

Operations and Maintenance Budget

Fiscal Year 2022-23

DRAFT





CITY COUNCIL

Mayor

Chris Rogers

Vice Mayor

Eddie Alvarez

Council Members

Victoria Fleming

Dianna MacDonald

Natalie Rogers

John Sawyer

Tom Schwedhelm

City Manager

Maraskeshia Smith

City Attorney

Sue Gallagher

This page intentionally left blank



Budget Document Producers

Budget Team

Veronica Conner	Budget & Financial Analysis Manager
Mike Frugoli	Financial Analyst
Tricia Mason	Financial Analyst
Jose Morales	Financial Analyst
Scott Wagner	Financial Analyst

Other Contributors

Alan Alton	Chief Financial Officer
------------	-------------------------

Technical Advisor

Brian Tickner	IT Manager
Shawn Moore	Programmer Analyst

Department Budget Coordinators

City Attorney's Office

Kathryn Marko

City Council/City Manager's Office

Elizabeth Licursi

Communications & Intergovernmental Relations

Alexa Popplewell

Finance

Lisa Gebhart-Longhurst

Fire

Scott Westrope

Housing & Community Services

Kate Goldfine

Human Resources

Dominique Blanquie/Jeremia Mills

Information Technology

Brian Tickner

Planning & Economic Development

Kate Goldfine

Police

Pam Lorence

Recreation & Community Engagement

Jason Parrish

Santa Rosa Water

Kimberly Zunino

Transportation & Public Works

Renee Young



GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished
Budget Presentation
Award*

PRESENTED TO

**City of Santa Rosa
California**

For the Fiscal Year Beginning

July 01, 2021

Christopher P. Morill

Executive Director

Table of Contents

TRANSMITTAL & BUDGET OVERVIEW

- 1 City Manager's Budget Transmittal Letter
- 5 Guide to the Document
- 9 Budget Overview
- 15 Capital Improvement Program
- 19 City Council Goals
- 21 Measure O Overview
- 25 Budget Process and Calendar

CITY & ORGANIZATION OVERVIEW

- 27 Organizational Values
- 28 City of Santa Rosa Organizational Chart
- 29 City at a Glance
- 31 City Profile and Demographics

SUMMARY FINANCIAL INFORMATION

- 33 All City Funds Schedule
- 35 Enterprise Funds Schedule
- 37 Internal Services Funds Schedule
- 39 Fund Use by Department
- 41 City Revenues
- 45 Multi-Year Revenue Summary
- 46 Multi-Year Expenditure Summary
- 47 City Debt
- 49 FTE Staffing Summary
- 53 Long Range Financial Forecast

DEPARTMENTS

- 57 City Attorney's Office
- 63 City Council
- 69 City Manager's Office
- 77 Communications & Intergovernmental Relations
- 81 Finance
- 89 Fire
- 97 Housing & Community Services
- 101 Housing Authority
- 107 Human Resources
- 113 Information Technology
- 119 Non-Departmental
- 123 Planning & Economic Development
- 131 Police
- 137 Recreation & Community Engagement
- 145 Santa Rosa Water
- 155 Successor Agency to the Redevelopment Agency
- 157 Transportation & Public Works

APPENDIX

- 169 Policies
- 175 Gann (Appropriation) Limit
- 177 Budget Resolutions
- 193 Glossary

This page intentionally left blank



July 1, 2022

To: Mayor Rogers, the City Council, and the Residents of Santa Rosa

I am pleased to submit the Fiscal Year (FY) 2022-23 Operations and Maintenance Budget for the City of Santa Rosa. Over the past several years, the City has dealt with several disasters, and is poised to emerge from the COVID-19 pandemic. The emphasis of this budget is a return to basics by focusing on core services like health and safety, replacing aging infrastructure, reducing crime, maintaining overgrown weeds and vegetation, protecting our watershed, maintaining streets, and much more. This budget also invests in City staff by restoring cuts to training and other basic operational funding reduced in recent budgets. And while potential emergencies or disasters have become more of a normal occurrence in the region, City staff will focus on being proactive in addressing these issues going forward.

During FY 2021-22, the Council adopted spending plans for American Rescue Plan Act (ARPA) funding, of which the City's allocation was \$34.6 million, and finalized spending plans for the remainder of the \$95 million of PG&E settlement funds resulting from the 2017 Tubbs Fire. These funds will be used to provide services to underserved communities in the City, assist with the continued rebuilding effort in areas still impacted by the Tubbs Fire, provide for wildfire resiliency in the City's Wildland Urban Interface, and provide for fiscal stability for the General Fund.

FY 2022-23 Budget Summary

The City's total proposed budget for FY 2022-23, including Operations and Capital Improvement Program (CIP) is \$478.8 million, which represents a \$3.9 million, or 0.8 percent, increase over the prior year adopted budget. The total operating budget, net of CIP budget, is \$410.4 million, which represents a \$26.8 million, or 7.0% increase. The increase in operational budget is due primarily to Memorandum of Understanding (MOU) increases that were agreed to in FY 2021-22. The CIP budget is \$68.4 million, which represents a \$22.9 million, or 25.1% decrease over the prior year. This is due to one-time appropriations in FY 2021-22 of approximately \$30 million for the Ultraviolet (UV) disinfection project at the Laguna Treatment Plant.

The City's General Fund expenditures increased by \$7.8 million, or 4.2%, a total of \$190.3 million. This increase is primarily due to MOU increases to salaries and increases in the City's cost of CalPERS unaccrued liability. While the City's General Fund expenditures increased year over year, they are offset by increases in revenue estimates, resulting in a balanced budget for FY 2022-23.

As the City rebounds from the COVID-19 pandemic, many of the General Fund revenue sources that were affected by the pandemic have recovered. As such, the City increased revenue estimates for FY 2021-22 in February and built estimates off that trendline for FY 2022-23. The balanced General Fund budget reflects lower transfers out of the General Fund due to ARPA funding for some projects.

Santa Rosa implemented fiscal strategies to address the City's long-term pension obligations and to provide more transparency and predictability of Fire Department large capital equipment replacement. These addressed Council Goals for Fiscal Stability. In May 2022, the City Council approved the

City Manager's Budget Transmittal

establishment of a Section 115 Trust to pre-fund the City's CalPERS UAL pension obligations. The City established the Trust with an account for General Fund pension obligations, and a separate account for Water Department pension obligations. The City made an initial deposit of \$10 million of General Fund fiscal stability reserve funds set aside from the City's PG&E settlement, and \$4.4 million from the Water Department enterprise reserves. Beginning in FY 2024-25, the City will retire the debt service on its existing Pension Obligation Bonds and redirect those General Fund and Water Fund debt service payments to the Section 115 Trust. This will provide an annual contribution to the Trust with no negative impact to budget.

Prior to this year, the City did not budget Fire Department large capital equipment, i.e., fire engines, fire trucks and other apparatus, in the City's Equipment Replacement Fund. Instead, when one of those assets would come to the end of its useful life, the City would request funds to purchase a replacement asset from the City's General Fund. This process resulted in an incomplete representation of the Fire Department budget on an ongoing basis and made it difficult to plan for the use of General Fund expenditures.

To fix this process, the City transferred \$2.7 million from the General Fund fiscal stability reserve funds to the City's Equipment Replacement Fund. This amount was sufficient to bring all Fire Department large capital equipment into the Fund and updated replacement cost. Beginning in FY 2023-24, the annual equipment replacement cost will be included in the Fire Department budget.

City Council Goals

The City Council met on February 24, 2022 to develop their goals and priorities for the upcoming year. The City Council's Mission statement *"To provide high quality public services and cultivate a vibrant, resilient, and livable City"* and the Vision statement: *"Santa Rosa – Leading the North Bay."*

City Council Goals For FY 2022/23

Goal	
Deliver housing for all	Pursue housing options for residents of all income levels.
Reduce homelessness and its impacts	Partner with key stakeholders to offer housing and support service to the unsheltered and address the e issues and causes of homelessness.
Ensure a healthy and safe community for all	Ensure the public's safety by engaging residents and using a broad range of proactive approaches.
Promote economic and community vibrancy	Sustain and develop a diverse and thriving economy that benefits Santa Rosa residents and businesses and contributes to the community's economic health.
Build and maintain sustainable infrastructure	Invest in and maintain infrastructure that supports environmental sustainability and supports a vibrant City.
Achieve organizational excellence	Create a high-performing organization that is proactive; fiscally sound; promotes diversity, equity, and inclusion; and reliably delivers outstanding services to the community.

City Manager's Budget Transmittal

Budget Process

The Finance Department maintains a Long-Range Financial Forecast (LRFF) for the General Fund. The LRFF is a planning tool for forecasting ongoing General Fund revenues and expenditures. Staff analyzes at least five years of revenue and expenditure trends and known future impacts to develop assumptions that drive the LRFF estimates. Budget staff updates the LRFF at the beginning of the budget process in January, and when the budget is adopted.

City departments are given Guidelines for preparing their budgets in January. These Guidelines factor in the current condition of the General Fund and the strength of the local economy, providing direction for development of operating budgets. The City Council meets to establish goals and priorities in February. Departments develop budget to meet basic services to the community, and to advance the goals and priorities developed by the City Council during the Goal Setting process. In addition, the City holds a public hearing at the beginning of the budget cycle to solicit public input on budget priorities.

Budget Document Structure

Following the Transmittal Letter is the Guide to the Budget Document, then the Budget Overview which highlights key elements of the budget. Further sections provide information on the Capital Improvement Program, City Council Goals, Measure O, and a Budget Process explanation and calendar. There are sections with general City and organizational information, summary financial information, and a review of the City's Long Range Financial Forecast. Departmental sections include the department's mission and outlines initiatives for the coming fiscal year and accomplishments from the prior year, emphasizing activities that fulfill City Council goals.

Acknowledgements

Facilitation of the budget process and the development of a budget document is a major undertaking. I would like to express my gratitude and appreciation to all departments, departmental budget coordinators, and the City Council for their efforts, support, and deliberation during the budget process. Lastly, I would like to extend a special thanks to the City's Chief Financial Officer, Alan Alton, and the Budget and Financial Planning team in the Finance Department: Veronica Conner, Scott Wagner, Mike Frugoli, Tricia Mason, and Jose Morales. Collectively they provide tremendous resource and expertise coordinating the citywide efforts on budget and capital plan development, forecast updates, and document production. I also congratulate this team on receiving the Government Finance Officer's Distinguished Budget Presentation Award for the 2021-22 Fiscal Year Budget.

Conclusion

The FY 2022-23 is reflective of the goal of developing a fiscally responsible budget, that while balanced, provides a significant investment in City staff development. Staff will continue to monitor budget forecasts, work with the Long-Term Financial Planning and Audit Subcommittee to report budget performance and strategies for solving financial issues affecting the General Fund and other funds. This includes monitoring local economic conditions and reporting out on evidence that points toward an economic downturn.

There are challenges to be faced in the years ahead. The City was able to establish many programs in the community with ARPA and other one-time funding opportunities; however, it is unclear if any of those programs, should they prove successful, will become a long-term liability to the General Fund. The City has a sizeable amount of deferred infrastructure, including facilities, storm drains, and roads. Staff will be looking for creative solutions to meet those infrastructure needs.

City Manager's Budget Transmittal

Most all labor groups entered into agreements that will expire on June 30, 2024. Part of the agreements negotiated for the current contracts include classification and compensation studies performed for most City classifications, the results of which will be part of future negotiations. The results of those negotiations will have a future impact on all City funds.

Finally, City staff and the City Council are working together to accomplish significant goals established by the Council and other initiatives. The more notable accomplishments include:

- Adopted spending plans for ARPA and PG&E Settlement Funds
- Successfully launched City's inRESPONSE program
- Implemented the City's Safe Parking program allowing vehicle parking and wraparound services for people experiencing homelessness
- Issued 1,404 housing units in 2021 with 472 being affordable to lower incomes
- Re-opened a broad range of recreation programs after the COVID shut down
- Developed and deployed an online application and review process for short-term rentals
- Built the MaryLou Low-Rider Patrol Car
- Launched the Down payment Assistance Program
- Implemented a Vegetation Management Program for Wildfire Resiliency and added \$5.3 million in grant funding
- Completed the Urban Water Management Plan and Water Shortage Contingency Plan

The City is also grateful for the tremendous participation of residents as we develop tools to solicit feedback from the community as we develop the budget. We continue to look for new ways to make it easier for the public to participate in budget development and receive financial and statistical information about the services we provide to the community. I look forward to working together on solutions that will continue making Santa Rosa a great place to live and do business.

Sincerely,

Maraskeshia S. Smith
City Manager

Guide to the Document

The budget is a spending plan for the financial resources available to the City. These resources allow the City to provide services to meet the needs of Santa Rosa residents. The City Council and City employees respond to the community's needs in part through the budget. It balances not only revenues and expenditures but also community priorities and interests.

DOCUMENT ORGANIZATION

The document is organized into sections separated by tabbed pages that provide quick identification of its contents.

The Table of Contents lists every item in the document and its page number. The other sections of the document are described below.

Transmittal, Guide, and Budget Overview

The City Manager's Budget Transmittal introduces the budget. This section sets the context for budget decisions by describing the conditions affecting the budget and outlines major initiatives underway and challenges for the next year. This Guide to the Document explains the format and organization of the document and includes a section on the City's budget practices and policies. The Budget Overview summarizes the budget and focuses on its financial implications, including revenue and expenditure trends. Following the Budget Overview is a summary of the City's Capital Improvement Program budget and a list of projects receiving funding.

This section also includes a segment detailing the City Council's goals. Every year, the Council meets to develop its goals for the coming period. At that time, the Council outlines the goals, proposes strategies, and works with City staff to develop work plans. To show the City's progress and efforts towards the goals, each goal has been assigned a number. These numbers appear in each department's section next to the Strategic Goals and Initiatives and the Accomplishments that relate to that goal. The associated goals show departments' continuing efforts toward furthering and achieving the Council's goals.

An overview of the Measure O budget (Santa Rosa's quarter cent sales tax to fund the Public Safety and Violence Prevention program), a description of the budget process, and a budget calendar are also included in this section of the document.

City and Organization Overview

This section contains a Citywide organizational chart, which includes names of the major programs of each department; the City's Organizational Values; general information about Santa Rosa; a brief historical background; demographics, and statistics.

Guide to the Document

Summary Financial Information

Included in this section are the Summary financial tables for the General Fund, Enterprise Funds, and Internal Service Funds. Analyses of the City's debts and revenues, Citywide staffing information, and a Long Range Financial Forecast are also included in this section.

- All City Funds Schedule: Local government budgets are organized by funds in order to segregate and account for restricted resources. Each fund is a separate accounting entity. The General Fund provides the resources for many of the services cities typically offer. The All City Funds summary schedule consolidates all funds Citywide and presents the total resources and the total use of resources.
- Enterprise Fund Schedule: These funds account for City activities that are operated in a manner similar to private enterprises and receive revenues from fees charged to customers.
- Internal Service Funds Schedule: These funds are used to report the activities that provide goods and services to other funds, departments or component units of the City programs and activities.
- Fund Use by Department: This matrix shows the relationship between the various funds and the City's departments.
- Multi-Year Revenue and Expenditure Summaries: These two schedules provide a multi-year summary of Revenues by Fund and Expenditures by Fund. Each schedule reflects three prior years of actual results, the budget or estimates for the previous fiscal year, and the current year's budget.
- FTE Staffing Summary: This schedule provides a description of Citywide position changes, including a table showing five years of staffing levels for each department.
- Long Range Financial Forecast (LRFF): This schedule displays the current budget of the General Fund as well as forecasted revenue, expenditures, transfers, and reserve balances for the next four years. The LRFF is intended to serve as a tool for financial planning and decision making in the years ahead, and the City aims to update this forecast annually.

Department Detail

The majority of the budget document is divided into departmental sections. A variety of information, both financial and narrative, is provided for each department. Each section contains the following information:

- Mission Statement: A statement explaining why a department exists.
- Department Description: A description of the services provided by the department, intended to give the reader an understanding of the scope and breadth of ongoing functions and responsibilities of a service area.
- FTE By Program: A graphic representation of each department's programs. The number of employees in a program is included. These charts are representative of a point in time; the number of employees in a program for any department fluctuates throughout the year.
- Strategic Goals and Initiatives: A list of initiatives the department hopes to begin or accomplish over the next fiscal year. Initiatives related to City Council goals are designated with the number of the corresponding goal.
- Major Budget Changes: A description of the department's major increases and decreases compared to the previous year's budget.
- Expenditures by Program: A financial table showing funds used to support departmental activities that provide benefits and services Citywide. It also provides historical information so the reader can examine trends and previous funding levels.

Guide to the Document

- Expenditures by Category: A financial table showing salary, benefits, operating and capital costs associated with the department. It also provides historical information so the reader can examine trends and previous funding levels.
- Expenditures by Fund: A financial table showing the funds from which the department receives financial resources. It also provides historical information so the reader can examine trends and previous funding levels.
- Authorized Full-Time Equivalent (FTE) Positions - All Funds: A table showing the staffing level of each department for the current fiscal year and the prior four fiscal years.
- Performance Measures: A collection of statistical data measuring the achievements of each department.
- Prior Fiscal Year Accomplishments: A list of the department's accomplishments from the previous fiscal year. Accomplishments related to City Council goals are designated with the number of the corresponding goal.
- Looking Ahead: An overview of future projects and priorities unique to each individual department.

Reading Expenditures Tables

The Expenditures Tables in each department's section include the 2-year's prior actual data, the prior year's adopted budget, and the current fiscal year budget as it was adopted by the City Council during the City's annual Budget Hearings in June.

Appendix

This section contains the General Fund reserve policy and other policies of interest, the City's annual Gann (Appropriations) Limit details, and the budget resolutions. A Glossary of Terms, related to budgeting in general and the City of Santa Rosa particularly, can be found in this section.

BUDGET PRACTICES AND POLICIES

Basis of Accounting

The budget is developed on a modified accrual basis of accounting, for governmental fund types (General Fund, Special Revenue Funds, Debt Service Funds, and Capital Projects Funds), adjusted for encumbrance accounting. Under the modified accrual basis, revenues are recognized when they become susceptible to accrual (i.e. when they become both measurable and available). "Measurable" means the amount can be determined, and "available" means collectable within the current period or soon enough thereafter to be used to pay liabilities of the current period. Expenditures are recorded when the related fund liability is incurred.

Proprietary funds (Enterprise Funds and Internal Service Funds) use the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when liabilities are incurred, regardless of when the related cash flows take place.

Basis of Budgeting

Budgets are adopted for all governmental funds, except for certain Special Revenue Funds. All budgets are adopted on a basis consistent with Generally Accepted Accounting Principles (GAAP) adjusted for the accounting of encumbrances. The budget is legally required to be adopted prior to July 1 for the ensuing year.

Guide to the Document

The City Manager is authorized to transfer an unlimited amount of appropriations within any fund so long as the total appropriations are not increased. The City Manager is also authorized to transfer up to \$50,000 of appropriations between funds. In addition, the City Manager is authorized to transfer up to \$100,000 of appropriations between funds within one Enterprise activity. Only the City Council has the authority to increase total appropriations, subject to the appropriation limitations set by state law. Budget appropriations lapse at the end of the fiscal year, with the exception of contract commitments and capital improvements, which are carried over until the commitment is met, or the project has been completed.

The legal level of budgetary control is by fund, although budgets are adopted within funds at the department/division level in all operating funds and at the project level in the capital projects funds.

Reserve Policies

The General Fund maintains a reserve policy based on City Council approval. The policy states that the General Fund reserve will be maintained at between 15-17% of expenditures. All other major City funds also have reserve policies that dictate minimum balances. More information on policies can be found in the Appendix.

Budget Overview

Introduction

Santa Rosa's Fiscal Year (FY) 2022-23 Operating and Capital Budget is \$478.8 million across all funds and is comprised of \$410.4 million of operational funding and \$68.4 million of capital project funding. This represents a total increase of \$3.9 million or 0.8% over the FY 2021-22 adopted budget. Operations are increasing by \$26.8 million or 7% and the Capital Improvement Program (CIP) is decreasing by \$22.9 million or -25.1%, as shown in the following table.

FUND TYPE	FY 2021-22 ADOPTED BUDGET (in millions)	FY 2022-23 ADOPTED BUDGET (in millions)	\$ Dollar Increase/ (Decrease) (in millions)	% Percent Increase/ (Decrease)
General Fund	\$182.5	\$190.3	\$7.8	4.2%
Enterprise Funds (Operating)	132.1	140.6	8.5	6.4%
Enterprise Funds (CIP)	66.3	37.8	-28.5	-43.0%
Other Funds (CIP)	25.0	30.6	5.6	22.4%
Special Revenue Funds	16.6	16.5	-0.1	-0.6%
Other Funds	5.3	5.4	0.1	1.9%
Housing Authority	44.1	54.6	10.5	23.8%
Successor Agency to RDA	3.0	3.0	0.0	0.0%
TOTAL	\$474.9	\$478.8	\$3.9	0.8%
Operations (net of CIP)	\$383.6	\$410.4	\$26.8	7.0%
CIP only	\$91.3	\$68.4	-\$22.9	-25.1%

General Fund

The City of Santa Rosa's FY 2022-23 General Fund budget is balanced, with revenues and transfers in equaling expenditures and transfers out. With challenges in recent years including wildfires, Public Safety Power Shutoffs, and the COVID-19 pandemic, the City has passed a deficit budget for several budget cycles. Fortunately, revenues have not been as impacted as anticipated by the pandemic, and with careful planning of expenditures, the General Fund will be in balance for the next fiscal year.

The FY 2022-23 General Fund expenditure budget of \$190.3 million increased by \$7.8 million or 4.2% from the prior fiscal year. Expenditures can be broken down into three broad categories – Salaries and Benefits, Services & Supplies, and Operating Projects. The Salaries and Benefits category represents \$147.4 million or 77% of the total General Fund budget. Services and Supplies account for another \$40.7 million or 21% of the total, with the remaining \$2.1 million or 2% representing operating projects in the General Fund. Changes from the prior fiscal year's adopted budget, by category, are as follows:

General Fund Salaries and Benefits: Salaries increased by \$2.9 million or 3.4% and benefits increased by \$3.4 million or 6.1% from the FY 2021-22 adopted budget. The increase in salaries corresponds to MOU negotiations and an increase of 1.0 FTE position. The increase in benefits is primarily related to the increase in unfunded liability.

General Fund Services and Supplies: Increase of \$1.9 million or 5.0% from the FY 2021-22 adopted budget. The additions in this broad category include increases in Vehicle Expenses, Information Technology costs, and Liability and Property insurance costs. Vehicle Expenses have increased due to gasoline and the increase in service and maintenance costs. Information Technology costs increased as the City shifted towards more employees working remotely and the cost of online permitting software.

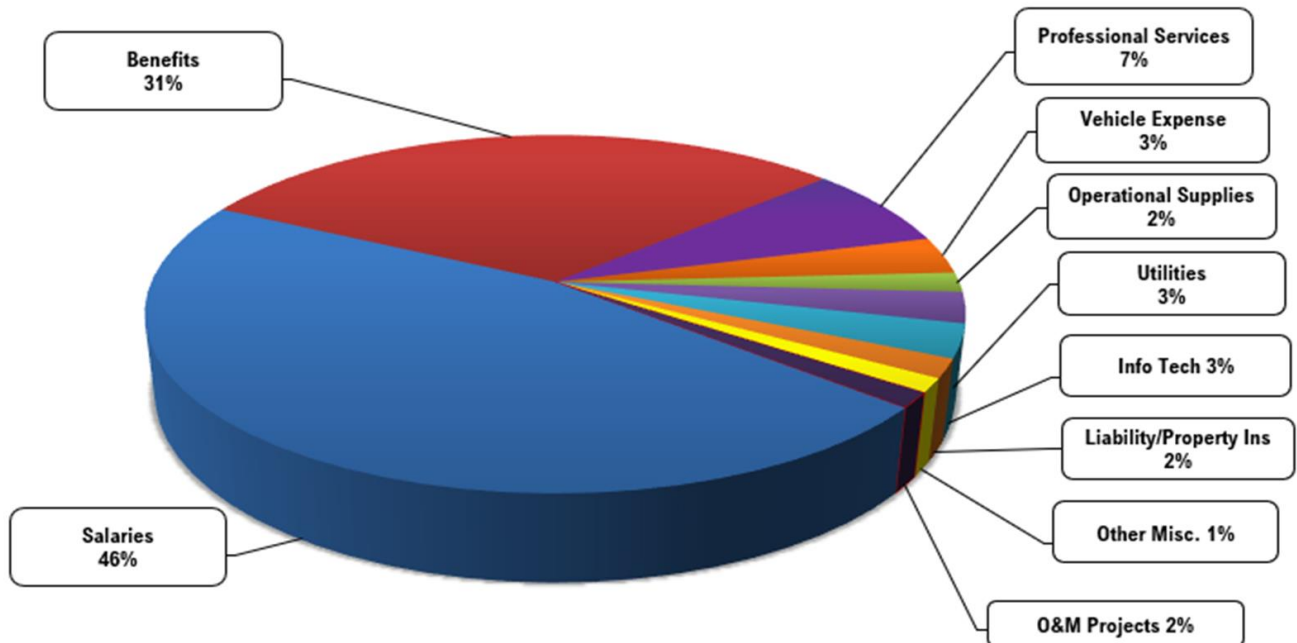
Budget Overview

General Fund Operating Projects: Decreased by \$437K or -17% from the FY 2021-22 adopted budget. The operating projects vary year over year depending on the individual project timelines.

FY 2022-23 General Fund Budgeted Expenditures

CATEGORY	EXPENDITURES (in millions)
Salaries	\$88.4
Benefits	59.0
Professional Services	14.2
Vehicle Expense	6.4
Operational Supplies	3.4
Utilities	5.3
Information Technology	5.8
Liability/Property Insurance	3.3
Other Miscellaneous	2.3
Capital Outlay	0.1
O&M Projects	2.1
TOTAL	\$190.3

FY 2022-23 General Fund Expenditures – % by Category



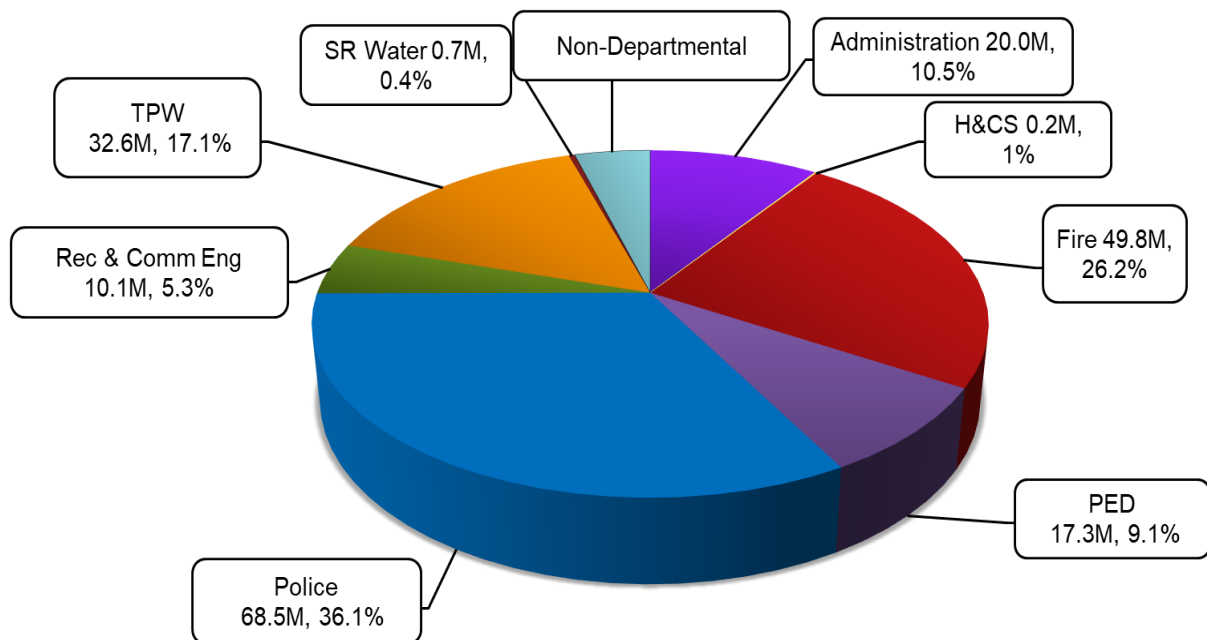
Budget Overview

FY 2022-23 General Fund Budgeted Expenditures

DEPARTMENT	EXPENDITURES (in millions)
Administration*	\$20.0
Housing & Community Services	0.2
Fire	49.8
Planning & Economic Development	17.3
Police	68.5
Recreation & Community Engagement	10.1
Transportation & Public Works	32.6
Water	0.7
Non-Departmental	-8.9
TOTAL	\$190.3

*Administration departments include City Attorney, City Council, City Manager, Communications & Intergovernmental Relations Office, Finance and Human Resources.

FY 2022-23 General Fund Expenditures – % by Department



FY 2022-23 General Fund revenues are estimated at \$197.5 million, an increase of \$19 million or 10.7% over the FY 2021-22 adopted budget. The COVID-19 pandemic had less of an effect than predicted on the local economy and many of the City's revenue streams performed better than initially anticipated so a midyear increase to the revenue budget was approved for a total of \$7.5 million. Sales tax is projected to continue to increase, for a total increase of \$12.2 million or 19.6% higher than the FY 2021-22 adopted budget. Sales tax is the largest revenue source for the City's General Fund, accounting for 38% of the total General Fund revenue. Many other revenues are projected to increase at a modest increase including

Budget Overview

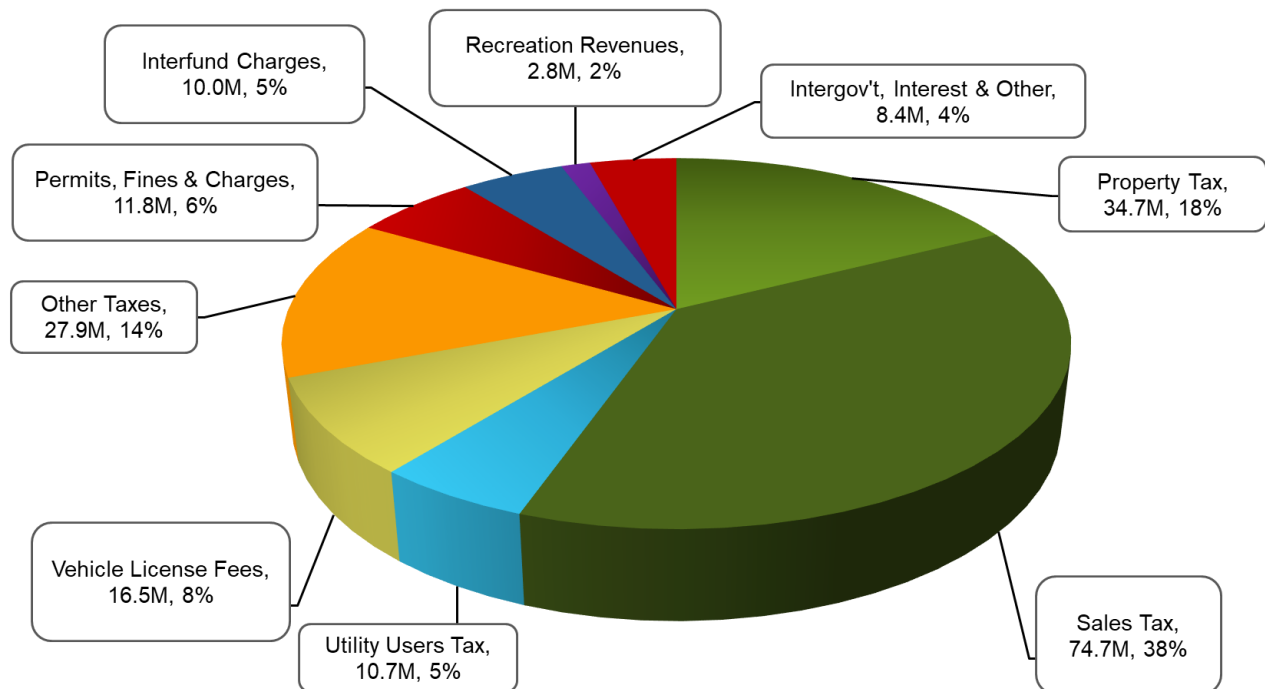
Real Property Transfer tax, Business tax, building and development permit, and recreation revenue. In FY 2022-23 Property tax is expected to increase by 8.7% from FY 2021-22 adopted budget.

For more information on General Fund revenues, please see the City Revenues in the Summary Financial Information section of this document.

FY 2022-23 General Fund Budgeted Revenues

SOURCE	REVENUES (in millions)
Property Tax	\$34.7
Sales Tax	74.7
Utility Users Tax	10.7
Other Taxes	27.9
Vehicle License Fees	16.5
Permits, Fines and Charges	11.8
Recreational Revenue	2.8
Interfund Charges	10
Intergovernmental, Interest & Misc.	8.4
TOTAL	\$197.5

FY 2022-23 General Fund Revenues – % by Source



General Fund Conclusion

In FY 2021-22, the COVID-19 pandemic did not have as disastrous an effect as expected on the City's General Fund revenue, which resulted in less of an impact on the General fund reserve balance than anticipated. The FY 2022-23 General fund is a balanced budget, with revenues and transfers in equaling expenditures and transfers out. Going forward, the City still has considerable work to do to balance growing expenditures to on-going revenue. Currently, the City is taking a conservative approach to appropriating expenditures with ongoing implications that may be difficult to sustain in the long run.

Budget Overview

Enterprise Funds

As noted in the fund chart at the beginning of this overview section, the Enterprise funds budgets include both Operational and CIP elements, \$140.6M and \$37.8M respectively. The Water Enterprise Funds (Water, Local Wastewater, and Subregional Wastewater) make up the vast majority, \$155.4M of the \$178.4M total Enterprise funds budgets. The Enterprise Funds FY 2022-23 budget is comprised of the following:

- \$ 0.5 million - Golf Funds
- \$ 3.4 million - Parking Funds
- \$ 15.2 million - Transit Funds
- \$ 2.8 million - Storm Water Funds
- \$ 50.5 million - Water Funds
- \$ 78.1 million - Local Wastewater Funds
- \$ 24.0 million - Subregional Wastewater Funds

Special Revenue Funds

The FY 2022-23 Special Revenue Funds budget of \$38.4 million is comprised of the following:

- \$12.0 million - Measure O Funds
- \$ 3.0 million - County Measure M Grants
- \$ 2.4 million - Measure M Parks 2019
- \$ 1.8 million - Measure M
- \$ 8.9 million - Gas Tax
- \$ 3.3 million - ARPA Federal Stimulus
- \$ 0.4 million - Homeless Shelter Operations & Mobile Home Rent Stabilization Funds
- \$ 0.5 million - Santa Rosa City Tourism BIA Fund
- \$ 3.0 million - Capital Facilities Fee
- \$ 2.0 million - Park Development Fees
- \$ 1.1 million - All other funds

Other Funds

Total Other Funds FY 2022-23 budget of \$5 million includes the non-enterprise Debt Service Funds with a budget of \$4.5 million, Trust and Agency Funds with a budget of \$0.3 million, and the Special Assessment Funds with a budget of \$0.14 million.

Housing Authority & Successor Agency to the Redevelopment Agency

The Housing Authority's FY 2022-23 budget is \$48.5 million with the majority of the funding for the Housing Choice Voucher Program. The \$3.0 million budget for the Successor Agency to the Redevelopment Agency reflects approved funding agreements and debt service payments, per the Recognized Obligation Payment Schedule (ROPS).

Full-Time Equivalent Discussion

The FY 2022-23 budget has a total staffing count of 1,278.5 Full-Time Equivalents (FTE) across all funds. Staffing levels increased by 31.50 FTEs or 2.5% from last fiscal year's adopted budget. For a more detailed position explanation, see the FTE Staffing Summary under the Summary of Financial Information section.

This page intentionally left blank

Capital Improvement Program (CIP)

The City of Santa Rosa's Capital Improvement Program (CIP) is a planning tool that is intended to evaluate the City's long-range capital needs and prioritize them over the upcoming fiscal year, which comprises the Capital Budget for Council approval.

Project List by Department

The table below lists the projects being funded in FY 2022-23. For more information on any of the CIP projects, please refer to the FY 2022-23 Capital Improvement Program budget document. It includes detailed information about each project and information on funding sources. Copies of the FY 2022-23 CIP document are available online at the Finance Department page on srcity.org.

Project Number / Title	2022-23 Request
Department: City Manager	
42130 - SJH Capital Roof & Nav Ctr	\$340,000
City Manager Department Total	\$340,000
Department: Finance	
42082 - Garage 5 Repairs	\$14,840
45020 - Garage 3 Repairs	\$157,685
45022 - Garage 1 Repairs	\$114,674
45216 - Lot 10 Reconstruction	\$353,863
Finance Department Total	\$641,062
Department: Fire Department	
05054 - New Fire Station- South Santa Rosa	\$167,749
05094 - Relocation of Fire Station 8	\$167,749
05096 - Temporary Fire Station 5	\$167,749
Fire Department Total	\$503,247
Department: SR Water	
54001 - Storm Water Drainage Improvement	\$368,315
54004 - Storm Water Creek Restoration	\$50,000
54009 - Santa Rosa Creek Ecosystem Restoration	\$25,000
54014 - Paulin Creek Restoration	\$25,000
54030 - Colgan Creek Restore Phase 3	\$375,000
55420 - Water Supply Planning-Urban Water Management Plan	\$550,000
55498 - Local Water Repairs-Urgent Projects	\$291,000
55505 - Warranty Punchlist - Water	\$25,000
55511 - Pre-Design - Water	\$190,000
55523 - Groundwater Supply Development	\$100,000
55574 - Water CIP Contingency	\$742,700

Capital Improvement Program (CIP)

55623 - Water Main Replacement Sherwood Forest Area Phase I	\$1,600,000
55671 – Water Station Repair: Meyers Drive	\$70,000
55716 - Water Main Replacement: Streamside to Elaine	\$70,000
55730 - SC TPW Coordination Various Locations	\$75,000
55731 – Cobblestone Drive Zone R2-R4 Water Main Connect	\$40,000
55732 - S10 High Flow Retrofit	\$900,000
55758 – Leete Well Rehabilitation	\$500,000
55762 - Water Main Replacement Sonoma and Montgomery RCF	\$500,000
55764 – Seismic Water Quality Upgrades R9 AR16 R17	\$5,500,000
55769 – Potable Water Pumps Reservoirs Category F	\$1,400,000
55788 - Water Main Replacement Terra Linda Buena Vista	\$400,000
55794 – Emergency Ground Well Bennett Valley GC	\$1,000,000
55795 – Water Tanks Condition Assessment 2021	\$250,000
70551 - Local Repairs-Urgent Projects	\$100,000
70553 - Warranty Punchlist - Sewer	\$26,900
70556 - Pre-Design, Planning, Budget &GIS-Sewer	\$100,000
70590 - Local WW CIP Contingency	\$250,000
70600 - Sewer Main Replacement: Albany Clement Milano Richmond	\$845,000
70669 - Wastewater Planning	\$50,000
70677 – Sewer Trunk Lining Design Build	\$9,950,000
70707 - Sewer Main Replacement: Meyers- Steele to Admin Drive	\$140,000
70738 – Los Alamos Trunk: Elaine to Melita	\$400,000
70757 – Cross Town Trunk Replacement Ph1	\$200,000
70785 - Sewer Main Replacement Alderbrook and Denton	\$800,000
70811 - Sewer Main Replacement Terra Linda Buena Vista	\$250,000
86489 – Laguna Treatment Plant On-Call Contractor	\$330,000
86571 - Subregional Mitigation Bank Development	\$3,000,000
86572 – Laguna Treatment Plan Electrical Infrastructure Replacement	\$2,330,000
86586 – Upsize Geysers Connect Delta Pond	\$1,530,000
86627 – Warranty Punch List Subregional	\$10,000
86648 – Electrical on Call Contract	\$300,000
86651 – Laguna Treatment Plant Aeration Basin Improvements	\$1,000,000
86652 – Biosolid Management Strategic Plan Phase 2	\$500,000
Water Department Total	\$37,158,915
Department: Transportation and Public Works	
09541 - Fremont Park	\$881,108
09556 - South Davis Park	\$848,616
09595 - Southeast Play Equip Rehab	\$469,805
09632 - Finley Aquatic Ctr Water Feature	\$1,275,085
09708 - ADA Settlement-Facilities Project	\$1,200,000
09744 – Southwest Zone Play Equipment	\$1,000,000

Capital Improvement Program (CIP)

09748 - Park Amenities Cap Replacement	\$2,454,086
17015 - Sidewalk Program	\$275,301
17075 - Hearn Avenue at Highway 101 Interchange	\$3,081,166
17116 – Slurry Seal Prep & Traffic Control	\$150,000
17134 - Traffic Safety Projects	\$25,000
17238 - Pavement Markings - Various Locations	\$100,000
17291 - Walkways for School Pedestrian	\$10,000
17293 - Cast In-Place SD Repair/Replacement	\$50,000
17336 - Audible Pedestrian Signal Head	\$50,000
17379 - Replace Wood Street Light Pole	\$100,000
17381 - Highway 101 Bike/Pedestrian Overcrossing	\$10,750,000
17444 - Fulton-Guerneville Road-Piner-Widening	\$358,000
17450 - Contract Pavement Preventive Maintenance	\$150,000
17474 - Santa Rosa Ave Corridor Plan	\$400,000
17477 – Pre-Design Planning CIP	\$250,000
17508 - Signal Battery Backup	\$26,000
17546 - Signal Bike Vehicle Detect Various	\$50,000
17573 - Roseland Pavement Maintenance	\$662,000
17579 - Survey Equipment Replacement	\$25,000
17592 - Road Rule 20A Piner Road	\$60,000
17608 – Public Works On Call Projects-Phase 1	\$350,000
17610 – Sonoma Ave Reconstruction Farmers-Hahman	\$830,000
17612 – Calistoga Rd. -Montecito-Hwy12	\$100,000
17613 - B Street High-Traffic Slurry	\$500,000
17649 - TPW CIP Contingency	\$2,380,251
17652 - Northeast Bike-Ped Connection	\$50,000
17654 - Low Impact Development at Municipal Services Center North	\$260,000
54016 - Materials Lab Equip Replacement	\$105,000
54035 - Parker Hill-Paulin Creek Erosion	\$25,000
54057 - McMinn Ave Storm Drain Replace	\$50,000
54058 - Sherwood Forest SD Repairs	\$81,000
54059 - Storm Drain Repairs On-call	\$333,000
Transportation and Public Works Department Total	\$29,765,418
Total FY 2022-23 CAPITAL BUDGET REQUEST	\$68,408,642

Conclusion

As in recent years, the FY 2022-23 CIP Budget was developed within the limited financial resources available. Development fees, grants, special sales taxes, and enterprise fund revenues are not adequate to fund all the necessary infrastructure improvements identified in the City. Staff will continue to pursue grants, but additional funding mechanisms will be needed in the future to adequately fund adopted capital plans and ongoing maintenance of existing and future facilities.

This page intentionally left blank

City Council Goals

Santa Rosa, located in coastal Northern California, is the largest city between San Francisco and Portland, Oregon. The ideal climate, wine country and redwood location, provides City residents and visitors an unmatched quality of life. The region offers residents, businesses, and visitors distinctive experiences that include a vibrant downtown; breathtaking open space, creeks, and greenbelts; clean air and water; and countless cultural and recreational events all taking place in an ethnically and culturally diverse environment. However, Santa Rosa faces challenges common to many communities of comparable size including traffic congestion, budgetary and service delivery concerns. To address the needs and challenges, the City Council provides policy direction based on a set of goals designed to bring out the best in Santa Rosa.

Annually and early in the calendar year, the City Council and Executive Team meet to establish the Council goals and priorities at the City Council Goal Setting Workshop. The 2022 workshop took place in a social distanced environment on February 24 & 25, 2022. The City Council identified six priorities for FY 22-23 they are listed in order below.

Priorities
1. Deliver housing for all
2. Reduce homelessness and its impacts
3. Ensure a healthy and safe community for all
4. Promote economic and community vibrancy
5. Build and maintain sustainable infrastructure
6. Achieve organizational excellence

This page intentionally left blank

Measure O Overview

In November 2004, the voters in Santa Rosa passed Measure O, a quarter cent sales tax increase to fund Police, Fire, and Violence Prevention programs. The proceeds from the tax are divided 40%, 40% and 20%, respectively. Because the revenue from this increase is intended to fund specific programs, the increase was considered a “special tax” and as such, had to pass with a 2/3 majority vote. The City began receiving revenue from the tax increase in May of 2005. Revenue generated by the sales tax has averaged \$8.5M annually since its inception. Revenues for FY 2022-23 are budgeted at \$11M.

Measure O funding is to be spent according to the Implementation Plan established by the City Council. This plan provides funding for a variety of specific programs benefiting the community, including additional Fire and Police department personnel and equipment, financial contributions for large projects such as a new fire station, and funding for youth and violence prevention and intervention programs. The funding provides leadership, coordination and resources to the Santa Rosa Violence Prevention Partnership and continuum of youth and family services that work together toward the prevention and reduction of youth and gang violence in Santa Rosa. It also provides funding for direct services and high-quality youth development programs in high-need areas of Santa Rosa. For more information on Measure O, please visit <http://srcity.org/188/Measure-O-Oversight-Committee>

To ensure the proper use of Measure O funds, a citizen oversight committee was appointed by the City Council. This committee’s mission is to ensure that all revenues received are spent only on permissible uses, which are defined in the ordinance establishing the special tax. The citizen oversight committee reviews Measure O appropriations prior to the City Council budget hearings, and reports to the Council on the use of the previous year’s funds each fall.



The FY 2022-23 Measure O budget provides funding for positions consistent with the uses and purposes outlined in the Implementation Plan. All departments are subject to ongoing labor agreements that negotiate annual salary increases. City-wide salaries, benefits, and retirement costs also are on the rise in FY 2022-23. Measure O authorized positions for FY 2022-23 totaled 35.0 FTE; 10.0 in the Fire department, 16.0 in the Police department and 9.0 in Violence Prevention.

Measure O Overview

The following budget highlights point out major budget changes for each program:

Fire: In FY 2022-23, Salaries and Benefits budgeted expenditures increased by a combined \$22K, due to MOU negotiations. Administrative Overhead increased by \$9K year over year, and aside from an increase of \$13K in Liability & Property Insurance, the department had no significant changes to their Services and Supplies budget.

Police: In FY 2022-23, the Police department added two student-intern positions to assist with Community Engagement. The department added \$155K to purchase in-car cameras for all marked patrol vehicles. Aside from an increase of \$13K in Liability and Property Insurance, Vehicle repair and replacement costs represent the majority of the overall \$24K rise in Services and Supplies expenditures. Administrative Overhead increased by \$9K.

Violence Prevention: Violence Prevention has a reduction of \$140K in salaries and benefits for FY 2022-23 due to the temporary underfill of the Violence Prevention Manager position. Services and Supplies also had no significant changes, as evidenced by the small decrease of \$7K variance. The Violence Prevention CHOICE Grants Program increased by \$84K overall.

Measure O Overview

FIRE - MEASURE O:	FY 2021-22	FY 2022-23	
	Adopted + changes	Adopted	
	Budget	Budget	Change
Salaries	2,193,024	2,190,273	(2,751)
Benefits	1,347,457	1,372,618	25,161
Services and Supplies	781,878	141,486	(640,392)
Administrative Overhead	112,486	121,620	9,134
Total Operating	4,434,845	3,825,997	(608,848)
Debt Service - Fountaingrove Fire Station	367,727	367,727	-
TOTAL FIRE - MEASURE O	4,802,572	4,193,724	(608,848)

POLICE - MEASURE O:	FY 2021-22	FY 2022-23	
	Adopted + changes	Adopted	
	Budget	Budget	Change
Salaries	2,218,169	2,151,396	(66,773)
Benefits	1,592,465	1,552,382	(40,083)
Services and Supplies	204,595	384,278	179,683
Administrative Overhead	112,486	121,620	9,134
Total Operating	4,127,715	4,209,676	81,961
TOTAL POLICE - MEASURE O	4,127,715	4,209,676	81,961

VIOLENCE PREVENTION MEASURE O:	FY 2021-22	FY 2022-23	
	Adopted + changes	Adopted	
	Budget	Budget	Change
Salaries	1,026,290	950,697	(75,593)
Benefits	405,262	371,084	(34,178)
Services and Supplies	161,373	159,265	(2,108)
Grants Program	799,020	883,900	84,880
Administrative Overhead	56,244	60,810	4,566
Total Operating	2,448,189	2,425,756	(22,433)
TOTAL VIOLENCE PREV - MEASURE O	2,448,189	2,425,756	(22,433)

TOTAL - ALL MEASURE O FUNDS 11,378,476 10,829,156 (549,320)

This page intentionally left blank

Budget Process and Calendar

The City of Santa Rosa is on a fiscal year schedule running from July 1 through June 30 and is required by City Charter section 28 (d) to have an adopted budget by June 30 each year. In order to have a finished budget by June, Santa Rosa's budget cycle begins in December.

Every year in December, Budget and Financial Planning staff begins to compile budget assumptions for all expenditure categories. Included are assumptions for salary increases where bargaining units are under contract, estimated benefit costs and assumptions for increases in supplies and other expenses. Revenues are analyzed and a detailed forecast for the upcoming year is prepared. Expenditure assumptions are compared with proposed revenues, and it is determined if budget reductions are necessary or if additional department needs can be funded. Budget guidelines are prepared based on these assumptions and are forwarded to departments for their use during the budget process.

During the first quarter of the year, the City Council holds a public hearing to solicit information from Santa Rosa residents on their budget priorities. The input from the public hearing provides Council members and City staff input prior to the Council Goal setting process and the development of the City's budget. The City encourages public participation through City Council public hearings, financial updates, community outreach events and the online budget comment form. In February and March, departments prepare their operations and maintenance budgets based on the budget guidelines, public feedback from outreach events, City Council goals and priorities, and Strategic Planning initiatives. The Capital Improvement Program (CIP) budget process runs parallel with the operations and maintenance budget process. For more information on the CIP, please see that section of this document or the CIP budget document.

In March and April, the Budget and Financial Planning staff reviews each department's budget and prepares the budgets for review by the Chief Financial Officer. The Chief Financial Officer and the City Manager review the requests and make adjustments as needed. The proposed budget requests are reviewed by the full Council during study sessions in April and May. Budget and Financial Planning staff prepares a draft budget document that is made available to the public around June 1. The City Council holds public hearings in mid-June and generally adopts the Operations and Maintenance and Capital Improvement Program budgets at the end of the hearings. The final budget document is then printed and distributed.

Around mid-year, the Budget and Financial Planning staff presents financial updates to the Council and the public. The update includes a discussion on whether the budget needs to be modified based on changes to revenue sources and other factors. While the budget development process runs from December through June, Budget and Financial Planning staff, the Chief Financial Officer and departments are constantly monitoring the budget throughout the year.

Budget Process and Calendar

	Residents		Mayor & City Council		City Administration
December	<ul style="list-style-type: none"> • Input on Budget Priorities • Direct contact with Mayor and Council by attending City Council meetings and study sessions • Community outreach events and online budget comment form 		<ul style="list-style-type: none"> • Receive information from the public 		<ul style="list-style-type: none"> • Gather assumptions for upcoming year's budget process • Receive information from the public
January February	<ul style="list-style-type: none"> • Provide input during annual budget priorities public hearing • Participate in community outreach events • Participate in Mid-Year Financial update 		<ul style="list-style-type: none"> • Receive input at budget priorities public hearing and community outreach events • Receive information from Mid-Year Financial Update, offer guidance and feedback • Participate in City Council goal setting session (every 2 years) 		<ul style="list-style-type: none"> • Receive input at public hearing and community outreach events for use in preparation of upcoming FY budget • Present Mid-Year Financial Update to Council and public for the General Fund and the Capital Improvement Program • Prepare upcoming FY budget request
March	<ul style="list-style-type: none"> • Offer feedback to Council and staff by attending City Council meetings, written correspondence and online budget comment form 		<ul style="list-style-type: none"> • Receive feedback from the public and staff through City Council meetings, written correspondence and online budget comment form. 		<ul style="list-style-type: none"> • Review and refine each department budget request for upcoming Fiscal Year • Analyze budget balancing strategies and service delivery options within the constraints of the financial outlook
April May	<ul style="list-style-type: none"> • Attend City Council study sessions to gain information and offer input 		<ul style="list-style-type: none"> • Attend City Council study sessions 		<ul style="list-style-type: none"> • Prepare materials for review by the Council and public • Review the budget with City Council at study sessions • Refine as necessary based on feedback
June	<ul style="list-style-type: none"> • Attend Budget Public Hearing (last chance to provide feedback on proposed budget) 		<ul style="list-style-type: none"> • Attend City Council Budget Public Hearing to review each department's budget with department representatives and Budget staff 		<ul style="list-style-type: none"> • Prepare draft budget documents for review by Council and public at public counters and online • Prepare materials to be reviewed at Budget Public Hearing • Participate in Budget Public Hearing and present final information to Council and the public
July August					<ul style="list-style-type: none"> • Finalize the budget documents, print copies, post online and ensure public and Council access to information



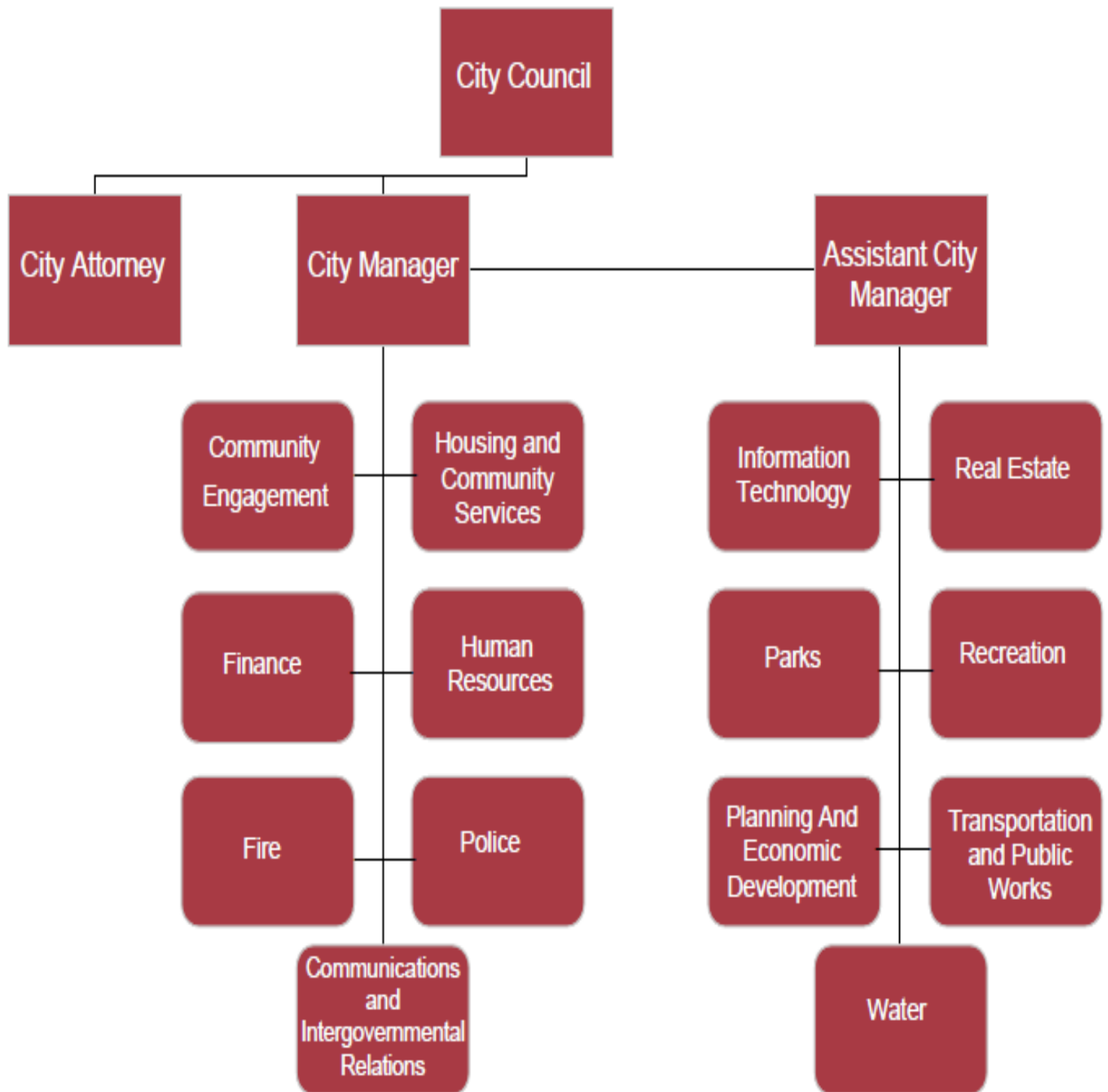
We are committed to a creative process which develops mutual respect and pride in ourselves and the community.

To this end we value:



ORGANIZATIONAL VALUES

City of Santa Rosa Organizational Chart



City at a Glance

As the county seat of Sonoma County, Santa Rosa is the center of trade, government, commerce, and medical facilities for the North Bay Area. Located just 55 miles north of San Francisco and 30 miles east of the Pacific Ocean, Santa Rosa is close to more than 400 Sonoma County wineries and 197 golf courses. Other available recreational pursuits include hot air ballooning, spas, and river sports, not to mention the famous Sonoma County cuisine. With fine schools that include a renowned junior college, a wealth of businesses and services, abundant recreational opportunities including many beautiful parks, and a superb climate in which to enjoy them. Santa Rosa has all the



elements that create a unique and vibrant community.

Santa Rosa is home to the Sonoma County Museum which hosts a variety of diverse exhibits throughout the year. The Charles M. Schulz Museum and Research Center, a tribute to the life and art of one of our most famous citizens, is also located here. As the weather warms, the Wednesday Night Downtown Market can be found along 4th Street, featuring an array of booths with food, music, agricultural products, arts, and crafts.

Santa Rosa is known as one of the top cycling destinations in the world and in the past has hosted a stage, start or finish of the Amgen Tour of California. The Amgen Tour was the only event on the top-level World Tour in the United States, and it drew large crowds and visitors to the area. The City has also hosted Levi's GranFondo, started by former professional cyclist Levi Leipheimer, which benefits local communities and charities.



In addition to being a top cycling destination Santa Rosa host the Santa Rosa Marathon with a start and finish at the Old Courthouse Square in downtown. The race offers a 5K and 10K distances as alternatives to the full marathon.

On summer evenings, there are outdoor concerts in Juilliard Park and Courthouse Square that fill the air with music. Live theater is available at the Santa Rosa Junior College Summer Repertory Theatre, the Luther Burbank Center for the Arts, and the 6th Street Playhouse. In addition to theatre, the Luther Burbank Center hosts concerts, comedians, and other exciting events.

History

Santa Rosa's history is rich in culture, and many different groups have called this area their home. Pomo, Miwok, and Wappo Indians originally populated the area, followed by the Spanish in the early 1800s. The first deeded land was held as the Rancho Cabeza de Santa Rosa and was given to Señora Maria Ignacia Lopez de Carrillo by Spanish authorities.

Señora Carrillo was the mother-in-law of General Vallejo, commander of the Mexican forces north of the Presidio of San Francisco. In 1837, the Señora built an adobe structure at the junction of old Native American trading routes near present-day Farmers Lane and Highway 12. The ruins still stand today adjacent to St. Eugene's Church.

According to popular legend, this area was named Santa Rosa by Father Juan Amorosa. After baptizing a young Native American woman in a stream, he followed the usual custom of naming rivers and creeks for

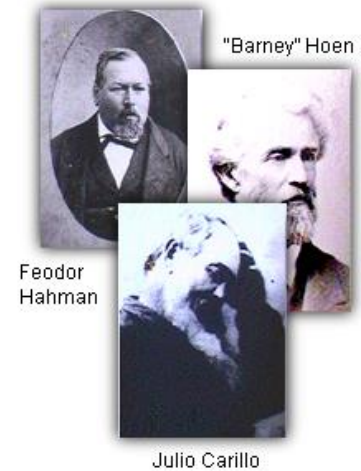
City at a Glance

saints. Because the baptism took place on the day of the Feast of Santa Rosa de Lima, Santa Rosa was the name given to the stream (and later to the whole valley) as well as the young woman who was baptized.

The discovery of gold and California's statehood gradually produced more traffic along the roads past Santa Rosa. Some who originally came seeking gold realized that farming in the rich Santa Rosa valley would bring them even more wealth. An agricultural community soon flourished.

In the early 1850s, other travelers came to Santa Rosa to establish commercial ventures. Three enterprising businessmen, Berthold "Barney" Hoen, Feodor Gustav Hahman, and William Hartman rented the Carrillo Adobe and opened Hoen & Company. Hoen and his partners soon purchased another tract of land a mile downstream which had originally belonged to Julio Carrillo, a son of the Señora. This land was next to a tract still in Julio's ownership. Convincing Julio to join their partnership, they plotted out a town and called it Santa Rosa, offering lots for \$25 each.

Barney Hoen, sensing the political and economic currents, started a campaign in 1854 to bring the county seat to Santa Rosa. He promised that he and others would donate land for the courthouse, and he and Julio Carrillo offered to donate land for a town square. Their promise worked and county residents voted to transfer the county seat from Sonoma to Santa Rosa. Once the vote was in, a mule team was dispatched to physically move the County archives, and the deed was done.



In 1867, the town of just a few hundred residents was granted incorporation by the County Board of Supervisors. The State of California affirmed the incorporation in 1868, and that is considered the year of Santa Rosa's official birth. The next seven years saw Santa Rosa's population increase tenfold.

Luther Burbank

Luther Burbank was born in Lancaster, Massachusetts on March 7, 1849. He moved to Santa Rosa, California in 1875, where he made his home for more than 50 years. It was here that the famed horticulturalist conducted the plant breeding experiments that brought him world renown. In California, Burbank's birthday is celebrated as Arbor Day, and trees are planted in his memory.

One of Burbank's goals was to manipulate the characteristics of plants, and thereby increase the world's food supply. Burbank developed an improved spineless cactus which could provide forage for livestock in desert regions. During his career, Burbank introduced more than 800 new varieties of plants, including over 200 varieties of fruits, many vegetables, nuts and grains, and hundreds of ornamental flowers.

Burbank was a friend of both Thomas Edison and Henry Ford, and both men visited the Burbank home. It was Burbank's legacy that cast the City of Santa Rosa as the "City Designed for Living" and inspired the annual Rose Parade which celebrates Burbank's memory and showcases the people and talents of the community.

Upon Burbank's death in 1926, he was buried near his greenhouse on the grounds of his home. Burbank's home and gardens are located in downtown Santa Rosa and have been certified as Registered National, State, City, and Horticultural Historical Landmarks.



The museum and grounds, located at Santa Rosa Avenue and Sonoma Avenue in Santa Rosa, offer a delightful way to spend an afternoon and a chance to learn more about Burbank's life. More than an acre of gardens include many of Burbank's unique horticultural contributions. Cactus, walnuts, and fruit trees are living reminders of his handiwork. Many unusual varieties of plants and new horticultural introductions are represented. Several of Burbank's originals thrive there.

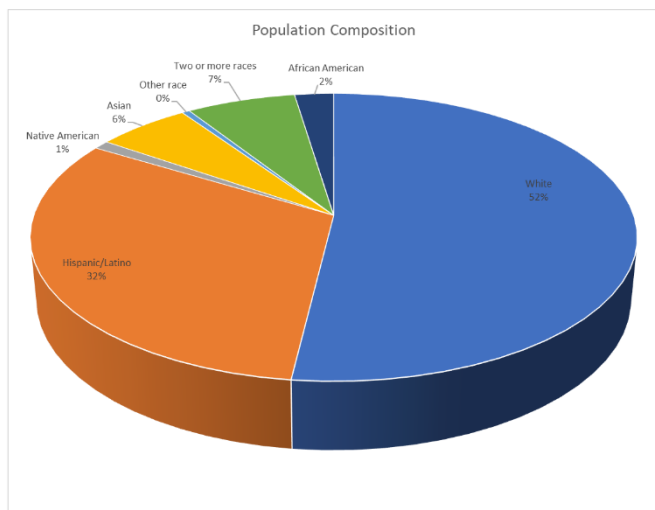
City Profile and Demographics

LOCATION

The City of Santa Rosa is located in central Sonoma County, about 55 miles north of San Francisco and 30 miles inland from the Pacific Ocean. Major access to Santa Rosa is from Highways 12 and 101.

AREA

Santa Rosa contains 41.5 square miles. The City's Urban Growth Boundary includes 45 square miles. Santa Rosa is 167 feet above sea level, and we are the 28th largest city in the state.



Source: US Census Bureau, 2014-2018 American Community Survey 5-Year Estimates

The US Census Bureau estimates the City of Santa Rosa population at 178,127 (2020). The unemployment rate, provided by The U.S. Bureau of Labor Statistics, was 3.0% (March 2022).

The table to the right displays Santa Rosa's major employers.

According to the latest US Census Bureau 2016-2020, there are approximately 2.63 persons per household, the median age is 38.8 and the median household income is \$80,472. The homeownership rate was 55.2% with a median value of \$571,600 for owner-occupied homes. Regarding the education of Santa Rosa residents, the survey states 86.2% are high school graduates and 33.8% have a bachelor's degree or beyond. The gender distribution is 52% female and 48% male. Approximately 10% of the City of Santa Rosa's population lives below poverty level.

Major Employers (2021)	
Employer	Employees
County of Sonoma	3,876
Kaiser Permanente	3,109
Santa Rosa Junior College	2,729
St. Joseph Health System	2,115
Santa Rosa School District	1,607
Keysight/Agilent Technologies	1,300
City of Santa Rosa	1,247
Medtronic/Arterial Vascular Eng.	1,100
Sutter Medical Center of Santa Rosa	1,100
Safeway	760
Total	18,943

Source: City of Santa Rosa CAFR; all figures approximate

This page intentionally left blank

All City Funds Schedule

The “All City Funds” schedule on the following page groups the City’s Funds into six categories:

- General Fund
- Enterprise Funds
- Special Revenue Funds
- Other Funds
- Housing Authority
- Successor Agency to the former Redevelopment Agency

The first four groups are the operating funds of the City, and the last two are special classes of funds. The General Fund is the primary operating fund of the City, used to account for all revenues and expenditures of the City not legally restricted as to use or required to be accounted for in another fund. The majority of funding of City operations and most of the City’s services are derived from the first four groups.

The “All City Funds” schedule consolidates all funds Citywide and presents the total available resources and total use of resources, including beginning fund balances, revenues, expenditures, transfers in and transfers out. Estimated reserves at the beginning of the new fiscal year are shown at the top of the report. These amounts are calculated based on forecasted activity for the remainder of the prior fiscal year. Anticipated revenues are included in the next section of the schedule. Transfers in are indicated on the next line. Expenditures are listed by department for each funding source in the next section. The net activity of each fund is summarized on the surplus (deficit) line of the report. Finally, estimated reserves available at the end of the fiscal year are calculated based on the activity mentioned above.

Departmental expenditure information reflected in the “All City Funds” schedule includes the cost to the user departments of services provided by “Internal Service Funds,” such as information technology, fleet repair and replacement, and insurance costs. Internal Service Fund financial information is summarized later in this document.

All City Funds Schedule FY 2022-23

	GENERAL FUND	ENTERPRISE FUNDS	SPECIAL REVENUE FUNDS	OTHER FUNDS	HOUSING AUTHORITY	SUCCESSOR AGENCY	TOTAL ALL FUNDS
ESTIMATED RESERVES- JUNE 30, 2022	81,738,000	334,547,000	68,876,000	8,914,000	6,144,000	-	500,219,000
REVENUES:							
Property Tax	34,695,000	-	-	-	-	3,023,661	37,718,661
Sales Tax	74,745,226	-	11,910,000	-	-	-	86,655,226
Utility Users Tax	10,674,100	-	-	-	-	-	10,674,100
Other Taxes	44,382,853	-	-	-	-	-	44,382,853
Licenses & Permits	2,360,000	12,096	1,950,000	-	-	-	4,322,096
Charges for Services	21,393,337	138,129,488	3,342,020	4,683,113	2,986,213	-	170,534,171
Intergovernmental Revenue	5,150,640	34,639,643	20,164,707	-	37,765,362	-	97,720,352
Fines & Forfeitures	1,506,500	-	-	-	10,000	-	1,516,500
Investment Earnings	600,000	1,550,000	116,999	330,000	160,928	-	2,757,927
Contributions from Private Parties	-	-	109,000	-	-	-	109,000
Miscellaneous	1,995,000	588,000	790,000	-	7,608,452	-	10,981,452
TOTAL REVENUES	197,502,656	174,919,227	38,382,726	5,013,113	48,530,955	3,023,661	467,372,338
TRANSFERS IN	2,297,426	54,300,177	9,425,395	31,762,182	2,250,000	-	100,035,180
TOTAL REV & TRNSFS IN	199,800,082	229,219,404	47,808,121	36,775,295	50,780,955	3,023,661	567,407,518
EXPENDITURES:							
General Government	20,051,625	6,850,090	3,995,105	330,000	-	3,023,661	34,250,481 *
Housing & Community Svcs	161,000	-	143,569	-	54,614,272	-	54,918,841
Fire	49,764,957	-	3,825,997	503,247	-	-	54,094,201
Planning & Economic Dev.	17,333,340	-	846,625	-	-	-	18,179,965
Police	68,540,250	-	4,919,676	-	-	-	73,459,926
Recreation & Comm Engagement	10,070,591	-	2,602,216	-	-	-	12,672,807
Transportation & Public Works	32,588,077	16,396,499	171,042	29,872,921	-	-	79,028,539 **
Water	698,045	155,170,468	-	447,890	-	-	156,316,403 ***
Non-Departmental	(8,942,425)	-	-	4,835,283	-	-	(4,107,142)
TOTAL EXPENDITURES	190,265,460	178,417,057	16,504,230	35,989,341	54,614,272	3,023,661	478,814,021
TRANSFERS OUT	9,534,622	59,035,880	31,411,341	53,337	-	-	100,035,180
TOTAL EXP & TRNSFS OUT	199,800,082	237,452,937	47,915,571	36,042,678	54,614,272	3,023,661	578,849,201
SURPLUS / (DEFICIT)	-	(8,233,533)	(107,450)	732,617	(3,833,317)	-	(11,441,683)
ESTIMATED RESERVES- JUNE 30, 2023	81,738,000	326,313,467	68,768,550	9,646,617	2,310,683	-	488,777,317

General Government includes: City Attorney, City Council, City Manager, Finance, Human Resources, Communications and Intergovernmental Relations Office and Information Technology.

* Total General Government = \$81,144,144 (includes Insurance Internal Service Fund \$36,979,823 & Information Technology Internal Service Funds \$9,913,840).

** Total Transportation & Public Works = \$99,848,653 (includes Equipment and Repair Replacement Internal Service Fund \$19,613,233 & a portion of internally allocated Administration Fund \$1,206,881).

*** Total SR Water = \$170,574,115 (includes internally allocated Utilities Administration Fund \$14,257,712).

Note: Internal Service Funds are reported on a separate schedule and are not included above. As a result, Transfer In and Transfer Out amounts on this schedule do not equal. With the inclusion of the Internal Service Funds, the transfers balance.

Enterprise Funds Schedule

Enterprise funds account for City activities that are operated in a manner similar to private enterprises. These funds receive revenues from fees charged to customers. Each enterprise covers its cost of providing service and generates reserves for various contingencies. Enterprise fund revenues cannot be used for any city purposes not benefiting the enterprise. The City uses enterprise funds to account for the water utility, wastewater utility, parking, municipal transit, storm water, and golf funds.

- **Golf Fund:** Accounts for the revenues and expenditures related to maintaining and operating the public golf course.
- **Parking Fund:** Accounts for the revenues and expenditures associated with the City's over 4,500 parking spaces, five multi-level garages and ten surface parking lots.
- **Municipal Transit Fund:** Accounts for the revenues and expenditures related to providing a public transportation system throughout the City.
- **Storm Water Fund:** Accounts for the revenues and expenditures related to activities designated to improve storm water quality.
- **Water Utility Fund:** Provides water supply planning, water purchase, water quality, storage and distribution, and maintenance, repair and replacement of the City's water system.
- **Local Wastewater Utility Fund:** Provides collection and transportation of wastewater from customers to the subregional treatment plant, and maintenance, repair and replacement of the collection system.
- **Subregional Wastewater Utility Fund:** Provides long-range planning and compliance, current environmental monitoring and compliance, industrial waste pretreatment, treatment, testing, disposal and reclamation of the collected wastewater for Santa Rosa, Rohnert Park, Sebastopol, Cotati, and the South Park County Sanitation District.

Enterprise Funds Schedule FY 2022-23

	GOLF FUND	PARKING FUND	TRANSIT FUND	STORM WATER FUNDS	WATER FUND	LOCAL WASTEWTR FUND	SUBREG. WASTEWTR FUND	TOTAL ENTERPRISE FUNDS
ESTIMATED RESERVES- JUNE 30, 2022	983,000	5,900,000	-	3,175,000	85,414,000	89,590,000	149,485,000	334,547,000
REVENUES:								
Property Tax	-	-	-	-	-	-	-	-
Sales Tax	-	-	-	-	-	-	-	-
Utility Users Tax	-	-	-	-	-	-	-	-
Other Taxes	-	-	-	-	-	-	-	-
Licenses & Permits	-	12,096	-	-	-	-	-	12,096
Charges for Services	338,000	3,677,164	847,348	2,753,676	49,913,300	76,935,000	3,665,000	138,129,488
Intergovernmental Revenue	-	-	14,342,175	90,500	-	648,542	19,558,426	34,639,643
Fines & Forfeitures	-	-	-	-	-	-	-	-
Investment Earnings	-	200,000	-	-	450,000	400,000	500,000	1,550,000
Contributions from Private Parties	-	-	-	-	-	-	-	-
Miscellaneous	113,000	-	-	-	135,000	95,000	245,000	588,000
TOTAL REVENUES	451,000	3,889,260	15,189,523	2,844,176	50,498,300	78,078,542	23,968,426	174,919,227
TRANSFERS IN	-	1,191,027	30,000	-	5,011	-	53,074,139	54,300,177
TOTAL REV & TRNSFS IN	451,000	5,080,287	15,219,523	2,844,176	50,503,311	78,078,542	77,042,565	229,219,404
EXPENDITURES:								
General Government	-	6,850,090	-	-	-	-	-	6,850,090
Housing & Community Svcs	-	-	-	-	-	-	-	-
Fire	-	-	-	-	-	-	-	-
Planning & Economic Dev.	-	-	-	-	-	-	-	-
Police	-	-	-	-	-	-	-	-
Recreation & Comm Engagement	-	-	-	-	-	-	-	-
Transportation & Public Works	583,920	-	15,219,523	593,056	-	-	-	16,396,499
Water	-	-	-	2,328,738	49,921,779	26,388,920	76,531,031	155,170,468
Non-Departmental	-	-	-	-	-	-	-	-
TOTAL EXPENDITURES	583,920	6,850,090	15,219,523	2,921,794	49,921,779	26,388,920	76,531,031	178,417,057
TRANSFERS OUT	-	120,571	-	100,000	2,985,741	55,829,568	-	59,035,880
TOTAL EXP & TRNSFS OUT	583,920	6,970,661	15,219,523	3,021,794	52,907,520	82,218,488	76,531,031	237,452,937
SURPLUS / (DEFICIT)	(132,920)	(1,890,374)	-	(177,618)	(2,404,209)	(4,139,946)	511,534	(8,233,533)
ESTIMATED RESERVES- JUNE 30, 2023	850,080	4,009,626	-	2,997,382	83,009,791	85,450,054	149,996,534	326,313,467

Internal Service Funds Schedule

Internal Service Funds are used to report the activities that provide goods and services to other funds, departments, or component units of City programs or activities. The City uses internal service funds to account for equipment repair and replacement, insurance programs, and information technology. Because these funds allocate to internal City departments, those costs are reflected in the department detail toward the end of this document.

- **Equipment Repair and Replacement Fund:** Accounts for cost of maintenance and accumulation of resources for replacement of city vehicles.
- **Insurance Fund:** Accounts for the costs of providing various types of insurance to all departments within the City, including liability and workers' compensation insurance.
- **Information Technology Fund:** Accounts for the costs of providing various types of network, computer, and phone services to all the departments within the City, as well as the computer replacement program.

Internal Service Funds Schedule FY 2022-23

	EQUIPMENT REPAIR & REPLACEMENT FUND	INSURANCE FUND	INFORMATION TECHNOLOGY FUND	TOTAL INTERNAL SERVICE FUNDS
ESTIMATED RESERVES- JUNE 30, 2022	19,200,000	28,200,000	3,200,000	50,600,000
REVENUES:				
Property Tax	-	-	-	-
Sales Tax	-	-	-	-
Utility Users Tax	-	-	-	-
Other Taxes	-	-	400,000	400,000
Licenses & Permits	-	-	-	-
Charges for Services	10,972,000	38,400,000	9,504,078	58,876,078
Intergovernmental Revenue	-	-	-	-
Fines & Forfeitures	-	-	-	-
Investment Earnings	-	-	-	-
Contributions from Private Parties	-	-	-	-
Miscellaneous	300,000	1,258,954	-	1,558,954
TOTAL REVENUES	11,272,000	39,658,954	9,904,078	60,835,032
TRANSFERS IN	-	-	-	-
TOTAL REV & TRNSFS IN	11,272,000	39,658,954	9,904,078	60,835,032
EXPENDITURES:				
General Government	-	36,979,823	9,913,840	46,893,663
Housing & Community Svcs	-	-	-	-
Fire	-	-	-	-
Planning & Economic Dev.	-	-	-	-
Police	-	-	-	-
Recreation & Comm Engagement	-	-	-	-
Transportation & Public Works	19,613,233	-	-	19,613,233
Water	-	-	-	-
Non-Departmental	-	-	-	-
TOTAL EXPENDITURES	19,613,233	36,979,823	9,913,840	66,506,896
TRANSFERS OUT	-	-	-	-
TOTAL EXP & TRNSFS OUT	19,613,233	36,979,823	9,913,840	66,506,896
SURPLUS (DEFICIT)	(8,341,233)	2,679,131	(9,762)	(5,671,864)
ESTIMATED RESERVES- JUNE 30, 2023	10,858,767	30,879,131	3,190,238	44,928,136

Fund Use by Department

The following matrix shows which funds each Department is a part of:

Department	General Fund	Enterprise Funds	Special Revenue Funds	Internal Service Funds	Housing Authority	Successor Agency to the Redev. Agency	Other Funds
City Attorney	√						
City Council	√						
City Manager	√		√				
Communications & Intergovernmental Relations	√						
Finance	√	√				√	√
Fire	√		√				√
Housing & Community Services	√		√		√		
Human Resources	√			√			
Information Technology				√			
Planning & Economic Development	√		√				
Police	√		√				
Recreation & Community Engagement	√		√				
Transportation & Public Works	√	√	√	√			√
Santa Rosa Water	√	√	√				√
Non-Departmental	√						√

Enterprise Funds:

Golf Fund
 Parking Fund
 Municipal Transit Fund
 Storm Water Fund
 Water Utility Fund
 Local Wastewater Utility Fund
 Subregional Wastewater Utility Fund

Special Revenue Funds:

Gas Tax Funds
 Federal Grants Fund
 State Grant Fund
 Measure "O" Funds
 Development Impact Fees Fund
 Homeless Shelter Operations Fund
 Santa Rosa Tourism BIA Fund
 Mobile Home Rent Stabilization Fund

Internal Service Funds:

Equipment Repair and Replacement Funds
 Insurance Fund
 Information Technology Funds

Housing Authority Funds:

Community Development Block Grant Fund
 Housing Choice Voucher Program Fund
 Housing Operations Funds
 Emergency Housing Voucher Program

Successor Agency to the Redevelopment Funds:

Debt Service Funds (ROPS)

Other Funds:

Debt Service Funds
 Capital Improvement Fund
 Special Assessment Funds
 Trust and Agency Funds

This page intentionally left blank

City Revenues

General Fund

Description:	2021-22 Approved Budget	2022-23 Proposed Budget	Dollar Change	Percent Change
Tax Revenue Detail				
Property Taxes	\$ 31,912,000	\$ 34,695,000	\$ 2,783,000	8.7%
Sales Taxes	62,520,200	74,745,226	12,225,026	19.6%
Utility Use Taxes	10,388,000	10,674,100	286,100	2.8%
Motor Vehicle License Fees	15,770,200	16,509,103	738,903	4.7%
Franchise Fees	10,653,400	10,763,600	110,200	1.0%
Cannabis Industry Tax	1,800,000	1,800,000	-	0.0%
Business Licenses	4,515,000	4,560,150	45,150	1.0%
Real Property Transfer Tax	3,500,000	5,000,000	1,500,000	42.9%
Transient Occupancy Tax	4,500,000	5,750,000	1,250,000	27.8%
Total Tax Revenues	\$ 145,558,800	\$ 164,497,179	\$ 18,938,379	13.0%
Other Revenue Detail				
Licenses and Permits	\$ 1,991,000	\$ 2,360,000	\$ 369,000	18.5%
Charges for Services	24,576,940	21,393,337	(3,183,603)	-13.0%
Intergovernmental Revenue	1,723,510	5,150,640	3,427,130	198.8%
Fines and Forfeitures	1,776,600	1,506,500	(270,100)	-15.2%
Investment Earnings	600,000	600,000	-	0.0%
Miscellaneous Revenues	2,235,800	1,995,000	(240,800)	-10.8%
Total Other Revenues	\$ 32,903,850	\$ 33,005,477	\$ 101,627	0.3%
Total General Fund Revenues	\$ 178,462,650	\$ 197,502,656	\$ 19,040,006	10.7%

General Fund

The General fund revenues for FY 2022-23 mainly reflect a rebounding economy as the City of Santa Rosa nears the end of the COVID-19 pandemic. Revenue amounts for FY 2021-22 were projected during a time of uncertainty and have proven far too conservative. As a result, some revenue categories are proposing a significant increase. Overall, the FY 2022-23 General fund is forecasted at a total of \$197.5M, a 10.7% or \$19.0M increase from FY 2021-22.

Property tax is projected at \$34.7M for FY 2022-23, a \$2.8M or 8.7% increase from the previous fiscal year. Property values of homes were not affected by the pandemic and continue to rise across the county. A midyear budget amendment was made to adjust the adopted Property Tax revenue budget upward \$1.5M, and on top of that modest growth is anticipated.

Sales tax is the largest revenue source for the City and is projected to increase this fiscal year by 19.6% or about \$12.2M, for a total of \$74.5M. As mentioned above, the revenue estimates for FY 2021-22 were decided upon during the height of the pandemic when there were many unknown factors in the future of the economy, and quickly proved to be too low. The City amended the Sales Tax revenue budget midyear

City Revenues

and added an additional \$6M. While 19.6% is a considerable jump year over year, the midyear budget adjustment closes this gap to 10.0%. Included in the total projected Sales tax amount is Measure Q and Proposition 172 proceeds. In November 2020, the voters approved Measure Q (the combination of Measure P/N and Measure O-Temporary Fire Relief). Measure Q is a fifty-cent sales tax measure that expires in June 2030. Prop. 172 sales tax is based on a per-capita allocation.

Utility Users Tax (UUT) is a usage tax on electricity, gas, cable and telecommunications. We expect to see a 2.8% increase of these taxes, or \$286K, for total revenue of \$10.7M.

Motor Vehicle License Fees are projected to increase by \$739K or 4.7% in FY 2022-23. These fees usually fluctuate with the annual assessed property valuation and grow with the property tax trend. Since the previous year's estimates were low, the year over year growth is an effort to bring projections more in line with actual revenues.

Franchise Fees are forecasted at \$10.8M, a slight increase of \$110K from the previous fiscal year. Franchise fee revenue for garbage disposal is the largest component of this revenue source at a projected \$7.1M, almost 66% of the total franchise fee revenues. The other franchise fees for PG&E, cable TV and construction combine for a total of \$3.6M anticipated revenue.

Cannabis Industry Tax revenue is forecasted at \$1.8M next fiscal year, the same as the prior fiscal year. Cannabis Industry Tax has seen significant growth since inception two years ago, but the City assumes little to no new businesses in the next year.

Business Tax revenue is projected to increase by \$45K or just 1% for FY 2022-23. Business tax revenue is collected annually based on the prior year's receipts and has appeared to stabilize post-pandemic.

Real Property Transfer Tax (RPTT) is projected to grow 42.9% from the FY 2021-22 adopted budget. This tax is collected based on the sale of homes in Santa Rosa. The pandemic did not affect home prices nor home sales in Santa Rosa as much as expected in the last two fiscal years. The estimated total increase is \$1.5M, for a total revenue of \$5M in FY 2022-23.

Transient Occupancy Tax (TOT) revenue is projected to increase by \$1.25M or 27.8% for FY 2022-23. The City of Santa Rosa passed a Short-Term Rental tax that took effect during 2021. FY 2022-23 will be the first full year this additional revenue is received and is expected to amount to approximately \$1M. In addition, tourism continues to rebound post-pandemic.

Licenses and Permit Revenues are projected to increase by 18.5% or \$369K, for a total of \$2.4M for FY 2022-23. Building permit fees and encroachment permits are driving the increase in this revenue.

Charges for Services are forecasted at \$21.4M, a decrease \$3.2M or -13.0% in FY 2022-23. In January 2022 the Water Billing program that resided in the General Fund was moved to Water Enterprise Funds. As a result of this move, the General Fund will no longer collect approximately \$4M in revenue from the Water Enterprise funds to pay for the operation, as reflected in the revenue estimate. Offsetting this reduction are small increases in other categories. Charges for Services also includes Planning and Economic Development fees of \$3.6M, Interfund charges (the General Fund charging other funds for services) of \$10M and Recreation fees of \$2.8M.

Intergovernmental Revenues are received from grant funds and other government entities. This revenue is expected to increase significantly due to a one-time receipt of State Grants funding for a Capital Improvement Project in the amount of \$3.4M. The remaining Intergovernmental Revenue is mostly collected from the County of Sonoma for the Roseland Annexation; \$662K is dedicated for spending on road improvements in the Roseland area.

City Revenues

Fines and Forfeitures are expected to decrease by -\$270K or -15.2%. Parking Violation revenue makes up most of this category at \$1M and has yet to reach pre-pandemic levels. Investment Earnings are projected at \$600K. Miscellaneous Revenues are budgeted at \$2.0M for FY 2022-23, a slight decrease from the previous year, which is primarily driven by the Wildfire Strike Team reimbursements of \$1.2M.

The following paragraphs discuss the major Enterprise Fund Revenues collected by the City. More detailed revenue information can be found under the Enterprise Fund Schedule.

Water Fund

Total revenues for the Water Utility are budgeted at \$50.5M, an increase of about \$1.3M from the prior year, or just 2.7%. The Water Utility's main source of revenue is rates, which make up 89.1% of the total revenue. Santa Rosa residents have been conservative with water use due to the current drought in California, and the Water department does not anticipate a significant increase in FY 2022-23. Also, Demand fee revenue, known as connection fees charged to new users, are projected to drop in FY 2022-23 by \$400K as new developments and building have stabilized.

Local Wastewater Fund

Total revenues for the Local Wastewater Utility increased by just 2.3% to \$78.1M in FY 2022-23. Rate revenue comprises 90.9% of the projected revenue for the upcoming year and is budgeted at \$70.9M. FY 2022-23. Commercial and Residential Demand fees are also expected to increase by \$600K as the building industry continues to stabilize post-pandemic.

Regional Wastewater Fund

The Regional Wastewater fund is estimating \$24.0M total revenue for FY 2022-23, a \$2.7M or 12.7% increase from last fiscal year. For the current fiscal year 81.6% comes from the local partners and is based on their proportionate share of the costs to run the system. Santa Rosa is the largest user of the system, although the City's share, at \$32.2M, is not included in the total revenue. Instead, a transfer of funds is budgeted into the Subregional Wastewater fund. Miscellaneous revenues (such as compost sales, dumping charges, etc.) are collected by the system and are used to offset the partner contributions.

Golf Course Fund

The Bennett Valley Golf Course is currently in the process of selecting a new operator, so fund revenues are estimated on prior year's activity. When a new operator is in contract, the FY 2022-23 budget will be amended to reflect the revenues projected in the contract. At this time, budgeted revenues for the Golf Course are \$451K, a decrease of \$58K from the previous year, in accordance with a decrease in Capital Improvement Fees.

Parking Fund

Parking revenues reflect an increase of just 2.2% up to \$3.9M for FY 2022-23. Parking revenues were in decline in the prior year due to shorter parking hours and COVID-19 restrictions on essential business operations. With the economy recovering and restrictions being lifted, parking revenue and downtown parking usage are expected to stabilize in FY 2022-23 and hopefully be impacted favorably in the coming years. The City operates five parking garages, ten surface lots, on-street metered parking and time-limited parking spaces for the downtown City center, Railroad Square Parking Meter zone, and six residential parking permit zones.

Transit Fund

Transit revenues will rise by 1.3M, or 9.6%, for a total of \$15.2M in FY 2022-23. \$14.3M, or 94.4% of total Transit revenue is derived from state and federal grant revenue, which accounts for the majority of the year over year revenue increases. With sales and fuel taxes recovering from the COVID-19 economic crisis, a correlating increase is expected in grant funds available. Budgeted transit fare revenues from ridership are projected to increase by 4.9% to \$847K in the coming year, mostly due to projected increases in paratransit ticket sales.

This page intentionally left blank

Multi-Year Revenue Summary – All Funds

FUND	2018-19 Actual	2019-20 Actual	2020-21 Actual	2021-22 Budget	2022-23 Budget
GENERAL FUND REVENUES:					
Property Taxes	30,199,833	30,473,327	32,097,520	31,912,000	34,695,000
Sales Tax	54,881,478	58,435,658	65,523,209	62,520,200	74,745,226
Utility Users Tax	10,257,162	10,669,391	11,467,876	10,388,000	10,674,100
Other Taxes	40,217,940	40,239,897	41,488,932	40,738,600	44,382,853
Licenses and Permits	4,775,178	3,274,334	3,200,753	1,991,000	2,360,000
Charges for Services	32,162,012	26,677,022	23,755,375	24,576,940	21,393,337
Intergovernmental Revenue	5,698,569	6,977,233	10,099,290	1,723,510	5,150,640
Fines and Forfeitures	1,843,599	1,704,248	1,048,970	1,776,600	1,506,500
Investment Earnings	2,167,063	2,261,005	2,043,092	600,000	600,000
Contributions from Private Parties	112,124	2,836,663	7,643	-	-
Miscellaneous	5,043,443	2,399,476	101,189,340	2,235,800	1,995,000
	187,358,401	185,948,254	291,922,000	178,462,650	197,502,656
ENTERPRISE FUND REVENUES:					
Golf Fund	475,815	496,767	736,433	509,000	451,000
Parking Fund	5,996,006	4,223,014	2,521,710	3,804,851	3,889,260
Transit Fund	17,938,810	13,242,911	11,894,664	13,859,982	15,189,523
Storm Water Funds	2,676,854	2,834,008	2,820,807	2,853,097	2,844,176
Water Fund	59,837,606	57,821,779	53,058,373	49,158,000	50,498,300
Local Wastewater Fund	77,938,687	74,115,277	70,269,267	76,340,754	78,078,542
Subregional Wastewater Fund	38,327,550	22,223,213	23,571,712	21,270,856	23,968,426
TOTAL ENTERPRISE FUND REVENUES	203,191,328	174,956,969	164,872,966	167,796,540	174,919,227
SPECIAL REVENUE FUND REVENUES	30,106,415	34,688,556	34,108,425	30,515,184	38,382,726
OTHER FUNDS REVENUES	26,688,724	29,812,879	30,643,004	4,219,409	5,013,113
HOUSING AUTHORITY REVENUES	35,272,609	34,854,853	38,788,817	41,337,299	48,530,955
SUCCESSOR AGENCY TO THE REDEV. A	2,354,073	3,048,582	3,127,501	3,026,638	3,023,661
TOTAL REVENUES	484,971,550	463,310,093	563,462,713	425,357,720	467,372,338

NOTE: 'Other Funds' include: CIP, Debt Service, Special Assessment & Trust Funds.

Multi-Year Expenditure Summary – All Funds

FUND	2018-19 Actual	2019-20 Actual	2020-21 Actual	2021-22 Budget	2022-23 Budget
GENERAL FUND EXPENDITURES:					
City Attorney	3,037,252	3,369,311	3,497,188	3,824,241	3,888,597
City Council	1,058,809	713,904	820,275	1,169,785	1,580,544
City Manager	3,925,857	2,695,894	1,751,379	2,115,190	2,882,370
Comms & Intergov Relations	-	-	1,097,992	1,378,362	1,444,055
Office of Community Engagement	706,205	-	-	-	-
Finance	9,700,102	11,540,386	15,465,736	10,986,983	7,193,577
Human Resources	2,395,561	2,075,111	2,763,991	2,778,452	3,062,482
Subtotal - General Government	20,823,786	20,394,606	25,396,561	22,253,013	20,051,625
Housing & Community Services	1,370,405	1,766,916	303,033	245,057	161,000
Fire	42,682,752	44,370,325	47,297,737	45,752,767	49,764,957
Planning & Economic Development	20,769,628	18,827,083	17,874,047	15,268,549	17,333,340
Police	55,998,584	59,972,387	62,222,250	64,682,294	68,540,250
Recreation & Community Engagement	14,492,975	9,915,371	8,460,608	9,806,797	10,070,591
Transportation & Public Works	20,144,911	24,821,368	27,551,803	29,760,359	32,588,077
Water	722,424	723,154	618,248	736,453	698,045
Non-Departmental	(5,505,981)	(6,791,975)	(7,912,126)	(6,004,433)	(8,942,425)
TOTAL GENERAL FUND EXPENDITURES	171,499,484	173,999,235	181,812,161	182,500,856	190,265,460
ENTERPRISE FUND EXPENDITURES:					
Golf Fund	1,095,324	934,117	1,001,647	537,010	583,920
Parking Fund	6,153,408	5,830,860	6,715,428	6,562,162	6,850,090
Transit Fund	18,471,252	16,059,586	14,511,417	13,889,982	15,219,523
Storm Water Funds	2,044,087	1,956,502	2,095,169	2,994,663	2,921,794
Water Fund	65,991,655	49,689,036	56,465,047	48,106,045	49,921,779
Local Wastewater Fund	23,502,913	29,906,681	37,906,433	25,368,603	26,388,920
Subregional Wastewater Fund	96,682,536	83,396,788	140,737,863	100,926,257	76,531,031
TOTAL ENTERPRISE FUND EXPENDITURES	213,941,175	187,773,570	259,433,004	198,384,722	178,417,057
SPECIAL REVENUE FUND EXPENDITURES	14,778,520	16,245,647	14,363,329	16,593,176	16,504,230
OTHER FUNDS EXPENDITURES:					
Capital Improvement Program (CIP) Fund	16,397,077	26,538,906	22,485,726	25,043,578	30,636,980
Debt Service Funds	23,724,172	31,819,504	29,902,216	4,832,811	4,835,283
Special Assessment Funds	26,329	25,314	20,306	144,376	179,618
Trust Funds	363,791	253,380	271,425	297,882	337,460
TOTAL OTHER FUNDS EXPENDITURES	40,511,369	58,637,104	52,679,673	30,318,647	35,989,341
HOUSING AUTHORITY EXPENDITURES	34,441,127	37,063,259	35,931,700	44,117,345	\$54,614,272
SUCCESSOR AGENCY TO THE REDEV. AGENCY	3,072,104	3,063,078	3,055,093	3,026,638	3,023,661
TOTAL EXPENDITURES	478,243,779	476,781,893	547,274,960	474,941,384	478,814,021

NOTE: CIP Fund represents non-Enterprise CIP only;
Enterprise Fund CIP amounts are reflected in the appropriate Enterprise Fund.

City Debt

Computation of Legal Debt Margin as of June 30, 2021

The City has a legal debt limitation not to exceed 3.75% of the total assessed valuation of taxable property within the City boundaries. In accordance with California Government Code Section 43605, only the City's general obligation bonds are subject to the legal debt limit. With \$20,055,000 of debt subject to the limit and a legal debt limit of \$1,020,671,791 the City is not at risk of exceeding its legal debt limit.

<u>Computation of Legal Debt Margin</u>	
Assessed Value	\$27,752,714,427
Debt Limit (3.75% of Assessed Value)	1,040,726,791
Less Net Debt Applicable to Limit	(20,055,000)
Legal Debt Margin	\$1,020,671,791

Cities primarily have three choices in financing their operations and funding public facilities: Pay-as-you-go, public/private ventures, and debt financing. The City has used debt financing mainly to finance major capital facilities in the City's enterprises (Wastewater, Water, etc.) or to prepay long-term obligations for pension costs at a lower interest rate.

The charts below and on the next page summarize the City's long-term debt and future obligations.

Debt Obligations Outstanding as of 6/30/2022	Bond Rating	Principal Outstanding
Wastewater Bonds	AA	192,181,532
Wastewater Loans	N/A	-
Water Bonds	AA+	8,060,000
Golf Course Bonds	AA-	2,865,000
Redevelopment Bonds	AA	28,655,000
Courthouse Square Project and Building Acquisition Certificates of Participation	AA-	9,720,000
Pension Obligation Bonds	AA	10,335,000
Capital Leases	NR	2,122,090
		253,938,622

City Debt

Annual Debt Service Requirements

		2023	2024	2025	2026	Thereafter	Total
Wastewater Bonds (Capital project funding)	Principal	17,027,058	13,679,313	13,868,891	14,045,588	133,560,683	192,181,532
	Interest	<u>9,914,495</u>	<u>13,263,492</u>	<u>13,075,798</u>	<u>12,894,779</u>	<u>93,863,065</u>	<u>143,011,628</u>
	Total Debt Service	26,941,552	26,942,804	26,944,688	26,940,367	227,423,749	335,193,160
Water Bonds (Capital Project funding)	Principal	310,000	330,000	345,000	365,000	6,710,000	8,060,000
	Interest	<u>395,250</u>	<u>379,250</u>	<u>362,375</u>	<u>344,625</u>	<u>2,408,250</u>	<u>3,889,750</u>
	Total Debt Service	705,250	709,250	707,375	709,625	9,118,250	11,949,750
Golf Course Bonds (Capital Project funding)	Principal	265,000	275,000	285,000	300,000	1,740,000	2,865,000
	Interest	<u>130,361</u>	<u>117,643</u>	<u>104,461</u>	<u>90,679</u>	<u>217,064</u>	<u>660,209</u>
	Total Debt Service	395,361	392,643	389,461	390,679	1,957,064	3,525,209
Redevelopment Bonds	Principal	1,905,000	1,975,000	2,045,000	2,120,000	20,610,000	28,655,000
	Interest	<u>1,115,661</u>	<u>1,044,314</u>	<u>970,453</u>	<u>895,692</u>	<u>4,737,141</u>	<u>8,763,261</u>
	Total Debt Service	3,020,661	3,019,314	3,015,453	3,015,692	25,347,141	37,418,261
Courthouse Square Project and Building Acquisition Certificates of Participation	Principal	375,000	385,000	400,000	415,000	8,145,000	9,720,000
	Interest	<u>356,225</u>	<u>342,900</u>	<u>327,200</u>	<u>310,900</u>	<u>2,429,650</u>	<u>3,766,875</u>
	Total Debt Service	731,225	727,900	727,200	725,900	10,574,650	13,486,875
Pension Obligation Bonds	Principal	3,265,000	3,440,000	3,630,000	-	-	10,335,000
	Interest	<u>468,581</u>	<u>294,090</u>	<u>99,771</u>	-	-	<u>862,442</u>
	Total Debt Service	3,733,581	3,734,090	3,729,771	-	-	11,197,442
Capital Leases (Fire Station and Equipment Lease)	Principal	1,497,657	353,884	270,549	-	-	2,122,090
	Interest	<u>22,799</u>	<u>13,842</u>	<u>5,246</u>	-	-	<u>41,887</u>
	Total Debt Service	1,520,456	367,726	275,795	-	-	2,163,977
Citywide	Principal	24,644,714	20,438,197	20,844,440	17,245,588	170,765,683	253,938,622
	Interest	<u>12,403,372</u>	<u>15,455,530</u>	<u>14,945,304</u>	<u>14,536,675</u>	<u>103,655,170</u>	<u>160,996,051</u>
	Total Debt Service	37,048,086	35,893,727	35,789,744	31,782,263	274,420,853	414,934,672

FTE Staffing Summary

In fiscal year (FY) 2022-23, the City's proposed authorized Full-Time Equivalent (FTE) position count is 1,278.50, an increase of 31.50 FTEs or 2.5% from last fiscal year's budget. FTE position count by department and detailed additions/eliminations are shown below. In addition to the staffing changes, several positions have been, or are being, evaluated for classification changes. Detailed position classifications and salary ranges by department are available on the City's website at www.srcity.org under Departments/Human Resources/Salaries or through the following link: <http://srcity.org/192/Salaries>.

Authorized Full-Time Equivalent Position Count

DEPARTMENT	FY 2018-19	FY 2019-20	FY 2020-21	FY 2021-22	change	FY 2022-23	% change
City Attorney	16.90	15.90	15.90	15.90	-	15.90	-
City Manager	14.00	10.00	8.00	9.00	2.00	11.00	25.0%
Communications & Intergovernmental Relations *	-	-	7.00	7.00	-	7.00	0.0%
Community Engagement	7.00	-	-	-	-	-	-
Finance	102.35	95.85	92.85	89.60	(27.00)	62.60	-29.1%
Fire	149.75	151.00	151.00	148.00	9.00	157.00	6.0%
Housing & Community Services	35.50	34.00	24.00	24.00	3.00	27.00	12.5%
Human Resources	21.00	20.00	21.00	21.00	1.00	22.00	4.8%
Information Technology	30.00	29.00	29.00	30.00	1.00	31.00	3.4%
Planning & Economic Development	63.00	61.00	69.00	68.00	6.00	74.00	8.7%
Police	266.50	260.50	260.00	256.00	3.00	259.00	1.2%
Recreation & Community Engagement	74.00	44.00	42.00	42.00	2.00	44.00	4.8%
Transportation & Public Works	274.00	290.00	287.00	288.00	4.00	292.00	1.4%
Water	252.50	247.50	247.50	248.50	27.50	276.00	11.1%
Total FTE Positions	1,306.50	1,258.75	1,254.25	1,247.00	31.50	1,278.50	2.5%

FTE Staffing Summary

Detail Full-Time Equivalent Position Change

Dept.	Position Title	FTE
CMO	Assistant City Manager (from PED and TPW)	2.00
City Manager's Office Total		2.00
Finance	Customer Service Representative	-15.00
Finance	Senior Customer Service Representative	-3.00
Finance	Administrative Technician	-2.00
Finance	Revenue Operations Supervisor	-1.00
Finance	Meter Technician	-1.00
Finance	Sr Meter Technician	-1.00
Finance	Revenue Operations Supervisor	-4.00
Finance Total		-27.00
Fire	Limited Term Firefighters (midyear)	6.00
Fire	Fire Captain (midyear)	1.00
Fire	Firefighter	2.00
Fire	Administrative Analyst	2.00
Fire	Deputy Fire Chief	1.00
Fire	Administrative Services Officer	-1.00
Fire	Research & Program Coordinator	-1.00
Fire	Senior Administrative Assistant	-1.00
Fire Department Total		9.00
IT	Limited Term Media Technician – 3 year	1.00
IT	Network Systems Analyst	1.00
IT	Senior IT Technician	-1.00
Information Technology Total		1.00
PED	Limited Term Senior Planner - 3.5 Years & 1 Year (midyear)	2.00
PED	Limited Term City Planner - 2 Years (midyear)	1.00
PED	Development Review Coordinator (midyear)	1.00
PED	Civil Engineering Technician (midyear)	1.00
PED	Building Plans Examiner (midyear)	1.00
PED	Director of Planning & Economic Development (midyear)	1.00
PED	Assistant City Manager (to CMO)	-1.00
Planning & Economic Development Total		6.00
Police	Police Officer	3.00
Police Department Total		3.00
TPW	Director of Transportation & Public Works (midyear)	1.00
TPW	Supervising Engineer	1.00
TPW	Assistant Land Surveyor	1.00
TPW	Administrative Technician	1.00
TPW	Senior Maintenance Worker	1.00
TPW	Right-Of-Way Manager	1.00
TPW	Associate Right-Of-Way Agent	3.00
TPW	Associate Civil Engineer	-1.00
TPW	Skilled Maintenance Worker	-1.00
TPW	Quality Control Associate	-2.00
TPW	Assistant City Manager (to CMO)	-1.00
Transportation & Public Works Total		4.00

FTE Staffing Summary

Dept.	Position Title	FTE
Water	Customer Service Representative	15.00
Water	Senior Customer Service Representative	3.00
Water	Administrative Technician	2.00
Water	Revenue Operations Supervisor	1.00
Water	Meter Technician	1.00
Water	Seniorr Meter Technician	1.00
Water	Revenue Operations Supervisor	4.00
Water	Senior Administrative Assistant (from Enterprise Fund)	1.00
Water	Wastewater Operator I/II (midyear)	1.00
Water	Utility Systems Operator	2.00
Water	Civil Engineering Technician	0.50
Water	Supervising Lab Analyst	1.00
Water	Mechanical Technologist (midyear)	1.00
Water	Department Programmer/ Analyst	1.00
Water	Budget & Financial Analysis Manager	1.00
Water	Supervising Engineer	1.00
Water	Department Application Specialist	-1.00
Water	Administrative Analyst	-1.00
Water	Department Review Coordinator	-1.00
Water	Senior Maintenance Worker	-1.00
Water	Senior Administrative Assistant (to General Fund)	-1.00
Water	Right-Of-Way Manager	-1.00
Water	Associate Right-Of-Way Agent	-3.00
Santa Rosa Water Total		27.50
R&CE	Limited Term Community Outreach Specialist – 2 year	1.00
R&CE	Limited Term Recreation Specialist – 2 year	1.00
Total Change R&CE Total		2.00
HR	Human Resources Analyst (midyear)	1.00
Total Change HR Total		1.00
HCS	HCS Technician – Homeless Services	1.00
HCS	Limited Term HCS Technician (midyear)	1.00
HCS	HCS Technician - Housing Authority	1.00
HCS	Program Specialist	1.00
HCS	Deputy Director Housing & Community Services	-1.00
Total Change HCS Total		3.00

This page intentionally left blank

Long Range Financial Forecast

The Long Range Financial Forecast (LRFF) is intended to serve as a tool for financial planning and decision making in the years ahead, and the City aims to update this forecast annually. The LRFF is a forecasting model for the General Fund only. The LRFF provides a total of 5 years, including the upcoming budget and 4 future years of projected budget. The LRFF shows total revenues, total expenditures and the fund reserves balance. Please note at the time the forecast was developed the FY 22-23 budget had not been approved, and the forecast projections are based on the City's April 2022 revenue estimates.

The key to a forecast is its assumptions, and as new data becomes available and assumptions change, the result will be a different forecast. A prime example of this was the revenue forecast in April 2021 during the midst of the pandemic. With consumers staying home and continual spikes in cases, Sales Tax and Property Tax projections reflected the uncertainty of the times. However, through 2021 home sales and consumer spending held strong and revenue losses were minimal. The LRFF was modified accordingly and allows the City to adapt as economic circumstances and local factors warrant and provide the City Council and management with valuable direction.

Revenue Growth Assumptions

The summary chart below includes the major General Fund revenue categories and details on growth assumptions.

Revenues	Forecast Assumptions
Property Tax	Property taxes are projected to increase by 4% in the next two years, and then drop down to 2% as interest rates are expected to affect home sale prices.
Sales Tax & Measure Q	Significantly improved from initial pandemic forecast; based on Avenu Insights' 3Q21 "most likely" forecast for individual years.
Utility User's Tax	Slow growth at 1% ongoing
Other Taxes	Franchise Fees grow at 1% ongoing; Cannabis Industry Tax grows to \$2M annually and then is projected to plateau; Transient Occupancy Tax is recovering at a healthy rate and includes assumption for a new Short-Term Rental Fee based on projected 1,000 units.
Motor Vehicle License Fees	Projected to grow at 4% in the next year in line with Property Tax, and then growth will slow to 2%.

Long Range Financial Forecast

Expenditure Growth Assumptions

The summary chart below shows the General Fund expenditures percentage growth assumptions, rolled up by major category. The following assumptions apply to the expenditure line items:

Expenditures	Forecast Assumptions
Salary COLAs	2.5% in FY 2023-24 per labor contracts; 1% ongoing
Staffing Growth	none
Vacancy Rate	A vacancy credit of \$3M (equivalent to about 2%) is built into General Fund salaries and benefits for all years.
O&M/Inflation	Assumes most Services & Supplies will grow at 3% annually for the first two years, and 2% thereafter.
Pension Costs	PERS Retirement grows in line with Salaries at 2.5% in FY 2023-24 per labor contracts, and 1% ongoing. PERS Unfunded Liability expenditures per CalPERS schedule in upcoming years.
Health	6% ongoing
Overtime	2.5% in FY 2023-24 per labor contracts; 1% ongoing
Project Budgets	\$2.1M in FY 22-23 with 3% growth
Capital Project Transfers	\$5.3M in FY 22-23, reduced to 1.9M in FY 23-24 with 3% growth thereafter. This is embedded within the "Transfers Out" line item.
One-time Funds	The City is funding several programs with one-time funding from PG&E Settlement funds and the American Rescue Plan Act (ARPA) that will eventually expire. Starting in FY 2024-25, additional expenditures are factored in for the Homeless Services and inRESPONSE programs

Summary of Findings

The LRFF begins with a balanced budget in FY 2022-23 and makes adjustments and projections in the out years for any known changes. In FY 2023-24, labor contracts require salaries to increase by 2.5%, which begins to drive expenditures above revenue growth. Even with Capital projects decreasing by \$3.4M in FY 2023-24 due to a one-time expenditure in FY 2022-23, a \$1.4M deficit is projected.

In FY 2024-25, all bargaining units are out of contract, so salaries are projected to grow by only 1% to account for merit increases. The lower growth rate on the largest expenditure category of the General Fund allows revenue to catch up and the budget is expected to be balanced once more.

In the final two years, FY 2025-26 and FY 2026-27 a deficit begins to emerge again as sales tax and property tax growth tapers off, and the General Fund picks up additional costs as one-time funds for

Long Range Financial Forecast

Homeless Services and inRESPONSE expire. Expenditures are projected to outpace Revenues, by \$3.5M.

In future years, the City will need to seek additional funding sources or implement cuts to expenditures in order to maintain a balanced budget. Furthermore, any unknown future costs not included in this forecast, such as wage increases per labor agreements after FY 2024-25, adding staff, or the continuation of any additional programs funded by PG&E or ARPA funds will continue to drive the General Fund further into a deficit. The Public Safety Measure O special tax will sunset in FY 2024-25, and if not extended may also require General Fund resources to continue part of the operations.

	FY 2022-23	FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27
Property Tax	34,695,000	36,341,350	38,047,450	38,951,770	39,730,719
Sales Tax	50,936,035	52,362,000	54,771,000	56,469,000	57,994,000
Measure Q	23,809,191	24,476,000	25,602,000	26,396,000	27,109,000
Utility Users Tax	10,674,100	10,789,100	10,847,750	10,906,990	10,966,820
Other Taxes	27,974,350	28,352,500	28,877,400	29,413,820	29,962,160
Motor Vehicle Fees	16,509,103	17,163,500	17,504,700	17,852,740	18,207,700
License and Permits	2,260,000	2,327,800	2,374,360	2,421,850	2,470,280
Fines and Forfeitures	1,506,500	1,536,600	1,567,300	1,598,610	1,630,540
Intergovernmental	5,150,640	1,757,910	1,765,330	1,772,900	1,780,620
Use of Money & Property	600,000	612,000	624,240	630,480	636,780
R&P Revenues	2,803,000	2,830,950	2,859,190	2,887,420	2,915,580
All Other Charges for Services	7,581,000	7,692,960	7,806,780	7,922,500	8,040,150
Interfund Charges	10,007,837	10,308,070	10,617,310	10,935,830	11,263,900
Miscellaneous	2,995,900	3,002,430	3,009,090	3,015,860	3,022,750
Total Revenue	197,502,656	199,553,170	206,273,900	211,175,770	215,730,999
Transfers IN	2,297,426	2,343,375	2,390,242	2,438,047	2,486,808
Salaries	88,428,389	90,563,764	91,439,575	92,324,091	93,217,399
PERS Retirement	14,601,928	14,966,976	15,116,646	15,267,812	15,420,490
PERS Unfunded Liability	24,912,621	25,535,437	26,173,823	26,828,169	27,498,873
Healthcare	14,498,315	15,368,214	16,290,307	17,267,725	18,303,789
All Other Benefits	5,009,628	4,998,667	5,084,158	5,171,391	5,260,407
IT Costs	5,333,107	5,493,100	5,657,893	5,827,630	6,002,459
Insurance	3,001,467	3,150,923	3,307,847	3,472,610	3,645,605
All Other Service & Supplies	32,343,236	34,648,554	35,775,472	36,950,624	37,793,136
O&M Projects	2,136,769	2,200,872	2,266,898	2,334,905	2,404,952
Total Expenditures	190,265,460	196,926,507	201,112,619	205,444,957	209,547,110
Transfers OUT	9,534,622	6,337,065	7,546,188	9,295,212	12,101,954
Total Surplus (Deficit)	-	(1,367,027)	5,335	(1,126,352)	(3,431,257)

This page intentionally left blank

City Attorney's Office

Mission

The City Attorney's Office is committed to providing the highest-quality legal services and support for elected City officials, departments, boards, and commissions, as well as representing the City efficiently and effectively in litigation and administrative proceedings.

Department Description

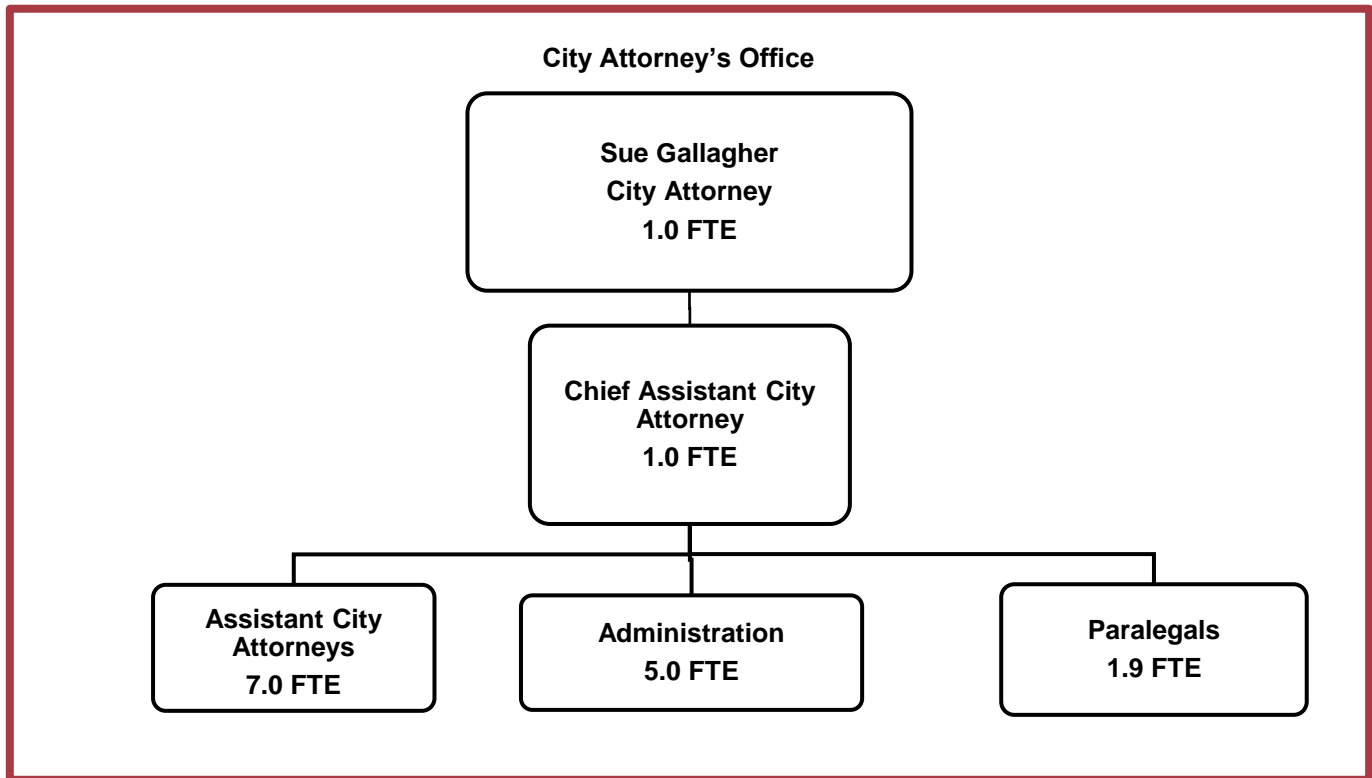
By City Charter, the City Attorney is appointed by the City Council to serve as the chief legal advisor for the City of Santa Rosa.

The City Attorney's Office (CAO) represents the City in legal proceedings and provides comprehensive legal support to the Council, boards, commissions, and City staff on a wide range of municipal matters. The CAO advises on municipal procedures, including the Brown Act, Public Records Act, Political Reform Act, elections, and public finance. The CAO reviews all City Council, Planning Commission, Housing Authority and Board of Public Utilities' agenda items for legal compliance and sits with those bodies during their public meetings. The CAO works closely with the Council, the City Manager, and the City's Departments to provide legal support on key issues facing the City, including housing, homelessness, economic development, environmental protection, municipal infrastructure (including roads, parks and civic facilities), public safety (including Police and Fire), emergency services, water supply, water quality, franchise agreements, and labor and employment. The City Attorney's Office reviews and revises proposed legislation and policies, reviews and approves contracts and surety bonds, prosecutes City Code violations, and abates public nuisances.

The CAO reviews, evaluates and recommends disposition of all claims made against the City, and represents the City in litigation, providing full service from initial claim through to final appeal. That representation includes both prosecution of claims on behalf of the City and defense against claims brought by others. The litigation practice includes matters involving civil rights, personal injuries, eminent domain, inverse condemnation, environmental violations, land use matters, personnel disputes, and allegations of dangerous condition of public property. The CAO makes recommendations to the Council for or against the settlement or dismissal of legal proceedings and defends the validity of ordinances and other administrative actions.

City Attorney's Office

FTE by Program



Strategic Goals and Initiatives for FY 2022-23

(Numbers at the right show relation to City Council Goals; see Council Goals Section)

Emerging Issues:

- Provide continued legal guidance and support as the City completes its decennial review of the City Charter, including guidance as the Council considers the Charter Review Committee's recommendations and possible amendments to be placed on the November 2022 ballot. **4**
- Provide on-going advice and consultation as the City moves into election season, including with respect to Council member elections and proposed ballot measures. **4**
- Provide continued legal guidance as the City emerges from the coronavirus pandemic. **3**
- Work closely with SR Water and other City Departments as the region faces potential conditions of severe drought. **3, 5**
- Assist City Departments in responding to evolving state and federal law, policy and opportunities regarding housing and homelessness. **1, 2**
- Provide continued legal support as Police implement evolving state laws and pursue significant community reforms, including outreach, engagement, and upstream investments. **3**
- Work closely with Human Resources and Seed Collaborative to further diversity, equity, inclusion and belonging. **4, 6**

Ongoing Council Priorities:

- Provide continuing advice and legal support regarding comprehensive housing policies and programs, including downtown development. **1, 2, 4**
- Provide continuing advice and legal support regarding enhanced policies and programs to reduce homelessness, with an ultimate goal of functional zero. **2**
- Provide continuing advice and legal support regarding policies and programs to address climate change. **5**

City Attorney's Office

- Provide continued legal support to Departments on initiatives to promote sustainable infrastructure and economic vitality. **5**
- Enhance collaboration with our public entity partners in regional efforts to address housing, homelessness, emergency response, and other areas of regional concern. **All**

Foundational responsibilities:

- Provide skilled and effective defense of all claims and lawsuits filed against the City of Santa Rosa. **3**
- Enforce environmental and consumer protection laws and aggressively pursue violations. **3**
- Enforce the City Code with a focus on highest health and safety risks. **All**
- Provide timely review of contracts, resolutions, and proposed ordinances. **All**
- Provide advice and legal support in state and federal legislative and regulatory initiatives. **All**
- Provide professional, timely and effective legal advice to the Council, City Manager, City Departments and City boards and commissions throughout our work. **All**

Major Budget Changes

The FY 2022-23 City Attorney's Office (CAO) budget is \$3.9M, an increase of \$64K, or 1.7%, over the prior year's adopted budget. Salaries & Benefits increased by a net \$48K, or 1.5%, primarily due to increases in retirement costs and merit-based salary changes in CAO personnel. A nominal change of \$15k or 3.3% in Services and Supplies, Training, and Information Technology. The majority of the increase is the result of \$9.5K in additional Training, Services and Supplies budget appropriations.

Budget Summary

Expenditures by Program				
	2019 - 20 Actual	2020 - 21 Actual	2021 - 22 Budget	2022 - 23 Budget
Legal Services	\$3,369,311	\$3,497,188	\$3,824,241	\$3,888,597
CIP and O&M Projects	\$0	\$0	\$0	\$0
Total	\$3,369,311	\$3,497,188	\$3,824,241	\$3,888,597

Expenditures by Category				
	2019 - 20 Actual	2020 - 21 Actual	2021 - 22 Budget	2022 - 23 Budget
Salaries	\$2,033,407	\$2,075,165	\$2,200,828	\$2,261,266
Benefits	\$990,000	\$1,022,549	\$1,157,185	\$1,145,674
Professional Services	\$185,550	\$243,042	\$277,300	\$278,800
Vehicle Expenses	\$410	\$0	\$400	\$400
Utilities	\$2,005	\$1,822	\$900	\$1,400
Operational Supplies	\$14,884	\$14,527	\$15,000	\$21,000
Information Technology	\$82,459	\$82,201	\$94,928	\$101,357
Other Miscellaneous	\$60,596	\$57,882	\$77,700	\$78,700
CIP and O&M Projects	\$0	\$0	\$0	\$0
Total	\$3,369,311	\$3,497,188	\$3,824,241	\$3,888,597

City Attorney's Office

Expenditures by Fund				
	2019 - 20 Actual	2020 - 21 Actual	2021 - 22 Budget	2022 - 23 Budget
General Fund	\$3,369,311	\$3,497,188	\$3,824,241	\$3,888,597
Total	\$3,369,311	\$3,497,188	\$3,824,241	\$3,888,597

Authorized Full-Time Equivalent (FTE) Positions – All Funds

Fiscal Year	FY 2018-19	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23
Full-Time Equivalent	16.90	15.90	15.90	15.90	15.90

Performance Measures

Litigation: As of April 11, 2022, CAO had 30 matters in active litigation and 16 additional claims under review. The Office estimates that it is likely to receive 3 new lawsuits and 7 new claims by the end of the fiscal year. The existing lawsuits include civil rights claims, personal injury, contract claims, construction disputes, regulatory matters, claims under CEQA, receiverships and others. Several cases are matters filed by the City itself to recover damages or monies owed. Six existing cases are currently scheduled for trial in the coming months, and we anticipate additional cases may be scheduled before the end of the FY 2021-22. City Attorney's Office handles the vast majority of this litigation in-house to minimize outside counsel costs when possible. CAO's engagement begins with the claim filing and continues strongly through discovery, trial, appeals and writs. In addition to lawsuits and claims, the litigation team will, by the end of FY 21-22, have defended approximately 31 weapons administrative actions, 9 vicious animal complaints (some involving multi-day trials), 23 Pitchess Motions, and 6 inspection warrants.

Departmental Support: CAO continues to provide general legal advice and support on a wide range of municipal matters. The Office has responded to approximately 259 formal legal opinion requests, and many more informal inquiries. On a day-to-day basis, the CAO's transactional team works closely with staff of all Departments to provide on-going legal guidance and proactive support on a vast array of City projects and initiatives. Much of this work is not reflected in the official opinion requests tracked above and is performed as a part of continuing services to the Council, the City Manager and the Departments. The City Attorney's Office has reviewed 1161 agenda items to be presented to Council and other Boards and Commissions. City Attorney's Office continues to explore improved ways to track this work. Additionally, the City Attorney's Office has provided support to the City Clerk's Office in the review of the over 1200 Public Records Act requests received this fiscal year.

Contracts: By the end of FY 21-22, CAO will have reviewed and approved 1166 contracts. Average turnaround for standard contracts was approximately 5 business days and for nonstandard contracts approximately 10-20 business days, depending on the extent of needed negotiations.

Prior FY 2021-22 Accomplishments

(Numbers at right show relation to City Council Goals; see Council Goals Section)

- Provided legal guidance and support to the Charter Review Committee through its consideration of a range of possible Charter amendments, including participation in bi-weekly meetings, preparation of presentations and research materials, and assistance in preparation of a draft final report. **4, 6**
- Worked closely with the City Clerk to guide redistricting following the 2020 Federal Census, successfully bringing forward a well-supported amendment to the District Ordinance. **4**

City Attorney's Office

- Provided legal guidance and support in the solicitation and hiring of an independent police auditor. 3, 6
- Successfully negotiated MOUs with labor groups. Significant cost savings to City through minimal use of outside counsel. 6
- Provided legal support for initial phases of the update to the Santa Rosa General Plan. All
- Provided legal support for development and adoption of Short-Term Rental Ordinance, designed to protect neighborhoods, while allowing economic benefits. 3, 4
- Providing on-going legal support in connection with proposals for ambulance services within Santa Rosa. 3
- Provided legal support for drought response, including legal guidance in the development of the City's Water Demand Offset Policy. 3
- Vigorously defended and resolved significant litigation matters at little or no cost to the City. 6

Looking Ahead

The City Attorney's Office will continue to provide essential legal support to the City Council, City Manager and all City Departments in pursuit of the Council's top priorities. Our efforts are wide-ranging and will include working closely with staff to address the community's housing needs and the on-going impacts of homelessness, working closely with staff to ensure the continued strengthening of the City's response and resiliency to drought, wildfires, and other emergencies, and working closely with staff in strategies to stabilize City finances, to enhance essential infrastructure and to promote a strong local economy. CAO will continue to work with the Council's Public Safety Subcommittee and the Police Department as the Department undertakes its critical reforms, and we will work in close collaboration with the Council, the City Manager, the Departments and Seed Collaborative in moving forward to address systemic racism and evolve to an organization and community that celebrates diversity and embraces equity, inclusion and belonging.

CAO anticipates continued partnership with all Departments in significant new and on-going initiatives, including innovative Water programs and policies, the General Plan Update, climate change policies, new proposed housing ordinances, new City and regional homeless initiatives, new efforts to support local businesses, and potential real estate transactions to facilitate downtown development.

In the coming fiscal year, CAO also anticipates significant time and resources will be directed to guiding final decision-making in the City's Charter review and to assisting in drafting and processing proposed ballot measures. The CAO anticipates that ballot measures will include two or more Charter Amendments, a possible extension of Measure O, and perhaps others. In addition, the CAO will be devoting significant resources to the 2022 elections in general, including legal support and guidance for the Council member elections (four districts) and close collaboration with the City Clerk's Office on election procedures and requirements throughout the season.

Litigation will continue to absorb much of our time. In particular, CAO is currently engaged in significant construction, contracting and civil rights lawsuits, all of which are moving forward quickly. We also anticipate that litigation will continue to surround our efforts to address homelessness, with a potential trial late in the year.

As always, the CAO's day-to-day work will continue. Claims are defended. The City Code is enforced. Agenda items are reviewed. Ordinances, resolutions, and policies are drafted or revised. Contracts are reviewed. Advice is provided to staff on a myriad of issues, large and small. Labor and employment issues are resolved. Broad on-going support is provided to the Council and each of its Boards and Commissions.

This page intentionally left blank

City Council

Mission

It is the mission of the Council to provide high-quality public services and cultivate a vibrant, resilient and livable City.

The City Council is the legislative and policy-making body for the City of Santa Rosa. Council Members are elected by voters to serve four-year terms. The Mayor and Vice Mayor are elected by the Council Members. The Mayor serves a two-year term. The Vice Mayor serves a one-year term. The Council makes the appointments of the City Manager and the City Attorney, as well as numerous Board and Commission Members.



Chris Rogers
Mayor
District 5



Eddie Alvarez
Vice Mayor
District 1



Victoria Fleming
Council Member
District 4



Natalie Rogers
Council Member
District 7



John Sawyer
Council Member
District 2



Tom Schwedhelm
Council Member
District 6



Dianna MacDonald
Council Member
District 3

City Council

Annually and early in the calendar year, the City Council and Executive Team meet to establish Council goals and priorities at the City Council Goal Setting Workshops. In 2022, the City Council Goal Setting Workshops did occur, in a social distanced environment, as the City continued to respond to the novel coronavirus (COVID-19) pandemic. For the 2022-23 budget year, the City Council identified six priorities from which goals would be identified and prioritized. The six priorities, in order, are:

Priorities
1. Deliver housing for all Pursue housing options for residents of all income levels.
2. Reduce homelessness and its impacts Partner with key stakeholders to offer housing and support services to the unsheltered and address the issues and causes of homelessness.
3. Ensure a healthy and safe community for all Ensure the public's safety by engaging residents and using a broad range of proactive approaches.
4. Promote economic and community vibrancy Sustain and develop a diverse and thriving economy that benefits Santa Rosa residents and businesses and contributes to the community's economic health.
5. Build and maintain sustainable infrastructure Invest in and maintain infrastructure that supports environmental sustainability and supports a vibrant City.
6. Achieve organizational excellence Creating a high performing organization that is proactive; fiscally sound; promotes diversity; equity, and inclusion; and reliably delivers outstanding services to the community.

Major Budget Change

The City Council's FY 2022-23 budget is \$1.6M, an increase of \$410K, or 35.1%, over the prior year's adopted budget. Salaries & Benefits increased by \$28K, or 13.4%, mainly from the increase in health benefits. Services & Supplies increased by \$383K, mainly within professional services and other miscellaneous. The FY 2022-23 budget includes an election, therefore increasing professional services.

Budget Summary

Expenditures by Program				
	2019 - 2020 Actual	2020 - 2021 Actual	2021 - 2022 Budget	2022 - 2023 Budget
Elections	\$0	\$112,730	\$0	\$612,730
Administration	\$697,197	\$707,545	\$1,064,785	\$862,814
Events	\$16,707	\$0	\$105,000	\$105,000
Total	\$713,904	\$820,275	\$1,169,785	\$1,580,544

Expenditures by Category				
	2019 - 2020 Actual	2020 - 2021 Actual	2021 - 2022 Budget	2022 - 2023 Budget
Salaries	\$76,548	\$74,212	\$112,000	\$122,000
Benefits	\$104,882	\$86,926	\$101,236	\$119,319
Professional Services	\$240,719	\$309,078	\$661,649	\$1,037,597
Utilities	\$5,189	\$5,157	\$1,589	\$1,589
Operational Supplies	\$11,728	\$7,795	\$11,728	\$11,728
Information Technology	\$146,135	\$164,134	\$152,880	\$133,910
Other Miscellaneous	\$128,703	\$172,973	\$128,703	\$154,401
Total	\$713,904	\$820,275	\$1,169,785	\$1,580,544

Expenditures by Fund				
Funding Source	2019 - 2020 Actual	2020 - 2021 Actual	2021 - 2022 Budget	2022 - 2023 Budget
General Fund	\$713,904	\$820,275	\$1,169,785	\$1,580,544
Total	\$713,904	\$820,275	\$1,169,785	\$1,568,804

City Council

Performance Measures

The City Council's service indicators remain relatively the same year after year. In FY 2022, the City Council held their annual Council Goals Session and adopted the updated priorities. The City Council held 31 meetings and made 22 appointments to various Boards and Commissions. In addition, the City Council Members all serve on various Boards and Committees.

Council Meetings: The City Council meets almost every Tuesday at 4:00 p.m., but meetings may begin earlier in the afternoon to accommodate study sessions. Agendas are made available online at www.srcity.org.

Various Committees: The City Council Members work with City staff on various committees and provide leadership and guidance on a variety of issues. Council standing committees include: Board of Public Utilities (BPU) Liaison, Climate Action Subcommittee, Downtown Subcommittee, Economic Development Subcommittee, Violence Prevention Partnership – Steering Committee, Open Government Task Force Subcommittee, Violence Prevention Partnership Policy Committee, Long Term Financial Policy and Audit Subcommittee, Subcommittee on Homeless Issues, and the Santa Rosa Build/Rebuild Ad Hoc Committee, Cannabis Policy Subcommittee. The Council Regional Appointments include: Association of Bay Area Governments (ABAG), Health Action Council, Library Advisory Board, League of California Cities (LOCC) North Bay, Home Sonoma County Leadership Council, Ground Water Sustainability Agency, Mayors' and Councilmembers' Association Liaison to LOCC, Russian River Watershed Association, Waterways Advisory Committee, and the Water Advisory Committee (WAC). Council Members also hold liaison positions on Sonoma Clean Power Joint Powers Agreement (JPA), Sonoma County Transportation Authority/Regional Climate Protection Authority, Zero Waste Sonoma (formerly known as Sonoma County Waste Management Agency, Zero Waste Sonoma) and Renewal Enterprise District (RED).

Boards and Commissions: The City Council Members appoint City residents to positions on various Boards and Commissions. These Boards work with City staff on a variety of issues, provide the Council and citizens with important background information and make decisions based on that information. They are: Art in Public Places Committee, Bicycle and Pedestrian Advisory Board, Board of Building Regulation Appeals, Board of Community Services, Board of Public Utilities, Community Advisory Board, Cultural Heritage Board, Design Review Board, Housing Authority, Measure O Citizen Oversight Committee, Mosquito Vector Control Board, Personnel Board, Planning Commission, Successor Agency Oversight Board, Santa Rosa Tourism Business Improvement Area Advisory Board, and the Waterways Advisory Committee.

Prior FY 2021-22 Accomplishments

- Appointed new City Manager
- Approved Caritas Village
- Reopened City Hall and offices during COVID
- Appointed Council Member Tibbett's replacement
- Started re-districting process after Census
- Approved the Safe Parking Program
- Purchased property for Fire Station 8, Roseland Library and Community Center
- Developed expenditure plans for PG&E and ARPA Funds
- Started Charter Review Process

Looking Ahead

The City Council is looking to refine its goals and implement programs to make Santa Rosa a vibrant, sustainable and livable City.

This page intentionally left blank

City Manager's Office

Mission

It is the mission of the City Manager's Office to provide responsible and ethical leadership, cost-control management, administration, and direction for the City organization based on sound strategic planning, support to City Council Members and Boards and Commission Members, and exceptional customer service to the community.

Department Description

The City Manager's Office is comprised of three programs: Administration, the City Clerk's Office, and Homeless Services.

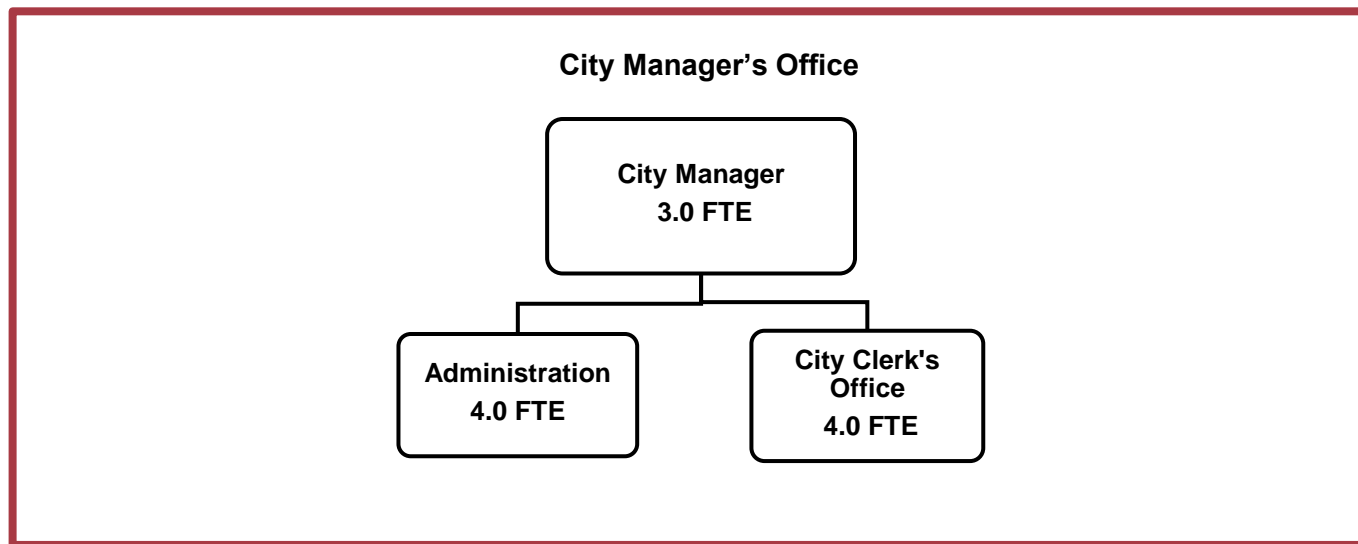
Administration - Responsible for the administration and oversight of all City departments, guides the annual budget process, coordinates the City Council agenda process, and provides direct support to the City Council. The office also administers and monitors the City's franchise agreements and a variety of service-related agreements.

City Clerk's Office - Administers the City's legislative process; provides support to the City Council, produces the Council agenda, and assembles and distributes the agenda packets in compliance with the Brown Act; records action minutes and manages the processing of all items approved by the City Council; maintains the legislative history of all City Council actions; administers regular and special municipal elections according to the Elections Code, the City Charter, and the City Code; provides support and information to candidates and voters; administers Board, Commission, and Committee recruitments and appointments in accordance with the Maddy Act and City Council policies; manages the retention and retrieval of official documents in compliance with the Public Records Act; acts as the filing official for Statements of Economic Interest and Campaign Statements in accordance with the Political Reform Act; assures proper publication of public notices and adopted ordinances; provides training; oversees the codification of the City Code; coordinates the City's Records Management Program; and provides access to information about the public's business.

Homeless Services – Provides essential support to address homelessness in our community as part of the City's Housing First Strategy and broader goal of "Housing for All." Funding is provided to key initiative areas – day services, street outreach and encampment resolution, emergency shelter, housing support, and community-based solutions – through the following programs: Homeless Services Center, Living Room, Samuel L. Jones Hall Homeless Shelter, Family Support Center, YWCA Safe House, Homeless Outreach Services Team (HOST), HCA Family Fund Program, Community Homeless Assistance Program (CHAP), Homeless Encampment Assistance Program (HEAP), and Safe Parking Pilot Program. These initiatives are coordinated in collaboration with City departments, service providers, and community partners and participation in regional planning efforts through the Continuum of Care, also known as Home Sonoma County.

City Manager's Office

FTE by Program



Strategic Goals and Initiatives for FY 2022-23

(Numbers at right show relation to City Council Goals; see Council Goals Section)

Administration

- Deliver housing options for residents of all income levels 1
- Reduce homelessness and its impacts 2
- Ensure a healthy and safe community for everyone 3
- Promote economic and community vibrancy 4
- Build and maintain sustainable infrastructure 5
- Achieve organizational excellence 6

City Clerk

- Prepare and distribute preliminary and current City Council agendas, paperless agenda packets, and minutes pursuant to the Brown Act and City policy. 4, 5, 6
- Facilitate an open and transparent democratic process through public access to Council and advisory body legislative records. 4, 5, 6
- Promptly receive, review, track, and coordinate responses to all Public Records Act requests. 6
- Continue development, implementation, and coordination of a comprehensive Citywide Records Management Program. 6
- Administer fair and impartial municipal and ballot measure elections; provide technical support and guidance to City Council candidates and proponents. 6
- Serve as filing officer/official under the Political Reform Act for Statements of Economic Interests and Campaign Finance Disclosure Statements. 6
- Effectively manage all board and commission member vacancies, recruitments, and appointments to ensure City boards, commissions, and committees represent the diversity of the community. 6
- Foster public involvement and informed decision-making by providing professional customer service and accessible and accurate information about City government. 6
- Assist in the implementation of the recommendations of the Open Government Task Force. 6

City Manager's Office

Homeless Services

- Administer homeless service contracts for the housing-focused Samuel L. Jones Hall Homeless Shelter and Annex, Family Support Center, Homeless Services Center, Homeless Outreach Services Team (HOST), HCA Family Fund Program and Safe Parking; continue support to the Community Homeless Assistance Program (CHAP). 1, 2
- Support efforts to solve homelessness through continued coordination of services among City departments including the Homeless Encampment Assistance Program (HEAP) and Safe Parking Program, collaboration with the County and service providers, and participation in regional planning efforts through the Continuum of Care (Home Sonoma County). 1, 2

Major Budget Changes

The City Manager's Office budget is comprised of two funding sources, the General Fund and Homeless Shelter Operations Fund. The total FY 2022-23 budget is \$6.9M, up \$169K over the prior year's adopted budget.

As a part of the FY 2022-23 budget, the City Manager's Office restructured to add the two Assistant City Managers that were previously in Planning & Economic Development and Transportation & Public Works. The General Fund is 42% of the City Manager's Office overall budget, which in FY 2022-23 totals \$2.9M, a \$767K or 36% increase from the prior year. \$722K of the increase occurred in Salary and Benefits, because of the restructuring to add the two Assistant City Manager positions under the City Manager's Office Budget as well as MOU increases for all staff. There was an increase of \$20K, or 17%, for Information Technology services and a \$20K increase, or 27%, in Other Miscellaneous for meetings, trainings and conferences to support the addition of the two Assistant City Managers.

Homeless Services decreased \$598K for an overall budget of almost \$4M. \$731K or 18% of the Homeless Services fund is spent in Salaries and Benefits. Professional services decreased by \$109K. Subrecipient Funding decreased by \$523K, or -15%, to \$2.8M. CIP and O&M Projects increased \$35K for a total of \$350K for a Sam Jones Hall Capital Improvement project. Homeless Services now comprises 58% of the overall budget in the City Manager's Office.

Budget Summary

Expenditures by Program				
	2019 - 2020 Actual	2020 - 2021 Actual	2021 - 2022 Budget	2022 - 2023 Budget
General Administration	\$2,422,775	\$1,668,539	\$2,033,870	\$2,801,114
Communications	\$37,535	\$0	\$0	\$0
City Clerk	\$81,320	\$78,682	\$81,320	\$81,256
Homeless Services	\$3,219,586	\$2,718,444	\$4,278,416	\$3,645,105
CIP and O&M Projects	\$164,851	\$7,182	\$315,000	\$350,000
Total	\$5,926,067	\$4,472,847	\$6,708,606	\$6,877,475

City Manager's Office

Expenditures by Category

	2019 - 2020 Actual	2020 - 2021 Actual	2021 - 2022 Budget	2022 - 2023 Budget
Salaries	\$1,518,904	\$1,217,345	\$1,367,887	\$1,894,010
Benefits	\$689,926	\$642,286	\$799,433	\$992,974
Professional Services	\$500,493	\$213,925	\$576,192	\$466,261
Utilities	\$3,889	\$2,336	\$5,265	\$5,265
Operational Supplies	\$37,742	\$9,670	\$35,254	\$40,043
Information Technology	\$129,385	\$170,096	\$147,072	\$168,760
Other Miscellaneous	\$78,192	\$78,760	\$94,658	\$111,039
Subrecipient Funding	\$2,778,012	\$2,102,947	\$3,318,192	\$2,794,781
CIP and O&M Projects	\$164,851	\$7,182	\$315,000	\$350,000
Indirect Costs	\$24,673	\$28,300	\$49,653	\$54,342
Total	\$5,926,067	\$4,472,847	\$6,708,606	\$6,877,475

Expenditures by Fund

Funding Source	2019 - 2020 Actual	2020 - 2021 Actual	2021 - 2022 Budget	2022 - 2023 Request
General Fund	\$2,695,894	\$1,751,379	\$2,115,190	\$2,882,370
Homeless Shelter Operations	\$3,230,173	\$2,721,468	\$4,593,416	\$3,995,105
Total	\$5,926,067	\$4,472,847	\$6,708,606	\$6,877,475

Authorized Full-Time Equivalent (FTE) Positions – All Funds

Fiscal Year	FY 2018-19	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23
Full-Time Equivalent	13.00	14.00	10.00	8.00	11.00

Administration

- Work with the Mayor, the City Council, and the Executive Staff to implement City Council Goals. Follow-up with staff to develop and produce desired results.
- Provide responses to each of the approximate 3000+/- emails that come to the City Manager and City Council.

City Manager's Office

Performance Measures

City Clerk

City Clerk	FY 2019-20	FY 2020-21	FY 2021-22
City Council Meetings: Produce, publish, and timely post preliminary and final Council agendas, agenda packets and meeting minutes	152*	148*	152***
City Council Legislation: Timely and accurately conform, publish, post, and import into Laserfiche all City Council legislation	Resolutions – 229* Ordinances – 23*	Resolutions – 235** Ordinances – 18**	Resolutions – 252** Ordinances – 20***
FPPC Filings – Form 700: Provide notification of filing deadlines; receive, review, and post filings; seek amendments as needed	677 filings	551 filings*	627 filings**
FPPC Filings – Campaign Disclosure Statements: Provide notification of filing deadlines; receive, review, and post filings; seek amendments as needed	Filers – 26 Filings – 52	Filers – 25* Filings – 84*	Filers – 26** Filings – 48**
Public Records Act Requests: Receive and review written requests, coordinate production of records, prepare responses	970 (1/1-12/31/2019)	959*	1515**
Boards and Commissions: Track and recruit applicants and administer appointments for 12 advisory bodies (86 positions)	Applications–31 Appointments–26***	Applications–160*** Appointments–	Applications–90*** Appointments–34****
(*) 1/1-12/31/2020 (**) 1/1-12/31/2021 (***) Fiscal Year-end estimates based on year-to-date actuals			

Homeless Services

Indicators	FY 2018-19	FY 2019-20	FY 2020-21	FY 2021-22 Estimates
------------	------------	------------	------------	----------------------

City Manager's Office

Number of persons sheltered at Samuel Jones Hall Homeless Shelter and Annex (SJHA)	849	764	622	650
Number of persons exited to housing from SJHA	54	75	60	50
Number of persons sheltered at Family Support Center	405	318	245	400
Number of persons exited to housing from Family Support Center	223	293	112	100
Number of persons served at Homeless Services Center	1711	1747	2929	1700
Number of persons served under the Homeless Outreach Services Team (HOST)	334	857	270	600
Number of persons placed into safe shelter or housing (temporary or permanent) under HOST	137	204	51	100
Number of persons served at Safe Parking (new in 21/22)	n/a	n/a	n/a	50

Prior FY 2021-22 Accomplishments

(Numbers at right show relation to City Council Goals; see Council Goals Section)

Administration

- Successfully opened City Hall and offices during COVID/Provided burrito breakfast welcome back to employees **1-6**
- Appointed Assistant City Manager, Chief Financial Officer, and Chief Technology Officer **4,5,6**
- Held two Council Goal Setting Sessions (August 2021 and February 2022) **1-6**
- Held Executive Retreat in November **1-6**

City Clerk

- Managed the preparation, distribution, and posting of City Council agendas, agenda packets and minutes for 41 City Council meetings. **All**
- Successfully implemented Zoom Hybrid Meetings for all City Council meetings **All**
- Served as filing official for over 467 Statements of Economic Interests for City Council members, advisory body members, and designated staff in compliance with the Political Reform Act. **4, 5, 6**
- Responded in a timely manner to over 1499 requests for public records in compliance with the Public Records Act (1/1/2021-12/31/2021). **6**
- Conducted recruitments for vacancies on 12 Boards, Commissions, and Committees; solicited and received 90 applications. **4, 6**
- Managing the codification of resolutions and ordinances, promptly making them available online **All**

City Manager's Office

- Conducted yearly update of retentions schedules for each department.

6

Homeless Services

- Received \$1.7M in CARES Act Emergency Services Grant -CV funding to reimburse City expenses for Samuel Jones Hall Shelter and Annex during COVID pandemic. 2
- Utilized \$713K in CARES Act Community Development Block Grant-CV funding for operations of the Samuel Jones Hall Shelter Annex, which allowed unsheltered persons a socially distanced shelter option. 2
- Continued coordination of the Homeless Encampment Assistance Program (HEAP) to resolve encampments throughout the City, including in the Roseland/Southwest and Northwest areas, Santa Rosa Avenue, South Park, and Bicentennial Park. 2
- Successfully opened the Safe Parking Pilot Program providing up to 50 spots in a city-owned parking lot for individuals living in their vehicles/RV. 2
- Selected a consultant, Focus Strategies, for the development of a Homelessness Solutions Strategic Plan. 2

Looking Ahead

The City Manager's Office is effectively managing the City, including fiscal accountability and implementation of the Council goals.

City Clerk's Office will continue with Council meetings in a hybrid format with in-person and virtual participation with the public; facilitate the City Council redistricting process and the Charter Review with the City Attorney's Office, and work with Information Technology staff to implement a trusted system for citywide records.

The City will continue to focus on homelessness through its work in the Home Sonoma County/Continuum of Care regional task force and through non-profit partnerships. The Strategic Plan process will assist the City in focusing its efforts to continue addressing this complex social issue.

This page intentionally left blank

Communications & Intergovernmental Relations

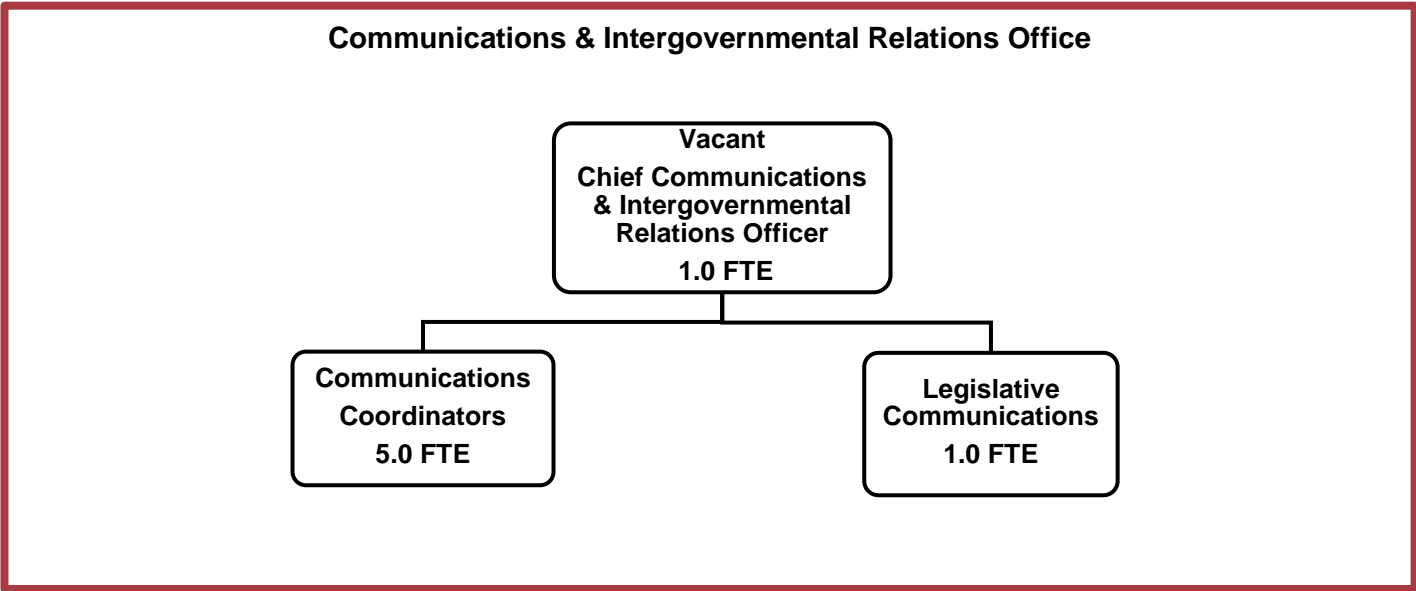
Mission

To streamline and centralize the dissemination of accurate, timely and pertinent information to the public, media and other governmental agencies.

Department Description

The Communications & Intergovernmental Relations Office (CIRO) is the centralized point for public communications, supporting the dissemination of public information and outreach, engagement, and marketing in support of revenue generating programs for departments across the city, as well as coordinating the City’s interests in key state and federal governmental activities and funding opportunities. CIRO manages the City’s external messaging, branding, design, development, and distribution of digital/print/video communication collateral and building collaborative relationships with key stakeholders including media representatives, as well as coordination of the City’s legislative advocacy efforts. This team works closely with the City Manager’s Office and all Departments to ensure accuracy, accessibility, equity, and transparency are at the core of all messaging. As a forward-facing department, CIRO is also responsible for matters that directly affect the public and maintains an open government approach to information, especially in times of emergency.

FTE by Program



Strategic Goals and Initiatives for FY 2022-23

(Numbers at right show relation to City Council Goals; see Council Goals Section)

- Support public information needs through duration of the pandemic, fire season, drought, and other unanticipated emergencies 3
- Develop and implement outreach/communication plans for critical issues and projects 6
- Enhance community engagement efforts by implementing strategic, measurable communications plans 6

Communications & Intergovernmental Relations

- Enhance and grow the City's online and digital presence and engagement 6
- Define and develop CIRO infrastructure and processes 6

Major Budget Changes

The Communications and Intergovernmental Relations Office's (CIRO) FY 2022-23 budget is \$1.4M, an increase of \$66K over the prior year's adopted budget. FY 2022-23 will be the third year of existence for this General Fund supported department. Over the prior year, the roles and responsibilities of CIRO continue to be adjusted and clarified which has resulted in an increase in the budget. Salaries and Benefits experienced a nominal increase of \$18K due to the continued need for communications regarding the pandemic, fire season, the City's policing, homelessness, and other General fund supported projects. Service and Supplies increased by \$48K to a total budget of \$310K. Most of the increase is due to the transfer of \$30K of Non-Permanent Salaries to Professional Services.

Budget Summary

Expenditures by Program				
	2019 - 2020 Actual	2020 - 2021 Actual	2021 - 2022 Budget	2022 - 2023 Budget
Communications & Intergovernmental Relations	\$0	\$1,097,992	\$1,378,362	\$1,444,055
Total	\$0	\$1,097,992	\$1,378,362	\$1,444,055

Expenditures by Category				
	2019 - 2020 Actual	2020 - 2021 Actual	2021 - 2022 Budget	2022 - 2023 Budget
Salaries	\$0	\$640,704	\$723,409	\$725,537
Benefits	\$0	\$335,592	\$392,384	\$408,050
Professional Services	\$0	\$21,119	\$64,650	\$94,650
Vehicle Expenses	\$0	\$0	\$0	\$0
Utilities	\$0	\$3,211	\$2,500	\$2,500
Operational Supplies	\$0	\$11,421	\$14,380	\$14,380
Information Technology	\$0	\$0	\$56,874	\$57,803
Other Miscellaneous	\$0	\$85,945	\$124,165	\$141,135
Total	\$0	\$1,097,992	\$1,378,362	\$1,444,055

Expenditures by Fund				
Funding Source	2019 - 2020 Actual	2020 - 2021 Actual	2021 - 2022 Budget	2022 - 2023 Budget
General Fund	\$0	\$1,097,992	\$1,378,362	\$1,444,055
Total	\$0	\$1,097,992	\$1,378,362	\$1,444,055

Communications & Intergovernmental Relations

Authorized Full-Time Equivalent (FTE) Positions – All Funds

Fiscal Year	FY 2018-19	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23
Full-Time Equivalent			7.00	7.00	7.00

Prior FY 2021-22 Accomplishments

(Numbers at right show relation to City Council Goals; see Council Goals Section)

- Developed and implemented several bilingual outreach plans, focused on equitable communications, for: Safe Parking Pilot Program, inRESPONSE Mental Health Support Team launch, new Aquatics and Senior Membership programs, Housing Choice Voucher Program, Zero Waste Food Ware Ordinance campaign, General Plan Update, redistricting, Short-term rental urgency ordinance, District 3 council member vacancy, and more.
- Provided effective emergency communications for: the drought, achieving the 20% communitywide reduction in water use, and COVID 19 communications and updates.
- Launched Santa Rosa Transit's UR Free Unlimited Rides Free for Youth pilot program campaign, resulting in a 13% increase in youth ridership over pre pandemic rider levels.
- Secured two federal earmarks for inRESPONSE and a new Emergency Operations Center and coordinated the adoption of the City's first ever state legislative platform.

Looking Ahead

As pandemic messaging and information needs wind down, CIRO will focus on its structure, processes, and procedures to address the communications needs fairly and efficiently of the city and its departments.

While the work of CIRO is largely determined by the work of all other departments, CIRO will be focused on ensuring that the organization utilizes best practices in ensuring equitable access and cost-effective delivery of public information for Santa Rosa's diverse community through a range of strategies – digital, print, video, radio, paid advertising, community meetings, media relations, and others.

Communication is more important now than ever. The public expects to interact with the City where, when and how they prefer. CIRO will continue to be agile and adjust and tailor communications to meet the community where they are.

CIRO will re-evaluate existing communications methods and consider ways to improve communications across the board. CIRO seeks to revitalize cross-departmental communications, local, State and Federal government communications, private sector relations, and constituent communications for the City of Santa Rosa.

This page intentionally left blank

Finance

Mission

As the fiscal steward of the City's resources, the Finance Department provides excellent customer service, as well as ethical oversight and management of public funds.

Department Description

The Finance Department is responsible for providing a wide range of financial and support services to the City organization, as well as the business community and the public. The Department is divided into six programs in addition to the department's Administration section: Financial Services, Payroll & Benefits, Purchasing, Revenue, Parking Operations, and Parking Enforcement.

Financial Services is divided into three sections that provide accounting and fiscal management to City departments, the Housing Authority, and the Successor Agency to the Former Redevelopment Agency: **Financial Reporting**, **Accounts Payable**, and **Budget and Financial Planning**. Together, the Financial Services sections ensure the proper use of public funds. Financial Services is responsible for preparing and producing several mandated reports including the City's Operations and Maintenance (O&M) Budget, and the City's Capital Improvement Program (CIP) Budget.

The Financial Reporting section provides professional-level accounting and financial reporting services for an array of activities. Financial Reporting manages the annual financial audit contract. Accounts Payable processes all accounts payable requests relating to contracts, purchase orders, field requisitions, and miscellaneous payments. The division also ensures payments are properly documented and the requirements of City policies and procedures, as well as federal and state laws are satisfied. Budget and Financial Planning manages all aspects of the City's budget process, long range financial planning, and provides analytical services to departments throughout the year. This section also includes the City's Treasury function which manages the investment of the City's cash and runs the Citywide cost allocation plan contract.

Payroll and Benefits maintains the City's payroll and timekeeping systems and produces all payments for various employee benefit programs. This requires producing both bi-weekly and monthly payroll and reconciling and paying monthly benefit costs. There are several external reporting requirements of payroll-related information to federal and state agencies that occur bi-weekly, monthly, quarterly, and annually. Additional tasks performed by this program are the management of the City's deferred compensation program, the coordination of various uniform programs, tracking and billing for leaves of absence, performing labor costing analysis, and preparing the Citywide labor and benefits budget.

Purchasing - The Purchasing section includes the Central Warehouse and its staff and offers contract management services for Citywide agreements and purchase orders. The program provides centralized procurement for all goods and general services per City Code and grant/funding requirements, review of sole sourcing, design build projects, minor public works, Request for Proposal (RFP) oversight and assistance, surplus disposal, purchasing card administration, fuel management, procurement training, public requests for information, warehousing of requested inventory, and City-wide training and support. Centralized contracts and purchase orders are also monitored for adherence to City insurance requirements. Purchasing staff oversees City-wide contract/po performance management and facilitates remedy when issues occur.

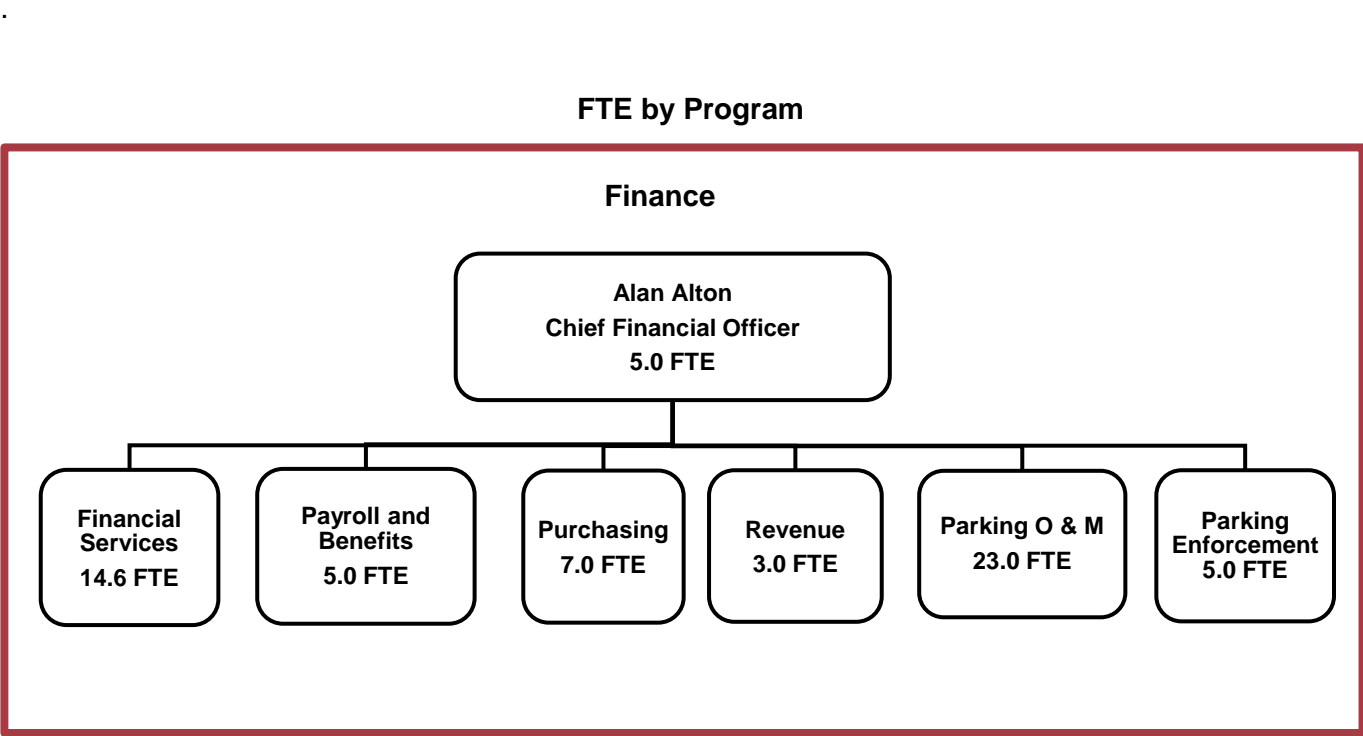
Finance

Purchasing staff are all vital members of the City’s emergency response team, coordinating logistical needs, facilitating exigent emergency procurement of rental equipment, procurement card transactions, and compliance with terms and conditions for federal reimbursement. They also assist in audit requests for documentation following a disaster response. The Purchasing Agent is also the designated Disadvantaged Business Liaison (DBELO) for other departments who receive Federal funding.

Revenue - The Revenue section includes Revenue and Collections. and is responsible for the collection of various City taxes (Cannabis, Utility Users, Transient Occupancy, Real Property Transfer, Property, Sales and Use) and Business Tax Administration. It provides billing and collection of miscellaneous receivables, two business improvement assessment districts, alcohol sales permit fees and franchise fees (gas, electric, cable, solid waste disposal, C&D debris box, towing, taxicab), receipting payments for all taxes and money received, provide collection duties for delinquent accounts, and enforcement work on unregistered entities.

Parking Operations & Maintenance - The Parking Operations section serves an estimated two million customers per year by managing and maintaining the City's five parking garages, nine surface lots, on-street metered parking and time-limited parking spaces for the downtown City center, Railroad Square Parking Meter Zone, and eight residential parking permit zones.

Parking Enforcement - Parking Enforcement monitors and regulates parking meters, time zones, and other restricted parking areas in the Downtown Central Parking District and Railroad Square Parking Meter Zone, as well as eight Residential Permit zones. Enforcement maximizes parking options for residents, commuters and visitors in a fair, equitable manner that promotes and encourages economic growth.



Strategic Goals and Initiatives for FY 2022-23

(Numbers at right show relation to City Council Goals; see Council Goals Section)

Administration

- Reduce processing while strengthening policies and practices. 6
- Restore reserves using established criteria and quantitative analyses. 6
- Balance recurring expenditures from recurring revenue sources. 6
- Increase strategic environmental scanning to anticipate funding barriers. 6
- Require periodic financial assessments aligned with the economic health and needs of the City. 6

Financial Services

- Prepare an annual budget and long-range financial forecast that will maximize City resources and lay a foundation for a successful financial future.

Payroll and Benefits

- Expand employee self-service options regarding payroll deductions and deferred compensation transactions.
- Identify, evaluate and address procedures to maintain compliance with California Public Employees' Retirement System (CalPERS) reporting regulations.
- Implement electronic W-2 reporting and further develop central payroll system.

Purchasing

- Continue to assess and finalize implementation of an updated Purchasing Policy in partnership with the City Attorney.
- Implement contract management system to increase efficacies in contracting city-wide in coordination with the City Attorney's Office.

Revenue

- Revenue will be working on an audit program for Cannabis Tax and to enhance Transient Occupancy Tax compliance on short term rentals.
- To better serve the public, Utility Users Tax (UUT) and Transient Occupancy Tax (TOT) will move to a cloud-based program, allowing for better public access.
- Short Term Rental program fee administration and oversight program being created in partnership with Planning and Economic Development.

Parking Enforcement

- Continue to enforce parking codes in a fair and equitable manner that promotes and encourages economic growth.

Parking Operations & Maintenance

- Complete installation of new parking access and revenue control system in five garages.

Finance

- Complete repairs to 5th Street and 7th Street garages and 1 Street garage elevator modernization.
- Coordinate with Planning & Economic Development Department on potential redevelopment of parking assets.
- Continue collaboration with downtown merchants to support economic recovery from COVID-19.

Major Budget Changes

The FY 2022-23 Finance Department total budget is approximately \$14.4M, a decrease of \$3.5M, or 19.4% from the prior year. Most of the decrease is the result of the transfer of Utility Billing from Finance to the Water Department mid-year. The Finance Department has two primary funding sources: The General Fund and the Parking District Fund.

The General Fund Finance operations decreased compared to prior year and budgeted at \$7.2M, a change of \$3.8M or 34.5%. A total of 27.0 FTEs were transferred from Finance to the Water Department with the move of Utility Billing. The General Fund Salaries & Benefits declined overall by \$2.6M as the result of this transfer. The year over year increase in Salaries & Benefits and Services & Supplies when excluding the Utilities Billing transfer was a modest \$580K or 3.9%. The increase in Salaries and Benefits are aligned with merit increases and rising benefits cost. Additionally, Services and Supplies added to their training, supplies, and overtime budget previously reduced.

The Parking District Fund budget is \$6.9M in FY 2022-23, an increase of \$288K, or 4.4% over the prior year's budget. Most of the increase is attributable to higher Salaries & Benefits cost of \$139k or 8.1%. Overall, Parking's operational budget reflects conservative budgeting to maintain services despite continued revenue loss as the result of the COVID pandemic. Parking's Services & Supplies saw a modest increase of \$54k as the result of higher cost for Auto, Fire, and Earthquake insurance. Additionally, \$50k is to be used to upgrade City meters from 3G to 4G as required for continued operations. In total the change in FY 2022-23 compared to FY 2021-22 is approximately \$110k.

Finally, the Pooled Investment Fund budget increased by \$39K or 13.4% compared to FY 2021-22. The increase is the result of increases in Professional Services. The City continues to incur higher investment fees as the result of investing substantial proceeds from both bonds and the PG&E wildfire lawsuit settlement.

Budget Summary

Expenditures by Program				
	2019 - 20 Actual	2020 - 21 Actual	2021 - 22 Budget	2022 - 23 Budget
General Administration	\$1,784,994	\$1,862,091	\$1,793,626	\$1,894,003
Purchasing	\$1,055,987	\$1,119,786	\$1,187,189	\$1,267,451
Financial Services	\$2,603,846	\$2,583,255	\$2,905,534	\$2,993,046
Revenue	\$4,084,568	\$4,018,985	\$4,755,149	\$692,495
Payroll and Benefits	\$565,303	\$584,146	\$636,485	\$676,582
Parking Services O&M	\$3,548,516	\$3,554,443	\$4,149,370	\$4,456,228
Parking Enforcement	\$1,020,999	\$845,893	\$1,170,492	\$1,177,507
CIP and O&M Projects	\$2,001,445	\$7,203,236	\$1,242,300	\$1,216,355
Total	\$16,665,658	\$21,771,835	\$17,840,145	\$14,373,667

Expenditures by Category				
	2019 - 20 Actual	2020 - 21 Actual	2021 - 22 Budget	2022 - 23 Budget
Salaries	\$6,452,783	\$6,050,554	\$6,697,529	\$5,271,351
Benefits	\$3,832,972	\$3,759,327	\$4,331,517	\$3,285,822
Professional Services	\$2,055,972	\$2,217,399	\$2,930,739	\$2,113,276
Vehicle Expenses	\$144,458	\$158,264	\$189,217	\$151,225
Utilities	\$51,148	\$75,060	\$93,779	\$87,969
Operational Supplies	\$566,409	\$529,178	\$650,346	\$411,556
Information Technology	\$893,720	\$961,239	\$970,611	\$978,846
Liab/Property Insurance	\$74,202	\$101,925	\$124,567	\$178,964
Other Miscellaneous	\$209,327	\$399,381	\$274,823	\$331,574
Indirect Costs	\$335,401	\$316,272	\$334,717	\$346,729
Capital Outlay	\$47,821	\$0	\$0	\$0
CIP and O&M Projects	\$2,001,445	\$7,203,236	\$1,242,300	\$1,216,355
Total	\$16,665,658	\$21,771,835	\$17,840,145	\$14,373,667

Expenditures by Fund				
	2019 - 20 Actual	2020 - 21 Actual	2021 - 22 Budget	2022 - 23 Budget
General Fund	\$11,540,386	\$15,465,736	\$10,986,983	\$7,193,577
Capital Improvement Fund	\$18,137	\$7,820	\$0	\$0
Parking District Fund	\$4,861,980	\$6,047,789	\$6,562,162	\$6,850,090
Pooled Investment Fund	\$245,155	\$250,490	\$291,000	\$330,000
Total	\$16,665,658	\$21,771,835	\$17,840,145	\$14,373,667

Authorized Full-Time Equivalent (FTE) Positions – All Funds

Fiscal Year	FY 2018-19	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23
Full-Time Equivalent	102.35	95.85	92.85	89.60	62.60

Performance Measures

Revenue & Collections

INDICATORS:	FY 2020-21	FY2021-22 Est.
Total Amount Billed	29,354,410	\$30,000,000
HdL – Business Tax Certificates Issued	10,997	12,000
Invoices Issued	3,208	3,000
Utility Users Tax files	214	239
Alcohol Sales Permit Fee files	431	416
Transient Occupancy Tax files	342	380
City Tourism BIA files	342	380
County Tourism Business Improvement Area (BIA) files	20	21
Franchise Fees	36	33
Calls received	1,083	1,100
Electronic payments received	22	17

Finance

Mail (Phone) payments received	9,709	8,800
Counter payments received *	counter closed	700
Dollar amounts sent to collections	\$262,951	\$200,000

* Includes invoices, Utility User Tax accounts and refunds, Alcohol Sales permit files, Transient Occupancy Tax, Business Improvement Area for City and County, Dog Licenses, Unclaimed Property requests and Garbage payments

Parking Operations

INDICATORS:	FY 2018-19	FY 2019-20	FY 20-21	FY 21-22 Estimate
Number of monthly parking permits issued	23,919	18,141	16,921	16,525
Number of hourly parking garage patrons served	553,376	396,361	195,300	360,100
Number of metered parking transactions	2,036,851	1,318,590	894,232	1,233,400
Number of residential parking permits issued	1,463	1,417	1,279	1,460

Prior FY 2021-22 Accomplishments

(Numbers at right show relation to City Council Goals; see Council Goals Section)

- As part of the City's ongoing Disaster Recovery effort, worked with FEMA to receive \$4.3 million reimbursement for non-congregate sheltering due to the COVID-19 pandemic.
- In collaboration with a diverse working group of City staff, presented to the City Council a spending plan for the use of American Rescue Plan Act (ARPA) federal funds and local PG&E Settlement Funds which was adopted
- Established a Section 115 Trust for City pension stabilization as part of a Fiscal Stability Strategy
- Completed a reorganization in the Revenue Division for streamlining purposes which moved the Water enterprise-funded Water Billing operation to the Water Department's budget.
- Payroll and Benefits provided a multitude of costing models for 2021 negotiations.
- Payroll worked with HR and IT on the change to our third-party benefit company.
- In response to multiple COVID-19 state leave program allocations, new processes were created and applied to 17 bargaining unit agreements.

Looking Ahead

There are several challenges and initiatives the Finance Department will be working on over the next year and beyond. In alignment with the Council Goal to "Achieve Organizational Excellence" which includes ensuring the organization is fiscally sound, Finance staff will work with the City Manager and other departments to develop creative fiscal strategies to help the City move projects forward. This includes finding potential financing options as a way to pay for projects and preserve cash.

Finance staff will continue to closely monitor the General Fund's financial condition by updating the long-term General Fund forecast as revenue and expenditure trends dictate. This includes changes in labor agreements; changes in benefits rates; and the impact of inflation and the local economy on both revenues and expenditures.

Managers within the Finance Department will continue to look for ways to provide efficient and cost-effective services to the organization and the community.

Finally, staff will continue to monitor the financial health of the Parking enterprise as the City emerges from the COVID-19 Pandemic. During the pandemic, the Parking enterprise suffered a significant loss of revenue, resulting in a draw-down of reserves to balance the budget. Staff will continue to analyze revenue and compared it to pre-pandemic benchmarks, forecast revenues and expenditures, identify methods to bring the Parking enterprise's operating budget in balance, and address the maintenance needs off the City's parking assets.

This page intentionally left blank

Fire

Mission

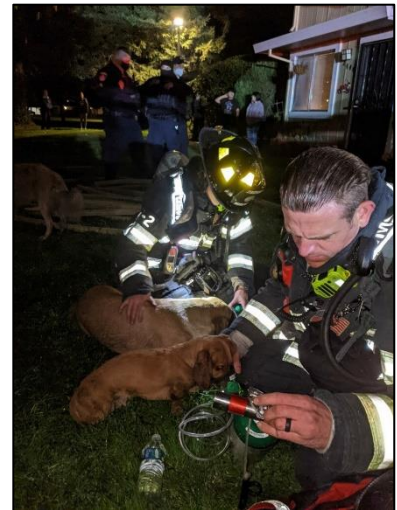
As a professional, all-risk fire department, we protect lives, property, and the environment through emergency response, prevention, and community involvement.

Department Description

The Fire Department has four major programs: Administration, Prevention, Operations, and Measure O.

General Administration - Coordinates the preparation and monitoring of the Department's budget. Major activities include: personnel recruitment, conducting studies of departmental operations and efficiencies, formulating policies, rules, and procedures, promoting life safety and environmental protection, providing administrative support to Fire Department personnel, contract negotiations and management, Citywide emergency preparedness, and representing the interests of the Department.

Fire Prevention - Prevents and limits the spread of fire and provides life safety through community safety education and the application and enforcement of regulations, codes, and ordinances. The Division administers several programs such as plan review, inspections, fire investigations, Certified Unified Program Agency (CUPA), hazardous materials, weed abatement, and Community Outreach within the City of Santa Rosa.

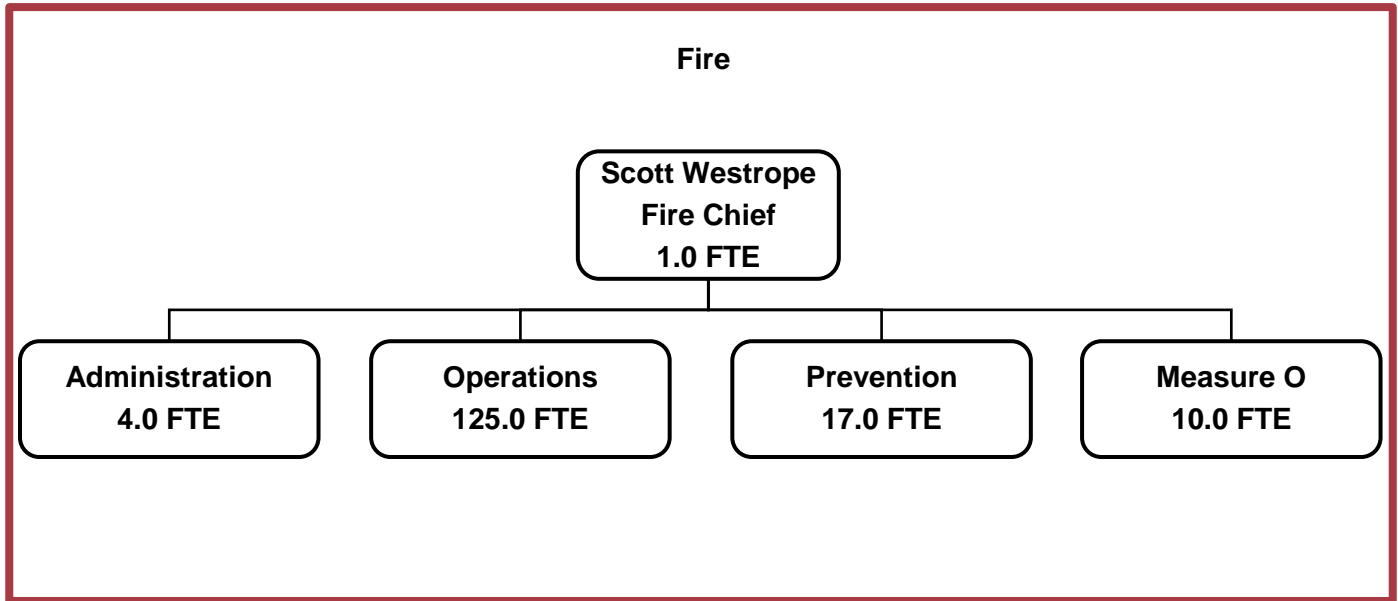


Fire Operations - Responds to and mitigates emergency incidents within the City of Santa Rosa. Major services to the community include paramedic and emergency medical care, extinguishment of fires, technical rescue, mitigation of the effects of natural disasters, and hazardous materials containment. Training and safety programs are provided to all personnel to deliver services safely and proficiently to the citizens of Santa Rosa.

Measure O - Fire - Is an extension of Operations that funds staffing for nine paramedic fire operations staff, one Training Captain, partial funding (25%) for the Emergency Medical Services Battalion Chief, and paramedic incentive pay for six additional fire operations staff. Measure O also funds the construction of existing and future fire stations and helps purchase necessary fire apparatus.

Fire

FTE by Program



Strategic Goals and Initiatives for FY 2022-23

(Numbers at the right show relation to City Council Goals; see Council Goals Section)

- | | |
|--|--------------------|
| • Enhance operational readiness to “all-risk or all-hazard” emergency response. | 3, 5, 6 |
| • Analyze Fire Department facilities and determine the strategy for deferred maintenance, privatization, and construction. | 3, 5, 6 |
| • Enhance Fire Department programs related to training, safety, behavioral health, recruitment, and retention. | 3, 5, 6 |
| • Develop Vegetation Management Ordinance by the end of FY22-23. | 3, 4, 5, 6 |
| • Implement fuel reduction projects in addition to grant-funded projects by end of FY22-23. | 3, 4, 5, 6 |
| • Reduce plan review turnaround times and increase plan review capabilities to support the development of housing units. | 1,2,3,4,5,6 |
| • Complete the majority of EOC construction by end of FY22-23. | 3, 5, 6 |
| • Complete revisions and additions to EOP and COOP/COG Plans. | 3, 5, 6 |

Major Budget Changes

The Fire Department’s programs consist of Administration, Prevention, Operations, and Measure O (which is funded by its own revenue source). Overall, Fire’s FY 2022-23 budget increased by \$4.3M, or 8.6% when compared with the FY 2021-22 adopted budget. 9.0 FTEs were added to the Fire Department, 7.0 were added midyear and are funded by the inResponse Program.

Within the General Fund, total Salaries and Benefits combined increased by \$3.2M, or 8.6%. The cost of staffing increased, due to the MOU negotiations and the addition of 2.0 Full-Time Equivalent (FTE) employees. Also, City Council approved an additional \$1.5M midyear to the FY 2021-22 overtime budget to reflect actual overtime spending. Another significant contributor to Fire’s rising budget is vehicle expenses, which increased \$349K or 27.5%. Vehicle expenses include lease payments, insurance, fuel, and fleet replacement.

FY 2022-23 Measure O expenditures increased by \$141K, or 3.8%. The majority of this increase can be attributed to Salaries and Benefits, principally driven by MOU salary increase (\$72K). Benefits increased by \$50K, or 3.9% made up of increases in Worker's Compensation, Health Insurance, and Unfunded Pension Liability charges. Measure O services and supplies had no significant changes.

Finally, CIP and O&M project expenditures increased in the amount of \$124K or 33% for a total of \$503K. Capital Facilities fees collected increased and are able to fund three fire station projects.

Budget Summary

Expenditures by Program				
	2019 - 2020 Actual	2020 - 2021 Actual	2021 - 2022 Budget	2022 - 2023 Budget
General Administration	\$4,417,163	\$5,050,107	\$5,517,195	\$6,156,406
Fire Prevention	\$2,771,339	\$3,026,765	\$3,207,363	\$3,270,063
Fire Operations	\$36,455,804	\$38,242,309	\$36,518,212	\$39,850,578
Measure O Fire	\$3,528,381	\$3,615,236	\$3,684,845	\$3,825,997
CIP and O&M Projects	\$1,801,351	\$3,887,861	\$889,114	\$991,157
Total	\$48,974,038	\$53,822,278	\$49,816,729	\$54,094,201

Expenditures by Category				
	2019 - 2020 Actual	2020 - 2021 Actual	2021 - 2022 Budget	2022 - 2023 Budget
Salaries	\$24,742,440	\$26,861,004	\$24,389,731	\$26,799,527
Benefits	\$15,570,273	\$15,789,395	\$16,691,321	\$17,649,107
Professional Services	\$1,598,333	\$1,645,486	\$1,618,963	\$1,618,963
Vehicle Expenses	\$1,106,068	\$1,306,643	\$1,350,469	\$1,697,012
Utilities	\$37,614	\$40,088	\$39,945	\$39,945
Operational Supplies	\$320,752	\$331,783	\$260,692	\$260,692
Information Technology	\$632,943	\$693,148	\$888,641	\$950,317
Liab/Property Insurance	\$20,111	\$20,697	\$31,094	\$43,782
Other Miscellaneous	\$527,099	\$215,617	\$228,530	\$316,212
Indirect Costs	\$112,474	\$116,007	\$112,486	\$121,620
GF Admin Cost Plan	\$2,474,048	\$2,914,549	\$3,315,743	\$3,605,867
Capital Outlay	\$30,532	\$0	\$0	\$0
CIP and O&M Projects	\$1,801,351	\$3,887,861	\$889,114	\$991,157
Total	\$48,974,038	\$53,822,278	\$49,816,729	\$54,094,201

Fire

Expenditures by Fund				
Funding Source	2019 - 2020 Actual	2020 - 2021 Actual	2021 - 2022 Budget	2022 - 2023 Budget
General Fund	\$44,370,325	\$47,297,737	\$45,752,767	\$49,764,957
Measure "O" - Fire	\$3,528,381	\$3,615,236	\$3,684,845	\$3,825,997
Federal Grants	\$562,592	\$36,539	\$0	\$0
Capital Improvement Fund	\$512,740	\$2,872,766	\$379,117	\$503,247
Total	\$48,974,038	\$53,822,278	\$49,816,729	\$54,094,201

Authorized Full-Time Equivalent (FTE) Positions – All Funds

Fiscal Year	FY 2018-19	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23
Full-Time Equivalent	149.75	151.00	151.00	148.00	157.00

Performance Measures

Indicators	2019	2020	2021
Budgeted Sworn Personnel	139	139	136
Population	175,183	173,628	178,488
Number of Incidents	28,667	26,409	28,115
Number of EMS/Rescue Incidents	18,091	16,138	18,026
Percentage of EMS/Rescue Calls	63.11%	61.11%	64.10%
Fire Loss	\$4,639,406	\$6,478,656	\$4,447,505
Number of Fires with Loss	164	192	165
On Scene within 5 Min. (Goal 90%)	70.11%	65.18%	59.45%
Weed Abatement Inspections	16,756	13,618	11,501
Engine Company Annual Inspections	2,700	2,674	2,656
Fire Prevention Annual Inspections	579	564	589
CUPA Annual Inspections	405	302	452
Plan Reviews	3,038	2,224	3,100
Plan Review Inspections	3,279	3,221	2,283
* Some changes were made to previous years to reflect amounts more accurately.			

Prior FY 2021-22 Accomplishments

(Numbers at the right show relation to City Council Goals; see Council Goals Section)

-
- | | |
|---|---------|
| • Implemented Vegetation Management Program; added \$5.3M in grant funding. | 4, 6, 7 |
| • Implemented Recruitment and Diversity Strategic Plan. | 7, 8 |
| • Purchased two Type 1 and two Type 3 fire engines. | 7 |
| • Purchased Station 5 and Station 8 properties. | 4,7 |
| • Reorganized Fire Administration Bureau. | 4, 7, 8 |
| • Funded “Hot” EOC construction project (Federal Earmark). | 4, 7 |
| • Hired to maintain a constant staffing model in Suppression Division. | 4, 7, 8 |

Looking Ahead

Personnel Needs:

Recruitments of new employees and promotions of existing employees:

The Fire Department will continue to actively recruit and hire exemplary employees as needed to fill vacancies in the Operations, Prevention, and Administrative Bureaus. These recruitment and retention efforts will align with and utilize the provisions of the Santa Rosa Fire Department Recruitment and Diversity Strategic Plan.

The Fire Department will continue to provide promotional opportunities through a fair and impartial examination process for all ranks within all Bureaus. Through succession planning and mentoring the Fire Department will maintain a proud tradition of developing employees to find success in promotional opportunities throughout their careers. Current and certified promotional lists are maintained throughout the year to provide the Department the ability to immediately promote employees as the need arises due to retirements, injuries, or as vacancies occur.

The reorganization of the Administrative Bureau will create new job opportunities within the Fire Department including a second Deputy Fire Chief (Administration) and Administrative Analysts specializing in finance (1 FTE) and human resources (1 FTE).

The Fire Prevention Bureau is working diligently to fill vacancies created by retirements and promotions as well as positions created under the Vegetation Management Program. As with all business sectors, the recruitment of qualified applications for technical positions has proven to be challenging, however, Fire Prevention remains steadfast in its efforts and is looking at other opportunities such as outside contracts.

The Operations Bureau is slated to have two FTE firefighter/paramedic positions restored in the FY22-23 budget which will bring each of the three Suppression Division shifts to one over constant staffing. This will assist in reducing overtime by having the one position over to fill constant staffing vacancies. The need remains to restore three additional FTE firefighter/paramedic positions bringing daily staffing to two over constant staffing on each shift.

Our current Strategic Plan, Deployment Analysis, and Staffing Study reflect the need to add two additional fire stations, add a second on-duty Battalion Chief, and add two additional fire inspectors for a total of 23 new FTEs. The Fire Department is continuing to seek outside funding for these additions.

Fire

Project Activity:

Initiate privacy project for remaining fire stations' barrack-style dorms:

The Fire Department currently has ten fire stations, five of which have individual dorm rooms for firefighters that accommodate privacy for changing clothes, sleeping, and studying. Stations 1, 3, 4, 6, & 7 were all built between 1967-1981 and still have the original open-style barrack dorm rooms that do not accommodate privacy for our current diverse workforce. The COVID pandemic has allowed the Fire Department to make some temporary modifications to include additional privacy in the dorms. Modern fire station design standards do not include open-style communal dorm rooms. As planned, the privacy dorm project would be completed over a period of years, working to complete at least one station per year. Station 1 PSB building has the greatest need due to the number of firefighters on duty at the station. There is also a dire need to remodel and retrofit restroom facilities at several fire stations in order to create a work environment that promotes equity, inclusion, and belonging.

Continue to plan for the relocation and/or construction of new fire stations based on the 2017 Standards of Coverage report:

The Standards of Coverage report closely follows the Center for Fire Public Safety Excellence (CPSE) Standards of Coverage model that develops written procedures to determine the distribution and concentration of a fire and emergency service agency's fixed and mobile resources. This plan has identified several options to ensure safe and effective fire service coverage within the City. Identified in the report are the relocation of Fire Station 8 (Roseland) and the construction of the new Fire Station 9 (southeast). Additionally, this plan exhibits the need to move Fire Station 6 (Calistoga Road) to the Skyhawk area and build a new Station 12 in the area of Montecito Avenue and Benicia Drive.

Ambulance Franchise and REDCOM RFP's:

The Fire Department will continue to be a proactive stakeholder in the Ambulance Franchise Exclusive Operating Area (EOA-1) RFP and the REDCOM Regional Dispatch RFP. In February 2022, Sonoma County pulled the existing EOA RFP off the street and will reissue a revised RFP within 18 months of that date. This came with an 18-month extension of American Medical Response (AMR) contract for ground ambulance service in EOA-1. The Fire Department will explore opportunities and partnerships that will best meet the mission of the department, is most beneficial to the community, and is the most fiscally responsible.

Evaluation and Response

The SRFD will continue to build upon its high-quality advanced life support medical response and care provided to the community. Future emergency medical services will be measured against industry best practices and outcome data. Staff will work with healthcare partners to improve utilization of the emergency and non-emergency systems. The Department will continue to identify and prepare for future threats to the community including active shooter events by utilizing opportunities in training and collaboration with other first responders.

Strategic Plan

The Fire Department will be soliciting services for a new Strategic Plan in FY22-23. This will be the first Strategic Plan since 2016, so we expect to see some significant new strategies as we move into the next five-year cycle of a strategic plan as our live environment has changes do drastically. Input will be solicited from three key stakeholder groups. First is the internal (Fire Department) group consisting of a broad representation of all employees across all bureaus, ranks, and seniority levels. The second will be external stakeholders comprised of our partners in local government to include City staff, elected officials, law enforcement, ambulance providers, dispatch, and partners in the regional fire service. The third, and most important group will be input from the community. The focus is for this strategic plan to be community focused and community driven, so a robust campaign to solicit input from that stakeholder group will be pivotal.

Equipment Needs:

Apparatus Maintenance and Replacement:

As proposed in the FY 22-23 budget, the Fire Department will have, for the first time, a Capital Fleet Replacement program for apparatus and other fleet vehicles. This is a major accomplishment in that there will now be a budgeted funding source for purchasing fire apparatus. Based on an outline of when apparatus need to be replaced, the Finance Department worked with the Long-Term Finance and Audit Subcommittee, the Fire Department and TPW – Fleet Maintenance to develop and fund this plan. In addition to having the funds available to purchase apparatus on a forecast basis, this also allowed the Fire Department to shorten the useful life of front-line fire engines from 15 to 12 years and the useful life of front-line ladder trucks from 20 to 15 years. This will bring the cost of maintenance and time out of service down considerably.

The Fire Department is currently working towards the purchase of two additional Type 6 wildland engines and a Tactical Water tender as part of the Wildland Resiliency and Response Strategic Plan. We are currently seeing supply chain issues and manufacturers focusing on electric vehicles that will not allow placing orders on these apparatus until the fourth quarter of 2022.

This page intentionally left blank

Housing & Community Services

Mission

We build community and improve the quality of life for all Santa Rosa residents.

Department Description

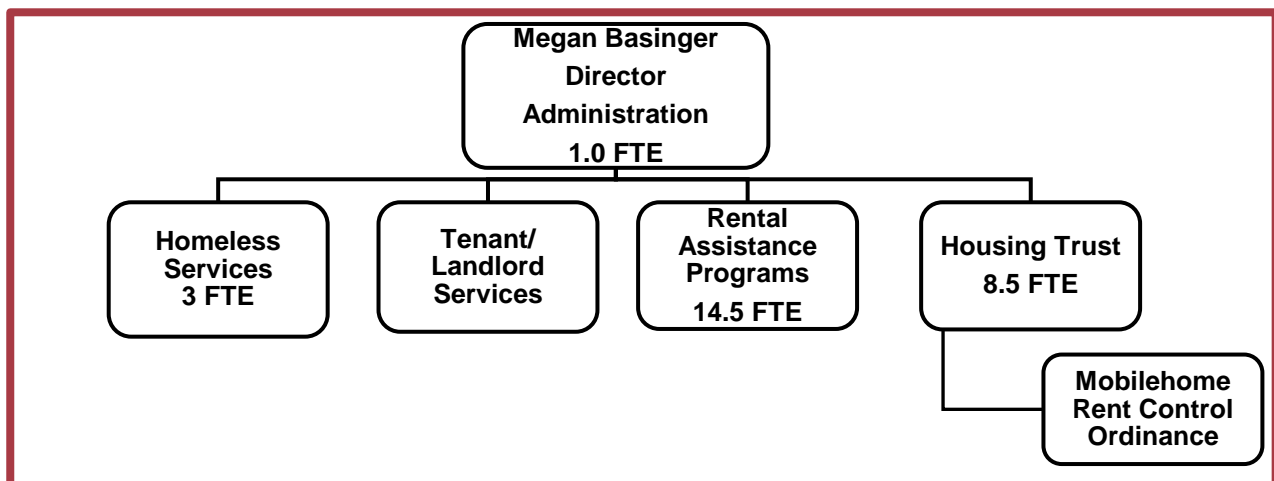
The Department of Housing and Community Services (HCS) is comprised of two entities, the City Entity, and the Housing Authority. HCS staff support the Housing Authority Programs noted on the Organization chart below. Information regarding the Housing Authority is in its own section.

Under the City Entity, HCS manages tenant/landlord services contracts, the Mobilehome Rent Control Ordinance governs mediation, and the Homeless Services Division funds programs and initiatives for residents experiencing homelessness and related community support.

Mobile home Rent Control Ordinance - Enforces the Ordinance, enacted in 1993, which regulates mobile home space rents in 17 mobile home parks in the City. The City assists residents and owners with mediation.

Tenant/Landlord Services - Oversees contracts for non-profit organizations to provide services for income-qualifying tenants and landlords.

FTE by Program Housing & Community Services



Housing & Community Services

Strategic Goals and Initiatives for FY 2022-23

(Numbers at right show relation to City Council Goals; see Council Goals Section)

- Continue to administer the self-sustaining Mobilehome Rent Control Ordinance by working with the City's mobilehome owners/residents and mobilehome park owners/operators. 1
- Continue to administer the Tenant/Landlord services contract with non-profit service providers. 1

Major Budget Changes

New funds have been added in the last two years due to fire disasters and/or the COVID pandemic. 2274 Emergency Housing Vouchers and 2269 HOME-ARP, funded by the American Rescue Plan Act, and 2286 CDBG Disaster Recovery funded through the California Dept of Housing and Community Services; the Department also manages CARES Act-funded CDBG and HOPWA funds.

The Housing and Community Services (HCS) department had a decrease in Salaries and Benefits of \$104K or 78.3% due to the 1.0 FTE Deputy Director position being eliminated, there was an offset to the decrease by adding 1.0 FTE HCS Technician in Homeless Services. There were also 3.0 FTE positions approved as additional needs for FY 2022-23, these positions do not impact the General Fund as they charge out their time to the Housing Authority. There was 1.0 Limited Term HCS Technician added midyear to homeless services, 1.0 HCS Technician to the Housing Trust, and 1.0 Program Specialist added.

Subrecipient Funding increased by \$19K or 20.6%. This increase was directly due to the legal aid contract increase for the Housing Attorney Support. Overall, the department's budget decreased by \$87K, or 22.2% as compared to FY 2021-22.

Budget Summary

Expenditures by Program				
	2019 - 2020 Actual	2020 - 2021 Actual	2021 - 2022 Budget	2022 - 2023 Budget
Neighborhood Revitalization	\$299,243	\$203	\$0	\$0
Code Enforcement	\$1,171,762	\$124,080	\$195,057	\$111,000
Homeless Services	\$3,219,586	\$2,718,444	\$0	\$0
Mobile Home Rent Control Ord.	\$29,351	\$15,500	\$146,511	\$143,569
CIP and O&M Projects	\$306,498	\$178,721	\$50,000	\$50,000
Total	\$5,026,440	\$3,036,948	\$391,568	\$304,569

Expenditures by Category				
	2019 - 2020 Actual	2020 - 2021 Actual	2021 - 2022 Budget	2022 - 2023 Budget
Salaries	\$788,135	\$8,855	\$85,984	\$18,035
Benefits	\$456,111	\$4,122	\$47,511	\$10,990
Professional Services	\$21,241	\$0	\$100,000	\$100,000
Vehicle Expenses	\$28,024	\$0	\$0	\$0
Utilities	\$5,725	\$0	\$0	\$0
Operational Supplies	\$6,306	\$235	\$0	\$0

Housing & Community Services

Information Technology	\$84,714	\$0	\$0	\$0
Other Miscellaneous	\$9,571	-\$251	\$0	\$0
Subrecipient Funding	\$56,749	\$120,000	\$92,000	\$111,000
Indirect Costs	\$43,780	\$6,851	\$16,073	\$14,544
CIP and O&M Projects	\$295,911	\$178,721	\$50,000	\$50,000
Total	\$1,796,267	\$318,533	\$391,568	\$304,569

Expenditures by Fund				
	2019 - 2020 Actual	2020 - 2021 Actual	2021 - 2022 Budget	2022 - 2023 Budget
General Fund	\$1,766,916	\$303,033	\$245,057	\$161,000
Homeless Shelter Operations	\$3,230,173	\$2,721,468	\$0	\$0
Mobilehome Rent Stabilization	\$29,351	\$15,500	\$146,511	\$143,569
Total	\$5,026,440	\$3,040,001	\$391,568	\$304,569

Performance Measures

Authorized Full-Time Equivalent (FTE) Positions – All Funds

Fiscal Year	FY 2018-19	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23
Full-Time Equivalent	35.50	34.00	24.00	24.00	27.00

Indicators	FY 2018-19	FY 2019-20	FY 2020-21	FY 2021-22 Estimates
CHAP sites receiving City funding	1	2	2	1
Number of mobilehome parks under rent control	17	17	16	16
Number of mobilehome spaces under rent control	1,573	1,615	1,636	1,690
Number of low-income tenants received legal educations about their rights	499	403	295	500
Number of low-income tenants received legal advocacy related to an eviction	204	267	226	200
Number of tenants remaining in current housing as result of Legal Aid intervention	61	66	98	90
Number of low-income tenants received assistance with habitability issues related to condition of housing	25	27	40	40
Number of low-income landlords received counsel and assistance with pleadings	14	34	26	15

Housing & Community Services

Prior FY 2021-22 Accomplishments

(Numbers at right show relation to City Council Goals; see Council Goals Section)

- Continued to administer the self-sustaining Mobilehome Rent Control Ordinance by working with the City's mobilehome owners/residents and mobilehome park owners/operators. 1
- Secured \$5K in CARES Act Community Development Block Grant-CV to increase funding to the current Tenant/Landlord services contract with Legal Aid of Sonoma County to assist residents with COVID-related housing issues. 1

Looking Ahead

Staff will continue to provide mediation services for mobilehome park residents and owners when requested. The Department will continue to monitor the income-qualifying tenant and landlord program contract with the non-profit provider.

Housing Authority

Mission

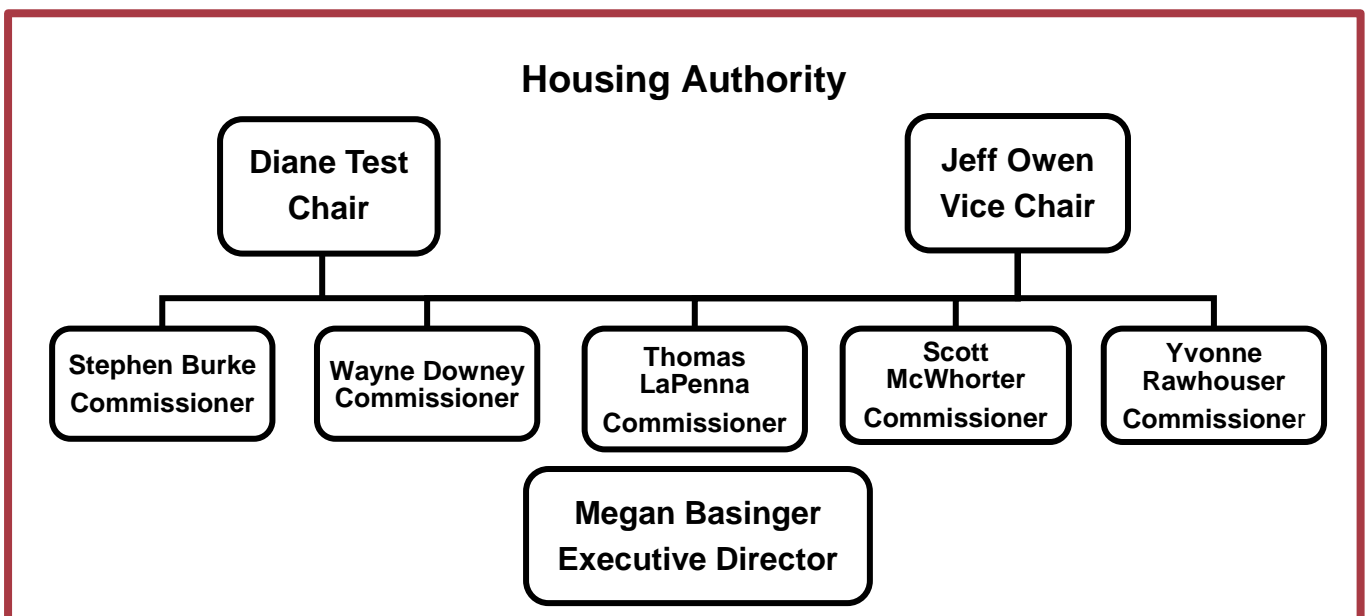
To ensure adequate, decent, safe, and sanitary housing for qualified people within Santa Rosa consistent with Federal, State, and local law.

Department Description

The Housing and Community Services Department supports the Housing Authority (Authority) which consists of two programs: the Santa Rosa Housing Trust and the Rental Housing Assistance Division. The Authority's programs improve the quality and affordability of housing in the City. The focus population is very low- and low-income households.

Santa Rosa Housing Trust (SRHT) - Manages the City's \$155 million affordable housing loan portfolio, administers Federal and State housing grants, and performs compliance monitoring for approximately 5,000 units Citywide. These programs maximize and leverage available Federal, State, and local funding to assist in the production of affordable housing programs; conversion, preservation, and rehabilitation of affordable housing; and the acquisition, development, and rehabilitation of special needs facilities.

Rental Assistance Division - Provides rental assistance to over 2,200 income-qualifying individuals and families by administering three programs directed by the Federal Housing and Urban Development (HUD) Department: 1) Housing Choice Voucher program, including the HUD-Veterans Affairs Supportive Housing program (VASH), Project-Based Vouchers, and the Family Self-Sufficiency program; 2) HOME-funded Tenant Based Rental Assistance; and 3) American Rescue Plan Act (ARP) funded Emergency Housing Vouchers.



Housing Authority

Strategic Goals and Initiatives for FY 2022-23

(Numbers at right show relation to City Council Goals; see Council Goals Section)

-
- | | |
|--|-----|
| • Manage the Housing Authority's over \$155M loan portfolio and perform compliance monitoring on approximately 5,000 units annually. | 1 |
| • Solicit, evaluate, originate, and close loans for new affordable housing units, rehabilitation of existing units, or conversion of market rate to affordable housing units. | 1 |
| • Pursue additional funding opportunities to further the creation and preservation of affordable housing units in Santa Rosa. | 1,2 |
| • Continue management and oversight of \$38.4M of one-time Community Development Block Grant- Disaster Recovery funds, received as a result of the 2017 Tubbs Nunn's fire disaster, to facilitate loans for five projects totaling 377 new affordable housing units. | 1 |
| • Continue management and oversight of one-time COVID pandemic related funding, including CARES Act funding of \$2.3M Community Development Block Grant- CV and HOME-ARP (American Rescue Plan Act) funding of \$2.7M. | 1,2 |
| • Utilize American Rescue Plan Act (ARP) Emergency Housing Voucher funding and allotment of 131 vouchers to achieve 100% lease up rate. | 1,2 |
| • Utilize HOME funding to provide monthly tenant based rental assistance to 45 income qualifying individuals/families. | 1 |
| • Utilize the resources of the Housing Choice Voucher program to support the preservation and development of affordable housing. | 1 |
| • Fully utilize the resources of the Housing Choice Voucher program to provide direct assistance to at least 1,864 income qualifying individuals/families | 1 |

Major Budget Changes

Overall, the Housing Authority budget increased by \$10.5M, or 23.8% when compared to the prior year. Various programs and funds had increases and decreases, as discussed below, that together resulted in a significant increase.

Most notably, the Emergency Housing Voucher Program, funded by the American Rescue Plan Act, was established in summer 2021. This program added \$2.3M in administrative and rental assistance funding to the Authority to administer 131 vouchers, focused on persons who are homeless or at risk, fleeing domestic violence, human trafficking or stalking, or facing housing instability. In the existing Housing Choice Voucher program, which administers 1903 Santa Rosa vouchers and 250+ port in vouchers monthly, administrative allowance increased, allowing the addition of two positions- a Limited Term Housing Technician to focus on inspections that were postponed in 2020 and 2021 due to COVID, and a Program Specialist to assist with supervision and complex program elements. Rental assistance payments also increased approximately 5% over the prior year; and various services and supplies increased to utilize the full administrative allowance in both the Emergency and Housing Choice Voucher programs.

The Santa Rosa Housing Trust increased by \$6M, most notably in salaries, benefits, and loan activity, due to an increase in available funds over the prior year. The Trust is funded by 15 distinct Federal, State and local sources through grants, impact fees, compliance monitoring fees, and loan repayments. Loan repayments increased over \$1.8M over the prior year, particularly from Lantana project loan paydowns. Real Property Transfer Tax (RPTT) increased over \$2.7M. The City Council has a policy dictating that a portion of City General Fund RPTT must be allocated to homeless services and housing annually. In FY 22/23, the Council chose to fund the entirety of homeless services with American Rescue Plan Act funds, which allowed all RPTT to go to Housing Trust, where it is primarily used for loan activity. Compliance

Housing Authority

monitoring fees also increased due the number of affordable units coming online. To address this need, the Trust is adding a Housing Technician to focus on monitoring activities. Additionally, the Trust received the State Permanent Local Housing Assistance Grant of nearly \$1.1M, all used for loan activity, and shown in the CIP and O&M Projects category in the Expenditures by Program and Fund tables below.

Budget Summary

Expenditures by Program				
	2019 - 2020 Actual	2020 - 2021 Actual	2021 - 2022 Budget	2022 - 2023 Budget
Admin Housing & Community Svcs	\$1,352,736	\$1,338,922	\$1,435,301	\$1,574,741
Rental Housing Assistance	\$28,257,137	\$29,273,578	\$34,666,183	\$38,967,504
SRHT Portfolio Svcs & Grant	\$737,217	\$637,430	\$855,321	\$845,532
SRHT Afford Housing Pgrm & Fin	\$6,485,260	\$3,109,596	\$6,929,991	\$11,910,429
CIP and O&M Projects	\$200,594	\$1,541,859	\$230,549	\$1,316,066
Total	\$37,032,944	\$35,901,385	\$44,117,345	\$54,614,272

Expenditures by Category				
	2019 - 2020 Actual	2020 - 2021 Actual	2021 - 2022 Budget	2022 - 2023 Budget
Salaries	\$1,492,393	\$1,350,987	\$1,766,100	\$2,061,465
Benefits	\$849,262	\$767,914	\$1,013,198	\$1,278,465
Professional Services	\$118,117	\$116,129	\$220,000	\$264,676
Vehicle Expenses	\$8,360	\$10,854	\$24,700	\$22,750
Utilities	\$2,900	\$4,068	\$14,318	\$13,700
Operational Supplies	\$20,497	\$20,738	\$136,056	\$191,669
Information Technology	\$242,022	\$243,721	\$246,666	\$263,629
Liability & Property Insurance	\$29,792	\$32,938	\$48,825	\$101,925
Other Miscellaneous	\$52,162	\$40,201	\$122,282	\$119,920
Subrecipient Funding	\$527,558	\$476,255	\$517,857	\$516,612
Loan Activity	\$5,265,721	\$1,920,296	\$4,688,105	\$9,630,828
Rental Assistance	\$26,081,796	\$27,193,900	\$32,732,460	\$36,280,680
Indirect Costs	\$2,141,770	\$2,181,525	\$2,356,229	\$2,551,887
CIP and O&M Projects	\$200,594	\$1,541,859	\$230,549	\$1,316,066
Total	\$37,032,944	\$35,901,385	\$44,117,345	\$54,614,272

Housing Authority

Expenditures by Fund				
	2019 - 2020 Actual	2020 - 2021 Actual	2021 - 2022 Budget	2022 - 2023 Budget
Housing Operations Fund	\$1,351,271	\$1,338,922	\$1,435,301	\$1,574,741
Operating Reserve Fund	\$223,914	\$107,745	\$88,695	\$343,612
Housing Choice Voucher Program	\$28,257,636	\$29,429,204	\$34,666,183	\$36,685,174
Emergency Housing Vouchers	\$0	\$0	\$0	\$2,282,330
Brookwood Property	\$2,466	\$4,835	\$19,680	\$19,286
Community Development Block Grant	\$436,246	\$2,332,216	\$2,257,758	\$1,999,844
Rental Rehabilitation Fund	\$0	\$25,000	\$8,614	\$0
Housing Grant Fund	\$543,465	\$453,064	\$640,118	\$1,914,654
Real Property Transfer Tax Fund	\$921,283	\$432,876	\$599,787	\$3,279,559
Southwest Low/Mod Housing Fund	\$66,374	\$48,148	\$80,623	\$228,939
CDBG-DR Fund	\$0	\$20,629	\$0	\$0
Low and Moderate Income Housing	\$331,630	\$161,581	\$131,172	\$836,690
HOME Fund	\$68,712	\$213,797	\$974,852	\$1,101,815
Mortgage Revenue Bond Fund	\$0	\$33,000	\$338,021	\$343,401
Housing Compliance Fund	\$235,230	\$179,531	\$380,907	\$345,203
Housing Impact Fee Fund	\$4,593,602	\$1,098,364	\$2,423,819	\$3,584,065
CalHome Grant MH Loan Prg	\$1,115	\$22,473	\$71,815	\$74,959
Total	\$37,032,944	\$35,901,385	\$44,117,345	\$54,614,272

Performance Measures

Service Indicators	FY 2018-19	FY 2019-20	FY 2020-21	FY 2021-22 Est.
Number of new affordable housing rental and ownership units completed	34	3	18	88
Very Low-Income units	27	0	6	28
Low-Income units	7	3	12	42
Moderate-Income units	0	0	0	18
Number of new affordable rental housing units preserved	0	0	8	0
Number of new affordable rental housing units preserved-Special Needs	0	0	0	8
Number of new affordable rental and ownership housing units in the pipeline	119	555	544	717
Very Low-Income Units	68	314	338	432
Low-Income Units	28	218	197	285
Moderate-Income Units	23	23	31	0
Above Moderate-Income Units	0	0	0	0
Number of affordable ownership units transferred title	2	0	7	5

Housing Authority

Number of owner-occupied affordable housing units rehabilitated or financed	13	1	0	0
Number of investor/developer affordable rental housing units rehabilitated	0	0	34	15
Number of units receiving housing accessibility modifications	0	3	2	1
Number of affordable housing rental units monitored	3,076	3,076	3,094	3152
Number of owner-occupied housing units monitored	340	343	343	366
Consolidated Plan for CDBG, HOME and HOPWA Funds (2014 -2019 and 2020 -2024)	✓	✓	✓	✓
Action Plan for CDBG, HOME and HOPWA Funds	✓	✓	✓	✓
Consolidated Annual Performance Report (CAPER) for CDBG, HOME and HOPWA Funds	✓	✓	✓	✓
Total Number of Individuals/Families receiveing rental assistance, all programs	2,072	2,117	2,169	2,334
Total Number of Housing Choice Vouchers- Santa Rosa clients	1,877	1,897	1,903	1,903
Total Number of HUD-VASH Vouchers (included in total)	404	414	414	414
Total Number of Port-In clients (varies monthly, all figures approximate)	195	220	250	265
Number of individuals/families receiving HOME tenant based rental assistance (new in FY 20/21)	n/a	n/a	16	35
Total Number of Emergency Housing Vouchers (new in FY 21/22)	n/a	n/a	n/a	131
Number of landlords participating in programs (all figures approximate)	700	700	700	725

Housing Authority

Prior FY 2021-22 Accomplishments

(Numbers at right show relation to City Council Goals; see Council Goals Section)

-
- Initiated new ARP funded Emergency Housing Voucher program, receiving 131 new vouchers and \$2.5M in funding; as of March 2022, 57 clients have leased up and an additional 35 clients have vouchers and are searching for units. 1, 2
 - Created HOME-ARP Allocation Plan, including holding public hearings and community meetings and consulting with the Continuum of Care. 1
 - Completed 1,681 housing choice voucher program unit inspections that were postponed in 2020 and 2021 due to the COVID pandemic. 1
 - Initiated HOME-funded tenant based rental program, providing over \$350K to approx. 35 income-qualifying individuals and families. 1
 - Performed compliance monitoring on over 4,000 units. 1
 - Received the California State Permanent Local Housing grant in the amount of \$4.2M over five years. 1
 - Committed \$410K for the acquisition and pre-development for Hearn Veteran's Village, a 32-unit complex targeted to homeless veterans. 1
 - Committed \$284K for construction costs and 16 Project-Based Vouchers for the Burbank Avenue Apartments, a 64 unit-complex targeted to families and homeless persons. 1
 - Committed \$1.6M for construction costs and 13 Project-Based Vouchers for project 3575 Mendocino Avenue Phase II, which includes 38 additional affordable units, targeted to seniors. 1
 - Completed Alta Madrone Apartments, with 48 affordable family apartments including 10 Project-Based VASH units.
 - Completed Windsor Veterans Village, a 60-unit project with 53 Project-Based Veterans Affairs Supportive Housing (VASH) units dedicated to homeless Veterans. 1, 2
 - Completed Sage Commons, a 54-unit project with 8 Project-Based Vouchers dedicated to persons experiencing homelessness. 1, 2

Looking Ahead

In Fiscal Year 2022-2023, Housing and Community Services is looking forward to stabilizing services by moving out of COVID-19 work efforts and normalizing the services provided to the community. The funding allocated to the City as a result of the 2017 wildfires is now reaching new affordable housing projects and over 700 affordable units are in the pipeline; staff will work with developers to establish the compliance requirements and lease the units to income eligible households.

Two additional projects supported by Project-Based Voucher resources will complete construction, bringing an additional 80 units of affordable housing dedicated to seniors and senior Veterans. The Housing Authority's strategic use of Project-Based Vouchers has, since inception, supported the creation or preservation of 430 affordable housing units.

In addition, the Rental Housing Assistance division will focus on maximizing the federal resources available in Santa Rosa by increasing utilization of the Housing Choice Voucher program to at least 98% by September 2022 and the Emergency Housing Voucher program to 100% by October 2022.

Human Resources

Mission

The mission of Human Resources is to deliver innovative and timely Human Resources services and leadership enabling the City of Santa Rosa to provide world-class services to our diverse community. We accomplish our mission by attracting and hiring talent; creating and enhancing opportunities for career growth; providing an inclusive workplace environment; and offering competitive salaries and benefits.

Department Description

Human Resources - Plans and conducts the recruitment, hiring, and internal movement of qualified staff, striving to reflect the diversity in our community throughout these processes. The department's primary motivation is to provide a healthy environment that fosters the development and retention of highly motivated staff through generous benefit plans, a wide range of employee training and development programs, and excellent employee relations resources, which include coaching, facilitation, and mediation services. This department manages the complex personnel transitions occurring due to departmental succession planning and the ongoing retirement of valuable, long-term employees. It also monitors and advises departmental managers and supervisors on the full array of human resources issues including department reorganizations, performance management, conflict resolution, contract and policy interpretation, classification and compensation, grievances, and harassment and discrimination complaints.

In addition, the Human Resources (HR) Department negotiates comprehensive labor contracts with the City's 17 bargaining units; administers current labor contracts; participates in on-going labor/management problem-solving committees addressing grievances and other significant issues raised during and after negotiations; conducts thorough, responsive investigations into claims of discrimination, harassment or bullying; supports departments in conflict analysis and resolution, restructuring, customer service, and team development; encourages constructive communication; and supports change management and other organizational development efforts, to create and foster an inclusive and engaged workforce.

HR is also currently home to the City's DEIB work. The expected completion and approval of the City Equity Plan (summer 2022) will generate a cascade of organizational expectations that will be supported through capacity building, data monitoring, and technical assistance for individuals and departments.

Risk Management - Risk Management's primary objective is to limit risk and implement various risk transfer programs and activities that minimize the City's exposure to litigation. Risk Management strives to manage, control, minimize or eliminate risk, to the extent that citizens and personnel may be reasonably protected from hazards, while ensuring that the financial solvency of the City will not be jeopardized and that appropriate City resources may be conserved for other uses. This function also assumes the primary responsibility for the administration and processing of all property and casualty claims and for risk identification, risk transfer, risk analysis, Workers' Compensation, safety, and insurance coverage procurement.

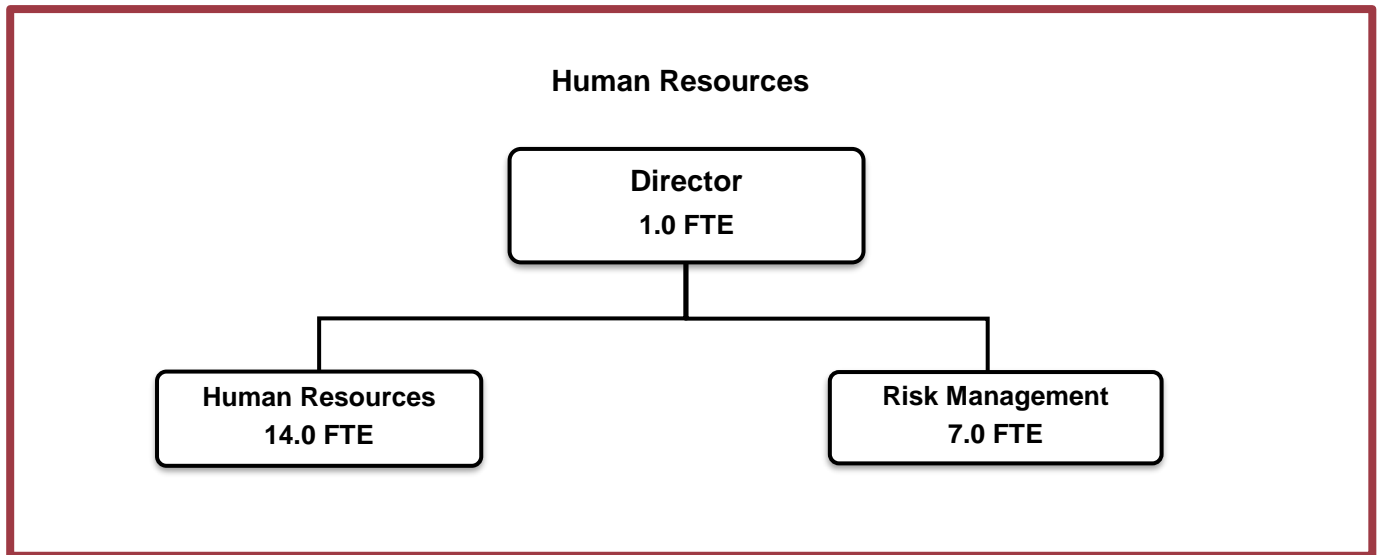
The Risk Management program is oriented toward comprehensive, proactive, global minimization or elimination of risk, to the greatest extent practical; retention of the remaining risk, when feasible; and protection against unpredictable loss by reasonable use of available insurance and/or alternate funding.

Human Resources designs, delivers and administers Citywide benefits, aimed at supporting the long-term health and general welfare of City employees and retirees. Benefits offered include a comprehensive benefits package at very competitive rates. Benefits include low-cost health, life, dental and vision

Human Resources

benefits, short-term and long-term disability leaves programs for income protection and employee assistance program for free confidential behavioral health services among other services.

FTE by Program



Strategic Goals and Initiatives for FY 2022-23

(Numbers at right show relation to City Council Goals; see Council Goals Section)

- Implement the NEOGOV PERFORM module to replace the current performance review system and enhance the workforce development process and advance DEI initiatives. 6
- Redesign and improve the existing mentoring program (Career Development Employee Program) to meet current and future needs for improved retention and staff development. 6
- Conduct a city-wide training needs assessment that results in a 2-to-3-year strategic training and organizational development plan. 6
- Redesign the current HR, Risk, Training and Organizational Development and DEIR internet and Intranet sites to promote new branding and a more modern image with easier access. 6
- Continue to implement recruitment best practices and modernize the City's recruitment campaign to attract a highly qualified and diverse workforce. 6
- Create a data dashboard for recruitment and DEI metrics to be used in City-wide initiatives and to support, track and report department-specific diversity goals in application pools. 6
- Create an equity lens template in all Council staff reports and use this model to introduce similar equity considerations in City-Wide policies, procedures, and reports. 6
- Implement, operationalize, monitor, and review the approved City Equity Plan. 6
- Determine training pathway for mandatory core DEI competencies and begin to offer training opportunities to staff beyond the current "Lunch and Learn" series. 5,6
- Administer and update the Citywide Safety Program to include employee training preparedness drill, refined policies, and procedures. 6
- Implement a Safety training and tracking matrix software system Citywide. 6

Human Resources

- Prepare an RFP for an ADA Transition Plan. 3, 6
- Finalize negotiations with all bargaining units. 6
- Complete an RFP and selection process to secure a classification and compensation consultant for a City-wide classification and compensation study. 6

Major Budget Changes

The Human Resources Department is comprised of two funds: Human Resources (funded by the General Fund) and Risk Management (an internal service fund). As an internal service fund, the Risk Management fund is charged out to all other City departments through benefit costs. Overall, the department increased by \$2.1M, or 5.6%, when compared against the FY 2021-22 adopted budget.

In FY 2022-23, the General Fund increased by \$284K or 10.2% from last fiscal year's adopted budget. A \$271K increase in Salary and Benefits occurred including increases per MOU changes, the addition of 1.0 FTE HR Analyst and a \$74K increase in CalPERS retirement benefit. All other expenditure categories have insignificant changes year-over-year.

The Risk Management fund increased by \$1.9M, or 5.3%, over prior fiscal year. One of the main increases in the Risk Management fund was due to liability insurance increasing by \$1.1M. The City uses CJPRMA (California Joint Powers Risk Management Association) for the City's excess liability insurance. The CJPRMA has experienced an increase in overall losses, which has resulted in the pool needing to charge its members higher premium. Other major cost increases impacting the Risk Fund was a \$418K increase in workers compensation and a \$190K increase in earthquake and property insurance. The U.S. property insurance market has had another difficult year with huge losses due to wildfires, hurricanes, and COVID-19. These catastrophes and the pandemic have resulted in higher Property Insurance premiums for the City.

Budget Summary

Expenditures by Program				
	2019 - 2020 Actual	2020 - 2021 Actual	2021 - 2022 Budget	2022 - 2023 Budget
General Administration	\$2,075,111	\$2,701,557	\$2,778,452	\$3,062,482
Risk Management	\$33,066,089	\$34,025,743	\$35,126,808	\$36,979,823
CIP and O&M Projects	\$0	\$62,434	\$0	\$0
Total	\$35,141,200	\$36,789,734	\$37,905,260	\$40,042,305

Human Resources

Expenditures by Category				
	2019 - 2020 Actual	2020 - 2021 Actual	2021 - 2022 Budget	2022 - 2023 Budget
Salaries	\$1,700,440	\$1,915,816	\$2,121,766	\$2,333,204
Benefits	\$843,403	\$936,539	\$1,072,180	\$1,209,496
Professional Services	\$541,271	\$880,302	\$872,771	\$838,027
Vehicle Expenses	\$135	\$0	\$0	\$0
Utilities	\$3,236	\$3,813	\$3,230	\$3,330
Operational Supplies	\$15,391	\$18,204	\$15,108	\$17,369
Information Technology	\$164,131	\$174,837	\$183,115	\$202,506
Other Miscellaneous	\$81,352	\$62,782	\$91,726	\$100,273
Insurance Prem/Claim	\$31,507,119	\$32,415,521	\$33,245,401	\$35,028,264
Indirect Costs	\$284,722	\$319,486	\$299,963	\$309,836
CIP and O&M Projects	\$0	\$62,434	\$0	\$0
Total	\$35,141,200	\$36,789,734	\$37,905,260	\$40,042,305

Expenditures by Fund				
Funding Source	2019 - 2020 Actual	2020 - 2021 Actual	2021 - 2022 Budget	2022 - 2023 Budget
General Fund	\$2,075,111	\$2,763,991	\$2,778,452	\$3,062,482
Risk Management Fund	\$33,066,089	\$34,025,743	\$35,126,808	\$36,979,823
Total	\$35,141,200	\$36,789,734	\$37,905,260	\$40,042,305

Authorized Full-Time Equivalent (FTE) Positions – All Funds

Fiscal Year	FY 2018-19	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23
Full-Time Equivalent	21.00	21.00	20.00	21.00	22.00

Human Resources

Prior FY 2021-22 Accomplishments

(Numbers at right show relation to City Council Goals; see Council Goals Section)

-
- Completed labor negotiations with all but one bargaining unit and secured multi-year agreements. 6
 - Introduced an Employee Wellness incentive program to encourage employee health and fitness for several bargaining units. 6
 - Estimated to complete 135 recruitments across the City. 6
 - Implemented the Learn product of NEOGOV, creating a system of record for training documents and improving the City-wide learning management capabilities. 6
 - Transitioned to virtual training platforms through COVID successfully implementing training and development programs using Zoom and other technology, while maintaining engaged and effective classes. 6
 - Modified both the New Employee Welcome and Preventing Workplace Harassment Orientation for new employees and elected and appointed officials. 6
 - Successfully recruited and hired a variety of key executive leaders including the City Manager, PED Director, Chief Financial Officer and Chief Information Officer. Successfully staffed several critical HR positions including the Training and OD Officer, a Diversity Inclusion and EEO Officer and a Principal Human Resources Analyst to support City-wide initiatives and recruitment. 6
 - Implemented the NEOGOV PERFORM product for the Police Department, enhancing and streamlining the performance management process that is a model for implementation across the City. 6
 - Transitioned to a new stipend administrator for an enhanced customer experience and greater department efficiency and security of data. 6
 - Successfully implemented paperless open enrollment process with new employee self-service platform to be launched in the 2022 open enrollment. 6
 - Near completion of SEED facilitated citywide equity plan (expected summer 2022). 6
 - Implemented COVID Vaccine and Testing Policy. Provided support to departments and employees on COVID related State and County health orders, regulations, and recommendations. 6
 - Developed implicit bias training for hiring managers and hiring panels to be launched in 2022. 6
 - Developed, designed, implemented, and administrated new COVID-19 related paid leave programs and various employee communications throughout the pandemic. 6
 - Completed the biannual federal submission of EEO data for the City organization. 6
 - Assisted with the triannual evaluation of the Transit EEO program. 6
 - Completed a City-wide Safety Program Assessment and drafted six City Policy's as well as updated the IIPP and CPP 6
 - Collaborated with several Departments for various agreements and initiatives related to the inRESPONSE, Safe Parking, and SRPD Low Rider initiatives. 6
 - Marketed several Insurance Programs to assure the City was getting the best coverage for cost 6

Human Resources

Looking Ahead

The Human Resources department will seek to work proactively within each of its divisions to provide stellar and innovative service to City staff and the community. We intend to continue the evaluation of current recruiting practices and explore innovations and technologies in the pursuit of expanded diversity, reflective of the community. We will engage in community outreach efforts to highlight the breadth and depth of potential career paths and opportunities. We will continue to participate in career fairs and expos to broaden our reach into the community for recruitment opportunities.

Human Resources will continue to refine processes and programs as we seek to deliver service that is highly responsive, innovative, and customized and we will continue to seek input on a regular basis. We will seek additional methods for feedback to complement existing methods, such as post-training surveys; onboarding participant surveys; Recruitment Process Check-in Program feedback; and the exit interview process. We will continue to oversee the Onboarding Program for all newly hired staff and modify, as necessary, to meet the needs of the participants. The Organization Development and Training Division will continue to identify best practices for methods of delivery to meet the increasing demand for education, training, succession planning and mentoring.

Human Resources will work proactively to provide a high level of understanding of benefits offered and create awareness and appreciation of new and existing benefits. We will collaborate with employees, retirees and others to ensure selected benefits programs and services are responsive to their needs.

The Risk Management Division has implemented several initiatives and proactive approaches to reduce workers' compensation and return employees to work. Risk will continue to administer and process all property and casualty claims and for risk identification, risk transfer, risk analysis, citywide benefits, workers' compensation, safety, insurance coverage procurement and insurance recovery.

Information Technology

Mission

The Mission of the Information Technology Department is to provide secure and reliable technology and services to make government more efficient, equitable, transparent, and responsive to the needs of the community.

Department Description

Information Technology (IT) operates as an internal service fund, meaning that the Department charges other City departments for services provided. The rates for the services are based on cost recovery. Costs include City personnel costs, expenditures for outside maintenance and professional support of City software, technology infrastructure costs, and operational and maintenance costs for equipment and supplies. There are five divisions in the IT Department in addition to Administration:

Administration - Provides the overall strategy, policies, and administration for the Department.

Development - Provides strategy, leadership, analysis, and hands-on services for building new software systems and implementing large-scale Citywide software migration programs, while providing software application development, project management, and software application support services. The division supports, enhances, and maintains over 75 in-house developed systems used by departments throughout the City; and also provides support for over 25 third party enterprise applications, including the core Finance/Human Resources/Payroll system, the central Permitting and Inspections system, and the Water Billing/Customer Information System. The Development division also develops and maintains dozens of electronic interfaces between internal and external systems, migrates aging code to current technologies, and converts data for new migrations. The division is also responsible for software system architecture definition, database design, application configuration, workflow development, and custom report writing for the various supported systems.

Operations - Provides the strategy and operations management of the core City data, storage, and telecommunications systems. The division also provides "Help Desk" support for all City employees. The Help Desk is available to employees Monday through Friday, and responds to over 7,000 support requests each year. It completes the support of approximately 70% of the service calls, with the remaining calls being forwarded to development or technical staff. Technical Support within IT Operations includes the support of all voice communications, data communications, computer networks, and all peripheral equipment, i.e., printers and personal computers (PCs, laptops & tablets). The division supports nearly 1,400 PCs, 225 servers, over 300 printers, a Citywide computer network with 2,900 connections in over 60 City locations with hundreds of pieces of communications equipment, and a phone system with over 1,500 phone units and over 1,100 mobile devices through a managed Mobile Device Management (MDM) solution.

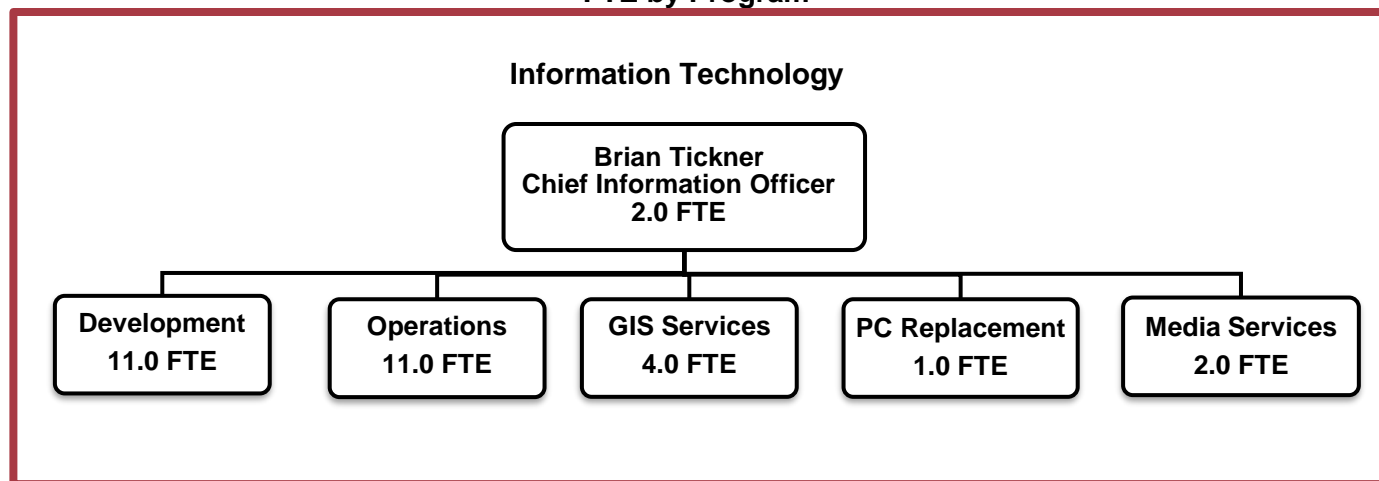
GIS Services - The Geographical Information System (GIS) Services division provides coordination, support, and maintenance of the City's GIS system and GIS services for all departments. The City GIS group also works closely with Sonoma County GIS to support County-wide 911 dispatch. The GIS system is accessible by employees and the public. Additionally, the City provides fee-based GIS web services for four other Sonoma County cities.

Information Technology

PC Replacement – The Citywide PC replacement program is focused on consistent procurement, support, and replacement of the City PC, laptop, and tablet inventory. The program uses uniform and efficient processes developed specifically to rapidly procure, configure, deploy and recycle PCs. Currently nearly 1,400 PCs and laptops are actively managed within the PC Replacement Program that replaces roughly 300 devices per year.

Media Services - The Media Services section manages the City's Public, Educational & Government (PEG) public access television, and broadcasts all City Council and other public meetings. Media Services works with departments Citywide to expand public information dissemination and education through PEG supported programs and resources.

FTE by Program



Strategic Goals and Initiatives for FY 2022-23

(Numbers at the right show relation to City Council Goals; see Council Goals Section)

- Digital Services: Partner with internal departments and the community to deploy reliable data-driven technologies that provide efficiencies and innovation of City services **1-6**
- Security: Optimize technology and services relating to cybersecurity, site security, and resilience against major disasters **3, 5**
- Hybrid Services: Improve and refine tools and processes to support the on-going needs of a digital, hybrid workforce and community including public participation and collaboration **5, 6**
- Support and Maintenance: Support, maintain, update, and enhance existing systems and technologies required for daily citywide operations **5, 6**
- People and Process: Address staffing and process-related needs within the department **5, 6**
- Governance and Accountability: Improve the IT environment through the maturation of IT governance and accountability **6**

Information Technology

Major Budget Changes

The Information Technology's (IT) FY 2022-23 budget is \$9.9M, an increase of \$575K, or 6.2%, over the prior year's adopted budget.

Salaries & Benefits increased by \$377K, or 7.3%. Besides MOU increases, the most significant change to Salaries & Benefits was the addition of 1.0 Limited-Term IT Support Specialist (funded by PG&E one-time money) and reclassing 1.0 vacant Senior IT Tech to a Network Systems Analyst.

Services & Supplies grew by \$138K, or 5.1%. This increase was mainly as a result of an increase of \$85K in Professional Services for Software increases. Also, there was an increase of \$20K for an additional need for Cybersecurity analysis & more frequent GIS Mapping needs, respectively.

In CIP and O&M Projects, the PC and laptop replacement project slightly increased by \$27K, or 5.4%. Also, the Citywide GIS Aerials project increased by \$15K due to more frequent GIS Mapping needs.

Budget Summary

Expenditures by Program				
	2019 - 2020 Actual	2020 - 2021 Actual	2021 - 2022 Budget	2022 - 2023 Budget
I.T. Administration	\$848,866	\$854,830	\$885,427	\$970,938
I.T. Media Services	\$230,373	\$230,322	\$232,486	\$252,488
I.T. GIS Services	\$520,369	\$674,241	\$713,257	\$758,113
CIP and O&M Projects	\$1,549,177	\$819,582	\$1,107,884	\$1,149,650
I.T. Development	\$3,067,617	\$3,163,429	\$3,608,905	\$3,826,588
I.T. Customer Support	\$2,510,896	\$2,635,268	\$2,632,632	\$2,750,688
I.T. PC Replacement Program	\$152,724	\$152,442	\$157,949	\$205,375
Total	\$8,880,022	\$8,530,114	\$9,338,540	\$9,913,840

Expenditures by Category

Information Technology

	2019 - 2020 Actual	2020 - 2021 Actual	2021 - 2022 Budget	2022 - 2023 Budget
Salaries	\$3,071,856	\$3,162,190	\$3,271,795	\$3,475,563
Benefits	\$1,653,882	\$1,780,957	\$1,871,598	\$2,045,585
Professional Services	\$1,767,297	\$1,927,244	\$2,214,004	\$2,319,547
Vehicle Expenses	\$7,735	\$8,159	\$19,050	\$18,850
Utilities	\$248,107	\$212,036	\$264,433	\$265,033
Operational Supplies	\$73,110	\$121,274	\$71,200	\$71,200
Information Technology	\$36,822	\$31,648	\$32,589	\$34,671
Liab/Property Insurance	\$41,840	\$44,911	\$64,632	\$95,066
Other Miscellaneous	\$38,467	\$40,351	\$62,584	\$62,484
Indirect Costs	\$353,843	\$361,550	\$358,771	\$376,191
Capital Outlay	\$37,886	\$20,212	\$0	\$0
CIP and O&M Projects	\$1,549,177	\$819,582	\$1,107,884	\$1,149,650
Total	\$8,880,022	\$8,530,114	\$9,338,540	\$9,913,840

Expenditures by Fund				
	2019 - 2020 Actual	2020 - 2021 Actual	2021 - 2022 Budget	2022 - 2023 Budget
Funding Source				
Information Technology	\$8,291,932	\$8,040,072	\$8,687,707	\$9,188,815
Technology Replacement	\$588,090	\$490,042	\$650,833	\$725,025
Total	\$8,880,022	\$8,530,114	\$9,338,540	\$9,913,840

Authorized Full-Time Equivalent (FTE) Positions – All Funds

Fiscal Year	FY 2018 - 19	FY 2019 - 20	FY 2020 - 21	FY 2021 - 22	FY 2022 - 23
Full-Time Equivalent	30.00	29.00	29.00	30.00	31.00

Information Technology

Performance Measures

Measurements taken over a 12-month time period:

Number of phone calls:	1,085,366 (676,633 Inbound; 408,733 outbound)
Number of emails:	4,715,040 (1,016,592 sent; 3,698,448 received)
Number of spam/phishing/malware emails pre-filtered:	4,417,008
Number of HelpDesk support requests:	7,935
Number of PC's/Laptops/Tablets managed/supported:	1,397
Number of mobile devices managed (iPhones, iPads, etc.):	1,108
Number of servers managed/maintained:	225
Number of active user and service accounts managed:	2,233
Number of new user accounts set up:	416
Number of user accounts deactivated:	377
Number of virtual / hybrid Zoom meetings:	6,022 (32,266 participants)
Number of virtual / hybrid Zoom webinars:	579 (17,763 participants)
Number of virtual / hybrid Teams meetings:	15,208

For FY22-23, the IT department plans to also measure uptime of key IT services, with the goal of achieving:

99.9% uptime for Internet
99.9% uptime for data center and network
99.9% uptime for VPN connectivity
99.9% uptime for phone system
99.9% uptime for email system

Additionally, for FY22-23, the IT department also plans to measure:

Percentage of PC's scheduled for retirement that were replaced
Percentage of employees who completed cybersecurity training
Percentage of servers patched with high priority updates within 48 hours
Customer satisfaction percentage
Simulation tests performed – e.g. network outage failover; restore from backup
HelpDesk tier 1 resolution rate
Percentage of time spent on support / projects / training / other work
Number of policies created / updated
Number of hours spent on each IT Goal area
Number of projects reviewed by IT Advisory Committee
Average number of projects in progress
Number of dashboards, metrics, and Key Performance Indicators created
Number of City web/mobile applications available for the public

Prior FY 2021-22 Accomplishments

(Numbers at the right show relation to City Council Goals; see Council Goals Section)

- Upgraded the City's finance/HR/payroll system to the latest available version. 5, 6
- Assisted the Housing and Community Services department with deployment of an online registration tool for housing-related assistance. 1, 2
- Assisted the Planning and Economic Development department and the Finance department with deploying an online application and review process for short term rentals. 3
- Deployed technology solutions in support of the Open Government Ordinance, providing community members more options for online access to public meetings and public documents. 6
- Strengthened and expanded technology components to support the City's hybrid workforce. 5, 6

Information Technology

- Assisted the Fire department with developing a new vegetation management system. 3
- Assisted the Planning and Economic Development department with expanding online permitting capabilities and deploying an online appointment system for the public to meet with PED staff. 1,4,6
- Provided interactive and GIS-based data tools for equity analysis and reporting. 6

Looking Ahead

The Information Technology department looks forward to continued partnerships with all City departments to develop and deploy additional technology-based solutions in support of City Council’s goals. Web-based and mobile tools for community use will be deployed for improved government services and collaboration with City staff. The IT department also plans to work with departments to provide additional open data and information in the form of dashboards, metrics, and analytic reporting tools for internal staff and the community.

Upcoming plans include continued refinement of technologies and processes to support the City’s on-going hybrid workforce while also providing additional opportunities for virtual public participation and collaboration. The IT Department plans to continue installing technology in various meeting rooms throughout City buildings to allow for improved options of communication amongst staff and with the community.

Key emphasis on supporting and maintaining the City’s growing technology infrastructure will continue to be required as we move forward. Upgrades and enhancements to City systems are needed to address deficiencies and add needed features, while hardware and software maintenance is required to maximize technology investments and minimize disruption of IT services.

Continued focus and refinements to cybersecurity processes, procedures, and technologies will be important to reduce vulnerabilities and mitigate cybersecurity threats. Deployment of additional technology-based solutions to address physical site security risks will also be a key component of the IT workplans this upcoming year. Additional improvements to overall processes and policies will also be important to help maximize retention of staff and provide for a continued high-caliber professional workforce through inclusive leadership and investment in employee development. Additional refinements are also planned to ensure an optimized IT governance structure within the City to standardize processes and workplans while improving transparency of IT costs, priorities, and accomplishments.

Non-Departmental

The purpose of the Non-Departmental budget is to record expenditures that are not associated with a specific department of the City.

Department Description

Animal Shelter - This program includes amounts paid to Sonoma County for animal care and control services.

County Administration Fee - This program includes the Sonoma County Administration Fee associated with the collection and allocation of property taxes on behalf of the City.

Citywide General Fund Insurance - Costs charged from the Insurance Fund to the General Fund for the General Fund's portion of the City liability, property, fire, and earthquake insurance.

Sonoma County Transportation Authority - This program includes costs for Santa Rosa's local contribution to Sonoma County Transportation Authority (SCTA) which is based on a population/road mile formula.

General Fund Administration Cost Plan - This is the overhead distribution of administrative costs within the General Fund to the non-administrative departments: Planning and Economic Development, Fire, Police, Transportation & Public Works (TPW), and Recreation & Community Engagement which represents a credit in Non-Departmental.

Non-Program - The Non-Program includes the following types of costs:

- Costs related to employee retirements and voluntary terminations for all General Fund operating departments have been centrally budgeted. These amounts are transferred to the appropriate General Fund department to cover the expenses related to employee retirements and voluntary terminations as they occur. Also includes CalPERS cost of retired employees who are over the IRS payout limit.
- Unspent Appropriations (turnback) are budgeted as a credit here as a holding place to reflect unspent budget amounts that occur each year. Actual turnback will be recognized in department budgets rather than in the Non-departmental budget.
- The Non-Program Actual expenditures reflected in prior years include any CalPERS unfunded liability payments made. These amounts are budgeted in the benefits sections of other departments, so corresponding budgeted amounts will not appear in Non-Departmental.

Debt Service - The Debt Service Program includes all general debt service expenditures, including debt service for pension obligation bonds, fire station capital lease payments and the Courthouse Square Capital Lease. This does not include debt service associated with the enterprise funds or other funds, such as debt service for the Water, Local Wastewater and Subregional Wastewater Funds, the Parking Fund, the Golf Course Fund, and the Successor Agency to the Redevelopment Agency. Such expenses are reflected separately in their appropriate funds.

Contract Services - Contracted services budgeted in Non-Departmental include an annual payment to the Local Agency Formation Commission (LAFCO), which regulates the boundaries of local cities, and a professional services contract for an annual revenue audit.

Non-Departmental

Major Budget Changes

The Non-Departmental budget includes budgeted General Fund expenditures, as well as non-enterprise debt service funds for Pension Obligation Bonds and two capital leases: Fire Station 5 and Courthouse Square.

The FY 2022-23 Non-Departmental budget decreased in total by \$2.9M compared to FY 2021-22. The major driver is a decrease of \$2.5M in Non-Program Salaries, which accounts for a combination of anticipated retirement payouts, salary increases, hiring changes, and unspent appropriations(turnback). For FY 2022-23 Unspent Appropriations budgeted a credit of \$3M whereas in FY 2021-22 it was \$0. Year over year the result is a \$3M variance. There's also a decrease of \$1.2M in General Fund Administration, which distributes administrative costs within the General Fund to non-administrative departments including Planning & Economic Development, Fire, Police, Public Works and Recreation & Community Engagement. General Fund expenditures increased overall mostly due to personnel costs, primarily rising retirement costs. As a result, the credit for General Fund Administration also grew by 9.2%, or \$1.2M, which translates as a decrease in the Non-Departmental expenditure budget. Also, worth noting is an increase of \$812K in Citywide rates for the General Fund's portion of Liability, Fire and Earthquake insurance.

It should be noted that the Professional Services expense category is made up of several unrelated expenditures including the LAFCO payment, Revenue Audit contract, Animal Shelter, County Administration Fees, and the Sonoma County Transportation Authority costs.

Budget Summary

Expenditures by Program				
	2019 - 20 Actual	2020 - 21 Actual	2021 - 22 Budget	2022 - 23 Budget
Animal Shelter	\$1,840,807	\$1,722,276	\$2,207,000	\$2,207,000
County Admin Fee	\$313,914	\$308,912	\$315,000	\$315,000
Citywide General Fund Insurance	\$1,790,511	\$1,915,252	\$2,440,213	\$3,253,041
Sonoma Co Transportation Authority	\$108,775	\$108,114	\$110,000	\$110,000
General Fund Administration	-\$11,137,665	-\$12,245,124	-\$13,111,646	-\$14,312,466
Non-Program	\$27,019,615	\$25,103,134	\$1,575,000	-\$975,000
Debt Service	\$4,800,019	\$4,799,082	\$4,832,811	\$4,835,283
Contract Services	\$43,317	\$278,444	\$460,000	\$460,000
CIP and O&M Projects	\$248,236	\$0	\$0	\$0
Total	\$25,027,529	\$21,990,090	-\$1,171,622	-\$4,107,142

Non-Departmental

Expenditures by Category				
	2019 - 20 Actual	2020 - 21 Actual	2021 - 22 Budget	2022 - 23 Budget
Salaries	\$0	\$0	\$1,550,000	-\$1,000,000
Benefits	\$4,200,000	\$0	\$25,000	\$25,000
Professional Services	\$2,309,563	\$2,422,996	\$3,094,750	\$3,094,750
Debt Service	\$4,797,269	\$4,793,832	\$4,830,061	\$4,832,533
Liability & Property Insurance	\$1,790,511	\$1,915,252	\$2,440,213	\$3,253,041
Other Miscellaneous	\$22,819,615	\$25,103,134	\$0	\$0
General Fund Administration	-\$11,137,665	-\$12,245,124	-\$13,111,646	-\$14,312,466
CIP and O&M Projects	\$248,236	\$0	\$0	\$0
Total	\$25,027,529	\$21,990,090	-\$1,171,622	-\$4,107,142

Expenditures by Fund				
	2019 - 20 Actual	2020 - 21 Actual	2021 - 22 Budget	2022 - 23 Budget
General Fund	-\$6,791,975	-\$7,912,126	-\$6,004,433	-\$8,942,425
2013 Pension Obligation (Refund)	\$30,716,903	\$28,797,614	\$3,731,509	\$3,735,081
Fire Station Capital Lease	\$367,726	\$367,727	\$367,727	\$367,727
COPs/Courthouse Square Capital Lease	\$734,875	\$736,875	\$733,575	\$732,475
Total	\$25,027,529	\$21,990,090	-\$1,171,622	-\$4,107,142

This page intentionally left blank

Planning & Economic Development

Mission

The Planning & Economic Development Department strives to make the City of Santa Rosa safe and habitable for people to live, work and play. Our mission is to be thoughtful stewards of the built and natural environment; achieve quality and safety in development; compliment and strengthen neighborhoods; facilitate positive business climates and encourage industry clusters.

Department Description

The functions of the Planning and Economic Development Department (PED) are distributed among programs designed to achieve the department's mission:

Administration - Oversees and supports all functions of the department, providing technical and clerical support and department wide management; provides administrative support to boards and commission meetings and agendas, customer service inquiries, plan referrals, public record requests, and contract management, and budget and personnel support.

Advance Planning – Prepares housing and land use policy consistent with state laws and the City's vision for growth and development; leads the organization's process for planning document preparation and community engagement such as for the City's General Plan, Specific Plans, and Zoning Code ordinances, participates in regional planning efforts and discussions; collects data and prepares reports and maps that are shared across the organization, serves as the City's environmental coordinator for public projects, the City's tribal liaison, Zoning Administrator, and currently provides support to the Waterway Advisory Committee and General Plan Community Advisory Committee.

Building Inspection - Conducts building inspections to verify compliance with building codes and regulations.

Building Plan Review - Reviews building permit applications for compliance with building codes and regulations and approves permits for issuance. Responds to Public Records Act requests.

Code Enforcement - Responds to complaints and conducts inspections to ensure City Zoning and Building Codes are implemented on private property to address general health, life, fire and safety issues, including but not limited to responding to complaints regarding health and safety violations; unsafe buildings; substandard housing; cannabis; short-term rentals; unpermitted construction; vehicle, trash and debris storage; and animal violations, among others. Provides building inspection services for the Neighborhood Revitalization Program. Responds to Public Records Act requests.

Economic Development - Works on business attraction, retention and expansion efforts and connected workforce related initiatives, including joint ventures and downtown development deals; programs the Santa Rosa Tourism Business Improvement Area funds to reinforce the city's unique destination brand; manages the Public Art Program and the City's arts and culture initiatives; provides staff support to the Economic Development Subcommittee, the Downtown Subcommittee, and the Art in Public Places Committee.

Engineering Development Services - Provides engineering services, including entitlement conditioning, public improvement plans, survey maps and legal descriptions, encroachment and grading permits, Water Efficient Landscape Ordinance (WELO) review, and public and private inspections throughout the various development phases of private residential and commercial projects to ensure the safety and quality of construction activities within the public right-of-way. Responds to Public Records Act requests.

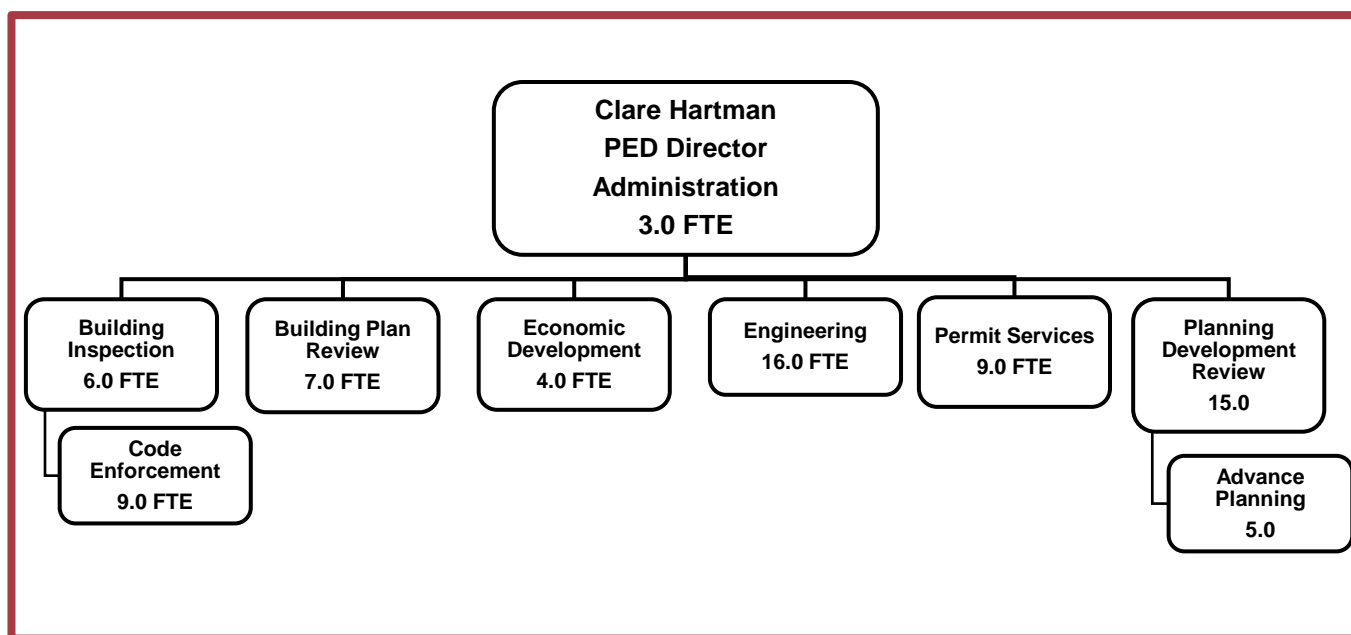
Planning & Economic Development

Neighborhood Revitalization Program (NRP) - Collaborates to improve living conditions in focus neighborhoods by responding with solutions that involve all neighborhood stakeholders, primarily building and fire safety inspections.

Permit Services – Manages the Department’s public counter, assists the public with and processes planning, building and encroachment applications electronically as well as through appointments, coordinates plan review referrals with all referral departments and regulatory agencies on projects; provides information and clarification to the public regarding zoning and building codes, and City processes. Assigns addresses for all new development, performs fee calculations and assessments, and receives impact/demand fees.

Planning Development Review - Accepts and processes new entitlement applications; provides information to the public and applicants regarding land use and zoning, conducts environmental reviews; facilitates pre-application, applicant and neighborhood meetings, prepares staff reports and public notifications and provides support to the Planning Commission, Design Review Board and Cultural Heritage Board. Responds to Public Records Act requests.

FTE by Program



Strategic Goals and Initiatives for FY 2022-23

(Numbers at the right show relation to City Council Goals; see Council Goals Section)

- Utilize State Local Early Action Plan grant to help stimulate housing production Citywide by integrating housing opportunity, regulatory and project development environments in an online, user-friendly housing portal. 1
- Utilize State Department of Cannabis Control and Cannabis Equity grants to update the City’s Cannabis Ordinance and prepare and Equity Assessment. 3
- Complete a Development Services Strategic Plan that analyzes the development review process, research, analysis, opportunities, performance metrics and strategies along with an implementation plan that will guide the City’s development review activity for the next five years and reduce the review/processing time of all entitlements through efficiencies developed from the plan. 1
- Complete the Development Services Cost of Service Fee Study and Fee Schedule Update. 6

Planning & Economic Development

- Reduce the review/processing time for housing projects through the filling of the 2-year Limited Term City Planner position funded by PG&E funds. 1
- Continue the General Plan update, focusing on outreach and input; complete Alternatives Phase; continue Housing Element and Climate Action Plan updates; and begin Environmental Impact Report. 3
- Continue working on the Missing Middle Housing and Downtown Historic survey projects. 1
- Prioritize downtown and housing developments across all development divisions. 1
- Continue assisting residents affected by the Tubbs and Glass fires in rebuilding homes and businesses. 1
- Complete full integration to electronic plan checks and virtual inspections to ease and hasten development. 6
- Continue to utilize code enforcement to assist with the City's homeless services program and short-term rental ordinance. 1, 2, 3
- Update the Macro cell ordinance.
- Implement the recently completed Economic Development Strategic Plan. 4
- Continue implementation of the Public Art Strategic Plan.
- Work with regional partners on the Sonoma-Mendocino Economic Development District Comprehensive Economic Development Strategy Update. 4
- Research feasibility of Enhanced Infrastructure Finance District, utilizing PG&E funding. 4
- Utilize American Rescue Plan Act (ARP) funding for phase 2 of the childcare support program, including grants and a revolving loan program. 4
- Utilize ARP funding to support small businesses located in qualified census tracts, focusing on tenant improvements. 4
- Utilize ARP funding and partner with County of Sonoma and non-profit organizations to create a Guaranteed Basic income program. 4
- Ensure diversity and equity are promoted in all community engagement efforts for public policy work, and in recruitment and hiring. 6
- Utilize PG&E settlement funds to update public records management system, as PED staff respond to 80% of the City's Public Records Act requests. 6

Major Budget Changes

The Planning & Economic Development (PED) budget is \$18.2M, an increase of \$2.0M, or 12.2%, when compared to the adopted FY 2021-22 budget.

Salaries and Benefits increased by \$1.2M, or 11.3%, when compared against FY 2021-22 adopted budget. This Salaries and Benefits increase was mostly due to the net addition of 6.0 FTE's. There were 3.0 Limited-Term FTEs added: 2.0 Senior Planners & 1.0 City Planner. There was also 3.0 permanent FTEs added: 1.0 Building Plans Examiner, 1.0 Development Review Coordinator & 1.0 Civil Engineering Technician. Also, the 1.0 Assistant City Manager position was moved from PED to the City Manager's Office and 1.0 PED Director position was then added to PED. Along with these additional FTEs, the Code Enforcement FTE costs were moved back to the General Fund. A portion of Code Enforcement FTE costs used to be covered by the Administrative Hearing Fund (AHF), but due to declining revenue in the AHF these Code Enforcement FTEs are now being covered by the General Fund. Salaries and benefits also increased due to MOU increases.

Planning & Economic Development

Service and Supplies increased by \$448K, or 17.1%. Most of this increase in Services & Supplies was to restore Professional Services, Conferences & Training, and Operational Supply budgets to pre-pandemic levels.

The Operations & Maintenance (O&M) Projects netted a \$251K increase. This increase was mostly due to a \$163K increase in the General Plan Revision Advanced Planning project and a \$150K increase in the Santa Rosa Tourism BIA (Business Improvement Area) project. These project increases are due to rebounding transient occupancy (hotel) tax revenue & rebounding Advanced Planning revenue.

Budget Summary

Expenditures by Program				
	2019 - 2020 Actual	2020 - 2021 Actual	2021 - 2022 Budget	2022 - 2023 Budget
General Administration	\$3,530,701	\$3,570,722	\$3,988,845	\$4,081,178
Building Inspection	\$931,721	\$889,937	\$964,284	\$1,008,728
Planning Development Review	\$2,157,028	\$2,119,786	\$2,135,215	\$2,162,756
Advance Planning	\$433,327	\$522,425	\$552,714	\$761,531
Economic Development	\$850,864	\$730,630	\$709,496	\$738,523
Permit Services	\$1,009,882	\$897,586	\$1,028,521	\$1,274,668
Engineering	\$2,739,931	\$3,048,176	\$2,913,919	\$3,524,444
Neighborhood Revitalization	\$0	\$241,633	\$163,542	\$303,910
Building Plan Review	\$1,333,475	\$1,710,794	\$1,447,743	\$1,887,258
Code Enforcement	\$148,911	\$1,037,086	\$1,459,387	\$1,349,783
CIP and O&M Projects	\$7,172,188	\$3,778,224	\$835,762	\$1,087,186
Total	\$20,308,028	\$18,546,999	\$16,199,428	\$18,179,965

Expenditures by Category				
	2019 - 2020 Actual	2020 - 2021 Actual	2021 - 2022 Budget	2022 - 2023 Budget
Salaries	\$5,917,701	\$6,362,740	\$6,676,959	\$7,486,273
Benefits	\$3,193,537	\$3,606,214	\$3,926,844	\$4,316,629
Professional Services	\$888,042	\$1,301,770	\$901,594	\$1,203,800
Vehicle Expenses	\$72,202	\$105,522	\$117,731	\$111,632
Utilities	\$26,011	\$30,656	\$30,000	\$30,000
Operational Supplies	\$62,715	\$45,757	\$68,679	\$92,539
Information Technology	\$790,310	\$1,078,135	\$1,157,364	\$1,246,357
Other Miscellaneous	\$352,684	\$269,447	\$346,590	\$385,408
Indirect Costs	\$0	\$3,440	\$2,609	\$2,984
GF Admin Cost Plan	\$1,832,638	\$1,965,094	\$2,135,296	\$2,217,157
CIP and O&M Projects	\$7,172,188	\$3,778,224	\$835,762	\$1,087,186
Total	\$20,308,028	\$18,546,999	\$16,199,428	\$18,179,965

Planning & Economic Development

Expenditures by Fund				
Funding Source	2019 - 2020 Actual	2020 - 2021 Actual	2021 - 2022 Budget	2022 - 2023 Budget
General Fund	\$18,827,083	\$17,874,047	\$15,268,549	\$17,333,340
Art In-lieu Fee	\$210,639	\$279,953	\$308,012	\$243,625
Administrative Hearing Fund	\$231,253	\$110,521	\$272,867	\$103,000
EPA Brownfields Grant	\$0	\$0	\$0	\$0
State Grants Fund	\$407,387	\$83,043	\$0	\$0
ARPA Federal Stimulus	\$0	\$0	\$0	\$0
Santa Rosa Tourism BIA	\$631,289	\$199,313	\$350,000	\$500,000
Capital Improvement Fund	\$377	\$122	\$0	\$0
Total	\$20,308,028	\$18,546,999	\$16,199,428	\$18,179,965

Authorized Full-Time Equivalent (FTE) Positions – All Funds

Fiscal Year	FY 2018-19	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23
Full-Time Equivalent	63.00	61.00	69.00	68.00	74.00

Performance Measures

- Pre-application meetings held within 21 days of request of service **1**
- Development review applications receive a determination of completeness within 30 days of submittal **1**
- Deliver innovative and effective Advance Planning processes and policy documents within expected timeframes and budget **3**
- Create and monitor metrics associated with public engagement in policy processes with an emphasis on vulnerable communities. **3**
- Demonstrate an increase in attendance and diversity in participation through modern and effective community engagement techniques used to foster meaningful communication, participation and engagement with residents for planning initiatives **3**
- 85% of Building Plan Checks completed within 10 weeks of submission on the first check and 5 weeks for subsequent checks **1**
- 90% of Encroachment Permits issued within 3 weeks of submission of first check
- 90% of public improvement plan checks completed within 6 weeks of submission of first submittal and 3 weeks for subsequent checks, meeting published timelines **1, 3**
- Commercial investment in opportunity zones
- % of minority and women owned businesses assisted **4**
- Industrial, office and retail vacancy rates **4**
- Business Tax Certificates issued / number of new businesses **4**
- Sales and Transient Occupancy Tax performance, and amount/% of tax collected by industry **4**

Planning & Economic Development

- Santa Rosa Tourism Business Improvement Area assessment performance 4
- Performance analytics of business website and on-line tools 4
- Number and type of special event permits 4
- Public Art measurements: number of items in collection, current projects, people engaged with process 4
- 100% of Priority 1- Life, Health and Safety code enforcement complaints investigated within 24 hours. 3
- Total code enforcement cases closed. 3
- Number of units inspected in NRP neighborhoods 3
- Number of violations in NRP neighborhoods 3

Prior FY 2021-22 Accomplishments

(Numbers at right show relation to City Council Goals; see Council Goals Section)

-
- Building permits were issued for 1,400 residential units in 2021 (excluding fire-rebuild area replacement housing). Of the 1,400 building permits issued: 253 were for single family dwellings; 1,052 permits were for multi-family dwellings; and 95 permits were for second dwelling units. 1
 - Conducted plan review for approximately 450 additional building permits for multi-family housing units which are expected to begin construction by June 2022. 1
 - As of January 2022, 569 housing units received planning entitlement approvals, including 275 deed-restricted affordable units and 294 market rate units. 1
 - Engineering approved 17 construction projects comprising 323 single-family units and 266 multi-family units. 1
 - Recorded 8 subdivision maps totaling 236 lots. 1
 - Issued 1,539 Encroachment Permits. 1
 - Completed and accepted public infrastructure “donated assets” comprised of streets, storm drains, water and sewer total \$9.3M together with 6.33 acres of right-of-way. 1
 - Adopted multijurisdictional Hazard Mitigation Plan 3
 - Updated the Density Bonus Ordinance. 1
 - Adopted the Short Term Rental Urgency Ordinance and initiated permit review and enforcement, and began preparation of a comprehensive ordinance 1
 - Participated in the Urban Land Institute Health Leaders Network Program. 3
 - Received the Department of Cannabis Local Jurisdiction Grant of \$775K and Cannabis Equity Grant of \$75K. 3
 - Adopted new Strategic Plans for the Economic Development Division and Public Arts Program. 4
 - In partnership with non-profit service providers, awarded \$1M in resiliency grants to 180 childcare providers serving over 6,000 children. 4
 - Expanded the presence of public art, awarding commissions for murals and advancing the Unum sculpture. 4

Planning & Economic Development

Looking Ahead

The Planning & Economic Development Department (PED) continues to adjust to the dynamic economy and housing market to best serve Santa Rosa residents. Since 2017, Santa Rosa has experienced the Tubbs-Nuns (2017), Kincade (2019) and Glass (2020) Fires, resulting in thousands of homes destroyed, businesses disrupted and evacuation orders; multiple public safety power outages; and the COVID-19 pandemic, which modified conditions for most businesses and limited activities for residents. PED is now focused on stabilizing services by moving out of COVID-19 working conditions, while continuing to support businesses and residents affected by the pandemic. Shifting to online and paperless options for permitting and inspecting will maximize efficiencies within the Development Divisions of the department, but with that effort becomes a reliance on technology support and staff time to train and manage electronic records.

Key upcoming efforts will be to strategize staff and technology resources to be in balance with service demands and performance expectations. The Department will kick off a Cost of Services Study and Fee Update this year, balancing staffing with professional services to address peaks in demand and working towards a strategic administrative model to better serve public record requests and management, contract management, customer service demands and public meeting support.

PED will utilize one-time American Rescue Plan Act (ARP) and PG&E settlement funding to support business recovery, including childcare funding and facility programs, small business improvements, and child savings account and guaranteed basic income programs. Downtown economic development efforts will continue be a top priority to make up for lost revenue and support the City's businesses and workforce. In addition to crisis response and rebuild activities, the Department will continue to prioritize affordable and market-rate housing development. Staff will also continue to update the Santa Rosa General Plan. This multi-year process, focused on community inclusion and input, will provide a Citywide look at long-range housing policy, economic development, infrastructure, circulation, and climate initiatives, amongst others.

Completion and implementation of key strategic plans, including Development Services, Economic Development, and Public Art, will assist staff in providing the best service possible to Santa Rosa. The Development Services Strategic Plan will kick off in 2022 and will be a companion effort to the City's Cost of Service Study. The Strategic Plan will focus on mission alignment across the City's plan review and inspection teams and will establish transparency and accountability for performance protocols and standards for development services staffing and service.

This page intentionally left blank

Police

Mission

The Santa Rosa Police Department is committed to making Santa Rosa a safe place to live, work, and play.

Department Description

The Police Department is responsible for safeguarding lives and property, preserving constitutional rights, and maintaining the quality of life to promote safe and secure communities for Santa Rosa. The department responds to a wide range of calls for service and provides numerous community support and outreach programs to promote police/community partnerships.

The three major divisions that carry out these core functions are Field Services, Special Services, and Technical Services and are all supported by Administration.

Administration – Coordinates the preparation and monitoring of the budget and is responsible for contracts, grants, Human Resources, department equipment, facilities, and administrative support staff.

Field Services – The most visible component of the department are the patrol teams, whose primary function is to provide a rapid response to emergency and non-emergency calls for service 365 days a year, 24 hours a day. Field Services also includes traffic safety and enforcement and is comprised of Motorcycle Officers and Accident Investigators, Field and Evidence Technicians, Community Service Officers, SWAT team, Hostage Negotiation Team, the new Special Enforcement Team, Mobile Field Force, Canine Team, and the Downtown Enforcement Team.

Special Services – Includes the four detective units: Domestic Violence and Sexual Assault, Narcotics, Property Crimes, and Violent Crimes. These units are responsible for investigating crimes such as homicide, robbery, rape, other sexual offenses, aggravated assault, narcotics, child abuse, domestic violence, gang crimes, vehicle theft. These teams are supported by the Forensic Team, which is responsible for higher-level processing and analysis of evidence related to investigations.

A critical part of the special services division is Recruitment and Employment, Training and Wellness; and the Volunteers in Police Services (VIPS) program. The Police Department requires continuous hiring and recruitments that necessitate dedicated staff. There is also mandatory training necessary for staff, requiring a team to coordinate and track to ensure compliance.

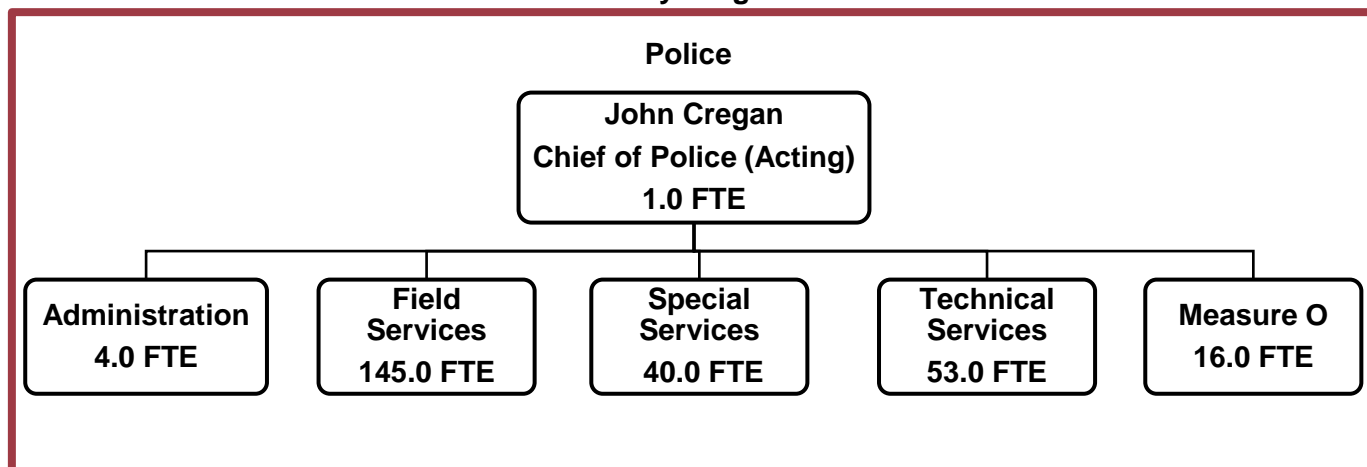
The Professional Standards Team has a dedicated Lieutenant and Sergeant who track and investigate all citizen complaints and reports of staff misconduct. The Professional Standards Team works closely with the Independent Police Auditor to ensure that all complaints are thoroughly investigated and that mandated reports and information are released to our community in a timely manner.

Technical Services – Provides critical services for the community and the department, including the 911 Communications Center, Records Department, Property and Evidence, Crime Analysis, and Information Technology.

Measure O – Is crucial to the Police Departments' overall operations. It currently allows the department to enhance service with an additional 16 positions, including 1 Lieutenant, 1 Sergeant, 9 Officers, 2 Field and Evidence Technicians, 1 Community Service Officer, 1 Communications Supervisor, and 1 Police Technician.

Police

FTE by Program



Strategic Goals and Initiatives for FY 2022-23

(Numbers at the right show relation to City Council Goals; see Council Goals Section)

- | | |
|---|-----|
| • Increase staffing and hours of operation for the inRESPONSE program | 2,3 |
| • Work with City partners and consultant to increase recruiting and hiring of a diverse workforce | 3,6 |
| • Increase employee wellness events to increase morale and overall health and wellness of staff | 6 |
| • Expand the student internship program | 6 |
| • Implementation of recommendations from the Equitable Policing Taskforce | 6 |
| • Reduce sideshow activity throughout Santa Rosa and increase traffic safety | 3 |
| • Reduce incidents with firearms by at least 10% and increase the overall safety of the community | 3,4 |
| • Complete the staffing study and implement the recommended changes | 3,6 |

Major Budget Changes

The Police Department's budget is comprised of two primary funding sources, the General Fund and the Measure O Fund. The total FY 2022-23 budget is \$73.5M, an increase of 5.8% over the prior year's adopted budget.

The department is funded largely by the General Fund, which in FY 2022-23 totals \$68.5M, an increase of \$3.9M or 5.9%. The General Fund makes up 93.3% of the Police Department budget. A \$4.3M increase in Salary and Benefits occurred including increases per MOU changes, the addition of 3.0 FTE Police Officers and a \$1.7M increase in CalPERS retirement benefit. Services and Supplies decreased by \$803K which includes moving \$1.16M for the inRESPONSE program from the Police Department's budget to the ARPA Fund and an increase of \$293K for City fleet repair and replacement services.

Meanwhile, Measure O increased by \$207K to a total budget of \$4.2M in FY 2022-23, while revenues are budgeted to be \$4.8M. Salary and Benefits remained relatively flat at a modest \$18K increase or 0.5%. Services and Supplies increased by \$180K or 87.8% from a \$155K increase in professional services for in fleet cameras, \$9K increase in fuel, \$13K increase in liability insurance and \$9K increase in citywide overhead charges.

Budget Summary

Expenditures by Program				
	2019 - 2020 Actual	2020 - 2021 Actual	2021 - 2022 Budget	2022 - 2023 Budget
CIP and O&M Projects	\$3,145,397	\$1,292,157	\$629,423	\$354,423
General Administration	\$8,144,518	\$9,382,531	\$9,964,534	\$9,591,804
Field Services	\$33,614,048	\$34,910,006	\$34,421,246	\$37,918,722
Investigative Services	\$7,803,481	\$7,491,796	\$10,650,637	\$10,969,445
Technical Services	\$8,291,172	\$8,399,082	\$8,848,501	\$9,436,470
Support Bureau	\$1,579,152	\$1,598,934	\$932,953	\$979,386
Measure O Police	\$4,206,863	\$4,061,200	\$4,002,715	\$4,209,676
Total	\$66,784,631	\$67,135,706	\$69,450,009	\$73,459,926

Expenditures by Category				
	2019 - 2020 Actual	2020 - 2021 Actual	2021 - 2022 Budget	2022 - 2023 Budget
Salaries	\$32,715,376	\$32,584,849	\$33,116,123	\$35,148,406
Benefits	\$21,213,545	\$22,363,334	\$24,059,860	\$26,358,150
Professional Services	\$1,672,171	\$1,700,341	\$3,292,742	\$2,065,550
Vehicle Expenses	\$2,126,205	\$2,004,330	\$2,047,877	\$2,350,978
Utilities	\$161,255	\$153,485	\$141,585	\$138,585
Operational Supplies	\$780,553	\$659,466	\$831,723	\$1,255,115
Information Technology	\$726,692	\$780,761	\$864,261	\$868,386
Liability /Property Insurance	\$26,092	\$29,655	\$43,537	\$56,769
Other Miscellaneous	\$484,343	\$1,432,662	\$383,565	\$466,325
Indirect Costs	\$112,474	\$116,007	\$112,486	\$121,620
GF Admin Cost Plan	\$3,490,493	\$3,987,826	\$3,926,827	\$4,275,619
Capital Outlay	\$130,035	\$30,833	\$0	\$0
CIP and O&M Projects	\$3,145,397	\$1,292,157	\$629,423	\$354,423
Total	\$66,784,631	\$67,135,706	\$69,450,009	\$73,459,926

Expenditures by Fund				
Funding Source	2019 - 2020 Actual	2020 - 2021 Actual	2021 - 2022 Budget	2022 - 2023 Budget
General Fund	\$59,972,387	\$62,222,250	\$64,682,294	\$68,540,250
Measure "O" - Police	\$4,206,863	\$4,061,200	\$4,002,715	\$4,209,676
Federal Grants	\$29,507	\$4,532	\$0	\$0
Federal Narcotics Asset Forfeiture	\$26,391	\$6,951	\$40,000	\$40,000
State Grants Fund	\$161,656	\$35,778	\$0	\$0
Supplemental Law Enforcement	\$229,424	\$215,904	\$300,000	\$520,000
State Narcotics Asset Forfeiture	\$243,236	\$589,091	\$150,000	\$150,000
Capital Improvement Fund	\$1,915,167	\$0	\$275,000	\$0
Total	\$66,784,631	\$67,135,706	\$69,450,009	\$73,459,926

Police

Authorized Full-Time Equivalent (FTE) Positions – All Funds

Fiscal Year	FY 2018-19	FY 2019-20	FY 2020-21	FY 2022-22	FY 2022-23
Full-Time Equivalent	266.50	260.50	260.00	256.00	259.00

Performance Measures

Measurable	2021	2020	2019
Total events responded to	109,377	111,990	137,970
Total calls to the Dispatch Center	241,440	246,472	255,224
Average response time-priority 1 calls	7:03 min	6:44 min	6:48 min
Total shootings	471	482	378
Total firearms seized	170	105	137
Ghost guns seized	44	15	10
Homicides	6	4	3
Total Vehicle thefts	526	421	311
Catalytic converter thefts	368	150	4

The total calls to the Dispatch center were down in 2021 due to the pandemic but are trending upwards this first quarter of 2022 along with the events that were responded to by police staff. There was also a significant amount of side-show activity involving hundreds of people from throughout the Bay Area in 2021, which required a tremendous response from the Police Department and impacted the neighborhoods where they occurred, which led to an increase in firearms incidents, shootings, and ghost guns seized throughout the City. This past year there was also a spike in catalytic converter thefts and vehicle thefts throughout the City. The Police Department investigated six homicides in 2021.

Prior FY 2021-22 Accomplishments

(Numbers at the right show relation to City Council Goals; see Council Goals Section)

- Successfully launched the inRESPONSE program 2,3
- Developing a more comprehensive implicit bias and cultural diversity training program for all staff, including the training of key staff to become trainers for the entire department 3,6
- Received over \$2 million in state, federal and local grants and other outside funding. This includes funding for special programs and equipment such as the building generator, mobile command and dispatch vehicles, alcohol and tobacco education and enforcement, traffic safety and enforcement programs, traffic sign trailer, inRESPONSE program funding and interns for outreach, PSB building security gate, and vulnerable individuals missing person software and interns for implementation and outreach 3,6
- Created a successful student internship program 6
- Working with new independent Police Auditor 3,6
- Created the Special Enforcement Team. This is a team of 4 Patrol Officers and 1 Sergeant whose primary function is proactive policing. This team has made a significant impact in 3,6

overall crimes seizing 20 firearms, 5 of which were ghost guns, and making a total of 56 arrests of violent offenders.

- Increased community engagement: Community Police Experience (CPE), Chiefs Community Ambassador Team (C-CAT), Public Safety Subcommittee (PSS) 4
- Created strategic plan to increase traffic safety and enforcement for the increasing side shows 3
- Made proactive policing a priority with a focus on violence reduction 3
- Received funding from CalOES for a whole-building generator and began installation 5

Looking Ahead

As we look forward, the priority for the Santa Rosa Police Department is traffic safety, reduction in violent crimes and gun violence, and community outreach.

2022 continues to be a building year for the Police Department as the community comes out of COVID and returns to "normal" activities. We look forward to growing our involvement with the community through attending and hosting numerous community events, community town-hall type meetings, and an even more significant presence in our community policing efforts.

The Police Department continues to face challenges in recruiting and hiring a diverse workforce for both sworn and civilian positions. The need is increasing due to staff relocations out of state and retirements and is expected to grow more next year. The team will work with a consultant expert in recruiting to develop a strategy including videos and social media advertising to attract a more extensive and diverse candidate pool. The department prioritizes training and developing our current staff throughout their careers for successful promotional opportunities and succession planning and will continue this in the coming year.

The Police Departments' goal is to re-establish the Gang Crime Team, which has been a priority for the department since 2019, when it was disbanded. The Gang Crime Team will require additional staffing of at least four police officers and 1 Sergeant to make this program a success and to make a real impact on the rise in crimes. In addition to these critical positions, it is crucial to have the civilian staff that supports the entire department and can handle some non-violent calls for service; 1 new Property and Evidence Technician and 2 Field and Evidence Technicians. A top priority for the department is to increase community outreach. To do this, we need a dedicated Community Outreach Specialist who can organize staff, volunteers, and interns and requests for attendance and events throughout the City.

Technology is rapidly developing, and the department is continuing to adopt new technologies to improve the work that is done by our staff. The Police Department will be increasing transparency and safety through technology by installing cameras in all patrol cars, automating the activation of the body-worn cameras, and working to identify funding to create a Real-Time Information Center that will be a key component of the safety of the community.

This page intentionally left blank

Recreation and Community Engagement

Mission

The Recreation Division and Office of Community Engagement create community through partnerships and programs.

Recreation Division Description

General Administration - The Administration Section provides central management and administration for the Recreation Division that includes management of division finances, budget, personnel and information technology, along with oversight of 350 annual temporary employees totaling 128,000 service hours, and management of the Recreation enterprise software.

Neighborhood Services/Measure O - The Neighborhood Services Section provides youth development and recreational programming for underserved, low-income youth and families. Services are funded by both the General Fund and Measure O – Violence Prevention Sales Tax. Staff provide beneficial programs, services, and sites where young people can enjoy recreational, educational, and social activities without fear of gangs, drugs, or other negative influences. Programs include academic after school enrichment activities, summer camps, family events, field trips and a variety of sports at schools and other locations.

Fee-Based Recreation - The Fee-Based Recreation Section delivers athletics, camps, community center programs and off-site leisure instruction. Wa-Tam, Yu-Chi, Doyle Adventure, Camp Tiny Tots, and Sports Clinics are featured in the summer. Baseball, soccer, basketball, and tennis programs are offered for youth. Adult softball is the largest program organized in Northern California. Sport field and court permits are administered through this unit.

Community Centers - The Community Centers Section operates, prepares, and rents the City's community centers (Finley, Steele Lane and Person Senior Wing), historic buildings (Church of One Tree and De Turk Round Barn), clubhouses (Franklin and Doyle) and two commercial kitchens. Leisure instruction classes are offered at the centers for all ages: park picnic reservations, and rental of Rosie the Trolley are also administered through this unit.

Aquatics - The Aquatics Section includes the operation and specialized maintenance of the Ridgway Swim Center and the Finley Aquatic Center. Programs at the two outdoor, year-round facilities include swim lessons, water aerobics, lifeguard training, water polo, and diving, in addition to public and lap swimming sessions and facility rentals. Additionally, five High School swim teams utilize the pools and Ridgway is home to Neptune Swim Club.

Howarth Park & Permits - The Howarth Park & Permits Section includes operation of the City's largest park, Howarth Park, with seasonal amusements (train, carousel, boat house, petting barn, pony rides), food and beverage concessions, trails, picnic areas, Lake Ralphine and marina, lighted tennis courts, softball field, and the Land of Imagination playground. Park permits are administered in this unit, and staff match interested volunteers with park programs and projects.

Office of Community Engagement Description

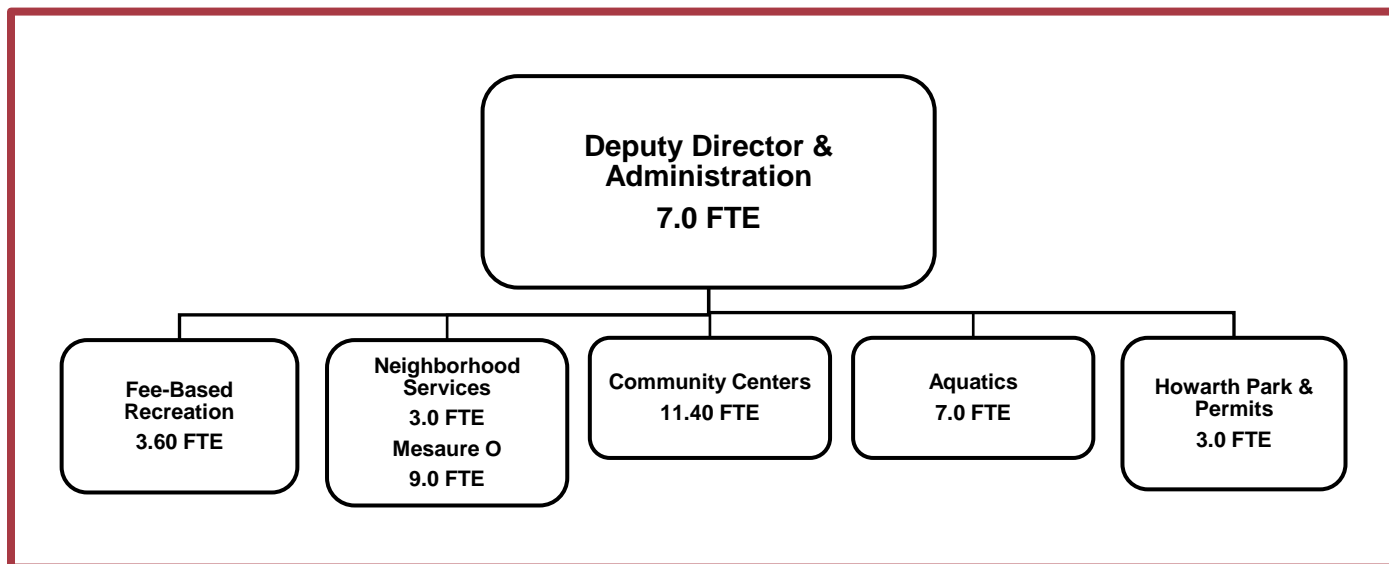
The Office of Community Engagement – Supports and organizes civic engagement opportunities with residents of Santa Rosa, including connecting community members and various groups with their local government to strengthen the public involvement process in local government decision making. The OCE is responsible for implementing City-wide community engagement strategies based on recommendations from the Mayor's Open Government Task Force Report to help create an inclusive, transparent, participatory, and collaborative relationship with the community in the City's decision-making processes.

Recreation & Community Engagement

The OCE facilitates neighborhood connectedness through the Community Improvement Grant program and works in partnership with the Community Advisory Board (CAB) to gather community feedback on issues of concern to City residents and Capital Improvement Program priorities. The OCE also partners with neighborhood groups to deliver the Neighborfest Pilot Program to strengthen neighborhood connectedness, resiliency and emergency preparedness amongst the Santa Rosa community.

The Violence Prevention Partnership – (The Partnership) is a collaborative effort focused on creating a safe & healthy community by funding non-profit organizations and schools through the CHOICE Grant Program, strategic alignment of integrated opportunities for youth and families, and collaborating on community and civic engagement events. The Partnership collaborates with 70+ organizations, including private citizens, local governments, community-based organizations, school districts, the faith community, and local law enforcement focused on reducing violence through creating safe and healthy neighborhoods through collective impact, integrated youth development programs, and community partnership efforts.

FTE by Program



Strategic Goals and Initiatives for FY 2022-23

(Numbers at the right show relation to City Council Goals; see Council Goals Section)

- Reestablish the Neighborhood Services sports leagues following pandemic closures 3, 4
- Provide additional childcare through increasing Recreation Sensation and after-school sites 3, 4, 6
- Construct Spray Ground & ADA improvements at the Finley Aquatic Center 3, 4
- Reopen Recreation facilities and activities to pre-pandemic service levels 3, 4, 6
- Contract with National Academy of Athletics to expand youth sports opportunities for Spring/Summer 2022; 50+ camps/leagues potentially serving 1,500+ youth 3, 4
- PECOS – professional baseball brought to Santa Rosa for Summer 2022 (Doyle Park ballfield hosting) 3, 4
- Perform a full evaluation of the Recreation fee structure and rates 4, 6
- Community relationship building through various equity, inclusion, and belonging initiatives 3, 4, 6
- Launching the Marylou Outreach Program 3, 4
- Expanding the Violence Prevention Partnership (VPP) School-Outreach Program 3, 4

Recreation & Community Engagement

Major Budget Changes

The FY 2022-23 Recreation & Community Engagement budget is \$12.7M; a \$485K, or 4.0% increase from the prior fiscal year's adopted budget.

The General Fund portion of the budget increased by \$264K, or 2.7%, when compared against the FY 2021-22 adopted budget. Salaries increased by \$227K, or 5.2%, mostly due to the addition of 1.0 Recreation Specialist (funded by Change for Kid's fund balance) and 1.0 Community Outreach Specialist (funded by PG&E). Salaries also increased due to MOU increases. Benefits increased by \$38K, or 2.4%, mostly due to increased retirement and MOU costs.

General Fund supported Service and Supplies increased by \$12K, or 0.6%. Professional Services decreased by \$112K. Most of this increase was due to a \$12K increase in Professional Services for Fee-Based Program & Community Center instructor increases. There was also a one-time \$20K increase for inflated Chemical costs for the Aquatics centers.

The CIP and O&M projects in the General Fund remained entirely flat. The FY 2022-23 CIP and O&M project budget of \$315K is comprised of two O&M projects: \$190K for the Community Helping Our Indispensable Children Excel (CHOICE) grant, and \$125K for the Sonoma County Probation Grant, which funds a 1.0 FTE Community Outreach Specialist within the Violence Prevention Partnership.

In FY 2022-23, the Measure O fund budget increased by \$77K, or 3.3% to a total budget of \$2.4M. Salaries and Benefits actually decreased by \$10K. This Salaries and Benefits decrease was mostly due to the movement of three Measure O after school programs (Amaroso Valley, Panas Place and Grays Meadow) from the Measure O fund to Change for Kids fund. The reason these three after-school programs were moved from Measure O to the Change for Kid's fund was due to Burbank Housing agreeing to reimburse the City for these three after-school programs. This Salaries and benefits decrease, due to the movement of the three after school programs, was partially offset by MOU increases. The rest of the overall increase to the Measure O fund was mostly due to Professional Services containing CHOICE Grants increases. The CHOICE grant increases were the result of higher Measure O Violence Prevention Revenue in 2022-23.

In FY 2022-23, the Change for Kid's fund budget increased by \$144K, to a total budget of \$176K. This increase is due to the movement of three Measure O after school programs (Amaroso Valley, Panas Place & Grays Meadow) from the Measure O fund to the Change for Kids fund, described in the paragraph above. This increase to the Change for Kid's fund was also due to the additional 1.0 Limited-Term Recreation Specialist being covered in the Change for Kid's fund balance.

Recreation & Community Engagement

Budget Summary

Expenditures by Program				
	2019 - 2020 Actual	2020 - 2021 Actual	2021 - 2022 Budget	2022 - 2023 Budget
General Administration	\$3,124,964	\$3,014,106	\$2,793,056	\$2,744,462
Fee-Based Recreation	\$913,585	\$812,763	\$1,290,278	\$1,337,570
Aquatics	\$1,421,811	\$1,615,842	\$1,839,329	\$1,954,224
Neighborhood Services	\$2,431,591	\$2,558,445	\$2,963,556	\$3,218,118
Community Centers	\$2,102,570	\$1,845,187	\$2,149,825	\$2,235,737
Regional Parks & Permits	\$631,788	\$610,951	\$836,346	\$867,696
Regional Parks	\$21,601	\$0	\$0	\$0
Parks & Landscape Maintenance	\$985,291	\$0	\$0	\$0
Park/Fac Planning/Development	\$0	\$1,562	\$0	\$0
CIP and O&M Projects	\$632,565	\$347,745	\$315,000	\$315,000
Total	\$12,265,766	\$10,806,601	\$12,187,390	\$12,672,807

Expenditures by Category				
	2019 - 2020 Actual	2020 - 2021 Actual	2021 - 2022 Budget	2022 - 2023 Budget
Salaries	\$4,222,470	\$4,586,597	\$5,331,995	\$5,675,403
Benefits	\$1,893,193	\$1,844,532	\$1,999,117	\$2,054,924
Professional Services	\$1,398,817	\$1,107,869	\$1,619,481	\$1,711,111
Vehicle Expenses	\$97,179	\$82,667	\$80,940	\$82,940
Utilities	\$877,300	\$17,660	\$13,474	\$14,089
Operational Supplies	\$447,254	\$356,703	\$577,834	\$580,934
Information Technology	\$536,282	\$539,306	\$507,770	\$503,619
Liab/Property Insurance	\$9,161	\$10,004	\$14,208	\$19,941
Other Miscellaneous	\$153,484	\$50,010	\$99,775	\$95,545
Subrecipient Funding	\$18,000	\$63,673	\$55,000	\$55,000
Indirect Costs	\$56,236	\$58,014	\$56,244	\$60,810
GF Admin Cost Plan	\$1,918,777	\$1,741,821	\$1,516,552	\$1,503,491
Capital Outlay	\$5,048	\$0	\$0	\$0
CIP and O&M Projects	\$632,565	\$347,745	\$315,000	\$315,000
Total	\$12,265,766	\$10,806,601	\$12,187,390	\$12,672,807

Recreation & Community Engagement

Expenditures by Fund				
Funding Source	2019 - 2020 Actual	2020 - 2021 Actual	2021 - 2022 Budget	2022 - 2023 Budget
General Fund	\$9,906,295	\$8,460,608	\$9,806,797	\$10,070,591
Measure "O" - Recreation	\$2,032,938	\$2,232,963	\$2,348,389	\$2,425,756
Change For Kids Fund	\$35,817	\$173	\$32,204	\$176,460
State Grants Fund	\$259,958	\$95,967	\$0	\$0
Capital Improvement Fund	\$25,415	\$0	\$0	\$0
Expendable Fund-No Int Alloc	\$5,343	\$16,890	\$0	\$0
Total	\$12,265,766	\$10,806,601	\$12,187,390	\$12,672,807

Authorized Full-Time Equivalent (FTE) Positions – All Funds

Fiscal Year	FY 2018-19	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23
Full-Time Equivalent	74.00	44.00	42.00	42.00	44.00

Performance Measures

Recreation Division Indicators	FY 2019-20	FY 2020-21	FY 2021-22 Estimate
Percentage of cost recovery through usage fees during fiscal year	23%	8%	12%
Number of people attending permitted park events (facility bookings) annually	244,492	45,000	200,000
Number of people awarded scholarships annually	195	105	150
Number of volunteers annually	758	155	350
Number of activity registrations*	65,270	65,000	60,000
Community Engagement Division Indicators	FY 2019-20	FY 2020-21	FY 2021-22 Estimate
Number of Community Advisory Board grants awarded	6	7	22
Number of Measure O (2004) CHOICE Grants awarded	11	11	11
Amount awarded in Measure O (2004) CHOICE grants to local non-profits and organizations that align with the Partnership's Strategic Plan and Community Safety Scorecard	\$840,000	\$840,000	\$840,000
Number of Measure O (2004) CHOICE Mini-Grants awarded	11	10	0
Amount awarded in Measure O (2004) CHOICE Mini-Grants to local non-profits and organizations that align with the Partnership's Strategic Plan and Community Safety Scorecard	\$18,000 *Due to COVID	\$50,000	0
Number of VPP Policy Team meetings	2	6	6
Number of VPP Operational Team meetings	4	10	11
Number of VPP Multi-Disciplinary Assessment and Referral Team meetings	15	2	11
Number of Guiding People Successfully referrals and evaluations	11	11	32

*Estimate based on capture of activities through the Recreation Management Enterprise.

Recreation & Community Engagement

Prior FY 2021-22 Accomplishments

(Numbers at the right show relation to City Council Goals; see Council Goals Section)

RECREATION DIVISION

- Operated six neighborhood based after-school sites through a partnership with Burbank Housing 3, 4, 6
- Opened and operated an after-school program at Steele Lane Community Center for underserved kindergarteners 3, 4, 6
- Offered sports clinics to underserved youth through the pandemic 3, 4
- Developed and implemented a Safe Opening Plan for Aquatic Centers with clean Public Health audit history 3, 4, 6
- Developed and implemented a COVID-compliant Lifeguard Training program for City staff, also offered to the public as community classes 3, 4, 6
- Reopened Doyle Adventure Camp. Traditional day camp programs back to pre-pandemic levels. 3, 4, 6
- Reopened Aquatic Centers to High School Swim Teams for both practices and swim meets 3, 4
- Reopened Senior Programs at the Person Senior Wing and Steele Lane Community Center 3, 4, 6
- Reopened facility rentals at Steele Lane and Finley Community Centers, Person Senior Wing, Deturk Round Barn, Church of One Tree and Doyle and Franklin Clubhouses. 4, 6
- Installed keyless entry system at the Steele Lane Community Center 5
- Partnered with the Redwood Empire Food Bank (REFB) to provide free nutrition to seniors at Senior Centers and use City parks and Recreation facilities as food box pick-up points 3, 6
- Issued permits for regular COVID testing and pop up vaccination sites in Santa Rosa parks. 3, 6
- PECOS – professional baseball brought to Santa Rosa for Summer 2022 (Doyle Park ballfield hosting) 3, 4

OFFICE OF COMMUNITY ENGAGEMENT

- Extended the CHOICE Community Grants Cycle X for an additional six months 3, 4
- Awarded CHOICE Community Grants – Cycle XI totaling \$750,000 3, 4
- Completed the build of the Marylou Lowrider Patrol Car with reveal event including over 500 community members 3, 4
- Developed and presented the Resolution to Declare Racism a Public Health & Human Rights Crisis 3, 4
- Partnered with the Museum of Sonoma County to implement a Multicultural Roots Project collaboration for Dia de Los Muertos 3, 4
- Referred 32 youth and families to Guiding People Successfully (GPS) Multi-Disciplinary Assessment and Referral Team for intense case review and wraparound coordination with CHOICE Cycle X-funded agencies and various sectors of law enforcement 3, 4
- Completed 8 months of trauma informed care workshops for the Violence Prevention Partnership Operations Team delivered by the Hanna Institute 3, 6

Recreation & Community Engagement

- Held the Humanizing Youth Services Retreat led by On the Margins for the Violence Prevention Partnership Policy Team 3, 6
- Hosted 4 Violence Prevention Partnership open houses, (one for youth, monolingual Spanish speakers, CAB and parents). 3
- Planned and implemented the School Outreach Pilot Program at a local middle school and high school 3, 6
- Held 4 community listening sessions and collected over 600 surveys on Sideshows in Santa Rosa 3
- Re-activated the Crisis Response Team following acts of violence in the community 3
- Hired two new Community Outreach Specialists 3, 6

Looking Ahead

The Recreation Division is re-engaging the community in a full range of Recreation activities following the pandemic. New ARPA disaster-response projects will require broadening Recreation services while reestablishing public use of services, in an increasingly competitive post-pandemic job market.

The Office of Community Engagement will be uplifting and implementing programs that foster a sense of belonging, community connectedness and safety.

Measure O – Youth Services supports the Violence Prevention Partnership in Community Engagement and the Neighborhood Services Section in Recreation. Funding provides direct recreational opportunities to hundreds of impacted children and youth violence prevention grants to non-profits community wide each year. Renewal of the measure is being pursued, but changes in funding formula or potential non-renewal of the measure will require strategic re-thinking of how the City approaches these services.

This page intentionally left blank

Santa Rosa Water

Mission

Protecting public health by sustaining water resources, infrastructure, and the environment:
Our future in every drop!

Department Description

Santa Rosa Water (SRW) protects public health by sustaining water resources, infrastructure, and the environment. The department protects and maintains the watershed, delivers high quality, potable water, cleans, and maintains sewer mains, and treats and beneficially reuses wastewater 24/7.

The City of Santa Rosa delivers 6 billion gallons of potable water to 180,000 residents, operates a recycled water system for agricultural and urban irrigation and commercial processes, collects wastewater from over 49,000 customer accounts, and operates the Subregional Water Reuse System which beneficially reuses over 6 billion gallons of tertiary treated wastewater and 32 thousand tons of biosolids annually. SRW also manages the Storm Water and Creeks section which works closely with other sections in the department to safeguard water sources and protect the urban watershed with over 100 miles of creeks.

There are separate enterprise funds that finance each of these operations.

Administration - Supports the entire department by providing leadership, finance, human resources, safety and training, asset management, technology, energy management, water engineering services, and administrative support across all programs and also manages the Water Billing division which bills and collects ratepayer revenue and provides support to over 53,000 customer accounts.

Engineering Resources - Provides long term planning, asset management, development of Santa Rosa Water's capital improvement program, information technology support, and private development review services.

Purchase of Water - Tracks the funds allocated to purchase water from the Sonoma County Water Agency.

Storm Water and Creeks - Makes Santa Rosa a better place by enhancing creek health through restoration and community involvement, providing biological and engineering services, and managing storm water runoff to preserve and restore water quality and minimize flooding.

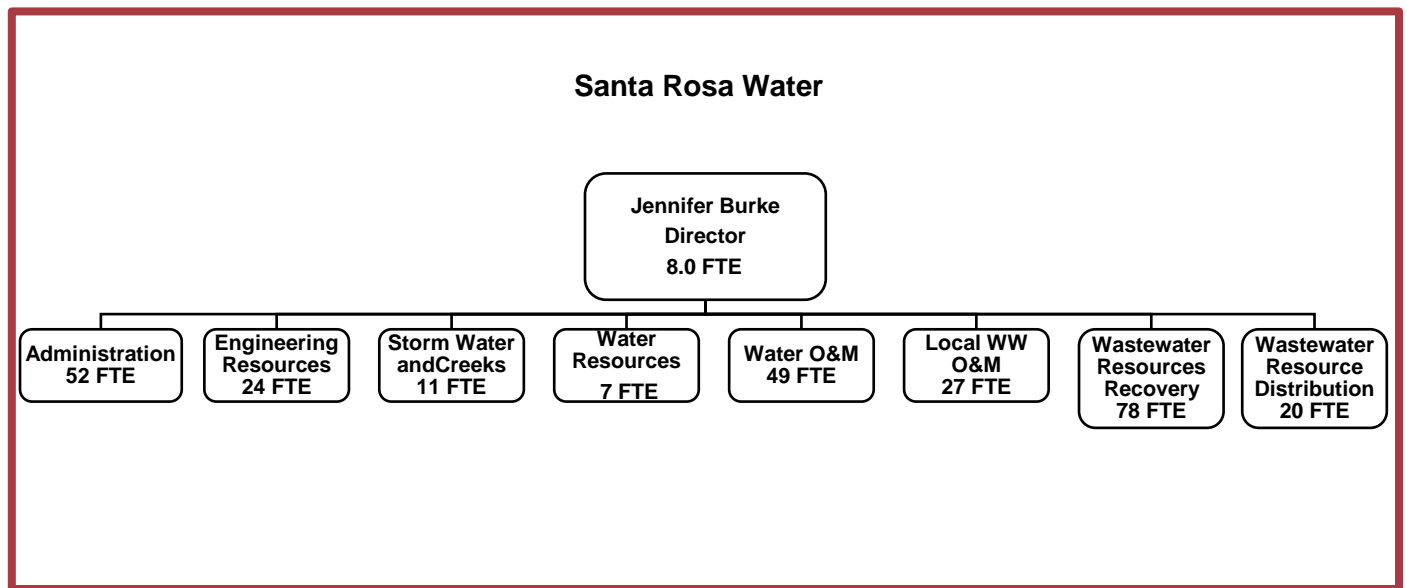
Water Resources – Ensures water quality meets and exceeds all regulatory requirements and develops and implements cost-effective water use efficiency programs for Santa Rosa Water's customers and plans for long-term water supply and wastewater capacity to meet the needs of the City's currently adopted General Plan.

Water O&M and Local Wastewater O&M - Operates and maintains safe, economical, and dependable water distribution, wastewater collection and urban reuse systems in an ethical and informative way for the customers of the City of Santa Rosa.

Wastewater Resource Recovery and Wastewater Resource Distribution - Provides treatment and beneficial reuse of recycled water and biosolids in a reliable, practical manner that provides the best use of our resources and minimizes waste disposal, while protecting public health and the environment.

Santa Rosa Water

FTE by Program



Strategic Goals and Initiatives for FY 2022-23

Numbers at the right show relation to City Council Goals; see Council Goals Section)

- | | |
|---|------|
| • Ensure public and environmental health | 3 |
| • Meet and exceed current and future regulations | |
| • Maintain fiscal responsibility and management | 4, 6 |
| • Sustain and improve infrastructure | 5 |
| • Review permits and plans efficiently | 6 |
| • Communicate, educate, and outreach to internal and external customers | 4 |

Major Budget Changes

The FY 2022-23 Water budget is \$171M; a -\$17.1M, or -9.1% decrease from the prior fiscal year's adopted budget. The majority of this overall decrease was due to there being a \$30M bond procured to fund the Water Department's Ultraviolet Disinfection System replacement in prior year. Further budgeting of this bond is being taken to Council separately, outside of the budget adoption process. This decrease was partially offset by the Water Department staffing levels increasing by a net 27.50 FTE's. 27.0 of this FTE increase was due to Water Billing FTE's being transferred to the Water department from Finance – 15.0 Customer Service Representatives, 4.0 Meter Technicians, 3.0 Senior Customer Service Representatives, 2.0 Administrative Technicians, 1.0 Revenue Operations Supervisor, 1.0 Senior Meter Technician, and 1.0 Revenue Operations Supervisor. The Water department always funded the Water Billing division, even when this was housed in Finance. There was also 1.0 Wastewater Operator that was added at midyear, as well as 2.0 Utility Systems Operator's & 1.0 Supervising Lab Analyst that were added as additional needs. Finally, there was 4.0 Real Estate FTE's that were moved from Water to Transportation & Public Works – 1.0 Right of Way Manager & 3.0 Associate Right of Way Agents. Additional reclassifications took place within the Water department that had no significant budgetary impacts. Mostly due to these staffing changes, as well as MOU costs, Salary costs increased by \$3.7M, or 17.4%. The department's benefits increased mostly due to the staffing changes described above, as well MOU costs, resulting in a \$2.3M, or 17.1% increase. Along with the staffing changes, and MOU costs, the rising benefits budget can also be attributed to an increase in unfunded retirement liability costs and rising Healthcare costs.

Santa Rosa Water

The Water department's services and supplies saw a \$4.4M, or 6.1%, increase compared to prior fiscal year. Purchase of Water increased in FY 2022-23 by \$870K, or 6.0%, reflecting the estimated change in cost from the Sonoma County Water Agency. Professional Services also increased by \$1.2M, or 25.0%, mostly due to contracts related to the Water Billing movement from Finance to Water and various contracts within the Biosolids division. Operation Supplies increased by \$543K, or 16.9%, mostly due to the Water Billing movement from Finance to Water. The cost of Chemicals also increased by \$503K, or 40.0%, primarily due to significant cost increases for Chemicals needed for the Laguna Treatment Plant. Electricity costs also increased \$298K, or 6.1%, mostly due to increased PG&E costs. It is also worth noting there was an increase of \$225K, or 43.3%, in the Liability & Property Insurance budget category. Citywide costs of Fire & Earthquake insurance increased in FY 2022-23, and \$230K of this increase accounts for the Water department's portion of the premium.

The Subregional division did not enter any new bonds in FY 2022-23; therefore, the debt service budget category did not vary significantly. The CIP and O&M Projects category decreased by \$30M due to the Ultraviolet Disinfection System replacement not being budgeted for in the annual budget adoption process. This \$30M decrease in the CIP and O&M Projects category was partially offset by increases in other various Subregional projects.

As described above, Utility Billing was part of the Finance Department, but was moved to the Water department in 2022-23. The Water department always funded the Utility Billing division, even when this was housed in Finance. The Utility Billing Services budget category remained relatively flat, increasing by \$17K, or just 4.0%. There were no FTE increases in the Utility Billing Services budget – 27.0 Utility Billing FTEs moved from Finance to the Water department.

The General Fund portion of the Water department's budget is for the Storm Water division. Most of Storm Water is funded through enterprise funds, however a small portion of Storm Water's operations, funded by the General Fund, is decreasing by -\$38K or -5.2%. The majority of this decrease reflects more staff time being used for enterprise fund capital projects. This overall decrease is partially offset with an increase due to 1.0 Supervising Administrative Assistant moving from the Utilities Administration (Enterprise) fund to the General Fund.

Santa Rosa Water

Budget Summary

Expenditures by Program				
	2019 - 2020 Actual	2020 - 2021 Actual	2021 - 2022 Budget	2022 - 2023 Request
Debt Service	\$25,694,593	\$81,340,032	\$27,646,855	\$27,662,823
Water Resources	\$967,635	\$1,063,955	\$1,102,102	\$1,178,832
Administration	\$4,391,348	\$4,758,812	\$4,922,532	\$9,284,733
CIP and O&M Projects	\$30,081,714	\$52,431,560	\$68,859,680	\$39,881,343
Local Wastewater O&M	\$10,633,746	\$11,690,420	\$12,474,660	\$13,638,405
Storm Water and Creeks	\$2,087,195	\$2,123,052	\$2,869,318	\$2,581,358
Water O&M	\$15,500,866	\$16,495,238	\$18,925,224	\$21,123,300
Wastewater Resource Distribution	\$6,743,223	\$7,167,529	\$8,995,475	\$7,875,922
Wastewater Resource Recovery	\$22,576,722	\$24,042,689	\$24,040,393	\$28,461,797
Purchase of Water	\$16,509,170	\$17,355,962	\$14,437,103	\$15,307,147
Engineering Resources	\$3,260,668	\$3,539,122	\$3,363,284	\$3,578,455
Total	\$138,446,880	\$222,008,371	\$187,636,626	\$170,574,115

Expenditures by Category				
	2019 - 2020 Actual	2020 - 2021 Actual	2021 - 2022 Budget	2022 - 2023 Request
CIP and O&M Projects	\$30,081,714	\$52,431,560	\$68,859,680	\$39,881,343
Salaries	\$20,185,444	\$20,100,493	\$21,174,713	\$24,868,148
Benefits	\$12,105,249	\$12,426,724	\$13,749,579	\$16,099,245
Professional Services	\$2,532,337	\$4,092,317	\$4,818,517	\$6,022,337
Utility Billing Svcs	\$3,808,888	\$3,917,496	\$4,476,097	\$4,150,130
Vehicle Expenses	\$2,434,829	\$2,742,720	\$3,631,750	\$4,170,321
Utilities	\$4,729,572	\$5,427,252	\$5,681,452	\$6,025,402
Purchase Water	\$16,509,170	\$17,356,013	\$14,437,103	\$15,307,147
Operational Supplies	\$3,588,953	\$3,737,361	\$4,770,575	\$5,853,774
Information Technology	\$2,231,010	\$2,329,733	\$2,381,905	\$2,680,387
Debt Service	\$26,093,957	\$81,739,397	\$28,046,221	\$27,918,387
Liab/Property Insurance	\$862,792	\$1,074,674	\$1,269,890	\$1,725,338
Other Miscellaneous	\$1,997,033	\$2,530,321	\$2,218,570	\$2,278,276
Indirect Costs	\$11,168,444	\$11,971,157	\$12,120,574	\$13,468,880
Capital Outlay	\$117,488	\$131,153	\$0	\$125,000
Total	\$138,446,880	\$222,008,371	\$187,636,626	\$170,574,115

Santa Rosa Water

Expenditures by Fund				
Funding Source	2019 - 2020 Actual	2020 - 2021 Actual	2021 - 2022 Budget	2022 - 2023 Request
General Fund	\$723,154	\$618,248	\$736,453	\$698,045
Capital Facilities Fee Fund	\$131	\$1,007	\$225,000	\$0
Capital Improvement Fund	\$256,710	\$1,220,988	\$225,000	\$393,315
Stony Ranch	\$202	\$0	\$2,000	\$2,000
Woodbridge Tax District	\$15,295	\$0	\$3,500	\$32,000
Kawana Springs 6 Special Tax D	\$202	\$0	\$15,077	\$15,077
Kawana Town Center Special Tax	\$0	\$0	\$5,498	\$5,498
Utilities Administration Fund	\$8,795,385	\$9,638,247	\$9,591,403	\$14,257,712
Water Utility Operations	\$32,389,055	\$34,123,855	\$33,610,670	\$36,881,079
Water Capital Fund	\$7,087,769	\$13,354,435	\$13,790,000	\$12,333,700
Water Demand Fee Fund	\$0	\$335,911	\$0	\$0
2018 Water Bond Debt Serv	\$631,310	\$632,188	\$705,375	\$707,000
Local Wastewater Utility Fund	\$10,667,414	\$11,771,993	\$12,588,603	\$13,787,020
Local Wastewater Capital Fund	\$12,584,610	\$19,655,943	\$12,730,000	\$12,521,900
Local Wastewater Demand Fee	\$41,600	\$26,000	\$50,000	\$80,000
Subregional Waste Operations	\$31,567,803	\$34,956,086	\$35,984,777	\$40,575,208
2020 Subregional Construction	\$0	\$922,069	\$30,000,000	\$0
2020 Subregional Bonds	\$0	\$1,938,204	\$4,747,305	\$4,752,302
CEC Loan Debt Service Fund	\$51,520	\$0	\$0	\$0
Subregional Waste Capital	\$5,918,934	\$11,069,219	\$8,000,000	\$9,000,000
2018 WW Refunding Debt Svce	\$3,087,547	\$3,085,910	\$3,187,500	\$3,187,200
2016 WW Refunding Debt Svce	\$11,728,727	\$11,746,272	\$13,281,050	\$11,734,000
2014 Wastewater Debt Service	\$880,281	\$875,202	\$1,025,625	\$1,454,450
2012 WW Refunding Debt Svce	\$2,253,982	\$56,085,965	\$0	\$0
2014 Wastewater Construction	\$1,106,678	\$1,383,522	\$0	\$0
2008A Subregional Construct	\$77,249	\$27,938	\$0	\$0
Storm Water Enterprise Fund	\$727,025	\$805,923	\$1,223,372	\$965,945
Storm Water -Creek Restoration	\$793,071	\$756,955	\$1,208,418	\$1,362,793
2002B Subregional WW Debt Svc	\$7,061,226	\$6,976,291	\$4,700,000	\$5,827,871
2001B Subregional Construction	\$0	\$0	\$0	\$0
1998A Subregional WW - Constru	\$0	\$0	\$0	\$0
1996A Subregional Construction	\$0	\$0	\$0	\$0
Total	\$138,446,880	\$222,008,371	\$187,636,626	\$170,574,115

Authorized Full-Time Equivalent (FTE) Positions – All Funds

Fiscal Year	FY 2018-19	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23
Full-Time Equivalent	252.50	247.50	247.50	248.50	276.00

Santa Rosa Water

Performance Measures

Regional Water Reuse*	2019	2020	2021
Billion gallons wastewater treated	7.5	5.5	6.0
Treated wastewater recycled	93%	100%	100%
Biosolids reused	100%	100%	100%
Environmental compl inspections - grease related food industries	596	228	696
Number of people attending Treatment Plant educational tours	1,373	75	1,067
Laguna Environmental Laboratory Analytical Results		28,619	26,073
Laguna Environmental Laboratory Aliquots		17,449	16,562
Laguna Environmental Laboratory Samples Analyzed		11,279	10,999
Laguna Environmental Laboratory Total Work Orders		4,859	4,985
Water Supply, Distribution and Quality*			
Miles of water main in system	624	625	627
Million gallons of water purchased	5,594	5,873	5,162
Million gallons metered water delivered	5,382	5,828	5,182
Million gallons water produced from well	217.0	408.4	431.3
Unaccounted for water	7.04%	7.04%	7.22%
Water Main repairs	21	18	23
Local Wastewater Collection*			
Miles of sewer main in system	595	596	597
Miles of sewer lines flushed	289	224	300
Miles of sewer lines rodded	4.4	3.1	3.3
CCTV inspection of sewer main miles	91.2	108.8	97.4
Sewer Main repairs	118	42	60
Sewer laterals repair/replace	36	47	42
Engineering*			
Number of water and/or sewer connection permits issued	156	763	773
Miles of water line replaced	2.75	1.43	3.2
System replaced (%)	0.05%	0.11%	0.24%
Miles of sewer main replaced	3.74	1.88	0.9
System replaced (%)	0.22%	.06%	0.01%
Water CIP projects completed	6	4	4
Wastewater CIP projects completed	6	3	0
Laguna Treatment Plant CIP projects completed	2	1	2
Storm Water and Creeks Section **			
Educational creek related activities with youth	294	249	205
Volunteer creek cleanups	126	67	62
Cubic yards of debris removed from creeks	1,184	883	1,452
Illicit spill discharges responded to by SW Team	108	106	95

Santa Rosa Water

Water Billing *			
Number of Calls	68,096	56,271	49,453
Number of Transactions for Revenue Collected	554,485	562,258	558,157
Counter Customers	31,668	20,884	1,130
*Calendar Year figures			
**Fiscal Year figures			

Prior FY 2021-22 Accomplishments

Numbers at the right show relation to City Council Goals; see Council Goals Section)

- Achieved an outstanding Sanitary Sewer Overflow (SSO) record with only four SSO's in 2021. From the State's website, our annual metric for SSO per 100 miles of pipe for 2020 is .69. The region, however, was 35.92 and the State average was 23.83. **3, 5**
- Responded to 1,939 customer service calls as they relate to water and local wastewater, including 445 by after-hours personnel. Received over 12,647 requests for USA mark-outs. Preventative maintenance was performed on 735 fire hydrants. Repaired 44 fire hydrant knockdowns, repaired 21 leaking hydrants and flow-tested 57 fire hydrants for Engineering. **3, 5**
- The Farmers Lane Well Treatment Plant produced 431,268,971 gallons of potable drinking water.
- Finalized the Remedial Investigation Study and Report for the partially grant funded Freeway Well Planning Project. The project characterized historical groundwater contamination at the municipal groundwater supply site through additional groundwater sampling and data analysis. The final report evaluated alternatives and the feasibility of groundwater cleanup and/or groundwater protection at the site. The report concluded that the well site could not be feasibly remediated and recommended abandoning the well to prevent migration of the identified contaminant plume. **3, 5**
- Successfully completed the 2020 Urban Water Management Plan (UWMP) and Water Shortage Contingency Plan to ensure safe reliable drinking water service out to 2045. As part of the 2020 UWMP, successfully developed the demand offset policy to avoid moratoriums during severe drought. Council approved and adopted the documents. **3, 4, 6**
- The Water Use Efficiency team completed 180 virtual indoor or outdoor Residential Water-Use Efficiency Check-Ups and provided over 600 "WaterSmart Home Kits" for customers to perform "Do-It-Yourself" Water Use Efficiency Checkups in their home. Additionally, the team conducted over 500 pre- and post-inspections for the Cash for Grass lawn removal rebate program. **4, 6**
- The Water Quality Team responded to 328 water quality customer calls and took 1569 routine bacteriological samples, with no coliform violations per the Environmental Protection Agency's Total Coliform Rule. **5**
- The Santa Rosa Plain Groundwater Sustainability Agency, a Joint Powers Authority comprised of local groundwater interests including the City of Santa Rosa, achieved a significant milestone this fiscal year. After more than three years of regional stakeholder involved planning efforts, the agency adopted a mandated Groundwater Sustainability Plan and submitted it to the California Department of Water Resources in January 2022. **3**
- Negotiated changes to the Water Quality Trading Framework that will allow phosphorus credits derived from multi-benefit restoration projects on permanently protected lands to last in-perpetuity instead of expiring. **3, 4**
- Maintained over 1,000 active sewer use permits for businesses and industries throughout the Regional System. **3, 4**
- Participated in a program with the Center for Disease Control for SARS CoV-2 monitoring in wastewater. **3**
- Completed the Lower Colgan Creek Restoration Project Phase 2, which included restoration of 1,600 linear feet of creek channel improvements providing greater flood protection and habitat value. **3, 4**

Santa Rosa Water

- Coordinated the Creek Stewardship Program, a partnership with Sonoma Water, that continues to raise the community's awareness of creeks and improve water quality. Removed 1,134 cubic yards of trash and debris from waterways and the storm drain system (by City staff, volunteers, youth corps and County Probation Department). Coordinated 383 education and stewardship events. Engaged 10,272 residents, including 8,639 youth who volunteered 4,878 service hours. This is less than previous years because of impacts of the Shelter-in-Place and other restrictions related to the COVID-19 pandemic. **3, 4**
- Set up processes to track number and total value of overdue accounts as a result of the moratorium on disconnection of service for non-payment during the COVID 19 pandemic. This work was especially important to be able to pursue funding opportunities to assist customers with overdue balances. Several funding applications were submitted and are in various stages of completion. There was over \$900k in funding secured and applied to customer accounts by the end of the fiscal year. **4**
- Reviewed 356 building permits for Santa Rosa Water related comments, created 561 Water permits, processed 396 new meter requests, and completed over 228 water and sewer inspections. Provided customer service to inquiries related to the development of water and sewer: Phone calls: 1,431, Counter customers: 84** (includes virtual), E-mails: 50,003. **1, 5**
- Cityworks software went live with full integration with GIS, and One Solution in November of 2021. This phase of implementation of Cityworks software replaces our existing Hansen 7 software for Parks, Recreation, Parking, Streets, Facilities, Electrical, Traffic Engineering and Storm Water.
- Successfully protected the treatment plant from flooding during October's historic atmospheric river event.
- Received and treated 5.9 Billion Gallons (BG) of wastewater in 2021. Delivered 1.2 BG of recycled water to our Agricultural and Urban irrigation customers. Delivered 4.0 BG of recycled water to the Geysers Recharge Project. Successfully returned 277 Million Gallons of under-disinfected water to the plant for retreatment following October's historic atmospheric river event. **3, 4**
- The treatment plant produced 35,912 wet tons of biosolids, 100% of which were beneficially reused. **3**

Looking Ahead

Financial Planning – Due to the COVID19 pandemic and the resulting moratorium on water shut offs, Santa Rosa Water continues to analyze and determine the current financial impacts, changes in water use, revenue decreases, billing and delinquency rates and additional expenditures as a result of the emergency. Staff is pursuing grant funding opportunities that will assist customers with overdue balances as well as implementing processes to continue to collect overdue charges resulting from the pandemic in addition to re-establishing the delinquency processes for current charges.

Drought – Despite early rainfall from a significant atmospheric river event in in October 2021, the region continues to experience a third consecutive year of extreme drought conditions. The regional wholesale water supplier, Sonoma County Water Agency, instituted 20% reductions in diversions from the Russian River and provided water supply allocations to their contractors, including Santa Rosa Water (SRW), from July through December of 2021. In response, on June 29, 2021, the Santa Rosa City Council declared a drought emergency and instituted Stage 3 of the city's Water Shortage Contingency Plan with associated water use restrictions and required a 20% mandatory community-wide reduction in water use over 2020 water use. The city remains in Stage 3 of the drought response. Forecasted water supply conditions for the remainder of calendar year 2022 are projected to be similar to those experienced in 2021, necessitating the ongoing call for water conservation by customers.

SRW has prioritized significant resources to ensure customers understand the water supply shortages and directing customers to a multitude of water use efficiency resources and programs offerings. Call and e-mail volumes for the Water Use Efficiency Section have increased significantly, as well as water waste complaints submitted by the public. SRW has utilized temporary contract employees and student interns to support this increased customer response. Based on experience gained in previous droughts, including the

Santa Rosa Water

most recent historical drought in 2014-2016, SRW fully anticipates that additional resources for the Water Use Efficiency Section in terms of program expenditures and staffing will be needed and sustained through the next fiscal year, at a minimum. Staff continue to pursue grant funding opportunities where applicable.

A “Drought Task Force” comprised of SRW and Communications and Outreach staff has been meeting twice monthly since early 2021. The task force was a necessary outgrowth of ongoing drought outreach that was first initiated in November 2020. A full-fledged drought campaign with the tag line “Drought is Here, Save Water” was launched in May 2021, and it has been successfully mirrored across the entire region to create consistent messaging. From July 2021 through March 2022, SRW customers have achieved a 20% cumulative reduction in water use compared to 2020 levels. However, the possibility of “drought fatigue” remains a concern this year. With pandemic restrictions being lifted, staff will proactively be shifting resources to pursuing more in-person customer service and community engagement.

Santa Rosa Plain Groundwater Sustainability Agency – In response to the requirements of the Sustainable Groundwater Management Act (SGMA) of 2014, the cities of Santa Rosa, Rohnert Park, and Cotati, the Town of Windsor, Sonoma County, the Sonoma County Water Agency, and the Goldridge and the Sonoma Resource Conservation Districts formed a Joint Powers Authority known as the Santa Rosa Plain Groundwater Sustainability Agency (SRP GSA) in 2016. The City of Sebastopol joined the SRP GSA in 2019.

SGMA requires that Groundwater Sustainability Plans (GSPs) be developed and submitted to the State of California Department of Water Resources by January 31, 2022, and that groundwater basins achieve sustainability by January 2042. The SRP GSA finalized the GSP last year and submitted to the state. The SRP GSA adopted a fee structure, lasting through 2021/22, to support the GSP development. Beyond that, the fee structure will need to remain in place to ensure the implementation of the GSP. To that end, the SRP GSA has been engaged with a rate consultant to revisit the fees needed for the first five years of GSP implementation beginning in July 2022.

Infrastructure and Prioritization – The City, as the rest of the country, has realized the growing need to increase our investment in aging infrastructure. SRW has been conducting comprehensive studies on the water distribution and wastewater collection systems as well as the Regional Water Reuse System to determine the magnitude of the investment needed. Through these studies, along with continuing condition assessments, SRW will continue to prioritize efforts and develop a long-term plan for the replacement and improvement of our aging infrastructure.

The City utilizes asset management programs to manage assets proactively and budget accordingly. The City utilizes an enterprise asset management software product to inventory assets and manage maintenance on citywide infrastructure including the water distribution, collection, and reuse systems; parks and recreation facilities; streets, streetlights, and signs; and parking facilities. The City’s existing asset management software has reached the end of its software lifecycle and SRW is leading the effort to implement a replacement system, Cityworks. Cityworks is a City-wide software solution that offers integrations with GIS and will significantly improve the efficiency of the services maintaining the assets, and also produce condition and other data points to improve the forecasting and planning of assets replacement.

Regulatory Permit for the Laguna Wastewater Treatment Plant – The Laguna Wastewater Treatment Plant and Water Reclamation System (LTP) was issued a National Pollutant Discharge Elimination System (NPDES) Permit (LTP Permit) in October of 2020. This permit contains provisions that are more stringent and costly compared to the previous permit. Staff are working on developing a pathogen special study, engineering evaluation of discharge outfalls, local limits evaluation, sewer use ordinance evaluation, disaster preparedness assessment report and action plan, and implementing a monitoring plan for the Salt and Nutrient Management Plan. These studies will require additional support from staff and consultants above the last permit term. Staff are working with Sonoma Water and the Town of Windsor to develop and

Santa Rosa Water

implement phosphorus credit projects for permit compliance under the Water Quality Trading Framework. Compliance certainty may come at a greater cost than was spent in the previous term for phosphorus limit compliance. Long-term cost impacts associated with permit compliance cannot yet be determined, but estimates are that costs for phosphorus alone could be \$1.0-2.5 million more during this permit term.

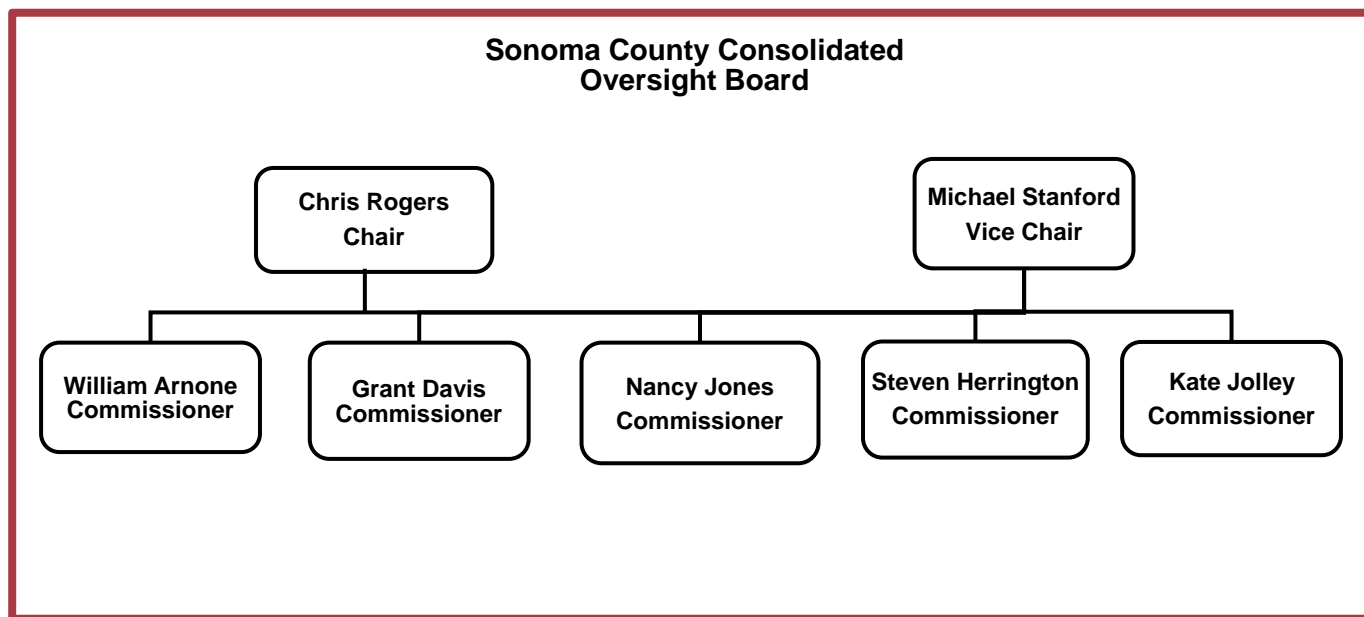
Regulatory Permit Renewal for the City of Santa Rosa's Municipal Separate Storm Sewer System (MS4) NPDES Permit (Storm Water Permit) – The City of Santa Rosa submitted a new Report of Waste Discharge (ROWD) in 2020 which is the first step in renewing the Storm Water Permit. This ROWD highlights the City's results from the previous permit term and identifies changes that the City would like to see in the next permit. City staff are meeting monthly with the Regional Board staff to provide feedback on various elements of the new MS4 NPDES permit and are planning on seeing a draft permit by the end of 2022. In general, the cost of implementing the Storm Water Permit has increased each permit term, with changes to development requirements to install green infrastructure as a part of their development projects which the City is required to track in perpetuity, increased costs related to greater amounts of water quality monitoring, and new requirements to control pollution sources, all of which are just a few examples of ways that the new Storm Water Permit may become more expensive to implement.

Successor Agency to the Former Redevelopment Agency

Description

On February 1, 2012, the Redevelopment Agency of the City of Santa Rosa was dissolved in compliance with California State ABx1 26. The City Council elected to assume the role of Successor Agency to the Former Redevelopment Agency. An Oversight Board, as specified by ABx1 26, was appointed to oversee the dissolution of the former Redevelopment Agency assets over the life of existing valid funding agreements, contracts, and projects.

Beginning on July 1, 2018, each county with more than one oversight board was required to consolidate into one countywide oversight board. The Sonoma County Auditor/Controller's office delegated the staffing of the board to the Sonoma County Community Development Commission with board members made up of representatives throughout the County. The City remains in its role as Successor Agency, but now submits items such as the annual Recognized Obligation Payment Schedules (ROPS) to the consolidated Oversight Board.



Strategic Goals and Initiatives for FY 2022-23

(Numbers at right show relation to City Council Goals; see Council Goals Section)

- Maintain existing valid funding agreements and projects as presented on the Recognized Obligation Payment Schedule (ROPS), which is prepared once annually, and must be approved by the Successor Agency and Oversight Board before being submitted to the State Department of Finance for approval no later than February 1st of each year.

Successor Agency to the Former Redevelopment Agency

Major Budget Changes

The FY 2022-23 Successor Agency budget is \$3M, falling \$3K, or 0.1%, over the prior year's adopted budget. The decline is primarily due to a reduction in administrative support costs and lower scheduled payments for the redevelopment bond.

Budget Summary

Expenditures by Program				
	2019 - 20 Actual	2020 - 21 Actual	2021 - 22 Budget	2022 - 23 Budget
Successor Agency	\$3,063,078	\$3,055,093	\$3,026,638	\$3,023,661
Total	\$3,063,078	\$3,055,093	\$3,026,638	\$3,023,661

Expenditures by Category				
	2019 - 20 Actual	2020 - 21 Actual	2021 - 22 Budget	2022 - 23 Budget
Professional Services	\$29,709	\$27,992	\$3,000	\$3,000
Debt Service	\$3,033,369	\$3,027,101	\$3,023,638	\$3,020,661
Total	\$3,063,078	\$3,055,093	\$3,026,638	\$3,023,661

Expenditures by Fund				
	2019 - 20 Actual	2020 - 21 Actual	2021 - 22 Budget	2022 - 23 Budget
SA RDA Oblig Retirement Fund	\$3,063,078	\$3,055,093	\$3,026,638	\$3,023,661
Total	\$3,063,078	\$3,055,093	\$3,026,638	\$3,023,661

Prior FY 2021-22 Accomplishments

(Numbers at right show relation to City Council Goals; see Council Goals Section)

- Compiled with the requirements of ABx1 26, AB1484 and SB 107 to dissolve the Santa Rosa Redevelopment Agency as of February 1, 2012. Prepared all required Recognized Obligation Payment Schedules (ROPS).

Transportation & Public Works

Mission

Enhancing our City's vibrant quality of life through excellent transportation services and responsive stewardship of the public infrastructure and environment with pride and dedication to the community.

Department Description

The Transportation & Public Works Department is divided into nine programs, in addition to the department's General Administration:

Traffic Engineering - Traffic Engineering is responsible for managing the placement and maintenance of street signs and striping throughout the City's 508 street miles. In addition, the Traffic team programs and maintains traffic signal timing to ensure safe and efficient traffic flow. The team's goal is to provide effective and efficient transportation facilities for all modes, whether pedestrian, bicycle, or vehicle. The Transportation Planning team develops and manages the long-term transportation strategy for the City while monitoring and managing regional, state, and federal funding opportunities. Electrical Maintenance maintains traffic signals, streetlights, and electrical systems in City-owned facilities; Materials Engineering and Facilities Maintenance are described below.

Facilities Maintenance - Responsible for maintaining all 108 City-owned buildings, except for those owned by Santa Rosa Water. Services performed include building inspections, regular preventative maintenance, contract administration, minor construction, and routine repairs. Facilities Maintenance is also responsible for all building costs such as janitorial services, utilities (gas, electricity, and water/sewer), elevator and heating, ventilation, and air conditioning (HVAC) repairs, fire alarm systems, permits, underground tank monitoring, and emergency generators.

Materials Engineering - Responsible for quality assurance of materials used to construct City roadway projects including those constructed by private developers. Some of the services provided include asphalt plant inspection and sampling, laboratory and field testing, and pavement engineering. The team is also responsible for maintaining the Citywide Pavement Management Program as required by the Metropolitan Transportation Commission (MTC).

Capital Projects Engineering - Responsible for the design and construction of projects to rehabilitate, upgrade and expand the City's public infrastructure. Engineering and technical staff in this division are committed to enhancing water, sewer and drainage systems, transportation networks, parks, and other City facilities to protect public health and safety, and the environment.

Field Services - Comprised of three sections: Fleet Services maintains and replaces the City's fleet vehicles and equipment; Street Maintenance maintains most street assets including pavement, sidewalk, curb and gutter, storm drain system, creeks, ditches, pedestrian ramps, signs, and markings; and Parks Planning & Landscape Maintenance, described below.

Parks Planning & Landscape Maintenance - Comprised of two sections: The Park & Landscape Maintenance service unit maintains 1,035 acres of park land including community, neighborhood and special purpose parks, in addition to open space, trail parks, public plazas, and recreational and public building sites; and delivers land stewardship for 73 acres of roadway landscaping. The Parks Planning and Development unit provides continuing acquisition and development of parks and recreation facilities; acts as a liaison to LandPaths at Bayer Farm, Luther Burbank Home and Gardens, Bennett Valley Golf Course and Legends; manages all digital park assets in geographical information system (GIS), capital park and master plan designs; conducts park research; and prepares and manages grant applications.

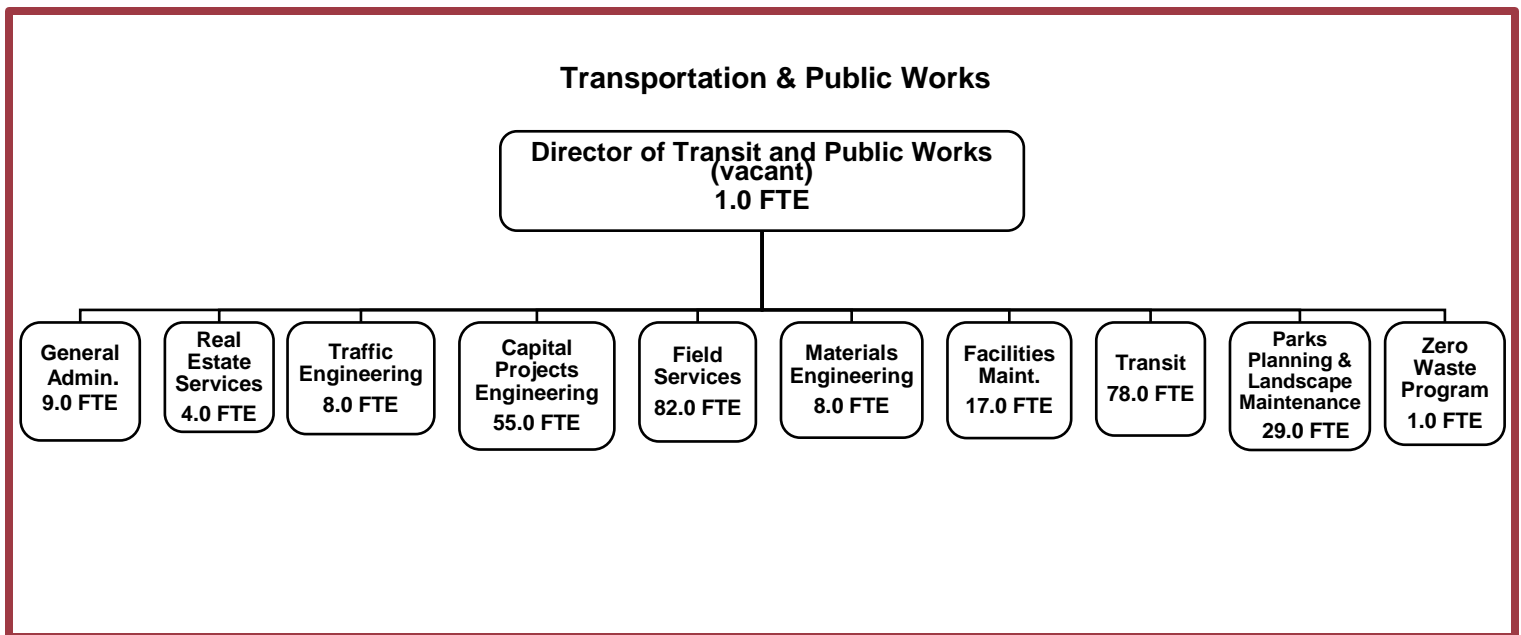
Transportation & Public Works

Transit - Manages and operates Santa Rosa CityBus, providing fixed-route service throughout Santa Rosa, with 14 fixed-routes and one deviated fixed-route which serves the Oakmont community. The Transit Division also manages Santa Rosa Paratransit, the City's American with Disabilities Act (ADA) complementary curb-to-curb paratransit service, the Santa Rosa Free Ride Trip Reduction Incentive Program, and the Learn to Ride Santa Rosa CityBus Travel Training Program.

Bennett Valley Golf Course – Bennett Valley Golf Course is a premier 18-hole, par 72 / 6,500-yard course located on 156 acres. The course, driving range, pro shop and clubhouse/restaurant, serving breakfast, lunch, and dinner seven days a week, are operated and maintained under third-party contracts. The City is responsible for certain direct/indirect expenses, capital improvements, and debt obligations.

Zero Waste Operations – Zero Waste Operations is responsible for directing the City's refuse and recycling programs, implementing the Santa Rosa Zero Waste Master Plan and managing the City's solid waste franchise agreement. Primary project components include handling solid waste public relations, developing and implementing new solid waste and diversion programs, directing franchise agreement compliance monitoring, coordinating with local, regional and state agencies and evaluating effects on recycling, composting, and zero waste initiatives in support of the City's goal to be the zero-waste leader in the North Bay.

FTE by Program



Transportation & Public Works

Strategic Goals and Initiatives for FY 2022-23

(Numbers at the right show relation to City Council Goals; see Council Goals Section)

• Invest in and maintain city-owned road, park, facility, electrical and mechanical infrastructure to regional, state, federal and industry standards.	5
• Maximize grants and other outside funds within the workload capacity in mind.	5, 6
• Develop a highly skilled and motivated team.	6
• Improve CIP Metrics	5
• Redefine metrics, including recycled materials reporting	
• Collect newly relevant data	
• Develop graphical reporting	
• Increase CIP Production	5
• Issue Project Management RFP	
• Establish Agreements with consultant project managers	
• Investigate opportunities to enhance CIP staff recruitments	
• Strategically apply design build delivery	
• Restructure staffing model to create 6 th CIP Team (water/sewer)	5
• Improve CIP Project Approval Process	
• Streamline Project Initiation Plan process	
• Investigate augmentation of digital signature use	
• Improve TPW Project Planning Process	5
• Develop strategic plan and staffing/consultant needs	
• Conduct Stakeholder discussions with other departments/divisions	
• Evaluate organizational structure change opportunities and synergies	
• Reduce Vacancy Rate	6
• Repost recruitments until positions filled	
• Continuing supporting HR, SRCEA, SRMA regarding compensation reviews	
• Redistribute CPE staff to initiate function of Team 6 once created	
• Increase professional development – post pandemic	6
• Identify and promote training/conference opportunities for all CPE staff	
• Complete Short-Range Transit Plan update	5, 6
• Work with local transit partners to implement Phase 2 of Sonoma County Transit Integration and Efficiency Study scope	5, 6
• Deploy City's first four battery-electric buses in revenue service	5
• Continue expansion of CityBus Unlimited Pass Program to provide fare-free access to transit.	2, 4
• Complete implementation of Telematics program throughout the city fleet.	5
• Finalize vehicle purchasing policy for electric vehicle standards.	5
• Replace remaining Police patrol vehicles with hybrid vehicles.	5
• Develop debris removal metrics for encampment & roadside debris.	2, 3, 5
• Implement employee wellness programs developed during Ops Organizational Clarity meetings.	6
• Utilize Measure Parks for All Measure M funding to enhance the city park system.	5
• Maximize grants and other outside funds.	4, 5
• Invest in and maintain city owned parks, facilities, roads, electrical and mechanical systems.	4, 5

Transportation & Public Works

Major Budget Changes

The Transportation & Public Works' (TPW) budget is funded by four major sources: The General Fund, the Capital Improvement Fund, the Transit Enterprise Funds, and the Equipment Repair and Replacement Internal Service Funds. The total FY 2022-23 budget is \$99.8M, an increase of \$18.3M, or 22.4%, over the prior year's adopted budget.

The General Fund makes up 32.6% of the department's budget, increasing \$2.8M over the prior year to a total of \$32.6M. Salaries & Benefits increased overall by \$1.3M including increases per MOU changes and a \$208K increase in CalPERS retirement benefits. A reorganization of the Real Estate Services program moving from Santa Rosa Water to Transportation and Public Works occurred as part of the FY 2022-23 budget. Overall budget for the program is \$620K and includes positions added of 1.0 FTE Right-Of-Way Manager and 3.0 FTE Associate Right-Of-Way Agents. Services & Supplies grew by \$1.6M; this includes a \$1.1M increase in Utilities mainly from PG&E rate increases and the return to pre-pandemic services of facilities, \$101K increase in City vehicle repair services, \$99K increase in fuel and \$134K increase in professional services related to facilities maintenance contract expenses.

The Capital Improvement Fund makes up 29.8% of the department's overall budget. Over the year, the fund increased by a net \$5.6M, ending with a total budget of \$29.7M in FY 2022-23. Large funding allocations were seen across several CIP projects, notably Highway 101 Bike/Pedestrian Overcrossing (+10.8M), Hearn Avenue at Highway 101 Interchange (+3.1M), Park Amenities Capital Replacements (+\$2.5M) and Southwest Zone Play Equipment (+\$1.0M). A more detailed summary of the CIP program is available in the Capital Improvement Program Budget Document.

The Equipment Repair and Replacement Internal Service Funds increased by \$8.5M, or 76%. This is mainly attributable to a \$8.5M increase in the replacement Fund. This increase in budget is to match the replacement schedule per the City's fleet replacement program. The funding source for the increase is from the fund balance of the Replacement Fund which collects from departments in advance. Salaries & Benefits grew by \$256K or 6.9% which included increases from MOU changes and \$42K increase in CalPERS retirement benefit. Services & Supplies decreased by \$138K, which included a \$255K decrease in professional services from last year's one time cost for fleet telematics software.

The Transit Enterprise Fund budget is \$13.7M, an increase of \$1.2M, or 9.5% over the FY 2021-22 adopted budget. Salaries & Benefits grew by \$671K or 7.6% which included increases from MOU changes and \$60K increase in CalPERS retirement benefit. Services and Supplies increased by \$1.2M, including increases of \$90K in repair and maintenance and \$328K in fuel.

Transportation & Public Works

Budget Summary

Expenditures by Program				
	2019 - 2020 Actual	2020 - 2021 Actual	2021 - 2022 Budget	2022 - 2023 Budget
General Administration	\$1,624,082	\$1,614,356	\$1,606,282	\$1,651,462
Traffic	\$1,271,521	\$1,451,490	\$1,663,705	\$1,827,329
Capital Projects Engineering	\$2,978,033	\$2,199,952	\$2,899,589	\$2,928,338
Field Services	\$19,254,730	\$23,906,776	\$22,811,788	\$32,772,253
Materials Engineering	\$691,660	\$655,485	\$748,454	\$759,261
Transit	\$13,100,127	\$11,903,576	\$13,889,982	\$15,219,523
Facilities	\$4,537,696	\$4,342,661	\$4,855,706	\$5,482,411
Regional Parks	\$4,758,138	\$6,305,510	\$7,022,889	\$7,498,455
Zero Waste Operations	\$0	\$0	\$149,852	\$166,670
Real Estate Services	\$0	\$0	\$0	\$619,613
Bennett Valley Golf Course	\$481,335	\$512,936	\$537,010	\$583,920
CIP and O&M Projects	\$24,739,921	\$20,579,657	\$25,367,461	\$30,339,418
Total	\$73,437,243	\$73,472,399	\$81,552,718	\$99,848,653

Expenditures by Category				
	2019 - 2020 Actual	2020 - 2021 Actual	2021 - 2022 Budget	2022 - 2023 Budget
Salaries	\$16,641,545	\$15,528,202	\$17,349,620	\$18,916,442
Benefits	\$10,488,881	\$10,274,227	\$11,767,081	\$12,497,501
Professional Services	\$2,647,195	\$2,976,152	\$3,304,494	\$3,366,521
Vehicle Expenses	\$3,903,424	\$3,933,102	\$4,619,501	\$5,367,646
Utilities	\$2,841,121	\$3,965,289	\$4,448,839	\$5,212,123
Operational Supplies	\$2,469,767	\$2,971,500	\$3,079,490	\$3,132,372
Information Technology	\$1,089,639	\$1,166,125	\$1,239,482	\$1,293,531
Debt Service	\$454,617	\$453,318	\$455,752	\$458,606
Liab/Property Insurance	\$350,747	\$418,992	\$450,576	\$450,687
Other Miscellaneous	\$571,045	\$518,775	\$671,450	\$904,524
Transportation Purchase	\$1,313,381	\$1,167,413	\$1,250,000	\$1,410,000
Indirect Costs	\$1,920,866	\$1,805,304	\$1,781,069	\$1,703,775
GF Admin Cost Plan	\$1,421,709	\$1,635,834	\$2,217,228	\$2,710,332
Capital Outlay	\$2,583,385	\$6,078,509	\$3,550,675	\$12,085,175
CIP and O&M Projects	\$24,739,921	\$20,579,657	\$25,367,461	\$30,339,418
Total	\$73,437,243	\$73,472,399	\$81,552,718	\$99,848,653

Transportation & Public Works

Expenditures by Fund				
Funding Source	2019 - 2020 Actual	2020 - 2021 Actual	2021 - 2022 Budget	2022 - 2023 Budget
General Fund	\$24,821,368	\$27,551,803	\$29,760,359	\$32,588,077
Capital Facilities Fee Fund	\$65,479	\$0	\$0	\$0
AB 434 Funds (Transit)	\$122,521	\$22,080	\$0	\$0
Measure M - Parks 2019	\$0	\$36,110	\$139,217	\$171,042
St. Francis Knolls	\$0	\$2,587	\$2,309	\$2,969
Stony Ranch	\$307	\$203	\$6,184	\$8,728
The Orchard at Oakmont	\$6,819	\$16,251	\$61,701	\$53,714
Sandra's Place Tax District	\$0	\$274	\$5,319	\$6,025
Woodbridge Tax District	\$1,694	\$875	\$14,255	\$13,624
North Village I Special Tax District	\$795	\$116	\$11,176	\$11,636
Kawana Springs 6 Special Tax District	\$0	\$0	\$8,093	\$8,120
Catalina/Amorosa STD Zone 7	\$0	\$0	\$9,264	\$19,289
Gardens STD 2006-1 Zone 10	\$0	\$0	\$0	\$938
Utilities Administration Fund	\$1,144,069	\$826,601	\$1,223,165	\$1,206,881
Municipal Transit Fund	\$11,670,080	\$10,674,451	\$12,510,386	\$13,693,693
Transit Capital Fund	\$201,336	\$470,820	\$0	\$0
Paratransit Operations	\$1,430,047	\$1,229,125	\$1,379,596	\$1,525,830
Bennett Valley Golf Course Ops	\$131,432	\$202,454	\$144,504	\$188,559
Taxable Golf Bond Debt Service	\$128,491	\$129,411	\$132,224	\$132,736
Tax-exempt Golf Bond Debt Service	\$262,882	\$260,662	\$260,282	\$262,625
Storm Water Enterprise Fund	\$431,225	\$526,703	\$562,873	\$593,056
Equipment Repair Fund	\$5,420,798	\$5,985,374	\$6,329,131	\$6,548,086
Equipment Replacement Fund	\$3,853,772	\$7,148,424	\$4,821,337	\$13,065,147
Railroad Square Maintenance Fund	\$2,882	\$4,045	\$6,882	\$7,460
Capital Improvement Fund	\$23,741,246	\$18,384,030	\$24,164,461	\$29,740,418
Total	\$73,437,243	\$73,472,399	\$81,552,718	\$99,848,653

Authorized Full-Time Equivalent (FTE) Positions – All Funds

Fiscal Year	FY 2018-19	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23
Full-Time Equivalent	274.00	290.00	287.00	288.00	292.00

Performance Measures

INDICATORS:	FY 2019-20	FY 2020-21	FY 2021-22
Grant Revenues Secured	\$5.8M	\$7.2M	\$21.5M
Travel Time Along 5 Major Arterial Streets (PM Peak)			
College/West College Avenue Cleveland Avenue to 4 th Street	Measure Suspended*	3:16	4:32
Guerneville Road/Steele Lane Range Avenue to Illinois Street/County Center Drive	Measure Suspended*	2:11	2:27

Transportation & Public Works

Mendocino Avenue College Ave to Steele Lane	Measure Suspended*	2:56	2:53
Santa Rosa Avenue Baker Overcrossing to Yolanda Avenue	Measure Suspended*	3:21	4:03
Stony Point Road West College Avenue to Hearn Avenue	Measure Suspended*	6:45	6:22

* Due to Shelter-in-Place from COVID-19

Capital Projects Engineering	2019	2020	2021
Total "In Progress" Construction Project Expenditures	\$18.4M**	\$22.9M**	TBD
Number of New Projects Bid	40	30	11
Total Value of New Projects Bid (Engineer's Estimates)	\$13.9M	\$28.5M	\$10.4M
Notices of Completion Filed	25	24	12

**Verification pending

Transit	FY 2019-20*	FY 2020-21	FY 2021-22
Routes meeting new system productivity standards	3	Measure Suspended**	0
Average systemwide on-time performance of 90%	88%	90.6%	88%
Paratransit passengers/hour equal or greater than 2.4	2.21	Measure Suspended**	1.69

*Year-to-date pre-COVID

** Due to COVID-related reductions in service/demand.

Fleet Services	2019*	2020*	2021*
Mechanic productivity: goal 1,500 hours/mechanic/year	1,596	1,266	1356
Vehicle Downtime: goal under 5%	4.2%	2.21%	3.05%
Preventive Maintenance Performed On-time: goal 90%	71%	75%	71%
Scheduled versus Non-Scheduled Repairs: goal (60% or higher) versus (40% or lower)	68%/32%	70.2%/29.8%	67.18%/32.82%
Annual Parts Inventory Turn (annual sales/inventory value): goal 4-6	3.5	2.6	3.34%
Parts Fill Rate: goal 90% within 24 hours	91.2%	93.04%	87.07%

* Calendar Year

Parks & Landscape Maintenance	FY 2019-20	FY 2020-21 Estimates	FY 2021-22 Estimates
Dollar amount of park and ground maintenance expense per capita	\$31.00	\$31.00	37.00

Transportation & Public Works

Prior FY 2021-22 Accomplishments

(Numbers at the right show relation to City Council Goals; see Council Goals Section)

- Continued to participate in a Countywide Vision Effort in partnership with the Sonoma County Transportation Authority (SCTA) and the Sonoma County Department of Health Services. The Vision Zero Action Plan was approved by the SCTA Board March 2022. Staff will be asking the City Council to consider accepting the Vision Zero Action Plan in Summer 2022. 3
- Stony Point Road Corridor Study, one of 8 studies identified in the Bicycle and Pedestrian Master Plan Update 2018 was completed. Other corridor studies for College Avenue, Fourth Street, Montgomery Drive, Roseland Creek, Dutton Avenue and Cleveland Avenue are in process. It is anticipated that the City Council by resolution will adopt the Local Road Safety Plans for the corridors in Spring 2022. 3,5
- Metropolitan Transportation Commission (MTC) awarded the City \$12.0M of federal funds from the 2021 Regional Active Transportation Program (ATP) Cycle 5 for the construction phase of the Highway 101 Bicycle and Pedestrian Overcrossing (BPOC). MTC additionally awarded the City \$3.4M of federal funds from the State Transportation Improvement Program (STIP) for the construction of the (BPOC). 3, 4, 5
- In December 2021, City Council by resolution approved a pilot program for Shared Mobility Devices. Pending amendment of the city code which is scheduled to go to the City Council in April 2022, the city will hire a vendor and launch the pilot. 4
- Facilities Crews continue to deliver projects through their construction crews including Howarth Park curb ramp reconstruction, Guerneville Road sidewalk gap removal project, Police SWAT cage construction and Finely Auditorium floor resurfacing. 3, 5
- In conjunction with City slurry projects, bike lanes were installed on Ridgway Avenue and buffered bike lanes were reconfigured on Hoen Avenue, Summerfield Road, and Bethards Drive 3, 5
- Public health and safety were protected through Capital Projects Engineering (CPE) infrastructure upgrade projects serving the public. These improvement projects enhanced public fire protection capacity, reliable drinking water supply and functioning sewer collection systems, and wastewater treatment compliance. CPE anticipates the completion of a total of 39 capital improvement projects in FY 2021-22, including:
 - (5) fire recovery and rebuilding projects 7
 - (5) sewer and water rehabilitation projects
 - (9) Regional Water Reuse system improvement projects
 - (16) street and public access improvements projects
 - (4) public facility improvement projects

In addition, various construction efforts have been completed under six (6) On-Call contracts: three (3) for sewer and water, and three (3) for the Regional Water Reuse system.
- Restored transit services to approximately 80% of the pre-pandemic service level. 5
- Implemented “UR Free” K-12 fare-free access to CityBus as part of the City’s newly adopted Unlimited Pass Program, resulting in a significant increase in youth transit ridership. 5
- Received \$4.3 million competitive federal grant award for expansion of the City’s battery-electric bus fleet and electric bus charging facilities. 5
- Continued to play a leadership role in implementation of the Sonoma County Transit Integration and Efficiency Study and development of a “unified brand” for local transit in Sonoma County through SCTA Future of Transit Ad Hoc Committee process. 5

Transportation & Public Works

- The Debris Removal Team (DRT) removed 4274 cubic yards of debris from public right-of-way. 5, 7
- Street & Parks maintenance teams performed weed removal throughout the Wildland Urban Interface (WUI) areas of the city. 4
- Fleet Maintenance installed 620 new telematics devices across the fleet. 4
- Park Maintenance & Recreation worked together to revitalize the Park-A-Month volunteer program. 4
- Created a Special Projects crew with the Park Maintenance team to respond to tree emergencies. 4
- Implemented Cityworks asset management program for Streets & Parks maintenance operations. 2, 4, 5, 6
- Introduced 28 hybrid police patrol vehicles into service. 4
- Installed 130 new police radios into patrol vehicles as part of the radio upgrade project. 4
- Colgan Creek Park playground designed and constructed and open to the community February 2022. 5
- Creekside Open Space Park renamed to Mary Traverso Open Space Park in August 2021. 4, 5
- South Davis Park neighborhood engagement to replace the playground structures began in March 2022. The project is funded in part from State Parks and Recreation Per Capita grant from Proposition 68. 5
- Dutch Flohr Neighborhood Park Master Plan completed in January 2022. 5
- Conceptual Plans completed to replace the wading pool with a spray ground at the Finley Aquatic Center. 5
- Parks for All – Measure M Priority Plan update approved by Council November 2021 after comprehensive community engagement process. 5
- After well over ten years, reinstated the park planner position and filled the FTE position in December 2021. 6
- Provided 40 development plan reviews for development impacts to parks and potential future park acquisition and development. 5
- Accepted a new landscape Tax District property and trail entry point to the Santa Rosa Creek trail at the Gardens Subdivision. 5
- Construction bids awarded for the remaining two fire damaged park projects; Fire Damaged Roadway recovery project for Coffey Park and Fountaingrove Neighborhood area right-of-way landscaping and Six Fire Damaged Park recovery project for recovery at 5 parks and one trail in the Fountaingrove area. 5
- Community Engagement process began to reimagine Fremont Park in December 2021. 5
- The process to solicit for a new management operator for the BVGC began in Spring 2022. 4
- Grant applications submitted for Kawana Springs Community Park improvements and Martin Luther King Jr Park improvements. 4

Looking Ahead

Traffic Engineering will be working on a project, in house, with the Signal Shop to install fiber optic communications from MSCS to the downtown core. This upgraded communication will provide a robust high-speed communications link to the signals and provide an opportunity for a public private partnership with dark fibers available for use.

Our Electricians are working to complete the LED upgrade project that changes all our high-pressure sodium and induction fixtures to energy efficient LED.

Several bicycle and pedestrian enhancement projects are in the design and construction queue including Santa Rosa Avenue between Sonoma and Maple, Fourth Street between E Street and Bryden Avenue,

Transportation & Public Works

Armory Drive between Ridgway Avenue and Elliott Avenue, and Montgomery Drive between Hahman Avenue and Alderbrook Drive.

This division is working with our downtown partners to conduct a scooter pilot project and determine its effectiveness in extending non-motorized mobility.

Materials Engineering is preparing to implement a cape seal project in the Roseland area. This level of treatment helps bridge the gap between a slurry seal and a conventional overlay project. They are also preparing for several pavement rehabilitation projects recently approved in the Fire rebuild areas of Fountaingrove and Coffey Park.

Facilities is conducting an Energy Audit on all City buildings and a solar study for MSC yard to determine the next step in moving toward a renewable energy and potential microgrid solution for the City complex.

Capital Projects Engineering (CPE): Despite impacts to production due to the pandemic and high staff vacancy rates, CPE is continuing to make notable infrastructure advancements, as evidenced by bidding 7 projects in the first quarter of 2022 – a great start to the year! Two of the most notable projects recently bid will be in construction at the beginning of FY 22/23 and will continue into subsequent fiscal years due to their large scopes: the Fulton Road Widening Project (\$16.8M) and the Laguna Treatment Plant (LTP) Disinfection Improvements Project (\$68.1M). The Fulton Road Widening project will reconstruct and widen Fulton Road between Guerneville Road and Piner Road with a new concrete surface, adding a vehicle lane in each direction, as well as upgrading bike and pedestrian facilities along the project limits. The LTP Disinfection Improvements project will replace the Plant's aging and outdated disinfection system with a new generation Ultraviolet Disinfection System and establish an on-site division system to significantly improve plant process resilience.

Other projects of particular note that will be moving into construction phases include sewer trunk lining efforts on the Crosstown and Robles Trunk Sewers, as well as the very notable Fire Station 5 replacement, which will be moving forward through a design-build project delivery method. In response to damage incurred during the 2017 Tubbs Fire, projects to rehabilitate 6 fire damaged parks and large amounts of fire damaged roadway landscaping will move forward as well.

Notable ongoing design efforts include a design-build effort to rehabilitate numerous miles of city streets damaged during debris removal efforts triggered by the 2017 Tubbs Fire recovery, as well as the LTP Flood Protection Project, which will ultimately protect the City's wastewater treatment plant (the largest such facility in Sonoma County), which is prone to flooding from the Laguna de Santa Rosa during heavy wet weather.

The Transit Division will continue to staff up and further restore transit service levels following pandemic reductions, with a goal of reaching 90% of pre-pandemic service levels by the end of the year. A Short-Range Transit Plan update in FY 22-23 will engage the public and Council with developing future service plans under varying pandemic recovery revenue scenarios and lay out financial and service plans for the next five years. The Transit Division will continue coordination with SCTA, Sonoma County Transit, and Petaluma Transit to implement Phase 2 of the Sonoma County Transit Integration and Efficiency Study recommendations, working towards a "unified brand" for local transit in Sonoma County. The Division expects to deploy the City's first four battery-electric buses in revenue service in the Fall of 2022. Finally, work will continue on expansion of the City's Unlimited Pass Program providing fare-free access to transit.

The Street Maintenance and Parks Maintenance sections will continue to build a cohesive working relationship as both teams provide support for each other while maintaining city infrastructure. The Street Maintenance section is currently on track to meet the required Maintenance of Effort (MOE) target, but the absorption of the Debris Removal Team and permanent staffing reductions continue to threaten that goal. The Debris Removal Team will continue efforts to clean and remove debris from public spaces

Transportation & Public Works

as they address a continued increase in encampment debris and illegal dumping. A new paving machine and two new crack sealing machines will increase productivity and provide a higher quality product. Cityworks will be able to provide a complete year of data allowing the maintenance teams to analyze operations and adjust where needed.

Fleet Services will continue to experience challenges with maintaining the fleet due to current vacancies being held. The implementation of a city-wide Vehicle Telematics System program will be completed and incorporated into a new Vehicle Safety program with metrics included. An electric vehicle base specification will be developed to be used when purchasing new vehicles within the city fleet to meet the 2035 California electric vehicle mandate. Fleet will work to reduce the backlog of vehicles & equipment due for replacement as manufacturer supply chain shortage issues are resolved.

Parks Planning will implement the update to the ordinances that created and govern the Board of Community Services, and the Park Naming Policy. Additional community engagement is planned to create the future capital projects list to be funded by the Parks for All – Measure M fund. Plans and specifications are to be completed for the Kawana Springs Community Garden and construction to begin. Renewal of the Luther Burbank Homes and Garden long-term Management Agreement is planned in addition to a new roof and gutter system. The Finley Aquatic Center pool will shut down while the wading pool is replaced with a new spray ground, picnic area, landscaping and a new pool deck which will open in Summer 2023. Dutch Flohr Park construction plans will be complete, and construction will begin to replace the two playgrounds, fitness equipment and associated pathways. Construction will be complete for the Six Fire Damaged Parks recovery project which a new playground for Fir Ridge Park.

This page intentionally left blank

Policies

Policies have been summarized for brevity. Copies of the policies in their entirety are available for review at City Hall in the City Manager's Office, 100 Santa Rosa Avenue, Room 10.

CONTINGENCY RESERVE POLICIES

General Fund

The City of Santa Rosa maintains contingency reserves for all major operating funds. An analysis was conducted on the General Fund that evaluated revenues and their volatility, condition of capital assets, access to other resources, unanticipated expenditures, and the industry norm of General Fund reserves. A survey of comparable California cities showed that the average General Fund reserve was approximately 15% of expenditures.

A contingency reserve for the General Fund shall be maintained at a level of 15% to 17% of annual expenditures. The amount up to 17% of expenditures will be "designated for contingencies" and listed as such in the Comprehensive Annual Financial Report (CAFR).

The amount "designated for contingencies" will be ideally maintained at 17%. The amount between 15% and 17% may be used during the budget process to alleviate short term revenue or expenditure volatility; or to address high priority one-time needs. If the General Fund contingency reserve level is below 15%, a plan will be established to increase the reserve to a minimum of 15% during the upcoming budget process. Reserves over the 17% will be "designated for future expenditures" and listed as such in the CAFR.

Equipment Repair Fund

The Equipment Repair Fund is an internal service fund that provides funding for the repair of City-Owned vehicles by the City Garage. An annual labor rate is established in order to recoup costs. This policy was established to provide an adequate contingency reserve for the purpose of maximizing rate stabilization.

The reserve is set at 5% of the annual budget. This can be established as a multi-year plan with the review and approval of the Finance Department. If the contingency reserve level is below 3%, a plan will be established to increase the reserve. Reserves in excess of the minimum reserve shall be designated for future expenditures or reductions in rates.

Storm Water Utility Fund

The Storm Water Enterprise Funds provide for compliance with the National Pollutant Discharge Elimination System (NPDES) requirements as well as creek restoration efforts. The reserve provides funding for economic and catastrophic contingencies.

The reserve is maintained at a level consistent with that established for the City's General Fund, currently 15% to 17% of annual expenditures. If the reserve level is below 15%, a plan will be established to increase the reserve to a minimum of 15% during the upcoming budget process. Reserves of over 17% will be designated for future expenditures or reductions in rates.

Insurance Internal Service Fund

The Insurance Internal Service Fund charges City departments for the costs of providing employee benefits and Liability, Property, Fire, and Earthquake insurance. The reserve was established to cover unanticipated claims.

A reserve for potential liability claims should be maintained at a level at least equal to the discounted expected value of reserves determined by the annual actuarial valuation that estimates the potential

Policies

loss from incurred but not reported (IBNR) claims. Due to the lack of predictability of future IBNR claims, and the potential of non-insured claims against the City, additional reserves of twice individual claim Self Insured Retention should be set aside.

A reserve for Employee Benefit Insurance claims on self-insured City benefit plans should be set at a level that allows for at least three months run out of claims to be paid, as well as a reserve equal to 7% of annual claims. Currently, the City maintains a self-insured Dental and Vision Plan. The City also participated in two self-insured health plans through a joint power authority (JPA). However, reserves are held by the JPA, so funds equal to one month's premium are sufficient for potential premium adjustments.

A reserve for Workers Compensation claims should be maintained at a level at least equal to the discounted expected value of reserves determined by the annual actuarial valuation. Recommended reserves for workers compensation included development of known claims as well as IBNR claims. A 50% (expected) level is deemed adequate due to the extended period of time in which claims will be paid out.

A reserve for property insurance claims deductible payments, equal to two deductibles, should be maintained.

Information Technology Internal Service Fund

The Information Technology Internal Service Fund provides funding for the deployment, support, and maintenance of City-wide computer networks, communications infrastructure (phone/data) and City-wide software applications. This reserve will provide funds for Rate Stabilization, and large, unplanned expenditures. The contingency reserve is set at 10% of annual expenditures.

Parking Reserve Fund

The Parking Fund is a propriety fund used to account for all revenues and expenditures of the City's parking enterprise. The operations, maintenance, and capital improvements of the City's parking facilities (including five public parking garages and ten surface parking lots) are financed through user fees collected from parking meters, sale of parking permits, and garage hourly rates. In addition to covering operating expenses, user fees are set at a level to provide repayment of debt service and to accumulate funds for capital repair and replacement projects.

A reserve for contingencies and revenue fluctuations shall be maintained at a level of between 15-17% of annual budgeted operation and maintenance expenses. Reserves for debt services shall be maintained as required by bond covenants. On an annual basis, revenue shall be set aside to fund depreciation for capital improvements based on an asset management depreciation plan. Accumulated funds shall be used to finance capital repair and replacement projects.

Bennett Valley Municipal Golf Course Reserve Fund

The Bennett Valley Municipal Golf Course Enterprise Fund provides for maintenance, supervision, and improvements at the Bennett Valley Municipal Golf Course. The reserve is to provide adequate funds to insure ongoing operation of Bennett Valley Municipal Golf Course, for annual repayment of debt, to accrue funds for certain improvements, for rate stabilization, and for unexpected project expenditures.

A contingency reserve for the Bennett Valley Municipal Golf Course shall be maintained at a level of between six and eight months' operating expenditures. In addition, \$200,000 will be kept in reserve for emergency expenditures.

If, following an annual review, the level is below six months' operating expenditures, plus \$200,000 emergency funds, a plan will be identified to increase the reserves to that amount. If the level is above eight months' operating expenditures, plus \$200,000 emergency funds, the excess funds will be designated for a facility operating program(s) or a capital project(s).

SR Water Department and Santa Rosa Subregional Water Reuse System Reserve Policy

The City of Santa Rosa's water and wastewater enterprises and the Santa Rosa Subregional Water Reuse System enterprise provide a safe and economical water supply and wastewater collection for the City of Santa Rosa and wastewater treatment, as well as disposal, reclamation, industrial waste inspection, and laboratory services to all of the Subregional partners.

Maintaining adequate reserves provides flexibility to respond to fluctuations in revenues and costs as well as short-term emergencies. Adequate reserves directly affect a utility's bond rating and ultimately its ability to borrow money at lower interest rates. This policy establishes the intended use of the various reserves and the desired level of reserves.

Discretionary Reserves

The operating reserves will have a target balance of 15% of annual budgeted operation and maintenance expenses in each utility to provide working capital, as well as funds for unanticipated expenditures or revenue shortfalls, and for minor emergencies. In addition, the utility may plan for the use of up to 50% of the minimum target reserve with each biennial rate update process, so long as the operating reserve is shown to return to the target minimum balance within a five-year planning period.

Capital Replacement Reserves

The target level for capital replacement reserves is \$2,000,000 each for the water and local wastewater enterprises and \$1,000,000 for the Subregional Water Reuse System enterprise.

Catastrophic Reserves

Catastrophic reserves, intended to protect against the potential financial risk to each utility associated with a major earthquake or other catastrophic event, will have a target balance of \$4,400,000 for the water enterprise; \$5,200,000 for the local wastewater enterprise, \$1,300,000 for the Subregional Water Reuse enterprise, and an additional \$1,250,000 specifically for the Geysers Recharge portion of the Subregional enterprise. A new Subregional User Agency Reserve was established in 2013 to enhance Subregional liquidity and provide a user-funded reserve as a security for debt service payments. This reserve is set at 20% of the annual debt service amount.

Rate Stabilization Reserves

Debt rate stabilization reserves are intended to mitigate the gradual increase in rates needed to support long-term debt obligations. The reserve can also be used annually in the net revenue calculation for determining debt service coverage. Debt rate stabilization reserve levels will be determined as part of the utility's long-term financing plan.

Operating Rate Stabilization Reserves will be utilized during the biennial rate setting analysis to offset the need for rate increases and, in the case of the water utility, will help smooth volatility caused by weather trends and the irrigation efficiency tiered rate. Operating Rate Stabilization Reserves will fluctuate as revenues and expenses exceed or fall short of projections. A surplus of revenue over expenses in any operating year will be added to the Operating Rate Stabilization Reserve; a deficit in any operating year will be mitigated to the extent possible by the Operating Rate Stabilization Reserve.

Designated or Restricted Reserves

Designated (or restricted) reserves are set by external requirements and restraints of creditors, grantor contributors, or law. The water, local wastewater, and Subregional Water Reuse System will maintain such reserves as required by bond covenants, state revolving loan contracts, or other requirements as needed.

Policies

Homeless and Affordable Housing Policy

The City Council made a determination to annually designate a calculated amount from the General Fund to the Housing and Community Services (H&CS) Department to be used for homeless and affordable housing programs.

Prior to the preparation of the Housing and Community Services Department's proposed budget for each upcoming fiscal year, the City's Finance Department shall provide the H&CS department with an estimate of the Real Property Transfer Tax (RPTT) revenues that will be received by the City during the upcoming fiscal year.

The annual amount to be designated shall be a figure arrived at by multiplying the approved Fiscal Year percentage from the table below by the estimated amount of Real Property Transfer Tax projected to be received by the City for the applicable year. Every year, this percentage will increase by 5% annually until 100% of the RPTT revenues are designated for homeless and affordable housing:

% of RPTT Appropriated	Fiscal Year
35%	2020/2021
40%	2021/2022
45%	2022/2023
50%	2023/2024
55%	2024/2025
60%	2025/2026
65%	2026/2027
70%	2027/2028
75%	2028/2029
80%	2029/2030
85%	2030/2031
90%	2031/2032
95%	2032/2033
100%	2033/2034

Following the close of each fiscal year, the Finance Department shall confirm the total amount of RPTT actually received by the City during the prior fiscal year. The Finance Department will then reconcile the amount received with the amount previously designated and notify the Director of Housing and Community Services of any additional funds available for appropriation. Nothing in this policy shall prevent the Council from making additional appropriations for Homeless and Affordable Housing programs.

Community Promotions Funding Policy

The current maximum annual contribution for community promotions is \$125,000, an amount which can be changed by action of the City Council.

All requests for support or continued support from the Community Promotions Fund shall be reviewed annually during the budget hearing process. Requesting organizations must be non-profit. The organizations must submit a list of its Board of Directors and a complete budget for the current fiscal year, which will be reviewed in advance of their appearance before the City Council. This budget must also indicate specifically how City funds are proposed to be used.

All requested background material shall be submitted to the City not later than March 1 in order that it is given proper consideration within the City's established budget process. The organization must show, by submitting evidence satisfactory to the Council, that it is not asking the City to be the sole support of the project or activity which the organization seeks to finance and that the activity is reflective of the goals of the City.

Each event should be evaluated annually, based on its own merits, and funding is not guaranteed from year to year. It is preferable that Community Promotions funds be used primarily to fund in-kind City services. The City Council Community Promotion Committee should include at least one City Council Member with experience on the committee in a prior year and the assignment should be rotated.

Investment Policy

This policy applies to all funds managed by the City, and its designees, excluding bond proceeds and pension obligation funds which are governed by the terms of their covenants. The City contracts with PFM Asset Management Group for investment services. This policy is reviewed regularly, and updates are taken to the City Council for approval as needed.

The investment policy specifies the regulations and procedures that support a prudent and systematic program for the City's investments. The investment objectives are, in priority order, safety, liquidity and yield. Safety of the principal is the foremost priority, with preservation of capital and minimization of credit and market risk as the primary facets. The second priority is liquidity which enables the City to maintain enough capital to meet all operating requirements. Yield is the third priority, with the portfolio designed to attain a market rate of return through budgetary and economic cycles, taking into account the risk constraints, liquidity needs and cash flow characteristics of the portfolio.

The investment policy follows the California Government Code "prudent investor" standard to ensure careful management and oversight of public funds. The policy stipulates that an investment management committee should be appointed by the City Manager to review investment strategies and portfolio performance.

Authorized and suitable investments as allowed by California Government Code are outlined in the policy. The City recognizes the risks inherent with investing and strives to mitigate them through risk management and diversification. Credit criteria (ratings) and percentage limitations are given for each category and type of investment. Additionally, ineligible investments are specified.

The City's Investment Policy gives investment parameters in regard to diversification, length of investment (no longer than five years), socially responsible investing, sales of securities, and authorized broker/dealers and banks. Additionally, rules regarding safekeeping and custody, including an annual audit by an external auditor, are specified as are monthly reporting requirements.

Debt Management and Disclosure Policy

The purpose of the debt management policy is to organize and formalize debt issuance related policies and procedures for the City, subject to and limited by applicable provisions of State and Federal law and by prudent debt management principles. The primary objectives of the City's debt and financing related activities are to: maintain cost effective access to capital markets through prudent fiscal management policies and practices; minimize debt service commitments through effective planning and cash management; and, achieve the highest practical credit ratings. This policy is reviewed regularly, and updates are taken to the City Council for approval as needed. It's noted that the City Council's adoption of the City's Annual Budget and Capital Improvement Program does not, in and of itself, constitute authorization for debt issuance for any capital projects.

This policy provides direction for City staff on management, ethical conduct and conflicts of interest, and integration into the City's Capital Improvement Program. The consideration of debt financing will occur when public policy, equity and economic efficiency favor it over cash funding. The policy specifies standards to use as guides when considering debt financing including credit risk, long term capital projects, debt financing mechanisms, ongoing debt administration and internal controls and rebate policy and system.

Policies

When the City determines the use of debt is appropriate, criteria has been specified for long-term debt; short-term debt; variable rate debt and variable debt rate capacity, with consideration of adequate safeguards against risk, variable revenue stream and as a component to synthetic fixed rate debt; financial derivative products; and refunding financing. Specific guidelines are given for each.

There is a section on terms and conditions of bonds with guidelines for term, capitalized interest, lien levels, call provisions and original issue discount. The City will consider the use of credit enhancements such as bond insurance, debt service reserve surety bond, and letter of credit on a case by case basis, evaluating the cost and benefit of such enhancements.

The City will continually evaluate outstanding bond issues for refunding opportunities and will consider the following issues: debt service savings, restructuring, terms of refunding issues, escrow structuring and arbitrage.

The policy has several provisions regarding methods of debt issuance and strives to sell its bonds competitively but will pursue negotiated sales when conditions warrant. Methods of issuance include competitive sale, negotiated sale and private placement. Issuance of revenue bonds will be accompanied by a finding that demonstrates the projected revenue stream's ability to meet future debt service payments.

Regarding market relationships, the City's Chief Financial Officer (CFO) is responsible for maintaining relationships with ratings agencies such as Moody's, Standard & Poor's, Fitch, and investors. In addition to general communication, the CFO will meet with credit analysts at least once per fiscal year and prior to each competitive or negotiated sale, offer conference calls with agency analysts regarding the planned sale. The CFO is responsible for including comments received from ratings agencies or investors in the City's Comprehensive Annual Financial Report to Council, with recommendations addressing any weaknesses. The City will remain in compliance of Rule 15C2-12 by filing its annual financial statements and other financial and operating data for the benefit of its bond holders in a timely manner and the CFO will ensure timely filing with each Nationally Recognized Municipal Securities Information Repository and State Repository. The CFO will ensure that bond proceeds and investments are tracked in a manner that facilitates accurate, complete calculation and timely rebate payments if necessary. The City may issue bonds on behalf of another public entity, as long as the City is isolated from all risks and the conduit findings achieve a rating at least equal to the City's ratings or that a credit enhancement is obtained. Finally, the City will charge an administrative fee equal to direct costs to reimburse its administrative costs incurred in debt issuance and ongoing reporting costs.

The policy notes procedures for hiring of its primary consultants. Consultants will be selected by a competitive process. The CFO will make recommendations for financing team members, with the City Council giving final approval. The City will use a financial advisor to assist in its debt issuance and debt administration processes as prudent and expects to receive objective advice and analysis from its advisor. City debt will also include a written opinion by legal counsel (bond counsel) affirming the City is authorized to issue the proposed debt, has met all requirements necessary for issuance, determined the proposed debt's federal income tax status, and has met any other requirements.

Finally, the policy gives guidelines for selection of an underwriter, specifying the City has the right to select a senior manager for a proposed negotiated sale, as well as co-managers and selling group members as appropriate. Selection of underwriters will be by competitive process and may be for a single transaction or an as-needed pool. Specifics about underwriter's counsel, discount and disclosure by the finance team members are provided.

Gann (Appropriations) Limit

Article XIII B of the California Constitution (Article 4) and related implementing legislation provide for an annual “appropriations limit” for each entity of local government and require the governing body of each local jurisdiction to establish its appropriation limit by resolution each year.

The appropriation limit does not apply to the entire City budget but only to the appropriation of “proceeds of taxes” in the City’s “general government” type funds.

From 1980-81 to 1989-90, each year’s appropriation limit was based on the previous year’s limit, multiplied by the percentage change in population and the percentage change in the United States Consumer Price Index or the change in California per capita income, whichever was less.

Proposition 111, which was approved by the voters in June 1990, amended the factors used in the calculation of each year’s limit. The factors to be used now are:

- **Population Factor-** At the City’s choice, either the annual change in City or County population.
- **Price Factor-** At the City’s choice, either the change in California per capita income or increase in non-residential assessed valuation due to new construction.

The formula to be used in calculating the growth rate is:

$$\frac{\% \text{ change in population} + 100.00}{100}$$

Multiplied by either

$$\frac{\% \text{ change in per capita income} + 100.00}{100.00}$$

Or

$$\frac{\text{Change in non-residential assessments} + 100.00}{100.00}$$

The resultant rate multiplied by the previous appropriation limit equals the new appropriation limit. Both the California per capita personal income price factor and the population percentage change factors are provided by the State Department of Finance to local jurisdictions each year. Population percentage change factors estimate change in the City’s population between January of the previous fiscal year and January of the current fiscal year. These numbers provide the factor to be used in the City’s calculation of the Gann limit.

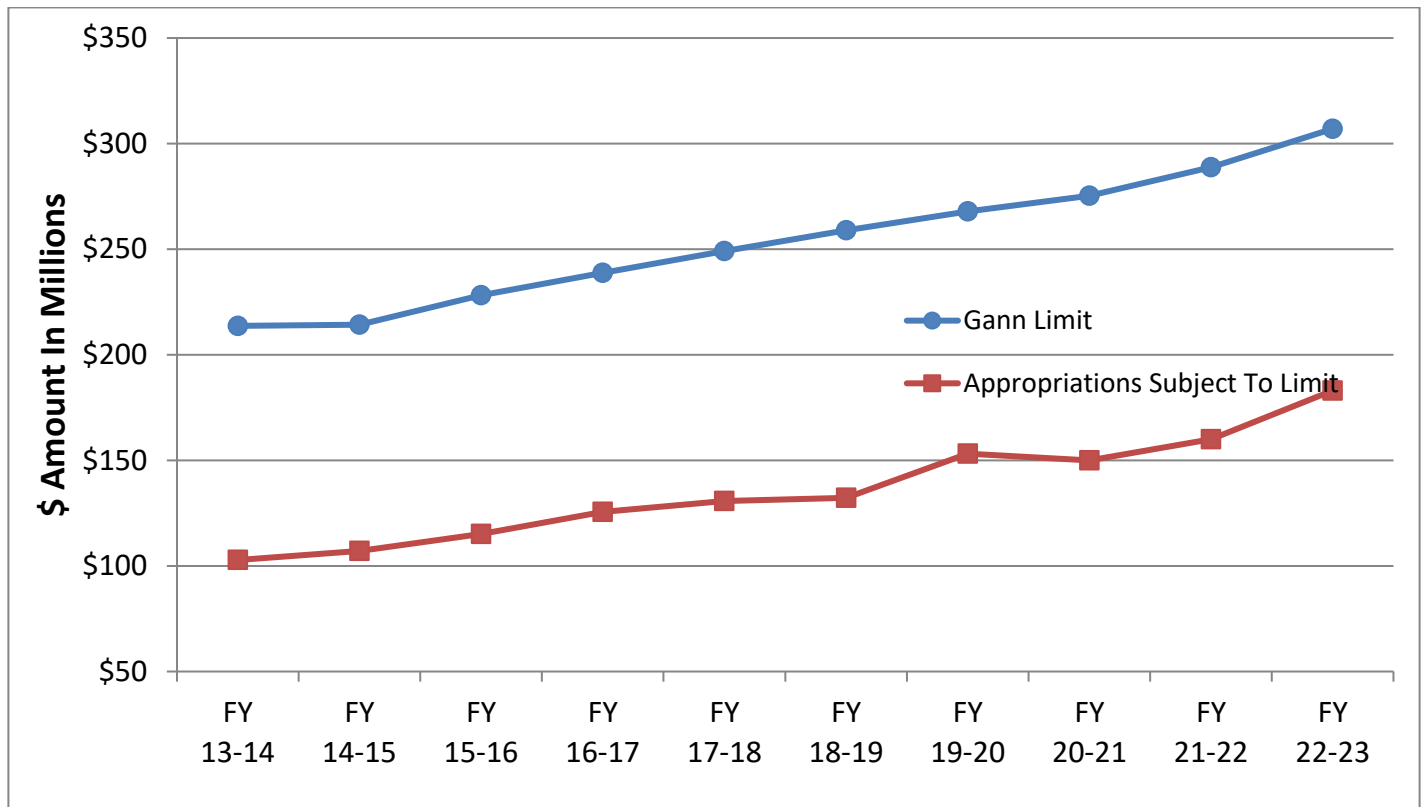
Gann (Appropriations) Limit

In May 2022, the California State Department of Finance notified cities of the population change and the per capita personal income factor to be used to determine the appropriation limit. Using the change in per capita income method, the calculation as applied to the City of Santa Rosa for FY 2021-22 is:

- The change in the California per Capita Income for FY 2022-23 is 7.55%.
- The percent population increase of the City of Santa Rosa from Jan. 1, 2021 to Jan. 1, 2022 is -0.91%.

$$\frac{7.55 + 100.00}{100.00} \times \frac{-0.91 + 100.00}{100.00} = 1.0657$$

Applying the year's factor of 1.0657 to last year's limit of \$288,731,000, the Gann limit for FY 2022-23 is \$307,704,000. With appropriations subject to the limitation totaling approximately \$183,030,000, the City of Santa Rosa is not at risk of exceeding the Gann limit.



RESOLUTION NO. _____

RESOLUTION OF COUNCIL OF THE CITY OF SANTA ROSA APPROVING THE BUDGET FOR THE CITY OF SANTA ROSA FOR FISCAL YEAR 2022-23, THE CAPITAL IMPROVEMENT PROGRAM BUDGET FOR FISCAL YEAR 2022-23 AND ESTABLISHING RESERVES FOR THE 2021-22 FISCAL YEAR

WHEREAS, the City Manager has submitted to the Council an estimate of expenditures, revenues and transfers for all City Departments for the Fiscal Year 2022-23, together with such other budget information as required by the Charter of the City of Santa Rosa; and

WHEREAS, sufficient copies of such estimates were placed on the City of Santa Rosa's website (<https://srcity.org/800/Budget-Information>) and have been placed on file in the Office of the City Manager for inspection by the public as required by the Charter of the City of Santa Rosa and other applicable laws; and

WHEREAS, the Council has reviewed the proposed budget for the Fiscal Year 2022-23 based upon the City Manager's estimate of expenditures, revenues and transfers; and

WHEREAS, the City of Santa Rosa submits its budget document to the Government Finance Officer's Association "Distinguished Budget Presentation Award,"; and

WHEREAS, it is City practice, at the end of each fiscal year, to appropriate all available fund balances to a reserve in each fund in accordance with Generally Accepted Accounting Principles (GAAP); and

WHEREAS, approval of the budget for the Capital Improvements Program does not constitute final approval for any project, and each project will be subject to environmental and engineering review.

NOW, THEREFORE, BE IT RESOLVED that the Council of the City of Santa Rosa approves the budget of the City of Santa Rosa for the Fiscal Year 2022-23, as set forth in the 2022-23 Budget columns of those documents marked, "City of Santa Rosa Proposed Operations and Maintenance Budget – Fiscal Year 2022-23" and "City of Santa Rosa Proposed Capital Improvement Program Budget – Fiscal Year 2022-23," together with the detailed back-up to those documents, with the exception of the following CIP projects, which shall be addressed separately:

- 770 – Stormwater Creek Restoration Projects
- 1903 – Los Alamos Trunk Replacement: Streamside Dr to Elaine Dr
- 2041 – Cleveland Ave. and 7th St. Lateral Installation and Sewer Main Abandonment
- 2356 – Annual Slurry Seal 2021
- 2379 – Parking Garage Maintenance 2021- Garage #1 & #3

BE IT FURTHER RESOLVED that the Council approves the FY 2022-23 Operating and Capital budgets with the following Modifications:

Modifications:

- A. Changes directed or approved by Council during the review of the budget;
- B. The Council has approved a policy to fund public safety services in kind for community promotion programs in the budget. The actual cost may exceed the estimated budgeted appropriations for these services;
- C. Adjustment of salary and benefit costs in accordance with applicable ordinances and resolutions of the Council and updated cost calculations regarding such salaries and benefits;
- D. Adjustment of revenues and expenditures in the Risk Fund to cover benefit costs associated with new Fiscal Year 2022-23 positions approved by Council and benefit costs associated with Fiscal Year 2022-23 Memorandum of Understanding (M.O.U.) agreements;
- E. Adjustment of interfund charges, indirect costs and other costs which are allocated to various accounts in accordance with City accounting practice;
- F. Carryover of Fiscal Year 2020/21 appropriations in the Internal Service Equipment and Replacement Fund related to equipment purchases that were delayed due to issues with the manufacturer, a change in need or finalization of grants supporting the purchases;
- G. Incorporation of approved budget adjustments in Fiscal Year 2021-22 which affect the Fiscal Year 2022-23 budget, and which are not reflected in the budget document;
- H. Any necessary adjustments to the allocation of costs to the agencies in the Santa Rosa Subregional Wastewater System, including the issuance of refunds or credits for payments and/or the collection of additional funds;
- I. Inclusion of any additional Fiscal Year 2021-22 projects which are to be carried forward into Fiscal Year 2022-23 without appropriation of additional funds and exclusion of any other Fiscal Year 2021-23 projects which are not to be carried forward into Fiscal Year 2022-23;
- J. The adjustment of revenues and expenditures for grant-funded activities, in which the expenditures and the revenues must be “balanced”;
- K. The adjustment of offsetting revenues and expenditures; the City Manager may authorize increases in appropriations for a specific purpose where the appropriation is offset by unbudgeted revenue, which is designated for said specific purpose.

- L. Other administrative or accounting adjustments and corrections which are necessary and which are in accordance with the Council's direction and approval of the budget including the creation of capital project accounts for the purpose of administrative tracking and including, but not limited to substitutions/exchanges of non-General Fund funding sources;
- M. The Council authorizes 1,278.50 FTE as of July 1, 2022 as the total authorized positions for the City for Fiscal Year 2022-23, and authorizes any necessary adjustments and corrections which are necessary and which are in accordance with the Council's direction and approval of the budget or previous Council approval.
- N. The Council authorizes the issuance of Project Work Orders under Master Professional Services Agreements in Exhibit A attached hereto, with a cumulative not to exceed sum of \$17 million for Fiscal Year 2022-23.

BE IT FURTHER RESOLVED that the Council confirms reductions, increases and adjustments in Fiscal Year 2022-23 appropriations, which have been accomplished by administrative action.

BE IT FURTHER RESOLVED as follows:

- 1. All available fund balances as of June 30, 2022, as determined upon completion of the annual audit, are appropriated in a reserve in each fund in accordance with GAAP.
- 2. The City Manager and Chief Financial Officer are authorized to make changes to the budget document that enhance the presentation of the document in such a way to meet the criteria set forth by the Government Finance Officer's Association "Distinguished Budget Presentation Award" but shall not make any material changes to budget appropriations approved by the City Council.
- 3. Deficits in available fund balances are adjusted by an appropriation from the existing reserves.

BE IT FURTHER RESOLVED that the City Manager is authorized to administer the budget in accordance with established administrative policies, and the City Manager is authorized to approve the transfer of budgeted amounts, as necessary and without restriction within a fund, not to exceed \$50,000 between funds, including the use of contingency funds, and the establishment, substitution, or deletion of projects and capital items.

BE IT FURTHER RESOLVED that the City Manager is authorized to delegate approval authority for such budget changes, in accordance with administrative policy; and the City Manager is further authorized to decrease the total budget for a fund, if required during the year.

IN COUNCIL DULY PASSED this 21st day of June, 2022.

AYES:

Reso. No. _____

NOES:

ABSENT:

ABSTAIN:

ATTEST: _____
City Clerk

APPROVED: _____
Mayor

APPROVED AS TO FORM:

City Attorney

- Exhibit A – Master Professional Services Agreements List

RESOLUTION NO _____

RESOLUTION OF THE COUNCIL OF THE CITY OF SANTA ROSA AUTHORIZING THAT PUBLIC FACILITIES IMPROVEMENT FEES FUNDED (“PFIF”) PROJECTS CONTAINED WITHIN THE CITY BUDGET AND THE CAPITAL IMPROVEMENT PROGRAM DOCUMENT CONTINUE TO REPLACE THE PFIF MAP AND LIST ON FILE WITH THE CITY ENGINEER AND MAKING CERTAIN FINDINGS WITH REGARD TO CEQA REQUIREMENTS FOR THE ADOPTION OF THE CITY BUDGET

WHEREAS, the City of Santa Rosa budget includes the Capital Improvement Program document, which includes projects funded by the Public Facilities Improvement Fee; and

WHEREAS, the Council finds that continued development in the City has increased use of certain public facilities, with the result that some are now overburdened and extended beyond their capacity or will become so in the near future if development continues; and

WHEREAS, former Article IV, “Public Facilities Improvement Fees,” Santa Rosa City Code Section 18-08.060 provided that, “the City Engineer has on file a map and a list containing a description of all such non-existing or presently deficient capital improvements, and their corresponding current cost estimates”; and

WHEREAS, former Section 18-08.060 also provided that, “the Council reserves the right to review, from time to time as the Council deems appropriate, all such maps, lists and estimates, and to change and revise the same, or any one of them, as conditions change”; and

WHEREAS, the Council has previously authorized that projects included in the Capital Improvements Program (“CIP”) utilizing PFIF shall constitute the map description and cost estimates described in the then current Santa Rosa code Section 18-08.060; and

WHEREAS, the Planning Commission of the City of Santa Rosa has reviewed the CIP portion of the proposed budget and has found the first and second year, new and annual projects set forth therein to be consistent with the City of Santa Rosa General Plan; and

WHEREAS, each City department with a CIP project is directly responsible for obtaining the proper environmental review of each such project as required by the California Environmental Quality Act.

NOW, THEREFORE, BE IT RESOLVED that the Council of the City of Santa Rosa determines that projects included in the Capital Improvement Program which have PFIF Funding shall continue to constitute the map, description and cost estimates described in former Santa Rosa City Code Section 18-08.060.

BE IT FURTHER RESOLVED that each City department which has a CIP project within the approved budget shall submit each such project to an Environmental Specialist for a review to be conducted in accordance with the applicable requirements of the California Environmental Quality Act (CEQA), and the City Code provisions implementing, and following completion of

the environmental review, the decision making body shall make the applicable environmental findings and determinations prior to approving the project. Projects which involve a significant design shall be submitted to an Environmental Specialist for review at an appropriate time during the design phase; projects which do not involve a substantial design phase shall be submitted to an Environmental specialist for review at the time the preliminary decision is made to go forward with the project or as soon thereafter as practical. If bids or proposals are required to be obtained for a project, the environmental documentation and review shall be completed prior to the obtaining of any bids or proposals; if no bids or proposals are required to be obtained for a project, the environmental documentation and review shall be completed prior to commencing the physical construction or installation of the project.

BE IT FURTHER RESOLVED that the action of adopting the FY 2022-23 Budget, including the conditions attached thereto, is exempt from CEQA in that it can be seen with certainty that there is no possibility that the adoption of the budget, as conditioned, may have significant effect on the environment.

IN COUNCIL DULY PASSED this ____ day of June 22, 2021.

AYES: (0)

NOES: (0)

ABSENT: (0)

ABSTAIN: (0)

ATTEST: _____ APPROVED: _____
City Clerk Mayor

APPROVED AS TO FORM:

City Attorney

RESOLUTION NO. _____

RESOLUTION OF THE COUNCIL OF THE CITY OF SANTA ROSA AMENDING THE CITY SALARY PLAN AND SCHEDULE AND AUTHORIZING THE CITY MANAGER TO IMPLEMENT THESE CHANGES INCLUDED IN THE FISCAL YEAR 2022-23 BUDGET

WHEREAS, the Personnel Officer, on behalf of the City Manager, ensures the orderly and consistent administration of the City Council's adopted salary plan and schedule; and

WHEREAS, the Personnel Officer recommends that various classifications be abolished, created or modified, and that some existing salary ranges be adjusted.

NOW, THEREFORE, BE IT RESOLVED that the Council of the City of Santa Rosa amends the City salary plan and schedule and authorizes the changes to permanent budgeted positions as follows:

- 1) Reclassify 1.0 Payroll Supervisor, Unit 11 Confidential Mid-Management to Payroll Manager, Unit 11 Confidential Mid-Management in the Finance Department
- 2) Convert 1.0 FTE Administrative Technician Confidential Limited Term, Unit 12 Confidential to Administrative Technician Confidential, Unit 12 Confidential in the City Manager's Office
- 3) Delete 1.0 FTE Research Program Coordinator, Unit 6 Professional in the Fire Department
- 4) Delete 1.0 FTE Senior Administrative Assistant, Unit 4 Support Services in the Fire Department
- 5) Delete 1.0 FTE Administrative Services Officer, Unit 18 Mid-Management in the Fire Department
- 6) Add 2.0 FTE Administrative Analyst, Unit 18 Mid-Management in the Fire Department
- 7) Add 1.0 FTE Deputy Fire Chief, Unit 9 Fire Safety Management in the Fire Department
- 8) Add 2.0 FTE Firefighter, Unit 2 Fire in the Fire Department
- 9) Extend 1.0 FTE Building Plans Examiner Limited Term, Unit 6 Professional in the in the Fire Department until June 30, 2024
- 10) Extend 1.0 FTE Fire Inspector Limited Term, Unit 2 Fire in the in the Fire Department until June 30, 2024
- 11) Add 1.0 FTE Community Outreach Specialist, Unit 7 Technical in the Recreation and Parks Department
- 12) Add 1.0 FTE Recreation Specialist Limited Term, Unit 7 Technical in the Recreation and Parks Department until June 30, 2024
- 13) Delete 1.0 FTE Associate Civil Engineer, Unit 6 Professional in the Transportation and Public Works Department
- 14) Delete 2.0 FTE 1.0 FTE Quality Control Associate in the Transportation and Public Works Department
- 15) Delete 1.0 FTE Skilled Maintenance Worker, Unit 3, Maintenance in the Transportation and Public Works Department

Reso. No. _____

Page 1 of 3

- 16) Add 1.0 FTE Supervising Engineer, Unit 18 Mid-Management in the Transportation and Public Works Department
- 17) Add 1.0 FTE Assistant Land Surveyor, Unit 6 Professional in the Transportation and Public Works Department
- 18) Add 1.0 FTE Administrative Technician, Unit 7 Technical in the Transportation and Public Works Department
- 19) Add 1.0 FTE Senior Maintenance Worker, Unit 3 Maintenance in the Transportation and Public Works Department
- 20) Add 2.0 FTE Housing and Community Services Technician, Unit 7 Technical in the Housing and Community Services Department
- 21) Add 1.0 Program Specialist, Unit 6 Professional in the Housing and Community Services Department
- 22) Delete 1.0 Deputy Director Housing and Community Services, Unit 18 Mid-Management in the Housing and Community Services Department
- 23) Add 3.0 FTE Police Officer, Unit 5 Police in the Police Department
- 24) Delete 1.0 FTE Department Application Specialist, Unit 7 Technical in the Water Department
- 25) Delete 1.0 FTE Administrative Analyst, Unit 18 Mid-Management in the Water Department
- 26) Delete 1.0 FTE Development Review Coordinator, Unit 18 Mid-Management in the Water Department
- 27) Add 1.0 FTE Supervising Laboratory Analyst, Unit 7 Technical in the Water Department
- 28) Add 1.0 FTE Department Programmer/Analyst, Unit 6 Professional in the Water Department
- 29) Add 1.0 FTE Budget and Financial Analysis Manager in the Water Department
- 30) Add 0.5 FTE Civil Engineering Technician, Unit 7 Technical in the Water Department
- 31) Add 1.0 FTE Supervising Engineer, Unit 18 Mid-Management in the Water Department
- 32) Add 2.0 FTE Utilities Systems Operator, Unit 16 Utilities Systems Operators in the Water Department

///

///

///

BE IT FURTHER RESOLVED that the Council authorizes the City Manager to implement these changes consistent with the orderly and continual administration of the City's salary plan and schedule.

IN COUNCIL DULY PASSED this 21st day of June, 2022

AYES:

Reso. No. _____
Page 2 of 3

NOES:

ABSENT:

ABSTAIN:

ATTEST: _____ APPROVED: _____
City Clerk Mayor

APPROVED AS TO FORM: _____
City Attorney

This page intentionally left blank

RESOLUTION NO.

RESOLUTION OF THE COUNCIL OF THE CITY OF SANTA ROSA SETTING THE STORM WATER UTILITY BUDGET AND DETERMINING THE AMOUNT OF ELIGIBLE FUNDING THAT HAS BEEN RECEIVED FROM THE FLOOD CONTROL ZONE 1A BENEFIT ASSESSMENT IN FISCAL YEAR 2021-22 AND BASED THEREON SETTING THE STORM WATER ASSESSMENT PER EQUIVALENT RESIDENTIAL UNIT FOR THE FISCAL YEAR 2022-23

WHEREAS, on October 8, 1996, the Council adopted Resolution No. 22880 entitled, “A Resolution Approving Report and Levying Annual Storm Water Charges, City of Santa Rosa, Storm Water Enterprise”; and

WHEREAS, Resolution No. 22880, among other things, approved the report of the Director of Public Works, as amended, including the formula and range of proposed charges; and

WHEREAS, an escalator based on the Consumer Price Index for all Urban Consumers for the San Francisco-Oakland-San Jose area was included in the assessment; and

WHEREAS, the 3.7% escalator for the year ended August 31, 2021, increased the assessment for the Storm Water Utility for fiscal year 2022-23 to \$37.83 per Equivalent Residential Unit (ERU); and

WHEREAS, the annual amounts for each type of expense set forth in the report, as amended and approved, are estimates only and subject to change for any fiscal year; and

WHEREAS, Resolution No. 22880 levied storm water assessments for fiscal year 1997-1998 and subsequent fiscal years as set forth in the report and provided that such assessments would be reduced (pro rata) in the next fiscal year by the amount of funds received from the Flood Control Zone 1A Benefit Assessment of the Sonoma County Water Agency in the current fiscal year if such funds so received are committed for purposes for which the revenues from the storm water assessments would otherwise be expended; and

WHEREAS, the Council has determined that no such qualifying funds were received from the Zone 1A Benefit Assessment and so committed in the current fiscal year (2021-22), resulting in a storm water assessment of \$37.83 per ERU for fiscal year 2022-23.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Santa Rosa that:

1. Based on the foregoing and in accordance with the provisions of Section 4 of Resolution No. 22880, the assessment levied for the Storm Water Utility for fiscal year 2022-23 only shall be \$37.83 per ERU.

2. It is the Council's intent by its adoption of this resolution to establish the amount of qualifying funds received from the Flood Control Zone 1A Benefit Assessment during fiscal year 2021-22 only and using that amount as the credit described and required under Section 4 of

RESOLUTION NO. _____

RESOLUTION OF THE COUNCIL OF THE CITY OF SANTA ROSA APPROVING
CERTAIN PROJECTS WITHIN THE FISCAL YEAR 2022-23 CAPITAL IMPROVEMENT
PROGRAM BUDGET YEAR

WHEREAS, the City Manager has submitted to Council an estimate of expenditures, revenues and transfers for all City Departments for Fiscal Year 2022-23, together with such other budget information as required by the Charter of the City of Santa Rosa; and

WHEREAS, the Council has reviewed the proposed budget for Fiscal Year 2022-23 based upon the City Manager's estimate of expenditures, revenues and transfers; and

WHEREAS, the Council approved the proposed budget by prior resolution with one excluded item for separate consideration; and

WHEREAS approval of the budget for the Capital Improvements Program does not constitute final approval for any project, and each project will be subject to environmental and engineering review.

NOW, THEREFORE, BE IT RESOLVED that the Council approves the Fiscal Year 2022-23 budget for the following Capital Improvement Program project that was excluded from the primary budget adoption resolution as follows:

- 2113 – Roseland Pavement Maintenance

IN COUNCIL DULY PASSED this 21 day of June, 2022.

AYES:

NOES:

ABSENT:

ABSTAIN:

ATTEST: _____
City Clerk

APPROVED: _____
Mayor

APPROVED AS TO FORM:

City Attorney

RESOLUTION NO. _____

RESOLUTION OF THE COUNCIL OF THE CITY OF SANTA ROSA APPROVING
CERTAIN PROJECTS WITHIN THE FISCAL YEAR 2022-23 CAPITAL IMPROVEMENT
PROGRAM BUDGET YEAR

WHEREAS, the City Manager has submitted to Council an estimate of expenditures, revenues and transfers for all City Departments for Fiscal Year 2022-23, together with such other budget information as required by the Charter of the City of Santa Rosa; and

WHEREAS, the Council has reviewed the proposed budget for Fiscal Year 2022-23 based upon the City Manager's estimate of expenditures, revenues and transfers; and

WHEREAS, the Council approved the proposed budget by prior resolution with one excluded item for separate consideration; and

WHEREAS approval of the budget for the Capital Improvements Program does not constitute final approval for any project, and each project will be subject to environmental and engineering review.

NOW, THEREFORE, BE IT RESOLVED that the Council approves the Fiscal Year 2022-23 budget for the following Capital Improvement Program project that was excluded from the primary budget adoption resolution as follows:

- 2264 B St High Traffic Slurry

IN COUNCIL DULY PASSED this 21 day of June, 2022.

AYES:

NOES:

ABSENT:

ABSTAIN:

ATTEST: _____
City Clerk

APPROVED: _____
Mayor

APPROVED AS TO FORM:

City Attorney

RESOLUTION NO. _____

RESOLUTION OF THE COUNCIL OF THE CITY OF SANTA ROSA APPROVING
CERTAIN PROJECTS WITHIN THE FISCAL YEAR 2022-23 CAPITAL IMPROVEMENT
PROGRAM BUDGET YEAR

WHEREAS, the City Manager has submitted to Council an estimate of expenditures, revenues and transfers for all City Departments for Fiscal Year 2022-23, together with such other budget information as required by the Charter of the City of Santa Rosa; and

WHEREAS, the Council has reviewed the proposed budget for Fiscal Year 2022-23 based upon the City Manager's estimate of expenditures, revenues and transfers; and

WHEREAS, the Council approved the proposed budget by prior resolution with one excluded item for separate consideration; and

WHEREAS approval of the budget for the Capital Improvements Program does not constitute final approval for any project, and each project will be subject to environmental and engineering review.

NOW, THEREFORE, BE IT RESOLVED that the Council approves the Fiscal Year 2022-23 budget for the following Capital Improvement Program project that was excluded from the primary budget adoption resolution as follows:

- 1822 – Garage 1 Repairs
- 2264 – B St High Traffic Slurry

IN COUNCIL DULY PASSED this 21 day of June, 2022.

AYES:

NOES:

ABSENT:

ABSTAIN:

ATTEST: _____
City Clerk

APPROVED: _____
Mayor

APPROVED AS TO FORM:

City Attorney

This page intentionally left blank

Glossary

Adjusted Budget: The adopted budget including changes made during the fiscal year.

Adopted Budget: The annual City budget as approved by the City Council on or before June 30.

Advanced Life Support (ALS): The name given to a Fire Engine company when its staff includes a Paramedic and paramedic medical supplies.

American Recovery & Reinvestment Act (ARRA): An act established by the federal government in February 2009 whose intent is to create and save jobs, spur economic activity and focus on long term growth through the funding of various projects and initiatives.

Americans with Disabilities Act (ADA): The Federal act prohibiting discrimination against people with disabilities in employment, transportation, public accommodation, communications, and governmental activities.

Annual Operating Contingency: An account, used at the discretion of the City Manager, to fund emergency or extraordinary items.

Appropriation: An authorization by the City Council to make expenditures and to incur obligations for a specific purpose within a specific time frame.

Assessed Valuation: A dollar value placed on real estate by counties as a basis for levying property taxes.

Audit: Scrutiny of the City's accounts by an independent auditing firm to determine whether the City's financial statements are fairly presented in accordance with generally accepted accounting principles.

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 the previous years, meet or exceed total budgeted uses of resources, including expenditures and transfers out to other funds.

Base Budget: Under traditional budgeting, the base budget is that amount carried over from one year to the next. Each year, approved amounts may be added or reduced from the base budget.

Basic Life Support (BLS): The name given to a Fire Engine company when its staff includes an Emergency Medical Technician (EMT), who is more limited than a Paramedic in the medical services they can provide based on their training.

Beginning Balance: Unencumbered resources available in a fund from the prior fiscal year after payment of prior fiscal year expenditures.

Bond: Capital raised by issuing a written promise to pay a specified sum of money, called the face value or principle amount, with interest at predetermined intervals.

Budget: A fiscal plan of financial operation listing an estimate of proposed allocations or expenditures and the proposed means of financing them. The budget must be approved by the City Council prior to the beginning of the fiscal year.

Budgetary Basis: This refers to the basis of accounting used to estimate financing sources and uses in the budget. This generally takes one of three forms: Generally Accepted Accounting Principles (GAAP), cash, or modified accrual.

Business Tax: A tax levied on persons or companies doing business in Santa Rosa, based on gross receipts, which must be renewed each year.

California Public Employees' Retirement System (CalPERS): The retirement system, administered by the State of California, to which all permanent City employees belong.

Capital Asset: Land, infrastructure, and equipment that are used in operations that have initial useful lives of at least five years. The City has set the capitalization threshold for reporting infrastructure capital assets at \$25,000 and for all other capital assets at \$5,000.

Glossary

Capital Improvement Program (CIP): The five-year financial plan for improving asset and integrating debt service and capital assets maintenance, adopted in a separate budget document and updated every year.

Certificates of Participation (COPs): A lending agreement secured by a lease on the acquired asset or other assets of the City.

Certified Unified Program Agency (CUPA): A program that provides information regarding hazardous materials to emergency responders and the general public.

Citizens Organized to Prepare for Emergencies (COPE): A citizen/City partnership group whose mission is to help residents, families, and neighborhoods become and remain better prepared to respond to and recover from emergency situations.

Community Advisory Board (CAB): A Board appointed by the City Council to represent views and ideas from a broader community on issues of interest to the Council, such as public safety, capital improvement priorities, development issues, etc.

Community Helping Our Indispensable Children Excel grant (CHOICE grant): Measure O funded grants given to organizations offering specific gang prevention and intervention related services in targeted areas of Santa Rosa.

Consumer Price Index (CPI): A measure estimating the average price of consumer goods and services purchased by households. A consumer price index measures a price change for a constant market basket of goods and services from one period to the next within the same area (city, region, or nation).

Customer Information System (CIS): Automated customer management software which provides customer support, account management, billing and collections for water and wastewater services, used by the City's Utility Billing staff. The CIS system was implemented in FY 2009-10.

Debt Service: Payment of the principle and interest on an obligation resulting from the issuance of bonds, notes, or certificates of participation (COPs).

Debt Service Fund: A fund established to finance and account for the payment of interest and principal on all general obligation debt, other than that payable exclusively from special assessments and revenue debt issued for and serviced by a governmental enterprise.

Deficit: An excess of expenditures over revenues (resources).

Department: An organizational unit comprised of divisions or functions. It is the basic unit of service responsibility encompassing a broad mandate of related activities.

Emergency Medical Service (EMS): Paramedic and medical service provided by the Santa Rosa Fire Department.

Encumbrances: A legal obligation to pay funds for expenses yet to occur, such as when a purchase order has been issued but the related goods or services have not yet been received. They cease to be encumbrances when the obligations are paid or terminated.

Enterprise Fund: A type of fund established for the total costs of those governmental facilities and services which are operated in a manner similar to private enterprise. These programs are entirely or predominantly self-supporting through user charges. The City has a number of enterprises such as the Utilities and Transportation and Public Works departments. May also be referred to as Proprietary Funds.

Environmental Impact Report (EIR): An assessment of the likely influence a project might have on the environment.

Expenditure: The actual spending of governmental funds.

Fair Political Practices Commission (FPPC): A bi-partisan independent commission whose mission is to promote the integrity of representative state and local government in California through fair, impartial interpretation and enforcement of political campaign, lobbying, and conflict of interest laws.

Fiscal Year: A twelve-month period of time to which a budget applies. In Santa Rosa, it is July 1 through June 30.

Glossary

Full Time Equivalent (FTE): The percentage of full time an employee is assigned to work. Full-time equals 100% or 40 hours per week. 1.0 equals one employee working 40 hours per week.

Fund: An independent fiscal and accounting entity with a self-balancing set of accounts, used to record all financial transactions related to the specific purpose for which the fund was created.

Fund Balance: The difference between fund assets and fund liabilities.

Gann Limit: State of California legislation that limits a City's appropriations growth rate to two factors: Changes in population, and either the change in California per capita income or the change in the local assessment roll due to non-residential new construction.

General Fund: The primary fund of the City used to account for all revenues and expenditures of the City that are not legally restricted as to use. This fund is used to accumulate the cost of the City's general operations.

General Obligation Bond: Bonds backed by the full faith and credit of the City, used for various purposes and repaid by the regular revenue raising powers (generally property taxes) of the City.

Generally Accepted Accounting Principles (GAAP): Uniform minimum standards for financial accounting and recording, encompassing the conventions, rules, and procedures that define accepted accounting principles.

Geographic Information System (GIS): A system of maps that can be accessed online through the srcity.org webpage.

Governmental Accounting Standards Board (GASB): The authoritative accounting and financial reporting standard-setting body for government entities.

Government Finance Officers Association (GFOA): A professional association of state, provincial, and local finance officers in the United States and Canada whose purpose is to enhance and promote the professional management of governments for the public benefit by identifying and developing financial policies and practices

and promoting them through education, training, leadership.

Governmental Fund Types: Funds used to account for acquisitions and other uses of balances of expendable financial resources and related current liabilities, except for transactions and accounted for in proprietary and fiduciary funds. Under current GAAP, there are four governmental types: general, special revenue, debt service, and capital projects.

Grant: Contributions or gifts of cash or other assets from another governmental entity or foundation to be used or expended for a specific purpose, activity, or facility.

Infrastructure: The physical assets of the City (e.g., street, water, sewer, public buildings and parks).

Interfund Transfers: Moneys transferred from one fund to another, such as from a fund receiving revenue to the fund through which the resources are to be expended.

Intergovernmental Revenue: Funds received from federal, state and other local government sources in the form of grants, shared revenues and payments in lieu of taxes.

Internal Service Fund: A fund used to account for the financing of goods or services provided by one department to another department of a government.

Internal Transfers/Reimbursements: Appropriations and revenues necessary to move from one budget unit to another (within a department) to properly account for revenues and expenditures. Similar to operating transfers within a department.

International City/County Management Association (ICMA): A professional and educational organization for chief appointed managers, administrators, and assistants in cities, towns, counties, and regional entities throughout the world.

Laguna Treatment Plant (LTP): The wastewater treatment plant operated by the City of Santa Rosa that treats wastewater from homes, businesses, and industry located within the Santa Rosa Subregional Water Reuse System, which

Glossary

serves the cities of Santa Rosa, Rohnert Park, Sebastopol, and Cotati.

League of California Cities (LOCC): An association of California city officials who work together to exchange information and combine resources to influence policy decisions that affect cities in California.

Local Improvement District Bonds (LID): Bonds paid for by special assessments on benefiting property owners for specific capital improvements.

Long Term Debt: Debt with a maturity of more than one year after the date of issuance.

Mandated Programs: Mandated programs are those programs and services that the City is required to provide by specific state and/or federal law.

Measure “O”: A quarter cent sales special tax measure passed by Santa Rosa voters in 2004, of which proceeds are used to fund public safety and gang intervention and prevention programs. The measure is effective April 2005 and expires after 20 years.

Measure “O” Temporary Emergency Funding: A quarter cent general sales tax measure passed by Santa Rosa voters in 2018, of which proceeds are used to provide temporary emergency funding to protect vital City services. Originally, the measure was effective April 2019 and set to expire after six years. In November 2020, voters approved the termination of this Measure for Measure Q.

Measure “P”: A quarter cent general sales tax measure passed by Santa Rosa voters in 2010. The tax is effective April 2011 and was set to expire on March 31, 2019. In 2016, voters approved Measure N, extending the tax for an additional eight years through March 31, 2027. In November 2020, voters approved the termination of this Measure for Measure Q.

Measure “Q”: A half cent general sales tax measure passed by Santa Rosa voters in November 2020. Measure Q simply combines and extends existing voter approved sales taxes (Measure O-Temporary Emergency funding and Measure P) without changing the sales tax rate. The measure is effective July 2021 and expires after ten years.

Memoranda of Understanding (MOU): A document describing an agreement between parties, most often used in the City of Santa Rosa to describe the agreement resulting from labor negotiations between the City and its various bargaining units.

Metropolitan Transportation Commission (MTC): The transportation planning, coordinating, and financing agency for the nine-county San Francisco Bay Area, including Sonoma County.

Modified Accrual Basis: The accrual basis of accounting adapted to the government fund-type measurement focus. Under it, revenues and other financial resource increments (e/g., bond proceeds) are recognized when they become susceptible to accrual, which is when they become both “measureable” and “available” to finance expenditures of the current period. All governmental funds, expendable trust funds and agency funds, are accounted for using the modified accrual basis of accounting.

National Incident Management System (NIMS): A program developed by the Federal Department of Homeland Security so responders from different jurisdictions and disciplines can work together better to respond to natural disasters and emergencies.

National Pollutant Discharge Elimination System (NPDES): As authorized by the Clean Water Act, the NPDES permit program controls water pollution by regulating point sources that discharge pollutants into U.S. waters.

Neighborhood Revitalization Program (NRP): A coordinated inter-departmental City task force that works in certain neighborhoods to ensure decent, safe, and sanitary housing.

Object Code: The line item where a revenue or expenditure is recorded.

Operating Budget: Annual appropriation of funds for ongoing program costs, including salaries and benefits, services, and supplies. This is the primary means by which most of the financing, acquisition, spending, and service delivery activities of the City are controlled.

Ordinance: A formal legislative enactment by the City Council, which has the full force and effect of law within City boundaries.

Glossary

Overhead: Charges to various funds to cover the cost of administrative services, rent, custodial services, etc.

Pavement Condition Index (PCI): A numerical index between 0 and 100 that is used to indicate the condition of a roadway.

Public Safety Power Shutoff (PSPS):

PG&E turns off power to the electrical system in areas of severe weather to prevent a potential wildfire.

Proprietary Funds: Revenues from City of Santa Rosa activities that operate as public enterprises, in which revenues are derived from fees charged to users, and programs are largely cost covering. Also referred to as Enterprise Funds.

Real Property Transfer Tax (RPTT): Tax revenues generated by the transfer of ownership of real property. Taxes are charged on the sale price of the property and are paid by the seller, buyer, or both.

Redwood Empire Dispatch Communications Authority (REDCOM): The agency who provides regional fire and emergency medical dispatching services for Sonoma County.

Regional Climate Protection Authority (RCPA): A coordinated Sonoma County-wide plan to reduce greenhouse gas emissions and promote energy efficiency through a variety of initiatives and programs.

Reserve: A portion of fund balance that is designated for contingencies or emergencies, which generally has a policy dictating a minimum level.

Resolution: A special order of the City Council which has a lower legal standing than an ordinance.

Request for Proposal (RFP): An invitation for suppliers, often through a bidding process, to submit a proposal for a specific commodity or service.

Revenue: Income received during the fiscal year from taxes, fees, permits, franchises, interest, and intergovernmental sources.

Salaries and Benefits: A budget category which generally accounts for full-time and temporary

employees, overtime, and all employee benefits such as medical, dental, and retirement.

Services and Supplies: A budget category which accounts for expenditures that are ordinarily consumed within a fiscal year.

Sonoma County Energy Independence Program (SCEIP): A program that provides low interest loans to citizens and businesses wishing to make energy improvements to homes or properties.

Sonoma County Transportation Authority (SCTA): A group that acts as the county-wide planning and programming agency for transportation related issues, including securing funds, project oversight, and long-term planning.

Standardized Emergency Management System (SEMS): The State system for managing emergencies involving multiple jurisdictions and agencies.

Sonoma Marin Area Rail Transit Project (SMART): A project to install a passenger rail in San Francisco's North Bay, which aims to provide rail service along 70 miles of the Northwestern Pacific Railroad alignment, offering an alternative to driving.

Special Revenue Fund: A revenue fund used to account for the proceeds of specific revenue sources (other than special assessments, or for major capital projects) that are legally restricted to expenditures for specified purposes.

Structural Deficit: The permanent financial gap that results when ongoing revenues do not match or keep pace with ongoing expenditures.

Transfers In and Transfers Out: Movement of revenue out of one fund and into another. The recipient fund uses the money to cover the cost of services provided or to cover the cost of a contract between two funds.

Transient Occupancy Tax (TOT): A tax imposed on travelers who stay in temporary lodging facilities within the City.

Utility Users Tax (UUT): A tax charged by the City of Santa Rosa on the usage of electricity, gas, cable television, local non-cellular communications, and intrastate non-cellular communications.