$ 118,463	\$ 76,639	\$ 9,678
Available Balance Calculation				
Cash		\$ 118,463		
Accounts Payable				
Ending Available Balance		\$ 118,463		

ECONOMIC DEVELOPMENT DEPARTMENT

CITY ADMINISTRATION BUILDING ADMINISTRATION FUND (085)

History

- The fund operates and maintains the City office building located at 400 East main Street
- Approximately 40% of the building is occupied
- Major tenants are JP Morgan Chase, State of California, and Corval
- The City's IT Department is also located in the building on the 4th floor

2011-12 Events

- JP Morgan Chase is downsizing their office space on the 3rd floor, which has been approved and will take effect in December 2012.
- JP Morgan Chase has requested a reduction in rent for their retail space on the 1st floor and staff is in negotiations.

2012-13 Proposed Budget Issues and Proposed Changes

- The proposed budget provides for a reduction in services at the building based on occupancy
- Based on Chase's downsizing in December a reduction in utilities and janitorial have been forecasted into the proposed budget.
- The anticipated revenue is forecasted to cover only the operational portion of the budget not including the debt service that is estimated at \$2,803,246.

**Property Management
City Administration Building - 085
2012-13 Proposed Budget**

	FY 2009-2010	FY 2010-2011	FY 2011-2012	FY 2012-13
	Actual	Unaudited Actual	Current Budget	Proposed Budget
Beginning Available Balance	\$ 939,951	\$ 1,815,060	\$ 1,253,931	\$ (15,751)
Revenues				
Outside Agency Rent	3,190,105	1,801,848	1,856,480	1,358,014
City Rent	668,980	617,520	322,558	270,240
Interest	(121,351)	2,523		
	3,737,734	2,421,891	2,179,038	1,628,254
Expenditures				
Administration & Overhead	2,020,505	1,878,959	1,986,499	1,528,600
Capital Improvements		15,019	122,060	-
	2,020,505	1,893,978	2,108,559	1,528,600
Transfers				
Transfer In - General Fund			235,000	2,588,442
Transfer Out - General Fund		(590,000)		
Transfer Out - Debt Service	(842,120)	(499,042)	(1,575,161)	(2,672,344)
	(842,120)	(1,089,042)	(1,340,161)	(83,902)
Net Annual Activity	875,109	(561,129)	(1,269,682)	15,752
Ending Available Balance	\$ 1,815,060	\$ 1,253,931	\$ (15,751)	\$ 1
Available Balance Calculation				
Cash		\$ 1,411,345		
Accounts Payable		(157,414)		
Ending Available Balance		\$ 1,253,931		

ECONOMIC DEVELOPMENT DEPARTMENT

CENTRAL PARKING DISTRICT (416/417)

History

- This fund maintains and operates the downtown parking garages, parking lots, and parking meters
- All downtown event parking is provided through this fund

2011-12 Events

- Possession by Wells Fargo, Indenture Trustee, of the Market Street, Coy garage, and the Arena garage affected total revenue for Fiscal year 2011-12. The garages continue to provide parking services to the public.
- Parking Meter mechanisms were replaced and hourly rate change went into effect in January 2012. Original budget for 2011-12 anticipated that this action would have started in August 2011.
- Arena and Bob Hope sites have increased the number of events, thus increasing the revenue with some increase to the operating expenses.

2012-13 Proposed Budget Issues and Proposed Changes

- Parking Rates
 - No increases to monthly or hourly fees are planned for this fiscal year
 - Monthly parking rates will be established for surface lots that presently do not have the ability to offer monthly parking.
 - Modifications to the fee schedule is planned to give more flexibility to support the downtown area economy.
- Automation
 - During the 2012-13 fiscal year staff will review and prepare a RFP for the automation of the surface lots as well as the SEB and Channel Street garages
 - The replacement equipment will be phased over a 2 year period and for 2012-13 the amount projected in the proposed maintenance budget.

**Property Management
Central Parking - 416/417
2012-13 Proposed Budget**

	FY 2009-2010	FY 2010-2011	FY 2011-2012	FY 2012-2013
	Actual	Unaudited Actual	Projection	Proposed Budget
Beginning Available Balance		\$ 871,810	\$ 913,116	\$ 518,572
Revenues				
Assessments	\$ 1,093,572	1,152,042	1,356,366	1,395,701
Monthly Parking	1,955,854	1,801,396	1,518,845	1,003,800
Hourly Parking	589,078	671,598	532,074	485,000
Parking Meters	539,054	498,156	495,019	650,000
Events	435,983	476,439	481,268	230,000
Other agencies	133,989	99,421	84,270	88,809
Validations / Lot Envelopes	14,421	38,162	54,756	50,000
Other	108,768	87,180	(48,761)	
Uncollectible A/R	(70,789)	71,053		
	4,799,930	4,895,447	4,473,837	3,903,310
Expenditures				
Administration & Overhead	1,339,376	951,003	948,533	1,013,588
Utilities	209,173	217,830	206,253	111,659
Rentals	253,067	266,170	280,843	175,000
Maintenance	152,948	131,172	394,533	216,473
Materials & Supplies	42,643	66,908	49,236	59,212
Taxes/Indirect costs	109,891	239,756	326,032	326,032
Other services	11,562	41,638	1,425	61,334
Compensated Absences	3,355	(46,096)		
Debt Service - Arena & Coy	1,683,701	2,376,449	1,085,600	
	3,805,716	4,244,830	3,292,455	1,963,298
Transfers				
Transfer In				
Transfer Out - General Fund	(777,164)	(609,311)	(1,575,926)	(772,220)
Transfer Out - Air Quality PFF 990				(175,000)
Transfer Out - Insurance - 541				(175,000)
	(777,164)	(609,311)	(1,575,926)	(1,122,220)
Net Annual Activity	\$ 217,050	41,306	(394,544)	817,792
Ending Available Balance		\$ 913,116	\$ 518,572	\$ 1,336,364
Available Balance Calculation				
Cash		\$ 863,979		
Accounts receivable		304,548		
Accounts Payable		(241,905)		
Capital Projects		(100,000)		
Encumbrances		(11,047)		
Ending Available Balance		\$ 815,575		

ECONOMIC DEVELOPMENT DEPARTMENT

DOWNTOWN MARINA COMPLEX (460)

History

- This fund operates, maintains, and services the debt for the Downtown Marina
- The Marina has been in operation for 2 1/2 years providing both permanent slips and short term berthing as well as manage the Morelli boat ramp.
- Occupancy at the permanent slips has grown over time to a present level of approximately 55%.

2011-12 Events

- Revenue increased at all sources, but still below estimates
- Marina changed staff and increased marketing efforts in order to increase both events and slip rental
- Mega yacht, The Casino Royale, is presently berthing at the Marina, which has both increased the revenue as well as other yachts have now located at the Marina.
- Presently 8 new boats are scheduled to move into permanent slips by the end of June.

2012-13 Proposed Budget Issues and Proposed Changes

- Revenue from all sources does not cover operational expenses and will need additional funding to maintain the Marina Complex for the fiscal year.
- Marina Staff to increase marketing for new events to increase the short term berthing and boat launching revenue.

**Property Management
Downtown Marina Complex - 460
2012-13 Proposed Budget**

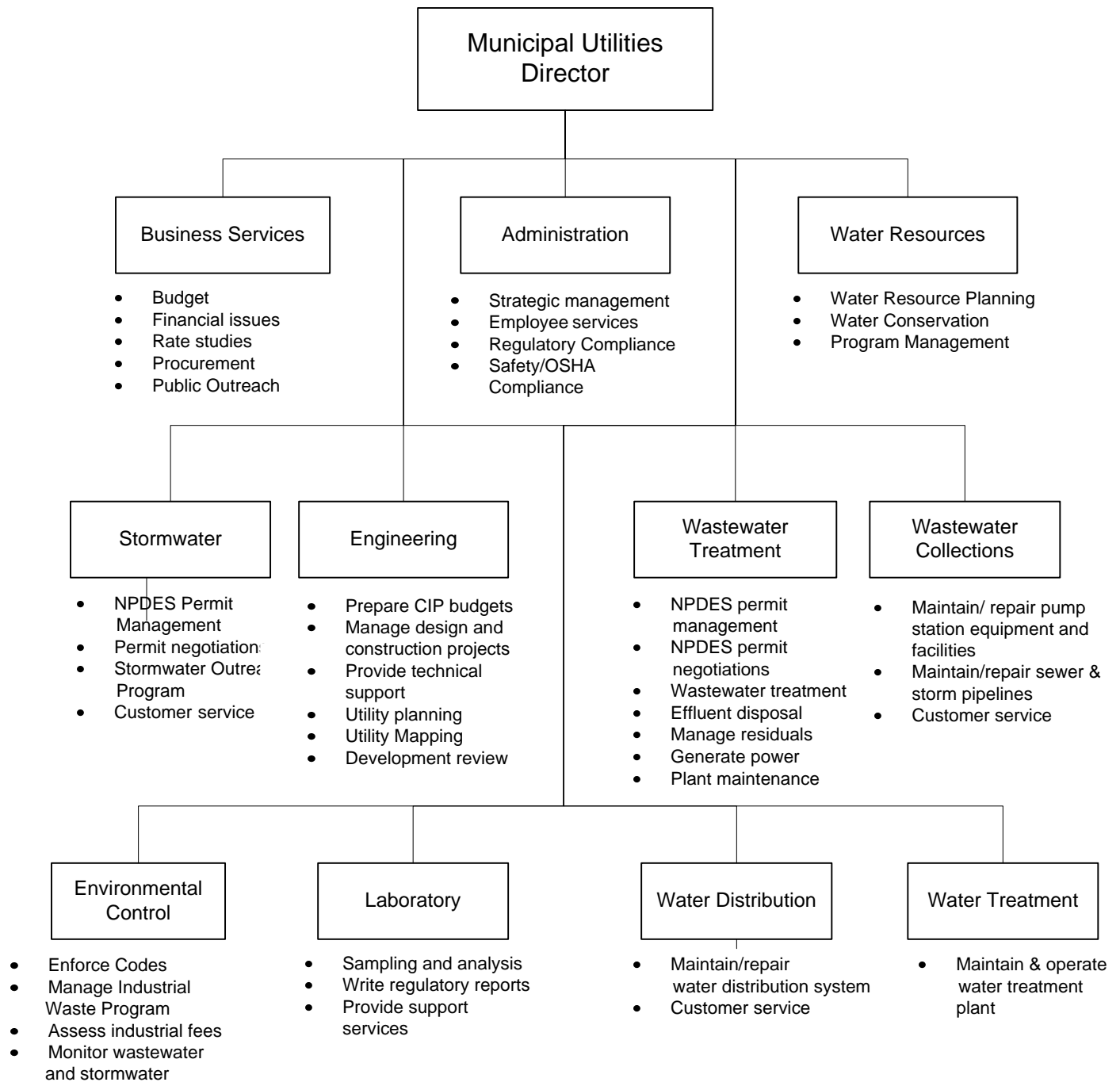
	FY 2009-2010	FY 2010-2011	FY 2011-2012	FY 2012-13
	Actual	Unaudited Actual	Current Budget	Proposed Budget
Beginning Available Balance	\$ 500,360	\$ 196,989	\$ 428,336	\$ 142,853
Revenues				
Slip Rental	655	193,195	162,186	223,360
Morelli Boat Launch	500			
Interest Earned	7,385	(18,834)	15,662	20,600
	8,540	174,361	177,848	243,960
Expenditures				
Administration and Overhead	10,713	32,245	9,942	16,868
Utilities	13,564	46,036	49,874	45,600
Lease Expense	11,430	25,575	28,791	24,240
Publicity & Advertising	7,778			
Repairs and Maintenance	2,781	51,735	51,321	52,262
Management Contract	156,719	318,276	230,768	250,710
Water Quality Monitoring	36,656		104,956	
Debt Service				
Dept of Boating & Waterways		435,147	719,679	684,701
	239,641	909,014	1,195,331	1,074,381
Transfers				
Transfer In - General Fund		966,000	732,000	732,000
Transfer Out	-	966,000	732,000	732,000
Net Annual Activity	(231,101)	231,347	(285,483)	(98,421)
Ending Available Balance	\$ 269,259	\$ 428,336	\$ 142,853	\$ 44,432
Available Balance Calculation				
Cash		\$ 545,676		
Accounts Payable		(117,340)		
Ending Available Balance		\$ 428,336		



TAB

Utilities

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MUNICIPAL UTILITIES



MUNICIPAL UTILITIES DEPARTMENT

MISSION STATEMENT

The Municipal Utilities Department mission is to provide high quality potable 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 - Baseline:

Total Expenditures	\$109,197,668
Total Revenues	\$105,309,057
Total Net Revenue	\$3,888,611
Total Staff	208

DEPARTMENTAL DESCRIPTION

The Municipal Utilities Department (MUD) is comprised of Water, Wastewater and Stormwater Enterprises regulated and supported by user fees restricted to the specific utility. For purposes of operational efficiency, the organization is comprised of eleven divisions to operate, maintain and support the Enterprises. The Enterprises are managed to recognize the independent financial structure and regulatory requirements unique to each.

The Water Utility provides water service to approximately 42% of the residents within Stockton. California Water Service Company and San Joaquin County serve the remaining 58%. Stockton water is received from three sources; groundwater wells, treated surface water purchased from Stockton East Water District, and the Delta. In addition to providing water that meets drinking water standards, the Water Utility also maintains the water transmission system which includes reservoir tanks, pipelines and fire hydrants; promotes water conservation; and provides long-term water supply planning. Beginning this year, the water treatment plant, formerly known as the Delta Water Supply Project, will be fully operational and will provide up to 33 million gallons per day (MGD) of treated, potable water.

The Wastewater Utility is comprised of an intricate network of nearly 1000 miles of pipeline and 23 pump stations that route wastewater (sewage) to the Regional Wastewater Control Facility, also known as the wastewater treatment plant. The system collects from over 73,000 connections within the City, special districts outside the City, and certain areas within San Joaquin County. The treatment plant is a 55 million gallon per day (MGD) tertiary treatment facility on approximately 690-acres in the southwestern portion of the City adjacent to the San Joaquin River. On average, 33 million gallons of wastewater is treated daily and clean water is discharged into the San Joaquin River daily.

The Stormwater Utility consists of 77 pump stations, over 620 miles of pipeline, and 22,500 drain inlets which route stormwater from City streets and areas to either various lakes and holding basins for discharge, or directly into the waterways. Continual maintenance of the system is necessary to prevent surface flooding from runoff. The Stormwater Utility is also responsible for oversight and compliance with the City's National Pollutant Discharge Elimination System (NPDES) permit. The work includes waterway sampling and reporting, system inspections and enforcement, industrial monitoring and enforcement, and public outreach.

KEY ISSUES

Construction of the Delta Water Supply Project (DWSP) is substantially complete and the treatment facility is operating. The Water Treatment Facility can supply up to 33 million gallons per day of treated, potable water for the City of Stockton, which will reduce the amount of water drawn from groundwater wells and purchased from Stockton East Water District.

KEY ISSUES – CONTINUED

A 4-year water rate increase was approved by the City Council in 2009. The fourth, and final, tiered increase of 10% will be implemented in FY 2012-13, after which only a Consumer Price Index (CPI) increase will be used. The financial plan identified deficit operating years resulting from payments for construction and start-up of the DWSP over the anticipated revenue. The financial plan identifies declining deficit operations in the next two years. The approved rate structure was designed for the long-term health of the enterprise with the understanding that reserves will cover short-term deficits.

In August, 2010, the Wastewater customers, and Council, approved a 5-year tiered rate increase that would ensure compliance with bond covenants and provide financing for scheduled capital improvement projects, including a Capital Improvement and Energy Management Plan (CIEMP) for the wastewater treatment facility. Many of the treatment systems at the facility are old, outdated, and not functioning to capacity. A phased upgrade plan has been prepared to rehabilitate and/or replace the current systems to improve output and to better meet anticipated new permit requirements. The first rate increase of 16% went into effect October 1, 2010 and was necessary to meet bond coverage requirements. The second increase, also 16%, went into effect in FY 2011-12 and was to continue meeting bond coverage requirements and for cash funding Phase I of the CIEMP. It is recommended that Council approve the third phase increase of 9% for FY 12-13. The increase provides for continued bond coverage and future funding of the CIEMP as shown in the financing plan. Future rate increases will be annually evaluated based on operational needs, bond requirements, and the financing plan for the Capital Improvement and Energy Management Plan. The settlement agreement with the State Water Resources Control Board and compliance with the California Sportsfishing Protection Alliance (CSPA) Consent Decree has resulted in increased staffing and equipment costs in the FY 2012-13 budget.

The Fats, Oils, and Grease (FOG) program has been developed to monitor, check, and reduce deposits into the sewer system. FOG accumulating in the sewer system causes clogs that lead to sanitary sewer overflows. In addition to the FOG program, the Wastewater Utility has also implemented a pipeline televising and maintenance program.

The Stormwater Utility has been operating with a fee that was implemented in 1992 and has never changed. As a result, the Stormwater Enterprise Fund has been under-funded for many years. In 2010, the Stormwater Utility initiated a Proposition 218 ballot measure to approve a new Clean Water fee that would supplement the current fee. The new fee included a future cost of living escalator, but not to exceed 4%. The ballot measure failed and the new fee was not imposed. The rate study prepared for the Proposition 218 ballot determined the utility was under-funded by approximately \$9M a year.

The City is searching for options to provide adequate funding for the utility. The current fee is insufficient to properly fund the operations and maintenance needs of an aging system along with the extensive National Pollutant Discharge Elimination System (NPDES) permit requirements. Severe cuts in operation and maintenance activities have been implemented to stay within the available budget. Failing to adequately maintain the aged infrastructure will result in increased system failures, pipeline collapse, and possible flooding. Failing to meet mandated permit requirements increases the City's risk of permit non-compliance. Infrastructure improvement projects continue to be on hold pending additional funding. Emergency infrastructure repairs will further reduce funding for operations and maintenance activities. A new permit, to be issued in 12-13, may impose additional conditions that may further strain the budget.

**Utilities
2012-13 Proposed Budget**

	Water Fund	Wastewater	Storm Water 441	Utilities Total
	<i>See Page</i>	<i>See Page</i>	<i>See Page</i>	
Beginning Available Balance	\$ 29,244,482	\$ 2,162,525	\$ 1,157,684	\$ 32,564,691
Revenues				
User Services	36,061,156	52,922,338	5,142,913	94,126,407
Connection Fees	1,175,123	751,500		1,926,623
Storm Drain Districts			82,500	82,500
Fines and Penalties	615,120	633,036		1,248,156
General Fund Jarvis Settlement	436,270	685,260		1,121,530
Interest	1,415,709	949,257	31,257	2,396,223
Build America Bond Interest Rebate	4,175,006			4,175,006
Other Revenue	10,100	95,891	126,621	232,612
	43,888,484	56,037,282	5,383,291	105,309,057
Expenditures				
Administration	2,441,639	5,425,909	3,090,191	10,957,739
Customer Service	971,550	2,010,102	368,519	3,350,171
Operations and Maintenance	9,176,437	32,353,601	1,704,616	43,234,654
Water Treatment	4,524,941			4,524,941
Water Conservation	747,077			747,077
Purchased Water	8,100,000			8,100,000
Debt Service	19,784,321	7,389,588	300,000	27,473,909
Capital Projects	2,901,000	7,839,552		10,740,552
	48,646,965	55,018,752	5,463,326	109,129,043
Transfers				
Transfer In	-	-	-	-
Transfer Out	-	-	-	-
	-	-	-	-
Net Annual Activity	(4,758,481)	1,018,530	(80,035)	(3,819,986)
Ending Available Balance	\$ 24,486,001	\$ 3,181,055	\$ 1,077,649	\$ 28,744,705
	-	-	-	-
			Revenues	\$ 105,309,057
			Transfers	-
			Total Sources	\$ 105,309,057
			Expenditures	\$ 109,129,043
			Transfers	-
			Total Appropriations	\$ 109,129,043

Municipal Utilities Enterprise Funds
Water (421, 423-427)
Waste Water (431, 433, 434, 437)
Stormwater (441)

History

- The City's Municipal Utilities Enterprise Funds provide funding for the operation and maintenance of the City's Water, Wastewater and Stormwater utilities.
- The three utilities are supported by user fees which are restricted to each utility.
- Operating budgets are approximately \$56M for Wastewater, \$44M for Water, and \$5.4M for Stormwater.

2011-12 Events

- Construction of the Delta Water Supply Project (DWSP) continued and is on schedule to begin operation. Operations are staffing up and preparing for State approval for start-up.
- The Stormwater Report of Waste Discharge is being prepared for submittal to the State Water Resources Control Board. This is the preliminary step in obtaining a new National Pollutant Discharge Elimination System (NPDES) permit.
- A financing plan has been prepared that demonstrates the current wastewater rate structure is sufficient to fund the projects proposed in the Capital Improvement and Energy Management Plan (CIEMP).
- Design of the CIEMP Phase I projects has begun. The Phase I projects address plant security, upgrades to the Nitrifying Biotowers, and disinfection.
- Two Stormwater pump stations required emergency repairs to stabilize the structures and continue operations.

2012-13 Proposed Budget Issues and Proposed Changes

- Water Enterprise
 - The final 10% increase of the 4-year tiered water rate increases, approved by Council in 2009, will be implemented in 12-13.
 - Operations of the new Water Treatment Plant (Delta Water Supply Project) will begin its first year of full operation.
 - The approved rate structure for the DWSP project was designed for the long-term health of the enterprise with the understanding that reserves would cover short-term deficits.
 - Reliance on water purchases and groundwater extraction is expected to be reduced, with no noticeable impact by the water customers.
 - Water conservation efforts will continue to meet the State's mandate to reduce water use by 20% by the year 2020.

- Wastewater Enterprise
 - The third year increase, 9%, of the approved 5-year tiered rate increase, will go into effect this year.
 - The tiered rate structure was designed to ensure adequate coverage required by the bond covenants and to fund the Capital Improvement and Energy Management Plan.
 - Construction of the Phase I projects identified in the Capital Improvement and Energy Management Plan will begin and will be cash funded.
 - Application for a new Wastewater NPDES permit will be necessary this year.
- Stormwater Enterprise
 - The Stormwater utility has had to reduce some required NPDES program elements in order to keep spending within the operating revenues of \$5.4M.
 - Plans to attempt another Proposition 218 ballot to increase revenue have been put on hold.
 - The Report of Waste Discharge was submitted to the State in 11-12 and is the preliminary step in obtaining a new NPDES permit.
 - The new permit may include additional requirements that will further strain the Stormwater budget and operations.
 - Continued unplanned infrastructure repairs will further strain the limited operating

Utilities
Water - 421/423/424/425/426/427
2012-13 Proposed Budget

	FY 2009-2010	FY 2010-2011	FY 2011-2012	FY 2012-2013
	Actual	Unaudited Actual	Current Budget	Proposed Budget
Beginning Available Balance			\$ 36,284,752	\$ 29,244,482
Revenues				
User Services	\$ 25,240,591	29,336,427	32,782,869	36,061,156
% increase	6%	16%	12%	10%
Connection Fees	839,505	837,063	1,000,932	1,175,123
Fines and Penalties	527,697	603,473	728,101	615,120
General Fund Jarvis Settlement	249,904	436,270	436,270	436,270
Interest	2,970,566	2,314,629	3,250,656	1,415,709
Bond Proceeds	174,297,295	55,000,000		
Federal Build America Bond Grant	2,481,809	4,175,006	4,175,006	4,175,006
Prop 84 Grant				
Other Revenue	601,659	10,000	3,746	10,100
	207,209,026	92,712,868	42,377,580	43,888,484
Expenditures				
Administration	1,226,168	1,659,587	2,034,044	2,441,639
Customer Service	831,002	793,472	928,938	971,550
Operations and Maintenance	6,889,440	6,645,704	6,983,169	9,176,437
Water Treatment			481,906	4,524,941
Water Conservation	359,041	298,933	227,308	747,077
Purchased Water	8,531,784	9,863,289	9,776,103	8,100,000
Debt Service	27,568,403	23,621,026	20,864,382	19,784,321
Capital Projects	135,544,091	107,562,636	8,122,000	2,901,000
	180,949,929	150,444,647	49,417,850	48,646,965
Transfers				
Transfer In				
Transfer Out				
	-	-	-	-
Net Annual Activity	\$ 26,259,097	(57,731,779)	(7,040,270)	(4,758,481)
Ending Available Balance		\$ (57,731,779)	\$ 29,244,482	\$ 24,486,001
Debt Service Calculation				
Senior Debt Coverage			5.45	5.42
Subordinate Debt Coverage			2.64	1.19
Bond Coverage Requirement			1.15	1.15
Available Balance Calculation			Reserves	
Cash	\$ 52,279,475		Operating	\$ 35,279,763
Cash with Fiscal Agent- Construction	46,143,535		Bond	(15,422,222)
Cash with Fiscal Agent- Capitalized Interest	2,556,332			\$ 19,857,541
Accounts Receivable	4,335,060			
Current Liabilities	(12,100,922)			
Encumbrances	(1,736,101)			
Capital Appropriations	(55,192,627)			
Ending Available Balance	\$ 36,284,752			

Utilities
Wastewater - 431/433/434/435/437
2012-13 Proposed Budget

	FY 2009-2010	FY 2010-2011	FY 2011-2012	FY 2012-2013
	Actual	Unaudited Actual	Current Budget	Proposed Budget
Beginning Available Balance		\$ (396,749)	\$ (396,749)	\$ 2,162,525
Revenues				
User Services	36,365,167	41,203,232	46,455,559	52,922,338
% increase	4%	13%	13%	14%
Connection Fees	1,373,334	990,749	891,858	751,500
Fines and Penalties	658,549	715,161	444,586	633,036
General Fund Jarvis Settlement		685,260		685,260
Interest	1,072,455	765,792	365,293	949,257
Other Revenue	236,614	2,600,426	29,339	95,891
	39,706,119	46,960,620	48,186,635	56,037,282
Expenditures				
Administration	5,976,390	5,102,509	4,470,833	5,425,909
Customer Service	1,410,186	1,641,667	1,921,941	2,010,102
Operations and Maintenance	22,680,780	26,697,874	31,986,039	32,353,601
Debt Service	4,880,247	4,768,448	2,310,898	7,389,588
Capital Projects	6,633,490	7,253,522	4,937,650	7,839,552
	41,581,093	45,464,020	45,627,361	55,018,752
Transfers				
Transfer In				
Transfer Out				
	-	-	-	-
Net Annual Activity	\$ (1,874,974)	1,496,600	2,559,274	1,018,530
Ending Available Balance			\$ 2,162,525	\$ 3,181,055
Debt Service Coverage Calculation				
Bond Coverage Requirement			4.94	2.11
Bond Coverage Requirement			1.25	1.25
			1.00	1.00
Available Balance Calculation			Reserves	
Cash and Interest receivable	\$ 33,530,477		Operating	\$ 4,000,000
Current Liabilities	(6,879,561)		Rate Stabilization Fund	-
Encumbrances	(5,720,849)		Bonds	-
Capital Appropriations	(21,326,816)		Capital Replacement	-
Ending Available Balance	\$ (396,749)			\$ 4,000,000

Utilites
Stormwater - 441
2012-13 Proposed Budget

	FY 2009-2010	FY 2010-2011	FY 2011-2012	FY 2012-2013
	Actual	Unaudited Actual	Current Budget	Proposed Budget
Beginning Available Balance			\$ 507,148	\$ 1,157,684
Revenues				
User Services	\$ 5,380,960	5,244,987	5,232,596	5,142,913
% increase	2%	-3%	0%	-2%
Admin Fee Storm Drains	82,500	82,500	82,500	82,500
Agency Reimbursements	191,523	100,007	117,441	126,621
Interest	54,961	50,414	33,213	31,257
	5,709,944	5,477,908	5,465,750	5,383,291
Expenditures				
Administration	3,505,020	3,149,885	2,623,061	3,090,191
Customer Service	277,001	300,972	308,311	368,519
Operations and Maintenance	2,477,899	1,872,389	1,583,842	1,704,616
Water Treatment				
Capital Projects	15,519	24,243		
Debt Service		406,000	300,000	300,000
	6,275,439	5,753,489	4,815,214	5,463,326
Transfers				
Transfer In				
Transfer Out				
	-	-	-	-
Net Annual Activity	\$ (565,495)	(275,581)	650,536	(80,035)
Ending Available Balance		\$ (275,581)	\$ 1,157,684	\$ 1,077,649
		\$ -		
Available Balance Calculation				
Current Assets		\$ 2,224,478		
Accounts Payable		(157,344)		
Capital Projects		(983,789)		
Encumbrances		(576,197)		
Ending Available Balance		\$ 507,148		

TAB

Administration and Support

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Administration and Support
2012-13 Proposed Budget

	Charter Offices	Administrative Services		Human Resources	
	City Council, Manager, Clerk, Attorney, Auditor 010	General Fund Baseline 010	Technology Internal Service 502/508	General Fund Baseline 010	Insurance and Benefits Internal Service 541-562
	<i>See Page L-13</i>	<i>See Page L-17</i>	<i>See Page O-11</i>	<i>See Page L-22</i>	<i>See Page O-18</i>
Beginning Available Balance			\$ 3,222,129		\$ (45,269,236)
Revenues					
Operating Revenues			12,077,953		85,891,062
Other Revenue	\$ 26,353	\$ 36,625			16,775,299
	26,353	36,625	12,077,953	-	102,666,361
Expenditures					
Employee Services	3,087,261	2,957,059		\$ 1,225,807	
Other Services	696,237	789,970		769,834	
Materials and Supplies	51,482	48,947		19,700	
Capital Projects			4,083,672		
Debt Service			325,000		7,712,550
Other Expenses	49,990	26,100	10,356,121	170,630	92,022,544
	3,884,970	3,822,076	14,764,793	2,185,971	99,735,094
	-	-		-	
Transfers					
Transfer In - General Fund					
Transfer In - Other Funds					175,000
Transfer Out - Other Funds					
	-	-	-	-	175,000
Net Annual Activity	\$ (3,858,617)	\$ (3,785,451)	(2,686,840)	\$ (2,185,971)	3,106,267
				-	
Ending Available Balance			\$ 535,289		\$ (42,162,969)
			-		-

Administration and Support, Continued
2012-13 Proposed Budget

	Non-Department					Administration & Support Total
	General Fund Baseline 010	Entertainment Venues 086	Other Special Programs 020/642/627	Debt	Capital	
	<i>See Page L-25</i>	<i>See Page L-28</i>	<i>See Page L-29</i>	<i>See Page M-6</i>	<i>See Page N-15</i>	
Beginning Available Balance		\$ 359,799	\$ 91,596			
Revenues						
Operating Revenues		4,770,399	820,765			\$ 103,560,179
Other Revenue			95,647	\$ 19,000,265	\$ 10,783,312	46,717,501
	-	4,770,399	916,412	19,000,265	10,783,312	150,277,680
Expenditures						
Employee Services	(340,984)		740,969			7,670,112
Other Services	4,840,966	211,018	79,796			7,387,821
Materials and Supplies	15,125					135,254
Capital Projects					10,621,000	14,704,672
Debt Service				25,912,291	248,781	34,198,622
Other Expenses	1,112,580	6,710,735	100,279	1,349,254	117,257	112,015,490
	5,627,687	6,921,753	921,044	27,261,545	10,987,038	176,111,971
Transfers						
Transfer In - General Fund		2,152,000		1,269,065	2,270,849	5,691,914
Transfer In - Other Funds		13,962		6,992,215		7,181,177
Transfer Out - Other Funds	(13,441,324)				(2,553,733)	(15,995,057)
	(13,441,324)	2,165,962	-	8,261,280	(282,884)	(3,121,966)
Net Annual Activity	\$(19,069,011)	14,608	(4,632)	\$ -	\$ (486,610)	\$ (28,956,257)
Ending Available Balance		\$ 374,407	\$ 86,964			
					Expenditures	\$ 176,111,971
					Transfers	15,995,057
					Total Sources	\$ 192,107,028
					Administration	\$ 24,657,810
					Insurance and Benefits	99,735,094
					Non-Departmental	26,911,808
					Debt Service	27,261,545
					Capital	13,540,771
						\$ 192,107,028

MISSION STATEMENT

The mission of the City Council is 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 – Baseline:

Total Expenditures	\$495,641
Total Revenues	\$0
Total Net Cost	\$495,641
Total Staff	8

DEPARTMENTAL DESCRIPTION

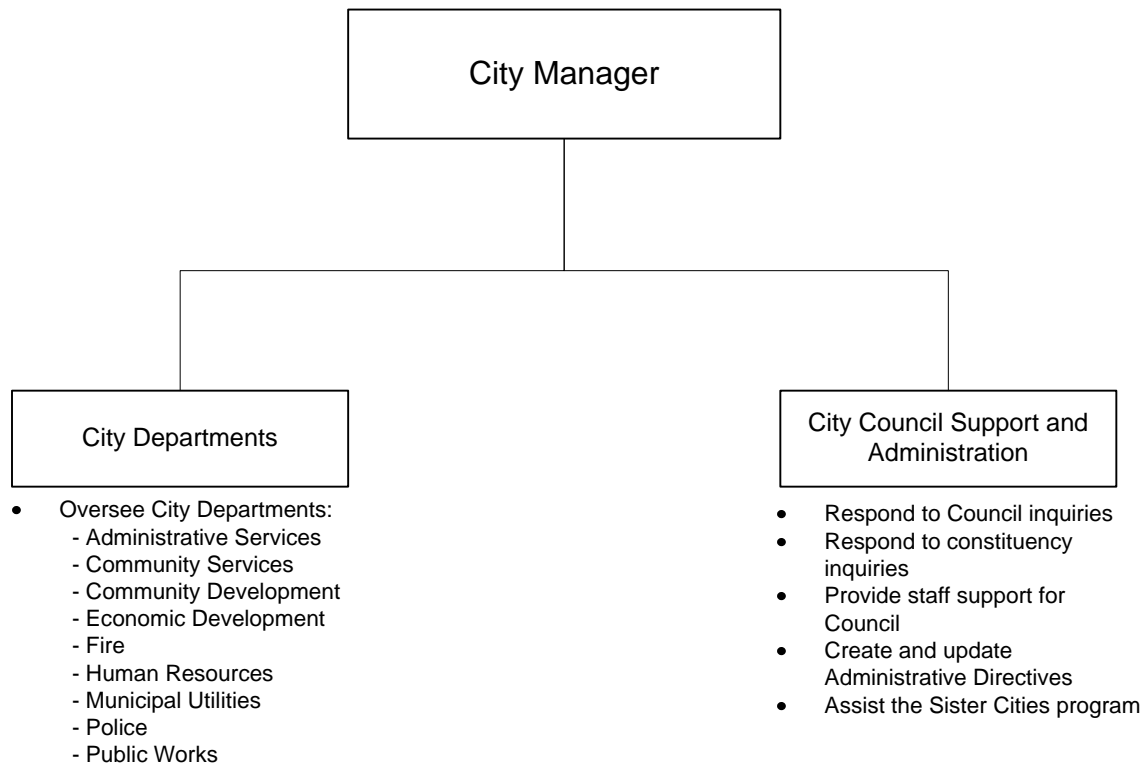
The City Council is the policy-setting body that initiates, studies, discusses, holds public hearings on, and decides various civic issues affecting the citizens of Stockton, based on facts gathered, represented, and citizen input. The Council hires and supervises four officers: City Attorney, City Auditor,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

KEY ISSUES

Immediate and long-term challenges face the City of Stockton. Stockton's revenues have been impacted by the housing crisis and lower property taxes, reduced development and associated fees, significantly reduced sales tax and other taxes and fees in recent years, and an economy that continues to struggle with unemployment hovering near 20%. Numerous factors have accumulated from 20 years of past decisions that have contributed to an imbalance between the City's revenue base and its cost structure. We have an unsustainable retiree health insurance program, unsustainable large debt obligations and unsustainable labor contracts. Other causes for our financial crisis include State raids on City finances, and poor fiscal management practices. Significant progress was made in the past year in aligning the City's labor costs with the market and addressing poor City fiscal management, but the imbalance remains to the degree that the City can no longer address it through program and service reductions and eliminations. The fiscal crisis of the City requires permanent and structural change. As a result, the City Council authorized the initiation of a mediation process governed by California State law that outlines a process for financially troubled municipalities to restructure their finances through mediation with major creditors and interested parties. This process was initiated in the spring of 2012 and it scheduled to be completed before July 1, 2012. If this process is not successful, the City will have the option of restructuring its finances through Chapter 9 bankruptcy. If the City does not restructure its finances, the imbalance between revenues and expenditures will remain, requiring further service cuts each year that the City and the community cannot afford.

The safety and well-being of our citizens is paramount. A reduced City workforce and antiquated technology has restricted and limited effective service delivery. Reductions in the Police and Fire Departments have resulted in both real and perceived public safety issues. The level of crime in Stockton is unacceptable. Reducing crime is essential to a quality of life that will encourage economic development and result in job growth and a revitalized Stockton.

The Council has stayed focused through these inherited challenges, adopted a work plan in May 2011 that pursues the four Council goals through Strategic Initiatives and has followed through with that plan and achieved significant progress. The Council will continue to pursue these goals and initiatives through completion in order to address current challenges and be poised for future growth and development.



CITY MANAGER

MISSION STATEMENT

To provide direction and oversight of all phases of City operations, including City departments and programs, and to ensure Council goals, policy and established 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 – Baseline:

Total Expenditures	\$1,087,031
Total Revenues	\$0
Total Net Cost	\$1,087,031
Total Staff	10

DEPARTMENTAL DESCRIPTION

The Office of the City Manager provides direction and administration of City departments under the policy direction of the City Council. Other functions within the City Manager's Office include: Operation Peacekeeper, Grants, Public Information Office and Channel 97 Government Access Cable Channel. In addition, the Office of the City Manager provides oversight of the operation and maintenance of the four City-owned entertainment venues: Stockton Arena, Stockton Ballpark, Bob Hope Theatre and Oak Park Ice Arena.

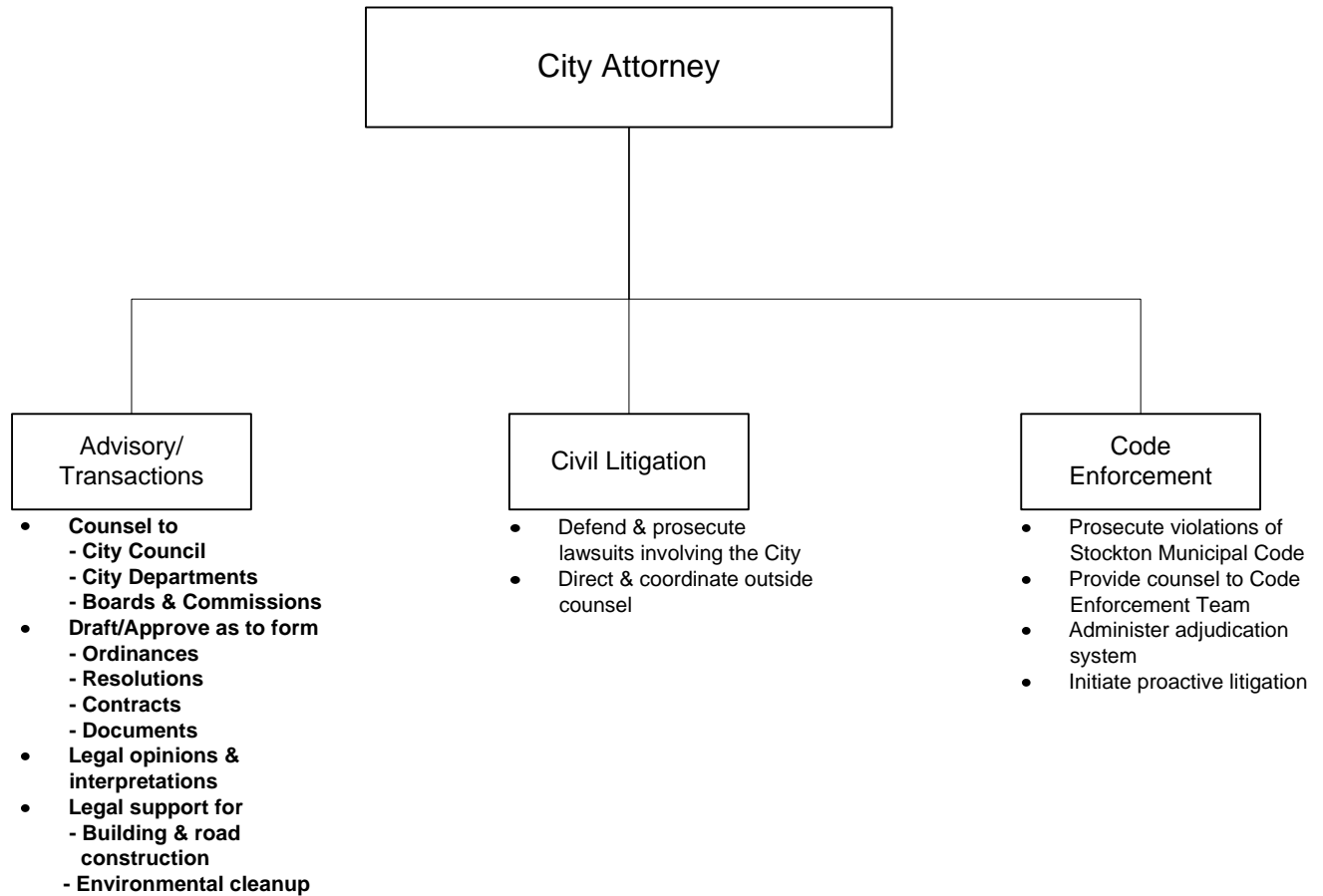
KEY ISSUES

Stockton's revenues have significantly declined due to the housing crisis and economic recession. In addition, numerous factors that have accumulated from past decisions have also contributed to an imbalance between the City's revenue base and its cost structure including unsustainable retiree health insurance, large debt obligations, unsustainable labor contracts, state raids on City finances, and poor fiscal management practices.

The City Manager's Office has provided the direction and oversight to City departments in addressing these factors and preparing to restructure the City's finances. Significant progress was made in the past year in aligning the City's labor costs with the market and addressing a history of poor fiscal management. The City Manager's Office has also provided oversight in managing the mediation process engaged this spring with major creditors and interested parties. These critical and labor intensive efforts are necessary for restructuring the City's finances to avoid an on-going imbalance between revenues and expenditures that will require further service cuts each year that the City and the community cannot afford.

These efforts have taken place at the same time that the City Manager's Office has been engaged in directing the efforts of employees in pursuing the City Council goals through the Strategic Initiative work plans. Over the past year significant progress has been accomplished for priority initiatives, additional progress has been made for the majority of the remaining initiatives as well as the development of organizational capacity to continue this progress and prepare the City for growth as the economy recovers.

The City Manager's Office will continue to pursue the accomplishment of the strategic initiatives as well as address the numerous challenges that the City is facing in establishing a path to fiscal sustainability, addressing crime, and creating the capacity to support economic development and deliver services to the community.



CITY ATTORNEY

MISSION STATEMENT

The mission of the Office of the City Attorney is to provide professional, quality legal advice and services that ultimately protect the interests of the City of Stockton, its departments, the City Council, and the citizens of the community.

Budget at a Glance – Baseline:

Total Expenditures	\$1,004,351
Total Revenues	\$300
Total Net Cost	\$1,004,351
Total Staff	11

DEPARTMENTAL DESCRIPTION

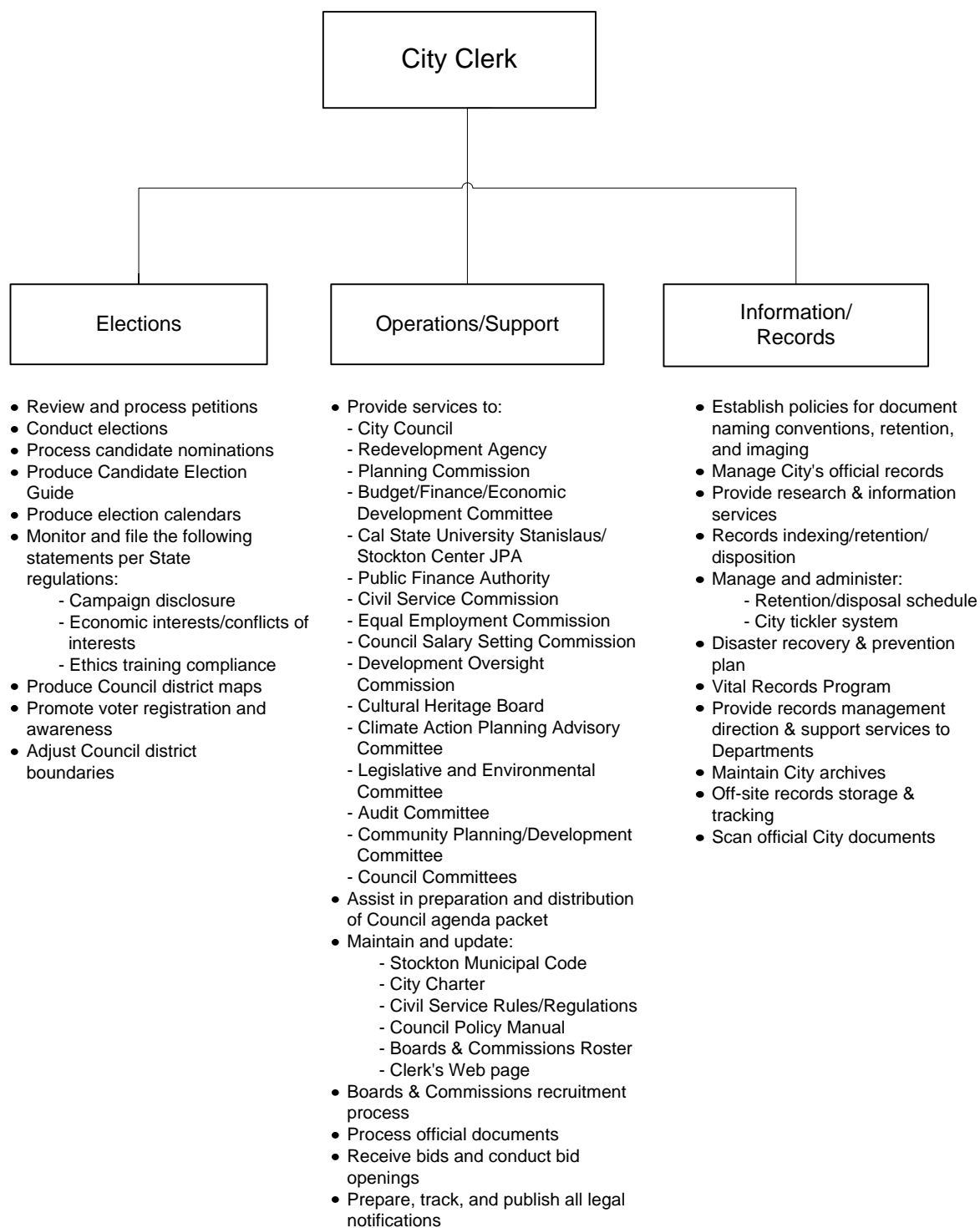
The Office of the City Attorney consists of one city attorney, one assistant city attorney, six deputy city attorneys (with one position vacant), one executive assistant, and two legal secretaries. This department is comprised of two divisions. One division, comprised of three deputy city attorneys and one legal secretary, is focused on litigation and labor matters. The second division, consisting of three deputy city attorneys (with one position vacant) and one legal secretary, is focused on advisory matters and code enforcement.

The Office of the City Attorney provides legal services and advice to City Councilmembers, officials, boards, commissions, and City departments regarding legal and regulatory matters of concern to the City and its operations, including: 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; and prosecuting violations of the Stockton Municipal Code.

KEY ISSUES

The City, due to its size and complexity, suffers a significant amount of litigation filed against it annually, both by members of the public and the City's employees. Managing this litigation in a cost-effective manner, without sacrificing the quality of representation, is a constant challenge that is best met through an emphasis on handling matters with in-house resources to the extent practicable. While resorting to outside litigation resources is necessary at times, the maximization of the City's in-house litigation capabilities is reflected in the choices presented. Reductions made due to funding constraints have been confined to the advisory functions of the department. While this has and will continue to cause narrowing of the range of services provided and some delays in the delivery of services to the City's departments, the delays have proven to be manageable given present circumstances and are preferable to reductions in the City's in-house litigation capacity, which would cause more matters to be assigned to outside firms at a greater overall cost.

The department is less able to deliver advisory projects on a timely basis than it would be if fully staffed and faces a myriad of liability challenges and exposures. These exposures are a result of the temporary reduction of staff dedicated to that function. However, the litigation capacity of the department has been and will be maintained.



CITY CLERK

MISSION STATEMENT

The mission of the Office of the City Clerk is to act as a partner in the democratic process by effectively managing the City's official records, providing open access to this information, and serving as the community's public information resource to the Council.

Budget at a Glance – Baseline:

Total Expenditures	\$789,120
Total Revenues	\$26,053
Total Net Cost	\$763,067
Total Staff	6

DEPARTMENTAL DESCRIPTION

Administers municipal elections; ensures compliance of open meeting, public record, campaign and conflict of interest filing requirements; adjusts Council District boundaries; administers the City Records Management System content; attends all Council meetings and assigned City meetings, preserves associated records and meeting recordings.

The Office of the City Clerk is responsible for the following functions:

Elections: manages the nominations for Council office and performs prima facie review of any petitions that are filed with the City and serves as the Elections Official for the City. Additional duties related to elections include: adjusting Council District boundaries; preparation of the Council Candidate Guide; receiving and processing Campaign Statements; receiving and processing Statements of Economic Interest filed by Councilmembers, Boards & Commissions, and designated employees; monitoring the filings and initiates amendments or updates to the City's Conflict of Interest Code; and promoting voter registration and participation.

Operations: provides support services, ensuring agenda posting and public hearing notification requirements are met. Support services include meeting attendance and minute preparation for various City meeting bodies including, but not limited to: City Council/Successor Agency to the Redevelopment Agency, Planning Commission, Civil Service and Equal Employment Commissions, Salary Setting Commission, Mayor's Climate Action Task Force, Development Oversight Commission, Cultural Heritage Board and various committees of the City Council.

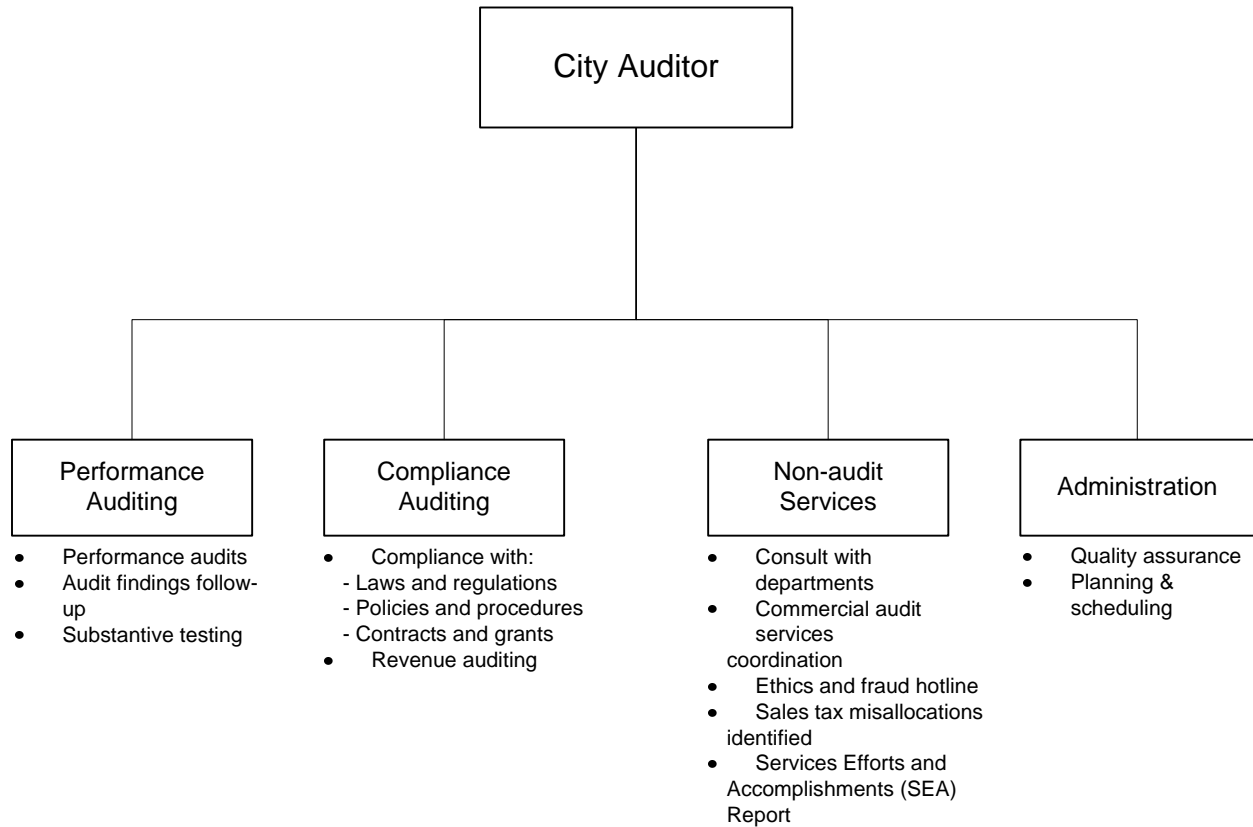
Records: receives, indexes, classifies and files records applicable to the actions of the City Council, Successor Agency to the Redevelopment Agency, Public Financing Authority, Civil Service Commission and the Equal Employment Commission. In addition, the Clerk researches and retrieves records for the public and other City Departments, as requested, and maintains contract and deed inventories, providing assistance to other City departments in setting up records systems. The Clerk develops and implements records retention policy in accordance with State of California statutes and good records management principles, preserving the hard copies and/or microfilm of designated permanent records and preservation of records electronically and identifying and destroying designated records which have fulfilled their administrative, fiscal, and/or legal value.

KEY ISSUES

The City has not invested resources in records management technology, systems or training. As a result, fragmented record keeping systems make timely retrieval of documents for reference and research or to respond to public information requests is difficult and can result in delays or even in the inability to find records.

This has a big impact on efficiency in this office and throughout the City. The City Clerk's Office will focus on working with departments and the Information Technology steering group and other departments to develop a plan to make improvements in this area. This effort has to be a collaborative effort because the resources devoted to the City Clerk function are not adequate to address the change that is needed.





CITY AUDITOR

MISSION STATEMENT

The Office of the City Auditor independently promotes ethical, efficient, and effective governance for the citizens of Stockton.

Budget at a Glance – Baseline:

Total Expenditures	\$508,827
Total Revenues	\$0
Total Net Cost	\$508,827
Total Staff	4

DEPARTMENTAL DESCRIPTION

The Office of the City Auditor provides the City Council, management, and employees with objective analyses, appraisals, and recommendations for improvements to City systems and activities. The department maintains independence and objectivity by reporting directly to the City Council and by not exercising control over any activity subject to audit.

The primary activity of the department is performance audits. These audits may focus on internal controls, compliance with laws and policies, accomplishment of goals and objectives, or a combination of these areas. Additional services include administration of the City's contract for financial auditing services, operation of an employee ethics/fraud hotline, technical assistance, and sales tax analysis to identify misallocated sales tax revenue.

Department funding is through the General Fund and nearly half the personnel costs are allocated to other funds, based on planned audits. Workload measures include: ratio of audit staff to total City staff: 1 to 376; number of items on audit plan is currently 18; and number of completed audits is 6. Since 2007, the ratio of Audit to City staff has decreased by 64%, the number of items on the Audit Plan has decreased by 5%, and the number of completed audits has decreased by 33%.

KEY ISSUES

Staffing reductions throughout the organization are impacting internal control processes. This increases the need for audits of internal controls, but audit staffing has been reduced in recent years from 7.0 FTE to 3.75 FTE.

The time between the end of audit field work and issuing final audit reports has been adversely impacted by the work load increase that management has experienced. While the work load has impacted the final report, it has not slowed our communication of audit findings and recommendations to those responsible for initiating corrective action.

Critical projects for the City have impacted the audit plan. At the request of management, staff of the Office of the City Auditor is assisting with the budget, the AB 506 process, and the State Controller's audit. Until these projects are complete, it is unlikely that any new audits will be initiated.

**Charter Officers
General Fund - 010
2012-13 Proposed Budget**

	FY 2009-2010	FY 2010-2011	FY 2011-2012	FY 2012-2013
	Actual	Unaudited Actual	Current Budget	Baseline
Total Charter Officers				
Employee Services	\$ 2,655,966	\$ 2,659,027	\$ 2,593,539	\$ 3,087,261
Other Services	788,009	735,716	698,364	696,237
Materials and Supplies	33,644	55,062	56,694	51,482
Other Expenses	48,957	39,585	42,290	49,990
Total	<u>\$ 3,526,576</u>	<u>\$ 3,489,390</u>	<u>\$ 3,390,887</u>	<u>\$ 3,884,970</u>

City Council

Employee Services	419,661	460,502	451,829	422,477
Other Services	45,291	31,147	44,468	61,664
Materials and Supplies	1,652	5,324	4,000	4,000
Other Expenses	19,045	9,476	1,500	7,500
Total	<u>485,649</u>	<u>506,449</u>	<u>501,797</u>	<u>495,641</u>

City Manager

Employee Services	584,725	699,505	596,889	910,101
Other Services	211,915	170,659	121,050	145,548
Materials and Supplies	8,609	9,417	11,215	10,782
Other Expenses	19,333	14,723	18,900	20,600
Total	<u>824,582</u>	<u>894,304</u>	<u>748,054</u>	<u>1,087,031</u>

City Attorney

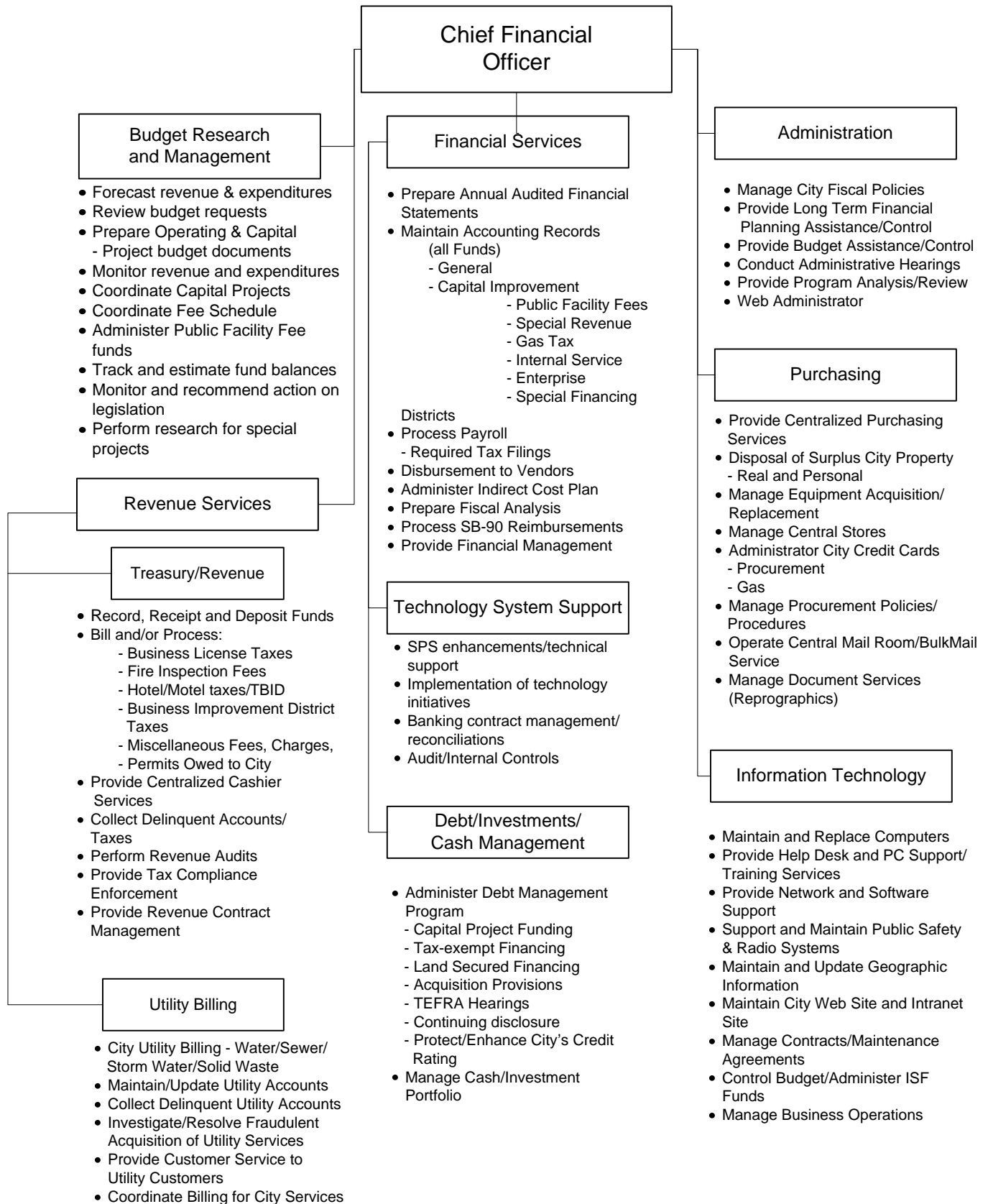
Employee Services	829,287	600,328	650,784	803,005
Other Services	277,422	256,344	152,831	169,346
Materials and Supplies	20,503	21,489	25,279	22,000
Other Expenses	4,704	8,043	10,000	10,000
Total	<u>1,131,916</u>	<u>886,204</u>	<u>838,894</u>	<u>1,004,351</u>

City Clerk

Employee Services	532,391	640,738	626,197	635,537
Other Services	114,831	110,186	125,200	138,383
Materials and Supplies	1,410	7,609	11,500	11,500
Other Expenses	2,450	2,128	3,700	3,700
Total	<u>651,082</u>	<u>760,661</u>	<u>766,597</u>	<u>789,120</u>

City Auditor

Employee Services	289,902	257,954	267,840	316,141
Other Services	138,550	167,380	254,815	181,296
Materials and Supplies	1,470	11,223	4,700	3,200
Other Expenses	3,425	5,215	8,190	8,190
Total	<u>433,347</u>	<u>441,772</u>	<u>535,545</u>	<u>508,827</u>



ADMINISTRATIVE SERVICES

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 – Baseline:

Total Expenditures	
General Fund	\$3,822,076
Internal Service Fund	\$14,764,793
Revenue	\$36,625
Total Net Cost	\$18,550,244
Total Staff	100

DEPARTMENTAL DESCRIPTION

The Administrative Services Department is responsible for providing quantitative financial information that allows the City Council and all City departments to make informed decisions as to allocation of available resources. Through careful analysis of revenues and expenditures, Department staff analyzes the fiscal condition of all funds in order to develop a balanced budget. Administrative Services also discloses the City's financial condition and the results of its operations in the year-end Comprehensive Annual Financial Report. The Department provides a wide range of other fiscal services, such as investment management, revenue collection, utility billing, fixed asset management, payroll and accounts payable processing, accounting, and debt management.

The Administrative Services Department is also responsible for providing the following support services for City departments: information technology, radios, telecommunications, equipment, mailroom and document services. These services are provided on a cost-reimbursement basis to the other departments and funds.

The Administrative Services Department is administered through seven divisions: Administration, Budget, Financial Services, Revenue Services, Utility Billing, Purchasing and Information Technology.

The Administration Division directs the activities of the Administrative Services Department, including monitoring revenue, billing, collection, investments, audits, disbursement of funds; reporting on accounting and financial activities; processing City payroll; coordinating purchasing activities; and managing long-term debt.

The Budget Division is responsible for the compilation, presentation, and monitoring of the City's annual budget. Throughout the fiscal year, the Division provides assistance to City departments by analyzing and evaluating financial performance and budget projections. The Division also coordinates financial planning and management.

The Financial Services Division is responsible for recording and reporting financial transactions; reporting financial position in accordance with generally accepted accounting principles, accurate payments of employee salaries and benefits; and payments to vendors for materials and services. The Division also manages bonded indebtedness, which includes debt service payments, bondholder relations, arbitrage coordination and continuing disclosure requirements.

The Revenue Services Division is responsible for collection, enforcement and audit of Business Tax, Hotel/Motel Tax, Utility Users Tax, Improvement District assessments, and other fees and charges owed to the City. The Division is responsible for the accurate recording, receipting, control, and deposit of all monies received by City departments.

The Utility Billing Division is responsible for providing customer service and performing billing for water, sewer, storm water, and solid waste charges for the City's 55,000 utility customers. The Division also administers the billing of City services and solid waste services for the 39,000 customers of California Water Service. The Utility Billing Division is funded by the Utilities Funds.

The Purchasing Division is responsible for the procurement of all supplies and services necessary for the operation of City departments. The Division assists with methods of procurement for projects, from evaluation to final negotiation, and purchase and manages systems for the identification and disposal of surplus property. The Division also manages the procurement and maintenance of office equipment including copiers, scanners and fax machines, manages a program to scan and store documents for all City departments, provides centralized printing and high volume reprographic service to departments, and maintains a centralized mail room where City mail is sorted and metered.

The Information Technology Division is responsible for three funds and managed by three sections: Computer, Radio, and Telecommunications. The Computer Section directs the delivery of computer purchases, repairs, replacements and services to departments and provides support for all City computer hardware, software and other technological solutions. This section also staffs a Help Desk, provides training services and network and software support, maintains internet access and the City's web page, and manages geographic information. Key business systems utilized by the City are also managed and administered here. The Radio Section manages the radio system for all departments. This section maintains, repairs, and replaces radio systems and equipment, coordinates major and minor radio system changes, and identifies future equipment and standardization requirements. The Telecommunications Section manages work office tools, such as the Voice over Internet Protocol system and cellular phones. This section issues and maintains cellular phones, negotiates contracts with vendors, and monitors usage.

KEY ISSUES

During this period of economic hardship and uncertainty, the Department will focus and support the City financial restructuring processes; review and improve organization systems; provide timely submissions of the required financial and compliance reports; plan and implement a City wide financial system; and facilitate organizational development initiatives within the department to better serve all City departments.

**Administrative Services
General Fund - 010
2012-13 Proposed Budget**

	FY 2009-2010	FY 2010-2011	FY 2011-2012	FY 2012-2013
	Actual	Unaudited Actual	Current Budget	Baseline
Total Administrative Services Department				
Employee Services	\$ 1,639,886	\$ 2,103,361	\$ 2,328,541	\$ 2,957,059
Other Services	785,196	739,799	911,192	789,970
Materials and Supplies	50,444	42,001	50,083	48,947
Other Expenses	16,561	9,432	13,250	26,100
Total	<u>\$ 2,492,087</u>	<u>\$ 2,894,593</u>	<u>\$ 3,303,066</u>	<u>\$ 3,822,076</u>
	-	-	-	-

Administration

Employee Services	172,128	160,040	174,860	560,415
Other Services	250,018	236,912	248,860	209,088
Materials and Supplies	8,235	5,556	11,500	9,500
Other Expenses	3,933	1,182	3,700	4,800
Total	<u>434,314</u>	<u>403,690</u>	<u>438,920</u>	<u>783,803</u>

Budget

Employee Services	200,120	153,870	209,483	349,454
Other Services	18,778	30,782	42,966	41,192
Materials and Supplies	2,711	315	3,750	4,000
Other Expenses	-	-	-	1,000
Total	<u>221,609</u>	<u>184,967</u>	<u>256,199</u>	<u>395,646</u>

Financial Services

Employee Services	548,574	572,562	653,398	781,046
Other Services	183,750	178,714	258,753	246,920
Materials and Supplies	14,339	17,510	8,950	13,700
Other Expenses	8,909	5,435	5,250	4,200
Total	<u>755,572</u>	<u>774,221</u>	<u>926,351</u>	<u>1,045,866</u>

Treasury

Employee Services	558,404	1,005,822	1,055,336	1,057,404
Other Services	249,835	212,236	264,582	213,804
Materials and Supplies	19,826	14,354	21,725	16,725
Other Expenses	1,337	1,264	2,800	12,700
Total	<u>829,402</u>	<u>1,233,676</u>	<u>1,344,443</u>	<u>1,300,633</u>

Purchasing

Employee Services	160,660	211,067	235,464	208,740
Other Services	82,815	81,155	96,031	78,966
Materials and Supplies	5,333	4,266	4,158	5,022
Other Expenses	2,382	1,551	1,500	3,400
Total	<u>251,190</u>	<u>298,039</u>	<u>337,153</u>	<u>296,128</u>



Human Resources Director

- Labor negotiations
- Organizational development
- Citywide policy development

Benefits

- Benefits Administration
 - Health benefits
 - Retirement
 - Long-term disability
 - Employee leave entitlements
 - Unemployment
 - COBRA administration
 - Section 125 administration
 - Deferred compensation
 - Medicare coordination

Risk Services

- Administer City Property Valuation Program
- Administer City Workers' Compensation Program
- Administer Self-insurance Tort Liability Program
- Administer Third Party Recovery Program
- Administer Safety/OSHA Program
- Manage Insurance Certificates
- ADA Coordinator
- City Driving Program/DOT
- Conduct City Property Inspections
- Record and Analyze Risk Data Statistics
- Manage City Insurance Policies
- Manage Risk Policies and Procedures
- Special Events Advisory
- OES Program Advisory

Workforce Planning

- Civil Service Commission
 - Agenda preparation
 - Rules formulation
- Training & Organizational Development
 - Staff development
 - Needs assessment
- Workforce Planning
 - Recruitment/Promotions
 - Classification of eligible employees
 - Pre-employment processing
 - New employee orientation
 - Student employment/ internship program
 - Job Fairs
- Employee Services
 - Maintenance of classification plan
 - Classification and equity studies
 - Employee performance evaluations
 - Employee file maintenance
 - Establish and maintain seniority lists
 - Maintenance of layoff/ reemployment lists
 - Placement assistance
- Position Control
- Equal Employment Commission
- Equal Employment Plan

Employee/Labor Relations

- Employee Relations
 - Negotiations support
 - MOU administration
 - Grievance resolution
 - Disciplinary action
 - EEO/ DFEH complaints
 - Employee investigations
- Civil Service Commission
 - Agenda preparation
 - Rules formulation
 - Policy advice
 - Disciplinary appeals
- Employee Transportation
 - Ride-Share Program
 - Spare-the-Air Program
- Temporary Agency Contracts

HUMAN RESOURCES DEPARTMENT

MISSION STATEMENT

Human Resources is a cohesive, collaborative team of professionals dedicated to attracting, recruiting, hiring and developing a qualified diverse workforce. We take pride in providing quality and innovative customer driven services and programs to support organizational goals, and 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 – Baseline:

Total Expenditures	
Administration	\$2,185,971
Benefit Programs	\$99,735,094
Total Revenues	\$0
Total Net Cost	\$101,921,065
Total Staff	27

DEPARTMENTAL DESCRIPTION

The Human Resources Department consists of four divisions: Workforce Planning and Training, Employee/Labor Relations, Risk Management Services, and Benefits Administration.

The Workforce Planning and Training Division assists City departments with refining their organizational structures to maximize efficiency and provide equal employment opportunities, by hiring, retaining and developing a skilled, diverse and efficient workforce for the City. The City retains employees by providing training tools, and skills needed to be successful in their current jobs and for growth and development for upward mobility within the City.

The Employee/Labor Relations Division develops, negotiates, implements, and administers policies, procedures and labor agreements that support and promote workplace diversity, fairness and equality for City employees. We counsel and advise on labor relations and human resources issues, provide assistance in the timely resolution of grievances, complaints and other personnel related matters.

The Risk Management Services Division protects the City's resources by limiting liability exposure and providing cost effective risk management programs, such as safety and workers' compensation, and by recovering general fund monies from third party damages to City property.

The Benefits Administration Division assists in providing and coordinating all aspects of our employees' generous benefit compensation package. This includes, but is not limited to, health insurance, retirement services, leave entitlements, employee assistance program, section 125 flexible spending account, life insurance, and long term disability. In addition to assisting employees, staff also provides services to retirees and dependents.

KEY ISSUES

Health plans must be redesigned to provide benefit levels that attract and retain a quality workforce, protect and promote healthy living, and fall within fiscally sustainable parameters.

The continuing fiscal emergency requires ongoing labor negotiations for concessions to reduce labor costs. In addition, City departments require assistance in organizational restructuring due to reduced staffing levels.

Workers' Compensation costs are above industry average, Human Resources will be conducting an audit of policies and procedures to identify ways to more effectively manage costs. Establish proper funding and reserve levels for General Liability and Workers' Compensation funds. Research and implement best practices for allocating premium rates to achieve appropriate funding levels.



**Human Resources
General Fund - 010
2012-13 Proposed Budget**

	FY 2009-2010	FY 2010-2011	FY 2011-2012	FY 2012-13
	Actual	Unaudited Actual	Current Budget	Baseline
Total Human Resources Department				
Employee Services	\$ 1,096,946	\$ 1,066,548	\$ 881,082	\$ 1,225,807
Other Services	242,455	338,610	371,850	769,834
Materials and Supplies	10,594	11,291	17,600	19,700
Other Expenses	77,300	52,293	88,000	170,630
Total	<u>\$ 1,427,295</u>	<u>\$ 1,468,742</u>	<u>\$ 1,358,532</u>	<u>\$ 2,185,971</u>
	-	-	-	-
Workforce Planning				
Employee Services	543,888	479,006	415,025	597,925
Other Services	160,750	193,200	160,091	412,485
Materials and Supplies	6,855	6,877	11,100	11,700
Other Expenses	<u>4,227</u>	<u>2,796</u>	<u>4,500</u>	<u>6,630</u>
Total	<u>715,720</u>	<u>681,879</u>	<u>590,716</u>	<u>1,028,740</u>
Employee Relations				
Employee Services	553,058	587,542	466,057	627,882
Other Services	81,705	145,410	211,759	357,349
Materials and Supplies	3,739	4,414	6,500	8,000
Other Expenses	<u>73,073</u>	<u>49,497</u>	<u>83,500</u>	<u>164,000</u>
Total	<u>711,575</u>	<u>786,863</u>	<u>767,816</u>	<u>1,157,231</u>



MISSION STATEMENT

To provide for city-wide 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; gang 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 Expenditures	\$27,576,865
Total Revenues	\$8,508,500
Total Net Cost	\$19,068,365
Total Staff	10

DEPARTMENTAL DESCRIPTION

Non-Departmental is a funding source for functions within the City Manager's Office that have city-wide impact and are not directly attributable to any single department. Positions funded, in whole or part, through Non-Departmental, include: Channel 97, Grants Manager, Peacekeepers, and Public Information Officer. Non-Departmental funds are also used to pay for expenses and costs related to receipt of tax revenues from other agencies, general elections costs, advertising and outreach for the City of Stockton, Channel 97, coordination and oversight of Operation Peacekeeper youth outreach and gang prevention programs, contracts for legislative advocacy, and dues to the California League of Cities.

Non-Departmental results are measured by grants obtained, Peacekeeper gang prevention measures implemented, successful legislative advocacy efforts, and public outreach and implementation of outreach mediums and tools.

KEY ISSUES

The economic recession, which has resulted in high foreclosure rates, high-unemployment, increased crime, reduced community resources, fewer grant and funding opportunities, reduced revenues and increased costs and the City's Fiscal Emergency Declaration, have significantly increased the need for all of the functions provided by Non-Departmental funding. Grant funding opportunities are scarce and available grants have more stringent requirements and qualifications, requiring additional time and resources for research and the application process. The need for Operation Peacekeeper gang prevention and intervention services and measures are at an all-time high, as gang violence has increased and unemployment has created stressors in the community. Community and employee engagement has increased significantly due to the City's Fiscal Emergency Declaration and reduction of City services and employees, resulting in a considerable increase in the number of requests for public records, public information and media inquiries, and the need to maximize the use of all outreach mediums to improve and expand channels of communication.

**Non-Departmental
General Fund - 010
2012-13 Proposed Budget**

	FY 2009-2010	FY 2010-2011	FY 2011-2012	FY 2012-13
	Actual	Unaudited Actual	Current Budget	Baseline
Total Non-Departmental				
Employee Services	\$ 418,753	\$ 442,327	\$ 520,116	\$ (340,984)
Other Services	3,059,078	4,562,289	7,866,925	4,840,966
Materials and Supplies	3,281	44,760	5,354	15,125
Other Expenses	5,568,354	(493,575)	1,349,378	1,112,580
Capital Outlay				
Transfers	7,944,972	14,730,270	10,474,867	13,441,324
Total	<u>\$ 16,994,438</u>	<u>\$ 19,286,071</u>	<u>\$ 20,216,640</u>	<u>\$ 19,069,011</u>
	-	6,188	-	-
Peacekeeper Program				
Employee Services	26,763	34,642	105,104	176,860
Other Services	64,380	21,101	21,344	55,555
Materials and Supplies	395	6,017	2,729	14,000
Other Expenses			2,878	3,200
Total	<u>91,538</u>	<u>61,760</u>	<u>132,055</u>	<u>249,615</u>
Tax Collection & Election				
Employee Services				
Other Services	2,029,769	2,179,810	2,170,000	2,189,250
Materials and Supplies				
Other Expenses	444,532	1,067,673	450,000	412,000
Total	<u>2,474,301</u>	<u>3,247,483</u>	<u>2,620,000</u>	<u>2,601,250</u>
Labor Litigation				
Employee Services				
Other Services	265,002	1,835,945	5,000,000	2,000,000
Materials and Supplies				
Other Expenses				
Total	<u>265,002</u>	<u>1,835,945</u>	<u>5,000,000</u>	<u>2,000,000</u>
Other Administration				
Employee Services	391,990	407,685	415,012	(517,843)
Other Services	699,927	525,433	675,581	596,161
Materials and Supplies	2,886	38,743	2,625	1,125
Other Expenses	5,123,822	(1,561,248)	46,500	(1,302,620)
Capital Outlay				
Transfer	3,722,388			
Total	<u>9,941,013</u>	<u>(589,387)</u>	<u>1,139,718</u>	<u>(1,223,177)</u>

**Non-Departmental
General Fund - 010
2012-13 Proposed Budget**

	FY 2009-2010	FY 2010-2011	FY 2011-2012	FY 2012-13
	Actual	Unaudited Actual	Current Budget	Baseline
Debt Service				
Transfer Out - Debt Service - 201				
MUD Jarvis Settlement				
General Fund		1,117,337	1,112,998	1,127,032
Parking Bond (SEB)	777,164	785,311	774,470	836,528
Pension Obligation Bond			876,000	
PFF 2009 Bond				631,541
Marina Towers Settlement				312,500
Main Hotel Loan Payment				500,000
Debt Administration		250,000	250,000	142,033
Total	<u>777,164</u>	<u>2,152,648</u>	<u>3,013,468</u>	<u>3,549,634</u>
Program Support for Other Funds				
Transfers				
Entertainment Venues	3,187,473	2,191,299	2,441,299	2,152,000
Redevelopment - 330		3,875,976	3,100,000	1,319,248
Compensated Absences ISF		3,697,917		
Downtown Marina - 460		966,000	732,000	732,000
Administration Building - 085			235,000	2,588,442
Capital Improvement - 301			500,000	1,575,000
Grant Match - 025	257,947	854,112	303,100	500,000
PFF Administration - 999		480,000		25,000
Development Services - 048		512,318	150,000	1,000,000
Total	<u>3,445,420</u>	<u>12,577,622</u>	<u>7,461,399</u>	<u>9,891,690</u>
Contingency				
Employee Services				
Other Services				
Materials and Supplies				
Other Expenses			850,000	2,000,000
Transfer				
Total	<u>-</u>	<u>-</u>	<u>850,000</u>	<u>2,000,000</u>

ENTERTAINMENT VENUES

ENTERTAINMENT VENUES FUND (086)

History

- This fund maintains and finances the four facilities managed by SMG: Arena, Ballpark, Oak Park Ice Arena, and Bob Hope Theatre.
- This fund also includes Administrative overhead for Budget support and payment of Possessory Interest Tax for 7th Inning Stretch according to Contract.
- SMG provides both an annual operating budget and Capital Improvement Budget in the Annual Business Plan.
- The City funds activities in the venues (net of revenue from events) by a quarterly cash flow wire based on a combination of actual YTD performance in the PL statement and projected revenue calculation looking forward.
- Entertainment Venues have historically required a high level of subsidy (IFG-Stockton required more than 5 million one year). SMG business practices are reducing annual subsidy requirements. FY 2012-2013 subsidy will be 2.3 million excluding City overhead expenditures of about \$100,000.
- A three year proforma is attached.

2011-12 Events

- The City transferred Suite Deposits to SMG to manage directly.
- The City took over a large Bad Debt allowance from IFG at termination.
- Year to date, there were more than 300 events with direct impacts to hotel occupancy rates, local tax revenue, and downtown restaurants and bars.
- SMG provides 22 full time jobs, 300 part time jobs, and 400 jobs through contractors and teams who directly support the venues.
- The Bob Hope Theatre may break even for the first time in many years of operation.
- SMG was appropriated \$350,000 for emergency repairs in a “Capital Improvement Program”. That fund was swept in the fiscal emergency and only \$113,000 in emergency expenditures were completed. The lack of funding for deferred maintenance and repairs will put the venues at risk for emergency repairs which could impact event days.

2012-13 Proposed Budget Issues and Proposed Changes

- SMG Venues will require \$400,000 less subsidy in FY 2012-2013. The ability to control subsidy is impacted by “better than industry standard” team leases that allocate more revenue and less expenditures to Teams operating at the Arena and Ballpark. This subsidy level could be substantially reduced if the teams would agree to work on lease terms that would sustain both City and team interests
- SMG projects there is more than \$800,000 in outstanding and urgent repairs and maintenance needs in the venues in the coming fiscal year.

**Administration and Support
Entertainment Venues - 086
2012-13 Proposed Budget**

	FY 2009-2010	FY 2010-2011	FY 2011-2012	FY 2012-2013
	Actual	Unaudited Actual	Projected	Proposed Budget
Beginning Available Balance		\$ 2,451,751	\$ 359,913	\$ 359,799
Revenues				
Operations:				
Stockton Arena	\$ 3,093,107	2,990,093	3,174,874	3,689,820
Bob Hope Theatre	413,875	493,108	444,829	450,579
Oak Park Ice Arena	375,558	363,599	401,050	435,000
Ballpark	181,083	193,212	195,000	195,000
Other Revenue				
	4,063,623	4,040,012	4,215,753	4,770,399
Expenditures				
Operations:				
Stockton Arena	4,548,125	4,824,339	4,376,671	4,717,048
Bob Hope Theatre	844,998	765,967	877,753	847,320
Oak Park Ice Arena	400,985	422,547	606,841	551,345
Ballpark	563,834	653,483	664,787	595,022
Administration	97,834	41,796	131,114	211,018
Buy-out of operator/transition costs		2,449,728		
	6,455,776	9,157,860	6,657,166	6,921,753
Transfers				
Transfer In - General Fund	3,187,473	2,191,299	2,441,299	2,152,000
Transfer In - Other	1,300,000	1,000,000		13,962
Transfer Out		(570,000)		
	4,487,473	2,621,299	2,441,299	2,165,962
Net Annual Activity	\$ 2,095,320	(2,496,549)	(114)	14,608
Ending Available Balance		\$ (44,798)	\$ 359,799	\$ 374,407
Available Balance Calculation				
Current Assets		\$ 950,262		
Current Liabilities		(590,349)		
Ending Available Balance		\$ 359,913		

Administration and Support
San Joaquin Area Flood Control Agency - 020
2012-13 Proposed Budget

	FY 2009-2010	FY 2010-2011	FY 2011-2012	FY 2012-13
	Actual	Unaudited Actual	Projected	Proposed Budget
Beginning Available Balance	\$ -	\$ -	\$ -	\$ -
Revenues				
Flood Agency Reimbursement	\$ 847,440	865,702	883,666	820,765
	847,440	865,702	883,666	820,765
Expenditures				
Employee Services	717,563	762,741	797,714	740,969
Insurance premiums	10,344	12,741	16,638	21,141
Internal Service Fund Charges	33,059	46,635	30,858	18,265
Maintenance and Repair	104	4,315	3,100	4,500
Materials and supplies	2,767	4,094	2,500	4,000
Indirect Cost Allocation	81,300	32,009	27,291	27,291
All other expenses	2,303	3,167	5,565	4,599
	847,440	865,702	883,666	820,765
Net Annual Activity	\$ -	-	-	-
Ending Available Balance		\$ -	\$ -	\$ -
Available Balance Calculation				
Current Assets				
Current Liabilities				
Ending Available Balance		\$ -		



Other Special Programs
Wagner - General Special Revenue - 627
2012-13 Proposed Budget

	FY 2009-2010	FY 2010-2011	FY 2011-2012	FY 2012-2013
	Actual	Unaudited Actual	Projected	Proposed Budget
Beginning Available Balance	\$ 68,561	\$ 69,631	\$ 54,719	\$ 52,769
Revenues				
Program Revenue				
Donations				
Other Revenue	2,570	1,763	1,050	1,500
	2,570	1,763	1,050	1,500
Expenditures				
Program Expenses	1,500	1,500	3,000	3,000
	1,500	1,500	3,000	3,000
Transfers				
Transfer In				
Transfer Out - Grant Fund - 020	-	-	-	-
	1,070	263	(1,950)	(1,500)
Net Annual Activity				
	\$ 69,631	\$ 69,894	\$ 52,769	\$ 51,269
Ending Available Balance				
Available Balance Calculation				
Current assets		\$ 69,894		
Principal endowment		(15,175)		
Ending Available Balance		\$ 54,719		

**Other Special Programs
General Special Revenue - 642
2012-13 Proposed Budget**

	FY 2009-2010	FY 2010-2011	FY 2011-2012	FY 2012-2013
	Actual	Unaudited Actual	Projected	Proposed Budget
Beginning Available Balance	\$ 20,743	\$ 27,610	\$ 38,648	\$ 38,827
Revenues				
Program Revenue				
Donations	11,005	10,003	131,400	1,868
Other Revenue	91,493	92,279	292,779	92,279
	102,498	102,282	424,179	94,147
Expenditures				
Program Expenses	95,631	91,244	424,000	97,279
	95,631	91,244	424,000	97,279
Transfers				
Transfer In				
Transfer Out - Grant Fund - 020	-	-	-	-
Net Annual Activity	6,867	11,038	179	(3,132)
Ending Available Balance	\$ 27,610	\$ 38,648	\$ 38,827	\$ 35,695
Available Balance Calculation				
Current assets		\$ 38,897		
Current liabilities		(250)		
Ending Available Balance		\$ 38,647		

TAB

Debt

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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 - Baseline:

City Debt Service Fund	\$ 8,119,247
CFD & Assessment Districts	\$18,399,839
Administration	\$ 742,459
Total Expenditures	\$27,261,545
Total Revenues	\$27,261,545
Total Net Cost	\$0

GENERAL FUND OBLIGATIONS

The City's General Fund secures the following series of bonds and other debt obligations that are administered in the City's Debt Service Fund:

Certificates of Participation 2003 A & B – Redevelopment Housing Program

Certificates of Participation (COP) Series 2003 A & B were issued in the amount of \$13,300,000 in June, 2003. The COPs were issued to finance redevelopment housing projects. Repayment of the COPs is financed by a transfer from the Redevelopment Agency housing set-aside funds. Additional funding is available in fiscal year 2012-13 from a working capital conversion completed in fiscal year 2011-2012. The annual budget for the COPs is \$992,670.

Lease Revenue Bonds 2006 Series A – Stewart/Eberhardt Building

The 2006 Lease Revenue Refunding Bonds Series A were issued in the amount of \$13,965,000 in March, 2006. The Bonds were issued to finance the acquisition and construction of the Essential Services Building (the Stewart/Eberhardt Building) and an adjacent parking facility. The sources for repayment are the Central Parking District Fund and the Public Facilities Fee Fund (Police Stations). The annual budget for the bonds is \$910,113.

Lease Revenue Bonds 2007 Series A & B – City Administration Building

The 2007 Variable Rate Demand Lease Revenue Bonds, Series A & B were issued in the amount of \$40,770,000 in November, 2007. The bonds were issued to provide funds to finance the acquisition of an office building and parking garage located at 400 E. Main in downtown Stockton, which is planned to be converted into the City Administration Building. The annual budget for the bonds is \$2,672,344.

2009 Lease Revenue Bonds Series A – (Public Facilities Fees)

The 2009 Lease Revenue Bonds Series A were issued in the amount of \$35,080,000 in September, 2009. The Bonds were issued to finance various capital improvements located throughout the City. The sources for repayment are development impact fees collected to finance the construction of Fire Stations, Police Stations, Parklands and Street Improvements. The annual budget for the bonds is \$2,417,088.

Howard-Jarvis Settlement

On October, 2006 a lawsuit (*Howard Jarvis Taxpayers Assoc., et al. v. City of Stockton*) was filed contending that transfers of fees levied on water, wastewater and stormwater utilities violated Proposition 218 on the grounds that the transfers caused utility fees to be used for purposes other than providing the utility services for which the fees were charged. A settlement agreement reached in March, 2009 required the City's General Fund and Capital Improvement Fund to repay over a thirty year period \$15,798,000 in principal plus \$3,580,000 in accrued interest, for a total estimate of \$19,378,000. Annual payments of \$1,127,032 are funded by a transfer from the General Fund.

COMMUNITY FACILITIES DISTRICTS AND ASSESSMENT DISTRICTS

Approximately 24 Special Districts have been formed to facilitate the issuance of bonds to finance improvements throughout the City. The types of improvements that have been financed include subdivision improvements, street lights, and parks. Assessments are levied and added to the tax rolls on properties within the Districts. These assessments provide the source of payment on the bonds. The annual budget for the bonds is \$18,399,839.

DEBT

OTHER FUNDS (*NOT INCLUDED IN THE GENERAL FUND BUDGET AT A GLANCE – BASELINE)

The following obligations are reported as “Memorandum Only” in this Debt Service section of the Budget and are presented for informational purposes. Debt Service related to these obligations is reported within the appropriate programs.

Water Debt Service (see page K-5)

Federal Drought Relief Act Loan

In August 1977, the City accepted a Federal Drought Relief Act Loan in the amount of \$1,834,000 to finance drought relief projects for the Water Utility Enterprise Fund. Repayment of the loan is financed from net revenues pledged by the Water Utility Fund. The annual budget for the loan is \$95,342.

Revenue Bonds, Series 2002A

The 2002 Series A Bonds were issued in the amount of \$14,280,000 in April, 2002, as part of the City's participation in the California Statewide Community Development Authority (CSCDA) Water and Wastewater Revenue Bond (Pooled Financing Program). The bonds were issued to refinance prior water system expansion bonds. Repayment of the bonds is financed from net revenues pledged by the Water Utility Fund. The annual budget for the bonds is \$1,111,588.

Revenue Bonds, Series 2005 A

The 2005 Water Revenue Bonds were issued in the amount of \$24,230,000 in November, 2005. The bonds were issued to finance various water system capital improvement projects. Repayment of the bonds is financed from net revenues pledged by the Water Utility Fund. The annual budget for the bonds is \$1,150,313.

Revenue Bonds, 2009 Series A & B

The 2009 Water Revenue Bonds Series A & B were issued in the amount of \$173,125,000 in August, 2009. The bonds were issued for the design and construction of the first phase of the Delta Water Supply Project. Repayment of the bonds is financed from net revenues pledged by the Water Utility Fund. The annual budget for the bonds is \$15,736,838.

Revenue Bonds, 2010 Variable Rate

The 2010 Revenue Bonds were issued in the amount of \$55,000,000 in October, 2010. The bonds were issued to provide financing to complete the Delta water Supply Project. . Repayment of the bonds is financed from net revenues pledged by the Water Utility Fund. The annual budget for the bonds is \$1,690,240.

Wastewater Debt Service (see page K-5)

Certificates of Participation, Series 1998 Series A

The 1998 Certificates of Participation (COPs) were issued in the amount of \$101,650,000 in February 1998. They COPs were issued to finance the design and construction of a sewer interceptor, to make improvements and modifications to the southern industrial sewer trunk line, and to refund the 1995 COP issue that financed the design, improvements and modifications to the regional wastewater control facilities. Repayment of the COPs is financed from net

DEBT

revenues pledged by the Wastewater Utility Fund. The annual budget for the COPs is \$6,371,968.

Certificates of Participation, Refunding 2003 Series A

The 2003 Certificates of Participation (COPs) were issued in the amount of \$14,135,000 in May, 2003. The COPs were issued to advance refund the 1993 COPs which had financed various Wastewater System Improvements. Repayment of the COPs is financed from net revenues pledged by the Wastewater Utility Fund. The annual budget for the COPs is \$1,005,120.

Internal Service Debt Service

Pension Obligation Bonds 2007 Series A & B (see page O-5)

The 2007 Taxable Pension Obligation Bonds (POB), Series A & B were issued in the amount of \$125,310,000 in March, 2007. The POBs 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. The annual budget for the bonds is \$7,712,550.

Capital Lease - Fire Vehicles (see page O-8)

On April 17, 2007 The City Council approved the execution of a Master Equipment/Lease Agreement with Banc of America Leasing and Capital, LLC to provide a tax-exempt financing mechanism and established the underlying financing tool for designated capital projects. The City authorized the purchase of an aerial fire truck and water rescue vehicle for the Fire Department amounting to \$1,000,000. The annual budget for the lease is \$88,524.

Capital Lease – Information Technology Equipment (see page O-13)

On June 24, 2008 The City Council approved the execution of a tax exempt lease through Key Government Finance in the amount of \$2,430,632 to implement a Citywide Unified Communication Environment. The sources for repayment are Internal Service fund charges made on departments using the phone system. The annual budget for the leased is \$325,000.

Other Debt Service (see page N-15)

Capital Lease - Civic Auditorium HVAC (see N-15)

On December 15, 2009 the City Council approved the execution of a Lease Purchase Agreement with Wells Fargo Securities, LLC to provide financing for the replacement of the Heating, Ventilation and Air Conditioning (HVAC) system for the Stockton Memorial Civic Auditorium. The lease is in the amount of \$1,930,000 and the sources for repayment are savings from reductions in utility costs to operate the HVAC system and from the Capital Improvement Project fund of the City. The annual budget for the lease is \$248,781.

Department of Boating and Waterways Loan – Marina Planning and Construction (see page J-31)

On March 17, 1997, the Redevelopment Agency entered into an agreement with the California Department of Boating and Waterways (DBAW) for financing related to the planning of a small craft harbor facility. Once planning was complete, in May of 2000, an application was made for a construction loan to develop the facility. Overall indebtedness for both loans is \$11,056,641 and the sources for repayment are the Merged Waterfront Redevelopment Area (Planning Loan) and transfers from the General Fund to support the Harbor Facility operations fund during the ramp up phase to full operations. The annual budget for the construction loan is \$684,701.

DEBT

Loan Payable San Joaquin Council Governments Loan #1 and 2 (see page G-6)

In 2009 the City entered into a loan agreement with the San Joaquin Council of Governments (SJCOG) for an advance of future Measure K maintenance funds in the amount of \$6,543,238 to expand the City's street maintenance program and to complete preliminary design work on a freeway interchange at I-5 and Otto Drive. The sources for repayments are the Measure K Revenues. The annual budget for the loans is \$1,277,247.

Section 108 Loans (see page J-11)

The City has entered into four Section 108 loan guarantee agreements with the U.S. Department of Housing and Urban Development (HUD) to complete redevelopment projects. Repayment of the loans will be financed from Community Development Block Grant entitlement funds. The annual budget for the loans is \$2,207,670.

**City Debt Service Funds
2012-13 Proposed Budget**

	Debt and Cash Administration 201	Certificates of Participation Series 2003 A & B 201	Lease Revenue 2006 Series A 201	Lease Revenue 2007 Series A & B 201
Date Issued		6/27/2003	4/6/2006	3/26/2007
Purpose		Affordable Housing Program	Parking and Stewart/Eberhardt Building	City Administration Building 400 Main
Revenues				
Charges for Services				
Sales Tax				
Build America Bonds				
Tax Increment				
Interfund Charges	600,426			
Interest				
Other Revenue				
Assessments				
	<u>600,426</u>	<u>-</u>	<u>-</u>	<u>-</u>
Expenditures				
Principal		\$ 345,000	\$ 400,000	\$ 155,000
Interest		645,170	507,494	2,517,344
Operating Expenses	160,800	2,500	2,619	-
Capital Projects				
Administrative Costs	581,659			
	<u>742,459</u>	<u>992,670</u>	<u>910,113</u>	<u>2,672,344</u>
Transfers				
Transfer In				
General Fund	142,033			
Other Funds		992,670	910,113	2,672,344
Transfer Out				
General Fund				
Other Funds				
	<u>142,033</u>	<u>992,670</u>	<u>910,113</u>	<u>2,672,344</u>
Net Annual Activity	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**City Debt Service Funds, Continued
2012-13 Proposed Budget**

	Lease Revenue SPFA A 2009 Series A 201	Howard-Jarvis Settlement Water/ Wastewater 201	City Debt Service Fund 201	CFD and 1915 Act Debt Service 250/701 Total	Total
Date Issued	8/20/2009			Various	
Purpose	Public Facilities Fee Program	General Fund Obligation to Utility Funds		Assessment Districts	
Revenues					
Charges for Services					
Sales Tax					
Build America Bonds					
Tax Increment					
Interfund Charges			\$ 600,426		\$ 600,426
Interest					
Other Revenue					
Assessments				18,399,839	18,399,839
	<u>-</u>	<u>-</u>	<u>600,426</u>	<u>18,399,839</u>	<u>19,000,265</u>
			-		-
Expenditures					
Principal		375,840	1,275,840	11,520,000	12,795,840
Interest	2,415,838	751,192	6,837,038	6,279,413	13,116,451
Operating Expenses	1,250		167,169	160,800	327,969
Capital Projects					
Administrative Costs			581,659	439,626	1,021,285
	<u>2,417,088</u>	<u>1,127,032</u>	<u>8,861,706</u>	<u>18,399,839</u>	<u>27,261,545</u>
Transfers					
Transfer In					-
General Fund		1,127,032	1,269,065		1,269,065
Other Funds	2,417,088		6,992,215		6,992,215
Transfer Out					-
General Fund					-
Other Funds					-
	<u>2,417,088</u>	<u>1,127,032</u>	<u>8,261,280</u>	<u>-</u>	<u>8,261,280</u>
			-		-
Net Annual Activity	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
			-	-	-
				Revenues	\$ 19,000,265
				Transfers	8,261,280
				Total Sources	<u>\$ 27,261,545</u>
				Expenditures	\$ 27,261,545
				Transfers	
				Total Appropriations	<u>\$ 27,261,545</u>



TAB

Capital

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MISSION STATEMENT

The Capital Improvement Program (CIP) 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 system.

Budget at a Glance – Baseline:

Total Expenditures

Capital Project Funds	\$13,540,771
Utility and Other Funds	\$10,740,552
Total Capital Budget	\$24,281,323

PROGRAM DESCRIPTION

The projects listed in the accompanying five-year CIP project list have an estimated individual cost of over \$50,000 and provide long-term assets to the community. Budgeted costs include design, construction, equipment and land purchases, and project administration of new, improved or replacement infrastructure. 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 in view of the City's needs, priorities, and available funds, and revised as necessary.

KEY ISSUES

Capital Improvement Highlights

The Capital Improvement Program (CIP) 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 system. The projects listed in the CIP have an estimated cost over \$50,000 and provide long-term assets to the community. Budgeted costs include design, construction, equipment and land purchases, and project administration of new, improved or replacement infrastructure. The costs identified in the first year of the program are appropriated as a part of the operating and capital budget process. The projects and costs identified in years 2 through 5 of the program are intended to illustrate priorities and the magnitude of funding needed. For these outer year projects to be constructed, funding sources will have to be identified.

Each year, the five-year program is reviewed in view of the City's needs, priorities, and available funds, and revised as necessary. A long-term Capital Improvement Program provides a number of benefits:

- It focuses attention on community goals, needs and capabilities for the best use of public expenditures, and establishes a long-term plan for future needs.
- It prioritizes needs and establishes an orderly basis for sound budget decisions.
- It improves the City's chances of obtaining State and Federal financing assistance.
- It encourages coordination of projects among city staff and other public agencies and reduces scheduling problems. In addition, it permits private enterprise to relate their projects to the City program.

Capital Improvement Program Process

To identify capital program needs, Public Works staff worked with city departments, other agencies (such as the Council of Governments and the Regional Transit District) and members of the community to identify potential projects. Based on this input, Public Works staff developed

CAPITAL IMPROVEMENT PROGRAM

a list of proposed projects, along with cost estimates and priorities. In addition, Public Works staff worked with Administrative Services staff to identify revenue projections for funding capital projects. These funding sources include the General Fund, Public Facilities Fees, Measure K, Enterprise Funds, etc.

The City Manager's Office reviews the projects in terms of Council and City priorities, and available funding. The recommended Capital Improvement Program is submitted to the City Planning Commission to review for conformance with the General Plan, and to the City Council for review and possible adoption. The City Council reviews the capital projects, makes revisions if applicable, and adopts a resolution appropriating the first year funding of the approved five-year plan.

FY2012/13 through FY 2016/17 Capital Improvement Program Highlights

The FY2012/13 through FY2016/17 CIP proposes a list of projects with a total value of \$695,770,000. However, of this amount only \$1,575,000 or 0.23% is funding from the General Fund and \$490,690,000 is for projects with no funding source. In other words, improvements that is needed but cannot be funded at this time.

Of the five years in the CIP, the only financially constrained year is the first year, FY 2012/13, which means that there is funding available for the \$21,361,552 in proposed improvements. However, \$19,786,000 of the funding available is from restricted sources dedicated to transportation, utilities, and library.

The proposed projects are grouped into three categories: General Government, Transportation, and Utilities. The following provides highlights of the proposed projects in each of these categories. In addition, this program includes a listing of unfunded projects. This information is being provided to more fully detail the improvements that are needed but cannot be built because of ongoing financial constraints. This list of unfunded projects is not comprehensive and does not capture the extent of all the deferred maintenance for city facilities and infrastructure. While not a complete list of deferred maintenance, the following is being provided to put this significant issue into context and illustrate the magnitude of the cost.

- Urban Forest: \$3.1M is needed to bring the forest up to an acceptable standard. While an additional \$3.5M is needed annually to provide proper maintenance.
- Roadway pavement: \$10M per year is needed to maintain pavement in its current condition. The proposed program allocates only \$2M per year.
- Park: \$12M is needed for play areas, park furnishings, irrigation systems, buildings, courts, ball fields, and flatwork. However, no funding is available to address these issues in the proposed program
- City Hall: The proposed program includes a \$7M project to repair the roof, replace the HVAC system, and update interior finishes. For a complete renovation, the cost is likely double that amount (\$14M). However, no funding is available in the proposed program for any of this work.
- Other Facilities: \$6M+ is needed to catch up on maintenance of other City Facilities, however, no funding is available in the proposed program.
- Roofs: \$7M is needed to catch up, but no funding is available.

CAPITAL IMPROVEMENT PROGRAM

General Government

This category includes improvements associated with Police, Fire, Parks, Golf Courses, Libraries, and buildings. Improvements are funded through the General Fund as well as other dedicated funding sources such as Public Facility Fees.

The General Fund allocation for capital projects has been greatly reduced in the proposed program. In fact, only \$1,575,000 is available in FY12/13 and there's no projects identified in any of the successive years of the five year program. Therefore, minimal maintenance projects are included in the CIP budget. These projects include miscellaneous emergency maintenance, roof repairs, HVAC upgrades/replacements, hazardous material abatement, and improvements to comply with Americans with Disability Act requirements.

Transportation

Improvements to the transportation system are funded from non-General Fund sources that are dedicated to transportation projects. These sources include State and Federal grants, Public Facilities Fees, and Measure K.

The transportation projects included in the CIP represent a continuing effort to improve traffic flow, safety, and personal mobility, reduce air pollution, promote and facilitate economic development and promote use of alternate transportation modes, and preserve the transportation infrastructure. Projects are drawn from many sources, including the Stockton Street Improvement Plan, the Circulation Element of the General Plan, and various planning documents of the San Joaquin Council of Governments.

This portion of the program has been able to consistently generate significant amounts of grant funds. In fact, Public Works currently has over 70 active capital projects with a total value of over \$900M of which \$290M is from competitive grant sources. Based on this success, the proposed program includes an aggressive list of transportation projects the either have grant funding or will be seeking grant funding to facilitate design and construction of the needed improvements.

In general, the transportation projects in the CIP include improvements to traffic signals, expansion of Bus Rapid Transit, safety upgrades at existing at-grade railroad crossings, maintenance of bridges and pavement throughout the city, the construction of Phase 4 of the Airport Way Beautification Project, pedestrian improvements adjacent to Harrison Elementary School to protect children, the construction of the French Camp/I-5 interchange modifications, continuation of the Traffic Calming Program, and installation of an adaptive traffic control system on Wilson Way that will monitor traffic volumes and automatically adjust signal timing.

CAPITAL IMPROVEMENT PROGRAM

Utilities

Improvements to the City's water, wastewater, and stormwater systems are funded from non-General Fund sources that are dedicated to utility maintenance and improvements. These sources include utility user fees and Public Facilities Fees.

Associated with the Delta Water Supply Project, the Department of Municipal Utilities is budgeting most new project funds from the Water Enterprise for conversions of the disinfection systems at the water wells and Stockton East Water District's water supplies in the north system. For the Wastewater Enterprise, funds are budgeted for pump station and pipeline rehabilitation and replacements, as well as, design and environmental clearances for wastewater treatment plant rehabilitation and upgrades.

No projects have been budgeted in the Stormwater Enterprise because of a lack of funding.

Basis of Capital Revenue Projections

To determine the funds available for Capital Projects, the City considers the following:

- Analysis of all funds and adjustment for historical and year-to-date trends.
- Calculation of the interest on project and account balances where appropriate.
- Projection of user fee revenues in the Wastewater, Water, and Storm funds based on current rates.
- Projection of Public Facilities Fees revenues based on current fees and development projections.

Capital Improvement Program Funding Sources

City Funds

Capital Improvement Fund: The Capital Improvement Fund is unrestricted and can be used for any project designated by the City Council. The resources in this fund come from transfers from the City's General Fund, reimbursements for specific projects, and interest earnings.

Library Fund: This fund receives a transfer from the City's General Fund for the City's portion of Library costs and a portion of County property tax revenues are received from the County to support the remaining portion of Library costs.

Federal/State Funds

Community Development Block Grants: These are funds made available through the appropriation bill at the Federal level, which provide the states and cities with monies for community development.

Federal/State Grants: These funds are made available through an extensive application process that is usually initiated by City staff. Most grants require some kind of fund match from the city. Grant funds are appropriated when grant agreements are executed.

Transportation Development Act (TDA): These funds are derived from the statewide sales tax and are returned to each County for public transit and bicycle/pedestrian purposes. TDA funds may also be used for roads and streets. However, Stockton's allocation is currently limited to transit operations and pedestrian/bike path projects included in the Sidewalk and Wheelchair Ramp Repair project.

CAPITAL IMPROVEMENT PROGRAM

Sales Tax Measure K

Measure K: In 2006, voters approved a 30 year extension. These funds are earmarked for; Local Street Repairs and Roadway Safety (35%), Congestion Relief projects (32.5%), Railroad Crossing Safety projects (2.5%), and Passenger Rail, Bus and Bicycles (30%) which includes dedicated funding for bus rapid transit and safe routes to schools.

City Enterprise Funds

Wastewater Revenue: These funds are from user fees (rates) established by City Council.

Water Revenue: These funds are from user fees (rates) established by City Council.

Storm Water Revenue: These funds are from user fees (rates) established by City Council.

Golf Fund: These funds are from user fees for the Swenson Park Golf Course and the Van Buskirk Golf Course.

Public Facility Fees

Public Facilities Fees: These fees are collected through the building permit process from new development projects. This provides funds for new or expanded facilities necessary as a result of growth and development. Public Facility Fees include street improvements, community recreation centers, city office space, fire stations, libraries, police stations, traffic signals, park site, street tree, air quality, water connection, and wastewater connection.

Other Revenue

Landscape Maintenance District: These funds come from the Stockton Consolidated Landscape Maintenance Assessment District No. 96-2.



Summary by Program
Five Year Capital Improvement Program
2012-13 to 2016-17
(Dollars in thousands)

	Carryover Balance June 2011	2011-12 Adopted	Canceled/ Adjusted Projects	2012-13 Proposed Budget	2013-14 Projected	2014-15 Projected	2015-16 Projected	2016-17 Projected
Summary by Program								
General Government and Grants								
Buildings	3,906	150	(714)	1,575	1,692	1,842	2,270	7,681
Police	97	66	(52)	-	877	325	2,731	-
Fire	-	-	-	-	452	232	-	500
Parks	3,406	32	-	-	1,300	-	-	55
Public Works - Parks & Trees	-	-	-	-	3,533	427	2,152	17,543
Golf	322	100	(32)	-	324	3,439	-	2,408
Library	7,510	783	-	250	50	50	50	50
Redevelopment	-	-	-	-	65	727	-	-
	<u>15,241</u>	<u>1,131</u>	<u>(798)</u>	<u>1,825</u>	<u>8,293</u>	<u>7,042</u>	<u>7,203</u>	<u>28,237</u>
Transportation	154,097	43,451	-	8,796	35,680	71,026	94,445	250,507
Utilities	88,231	16,866	-	10,740	31,313	122,443	7,813	11,407
Total CIP Program	<u>257,569</u>	<u>61,448</u>	<u>(798)</u>	<u>21,361</u>	<u>75,286</u>	<u>200,511</u>	<u>109,461</u>	<u>290,151</u>
Funded	257,569	61,448	(798)	21,361	37,775	127,105	10,086	9,753
Unfunded	-	-	-	-	37,511	73,406	99,375	280,398
Total	<u>257,569</u>	<u>61,448</u>	<u>(798)</u>	<u>21,361</u>	<u>75,286</u>	<u>200,511</u>	<u>109,461</u>	<u>290,151</u>

Project Totals by Fund
Five Year Capital Improvement Program
2012-13 to 2016-17
(Dollars in thousands)

		Carryover Balance June 2011	2011-12 Adopted	Canceled/ Adjusted Projects	2012-13 Proposed Budget	2013-14 Projected	2014-15 Projected	2015-16 Projected	2016-17 Projected
Summary by Fund									
General Government and Grants									
Capital Fund	301	2,684	316	(798)	1,575	-	-	-	-
Public Art Fund	306	396	-	-	-	-	-	-	-
Grant Funding/Other Reimbursements	304	70,695	3,888	-	3,227	4,979	-	-	-
Landscape Maintenance District	72	-	32	-	-	-	-	-	-
Library	41	2,344	533	-	-	-	-	-	-
Measure K Renewal	80	45,222	36,501	-	143	-	1,900	-	-
Measure K Maintenance	82	-	774	-	1,028	1,135	1,594	844	844
SAFETEA-LU	38	10,414	1,580	-	3,987	1,880	1,880	1,880	1,880
Transportation Development Act	34	-	160	-	184	184	184	184	184
		<u>131,755</u>	<u>43,784</u>	<u>(798)</u>	<u>10,144</u>	<u>8,178</u>	<u>5,558</u>	<u>2,908</u>	<u>2,908</u>
Public Facilities Fees									
Air Quality	990	1,097	311	-	-	-	-	-	-
Fire	940	-	-	-	-	-	-	-	-
Library	950	5,166	250	-	250	-	-	-	-
Parkland	970	2,991	-	-	-	-	-	-	-
Office Space	930	223	-	-	-	-	-	-	-
Police	960	424	-	-	-	-	-	-	-
Regional Streets	917	1,687	-	-	-	-	-	-	-
Street Fees	910-915	25,172	-	-	-	-	-	-	-
Street Trees	978	295	-	-	-	-	-	-	-
Street Signs	979	59	-	-	-	-	-	-	-
Street Lights	980-985	404	-	-	-	-	-	-	-
Traffic Signals	900-904	65	237	-	227	-	-	-	-
		<u>37,583</u>	<u>798</u>	<u>-</u>	<u>477</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Utilities									
Water	423-427	63,664	8,051	-	2,901	1,454	1,127	663	2,831
Wastewater	434-437	23,995	8,815	-	7,840	26,667	118,301	6,049	3,903
Stromwater	441	572	-	-	-	1,476	2,119	466	111
		<u>88,231</u>	<u>16,866</u>	<u>-</u>	<u>10,740</u>	<u>29,597</u>	<u>121,547</u>	<u>7,178</u>	<u>6,845</u>
Unfunded									
Buildings / City Property / Others	Unfunded	-	-	-	-	1,692	1,842	2,270	7,681
Fire	Unfunded	-	-	-	-	452	232	-	500
Parks	Unfunded	-	-	-	-	1,300	-	-	55
Police	Unfunded	-	-	-	-	877	325	2,731	-
Public Works - Parks & Trees	Unfunded	-	-	-	-	3,533	427	2,152	17,543
Golf	Unfunded	-	-	-	-	324	3,439	-	2,408
Library	Unfunded	-	-	-	-	50	50	50	50
Redevelopment	Unfunded	-	-	-	-	65	727	-	-
Transportation	Unfunded	-	-	-	-	27,502	65,468	91,537	247,599
Utilities	Unfunded	-	-	-	-	1,716	896	635	4,562
		<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>37,511</u>	<u>73,406</u>	<u>99,375</u>	<u>280,398</u>
Total CIP Program		<u>257,569</u>	<u>61,448</u>	<u>(798)</u>	<u>21,361</u>	<u>75,286</u>	<u>200,511</u>	<u>109,461</u>	<u>290,151</u>
Funded		257,569	61,448	(798)	21,361	37,775	127,105	10,086	9,753
Unfunded		-	-	-	-	37,511	73,406	99,375	280,398
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Project Listing
Five Year Capital Improvement Program
2012-13 to 2016-17
(Dollars in thousands)

Project Balance		Carryover	2011-12	Canceled/	2012-13	2013-14	2014-15	2015-16	2016-17
Number	Fund	June 2011	Adopted	Adjusted Projects	Proposed Budget	Projected	Projected	Projected	Projected
General Government Program									
Buildings /City Property / Others									
<u>Capital Fund</u>									
Asbestos Removal-City Buildings	7002	301	131	(109)	50				
General Emergency Maintenance Citywide	7011	301	146	50	(77)	50			
ADA Compliance Program	7022	301	142	(73)	50				
Fox Theater Renovation	7027	301	5						
Electrical Power Upgrade	7035	301	69	(69)					
HVAC Upgrades and Replacements	7036	301	63	(36)	75				
O&M Electrical Shop	7052	301	64	(64)					
Green Lease Main PD Equip.	7057	301	383						
MLK Blvd. Underpass Chair Ramp	7060	301	96	(91)					
Roof Management Program	7087	301	543	(19)	82				
Downtown Acquisitions/Demo	7102	301	(66)	66					
Fire Station Repairs	7103	301	84						
Philomathean Club Renovation	7517	301	34						
Riverfront Park Improvements	7807	301	12	100					
Miracle Mile Parking Lots	7909	301	193						
Event Center	9811	301	366	(242)					
Wilson Way Underpass ADA Ramp Installation	0000	301			268				
TBD (Various Projects)	0000	301			1,000				
			2,265	150	(714)	1,575	-	-	-
<u>Federal American Recovery and Reinvestment Act (ARRA)</u>									
EECBG-Energy Efficient Buildings	8608	304	829						
EECBG-Recycle Multi-Family	8609	304	64						
EECBG-Recycle Multi-Family	8610	304	92						
EECBG-Fin Internal Control	8612	304	9						
			994	-	-	-	-	-	-
<u>Public Facilities Fees - City Office Space</u>									
SEB 4th Floor Police Expansion	9832	930	223						
			223	-	-	-	-	-	-
<u>Public Facilities Fees - Police Stations</u>									
SEB 4th Floor Police Expansion	9832	960	424						
			424	-	-	-	-	-	-
<u>Unidentified Funding</u>									
Bob Hope Theater Electrical Service Separation	0000	Unfunded					132		
City Hall Renovations	0000	Unfunded						714	6,197
City Offices Minor Safety Renovations	0000	Unfunded				110	226	72	
Civic Auditorium Stage Controls/Rigging	0000	Unfunded				98			
Hazardous Materials Abatement and Monitoring	7002	Unfunded				75	75	75	75
General Emergency Maintenance Citywide	7011	Unfunded				75	75	75	75
ADA Compliance Program	7022	Unfunded				250	250	250	250
HVAC Upgrades and Replacements	7036	Unfunded				75	75	75	75
Roof Maintenance and Leak Management Program	7087	Unfunded				249	249	249	249
Roof Replacement and Construction Program	0000	Unfunded				760	760	760	760
			-	-	-	1,692	1,842	2,270	7,681
Subtotal, Buildings / City Property / Other			3,906	150	(714)	1,575	1,692	1,842	2,270
Police									
<u>Capital Fund</u>									
PD Animal Shelter HVAC System Upgrade	7199	301	97	(52)					
Police Gun Range Improvements	0000	301		66					
			97	66	(52)	-	-	-	-
<u>Unidentified Funding</u>									
Animal Shelter Renovation	0000	Unfunded				305			
Field Operations Expansion	0000	Unfunded				265			
PD Gun Range Shade Structure Replacement	0000	Unfunded				307			
PD Main Basement Remodel	0000	Unfunded					138		
SEB 4th Floor Build-out	0000	Unfunded					187	2,731	
			-	-	-	-	877	325	2,731
Subtotal, Police			97	66	(52)	-	877	325	2,731
Fire									
<u>Public Facilities Fees - Fire Stations</u>									
Fire Station # 13 NE (Perm)	9251	940							
Fire Relocation/Construction	9255	940							
			-	-	-	-	-	-	-
<u>Unidentified Funding</u>									
Fire Station 12 Apparatus Bay Clearance	0000	Unfunded				285			
Fire Station Garage Roll-up Replacements	0000	Unfunded				61			
Fire Station Repairs and Improvements	0000	Unfunded				106	232		500
			-	-	-	-	452	232	-
Subtotal, Fire			-	-	-	-	452	232	-
Parks									
<u>Capital Fund</u>									
Public Art Administration	7031	306	30						
Public Art Program	7032	306	362						
Public Art Maintenance	7046	306	4						
			396	-	-	-	-	-	-
<u>Grant Fund</u>									
Laughlin Park Playground	7890	304	19						
			19	-	-	-	-	-	-
<u>Landscape Maintenance District</u>									
Game Court Rehabilitation	0000	072							
			32						
			-	32	-	-	-	-	-

Project Listing
Five Year Capital Improvement Program
2012-13 to 2016-17
(Dollars in thousands)

	Project Balance		Carryover	2011-12	Canceled/ Adjusted	2012-13	2013-14	2014-15	2015-16	2016-17
	Number	Fund	June 2011	Adopted	Projects	Proposed Budget	Projected	Projected	Projected	Projected
<u>Public Facilities Fees - Parkland Citywide</u>										
Juliet Terrace Neighborhood Park	9131	970	2							
La Morada Neighborhood Park	9173	970	1,791							
William Long Park PF-II	9184	970	8							
John Peri Neighborhood Park	9204	970	61							
Fong Park (Blossom Ranch)	9207	970	776							
Oakmore Montego 6 Acre	9254	970	126							
Westlake Villages Park	9269	970	1							
Cannery Park 7.48 Acre Neighborhood Park	9270	970	14							
New Park Fencing	9273	970	36							
Detention Basin Soccer Complex	9815	970	176							
			2,991	-	-	-	-	-	-	-
<u>Unidentified Funding</u>										
Louis Park Softball Complex Improvements	0000	Unfunded					564			
McNair Softball Complex - Office and Storage Area Expansion	0000	Unfunded					229			
McNair Softball Complex - Scoreboards and Foul Poles	0000	Unfunded					112			
Panella Park - Baseball Diamond Replacement	0000	Unfunded					75			
Park Sport Field Lighting Rehabilitation	0000	Unfunded								55
Stribley and Van Buskirk Community Center Improvement	0000	Unfunded					320			
			-	-	-	-	1,300	-	-	55
Subtotal, Parks			3,406	32	-	-	1,300	-	-	55
<u>Public Works - Parks & Trees</u>										
<u>Unidentified Funding</u>										
Cannery Park 2.7 Acre Neighborhood Park	9270	Unfunded							107	895
Cannery Park 7.48 Acre Neighborhood Park	9271	Unfunded							251	3,138
Fall Surfacing Replacement at Playgrounds	0000	Unfunded					111			
Game Court Rehabilitation	0000	Unfunded					275	274	339	316
Irrigation Controller Upgrade/Replacement	0000	Unfunded					153	153	162	159
Juliet Terrace Neighborhood Park	9131	Unfunded					2,207			
Oakmore Montego 6 Acre Neighborhood Park	9254	Unfunded							334	2,201
Oregone Ranch 6 Acre Park Site	0000	Unfunded							222	2,739
Oregone Ranch 7 Acre Neighborhood Park Site	0000	Unfunded							264	3,275
Weber Point Shade Structure Fabric Replacement	0000	Unfunded					787			
Westlake Villages Park	9269	Unfunded							473	4,820
			-	-	-	-	3,533	427	2,152	17,543
Subtotal, Public Works - Parks & Trees			-	-	-	-	3,533	427	2,152	17,543
<u>Golf</u>										
<u>Capital Fund</u>										
Golf Pro-Shop & Clubhouse Roof Repair	7892	301	322	100	(32)					
			322	100	(32)	-	-	-	-	-
<u>Unidentified Funding</u>										
Swenson Golf Course Perimeter Fence Renovation	0000	Unfunded						346		
Van Buskirk Golf Course Cart Path Installation	0000	Unfunded						208		2,408
Van Buskirk Golf Course Irrigation Replacement	0000	Unfunded					324	2,516		
Van Buskirk Golf Course Perimeter Fence Renovation	0000	Unfunded						369		
			-	-	-	-	324	3,439	-	2,408
Subtotal, Golf			322	100	(32)	-	324	3,439	-	2,408
<u>Library</u>										
<u>Library Fund</u>										
Library Minor Repairs	7019	041	198	100						
Chavez Library Cooling	7037	041	1,108							
Chavez Library Exterior Renovation	7038	041	114							
Chavez Interior Remodel and Ceiling	7049	041	228							
Angelou/Chavez Roof Replacement	7087	041	696	433						
			2,344	533	-	-	-	-	-	-
<u>Public Facilities Fees - Library</u>										
Northwest Branch Library	9112	950	527							
Library Book Collector Aumentation	9202	950	101	250		250				
Express Check-out Machines	9238	950	300							
New Library Facility Study	9262	950	472							
Northwest Stockton Multi-Purpose	9737	950	3,003							
Northeast Branch Library	9953	950	763							
			5,166	250	-	250	-	-	-	-
<u>Unidentified Funding</u>										
Library Minor Repairs	7019	Unfunded					50	50	50	50
			-	-	-	-	50	50	50	50
Subtotal, Library			7,510	783	-	250	50	50	50	50
<u>Redevelopment</u>										
<u>Unidentified Funding</u>										
Permit Center Improvements	0000	Unfunded					65	727		
			-	-	-	-	65	727	-	-
<u>Total, General Government</u>										
			15,241	1,131	(798)	1,825	8,293	7,042	7,203	28,237

**Project Listing
Five Year Capital Improvement Program
2012-13 to 2016-17
(Dollars in thousands)**

	Project Balance Number	Fund	Carryover June 2011	2011-12 Adopted	Canceled/ Adjusted Projects	2012-13 Proposed Budget	2013-14 Projected	2014-15 Projected	2015-16 Projected	2016-17 Projected
Transporation Program										
Federal Grants										
<u>Congestion Mitigation Air Quality (CMAQ)</u>										
Fiber Optic Network Expansion	9741	038	390							
Benjamin Holt Drive/Cumberland Place Traffic Signal	9743	304		52		357				
Benjamin Holt Drive/Inglewood Avenue Traffic Signal	9744	304		53		360				
Davis Road/Wagner Heights Drive Traffic Signal	9746	304		57		296				
Wilson Way Corridor Adaptive Traffic Control System	9747	304		155		1,064				
Bus Rapid Transit Phase III (Hammer Lane)	0000	304		2,075						
			390	2,392	-	2,077	-	-	-	-
<u>Safe Accountable Flexible Efficient Equality Act: A Legacy for Users (SAFETEA-LU)</u>										
Lincoln St/BNSF RR Improvement	6715	038	6							
Montezuma Elementary Sidewalk	6718	038	36							
Safe Routes to School	6719	038	321							
Traffic Signal Controller Rtiming	6721	038	593							
McKinley Bridge Scour RPR	6722	038	69			552				
Airport Way Beautification PH 4	6724	038				1,100				
Green Lease Civic Aud.	7054	038	600							
Aurora Street/BNSF	7235	038	300							
March Ln/Pershing Interchange	9702	038	6							
Bridge Maintenance Program	9715	038	61							
Airport Way Beautification PH-II ARRA	9728	038	132							
Bus Rapid Transit PH-II Airport Way	9729	038	904							
2007-08 Street Overlay	9730	038	36							
RSTP 2008-09 Street Overlay	9732	038	149							
2009 St. Overlay-ARRA	9733	038	55							
Rubberized Cape Seal	9734	038	3,308							
Airport @ Park/Oak & Fremont	9736	038	10							
El Dorado/MLK Blvd Signal	9738	038	220							
Tamoshntr/Hometown Traffic Signal	9739	038	483							
Glacier Point Ansel Adams	9742	038	15							
Thornton Road Widening	9828	038				215				
Street Resurfacing /Bridge Repair	9928	038	1,785	1,580		1,880	1,880	1,880	1,880	1,880
Hammer Lane Widening Phase 3B	9995	080	935			240				
			10,024	1,580	-	3,987	1,880	1,880	1,880	1,880
<u>Federal Highway Administration (FHWA)</u>										
Hazelton and UPRR Railroad Crossing Improvement	0000	304		54			403			
Industrial/McKinley and UPRR Crossing Improvements	0000	304		312			2,383			
			-	366	-	-	2,786	-	-	-
<u>Federal American Recovery and Reinvestment Act (ARRA)</u>										
EECBG-Climate Action Plan	8606	304	503							
Street Light Retrofit	8611	304	100							
			603	-	-	-	-	-	-	-
<u>Highway Bridge Program</u>										
Center St. and El Dorado St. Overpass Rehabilitation	9748	304		63			2,193			
McKinley Avenue/French Camp Slough Bridge	0000	304		139						
			-	202	-	-	2,193	-	-	-
<u>Highway Safety Improvement Program</u>										
Radar Speed Feedback Signs (HSIP)	0000	304		360						
			-	360	-	-	-	-	-	-
Subtotal, Federal Grants			11,017	4,900	-	6,064	6,859	1,880	1,880	1,880
State Grants										
<u>California Highway Railroad Crossing Safety</u>										
Eight Mile Rd/UPRR West Sep.	9716	304	6,591							
Lower Sacramento Rd. widening/UPRR	9718	304	15,363							
Eight Mile Rd/UPPR (East) Grade	9829	304	6,998							
Street Resurfacing	9928	304	98							
			29,050	-	-	-	-	-	-	-
<u>Safe Route to School Grant</u>										
SR2S	7232	304	51							
Fillmore SR2S	9725	304	165							
Harrison Elementary Safety Improvements	0000	304				687				
Safe Routes to School Pilot Program Expansion	0000	304				463				
			216	-	-	1,150	-	-	-	-
<u>Transportation Development Act (TDA)</u>										
Wheelchair Ramp Repair Program	0000	034		160		184	184	184	184	184
Curb Ramp Repair Program	0000	034				184	184	184	184	184
			-	160	-	184	184	184	184	184
<u>Urban Greening Grant</u>										
EBMUD - March Lane Bicycle and	0000	304		568						
			-	568	-	-	-	-	-	-
<u>Prop 1B</u>										
Street Resurfacing Phase 2	7234	304	4,308							
			4,308	-	-	-	-	-	-	-
Subtotal, State Grants			33,574	728	-	1,334	184	184	184	184

Project Listing
Five Year Capital Improvement Program
2012-13 to 2016-17
(Dollars in thousands)

	Project Balance		Carryover	2011-12	Canceled/ Adjusted	2012-13	2013-14	2014-15	2015-16	2016-17
	Number	Fund	June 2011	Adopted	Projects	Proposed Budget	Projected	Projected	Projected	Projected
Local Grants										
<u>Measure K Renewal</u>										
Median Landscaping Maintenance	3670	080	17							
Traffic Calming	6653	080	97							
Sutter Street, Pedestrian and Bike, Bridge	6717	080	125							
SR 99 South Stockton Widening	7236	080	19							
State Route 4 Extension	7237	080	18							
Midtown Projects	7373	080	67							
Eight Mile Rd/UPRR West Sep.	9716	080	6,319							
Lower Sacramento Rd. widening/UPRR	9718	080	12,271							
North Stockton I-5 Widening	9723	080	201							
Weber Av. Beautification	9727	080	42							
Davis Road/Wagner Heights Drive Traffic Signal	9746	080				5				
Thornton Road Widening	9828	080	10,140							
Eight Mile Rd/UPPR (East) Grade	9829	080	6,097							
Sperry Road Extension	9837	080	8,000							
Hammer Ln/SR99 Interchange	9942	080	1,685							
French Camp Road/I-5 Interchange	9945	080		36,501						
Farmington/Stagecoach Interchange	9975	080	124							
Wilson Way Corridor Adaptive Traffic Control System	9747	080				138				
French Camp Road/I-5 Interchange Landscaping	0000	080						1,900		
			45,222	36,501	-	143	-	1,900	-	-
<u>Measure K Maintenance</u>										
Center St. and El Dorado St. Overpass Rehabilitation	9748	082		9			291			
Neighborhood Traffic Calming	6653	082		120		600	600	600	600	600
Street Resurfacing/Bridge Repair Program	9928	082		205		244	244	244	244	244
Traffic Signal Control System	9906	082		250		184				
Traffic Signal Modifications	9934	082		150						
French Camp Road/I-5 Interchange Landscaping	0000	082						750		
Radar Speed Feedback Signs	0000	082		40						
			-	774	-	1,028	1,135	1,594	844	844
Subtotal, Local Grants			45,222	37,275	-	1,171	1,135	3,494	844	844
Public Facilities Fees										
<u>Air Quality Citywide</u>										
Trip Reduction Program	9195	990		2						
Green Initiatives	9276	990		319						
Farmington Rd (8th)/Mariposa	9701	990		5						
Fiber Optic Network Expansion	9741	990		180						
Benjamin Holt Drive/Cumberland Place Traffic Signal	9743	990		7						
Benjamin Holt Drive/Inglewood Avenue Traffic Signal	9744	990		7						
Davis Road/Wagner Heights Drive Traffic Signal	9746	990		7						
Traffic Signal Control System	9906	990		401						
Modification - Zone CW	9934	990		190						
Wilson Way Corridor Adaptive Traffic Control System	0000	990		20						
Bus Rapid Transit Phase III (Hammer Lane)	0000	990		270						
			1,097	311	-	-	-	-	-	-
<u>Regional Street Improvements</u>										
Eight Mile/SR 99 Interchange	9719	917		314						
Morada Lane/SR 99 Interchange	9720	917		93						
Eight Mile Rd/UPPR (East) Grade	9829	917		1,280						
			1,687	-	-	-	-	-	-	-
<u>Street Improvement Fees</u>										
Little John Creek Reimb. Agreem.	9165	915		178						
Eight Mile/Thornton Rd Imp.	9209	911		202						
West Ln./Morada Ln Imp.	9240	911		700						
Lower Sac. Rd Reimb Agreem.	9261	911		228						
Arch Rd/B St Reimb Agreem.	9277	915		2						
El Dorado St. Widening	9706	913		555						
Developers Reimbursements	9711	911		5,853						
Lower Sacramento Rd. widening/UPRR	9718	911		533						
Eight Mile/SR 99 Interchange	9719	910		43						
Eight Mile/SR 99 Interchange	9719	911		178						
Morada Lane/SR 99 Interchange	9720	910		41						
Morada Lane/SR 99 Interchange	9720	911		385						
Thornton Road Widening	9828	911		114						
Eight Mile Rd/UPPR (East) Grade	9829	910		660						
Eight Mile Rd/UPPR (East) Grade	9829	911		543						
Sperry Road Extension	9837	915		9,514						
French Camp/Sperry Rd-Perform.	9945	915		5,381						
Davis Rd/Pixley Slough Bridge	9988	911		62						
			25,172	-	-	-	-	-	-	-
<u>Street Trees Citywide</u>										
Street Tree Planting	9118	978		295						
			295	-	-	-	-	-	-	-
<u>Street Signs Citywide</u>										
Street Name Sign Installation	9176	979		59						
			59	-	-	-	-	-	-	-
<u>Street Lights Citywide</u>										
Installation-CW	9191	983		365						
FA 3 & 4	9241	983		39						
			404	-	-	-	-	-	-	-

Project Listing
Five Year Capital Improvement Program
2012-13 to 2016-17
(Dollars in thousands)

	Project Balance		Carryover	2011-12	Canceled/ Adjusted Projects	2012-13 Proposed Budget	2013-14 Projected	2014-15 Projected	2015-16 Projected	2016-17 Projected
	Number	Fund	June 2011	Adopted						
Traffic Signals										
Modification - Zone 3	9736	903	1							
Benjamin Holt Drive/Cumberland Place Traffic Signal	9743	990				46				
Benjamin Holt Drive/Inglewood Avenue Traffic Signal	9744	990				47				
Davis Road/Wagner Heights Drive Traffic Signal	9746	990				134				
Modification - Zone CW	9934	900	59							
Modification - Zone 4	9934	904	5							
Modification - Zone 1	9937	901		237						
			65	237	-	227	-	-	-	-
Subtotal, Public Facilities Fees			28,779	548	-	227	-	-	-	-
Other Reimbursements										
Pacific Avenue Median Improvements	7233	304	5							
Sperry Road Extension	9837	304	35,500							
			35,505	-	-	-	-	-	-	-
Unidentified Funding										
Thornton Road Widening	9828	Unfunded				14,828				
Alpine Avenue Grade Separation	0000	Unfunded				3,000		269	1,000	26,000
Arch Road Widening - Austin Road to Performance Drive	0000	Unfunded						6,226		39,897
Bus Rapid Transit, Phase IV (MLK Jr. Blvd and Mariposa Rd)	0000	Unfunded				279	1,696			
California Street Gap Closure Improvements, Phase 2	0000	Unfunded				159				
Charter Way/I-5 Interchange Reconstruction	0000	Unfunded								3,726
EBMUD - March Ln Greenscape, Phase 2 (Pacific Ave to Hillsboro Dr)	0000	Unfunded						1,402	701	
Eight Mile Road/I-5 Interchange Reconstruction	9972	Unfunded						7,180	1,738	
Eight Mile Road/SR 99 Interchange	9719	Unfunded						7,057	17,520	
El Dorado Street Improvements, Phase 3	0000	Unfunded								3,000
Filbert Street/Miner Avenue Traffic Signal	0000	Unfunded				158	530			
Lower Sacramento Road and Bear Creek Bridge Replacement	0000	Unfunded				565	9,174			
Lower Sacramento Road and Pixley Slough Bridge Replacement	0000	Unfunded				1,800	6,965			
March Lane Corridor Adaptive Traffic Control System	0000	Unfunded				150	1,174			
Miner Avenue Streetscape, Phase 1	0000	Unfunded				1,564			9,436	
Montauban Avenue/Swain Road Roundabout	0000	Unfunded				132	538			
Morada Lane/SR 99 Interchange Reconstruction	9720	Unfunded					9,232		38,295	
North Stockton I-5 Widening, Phase II - Hammer Lane to Eight Mile Rd	9723	Unfunded					1,380			92,280
Otto Drive/I-5 Interchange	9726	Unfunded							5,061	11,097
Pershing Avenue Bridge Over Calaveras River Rehabilitation BR#29	0000	Unfunded				58	327			
Pershing Avenue Corridor Adaptive Traffic Control System	0000	Unfunded				143	1,119			
Rule 20A Streetlighting Projects	0000	Unfunded					197		197	197
San Joaquin Trail Improvements	0000	Unfunded				1,258				
Sutter Street Bicycle/Pedestrian Bridge	6717	Unfunded					856			
Traffic Signal Installations (New)	9933	Unfunded				628	524	524		524
Traffic Signal Modifications	9934	Unfunded				478	770	770		770
Weber Avenue Streetscape Beautification Phase 2	9727	Unfunded						3,209		
West Lane Bridge Over Calaveras River Repairs	0000	Unfunded				59	449			
West Lane Grade Separation	0000	Unfunded					4,980	2,866		36,867
West Lane Widening, Hammer Lane to Morada Lane	0000	Unfunded					1,938	1,657		13,123
Hammer Lane Widening Phase 3B	9995	Unfunded						8,563		
Hammer Lane/I-5 Interchange Reconstruction	0000	Unfunded					2,243	1,487		20,118
			-	-	-	-	27,502	65,468	91,537	247,599
Total, Transportation Program			154,097	43,451	-	8,796	35,680	71,026	94,445	250,507

Project Listing
Five Year Capital Improvement Program
2012-13 to 2016-17
(Dollars in thousands)

	Project Balance		Carryover		Canceled/ Adjusted	2012-13				
	Number	Fund	June 2011	2011-12 Adopted	Projects	Proposed Budget	2013-14 Projected	2014-15 Projected	2015-16 Projected	2016-17 Projected
Municipal Utilities										
Water										
Water System Expansion	7601	421 / 423	2,367							2,168
Service System Additions	7602	421 / 424	760				343	485	451	451
Central Control System	7615	421	631							
Water Supply - Old Wells	7617	421	190			482	455	455	25	25
Storm System Rehabilitation	7618	423	93							
Water Treatment Equipment	7619	421	1,391	5,101		1,995				
Reservoir Site Improvements	7620	421	104			415	76	76	76	76
Transmission Mains	7623	421 / 423 / 424	1,775	2,950			469			
Existing Well Replacement	7632	421	12							
Mokelumne River Project	7637	424	100							
Water Telemetry	7641	421	516							
Water System Upgrades	7796	421	101			10	111	111	111	111
Cashier Station Remodel	9830	421	64							
Delta Diversion Water Project	9922	423 / 424	55,560							
			63,664	8,051	-	2,901	1,454	1,127	663	2,831
Wastewater										
Sanitary System Improvements	7702	437	1,096	921		1,549	954	902		
Sanitary System Expansion	7703	434	12,337							
RWCF-Modification & Replacement	7709	437	2,414	2,784		5,521	13,795	112,915	939	928
Overseize Collection Lines	7713	434	5,611				184			
Infiltration and Inflow Sanitation	7714	437		325		31				
Storm Drain Pump Station Rehab	7756	437	116							
Industrial Local Limit Study	7757	437	90							
Buena Vista/Smith Storm Improve	7780	437	87							
Storm Pump Modification	7783	437	294							
Sanitary Telemetry	7784	437	283	253						
Sanitary Pump Station Rehabilitation	7785	437	218	337			8,977	118	744	114
Sanitary System Deficit Improvement	7787	437	850	175		639	848	1,505	1,505	
Storm Drain Improvements	7788	437	395							
Storm System Rehabilitation	7789	437								
Sanitary System Upgrade	7790	437	90	20		100	111	111	111	111
Capital Asset Replacements	7792	437		4,000			1,797	2,750	2,750	2,750
Cashier Station Remodel	9830	437	114							
			23,995	8,815	-	7,840	26,667	118,301	6,049	3,903
Stormwater										
Storm Water Telemetry System	7776	441	550							
Cashier Station Remodel	9830	441	22							
Storm Drain Alleviation - Modification/Additions	7788	441					1,365	2,008	355	
Storm System Rehabilitation	7789	441					111	111	111	111
			572	-	-	-	1,476	2,119	466	111
Unidentified Funding										
Buena Vista/Smith Storm Improve	7780	Unfunded								4,372
Storm Pump Modification	7783	Unfunded					1,214	509	363	
Storm System Deficiency Study	7794	Unfunded					161	115		
Storm Water Telemetry System	7776	Unfunded					272	272	272	190
Water Field Office Remodel	7625	Unfunded					69			
			-	-	-	-	1,716	896	635	4,562
Total, Municipal Utilities			88,231	16,866	-	10,740	31,313	122,443	7,813	11,407
Total, CIP Program			\$257,569	\$61,448	(\$798)	\$21,361	\$75,286	\$200,511	\$109,461	\$290,151

**Capital Project Funds
2012-13 Proposed Budget**

	General Government	Transportation Programs	Public Facilities Fees	Capital Improvement Total
	<i>See Page N-16</i>	<i>See Page N-17</i>	<i>See Page N-18</i>	
Beginning Available Balance	\$ 458,381	\$ 7,726	\$ 3,575,693	\$ 4,041,800
Revenues				
Grants	3,227,000	5,342,000		8,569,000
Fees	25,400		1,918,442	1,943,842
Interest Earned	4,000	-	266,470	270,470
Other Revenue			-	-
	3,256,400	5,342,000	2,184,912	10,783,312
Expenditures				
Capital Projects	4,802,000	5,342,000	477,000	10,621,000
Debt Service	248,781			248,781
Other		-	117,257	117,257
	5,050,781	5,342,000	594,257	10,987,038
Transfers				
Transfer In - General Fund	1,575,000		695,849	2,270,849
Transfer In - Parking Fund			175,000	175,000
Transfer Out - Debt 201	-	-	(2,553,733)	(2,553,733)
	1,575,000	-	(1,682,884)	(107,884)
Net Annual Activity	(219,381)	-	(92,229)	(311,610)
Ending Available Balance	\$ 239,000	\$ 7,726	\$ 3,483,464	\$ 3,730,190
	-	-	-	-
			Revenues	\$ 10,783,312
			Transfers	2,270,849
			Total Sources	\$ 13,054,161
Reconciliation of Capital Funds				
Capital Projects	10,621,000		Expenditures	\$ 10,987,038
Utilities (pg . K - 5)	10,740,552		Transfers	2,553,733
Total Appropriations	\$ 21,361,552		Total Capital Projects Funds	13,540,771
			Other Funds	10,740,552
Project Total by Category (pg N - 7)	\$ 21,361,552		Total Appropriations	\$ 24,281,323

**Capital Project Funds
General Government
2012-13 Proposed Budget**

	General Capital 301	Capital Grants 304	Public Art 306	General Government Total
Beginning Available Balance	\$ 234,022	\$ -	\$ 224,359	\$ 458,381
Revenues				
Grants		3,227,000		3,227,000
Fees	25,400			25,400
Interest	2,000		2,000	4,000
	<u>27,400</u>	<u>3,227,000</u>	<u>2,000</u>	<u>3,256,400</u>
Expenditures				
Capital Projects	1,575,000	3,227,000		4,802,000
Debt Service	248,781			248,781
	<u>1,823,781</u>	<u>3,227,000</u>	<u>-</u>	<u>5,050,781</u>
Transfers				
Transfer In - General Fund	1,575,000			1,575,000
Transfer Out				-
	<u>1,575,000</u>	<u>-</u>	<u>-</u>	<u>1,575,000</u>
Net Annual Activity	<u>(221,381)</u>	<u>-</u>	<u>2,000</u>	<u>(219,381)</u>
Ending Available Balance	<u>\$ 12,641</u>	<u>\$ -</u>	<u>\$ 226,359</u>	<u>\$ 239,000</u>

-

**Capital Project Funds
Transportation Programs
2012-13 Proposed Budget**

	TDA 034	SAFETEA 038	Traffic Congestion Relief 039	Measure K Capital 080	Transportation Total
			<i>State Program Discontinued</i>		
Beginning Available Balance	\$ 7,726	\$ -	\$ -	\$ -	\$ 7,726
Revenues					
Grants	184,000	3,747,000		1,411,000	5,342,000
Interest					-
	184,000	3,747,000	-	1,411,000	5,342,000
Expenditures					
Capital Projects	184,000	3,747,000		1,411,000	5,342,000
Other					-
	184,000	3,747,000	-	1,411,000	5,342,000
Transfers					
Transfer In					-
Transfer Out					-
	-	-	-	-	-
Net Annual Activity	-	-	-	-	-
Ending Available Balance	\$ 7,726	\$ -	\$ -	\$ -	\$ 7,726

**Capital Project Funds
Public Facilities Fee
2012-13 Proposed Budget**

	Traffic Signals City Wide 900	Traffic Signals Zone 1 901	Traffic Signals Zone 2 902	Traffic Signals Zone 3 903	Traffic Signals Zone 4 904
Beginning Available Balance	\$ 27,547	\$ 169,491	\$ 102,891	\$ 90,506	\$ 4,951
Revenues					
Fees	23,638	22,858	22,858	4,720	4,720
Interest	280	1,690	1,030	910	50
Other Revenue					
	23,918	24,548	23,888	5,630	4,770
Expenditures					
Capital Projects	51465	175,535			
Other					
	51,465	175,535	-	-	-
Transfers					
Transfer In					
Transfer Out - Debt 201					
	-	-	-	-	-
Net Annual Activity	(27,547)	(150,987)	23,888	5,630	4,770
Ending Available Balance	\$ -	\$ 18,504	\$ 126,779	\$ 96,136	\$ 9,721

**Capital Project Funds
Public Facilities Fee, Continued
2012-13 Proposed Budget**

	Street Improvements City Wide 910 - 915	Street Improvements Reg Traffic 917	Community Recreation Centers -City Wide 920	City Office Space 930	Fire Station City Wide 940
Beginning Available Balance	\$ 3,397,663	\$ 465,576	\$ (3,700,397)	\$ 734,708	\$ (2,648,077)
Revenues					
Fees	757,789	438,411	29,293	29,477	88,260
Interest	184,330	4,660		7,350	
Other Revenue					
	<u>942,119</u>	<u>443,071</u>	<u>29,293</u>	<u>36,827</u>	<u>88,260</u>
Expenditures					
Capital Projects					
Other					
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Transfers					
Transfer In					332,045
Transfer Out - Debt 201	(822,589)				(419,646)
	<u>(822,589)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(87,601)</u>
Net Annual Activity	<u>119,530</u>	<u>443,071</u>	<u>29,293</u>	<u>36,827</u>	<u>659</u>
Ending Available Balance	<u><u>\$ 3,517,193</u></u>	<u><u>\$ 908,647</u></u>	<u><u>\$ (3,671,104)</u></u> (a)	<u><u>\$ 771,535</u></u>	<u><u>\$ (2,647,418)</u></u> (a)

(a) These fee programs have been over leveraged with spending outpacing available revenues. Plans are under development to reduce these deficits.

**Capital Project Funds
Public Facilities Fee, Continued
2012-13 Proposed Budget**

	Library City Wide 950	Police Station Expansion 960	Parkland City Wide 970	Street Trees 978	Street Signs 979
Beginning Available Balance	\$ 4,080,645	\$ (1,549,774)	\$ 2,371,866	\$ 49,548	\$ 78,097
Revenues					
Fees		73,585	246,224		
Interest	40,810		23,720	500	780
Other Revenue					
	<u>40,810</u>	<u>73,585</u>	<u>269,944</u>	<u>500</u>	<u>780</u>
Expenditures					
Capital Projects	250,000				
Other					
	<u>250,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Transfers					
Transfer In		363,804			
Transfer Out - Debt 201		(436,800)	(874,698)		
	<u>-</u>	<u>(72,996)</u>	<u>(874,698)</u>	<u>-</u>	<u>-</u>
Net Annual Activity	<u>(209,190)</u>	<u>589</u>	<u>(604,754)</u>	<u>500</u>	<u>780</u>
Ending Available Balance	<u><u>\$ 3,871,455</u></u>	<u><u>\$ (1,549,185)</u></u>	<u><u>\$ 1,767,112</u></u>	<u><u>\$ 50,048</u></u>	<u><u>\$ 78,877</u></u>
		(a)			

(a) These fee programs have been over leveraged with spending outpacing available revenues. Plans are under development to reduce these deficits.

**Capital Project Funds
Public Facilities Fee, Continued
2012-13 Proposed Budget**

	Street Lights City Wide 980	Street Lights Zone 1 981	Street Lights Zone 3 & 4 983	Street Signs Zone 5 985	Air Quality 990	Public Facilities Total
Beginning Available Balance	\$ -	\$ 33,000	\$ 1,985	\$ 881	\$ (135,414)	\$ 3,575,693
Revenues						
Fees			1,985	881	173,743	1,918,442
Interest		330	20	10		266,470
Other Revenue						-
	-	330	2,005	891	173,743	2,184,912
Expenditures						
Capital Projects						477,000
Other					117,257	117,257
	-	-	-	-	117,257	594,257
Transfers						
Transfer In - Parking Fund					175,000	870,849
Transfer Out - Debt 201						(2,553,733)
	-	-	-	-	175,000	(1,682,884)
Net Annual Activity	-	330	2,005	891	231,486	(92,229)
Ending Available Balance	\$ -	\$ 33,330	\$ 3,990	\$ 1,772	\$ 96,072	\$ 3,483,464



TAB

Internal Service Funds

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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 computer services.

Budget at a Glance - Baseline:

Total Expenditures	\$124,283,540
Total Revenues	\$124,715,365
Total Net Revenue	\$256,825
Total Staff	80

DEPARTMENTAL DESCRIPTION

The City has internal service funds for equipment, risk management, and employee benefits funding. City departments pay into these funds as part of their annual budgets and receive services from the funds. Equipment services account for \$24.5 million or 20% of the total internal service fund expenditures. The remaining \$99.7 million or 80% funds the City's insurance and other benefits costs. The City's internal service funds are as follows:

Equipment: Fleet Services, Computer Equipment, Radio Equipment, Telephone Equipment, Office Equipment, Printing and Mailing

Insurance Benefits: General Insurance, Workers Compensation, Health Insurance, Unemployment, LTD and Life Insurance, Retirement, Compensated Absence

KEY ISSUES

The internal service funds do not have sufficient reserves to fund all costs incurred and have been drained over the last few years to mitigate the City's financial downturn. At the same time, labor, retirement and healthcare costs have been escalating. The City has also delayed equipment purchases to reduce costs and as a result City vehicles are aging and technology is out of date.

A technology strategic plan is underway to address Computer Equipment. Available balances in the various equipment internal service funds will be used to fund the implementation of the technology recommendations.

The City's General Liability and Workers Compensation funds have been underfunded for years and collectively have accumulated \$44 million in unfunded liabilities. Workers Compensation costs are above industry average and will be the subject of a management review during the coming fiscal year.

Healthcare insurance costs are estimated to increase in Fiscal Year 2012-13 but will be offset by savings from the plan design changes implemented in Fiscal Year 2011-12. Health plans must continue to be redesigned to provide benefit levels that attract and retain a quality workforce, protect and promote healthy living, and fall within fiscally sustainable parameters.

No funding has been allocated to address the City's \$417 million unfunded retiree health obligation.

Unemployment costs have spiked due to layoffs in the last three years. These higher costs are expected to continue in Fiscal Year 2012-13.

INTERNAL SERVICE FUNDS

The Compensated Absence fund pays for employee cash outs of sick and annual leave at separation. It began Fiscal Year 2010-11 with a negative fund balance due to retirement incentives offered over the last two years and required additional funding from the General Fund in Fiscal Year 2010-11. Since employee retirements are continuing to occur at unprecedented rates the budget for this fund continues at a high level.

**Internal Service Funds
2012-13 Proposed Budget**

	Fleet Services 501	Computer Equipment 502	Radio Equipment 503	Telephone Equipment 504	Office Equipment Printing/Mailing 505/508
	<i>See Page O-8</i>	<i>See Page O-11</i>	<i>See Page O-12</i>	<i>See Page O-13</i>	<i>See Page O-15</i>
Beginning Available Balance	\$ 2,053,950	\$ 2,747,647	\$ 225,630	\$ 115,127	\$ 133,725
Revenues					
Charge for Services					
Police	3,979,010	5,035,168	750,968	421,638	93,523
Fire	1,902,758	462,855	294,677	45,583	52,236
Other General Fund	369,732	789,614	166	279,216	125,555
Other Funds	3,499,551	2,763,427	22,635	511,854	380,613
Contingency for staff reductions		48,225			
	9,751,051	9,099,289	1,068,446	1,258,291	651,927
Refunds & Reimbursements	45,000				
Interest					
	9,796,051	9,099,289	1,068,446	1,258,291	651,927
Expenditures					
General & Administrative	901,873	1,465,798			
Operations & Maintenance	6,559,983	6,392,897	949,650	937,345	610,431
Equipment Replacements	2,233,273	3,762,057	291,615		30,000
Debt Service	88,524			325,000	
Claims					
Excess Insurance Premium					
Third Party Administrator					
Pension contributions to CalPERS					
Employee leave balance payoffs					
	9,783,653	11,620,752	1,241,265	1,262,345	640,431
Transfers					
Transfer In	-	-	-	-	-
Transfer Out	-	-	-	-	-
	-	-	-	-	-
Net Annual Activity	12,398	(2,521,463)	(172,819)	(4,054)	11,496
Ending Available Balance	\$ 2,066,348	\$ 226,184	\$ 52,811	\$ 111,073	\$ 145,221
	-	-	-	-	-

**Internal Service Funds, Continued
2012-13 Proposed Budget**

	General Insurance 541	Workers Compensation 551	Health Insurance 552	Unemployment 556
	<i>See Page O-18</i>	<i>See Page O-19</i>	<i>See Page O-23</i>	<i>See Page O-25</i>
Beginning Available Balance	\$ (5,188,734)	\$ (40,363,977)	\$ (2,860,301)	\$ 159,425
Revenues				
Charge for Services				
Police	1,761,878	3,418,121	11,755,039	192,143
Fire	811,860	2,255,104	4,110,439	87,829
Other General Fund	322,584	155,921	2,378,149	31,382
Other Funds	1,983,355	2,308,651	15,424,179	222,681
Contingency for staff reductions	4,879,677	8,137,797	33,667,806	534,035
Refunds & Reimbursements	65,000	1,000,000	7,135,427	
Interest	4,944,677	9,297,797	40,803,233	534,035
Expenditures				
General & Administrative	1,325,499	766,663	1,189,343	
Operations & Maintenance	531,143	69,535		
Equipment Replacements				
Debt Service				
Claims	2,277,000	7,122,000	33,713,277	501,072
Excess Insurance Premium	800,000	545,000		
Third Party Administrator		770,720	3,037,223	
Pension contributions to CalPERS:				
Employee leave balance payoffs	4,933,642	9,273,918	37,939,843	501,072
Transfers				
Transfer In	175,000	-	-	-
Transfer Out	175,000	-	-	-
Net Annual Activity	186,035	23,879	2,863,390	32,963
Ending Available Balance	\$ (5,002,699)	\$ (40,340,098)	\$ 3,089	\$ 192,388

**Internal Service Funds, Continued
2012-13 Proposed Budget**

	Long Term Disability & Life 557	Retirement 561	Compensated Absences 562	Internal Service Total	
	<i>See Page O-27</i>	<i>See Page O-29</i>	<i>See Page O-30</i>		
Beginning Available Balance	\$ 205,803	\$ 2,778,548	\$ -	\$ (39,993,157)	
Revenues					
Charge for Services					
Police	279,838	14,191,274	1,594,291	43,472,891	40%
Fire	103,185	6,814,645	660,964	17,602,135	16%
Other General Fund	125,575	1,381,583	337,272	6,296,749	6%
Other Funds	786,837	10,488,810	1,907,473	40,300,066	37%
Contingency for staff reductions		-		48,225	0%
	1,295,435	32,876,312	4,500,000	107,720,066	100%
Refunds & Reimbursements		8,382,960		16,563,387	
Investment Interest		31,912		256,912	
	1,295,435	41,291,184	4,500,000	124,540,365	
Expenditures					
General & Administrative		31,912		5,681,088	
Operations & Maintenance				16,050,984	
Equipment Replacements				6,316,945	
Debt Service		7,712,550		8,126,074	
Claims				43,613,349	
Excess Insurance Premium	1,295,435			2,640,435	
Third Party Administrator				3,807,943	
CalPERS pension contributions		33,546,722		33,546,722	
Employee leave balance payoffs			4,500,000	4,500,000	
	1,295,435	41,291,184	4,500,000	124,283,540	
Transfers					
Transfer In	-	-	-	175,000	
Transfer Out	-	-	-	-	
	-	-	-	175,000	
Net Annual Activity	-	-	-	431,825	
Ending Available Balance	\$ 205,803	\$ 2,778,548	\$ -	\$ (39,561,332)	
	-	-	-	-	
			Revenues	\$ 124,540,365	
			Transfers	175,000	
			Total Sources	\$ 124,715,365	
			Expenditures	\$ 124,283,540	
			Transfers	-	
			Total Appropriations	\$ 124,283,540	

INTERNAL SERVICE FUNDS

FLEET SERVICES FUND (501)

History

- The Fleet Internal Service Fund is managed by Public Works and is responsible for maintaining and replacing the City's fleet of vehicles and major equipment.
- Program departments are charged monthly rental rates to finance operations and replacements.
- Maintenance activities range from preventive maintenance inspections to full engine rebuilds to specialized auto body repairs and vehicle setups, performed either by staff technicians or by outside vendors.
- Cash replacement reserves have ranged from \$1 to \$5 million over the past ten years, and were \$3.9 million as of July 2011.

2011-12 Events

- The adopted budget of \$9.23 million had anticipated a draw of \$845,456 on the beginning fund balance to cover \$1 million in fire apparatus replacements.
- Subsequent lease financing of four fire pumper apparatus has relieved \$1 million from both the 2011-12 and 2012-13 replacement requirements in exchange for a \$213,000 annual lease payment.
- The budget projection assumes that the available cash balance attributable to the General fund will be taken by the end of FY 11/12 to help resolve the General Fund deficit. This amount is expected to exceed \$2M. This will result in the fund balance being restricted funds only which will need to be accounted for in any future appropriations from this fund balance.

2012-13 Proposed Changes

- Replacement Schedule
 - Public Works has prepared a recommended replacement budget scenario, and an alternative minimum replacement scenario and provided a four year fleet condition assessment under each scenario.
 - This analysis shows that the fleet currently has a replacement backlog of \$8.5 million, with 172 units past their useful life. After four years with recommended funding, the backlog would be reduced to \$5.5 million, with 126 units past their useful life. With an alternative minimum replacement schedule, the backlog would increase to \$11.2 million, with 225 units past their useful life.
 - The proposed budget provides for equipment replacement at the funding level recommended by the Public Works Department, less \$1 million for the fire

INTERNAL SERVICE FUNDS

- apparatus lease recently approved by City Council. Lease payments for this apparatus will be made out of the Fleet fund.
 - There are four remaining heavy fire apparatus that are beyond their useful life, and will be replaced in subsequent fiscal year budgets.
 - With the transfer of the available cash balance to the General Fund, there is no reserve funding available for unplanned or emergency purchase of General Fund equipment.
- Technology Projects
 - The Citywide Technology Strategic Plan identified the replacement of the Computerized Maintenance Management System Fleet Module and the Fuel Management System as priorities. The proposed budget provides \$500,000 in one-time funding for these projects.
 - Fuel and operating expenditures
 - Fuel costs have been estimated at three levels, with gas prices estimated from \$3.40 per gallon to \$3.80 gallon.
 - The sensitivity for this range, from high to low, is approximately \$200,000. A midpoint price of \$3.60 has been included in the proposed budget.
 - Operating expenditures are proposed as submitted by the department to maintain current maintenance service levels.
- Program contribution rates
 - Department contribution rates are proposed as submitted by the department, less a \$200,000 credit for the net lease and technology impacts. General Fund contributions for the combined fuel and rental rate charges increase by approximately \$500,000 from the 2011-12 budget.
- Annual Activity and ending balance
 - Proposed O&M expenditures have increased approximately \$540,000 over current budget, this is primarily due to a \$400,000 increase in expected fuel purchases, and other minor anticipated cost increases.
 - Revenue from users has increased to offset these increased costs, and to allow for full cost recovery instead of budgeting to draw on fund balance as was done in FY 11/12 budget.
 - With the above assumptions, the fund will match revenues and expenditures, and break even for the year.

**Internal Service Funds
Fleet Services - 501
2012-13 Proposed Budget**

	FY 2009-2010	FY 2010-2011	FY 2011-2012	FY 2012-13
	Actual	Unaudited Actual	Current Budget	Proposed Budget
Beginning Available Balance		\$ 3,624,274	\$ 1,820,957	\$ 2,053,950
Revenues				
Charge for Services				
Police	\$ 2,962,767	3,524,855	3,714,194	3,979,010
Fire	1,521,674	1,411,179	1,579,419	1,902,758
Other General Fund	431,528	456,088	355,479	369,732
Other Funds	2,544,842	2,763,395	2,694,303	3,499,551
	<u>7,460,811</u>	<u>8,155,517</u>	<u>8,343,395</u>	<u>9,751,051</u>
Refunds & Reimbursements	15,233	33,437	20,000	20,000
Sale of Assets	7,620	32,651	114,572	25,000
Interest		535	100,000	
	<u>7,483,664</u>	<u>8,222,140</u>	<u>8,577,967</u>	<u>9,796,051</u>
Expenditures				
Operations & Maintenance	5,521,744	5,716,335	6,155,845	6,559,983
Replacements (a)	301,894	701,126	1,225,000	2,233,273
General & Administrative	759,914	971,724	875,605	901,873
Principal	53,287	55,365	57,524	57,524
Interest Expense	34,796	32,703	31,000	31,000
	<u>6,671,635</u>	<u>7,477,253</u>	<u>8,344,974</u>	<u>9,783,653</u>
Transfers				
Transfer In	719,710			
Transfer Out	(22,220)	(2,286,000)		
	<u>697,490</u>	<u>(2,286,000)</u>	<u>-</u>	<u>-</u>
Net Annual Activity	<u>\$ 1,509,519</u>	<u>(1,541,113)</u>	<u>232,993</u>	<u>12,398</u>
Ending Available Balance		<u>\$ 2,083,161</u>	<u>\$ 2,053,950</u>	<u>\$ 2,066,348</u>
Available Balance Calculation				
Cash & Accounts Receivable		\$ 2,440,251		
Accounts Payable		(359,003)		
Encumbrances		(260,291)		
Ending Available Balance		<u>\$ 1,820,957</u>		
Replacement Value of Fleet				
General Fund	\$ 17,514,706	78%	78%	
Other Funds	5,045,888	22%	22%	
	<u>\$ 22,560,594</u>	<u>100%</u>	<u>100%</u>	

(a) A five year replacement schedule will identify funding requirements and prioritize equipment replacements.
Actual purchase contracts are approved by City Council, along with financing options.

INTERNAL SERVICE FUNDS

INFORMATION TECHNOLOGY (502 -504)

History

- Responsible for maintaining City computers, application systems, and infrastructure connectivity.
- Supports telephones, telecommunication systems and radios City-wide.
- Provides information technology consulting services to City departments.
- Manages the implementation of the Citywide Technology Strategic Plan.

2011-12 Events

- Completed a Citywide Technology Strategic Plan.
- Completed an operational assessment of technology service delivery.
- Implemented a new payroll reporting system for CalPERS which allows members to view data on the CalPERS website.
- Coordinated the installation of computers, telephones, television monitors, and projectors for the relocation of the dispatch center from the main Police Station to the Stewart-Eberhardt Building. Assisted with the upgrade of the dispatch system software and provided technical support for the addition of two radio communication microwaves.
- Installed and configured computers, telephones, and copiers for the Delta Water Supply Project.
- Coordinated the installation of the Northeast radio tower project on Morada Lane.
- Completed the conversion from analog to digital radio communications in the Police and Fire Departments.
- Resumed the formal classroom training program for Office Suite applications.
- Implemented a robust email security appliance.
- Installed 28 Mobile Data Terminals and radios in 28 new patrol vehicles for the Police Department.
- Participated with the Community Development Department in the creation of a Request for Proposal for an enterprise permit system.
- Coordinated the implementation of the OnBase document management application for the City Manager, Clerk and City Attorney.

2012-13 Proposed Changes

Convert the Library Web Site to a content management-based system for improved organization and content.

- Convert local government radio channels to meet the FCC P25 compliant mandate.

INTERNAL SERVICE FUNDS

- Recruit Technology Officer to fill vacant senior management position with IT Division.
- Implement the selected enterprise building permit system.
- Implement the selected maintenance management system for MUD and Public Works.
- Implement an enterprise email retention and retrieval system.
- Upgrade Microsoft Office to current version city-wide.
- Implement a fuel management application for Public Works.
- Initiate activities for the replacement of finance and payroll system.

Internal Service Funds
Computer Equipment Internal Service - 502
2012-13 Proposed Budget

	FY 2009-2010	FY 2010-2011	FY 2011-2012	FY 2012-13
	Actual	Unaudited Actual	Current Budget	Proposed Budget
Beginning Available Balance		\$ 4,163,009	\$ 3,077,802	\$ 2,747,647
Revenues				
Charges for services				
Police	\$ 3,405,013	3,763,947	4,348,621	5,035,168
Fire	711,877	807,491	620,110	462,855
Other General Fund	851,873	862,348	834,589	789,614
Other Funds	2,876,160	2,555,024	3,055,930	2,763,427
Refunds & Reimbursements	1,551	2,956	48,225	48,225
	7,846,474	7,991,766	8,907,475	9,099,289
Expenditures				
Computer Maintenance (5101)	3,904,992	3,616,073	4,420,371	4,563,374
IT Administration (5111)	1,424,736	1,505,616	1,532,162	1,465,798
GIS Administration (5112)	432,481	665,608	585,345	471,165
Public Safety (5113)	619,371	975,707	1,066,128	980,302
Web Development (5114)	49,706	57,459	88,915	63,517
Techn Development (5115)	344,593	7,004	88,793	75,539
EDMS (7450)	184,224	235,249	239,916	239,000
Replacements	442,778	250,537	596,000	119,000
New equipment		487,036	118,750	180,200
Capital Projects			501,250	3,462,857
	7,402,881	7,800,289	9,237,630	11,620,752
Transfers				
Transfer In				
Transfer In - Telephone 504		330,000		
Transfer Out - Entertainment Venues - 086	(1,300,000)			
Transfer Out - General Fund				
(Adopted 2010-11 budget)		(1,200,000)		
	(1,300,000)	(870,000)	-	-
Net Annual Activity	\$ (856,407)	\$ (678,523)	\$ (330,155)	\$ (2,521,463)
Ending Available Balance		\$ 3,484,486	\$ 2,747,647	\$ 226,184
Available Balance Calculation				
Cash and Current Assets		\$ 3,755,507		
Accounts Payable		(271,068)		
Encumbrances		(406,637)		
Capital Projects		-		
Ending Available Balance		\$ 3,077,802		

Internal Service Funds
Radio Equipment Internal Service - 503
2012-13 Proposed Budget

	FY 2009-2010	FY 2010-2011	FY 2011-2012	FY 2012-13
	Actual	Unaudited Actual	Current Budget	Proposed Budget
Beginning Available Balance		\$ 1,329,862	\$ 295,701	\$ 225,630
Revenues				
Charges for services				
Police	\$ 378,860	225,480	518,226	750,968
Fire	212,599	237,380	255,486	294,677
Other General Fund	577	120	7,976	166
Other Funds	57,964	72,797	61,613	22,635
	650,000	535,777	843,301	1,068,446
Expenditures				
Operations & Maintenance	1,182,768	866,580	789,372	949,650
Replacements	104,110	384,861	124,000	291,615
	1,286,878	1,251,441	913,372	1,241,265
Transfers				
Transfer In				
Transfer Out				
	-	-	-	-
Net Annual Activity	\$ (636,878)	(715,664)	(70,071)	(172,819)
Ending Available Balance		\$ 614,198	\$ 225,630	\$ 52,811
Available Balance Calculation				
Cash and Investments		\$ 819,273		
Accounts Payable		(205,075)		
Encumbrances		(318,497)		
Ending Available Balance		\$ 295,701		

Internal Service Funds
Telephone Equipment Internal Service - 504
2012-13 Proposed Budget

	FY 2009-2010	FY 2010-2011	FY 2011-2012	FY 2012-13
	Actual	Unaudited Actual	Current Budget	Proposed Budget
Beginning Available Balance		\$ 343,150	\$ 110,339	\$ 115,127
Revenues				
Charge for Services				
Police	\$ 355,573	465,720	503,945	421,638
Fire	41,879	55,305	46,847	45,583
Other General Fund	177,814	217,968	195,645	279,216
Other Funds	451,701	650,226	629,603	511,854
Interest	30		3,178	
	1,026,997	1,389,219	1,379,218	1,258,291
Expenditures				
Operations & Maintenance	1,075,153	870,843	1,049,430	937,345
Replacements	236,163	-		
Principal	200,753	259,368	271,338	283,860
Interest Expense	66,419	65,632	53,662	41,140
	1,578,488	1,195,843	1,374,430	1,262,345
Transfers				
Transfer In				
Transfer Out - Technology 502		(330,000)		
	-	(330,000)	-	-
Net Annual Activity	\$ (551,491)	(136,624)	4,788	(4,054)
Ending Available Balance		\$ 206,526	\$ 115,127	\$ 111,073
Available Balance Calculation				
Cash and Current Assets		\$ 522,414		
Accounts Payable		(315,888)		
Encumbrances		(96,187)		
Ending Available Balance		\$ 110,339		

OFFICE EQUIPMENT/DUPLICATING/PRINTING& MAILING (505)**History**

- Responsible for maintaining and financing the City's office equipment, duplicating/printing, and mailroom functions.
- Program departments are charged monthly rental rates to finance operations and replacements.

2011-12 Events

- The Duplicating/Printing & Mailing Fund (508) was merged with the Office Equipment Fund (505) in FY 11/12.
- Printing technology has been improved with a new high speed print on demand technology for black and white and color printing using digital technology.
- Installed a new CD burner.
- Purchased an envelope feeder for the digital envelope press.
- Procured a new mail inserting system that produces jobs 34% faster than our old system, and will eliminate outsourcing mail room projects at a 20% savings to the City.

2012-13 Proposed Changes

- Install a new mail inserting system which will increase productivity as well as lower costs for all City Departments.
- Start replacing the old analog copy system with a new multi-functional device that contains new print technology.

Internal Service Funds
Office Equipment Internal Service - 505
2012-13 Proposed Budget

	FY 2009-2010	FY 2010-2011	FY 2011-2012	FY 2012-13
	Actual	Unaudited Actual	Current Budget	Proposed Budget
Beginning Available Balance		\$ 634,232	\$ 410,112	\$ 133,725
			<i>Merged with 508</i>	<i>Merged with 508</i>
Revenues				
Charges for Services				
Police	\$ 55,299	55,003	56,621	93,523
Fire	17,351	12,098	33,364	52,236
Other General Fund	99,778	67,563	76,545	125,555
Other Funds	229,353	134,079	272,725	380,613
	401,781	268,743	439,255	651,927
Expenditures				
Operations & Maintenance	291,444	262,607	685,642	610,431
Replacements	41,938	38,675	30,000	30,000
	333,382	301,282	715,642	640,431
Transfers				
Transfer In				
Transfer Out - Printing Fund	(200,000)	(184,164)		
	(200,000)	(184,164)	-	-
Net Annual Activity	\$ (131,601)	(216,703)	(276,387)	11,496
Ending Available Balance		\$ 417,529	\$ 133,725	\$ 145,221
Available Balance Calculation				
Cash and Current Assets		\$ 434,791		
Accounts Payable		(17,262)		
Encumbrances		(7,417)		
Ending Available Balance		\$ 410,112		

**Internal Service Funds
Printing & Mailing - 508
2012-13 Proposed Budget**

	FY 2009-2010	FY 2010-2011	FY 2011-2012	FY 2012-13
	Actual	Unaudited Actual	Current Budget	Proposed Budget
			<i>Merged into 505</i>	<i>Merged into 505</i>
Beginning Available Balance		\$ -	\$ -	\$ -
Revenues				
Charge for services				
Police	\$ 26,609	21,253		
Fire	4,751	2,854		
Other General Fund	47,906	47,588		
Other Funds	305,045	267,036		
	384,311	338,731	-	-
Expenditures				
Operations & Maintenance	510,248	446,594		
	510,248	446,594	-	-
Transfers				
Transfer In - Equipment 505	200,000	182,959		
Transfer Out				
	200,000	182,959	-	-
Net Annual Activity	\$ 74,063	75,096	-	-
Ending Available Balance		\$ 75,096	\$ -	\$ -
Available Balance Calculation				
Cash and Current Assets		\$ 12,207		
Current Liabilities		(12,207)		
Ending Available Balance		\$ -		

RISK SERVICES AND WORKER'S COMPENSATION (541 & 551)**History**

- The Risk Services Division is responsible for protecting the City's resources and limiting its liability exposures by providing stable, cost-effective, and quality customer service to our employees and the citizens. Contract monitoring and review is also a vital part of ensuring that exposure is limited and the risk is transferred in an appropriate manner.
- Risk Services also includes the Worker's Compensation and Safety Program components of the ISFs and works to reduce the costs associated with illness and injury sustained by City employees.

2011-12 Events

- Complete audit of Worker's Compensation claims was begun and is ongoing in an effort to recover any and all monies due to the City that may have been overlooked over the years.
- Resignation of the City's Risk Manager and the subsequent recruitment based upon the approved reorganization plan.
- Significant measures were taken to educate all City personnel on MRSA in an effort to reduce the number of Worker's Compensation claims, which included assistance with the Center for Disease Control and the San Joaquin County Health Department. A variety of products were purchased to assist in the prevention of and spread of MRSA.

2012-13 Proposed Changes

- The insurance rates charged to the departments for both general liability and worker's compensation will need to be increased in order to maintain the service levels required by Risk Services in providing liability, worker's compensation, auto liability, and other insurance coverage so that the City will continue to be adequately protected against significant exposure to financial losses.
- The City's ongoing fiscal crisis and pending financial restructuring have had a negative impact on the insurance rates that are reviewed by underwriters for the various insurance companies.

**Internal Service Funds
General Insurance - 541
2012-13 Proposed Budget**

	FY 2009-2010	FY 2010-2011	FY 2011-2012	FY 2012-2013
	Actual	Unaudited Actual	Projection	Proposed Budget
Beginning Available Balance	\$ (2,615,804)	\$ (3,525,553)	\$ (4,217,763)	\$ (5,188,734)
Prior Period Adjustment to Fund Balance		979,065		
Adjusted Fund Balance	(2,615,804)	(2,546,488)	(4,217,763)	(5,188,734)
Revenues				
Charge for Services				
Police	1,062,693	1,272,946	1,383,851	1,761,878
Fire	597,121	788,716	692,439	811,860
Other General Fund	142,894	170,481	200,784	322,584
Other Funds	1,587,487	1,239,317	1,449,066	1,983,355
Investment Interest	31,979	915,412	78,033	65,000
	3,422,174	4,386,872	3,804,173	4,944,677
Expenditures				
Claims				
Paid	1,182,174	1,223,276	2,124,000	2,277,000
Actuarial Adjustment	101,813	811,689		
	1,283,987	2,034,965	2,124,000	2,277,000
Excess Insurance Premium	899,660	917,651	788,490	800,000
City staff costs	1,044,124	1,212,710	1,478,576	1,325,499
Operating expenditures	1,104,152	1,372,349	384,078	531,143
	4,331,923	5,537,675	4,775,144	4,933,642
Transfers				
Transfer In - Central Parking				175,000
Transfer Out				
	-	-	-	175,000
Net Annual Activity	(909,749)	(1,150,803)	(970,971)	186,035
Ending Available Balance	\$ (3,525,553)	\$ (3,697,291)	\$ (5,188,734)	\$ (5,002,699)
Available Balance Calculation				
Cash and Current Assets		\$ 2,328,757		
Current Liabilities		(31,262)		
Claims Payable		(6,487,563)		
Net Assets		(4,190,068)		
Encumbrances		(27,695)		
Ending Available Balance		\$ (4,217,763)		
Rates (percentage of payroll)				
All employees	2.05%	2.75%	3.36%	4.48%

Note

Program revenues are estimated based upon percentage of baseline payroll, before Adopted staff reductions.
Actual revenues and the cash flow to settle claims will fluctuate with Citywide staff reductions.

**Internal Service Funds
Workers Compensation - 551
2012-13 Proposed Budget**

	FY 2009-2010	FY 2010-2011	FY 2011-2012	FY 2012-2013
	Actual	Unaudited Actual	Projection	Proposed Budget
Beginning Available Balance	\$ (19,843,730)	\$ (32,510,103)	\$ (40,308,304)	\$ (40,363,977)
Revenues				
Charge for Services				
Police	\$ 939,205	2,322,568	2,909,423	3,418,121
Fire	925,236	2,088,559	2,359,086	2,255,104
Other General Fund	78,788	115,042	130,458	155,921
Other Funds	1,722,741	2,499,215	1,945,983	2,308,651
	<u>3,665,970</u>	<u>7,025,384</u>	<u>7,344,950</u>	<u>8,137,797</u>
Refunds & Reimbursements	139	622	1,396,036	1,000,000
Interest	446,181	346,558	260,000	160,000
	<u>4,112,290</u>	<u>7,372,564</u>	<u>9,000,986</u>	<u>9,297,797</u>
Expenditures				
Claims Expense - Cash	7,564,988	7,421,233	6,800,000	7,122,000
Reimbursement to Other Funds	1,892,753		(a)	(a)
Fire Hireback OT- (5650)	651,353	815,712	(a)	(a)
Actuarial accrued claims liability	4,647,374	3,604,253		
Insurance Administration	1,041,299	1,563,131	897,110	766,663
TPA Administration	615,566	678,063	783,996	770,720
Excess Insurance Premium	365,330	504,263	517,489	545,000
Safety Program		84,110	58,064	69,535
	<u>16,778,663</u>	<u>14,670,765</u>	<u>9,056,659</u>	<u>9,273,918</u>
			(a) Discontinued to stabilize fund	(a) Discontinued to stabilize fund
Transfers				
Transfer In				
Transfer Out		(500,000)		
	<u>-</u>	<u>(500,000)</u>	<u>-</u>	<u>-</u>
Net Annual Activity	(12,666,373)	(7,298,201)	(55,673)	23,879
Ending Available Balance	\$ (32,510,103)	\$ (40,308,304)	\$ (40,363,977)	\$ (40,340,098)
Available Balance Calculation				
Cash and Current Assets		\$ 13,576,749		
Accounts Payable		(64,622)		
Due to Other Funds		(500,000)		
Claims Payable		(53,308,908)		
Compensated Absences		(11,554)		
PY Adjustment		30		
Ending Available Balance		<u>\$ (40,308,305)</u>		
Rates (percent of payroll)				
Police	2.32%	6.41%	8.18%	10.41%
Fire	3.72%	9.37%	13.02%	13.32%
Manual	1.95%	4.45%	5.90%	7.68%
Non-Manual	0.55%	2.58%	5.66%	5.62%
Office/Clerical	0.34%	0.88%	0.82%	1.00%
Library	0.38%	0.38%	1.69%	2.12%

Note

Program revenues are estimated based upon percentage of baseline payroll, before staff reductions.

INTERNAL SERVICE FUNDS

HEALTH BENEFITS FUND (552)

History

- The Health Benefits Fund is responsible for the management of the health benefit plans offered to eligible employees and retirees, and their eligible dependents.
- Revenue is collected from departments and employees, for purposes of funding health benefits.
- City-sponsored health benefit plans currently offered include self-funded medical, dental and vision plan options, a fully-insured high-deductible plan through a Health Maintenance Organization (HMO), and a fully insured dental Dental Maintenance Organization (DMO).
- This fund has had a negative cash balance for the last three fiscal years.

2011-12 Events

- Stockton City Council adopted an Action Plan for Fiscal Sustainability in June 2010, which provided the framework for labor negotiations and concession bargaining during 2011. Labor costs represent 80 percent of the City's general fund budget. A critical component to meet Stockton City Council's goal for Fiscal Sustainability is addressing City expenditures for employee benefits.
- Part of the Council's Action Plan for Fiscal Sustainability, included working with an outside benefits consultant, to conduct an independent review the City's employee benefits and insurance programs and make recommendations for changes.
- During 2011, as outlined in the June 2010 Action Plan, several changes affecting employee health benefits were implemented:
 - A maximum City contribution toward the monthly cost of employee benefits has been established.
 - Employees now contribute towards the cost of their health benefits, for themselves and their eligible dependents. Up until this fiscal year, most employees did not contribute toward the monthly premium cost of health benefits.
 - A second medical plan, a Kasier High-Deductible Health Plan option, is now available to most employees. Offering employees a less expensive alternative to the City's self-funded medical plan was also part of the City Council's Action Plan of Fiscal Sustainability.
 - Retiree medical benefits, an expensive and unsustainable benefit, has been eliminated for all new hires.

INTERNAL SERVICE FUNDS

- In order to reduce current plan expenses, and mitigate future increases in the health care expenses, City staff worked with an independent consultant to develop and implement plan design changes for the City's self-funded medical plan.

2012-13 Proposed Changes

- Effective July 1, 2012, a new Pharmacy Benefit Manager (PBM), CVS/Caremark, and nationwide PBM, will be providing pharmacy benefit management services for the City's self-funded medical plan. By contracting with the CVS/Caremark, the City estimates savings on prescription drug claims to be at least \$300,000, as well as customer service to plan participants, and improved management of pharmacy benefits.
- During FY 2012-13, the City will be implementing a change to the contract with its Preferred Provider Organization (PPO), Anthem, for larger discounts on medical services from participating doctors, hospitals and other health care providers. Although the fees paid to Anthem for their PPO network will increase, the City expects to realize a net savings on the cost of medical claims of at least \$2,000,000.
- Due to significant premium increases proposed by the current medical Stop Loss Insurance carrier, the City of Stockton will be seeking bids to secure insurance through another carrier.
- The City continues to participate in the federal Retiree Drug Subsidy program, which provides reimbursement for a portion of the prescription drug benefits provided to Medicare eligible retirees covered under the City's medical plan.
- Working with the City's benefits consultant, staff will be reviewing the contracts for claims and administrative services, including requesting bids and/or proposals to achieve plan savings and improve customer service for health plan participants. Staff will be reviewing and considering changes in the vendors that provide administrative services for the following:
 - The City will be reviewing and considering a change in the third party administrator for its self-funded dental plan. This program has been administered by Delta Dental Plan for many years.
 - Staff will review potential vendors to provide administrative services for its self-funded vision plan. The City currently contracts with Vision Service Plan for claims administrative services for this benefit plan
 - The claims and administrative services for the City's self-funded medical plan are currently provided by Delta Health Systems. They have served as the third

INTERNAL SERVICE FUNDS

party administrator for the medical plan since July 2010. Staff will review/consider other vendors to provide these services.

- Training will be provided to City staff in connection with the privacy and security rules mandated by the Health Insurance Portability and Accountability Act (HIPAA). Staff will also work with an outside consultant to update it's HIPAA policies/procedures and ensure compliance with this federal mandate.
- City staff will work with its third party administrators to conduct a dependent eligibility audit of dependents currently enrolled in the health benefit plans, to ensure coverage is extended only to dependents who meet the plans' eligibility requirements.

**Internal Service Funds
Health Insurance - 552
2012-13 Proposed Budget**

	FY 2009-2010	FY 2010-2011	FY 2011-2012	FY 2012-13
	Actual	Unaudited Actual	Current Budget	Proposed Budget
Beginning Available Balance		\$ (6,038,933)	\$ (3,719,038)	\$ (2,860,301)
<i>Excludes Unfunded Retiree Health Obligation</i>			<i>Assume baseline staffing of 1,497 employees</i>	<i>Assume baseline staffing of 1,497 employees</i>
Revenues				
Charge for Services				
Police	\$ 11,405,004	12,334,199	10,059,940	11,755,039
Fire	5,080,090	5,810,371	4,159,682	4,110,439
Other General Fund	1,884,870	1,977,449	1,858,581	2,378,149
Other Funds	14,627,291	15,704,609	13,423,087	15,424,179
	<u>32,997,255</u>	<u>35,826,628</u>	<u>29,501,290</u>	<u>33,667,806</u>
Participant Contributions				
Employees (current MOUs)	572,737	846,338	2,065,316	4,844,616
Retirees	237,627	331,046	189,235	81,819
Continuation	170,701	142,933	101,999	108,992
Reimbursements				
Stop loss coverage	844,165	2,175,773	3,366,785	1,800,000
Medicare	172,141	260,130	318,145	300,000
Federal Grant		870,693		
Interest	69,862	(40,569)	(1,889)	
	<u>35,064,488</u>	<u>40,412,972</u>	<u>35,540,881</u>	<u>40,803,233</u>
			-	-
Expenditures				
Medical Plans	35,203,744	32,545,602	28,871,114	28,523,815
Kaiser			942,204	1,945,881
Operating Engineers	661,108	516,312	682,940	909,404
Vision (5540)	212,112	192,679	197,027	226,037
Dental (5550/5560)	1,675,412	1,485,922	1,846,701	2,108,140
Health & Wellness Program		895		
General & Administrative	802,617	953,689	996,969	1,189,343
Vendor Administration Fee	1,107,866	2,397,978	1,145,189	3,037,223
	<u>\$ 39,662,859</u>	<u>\$ 38,093,077</u>	<u>\$ 34,682,144</u>	<u>\$ 37,939,843</u>
Net Annual Activity	<u>(4,598,371)</u>	<u>2,319,895</u>	<u>858,737</u>	<u>2,863,390</u>
Ending Available Balance		\$ (3,719,038)	\$ (2,860,301)	\$ 3,089
<i>Excludes Unfunded Retiree Health Obligation</i>				
Available Balance Calculation				
Cash and Interest Receivable		\$ 381,992		
Accounts Receivable and deposits		196,873		
Accounts Payable		(2,067)		
Claims Payable - IBNR		(4,079,400)		
Encumbrances		(216,436)		
Ending Available Balance		<u>\$ (3,719,038)</u>		

Note

Program revenues are estimated based upon employee departmental charges, before Adopted staff reductions.
Actual revenues and the cash flow to settle claims will fluctuate with Citywide staff reductions.

UNEMPLOYMENT FUND (556)**History**

- This fund maintains the City's unemployment benefit to former City of Stockton employees.
- Benefits are paid by the State of California and the State is then reimbursed by the City. The funding is in compliance with State law.
- Unemployment benefits are funded by charging each City department. The funding is based on a percentage of payroll.
- Benefit staff closely and aggressively monitor all unemployment claims received to ensure timely and accurate claim payments.
- Benefits staff also challenges any potential non-eligible claim. Staff works directly with each City Department to investigate any such claims and attends Unemployment hearing when necessary.

2011-12 Events

- Expecting to end this fiscal year under budget.

2012-13 Proposed Changes

- No anticipated issues. Budgeting for fiscal year 2012-2013 was based on historical claims costs.

**Internal Service Funds
Unemployment - 556
2012-13 Proposed Budget**

	FY 2009-2010	FY 2010-2011	FY 2011-2012	FY 2012-13
	Actual	Unaudited Actual	Current Budget	Proposed Budget
Beginning Available Balance		\$ 364,344	\$ 490,758	\$ 159,425
Revenues				
Charge for Services				
Police	\$ 254,453	254,686	64,537	192,143
Fire	155,208	157,524	42,169	87,829
Other General Fund	38,738	8,849	9,888	31,382
Other Funds	335,153	276,693	72,073	222,681
	783,552	697,752	188,667	534,035
Expenditures				
Operations & Maintenance	559,665	571,339	520,000	501,072
	559,665	571,339	520,000	501,072
Transfers				
Transfer In				
Transfer Out				
	-	-	-	-
Net Annual Activity	223,887	126,413	(331,333)	32,963
Ending Available Balance		\$ 490,757	\$ 159,425	\$ 192,388
Available Balance Calculation				
Cash and Interest Receivable		\$ 558,157		
Current Liabilities		(67,399)		
Cash and Interest Receivable		\$ 490,758		
Rates (percentage of payroll)	0.75%	0.55%	0.17%	0.45%

Note

Program revenues are estimated based upon percentage of baseline payroll, before Adopted staff reductions.
Actual revenues and the cash flow to pay claims will fluctuate with Citywide staff reductions.

**LONG TERM DISABILITY,
LIFE INSURANCE & ACCIDENTAL DEATH AND DISMEMBERMENT (AD&D)
FUND (557)**

History

- This fund provides long-term disability, life insurance, and accidental death and dismemberment benefits, as part of the total compensation package provided to eligible City of Stockton employees.
- Revenue to fund these programs are collected from each department.
- The Long Term Disability benefit provides eligible employees with:
 - 66 2/3% of their salary while disabled
- The Life Insurance benefit provides eligible employees with:
 - Life insurance coverage while a full-time City employee
 - A portability option to continue the life insurance coverage when leaving city employment (at the member's expense) is an available option.

2011-12 Events

- Stockton City Council adopted an Action Plan for Increasing Organizational Capacity. Part of this plan was to review current contracts and start the Request for Proposal (or Bid) process for long-standing contracts, ensuring the most appropriate vendor and services are being provided to the City in the most cost effective manner. In May 2012, the bid process commenced for a new LTD, Life, and AD&D contract. City staff is working with its health consultant, Segal, in this process.
- The budget projection assumes that all current bargaining groups will continue to have the same level of benefits as currently in place.

2012-13 Proposed Changes

- Bid Process Complete
 - A new contract will be in place during the 2012-2013 fiscal year.
- Contract Negotiations
 - As part of the continuing effort to decrease benefit costs, all benefit levels are under review.

**Internal Service Funds
LTD and Life Insurance - 557
2012-13 Proposed Budget**

	FY 2009-2010	FY 2010-2011	FY 2011-2012	FY 2012-13
	Actual	Unaudited Actual	Current Budget	Proposed Budget
Beginning Available Balance		\$ 145,199	\$ 205,803	\$ 205,803
Revenues				
Charge for Services				
Police	\$ 251,308	243,429	279,838	279,838
Fire	114,597	109,528	103,185	103,185
Other General Fund	99,042	95,800	125,575	125,575
Other Funds	661,141	626,651	786,837	786,837
	1,126,088	1,075,408	1,295,435	1,295,435
Expenditures				
Operations & Maintenance	1,284,598	1,014,804	1,295,435	1,295,435
	1,284,598	1,014,804	1,295,435	1,295,435
Transfers				
Transfer In				
Transfer Out				
	-	-	-	-
Net Annual Activity	(158,510)	60,604	-	-
Ending Available Balance		\$ 205,803	\$ 205,803	\$ 205,803
Available Balance Calculation				
Cash and Interest Receivable		\$ 145,199		
Ending Available Balance		<u>\$ 145,199</u>		
Rates (percentage of payroll)				
Long Term Disability				
Non-safety	1.05%	1.05%	1.35%	1.35%
Police	NA	NA	NA	NA
Fire	NA	NA	NA	NA
Police Mgmt	\$234/yr	\$234/yr	\$234/yr	\$234/yr
Life Insurance (per \$1,000 of annual pay x benefit)				
with Accidental Death & Disability	0.32%	0.32%	0.25%	0.25%
without Accidental Death & Disability	0.28%	0.28%	0.22%	0.22%

Note

Program revenues are estimated based upon percentage of baseline payroll, before Adopted staff reductions.
Actual revenues and premium expenses will both fluctuate with Citywide staff reductions.

RETIREMENT (561)**History**

- This fund is utilized to collect revenue and make contributions to CalPERS for the defined benefit retirement program.
- The City of Stockton contracts with the California Public Employees' Retirement System (CalPERS) for defined retirement benefits:
 - Current Miscellaneous employees (all non-public safety) are eligible for a 2% @ 55 benefit formula.
 - Current Safety employees (Police and Fire) are eligible for the 3% @ 50 benefit formula.
- Employer contributions for CalPERS retirement benefits are collected from departments and are a percentage of pay and other compensation considered reportable for retirement purposes.
- The City offers a deferred compensation (Section 457) plan for supplemental retirement benefits. Employees may participate in this program on a voluntary basis.
- A 401(a) plan is provided to Fire Unit employees and the City Manager.

2011-12 Events

- In keeping with the City Council's Action Plan for Fiscal Sustainability, City employees are now required to pay a reasonable share of their pension costs.
 - Miscellaneous employees contribute 7% of their reportable compensation.
 - Safety employees contribute 9% of their reportable compensation.
- The City has successfully negotiated, with most bargaining units, for a second tier retirement benefit formula for new hires. The City's contract with CalPERS will be amended when agreements with all bargaining units have been reached for a second tier retirement.

2012-13 Proposed Changes

- Continue the contract amendment process with CalPERS to establish a second tier retirement plan new hires under both the Miscellaneous and Safety retirement plans.

**Internal Service Funds
Retirement - 561
2012-13 Proposed Budget**

	FY 2009-2010	FY 2010-2011	FY 2011-2012	FY 2012-2013
	Actual	Unaudited Actual	Projection	Proposed Budget
Beginning Available Balance		\$ 1,599,240	\$ 1,076,632	\$ 2,778,548
Revenues				
Charge for Services				
Police	\$ 14,511,205	14,316,181	17,496,709	14,191,274
Fire	8,080,599	8,310,244	10,971,344	6,814,645
Other General Fund	1,279,719	1,310,040	1,733,993	1,381,583
Other Funds	12,824,756	11,996,899	13,852,466	10,488,810
Contingency/staff reductions			(4,900,000)	
Employee Paid				8,382,960
Investment Interest	70,557	25,000	62,628	31,912
Refunds & Reimbursements	139	100		
	36,766,975	35,958,464	39,217,140	41,291,184
Expenditures				
CalPERS payments	27,925,399	29,037,821	36,780,631	33,546,722
Contingency/staff reductions			(4,900,000)	
Debt Service on Pension Bonds	6,969,946	7,332,408	7,196,217	7,712,550
Other Operating Costs	100,543	110,843	140,292	31,912
	34,995,888	36,481,072	39,217,140	41,291,184
Transfers				
Transfer In				
Transfer Out				
	-	-	-	-
Net Annual Activity	1,771,087	(522,608)	-	-
Ending Available Balance		\$ 1,076,632	\$ 1,076,632	\$ 2,778,548
Pension Bond Payment - August			\$ 7,196,217	\$ 7,712,550
Available Balance Calculation				
Cash and Interest Receivable		\$ 1,599,240		
Ending Available Balance		\$ 1,599,240		
PERs Employer Retirement Rates excluding Pension Obligation Bond (percentages of payroll)				
Safety	21.360%	23.270%	29.100%	31.790%
Miscellaneous	13.080%	14.090%	16.940%	16.880%
Pension Obligation Bond - Estimated Retirement Rates PERS plus POB (percentages of payroll)				
Safety	31.632%	32.321%	38.845%	43.110%
Miscellaneous	17.069%	18.076%	20.226%	20.660%

Note

Program revenues are estimated based upon percentage of baseline payroll, before any staff reductions.
Staffing reductions can cause these revenues to fluctuate.
Payments to CalPERS will also fluctuate with staffing levels. However, the pension obligation bond payment is fixed.

**Internal Service Funds
Compensated Absence - 562
2012-13 Proposed Budget**

	FY 2009-2010	FY 2010-2011	FY 2011-2012	FY 2012-13
	Actual	Unaudited Actual	Current Budget	Proposed Budget
Beginning Available Balance		\$ -	\$ -	\$ -
Revenues				
Charge for Services				
Police	432,935	437,795	782,888	1,594,291
Fire	441,922	462,409	806,881	660,964
Other General Fund	121,466	119,285	138,890	337,272
Other Funds	988,804	2,607,474	1,451,308	1,907,473
Interest	(44,195)			
	1,940,932	3,626,963	3,179,967	4,500,000
Expenditures				
Employee Separation Pay	3,914,898	5,176,720	3,179,967	4,500,000
Administration	117			
	3,915,015	5,176,720	3,179,967	4,500,000
Transfers				
Transfer In - General Fund	1,000,000	3,000,000		
Transfer Out				
	1,000,000	3,000,000	-	-
Net Annual Activity	(974,083)	1,450,243	-	-
Ending Available Balance	\$ (974,083)	\$ 1,450,243	\$ -	\$ -
Available Balance Calculation				
Cash and Interest Receivable		\$ -		
Due to Worker's Comp Fund				
Ending Available Balance		\$ -		
Program Contribution Rate	1.85%	3.57%	3.10%	4.80%

Note

Program revenues are estimated based upon percentage of baseline payroll, before Adopted staff reductions.
Actual revenues and the cash flow to pay out leave balances will fluctuate with Citywide staff reductions.

TAB

Appendix

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Local Government Glossary and Acronyms

ACCRUAL BASIS OF ACCOUNTING: A basis of accounting in which transactions are recognized at the time they are incurred, as opposed to when cash is received or spent.

ACTUAL: Actual level of revenues or expenditures in the fiscal year noted.

APPROPRIATION: An authorization by the City Council to make expenditures and to incur obligations for a specific purpose.

APPROVED BUDGET: The approved budget is the annual City budget approved by the City Council on or before June 30 for expenditures.

ASSESSED VALUATION (AV): The dollar value of real or other property set as a basis for levying property taxes by the County assessor.

ASSESSMENT: Revenue collected for City services which benefit properties in specific areas or districts.

ASSETS: Property owned by the City for which a monetary value has been established.

AVAILABLE BALANCE: The unreserved, undesignated portion of fund balance available for future operations. For Enterprise funds, fund balance represents the current working capital portion of the fund's equity, which excludes capital assets, long-term debt, and other non-current items.

AUTHORIZED POSITIONS: Positions approved by the City Council which may or may not have funding (see Budgeted Positions).

BALANCED BUDGET: The budget for a fund is balanced when total budgeted resources, including revenues, transfers in from other funds, and unallocated fund balance from previous years meet or exceed total budgeted uses of resources, including expenditures and transfer out to other funds.

BASELINE: An estimate of spending, revenue, the deficit or surplus, and the debt expected during a fiscal year under current laws, current labor agreements and current policy. The baseline is a benchmark for measuring the budgetary effects of proposed changes in revenues and spending.

BASIS OF ACCOUNTING: Refers to when revenues, expenses, expenditures and transfers are recognized and reported. The budgetary basis of accounting for all the funds is modified accrual, with a focus on current financial resources.

BEGINNING/ENDING FUND BALANCE: Resources available in a fund after payment of prior/current year expenses.

BOND: A certificate of debt issued by an entity, guaranteeing payment of the original investment plus interest, by a specified future date. Bonds are typically used for long-term debt to pay for specific capital expenditures.

BROWN ACT: This Act governs the conduct of public meetings (California Government Code 54953).

Local Government Glossary and Acronyms

BUDGET: An annual plan of financial operation embodying an estimate of proposed expenditures and the estimated mean of financing them. The approved budget is authorized by City Council action and thus specifies the legal spending limits for the fiscal year.

BUDGET HEARING: A public meeting to allow citizens to comment on a proposed budget.

BUDGETED POSITIONS: The number of full-time equivalent positions to be funded in the budget.

CALTRANS: California Department of Transportation

CAPITAL BUDGET: A budget that appropriates the first year of the Capital Improvement Program.

CAPITAL IMPROVEMENT PROGRAM (CIP): An on-going five year plan of single and multiple year capital expenditures which is updated annually.

CAPITAL OUTLAY: Expenditures for tangible property of relatively permanent nature

CC: City Council

CDBG: Community Development Block Grant Department of Housing and Urban Development (HUD) provides programs for general community development to eliminate blight and to provide housing for 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.

COPS: Citizen's Option for Public Safety – AB 3229 funds allocated to California counties for public safety.

CONTINGENCY: A budgetary reserve set aside for emergencies or unforeseen expenditures.

CPI: Consumer Price Index, measure of inflation in area of consumer products.

CRWQCB: California Regional Water Quality Control Board

CUPA: Certified Unified Permit Agency (Haz-Mat).

CWEA: California Water Environment Association

DBW or DBAW: State of California Department of Boating and Waterways

DEBT SERVICE: Payment of interest and principal on an obligation resulting from the issuance of bonds and notes.

DOJ: Department of Justice

DEIR: Draft Environmental Impact Report

Local Government Glossary and Acronyms

DEPARTMENT: A major organizational unity 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.

EEOC: Equal Employment Opportunity Commission

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.

ENCUMBRANCE: Financial commitments related to unperformed contracts for goods or services for which part of an appropriation is reserved. They cease to be encumbrances when the obligations are paid or otherwise terminated.

ENTERPRISE FUND: A governmental facility or service which operates like a private business and is intended to be self supporting, i.e. revenues will cover all expenses of the operations including capital costs. These funds operate on a full accrual basis recognizing revenues or expenses when the event occurs.

EPA: Environmental Protection Agency

ERAF: Educational Revenue Augmentation Fund. ERAF is a mechanism; enacted in July of 1992 by the State Legislature to shift local tax revenues from cities, counties, and special districts to a State controlled Education Revenue Augmentation Fund. The state uses this fund to reduce its obligation to the schools. ERAF funds have been used by the State to help school and community college districts meet minimum funding requirements.

EXPENDITURE: The actual spending of funds authorized by an appropriation.

FEIR: Final Environmental Impact Report

FEMA: Federal Emergency Management Agency

FESG: Federal Emergency Shelter Grant

FHA: Federal Housing Authority

FINAL BUDGET: The approved revenue and expenditure budget as appropriated.

FISCAL YEAR: The 12-month period designated as the budget year from July 1 through June 30.

FLSA: Fair Labor Standards Act

FPPC: Fair Political Practices Commission

FULL TIME EQUIVALENT: The decimal equivalent of a part-time position converted to a full time basis, i.e. one person working half-time would count as 0.5 FTE.

Local Government Glossary and Acronyms

FUND: A set of inter-related accounts to record revenues and expenditures associated with a specific purpose.

FUND BALANCE: In the governmental fund types, the unreserved fund balance is the excess of current sources of funds over current uses of funds. This amount does not include amount designated for future uses as specified by management.

GAAP: Generally Accepted Accounting Principles. The guidelines established for financial accounting and reporting. They 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

GENERAL FUND: The primary operating fund of the City. It is used to account for all revenues and expenditures of the City not legally restricted in use.

GENERAL OBLIGATION BOND: A bond backed by the full faith and credit of the issuing government. In California, local governments can only issue such bonds with voter approval subject to a legal debt limit.

GOVERNMENTAL FUNDS: Funds, such as the General Fund, which recognizes events when they affect current financial resources. Reductions are called expenditures. These funds operate on a modified accrual basis.

GRANTS: Contributions from another governmental agency to be used for a specified purpose.

HCD: Housing and Community Development

HOME: Home Investment Partnership Program

HUD: Housing and Urban Development. The Federal department which provides various housing and community direct loans, guarantees, and grants.

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.

INTEREST: Income earned on the investment of available cash balances.

INTERNAL SERVICE FUNDS (ISF): Internal service funds are used to account for the centralized financing of goods or services provided by one department, on a cost-reimbursement basis.

LOCC: League of California Cities

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.

MBE: Minority Business Enterprise

MOE: Maintenance of Effort

Local Government Glossary and Acronyms

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 city-wide nature.

NPDES: National Pollutant Discharge Elimination System

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 is in conflict 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 fund in which the principal remains permanently restricted, while the interest earnings may be spent for the specific purpose for which the money was given.

PERS: Public Employees Retirement System

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.

POST: Police Officers Standards and Training

PROCLAMATION: An official announcement or public declaration.

PSAF: Public Safety Augmentation Fund

RESERVE: Amount of fund balance designated for a specific purpose.

RDA: Redevelopment Agency. An entity created by a legislative body in accordance with state statutes which has elected to exercise the powers granted to it for planning, development, replanning, redesign, clearance, reconstruction, or rehabilitation of an area.

RFP: Request for Proposal

RWQCB: Regional Water Quality Control Board. Issues the wastewater treatment plant discharge permit and regulates its programs.

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.

Local Government Glossary and Acronyms

SPFA: Stockton Public Financing Authority

SRF: State Revolving Fund

SWRCB: State Water Regional Control Board

SECTION 8: Federal subsidized low income housing.

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

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 fund which collects revenues that are restricted by the City, State or Federal Government as to the purpose of spending.

TFCA: Transportation Fund for Clean Air

UAAL: Unfunded Actuarial Accrued Liability. The excess of the Actuarial Accrued Liability over the Actuarial Value of Assets.

UBC: Uniform Building Code

UEC: Uniform Electrical Code

UFC: Uniform Fire Code

USGS: United States Geological Survey

TAXES: Compulsory charges levied by a government to finance services performed.

USER FEE: Charges for services provided only to those benefiting from the service.

PERSONNEL BY FUND
2012-13 Proposed Budget

	<u>2008-09</u>	<u>2009-10</u>	<u>2010-11</u>	<u>FY 2011-12</u> <u>Adopted</u>	<u>Staffing</u> <u>Modifications</u>	<u>FY 2012-13</u> <u>Proposed</u>
General Fund and Tax-Supported Programs						
Programs						
Police-Sworn	401	322	320	322	19	341
Police-Non Sworn	235	214	202	188	(1)	187
Fire	253	265	226	177	(1)	176
Public Works	163	78	59	62	(6)	56
Library	105	69	57	57	1	58
Recreation	46	32	27	26	(1)	25
Economic Development	5	1	2	2	4	6
	1,208	981	893	834	15	849
Administration						
City Council	9	8	8	8	0	8
City Manager	18	13	11	10	0	10
City Attorney	17	14	13	11	0	11
City Clerk	8	6	5	6	0	6
City Auditor	7	4	4	4	0	4
Admin Services	63	49	57	59	0	59
Human Resources	20	18	15	14	1	15
Non Departmental	10	10	10	10	0	10
	152	122	123	122	1	123
Total General Fund	1,360	1,103	1,016	956	16	972
% Change vs. 2008-09			-25%	-30%		-29%
Enterprise Funds						
Golf Course	3	2	2	2	(2)	0
Municipal Utilities	168	187	197	198	10	208
	171	189	199	200	8	208
Special Revenue/District Funds						
Central Parking District	3	3	3	3	0	3
Community Development Block Grant	13	12	11	9	(2)	7
Development Services	98	53	50	42	(6)	36
Emergency Communications	17	0	0	0	0	0
Maintenance District	1	2	4	2	0	2
Redevelopment	24	20	10	6	(4)	2
Safe Neighborhood Measure W	68	45	41	41	2	43
Solid Waste & Recycling	6	9	9	9	0	9
Street Maintenance/ Gas Tax Fund	24	65	66	64	7	71
	254	209	194	176	(3)	173
Internal Service Funds						
Fleet	31	26	27	27	0	27
General Liability Insurance	3	3	4	6	(1)	5
Workers' Compensation	4	4	4	3	(2)	1
Health Benefits	3	4	4	5	1	6
Information Technology	52	40	39	36	0	36
Radio	2	2	2	2	0	2
Telecommunications	1	1	1	1	0	1
Document Services	4	3	3	2	0	2
	100	83	84	82	(2)	80
Capital Improvement Funds						
Public Art	1	0	0	0		0
	1	0	0	0	0	0
Total All Funds	1,886	1,584	1,493	1,414	19	1,433
% Change vs. 2008-09			-21%	-25%		-24%

PERSONNEL BY FUND - POLICE DEPARTMENT
2012-13 Proposed Budget

	<u>2008-09</u>	<u>2009-10</u>	<u>2010-11</u>	<u>FY 2011-12</u> <u>Adopted</u>	<u>Staffing</u> <u>Modifications</u>	<u>FY 2012-13</u> <u>Proposed</u>
<u>GENERAL FUND</u>						
010-2410 Police Administration						
Accounting Office Assistant I/II	2	0	0	0	0	0
Admin Analyst I/II/Sr/Prog Mgr I/II	2	2	3	2	(1)	1
Audio Visual Specialist	1	0	0	0	0	0
Code Enforcement Officer	2	2	2	0	0	0
Executive Assistant	1	1	1	1	0	1
Finance Assistant I/II	0	2	2	2	0	2
Mail Courier	0	1	0	0	0	0
Office Asst I/II/ Office Specialist/ Secretary	4	4	4	4	0	4
Program Manager III	2	2	1	1	1	2
Sr Accounting Office Assistant	1	0	0	0	0	0
Sr Finance Assistant	0	1	1	1	0	1
Sworn: Chief of Police	1	1	1	1	0	1
Sworn: Deputy Chief of Police I	0	0	1	1	1	2
Sworn: Deputy Chief of Police II	1	0	0	0	0	0
Sworn: Police Captain	0	0	0	0	1	1
Sworn: Police Lieutenant	2	2	2	2	0	2
Sworn: Police Officer/Trainee	5	5	4	6	(1)	5
Sworn: Police Sergeant	4	4	4	4	0	4
	28	27	26	25	1	26
010-2466-67 Animal Control						
Animal Services Assistant I/II	8	8	8	8	0	8
Animal Services Officer	7	6	6	4	0	4
Animal Services Supervisor	1	1	1	1	0	1
Office Asst I/II/ Office Specialist/ Secretary	1	1	1	1	0	1
Sr Animal Services Officer	1	1	1	1	0	1
	18	17	17	15	0	15
010-2420 Police Field Services						
Administrative Analyst I/II/Sr/Principal	2	2	2	3	0	3
Code Enforcement Field Manager	2	1	1	1	0	1
Code Enforcement Officer I/II	14	12	11	13	0	13
Code Enforcement Supervisor	1	0	0	0	0	0
Community Service Officer I/II	33	25	29	23	(3)	20
Graffiti Abatement Technician	0	4	4	4	0	4
Maintenance Worker III	6	0	0	0	0	0
Office Asst I/II/ Office Specialist/ Secretary	12	10	9	6	1	7
Police Court Coordinator	1	1	1	1	0	1
Police Records Assistant I/II	1	1	1	1	(1)	0
Program Manager III	1	1	1	1	0	1
Sr Code Enforcement Officer	3	2	2	2	0	2
Sr Community Service Officer	6	4	2	2	0	2
Supervising Office Assistant	2	1	0	0	0	0
Sworn: Deputy Chief of Police I	2	2	0	0	0	0
Sworn: Police Captain	2	2	3	2	(1)	1
Sworn: Police Lieutenant	12	13	9	11	0	11
Sworn: Police Officer/Trainee	250	166	168	168	33	201
Sworn: Police Sergeant	36	40	30	28	0	28
	386	287	273	266	29	295

PERSONNEL BY FUND - POLICE DEPARTMENT
2012-13 Proposed Budget

	<u>2008-09</u>	<u>2009-10</u>	<u>2010-11</u>	<u>FY 2011-12</u> <u>Adopted</u>	<u>Staffing</u> <u>Modifications</u>	<u>FY 2012-13</u> <u>Proposed</u>
010-2430 Investigations						
Crime Analyst	5	5	4	0	0	0
Community Service Officer I/II	0	0	0	2	0	2
Evidence Technician	14	14	14	14	0	14
Office Asst I/II/ Office Specialist/ Secretary	3	2	0	1	0	1
Police Records Assistant I/II	5	5	5	3	0	3
Sr Evidence Technician	5	5	4	4	0	4
Supervising Evidence Technician	1	1	1	1	0	1
Sworn: Deputy Chief of Police I	1	1	0	0	0	0
Sworn: Police Captain	1	1	1	1	0	1
Sworn: Police Lieutenant	2	2	2	2	0	2
Sworn: Police Officer/Trainee	65	61	56	61	(11)	50
Sworn: Police Sergeant	13	11	10	9	0	9
	115	108	97	98	(11)	87
010-2460 Support Services						
Office Asst I/II/ Office Specialist/ Secretary	1	1	1	1	0	1
Police Records Assistant I/II/III/Sr	29	27	25	25	0	25
Property Clerk	3	2	2	2	0	2
Property Room Supervisor	1	1	1	1	0	1
Supervising Police Records Assistant	2	2	2	2	0	2
Sworn: Police Captain	1	1	1	1	0	1
	37	34	32	32	0	32
010-2470 Telecommunications						
Crime Analyst	0	0	0	1	0	1
Police Records Asst I/II/III	0	0	0	1	0	1
Program Manager II	0	0	0	0	1	1
Sworn: Police Sergeant	0	0	0	1	0	1
Police Telecommunicator I/II	39	39	39	37	(1)	36
Police Telecommunications Supervisor	6	6	6	6	0	6
Sr Telecommunications Supervisor	1	1	1	1	0	1
	46	46	46	47	0	47
Police Grant-Funded						
020-6078 Crac-net: Police Sergeant	1	1	1	1	(1)	0
020-6173 Transit District: Police Officer	2	2	2	1	(1)	0
020-6278 Special Grant Police Officer	0	0	0	0	1	1
024-6426 Ca COPS Grant: CSO	3	7	3	3	3	6
025-6429 Ca JAG: Police Officer	0	6	0	0	0	0
025-6429 Ca JAG: Police Sergeant	0	1	0	0	0	0
025-6430 CHRP: Police Officer	0	0	20	20	(20)	0
025-6434 JAG 2010-11: Police Officer	0	0	5	0	0	0
025-6456 VAWA Grant: Police Officer	0	0	0	0	1	1
025-6465 CHP 2012-13: Police Officer	0	0	0	0	17	17
025-6468 Firearms Examiner	0	0	0	0	1	1
	6	17	31	25	1	26
Total General Fund	636	536	522	508	20	528
% Change vs. 2008-09			-18%	-20%		-17%
SPECIAL REVENUE FUNDS						
081-2436 Police Safe Neighborhood Measure W						
Sworn: Police Lieutenant	2	0	0	0	0	0
Sworn: Police Officer/Trainee	36	22	21	21	0	21
Sworn: Police Sergeant	2	0	0	0	0	0
Total	40	22	21	21	0	21
Total Special Revenue Funds	40	22	21	21	0	21
Total Police	676	558	543	529	20	549
% Change vs. 2008-09			-20%	-22%		-19%

PERSONNEL BY FUND - FIRE DEPARTMENT
2012-13 Proposed Budget

	<u>2008-09</u>	<u>2009-10</u>	<u>2010-11</u>	<u>FY 2011-12</u> <u>Adopted</u>	<u>Staffing</u> <u>Modifications</u>	<u>FY 2012-13</u> <u>Proposed</u>
GENERAL FUND						
010-2610 Fire-Administration						
Administrative Assistant/Sr	1	1	0	0	0	0
Deputy Fire Chief I/II	2	3	2	2	0	2
Quality Improvement Coordinator	1	1	0	0	0	0
Executive Assistant	1	1	1	1	0	1
Fire Battalion Chief	3	0	0	0	0	0
Fire Captain	3	3	2	3	-1	2
Fire Chief	1	1	1	1	0	1
Office Asst. I/II/ Office Specialist/ Secretary	2	1	1	1	1	2
Program Manager I/II	0	0	0	0	2	2
Program Manager III	1	1	1	1	-1	0
Supervising Office Assistant	1	0	1	1	0	1
	16	12	9	10	1	11
010-2620 Fire-Fire Suppression/Rescue						
Fire Battalion Chief	6	6	6	6	0	6
Fire Captain	55	57	54	46	0	46
Fire Fighter	113	114	92	51	-3	48
Fire Fighter Engineer	60	60	49	48	1	49
	234	237	201	151	-2	149
010-2650 Fire-Training						
Deputy Fire Chief	1	0	0	0	0	0
Fire Battalion Chief	0	1	1	1	0	1
Fire Captain	1	1	1	1	0	1
Supervising Office Assistant	1	1	0	0	0	0
	3	3	2	2	0	2
010-2660 Fire-Dispatch						
Fire Captain	0	1	0	0		0
Fire Telecommunicator I/II	0	9	10	10	0	10
Fire Telecommunications Supervisor	0	3	3	3	0	3
Sr Telecommunications Supervisor	0	0	1	1	0	1
	0	13	14	14	0	14
Total General Fund	253	265	226	177	-1	176
% Change vs. 2008-09			-11%	-30%		-30%

PERSONNEL BY FUND - FIRE DEPARTMENT
2012-13 Proposed Budget

	<u>2008-09</u>	<u>2009-10</u>	<u>2010-11</u>	<u>FY 2011-12</u> <u>Adopted</u>	<u>Staffing</u> <u>Modifications</u>	<u>FY 2012-13</u> <u>Proposed</u>
<u>SPECIAL REVENUE FUNDS</u>						
048-2631/2633 DEVELOPMENT SERVICES-FIRE PREVENTION						
Code Enforcement Officer I/II	1	0	0	0	0	0
Deputy Fire Chief	1	0	0	0	0	0
Fire Battalion Chief	0	1	1	1	0	1
Fire Captain	3	1	1	1	0	1
Fire Fighter	1	0	0	0	0	0
Fire Prevention Inspector I/II	0	1	1	1	0	1
Fire Protection Specialist	0	1	1	1	0	1
Office Asst. I/II/ Office Specialist/ Secretary	3	3	2	2	0	2
Office Technician	0	0	1	1	-1	0
Plan Checker I/II	0	1	1	1	0	1
Project Manager I/II/III	1	0	0	0	0	0
	10	8	8	8	-1	7
042-2660 EMERGENCY COMMUNICATIONS						
Fire Captain	1	0	0	0	0	0
Fire Telecommunicator I/II	12	0	0	0	0	0
Fire Telecommunications Specialist	1	0	0	0	0	0
Fire Telecommunications Supervisor	3	0	0	0	0	0
	17	0	0	0	0	0
081-2636 FIRE SAFE NEIGHBORHOOD MEASURE W						
Fire Captain	7	5	5	5	1	6
Fire Fighter	16	13	10	10	1	11
Fire Fighter Engineer	5	5	5	5	0	5
	28	23	20	20	2	22
Total Special Revenue Funds	55	31	28	28	1	29
Total Fire Department	308	296	254	205	0	205
% Change vs. 2008-09			-18%	-33%		-33%

PERSONNEL BY FUND - PUBLIC WORKS DEPARTMENT
2012-13 Proposed Budget

	<u>2008-09</u>	<u>2009-10</u>	<u>2010-11</u>	<u>FY 2011-12</u> <u>Adopted</u>	<u>Staffing</u> <u>Modifications</u>	<u>FY 2012-13</u> <u>Proposed</u>
GENERAL FUND						
010-3010 Public Works-Administration						
Administrative Analyst I/II/Sr/Principal	1	1	1	1	1	2
Executive Assistant	1	1	1	1	0	1
Office Assist I/II/ Office Spec/ Secretary	3	3	1	1	0	1
Program Manager III	1	1	1	1	0	1
Project Manager I/II	0	1	1	1	(1)	0
Public Works Director	1	1	1	1	0	1
Records Specialist	1	1	1	1	0	1
Supervising Office Assistant	3	1	1	1	0	1
	11	10	8	8	0	8
010-3060 Public Works-Operations & Maintenance						
Administrative Aide I/II	1	1	1	1	0	1
Civil Engineer Assoc./Sr.	0	1	1	2	(1)	1
Deputy Public Works Dir/Ops & Maint	1	1	1	1	0	1
Eng Aide/Traffic Eng Aide/ Eng Tech I/II/Sr	4	3	3	3	(2)	1
Maintenance Repair Technician I/II	29	0	0	0	0	0
Office Assist I/II/ Office Spec/ Secretary	3	2	2	2	0	2
Program Manager III	1	1	0	0	0	0
Project Manager I/II/III	3	3	0	1	0	1
Public Works Equipment Training Officer	1	1	0	0	0	0
Public Works Heavy Equipment Operator	3	0	0	0	0	0
Public Works Supervisor	4	0	0	1	(1)	0
Sr Civil Engineer	1	0	0	0	1	1
Sr Facilities Maintenance Supervisor	0	0	1	0	0	0
Sr Maintenance Repair Technician	6	0	0	0	0	0
Sr Public Works Supervisor	1	0	0	0	1	1
Sr Public Works Supv Electrical-Traffic	1	1	1	1	(1)	0
Sr Traffic Signal Electrician	1	0	0	0	0	0
Traffic Signal Electrician/Trainee	7	0	0	0	0	0
	67	14	10	12	(3)	9
010-3070 Public Works-Parks & Street Trees						
Arborist	1	1	1	0	0	0
Office Assist I/II/ Office Spec/ Secretary	1	1	1	1	0	1
Park Equipment Operator	4	0	0	0	0	0
Parks Superintendent	1	1	1	1	0	1
Parks Supervisor	2	2	0	1	(1)	0
Parks Worker I/II/Aide	28	14	3	4	(4)	0
Project Manager I/II/III	0	0	0	1	0	1
Public Works Maintenance Worker I/II/Sr	0	0	0	0	4	4
Public Works Supervisor	0	0	0	1	(1)	0
Sr Facilities Maintenance Supervisor	0	0	0	0	1	1
Sr Parks Supervisor	2	1	1	0	1	1
Sr Parks Worker I/II	4	3	2	2	0	2
Sr Tree Surgeon	5	1	0	1	0	1
Tree Surgeon	3	4	2	4	(2)	2
Tree Worker	6	0	2	0	2	2
	57	28	13	16	0	16

PERSONNEL BY FUND - PUBLIC WORKS DEPARTMENT
2012-13 Proposed Budget

	<u>2008-09</u>	<u>2009-10</u>	<u>2010-11</u>	<u>FY 2011-12</u> <u>Adopted</u>	<u>Staffing</u> <u>Modifications</u>	<u>FY 2012-13</u> <u>Proposed</u>
010-3090 Public Works-Facilities Maintenance						
Craft Maintenance Worker I/II	7	7	7	6	0	6
Electrician I/II	2	2	2	2	0	2
Facilities Maint Worker I/II/ Facility Aide	7	5	5	5	(2)	3
Fleet & Facilities Manager	1	1	0	0	0	0
Heating, Ventilation and Air Mechanic	3	2	2	2	0	2
Office Assist I/II/ Office Spec/ Secretary	1	1	0	0	0	0
Program Manager III	0	0	1	1	0	1
Project Manager I/II/III	0	0	3	2	(1)	1
Public Works Safety Training Officer	0	0	1	1	0	1
Sr Electrician	1	1	1	1		1
Public Works/Sr Facilities Maint Supervisor	2	2	1	1		1
	24	21	23	21	(3)	18
020-0137 San Joaquin Area Flood Control Agency						
Administrative Analyst I/II/Sr/Principal	1	1	0	0	0	0
Deputy Public Works Director/City Engineer	0	0	0	0	1	1
Engineering Services Manager	1	1	1	1	(1)	0
Jr/Asst/Assoc Engineer/Traffic Engineer	2	2	1	1	0	1
Office Assist I/II/ Office Spec/ Secretary	0	1	1	1	0	1
Project Manager I/II/III	0	0	1	1	0	1
Sr Civil Engineer	0	0	1	1	0	1
	4	5	5	5	0	5
Total General Fund	163	78	59	62	(6)	56
			-64%	-62%		-66%
SPECIAL REVENUE FUNDS						
030-3020 STREET MAINTENANCE - Engineering						
Assistant City Traffic Engineer	1	1	1	1	0	1
City Traffic Engineer	1	1	1	1	0	1
Deputy Public Works Director/Engineering	1	0	1	1	0	1
Engineering Aide/Eng Technician I/II/Sr	2	1	1	1	1	2
Engineering Services Manager	2	2	2	2	0	2
Jr/Asst/Assoc Engineer/Traffic Engineer	12	11	12	11	0	11
Office Assist. I/II/ Office Spec/Secretary	2	0	0	0	0	0
Parks Facility Planner					1	1
Project Manager I/II/III (CIP-funded)	1	2	2	2	1	3
Public Works Inspector					2	2
Supv Public Works Inspector					1	1
Sr Civil Engineer	2	2	1	1	0	1
	24	20	21	20	6	26
030-3060 STREET MAINTENANCE - Operations and Maintenance						
Enginnering Aide/Technician I/II/Sr	0	0	0	0	2	2
Maintenance Repair Technician I/II	0	27	25	24	(3)	21
Public Works Heavy Equipment Operator	0	3	3	3	0	3
Public Works Maint Worker	0	0	0	0	1	1
Parks Supervisor	0	0	0	0	1	1
Public Works Supervisor	0	3	3	3	0	3
Sr Maintenance Repair Technician	0	4	6	6	0	6
Sr Traffic Signal Electrician	0	1	1	1	0	1
Traffic Signal Electrician/Trainee	0	7	7	7	0	7
	0	45	45	44	1	45
Total Gas Tax Fund	24	65	66	64	7	71

PERSONNEL BY FUND - PUBLIC WORKS DEPARTMENT
2012-13 Proposed Budget

	<u>2008-09</u>	<u>2009-10</u>	<u>2010-11</u>	<u>FY 2011-12</u> <u>Adopted</u>	<u>Staffing</u> <u>Modifications</u>	<u>FY 2012-13</u> <u>Proposed</u>
072-6900 MAINTENANCE ASSESSMENT DISTRICT						
Assessment District Maint Coordinator	0	1	1	1	0	1
Parks Supervisor	0	0	2	0	0	0
Parks Worker I/II/Aide	0	0	0	0	0	0
Project Manager I/II/III	1	1	1	1	0	1
	<u>1</u>	<u>2</u>	<u>4</u>	<u>2</u>	<u>0</u>	<u>2</u>
047-3080 SOLID WASTE & RECYCLING						
Office Assist I/II/ Office Spec/ Secretary	1	1	1	1	0	1
Program Manager I/II	1	1	1	1	(1)	0
Project Manager I/II/III	2	3	3	3	1	4
Solid Waste and Recycling Field Specialist	0	1	1	1	0	1
Solid Waste Manager	1	1	1	1	0	1
Sr Maintenance Repair Technician	1	2	2	2	0	2
	<u>6</u>	<u>9</u>	<u>9</u>	<u>9</u>	<u>0</u>	<u>9</u>
Total Special Revenue Funds	<u>31</u>	<u>76</u>	<u>79</u>	<u>75</u>	<u>7</u>	<u>82</u>
<u>INTERNAL SERVICE FUNDS</u>						
<u>FLEET</u>						
501-5021 Fleet-Administration						
Fleet Manager	1	1	1	1	0	1
Fleet Operations Coordinator	1	0	0	0	0	0
Office Assist I/II/ Office Spec/ Secretary	2	1	2	2	0	2
Project Manager I/II	0	1	1	1	0	1
Supervising Mechanic	0	0	0	0	1	1
	<u>4</u>	<u>3</u>	<u>4</u>	<u>4</u>	<u>1</u>	<u>5</u>
501-5023 Fleet-Equipment Maintenance						
Auto Painter/Repair Worker	1	1	1	1	0	1
Facilities Maint Worker I/II/ Facility Aide	2	2	2	2	0	2
Facilities Maint Worker III	1	1	1	1	0	1
Mechanic I/II/III	20	17	17	17	0	17
Supervising Mechanic	2	1	1	1	(1)	0
Welder/Fabricator Specialist	1	1	1	1	0	1
	<u>27</u>	<u>23</u>	<u>23</u>	<u>23</u>	<u>(1)</u>	<u>22</u>
Total Internal Service Funds	<u>31</u>	<u>26</u>	<u>27</u>	<u>27</u>	<u>0</u>	<u>27</u>
Total Public Works	<u>225</u>	<u>180</u>	<u>165</u>	<u>164</u>	<u>1</u>	<u>165</u>
% Change vs. 2008-09			-27%	-27%		-27%

PERSONNEL BY FUND - COMMUNITY SERVICES DEPARTMENT
2012-13 Proposed Budget

	<u>2008-09</u>	<u>2009-10</u>	<u>2010-11</u>	<u>FY 2011-12</u> <u>Adopted</u>	<u>Staffing</u> <u>Modifications</u>	<u>FY 2012-13</u> <u>Proposed</u>
GENERAL FUND						
010-3610/3643 Arts Commission						
Arts Commission Director	1	1	0	0	0	0
Total General Fund	1	1	0	0		0
SPECIAL REVENUE FUNDS						
Library						
041-3510 Administration						
Administrative Analyst I/II/Sr/Principal	1	1	1	1	0	1
Deputy Dir. of Comm. Svcs/City Librarian	1	1	1	1	0	1
Director of Library Services	1	0	0	0	0	0
Executive Assistant	1	1	0	0	0	0
Library Aide I/II	3	0	0	0	0	0
Library Driver/Clerk	2	1	1	1	0	1
Office Asst I/II/ Office Spec./ Secretary	7	4	2	2	1	3
Program Manager III	2	0	0	0	0	0
Sr Accounting Office Assistant	2	0	0	0	0	0
Sr Library Aide	1	0	0	0	0	0
	21	8	5	5	1	6
041-3530 Technical/Reader Services						
Librarian Trainee/I/II	3	1	2	2	1	3
Library Aide I/II	1	0	0	0	0	0
Library Assistant I/II	2	1	1	1	1	2
Library Division Manager	1	1	0	0	0	0
Office Asst I/II/ Office Spec./ Secretary	2	1	1	1	0	1
Sr Library Assistant	1	0	0	0	0	0
Supervising Librarian	1	1	1	1	0	1
	11	5	5	5	2	7
041-3550 City Branches						
Bookmobile Driver/Circulation Assistant	1	1	1	1	0	1
Circulation Assistant I/II	18	15	6	6	0	6
Librarian Trainee /I/II	20	16	7	7	0	7
Library Aide I/II	8	6	3	3	-1	2
Library Assistant I/II	16	13	7	7	-1	6
Library Division Manager	3	1	0	0	0	0
Office Asst I/II/ Office Spec./ Secretary	1	0	0	0	0	0
Supervising Librarian	6	4	1	1	0	1
	73	56	25	25	(2)	23
041-3540 County Branches						
Circulation Assistant I/II	0	0	6	6	0	6
Librarian Trainee/I/II	0	0	8	8	0	8
Library Aide I/II	0	0	1	1	0	1
Library Assistant I/II	0	0	6	6	0	6
Supervising Librarian	0	0	1	1	0	1
	0	0	22	22	0	22
Total Library Fund	105	69	57	57	1	58
% Change vs. 2008-09			-46%	-46%		-45%

PERSONNEL BY FUND - COMMUNITY SERVICES DEPARTMENT
2012-13 Proposed Budget

	<u>2008-09</u>	<u>2009-10</u>	<u>2010-11</u>	<u>FY 2011-12</u> <u>Adopted</u>	<u>Staffing</u> <u>Modifications</u>	<u>FY 2012-13</u> <u>Proposed</u>
Recreation						
044-3610 Recreation-Administration						
Administrative Aide I/II	1	1	0	0	0	0
Administrative Analyst I/II/Sr/Principal	1	0	0	0	0	0
Administrative Assistant/Sr	1	1	0	0	0	0
Community-Cultural Svcs Superintendent	1	1	0	0	0	0
Deputy Director of Community Services	1	0	1	1	0	1
Director of Community Services	0	1	1	1	0	1
Executive Assistant	1	0	1	1	0	1
Office Assistant I/II/ Office Specialist	3	2	3	5	-1	4
Parks and Recreation Director	1	0	0	0	0	0
Program Manager I/II	0	1	1	1	0	1
Recreation Program Coordinator	1	0	0	0	0	0
Recreation Superintendent	1	1	0	0	0	0
Supervising Office Assistant	1	1	0	0	0	0
	13	9	7	9	(1)	8
044-3623-46 Recreation Services						
Administrative Aide I/II	1	0	0	0	0	0
Administrative Analyst I/II/Sr/Principal	1	0	0	0	0	0
Craft Maintenance Worker I/II	1	0	0	0	0	0
Office Assistant I/II/ Office Specialist	2	2	2	0	0	0
Recreation Assistant I/II/Sr	14	12	12	12	-1	11
Recreation Program Coordinator	7	4	2	2	0	2
Recreation Supervisor	5	3	3	3	1	4
Sports Commission Director	1	1	1	0	0	0
	32	22	20	17	0	17
Total Recreation Fund	45	31	27	26	(1)	25
			-40%	-42%		-44%
<u>PUBLIC ART FUND</u>						
Public Art Manager	1	0	0	0	0	0
	1	0	0	0		0
Total Special Revenue Funds	151	100	84	83	0	83
<u>ENTERPRISE FUNDS</u>						
481-3650 GOLF COURSES						
Golf Manager	1	1	1	1	-1	0
Golf Professional	2	1	1	1	-1	0
	3	2	2	2	(2)	0
Total Community Services	155	103	86	85	(2)	83
			-45%	-45%		-46%

PERSONNEL BY FUND - COMMUNITY DEVELOPMENT DEPARTMENT
2012-13 Proposed Budget

	<u>2008-09</u>	<u>2009-10</u>	<u>2010-11</u>	<u>FY 2011-12</u> <u>Adopted</u>	<u>Staffing</u> <u>Modifications</u>	<u>FY 2012-13</u> <u>Proposed</u>
DEVELOPMENT SERVICES FUND						
048-1810 Development Services-Administration						
Administrative Analyst I/II/Sr/Principal	1	1	1	1	(1)	0
Community Development Director	1	1	1	1	0	1
Executive Assistant	1	1	1	1	0	1
Office Asst I/II/ Office Specialist/ Secretary	2	6	5	1	0	1
Planning Technician I/II	0	1	1	1	0	1
Program Manager II					1	1
Program Manager III	1	1	1	1	0	1
Revenue Assistant I/II	0	1	1	1	0	1
Sr Plan Technician	0	1	1	0	0	0
	6	13	12	7	0	7
048-1820 Development Services-Planning/ETP						
Assistant/Associate Planner	6	3	3	0	0	0
Assistant Landscape Architect (CIP funded)	1	0	0	0	0	0
Deputy Dir - Engineering & Transportation	0	1	1	1	0	1
Deputy Director - Planning	1	0	0	0	0	0
Eng Aide/Engineering Technician I/II/Sr	3	2	2	2	(1)	1
Engineering Services Manager	1	0	0	0	0	0
GIS Analyst I/II	1	0	0	0	0	0
Junior/Assistant/Associate Civil Engineer	10	1	2	2	0	2
Office Asst I/II/ Office Specialist/ Secretary	4	0	0	0	0	0
Park Facility Planner	1	1	1	1	(1)	0
Planning Manager	4	3	3	3	0	3
Planning Technician I/II	1	0	0	0	0	0
Program Manager I/II	1	0	0	0	0	0
Project Manager I/II/III	1	0	0	0	0	0
Public Works Inspector	5	2	2	2	(2)	0
Public Works Inspector	1	0	0	0	0	0
Sr Civil Engineer	1	1	0	0	0	0
Sr Plan Technician	1	0	0	0	0	0
Sr Planner	3	2	2	2	0	2
Supervising Office Assistant	1	0	0	0	0	0
Supervising Public Works Inspector	1	1	1	1	(1)	0
	48	17	17	14	(5)	9
048-1830 Development Services-Building						
Building Permit Technician	3	2	2	2	0	2
Combination Inspector I/II	11	5	5	5	1	6
Deputy Building Official	1	0	0	0	0	0
Deputy Director - Building	1	1	1	1	0	1
Office Asst I/II/ Office Specialist/ Secretary	3	0	0	0	0	0
Plan Check Engineer	3	1	1	1	0	1
Plan Checker I/II/Sr	6	3	2	2	0	2
Revenue Assistant I/II	1	0	0	0	0	0
Supervising Combination Inspector	3	3	2	2	(1)	1
Supervising Office Assistant	1	0	0	0	0	0
Supervising Plan Checker/Structural Engineer	1	0	0	0	0	0
	34	15	13	13	0	13
Total Community Development	88	45	42	34	(5)	29
% Change vs. 2008-09			-52%	-61%		-67%

PERSONNEL BY FUND - ECONOMIC DEVELOPMENT DEPARTMENT
2012-13 Proposed Budget

	<u>2008-09</u>	<u>2009-10</u>	<u>2010-11</u>	<u>FY 2011-12</u> <u>Adopted</u>	<u>Staffing</u> <u>Modifications</u>	<u>FY 2012-13</u> <u>Proposed</u>
<u>GENERAL FUND</u>						
010-1700 Economic Development						
Administrative Analyst I/II/Sr/Principal	1	0	0	0	0	0
Deputy Economic Development Director	1	1	1	1	(1)	0
Director of Economic Development	1	0	0	0	1	1
Economic Development Analyst I/II/Sr/Princ	1	0	0	0	2	2
Executive Assistant	1	0	0	0	0	0
Office Asst I/II/ Office Specialist/ Secretary	0	0	0	0	1	1
Program Manager I/II	0	0	1	1	0	1
Supervising Real Property Agent	0	0	0	0	1	1
Total General Fund	5	1	2	2	4	6
	% Change vs. 2008-09		-60%	-60%		20%
<u>SPECIAL REVENUE FUND</u>						
052-8120 Housing - Community Development Block Grant						
Administrative Analyst I/II/Sr	2	2	2	1	0	1
Assistant/Associate Planner	0	0	1	0	0	0
Deputy Housing Director	1	1	1	1	(1)	0
Executive Assistant	1	1	1	1	0	1
Housing Director	1	0	0	0	0	0
Housing Financial Advisor I/II/Sr	2	2	2	2	0	2
Housing Rehabilitation Counselor I/II/Sr	1	1	1	2	(2)	0
Office Asst I/II/ Office Specialist/ Secretary	2	2	2	0	1	1
Program Manager I/II	1	1	0	1	(1)	0
Program Manager III	2	2	1	1	0	1
Project Manager I/II/III	0	0	0	0	1	1
	13	12	11	9	(2)	7
	% Change vs. 2008-09		-15%	-31%		-46%
<u>CAPITAL PROJECTS FUND</u>						
330-7310 Redevelopment Agency (RDA)						
Administrative Analyst I/II/Sr/Principal	3	2	2	1	(1)	0
Assistant/Associate Planner	2	2	0	0	0	0
Deputy Redevelopment Director	1	1	0	0	0	0
Director of Economic Development	0	1	1	1	(1)	0
Office Asst I/II/ Office Specialist/ Secretary	3	2	2	1	(1)	0
Program Manager I/II	1	1	1	0	1	1
Program Manager III	6	5	1	1	(1)	0
Project Manager I/II/III	1	1	1	0	0	0
Public Works Inspector	1	1	0	0	0	0
Real Property Agent I/II/Sr	3	3	1	1	0	1
Redevelopment Director	1	0	0	0	0	0
Sr GIS Specialist	1	0	0	0	0	0
Supervising Real Property Agent	1	1	1	1	(1)	0
	24	20	10	6	(4)	2
	% Change vs. 2008-09		-58%	-75%		-92%
<u>ENTERPRISE FUND</u>						
416-4020 Central Parking District						
Office Asst I/II/ Office Specialist/ Secretary	1	1	1	1	0	1
Parking District Supervisor	1	1	1	1	0	1
Supervising Parking Attendant	1	1	1	1	0	1
	3	3	3	3	0	3
Total Special Revenue Funds	40	35	24	18	(6)	12
Total Economic Development Department	45	36	26	20	(2)	18
	% Change vs. 2008-09		-42%	-56%		-60%

PERSONNEL BY FUND - MUNICIPAL UTILITIES DEPARTMENT
2012-13 Proposed Budget

	<u>2008-09</u>	<u>2009-10</u>	<u>2010-11</u>	<u>FY 2011-12</u> <u>Adopted</u>	<u>Staffing</u> <u>Modifications</u>	<u>FY 2012-13</u> <u>Proposed</u>
<u>WATER FUND</u>						
421-4210 Water Administration						
Deputy Director Water & Collection Systems	1	0	0	0	0	0
Civil Engineer Jr./Asst./Assoc.	1	1	1	1	0	1
Deputy Director Water Resource Planning	1	1	0	1	0	1
Sr. Civil Engineer	1	1	1	1	0	1
Office Asst I/II/ Office Specialist/ Secretary	2	2	2	2	(1)	1
Program Manager I/II	1	2	1	0	0	0
Program Manager III	1	0	1	1	0	1
Project Manager I/II	0	0	0	0	1	1
Public Works Inspector	1	1	1	1	(1)	0
	9	8	7	7	(1)	6
421-4223 Hydrant Maintenance						
Hydrant Worker/Sr	2	2	2	2	0	2
	2	2	2	2	0	2
421-4231 Water Distribution						
Electrical Technician I/II	1	1	1	1	0	1
Office Asst I/II/ Office Specialist/ Secretary	1	1	1	1	1	2
Sr Plant Maintenance Supervisor	0	0	1	1	(1)	0
Water Field Technician	5	5	5	5	0	5
Water Operations Supervisor	1	1	1	1	0	1
Water Systems Operator I/II/Sr	22	22	22	22	0	22
Water/Sewer Equipment Operator	0	0	1	1	0	1
	30	30	32	32	0	32
421-4234 Water Operations & Maintenance (DWSP)						
Chief Plant Operator	0	0	0	0	1	1
Electrical Technician I/II	0	0	0	0	1	1
Sr Plant Maintenance Mechanic	0	0	0	0	1	1
Plant Operator I/II/Sr	0	0	0	0	7	7
	0	0	0	0	10	10
Total Water	41	40	41	41	9	50
		% Change vs. 2008-09				
			0%	0%		22%
<u>WASTEWATER FUND</u>						
431-4311 Wastewater Policy, Planning, Management						
Administrative Analyst I/II/Sr/Principal	1	0	0	0	0	0
Buyer I/II/Sr	1	1	1	1	0	1
Deputy Director Maintenance & Collections	0	1	1	1	0	1
Deputy Director Wastewater	1	1	1	1	0	1
Deputy Director Water Resource Planning	0	0	1	1	(1)	0
Director of Municipal Utilities	1	1	1	1	0	1
Assistant MUD Director	0	0	1	1	0	1
Executive Assistant	1	1	1	1	0	1
Materials Specialist	1	2	2	2	0	2
Occup Health & Safety Compliance Officer	1	1	1	1	0	1
Office Asst I/II/Sr. Office Specialist/ Secretary	3	4	3	3	1	4
Program Manager I/II/III	0	2	2	2	0	2
Program Manager III	1	0	0	0	1	1
Regulatory Compliance Officer	1	1	1	1	0	1
SCADA/CMMS Manager	0	0	1	1	0	1
Supervising Office Assistant	1	0	0	0	0	0
Technology Support Specialist I/II	1	1	1	1	0	1
	14	16	18	18	1	19

PERSONNEL BY FUND - MUNICIPAL UTILITIES DEPARTMENT
2012-13 Proposed Budget

	<u>2008-09</u>	<u>2009-10</u>	<u>2010-11</u>	<u>FY 2011-12</u> <u>Adopted</u>	<u>Staffing</u> <u>Modifications</u>	<u>FY 2012-13</u> <u>Proposed</u>
431-4312 Engineering CIP						
SCADA/CMMS Manager	0	1	0	0	0	0
Engineering Aide/ Tech I/II/Sr	1	0	0	0	0	0
Engineering Manager	1	1	0	0	1	1
GIS Specialist I/II	1	1	1	1	0	1
Junior/Assistant/Associate Civil Engineer	5	6	6	6	0	6
Office Asst I/II/ Office Specialist/ Secretary	2	1	1	1	1	2
Public Works Inspector	1	2	2	2	0	2
Sr Civil Engineer	2	3	3	3	(2)	1
Principal Civil Engineer	0	0	0	0	1	1
Sr Office Assistant	0	1	1	1	(1)	0
Sr Plant Maintenance Supervisor	0	1	0	0	0	0
	13	17	14	14	0	14
431-4331 Operations						
Chief Plant Operator	0	0	0	0	1	1
Office Asst I/II/ Office Specialist/ Secretary	0	0	1	1	0	1
Plant Operator I/II/Sr	26	26	26	26	0	26
Plant Operations Supervisor	0	2	2	2	0	2
Sr Plant Operations Supervisor	1	1	1	1	(1)	0
	27	29	30	30	0	30
431-4331 Maintenance						
Electrical Technician I/II	4	4	4	4	(1)	3
Office Asst I/II/ Office Specialist/ Secretary	1	1	1	1	(1)	0
Plant Maintenance Machinist	1	1	1	1	0	1
Plant Maintenance Mechanic	13	15	16	16	(8)	8
Plant Maintenance Worker I/II	4	8	8	8	(3)	5
Plant Maintenance Supervisor	0	2	2	2	(1)	1
Sr Plant Maintenance Mechanic	4	5	4	4	(1)	3
Sr Plant Maintenance Supervisor	1	1	1	1	(1)	0
	28	37	37	37	(16)	21
431-4332 Sanitary Sewers/Collections						
Collection Systems Operator I/II/Sr	23	23	32	32	0	32
Collection Systems Supervisor	1	1	2	2	0	2
Office Asst I/II/ Office Specialist/ Secretary	1	0	1	1	0	1
Water/Sewer Equipment Operator	2	2	2	2	0	2
	27	26	37	37	0	37
431-4333 Sanitary Pump Stations						
Electrical Technician I/II					1	1
Office Asst I/II/ Office Specialist/ Secretary					1	1
Plant Maintenance Mechanic					9	9
Plant Maintenance Worker I/II					2	2
Plant Maintenance Supervisor					1	1
Sr Plant Maintenance Mechanic					1	1
Sr Plant Maintenance Supervisor					1	1
	0	0	0	0	16	16
431-4341 Environmental Control						
Environmental Control Officer	2	4	4	4	0	4
Office Asst I/II/ Office Specialist/ Secretary	0	0	1	1	0	1
Sr Environmental Control Officer	1	1	1	1	0	1
Technical Services Supervisor	1	1	1	1	0	1
	4	6	7	7	0	7
Total Wastewater	113	131	143	143	1	144
% Change vs. 2008-09	10		27%	27%		27%

PERSONNEL BY FUND - MUNICIPAL UTILITIES DEPARTMENT
2012-13 Proposed Budget

	<u>2008-09</u>	<u>2009-10</u>	<u>2010-11</u>	<u>FY 2011-12</u> <u>Adopted</u>	<u>Staffing</u> <u>Modifications</u>	<u>FY 2012-13</u> <u>Proposed</u>
<u>STORMWATER FUND</u>						
441-4410 Stormwater-Policy, Planning, Management						
Office Asst I/II/ Office Specialist/ Secretary	0	1	1	1	0	1
Program Manager I/II	1	1	1	1	0	1
Program Manager III	1	1	1	1	0	1
Public Works Inspector	1	1	1	1	0	1
Stormwater Outreach Coordinator	1	1	0	0	0	0
	<u>4</u>	<u>5</u>	<u>4</u>	<u>4</u>	<u>0</u>	<u>4</u>
441-4431 Stormwater Collections						
Collections Systems Operator I/II/Sr	3	4	2	3	0	3
	<u>3</u>	<u>4</u>	<u>2</u>	<u>3</u>	<u>0</u>	<u>3</u>
Total Stormwater	<u>7</u>	<u>9</u>	<u>6</u>	<u>7</u>	<u>0</u>	<u>7</u>
% Change vs. 2008-09			-14%	0%		0%
<u>LABORATORY</u>						
Chemist	2	2	2	2	0	2
Laboratory Technician	3	3	3	3	0	3
Laboratory Supervisor	1	1	1	1	0	1
Microbiologist	1	1	1	1	0	1
	<u>7</u>	<u>7</u>	<u>7</u>	<u>7</u>	<u>0</u>	<u>7</u>
Total Municipal Utilities	<u>168</u>	<u>187</u>	<u>197</u>	<u>198</u>	<u>10</u>	<u>208</u>
% Change vs. 2008-09			17%	18%		24%

PERSONNEL BY FUND - ADMINISTRATIVE AND SUPPORT DEPARTMENTS
2012-13 Proposed Budget

	<u>2008-09</u>	<u>2009-10</u>	<u>2010-11</u>	<u>FY 2011-12</u> <u>Adopted</u>	<u>Staffing</u> <u>Modifications</u>	<u>FY 2012-13</u> <u>Proposed</u>
CITY COUNCIL						
Admin Aide I/II	1	0	0	0	0	0
Councilmember	6	6	6	6	0	6
Executive Assistant to the Mayor	1	1	1	1	0	1
Mayor	1	1	1	1	0	1
	9	8	8	8	0	8
CITY MANAGER						
Administrative Aide I/II	3	3	3	3	0	3
Assistant to the City Manager	1	1	1	1	0	1
City Manager	1	1	1	1	0	1
Community Relations Officer	0	1	0	0	0	0
Deputy City Manager I/II	3	2	2	2	0	2
Executive Assistant to City Manager	1	1	1	1	0	1
Office Asst I/II/ Office Specialist/ Secretary	2	1	1	0	0	0
Program Manager III	6	3	2	2	0	2
Supervising Office Assistant	1	0	0	0	0	0
	18	13	11	10	0	10
CITY ATTORNEY						
Assistant City Attorney	2	1	1	1	0	1
City Attorney	1	1	1	1	0	1
Deputy City Attorney	6	6	6	6	0	6
Executive Assistant (Legal)	1	0	0	0	0	0
Executive Assistant to City Attorney	1	1	1	1	0	1
Legal Secretary I/II	3	2	1	2	0	2
Liability Claims Investigator I/II	1	1	1	0	0	0
Office Asst I/II/ Office Specialist/ Secretary	2	2	2	0	0	0
	17	14	13	11	0	11
CITY AUDITOR						
Admin Analyst I/II/Sr	0	0	0	1	0	1
Assistant City Auditor	1	1	1	1	0	1
Audit Assistant I/II	1	0	0	0	0	0
City Auditor	1	1	1	1	0	1
Deputy City Auditor I/II/Sr	4	2	2	1	0	1
	7	4	4	4	0	4
CITY CLERK						
Assistant City Clerk I/II	1	1	1	1	0	1
City Clerk	1	1	1	1	0	1
Office Specialist	2	0	0	1	0	1
Records Research Specialist	2	2	1	1	0	1
Sr Deputy City Clerk	1	1	1	1	0	1
Supervising Deputy City Clerk	1	1	1	1	0	1
	8	6	5	6	0	6
NON-DEPARTMENTAL						
Administrative Aide I/II	2	2	2	2	0	2
Program Manager III	1	1	1	1	0	1
Public Information Officer I/II	1	1	1	1	0	1
	4	4	4	4	0	4
OPERATION PEACEKEEPER PROGRAM						
010-0138 Youth Outreach Coordinator	1	1	1	1	0	1
010-0138 Youth Outreach Worker	5	5	5	5	0	5
	6	6	6	6	0	6
Total Non-Departmental	10	10	10	10	0	10

PERSONNEL BY FUND - ADMINISTRATIVE AND SUPPORT DEPARTMENTS
2012-13 Proposed Budget

	<u>2008-09</u>	<u>2009-10</u>	<u>2010-11</u>	<u>FY 2011-12</u> <u>Adopted</u>	<u>Staffing</u> <u>Modifications</u>	<u>FY 2012-13</u> <u>Proposed</u>
HUMAN RESOURCES						
<u>GENERAL FUND</u>						
010-1610 Human Resources-Recruitment & Workforce Planning						
Deputy Director of Human Resources	1	1	0	0	0	0
Human Resources Analyst I/II/Sr	5	4	3	3	(1)	2
Human Resources Asst I/II /Specialist	4	4	3	3	(2)	1
Human Resources Technician	1	1	1	1	(1)	0
Supervising Human Resource Analyst	1	1	1	1	0	1
	<u>12</u>	<u>11</u>	<u>8</u>	<u>8</u>	<u>(4)</u>	<u>4</u>
010-1620, 1621 Human Resources - Administration & Employee Relations						
Administrative Aide I/II	1	1	1	1	0	1
Assistant Director of Human Resources	1	1	1	1	0	1
Deputy Director of Human Resources	0	0	1	0	0	0
Director of Human Resources	1	1	1	1	0	1
Executive Assistant (Confidential)	1	1	1	1	0	1
Human Resources Analyst I/II/Sr	1	1	1	1	1	2
Human Resources Asst I/II /Specialist	1	1	1	1	1	2
Human Resources Program Assistant	0	0	0	0	1	1
Human Resources Technician	0	0	0	0	1	1
Human Resources Manager	1	1	0	0	0	0
Supervising Human Resource Analyst	1	0	0	0	1	1
	<u>8</u>	<u>7</u>	<u>7</u>	<u>6</u>	<u>5</u>	<u>11</u>
Total General Fund-Human Resources	20	18	15	14	1	15
% Change vs. 2008-09			(0)	(0)		(0)
<u>INTERNAL SERVICE FUNDS</u>						
551-5600 WORKERS' COMPENSATION						
Human Resources Asst I/II /Specialist	1	1	2	1	(1)	0
Human Resources Program Assistant	0	1	1	1	0	1
Human Resources Technician	2	2	1	1	(1)	0
Workers' Comp/Safety Coordinator	1	0	0	0	0	0
	<u>4</u>	<u>4</u>	<u>4</u>	<u>3</u>	<u>(2)</u>	<u>1</u>
552-5510 HEALTH BENEFITS						
Benefits Analyst	1	1	1	1	0	1
Deputy Director of Human Resources	0	0	0	0	1	1
Human Resources Asst I/II /Specialist	1	1	0	1	0	1
Human Resources Program Manager	1	1	1	1	(1)	0
Human Resources Technician	0	1	2	2	0	2
Supervising Human Resources Analyst	0	0	0	0	1	1
	<u>3</u>	<u>4</u>	<u>4</u>	<u>5</u>	<u>1</u>	<u>6</u>
541-5700 GENERAL LIABILITY INSURANCE						
Human Resources Program Assistant	0	0	0	0	1	1
Human Resources Manager	0	0	0	0	1	1
Liability Claims Investigator I/II	1	1	0	1	0	1
Claims Analyst I	0	0	1	1	0	1
Risk/Loss Control Specialist	0	0	2	2	(1)	1
Risk/Loss Control Analyst	1	1	0	1	(1)	0
Risk Manager	1	1	1	1	(1)	0
	<u>3</u>	<u>3</u>	<u>4</u>	<u>6</u>	<u>(1)</u>	<u>5</u>
Total Internal Service Funds	10	11	12	14	(2)	12
Total Human Resources	30	29	27	28	(1)	27
% Change vs. 2008-09			(0)	(0)		(0)

PERSONNEL BY FUND - ADMINISTRATIVE AND SUPPORT DEPARTMENTS
2012-13 Proposed Budget

	<u>2008-09</u>	<u>2009-10</u>	<u>2010-11</u>	<u>FY 2011-12</u> <u>Adopted</u>	<u>Staffing</u> <u>Modifications</u>	<u>FY 2012-13</u> <u>Proposed</u>
ADMINISTRATIVE SERVICES DEPARTMENT						
<u>GENERAL FUND</u>						
010-1310 Administration						
Accountant I/II/Sr	0	0	1	1	(1)	0
Administrative Analyst I/II/Sr/Principal	2	1	0	0	0	0
Assistant Director of Financial Mgmt	1	1	0	0	1	1
Auditor/Internal Auditor I/II/Sr	2	0	0	0	0	0
Chief Financial Officer	1	1	1	1	0	1
Executive Assistant	1	1	0	0	1	1
Finance Officer	1	1	1	1	(1)	0
Office Asst I/II/ Office Specialist/ Secretary	0	0	3	3	(2)	1
Program Manager I/II	0	1	0	1	(1)	0
Program Manager III	0	0	1	1		1
	8	6	7	8	(3)	5
010-1320 Financial Services						
Accounting Office Assistant I/II/Sr	6	0	0	0	0	0
Accountant I/II/Sr	6	5	6	6	1	7
Accounting Manager	1	1	0	1	0	1
Audit Assistant I/II	1	0	0	0	0	0
Deferred Compensation Specialist	1	0	0	0	0	0
Finance Assistant I/II/Sr	0	5	6	6	1	7
Financial Services Supervisor	0	1	1	1	0	1
Program Manager I/II	0	0	1	1	0	1
Program Manager III	0	0	1	0	0	0
Supervising Accountant	1	1	0	0	0	0
Supervising Accounting Office Assistant	1	0	0	0	0	0
	17	13	15	15	2	17
010-1322 Budget						
Budget Officer	1	1	1	1	0	1
Program Manager I/II	0	1	2	2	1	3
Administrative Analyst I/II/Sr/Principal	2	1	1	1	(1)	0
	3	3	4	4	0	4
010-1331 Treasury						
Office Asst I/II/ Office Specialist/ Secretary	0	1	1	1	0	1
Revenue Assistant I/II/Sr	8	5	9	9	0	9
Revenue Collector	3	1	2	2	0	2
Revenue Officer	1	1	0	0	1	1
Supervising Revenue Assistant	1	1	1	1	0	1
	13	9	13	13	1	14
010-1340 Purchasing						
Buyer I/II/Sr	3	2	2	2	0	2
Materials Specialist	3	1	0	1	0	1
Materials Supervisor	1	0	0	0	0	0
Office Asst I/II/ Office Specialist/ Secretary	1	0	0	0	0	0
Purchasing Agent	1	1	1	1	0	1
	9	4	3	4	0	4
010-1350 Utility Billing/Customer Service						
Customer Service Assistant	2	2	2	2	0	2
Revenue Assistant I/II/Sr	7	8	9	9	0	9
Revenue Collector	3	3	3	3	0	3
Supervising Revenue Assistant	1	1	1	1	0	1
	13	14	15	15	0	15
Total General Fund	63	49	57	59	0	59
% Change vs. 2008-09			(0)	(0)		(0)

PERSONNEL BY FUND - ADMINISTRATIVE AND SUPPORT DEPARTMENTS
2012-13 Proposed Budget

	<u>2008-09</u>	<u>2009-10</u>	<u>2010-11</u>	<u>FY 2011-12</u> <u>Adopted</u>	<u>Staffing</u> <u>Modifications</u>	<u>FY 2012-13</u> <u>Proposed</u>
INTERNAL SERVICE FUNDS						
502-5100 Information Technology						
Assistant/Deputy IT Director	1	1	1	1	(1)	0
Director of IT	1	0	0	0	0	0
Executive Assistant	1	0	0	0	0	0
GIS Analyst I/II/Sr	3	3	3	2	1	3
GIS Specialist I/II/Sr	1	3	3	1	(1)	0
GIS Supervisor	1	1	1	1	0	1
Network Support Analyst I/II/Sr	6	4	4	4	0	4
Network Support Services Supervisor	1	1	1	1	0	1
Office Asst I/II/ Office Specialist/ Secretary	3	2	2	2	0	2
Program Manager I/II	1	1	1	1	0	1
Sr GIS Specialist	2	0	0	0	0	0
Systems Analyst I/II/Sr	10	9	10	10	(1)	9
Technology Officer	0	0	0	0	1	1
Technology Project Coordinator	2	1	1	1	0	1
Technology Support Specialist I/II	15	11	9	9	1	10
Technology Systems Supervisor	4	3	3	3	0	3
	52	40	39	36	0	36
502-5400 Document Services						
Reprographics/Mailroom Supervisor	1	1	1	1	0	1
Reprographics/Mailroom Technician I/II	3	2	2	1	0	1
	4	3	3	2	0	2
503-5200 Radio						
Technology Project Coordinator	0	0	1	1	(1)	0
Technology Support Specialist I/II	1	1	1	1	0	1
Project Manager I/II	1	1	0	0	1	1
	2	2	2	2	0	2
504-5300 Telecommunications						
Technology Support Specialist I/II	0	1	1	1	0	1
Telecommunications Coordinator	1	0	0	0	0	0
	1	1	1	1	0	1
Total Internal Service Funds	59	46	45	41	0	41
Total Administrative Services	122	95	102	100	0	100
% Change vs. 2008-09			-16%	-18%		-18%
Total Administration and Support	221	179	180	177	(1)	176
% Change vs. 2008-09			-19%	-20%		-20%
City-wide Total	1,886	1,584	1,493	1,412	21	1,433

PERSONNEL BY FUND - ADMINISTRATIVE AND SUPPORT DEPARTMENTS
2012-13 Proposed Budget

Endnotes

- (A) Grant funded positions are authorized to be added as grant funding requires; positions are 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 fill additional Library positions if funding is provided for additional Library Services by the County, other cities, and other organizations
- (C) The City Manager is authorized to fill additional Measure W Police and Fire positions if additional Measure W revenue is available.
- (D) When retirements 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.
- (E) The City Manager is authorized to fill Police Officers as Trainees or Officers, and with recommendation of the Human Resources Director, reclassify trainees as Police Officers.
- (F) 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.
- (I) Fire Captains and Firefighters in Fire Prevention may be designated Deputy Fire Marshals.
- (K) All unfunded positions have been eliminated from the Fiscal Year 2012-13 Budget Personnel Listing.
- (L) Grouping of job classifications does not indicate a "deep classification" or other form of alternative staffing.