



# **DRAFT Operations and Maintenance Budget Fiscal Year 2015-16**





## **CITY COUNCIL**

### **Mayor**

John Sawyer

### **Vice Mayor**

Chris Coursey

### **Council Members**

Erin Carlstrom

Julie Combs

Ernesto Olivares

Tom Schwedhelm

Gary Wysocky

### **City Manager**

Sean McGlynn

### **City Attorney**

Caroline Fowler

**PROPOSED FY 2015-16  
OPERATIONS AND MAINTENANCE BUDGET**

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### **Budget Team**

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| Shelley Reilly  | Principal Financial Analyst |
| Jim Arend       | Financial Analyst           |
| Veronica Conner | Financial Analyst           |
| Arvin Look      | Financial Analyst           |

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|                  |                           |
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| Deborah Lauchner | Chief Financial Officer   |
| Jerilyn Holm     | Administrative Technician |
| Jill Scott       | Administrative Analyst    |

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### **Finance**

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### **Fire**

Leffler Brown

### **Human Resources**

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### **Information Technology**

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### **Police**

Megan Basinger

### **Recreation and Parks**

Jason Parrish

### **Santa Rosa Water**

Linda Reed

### **Transportation Public Works**

Renee Young and Jodi Frost

# FY 2015-16 Budget Award



GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished  
Budget Presentation  
Award*

PRESENTED TO

**City of Santa Rosa  
California**

For the Fiscal Year Beginning

**July 1, 2014**

Executive Director

The Government Finance Officers Association of the United States and Canada (GFOA) presented a Distinguished Budget Presentation Award to the **City of Santa Rosa, California** for its annual budget for the fiscal year beginning July 1, 2014. In order to receive this award, a governmental unit must publish a budget document that meets program criteria as a policy document, as an operations guide, as a financial plan, and as a communications device.

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

The City of Santa Rosa has received the Distinguished Budget Award ten times since July 1, 2005.



July 1, 2015

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

I am pleased to submit the Fiscal Year (FY) 2015-16 Operations and Maintenance Budget for the City of Santa Rosa. Overall, a number of guiding principles were used to develop this budget, including: ensuring that the City operates within its means; developing long-term sustainability through understanding core services; making strategic investments to bolster the local economy, enhance service delivery, and foster transparency and community engagement, and to improve customer service.

The proposed FY 2015-16 budget totals \$356.2 million across all funds, representing a -0.1%, decrease over the prior year adopted budget. There is \$312.9 million of operational costs representing a 4.8% increase over the prior year and \$43.3 million of capital project investment in the community.

In April 2015, the City Council agreed to maintain their current Council Goals, with some slight modifications, and to add new priorities. In addition, the Council Goals will be implemented through a new work plan format with strategic objectives and performance measures. The Council Goals for 2015-2017 are:

1. Create a Strong, Sustainable Economic Base
- 2a. Promote a City Organization that is Service-Sustainable and Maintains Employee Morale
- 2b. Financial Sustainability
3. Provide Leadership for Environmental Initiatives
4. Maintain and Enhance our City's Cultural, Historical and Recreational Assets
5. Improve Partnerships Between Neighborhoods, Community Organizations, Schools and the City to Support and Promote Thriving, Inclusive, and Diverse Neighborhoods
6. Commit to Making Santa Rosa a Healthy Community Where People Feel Safe to Live, Work, and Play

### **FY 2015-16 Budget Summary**

This budget was developed with the cautious optimism that the local economy will continue to rebound. As a whole, General Fund revenue continues to show growth, especially sales tax. The City is cautious, however, in how long the growth will be sustained. The FY 2015-16 General Fund budget has been developed with the emphasis on continuing the process of achieving stability for the core services now provided to the community. General Fund departments were given direction to prepare budgets that would maintain existing operations even if the cost to do so has increased. Non-General Fund departments were directed to prepare budgets that could be supported through their revenue sources.

The City will continue to evaluate its service-delivery model. This is represented in the FY 2015-16 budget through continuing programs that were adopted by the City Council through a mid-year budget adjustment in March 2015. These service-enhancing initiatives are highlighted by the funding of six positions

# City Manager's Budget Transmittal

previously cut from the Recreation and Parks budget; funding the design and construction of the Santa Rosa Service Hub at 655 First Street; and re-energizing streetlights previously turned off as a cost-cutting measure during the recession.

The General Fund budget is highlighted because it is where many of the core services reside, relies upon funding from sources that respond to the overall health of the economy, and accounts for \$136.6 million or 38% of the total City budget. The General Fund revenue for FY 2015-16 is estimated at \$138.8 million in revenue in addition to \$2.7 million of transfers-in for a total of \$141.5 million. Expenditures are estimated at \$136.6 million with transfers-out of \$4.9 million, totaling \$141.5 million. This means the proposed General Fund budget will be balanced for FY 2015-16.

The City continues to experience steady economic recovery. Increasing revenues are driven primarily by growth in sales tax, bolstered by both retail sales and new car sales. Sales Tax also continues to be augmented in the amount of approximately \$8 million by Measure P, a quarter-cent general Sales Tax increase passed by the voters in 2010. In addition, the City is experiencing growth in Property Tax and Real Property Transfer Tax, as well as growth in building and construction-related revenue. Some of this revenue is a result of increased fees for building permits and other related services.

While this information is positive, it is tempered by projections of Property Tax revenues plateauing for future years, and the perceived inability for new car sales to continue to drive Sales Tax increases. We are projecting a loss of approximately \$.7 million in Utility User Tax (UUT) revenue. This is due to a change in the IRS code that restricts the City from collecting UUT on certain telephone services. Additionally, Measure P expires in March 2019, leaving a significant gap in General Fund revenue.

On the expenditure side, approximately 78.6% of the General Fund budget is comprised of personnel costs due to the fact that public services are directly delivered through personnel at the counter and in the field. The year over year increase of \$8.6 million in the Salary and Benefit categories of the budget reflect adding back some positions that were cut during the recession, salary increases set forth in the Memoranda of Understanding (MOU) for the City's bargaining units, and increases in benefit costs, primarily in healthcare and pension costs. General Fund services and supplies show a decrease of almost \$1 million compared to last year's adopted budget. This is due to a one-time shift of budget from the services and supplies category (Professional Services line item) to the salary category as a result of labor negotiations.

The City, working with all employee groups, put in place several actions in recent years that are controlling some of these costs. These actions continue in this budget and will be in place moving forward. They include: adoption of reduced tiers of pension benefits for new employees; employee cost sharing of pension costs; and the redesign of healthcare plans with increased cost sharing. CalPERS has instituted their plan for curtailing the volatility of pension costs, and has provided notice to the City of pension costs for the next five years. While the pension costs increases are significant, the City has some measure of certainty of those costs when planning for future budgets. Going forward, the City and its employees will continue to work together to face the challenges of addressing the costs of providing core services to the community while crafting fair and competitive employee compensation plans for wages and benefits.

Outside the General Fund, the Santa Rosa Water budget and the Non-Enterprise Capital Improvement Program budgets account for the majority of the remaining citywide expenditure budget increase. The budget for Santa Rosa Water incorporates an approximately \$8 million decrease for FY 2015-16 over the previous year, driven primarily by a reduction in the Department's Capital Improvement Program and operating project accounts over \$11.7 million. This decrease is a result of no bond funding scheduled for



# City Manager's Budget Transmittal

FY 2015-16. Non-Enterprise Capital Improvement Program budgets include funding for pavement management, transportation, bike/pedestrian and ADA improvements, and street light replacement among other projects.

Highlights of the FY 2015-16 budget include:

- Maintenance of existing programs / operations for core services
- Funding of critical department needs to stabilize core services
- Maintenance of General Fund reserves at 15% of expenditures pursuant to Council policy
- Continuing to address long-term unfunded obligations such as pension liabilities, deferred maintenance of City facilities, and Measure O baseline funding within fiscal abilities
- Funding \$43.3 million of Capital Improvement Projects including major Water and Wastewater projects, ADA upgrades and road improvements

## **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 Plan. Departmental sections state the department's mission and outline 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 Deborah Lauchner, and the Budget and Financial Planning team in the Finance Department: Alan Alton, Shelley Reilly, Jim Arend, Veronica Conner, Arvin Look, and Jerilyn Holm. Collectively they provide tremendous resource and expertise coordinating the city-wide 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 2014-15 Fiscal Year Budget.

## **Conclusion**

While it is good news that the City's overall financial position continues to stabilize in modest ways and we are able to begin to address some of the most critical needs identified, it is important for the City to continue to focus on strategies for cost control/reduction and service efficiencies. Long-term sustainability of City core services and programs and the ability to improve service levels remains a priority. We continue to make progress in important areas embodied in the Council's Goals. The more notable accomplishments include:

- Approved the Winder Shelter Bed Program and Samuel Jones Hall which added 50 beds
- Allocated \$1 million of General Fund funding to sponsor the development of 79 affordable housing units at the Crossroads Project
- Approved numerous capital projects for bicyclists and pedestrians
- Approved numerous street and paving projects

# City Manager's Budget Transmittal

- Approved the creation of a Community Engagement Director position as recommended by the Open Government Taskforce
- Approved the use of one-time funds for a variety of community enhancements such as the Open Door Initiative; Bayer Park and Garden; Prince Gateway Splash Pad; Street Light Re-energizing Program and the City Website Redesign
- Approved the Public Arts Master Plan
- Approved the Sonoma County Landfill Agreement
- Adopted the Restructured Water and Sewer Connection Fees

The City is also grateful for the tremendous participation of residents as we develop online survey tools, and solicit feedback from the community as we develop the budget. We are committed to investigating new ways to make it easier for the public to participate in budget development and are committed to carrying out the recommendations from the Open Government Taskforce. Many of those priorities were aligned with ongoing and expressed Council Goals for the immediate future and influenced the final outcome of priority spending contained within the budget. I look forward to working together on solutions that will continue making Santa Rosa a great place to live and do business.

Sincerely,

A handwritten signature in blue ink, appearing to read "Sean McGlynn".

Sean McGlynn, 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 their 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, 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 in FY 2015-16.

This section also includes a segment detailing the City Council's goals. Every two years, the Council meets to develop its goals for the coming two-year 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 circles in each department's section next to the FY 2015-16 Strategic Goals and Initiatives and the FY 2014-15 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 Public Safety and Violence Prevention program), a description of the budget process, budget calendar and budget survey results are also included in this section of the document.

### **City and Organization Overview**

This section contains a City-wide 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, City-wide staffing information, and a Long Range Financial Plan 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 City-wide 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 estimates for the previous fiscal year and the current year's budget.
- FTE Staffing Summary: This schedule provides a description of City-wide position changes, including a table showing five years of staffing levels for each department.
- Long Range Financial Plan: This schedule displays the current budget of the General Fund as well as forecasted revenue, expenditures, transfers and reserve balances for the next ten years.

## 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 by a circle with the number of the corresponding goal in the center.
- 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.
- 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.

# Guide to the Document

- 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 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 by a circle with the number of the corresponding goal in the center.
- 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 four columns. The first two listed as "Actual" are the expenditures for those fiscal years. The column listed "Budget", represents the adopted budget for that fiscal year. The last column entitled "Request", is the budget proposal as it was adopted by the City Council during the City's annual Budget Hearings.

## Appendix

This section contains budget, reserve, and other policies of interest; budget resolutions; and the City's annual Gann (Appropriations) Limit details.

## Glossary

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 fund (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.

# Guide to the Document

## **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.

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 at the end of this document.

# Budget Overview

## Introduction

Santa Rosa's Fiscal Year (FY) 2015-16 Operating and Capital Budget is \$356.2 million across all funds and is comprised of \$312.9 million of operational funding and \$43.3 million of capital project funding. While this represents a 0.1% decrease over the current FY 2014-15 adopted budget, Operations show an increase of 4.8% while the Capital Improvement Program (CIP) budget actually decreased by 25.5%, as shown in the following table.

| <b>FUND TYPE</b>               | <b>FY 2014-15<br/>ADOPTED<br/>BUDGET</b><br><i>(in millions)</i> | <b>FY 2015-16<br/>PROPOSED<br/>BUDGET</b><br><i>(in millions)</i> | <b>\$ Dollar<br/>Increase/<br/>(Decrease)</b><br><i>(in millions)</i> | <b>%<br/>Increase/<br/>(Decrease)</b> |
|--------------------------------|--|---|---|---------------------------------------|
| General Fund                   | \$128.9  | \$136.6   | \$7.7   | 6.0%                                  |
| Enterprise Funds (non-CIP)     | 121.2  | 126.5   | 5.3   | 4.4%                                  |
| Enterprise Funds - CIP         | 43.4   | 33.2  | (10.2)  | -23.5%                                |
| Non-Enterprise - CIP           | 14.7   | 10.1  | (4.6)   | -31.3%                                |
| Housing Authority              | 26.7   | 27.6  | 0.9   | 3.4%                                  |
| Successor Agency to RDA        | 4.6  | 5.7   | 1.1   | 23.9%                                 |
| Special Revenue Funds          | 11.0   | 11.2  | 0.2   | 1.8%                                  |
| Other Funds                    | 6.1  | 5.3   | (0.8)   | -13.1%                                |
| <b>TOTAL</b>                   | <b>\$356.6</b>   | <b>\$356.2</b>  | <b>\$(0.4)</b>  | <b>-0.1%</b>                          |
|                                |  |   |   |                                       |
| <b>Operations (net of CIP)</b> | <b>\$298.5</b>   | <b>\$312.9</b>  | <b>\$14.4</b>   | <b>4.8%</b>                           |
| <b>CIP only</b>                | <b>\$58.1</b>  | <b>\$43.3</b>   | <b>\$(14.8)</b>   | <b>-25.5%</b>                         |

## General Fund

The City's General Fund projected FY 2014-15 ending reserve balance is \$30 million or 22% of expenditures which exceeds the Council Reserve policy target of no less than 15% of expenditures. The proposed FY 2015-16 General Fund budget is balanced and continues the goal of stabilizing core programs and City operations.

The FY 2015-16 General Fund expenditure budget of \$136.6 million can be broken down into three broad categories – Salaries & Benefits; Services & Supplies; and Operating Projects, with the Salaries & Benefits category representing \$107.4 million or 78.6% of the total General Fund budget. Services and Supplies account for another \$26.4 million or 19.3% of the total, with the remaining \$2.8 million or 2.1% representing operating projects in the General Fund. Increases over the FY 2014-15 adopted budget, by category, are as follows:

**General Fund Salaries & Benefits:** Increase of \$8.6 million or 8.7% over FY 2014-15 adopted budget. The major increases are in connection with new MOU's, 12.25 position additions and reclassifications, benefit cost increases – particularly for health insurance and retirement costs. Along with a reduction in salary & benefit charge-outs (charging outside the General Fund to CIP and other projects), these account for the remainder of the year over year increase in the category.

**General Fund Services and Supplies:** Decrease of \$0.4 million or 1.1% under FY 2014-15 adopted budget. The small reduction in this broad category includes increases in Utilities and Information Technology with offsetting decreases in Professional Services.

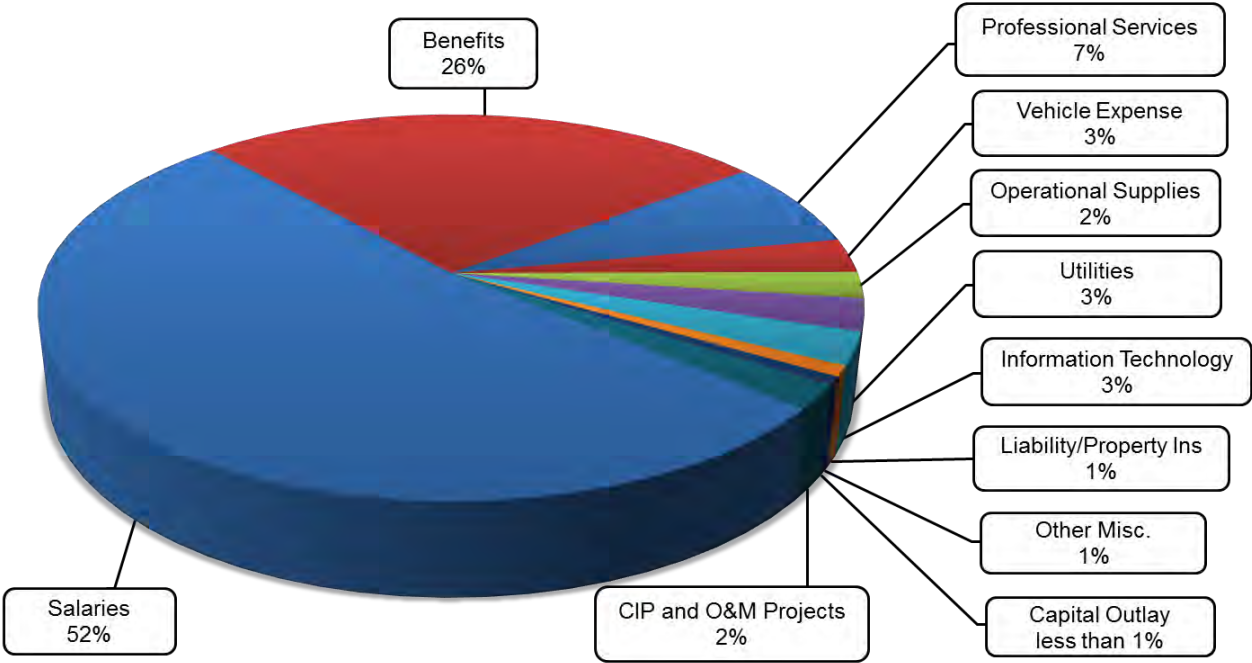
# Budget Overview

General Fund Projects: Showed a decrease of \$0.5 million or 15.2% under FY 2014-15 adopted budget. This decrease is made up of reductions in the following projects; RDA Dissolution, Revenue Audit Service, Economic Development Work Plan Initiative and Southeast Greenway Environmental Study.

## FY 2015-16 General Fund Budgeted Expenditures

| CATEGORY                     | EXPENDITURES<br><i>(in millions)</i> |
|------------------------------|--------------------------------------|
| Salaries                     | \$71.4                               |
| Benefits                     | 36.0                                 |
| Professional Services        | 10.0                                 |
| Vehicle Expense              | 3.9                                  |
| Operational Supplies         | 3.0                                  |
| Utilities                    | 3.7                                  |
| Information Technology       | 3.7                                  |
| Liability/Property Insurance | 1.2                                  |
| Other Miscellaneous          | 0.8                                  |
| Capital Outlay               | 0.1                                  |
| CIP and O&M Projects         | 2.8                                  |
| <b>TOTAL</b>                 | <b>\$136.6</b>                       |

## FY 2015-16 General Fund Expenditures – % by Category





# Budget Overview

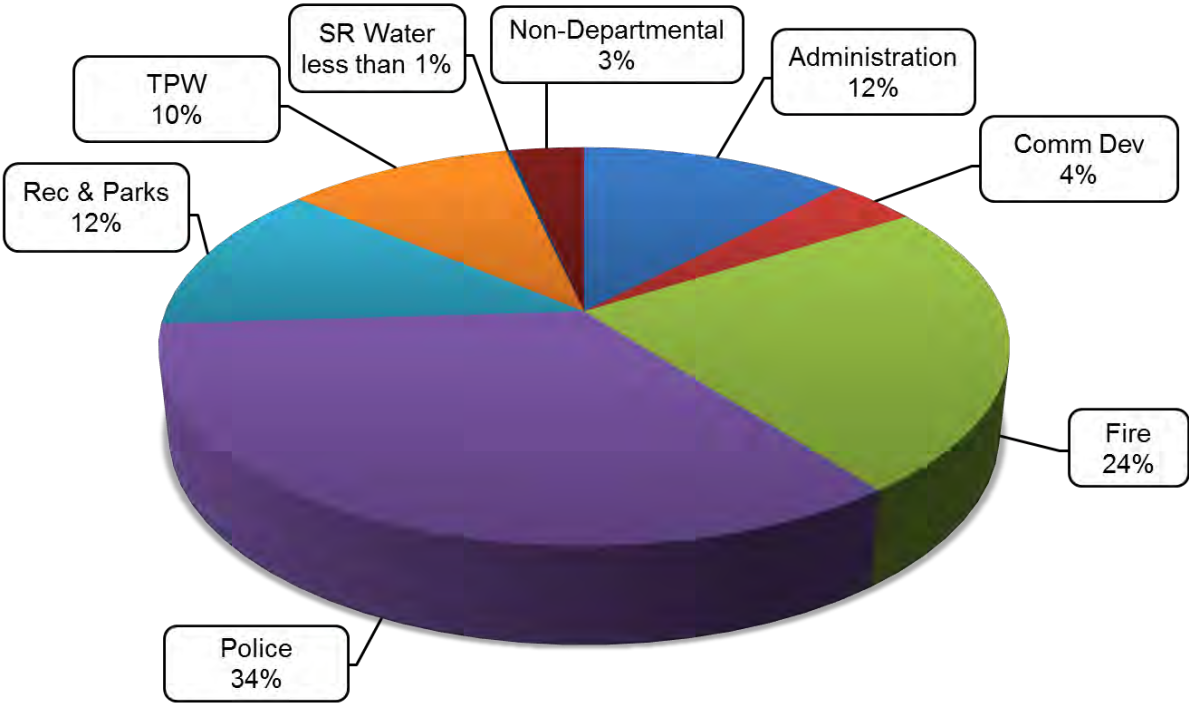
The General Fund FY 2015-16 expenditure budget of \$136.6 million reflects an emphasis on rebuilding and achieving stability for the core services provided to the community. As detailed above, this includes an increase in funding to stabilize permanent positions and ongoing operating expenditures, as well as increasing funding for known cost increases and urgent needs.

### FY 2015-16 General Fund Budgeted Expenditures

| DEPARTMENT                    | EXPENDITURES<br><i>(in millions)</i> |
|-------------------------------|--------------------------------------|
| Administration*               | \$16.5                               |
| Community Development         | 5.3                                  |
| Fire                          | 32.4                                 |
| Police                        | 46.9                                 |
| Recreation & Parks            | 16.7                                 |
| Transportation & Public Works | 14.0                                 |
| Utilities                     | 0.3                                  |
| Non-Departmental              | 4.5                                  |
| <b>TOTAL</b>                  | <b>\$136.6</b>                       |

\*Administration departments include City Attorney, City Council, City Manager, Finance and Human Resources.

### FY 2015-16 General Fund Expenditures – % by Department



General Fund revenues are expected to finish FY 2014-15 at \$136.6 million. After two years of significantly declining revenues in FY 2008-09 and FY 2009-10, the past five years have seen a gradual recovery in base General Fund revenues. This recovery has been aided with the passage in November 2010 of Measure P, a quarter-cent general sales tax measure in effect for eight years (expires March 31, 2019), that will generate approximately \$8.4 million in the upcoming year.

# Budget Overview

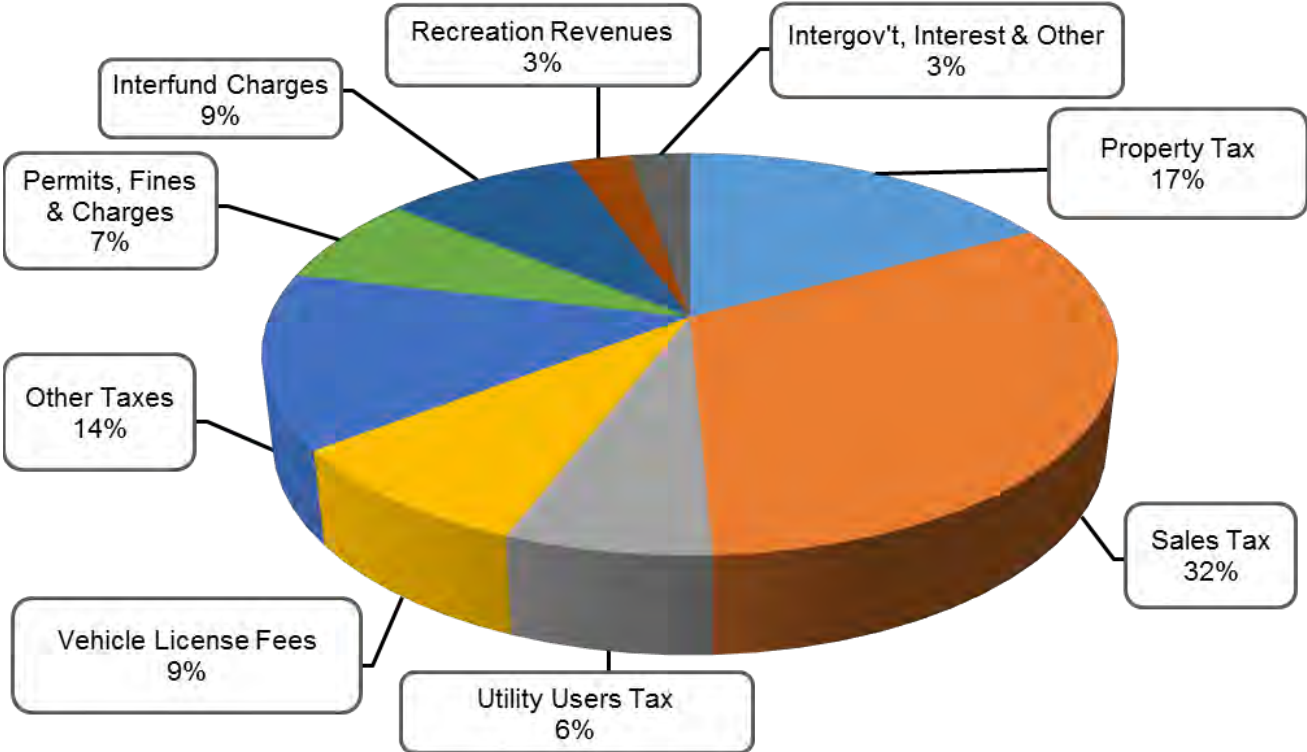
FY 2015-16 revenues are estimated at \$138.8 million, an increase of 1.6% over the FY 2014-15 estimate. Per the chart below, Sales and Property Tax are the two largest revenue sources for the City's General Fund, together accounting for 49.3% of General Fund revenue. Sales Tax also accounts for the largest portion of the year over year revenue growth, providing an estimated additional \$1.7 million of revenue in FY 2015-16.

Other tax revenues such as Utility Users Tax, Franchise Fees, Transient Occupancy Tax and others are projected to experience growth in FY 2015-16 ranging from 0% to 4%. Except for Use Tax-Telephone which is projected to drop by 50% based on recent federal legislation. For more information on General Fund revenues, please see the City Revenues table/narrative in the Summary Financial Information section of this document.

### FY 2015-16 General Fund Budgeted Revenues

| SOURCE                              | REVENUES<br><i>(in millions)</i> |
|-------------------------------------|----------------------------------|
| Sales Tax                           | \$44.7                           |
| Property Tax                        | 23.8                             |
| Utility Users Tax                   | 9.1                              |
| Other Taxes                         | 19.5                             |
| Vehicle License Fees                | 12.0                             |
| Permits, Fines and Charges          | 10.0                             |
| Recreation Revenues                 | 3.8                              |
| Interfund Charges                   | 12.1                             |
| Intergovernmental, Interest & Misc. | 3.8                              |
| <b>TOTAL</b>                        | <b>\$138.8</b>                   |

### FY 2015-16 General Fund Revenues – % by Source



# Budget Overview

## Enterprise Funds

As noted in the fund chart at the beginning of this overview section, the enterprise funds budgets include both operational (\$126.5 million) and CIP (\$33.2 million) elements. The Utilities Enterprise Funds (Water, Local Wastewater and Subregional Wastewater) make up the vast majority, \$133.6 million of the \$159.7 million enterprise funds budgets. In the Utilities funds, the year over year decrease of \$8.6 million is driven primarily by a decrease in the department's Capital Improvement Program budget since no bond proceeds were available this year.

In addition to the Utilities funds, enterprise funds include the Golf Course, Parking, Transit and Storm Water Funds. The Golf Course fund had a decrease of \$397K in expenditures, due primarily to the decision not to transfer funds from the General Fund to cover the Golf Course debt service this year. This resulted in a decrease in Golf Course Capital Improvements in FY 2015-16. The Parking fund had an increase of \$1.1 million in expenditures, primarily due to a Council-directed project to install solar photovoltaic energy systems on parking garage rooftops. The Transit fund expenditures increased by \$2.7M, primarily due to the anticipated purchase of four new buses. The Storm Water fund had an increase in expenditures of \$321K over the prior year. Base operating costs for the Storm Water funds are up \$221K mostly related to salaries and benefits, and the projects budget is up \$100K for FY 2015-16.

## Housing Authority & Successor Agency to the Redevelopment Agency

The majority of the Housing Authority's proposed FY 2015-16 \$27.6 million budget is related to funding for the \$19.7 million Housing Choice Voucher program. This program also accounts for the majority of the \$872K year over year increase in the Housing Authority budget with the remainder coming from a \$387K increase in affordable housing loans. The \$5.7 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).

## Special Revenue Funds

The Special Revenue Funds FY 2015-16 budget of \$11.2 million is comprised of the following:

\$ 8.3 million - Measure O

\$ 0.9 million - Economic Development Fund (including the City Tourism BIA)

\$ 0.3 million - Neighborhood Revitalization Program

\$ 0.7 million - Homeless Shelter Operations funding

\$ 0.4 million - Community Development Administrative Hearing Fund

\$ 0.6 million - Other Funds including AB434 Funds (Transit) & Mobilehome Rent Stabilization

## Other Funds

Other Funds include Capital Improvement Program Funds with a budget of \$10.1 million, non-enterprise Debt Service Funds with a budget of \$5.0 million and Trust Funds with a budget of \$0.2 million.

## Full-Time Equivalent Discussion

The FY 2015-16 budget has a total proposed staffing count of 1,249.65 FTE across all funds. Last year in FY 2014-15, the City's staffing levels began to stabilize after four years of significant reductions in authorized positions. In the FY 2015-16 proposed budget, staffing levels increased by 10.25 FTE or 0.8% over FY 2014-15, with the majority of the increases occurring in the Recreation & Parks and Community Development departments.

The City Manager's Office is adding 3.0 FTE positions, the Community Development Department is adding 3.25 FTE's, the Recreation & Parks department is adding 8.0 FTE's, SR Water is adding 4.0 FTE's, the Economic Development & Housing department is reducing 5.0 FTE's in Parking, the Transportation and Public Works Department is reducing 5.0 FTE's For a more detailed position discussion, see the FTE Staffing Summary under the Summary Financial Information section.

# Budget Overview

## **Long Range Financial Plan**

The first draft of the redesigned Long Range Financial Plan (LRFP) was presented to the Long Range Financial Committee in April 2015. The LRFP is intended to serve as a tool for financial planning and decision making in the years ahead, and the City aims to update this plan annually. The LRFP is a ten-year forecasting model for the General Fund. This plan should be considered a working document that will constantly change as trends begin to develop. For informational purposes, portions of the LRFP are included in under the Summary Financial Information section.

## **Conclusion and Future Challenges**

The fiscal outlook for the City is showing continued growth, and as such the FY 2015-16 General Fund budget has been developed with the emphasis on continuing the process of achieving stability for the core services now provided to the community. General Fund departments were given direction to prepare budgets that would maintain existing operations even if the cost to do so has increased. The City will continue to evaluate its service-delivery model and work toward instituting programs that will advance the Council Goals. This is represented in the FY 2015-16 budget through continuing programs that were adopted by the City Council through a mid-year budget adjustment in March 2015.

The City will continue to face challenges balancing the needs of the community with the cost to provide that service. General Fund revenue continues to grow, but some specific General Fund revenue sources will most likely not sustain their current rates of growth. Sales Tax is augmented by a voter-approved general tax that is set to expire in 2019, causing an estimated \$8 million funding gap. Pension and healthcare expenditures, while curtailed through cost sharing efforts of the City and its employees, continue to rise. Continued long-range planning and cooperation between the City, employee groups, and the City Council are necessary to meet these challenges.

# 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 a five-year period. The first year of the CIP is known as the Capital Budget. Each year, the City Council appropriates funding for the Capital Budget only, and approves years two through five on a planning basis.

The CIP process begins in December with the release of preliminary estimates of available CIP funds. The CIP is funded by a variety of sources, including the General Fund, Gas Tax, Federal and State Grant Funds, Development Impact Fees, Park Development Fees, and Enterprise Fund funding. Of these funding sources, the General Fund and Gas Tax can be used on the widest array of projects. Other funding sources, such as Development Fees, have specific, legally restricted uses.

In compliance with the City Charter, the City Council holds a public hearing during the first quarter of each calendar year to solicit budget priorities from the community. For a second consecutive year, the City conducted an online public survey to solicit input on budget priorities including Capital Improvement Projects. The survey results, in conjunction with public input given directly to the City Council, City Manager, and staff, are evaluated and prioritized based on need and the amount of funding available. The CIP proposed budget is then subjected to a number of reviews; first, by the City Manager's Office, the Board of Public Utilities to review water, local wastewater and subregional projects, then the full City Council for a preliminary review during the May budget study sessions. After the study sessions, the CIP is reviewed by the Planning Commission for General Plan consistency and an environmental review, and once again is submitted to the City Council for consideration and approval during the budget hearings in June.

## **FY 2015-16 CIP**

The total proposed budget for the five-year CIP is approximately \$226 million. Of this amount, the FY 2015-16 Capital Budget is approximately \$43.3 million. The emphasis in the FY 2015-16 CIP is funding of projects (subject to funding constraints), that can be designed and built in a short time span to best take advantage of the competitive bidding climate, resulting in lower construction and overall project costs. Additionally, as always, the City continues to actively seek regional, state, and federal grant funding for capital improvement projects.

## **General Fund Overview**

General Fund projects proposed as part of the FY 2015-16 Capital Budget total approximately \$2.1 million. The majority of this amount (\$1.2M) is devoted to facility improvements to provide access for disabled persons in compliance with the Americans with Disabilities Act (ADA) and in accordance with the City's settlement agreement with the Department of Justice. Cumulative prior year funding of this project is approximately \$5M with estimated total project funding of approximately \$11M. The other FY 2015-16 projects include the light-emitting diode (LED) Street Lighting Replacement project (\$0.6M), Groundwater investigation projects for Garage 9 and City Hall Annex buildings (\$0.2M), Pre-Design/Planning to support future CIP budget development (\$50K), and Lighting Upgrades for park and recreation facilities to conserve energy and reduce electrical costs (\$12K). In years two through five of the CIP, there are approximately \$15.3M of unfunded General Fund projects. These projects are significant in that they illustrate the unmet needs of the City's infrastructure. Many of these projects would typically be funded by the General Fund, but due to funding limitations relating to the City's economic conditions, these projects are identified but may not be funded in the foreseeable future.

# Capital Improvement Program (CIP)

## Summary of CIP Projects by Department

The three departments that manage most of the nearly \$43.3 million Capital Budget are Transportation and Public Works, Santa Rosa Water, and Recreation & Parks. Detailed information about those three departments' proposed CIP immediately follows. The other departments requesting funding this year are the Fire Department and the Economic Development and Housing Department. The Fire Department is proposing \$471,947 of funding for Fire Training Center facility improvements and planning and repayment of a loan for the Southwest Fire Station. The Parking division of Economic Development and Housing Department is proposing \$1,602,448 of funding for solar projects on parking garages and parking meter replacement.

## Transportation and Public Works

The Transportation and Public Works Department's Capital Improvement Program (CIP) budget for FY 2015-16 is nearly \$7.0 million, approximately 27% lower than last year. Last year's CIP was higher due to more available funding from Development Fees, Gas Tax and the one-time use of In-lieu Fees. The \$7.0 million of Transportation and Public Works funding is allocated to projects that can be summarized in four overlapping categories: Pavement Management, Traffic Safety and Transportation, Bike/Pedestrian/ADA, and Drainage. There are also projects for reimbursements to developers for certain public works infrastructure constructed, Materials Lab equipment, ground water investigations and others that do not fit into the four main categories.

The Transportation and Public Works budget emphasizes pavement maintenance, traffic safety, street lights and street capacity this fiscal year. There is \$2.9 million (approximately 41% of the total Transportation and Public Works CIP request) scheduled strictly for pavement rehabilitation. Pavement rehabilitation includes overlay, slurry seal, repairs, and preventive maintenance. It should be noted that the funding requested is well below the estimated \$12 - \$15 million of funding necessary to maintain the City streets in an overall condition of "Good", as rated by the City's Pavement Management Program.

Another largely funded category for FY 2015-16 is Traffic Safety and Transportation projects related to improving traffic circulation as well as traffic safety. Funding for these projects is almost \$1 million representing approximately 14% of the total budget request. These projects include street widening projects, traffic signal modifications, traffic signal interconnects and traffic calming.

Additionally, there is \$600,000 in funding allocated to the light-emitting diode (LED) street light replacement and re-energizing project, to continue to get street lights turned back on while saving energy. The City aims to turn on all street lights that were turned off or outfitted with timers by July 2016.

The Transportation and Public Works Department is targeting additional grants for FY 2015-16, continuing the Department's practice of aggressively pursuing grant funding. Additional grant funding is not included in this budget.

It should be noted that during the May 19, 2015 Budget Study Session, the City Council was presented with the option of programming approximately \$1.5 million of funding for five CIP projects. These projects included Pacific Avenue Reconstruction, Fulton Road Reconstruction, Citywide Street Overlay, Highway 101 Bike and Pedestrian Crossing, and Hoen Avenue Washout Repair. The City Council requested more information with the intention of programming the funding at a later date. As such, \$1.5 million of transportation related funding is being held in reserves and will be programmed in the future based on Council direction.

# Capital Improvement Program (CIP)

## **Santa Rosa Water**

The Santa Rosa Water Capital Improvement Program (CIP) is funded from demand fees and rate revenue. All demand fee revenue is used to help fund the CIP with the remainder of the program being funded by rates. Demand fees are intended to reflect the estimated reasonable cost of capacity in the systems and fee revenue is used to help pay for capacity needed in the systems to serve new development. Rate revenue repairs and replaces worn out infrastructure and brings existing infrastructure and appurtenances up to current regulations and standards as necessary.

The Water fund ended fiscal year 2013-14 with a reserve balance above target levels. The Board of Public Utilities recommended a one-time expenditure of a portion of that fund balance increasing the FY 2015-16 CIP for the Water fund by \$3 million. Overall the Water CIP increased by approximately \$4 million (31%) with additional funding coming from Sonoma County Water Agency Local and Recycled Water Tier 2 funding. The Local Wastewater CIP remained level at \$12 million. The cash funded portion of the Subregional CIP increased by approximately \$0.6 million (40%) to approximately \$2.1 million, continuing the gradual build-up of cash funding strategy begun in FY 2014-15 in order to reduce the necessity of future bond funding.

The Water FY 2015-16 CIP budget is approximately \$17 million. 21% of Water CIP funding is allocated to emergency groundwater supply, water peak reduction, Advanced Metering Infrastructure installation, and other non-infrastructure projects and 79% is designated for projects to replace aging infrastructure. There are twenty-seven projects receiving new funding in the FY 2015-16 request. Approximately 10,000 feet of pipe is proposed to be funded for replacement.

The Local Wastewater FY 2015-16 CIP budget is \$12 million. 97% of funding is allocated for pipe and other aging infrastructure replacement projects, with 3% funding lift station refurbishment, wastewater use reduction and other non-infrastructure projects. There are twenty-six projects receiving new funding in the FY 2015-16 request. Approximately 2,700 feet of pipe is proposed to be funded for replacement.

The cash-funded Subregional FY 2015-16 CIP budget is approximately \$2.1 million. New projects include natural gas engine conversion, water efficient landscape upgrades, Geysers SCADA server upgrade, laboratory information management system replacement and NPDES compliance consultation services.

The Storm Water Enterprise FY 2015-16 CIP budget is \$624,601 this year. Creek restoration project funding includes Lower Colgan Creek Restoration (phases 1 and 2), City Hall Plaza Demonstration Garden, Paulin Creek Fish Passage, and various storm water creek restoration projects. Storm drainage project funding includes storm drain repair/replacement and rock removal at various locations.

## **Recreation & Parks**

The FY 2015-16 CIP budget request for Recreation & Parks totals approximately \$2.3 million, with \$1.1 million appropriated from Park Development Funds, \$1.2 million from the General Fund for ADA improvements and park/facility lighting upgrades, and \$46,500 from the Library Improvement Fund. Park Development fee-funded CIP projects include building up project fund accounts to make future improvements to Youth Community Park, Kawana Neighborhood Park, Colgan Bellevue Neighborhood Park, Kawana Springs Community Park, and Roseland Creek Community Parks. Proposed project funding also includes replacement of park play equipment at many parks, new construction at existing facilities including bathrooms and doors at the Steele Lane Community Center, an interactive water feature at Finley Aquatic Center, picnic areas at Doyle Community Park, and restrooms at Howarth Park.

# Capital Improvement Program (CIP)

## Project List by Department

Please find the following list of projects being funded in FY 2015-16. For more information on any of the projects listed below, please refer to the FY 2015-16 Capital Improvement Program budget document. It includes detailed information about each project, information on funding sources, projects in relation to City Council goals, ADA compliance and improvements, and General Plan consistency. Hardcopies of the FY 2015-16 CIP document are available at the City Manager's Office and Finance Department, and online at the Finance Department page on [srcity.org](http://srcity.org).

| <b>Project Number / Title</b>                            | <b>2015 – 16 Request</b> |
|--|--------------------------|
| <b>Department: Economic Development and Housing</b>      |                          |
| 45025 - Meter Replacement                                | \$55,000                 |
| 45208 - Garage Solar Project                             | \$1,547,448              |
| <b>Economic Development and Housing Department Total</b> | <b>\$1,602,448</b>       |
| <b>Department: Fire Department</b>                       |                          |
| 05040 - Repay-RDA Loan for SW Fire Station               | \$329,000                |
| 05050 - Fire Training Center Improvement                 | \$142,947                |
| <b>Fire Department Total</b>                             | <b>\$471,947</b>         |
| <b>Department: Recreation and Parks</b>                  |                          |
| 02034 - Misc Library Improvements                        | \$46,501                 |
| 09532 - Doyle Park Renovation                            | \$100,000                |
| 09558 - Youth Community Park                             | \$76,500                 |
| 09566 - Southwest Community Park                         | \$13,300                 |
| 09568 - Howarth Park Rehabilitation                      | \$164,650                |
| 09578 - A Place to Play                                  | \$84,200                 |
| 09595 - Southeast Play Equip Rehab                       | \$6,376                  |
| 09596 - Kawana School/Park Acquisition                   | \$26,850                 |
| 09597 - Northeast Zone Play Equipment                    | \$20,413                 |
| 09598 - Northwest Zone Play Equipment                    | \$39,691                 |
| 09600 - Steele Lane Community Center R                   | \$60,000                 |
| 09605 - Colgan Bellevue Park                             | \$4,500                  |
| 09608 - Southeast Community Park                         | \$84,375                 |
| 09632 - Finley Aquatic Center Water Feature              | \$165,250                |
| 09701 - Roseland Creek Park                              | \$200,200                |
| 09708 - ADA Settlement-Facilities Project                | \$1,200,000              |
| 09709 – Lighting Upgrades Parks/Facilities               | \$12,000                 |
| 09744 - SW Zone Play Equipment                           | \$12,738                 |
| <b>Recreation and Parks Department Total</b>             | <b>\$2,317,544</b>       |
| <b>Department: Transportation and Public Works</b>       |                          |
| 17014 - Slurry Seal Selected Streets                     | \$550,000                |
| 17015 - Sidewalk Program                                 | \$300,000                |
| 17016 - Street Overlay - Various Locations               | \$658,181                |
| 17017 - Traffic Signal Modification                      | \$80,000                 |
| 17116 – Slurry Seal Prep & Traffic Control               | \$375,000                |
| 17216 - Stony Point Rd from Hwy 12 to                    | \$750,000                |



# Capital Improvement Program (CIP)

|   |                    |
|---|--------------------|
| 17221 - Street Repair Associated with                   | \$500,000          |
| 17225 - Groundwater Investigation - Various             | \$100,000          |
| 17238 - Pavement Markings - Various Lo                  | \$85,000           |
| 17291 - Walkways for School Pedestrian                  | \$15,000           |
| 17305 - Temporary Traffic Calming Devi                  | \$10,000           |
| 17336 - Audible Pedestrian Signal Head                  | \$20,000           |
| 17341 - Pacific Avenue Reconstruction                   | \$300,000          |
| 17346 - McDonald Area Traffic Calming                   | \$50,000           |
| 17379 - Replace Wood Street Light Pole                  | \$40,000           |
| 17395 - Garage 9 - Groundwater investigation            | \$100,000          |
| 17432 - College Ave Widening-CalTrans                   | \$25,000           |
| 17450 - Contract Pvmt Preventive Maint                  | \$315,000          |
| 17476 - Insp Bridge Assets-Strct X                      | \$75,000           |
| 17477 - Pre Design Planning CIP                         | \$237,000          |
| 17483 - SMART Planning and Design                       | \$10,000           |
| 17495 - ROW Various Bike & Pedestrian                   | \$8,000            |
| 17496 - CIP Grant & Envrnmtl Support                    | \$10,000           |
| 17506 - Meritage Reimbursement-CFF                      | \$268,868          |
| 17508 - Signal Battery Backup                           | \$8,000            |
| 17531 - LED Street Light Replacement Prog               | \$600,000          |
| 17534 - Streetlight Wire Replacement                    | \$300,000          |
| 17540 - 3rd St Storm Wtr Pump Stn Upgrade               | \$80,000           |
| 17546 - Signal BikeVeh Detect Various                   | \$20,000           |
| 17547 - Montgry Dr SotoyomeSt SignalMod                 | \$400,000          |
| 17549 - Meritage Reimbursement-SEADIF                   | \$222,026          |
| 17554 - SMART Path(3rd-4th)                             | \$150,000          |
| 17555 - SMART BusTurnoutGuernevilleRd                   | \$300,000          |
| <b>Transportation and Public Works Department Total</b> | <b>\$6,962,075</b> |

## Department: SR Water Department

|   |             |
|---|-------------|
| 17502 - Paulin Creek Fish Psg @ Chanate   | \$25,000    |
| 54001 - Storm Water Drainage Improvement  | \$144,601   |
| 54004 - Storm Water Creek Restoration     | \$270,000   |
| 54007 - Lower Colgan Creek Rest. Phase 1  | \$40,000    |
| 54016 - Materials Lab Equip Replacement   | \$39,839    |
| 54021 - Storm Drain Rock Remvl-Variou Loc | \$10,000    |
| 54024 - Lower Colgan Creek Rest. Phase 2  | \$100,000   |
| 55407 - WMR Cleveland-Ridgway-Edwards     | \$480,000   |
| 55420 - W Suppny PIng-Urban W Mgmt PI     | \$100,000   |
| 55495 - Water Conservation Indoor Water   | \$143,633   |
| 55505 - Warranty Punchlist - Water        | \$23,600    |
| 55511 - Pre-Design - Water                | \$190,000   |
| 55517 - Water Project Litigation          | \$10,000    |
| 55523 - Groundwater Supply Development    | \$3,000,000 |
| 55527 - Water Peak Reduction              | \$200,000   |
| 55574 - Water CIP Contingency             | \$2,000,000 |
| 55596 - WMR Exchange & Hinton             | \$550,000   |
| 55606 - R9C Analysis Design Construction  | \$500,000   |
| 55667 - WMR:WhiteOakDrVal39-S13HFSZ       | \$540,000   |
| 55675 - AMI Feasibility Study             | \$2,680,000 |

# Capital Improvement Program (CIP)

|  |             |
|--|-------------|
| 55677 - R7AccessRoadStabilization        | \$1,900,000 |
| 55679 - WMR:MohawkSenecaYuma             | \$250,000   |
| 55698 - AMI/AMRImplementation-1675       | \$1,227     |
| 55699 - EnergyOptPlanProj:Water          | \$100,000   |
| 55702 - S13 Pump Station Upgrades        | \$1,100,000 |
| 55703 - WMR:JenningsHrbertToCleveland    | \$1,300,000 |
| 55705 - Booster Pump Westerly Zone 9     | \$150,000   |
| 55706 - CH Plaza Demnstrn Garden & LID   | \$25,000    |
| 55707 - Misc Minor Contracts - Water     | \$280,000   |
| 55708 - WMR: Oakmont-RivenRock-SCWA      | \$885,000   |
| 55711 - WM Replace:W 6th St at Madison   | \$75,000    |
| 55714 - WMR: Chanate at Mendocino        | \$50,000    |
| 55715 - Hydropneumatic Tank - S5         | \$500,000   |
| 55719 - GeneratorEval-S16, S17, S18      | \$50,000    |
| 55722 - SeismicEval-Reservoirs16 and17   | \$100,000   |
| 70363 - Install/Rehab Manholes           | \$100,000   |
| 70464 - Oversized Sewer Mains - City P   | \$200,000   |
| 70516 - Sewer Master Plan                | \$80,000    |
| 70517 - Trenchless Technology            | \$500,000   |
| 70553 - Warranty Punchlist - Sewer       | \$25,000    |
| 70556 - Pre-Dsgn,Plng,Bud&GIS-Sewer      | \$255,000   |
| 70560 - Local WW Project Litigation      | \$10,000    |
| 70579 - SM Replacements                  | \$25,000    |
| 70590 - Local WW CIP Contingency         | \$1,000,000 |
| 70620 - CCTV/Sonar Trunk SM Inspection   | \$100,000   |
| 70621 - W College Pond 2 Decommissioning | \$50,000    |
| 70622 - SMR Exchange & Hinton            | \$600,000   |
| 70640 - N Trunk S Repalce W of Chanate   | \$1,500,000 |
| 70669 - Wastewater Planning              | \$75,000    |
| 70670 - Wtr Conse Indoor Wtr Use Effic   | \$100,000   |
| 70728 - AMI/AMR Meters-Sewer             | \$800,000   |
| 70734 - SMR:Jennings at Range            | \$150,000   |
| 70735 - WCollegeWetWeatherEqualProj      | \$2,000,000 |
| 70736 - SMR:Wiljan Ct                    | \$1,200,000 |
| 70738 - LosAlamosTR:ElainetoMelita       | \$1,300,000 |
| 70743 - Misc Minor Contracts -Sewer      | \$430,000   |
| 70748 - SM Reversal: Roberts Ave         | \$700,000   |
| 70749 - SMR: W 6th St at Madison         | \$250,000   |
| 70750 - Montgomery Bridge SM ProMadison  | \$250,000   |
| 70751 - Remove Bluebell Siphon           | \$220,000   |
| 70752 - SMR: Pacific Ave W of North St   | \$80,000    |
| 86384 - SubreglPlantAltEnergyOpptys      | \$50,000    |
| 86489 - LTP On-Call Contractor           | \$300,000   |
| 86522 - OngoingSubregionalSystemUpg      | \$24,174    |
| 86523 - Plant Paving Rehabilitation      | \$150,000   |
| 86524 - SubrAssetMgmtImplementation      | \$50,000    |
| 86545 - Brown Farm Drain to Llano Trunk  | \$100,000   |
| 86551 - NPDES Cmplnce ConsulSvcs         | \$100,000   |
| 86557 - LTP Onsite Diversion System      | \$100,000   |
| 86558 - NatlGasEngineConv-CHP Facility   | \$900,000   |

# Capital Improvement Program (CIP)

|   |                     |
|---|---------------------|
| 86559 - Water Efficient Landscape Upgrade | \$50,000            |
| 86564 - Geysers SCADA Servers Upgrade     | \$100,000           |
| 86565 - Lab Info Mgmt Sys Replacement     | \$200,000           |
| <b>SR Water Department Total</b>          | <b>\$31,937,074</b> |

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|  |                     |
|--|---------------------|
| <b>Total FY 2015-16 CAPITAL BUDGET REQUEST</b> | <b>\$43,291,088</b> |
|--|---------------------|

## Conclusion

As in recent years, the FY 2015-16 CIP proposed 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 of 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.

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# 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; unique neighborhoods working together to connect and engage; breathtaking open space, creeks, and greenbelts; clean air and water; a multimodal transportation infrastructure to efficiently and safely move about the region; 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, and budgetary and service delivery concerns.

To address the diverse needs and challenges facing our community, the City Council provides policy direction based on a set of goals designed to bring out the best in Santa Rosa. In 2007-08, the City developed and adopted the Santa Rosa 2030 Vision with a strategic framework that includes addressing the following areas: creating a vital downtown; thriving, diverse, healthy, and safe neighborhoods; open space and recreational activities; creating additional transportation alternatives; more inclusive community; delivering a safe and efficient transportation system; developing regional gang prevention and intervention programs; maintaining a leadership role in the region for environmental initiatives; promoting a healthy and growing economic base; and providing resources for seniors and youth.

Every two years, the City Council meets to brainstorm and develop goals and strategic objectives to help prioritize and focus the City's resources on its most important issues. The Council and Executive Staff meet in February for the City Council Leadership and Strategic Goals Setting Workshop to develop the City Council Goals and Strategic Objectives. The current goals and objectives listed below were adopted by the City Council on April 21, 2015.



# City Council Goals

## 2015-2017 City Council Goals Strategic Objectives and Performance Measures:

### 1 Create a Strong, Sustainable Economic Base

#### Performance Measures:

1. Implement Downtown Economic Development Initiatives
2. Evaluate Housing Initiatives
3. Implement Parking District Economic Development Initiatives
4. Implement key components of the Economic Development Strategic Plan
5. Determine guidelines for evaluating requests for Community Impact Reports
6. Explore Project Labor Agreements
7. Implement Open Door Initiative



### 2A Promote a City Organization that is Service-Sustainable and Maintains Employee Morale

#### Performance Measures:

1. Investigate new opportunities to enhance employee morale
2. Review Council, Board and Commission roles, duties and responsibilities

### 2B Financial Sustainability

#### Performance Measures:

1. Explore impacts and changes to ballot funding options
2. Develop funding plan for long-term unfunded liabilities, including labor and infrastructure, to achieve fiscal sustainability
3. Explore two-year Financial Plan
4. Investigate Local Preference Ordinance

### 3 Provide Leadership for Environmental Initiatives

#### Performance Measures:

1. Improve our transportation network to reduce vehicle miles traveled and promote multi-modal transportation
2. Establish Santa Rosa as a leader in Resource Recovery
3. Develop a target for energy independence and GHG reduction
4. Review urban open space plans and improve creeks and other watersheds
5. Support green waste collection for multi-family dwellings



# City Council Goals

## 4. Maintain and Enhance our City's Cultural, Historical, and Recreational Assets

### Performance Measures:

1. Support efforts of Southeast Greenway Campaign
2. Promote Santa Rosa's history
3. Implement Public Arts Master Plan

## 5. Improve the Partnerships between Neighborhoods, Community Organizations, Schools, and the City to Support and Promote Thriving, Inclusive, and Diverse Neighborhoods

### Performance Measures:

1. Implement Open Government Task Force recommendations
2. Develop new five-year Violence Prevention Partnership Strategic Plan
3. Establish Legislative Agenda
4. Complete the Specific Plan for Roseland Annexation and consider annexation of other County areas in southwest and southeast Santa Rosa



## 6. Commit to Making Santa Rosa a Healthy Community Where People Feel Safe to Live, Work, and Play

### Performance Measures:

1. Clarify City's role in homelessness
2. Expand Smoking Ordinance for public/private places
3. Review and adjust reductions to Streetlight Program and assess new technology
4. Support Emergency Preparedness of residents and City staff
5. Continue Design and Environmental Review to study possible implementation of bicycle and pedestrian bridge at Highway 101 crossing near vicinity of Jennings to SRJC
6. Explore Living Wage Ordinance
7. Evaluate Mobilehome Park Rent Control
8. Evaluate potential service agreement with Rincon Valley Fire
9. Evaluate Code Enforcement role in the City
10. Evaluate potential for City ordinance to regulate use of replica firearms
11. Explore regulations regarding alternative car services

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# 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 this tax has averaged approximately \$7.4M annually over the past 11 years. Revenues for FY 2015-16 are budgeted at \$8.9M.

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; four interim fire stations in various locations throughout the City, including the Southwest area; and violence prevention and youth programs run by the Recreation & Parks Department. Please follow this link to the Measure O Implementation Plan: <http://ci.santa-rosa.ca.us/doclib/Documents/FY%2013-14%20Measure%20O%20Implementation%20Plan.pdf>

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 2015-16 Measure O budget provides funding for positions consistent with the uses and purposes outlined in the Implementation Plan. All programs were subject to ongoing labor agreements that increased salaries and increased benefit costs in retirement and health insurance premiums. Total Measure O authorized positions for FY 2015-16 was 38.5 FTE; 10.0 in the Fire department, 19.0 in the Police department and 9.5 in Violence Prevention.

# Measure O Overview

The following budget highlights point out other activities for each program:

**Fire:** In FY 2015-16, the Fire department funded the following one-time costs of Advanced Life Support Equipment for \$35K and Battalion Chief Vehicles for \$225K. The Citizens Oversight Committee also approved a change to the Implementation Plan to fund the ongoing cost of the pay differential to place Paramedics on fire trucks which had an approximate cost of \$60K.

**Police:** For FY 2015-16, Police expenditures for Measure O remain at the same level as prior years. The only program change worth noting involves moving the Downtown Enforcement Office moved to a new location in the Museum on the Square.

**Violence Prevention:** Mid-Year 2014-15, an additional 1.0 FTE Community Outreach Specialist was authorized which is 100% funded by the CalGRIP grant. The expenditures for professional services and conferences decreased and the savings were used to increase the CHOICE grants and other program expenses.

# Measure O Overview

| <b>FIRE - MEASURE O:</b>                  | <b>FY 2015-16<br/>Proposed<br/>Budget</b> | <b>FY 2014-15<br/>Current<br/>Budget</b> | <b>Change</b>  |
|---|---|--|----------------|
| Salaries                                  | 1,545,573                                 | 1,536,878                                | 8,695          |
| Benefits                                  | 903,522                                   | 886,597                                  | 16,925         |
| Services and Supplies                     | 64,506                                    | 99,609                                   | (35,103)       |
| Administrative Overhead                   | 120,975                                   | 131,368                                  | (10,393)       |
| Capital                                   | 260,000                                   | -  | 260,000        |
| Total Operating                           | 2,894,576                                 | 2,654,452                                | 240,124        |
| Interim Fire Stations (CIP)               |   |  |                |
| Debt Service - Fountaingrove Fire Station | 367,727                                   | 367,727                                  | -              |
| <b>TOTAL FIRE - MEASURE O</b>             | <b>3,262,303</b>                          | <b>3,022,179</b>                         | <b>240,124</b> |

| <b>POLICE - MEASURE O:</b>      | <b>FY 2015-16<br/>Proposed<br/>Budget</b> | <b>FY 2014-15<br/>Current<br/>Budget</b> | <b>Change</b> |
|---------------------------------|---|--|---------------|
| Salaries                        | 2,018,176                                 | 1,910,569                                | 107,607       |
| Benefits                        | 1,168,345                                 | 1,187,253                                | (18,908)      |
| Services and Supplies           | 157,493                                   | 130,002                                  | 27,491        |
| Administrative Overhead         | 120,975                                   | 131,368                                  | (10,393)      |
| Capital - Vehicles              | -   | -  | -             |
| Total Operating                 | 3,464,989                                 | 3,359,192                                | 105,797       |
| Projects                        | 23,200                                    | 45,000                                   | (21,800)      |
| <b>TOTAL POLICE - MEASURE O</b> | <b>3,488,189</b>                          | <b>3,404,192</b>                         | <b>83,997</b> |

| <b>VIOLENCE PREVENTION - CMO and R&amp;P<br/>MEASURE O:</b> | <b>FY 2015-16<br/>Proposed<br/>Budget</b> | <b>FY 2014-15<br/>Current<br/>Budget</b> | <b>Change</b>  |
|---|---|--|----------------|
| Salaries  | 770,981                                   | 737,398                                  | 33,583         |
| Benefits  | 268,813                                   | 245,086                                  | 23,727         |
| Services and Supplies                                       | 168,442                                   | 254,048                                  | (85,606)       |
| Grants Program  | 599,650                                   | 453,800                                  | 145,850        |
| Administrative Overhead                                     | 60,488                                    | 65,684                                   | (5,196)        |
| Total Operating   | 1,868,374                                 | 1,756,016                                | 112,358        |
| <b>TOTAL VIOLENCE PREV - MEASURE O</b>                      | <b>1,868,374</b>                          | <b>1,756,016</b>                         | <b>112,358</b> |

|                                    |                  |                  |                |
|------------------------------------|------------------|------------------|----------------|
| <b>TOTAL - ALL MEASURE O FUNDS</b> | <b>8,618,866</b> | <b>8,182,387</b> | <b>436,479</b> |
|------------------------------------|------------------|------------------|----------------|

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# 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 high-level 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.

Early in the process, the City Council holds a public hearing to solicit information from Santa Rosa residents on their budget priorities. The City also conducts an online Budget Priorities Survey that is available to the public from early January through the end of February. The survey results are provided to the departments for use in developing the budget. In February and March, departments prepare their operations and maintenance budgets based on the budget guidelines, public feedback, 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 makes adjustments as needed. The proposed budget requests are reviewed by the full Council during study sessions in 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.

Throughout the year, Budget and Financial Planning staff presents financial updates to the Council and the public, including the Long Range Financial Plan information. During those updates, it's discussed 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, the City Manager and departments are constantly monitoring the budget throughout the year.

# Budget Calendar

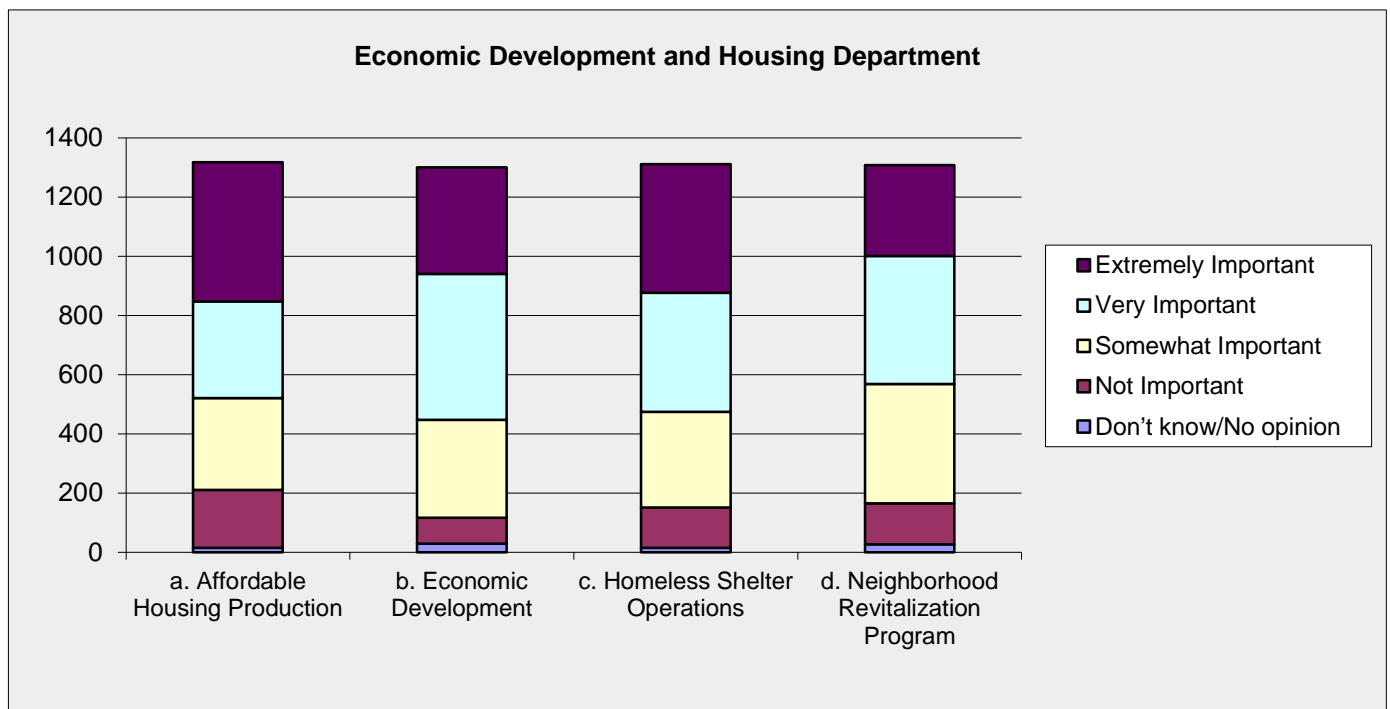
|          | <b><u>Santa Rosa Residents Participate:</u></b>  | <b><u>Mayor and City Council Participate:</u></b>   | <b><u>City Administration, Financial Planning staff &amp; Departments Participate:</u></b>   |
|----------|--|---|--|
| November | <ul style="list-style-type: none"> <li>✓ By giving input through direct contact with the Mayor and Council Members via budget outreach events, Council meetings, Study Sessions, online budget comment form</li> </ul> | <ul style="list-style-type: none"> <li>✓ By receiving information from the public</li> </ul>  | <ul style="list-style-type: none"> <li>✓ By gathering assumptions for upcoming year's budget process</li> <li>✓ By receiving information from the public</li> </ul>  |
| December |  |   |  |
| January  | <ul style="list-style-type: none"> <li>✓ By giving input during annual budget priorities public hearing, participating in an online Budget Priorities Survey and Mid-Year Financial Update</li> </ul>                  | <ul style="list-style-type: none"> <li>✓ By receiving input at budget priorities public hearing and Budget Priorities Survey</li> <li>✓ By receiving information from Mid-Year Financial Update, and offering guidance and feedback</li> <li>✓ By participating in City Council goal setting session (held once every two years)</li> </ul> | <ul style="list-style-type: none"> <li>✓ By receiving input at public hearing and survey for use in preparation of upcoming FY budget</li> <li>✓ By presenting Mid-Year Financial Update to City Council and public for the General Fund and the Capital Improvement Program.</li> <li>✓ By preparing upcoming FY budget request</li> </ul>        |
| February |  |   |  |
| March    | <ul style="list-style-type: none"> <li>✓ By continuing to offer feedback to Council and staff via Council meetings, written correspondence and online budget comment form</li> </ul>                                   | <ul style="list-style-type: none"> <li>✓ By continuing to receive feedback from the public and staff via Council meetings, written correspondence and online budget comment form</li> </ul>   | <ul style="list-style-type: none"> <li>✓ By reviewing and refining each department's budget request for the upcoming Fiscal Year</li> <li>✓ By analyzing budget balancing strategies and service delivery options within the constraints of the financial outlook</li> </ul>   |
| April    |  |   |  |
| May      | <ul style="list-style-type: none"> <li>✓ By attending City Council Study Sessions to gain information and offer input</li> </ul>   | <ul style="list-style-type: none"> <li>✓ By attending City Council Study Sessions to review each department's budget with department representatives and Budget staff</li> </ul>  | <ul style="list-style-type: none"> <li>✓ By preparing materials to be reviewed with the Council and public</li> <li>✓ By reviewing budgets with the City Council at Study Sessions and then refining as necessary based on feedback</li> </ul>   |
| June     |  |   |  |
| July     | <ul style="list-style-type: none"> <li>✓ By attending Budget Public Hearings (last chance to offer feedback on proposed budget)</li> </ul>   | <ul style="list-style-type: none"> <li>✓ By leading Budget Public Hearings, and ultimately adopting the final fiscal year budget</li> </ul>   | <ul style="list-style-type: none"> <li>✓ By preparing draft budget documents for review by Council and public at public counters and online</li> <li>✓ By preparing materials to be reviewed at Budget Public Hearings</li> <li>✓ By participating in Budget Public Hearings and presenting final information to Council and the public</li> </ul> |
| August   |  |   |  |

# City Budget Outreach

Each year, the City routinely holds public hearings and study sessions that the public is encouraged to attend. As part of the 2015-16 budget process, the City Council held a public hearing on January 27, 2015, for the purpose of soliciting oral and written comments on budget priorities for fiscal year 2015-16. The input from this public hearing provided Council members and City staff input prior to the Council Goal setting process in February, and subsequent development of the City's budget.

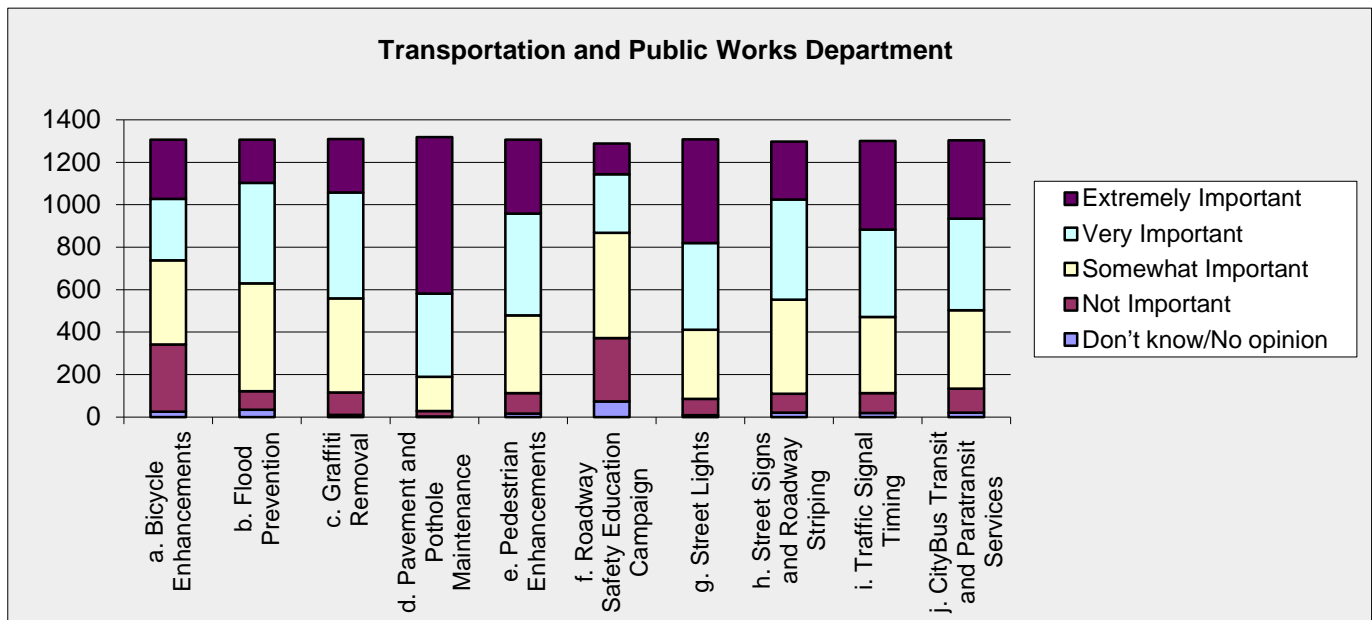
In addition, for FY 2015-16, the City solicited additional public input by launching a Budget Priorities Online Survey. Each department identified their programs. In order educate the survey respondents, program descriptions included relevant information on the various City programs and services. The public was asked to prioritize in terms of importance, with the option of providing written comments. The budget survey was provided in English and Spanish and available online for eight weeks, January 1 – March 1, 2015. The survey results were summarized and provided to City departments for use in developing their budgets as well as to City Council members. [www.srcity.org/BudgetComments](http://www.srcity.org/BudgetComments).

Survey results from two departments are shown below:



| Answer Options                         | Extremely Important | Very Important | Somewhat Important | Not Important | Don't know/No opinion | Response Count |
|--|---------------------|----------------|--------------------|---------------|-----------------------|----------------|
| a. Affordable Housing Production       | 470                 | 327            | 310                | 196           | 15                    | 1318           |
| b. Economic Development                | 360                 | 493            | 331                | 88            | 29                    | 1301           |
| c. Homeless Shelter Operations         | 435                 | 402            | 324                | 136           | 15                    | 1312           |
| d. Neighborhood Revitalization Program | 307                 | 432            | 403                | 139           | 27                    | 1308           |

# City Budget Outreach



| Answer Options                              | Extremely Important | Very Important | Somewhat Important | Not Important | Don't know/No opinion | Response Count |
|---|---------------------|----------------|--------------------|---------------|-----------------------|----------------|
| a. Bicycle Enhancements                     | 279                 | 289            | 397                | 316           | 25                    | 1306           |
| b. Flood Prevention                         | 203                 | 474            | 507                | 87            | 35                    | 1306           |
| c. Graffiti Removal                         | 252                 | 499            | 444                | 105           | 10                    | 1310           |
| d. Pavement and Pothole Maintenance         | 738                 | 392            | 161                | 26            | 2                     | 1319           |
| e. Pedestrian Enhancements                  | 348                 | 479            | 367                | 96            | 16                    | 1306           |
| f. Roadway Safety Education Campaign        | 144                 | 276            | 496                | 299           | 73                    | 1288           |
| g. Street Lights                            | 488                 | 409            | 325                | 78            | 8                     | 1308           |
| h. Street Signs and Roadway Striping        | 273                 | 471            | 444                | 89            | 20                    | 1297           |
| i. Traffic Signal Timing                    | 417                 | 412            | 359                | 93            | 19                    | 1300           |
| j. CityBus Transit and Paratransit Services | 370                 | 431            | 369                | 113           | 21                    | 1304           |

Some of the most important needs identified by the survey respondents included:

- Improvement in pavement and pothole maintenance
- Increase park maintenance
- Retrofit and turn street lights back on
- Improve homeless shelter operations
- Provide more affordable housing

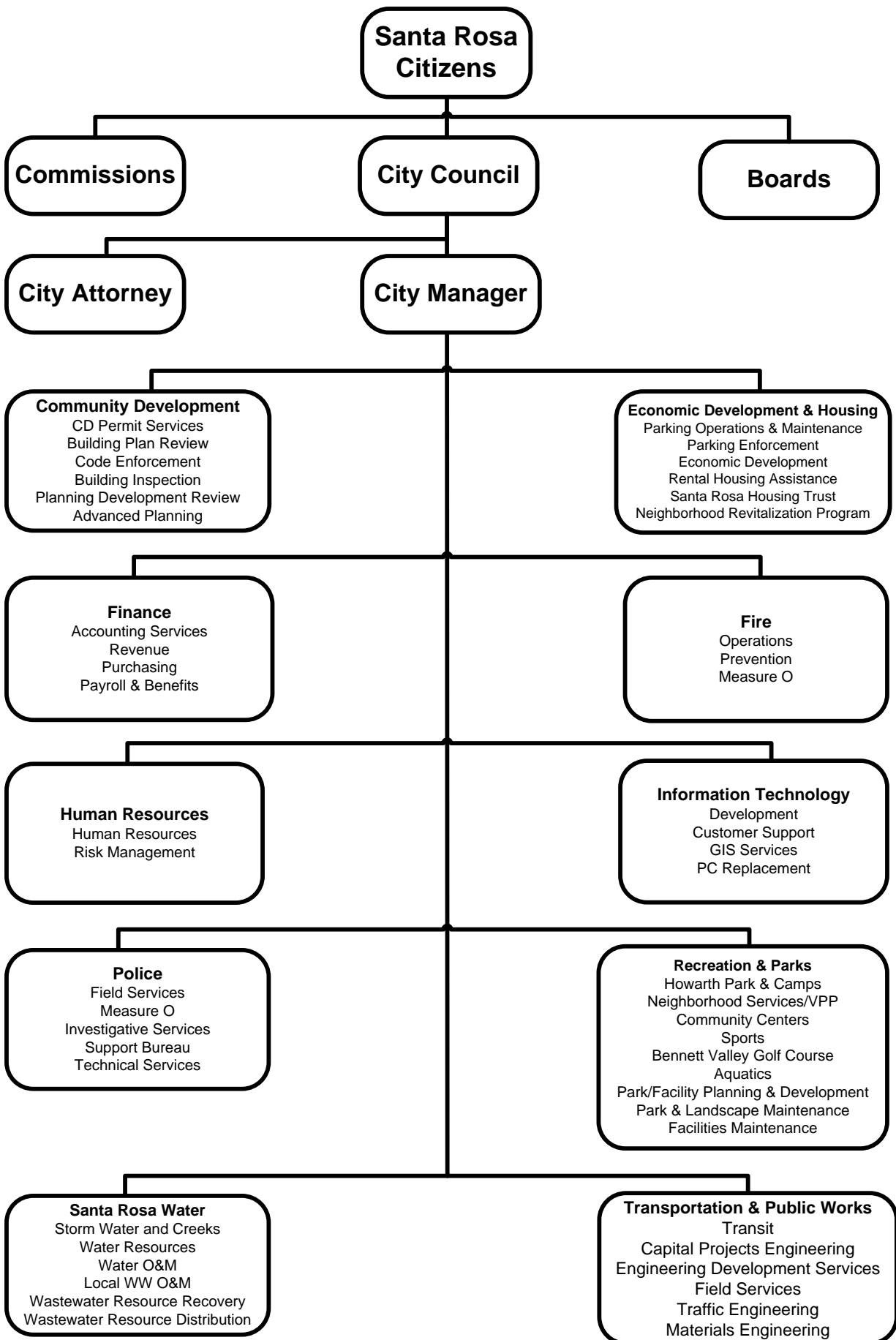
In addition to participating in the online survey, there are numerous other ways for the public to provide input on the budget process, including:

- Use the Finance Department's online budget message system.  
[www.srccity.org/BudgetComments](http://www.srccity.org/BudgetComments)
- Contact staff and City Council members by email or letter.
- Attend the annual public hearing on budget priorities.
- Attend City Council meetings, etc.

The City will continue to research and evaluate more strategies to encourage community engagement in the budget process.



# City of Santa Rosa Organizational Chart





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

To this end we value:

- Providing Quality Service
- Encouraging Accessibility, Open Communication and Participation in Decision Making
- Seeking and Celebrating Diversity
- Developing an Environment of Mutual Trust, Fairness, Sensitivity and Dignity
- Promoting Confidence in the Individual Capabilities and Cooperation Throughout the Organization
- Adapting to the Changing Circumstances of the Community

**ORGANIZATIONAL VALUES**

# 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 16 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 4<sup>th</sup> 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 has hosted a stage start or finish of the Amgen Tour of California seven of the nine years the tour has run. Although the City opted out in recent years, the Amgen Tour has been an event that attracts large crowds and visitors. Santa Rosa also hosts Levi's GrandFondo, started by former professional cyclist Levi Leipheimer. It began in 2009 and benefits local communities and charities.

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 Wells Fargo Center for the Arts, and the 6<sup>th</sup> Street Playhouse. In addition to theatre, the Wells Fargo 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 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.

# City at a Glance

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

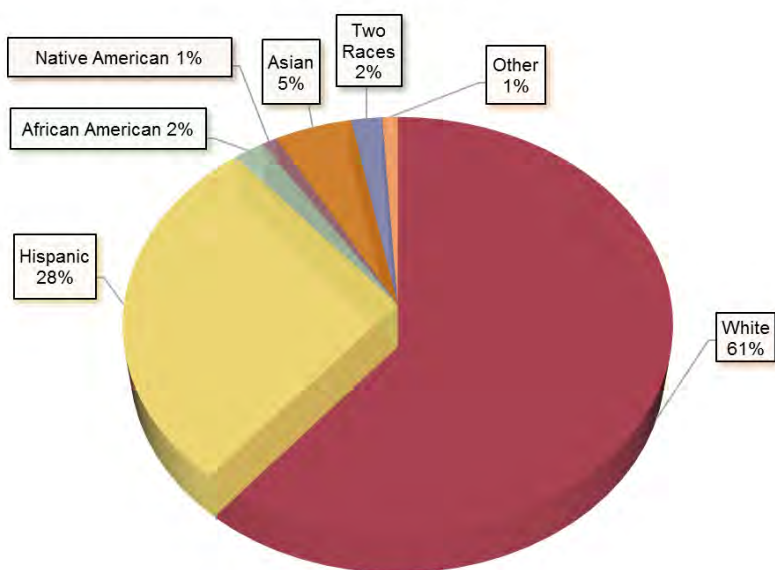
The City of Santa Rosa is located in central Sonoma County, about 55 miles north of San Francisco and 30 miles inland from the Pacific Ocean. Major access to Santa Rosa is from Highways 12 and 101.



## 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 27th largest city in the state.

POPULATION COMPOSITION



Source: US Census Bureau, 2013 Census; American Community Survey 2009-2013

According to the latest US Census Bureau American Community Survey 2009 – 2013, there are approximately 2.64 persons per household, the median age is 36.7 and the median household income is \$60,354. The homeownership rate was 53.4% with a median value of \$360,800 for owner-occupied homes. In regards to the education of Santa Rosa residents, the survey states 84.8% are high school graduates and 29.6% have a bachelor's degree or beyond. The gender distribution is 51% female and 49% male. Approximately 13.5% of the City of Santa Rosa's population lives below poverty level.

The City of Santa Rosa Comprehensive Annual Financial Report asserts their findings from the State Department of Finance, the fiscal year 2013-14 population was 170,236. The unemployment rate, provided by The U.S. Bureau of Labor Statistics, was 5.3%. The table to the left displays Santa Rosa's major employers.

| Major Employers (2014)              |               |
|-------------------------------------|---------------|
| Employer                            | Employees     |
| County of Sonoma                    | 4,130         |
| Kaiser Permanente                   | 2,500         |
| Sutter Medical Center of Santa Rosa | 1,797         |
| St. Joseph Health System            | 1,467         |
| Santa Rosa Junior College           | 1,471         |
| Santa Rosa School District          | 1,441         |
| City of Santa Rosa                  | 1,220         |
| Keysight/Agilent Technologies       | 1,200         |
| JDS Uniphase                        | 1,000         |
| Amy's Kitchen                       | 600           |
| <b>Total</b>                        | <b>17,211</b> |

Source: City of Santa Rosa CAFR; all figures approximate

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# 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 City-wide 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 2015-16

|  | GENERAL FUND       | ENTERPRISE FUNDS    | SPECIAL REVENUE FUNDS | OTHER FUNDS       | HOUSING AUTHORITY  | SUCCESSOR AGENCY  | TOTAL ALL FUNDS     |
|--|--------------------|---------------------|-----------------------|-------------------|--------------------|-------------------|---------------------|
| <b>ESTIMATED RESERVES-<br/>JUNE 30, 2015</b> | <b>29,967,000</b>  | <b>150,696,000</b>  | <b>46,200,000</b>     | <b>1,326,000</b>  | <b>6,011,000</b>   | <b>23,615,000</b> | <b>257,815,000</b>  |
| <b>REVENUES:</b>                             |                    |                     |                       |                   |                    |                   |                     |
| Sales Tax                                    | 44,646,613         | -                   | 10,135,623            | -                 | -                  | -                 | 54,782,236          |
| Property Tax                                 | 23,770,278         | -                   | -                     | -                 | -                  | 5,741,501         | 29,511,779          |
| Other Taxes                                  | 28,606,571         | 1,308,304           | 257,708               | 114,804           | -                  | -                 | 30,287,387          |
| Vehicle License Fees                         | 12,016,621         | -                   | -                     | -                 | -                  | -                 | 12,016,621          |
| Licenses & Permits                           | 1,782,511          | 7,558               | -                     | -                 | -                  | -                 | 1,790,069           |
| Fines & Forfeitures                          | 1,572,833          | -                   | 400,000               | -                 | -                  | -                 | 1,972,833           |
| Intergovernmental Revenue                    | 627,693            | 26,639,573          | 4,827,261             | -                 | 20,311,622         | -                 | 52,406,149          |
| Uses of Money & Property                     | 122,758            | 888,000             | 60,934                | 192,000           | 8,164              | -                 | 1,271,856           |
| Charges for Services                         | 10,478,947         | 116,254,490         | 2,293,859             | 400,000           | 388,321            | -                 | 129,815,617         |
| Interfund Charges                            | 12,137,754         | -                   | -                     | 3,791,500         | 861,587            | -                 | 16,790,841          |
| Miscellaneous                                | 3,034,603          | 2,020,569           | 1,346,950             | -                 | 3,606,740          | -                 | 10,008,862          |
| <b>TOTAL REVENUES</b>                        | <b>138,797,182</b> | <b>147,118,494</b>  | <b>19,322,335</b>     | <b>4,498,304</b>  | <b>25,176,434</b>  | <b>5,741,501</b>  | <b>340,654,250</b>  |
| <b>TRANSFERS IN</b>                          | <b>2,760,436</b>   | <b>45,542,198</b>   | <b>3,788,531</b>      | <b>10,629,119</b> | <b>218,659</b>     | <b>-</b>          | <b>62,938,943</b>   |
| <b>TOTAL REV &amp; TRNSFS IN</b>             | <b>141,557,618</b> | <b>192,660,692</b>  | <b>23,110,866</b>     | <b>15,127,423</b> | <b>25,395,093</b>  | <b>5,741,501</b>  | <b>403,593,193</b>  |
| <b>EXPENDITURES:</b>                         |                    |                     |                       |                   |                    |                   |                     |
| General Government                           | 16,494,012         | -                   | 1,214,529             | 192,000           | -                  | -                 | 17,900,541 *        |
| Community Development                        | 5,314,005          | -                   | 400,633               | -                 | -                  | -                 | 5,714,638           |
| Economic Develop. & Housing                  | -                  | 7,493,840           | 2,156,451             | -                 | 27,581,729         | 5,741,501         | 42,973,521          |
| Fire   | 32,416,891         | -                   | 2,914,576             | 471,947           | -                  | -                 | 35,803,414          |
| Police                                       | 46,906,247         | -                   | 3,502,689             | -                 | -                  | -                 | 50,408,936          |
| Transportation & Public Works                | 13,992,853         | 16,012,455          | 231,452               | 7,026,914         | -                  | -                 | 37,263,674 **       |
| Recreation & Parks                           | 16,733,631         | 562,988             | 769,259               | 2,394,745         | -                  | -                 | 20,460,623          |
| SR Water                                     | 323,947            | 135,603,868         | -                     | 291,201           | -                  | -                 | 136,219,016 ***     |
| Non-Departmental                             | 4,436,391          | -                   | -                     | 5,033,920         | -                  | -                 | 9,470,311           |
| <b>TOTAL EXPENDITURES</b>                    | <b>136,617,977</b> | <b>159,673,151</b>  | <b>11,189,589</b>     | <b>15,410,727</b> | <b>27,581,729</b>  | <b>5,741,501</b>  | <b>356,214,674</b>  |
| <b>TRANSFERS OUT</b>                         | <b>4,871,904</b>   | <b>46,335,551</b>   | <b>11,621,052</b>     | <b>438,436</b>    | <b>-</b>           | <b>-</b>          | <b>63,266,943</b>   |
| <b>TOTAL EXP &amp; TRNSFS OUT</b>            | <b>141,489,881</b> | <b>206,008,702</b>  | <b>22,810,641</b>     | <b>15,849,163</b> | <b>27,581,729</b>  | <b>5,741,501</b>  | <b>419,481,617</b>  |
| <b>SURPLUS / (DEFICIT)</b>                   | <b>67,737</b>      | <b>(13,348,010)</b> | <b>300,225</b>        | <b>(721,740)</b>  | <b>(2,186,636)</b> | <b>-</b>          | <b>(15,888,424)</b> |
| <b>ESTIMATED RESERVES-<br/>JUNE 30, 2016</b> | <b>30,034,737</b>  | <b>137,347,990</b>  | <b>46,500,225</b>     | <b>604,260</b>    | <b>3,824,364</b>   | <b>23,615,000</b> | <b>241,926,576</b>  |

**General Government includes: City Attorney, City Council, City Manager, Finance, Human Resources and Information Technology**

\* Total General Government = \$54,174,422 (includes Insurance Internal Service Fund \$29,528,010 & Information Technology Internal Service Funds \$6,745,871).

\*\* Total Transportation & Public Works = \$46,294,002 (includes Equipment and Repair Replacement Internal Service Fund \$7,726,791 & a portion of internally allocated Administration Fund \$1,303,537).

\*\*\* Total SR Water = \$142,697,071 (includes internally allocated Utilities Administration Fund \$6,478,055).

**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, 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 2015-16

|  | GOLF<br>FUND     | PARKING<br>FUND    | TRANSIT<br>FUND   | STORM<br>WATER<br>FUNDS | WATER<br>FUND      | LOCAL<br>WASTEWTR<br>FUND | SUBREG.<br>WASTEWTR<br>FUND | TOTAL<br>ENTERPRISE<br>FUNDS |
|--|------------------|--------------------|-------------------|-------------------------|--------------------|---------------------------|-----------------------------|------------------------------|
| <b>ESTIMATED RESERVES-<br/>JUNE 30, 2015</b> | <b>1,089,000</b> | <b>12,172,000</b>  | <b>-</b>          | <b>1,100,000</b>        | <b>48,840,000</b>  | <b>54,205,000</b>         | <b>33,290,000</b>           | <b>150,696,000</b>           |
| <b>REVENUES:</b>                             |                  |                    |                   |                         |                    |                           |                             |                              |
| Sales Tax                                    | -                | -                  | -                 | -                       | -                  | -                         | -                           | -                            |
| Property Tax                                 | -                | -                  | -                 | -                       | -                  | -                         | -                           | -                            |
| Other Taxes                                  | -                | 513,500            | 794,804           | -                       | -                  | -                         | -                           | 1,308,304                    |
| Vehicle License Fees                         | -                | -                  | -                 | -                       | -                  | -                         | -                           | -                            |
| Licenses & Permits                           | -                | 7,558              | -                 | -                       | -                  | -                         | -                           | 7,558                        |
| Fines & Forfeitures                          | -                | -                  | -                 | -                       | -                  | -                         | -                           | -                            |
| Intergovernmental Revenue                    | -                | -                  | 11,666,711        | 80,000                  | -                  | 480,876                   | 14,411,986                  | 26,639,573                   |
| Uses of Money & Property                     | 177,000          | 25,000             | -                 | -                       | 390,000            | 180,000                   | 116,000                     | 888,000                      |
| Charges for Services                         | 370,045          | 4,078,368          | 2,254,966         | 2,193,066               | 40,982,550         | 65,345,275                | 1,030,220                   | 116,254,490                  |
| Interfund Charges                            | -                | -                  | -                 | -                       | -                  | -                         | -                           | -                            |
| Miscellaneous                                | 5,300            | 60,000             | -                 | 45,703                  | 1,217,733          | 46,000                    | 645,833                     | 2,020,569                    |
| <b>TOTAL REVENUES</b>                        | <b>552,345</b>   | <b>4,684,426</b>   | <b>14,716,481</b> | <b>2,318,769</b>        | <b>42,590,283</b>  | <b>66,052,151</b>         | <b>16,204,039</b>           | <b>147,118,494</b>           |
| <b>TRANSFERS IN</b>                          | <b>-</b>         | <b>1,055,720</b>   | <b>843,661</b>    | <b>-</b>                | <b>26,227</b>      | <b>-</b>                  | <b>43,616,590</b>           | <b>45,542,198</b>            |
| <b>TOTAL REV &amp; TRNSFS IN</b>             | <b>552,345</b>   | <b>5,740,146</b>   | <b>15,560,142</b> | <b>2,318,769</b>        | <b>42,616,510</b>  | <b>66,052,151</b>         | <b>59,820,629</b>           | <b>192,660,692</b>           |
| <b>EXPENDITURES:</b>                         |                  |                    |                   |                         |                    |                           |                             |                              |
| General Government                           | -                | -                  | -                 | -                       | -                  | -                         | -                           | -                            |
| Community Development                        | -                | -                  | -                 | -                       | -                  | -                         | -                           | -                            |
| Economic Develop. & Housing                  | -                | 7,493,840          | -                 | -                       | -                  | -                         | -                           | 7,493,840                    |
| Fire   | -                | -                  | -                 | -                       | -                  | -                         | -                           | -                            |
| Police                                       | -                | -                  | -                 | -                       | -                  | -                         | -                           | -                            |
| Transportation & Public Works                | -                | -                  | 15,548,501        | 463,954                 | -                  | -                         | -                           | 16,012,455                   |
| Recreation & Parks                           | 562,988          | -                  | -                 | -                       | -                  | -                         | -                           | 562,988                      |
| SR Water                                     | -                | -                  | -                 | 1,973,416               | 49,633,246         | 23,362,576                | 60,634,630                  | 135,603,868                  |
| Non-Departmental                             | -                | -                  | -                 | -                       | -                  | -                         | -                           | -                            |
| <b>TOTAL EXPENDITURES</b>                    | <b>562,988</b>   | <b>7,493,840</b>   | <b>15,548,501</b> | <b>2,437,370</b>        | <b>49,633,246</b>  | <b>23,362,576</b>         | <b>60,634,630</b>           | <b>159,673,151</b>           |
| <b>TRANSFERS OUT</b>                         | <b>-</b>         | <b>5,686</b>       | <b>11,641</b>     | <b>200,000</b>          | <b>1,462,945</b>   | <b>44,607,990</b>         | <b>47,289</b>               | <b>46,335,551</b>            |
| <b>TOTAL EXP &amp; TRNSFS OUT</b>            | <b>562,988</b>   | <b>7,499,526</b>   | <b>15,560,142</b> | <b>2,637,370</b>        | <b>51,096,191</b>  | <b>67,970,566</b>         | <b>60,681,919</b>           | <b>206,008,702</b>           |
| <b>SURPLUS / (DEFICIT)</b>                   | <b>(10,643)</b>  | <b>(1,759,380)</b> | <b>-</b>          | <b>(318,601)</b>        | <b>(8,479,681)</b> | <b>(1,918,415)</b>        | <b>(861,290)</b>            | <b>(13,348,010)</b>          |
| <b>ESTIMATED RESERVES-<br/>JUNE 30, 2016</b> | <b>1,078,357</b> | <b>10,412,620</b>  | <b>-</b>          | <b>781,399</b>          | <b>40,360,319</b>  | <b>52,286,585</b>         | <b>32,428,710</b>           | <b>137,347,990</b>           |

# 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 2014-15

|  | <b>EQUIPMENT<br/>REPAIR &amp;<br/>REPLACEMENT<br/>FUND</b> | <b>INSURANCE<br/>FUND</b> | <b>INFORMATION<br/>TECHNOLOGY<br/>FUND</b> | <b>TOTAL<br/>INTERNAL<br/>SERVICE<br/>FUNDS</b> |
|--|--|---------------------------|--|---|
| <b>ESTIMATED RESERVES-<br/>JUNE 30, 2015</b> | <b>17,604,587</b>  | <b>6,920,218</b>          | <b>654,716</b>                             | <b>25,179,521</b>                               |
| <b>REVENUES:</b>                             |  |                           |  |   |
| Sales Tax                                    | -  | -                         | -  | -   |
| Property Tax                                 | -  | -                         | -  | -   |
| Other Taxes                                  | -  | -                         | -  | -   |
| Vehicle License Fees                         | -  | -                         | -  | -   |
| Licenses & Permits                           | -  | -                         | -  | -   |
| Fines & Forfeitures                          | -  | -                         | -  | -   |
| Intergovernmental Revenue                    | -  | -                         | -  | -   |
| Uses of Money & Property                     | 45,350   | -                         | -  | <b>45,350</b>                                   |
| Charges for Services                         | -  | -                         | -  | -   |
| Interfund Charges                            | 8,020,000  | 30,700,000                | 6,164,702                                  | <b>44,884,702</b>                               |
| Miscellaneous                                | 96,700   | -                         | 20,000                                     | <b>116,700</b>                                  |
| Other  | -  | -                         | -  | -   |
| <b>TOTAL REVENUES</b>                        | <b>8,162,050</b>   | <b>30,700,000</b>         | <b>6,184,702</b>                           | <b>45,046,752</b>                               |
| <b>TRANSFERS IN</b>                          | -  | -                         | <b>400,000</b>                             | <b>400,000</b>                                  |
| <b>TOTAL REV &amp; TRNSFS IN</b>             | <b>8,162,050</b>   | <b>30,700,000</b>         | <b>6,584,702</b>                           | <b>45,446,752</b>                               |
| <b>EXPENDITURES:</b>                         |  |                           |  |   |
| General Government                           | -  | 29,528,010                | 6,745,871                                  | <b>36,273,881</b>                               |
| Community Development                        | -  | -                         | -  | -   |
| Economic Develop. & Housing                  | -  | -                         | -  | -   |
| Fire   | -  | -                         | -  | -   |
| Police                                       | -  | -                         | -  | -   |
| Transportation & Public Works                | 7,726,791  | -                         | -  | <b>7,726,791</b>                                |
| Recreation & Parks                           | -  | -                         | -  | -   |
| SR Water                                     | -  | -                         | -  | -   |
| Non-Departmental                             | -  | -                         | -  | -   |
| <b>TOTAL EXPENDITURES</b>                    | <b>7,726,791</b>   | <b>29,528,010</b>         | <b>6,745,871</b>                           | <b>44,000,672</b>                               |
| <b>TRANSFERS OUT</b>                         | <b>72,000</b>  | -                         | -  | <b>72,000</b>                                   |
| <b>TOTAL EXP &amp; TRNSFS OUT</b>            | <b>7,798,791</b>   | <b>29,528,010</b>         | <b>6,745,871</b>                           | <b>44,072,672</b>                               |
| <b>SURPLUS / (DEFICIT)</b>                   | <b>363,259</b>   | <b>1,171,990</b>          | <b>(161,169)</b>                           | <b>1,374,080</b>                                |
| <b>ESTIMATED RESERVES-<br/>JUNE 30, 2016</b> | <b>17,967,846</b>  | <b>8,092,208</b>          | <b>493,547</b>                             | <b>26,553,601</b>                               |

# 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                   | √            |                  | √                     |                        |                   |                                       | √           |
| Community Development          | √            |                  | √                     |                        |                   |                                       |             |
| Economic Development & Housing |              | √                | √                     |                        | √                 | √                                     |             |
| Finance                        | √            |                  |                       |                        |                   |                                       | √           |
| Fire                           | √            |                  | √                     |                        |                   |                                       | √           |
| Human Resources                | √            |                  |                       | √                      |                   |                                       |             |
| Information Technology         |              |                  |                       | √                      |                   |                                       |             |
| Police                         | √            |                  | √                     |                        |                   |                                       |             |
| Recreation & Parks             | √            | √                | √                     |                        |                   |                                       | √           |
| 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" Fund  
 Development Impact Fees Fund  
 Homeless Shelter Operations  
 Economic Development Fund  
 Santa Rosa Tourism BIA

## Internal Service Funds:

Equipment Repair and Replacement Fund  
 Insurance Fund  
 Information Technology Fund

## Housing Authority Funds:

Community Development Block Grant  
 Housing Choice Voucher Program  
 Housing Operations Funds

## 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

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# City Revenues

## General Fund

| Description:                       | 2014-15              | 2015-16              | Dollar Change       | Percent Change |
|------------------------------------|----------------------|----------------------|---------------------|----------------|
|                                    | Projected Revenues   | Proposed Budget      |                     |                |
| <b>Tax Revenue Detail</b>          |                      |                      |                     |                |
| Sales Tax - local                  | \$ 33,889,135        | \$ 35,145,429        | \$ 1,256,294        | 3.7%           |
| Sales Tax - Measure P              | 8,005,566            | 8,405,844            | 400,278             | 5.0%           |
| Sales Tax - Prop 172               | 1,043,181            | 1,095,340            | 52,159              | 5.0%           |
| Property Taxes                     | 22,864,884           | 23,770,278           | 905,394             | 4.0%           |
| Utility Use Taxes                  | 9,858,710            | 9,156,626            | (702,084)           | -7.1%          |
| Franchise Fees                     | 7,706,713            | 7,936,415            | 229,702             | 3.0%           |
| Motor Vehicle License Fees         | 11,556,546           | 12,016,621           | 460,075             | 4.0%           |
| Business Licenses                  | 4,005,477            | 4,125,641            | 120,164             | 3.0%           |
| Real Property Transfer Tax         | 2,424,000            | 2,520,960            | 96,960              | 4.0%           |
| Transient Occupancy Tax            | 4,678,750            | 4,865,900            | 187,150             | 4.0%           |
| Lobbyist Registration Fees         | 1,009                | 1,029                | 20                  | 2.0%           |
| <b>Total Tax Revenues</b>          | <b>\$106,033,971</b> | <b>\$109,040,083</b> | <b>\$ 3,006,112</b> | <b>2.8%</b>    |
| <b>Other Revenue Detail</b>        |                      |                      |                     |                |
| Licenses and Permits               | \$ 1,469,819         | \$ 1,782,511         | \$ 312,692          | 21.3%          |
| Fines and Forfeits                 | 1,665,424            | 1,572,833            | (92,591)            | -5.6%          |
| Intergovernmental Revenue          | 2,669,216            | 627,693              | (2,041,523)         | -76.5%         |
| Use of Money and Property          | 122,758              | 122,758              | -                   | 0.0%           |
| Charges for Services               | 5,599,745            | 6,656,247            | 1,056,502           | 18.9%          |
| Interfund Charges                  | 12,017,578           | 12,137,754           | 120,176             | 1.0%           |
| Miscellaneous Revenues             | 3,263,387            | 3,034,603            | (228,784)           | -7.0%          |
| Recreation Fees and Revenues       | 3,732,602            | 3,822,700            | 90,098              | 2.4%           |
| <b>Total Other Revenues</b>        | <b>\$ 30,540,529</b> | <b>\$ 29,757,099</b> | <b>\$ (783,430)</b> | <b>-2.6%</b>   |
| <b>Total General Fund Revenues</b> | <b>\$136,574,500</b> | <b>\$138,797,182</b> | <b>\$ 2,222,682</b> | <b>1.6%</b>    |

# City Revenues

## General Fund

Total General Fund revenues are projected to be \$138.8M during the FY 2015-16. This represents a \$2.2M, or 1.6% increase over projected FY 2014-15 revenues.

Sales Tax revenues (including Measure P) are projected to increase this year by 4.0%, or about \$1.7M. Measure P, the voter-approved, quarter-cent sales tax, is projected to generate approximately \$8.4M in revenue for FY 2015-16. Sales tax revenues account for close to a third of General Fund revenues (32.2%) and account for the majority of the increase in General Fund revenues from FY 2014-15 to FY 2015-16. Prop 172 sales tax is based on a per-capita allocation and is projected to grow in the same way as the City's general sales tax assumption in FY 2015-16.

Sales tax has seen a rebound since the 2008 recession, with the growth in total sales tax revenues driven by the passage of Measure P, along with a rebound in overall retail sales, with the strongest sector being auto sales. Although new car purchases are not an annual occurrence for most households, the forecast beyond FY 2015-16 shows continued growth at 4%, assuming that new car sales will slow, but overall retail sales will continue to grow at a modest pace. An aspect to sales tax revenues that will be monitored over the next few years will be the continued shift to online shopping, and the ongoing debate about taxation of online purchases. Any change in state or federal policy could result in changes in the collection of taxes for online purchases, and/or have an impact on the prevalence of online retailers.

Property tax, the City's second largest revenue source, is projected at \$23.8M for FY 2015-16, a 4% increase over the previous fiscal year. This growth increase is mainly due to the steady growth in home prices and sales.

Utility Users Tax (UUT) revenues are projected to drop by 7.1% during FY 2015-16. It is anticipated that the UUT-Telephone revenues will decline by 50% this year due to changes in the federal law concerning collectability. This will result in a decline of UUT-Telephone revenues by \$702K in FY 2015-16. The other UUT revenues are anticipated to remain flat with no anticipated increase over FY 2014-15.

Franchise Fees are projected to increase by \$230K (or 3.0%) in FY 2015-16 over the previous year due to modest increases in all categories. Franchise fee revenue for garbage disposal is the largest component of this revenue source, comprising \$4.4M (or 55.6%) of total franchise fee revenues for FY 2015-16.

Motor Vehicle License Fees, which essentially fluctuate with assessed property valuation growth or decline, are expected to mirror the property tax trend and increase by 4% in FY 2015-16, approximately \$460K above FY 2014-15.

Business Tax revenues are projected to grow by \$120K (or 3.0%) for FY 2015-16 over the previous years. Since there is a \$3,000 cap on Business taxes, large growth in this revenue source is not anticipated. In addition, many of the new businesses in the City over the past year are home-based, and therefore small payers.

Real Property Transfer Tax (RPTT) is projected to increase by 4.0% in FY 2015-16 over the previous year. This tax is collected based on the sale of homes in Santa Rosa which are projected to remain strong in the coming year. This modest 4% increase is in keeping with the anticipated growth in property values.

Transient Occupancy Tax (TOT) revenue is projected to grow by 4% for FY 2015-16, totaling \$4.9M. Santa Rosa tourism is continuing to increase with occupancy rates and average daily hotel rates seeing their highest totals since the beginning of the economic downturn. This increase is expected to continue over the next few years.



# City Revenues

License and Permit Revenues are projected to be 21.3% higher in FY 2015-16 over the previous year. This increase is driven primarily by an anticipated increase in fees charged to developers over several years which was approved earlier to bring our fees closer to full cost recovery over the next several years.

Fines and Forfeits are expected to decrease by 5.6% in FY 2015-16 to \$1.6M. This decrease reflects an overall decline in Santa Rosa's share of municipal court fines collected by the County.

Intergovernmental Revenue is projected to decrease by \$2.0M for FY 2015-16, with no major grants assumed in the upcoming fiscal year. Although we traditionally receive some grants each year, grant revenue is not budgeted unless we have a signed grant agreement from an outside agency.

Interest is forecasted to hold flat at \$122K for FY 2015-16, with no significant change in interest rates forecasted that would generate increases in this revenue source in the upcoming year.

Charges for Services are projected to be 18.9% higher in FY 2015-16 over the previous year (totaling \$6.7M), with revenue increases due to higher fees charged to developers during the year. Much of the growth in this revenue source is due to an increase in fees related to building inspections and permits approved earlier to bring our fees closer to full cost recovery over the next several years.

Interfund Charges are projected at \$12.1M for FY 2015-16, an increase of 1% from FY 2014-15.

Miscellaneous Revenues are expected to come in at \$3.0M during FY 2015-16 reflecting a decrease of \$229K (or 7.0%). Most of the decline was due to a higher than usual Fire Reimbursement we received in FY 2014-15 that is not expected to be repeated in FY 2015-16.

Recreation Fees and Revenues are projected to increase approximately 2.4% to \$3.8M for FY 2015-16, with projected increases at 1.0% across most categories, however DeTurk Round Barn rentals and Finley Senior Programming are projected to grow at a higher rate.

## **Water Fund**

The Water Utility's main source of revenue is rates, which make up close to 95% of the total revenue. Water revenues for FY 2015-16 are expected to decline to \$41.8m which is (1.8%) below budgeted revenues for FY 2014-15. This reduction is based on a decline in usage by customers (17.4%) due to the current drought and rate increases approved by Council during the year in the 4-5% range. Demand fees are projected to decline by 32.3%, from \$1.15M in FY 2014-15 to \$775K in FY 2015-16. Total revenues for the Water Utility, including demand fees are estimated at \$42.6M for FY 2015-16.

## **Local Wastewater Fund**

Rate revenue comprises approximately 96% of the projected revenue for the upcoming year for the Local Wastewater Utility. Wastewater revenues are expected to decline by 1.3% in FY 2015-16 to \$64.6M. This reduction is based on an estimated 8.0% reduction in residential wastewater usage and a fixed and usage rate increase of 3.5%. Wastewater demand fees are expected to decline by 33.9%, from \$2.2M in FY 2014-15 to \$1.5M in FY 2015-16. Total Wastewater Utility revenues, including demand fees are estimated at \$66.1M for FY 2015-16.

## **Subregional Wastewater Fund**

The vast majority of revenue to the Subregional System comes from the partners that use the system (Santa Rosa is the largest such partner), and the revenues collected from each partner are their proportionate shares of the costs to run the system. Miscellaneous revenues (such as compost sales, dumping charges, etc.) are collected by the system and are used to offset the partner contributions. Subregional Wastewater revenues are expected to grow by 3.2% in FY 2015-16 to \$16.2M.

# City Revenues

## **Golf Course Fund**

Golf revenues are projected to be up slightly by \$4K for the FY 2015-16 budget year. Overall, total Golf Course revenues are \$552K, less budgeted expenses of \$563K, for a net difference of (\$11K). This shortfall will be covered using existing fund balance for FY 2015-16.

## **Parking Fund**

Parking revenues reflect an increase of 2.9% for FY 2015-16. Total budgeted Parking revenues are \$4.68M for FY 2015-16, versus \$4.51M for FY 2014-15. Overall, Parking Fund revenues plus the net of transfers along with budgeted expenditures result in a net deficit of \$1.8M to the fund. This deficit is largely due to the intentional use of fund balance of \$1.5M for the garage solar project.

## **Transit Fund**

Transit revenues reflect an increase of 17.7% for FY 2015-16. Total budgeted Transit revenues are \$14.7M for FY 2015-16, versus \$12.5M for FY 2014-15.

# Multi-Year Revenue Summary – All Funds

| <b>FUND</b>                                  | <b>2011-12<br/>Actual</b> | <b>2012-13<br/>Actual</b> | <b>2013-14<br/>Actual</b> | <b>2014-15<br/>Budget / Est.</b> | <b>2015-16<br/>Budget</b> |
|--|---------------------------|---------------------------|---------------------------|----------------------------------|---------------------------|
| <b>GENERAL FUND REVENUES:</b>                |                           |                           |                           |                                  |                           |
| Sales Tax                                    | 36,016,611                | 38,565,113                | 41,330,687                | 42,937,882                       | 44,646,613                |
| Property Tax                                 | 19,842,336                | 21,647,341                | 21,037,895                | 22,864,884                       | 23,770,278                |
| Other Taxes                                  | 25,136,478                | 27,727,152                | 28,016,194                | 28,674,659                       | 28,606,571                |
| Vehicle License Fees                         | 10,390,644                | 10,291,986                | 10,576,828                | 11,556,546                       | 12,016,621                |
| Licenses & Permits                           | 1,379,206                 | 1,495,928                 | 1,569,428                 | 1,469,819                        | 1,782,511                 |
| Fines & Forfeitures                          | 1,681,577                 | 1,699,891                 | 1,864,984                 | 1,665,424                        | 1,572,833                 |
| Intergovernmental Revenue                    | 1,228,460                 | 1,626,065                 | 2,575,819                 | 2,669,216                        | 627,693                   |
| Uses of Money & Property                     | 187,488                   | 98,363                    | 150,010                   | 122,758                          | 122,758                   |
| Charges for Services                         | 8,172,672                 | 8,383,836                 | 9,608,671                 | 9,332,347                        | 10,478,947                |
| Interfund Charges                            | 12,002,529                | 11,543,182                | 11,737,016                | 12,017,578                       | 12,137,754                |
| Miscellaneous                                | 2,473,112                 | 2,636,903                 | 4,552,263                 | 3,263,387                        | 3,034,603                 |
| Other  | -                         | -                         | -                         | -                                | -                         |
| <b>TOTAL GENERAL FUND REVENUES</b>           | <b>118,511,113</b>        | <b>125,715,760</b>        | <b>133,019,795</b>        | <b>136,574,500</b>               | <b>138,797,182</b>        |
| <b>ENTERPRISE FUND REVENUES:</b>             |                           |                           |                           |                                  |                           |
| Golf Fund                                    | 1,291,134                 | 1,445,639                 | 1,624,789                 | 468,062                          | 552,345                   |
| Parking Fund                                 | 4,527,873                 | 4,720,240                 | 4,882,623                 | 4,809,358                        | 4,684,426                 |
| Transit Fund                                 | 16,373,929                | 15,341,158                | 13,102,983                | 12,500,658                       | 14,716,481                |
| Storm Water Funds                            | 2,083,772                 | 2,196,000                 | 2,227,004                 | 2,258,930                        | 2,318,769                 |
| Water Fund                                   | 42,458,794                | 47,605,925                | 44,816,280                | 39,455,741                       | 42,590,283                |
| Local Wastewater Fund                        | 63,828,058                | 64,824,347                | 66,845,866                | 67,061,684                       | 66,052,151                |
| Subregional Wastewater Fund                  | 13,382,119                | 15,159,311                | 33,795,115                | 16,038,559                       | 16,204,039                |
| <b>TOTAL ENTERPRISE FUND REVENUES</b>        | <b>143,945,679</b>        | <b>151,292,620</b>        | <b>167,294,660</b>        | <b>142,592,992</b>               | <b>147,118,494</b>        |
| <b>SPECIAL REVENUE FUND REVENUES</b>         | <b>32,947,278</b>         | <b>21,049,816</b>         | <b>24,766,524</b>         | <b>18,783,369</b>                | <b>19,322,335</b>         |
| <b>OTHER FUNDS REVENUES</b>                  | <b>6,180,342</b>          | <b>5,727,972</b>          | <b>42,509,703</b>         | <b>5,991,579</b>                 | <b>4,498,304</b>          |
| <b>HOUSING AUTHORITY REVENUES</b>            | <b>19,283,962</b>         | <b>25,014,270</b>         | <b>22,403,355</b>         | <b>23,462,105</b>                | <b>25,176,434</b>         |
| <b>SUCCESSOR AGENCY TO THE REDEV. AGENCY</b> | <b>6,096,483</b>          | <b>3,422,108</b>          | <b>5,068,264</b>          | <b>4,780,046</b>                 | <b>5,741,501</b>          |
| <b>TOTAL REVENUES</b>                        | <b>326,964,857</b>        | <b>332,222,546</b>        | <b>395,062,301</b>        | <b>332,184,591</b>               | <b>340,654,250</b>        |

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

*Where applicable, Actual and Budgeted Revenue amounts above include proceeds from long-term borrowing*

*On February 1, 2012, the Redevelopment Agency was dissolved. A Successor Agency to the Redevelopment Agency and an Oversight Board were appointed to oversee the dissolution of the Redevelopment Agency assets over the life of existing valid funding agreements, contracts and projects.*

# Multi-Year Expenditure Summary – All Funds

| <b>FUND</b>                                  | <b>2011-12<br/>Actual</b> | <b>2012-13<br/>Actual</b> | <b>2013-14<br/>Actual</b> | <b>2014-15<br/>Budget</b> | <b>2015-16<br/>Budget</b> |
|--|---------------------------|---------------------------|---------------------------|---------------------------|---------------------------|
| <b>GENERAL FUND EXPENDITURES:</b>            |                           |                           |                           |                           |                           |
| City Attorney                                | 1,994,471                 | 2,044,297                 | 2,100,052                 | 2,149,684                 | 2,295,391                 |
| City Council                                 | 485,616                   | 581,202                   | 598,951                   | 795,551                   | 692,709                   |
| City Manager                                 | 1,302,086                 | 1,460,861                 | 1,934,818                 | 1,971,226                 | 2,312,243                 |
| Finance                                      | 7,695,129                 | 7,750,463                 | 7,971,926                 | 8,905,949                 | 9,120,120                 |
| Human Resources                              | <u>1,465,022</u>          | <u>1,550,294</u>          | <u>2,048,672</u>          | <u>1,928,295</u>          | <u>2,073,549</u>          |
| Subtotal - General Government                | 12,942,324                | 13,387,117                | 14,654,419                | 15,750,705                | 16,494,012                |
| Community Development                        | 3,739,737                 | 3,825,961                 | 3,913,572                 | 4,603,707                 | 5,314,005                 |
| Fire   | 27,464,994                | 29,652,487                | 31,021,132                | 30,131,830                | 32,416,891                |
| Police                                       | 40,023,834                | 39,996,975                | 40,782,131                | 44,443,459                | 46,906,247                |
| Transportation & Public Works                | 11,661,664                | 12,058,659                | 12,367,491                | 12,795,007                | 13,992,853                |
| Recreation & Parks                           | 13,206,103                | 13,823,121                | 13,562,063                | 15,183,882                | 16,733,631                |
| SR Water                                     | 613,563                   | 580,862                   | 335,087                   | 357,037                   | 323,947                   |
| Non-Departmental                             | <u>4,334,089</u>          | <u>4,031,525</u>          | <u>3,590,557</u>          | <u>5,674,998</u>          | <u>4,436,391</u>          |
| <b>TOTAL GENERAL FUND EXPENDITURES</b>       | <b><u>113,986,308</u></b> | <b><u>117,356,707</u></b> | <b><u>120,226,452</u></b> | <b><u>128,940,625</u></b> | <b><u>136,617,977</u></b> |
| <b>ENTERPRISE FUND EXPENDITURES:</b>         |                           |                           |                           |                           |                           |
| Golf Fund                                    | 2,078,304                 | 2,345,847                 | 2,084,430                 | 959,820                   | 562,988                   |
| Parking Fund                                 | 5,234,599                 | 6,562,356                 | 6,000,548                 | 6,428,127                 | 7,493,840                 |
| Transit Fund                                 | 17,556,537                | 16,636,686                | 17,351,111                | 12,871,316                | 15,548,501                |
| Storm Water Funds                            | 1,548,569                 | 1,664,910                 | 1,657,388                 | 2,116,400                 | 2,437,370                 |
| Water Fund                                   | 33,832,215                | 41,889,880                | 43,228,255                | 44,202,280                | 49,632,019                |
| Local Wastewater Fund                        | 20,411,777                | 26,201,419                | 28,506,094                | 23,284,071                | 23,362,576                |
| Subregional Wastewater Fund                  | <u>66,835,654</u>         | <u>76,064,372</u>         | <u>72,934,344</u>         | <u>74,730,969</u>         | <u>60,635,857</u>         |
| <b>TOTAL ENTERPRISE FUND EXPENDITURES</b>    | <b><u>147,497,655</u></b> | <b><u>171,365,470</u></b> | <b><u>171,762,170</u></b> | <b><u>164,592,983</u></b> | <b><u>159,673,151</u></b> |
| <b>SPECIAL REVENUE FUND EXPENDITURES</b>     |                           |                           |                           |                           |                           |
|  | <b>8,872,192</b>          | <b>8,781,079</b>          | <b>9,820,869</b>          | <b>10,984,622</b>         | <b>11,189,589</b>         |
| <b>OTHER FUNDS EXPENDITURES:</b>             |                           |                           |                           |                           |                           |
| Capital Improvement Program (CIP) Fund       | 25,485,443                | 16,765,257                | 19,275,040                | 14,719,393                | 10,101,006                |
| Debt Service Funds                           | 4,409,835                 | 4,359,599                 | 37,931,849                | 5,685,396                 | 5,033,920                 |
| Special Assessment Funds                     | 28,507                    | 39,620                    | 25,164                    | 78,252                    | 77,526                    |
| Trust Funds                                  | <u>220,482</u>            | <u>259,273</u>            | <u>291,730</u>            | <u>311,910</u>            | <u>198,275</u>            |
| <b>TOTAL OTHER FUNDS EXPENDITURES</b>        | <b><u>30,144,267</u></b>  | <b><u>21,423,749</u></b>  | <b><u>57,523,783</u></b>  | <b><u>20,794,951</u></b>  | <b><u>15,410,727</u></b>  |
| <b>HOUSING AUTHORITY EXPENDITURES</b>        |                           |                           |                           |                           |                           |
|  | <b>18,788,696</b>         | <b>24,356,357</b>         | <b>21,884,167</b>         | <b>26,709,817</b>         | <b>27,581,729</b>         |
| <b>SUCCESSOR AGENCY TO THE REDEV. AGENCY</b> |                           |                           |                           |                           |                           |
|  | <b><u>9,133,949</u></b>   | <b><u>5,895,881</u></b>   | <b><u>6,006,239</u></b>   | <b><u>4,630,046</u></b>   | <b><u>5,741,501</u></b>   |
| <b>TOTAL EXPENDITURES</b>                    |                           |                           |                           |                           |                           |
|  | <b><u>328,423,067</u></b> | <b><u>349,179,243</u></b> | <b><u>387,223,680</u></b> | <b><u>356,653,044</u></b> | <b><u>356,214,674</u></b> |

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

Where applicable, Actual and Budgeted Expenditure amounts above include principal paid on bonds and notes as well as expenditures for acquisition and construction of capital assets

On February 1, 2012, the Redevelopment Agency was dissolved. A Successor Agency to the Redevelopment Agency and an Oversight Board were appointed to oversee the dissolution of the Redevelopment Agency assets over the life of existing valid funding agreements, contracts and projects.

# City Debt

## Computation of Legal Debt Margin as of June 30, 2014

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 \$39,652,000 of debt subject to the limit and a legal debt limit of \$737,087,213, the City is not at risk of exceeding its legal debt limit.

| <b><u>Computation of Legal Debt Margin</u></b> |                      |
|--|----------------------|
| Assessed Value                                 | \$19,655,659,000     |
| Debt Limit (3.75% of Assessed Value)           | \$737,087,213        |
| Less Net Debt Applicable to Limit              | (39,652,000)         |
| <b>Legal Debt Margin</b>                       | <b>\$697,435,213</b> |

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 (Water, Wastewater, Parking, 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.

| <b>Debt Obligations Outstanding as of 6/30/2015</b> | <u>Principal Outstanding</u> |
|---|------------------------------|
| Wastewater Bonds                                    | \$ 208,233,380               |
| Wastewater Loans                                    | 63,280,566                   |
| Water Bonds   | 12,290,000                   |
| Parking Bonds                                       | 500,000                      |
| Golf Course Bonds                                   | 4,400,000                    |
| Redevelopment Bonds                                 | 44,134,104                   |
| Building Acquisition Certificates of Participation  | 8,960,000                    |
| Pension Obligation Bonds                            | 29,855,000                   |
| Capital Leases                                      | 4,808,372                    |
|   | <hr/>                        |
|   | \$ 376,461,422               |

# City Debt

## Annual Debt Service Requirements

|   |                    | 2016       | 2017       | 2018       | 2019       | Thereafter  | Total       |
|---|--------------------|------------|------------|------------|------------|-------------|-------------|
| Wastewater Bonds                                      | Principal          | 11,635,000 | 12,200,000 | 8,314,900  | 8,491,761  | 167,591,719 | 208,233,380 |
|   | Interest           | 7,982,346  | 7,413,596  | 9,649,040  | 9,472,519  | 158,952,458 | 193,469,959 |
|   | Total Debt Service | 19,617,346 | 19,613,596 | 17,963,940 | 17,964,280 | 326,544,177 | 401,703,339 |
| Wastewater Loans                                      | Principal          | 7,127,966  | 7,310,986  | 7,498,694  | 7,691,251  | 33,651,669  | 63,280,566  |
|   | Interest           | 1,613,387  | 1,430,367  | 1,242,660  | 1,050,102  | 2,254,334   | 7,590,850   |
|   | Total Debt Service | 8,741,353  | 8,741,353  | 8,741,354  | 8,741,353  | 35,906,003  | 70,871,416  |
| Water Bonds   | Principal          | 295,000    | 310,000    | 320,000    | 330,000    | 11,035,000  | 12,290,000  |
|   | Interest           | 577,703    | 566,506    | 554,494    | 541,694    | 6,311,409   | 8,551,806   |
|   | Total Debt Service | 872,703    | 876,506    | 874,494    | 871,694    | 17,346,409  | 20,841,806  |
| Parking Bonds   | Principal          | 500,000    | -          | -          | -          | -           | 500,000     |
|   | Interest           | 13,500     | -          | -          | -          | -           | 13,500      |
|   | Total Debt Service | 513,500    | -          | -          | -          | -           | 513,500     |
| Golf Course Bonds                                     | Principal          | 190,000    | 200,000    | 210,000    | 215,000    | 3,585,000   | 4,400,000   |
|   | Interest           | 202,845    | 194,742    | 185,545    | 175,556    | 1,121,866   | 1,880,554   |
|   | Total Debt Service | 392,845    | 394,742    | 395,545    | 390,556    | 4,706,866   | 6,280,554   |
| Redevelopment Bonds                                   | Principal          | 1,915,145  | 2,031,402  | 2,176,804  | 2,271,333  | 35,739,420  | 44,134,104  |
|   | Interest           | 2,454,459  | 2,345,301  | 2,228,145  | 2,144,733  | 11,663,736  | 20,836,374  |
|   | Total Debt Service | 4,369,604  | 4,376,703  | 4,404,949  | 4,416,066  | 47,403,156  | 64,970,478  |
| Building Acquisition<br>Certificates of Participation | Principal          | 225,000    | 230,000    | 245,000    | 255,000    | 8,005,000   | 8,960,000   |
|   | Interest           | 425,275    | 415,053    | 404,319    | 392,963    | 4,247,530   | 5,885,140   |
|   | Total Debt Service | 650,275    | 645,053    | 649,319    | 647,963    | 12,252,530  | 14,845,140  |
| Pension Obligation Bonds                              | Principal          | 2,540,000  | 2,600,000  | 2,670,000  | 2,760,000  | 19,285,000  | 29,855,000  |
|   | Interest           | 1,190,224  | 1,134,835  | 1,062,577  | 974,120    | 3,108,936   | 7,470,692   |
|   | Total Debt Service | 3,730,224  | 3,734,835  | 3,732,577  | 3,734,120  | 22,393,936  | 37,325,692  |
| Capital Leases  | Principal          | 827,420    | 566,560    | 579,924    | 593,606    | 2,240,862   | 4,808,372   |
|   | Interest           | 115,089    | 95,436     | 82,072     | 68,390     | 167,835     | 528,822     |
|   | Total Debt Service | 942,509    | 661,996    | 661,996    | 661,996    | 2,408,697   | 5,337,194   |
| Citywide  | Principal          | 25,255,531 | 25,448,948 | 22,015,322 | 22,607,951 | 281,133,670 | 376,461,422 |
|   | Interest           | 14,574,828 | 13,595,836 | 15,408,852 | 14,820,077 | 187,828,104 | 246,227,697 |
|   | Total Debt Service | 39,830,359 | 39,044,784 | 37,424,174 | 37,428,028 | 468,961,774 | 622,689,119 |

# FTE Staffing Summary

In fiscal year (FY) 2015-16, the City's proposed authorized FTE (full-time equivalent) position count is 1,249.65, an increase of 10.25 FTE or 0.8%. This year is the third consecutive year of increases in staffing after significant decreases to staffing levels in response to the recession. While the FY 2015-16 request adds back positions, the City's staffing count is still significantly below the FY 2007-08 peak level of 1,382.8 FTE. Proposed additions and eliminations are discussed below.

A total of 6.0 FTE positions are being added in the City's administrative departments. Midyear 2014-15 the City Manager's Office added 1.0 FTE Community Service Officer for Measure O and 1.0 FTE Director of Community Involvement, and also reclassified an Assistant City Manager to a Deputy City Manager. In FY 2015-16, 1.0 FTE Administrative Assistant is being added to assist City Council. Human Resources has no changes for FY 2015-16, however midyear 2014-15 the Employment Services/Risk Manager was split into two positions: 1.0 FTE Employment Services Manager and 1.0 FTE Risk Manager. The Finance Department determined a need for administrative help in place of management and midyear 2014-15 converted 1.0 FTE Financial Reporting Manager into two positions: 1.0 FTE Administrative Technician and 1.0 FTE Sr. Administrative Assistant. In FY 2015-16, Finance is adding 1.0 FTE Purchasing Technician.

In response to increasing demand, higher rates and subsequent revenue growth, the Community Development Department is adding 3.25 FTE positions. Newly included in the FY 2015-16 budget are 1.0 FTE Building Plans Checker, 1.25 FTE Senior Administrative Assistant, and 1.0 FTE Building Inspector.

The Recreation and Parks Department staffing increased by 8.0 FTE all resulting from midyear 2014-15 adjustments. The department added 6.0 FTE Groundskeepers and 2.0 FTE Skilled Maintenance Workers. The latter are responsible for Graffiti Abatement which were moved to Recreation and Parks from Transportation and Public Works.

As noted above, the Transportation and Public Works Department reduced staffing midyear 2014-15 by 2.0 FTE Skilled Maintenance Workers which were moved to Recreation and Parks. The department further reduced headcount in FY 2015-16 by eliminating several vacant positions including 3.0 FTE Equipment Mechanic I and 1.0 FTE Administrative Technician. Offsetting reductions is the addition of 1.0 FTE Limited Term Electrician, who will assist in converting the City's street lights to LED. Other various reclassifications took place which did not affect FTE position count. Overall staffing declined by 5.0 FTEs from FY 2014-15 in the Transportation and Public Works Department.

In Public Safety, the Fire Department's staffing changes have no net effect on total FTE count. Midyear 2014-15 Fire added 2.0 Assistant Fire Marshals and eliminated 2.0 FTE Senior Fire Inspectors. The only change to FY 2015-16 is removing the "Limited Term" designation from 1.0 FTE Administrative Assistant and 1.0 FTE Emergency Operations Coordinator. The Police Department aims to streamline services by converting two vacant positions, 1.0 FTE Police Officer and 1.0 FTE Community Services Officer, into 1.0 FTE Police Sergeant. In addition, a vacant 1.0 FTE Sr. Administrative Analyst is being eliminated.

The Information Technology Department, an internal service fund, is adding 1.0 FTE Senior IT Technician to assist with upgrades and network security. Another change in FY 2015-16 is the reclassification of 1.0 FTE Technology Application Specialist to Programmer Analyst, which did not affect headcount.

# FTE Staffing Summary

The Economic Development and Housing Department is eliminating 5.0 FTE positions, all vacant and all in the Parking Division. After implementing a new service model the department determined 4.0 FTE Parking Operations Aide and 1.0 FTE Department Technology Coordinator are no longer required.

The Santa Rosa Water department staffing count has a net increase of 4.0 FTEs year over year. While a vacant 1.0 FTE Sr. Administrative Assistant is being eliminated, 5.0 FTE are being added: 1.0 FTE Right of Way Agent, 1.0 FTE Civil Engineering Technician, 1.0 FTE Utility Systems Operator I, 1.0 FTE Wastewater Treatment Shift Supervisor and 1.0 FTE Utilities Technician. The department also reclassified various positions which had no net effect on staffing levels.

In addition to the staffing changes discussed above, several positions have been, or are being, evaluated for classification changes. Reclassifications that will occur in FY 2015-16 have been proposed as a means of maximizing existing staffing levels to carry out core services.

**Authorized and Proposed Position (FTE) Count  
FY 2011-12 to FY 2015-16**

| <b>DEPARTMENT</b>             | <b>FY 2011-12</b> | <b>FY 2012-13</b> | <b>FY 2013-14</b> | <b>FY 2014-15</b> | <b>FY 2015-16</b> |
|-------------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| City Attorney                 | 12.70             | 12.90             | 12.90             | 12.90             | 12.90             |
| City Manager                  | 7.50              | 12.00             | 13.00             | 14.00             | 17.00             |
| Community Development         | 27.80             | 27.80             | 28.80             | 34.50             | 37.75             |
| Economic Dev. & Housing       | 68.00             | 63.50             | 62.50             | 65.00             | 60.00             |
| Finance                       | 62.85             | 63.85             | 62.85             | 62.35             | 64.35             |
| Fire                          | 136.75            | 137.75            | 143.75            | 147.75            | 147.75            |
| Human Resources               | 17.00             | 17.70             | 18.00             | 19.00             | 20.00             |
| Information Technology        | 25.00             | 24.00             | 27.00             | 25.00             | 26.00             |
| Police                        | 246.75            | 246.75            | 253.25            | 258.75            | 256.75            |
| Transportation & Public Works | 270.00            | 268.00            | 264.00            | 275.50            | 270.50            |
| Recreation & Parks            | 84.40             | 82.65             | 83.15             | 85.15             | 93.15             |
| SR Water                      | 240.00            | 241.00            | 248.00            | 239.50            | 243.50            |
| <b>Total FTE Positions</b>    | <b>1,198.75</b>   | <b>1,197.90</b>   | <b>1,217.20</b>   | <b>1,239.40</b>   | <b>1,249.65</b>   |

Detailed position classifications and salary ranges by department are available on the City's website at: <http://ci.sant-rosa.ca.us/hu/salaryplan/salpln.asp>



# Long Range Financial Plan

The Long Range Financial Plan (LRFP) is intended to serve as a tool for financial planning and decision making in the years ahead, and the City aims to update this plan annually. The LRFP is a ten-year forecasting model for the General Fund. The LRFP provides the proposed budget for FY 2015-16, and forecast projections for fiscal years 2016-17 through 2024-25. The LRFP shows total General Fund revenues, summarized by major revenue source; total General Fund expenditures summarized by major expenditure group; transfers in and out; the projected surplus or deficit for a given year; and ending fund balance projections. Please note at the time the plan was developed the FY 2015-16 budget had not been approved and is based on the City's revenue estimates and the budgeted expenditure requests.

## Revenue Assumptions

This summary chart shows all General Fund revenues and percentage growth assumptions, rolled up by major revenue category. The growth percentages are net amounts of all revenues in that category. In general, the forecasts represent cautious optimism.

In general terms, the following assumptions apply to the major revenue line items:

- Sales Tax. The projected sales tax growth for FY 2015-16 is 5% over our revised budget estimates for FY 2014-15. This represents the "Most Likely" scenario from MuniServices, the City's revenue consultant, which is based on local sales tax data. The annual growth from FY 2016-17 through FY 2019-20 is 4%, and 3% each year thereafter.
- Measure P. The projected revenue for Measure P is identical to Sales Tax except that Measure P expires in March 2019.
- Property Tax. Property tax is projected to grow at 4% for FY 2015-16. This is, again, based on the "Most Likely" scenario from our revenue consultants analyzing Santa Rosa-specific property tax data. A 2% growth factor is assumed through the remainder of the forecast.
- Utility Users Tax (UUT). The projected revenue for UUT – Telephone was decreased by 50% for FY 2015-16 to reflect the loss of revenue associated with the IRS ruling to exempt certain telephone services from Federal Excise Tax (FET). For FY 2016-17 and beyond, zero revenue is estimated from UUT-Telephone.
- Building Division Permit Fees reflect User Fee increases approved by the Council.

## Expenditure Growth Assumptions

Salaries for FY 2015-16 shown in the LRFP are reflective of the Cost-of-Living Adjustment for each bargaining unit's Memorandum of Understanding (MOU). Contracts are set to expire at the end of FY 2015-16, so beginning in FY 2016-17 all salaries are forecasted at a 1% growth rate to account for step increases.

Benefit Costs are identified and forecasted by major categories including Healthcare, Dental/Vision Insurance, Retirement by PERS group, Employee portion of PERS retirement and All Other Benefits.

- Healthcare. Healthcare is projected to have a 7.25% growth rate in FY 2016-17 and decrease by 0.50% for the following 4 years. In FY 2021-22, the growth projection is held at a constant 5.0%.
- Dental/Vision Insurance. This benefit is expected to grow at a rate of 3% in years 1-10.

# Long Range Financial Plan

- Retirement for Fire, Police and Miscellaneous Employees. The retirement rates used was provided by CalPERS actuarial valuation reports for FY 2015-16 to FY 2020-21. For the following future years, the growth rate was held flat. Also included in the retirement rate is the contribution to the Pension Obligation Bond which is 3.9% for Fire, 4.4% for Police and 4.3% for Misc. Employees for all years. The projected future Employer Contribution rate from CalPERS and the Pension Obligation Bond rate are both applied against forecasted Salaries in the model.
- Employee portion of PERS retirement. The current MOU contracts include an employee contribution to CalPERS retirement at a rate of 1.25% or 1.5% of salary depending on bargaining unit. This percentage rate was held constant for all years and applied against forecasted Salaries in the model.
- All Other Benefits. This category includes Medicare, Unemployment Insurance, Worker's Compensation Insurance, Life/Disability Insurance, Employee Assistance Program and other miscellaneous benefits. These benefits were projected at a constant 1.0% growth rate for all years.

Service and Supplies were generally projected at a 2.0% annual growth rate for all future years with exception of IT Costs, Liability, Property, Auto, Fire and Earthquake Insurance. IT Costs are projected to grow at 3.0% annually for all future years. Liability, Property, Auto, Fire and Earthquake Insurance are projected to grow at 5.0% annually for all future years.

O&M and CIP Projects assumed zero growth in all future years.

## **Transfers In and Out Growth Assumptions**

Other funds transferring funds into the General Fund were projected at zero grow. The General Fund transfers out into other funds growth rate was based on the nature of the transfer. Transfer outs that were based on debt service followed the payment schedules. Transfer out that were based on funding Salaries, Benefits and Supplies in other funds were projected at a general 2.0% growth rate. All other transfers out of the General Fund were projected at zero growth.

## **Summary of Findings**

The LRFPS forecasts a manageable budget deficit beginning in FY 2016-17 and continuing through FY 2018-19. The loss of Measure P revenue in FY 2018-19 creates a structural deficit for the City beginning in FY 2019-20 as projected revenue is not adequate to fund ongoing expenditures.

# Long Range Financial Plan

|                               | PROPOSED BUDGET | FORECAST     |              |              |               |               |               |               |               |               |
|-------------------------------|-----------------|--------------|--------------|--------------|---------------|---------------|---------------|---------------|---------------|---------------|
|                               | FY 2015-16      | FY 2016-17   | FY 2017-18   | FY 2018-19   | FY 2019-20    | FY 2020-21    | FY 2021-22    | FY 2022-23    | FY 2023-24    | FY 2024-25    |
| (in millions)                 |                 |              |              |              |               |               |               |               |               |               |
| <b>Beginning Fund Balance</b> | <b>30.0</b>     | <b>30.0</b>  | <b>29.5</b>  | <b>28.1</b>  | <b>23.8</b>   | <b>11.9</b>   | <b>(0.1)</b>  | <b>(11.9)</b> | <b>(23.7)</b> | <b>(35.3)</b> |
| <b>Revenue</b>                |                 |              |              |              |               |               |               |               |               |               |
| Property Tax                  | 23.8            | 24.2         | 24.7         | 25.1         | 25.6          | 26.1          | 26.6          | 27.1          | 27.6          | 28.1          |
| Sales Tax                     | 32.0            | 37.5         | 39.0         | 40.6         | 42.2          | 43.5          | 44.8          | 46.1          | 47.5          | 48.9          |
| Triple Flip                   | 4.2             | 0.0          | 0.0          | 0.0          | 0.0           | 0.0           | 0.0           | 0.0           | 0.0           | 0.0           |
| Measure P                     | 8.4             | 8.7          | 9.1          | 7.1          | 0.0           | 0.0           | 0.0           | 0.0           | 0.0           | 0.0           |
| UUT - Telephone               | 0.7             | 0.7          | 0.7          | 0.7          | 0.7           | 0.7           | 0.7           | 0.7           | 0.7           | 0.7           |
| All Other UUT                 | 8.5             | 8.5          | 8.6          | 8.7          | 8.8           | 8.9           | 9.0           | 9.1           | 9.2           | 9.2           |
| Other Taxes                   | 19.4            | 19.9         | 20.4         | 20.8         | 21.2          | 21.6          | 22.0          | 22.4          | 22.9          | 23.3          |
| Motor Vehicle Fees            | 12.0            | 12.1         | 12.3         | 12.4         | 12.5          | 12.6          | 12.8          | 12.9          | 13.0          | 13.1          |
| License and Permits           | 1.8             | 1.9          | 2.0          | 2.0          | 2.1           | 2.2           | 2.2           | 2.3           | 2.4           | 2.5           |
| Fines and Forfeitures         | 1.6             | 1.6          | 1.7          | 1.7          | 1.8           | 1.8           | 1.9           | 1.9           | 2.0           | 2.1           |
| Intergovernmental             | 0.6             | 0.6          | 0.6          | 0.6          | 0.6           | 0.6           | 0.6           | 0.6           | 0.6           | 0.6           |
| Use of Money & Property       | 0.1             | 0.1          | 0.1          | 0.1          | 0.1           | 0.1           | 0.1           | 0.1           | 0.1           | 0.1           |
| R&P Revenues                  | 3.8             | 3.9          | 3.9          | 3.9          | 4.0           | 4.0           | 4.1           | 4.1           | 4.1           | 4.2           |
| Charges for Services          | 6.7             | 6.7          | 6.8          | 6.9          | 7.0           | 7.1           | 7.2           | 7.3           | 7.4           | 7.6           |
| Interfund Charges             | 12.1            | 12.3         | 12.4         | 12.5         | 12.6          | 12.8          | 12.9          | 13.0          | 13.1          | 13.3          |
| Misc.                         | 3.0             | 3.0          | 3.0          | 3.0          | 3.0           | 3.0           | 3.0           | 3.0           | 3.0           | 3.0           |
| <b>Total Revenue</b>          | <b>138.8</b>    | <b>141.9</b> | <b>145.3</b> | <b>146.3</b> | <b>142.3</b>  | <b>145.1</b>  | <b>147.9</b>  | <b>150.8</b>  | <b>153.7</b>  | <b>156.8</b>  |
| <b>Transfers In</b>           | <b>2.7</b>      | <b>2.8</b>   | <b>2.8</b>   | <b>2.8</b>   | <b>2.8</b>    | <b>2.8</b>    | <b>2.8</b>    | <b>2.8</b>    | <b>2.8</b>    | <b>2.8</b>    |
| <b>Expenditures</b>           |                 |              |              |              |               |               |               |               |               |               |
| Salaries                      | 71.4            | 72.3         | 73.0         | 73.8         | 74.5          | 75.3          | 76.1          | 76.8          | 77.6          | 78.4          |
| PERS Retirement               | 20.5            | 22.2         | 23.5         | 24.8         | 26.1          | 26.5          | 26.7          | 27.0          | 27.3          | 27.5          |
| Healthcare                    | 11.6            | 12.4         | 13.3         | 14.1         | 14.9          | 15.7          | 16.5          | 17.3          | 18.2          | 19.1          |
| All Other Benefits            | 3.9             | 3.9          | 4.1          | 4.2          | 4.3           | 4.4           | 4.6           | 4.7           | 4.8           | 4.9           |
| IT Costs                      | 3.7             | 3.7          | 3.8          | 4.0          | 4.1           | 4.2           | 4.3           | 4.4           | 4.6           | 4.7           |
| Insurance                     | 1.2             | 1.3          | 1.3          | 1.4          | 1.5           | 1.5           | 1.6           | 1.7           | 1.8           | 1.9           |
| Service & Supplies            | 21.5            | 21.9         | 22.4         | 22.9         | 23.3          | 23.8          | 24.3          | 24.9          | 25.4          | 25.9          |
| O&M Projects                  | 2.8             | 2.7          | 2.7          | 2.7          | 2.7           | 2.7           | 2.7           | 2.7           | 2.7           | 2.7           |
| <b>Total Expenditures</b>     | <b>136.6</b>    | <b>140.5</b> | <b>144.1</b> | <b>147.8</b> | <b>151.5</b>  | <b>154.2</b>  | <b>156.8</b>  | <b>159.5</b>  | <b>162.3</b>  | <b>165.2</b>  |
| <b>Transfers Out</b>          | <b>4.9</b>      | <b>4.8</b>   | <b>5.3</b>   | <b>5.5</b>   | <b>5.6</b>    | <b>5.6</b>    | <b>5.7</b>    | <b>5.7</b>    | <b>5.8</b>    | <b>5.8</b>    |
| <b>Surplus/(Deficit)</b>      | <b>(0.0)</b>    | <b>(0.6)</b> | <b>(1.4)</b> | <b>(4.2)</b> | <b>(12.0)</b> | <b>(12.0)</b> | <b>(11.8)</b> | <b>(11.7)</b> | <b>(11.6)</b> | <b>(11.5)</b> |
| <b>Ending Fund Balance</b>    | <b>30.0</b>     | <b>29.5</b>  | <b>28.1</b>  | <b>23.8</b>  | <b>11.9</b>   | <b>(0.1)</b>  | <b>(11.9)</b> | <b>(23.7)</b> | <b>(35.3)</b> | <b>(46.8)</b> |

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# City Attorney's Office

## Mission

By City Charter, the City Attorney is appointed by the City Council to serve as the chief legal advisor on legal issues affecting the City of Santa Rosa. The City Attorney's Office is committed to providing the highest-quality legal services and support for elected City officials, departments, boards and commissions, and to defend the City and its employees in litigation and claims.

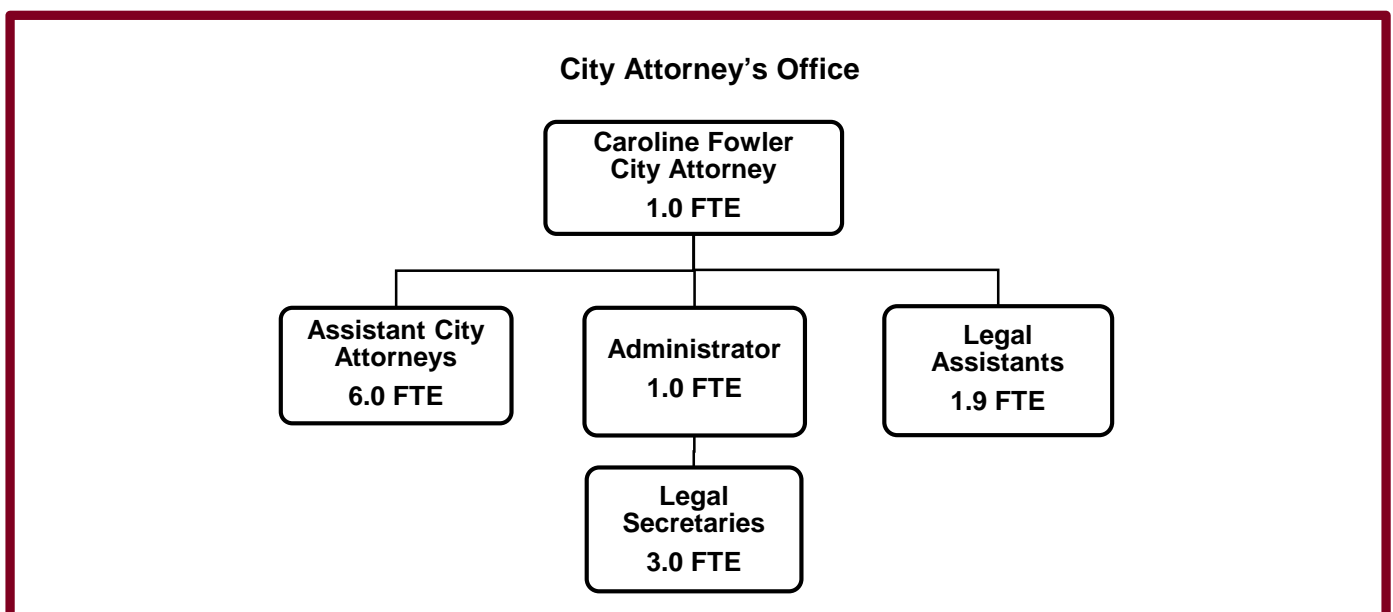
## Department Description

The City Attorney's Office is responsible for a variety of legal issues for the City including: representing the City of Santa Rosa in legal proceedings; reviewing all City Council, Planning Commission and Board of Public Utilities' agendas for Brown Act compliance; advising the Council and departments regarding franchise agreements, landfill issues, water supply, water quality, and other infrastructure issues; reviews and revises Resolutions and Ordinances; advises other departments on employment issues; reviews contracts to be entered into by the City; and prosecutes City Code violations and abates public nuisance activity as part of the Neighborhood Revitalization Program.

The office reviews, evaluates and recommends disposition of all claims made against the City of Santa Rosa, and defends litigation (from claims through appeals) filed against the City, including civil rights, wrongful death, eminent domain, environmental violations, land use, inverse condemnation, personnel disputes, dangerous condition of public property, and personal injury claims. The City Attorney's Office 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.

The City Attorney's Office provides advice or written opinions to any officer, department head, board, commission or other unit of local government; advises on election and conflict of interest issues; approves as to form all surety bonds, contracts, ordinances, resolutions and Council policies; opposes release of weapons seized by the police, and represents the City of Santa Rosa in certain criminal prosecution of violations of City Code provisions, including environmental claims and collection of revenue.

## FTE by Program



# City Attorney's Office

## Strategic Goals and Initiatives for FY 2015-16

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

- Continue to provide high quality and timely support to City departments in their increased need for services with reduced staff. 2
- Provide aggressive defense of all claims and lawsuits filed against the City of Santa Rosa.
- Provide quality, effective defense and trial support for five court actions currently scheduled for trial.
- Provide advice and legal support for implementation of all Council Goals.
- Enforce environmental and consumer protection laws and aggressively pursue violations with legal action. 6
- Enforce the City Code with a focus on neighborhood revitalization through prosecution of Code violations in target neighborhoods. 6
- Ongoing Redevelopment litigation and dissolution issues.
- Provide advice regarding land use and CEQA issues. 3
- Provide advice and legal support regarding Roseland Annexation. 5
- Provide professional, timely and effective legal advice to the Council, City Manager, City Departments and City boards and commissions or other issues as needed. 2

## Major Budget Changes

For FY 2015-16, the City Attorney's Office budget is approximately \$2.3M, an increase of \$146K or 6.8% over last year. There were not any authorized position changes from the prior year's adopted budget. Salaries and benefit costs increased \$144K as a result of the MOU agreements approved by the City Council. All other categories of expenditures did not have any significant changes from the FY 2014-15 budget.

## Budget Summary

| <b>Expenditures by Program</b> |                               |                               |                               |                                |
|--------------------------------|-------------------------------|-------------------------------|-------------------------------|--------------------------------|
|                                | <b>2012 - 2013<br/>Actual</b> | <b>2013 - 2014<br/>Actual</b> | <b>2014 - 2015<br/>Budget</b> | <b>2015 - 2016<br/>Request</b> |
| Legal Services                 | \$2,044,297                   | \$2,100,052                   | \$2,149,684                   | \$2,295,391                    |
| <b>Total</b>                   | <b>\$2,044,297</b>            | <b>\$2,100,052</b>            | <b>\$2,149,684</b>            | <b>\$2,295,391</b>             |

| <b>Expenditures by Category</b> |                               |                               |                               |                                |
|---------------------------------|-------------------------------|-------------------------------|-------------------------------|--------------------------------|
|                                 | <b>2012 - 2013<br/>Actual</b> | <b>2013 - 2014<br/>Actual</b> | <b>2014 - 2015<br/>Budget</b> | <b>2015 - 2016<br/>Request</b> |
| Salaries                        | \$1,412,201                   | \$1,428,338                   | \$1,459,756                   | \$1,549,779                    |
| Benefits                        | \$498,895                     | \$523,705                     | \$539,025                     | \$592,923                      |
| Professional Services           | \$18,710                      | \$26,947                      | \$21,240                      | \$21,240                       |
| Vehicle Expenses                | \$677                         | \$351                         | \$1,200                       | \$1,200                        |
| Utilities                       | \$566                         | \$559                         | \$520                         | \$560                          |
| Operational Supplies            | \$12,617                      | \$11,357                      | \$14,100                      | \$14,100                       |
| Information Technology          | \$52,796                      | \$63,238                      | \$60,645                      | \$59,796                       |
| Other Miscellaneous             | \$47,835                      | \$45,557                      | \$53,198                      | \$55,793                       |
| <b>Total</b>                    | <b>\$2,044,297</b>            | <b>\$2,100,052</b>            | <b>\$2,149,684</b>            | <b>\$2,295,391</b>             |

# City Attorney's Office

| <b>Expenditures by Fund</b> |                               |                               |                               |                                |
|-----------------------------|-------------------------------|-------------------------------|-------------------------------|--------------------------------|
| <b>Funding Source</b>       | <b>2012 - 2013<br/>Actual</b> | <b>2013 - 2014<br/>Actual</b> | <b>2014 - 2015<br/>Budget</b> | <b>2015 - 2016<br/>Request</b> |
| General Fund                | \$2,044,297                   | \$2,100,052                   | \$2,149,684                   | \$2,295,391                    |
| <b>Total</b>                | <b>\$2,044,297</b>            | <b>\$2,100,052</b>            | <b>\$2,149,684</b>            | <b>\$2,295,391</b>             |

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

| <b>Fiscal Year</b>          | <b>FY 2011-12</b> | <b>FY 2012-13</b> | <b>FY 2013-14</b> | <b>FY 2014-15</b> | <b>FY 2015-16</b> |
|-----------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| <b>Full-Time Equivalent</b> | 12.70             | 12.90             | 12.90             | 12.90             | 12.90             |

## Performance Measures

| <b>INDICATORS:</b>  | <b>FY 2011-12<br/>ACTUAL</b> | <b>FY 2012-13<br/>ACTUAL</b> | <b>FY 2013-14<br/>ACTUAL</b> | <b>FY 2014-15<br/>TO DATE</b> | <b>FY 2014-15<br/>ESTIMATE</b> |
|---|------------------------------|------------------------------|------------------------------|-------------------------------|--------------------------------|
| New Lawsuits Served   | 18                           | 25                           | 17                           | 20                            | 24                             |
| Ongoing Litigation  |                              |                              |                              | 38<br>(as of 4-30-15)         |                                |
| Attorney-assigned Claims  | 43                           | 30                           | 45                           | 26                            | 31                             |
| Opinion Requests Completed*   | 477                          | 410                          | 358                          | 263                           | 316                            |
| Contracts Reviewed  | 1,173                        | 1,018                        | 1125                         | 838                           | 1006                           |
| Pitchess Motions Defended   | 17                           | 8                            | 16                           | 9                             | 11                             |
| Weapons Administrative Actions  | 23                           | 35                           | 18                           | 12                            | 14                             |
| * Does not reflect continuing advice/support for projects<br>** Through 04/30/2015<br>*** Calculated using % of current |                              |                              |                              |                               |                                |

- CAO estimates at least 4 new lawsuits will be filed by end of FY 2014-15. This is in addition to the ongoing support for lawsuits filed in the years prior to this fiscal year. There are 5 actions currently scheduled for trial. CAO handles the majority of litigation in house to minimize outside counsel costs when possible.
- CAO handles actions alleging liability from claim filing through discovery, trial, appeals, writs and, if appropriate, through petition to the Supreme Court for review.
- Providing full in-house legal services for Housing Authority, at far lower cost than payment to outside legal counsel.
- At least 96% of all requests for legal opinion receive response within 30 days. Most requests for legal opinion receive immediate response and the attorneys provide continuing services to resolve any matter requiring either reactive or proactive support.
- The average turnaround for all standard contracts, Professional Service Agreements and funding agreements is 9 days.
- Community and law enforcement interests are preserved by timely and successful processing of all Pitchess motions, confiscation of weapons cases, and prosecution of environmental crime violations.
- CAO continues to provide trainings and legal updates as necessary.
- CAO continues its efforts in successfully supporting departments in recovery of revenues and prosecution of City Code violations.

# City Attorney's Office

## Prior FY 2014-15 Accomplishments

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

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### LITIGATION

- City prevailed in longstanding litigation action by employee who claimed that he was wrongfully terminated and ultimately recovered sanctions for attorneys' fees in the amount of \$46,884.
- Defeated plaintiff's motion for class certification reducing a potential class action exposure of \$5.2 million to \$2,500 plus attorney's fees.
- Settlement on lawsuit avoiding potential civil liability exposure involving claim of excess force and violation of civil rights.
- Successfully defended a trip and fall case against the city in Sept 2014 in which Jury was out 40 minutes before returning a verdict in the City's favor.
- State action for recovery of seized assets dismissed with recovery of \$50,000 for Santa Rosa Police Department.
- Judgment filed in favor of City in action claiming unlawful arrest, and violation of civil rights with claimed damages of \$6 million.
- Successfully defended the City in 7 or more actions, some claiming damages over \$500K, which were dismissed without any compensation.
- Successfully defended the City in 4 or more actions, three claiming damages over \$500K, which were settled with payments of less than \$3,000.
- Successfully defended the City in 2 actions, one claiming damages over \$500K, which were settled with payments of less than \$38,000.
- Successfully defended CEQA petition on SAY Dream Center Project.
- Finalized Landfill Settlement Agreements and Operations Agreements.
- Worked with Water (formerly Utilities) to settle administrative liability complaint filed by Regional Water Quality Board against City for permit violations.

### CITYWIDE SUPPORT AND TRAINING

- Provided support to the Open Government Task Force.
- Legal support for Update of Smoking Ordinance.
- Legal support Calistoga Cottages appeal and rezoning.
- Farmer's Lane Well Flushing Project, including acquisition of all necessary right of way done on an urgency basis.
- Benton Street Site declared surplus and dedicated for affordable veterans housing.
- Housing Authority funding of Tierra Springs including facilitation of Dauenhauer subdivision affordable housing site.
- Worked with Water (former Utilities) on drought issues, Ebola issues, demand fees, and various other issues.
- Assist with completion and certification of Courthouse Square and Jennings Crossing EIR.
- Coordinated and provided CEQA training to Council and Staff.
- Conducted Citywide contract training.

### PROFESSIONAL AND COMMUNITY ORGANIZATIONS

- Speaker at Public Records Seminar at UC Hastings School of Law in San Francisco.
- Panelist on Sonoma County Bar Association Civil Trial Workshop.
- Community Speaking Engagement at Leadership Santa Rosa Government Day.
- Commencement Speaker at Empire College of Law.



# City Attorney's Office

- Appointed Chair of the Attorneys' Committee for the California Association of Sanitation Agencies.
- Continued to serve on Legal Affairs Committee for the Association of California Water Agencies.

## **Looking Ahead**

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- Identify emerging issues that will need to be addressed in implementing Council goals and future budget.
- Managing increased legal support related to Roseland Annexation.
- Managing increase in litigation actions filed along with ongoing litigation.

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# City Council

## Mission

It is the mission of the City Council to provide leadership and make policy decisions for the wellbeing of our community through public participation, sound financial policies, and appointments to City Boards and Commissions.

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.



John Sawyer  
Mayor



Chris Coursey  
Vice Mayor



Erin Carlstrom  
Council Member



Julie Combs  
Council Member



Ernesto Olivares  
Council Member



Tom Schwedhelm  
Council Member



Gary Wysocky  
Council Member

# City Council

The City Council is comprised of thirteen Programs: Administration; Elections; and Community Promotions Programs: Rose Parade, Santa Rosa Red White and Boom, Santa Rosa Symphony, Santa Rosa Downtown Market, West End Farmer's Market, the Imaginists, Human Race, Shakespeare in the Cannery, Winter Lights Downtown Tree Lighting, Matsuri Japanese Arts Festival and Santa Rosa's 150<sup>th</sup> Birthday. The Community Promotion Programs may change as the Council approves the Community Promotions budget.

The City Council established Goals and Strategic Objectives during their goal setting session in February 2015, and they are committed to supporting the programs, projects, and services required to accomplish the Goals and Strategic Objectives.

## **Strategic Goals and Initiatives for FY 2015-16**

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At the recent goal setting session in February 2015, the City Council reviewed the Goals and Strategic Objectives that were set in 2013. Council determined that the goals set in 2013 are relevant today, but have revised the Strategic Objectives. Council is committed to supporting the programs, projects, and services required to accomplish the Goals and Strategic Objectives. Council receives regular updates on the Goals' scorecard.

Council's Current Goals and Initiatives:

- 1 Create a Strong, Suitable, Economic Base
- 2 Promote a City Organization that is Sustainable and Maintains Employee Morale, Productivity, and Effectiveness
- 3 Assess Opportunities for Sharing and Regionalizing Services Between Agencies in Sonoma County
- 4 Maintain and Enhance our City's Cultural, Historical, and Recreational Assets
- 5 Improve the Partnerships Between Neighborhoods, Community Organizations, Schools, and the City to Support and Promote Thriving, Inclusive, and Diverse Neighborhoods
- 6 Commit to Making Santa Rosa a Healthy Community Where People Feel Safe to Live, Work, and Play

The City Council funds portions of community programs, such as the Rose Parade, Independence Day festivities, the Downtown Market, and the Santa Rosa Symphony. The City Council works closely with the Boards and Commissions to address issues of importance to our community.

## **Major Budget Changes**

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The year over year decrease of \$103K in the City Council's budget is primarily attributable to the absence of an election in FY 2015-16. The next municipal election will occur in FY 2016-17 and will require City Council to request additional budget. Until then a budget of \$130K is sufficient to provide adequate funding should Council place a measure on the November 2015 ballot.

There is no change in Council Member salaries for FY 2015-16 however there is a decrease in benefits due to a drop in health premiums. Salaries and Benefits also include in-kind services of City employees for Community Promotions. In FY 2015-16 City Council increased the Community Promotion budget funding by \$21,946, or 21%, to a total of \$125,000. Council wished to broaden the scope of interest in FY 2015-16 and approved new Community Promotions projects including a Japanese Arts Festival and the Downtown Tree Lighting.

# City Council

## Budget Summary

| <b>Expenditures by Program</b> |                               |                               |                               |                                |
|--------------------------------|-------------------------------|-------------------------------|-------------------------------|--------------------------------|
|                                | <b>2012 - 2013<br/>Actual</b> | <b>2013 - 2014<br/>Actual</b> | <b>2014 - 2015<br/>Budget</b> | <b>2015 - 2016<br/>Request</b> |
| Elections                      | \$20,102                      | \$0                           | \$255,000                     | \$130,000                      |
| Administration                 | \$444,474                     | \$498,107                     | \$437,497                     | \$437,709                      |
| Events                         | \$116,626                     | \$100,845                     | \$103,054                     | \$110,189                      |
| CIP and O&M Projects           | \$0                           | \$0                           | \$0                           | \$14,811                       |
| <b>Total</b>                   | <b>\$581,202</b>              | <b>\$598,952</b>              | <b>\$795,551</b>              | <b>\$692,709</b>               |

| <b>Expenditures by Category</b> |                               |                               |                               |                                |
|---------------------------------|-------------------------------|-------------------------------|-------------------------------|--------------------------------|
|                                 | <b>2012 - 2013<br/>Actual</b> | <b>2013 - 2014<br/>Actual</b> | <b>2014 - 2015<br/>Budget</b> | <b>2015 - 2016<br/>Request</b> |
| Salaries                        | \$144,257                     | \$147,569                     | \$123,762                     | \$114,143                      |
| Benefits                        | \$109,433                     | \$118,298                     | \$147,860                     | \$146,554                      |
| Professional Services           | \$209,730                     | \$203,577                     | \$359,250                     | \$259,650                      |
| Vehicle Expenses                | \$240                         | \$240                         | \$1,000                       | \$1,000                        |
| Utilities                       | \$6,793                       | \$3,764                       | \$6,500                       | \$5,000                        |
| Operational Supplies            | \$18,675                      | \$15,777                      | \$10,598                      | \$8,500                        |
| Information Technology          | \$22,319                      | \$16,562                      | \$24,781                      | \$37,051                       |
| Other Miscellaneous             | \$69,755                      | \$93,165                      | \$121,800                     | \$106,000                      |
| CIP and O&M Projects            | \$0                           | \$0                           | \$0                           | \$14,811                       |
| <b>Total</b>                    | <b>\$581,202</b>              | <b>\$598,952</b>              | <b>\$795,551</b>              | <b>\$692,709</b>               |

| <b>Expenditures by Fund</b> |                               |                               |                               |                                |
|-----------------------------|-------------------------------|-------------------------------|-------------------------------|--------------------------------|
| <b>Funding Source</b>       | <b>2012 - 2013<br/>Actual</b> | <b>2013 - 2014<br/>Actual</b> | <b>2014 - 2015<br/>Budget</b> | <b>2015 - 2016<br/>Request</b> |
| General Fund                | \$581,202                     | \$598,952                     | \$795,551                     | \$692,709                      |
| <b>Total</b>                | <b>\$581,202</b>              | <b>\$598,952</b>              | <b>\$795,551</b>              | <b>\$692,709</b>               |

## Performance Measures

The City Council's service indicators remain the same year after year; we do not have easily measured indicators so that we might provide three years' statistics.

**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](http://www.srcity.org).

# City Council

**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: BPU Liaison, Downtown Subcommittee, Economic Development Subcommittee, Violence Prevention Partnership – Steering Committee, Violence Prevention Partnership Policy Committee, Long Term Financial Policy Subcommittee, and the Courthouse Square Advisory Committee. Council Ad-Hoc Committee is the Joint City/County Roseland Annexation Committee. The Council Regional Appointments include: ABAG, Art in Public Places, Health Action Council, Library Advisory Board, LOCC North Bay, 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 Authority, Sonoma County Transportation Authority/Regional Climate Protection Authority, and Sonoma County Waste Management Agency.

**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 Oversight Committee, Mosquito Vector Control Board, Personnel Board, Planning Commission, Redevelopment Oversight Board, Santa Rosa Tourism Business Improvement Area Advisory Board, and the Waterways Advisory Council.

## Prior FY 2014-15 Accomplishments

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

- 
- Adopted the FY 2014-15 City budget and finalized Council Goals and Strategic Objectives for 2013-2016 **All**
  - Selected a new City Manager after a nationwide search **6**
  - Approved use of one-time funds for a variety of uses including the Open Door Initiative, Bayer Park and Garden, Prince Gateway Splash Pad, the Street Light Re-energizing Program, Website Redesign, Downtown Railroad Square Strategic Planning, Development Impact Fee Study, and the Employee Wellness Program **All**
  - Approved numerous capital projects for bicyclists and pedestrians (Sixth Street, A Street, Seventh Street, Hearn Avenue, Lewis Road, Jennings Avenue Rail Crossing, Santa Rosa Avenue Widening) **3**
  - Approved numerous street and paving projects (Annual Slurry Seal, Ventura Avenue improvements on Paulin Drive to Bicentennial Way) as well as business area infrastructure upgrades (Administration Drive Sewer Improvement; Leland, Stanford, and Fair Oaks Sewer and Water Replacement, Sixth and Wilson Sewer and Water Improvements, Valley Center and Village Side Drive Sewer and Water Improvements, West End neighborhood North Sewer and Water Improvements) **1**
  - Adopted the Santa Rosa Public Art Master Plan **4**
  - Supported the Mayor’s Open Government Task Force; the Joint City/County Roseland Annexation Committee; Long-term Financial Policy Committee; joined Sonoma Clean Power **1,4,5,6**
  - Supported “Step Right Up” succession planning program; supported Community Engagement Coordinator programs **5**
  - Approved CAB recommended funding for Community Improvement Grants **4,5**
  - Approved the Sonoma County Landfill Agreement **3,5,6**
  - Approved the new green fees for the Bennett Valley Golf Course **5,6**
  - Approved the Courthouse Square project design **5,6**
  - Approved Winter Shelter Bed Program at Samuel Jones Hall which added 50 beds **4,5,6**
  - Allocated \$1M General Funding to sponsor the development of 79 affordable housing units at the Crossroads Project **5,6**

# 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

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The City Manager's Office is comprised of four Programs: Administration including Franchise Agreements, City Clerk, Community Engagement, and the Violence Prevention Partnership.

**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.

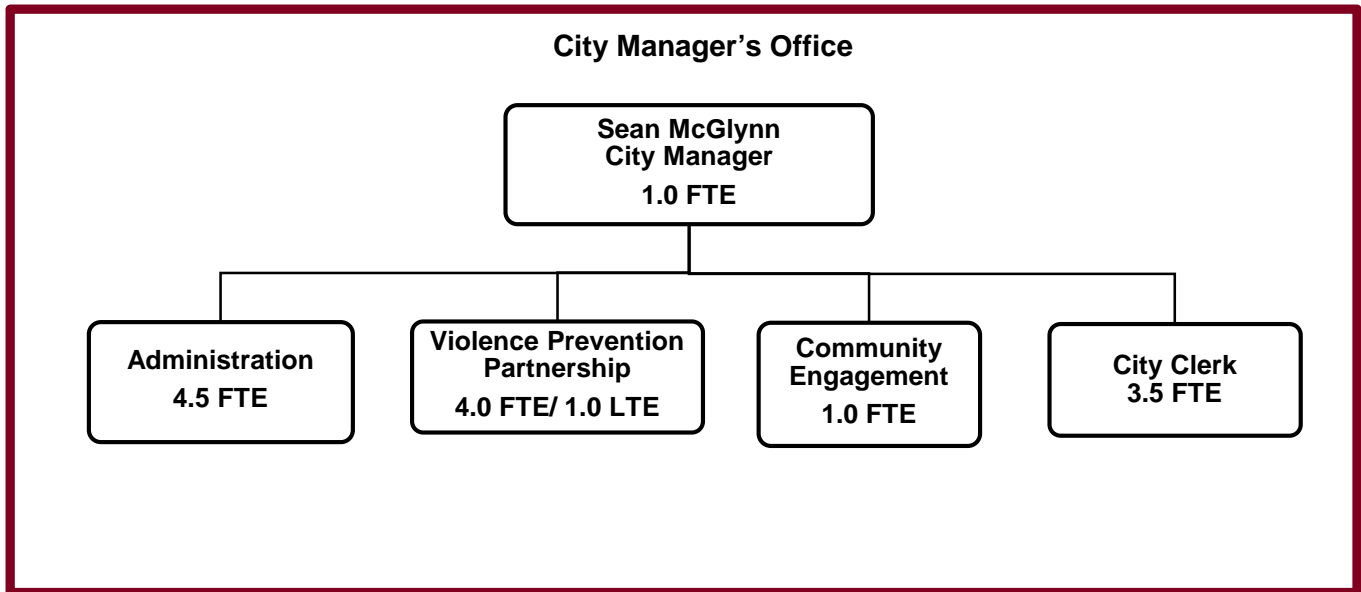
**Violence Prevention Partnership** – Responsible for the administration and management of the implementation and evaluation of the Measure O CHOICE Grant Program and Santa Rosa Violence Prevention Partnership (The Partnership) Strategic Plan (2012-2016), including the strategic goals of Awareness, Prevention, Intervention, Enforcement, Re-Entry, Regionalization, and Measurements/Metrics. The Partnership is a collaborative effort of over 50 organizations including government, local law enforcement, business community, private citizens, and faith and community-based organizations, focusing on creating safe neighborhoods through youth development programs and community partnership efforts. The mission of The Partnership is to reduce youth violence by mobilizing and aligning community resources through prevention, intervention, and enforcement.

**Community Engagement Program** – Responsible for supporting, promoting, and organizing opportunities for civic engagement to residents of Santa Rosa, including connecting residents with their local government, strengthening and empowering neighborhood groups, and connecting residents with volunteer opportunities. This program works in partnership with the Community Advisory Board to reach out to residents throughout the City. This is accomplished through the creation of programs and events sponsored by community partners, neighborhood associations, other City departments, and civic groups. Programs evolve and change throughout the year based on the success of each strategy, but a strong focus is placed on providing accurate information via a variety of platforms including social media and other traditional outreach strategies.

**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.

# City Manager's Office

## FTE by Program



### Strategic Goals and Initiatives for FY 2015-16

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

#### Administration

- Assist the City Council with policy development and implementation of City Council Goals and Strategic Objectives; lead Citywide strategic planning to support Goals. **All**
- Provide cost-control oversight, and closely monitor impacts of budgeting constraints; develop cost saving measures that include managing labor and pension costs. **2**
- Assess opportunities for sharing and regionalizing services between agencies in Sonoma County. **2**
- Provide analysis of Federal and State legislation impacting the City of Santa Rosa and assist the Council in providing an effective program. **1, 2**

#### Violence Prevention/Intervention Partnership

- Lead development and implementation of the Santa Rosa Violence Prevention Partnership's (formerly known as the Mayor's Gang Prevention Task Force) new strategic plan, incorporating the findings of the Community Safety Scorecard. **4, 5, 6**
- Develop an enhanced evaluation system, for the CHOICE grant program and programs offered through the Santa Rosa Police Department and Recreation & Parks Neighborhood Services. **4, 5, 6**
- Implement the 7<sup>th</sup> Annual Gang Prevention Awareness Week and other outreach efforts including special events, trainings, and presentations. **4, 5, 6**
- Design and implement an enhanced referral system for youth and families needing services or resources from The Partnership. **4, 5, 6**

#### Community Engagement

- Organize and perform a variety of outreach strategies focusing on topics that are important to residents, staff, and local organizations (i.e. DINE, social media, etc.). **5**
- Support initiatives that promote community involvement and neighborhood connections; partner with and support work of the Community Advisory Board. **5**
- Oversee and manage the Public Improvement Grant Program in partnership with the Community Advisory Board. **5**
-



# City Manager's Office

## City Clerk

- Timely prepare and distribute preliminary and current City Council agendas, paperless agenda packets, and minutes pursuant to the Brown Act and City policy. **All**
- Facilitate an open and transparent democratic process through public access to Council and advisory body legislative records. **All**
- Promptly receive, review, track, and coordinate responses to all Public Records Act requests. **2, 5**
- Continue development, implementation, and coordination of a comprehensive Citywide Records Management Programs. **2, 4, 5**
- Administer fair and impartial municipal elections; provide technical support and guidance to City Council candidates. **2, 5**
- Serve as filing officer/official under the Political Reform Act for Statements of Economic Interests and Campaign Finance Disclosure Statements. **2, 5**
- Effectively manage all board and commission member vacancies, recruitments, and appointments to ensure City boards, commissions, and committees represent the diversity of the community. **2, 5**
- Foster public involvement and informed decision-making by providing professional customer service and accessible and accurate information about City government. **2, 5**
- Assist in the implementation of the recommendations of the Open Government Task Force. **2, 5**

## Major Budget Changes

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Overall the City Manager's budget increased by \$406K from FY 2014-15 to FY 2015-16. Most of these increases take place in the Administration, City Clerk and Community Engagement programs which are funded by the General Fund. The Violence Prevention Partnership, which is funded by its own Measure O revenue source, has minimal changes.

The General Fund portion of the City Manager's budget increased by \$341K this year over last. The majority of the variance, or \$291K, occurs in Salaries and Benefits resulting from the addition of 2.0 new FTEs: an Administrative Assistant for City Council and a Director of Community Engagement. With these positions the total FTEs in the City Manager's Office is now 17.0, up from 15.0 in FY 2014-15. General Fund Services and Supplies rose due to new supplies and training for the Emergency Preparedness Coordinator as well as moderate increases in IT costs and professional services.

The Violence Prevention Partnership budget increased \$65K in FY 2015-16. Salaries and Benefits rose by a minimal \$7K for contracted MOUs. The remainder of the Partnership's budget increase is due to an additional \$78K in Professional Services for grants to community organizations which provide gang and violence prevention and intervention services. The increase in Measure O revenue provided the funding source for this increase to the grants.

# City Manager's Office

## Budget Summary

| <b>Expenditures by Program</b> |                               |                               |                               |                                |
|--------------------------------|-------------------------------|-------------------------------|-------------------------------|--------------------------------|
|                                | <b>2012 - 2013<br/>Actual</b> | <b>2013 - 2014<br/>Actual</b> | <b>2014 - 2015<br/>Budget</b> | <b>2015 - 2016<br/>Request</b> |
| General Administration         | \$1,316,482                   | \$1,475,446                   | \$1,627,730                   | \$1,984,348                    |
| Measure O Gang Prevention      | \$71,505                      | \$1,033,879                   | \$1,144,650                   | \$1,214,529                    |
| Community Engagement           | \$8,237                       | \$9,610                       | \$38,631                      | \$38,030                       |
| City Clerk                     | \$37,704                      | \$56,522                      | \$73,550                      | \$73,550                       |
| CIP and O&M Projects           | \$277,270                     | \$396,061                     | \$236,315                     | \$216,315                      |
| <b>Total</b>                   | <b>\$1,711,198</b>            | <b>\$2,971,518</b>            | <b>\$3,120,876</b>            | <b>\$3,526,772</b>             |

| <b>Expenditures by Category</b> |                               |                               |                               |                                |
|---------------------------------|-------------------------------|-------------------------------|-------------------------------|--------------------------------|
|                                 | <b>2012 - 2013<br/>Actual</b> | <b>2013 - 2014<br/>Actual</b> | <b>2014 - 2015<br/>Budget</b> | <b>2015 - 2016<br/>Request</b> |
| Salaries                        | \$879,760                     | \$1,166,635                   | \$1,322,632                   | \$1,530,327                    |
| Benefits                        | \$302,100                     | \$441,958                     | \$502,110                     | \$592,861                      |
| Professional Services           | \$104,678                     | \$704,715                     | \$719,705                     | \$820,780                      |
| Vehicle Expenses                | \$1,647                       | \$13                          | \$500                         | \$500                          |
| Utilities                       | \$4,446                       | \$5,269                       | \$5,700                       | \$4,600                        |
| Operational Supplies            | \$22,773                      | \$35,045                      | \$40,200                      | \$77,950                       |
| Information Technology          | \$59,635                      | \$90,043                      | \$96,811                      | \$115,512                      |
| Other Miscellaneous             | \$58,889                      | \$85,763                      | \$127,345                     | \$107,683                      |
| Subrecipient Funding            | \$0                           | \$20,000                      | \$40,000                      | \$30,000                       |
| Indirect Costs                  | \$0                           | \$26,016                      | \$29,558                      | \$30,244                       |
| CIP and O&M Projects            | \$277,270                     | \$396,061                     | \$236,315                     | \$216,315                      |
| <b>Total</b>                    | <b>\$1,711,198</b>            | <b>\$2,971,518</b>            | <b>\$3,120,876</b>            | <b>\$3,526,772</b>             |

| <b>Expenditures by Fund</b>  |                               |                               |                               |                                |
|------------------------------|-------------------------------|-------------------------------|-------------------------------|--------------------------------|
| <b>Funding Source</b>        | <b>2012 - 2013<br/>Actual</b> | <b>2013 - 2014<br/>Actual</b> | <b>2014 - 2015<br/>Budget</b> | <b>2015 - 2016<br/>Request</b> |
| General Fund                 | \$1,460,861                   | \$1,934,823                   | \$1,971,226                   | \$2,312,243                    |
| Measure "O" - Recreation     | \$71,505                      | \$1,033,879                   | \$1,144,650                   | \$1,214,529                    |
| Capital Improvement Fund     | \$178,832                     | \$0                           | \$0                           | \$0                            |
| Expendable Fund-No Int Alloc | \$0                           | \$2,816                       | \$5,000                       | \$0                            |
| <b>Total</b>                 | <b>\$1,711,198</b>            | <b>\$2,971,518</b>            | <b>\$3,120,876</b>            | <b>\$3,526,772</b>             |

# City Manager's Office

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

| Fiscal Year          | FY 2011-12 | FY 2012-13 | FY 2013-14 | FY 2014-15 | FY 2015-16 |
|----------------------|------------|------------|------------|------------|------------|
| Full-Time Equivalent | 7.50       | 12.00      | 13.00      | 15.00      | 17.00      |

## Performance Measures

### Administration

- Work with the Mayor, the City Council, and the Executive Staff to develop City Council Goals and Strategic Objectives. Follow-up with staff to develop work plans and produce desired results. There are four quarterly reports.
- Provide Mayor on-going assistance for the Santa Rosa Violence Prevention Partnership.
- Provide analysis of Federal and State legislation impacting the City of Santa Rosa.
- Provide support to the Community Advisory Board.
- Serve on Sonoma County Waste Management Agency as a Board Member.
- Serve on Steering Committee for feasibility of Community Choice Aggregation.
- Serve as a member on the Sonoma County Library Joint Powers Agreement Review Advisory Committee.
- Provide administrative oversight to the County for Animal Care and Control.
- Provide customer service on the telephone and the front counter. There were 11,304 phone calls received/assisted by the City Manager's Office in FY 2014-15.

| Violence Prevention/<br>Intervention Prevention  | FY 12-13  | FY 13-14  | FY 14-15   |
|--|---|---|--|
| Continued implementation of the 2012-2016 Mayor's Gang Prevention Task Force (MGPTF) Strategic Plan                | N/A   | N/A   | Implementing 28 of 40 identified Strategic Plan Objectives                                     |
| Create Community Safety Scorecard to be used to measure long-term impacts of MGPTF efforts on a neighborhood level | N/A   | N/A   | Incorporated findings within Cycle VIII CHOICE Grant Program Request for Qualifications (#TBD) |
| Conduct 6 Policy Team and 12 Operational Team meetings for the MGPTF   | Policy Team – 6<br>Operational Team – 11<br>Joint Meeting – 1 | Policy Team – 6<br>Operational Team – 11<br>Joint Meeting – 1 | Policy Team – 6<br>Operational Team – 11<br>Joint Meeting – 1                                  |

# City Manager's Office

The Community Engagement Program receives numerous calls and e-mail inquiries seeking advice, resources, information about local programs/services, and opportunities for involvement. Service indicators include:

## **Community Engagement**

- Seek out new platforms to communicate with residents, with the goal of engaging a wide variety of individuals that represent the varied socioeconomic, geographical, and ethnic diversity of Santa Rosa, and evaluate the success of new outreach strategies.
- Grow the Discussions Inspiring Neighborhood Engagement (DINE) program by engaging additional residents and track demographic information of those who attend this and other community events organized by Community Engagement Program.
- Support the Community Advisory Board (CAB) by attending meetings and working with the Chair to set the agenda, 12 meetings per year. Administer the CAB Grant Program, ensuring information is accurate and distributed in a timely manner, and that funds are allocated and spent in accordance with the governing resolutions. (The number of grants will vary each year given the amount of funding allocated).

| <b>City Clerk</b>  | <b>FY 2012-13</b>                        | <b>FY 2013-14</b>                        | <b>FY 2014-15</b>                          |
|--|--|--|--|
| City Council Meetings:<br>Produce, publish, and timely post preliminary and final Council agendas, agenda packets and meeting minutes                    | 38                                       | 43                                       | 38   |
| City Council Legislation:<br>Timely and accurately conform, publish, post, and import into Laserfiche all City Council legislation                       | Resolutions – 148<br><br>Ordinances – 18 | Resolutions – 175<br><br>Ordinances – 25 | *Resolutions – 157<br><br>*Ordinances - 17 |
| FPPC Filings – Form 700:<br>Provide notification of filing deadlines; receive, review, and post filings; seek amendments as needed                       | 258 filings                              | 256 filings                              | 332 filings                                |
| FPPC Filings – Campaign Disclosure Statements:<br>Provide notification of filing deadlines; receive, review, and post filings; seek amendments as needed | Filers – 27<br><br>Filings – 236         | Filers – 29<br><br>Filings – 111         | Filers – 28<br><br>Filings - 206           |
| Public Records Act Requests: Receive and review written requests, coordinate production of records, prepare responses                                    | Requests – 65                            | Requests – 139                           | * Requests - 147                           |
| Boards and Commissions: Track and recruit applicants and administer appointments for 12 advisory bodies (86 positions)                                   | Applications – 80<br>Appointments - 50   | Applications – 27<br>Appointments - 17   | Applications – 45<br>Appointments - 29     |
| (*) Fiscal Year-end estimates based on year-to-date actuals  |  |  |  |

# City Manager's Office

## Prior FY 14-15 Accomplishments

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

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### Administration

#### Council Support

- Developed recommendations for annual City Budget and long-term fiscal policies; assisted the City Council with policy development and implementations of City Council Goals and Strategic Objectives. All
- Assisted the City Council with recruitments, orientations, and staffing for various Boards and Commissions, monitored legislation impacting the City of Santa Rosa, and recommended policy actions. 1, 2, 3
- Brought the Courthouse Square Project to City Council. 4, 5, 6
- Worked with the City Council in support of the Community Advisory Board and the Santa Rosa Violence Prevention Partnership. 5

#### Community

- Brought forward the Open Door Initiative All
- Provided oversight for the County Animal Care and Control; served on Sonoma County Waste Management Board; served on Sonoma County's Joint Powers Agreement's Library Review Advisory Committee. 5
- Supported Community Engagement Program with public participation programs, online resources, service opportunities, and problem solving. 2, 4

#### City

- Continued work with the Inclusion Council on a variety of projects including the on-going Building an Inclusive Workforce training; participated in the Marketing and Communications Committee. 2, 5
- Participated in work group to recognize and celebrate the success of employees; supported the "Step Right Up" succession planning program. 2

### Violence Prevention/Intervention Partnership

- Continued implementing The Partnership's 2012-2016 Strategic Plan. 3, 4, 5, 6
- Now known as the Santa Rosa Violence Prevention Partnership (The Partnership), the Mayor's Gang Prevention Task Force launched a new brand in February 2015, including a new name, tag line, and logo. 3, 4, 5, 6
- To fulfill the strategic Goals of Re-entry and Regionalization, The Partnership hosted a state-wide conference on April 10, 2015 entitled "From Incarceration to Transformation: Realignment & Re-Entry". 3, 4, 5, 6
- Created a Community Safety Scorecard to be used to measure the root causes of violence and long-term impacts of The Partnership efforts on a neighborhood level. 3, 4, 5, 6
- Conducted six Policy Team meetings and 12 Operational Team meetings, including one joint meeting. 3, 4, 5, 6

### Community Engagement

- Supported the City's Community Advisory Board. 4, 5, 6
- Brought forward 24 Community Improvement Grants from CAB (\$24,000). 4, 5, 6
- Arranged for Matt Leighninger to speak on building partnerships and open government. 4, 5, 6
- Organized the Open Government Task Force Public Forum. 4, 5, 6
- Arranged for Paul Leistner to speak to staff and the public regarding the Portland Experience (Community Engagement). 4, 5, 6

# City Manager's Office

## City Clerk

### Council Support

- Managed the preparation, distribution, and posting of City Council agendas, agenda packets and minutes for 38 City Council meetings. **2, 5**
- Provided support to the Mayor's Open Government Task Force; coordinated presentation by San Jose Communication Director David Vossbrink. **2, 5**

### Elections

- Conducted November 2014 general municipal election, including administration of City Council candidate nomination process for nine candidates and placement of one ballot measure (Measure N – UUT Modernization and Fairness Measure). **2, 5**
- Successfully implemented revised campaign finance regulations, including new robocall regulations. **2, 5**

### Records Management

- Worked with a records management consultant to review and revise all City records retention schedules. **2, 4, 5**
- Retained records preservation services to preserve, rebind, film, and digitize Council legislative records from 1872 to 1952. **2, 4, 5**

### Conflict of Interest

- Served as filing official for over 330 Statements of Economic Interests for City Council members, advisory body members, and designated staff in compliance with the Political Reform Act. **2, 5**

### Public Records Act

- Timely responded to over 140 requests for public records in compliance with the Public Records Act. **2, 5**

### Boards and Commissions

- Launched the Granicus online board and commission application system to effectively manage all board, commission and committee recruitments, applications, and appointments. **2, 5**

## Looking Ahead

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### City Manager

- Assist the City Council in implementation of Council Goals and Strategic Objectives
- Work with all City departments to develop performance measures
- Work with the City Clerk and the City Attorney to implement the Open Government Task Force recommendations
- Insure City Council's 18-month work plan implemented
- Move forward with the implementation of the Open Door Initiative
- Hire the Director and staff for the Community Engagement Division

### City Clerk

- Assist in the implementation of the recommendations of the Open Government Task Force
- Complete the City Council legislative records prevention project
- Implement next phase of Legistar, including minutes automation and electronic voting
- Insure City Council's 18-month work plan implemented
- Move forward with the implementation of the Open Door Initiative
- Hire the Director and staff for the Community Engagement Division

# City Manager's Office

## **Violence Prevention/Intervention Partnership**

- Create new starting plan for the Santa Rosa Violence Prevention Partnership and incorporate findings of the Community Safety Scorecard.
- Enhance evaluation system for the CHOICE grant program
- Implement and monitor Cycle VIII CHOICE grant program recipients
- Implement 7<sup>th</sup> Annual Gang Prevention Awareness Week
- Create and implement CalGRIP grant and revised referral system for The Partnership.

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# Community Development

## Mission

The employees of the Community Development Department strive to ensure that the City's physical development achieves the highest quality, safety and level of improvement, while complementing and strengthening existing neighborhoods and business areas.

## Department Description

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Community Development Department functions are distributed among seven programs designed to achieve the department's mission:

**General Administration** – The General Administration Program oversees and supports all functions of the department, providing technical and clerical support and department-wide management.

**CD Permit Services** – CD Permit Services is the hub for public service and contact in Community Development. Staff assists with and processes all applications for planning and building permits while coordinating with all reviewing agencies on projects. Financial reconciliation for all Community Development transactions is administered by this program. Staff provides information and clarification to the public regarding zoning and building codes, as well as City processes.

**Building Plan Review** – The Building Plan Review Program includes division management and administration. Staff reviews building permit applications for compliance with building codes and related regulations, and approves the permits for issuance.

**Code Enforcement** – The Code Enforcement Program staff responds to complaints and conducts inspections related to City building and zoning codes, with an emphasis on health and safety issues, for work done without permits or in violation of City codes.

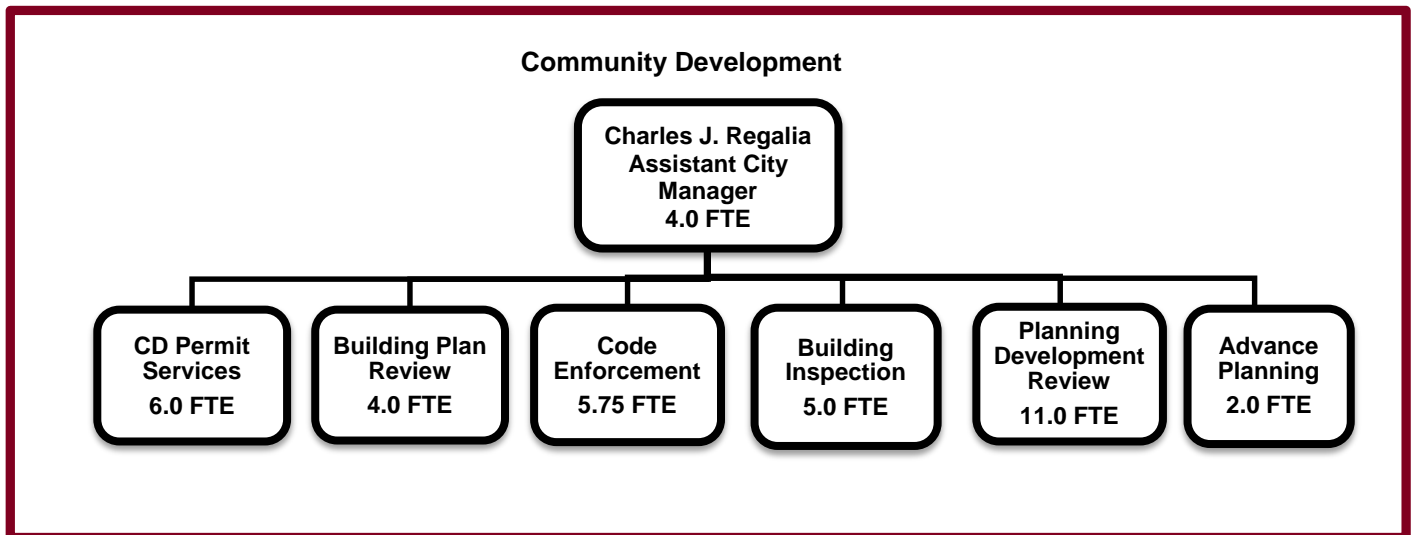
**Building Inspection** – The Building Inspection Program staff conducts building inspections to verify compliance with building codes and regulations.

**Planning Development Review** – The Planning Development Review Program accepts and processes new entitlement applications. This program provides staff support to the Planning Commission, Design Review Board and Cultural Heritage Board. In addition to development review, staff provides information to the public regarding land use and zoning, and conducts environmental review as necessary.

**Advance Planning** – The Advance Planning Program provides strategic thinking and analysis of physical, social and economic conditions, and trends to a wide variety of land use issues. It initiates and conducts planning efforts which establish land use and policy direction for the community.

# Community Development

## FTE by Program



### Strategic Goals and Initiatives for FY 2015-16

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

- |   |     |
|---|-----|
| • Initiate major, integrated planning efforts in Roseland.                              | 1,5 |
| • Consider annexation of remaining unincorporated County areas in Southwest Santa Rosa. | 1,5 |
| • Build Department staff capacity to meet increased service demands.                    | 1   |
| • Establish program and budget for future update of major land use documents.           | 1,3 |
| • Complete Tier 3 of Economic Development Work Plan.                                    | 1   |
| • Implement new Accela Automation permit tracking system.                               | 1   |
| • Implement Open Door Initiative and Service Hub.                                       | 1   |
| • Establish program and budget to improve training opportunities.                       | 1   |
| • Prepare and implement next tier of Economic Development Initiatives.                  | 1   |

### Major Budget Changes

The FY 2015-16 budget addresses the rising demand for services in Community Development. During the severe economic depression in 2008-2010 staffing levels across all seven programs were reduced to a minimum with a decline in development applications. Since 2011 development has been steadily recovering, and in FY 2015-16 additional staff will help Community Development meet this rising demand and increase counter hours. A total of 3.25 FTEs have been added to the department, including 1.0 FTE Building Plans Checker in Building Plan Review, 1.0 FTE Sr. Administrative Assistant in Planning Development Review, 1.0 FTE Building Inspector in Building Inspection, and 0.25 FTE Sr. Administrative Assistant in Code Enforcement.

Overall, the FY 2015-16 budget exceeds the FY 2014-15 budget by \$701K, or 14.0%. Salaries and Benefits are responsible for most of the variance with a total increase of \$558K. The newly approved positions impact Salaries and Benefits by \$326K and contracted rate increases and rising benefit costs for existing employees rose by \$271K. These increases were offset by a small increase in funding from the Administrative Hearing special revenue fund. The new positions also affected Capital Outlay by \$27K for a new vehicle for the Building Inspector, and Operational Supplies by \$37K for supporting costs.

# Community Development

Professional Services increased this year over last by \$201K, \$50K of which is newly approved funding in FY 2015-16 for Planning Development Review. The remaining budget outsources additional services to meet rapidly increasing demand in Building Plan Review, Advanced Planning and Code Enforcement which the newly added FTEs cannot meet, especially considering recruitment and training time. Other Miscellaneous increased by \$27K in order to improve training for City employees.

In FY 2015-16 the CIP budget is \$160K lower than in FY 2014-15, or (37.4%). The decrease can be attributed to a higher budget in FY 2014-15 for a Technology Upgrade project. With the completion of the work Community Development's project budget has declined.

## Budget Summary

| <b>Expenditures by Program</b> |                               |                               |                               |                                |
|--------------------------------|-------------------------------|-------------------------------|-------------------------------|--------------------------------|
|                                | <b>2012 - 2013<br/>Actual</b> | <b>2013 - 2014<br/>Actual</b> | <b>2014 - 2015<br/>Budget</b> | <b>2015 - 2016<br/>Request</b> |
| General Administration         | \$524,658                     | \$546,437                     | \$827,438                     | \$880,311                      |
| CD Permit Services             | \$0                           | \$8                           | \$503,220                     | \$669,963                      |
| Building Plan Review           | \$0                           | \$1                           | \$655,517                     | \$835,599                      |
| Code Enforcement               | \$486,930                     | \$499,425                     | \$648,763                     | \$715,988                      |
| Building Inspection            | \$0                           | \$5                           | \$487,204                     | \$661,841                      |
| Planning Development Review    | \$34,610                      | \$26,140                      | \$1,159,262                   | \$1,328,357                    |
| Advance Planning               | \$185,409                     | \$133,790                     | \$304,884                     | \$354,917                      |
| Field Inspection               | \$274,341                     | \$350,617                     | \$0                           | \$0                            |
| Support Services               | \$2,255,028                   | \$2,458,072                   | \$0                           | \$0                            |
| CIP and O&M Projects           | \$246,531                     | \$235,011                     | \$427,500                     | \$267,662                      |
| <b>Total</b>                   | <b>\$4,007,507</b>            | <b>\$4,249,506</b>            | <b>\$5,013,788</b>            | <b>\$5,714,638</b>             |

| <b>Expenditures by Category</b> |                               |                               |                               |                                |
|---------------------------------|-------------------------------|-------------------------------|-------------------------------|--------------------------------|
|                                 | <b>2012 - 2013<br/>Actual</b> | <b>2013 - 2014<br/>Actual</b> | <b>2014 - 2015<br/>Budget</b> | <b>2015 - 2016<br/>Request</b> |
| Salaries                        | \$2,283,324                   | \$2,450,304                   | \$2,695,744                   | \$3,050,609                    |
| Benefits                        | \$870,565                     | \$957,119                     | \$1,108,833                   | \$1,312,608                    |
| Professional Services           | \$114,564                     | \$50,104                      | \$103,600                     | \$304,600                      |
| Vehicle Expenses                | \$38,346                      | \$41,884                      | \$39,860                      | \$39,095                       |
| Utilities                       | \$6,162                       | \$9,880                       | \$14,950                      | \$15,950                       |
| Operational Supplies            | \$35,824                      | \$39,113                      | \$63,965                      | \$93,020                       |
| Information Technology          | \$335,413                     | \$385,692                     | \$410,572                     | \$428,146                      |
| Other Miscellaneous             | \$76,778                      | \$80,380                      | \$148,764                     | \$175,948                      |
| Indirect Costs                  | \$0                           | \$19                          | \$0                           | \$0                            |
| Capital Outlay                  | \$0                           | \$0                           | \$0                           | \$27,000                       |
| CIP and O&M Projects            | \$246,531                     | \$235,011                     | \$427,500                     | \$267,662                      |
| <b>Total</b>                    | <b>\$4,007,507</b>            | <b>\$4,249,506</b>            | <b>\$5,013,788</b>            | <b>\$5,714,638</b>             |

# Community Development

| <b>Expenditures by Fund</b> |                               |                               |                               |                                |
|-----------------------------|-------------------------------|-------------------------------|-------------------------------|--------------------------------|
| <b>Funding Source</b>       | <b>2012 - 2013<br/>Actual</b> | <b>2013 - 2014<br/>Actual</b> | <b>2014 - 2015<br/>Budget</b> | <b>2015 - 2016<br/>Request</b> |
| General Fund                | \$3,825,961                   | \$4,047,599                   | \$4,603,707                   | \$5,314,005                    |
| Administrative Hearing Fund | \$161,052                     | \$153,609                     | \$410,081                     | \$400,633                      |
| Capital Improvement Fund    | \$20,494                      | \$48,298                      | \$0                           | \$0                            |
| <b>Total</b>                | <b>\$4,007,507</b>            | <b>\$4,249,506</b>            | <b>\$5,013,788</b>            | <b>\$5,714,638</b>             |

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

| <b>Fiscal Year</b>          | <b>FY 2011-12</b> | <b>FY 2012-13</b> | <b>FY 2013-14</b> | <b>FY 2014-15</b> | <b>FY 2015-16</b> |
|-----------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| <b>Full-Time Equivalent</b> | 27.80             | 27.80             | 28.80             | 34.50             | 37.75             |

## Performance Measures

- Code Enforcement responds to investigation requests within the stated time frames (determined by violation type).
- Formal issues letters are distributed to applicants within 60 days and a decision on major entitlements is made within 120 days of application submission.
- Hold face-to-face meetings with applicants within 45 days of completeness.
- Give written feedback to applicants of major projects within 14 days.
- Front Counter customer assistance is provided to customers within 15 minutes of their check-in 80% of the time.
- Building Plan Checks are completed within 5 weeks of submission on the first check and 2 weeks on subsequent checks 80% of the time.
- Engineering Plan Checks are completed within 30 days for initial submittal and 15 days for subsequent checks.
- 98% of all Building Inspections are completed within 24 hours of request.

## Prior FY 2014-15 Accomplishments

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

- |  |              |
|--|--------------|
| • Implemented department cost study and updated fees.  | <b>1</b>     |
| • Completed Housing, Open Space, Conservation and Noise and Safety General Plan Element Updates. | <b>1,3,5</b> |
| • Completed Roseland Work Plan and presented findings to City Council.                           | <b>1,5</b>   |
| • Initiated Tier 3 Economic Development Work Plan.   | <b>1</b>     |
| • Revised and implemented Housing Impact Fee.  | <b>1,5</b>   |
| • Implemented third party Plan Check.  | <b>1</b>     |
| • Updated Sign Ordinance.  | <b>1</b>     |
| • Initiated migration from Permits Plus to Accela Automation.                                    | <b>1</b>     |

# Community Development

- Recruited Deputy Director-Planning, Supervising Planner, two Senior Planners, City Planner, Building Inspector, Code Enforcement Officer, Community Development Technician and Senior Administrative Assistant. **1,3,5**

## Looking Ahead

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- Complete major, integrated planning efforts in Roseland.
- Consider annexation of remaining unincorporated County islands and Moorland.
- Improve service at public counter.
- Integrate department activities into Service Hub.
- Review/adopt Building Code Update.
- Complete review of Impact Fee nexus studies.

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