

Operations and Maintenance Budget

Fiscal Year 2025-26

DRAFT





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Mark Stapp

Vice Mayor

Eddie Alvarez

Council Members

Caroline Bañuelos

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GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished
Budget Presentation
Award*

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**City of Santa Rosa
California**

For the Fiscal Year Beginning

July 01, 2024

Christopher P. Morill

Executive Director

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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 by balancing revenues and expenditures and prioritizing community interests.

DOCUMENT ORGANIZATION

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

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

Transmittal, Guide, and Budget Overview

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

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

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

City and Organization Overview

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

Summary Financial Information

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

- All City Funds Schedule: Local government budgets are organized by funds in order to segregate and account for restricted resources. Each fund is a separate accounting entity. The General Fund provides the resources for many of the services cities typically offer. The All-City Funds summary schedule consolidates all funds Citywide and presents the total resources and the total use of resources.

Guide to the Document

- Enterprise Fund Schedule: These funds account for City activities that are operated in a manner similar to private enterprises and receive revenues from fees charged to customers.
- Internal Service Funds Schedule: These funds are used to report the activities that provide goods and services to other funds, departments or component units of the City programs and activities.
- Fund Use by Department: This matrix shows the relationship between the various funds and the City's departments.
- Multi-Year Revenue and Expenditure Summaries: These two schedules provide a multi-year summary of Revenues by Fund and Expenditures by Fund. Each schedule reflects three prior years of actual results, the budget or estimates for the previous fiscal year, and the current year's budget.
- City Debt Schedule: This schedule computes the legal debt limitation which is not to exceed the total assessed valuation of taxable property within the City boundaries. Additionally, it reflects the City's debt obligation outstanding and associated bond rating as of the end of the fiscal year.
- FTE Staffing Summary: This schedule provides a description of Citywide position changes, including a table showing five years of staffing levels for each department.
- Long Range Financial Forecast (LRFF): This schedule displays the current budget of the General Fund as well as forecasted revenue, expenditures, transfers, and reserve balances for the next four years. The LRFF is intended to serve as a tool for financial planning and decision making in the years ahead, and the City aims to update this forecast annually.

Department Detail

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

- Mission Statement: A statement explaining why a department exists.
- Department Description: A description of the services provided by the department, intended to give the reader an understanding of the scope and breadth of ongoing functions and responsibilities of a service area.
- FTE By Program: A graphic representation of each department's programs. The number of employees in a program is included. These charts are representative of a point in time; the number of employees in a program for any department fluctuates throughout the year.
- Strategic Goals and Initiatives: A list of initiatives the department hopes to begin or accomplish over the next fiscal year. Initiatives related to City Council goals are designated with the number of the corresponding goal.
- Major Budget Changes: A description of the department's major increases and decreases compared to the previous year's budget.
- Expenditures by Program: A financial table showing funds used to support departmental activities that provide benefits and services Citywide. It also provides historical information so the reader can examine trends and previous funding levels.
- Expenditures by Category: A financial table showing salary, benefits, operating and capital costs associated with the department. It also provides historical information so the reader can examine trends and previous funding levels.
- Expenditures by Fund: A financial table showing the funds from which the department receives financial resources. It also provides historical information so the reader can examine trends and previous funding levels.
- Authorized Full-Time Equivalent (FTE) Positions - All Funds: A table showing the staffing level of each department for the current fiscal year and the prior four fiscal years.
- Performance Measures: A collection of statistical data measuring the achievements of each department.

Guide to the Document

- Prior Fiscal Year Accomplishments: A list of the department's accomplishments from the previous fiscal year. Accomplishments related to City Council goals are designated with the number of the corresponding goal.
- Looking Ahead: An overview of future projects and priorities unique to each individual department.

Reading Expenditures Tables

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

Appendix

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

BUDGET PRACTICES AND POLICIES

Basis of Accounting

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

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

Basis of Budgeting

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

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.

Guide to the Document

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 between 15-17% of expenditures. All other major City funds also have reserve policies that dictate minimum balances. More information on policies can be found in the Appendix.

Budget Overview

Introduction

Santa Rosa's Fiscal Year (FY) 2025-26 Operating and Capital Budget is \$553.8 million across all funds and is comprised of \$477.8 million of operational funding and \$76 million of capital project funding. This represents a total increase of \$45 million or 8.9% more than the FY 2024-25 adopted budget. Operations are increasing by \$19.7 million or 4.3% and the Capital Improvement Program (CIP) is increasing by \$25.4 million or 50.2%, as shown in the following table.

FUND TYPE	FY 2024-25 ADOPTED BUDGET (in millions)	FY 2025-26 ADOPTED BUDGET (in millions)	\$ Dollar Increase/ (Decrease) (in millions)	% Percent Increase/ (Decrease)
General Fund	\$220.2	\$216.5	(\$3.7)	(1.7%)
Enterprise Funds (Operating)	158.3	171.8	13.5	8.5%
Enterprise Funds (CIP)	24.6	45.2	20.6	83.8%
Other Funds (CIP)	26.0	30.8	4.8	18.4%
Special Revenue Funds	19.5	28.6	9.1	46.5%
Other Funds	5.3	1.2	(4.1)	(77.1%)
Housing Authority	51.6	56.7	5.1	9.9%
Successor Agency to RDA	3.3	3.0	(0.2)	(7.3%)
TOTAL	\$508.8	\$553.8	\$45.0	8.9%
Operations (net of CIP)	\$458.2	\$477.8	\$19.6	4.3%
CIP only	\$50.6	\$76.0	\$25.4	50.2%

General Fund

The City of Santa Rosa's FY 2025-26 General Fund budget is not balanced, with revenues and transfers equaling \$8.1 million less than expenditures and transfers out. Due to an increase in online sales and post-pandemic spending environment, sales tax is projected to decrease.

The FY 2025-26 General Fund expenditure budget of \$216.5 million decreased by (\$3.7) million or (1.7%) from the prior fiscal year. Expenditures can be broken down into three broad categories – Salaries and Benefits, Services & Supplies, and Operating Projects. The Salaries and Benefits category represents \$165.5 million or 76.4% of the total General Fund budget. Services and Supplies account for another \$48.7 million or 22.5% of the total, with the remaining \$2.3 million, or 1.1%, representing operating projects in the General Fund. Changes from the prior fiscal year's adopted budget, by category, are as follows:

General Fund Salaries and Benefits: Salaries decreased by (\$0.6) million or (0.6%) and benefits decreased by (\$1.9) million or (2.7%) from the FY 2024-25 adopted budget. All bargaining units entered new labor agreements beginning FY 2024-25, with increases impacting FY 2025-26. The decrease in salaries is the increase in MOU increases offset by the reduction in FTEs. The decrease in benefits is primarily related to the reduction in FTEs as well as the removal of the PEMCHA savings.

Budget Overview

General Fund Services and Supplies: A decrease of (\$1.3) million from the FY 2024-25 adopted budget. The City has made a diligent effort to reduce all services and supplies.

General Fund Operating Projects: Increased by \$116K or 5.2% from FY 2024-25 adopted budget. The operating projects vary year over year depending on the individual project timelines.

FY 2025-26 General Fund revenues are estimated at \$215.1 million, an increase of \$2.1 million or 1% over the FY 2024-25 adopted budget. Sales tax is projected to decrease (\$5.4) million OR (7.1%). Sales tax is the largest revenue source for the City's General Fund, accounting for 33% of the total General Fund revenue. Many other revenues are projected to increase at a modest increase including Business tax, building and development permit revenue, and recreation revenue. In FY 2025-26 Property tax is expected to increase by 6.1% from FY 2024-25 adopted budget.

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

General Fund Conclusion

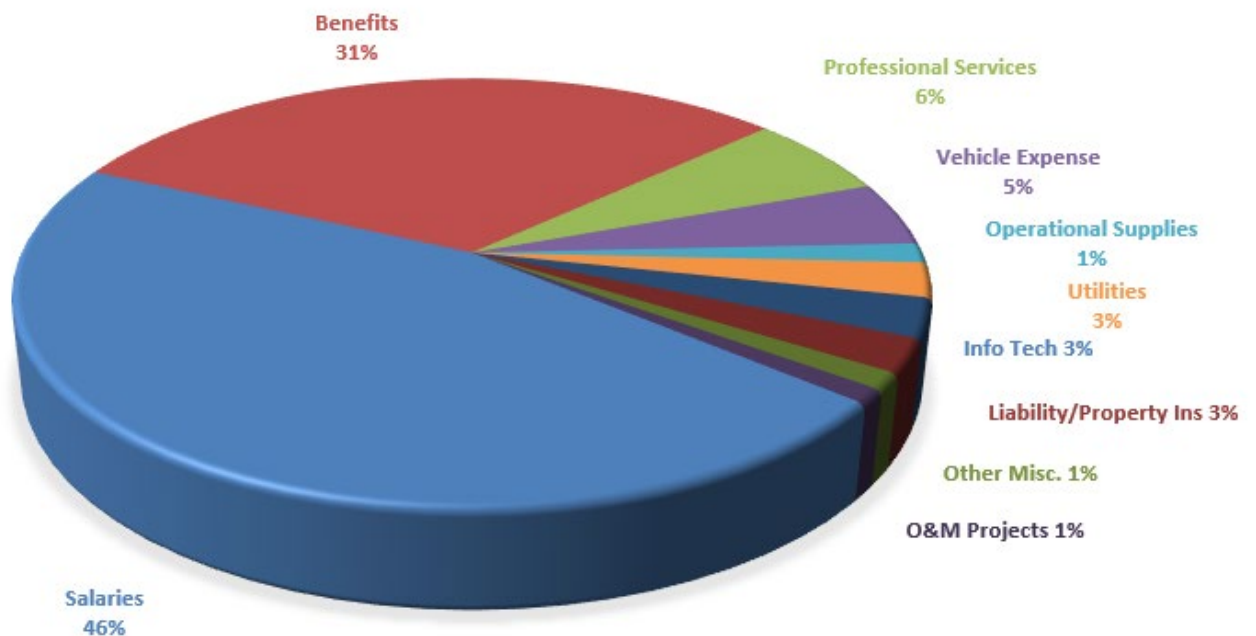
In FY 2025-26, sales tax revenues were anticipated to decrease as inflation has shifted consumption of goods impacting sales tax. FY 2025-26 sales tax collection predictions have been estimated more conservatively and have been reduced. The FY 2025-26 General fund is a deficit budget, with revenues and transfers \$8.1 million less than expenditures and transfers out. Going forward, the City continues to look for solutions to expenditures out pacing revenues.

Budget Overview

FY 2025-26 General Fund Budgeted Expenditures

CATEGORY	EXPENDITURES (in millions)
Salaries	98.5
Benefits	66.9
Professional Services	13.6
Vehicle Expense	11.0
Operational Supplies	3.3
Utilities	5.9
Information Technology	6.7
Liability/Property Insurance	5.7
Other Miscellaneous	2.6
O&M Projects	2.3
TOTAL	\$216.5

FY 2025-26 General Fund Expenditures – % by Category



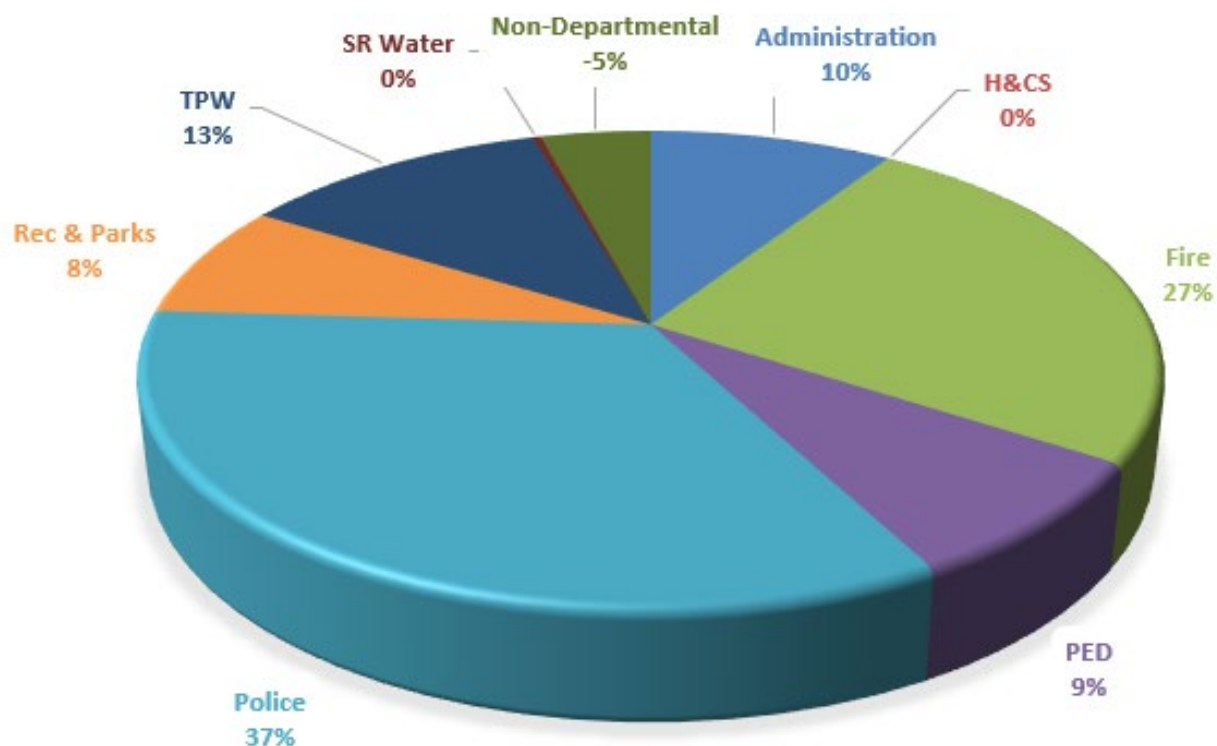
Budget Overview

FY 2025-26 General Fund Budgeted Expenditures

DEPARTMENT	EXPENDITURES (in millions)
Administration*	\$21.8
Housing & Community Services	0.0
Fire	58.9
Planning & Economic Development	19.1
Police	79.7
Recreation & Parks	18.4
Transportation & Public Works	27.8
Water	0.7
Non-Departmental	(9.9)
TOTAL	\$216.5

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

FY 2025-26 General Fund Expenditures – % by Department

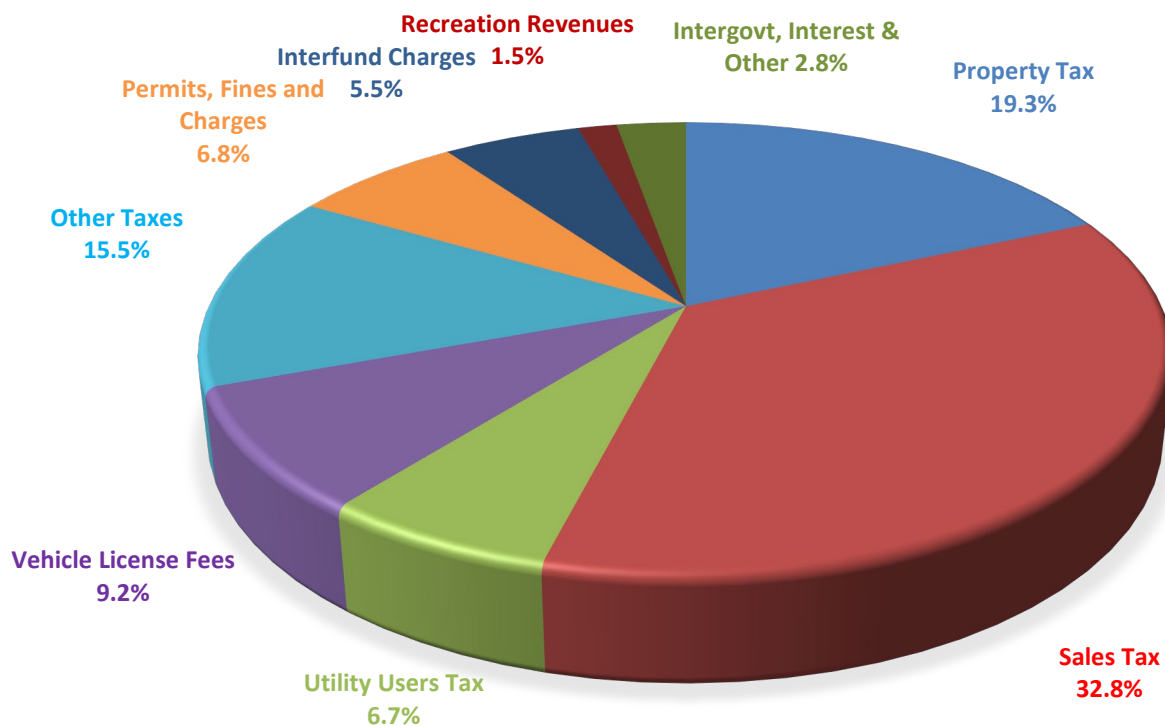


Budget Overview

2025-26 General Fund Budgeted Revenues

SOURCE	REVENUES (in millions)
Property Tax	\$41.5
Sales Tax	70.5
Utility Users Tax	14.4
Other Taxes	33.3
Vehicle License Fees	19.8
Permits, Fines and Charges	14.5
Recreational Revenue	3.3
Interfund Charges	12.4
Intergovernmental, Interest & Misc.	5.9
TOTAL	\$215.1

FY 2025-26 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 expenditure budgets include both Operational and CIP elements, \$171.8 million and \$45.2 million respectively. The Water Enterprise Funds (Water, Local Wastewater, and Subregional Wastewater) make up the vast majority, \$191 million of the \$217million total Enterprise funds budgets. The Enterprise Funds FY 2025-26 budgeted expenditures are comprised of the following:

- \$ 0.8 million - Golf Funds
- \$ 6.0 million - Parking Funds
- \$ 19.3 million - Transit Funds
- \$ 3.7 million - Storm Water Funds
- \$ 62.1 million - Water Funds
- \$ 30.1 million - Local Wastewater Funds
- \$ 95.0 million - Subregional Wastewater Funds

Special Revenue Funds

The FY 2025-26 Special Revenue Funds expenditure budget of \$28.6 million is comprised of the following:

- \$12.7 million - Public Safety and Prevention Tax (formerly known as Measure O) Funds
- \$ 6.8 million - Measure H
- \$ 2.4 million - Measure M
- \$ 4.4 million - Homeless Shelter Operations & Mobile Home Rent Stabilization Funds
- \$ 0.7 million - Santa Rosa City Tourism BIA Fund
- \$ 0.1 million - Art-in Lieu Fund
- \$ 0.2 million - Federal and State Narcotics Asset Forfeiture
- \$ 1.3 million - All other funds

Other Funds

Total Other Funds FY 2025-26 budget of \$32 million include Capital Improvement Program Funds with a budget of \$30.1 million, the non-enterprise Debt Service Funds with a budget of \$0.7 million, Trust and Agency Funds with a budget of \$0.4 million, and the Special Assessment Funds with a budget of \$0.1 million.

Housing Authority & Successor Agency to the Redevelopment Agency

The Housing Authority's FY 2025-26 budget is \$56.7 million with the majority of the funding for the Housing Choice Voucher Program. The \$3 million budget for the Successor Agency to the Redevelopment Agency reflects approved funding agreements and debt service payments, per the Recognized Obligation Payment Schedule (ROPS).

Full-Time Equivalent Discussion

The FY 2025-26 budget has a total staffing count of 1,276.15 Full-Time Equivalents (FTE) across all funds. Staffing levels decreased by 32 FTEs or (2.5%) from last fiscal year's adopted budget. For a more detailed position explanation, see the FTE Staffing Summary under the Summary of Financial Information section.

Capital Improvement Program (CIP)

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

The CIP budget 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 Funds. Of these funding sources, the General Fund and Gas Tax can be used on the widest array of projects while other sources, such as Capital Facilities Fees, have specific, legally restricted uses.

Each project proposal is scrutinized from a variety of approaches before it is included in the CIP. Projects are initially identified by department staff using the following criteria:

- input from regulatory agencies associated with proactive or retroactive compliance;
- consistent with the City Council's adopted goals;
- input from the community received at neighborhood meetings during the year;
- input from the City Council on needs that develop or are identified during the year;
- City Council approved master plans, specific plans, and specific rehabilitation programs;
- staff-identified projects based on critical need due to safety issues, to comply with new regulations or mandates or as identified through the city's asset management systems based on condition, age, and maintenance history.

All projects are first reviewed and prioritized by the responsible operating departments. Each project is scored, ranked, re-prioritized within the applicable funding source allotments, and reviewed again by operating departments to ensure priority and urgent projects are properly categorized. The primary project selection consideration is the maintenance or improvement of City assets to keep facilities and infrastructure functional, safe, and contributing towards the City's long-term goals. The City Charter requires that the Community Advisory Board (Section 10.b) review the CIP priorities for each district. The current CIP Prioritization Program scores projects by the following:

- Priority 1
 - Grant funded
 - Disaster recovery related
 - Public Safety
 - Environmental
 - Mandated/Required
 - Fully funded
- Priority 2
 - Fully funded or nearly funded
 - Staff resources are available
- Priority 3
 - Not fully funded
 - No staff resource availability

Also, in compliance with the City Charter (Section 28.b), the City Council holds a Budget Priorities Hearing during the first quarter of each calendar year to solicit general budget priorities from the community. This year, the public hearing was held on January 28, 2025. The City Council, City Manager, and staff utilized the public input to further evaluate proposed projects.

Capital Improvement Program (CIP)

After the Budget Priorities Hearing, the City Council and Executive Team hold a workshop with the community to discuss and establish City Council Goals. On February 19, 2025, the City Council held their Goal Setting Workshops and established the following five goals for FY 2025-26:

- Achieve and maintain fiscal sustainability and budgeting excellence
- Invest in the development and maintenance of the City's infrastructure
- Promote Citywide Economic Development
- Foster a Safe, Healthy, and Inclusive Community
- Plan for and Encourage Housing for all and Reduce Homelessness

Prior to the Budget Study Session on May 6 and 7, 2025, the proposed CIP was reviewed by the Finance Department, City Manager, and the Board of Public Utilities as it relates to water, local wastewater, and regional projects. In addition, the CIP budget was reviewed by the Planning Commission for General Plan consistency and an environmental review, prior to final consideration and approval by Council at the June 17, 2025, budget hearing.

CIP projects are mostly funded by specific sources and planned in accordance with the funds available. As such, the City of Santa Rosa's operating budget is not significantly affected by fluctuations in available capital funding. Of the General Fund's \$216.5M expenditure budget, only \$2.0M is for capital projects.

Capital Improvement Program (CIP)

Project List by Department

The table below lists the projects being funded in FY 2025-26. For more information on any of the CIP projects, please refer to the FY 2025-26 Capital Improvement Program budget document. It includes detailed information about each project and information on funding sources. Copies of the FY 2025-26 CIP document are available online at the Finance Department page on srcity.org.

Project Number / Title	2025 - 2026 Request
Department: Fire Department	
05054 - New Fire Station-South Santa Rosa	\$315,278
05122 - FS 11 Permanent Station Build	\$565,278
Fire Department Total	\$880,556
Department: Recreation and Parks	
09532 - Doyle Park Renovation	\$280,000
09541 - Fremont Park	\$994,486
09556 - South Davis Park	\$250,000
09567 - Cook Park Improvements	\$1,200,000
09578 - A Place to Play	\$1,314,895
09592 - Tennis Court Resurfacing	\$100,000
09596 - Kawana School/Park Acquisition	\$520,000
09598 - Northwest Zone Play Equipment	\$300,000
09605 - Lower Colgan Creek Park	\$1,309,995
09608 - Kawana Springs Community Park	\$910,000
09701 - Roseland Creek Park	\$231,229
09748 - Measure M Park Amenities Cap Replacement	\$145,040
09785 - Infill Grant MLK Park Redesign	\$312,078
09787 - Zone 3 Park Fees Downtown Project	\$543,006
09788 - Natural Play Area Reno - Bayer	\$400,000
09789 - Youth CP Environmental Assessment	\$100,000
Parks and Recreation Department Total	\$8,910,729
Department: Santa Rosa Water	
54004 - Storm Water Creek Restoration	\$50,000
54009 - Santa Rosa Creek Ecosystem Res	\$25,000
54030 - Colgan Creek Restore Phase3	\$459,800
55371 - Water Master Plan	\$100,000
55420 - W Supply Planning-Urban W Mgmt.	\$200,000
55498 - Local Water Repairs-Urgent	\$200,000
55505 - Warranty Punchlist – Water	\$25,000
55511 - Pre-Design – Water	\$193,000
55527 - Water Peak Reduction	\$100,000
55562 - Drought Response	\$25,000
55574 - Water CIP Contingency	\$1,161,000
55623 - WMR Sherwood Forest Area	\$500,000
55671 - WSR: Meyers Drive	\$1,305,000
55725 - Carley Emergency Well Upgrades	\$1,500,000

Capital Improvement Program (CIP)

55730 - SC TPW Coordination Various Locations	\$100,000
55747 – Farmers Ln Treatment Plant Rehab Phase 2	\$892,000
55777 – Water On Call Engineering Svcs	\$388,000
55784 – Strategic Asset Mgmt. Plan Water	\$5,000
55804 – Calistoga Rd Water Main Services	\$1,200,000
55813 – McMinn Ave Water Improvements	\$1,400,000
55815 – SE Greenway Well Facility	\$1,250,000
55818 – Piner Rd Water Main Replacement	\$239,000
55819 - Reservoir 17 Seismic Upgrades	\$877,000
55820 – Repairs to Reservoir - Various Location	\$200,000
55821 - 2024 H2OSystemBulk VFD Replace	\$840,000
55822 – New Production Wells -Site Study	\$500,000
55823 – Convert Emergency Well to Production	\$1,500,000
55825 - WMR Hopper Av-Setback Conflict	\$500,000
55827 - WMR: Carvel, Rocklin, Claremont	\$200,000
70516 - Sewer Master Plan	\$100,000
70550 - Fulton Road Lift Station	\$926,000
70553 - Warranty Punchlist - Sewer	\$25,000
70556 - Pre- Design, Planning, Bud & GIS-Sewer	\$204,000
70669 - Wastewater Planning	\$75,000
70707 - SMR: Meyers- Steele To Admin Dr	\$1,305,000
70714 - SMR: Oakmont Treatment Plant	\$725,000
70803 – Sewer On Call Engineering Services	\$388,000
70809 – Strategic Asset Mgmt. Plan Sewer	\$5,000
70815 – Country Manor LS Rhb Replacement	\$2,000,000
70816 – Calistoga Rd Sewer Mains Services	\$200,000
70818 – Siphon Rehab Various Locations	\$3,500,000
70820 - LlanoTrunkRehabPh2-ToddtoDoyle	\$1,326,000
70822 – SCTPW Coordination Sewer	\$26,000
70823 – McMinn Ave Sewer Improvements	\$1,900,000
70824 – Spring Creek Sewer Crossing Relocate	\$200,000
70828 - SMR Hopper Av-Setback Conflict	\$200,000
70829 - 2025SanitarySewerMasterPlan	\$95,000
70830 - SMR: Carvel, Rocklin, Claremont	\$500,000
86458 - Subregional CIP Contingency	\$1,000,000
86489 - LTP On-Call Contractor	\$461,000
86534 - LTP Flood Protection	\$200,000
86571 - Subregional Mitigation Bank Development	\$2,600,000
86578 – Replace Compressors Waste Gas Assembly	\$200,000
86580 - FilterValvesActrsPhase2	\$100,000
86584 - LTPW1BoosterStnReplacement	\$200,000
86602 – Slp Out Repair Pine Flt Rd Mayacamas	\$359,000
86620 – West College Store Fac Improvements	\$150,000
86622 – Strategic Asset Mgmt. Plan Subregional	\$5,000
86628 – Delta Pond Standby Generator	\$750,000
86629 – LTP Cathodic Protection Improvement	\$725,000
86630 - ProcessBoiler2Replacement	\$1,500,000
86638 - DisinfectionUpgrade-1633	\$3,165,088

Capital Improvement Program (CIP)

86643 – Twin Vista Levee Maintenance	\$100,000
86654 - Reclamation Valve Replacement	\$1,080,000
86656 – Geysers Pump Sta Electric Upgrades	\$250,000
86658 – Reclamation Pump Sta E-Building Upgrade	\$1,220,000
86662 – LTP Headworks Influent Discharge Box	\$300,000
86663 – Geysers PS Vibration Monitoring	\$250,000
Water Department Total	\$45,199,888

Department: Transportation and Public Works

09708 - ADA Settlement-Facilities Project	\$1,200,000
17015 - Sidewalk Program	\$99,833
17293 - Cast In-Place SD Repair/Replacement	\$50,000
17381 - Highway 101 Bike/Pedestrian Ov	\$3,500,000
17444 - Fulton- Guerneville Rd- Piner -Widen	\$300,000
17477 - Pre Design Planning CIP	\$250,000
17573 - Roseland Pavement Maintenance	\$662,000
17582 - Santa Rosa Creek Trail Phase 3	\$350,000
17606 - Fire Related Street Repairs	\$2,528,746
17612 - CalistogaRdRecons-Montec-Hwy12	\$1,614,421
17639 – Hearn Ave Burbank Ave Traffic Signal	\$375,000
17648 – Corby Ave -Baker Pedestrian Gap Closures	\$3,889
17655 - PGE Hopper Ave Fire Recovery	\$1,300,000
17665 – Fulton Rd Repair and Mitigation	\$100,000
17672 – Downtown Connectivity for Housing Density	\$400,000
17680 – N Dutton Rd Diet & Pedestrian Improvements	\$2,118,300
17682 - Roundabouts A St at 6th & 7th	\$73,912
17683 - Traffic Signal at Morgan & 9th	\$28,614
17687 - Utility Impact Fee Contingency	\$750,057
17688 - Measure M Contingency	\$1,373,094
17689 - Gas Tax 2107 Contingency	\$396,254
17698 - Safe Streets and Roads For All	\$430,284
17699 - CIP Project and Doc Mgmt. Software	\$300,000
54057 - McMinn Ave Storm Drain Replace	\$2,088,464
54059 - Storm Drain Repairs On-call	\$600,001
54061 – Third St Pump Maintenance	\$100,000
Transportation and Public Works Department Total	\$20,992,869

Total FY 2025-26 CAPITAL BUDGET REQUEST \$75,984,042

Capital Improvement Program (CIP)

Capital Improvement Program Sources of Funding

The table below details the estimated funding sources for the entire capital improvement program costs in the next five years. These funding requests are preliminary and may change as actual resources available are determined each fiscal year.

Funding Source	Requested Funding 2025-2026	for planning purposes only				
		Anticipated Request 2026-2027	Anticipated Request 2027-2028	Anticipated Request 2028-2029	Anticipated Request 2029-2030	Total Estimated 5-Year Funding
Capital Facilities Fee Fund	\$4,876,957	\$100,000	\$100,000	\$100,000	\$100,000	\$5,276,957
City In-Lieu Fee Fund	\$188,535	\$0	\$0	\$0	\$0	\$188,535
Gas Tax Fund, 2103	\$167,252	\$0	\$0	\$0	\$0	\$167,252
Gas Tax Fund, 2105	\$393,809	\$250,000	\$275,000	\$275,000	\$275,000	\$1,468,809
Gas Tax Fund, 2106	\$179,466	\$0	\$0	\$0	\$0	\$179,466
Gas Tax Fund, 2107 and 2107.5	\$655,784	\$0	\$0	\$0	\$0	\$655,784
Gas Tax Fund, SB1	\$4,997,046	\$0	\$0	\$0	\$0	\$4,997,046
General Fund	\$1,962,000	\$1,862,000	\$1,862,000	\$1,200,000	\$1,200,000	\$8,086,000
Local Wastewater Utility Fund	\$14,300,000	\$14,700,000	\$15,100,000	\$18,000,000	\$21,000,000	\$83,100,000
Measure "O" - Fire	\$250,000	\$0	\$0	\$0	\$0	\$250,000
Measure M - Allocation (effective 1/09)	\$2,987,515	\$0	\$0	\$0	\$0	\$2,987,515
Measure M - Parks 2019	\$145,040	\$0	\$0	\$0	\$0	\$145,040
Park Acquisition & Devt NE Zone 3	\$1,917,492	\$0	\$0	\$0	\$0	\$1,917,492
Park Acquisition & Devt NW Zone 1	\$1,614,895	\$0	\$0	\$0	\$0	\$1,614,895
Park Acquisition & Devt SE Zone 4	\$1,742,078	\$0	\$0	\$0	\$0	\$1,742,078
Park Acquisition & Devt SW Zone 2	\$3,391,224	\$0	\$0	\$0	\$0	\$3,391,224
Parking District Fund	\$0	\$9,344,700	\$0	\$0	\$0	\$9,344,700
Southeast Area Development Impact Fee Fund	\$55,227	\$0	\$0	\$0	\$0	\$55,227
Southwest Area Development Impact Fees Fund	\$3,889	\$0	\$0	\$0	\$0	\$3,889
Storm Water Enterprise Fund	\$50,000	\$0	\$0	\$0	\$0	\$50,000
Storm Water Enterprise-Creek Restoration	\$534,800	\$0	\$0	\$0	\$0	\$534,800
Subregional Wastewater Facility Construction	\$3,165,088	\$5,000,000	\$1,000,000	\$0	\$0	\$9,165,088
Subregional Wastewater Facility Operations	\$12,000,000	\$13,000,000	\$14,000,000	\$15,000,000	\$16,000,000	\$70,000,000
Utility Impact Fee Fund	\$4,905,945	\$0	\$0	\$0	\$0	\$4,905,945
Water Utility Fund	\$15,500,000	\$16,000,000	\$16,500,000	\$18,000,000	\$20,000,000	\$86,000,000
TOTAL CAPITAL BUDGET	\$75,984,042	\$60,256,700	\$48,837,000	\$52,575,000	\$58,575,000	\$296,227,742



For Council Approval

Years 2-5 are shown for planning purposes only.

Conclusion

As in recent years, the FY 2024-25 CIP Budget was developed within the limited financial resources available. Development fees, grants, special sales taxes, and enterprise fund revenues are not adequate to fund all the necessary infrastructure improvements identified in the City. Staff will continue to pursue grants, but additional funding mechanisms will be needed in the future to adequately fund adopted capital plans and ongoing maintenance of existing and future facilities.

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 provide City residents and visitors with an unmatched quality of life. The region offers residents, businesses, and visitors distinctive experiences, that include a vibrant downtown, breathtaking open space, creeks, greenbelts, clean air, and water, and countless cultural and recreational events all taking place in an ethnically and culturally diverse environment. However, Santa Rosa faces challenges common to many communities of comparable size including traffic congestion, and budgetary and service delivery concerns. To address the needs and challenges, the City Council provides policy direction based on a set of goals designed to bring out the best in Santa Rosa.

Annually and early in the calendar year, the City Council and Executive Team meet to establish the Council goals and priorities at the City Council Goal Setting Workshop. The 2025 workshop took place on February 19, 2025. The City Council identified five priorities for FY 2025-26 which are listed in order below:

Strategic Goals
Achieve and Maintain Fiscal Sustainability and Budgeting Excellence <ul style="list-style-type: none">• <i>Adopt budget best practice policies</i>• <i>Align budgeting strategies with City Priorities</i>• <i>Enhance revenue diversification</i>• <i>Reduce debt dependency and strengthen credit ratings</i>• <i>Improve financial transparency and public engagement</i>
Invest in the Development and Maintenance of the City's Infrastructure
Promote Citywide Economic Development
Foster a Safe, Healthy, and Inclusive Community
Plan for and Encourage Housing for all and Reduce Homelessness

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Public Safety and Prevention Tax 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. On November 8, 2022, voters approved Measure H, which extended the existing quarter-cent tax for an additional twenty years, until March 31, 2045. To avoid confusion the Committee updated the name to Public Safety and Prevention Tax. Revenue generated by the sales tax has averaged \$10M annually for the last ten years. Revenues for FY 2025-26 are budgeted at \$10.8M.



Public Safety and Prevention Tax funding is to be spent according to the Implementation Plan established by the City Council. This plan provides funding for a variety of specific programs benefiting the community, including additional Fire and Police department personnel and equipment, financial contributions for large projects such as a new fire station, and funding for youth and violence prevention and intervention programs. The funding provides leadership, coordination, and resources to the Santa Rosa Violence Prevention Partnership and a continuum of youth and family services that work

together toward the prevention and reduction of youth and gang violence in Santa Rosa. It also provides funding for direct services and high-quality youth development programs in high-need areas of Santa Rosa. The passage of Measure H, the original permissible uses stated in Chapter 3-26 of the City Code to now include mental health services. For more information on Public Safety and Prevention Tax, please visit <https://www.srcity.org/PSAPCommittee>

To ensure the proper use of the Public Safety and Prevention Tax 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 the Public Safety and Prevention Tax 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 2025-26 Public Safety and Prevention Tax budget provides funding for positions consistent with the uses and purposes outlined in the Implementation Plan. All departments are subject to ongoing labor agreements that negotiate annual salary increases. City-wide salaries, benefits, and retirement costs also are on the rise in FY 2025-26. Public Safety and Prevention Tax authorized positions for FY 2025-26 totaled 36.0 FTE; 10.0 in the Fire department, 17.0 in the Police department and 9.0 in Violence Prevention.



Public Safety and Prevention Tax

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

Fire: In FY 2025-26, Salaries and Benefits budgeted expenditures increased by a combined \$366K, due Cost of Living Adjustments, merit and step increase and the rising benefits costs. Services and Supplies decreased by (\$39K) largely due to the additional startup costs in FY 2024-25 for the implementation of two programs: the SFRD Diversity Strategic Plan as well as the Fire Explorer program. Administrative Overhead increased by \$11K. The debt service for the Fountaingrove Fire Station has been fully paid. \$250K has been appropriated to start funding Station 11 building.

Police: FY 2025-26, the Police department's budget increased by \$459K due to Salaries and Benefits. Salaries and Benefits increased by a combined \$497K, due Cost of Living Adjustments, merit and step increase and the rising benefits costs. Services and Supplies decreased (\$21K) overall, and the Administrative Overhead increased by \$11K.

Violence Prevention: Violence Prevention's budget increased by \$496K. Salaries and Benefits for FY 2025-26 increased by \$98K due to due Cost of Living Adjustments. Services and Supplies increased by \$392K due to support the New Hope Street Outreach service contract.

Public Safety and Prevention Tax

CITY OF SANTA ROSA

Public Safety and Prevention - PROPOSED BUDGET

FIRE, POLICE & VIOLENCE PREVENTION / INTERVENTION

PROPOSED FY 2025-26 BUDGET TO FY 2024-25 BUDGET COMPARISON

FIRE - PSAP:	FY 2024-25 Adopted Budget	FY 2025-26 Adopted Budget	Change
Salaries	\$2,216,105	\$2,450,838	\$234,733
Benefits	1,501,427	1,633,069	131,642
Services and Supplies	252,958	213,978	(38,980)
Administrative Overhead	119,592	130,636	11,044
Total Operating	4,090,082	4,428,521	338,439
Vehicle Purchase	500,000	-	(500,000)
Debt Service - Fountaingrove Fire Station	275,795	-	(275,795)
Station 11 Funding	-	250,000	250,000
TOTAL FIRE - PSAP	\$4,865,877	\$4,678,521	(\$187,356)

POLICE - PSAP:	FY 2024-25 Adopted Budget	FY 2025-26 Adopted Budget	Change
Salaries	\$2,431,474	2,788,308	\$356,834
Benefits	1,838,518	1,978,416	139,898
Services and Supplies	377,040	355,400	(21,640)
Administrative Overhead	119,592	130,636	11,044
Department Substation	68,808	42,000	(26,808)
Total Operating	4,835,432	5,294,760	459,328
TOTAL POLICE - PSAP	\$4,835,432	\$5,294,760	\$459,328

VIOLENCE PREVENTION PSAP:	FY 2024-25 Adopted Budget	FY 2025-26 Adopted Budget	Change
Salaries	\$957,968	\$1,060,301	\$102,333
Benefits	473,520	\$469,196	(4,324)
Services and Supplies	245,566	\$637,968	392,402
Grants Program	800,000	\$800,000	-
Administrative Overhead	59,796	\$65,318	5,522
Total Operating	2,536,850	3,032,783	495,933
TOTAL VIOLENCE PREV - PSAP	\$2,536,850	\$3,032,783	\$495,933

TOTAL - PSAP FUNDS	<u>\$12,238,159</u>	<u>\$13,006,064</u>	<u>\$767,905</u>
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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, the Budget and Financial Planning staff begin to compile budget assumptions for all expenditure categories. Included are assumptions for salary increases where bargaining units are under contract, estimated benefit costs, and assumptions for increases in supplies and other expenses. Revenues are analyzed and a detailed forecast for the upcoming year is prepared. Expenditure assumptions are compared with proposed revenues, and it is determined if budget reductions are necessary or if additional department needs can be funded. Budget guidelines are prepared based on these assumptions and are forwarded to departments for their use during the budget process.

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

In March and April, the Budget and Financial Planning staff reviews each department's budget and prepares the budgets for review by the Chief Financial Officer. The Chief Financial Officer and the City Manager review the requests and make adjustments as needed. The proposed budget requests are reviewed by the full Council during a study session 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.

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

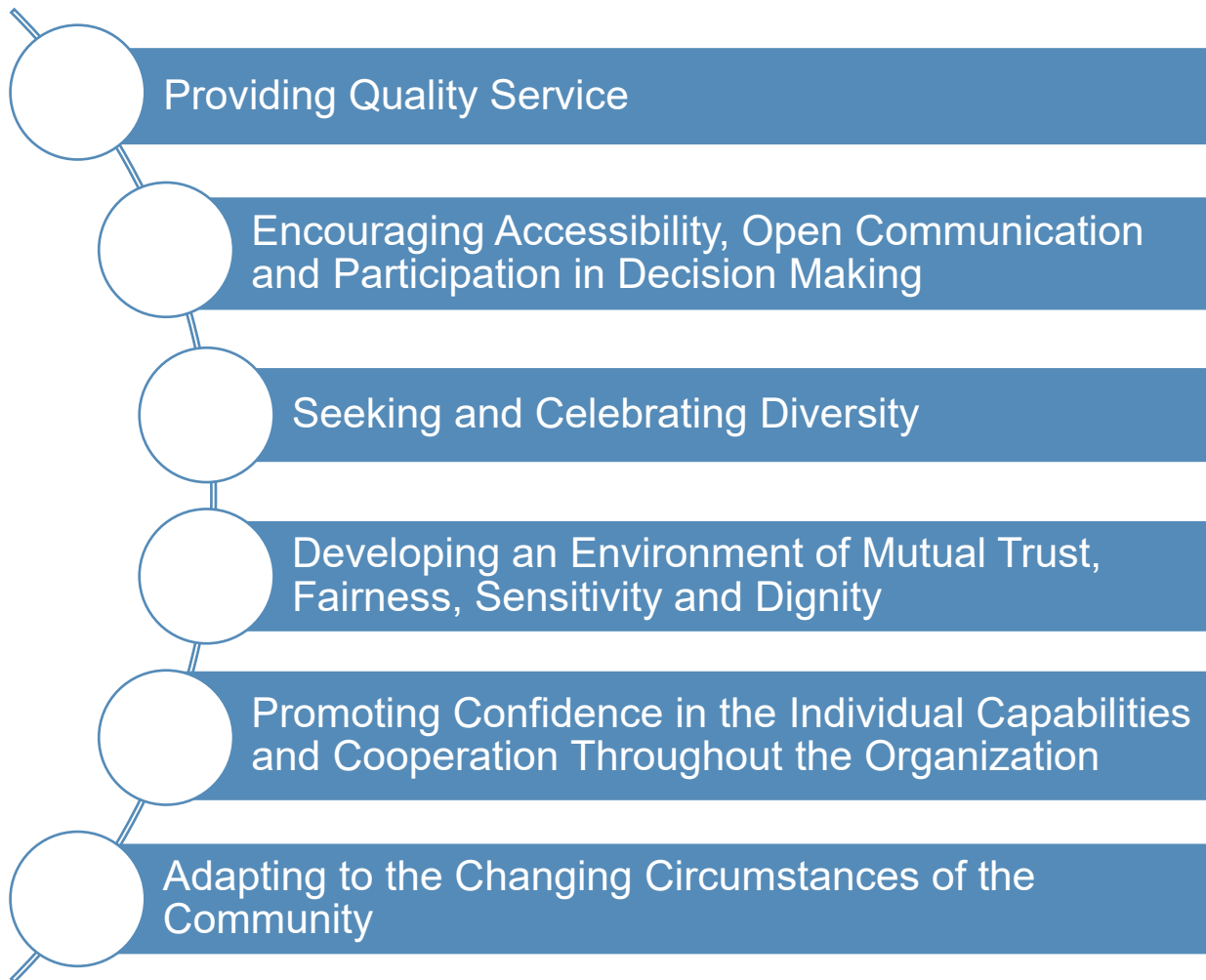
Budget Process and Calendar

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



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

To this end we value:



ORGANIZATIONAL VALUES

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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 425 Sonoma County wineries and many 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 at Courthouse Square, featuring music and an array of booths with food, agricultural products, arts, and crafts.

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



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

On summer evenings, there are outdoor concerts in Juilliard Park and Courthouse Square that fill the air with music. Live theater is available at the Santa Rosa Junior College Summer Repertory Theatre, the Luther Burbank Center for the Arts, and the 6th Street Playhouse. In addition to theatre, the Luther Burbank Center hosts concerts, comedians, and other exciting events. In 2024, the Luther Burbank Rose Parade and Festival returned to downtown Santa Rosa after a five-year hiatus.

History

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

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

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

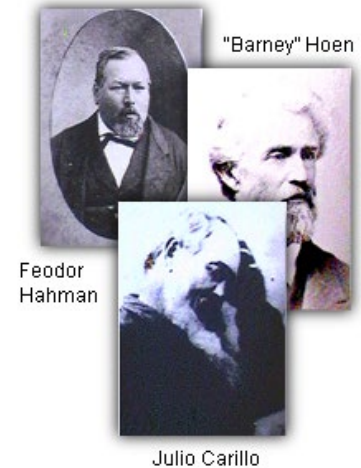
City at a Glance

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

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

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

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



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

Luther Burbank

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

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



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

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

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

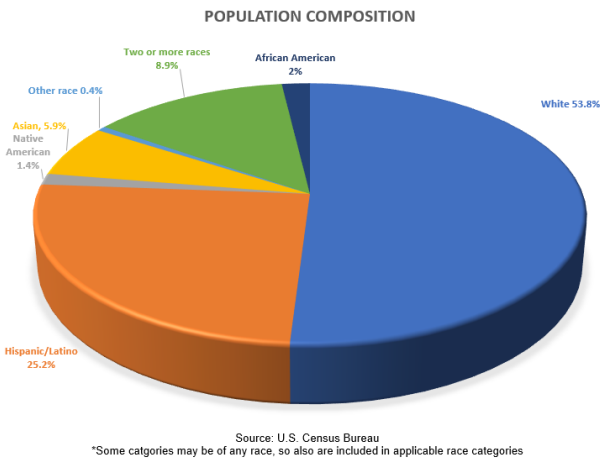
City Profile and Demographics

LOCATION

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

AREA

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



According to the latest US Census Bureau 2019-2023, there are approximately 2.54 persons per household, the median age is 40.5 and the median household income is \$97,410. The homeownership rate was 56.2% with a median value of \$685,000 for owner-occupied homes. Regarding the education of Santa Rosa residents, the survey states 85.5% are high school graduates and 34.8% have a bachelor's degree or beyond. The gender distribution is 51.4% female and 48.6% male. Approximately 9.5% of the City of Santa Rosa's population lives below poverty level.

Source: US Census Bureau, 2019-2023 American Community Survey 5-Year Estimates

The US Census Bureau estimates the City of Santa Rosa population at 177,524 (2024). The unemployment rate, provided by The U.S. Bureau of Labor Statistics, was 4.2% (March 2024).

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

Major Employers (2024)	
Employer	Employees
County of Sonoma	4,185
Kaiser Permanente	3,407
Santa Rosa Junior College	2,836
Providence/Memorial Hospital	2,265
Santa Rosa School District	1,730
Keysight/Agilent Technologies	1,500
Sutter Medical Center of Santa Rosa	1,316
City of Santa Rosa	1,306
Safeway	737
Amy's Kitchen	535
Total	19,817

Source: City of Santa Rosa ACFR; all figures approximate

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All City Funds Schedule

The “All City Funds” schedule on the following page organizes 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 categories represent the City’s operating funds, while the last two are special funds with specific purposes.

The General Fund is the City’s primary operating fund. It accounts for all revenues and expenditures not legally restricted or required to be handled in another fund. Most of the City’s operations and services are financed through the first four categories of funds.

The “All City Funds” schedule presents the total available resources and uses of resources for all City funds. It includes beginning fund balances, revenues, expenditures, transfers in, and transfers out. At the top of the report, estimated reserves at the beginning of the fiscal year are provided, based on projections for the remainder of the prior year. The following sections show anticipated revenues and transfers in. Expenditures are broken down by department for each funding source, and the net activity for each fund (surplus or deficit) is summarized at the end. Finally, the estimated reserves available at the end of the fiscal year are calculated based on the forecasted activity.

The Departmental expenditure details also include the costs of services provided by Internal Service Funds, such as information technology, fleet repair/replacement, and insurance, incurred by various departments. Financial information related to these funds is summarized later in the document.

All City Funds Schedule FY 2025-26

	GENERAL FUND	ENTERPRISE FUNDS	SPECIAL REVENUE FUNDS	OTHER FUNDS	HOUSING AUTHORITY	SUCCESSOR AGENCY	TOTAL ALL FUNDS
ESTIMATED RESERVES- JUNE 30, 2025	29,700,000	256,200,000	91,200,000	12,100,000	5,000,000	-	394,200,000
REVENUES:							
Property Tax	41,452,000	-	-	-	-	3,030,639	44,482,639
Sales Tax	70,465,000	-	19,695,647	-	-	-	90,160,647
Utility Users Tax	14,361,000	-	-	-	-	-	14,361,000
Other Taxes	53,072,700	-	-	-	-	-	53,072,700
Licenses & Permits	3,181,000	10,831	2,400,000	-	-	-	5,591,831
Charges for Services	26,511,200	155,061,120	4,133,082	177,423	3,154,900	-	189,037,725
Intergovernmental Revenue	1,917,000	40,544,329	16,762,786	-	43,643,136	-	102,867,251
Fines & Forfeitures	1,616,000	-	-	-	10,000	-	1,626,000
Investment Earnings	600,000	3,737,840	54,354	362,000	68,000	-	4,822,194
Contributions from Private Parties	-	-	245,170	-	-	-	245,170
Miscellaneous	1,911,000	653,750	967,100	-	7,077,521	-	10,609,371
TOTAL REVENUES	215,086,900	200,007,870	44,258,139	539,423	53,953,557	3,030,639	516,876,528
TRANSFERS IN	2,543,150	66,053,858	10,766,630	29,017,399	1,050,000	-	109,431,037
TOTAL REV & TRNSFS IN	217,630,050	266,061,728	55,024,769	29,556,822	55,003,557	3,030,639	626,307,565
EXPENDITURES:							
General Government	21,839,797	5,952,043	-	362,000	-	3,030,639	31,184,479 *
Housing & Community Svcs	-	-	4,386,326	-	56,655,858	-	61,042,184
Fire	58,893,388	-	11,164,341	880,556	-	-	70,938,285
Planning & Economic Dev.	19,073,064	-	1,042,020	-	-	-	20,115,084
Police	79,746,062	-	5,994,760	-	-	-	85,740,822
Recreation & Comm Engagement	18,368,897	774,539	5,993,458	8,995,088	-	-	34,131,982
Transportation & Public Works	27,758,765	19,879,358	-	20,992,869	-	-	68,630,992 **
Water	728,209	190,378,809	-	56,416	-	-	191,163,434 ***
Non-Departmental	(9,892,530)	-	-	727,650	-	-	(9,164,880)
TOTAL EXPENDITURES	216,515,652	216,984,749	28,580,905	32,014,579	56,655,858	3,030,639	553,782,382
TRANSFERS OUT	9,238,599	69,298,472	30,821,860	72,106	-	-	109,431,037
TOTAL EXP & TRNSFS OUT	225,754,251	286,283,221	59,402,765	32,086,685	56,655,858	3,030,639	663,213,419
SURPLUS / (DEFICIT)	(8,124,201)	(20,221,493)	(4,377,996)	(2,529,863)	(1,652,301)	-	(36,905,854)
ESTIMATED RESERVES- JUNE 30, 2026	21,575,799	235,978,507	86,822,004	9,570,137	3,347,699	-	357,294,146

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

* Total General Government = \$88,240,428 (includes Insurance Internal Service Fund \$45,660,743 & Information Technology Internal Service Funds \$11,935,206).

** Total Transportation & Public Works = \$94,053,094 (includes Equipment and Repair Replacement Internal Service Fund \$24,022,683 & a portion of internally allocated Administration Fund \$1,399,419).

***Total SR Water = \$208,935,846 (includes internally allocated Utilities Administration Fund \$17,754,741).

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

Enterprise Funds Schedule

Enterprise funds account for City activities that are operated in a manner like 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 nine 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 2025-26

	GOLF FUND	PARKING FUND	TRANSIT FUND	STORM WATER FUNDS	WATER FUND	LOCAL WASTEWTR FUND	SUBREG. WASTEWTR FUND	TOTAL ENTERPRISE FUNDS
ESTIMATED RESERVES- JUNE 30, 2025	-	10,500,000	-	4,000,000	74,200,000	89,000,000	78,500,000	256,200,000
REVENUES:								
Property Tax	-	-	-	-	-	-	-	-
Sales Tax	-	-	-	-	-	-	-	-
Utility Users Tax	-	-	-	-	-	-	-	-
Other Taxes	-	-	-	-	-	-	-	-
Licenses & Permits	-	10,831	-	-	-	-	-	10,831
Charges for Services	-	3,782,000	1,003,000	3,266,620	60,164,000	82,360,500	4,485,000	155,061,120
Intergovernmental Revenue	-	-	18,220,725	99,000	-	643,122	21,581,482	40,544,329
Fines & Forfeitures	-	-	-	-	-	-	-	-
Investment Earnings	-	-	-	-	1,537,840	1,200,000	1,000,000	3,737,840
Contributions from Private Parties	-	-	-	-	-	-	-	-
Miscellaneous	187,261	5,075	-	-	110,800	132,497	218,117	653,750
TOTAL REVENUES	187,261	3,797,906	19,223,725	3,365,620	61,812,640	84,336,119	27,284,599	200,007,870
TRANSFERS IN	500,000	1,627,669	30,000	-	-	-	63,896,189	66,053,858
TOTAL REV & TRNSFS IN	687,261	5,425,575	19,253,725	3,365,620	61,812,640	84,336,119	91,180,788	266,061,728
EXPENDITURES:								
General Government	-	5,952,043	-	-	-	-	-	5,952,043
Housing & Community Svcs	-	-	-	-	-	-	-	-
Fire	-	-	-	-	-	-	-	-
Planning & Economic Dev.	-	-	-	-	-	-	-	-
Police	-	-	-	-	-	-	-	-
Recreation & Comm Engagement	774,539	-	-	-	-	-	-	774,539
Transportation & Public Works	-	-	19,253,725	625,633	-	-	-	19,879,358
Water	-	-	-	3,065,286	62,134,544	30,137,362	95,041,617	190,378,809
Non-Departmental	-	-	-	-	-	-	-	-
TOTAL EXPENDITURES	774,539	5,952,043	19,253,725	3,690,919	62,134,544	30,137,362	95,041,617	216,984,749
TRANSFERS OUT	-	121,338	-	75,000	4,794,488	64,007,646	300,000	69,298,472
TOTAL EXP & TRNSFS OUT	774,539	6,073,381	19,253,725	3,765,919	66,929,032	94,145,008	95,341,617	286,283,221
SURPLUS / (DEFICIT)	(87,278)	(647,806)	-	(400,299)	(5,116,392)	(9,808,889)	(4,160,829)	(20,221,493)
ESTIMATED RESERVES- JUNE 30, 2026	(87,278)	9,852,194	-	3,599,701	69,083,608	79,191,111	74,339,171	235,978,507

Internal Service Funds Schedule

Internal Service Funds are used to report on 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 are allocated 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 networks, computer, and phone services to all the departments within the City, as well as the computer replacement program.

Internal Service Funds Schedule FY 2025-26

	EQUIPMENT REPAIR & REPLACEMENT FUND	INSURANCE FUND	INFORMATION TECHNOLOGY FUND	TOTAL INTERNAL SERVICE FUNDS
ESTIMATED RESERVES- JUNE 30, 2025	25,200,000	34,600,000	4,300,000	64,100,000
REVENUES:				
Property Tax	-	-	-	-
Sales Tax	-	-	-	-
Utility Users Tax	-	-	-	-
Other Taxes	-	-	325,000	325,000
Licenses & Permits	-	-	-	-
Charges for Services	17,090,000	54,500,000	11,065,362	82,655,362
Intergovernmental Revenue	-	-	-	-
Fines & Forfeitures	-	-	-	-
Investment Earnings	-	-	-	-
Contributions from Private Parties	-	-	-	-
Miscellaneous	-	1,675,668	-	1,675,668
TOTAL REVENUES	17,090,000	56,175,668	11,390,362	84,656,030
TRANSFERS IN	-	-	-	-
TOTAL REV & TRNSFS IN	17,090,000	56,175,668	11,390,362	84,656,030
EXPENDITURES:				
General Government	-	45,660,743	11,395,206	57,055,949
Housing & Community Svcs	-	-	-	-
Fire	-	-	-	-
Planning & Economic Dev.	-	-	-	-
Police	-	-	-	-
Recreation & Comm Engagement	-	-	-	-
Transportation & Public Works	24,022,683	-	-	24,022,683
Water	-	-	-	-
Non-Departmental	-	-	-	-
TOTAL EXPENDITURES	24,022,683	45,660,743	11,395,206	81,078,632
TRANSFERS OUT	-	-	-	-
TOTAL EXP & TRNSFS OUT	24,022,683	45,660,743	11,395,206	81,078,632
SURPLUS (DEFICIT)	(6,932,683)	10,514,925	(4,844)	3,577,398
ESTIMATED RESERVES- JUNE 30, 2026	18,267,317	45,114,925	4,295,156	67,677,398

Fund Use by Department

The following matrix shows the funds within each department:

Department	General Fund	Enterprise Funds	Special Revenue Funds	Internal Service Funds	Housing Authority	Successor Agency to the Redev. Agency	Other Funds
City Attorney	√						
City Council	√						
City Manager	√						
Communications & Intergovernmental Relations	√						
Finance	√	√				√	√
Fire	√		√				√
Housing & Community Services	√		√		√		
Human Resources	√			√			
Information Technology				√			
Planning & Economic Development	√		√				
Police	√		√				
Recreation & 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
 Public Safety and Prevention Tax
 Development Impact Fees Fund
 Homeless Shelter Operations Fund
 Santa Rosa Tourism BIA Fund
 Mobile Home Rent Stabilization Fund
 Fire Department Measure H Tax

Internal Service Funds:

Equipment Repair and Replacement Funds
 Risk Management Fund
 Information Technology Funds

Housing Authority Funds:

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

Successor Agency to the Redevelopment Funds:

Debt Service Funds (ROPS)

Other Funds:

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

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City Revenues

General Fund

Description:	2024-25 Adopted Budget	2025-26 Proposed Budget	Dollar Change	Percent Change	% of Total
Tax Revenue Detail					
Property Taxes	\$ 39,068,300	\$ 41,452,000	\$ 2,383,700	6.1%	19.27%
Sales Taxes	75,866,735	70,465,000	(5,401,735)	(7.1%)	32.76%
Utility Use Taxes	14,200,000	14,361,000	161,000	1.1%	6.68%
Motor Vehicle License Fees	18,495,000	19,752,000	1,257,000	6.8%	9.18%
Franchise Fees	12,230,700	12,820,700	590,000	4.8%	5.96%
Cannabis Industry Tax	1,900,000	2,000,000	100,000	5.3%	0.93%
Business Licenses	4,750,000	7,000,000	2,250,000	47.4%	3.25%
Real Property Transfer Tax	4,000,000	3,500,000	(500,000)	(12.5%)	1.63%
Transient Occupancy Tax	7,000,000	8,000,000	1,000,000	14.3%	3.72%
Total Tax Revenues	\$ 177,510,735	\$ 179,350,700	\$ 1,839,965	1.0%	83.39%
Other Revenue Detail					
Licenses and Permits	\$ 3,181,000	\$ 3,181,000	\$ -	0.0%	1.48%
Charges for Services	26,279,400	26,511,200	231,800	0.9%	12.33%
Intergovernmental Revenue	1,903,424	1,917,000	13,576	0.7%	0.89%
Fines and Forfeitures	1,610,900	1,616,000	5,100	0.3%	0.75%
Investment Earnings	600,000	600,000	-	0.0%	0.28%
Miscellaneous Revenues	1,911,000	1,911,000	-	0.0%	0.89%
Total Other Revenues	\$ 35,485,724	\$ 35,736,200	\$ 250,476	0.7%	16.61%
Total General Fund Revenues	\$ 212,996,459	\$ 215,086,900	\$ 2,090,441	1.0%	

General Fund

The revenue categories listed above vary in their growth or declines depending on the nature and trends unique to each item. Overall, General Fund revenue for FY 2025-26 projects a slight increase of 1%, or \$2.1 million.

Property tax is projected to be \$41.5 million for FY 2025-26, a \$2.4 million or 6.1% increase from the previous fiscal year. Property values of homes continue to rise across the county, despite the volume of sales slowing due to high mortgage interest rates.

Sales Tax is the General Fund's largest portion of revenue; over the past few quarters, sales tax has continued to decline. For several years the General Fund has held a flat budget hoping for Sales Tax to increase. In FY 2025-26 the Sales Tax budget was finally reduced by (\$5.4) million or (7.1%) in order to meet the actual trend line that has emerged in the current market. Sales Tax is the General Fund's largest portion of revenue and includes Measure Q and Proposition 172 proceeds. Measure Q is a fifty-cent sales tax measure that expires in June 2030. Prop. 172 sales tax is based on a per-capita allocation.

City Revenues

Utility Users Tax (UUT) is a usage tax on electricity, gas, cable, and telecommunications. We expect to see a 1.1% increase in these taxes, or \$161K, for total revenue of \$14.4 million. This increase is mostly due to rising gas and electricity costs, as UUT is assessed as a percentage of a user's energy bill. Offsetting the steady growth in energy costs is a decline in cable and telephone users. Overall, growth continues to be positive.

Motor Vehicle License Fees are projected to increase by \$1.3 million or 6.8% in FY 2025-26. These fees usually fluctuate with the annual assessed property valuation and grow with the property tax trend.

Franchise Fees are forecasted at \$12.8 million, an increase of \$590K from the previous fiscal year. As in the prior year, Franchise Fee revenue for garbage disposal is the largest component of this revenue source at a projected \$8.5 million, 66.4% of the total franchise fee revenues. The other franchise fees for PG&E, cable TV, and construction combined for a total of \$4.3 million of anticipated revenue.

Cannabis Industry Tax revenue is forecasted at \$2 million in FY 2025-26, a small increase over the prior fiscal year. Cannabis Industry Tax has seen significant growth since its inception two years ago, but the City assumes little to no new businesses in the next year.

Business Tax revenue is projected to increase by \$2.25 million or 47.4% for FY 2025-26. Business tax revenue is collected annually based on the prior year's receipts. November 2024 voters passed Measure EE to increase the business license tax, increasing revenues.

Real Property Transfer Tax (RPTT) is projected to decrease by (12.5%) from the FY 2024-25 adopted budget. This tax is collected based on the sale of homes in Santa Rosa. The high interest rates have reduced the amount of home sales in recent years, although prices have remained high. The estimated total decrease is (\$500K), for a total revenue of \$3.5 million in FY 2025-26.

Transient Occupancy Tax (TOT) revenue is projected to increase by \$1 million or 14.3% for FY 2025-26. With consumers spending more discretionary income on travel and experiences as opposed to tangible goods, tourism has recovered to pre-pandemic levels. FY 2025-26, TOT is projecting an increase as this industry continues to grow.

Licenses and Permit Revenues are projected to remain flat for a total of \$3.2 million for FY 2025-26. The Planning & Economic Development Department passed a new fee schedule effective July 1, 2024, which we expect to stay steady.

Charges for Services are forecasted at \$26.5M, an increase of \$232K or 0.9% in FY 2025-26. Most of the Charges for Services include Interfund charges (the General Fund charging other funds for services) of \$12.4 million, Planning and Economic Development fees of \$8.7 million, Fire Engineering & other miscellaneous Fire fees of \$5.2 million, and Recreation fees of \$3.2 million.

Intergovernmental Revenues are received from grant funds and other government entities. The majority is collected from the County of Sonoma for the Roseland Annexation; \$662K is dedicated to spending on road improvements in the Roseland area and the Crime Impact Fees from the Graton Casino.

Fines and Forfeitures are expected to remain flat at \$1.6 million. Parking Violation revenue makes up most of this category at \$1M and has yet to reach pre-pandemic levels. Investment Earnings are projected at \$600K. Miscellaneous Revenues are also budgeted flat at \$1.9 million for FY 2025-26.

City Revenues

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

Water Fund

Total revenues for the Water Utility are budgeted at \$61.8 million, an increase of about \$4.6 million from the prior year, or 8.1%. The Water Utility's main source of revenue is rates, which make up 90.3% of the total revenue. With Santa Rosa receiving substantial rainfall in the past year and no longer considered in a drought, water usage is anticipated to rebound by citizens. Water sales are expected to increase by 7% in FY 2025-26, which is driving most of the overall increase in Water Utility revenues.

Local Wastewater Fund

Total revenues for the Local Wastewater Utility increased by just 1.9% to \$80.2 million in FY 2025-26. Rate revenue comprises 98.7% of the projected revenue for the upcoming year and is budgeted at \$79.2 million.

Regional Wastewater Fund

The Regional Wastewater fund is estimating \$27.3 million total revenue for FY 2025-26, a \$1.5 million or 5.8% increase from the last fiscal year. For the current fiscal year, 82.7% comes from the local partners and is based on their proportionate share of the costs to run the system. Santa Rosa is the largest user of the system, although the City's share, at \$43.4 million, is not included in the total revenue. Instead, a transfer of funds is budgeted into the Subregional Wastewater fund. Miscellaneous revenues (such as compost sales, dumping charges, etc.) are collected by the system and are used to offset the partner contributions.

Golf Course Fund

The Bennett Valley Golf Course continues to be run by Touchstone, who handles the repairs and improvements at the facility. Currently, budgeted revenues for the Golf Course are \$187K, a decrease of (\$118K) from the previous year, in accordance with a decrease in projected revenue surplus to be redirected back to the City from the operator.

Parking Fund

Parking revenues reflect a decrease of (2.9%) or (\$113K) a total of \$3.8 million FY 2025-26. The City operates five parking garages, nine surface lots, on-street metered parking and time-limited parking spaces for the downtown City center, Railroad Square Parking Meter zone, and six residential parking permit zones.

Transit Fund

Transit revenues decrease by (\$8.9) million, or (31.7%), for a total of \$19.2M in FY 2025-26. \$18.2M, or 948% of total Transit revenue is derived from state and federal grant revenue, which accounts for the majority of the year over year revenue increases. Budgeted transit fare revenues from ridership are projected to remain flat at \$1 million in the coming year, mostly due to projected stagnant levels of bus pass sales.

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Multi-Year Revenue Summary – All Funds

FUND	2021-22 Actual	2022-23 Actual	2023-24 Actual	2024-25 Budget	2025-26 Budget
GENERAL FUND REVENUES:					
Property Taxes	33,689,779	35,721,102	37,361,778	39,068,300	41,452,000
Sales Tax	71,236,600	73,294,985	70,071,010	75,866,735	70,465,000
Utility Users Tax	12,107,856	14,056,527	13,855,048	14,200,000	14,361,000
Other Taxes	45,350,744	45,793,431	47,804,272	48,375,700	53,072,700
Licenses and Permits	3,439,656	3,017,502	2,944,864	3,181,000	3,181,000
Charges for Services	25,438,733	23,298,732	23,072,218	26,279,400	26,511,200
Intergovernmental Revenue	8,872,065	5,713,016	15,795,767	1,903,424	1,917,000
Fines and Forfeitures	1,633,099	1,944,475	1,870,355	1,610,900	1,616,000
Investment Earnings	(4,466,736)	2,159,669	8,283,933	600,000	600,000
Contributions from Private Parties	3,967	86,900	(7,750)	-	-
Miscellaneous	2,937,080	4,692,060	1,588,644	1,911,000	1,911,000
	200,242,843	209,778,399	222,640,139	212,996,459	215,086,900
ENTERPRISE FUND REVENUES:					
Golf Fund	459,018	172,497	218,502	305,610	187,261
Parking Fund	3,964,780	3,695,696	4,419,482	3,910,881	3,797,906
Transit Fund	14,482,838	13,406,408	16,676,708	17,193,973	19,223,725
Storm Water Funds	2,690,858	2,947,053	3,443,134	3,264,319	3,365,620
Water Fund	47,764,451	50,761,042	62,625,999	56,323,139	61,812,640
Local Wastewater Fund	83,472,163	74,805,583	87,636,060	80,219,317	84,336,119
Subregional Wastewater Fund	17,453,903	25,725,043	31,124,327	25,786,706	27,284,599
TOTAL ENTERPRISE FUND REVENUES	170,288,011	171,513,586	206,467,034	187,003,945	200,007,870
SPECIAL REVENUE FUND REVENUES	37,107,098	62,419,179	70,057,117	34,045,722	44,258,139
OTHER FUNDS REVENUES	34,191,800	38,721,577	37,497,878	5,270,018	539,423
HOUSING AUTHORITY REVENUES	52,111,866	66,222,350	50,345,110	49,213,235	53,953,557
SUCCESSOR AGENCY TO THE REDEV. AGENCY	2,949,805	3,083,406	709,920	3,268,453	3,030,639
TOTAL REVENUES	496,891,423	551,738,497	587,717,198	491,797,832	516,876,528

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

Multi-Year Expenditure Summary – All Funds

FUND	2021-22 Actual	2022-23 Actual	2023-24 Actual	2024-25 Budget	2025-26 Budget
GENERAL FUND EXPENDITURES:					
City Attorney	3,621,164	3,723,529	4,389,026	4,328,229	4,304,001
City Council	887,756	1,180,338	1,129,405	1,557,693	964,104
City Manager	1,948,588	2,437,505	2,580,056	3,390,185	2,754,773
Comms & Intergov Relations	1,234,980	1,447,655	1,768,495	1,999,064	1,650,167
Office of Community Engagement	-	-	-	-	-
Finance	8,876,069	6,902,709	7,188,469	7,703,289	7,803,047
Human Resources	3,747,155	3,572,325	4,306,888	4,716,153	4,363,705
Subtotal - General Government	20,315,712	19,264,061	21,362,339	23,694,613	21,839,797
Housing & Community Services	255,275	151,982	142,207	161,000	-
Fire	48,132,095	49,671,126	55,678,471	58,787,381	58,893,388
Planning & Economic Development	17,085,721	19,024,325	17,940,548	19,469,107	19,073,064
Police	67,566,494	69,747,494	73,582,455	79,673,668	79,746,062
Recreation & Parks	8,962,361	11,507,857	17,564,055	18,778,367	18,368,897
Transportation & Public Works	30,633,686	29,387,959	26,292,425	27,326,861	27,758,765
Water	832,005	796,012	824,579	798,969	728,209
Non-Departmental	(7,155,879)	(7,494,126)	(7,859,733)	(8,461,454)	(9,892,530)
TOTAL GENERAL FUND EXPENDITURES	186,627,470	192,056,690	205,527,346	220,228,512	216,515,652
ENTERPRISE FUND EXPENDITURES:					
Golf Fund	1,007,223	1,349,744	1,311,846	805,610	774,539
Parking Fund	6,146,043	6,015,047	6,385,013	5,825,207	5,952,043
Transit Fund	14,605,719	20,009,632	19,134,013	17,223,973	19,253,725
Storm Water Funds	1,895,089	2,488,429	2,982,441	3,883,551	3,690,919
Water Fund	48,593,698	50,995,575	67,091,400	52,446,930	62,134,544
Local Wastewater Fund	29,980,268	29,510,233	34,648,277	17,345,227	30,137,362
Subregional Wastewater Fund	75,206,015	104,574,961	107,386,083	85,380,288	95,041,617
TOTAL ENTERPRISE FUND EXPENDITURES	177,434,055	214,943,621	238,939,073	182,910,786	216,984,749
SPECIAL REVENUE FUND EXPENDITURES	14,906,528	22,317,778	26,195,860	19,503,462	28,580,905
OTHER FUNDS EXPENDITURES:					
Capital Improvement Program (CIP) Fund	28,269,879	38,133,399	46,990,679	26,015,485	30,809,154
Debt Service Funds	33,806,813	37,842,297	36,334,427	4,735,516	727,650
Special Assessment Funds	55,822	108,655	82,809	160,168	106,525
Trust Funds	343,700	383,506	363,185	369,250	371,250
TOTAL OTHER FUNDS EXPENDITURES	62,476,214	76,467,857	83,771,100	31,280,419	32,014,579
HOUSING AUTHORITY EXPENDITURES	58,735,726	75,009,006	55,460,962	\$51,565,357	\$56,655,858
SUCCESSOR AGENCY TO THE REDEV. AGENCY	3,049,630	3,046,653	3,051,723	3,268,453	3,030,639
TOTAL EXPENDITURES	503,229,623	583,841,605	612,946,064	508,756,989	553,782,382

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

City Debt

Computation of Legal Debt Margin as of June 30, 2025

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 \$8,560,000 of debt subject to the limit and a legal debt limit of \$1,225,568,420, the City is not at risk of exceeding its legal debt limit.

<u>Computation of Legal Debt Margin</u>		
Assessed Value	\$	32,910,091,203
Debt Limit is 3.75% of Assessed Value		1,234,128,420
Less Net Debt Applicable to Limit		<u>(8,560,000)</u>
Legal Debt Margin	\$	1,225,568,420

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

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

Debt Obligations Outstanding as of 6/30/2025	Bond Rating	Principal Outstanding
Wastewater Bonds	AA	148,221,271
Water Bonds	AA+	7,075,000
Golf Course Bonds	AA-	2,040,000
Redevelopment Bonds	AA	22,730,000
Courthouse Square Project and Building Acquisition Certificates of Participation	AA-	8,560,000
Interfund Loans	NR	<u>1,085,971</u>
Total Outstanding Debt as of 6/30/2025		189,712,242

City Debt

Annual Debt Service Requirements

		2026	2027	2028	2029	Thereafter	Total
Wastewater Bonds (Capital project funding)	Principal	14,045,588	14,241,779	14,469,765	14,730,036	90,7734,103	148,221,271
	Interest	12,894,779	12,699,365	12,472,306	12,231,181	61,337,561	111,617,192
	Total Debt Service	26,940,367	26,941,144	26,942,071	26,943,217	152,071,664	258,838,463
Water Bonds (Capital Project funding)	Principal	365,000	380,000	395,000	420,000	5,515,000	7,075,000
	Interest	344,625	326,000	306,625	286,250	1,489,375	2,752,875
	Total Debt Service	709,625	706,000	701,625	706,250	7,004,375	9,827,875
Golf Course Bonds (Capital Project funding)	Principal	300,000	315,000	330,000	350,000	745,000	2,040,000
	Interest	90,679	76,054	60,578	44,244	36,188	307,742
	Total Debt Service	390,679	391,054	390,578	394,244	781,188	2,347,742
Redevelopment Bonds	Principal	2,120,000	2,195,000	2,285,000	2,390,000	13,740,000	22,730,000
	Interest	895,692	813,189	716,095	603,700	1,273,200	4,301,875
	Total Debt Service	3,015,692	3,008,189	3,001,095	2,993,700	15,013,200	27,031,875
Courthouse Square Project and Building Acquisition Certificates of Participation	Principal	415,000	435,000	455,000	465,000	6,790,000	8,560,000
	Interest	310,900	293,900	276,100	257,700	1,601,950	2,740,550
	Total Debt Service	725,900	728,900	731,100	722,700	8,391,950	11,300,550
Interfund Loans	Principal	129,865	134,768	139,879	145,206	536,253	1,085,971
	Interest	56,019	51,116	46,005	40,678	80,795	274,612
	Total Debt Service	185,884	185,884	185,884	185,884	617,047	1,360,583
Citywide	Principal	17,375,453	17,701,547	18,074,644	18,500,243	118,060,356	189,712,242
	Interest	14,592,694	14,259,623	13,877,708	13,445,752	65,819,068	121,994,846
	Total Debt Service	31,968,147	31,961,170	31,952,352	31,945,995	183,879,424	311,707,088

FTE Staffing Summary

In fiscal year (FY) 2025-26, the City's proposed authorized Full-Time Equivalent (FTE) position count is 1,276.15, a decrease of 32.0 FTEs or 2.5% from last fiscal year's budget. FTE position count by department and detailed additions/eliminations are shown below. In addition to the staffing changes, several positions have been, or are being, evaluated for classification changes. Detailed position classifications and salary ranges by department are available on the City's website at [www.srcity.org](http://srcity.org) under Departments/Human Resources/Salaries or through the following link: <http://srcity.org/192/Salaries>.

Authorized Full-Time Equivalent Position Count

DEPARTMENT	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25	change	FY 2025-26	% change
City Attorney	15.90	15.90	15.90	15.90	(0.90)	15.00	-6.0%
City Manager	9.00	11.00	11.00	11.00	(2.00)	9.00	-18.2%
Communications & Intergovernmental Relations *	7.00	7.00	9.00	9.00	(2.00)	7.00	-22.2%
Finance	89.60	62.60	62.60	62.60	(2.00)	60.60	-3.2%
Fire	148.00	157.00	157.00	169.00	11.00	180.00	7.0%
Housing & Community Services	24.00	27.00	27.00	27.00	-	27.00	0.0%
Human Resources	21.00	22.00	23.00	23.00	(3.00)	20.00	-13.0%
Information Technology	30.00	31.00	33.00	33.00	-	33.00	0.0%
Planning & Economic Development	68.00	74.00	74.00	78.50	(3.50)	75.00	-4.7%
Police	256.00	259.00	264.00	264.00	(16.00)	248.00	-6.1%
Recreation & Parks	42.00	44.00	74.00	76.15	(6.60)	69.55	-8.9%
Transportation & Public Works	288.00	292.00	261.00	261.00	(11.00)	250.00	-4.2%
Water	248.50	276.00	278.00	278.00	4.00	282.00	1.4%
Total FTE Positions	1,247.00	1,278.50	1,289.50	1,308.15	(32.00)	1,276.15	-2.5%

FTE Staffing Summary

Detail Full-Time Equivalent Position Change

Dept.	Position Title	FTE
CMO	Administrative Technician – Confidential	-1.00
CMO	Assistant City Manager	-1.00
City Manager's Office Total		-2.00
CAO	Legal Secretary	-1.00
CAO	Paralegal	0.10
City Attorney's Office Total		-0.90
HR	Organization Development & Training Manager	-1.00
HR	Human Resource Technician	-1.00
HR	DEI & EEO Officer	-1.00
Human Resources Total		-3.00
FINANCE	Senior Customer Services Representative	-1.00
FINANCE	Field Collection Representative	-1.00
Finance Total		-2.00
FIRE	Building Plans Examiner (cleanup per Fire email)	1.00
FIRE	Fire Protection Engineer (clean up per Fire email)	-1.00
FIRE	Firefighter/ Paramedic	-4.00
FIRE	Administrative Secretary	-1.00
FIRE	Deputy Emergency Preparedness Coordinator	-1.00
FIRE	Deputy Fire Chief	-1.00
FIRE	Firefighter/ Paramedic	-2.00
FIRE	Measure H Firefighter	9.00
FIRE	Measure H Engineer	3.00
FIRE	Measure H Captain	3.00
FIRE	Measure H Battalion Chief	3.00
FIRE	Measure H Fire Inspector	2.00
Fire Department Total		11.00
PED	Civil Engineer Technician	-1.00
PED	Administrative Secretary	-1.00
PED	Assistant Chief Building Official	-1.00
PED	Code Enforcement Officer	-1.00
PED	Arts & Events Specialist	1.00
PED	Limited Term Community Outreach Specialist	-0.50
Planning & Economic Development Total		-3.50
R&P	Recreation Supervisor	-1.00
R&P	Limited Term Community Outreach Specialist	-1.00
R&P	Director of Recreation and Parks	-1.00
R&P	Deputy Director of Parks	-1.00
R&P	Facilities Attendant	-1.00
R&P	Recreation Specialist	-1.60
Recreation & Parks Total		-6.60

FTE Staffing Summary

Dept.	Position Title	FTE
PD	Technical Services Division Manager	2.00
PD	Senior Admin Assistant	-1.00
PD	Community Services Officer	-1.00
PD	Technical Services Division Manager	-1.00
PD	Field & Evidence Technician	-1.00
PD	Field & Evidence Technician	-1.00
PD	Police Technician	-1.00
PD	Communications Dispatcher	-1.00
PD	Police Officer	-7.00
PD	Community Services Officer	-1.00
PD	Police Officer - Detective	-2.00
PD	Police Sergeant	-1.00
Police Department Total		-16.00
TPW	Administrative Technician	-2.00
TPW	Senior Admin Assistant	-1.00
TPW	Assistant Civil Engineer	-1.00
TPW	Civil Engineer Technician	-3.00
TPW	Skilled Maintenance Workers - Streets	-2.00
TPW	Field Maintenance Operations Coordinator	-1.00
TPW	Zero Waste Program Coordinator	-1.00
Transportation & Public Works Total		-11.00
WATER	Utilities Mechanical Superintendent	1.00
WATER	USO III	-1.00
WATER	Electrical Tech - Utilities	1.00
WATER	Treatment Shift Supervisor	2.00
WATER	WW Operator	1.00
WATER	Senior Mechanical Technologist	2.00
WATER	Senior Instrumentation Technician	1.00
WATER	Sr Electrical Tech - Utilities	1.00
WATER	Electrical Tech - Utilities	2.00
WATER	Supervising Mechanical Technologist	-1.00
WATER	Senior Maintenance Worker - Painter	-1.00
WATER	Skilled Maintenance Workers	-3.00
WATER	Utilities Mechanical Superintendent	-1.00
SR Water Total		4.00
CIRO	Communications Coordinator	-1.00
CIRO	Communications Coordinator	-1.00
CIRO Total		-2.00

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Long Range Financial Forecast

The Long-Range Financial Forecast (LRFF) is intended to serve as a tool for financial planning and decision-making in the years ahead. The LRFF is a forecasting model for the General Fund only and the City aims to update this forecast annually. The LRFF provides a total of five years, including the upcoming budget and four future years of the projected budget. The LRFF shows total revenues, total expenditures, and the fund reserves balance. Forecast projections are based on the City's April 2025 revenue estimates.

The key to a forecast is its assumptions, and as new data becomes available and assumptions change, the result will be a different forecast. A prime example of this is the flat Sales Tax projection. During the pandemic, with consumers home and federal stimulus funds inflowing, Sales Tax grew at record rates from quarter to quarter. However, starting in 2023 consumer spending began to taper off and the City of Santa Rosa has not hit projections for Sales Tax the last few years. The LRFF has been modified accordingly, decreasing Sales Tax, the largest source of revenue, by (7.1%) FY 2025-26. This LRFF allows the City to adapt its outlook as economic circumstances and local factors change, providing the City Council and management with valuable direction.

Revenue Growth Assumptions

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

Revenues	Forecast Assumptions
Property Tax	Property taxes are projected to increase by 5% in the next two years, reflecting the three-year average rate. In the last three years, property taxes grow at 4% as high interest rates are expected to continue and the market is not expected to grow quickly.
Sales Tax & Measure Q	Sales Tax revenue is projected to come in lower than budgeted for FY 2024-25; the forecast reduces Sales Tax by over \$5M in FY 2025-26 and to be in line with actual revenue received. The following years the City's consultants at Avenu Insight predict sales tax to grow modestly between 0.5%-1.5%.
Utility User's Tax	Increasing due to a rise in energy and gas costs at 2% per year; UUT on telephone and cable TV are decreasing at (1%) annually.
Other Taxes	Franchise Fees grow at 2% ongoing; Cannabis Industry Tax held at \$1.9M annually as the market has stabilized; Both Transient Occupancy Tax and Business Tax have been increased by \$800K and \$2M respectively to reflect new tax measures passed in November 2024. Real Property Transfer Tax is decreasing in the first three years due to low volume of home sales.

Long Range Financial Forecast

Motor Vehicle License Fees	Projected to grow at 5% in the next two years in line with Property Tax, and then growth will decrease to 4%.
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Expenditure Growth Assumptions

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

Expenditures	Forecast Assumptions
Salary COLAs	Per anticipated labor contract settlements, salaries are increased 4% in FY 2025-26, 4% in FY 2026-27 & and 3% annually thereafter.
Staffing Growth	None
Vacancy Rate	A vacancy credit of \$3.5M (equivalent to about 2.1%) is built into General Fund salaries and benefits for all years.
O&M/Inflation	Assumes most Services & Supplies will grow at 2% annually. Vehicle costs growing at 7% in line with replacement & maintenance trends.
Pension Costs	PERS Retirement grows in line with Salaries at 4% in FY 2025-26, 4% in FY 2026-27 and 3% annually thereafter. Unfunded Liability expenditures per CalPERS schedule in upcoming years.
Health	6% ongoing
Overtime	Remains flat with the expectation that departments will maintain spending and staffing within their appropriated overtime budget.
Project Budgets	3% growth annually to reflect rising staffing costs and inflation of services and supplies.
Capital Project Transfers	\$1.9M annually to account for ADA projects and Roseland Pavement Maintenance; reduced in FY 2027-28 with the last Roseland Pavement Maintenance installment from the County of Sonoma. and This is embedded within the "Transfers Out" line item.

Summary of Findings

The LRFF begins with a budgeted deficit of \$8.1M in FY 2025-26 and adjusts revenue and expenditures projections in the out years for any known changes. In FY 2024-25, new 3-year labor contracts were in place for all bargaining units, including a 4% COLA for FY 2025-26 and FY 2026-27. Police and Fire sworn staff received additional incentive pay for certifications and trainings.

Additionally, any unknown future costs are not included in this forecast, such as the continuation of any programs funded by PG&E or ARPA funds once those resources are exhausted, staffing cost adjustments because of a city-wide classification & compensation study, major repairs to city infrastructure, or an economic recession. Potential impacts will continue to widen the General Fund deficit.

Long Range Financial Forecast

The FY 2025-26 budget was adopted with the anticipation that the City would take the next year to determine a plan for reducing expenditures and increasing revenues. Once known, the LRFF will be adjusted to reflect any known measures for returning the General Fund to a balanced budget.

	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
Property Tax	41,452,000	43,436,550	45,120,068	46,869,741	48,688,027
Sales Tax	47,116,700	47,353,000	48,063,000	48,688,000	49,224,000
Measure Q	23,348,300	23,465,000	23,817,000	24,127,000	24,392,000
Utility Users Tax	14,361,000	14,634,280	14,917,510	15,210,930	15,514,770
Other Taxes	33,321,300	33,821,250	34,247,240	34,787,880	35,341,690
Motor Vehicle Fees	19,752,000	20,730,650	21,553,020	22,408,220	23,297,640
License and Permits	3,181,000	3,100,680	3,128,790	3,158,440	3,189,620
Fines and Forfeitures	1,616,000	1,648,300	1,681,250	1,714,860	1,749,130
Intergovernmental	1,917,000	1,928,700	1,940,750	791,160	803,940
Use of Money & Property	600,000	600,000	600,000	600,000	600,000
R&P Revenues	3,253,000	3,316,260	3,349,410	3,382,890	3,416,670
All Other Charges for Services	8,859,000	8,960,240	8,962,840	8,866,850	8,972,260
Interfund Charges	12,400,000	12,738,000	13,085,700	13,443,380	13,811,330
Miscellaneous	3,909,600	3,948,640	3,988,460	4,029,060	4,070,480
Total Revenue	215,086,900	219,681,550	224,455,038	228,078,411	233,071,557
Transfers IN	2,543,150	2,543,150	2,543,150	2,543,150	2,543,150
Salaries	98,554,408	103,041,557	105,895,491	108,833,606	111,858,413
PERS Retirement	13,134,459	13,791,182	14,204,917	14,631,065	15,069,997
PERS Unfunded Liability	31,229,472	35,050,200	36,923,300	40,935,350	41,915,500
Healthcare	17,171,722	18,202,025	19,294,147	20,451,796	21,678,903
All Other Benefits	5,376,910	5,403,886	5,583,171	5,774,215	5,925,114
IT Costs	6,264,276	6,514,847	6,775,441	7,046,459	7,328,317
Insurance	4,751,456	5,072,270	5,427,329	5,807,242	6,213,749
All Other Service & Supplies	37,683,485	40,535,940	43,824,253	45,511,739	47,295,229
O&M Projects	2,349,464	2,419,948	2,492,546	2,567,323	2,644,342
Total Expenditures	216,515,652	230,031,855	240,420,595	251,558,793	259,929,564
Transfers OUT	9,238,599	9,303,781	9,474,505	8,987,128	9,165,234
Total Surplus (Deficit)	(8,124,201)	(17,110,936)	(22,896,912)	(29,924,360)	(33,480,092)

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City Attorney's Office

Mission

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

Department Description

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

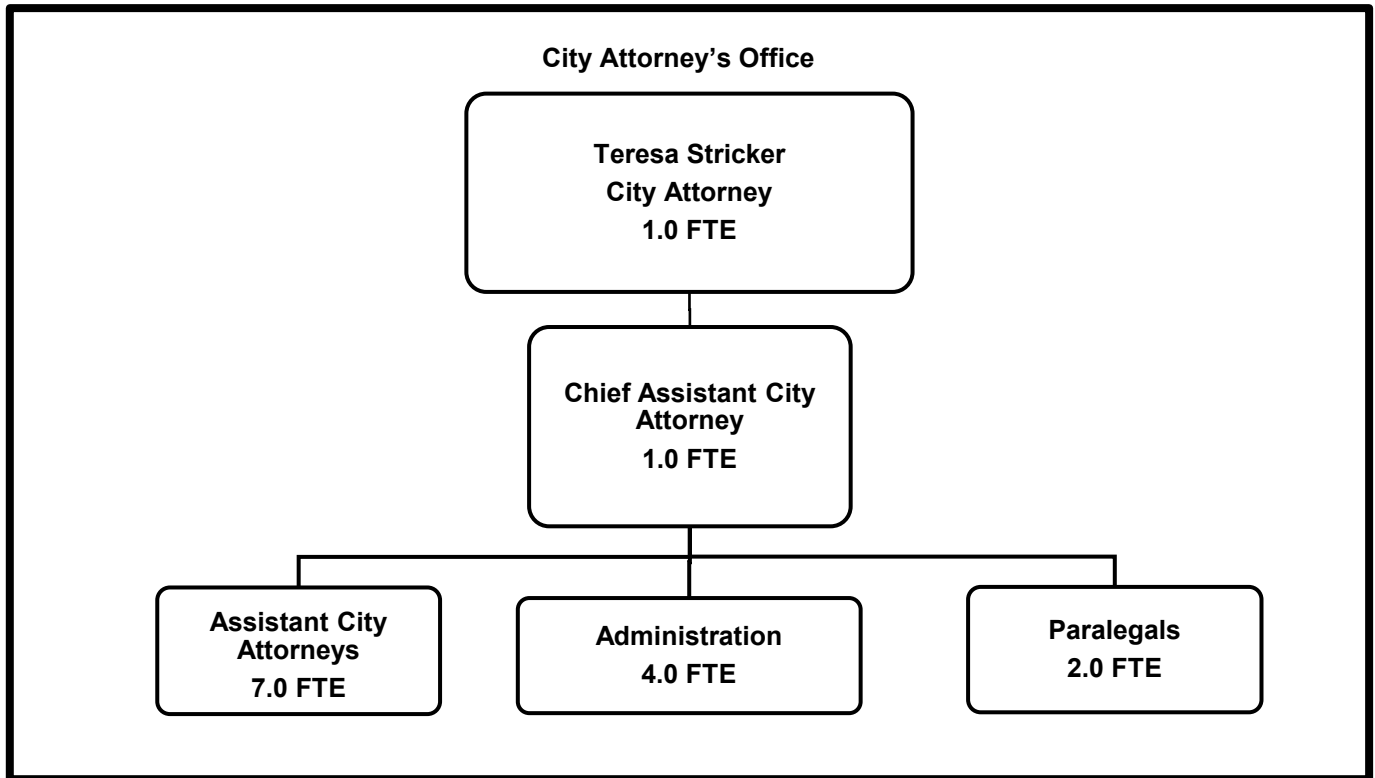
The City Attorney's Office (CAO) is an internal service department that represents the City in legal proceedings and provides comprehensive legal advice and support to the Council, boards, commissions, departments and City staff on a full range of municipal matters, from core day-to-day services to complex programs to implement Council's goals and priorities.

The CAO advises on municipal procedures — including the Brown Act, Public Records Act, Political Reform Act, elections, and public finance — and provides legal support in transactional and legislative matters. The CAO regularly reviews all City Council, Planning Commission, Housing Authority and Board of Public Utilities' agenda items for legal compliance and sits with those Brown Act bodies and others during public meetings. The CAO works closely with the Council, the City Manager, and the City's Departments, providing legal services on key issues facing the City, including housing initiatives, homelessness, economic development, environmental protection, municipal infrastructure (including roads, parks, and civic facilities), public safety (including Police and Fire), emergency services, water supply, water quality, elections, real estate matters, franchise agreements, and labor and personnel matters. The CAO reviews and revises proposed local legislation and policies, reviews and approves — and at times negotiates and drafts — all contracts and other legal instruments. We provide legal analysis and options to minimize risk and provide trainings to City staff and officials.

The CAO also reviews, evaluates, and recommends the disposition of claims made against the City and represents the City in litigation, providing full service from the initial claims stage through final appeals. The CAO's representation includes both prosecution of claims on behalf of the City and defense against claims and lawsuits brought against the City. The CAO's litigation practice includes matters involving civil rights, personal injuries, eminent domain, inverse condemnation, environmental violations, land use matters, personnel and employment disputes, challenges to City ordinances or policies, and allegations of dangerous conditions of public property. The CAO also prosecutes City code violations, abates public nuisances, and represents the City in administrative hearings, weapons confiscation matters, gun violence restraining orders, dangerous animal petitions, and Pitchess motions.

City Attorney's Office

FTE by Program



Strategic Goals and Initiatives for FY 2025-26

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

The CAO provides legal support for nearly every program and initiative developed to implement Council Goals and Objectives.

Emerging Issues:

- Assist City Departments in responding to rapidly evolving state and federal law, policy and opportunities regarding housing and homelessness. **1, 3, 4**
- Provide legal support related to economic development and fiscal sustainability initiatives. **1, 3**
- Continue to facilitate greater efficiencies and innovation in City procurement procedures, Citywide processes and the delivery of legal services. **1**
- Foster and facilitate regional approaches to key issues, including public safety, housing, homelessness, and emergency response, and continue to support staff in those efforts. **1, 4**
- Support staff in fostering a safe, healthy and inclusive community. **4**

Ongoing Council Priorities:

- Provide continuing advice and legal support regarding comprehensive housing policies and programs, economic development, and development and maintenance of the City's infrastructure. **1, 2, 3, 4**
- Provide continuing advice and legal support regarding enhanced policies and programs to promote public safety and resilience. **4**
- Provide continued legal support to Departments on initiatives to promote sustainable infrastructure, economic vitality and core City services. **1, 2, 3, 4**

City Attorney's Office

Foundational responsibilities:

- Provide skilled and effective defense of all claims and lawsuits asserted against the City of Santa Rosa and representation of the City in other litigation and administrative proceedings. 1, 2, 3, 4
- Enforce environmental and consumer protection laws and aggressively pursue violations. 1, 2, 3, 4
- Enforce the City Code with a focus on the highest health and safety risks. 1, 3, 4
- Provide a timely review of contracts, resolutions and proposed ordinances. 1, 2, 3, 4
- Provide advice and legal support related to state and federal legislative and regulatory initiatives. 1, 2, 3, 4
- Provide effective and solution-oriented transactional legal services. 1, 2, 3, 4
- Provide professional, timely and effective legal advice to the Council, City Manager, City Departments and City boards and commissions throughout our work. 1, 2, 3, 4
- Provide risk analysis and options to mitigate risk. 1, 2, 3, 4

Major Budget Changes

Expenditures by Program				
	2022 - 23 Actual	2023 - 24 Actual	2024 - 25 Budget	2025 - 26 Budget
Legal Services	\$3,723,529	\$4,389,026	\$4,328,229	\$4,304,001
Total	\$3,723,529	\$4,389,026	\$4,328,229	\$4,304,001

Expenditures by Category				
	2022 - 23 Actual	2023 - 24 Actual	2024 - 25 Budget	2025 - 26 Budget
Salaries	\$2,295,642	\$2,036,300	\$2,518,884	\$2,658,977
Benefits	\$1,166,274	\$1,052,579	\$1,332,461	\$1,346,190
Professional Services	\$81,180	\$1,139,667	\$276,800	\$90,515
Utilities	\$1,168	\$1,033	\$1,500	\$1,044
Operational Supplies	\$12,753	\$13,076	\$14,000	\$10,700
Information Technology	\$101,357	\$96,584	\$113,066	\$124,824
Other Miscellaneous	\$65,155	\$49,787	\$71,518	\$71,751
Total	\$3,723,529	\$4,389,026	\$4,328,229	\$4,304,001

Expenditures by Fund				
	2022 - 23 Actual	2023 - 24 Actual	2024 - 25 Budget	2025 - 26 Budget
General Fund	\$3,723,529	\$4,389,026	\$4,328,229	\$4,304,001
Total	\$3,723,529	\$4,389,026	\$4,328,229	\$4,304,001

Budget Summary

Fiscal Year	FY 2021 - 22	FY 2022 - 23	FY 2023 - 24	FY 2024 - 25	FY 2025 - 26
Full-Time Equivalent	15.90	15.90	15.90	15.90	15.00

City Attorney’s Office

Budget Summary

The FY 2025-26 City Attorney’s Office (CAO) budget is \$4.3M, a decrease of (\$24K), or (0.6%), under the prior year’s adopted budget. Salaries & Benefits increased by \$154K, or 3.3%, one position was eliminated which was offset primarily due to increases from labor agreements last FY 2024-25. Services and supplies were reduced by (\$178K), mostly decreasing professional services budget.

Performance Measures

- **Litigation and Administrative Proceedings:** As of April 23, 2025, the CAO had 34 active litigation matters, with 9 additional matters resolved within the past fiscal year, and has received 43 additional claims under review. The Office estimates that it is likely to receive a total of 3 additional lawsuits and 12 additional claims by the end of the fiscal year. Several cases are matters filed by the City itself to recover damages or monies owed. Fourteen existing cases are currently scheduled for trial in the coming months. The CAO handles the vast majority of this litigation in-house to minimize outside counsel costs when possible. In addition to lawsuits and claims, by the end of FY 2024-25, the CAO projects that it will have represented the City in connection with approximately 28 weapons confiscation petitions, 19 vicious animal complaints, and 25 Pitchess Motions. Additionally, the CAO projects that by the end of FY 2024-25, it will have represented the City’s interest in numerous code enforcement and nuisance abatement matters, with at least 14 proceedings in Superior Court or advisory boards.
- **Advisory and Transactional Legal Support:** The CAO continues to provide legal services in connection with almost every City policy, program, ordinance and transaction, from day-to-day operations to new programmatic initiatives to implement Council’s Goals and Objections. The CAO works closely and collaboratively with staff in all Departments to provide on-going legal guidance and proactive, effective and solutions-oriented legal support. The CAO sits with, advises and reviews agendas for the City Council, Planning Commission, Housing Authority, Board of Public Utilities and other Brown Act bodies. As of April 23, 2025, the CAO has reviewed approximately 938 agenda items to be presented to Council and other Boards and Commissions. Additionally, the CAO has provided support to the City Clerk’s Office in the review of the more than 1,284 Public Records Act requests the City received.
- **Contracts:** By the end of FY 2024-25, CAO projects that it will have reviewed and approved more than 834 contracts and has developed, and in some cases, is in the process of refining new procurement templates for public works contracts.

Prior FY 2024-25 Accomplishments

(Numbers at right show relation to FY 2024-25 City Council Goals)

Nearly every initiative implementing Council’s Goals and Priorities – as well as most of the day-to-day work of the City departments – involves significant CAO contributions. Some highlights from this fiscal year:

- | | |
|---|---------------------|
| • Ballot Measures EE and FF | 1, 2, 3,
4, 6, 7 |
| • Roseland Park Master Plan and Environmental Impact Report | 4, 7 |
| • Impact Fees and affordable housing fee waiver | 1, 2, 5, 7 |
| • Southeast Greenway: Land acquisition, conservation easement to preserve as a park, and easement with Sonoma Water to ensure water supply resiliency | 1, 4, 7 |
| • Massage Ordinance | 1, 7 |
| • Tobacco Retailer Ordinance and Fees | 1, 7 |
| • Resilient City Ordinance | 1, 5, 7 |

City Attorney's Office

- Zoning Code Revisions to Streamline Landmark Alteration Permits and create new combined Design Review and Preservation Board 1, 3, 5
- Updates to City Zoning Code to implement state housing legislation 1, 5
- Implementation of water/wastewater cost of service and new rates 2, 4
- Restructuring of CAB 1, 2, 3
- Caritas Phase I permanent financing for affordable housing development 5
- General Plan Amendment and Environmental Impact Report 1, 5, 6, 7
 - GHG Reduction Strategy
 - Zoning Code Amendments (including Missing Middle) to implement General Plan

CAO litigation and administrative proceeding successes:

- Successfully defended the City against lawsuits and claims, including those involving catastrophic injuries and alleged civil rights violations. 2
- Represented the City in weapons destruction petitions, dangerous animal petitions, a gun violence restraining order and Pitchess motions. 1, 3, 7
- Managed receiverships and nuisance abatement. 1, 4, 5, 7
- Successfully enforced municipal code violations including Short-Term Rental regulations, Vacant Building and Lot program, and other code enforcement efforts. 1, 4, 5, 7
- Advised on potential contract disputes and reduced liability risks. 2

Looking Ahead

This will be a year of continued transition for the City Attorney's Office. A new Chief Assistant City Attorney will begin in late June 2025, and other attorney and staff vacancies were filled in Fiscal Year 2024-25, with two attorney positions filled at the more junior Deputy Assistant City Attorney level. We can expect a period of adjustment and growth as new personnel fully integrate, new assignments are taken and expanded, and new systems and processes are implemented to create greater efficiencies in the CAO.

The City Attorney's Office will continue to provide essential legal support to the City Council, City Manager and all City Departments in pursuit of the Council's top objectives and to support the City's core services. Our efforts are wide-ranging and will include working closely with staff to address Council's Goals and Objectives, ensuring that the City remains ready and resilient in the face of emergencies, and working closely with staff in strategies to stabilize City finances, to enhance essential infrastructure, and to promote economic development. We will work in close collaboration with the Council, the City Manager, and the Departments in moving forward in our collective evolution toward an organization and community that celebrates diversity and embraces equity, inclusion and belonging.

CAO anticipates continued partnership with all Departments in significant new and on-going initiatives, including the General Plan Update, reorganization efforts and process improvements, new proposed housing initiatives, infrastructure initiatives, new efforts to promote fiscal sustainability and economic development, innovative Water programs and policies, and complex real estate transactions to facilitate development.

Litigation will continue to absorb much of our time. In particular, CAO is currently engaged in significant personal injury and civil rights lawsuits, all of which are moving forward quickly and are time intensive.

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

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City Council

Mission

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

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



Mark Stapp
Mayor
District 2



Eddie Alvarez
Vice Mayor
District 1



Caroline Bañuelos
Council Member
District 5



Victoria Fleming
Council Member
District 4



Dianna MacDonald
Council Member
District 3



Jeff Okrepkie
Council Member
District 6



Natalie Rogers
Council Member
District 7

City Council

Annually and early in the calendar year, the City Council and Executive Team meet to establish Council goals and priorities at the City Council Goal Setting Workshops. For the 2025-26 budget year, the City Council identified four priorities from which goals would be identified and prioritized. The five priorities, in order, are:

Priorities
1. Achieve and Maintain Fiscal Sustainability and Budgeting Excellence.
2. Invest in the Development and Maintenance of the City’s Infrastructure.
3. Promote Citywide Economic Development.
4. Foster a Safe, Healthy, and Inclusive Community.
5. Plan for and Encourage Housing for All and Reduce Homelessness.

Major Budget Changes

The City Council’s total budget for FY 2025-26 is \$964K, a decrease of (\$594K), or (38.1%), over the prior fiscal year. This decrease is primarily the result of a \$600K decrease in the election program, due to 2025-26 not being an election year. No other significant budgetary changes impacted the City Council department. All department operations are funded by the General Fund.

Budget Summary

Expenditures by Program				
	2022 - 23 Actual	2023 - 24 Budget	2024 - 2025 Budget	2025-26 Budget
CIP and O&M Projects	\$29,834	\$5,914	\$0	\$0
Administration	\$739,200	\$1,123,491	\$957,693	\$964,104
Elections	\$411,304	\$0	\$600,000	\$0
Total	\$1,180,338	\$1,129,405	\$1,557,693	\$964,104

Expenditures by Category				
	2022 - 23 Actual	2023 - 24 Budget	2024 - 2025 Budget	2025-26 Budget
Salaries	\$107,987	\$133,332	\$132,960	\$133,200
Benefits	\$93,413	\$128,140	\$152,890	\$152,881
Professional Services	\$631,186	\$559,990	\$920,565	\$360,840
Utilities	\$6,111	\$5,644	\$6,589	\$6,589
Operational Supplies	\$3,447	\$1,409	\$7,000	\$7,000
Information Technology	\$133,910	\$128,591	\$143,636	\$143,773
Other Miscellaneous	\$174,450	\$166,385	\$194,053	\$159,821
CIP and O&M Projects	\$29,834	\$5,914	\$0	\$0
Total	\$1,180,338	\$1,129,405	\$1,557,693	\$964,104

Expenditures by Fund				
Funding Source	2022 - 23 Actual	2023 - 24 Budget	2024 - 2025 Budget	2025-26 Budget
General Fund	\$1,180,338	\$1,129,405	\$1,557,693	\$964,104
Total	\$1,180,338	\$1,129,405	\$1,557,693	\$964,104

Performance Measures

The City Council's service indicators remain relatively the same year after year. In FY 2024-25 the City Council held their annual Council Goals Session and adopted the updated priorities.

Council Meetings: The City Council meets no less than two times a month on Tuesdays, at 4:00 p.m., but meetings may begin earlier in the afternoon to accommodate study sessions. Agendas are made available online at srcity.org.

Various Committees: The City Council Members work with City staff on various committees and provide leadership and guidance on a variety of issues. Council standing committees include: Board of Public Utilities (BPU) Liaison, Climate Action Subcommittee, Downtown Subcommittee, Economic Development Subcommittee, Open Government Task Force Implementation Subcommittee, Violence Prevention Partnership

City Council

Policy Committee, Long Term Financial Policy and Audit Subcommittee, The Council Regional Appointments include: Association of Bay Area Governments (ABAG), Health Action Council, Library Advisory Board, League of California Cities (LOCC) North Bay, Home Sonoma County Leadership Council, Ground Water Sustainability Agency, Mayors' and Councilmembers' Association Liaison to LOCC, Russian River Watershed Association, Waterways Advisory Committee, and the Water Advisory Committee (WAC). Council Members also hold liaison positions on Sonoma Clean Power Joint Powers Agreement (JPA), Sonoma County Transportation Authority/Regional Climate Protection Authority, Zero Waste Sonoma (formerly known as Sonoma County Waste Management Agency, Zero Waste Sonoma), and Renewal Enterprise District (RED).

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

Prior FY 2024-2025 Accomplishments

(Numbers at right show relation to FY 2024-25 City Council Goals)

- Has not been updated for the draft book*

Looking Ahead

Has not been updated for the draft book*

City Manager's Office

Mission

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

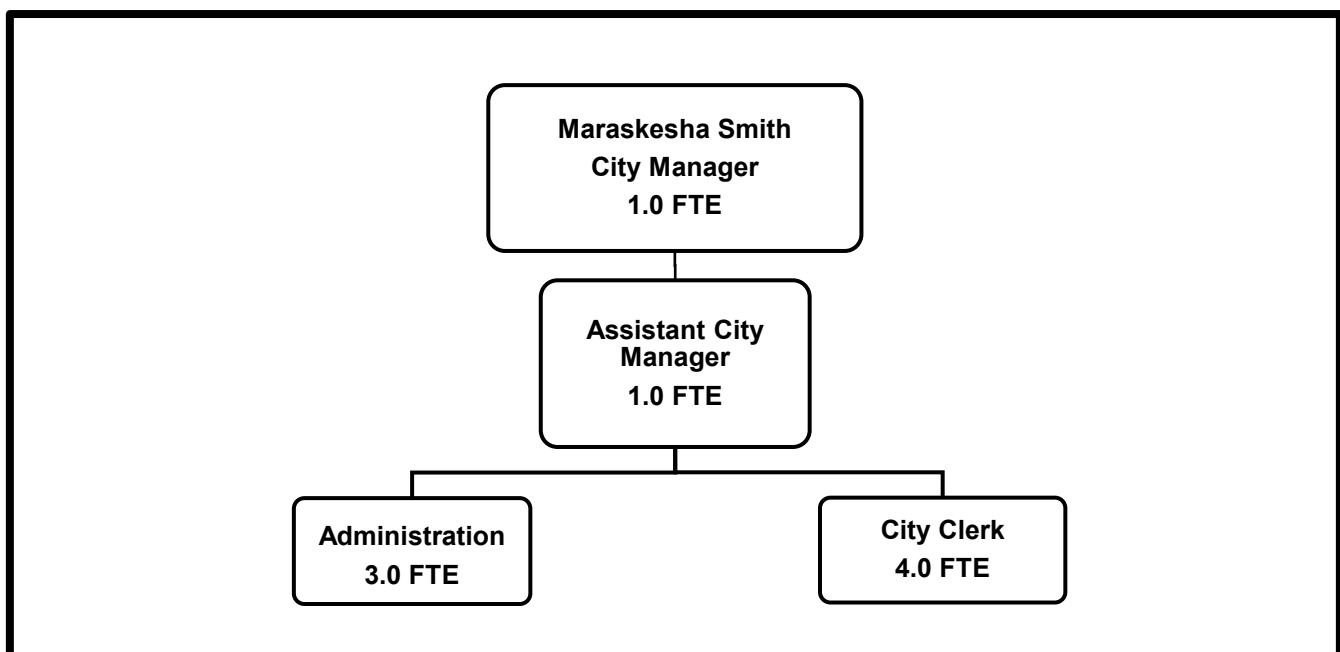
Department Description

The City Manager's Office is comprised of two programs: Administration and the City Clerk's Office.

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

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

FTE by Program



City Manager's Office

Strategic Goals and Initiatives for FY 2025-26

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

Administration

- *Has not been updated for the draft book*

City Clerk

- *Has not been updated for the draft book*

Major Budget Changes

The Fiscal Year 2025-26 City Manager's Office budget is funded by the General Fund. The Homeless Shelter Operations Fund moved back to the Housing & Community Services Department in 2023-24.

The City Manager's Office budget for FY 2025-26 is \$2.8M, a decrease of (\$635K), or (18.7%) compared to last fiscal year. Salaries and Benefits decreased by (\$566K) or (20%). Most of this decrease is due to the mid-year reduction of 2.0 FTEs: 1.0 Clean Energy Manager, and 1.0 Administrative Technician—Confidential as well as the reduction of 1.0 Assistant City Manager with the budget adoption. Offsetting these position reductions just mentioned are increases for an estimated cost of living adjustment, per the latest labor agreements. Professional Services decreased by (\$60K). All reductions listed above were made to assist with the deficit of the General Fund.

Budget Summary

Expenditures by Program				
	2022 - 23 Actual	2023 - 24 Actual	2024 - 25 Budget	2025 - 26 Budget
General Administration	\$2,361,470	\$2,496,805	\$3,308,929	\$2,673,517
City Clerk	\$79,489	\$78,867	\$81,256	\$81,256
Homeless Services	\$4,383,538	\$0	\$0	\$0
CIP and O&M Projects	\$487,866	\$4,384	\$0	\$0
Total	\$7,312,363	\$2,580,056	\$3,390,185	\$2,754,773

Expenditures by Category				
	2022 - 23 Actual	2023 - 24 Actual	2024 - 25 Budget	2025 - 26 Budget
Salaries	\$1,379,575	\$1,421,029	\$1,855,892	\$1,486,869
Benefits	\$658,289	\$676,431	\$942,099	\$745,115
Professional Services	\$178,064	\$201,646	\$308,261	\$236,988
Utilities	\$5,492	\$3,020	\$2,845	\$2,845
Operational Supplies	\$57,633	\$20,508	\$22,520	\$22,520
Information Technology	\$145,667	\$165,083	\$161,025	\$156,601
Other Miscellaneous	\$112,479	\$87,955	\$97,543	\$103,835
Subrecipient Funding	\$395,000	\$0	\$0	\$0
CIP and O&M Projects	\$4,383,538	\$4,384	\$0	\$0
Indirect Costs	-\$3,374	\$0	\$0	\$0
Total	\$7,312,363	\$2,580,056	\$3,390,185	\$2,754,773

City Manager's Office

Expenditures by Fund				
Funding Source	2022 - 23 Actual	2023 - 24 Actual	2024 - 25 Budget	2025 - 26 Budget
General Fund	\$2,437,505	\$2,580,056	\$3,390,185	\$2,754,773
ARPA Federal Stimulus	\$4,201,992	\$0	\$0	\$0
Homeless Shelter Operations	\$672,866	\$0	\$0	\$0
Total	\$7,312,363	\$2,580,056	\$3,390,185	\$2,754,773

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

Fiscal Year	FY 2021 - 22	FY 2022 - 23	FY 2023 - 24	FY 2024 - 25	FY 2025 - 26
Full-Time Equivalent	8.00	9.00	11.00	12.00	9.00

Performance Measures

Administration

Has not been updated for the draft book*

City Clerk

Has not been updated for the draft book*

Prior FY 2024-25 Accomplishments

(Numbers at right show relation to FY 2024-25 City Council Goals)

- Has not been updated for the draft book*

Looking Ahead

Has not been updated for the draft book

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Communications & Intergovernmental Relations

Mission

To streamline and centralize the dissemination of accurate, timely, and relevant information to the public, media, and governmental agencies, while fostering civic engagement through inclusive, transparent, and participatory communication and sustained community involvement.

Department Description

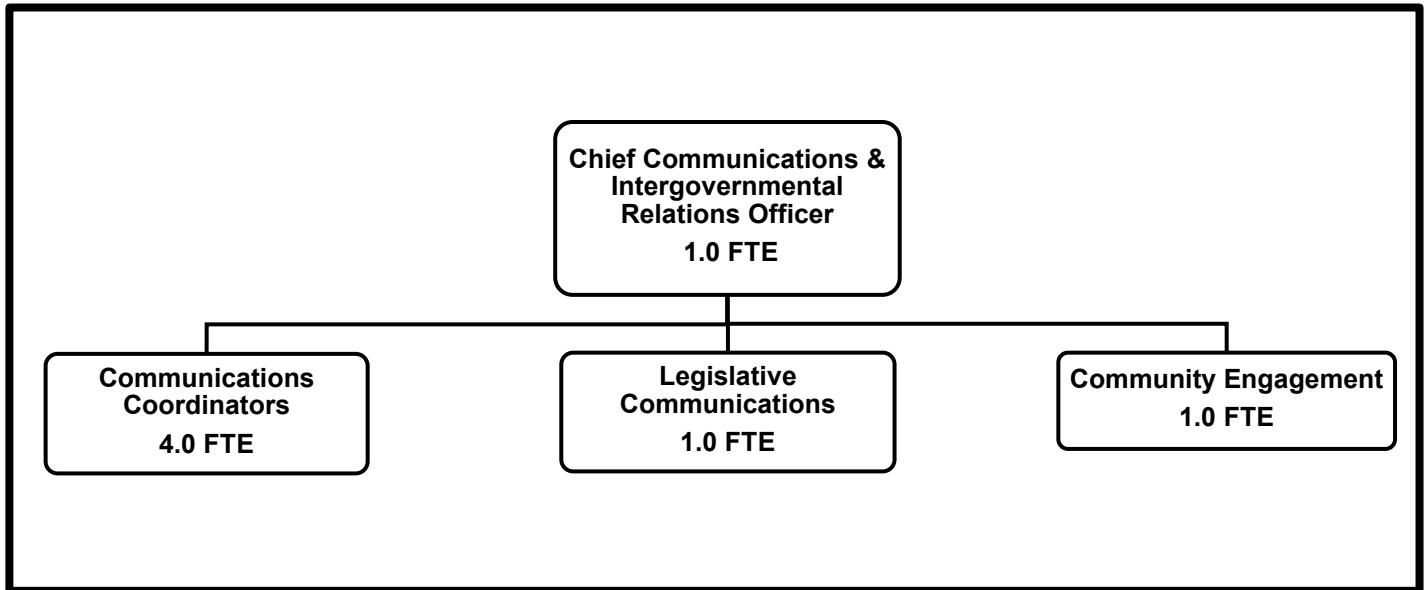
The Communications & Intergovernmental Relations Office (CIRO) is the centralized hub for communication, engagement, and legislative activities within the City of Santa Rosa. CIRO plays a vital role in disseminating public information and outreach, fostering community engagement, and supporting revenue-generating programs across various City departments. Additionally, CIRO coordinates the City's involvement in key local, state, and federal government policies and activities along with strategic funding opportunities, in coordination with the Council's legislative platforms.

CIRO - A core responsibility of CIRO is overseeing the City's external messaging, ensuring consistency in branding, and effectively communicating the City's vision and initiatives, which involves developing, designing, and distributing digital, print, and video communication collateral. CIRO also works collaboratively with media representatives and establishes collaborative relationships with key stakeholders to enhance the City's visibility and engagement efforts. CIRO facilitates neighborhood connectedness through the Community Improvement Grant program and works in partnership with the Community Advisory Board to gather community feedback on issues of concern. Working in close partnership with the City Manager's Office and all departments, CIRO upholds the principles of accuracy, accessibility, equity, and transparency in all messaging efforts. The department maintains an open government approach to information, particularly during times of emergency, to provide timely and relevant updates to the public. Through its dedicated efforts, CIRO ensures that the City's communications are effective, informative, and aligned with the community's needs.

Community Engagement – Within CIRO, Community Engagement supports and organizes civic engagement opportunities with residents of Santa Rosa, including connecting community members and various groups with their local government to strengthen the public involvement process in local government decision-making. Community Engagement is responsible for implementing City-wide community engagement strategies based on recommendations from the Mayor's Open Government Task Force Report to help create an inclusive, transparent, participatory, and collaborative relationship with the community in the City's decision-making processes. Community Engagement facilitates neighborhood connectedness through the Community Improvement Grant program and works in partnership with the Community Advisory Board (CAB) to gather community feedback on issues of concern to City residents and Capital Improvement Program priorities. Community Engagement also oversees the Community Empowerment Plan and the implementation of recommendations outlined in the Community Empowerment Plan Listening Sessions Final Report.

Communications & Intergovernmental Relations

FTE by Program



Strategic Goals and Initiatives for FY 2025-26

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

CIRO

- Continue organization by using Project Planner to improve internal communications and collaboration amongst staff. 1
- Monitor grant opportunities with the City's Grants Committee. 1, 3, 4
- Engage with policymakers at the federal and state levels to enact the Council's policy priorities. 4
- Develop a communication, engagement, and legislative strategic plan to align resources with City Council priorities. 4

Community Engagement

- Increase Community Participation: Launch targeted outreach and feedback efforts to engage diverse residents and set measurable goals to boost civic event participation. 4
- Ensure Accessibility and Inclusivity: Offer multi-language support, ensure accessibility for people with disabilities, and partner with groups to remove participation barriers. 4
- Enhance Transparency and Trust: Share meeting summaries online, host town halls, support district-level strategies, and promote cross-sector collaboration and staff training. 4
- Foster Community Collaboration: Partner on community initiatives, support grassroots input, and promote local leadership through targeted development sessions. 4
- Integrate Feedback into Decision-Making: Collect community input, brief the City Manager, and streamline feedback review with the Communications Officer. 4

Communications & Intergovernmental Relations

Major Budget Changes

The Communications and Intergovernmental Relations Office's (CIRO) FY 2025-26 budget is \$1.7M, a decrease of (\$349K), or (17.5%), over the prior year's adopted budget. This decrease was almost entirely due to salaries and benefits. There was the reduction of 2.0 FTEs – 1.0 Marketing & Outreach Coordinator that was deleted during the 2025-26 budget adoption process and 1.0 Marketing & Outreach Coordinator that was deleted at mid-year 2024-25.

Budget Summary

Expenditures by Program				
	2022 - 23 Actual	2023 - 24 Actual	2024 - 25 Budget	2025 - 26 Budget
Comms & Intergov Relations	\$1,379,162	\$1,547,884	\$1,964,064	\$1,615,167
CIP and O&M Projects	\$68,493	\$220,611	\$35,000	\$35,000
Total	\$1,447,655	\$1,768,495	\$1,999,064	\$1,650,167

Expenditures by Category				
	2022 - 23 Actual	2023 - 24 Actual	2024 - 25 Budget	2025 - 26 Budget
Salaries	\$705,917	\$810,725	\$1,019,387	\$829,173
Benefits	\$432,717	\$456,956	\$599,293	\$488,460
Professional Services	\$51,162	\$55,726	\$102,818	\$61,150
Vehicle Expenses	\$438	\$785	\$240	\$240
Utilities	\$3,523	\$3,701	\$2,920	\$1,920
Operational Supplies	\$27,465	\$25,049	\$15,880	\$13,880
Information Technology	\$57,803	\$81,375	\$81,248	\$91,216
Other Miscellaneous	\$94,979	\$113,567	\$142,278	\$129,128
Subrecipient Funding	\$5,158	\$0	\$0	\$0
CIP and O&M Projects	\$68,493	\$220,611	\$35,000	\$35,000
Total	\$1,447,655	\$1,768,495	\$1,999,064	\$1,650,167

Expenditures by Fund				
Funding Source	2022 - 23 Actual	2023 - 24 Actual	2024 - 25 Budget	2025 - 26 Budget
General Fund	\$1,447,655	\$1,768,495	\$1,999,064	\$1,650,167
Total	\$1,447,655	\$1,768,495	\$1,999,064	\$1,650,167

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

Fiscal Year	FY 2021 - 22	FY 2022 - 23	FY 2023 - 24	FY 2024 - 25	FY 2025 - 26
Full-Time Equivalent	7.00	7.00	9.00	9.00	7.00

Communications & Intergovernmental Relations

Performance Measures

- Write, code, and publish approximately 50 City Connections email newsletters each year.
- Develop multiple articles, interviews, or mentions in local/regional media outlets.
- Write and distribute multiple press releases and/or media advisories each year.
- Conduct surveys or assessments to measure the community's input and understanding of key city programs, initiatives, programs, projects or policies.
- Table, and assist with approximately 20-30 events
- Host and promote approximately 4 city-wide community meetings each year.
- Publish summaries of public meetings and city projects on the city's official website – in coordination with communications team.
- Conduct at least 2 annual community surveys and focus groups to gather comprehensive community input.
- Provide at least 1 city-wide community engagement guidelines and training to each department's staff. Establish collaboration across departments.
- Host and facilitate approximately 6 Community Advisory Board meetings each year.
- Host and facilitate approximately 4 Open Government and Community Engagement Subcommittee meetings each year.
- Advocate for specific policy initiatives in Sacramento and Washington, D.C.
- Host policymakers and agencies in Santa Rosa to showcase certain projects and departments.
- Propose funding priorities to agencies and elected officials to bring strategic dollars to Santa Rosa.

Prior FY 2024-25 Accomplishments

(Numbers at right show relation to FY 2024-25 City Council Goals)

- Coordinated responses to more than 75 inquiries from local, regional, state, and national media, and distributed more than 50 media releases **3, 7**
- Fulfilled public information responses for multiple emergency incidents, including winter storms, earthquakes, freezing temperatures, school violence, and more. **3, 7**
- Provided departments with marketing deliverables, such as activity guides, reports, newsletters, email blasts, signage, flyers, webpages and microsites, advertisements, surveys, digital marketing assets, etc. **3**
- Coordinated the redesign and launch of the City's website into a new platform with enhanced features making it easier for the public to navigate. **3, 7**
- Assisted departments with the launch and integration of new iNet pages. **3**
- Created and implemented a new format for the City Connections newsletter to match the new website design. **3**
- Developed an updated Brand Book establishing, memorializing and protecting the City's brand and image. **3, 7**
- Delivered key Community Engagement materials to departments, including City-Wide Community Engagement Plan and 2025 Goals, Master calendar of events and events rubric, assessment Stakeholders, neighborhood, and community-based organization (CBO) master list. **3, 7**
- Organized 2 community meetings (January & April 2025) to enhance civic engagement. **3, 7**
- Assisted with the creating and conducting outreach of the 2025 Budget Priorities Community Survey gathering critical public input and receiving a total of 1,053 responses. **2, 3, 7**

Communications & Intergovernmental Relations

- Re-launched the Multicultural Roots Project to highlight and recognize the contributions of the diverse members of the community. 2, 3, 7
- Tabled, assisted, and organized 51 events. 3, 7
- Interacted and engaged with approximately 3,000 community members, across 8 different departments, and supporting key City initiatives. 3, 7
- Finalized the Community Advisory Board (CAB) work plan and introduced tools to strengthen the Community Improvement Grant (CIG) process 7
- Reviewed, managed, and facilitated the distribution of 21 CIGs since March 2024. 7
- Successfully completed the AmeriCorps Neighbor to Neighbor Program application, securing 2 AmeriCorps members to promote civic participation and neighborhood collaboration. 7

Looking Ahead

The Communications & Intergovernmental Relations Office (CIRO) serves as the centralized hub for all communication, engagement, and legislative activities. As we move into the future, CIRO is excited to share our vision and goals for fostering effective communication, robust community engagement, and legislative activities.

At CIRO, we understand the significance of disseminating public information, connecting with our diverse community, and supporting revenue-generating programs across various city departments. Our mission is to ensure that the community and staff are well-informed about city initiatives, services, and events, and that all voices are heard in shaping the future of Santa Rosa.

One of our core responsibilities is to oversee the City's external messaging, maintaining consistency in branding and effectively communicating all the great things the City is doing. We are dedicated to developing, designing, and distributing digital, print, and video communication collateral that resonates with the community and staff. Additionally, we will continue to work collaboratively with media representatives and foster relationships with key stakeholders to enhance the visibility of Santa Rosa and increase community engagement.

CIRO operates in close partnership with the City Manager's Office and all departments, upholding the principles of accuracy, accessibility, equity, and transparency in all our messaging efforts. We firmly believe in an open government approach, particularly during times of emergency, ensuring timely and relevant updates to keep the public well-informed.

CIRO will also administer the DEIB Spaces Mini-Grant Program during the upcoming fiscal year, including building a grant review team and selecting applications to fund. Additionally, we will continue to support the Community Advisory Board and its Charter requirements, including the Community Improvement Grant Program and engaging residents from all seven Council Districts. Finally, we will determine the next steps for the work of open government and the Community Empowerment Plan.

Looking ahead, we have set ambitious goals for the future of communication and engagement in Santa Rosa. We aim to enhance citizen participation by implementing strategies that encourage active involvement. We will strengthen our digital presence by redesigning our website and Intranet, in partnership with IT, to provide accessible, up-to-date information.

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Finance

Mission

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

Department Description

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

Administration and Revenue sections have combined into a single section, Administration Services. This section provides guidance on personnel recruitment, retention and management, employee leave benefit coordination, and proper data retention, provision, and destruction processes. It is responsible for the collection of various City taxes (Cannabis, Utility Users, Transient Occupancy, Real Property Transfer, Property, Sales and Use) and Business Tax Administration. It also provides billing and collection of miscellaneous receivables, two business improvement assessment districts, alcohol sales permit fees and franchise fees (gas, electric, cable, solid waste disposal, C&D debris box, towing, taxicab), receipting payments for all taxes and funds received, provide collection duties for delinquent accounts, and enforcement work on unregistered entities.

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

The **Financial Reporting** section provides professional-level accounting and financial reporting services for an array of activities including preparing and issuing financial statements and other financial reports. The section ensures the City's good credit standing and ability to apply for grants and issue debt; and assists the City to avoid costly penalties and audits. Financial Reporting manages the annual financial audit contract. **Accounts Payable** processes all payable requests relating to contracts, purchase orders, field requisitions, and miscellaneous payments. They ensure all vendors are paid in compliance with Federal and State Law and pays Section 8 Housing payments to landlords. **Budget and Financial Planning** manages all aspects of the City's budget process, long range financial planning, and provides analytical services to departments throughout the year. This section also includes the City's Treasury function which manages the investment of the City's cash and runs the Citywide cost allocation plan contract.

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

Purchasing includes the Central Warehouse and its staff and offers contract management services for Citywide agreements and purchase orders. The program provides centralized procurement for all goods

Finance

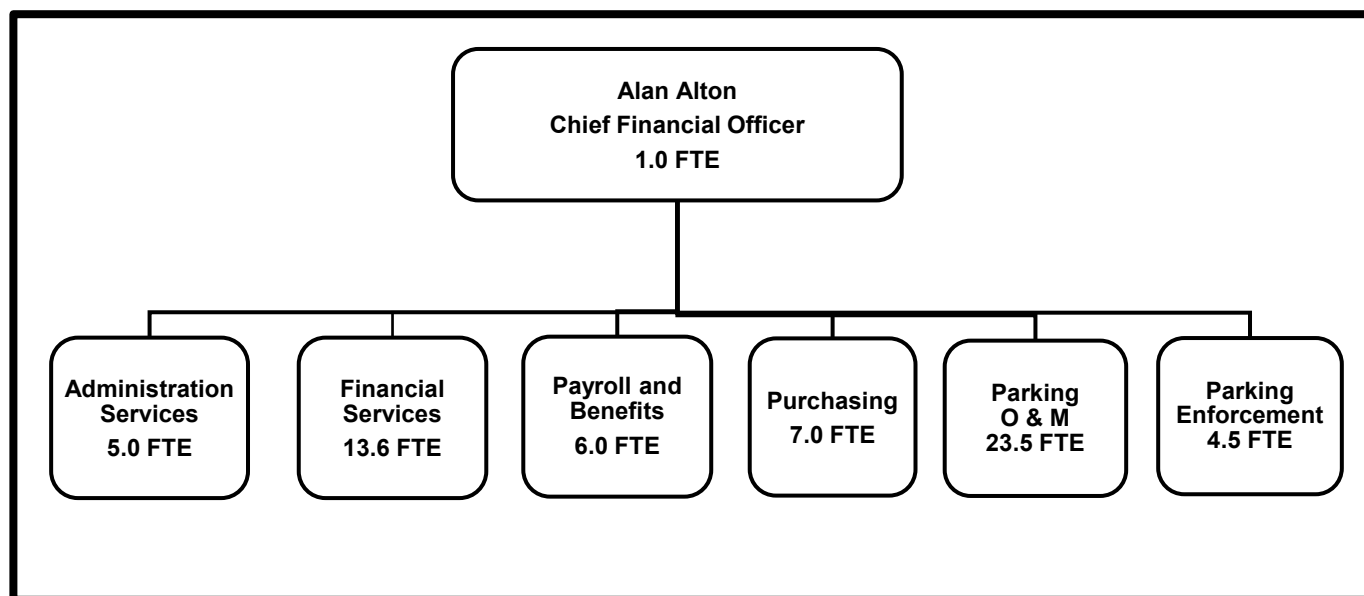
and general services per City Code and grant/funding requirements, review of sole sourcing, minor design build projects, minor public works, Request for Proposal (RFP) oversight and assistance, surplus disposal, purchasing card administration, fuel management, procurement training, public requests for information, warehousing of requested inventory, and City-wide training and support. Centralized contracts and purchase orders are also monitored for adherence to City insurance requirements. Purchasing staff oversees City-wide contract/PO performance management and facilitates remedies when issues occur.

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

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

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

FTE by Program



Strategic Goals and Initiatives for FY 2025-26

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

Administration Services (Revenue)

- Transition or absorb process level tasks from the Revenue and Collections team to the Administration team and managed service provider 1

Financial Services

- Financial Reporting 1
- Accounts Payable 1
- Budget and Financial Planning to lead an effort citywide to transition from an incremental budget approach to a Zero-Based Budget style. 1

Payroll and Benefits

- Collaborate closely with HR on Class & Comp processes and actively engage in Meet & Confer efforts for MOU negotiations 1
- Partner with Budget to create budget models 1

Purchasing

- Creating additional efficiency efforts using online training for critical systems 1

Parking Enforcement

- Grant report will be ready in the summer of 2025 regarding the future of Parking and its impacts on the downtown district 1

Parking Operations & Maintenance

- Entered into agreements with housing developers for parking permits in City garages. 4
- Conduct studies from two awarded grants from the Metro Transportation Commission (MTC) to that address Climate Mitigation, Transit Oriented Communities (TOC), Vehicle Miles Traveled (VMT), and Housing goals 1
- Continue to maintain a flat budget by eliminating contracts, and not backfilling positions. 2

Major Budget Changes

The FY 2025-26 Finance Department's total budget is approximately \$14.1M, an increase of \$229K, or 1.6% from the prior year. The Finance Department has two primary funding sources: The General Fund and the Parking District Fund.

The General Fund Finance operations increased by \$100K overall. The General Fund Salaries & Benefits increased overall by \$17K, or 0.3%. Salaries & Benefits saw an increase, primarily a result of labor agreements for FY 2025-26. This Salaries & Benefits increase was almost entirely offset by the reduction of 2.0 FTEs: 1.0 Senior Customer Service Representative & 1.0 Field Collection Representative. Additionally, Services & Supplies increased by a total of \$83K, or 4.5%. Most of this increase was in Professional Services, due to additional costs related to a mandatory financial statement audit. There were also various Services & Supplies decreases, mostly in Conferences & Training, to help the General Fund deficit.

The Parking District Fund budget is \$5.9M in FY 2025-26, an increase of \$127K, or 2.2% over the prior year's budget. Overall, Parking's operational budget reflects conservative budgeting to maintain services despite continued revenue loss. One of the causes of Parking's revenue loss is the result of the free parking initiatives for the Downtown area. An increase for an estimated cost of living adjustment has increased both Salaries and Benefits by a total of \$228K. Parking's Services & Supplies saw a decrease of (\$86K). There was a (\$145K) decrease in the Property & Liability Insurance. Partially offsetting this

Finance

decrease was a \$84K increase in Professional Services due to hiring third party Allied Patrol Services to cover enforcement vacancies, resulting in savings.

Finally, the Pooled Investment Fund budget is \$362K in FY 2025-26, an increase of \$2K, or 0.6%. This \$2K increase is to better align with past actuals of the US Bank custodial banking services fees.

Budget Summary

Expenditures by Program				
	2022 - 2023	2023 - 24	2024 - 25	2025 - 26
	Actual	Actual	Budget	Budget
General Administration	\$1,911,717	\$1,876,630	\$2,796,239	\$2,538,720
Purchasing	\$1,285,135	\$1,347,755	\$1,329,641	\$1,407,641
Financial Services	\$2,731,479	\$2,893,560	\$3,072,414	\$3,298,332
Revenue	\$622,324	\$642,217	\$0	\$0
Payroll and Benefits	\$687,240	\$771,272	\$864,995	\$920,354
Parking Services O&M	\$3,525,298	\$3,900,622	\$4,255,401	\$4,324,374
Parking Enforcement	\$1,014,214	\$1,064,383	\$1,569,806	\$1,627,669
CIP and O&M Projects	\$1,082,860	\$706,631	\$0	\$0
Total	\$12,860,267	\$13,203,070	\$13,888,496	\$14,117,090

Expenditures by Category				
	2022 - 2023	2023 - 24	2024 - 25	2025 - 26
	Actual	Actual	Budget	Budget
Salaries	\$4,613,825	\$5,060,932	\$5,751,001	\$6,026,539
Benefits	\$2,986,361	\$3,208,847	\$3,599,245	\$3,569,000
Professional Services	\$1,994,169	\$1,953,463	\$2,012,676	\$2,148,951
Vehicle Expenses	\$136,432	\$158,098	\$179,890	\$179,740
Utilities	\$78,779	\$113,178	\$94,832	\$102,092
Operational Supplies	\$281,716	\$316,640	\$370,289	\$333,302
Information Technology	\$978,846	\$931,183	\$961,294	\$1,025,397
Debt Service	\$4,879	\$4,730	\$0	\$0
Liab/Property Insurance	\$178,964	\$181,535	\$311,556	\$181,954
Other Miscellaneous	\$152,599	\$131,233	\$205,927	\$164,179
Indirect Costs	\$346,729	\$436,600	\$401,786	\$385,936
Capital Outlay	\$24,108	\$0	\$0	\$0
CIP and O&M Projects	\$1,082,860	\$706,631	\$0	\$0
Total	\$12,860,267	\$13,203,070	\$13,888,496	\$14,117,090

Expenditures by Fund				
Funding Source	2022 - 2023	2023 - 24	2024 - 25	2025 - 26
	Actual	Actual	Budget	Budget
General Fund	\$6,902,709	\$7,188,469	\$7,703,289	\$7,803,047
ARPA Federal Stimulus	\$37,823	\$26,179	\$0	\$0
Capital Improvement Fund	\$540	\$0	\$0	\$0
Parking District Fund	\$5,580,278	\$5,642,988	\$5,825,207	\$5,952,043
Pooled Investment Fund	\$338,917	\$345,434	\$360,000	\$362,000
Total	\$12,860,267	\$13,203,070	\$13,888,496	\$14,117,090

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

Fiscal Year	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25	FY 2025-26
Full-Time Equivalent	92.85	89.60	62.60	62.60	60.60

Performance Measures

Revenue & Collections

INDICATORS:	FY 2023-24	FY 2024-25 Est.
Total Amount Billed	\$63,583,864	\$64,000,000
Cannabis Tax Collected	\$2,042,851	\$2,100,000
HdL – Business Tax Certificates Issued	13,577	14,897
Invoices Issued	2,592	2,000
Utility User's Tax files	244	244
Alcohol Sales Permit Fee files	445	445
Transient Occupancy Tax files	330	330
City Tourism BIA files	330	330
County Tourism Business Improvement Area (BIA) files	23	23
Franchise Fees Files	24	24
Calls received via Revenue & Collections Line (ext. 3170)	1,126	1,150
Electronic payments received	27	30
Mail (Phone) payments received	9,476	9,500
Counter payments received *	611	600
Dollar amount sent to collections	\$231,267	\$231,000

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

Parking Operations

INDICATORS:	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25 Estimate
Number of monthly parking permits issued	16,525	15,611	17,762	18,600
Number of hourly parking garage patrons served	360,100	370,658	408,567	436,800
Number of metered parking transactions	1,233,400	1,267,068	1,282,507	1,257,800
Number of residential parking permits issued	1,460	1,849	1,919	1,869

Prior FY 2024-25 Accomplishments

(Numbers at right show relation to FY 2024-25 City Council Goals)

- Administration has collaborated with Revenue & Collections to merge their work, with an eye to full integration in FY2025-26 **2**
- Revenue Administration processed \$43.1 million in taxes and fees for FY23-24 **2**
- PEMHCA 115 Trust created, avoiding \$1.5 million in ongoing benefit liability **2**
- Successfully assisted in negotiating 11 Memorandum of Understanding (MOUs) for 2024-2027 **3**

Finance

- Payroll collaborated with the Unions to manually apply retroactive MOU changes to 142 employees over 4 months / 4 payroll cycles **3**
- Santa Rosa’s Budget Team received the Government Finance Officers Association’s (GFOA) Distinguished Budget Presentation Award for the FY 2024-25 Budget Book publication. **2**
- Purchasing created more efficiency via Citywide video training.
- Completed multiple contracts with PG&E to install 14 Level II, and 2 Level III chargers for public use. **6**
- Submitted contract to install 36 Level III chargers for public use. **6**
- Secured Communities in Charge grant to purchase new EV chargers. **6**
- Garage 12 elevator project completed. **4**

Looking Ahead

As the City faces fiscal challenges, Finance is committed to continue its progress toward a fiscally sustainable budget for the public good. To further refine the budget process to better align with strategic goals, an effort is underway to move from an incremental budget to a Zero Based Budget (ZBB) style. This approach offers benefits like improved cost control and a focus on efficiency. While the department is already evaluating internal workflows, ZBB offers a unique lens to view efficiency through, using adjustments in business processes. The nature of ZBB is self-reflective and engaged with how funds are expended.

The purpose of transitioning from an incremental budget to ZBB would be to increase communication, accountability, and flexibility, leading to more transparency and clearer financial outcomes.

Parking is exploring options for more revenue while considering how to create a better experience in the downtown core for residents and visitors.

Fire

Mission

The Santa Rosa Fire Department proudly safeguards our community as a professional organization protecting lives, property, and the environment through all-risk service and engagement.

Department Description

The Fire Department serves the community through three bureaus, Administration, Prevention, and Operations. The department also oversees Emergency Management for the City of Santa Rosa.

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

Fire Prevention - Prevents and limits the spread of fire and provides life safety through community safety education and the application and enforcement of regulations, codes, and ordinances. The Prevention Bureau administers several programs such as plan review, construction and fire code inspections, fire investigations, Certified Unified Program Agency (CUPA – Hazardous Waste & Materials), weed abatement, community outreach, management of the Community Wildfire Protection Plan (CWPP), and vegetation management program.



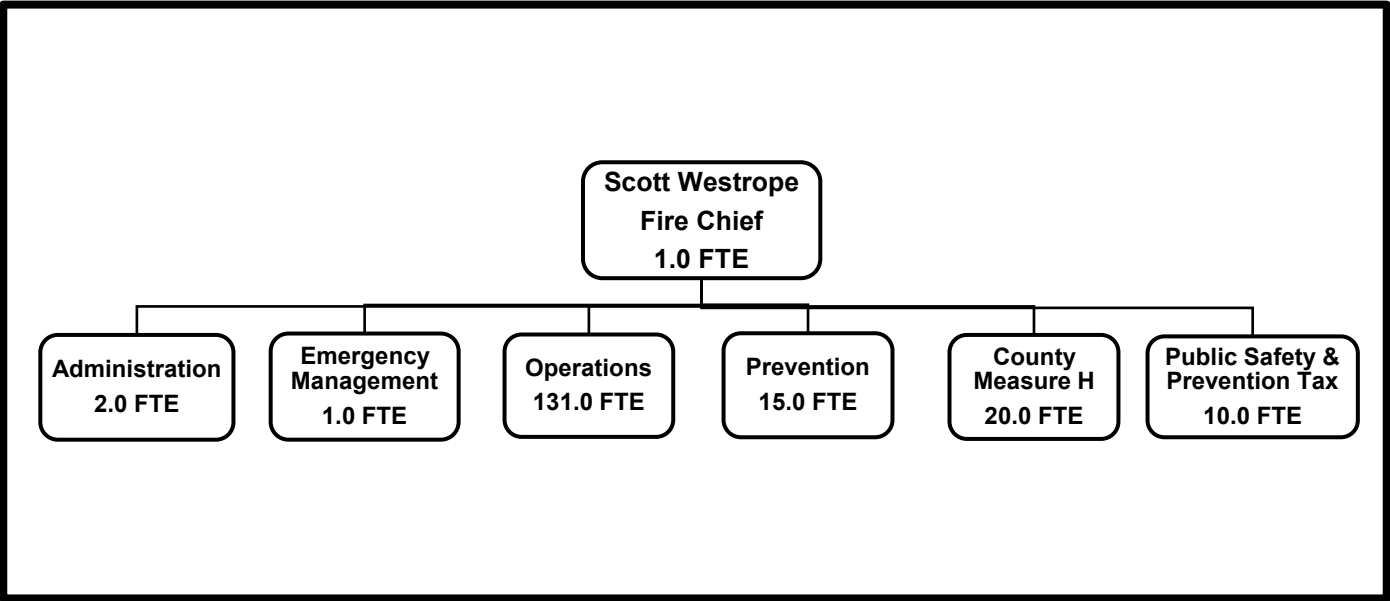
Fire Operations - Responds to and mitigates emergency incidents within the City of Santa Rosa. Major services to the community include paramedic and emergency medical care, extinguishment of fires, technical rescues, mitigation of the effects of natural disasters, and hazardous materials containment. Training and safety programs are provided to all personnel to deliver services safely and proficiently to the community. Support services supports policy management, facilitates any facilities and station construction needs, acts as homeless services liaison and manages operational information technology needs for the department.

Emergency Management - Citywide emergency preparedness for all employees and community members. Emergency Operations Center (EOC) management and representing the interests of the city at an operational area level.

Public Safety and Prevention Special Tax (PSAP) and Measure H – PSAP, formerly known as Measure O is an extension of the Fire Operations that funds nine personnel, paramedic incentive pay 15 paramedics, a Training Captain, and 25% of the EMS Division Chief. PSAP also funds the construction of future fire stations and helps purchase necessary fire apparatus and specialized equipment. This funding provides for an entire engine company to be staffed (three personnel per engine on three shifts) and allows three engine companies and two truck companies to be staffed with paramedics. Measure H is a county wide measure, implementation in FY 25-26 and will add staffing to Operations and Prevention in addition to equipment and facilities over the next several years.

Fire

FTE by Program



Strategic Goals and Initiatives for FY 2025-26

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

• Maintain service delivery to best possible response to the residents and visitors of our community.	3, 5, 7
• Enhance EMS service delivery through collaboration with Sonoma County Fire District EMS by implementing initiatives aimed at improving response times, patient care quality, and community outreach.	3, 5, 7
• Enhance programmatic needs to reduce wildfire risk and support development to provide additional housing units.	1, 4, 5, 6
• Enhance service delivery and staffing through the implementation of Sonoma County Measure H Sales Tax funding.	2, 3, 4

Major Budget Changes

The Fire Department’s programs consist of Administration, Prevention, Operations, and Public Safety and Prevention Tax (formerly known as Measure O, which is funded by its own revenue source). Overall, Fire’s FY 2025-26 budget increased by \$7M, or 11% when compared with the FY 2024-25 adopted budget, this was due to the new Measure H fund expenditures of \$6.8M, offset by the County Measure H revenue.

Within the General Fund, total salaries and benefits combined decreased by (\$462K), or (0.01%) due to the reduction of two firefighters, the reduction of one Deputy Fire Chief, the reduction of one fire emergency management position, and the reduction of one administrative staff position being offset by merit increases, and the increasing cost of benefits as well as all the increase for the labor agreements that began in FY 2024-25. There was also a FY 24-25 midyear reduction reducing 4.0 FTE firefighter positions. FY Vehicle costs continue to increase, a total of \$1.2M over last FY. Professional Services decreased by (\$1.5M) due to dispatch fees being paid by County Measure H. Lastly, Administrative Cost Plan costs increased by \$602K.

The FY 2025-26 Public Safety and Prevention Special Tax (PSAP) expenditures decreased by (\$190K), or (4.1%). Salaries and benefits increased by \$338K due to the labor contracts and increasing benefit costs. Services and supply costs decreased by (\$527K) as the station debt service has been paid in full and there were no vehicle purchases this year.

Fire

Measure H is a county-wide measure, with implementation beginning FY 25-26. Twenty fire positions will be added FY 25-26 with the anticipated revenue collection.

Finally, CIP and O&M project expenditures increased in the amount of \$369K or 72.1% for a total of \$881K.

Budget Summary

Expenditures by Program				
	2022 - 23 Actual	2023 - 24 Actual	2024 - 25 Budget	2025 - 26 Budget
General Administration	\$5,858,912	\$6,480,155	\$9,094,857	\$7,504,090
Fire Prevention	\$3,012,623	\$3,446,153	\$3,309,251	\$3,701,965
Fire Operations	\$40,226,982	\$43,960,605	\$45,742,188	\$46,912,849
Public Safety and Prevention - Fire	\$4,060,314	\$3,912,477	\$4,590,082	\$4,400,084
Measure H County - Fire	\$0	\$0	\$0	\$6,476,185
CIP and O&M Projects	\$2,894,499	\$6,268,949	\$1,152,716	\$1,943,112
Total	\$56,053,330	\$64,068,339	\$63,889,094	\$70,938,285

Expenditures by Category				
	2022 - 23 Actual	2023 - 24 Actual	2024 - 25 Budget	2025 - 26 Budget
Salaries	\$25,865,910	\$26,814,290	\$29,006,002	\$32,616,838
Benefits	\$17,698,671	\$18,762,371	\$20,680,148	\$21,870,750
Professional Services	\$1,730,147	\$2,109,217	\$2,158,004	\$596,587
Vehicle Expenses	\$1,894,298	\$3,756,546	\$4,149,474	\$6,520,147
Utilities	\$44,310	\$48,559	\$34,617	\$42,818
Operational Supplies	\$368,520	\$548,194	\$315,376	\$461,398
Information Technology	\$950,317	\$1,019,065	\$1,099,178	\$1,213,359
Liab/Property Insurance	\$43,782	\$52,090	\$64,840	\$72,868
Other Miscellaneous	\$373,801	\$375,794	\$312,068	\$570,180
Indirect Costs	\$121,620	\$120,325	\$119,592	\$130,636
GF Admin Cost Plan	\$3,605,867	\$3,952,938	\$4,297,079	\$4,899,592
Capital Outlay	\$461,588	\$240,001	\$500,000	\$0
CIP and O&M Projects	\$2,894,499	\$6,268,949	\$1,152,716	\$1,943,112
Total	\$56,053,330	\$64,068,339	\$63,889,094	\$70,938,285

Expenditures by Fund				
Funding Source	2022 - 23 Actual	2023 - 24 Actual	2024 - 25 Budget	2025 - 26 Budget
General Fund	\$49,671,126	\$55,678,471	\$58,787,381	\$58,893,388
Public Safety and Prevention - Fire	\$4,060,314	\$3,912,477	\$4,590,082	\$4,400,084
Measure H County - Fire	\$0	\$0	\$0	\$6,764,257
Capital Improvement Fund	\$2,321,890	\$4,477,391	\$511,631	\$880,556
Total	\$56,053,330	\$64,068,339	\$63,889,094	\$70,938,285

Fire

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

Fiscal Year	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25	FY 2025-26
Full-Time Equivalent	151.00	148.00	157.00	169.00	180.00

Performance Measures

Indicators	2022	2023	2024
Budgeted Sworn Personnel	142	153	153
Population	177,586	176,527	176,527
Number of Incidents	29,250	29,308	28,358
Number of EMS/Rescue Incidents	19,108	19,392	19,621
Percentage of EMS/Rescue Calls	65.3%	66.2%	69.19%
Fire Loss	\$6,391,045	\$9,442,014	\$4,049,039
Number of Fires with Loss	165	166	135
On Scene within 5 Min. (Goal 90%)	59.3%	60.20%	60.81%
Weed Abatement Inspections	10,933	10,986	10,866
Engine Company Annual Inspections	2,472	1,693	1,142
Fire Prevention Annual Inspections	529	514	740
CUPA Annual Inspections	424	321	865
Plan Reviews	2,143	1,881	1,705
Plan Review Inspections	1,865	1,850	2,286

Prior FY 2024-25 Accomplishments

(Numbers at right show relation to FY 2024-25 City Council Goals)

- Placed two ALS squads in high demand services areas funded by SAFER Grant 2
- Received two 2024 Pierce Type 1 Fire Engines. Through vehicle replacement program, purchased 5 SUVs, 3 Pickup Trucks, 1 Electric Vehicle 3
- Support staff handled 16,646 phone calls in 2024, averaging 64 per business day. 3
- Promoted 20 employees in 2024 - Engineer, Captain, Battalion Chief & Division Chief 3
- Hired 19 employees in 2024 - Firefighter, Single Role Paramedic & Deputy Emergency Manager 3
- Completed 5-year community driven strategic plan 3
- Sonoma County Measure H passed by ballot measure 2
- Broke ground on Fire Station 5 rebuild. Estimated completion date November 2025 4
- Continue Implementation of Vegetation Management Ordinance 4, 6, 7
- Conducted 512 fire investigations, referred 54 to the Duty Investigator, leading to 4 arrests and 3 suspects cited. 7
- In 2024, we had \$3.8 million in loss because of fires, however had over \$10 million in value saved through firefighting efforts. 7

- Fire Station 8 RFP for Design Build contractor awarded. Est. completion date Fall of 2026 4
- 100 +/- community outreach events and taught CPR to 1,160 7th graders across the city 3, 6, 7
- Launched Weather Website 6, 7
- 16 Mutual Aid assignments through MMAS, EMA & EMAC including Maui, Palisades, Eaton Fires as well as Napa, San Bernadino, Tulare, Ventura and Marin 6, 7

Looking Ahead

Enhance service delivery to best possible response to the residents and visitors of our community.

The Fire department will revitalize the department's workforce through innovative recruitment strategies to maximize organizational effectiveness. Enhance overall technological readiness and communication infrastructure of the fire department to ensure efficient emergency response and personnel safety. Receive, outfit, and put into service new fire engines on order through our capital fleet replacement program and other funding mechanisms. These newer engines will allow the department to minimize vacating of districts when apparatus must be taken to get maintenance services. Implement dynamic deployment strategies, to outfit, train and strategically position ALS response squads in areas with the highest likelihood of emergencies.

Enhance EMS service delivery through collaboration with Sonoma County Fire District EMS by implementing initiatives aimed at improving response times, patient care quality, and community outreach.

The City Council approved the First Responder Advanced Life Support Agreement with the Sonoma County Fire District on January 9, 2024. Since then, the Fire Department has worked to implement a comprehensive system that allows enhanced control of City resources for deployment to EMS and fire response, cost recovery that sustains the paramedic program for the long term, allows opportunities to expand EMS service within City limits, allows better coordination with our partner agencies, and transparent data sharing and stakeholder input through data access. Additionally, we will evaluate a fee base service model for reimbursement of EMS services through a first responder fee, direct fee for service or another model. We will also evaluate the implementation of a surge ambulance program to assist the EOA1 provider with ambulance coverage during high emergency incident volume.

Enhance programmatic needs to reduce wildfire risk and support development to provide additional housing units.

In addition to providing mandated and essential services, the Fire Prevention Bureau will develop a long-term plan to support the new Hazardous Vegetation and Fuel Reduction (Vegetation Management) Ordinance and ongoing efforts associated with Community Wildfire Protection Plan (CWPP). During this time, staff will also work to increase the use of technology and evaluate the effectiveness of professional services agreements to support the demands of development for additional housing units and commercial construction.

Enhance service delivery and staffing through the implementation of Sonoma County Measure H Sales Tax funding.

Operationalize funding from Sonoma County Measure H (Fire Service Sales Tax Measure) allocation plan to promote and hire additional personnel, including three battalion chiefs, one staffed engine company, two inspectors and all associated equipment and identification of a location and begin construction of one fire station. Continuing to develop the short-, medium- and long-term plans and goals of the sales tax funding and financial accountability.

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Housing & Community Services

Mission

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

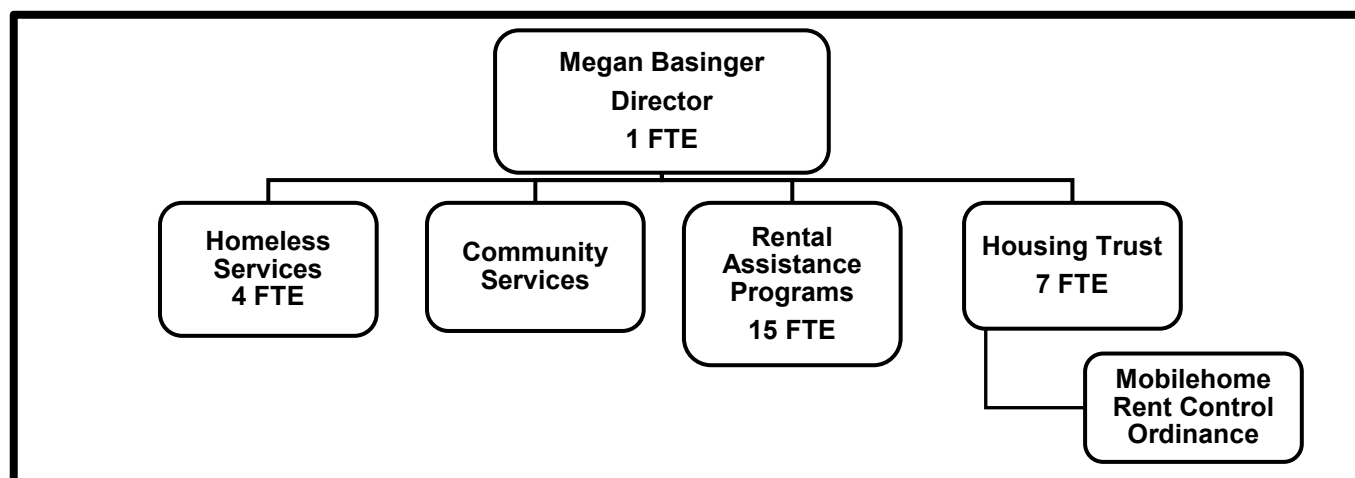
Department Description

The Department of Housing and Community Services (HCS) is comprised of two entities, the City entity, and the Housing Authority. HCS staff support the Housing Authority as noted on the FTE by Program below. Information regarding the Housing Authority is in its own section. Under the City entity, HCS manages affordable housing grant programs, the Mobilehome Rent Control Ordinance which governs mobilehome space rent, and homeless services which provides programs and initiatives for residents experiencing homelessness and related community support.

Homeless Services - Provides essential support to address homelessness in our community as part of the City's Homelessness Solutions Strategic Plan (2023-2027) and the broader goal of "Housing for All." Funding is provided in five key areas – day services, street outreach and encampment resolution, housing-focused emergency shelter, housing support, and community-based solutions. These initiatives are coordinated in collaboration with key City departments, service providers, and community partners and participation in regional planning efforts through the Continuum of Care, recently rebranded the Sonoma County Homeless Coalition

Mobilehome Rent Control Ordinance - Enforces the Ordinance, enacted in 1993 and most recently amended in 2023, which regulates mobilehome space rents in 16 mobile home parks in the City. The City assists residents and owners with mediation.

FTE by Program Housing & Community Services



Housing & Community Services

Strategic Goals and Initiatives for FY 2025-26

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

- Continue to implement the City's Five-Year Homelessness Solutions Strategic Plan to achieve functional zero homelessness in Santa Rosa and the region. 5
- Support efforts to solve homelessness through continued coordination of services among City departments including the City's Encampment Team and collaboration with regional partners through the Sonoma County Homeless Coalition. 5
- Continue to administer the self-sustaining Mobilehome Rent Control Ordinance by working with the City's mobilehome owners/residents and mobilehome park owners/operators. 5
- Continue to administer grants and loans for affordable housing, market rate housing and infrastructure projects for the Infill Infrastructure Grant and Homekey programs. 5

Major Budget Changes

The General Fund portion of HCS's budget decreased from \$111K to \$0, as Citywide reductions due to the deficit resulted in elimination of the Legal Aid contract.

The Mobile Home Fund's salaries, benefits, and indirect costs budget increased by \$48K, or 17.9% over the previous fiscal year due to merit increases and standard benefit increases.

Homeless Services Operations moved back to HCS from the City Manager's Office in fiscal year 2023-24. Additionally, Homeless Services Operations was funded with one-time American Rescue Plan Act Funds in FY 2022-23 and FY 2023-24, and partially in FY 2024-25. Even though FY 2025-26 shows an increase of \$662K, it actually includes the reduction of \$1.4M in multiple Homeless Services subrecipient contracts, as part of the City's General Fund budget reductions to reduce the General Fund deficit.

In CIP and O&M projects, the reduction to \$0 includes the elimination of the \$50K grant to the Secure Families Collaborative and the \$10K Community Housing Assistance Program, both eliminated due to the General Fund deficit.

Overall, the budget increased \$550K year-over-year, due to Homeless Services moving back to the it's fund after several years of being fully or partially funded by one-time American Rescue Plan Act Funds, offset by reductions to assist with the General Fund deficit.

Budget Summary

Expenditures by Program				
	2022 - 23 Actual	2023 - 24 Actual	2024 - 25 Budget	2025 - 2026 Budget
Tenant/Landlord Services	\$104,563	\$39,713	\$111,000	\$0
Homeless Services Operations	\$0	\$306,943	\$3,396,953	\$4,069,380
Mobile Home Rent Control Ord.	\$102,427	\$174,282	\$268,732	\$316,946
CIP and O&M Projects	\$47,419	\$6,582,485	\$60,000	\$0
Total	\$254,409	\$7,103,423	\$3,836,685	\$4,386,326

Housing & Community Services

Expenditures by Category				
	2022 - 23 Actual	2023 - 24 Actual	2024 - 25 Budget	2025 - 2026 Budget
Salaries	\$40,198	\$74,929	\$633,108	\$696,697
Benefits	\$23,706	\$42,672	\$367,521	\$379,227
Professional Services	\$5,025	\$0	\$108,000	\$108,000
Utilities	\$0	\$0	\$2,420	\$2,420
Operational Supplies	\$0	\$0	\$9,811	\$4,811
Information Technology	\$0	\$0	\$27,566	\$29,610
Other Miscellaneous	\$0	\$0	\$18,974	\$15,974
Subrecipient Funding	\$104,564	\$346,656	\$2,486,921	\$3,014,192
Indirect Costs	\$33,497	\$56,681	\$122,364	\$135,395
CIP and O&M Projects	\$47,419	\$6,582,485	\$60,000	\$0
Total	\$254,409	\$7,103,423	\$3,836,685	\$4,386,326

Expenditures by Fund				
	2022 - 23 Actual	2023 - 24 Actual	2024 - 25 Budget	2025 - 2026 Budget
General Fund	\$151,982	\$142,207	\$161,000	\$0
Homeless Shelter Operations	\$0	\$2,415,354	\$3,406,953	\$4,069,380
ARPA Federal Stimulus	\$0	\$4,371,580	\$0	\$0
Mobilehome Rent Stabilization	\$102,427	\$174,282	\$268,732	\$316,946
Total	\$254,409	\$7,103,423	\$3,836,685	\$4,386,326

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

Fiscal Year	FY 2021 - 22	FY 2022 - 23	FY 2023 - 24	FY 2024 - 25	FY 2025 - 26
Full-Time Equivalent	24.00	27.00	27.00	27.00	27.00

Housing & Community Services

Performance Measures

Indicators	FY 2021-22	FY 2022-23	FY 2023-24 Actual	FY 2024-25 Estimates
Number of persons sheltered at Samuel L. Jones Hall Homeless Shelter (SJH)	542	662	640	600
Number of people exited to housing from SJH	46	68	63	60
Number of people sheltered at Caritas Family Center	362	426	542	540
Number of people exited to housing from Caritas Family Center	90	148	184	200
Number of people served at Caritas Drop-In Center	1,072	1,400	1,114	1,200
Number of people served under the Homeless Outreach Services Team (HOST)	504	627	813	900
Number of people placed into safe shelter or housing (temporary or permanent) under HOST	208	398	162	250
Number of people served at Safe Parking	131	170	107	180
Number of mobilehome parks under rent control	16	16	16	16
Number of mobilehome spaces under rent control	1,723	1,864	1,864	1,888

Prior FY 2024-2025 Accomplishments

(Numbers at right show relation to FY 2024-25 City Council Goals)

- Launched \$3.9M Keep People Housed Sonoma County Pilot Program- public/private partnership, aimed at aiding those at-risk of homelessness staying housed. **5**
- Continued implementation of \$2.3M one-time HOME- American Rescue Plan Act and \$3.8M California State Encampment Resolution grant-funded programs, focused on resolving encampments in Santa Rosa. **5**
- Administered Mobilehome Rent Control Ordinance. **5**

Looking Ahead

The City's General Fund funds the majority of ongoing Homeless Services programs, so as with all General Funded programs, the challenge will be to maintain services with less resources.

Housing Authority

Mission

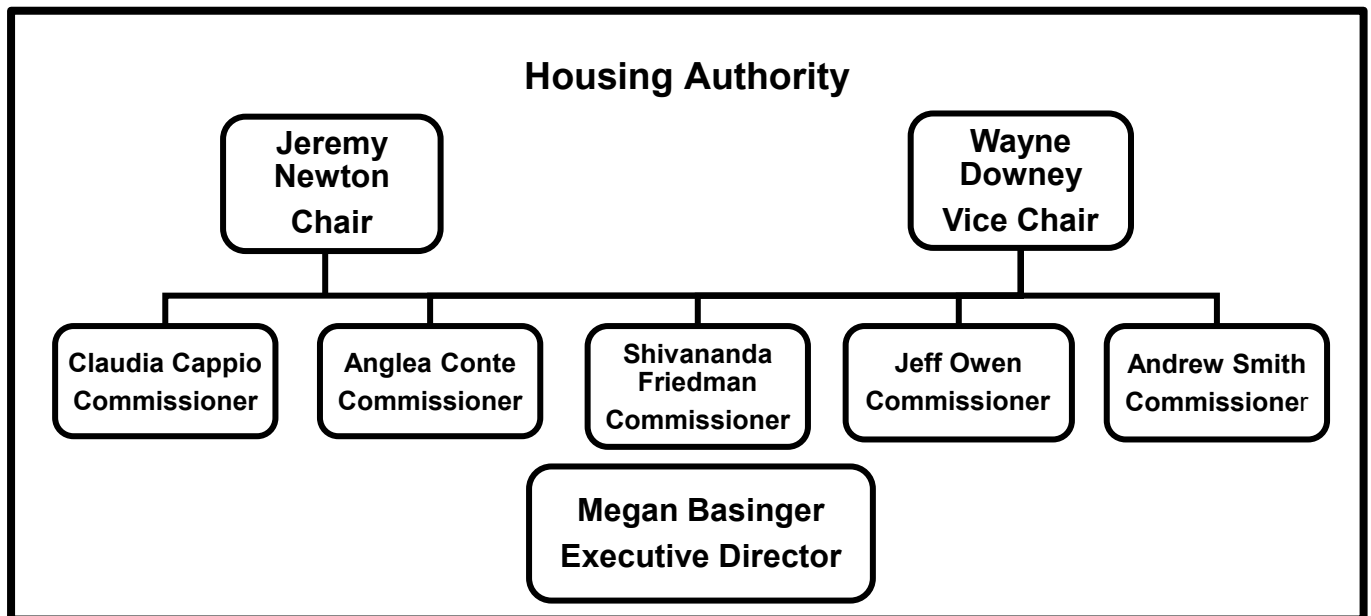
To ensure adequate, decent, safe, and sanitary housing for qualified people within Santa Rosa consistent with Federal, State, and local law.

Department Description

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

Santa Rosa Housing Trust (SRHT) - Manages the City's \$200 million affordable housing loan portfolio, administers Federal, State, and local housing grants and loans, and performs compliance monitoring for approximately 6,200 units Citywide. Federal, State, and local funding assist in the production, conversion, preservation, and rehabilitation of affordable housing and special needs facilities.

Rental Assistance - Provides rental assistance to over 2,200 income-qualifying households by administering three programs directed by the U.S. Department of Housing and Urban Development (HUD): 1) Housing Choice Voucher program, including the HUD-Veterans Affairs Supportive Housing program (VASH) which Santa Rosa manages for the entirety of Sonoma County; Project-Based Vouchers; and the Family Self-Sufficiency program; 2) HOME-funded Tenant Based Rental Assistance; and 3) American Rescue Plan Act (ARPA) funded Emergency Housing Vouchers.



Housing Authority

Strategic Goals and Initiatives for FY 2025-26

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

- Utilize Housing Choice Voucher resources to attain the highest possible lease rate within allocated funding from HUD. 5
- Manage the Authority's \$200M, 500+ loan portfolio and monitor compliance on over 6,200 units. 5
- Solicit, evaluate, originate, and close loans for new affordable housing units, rehabilitation of existing units, or conversion of market rate to affordable housing units. 5
- Complete the development and lease up phase of the \$38.4M Community Development Block Grant Disaster Recovery funding; move into the compliance monitoring phase for the five projects/377 units. 5

Major Budget Changes

Overall, the Housing Authority budget increased by \$5.1M or 9.9% compared to FY 2024-25

In the Rental Assistance Division, the Emergency Housing Voucher Program, funded by the American Rescue Plan Act (ARPA), decreased as it is a sunset program; as households leave the program, the Authority is not allowed to reissue the voucher. In the existing Housing Choice Voucher program, in which HUD provides an administrative allowance to the Authority and rental assistance for 1925 Santa Rosa vouchers, and 350+ port in vouchers monthly, the Authority budgeted for rental assistance to increase 11% over the prior year. Additionally, in both programs, administrative allowance increased 5% over last year. The Authority budgets as if it were able to utilize 100% of its vouchers and its full administrative allowance, to allow for funding fluctuations with HUD throughout the year.

The Santa Rosa Housing Trust is funded by 15 Federal, State and local sources such as grants, impact fees, compliance monitoring fees, and loan repayments. The federal Community Development Block Grant and HOME grants decreased 2% from last fiscal year. As loans are repaid, the various funds can contribute more or less to expense the following fiscal year. Funds that received lower loan repayments than last year include the Low- and Moderate-Income Housing Fund, Southwest Low/Mod Housing Fund, HOME fund, Mortgage Revenue Bond Fund, and CalHome Grant MH Loan Program. Funds that received higher loan repayments than last year include Rental Rehabilitation Fund, Housing Grant Fund, and Real Property Transfer Tax Fund. Funds that are not mentioned do not receive loan repayments or did not receive any last fiscal year. In the Compliance Fee fund, fees are increasing as more restricted units are built and occupied and we are utilizing the additional revenue. Impact Fees came in higher than expected last year and are budgeted for expense this fiscal year.

City Council policy 000-48 dictates that a portion of City General Fund Real Property Transfer Tax (RPTT) must be allocated to homeless services and housing annually. The amount is \$2.1M in FY 2025-26, which is divided equally between Homeless Services and the Housing Trust.

Budget Summary

Expenditures by Program				
	2022 - 23 Actual	2023 - 24 Actual	2024 - 25 Budget	2025 - 26 Budget
Admin Housing & Community Services	\$1,565,004	\$1,524,674	\$1,737,800	\$1,746,191
Rental Housing Assistance	\$32,485,369	\$35,349,580	\$42,765,584	\$47,638,224
SRHT Portfolio Services & Grant	\$775,146	\$841,639	\$820,767	\$884,719
SRHT Afford Housing Program & Fin	\$14,716,859	\$12,537,381	\$5,440,869	\$5,728,539
CIP and O&M Projects	\$25,435,331	\$4,770,577	\$800,228	\$658,185
Total	\$74,977,709	\$55,023,851	\$51,565,248	\$56,655,858

Housing Authority

Expenditures by Category				
	2022 - 23 Actual	2023 - 24 Actual	2024 - 25 Budget	2025 - 26 Budget
Salaries	\$1,815,976	\$1,878,969	\$2,312,847	\$2,449,620
Benefits	\$1,132,336	\$1,135,837	\$1,424,862	\$1,375,739
Professional Services	\$408,246	\$170,057	\$289,245	\$489,246
Vehicle Expenses	\$16,408	\$28,019	\$37,240	\$26,645
Utilities	\$8,655	\$13,594	\$14,000	\$14,000
Operational Supplies	\$59,432	\$67,245	\$91,584	\$72,327
Information Technology	\$263,629	\$286,483	\$311,558	\$330,803
Liability & Property Insurance	\$101,925	\$82,020	\$130,003	\$115,994
Other Miscellaneous	\$80,206	\$64,896	\$121,500	\$119,800
Subrecipient Funding	\$5,527,476	\$577,626	\$594,727	\$593,120
Loan Activity	\$7,475,400	\$10,699,563	\$2,951,835	\$3,376,252
Rental Assistance	\$30,144,621	\$32,878,807	\$39,778,062	\$44,298,885
Indirect Costs	\$2,508,068	\$2,370,158	\$2,707,557	\$2,735,242
CIP and O&M Projects	\$25,435,331	\$4,770,577	\$800,228	\$658,185
Total	\$74,977,709	\$55,023,851	\$51,565,248	\$56,655,858

Expenditures by Fund				
	2022 - 23 Actual	2023 - 24 Actual	2024 - 25 Budget	2025 - 26 Budget
Housing Operations Fund	\$1,565,004	\$1,524,674	\$1,737,800	\$1,746,191
Operating Reserve Fund	\$5,069,059	\$702,791	\$88,000	\$80,000
HOME-ARP Fund	\$33,986	\$13,760	\$0	\$0
Housing Choice Voucher Program	\$30,990,834	\$33,120,808	\$39,902,545	\$45,091,131
Emergency Housing Vouchers	\$1,516,003	\$2,330,725	\$2,863,039	\$2,547,093
Brookwood Property	\$10,295	\$36,780	\$24,473	\$5,381
Community Development Block Grant	\$1,249,271	\$3,277,074	\$1,480,036	\$1,527,811
Rental Rehabilitation Fund	\$8,830	\$0	\$0	\$9,500
Housing Grant Fund	\$3,672,238	\$3,548,142	\$1,166,638	\$1,211,220
Real Property Transfer Tax Fund	\$2,451,328	\$1,761,638	\$980,047	\$1,038,686
Southwest Low/Mod Housing Fund	\$209,167	\$17,619	\$95,000	\$0
CDBG-DR Fund	\$21,425,927	\$1,220,129	\$0	\$0
Low and Moderate Income Housing	\$115,044	\$846,299	\$173,152	\$75,775
HOME Fund	\$2,136,788	\$1,048,996	\$847,967	\$762,095
Mortgage Revenue Bond Fund	\$127,959	\$0	\$59,000	\$0
Housing Compliance Fund	\$275,520	\$286,150	\$273,895	\$350,348
Housing Impact Fee Fund	\$4,120,456	\$5,288,266	\$1,793,312	\$2,210,627
CalHome Grant MH Loan Program	\$0	\$0	\$80,344	\$0
Total	\$74,977,709	\$55,023,851	\$51,565,248	\$56,655,858

Housing Authority

Performance Measures

Service Indicators	FY 2021-22	FY 2022-23	FY 2023/24	FY 2024/25 Estimate
New affordable housing rental and ownership units completed, including:	88	86	333	341
Extremely Low-Income units	0	0	107	91
Very Low-Income units	26	40	122	88
Low-Income units	43	46	99	50
Moderate-Income units	19	0	5	112
New affordable rental housing units preserved	49	0	0	0
New affordable rental and ownership housing units in the pipeline, including:	648	976	1,242	1,172
Extremely Low-Income units	0	0	326	311
Very Low-Income units	464	592	482	457
Low-Income units	184	377	240	210
Moderate-Income units	0	7	169	169
Home Ownership units	0	0	25	25
Affordable ownership units transferred title	11	1	4	6
Owner-occupied affordable housing units rehabilitated or financed, including Down Payment Loan Assistance Program	0	0	7	2
Investor/developer affordable rental housing units rehabilitated	0	20	99	138
Units receiving housing accessibility modifications	0	0	1	0
Affordable housing rental units monitored	3,133	3,152	3,872	3,978
Owner-occupied housing units monitored	370	369	389	395
Consolidated Plan for Federal Funds	✓	✓	✓	✓
Action Plan for Federal Funds	✓	✓	✓	✓
Consolidated Annual Performance Report (CAPER) for Federal Funds	✓	✓	✓	✓
Households receiving rental assistance, all programs	2,324	2,339	2,371	2,369
Total number of Housing Choice Vouchers (HCV), including:	1,903	1,915	1,925	1,925
HUD-VASH (Veterans) Vouchers	419	419	429	429
Total Port-In clients (varies monthly, approximate)	250	250	275	300
Total HOME tenant based rental assistance clients	40	43	40	37
Total Emergency Housing Vouchers	131	131	131	107
Landlords participating in programs (approximate)	710	734	750	750

Housing Authority

Prior FY 2024-25 Accomplishments

(Numbers at right show relation to FY 2024-25 City Council Goals)

-
- | | |
|--|------|
| • Assisted over 5,500 people in person and 8,700 over the phone at the public counter. | 7 |
| • Assisted first-time homebuyer households to purchase a home in Santa Rosa via the Down Payment Assistance Loan Program (DPAL). | 5 |
| • Enrolled 20 new households in the Family Self Sufficiency Program, for a total of 44 active households. | 5 |
| • Completed constructions of income-qualifying developments Mahonia Glen, The Cannery at Railroad Square, and South Park Commons, for a total of 290 affordable units, with 63 permanent supportive units for chronically homeless people. | 5 |
| • Awarded \$3.1M to support new development of 130 low-income units and rehabilitation of 40 existing low-income units. | 5 |
| • Performed compliance monitoring for over 6,200 units within Santa Rosa. | 5, 7 |

Looking Ahead

The Housing Authority had several years of significant low-income housing construction due to disaster recovery funds from the 2017 wildfire and one-time state funding, which is not expected to continue. Funding has returned to the expected local (impact fees, loan repayments and real property transfer tax) and Federal (CDBG and HOME) sources that recur annually. In the Housing Choice Voucher program, Federal funding has not kept pace with per unit costs in the local area, so the Authority continues to utilize 100% of its budget but approximately 85% of its vouchers.

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Human Resources

Mission

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

Department Description

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

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

HR is also currently home to the City's Diversity, Equity, Inclusion, and Belonging work. The completion and approval of the City Equity Plan has generated a cascade of organizational expectations that will be supported through capacity building, data monitoring, and technical assistance for individuals and departments.

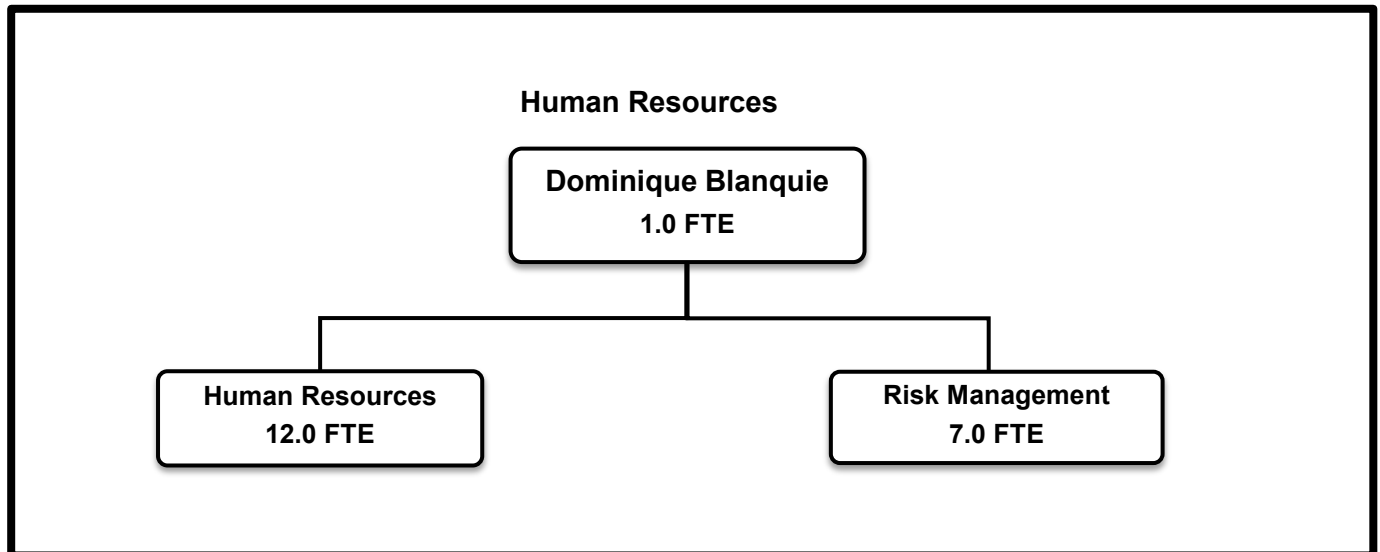
Risk Management - Risk Management's primary objective is to limit risk and implement various risk transfer programs and activities that minimize the City's exposure to litigation. Risk Management strives to manage, control, minimize, or eliminate risk, to the extent that citizens and personnel may be reasonably protected from hazards. At the same time, it ensures that the City's financial stability remains intact and that adequate resources can be saved for other purposes. This function also assumes the primary responsibility for the administration and processing of all property and casualty claims, risk identification, risk transfer, risk analysis, Workers' Compensation, safety, regulatory compliance, and insurance coverage procurement.

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

Human Resources

Human Resources designs, delivers, and administers Citywide benefits, aimed at supporting the long-term health and general welfare of City employees and retirees. Benefits offered include a comprehensive benefits package at very competitive rates. Benefits include low-cost health, life, dental and vision benefits, short-term and long-term disability leaves programs for income protection, and employee assistance programs for free confidential behavioral health services, among other services.

FTE by Program



Strategic Goals and Initiatives for FY 2025-26

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

- | | |
|---|--------------|
| • ADA Transition Plan update | 4 |
| • Assist and Support Programs and Departments | 1 - 4 |

Major Budget Changes

The Human Resources Department is comprised of two funds: Human Resources (funded by the General Fund) and Risk Management (an internal service fund). As an internal service fund, the Risk Management fund is charged out to all other City departments through benefit costs. Overall, the department increased by \$3.7M, or 8.0%, when compared to the adopted budget FY 2024-25.

In FY 2025-26, the General Fund decreased by (\$352K) or (7.5%), compared to last fiscal year's adopted budget. This reduction is primarily attributed to decreased Salaries and Benefits resulting from staff reductions. Specifically, the department eliminated 1.0 FTE Diversity, Equity, Inclusion, and Belonging Officer, 1.0 FTE Human Resources Technician, and at mid-year, 1.0 FTE Organization Development and Training Manager. Services and Supplies remained flat compared to FY 2024-25, reflecting the department's ongoing efforts to control cost.

The Risk Management fund increased by \$4.1M, or 9.8%, over the prior fiscal year. Most of this increase within the fund is attributed to higher Insurance Premiums and Claims cost of \$3.9M, or 9.2%. Salaries and Benefits had a modest increase due to cost-of-living adjustments agreed upon by all bargaining units at the start of FY 2024-25. Meanwhile, Professional Services decreased by (\$50K), or (12%), reflecting the ongoing effort of the department to manage costs.

Human Resources

Budget Summary

Expenditures by Program				
	2022 - 2023 Actual	2023 - 2024 Actual	2024 - 2025 Budget	2025 - 2026 Budget
General Administration	\$3,553,584	\$4,259,273	\$4,716,153	\$4,363,705
Risk Management	\$38,273,862	\$37,839,011	\$41,599,701	\$45,660,743
CIP and O&M Projects	\$18,741	\$47,615	\$0	\$0
Total	\$41,846,187	\$42,145,899	\$46,315,854	\$50,024,448

Expenditures by Category				
	2022 - 2023 Actual	2023 - 2024 Actual	2024 - 2025 Budget	2025 - 2026 Budget
Salaries	\$2,173,782	\$1,865,707	\$2,661,990	\$2,626,074
Benefits	\$1,032,997	\$944,324	\$1,448,911	\$1,275,865
Professional Services	\$898,608	\$1,538,814	\$1,620,442	\$1,569,803
Vehicle Expenses	\$0	\$60	\$0	\$0
Utilities	\$3,325	\$3,523	\$3,300	\$3,300
Operational Supplies	\$42,190	\$35,819	\$23,700	\$23,700
Information Technology	\$202,506	\$202,539	\$214,826	\$223,363
Other Miscellaneous	\$595,625	\$714,034	\$553,800	\$553,300
Insurance Prem/Claim	\$36,568,577	\$36,501,122	\$39,412,776	\$43,383,024
Indirect Costs	\$309,836	\$292,342	\$376,109	\$366,019
CIP and O&M Projects	\$18,741	\$47,615	\$0	\$0
Total	\$41,846,187	\$42,145,899	\$46,315,854	\$50,024,448

Expenditures by Fund				
	2022 - 2023 Actual	2023 - 2024 Actual	2024 - 2025 Budget	2025 - 2026 Budget
Funding Source				
General Fund	\$3,572,325	\$4,306,888	\$4,716,153	\$4,363,705
Risk Management Fund	\$38,273,862	\$37,839,011	\$41,599,701	\$45,660,743
Total	\$41,846,187	\$42,145,899	\$46,315,854	\$50,024,448

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

Fiscal Year	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25	FY 2025-26
Full-Time Equivalent	21.00	22.00	23.00	23.00	20.00

Human Resources

Prior FY 2024-2025 Accomplishments

(Numbers at right show relation to FY 2024-25 City Council Goals)

-
- | | |
|--|---|
| • Completed review on two NeoGov Modules implementing improvement strategy | 3 |
| • Launched Voices for Inclusion Belonging and Equity standing committee (VIBE) | 3 |
| • Continued implementation of the City's Equity Plans | 3 |
| • Reduced Workers' Compensation time away from work | 3 |

Performance Measures

Various Liebert Cassidy Whitmore trainings
NEW Employee Welcome
City-Wide completion of Harassment Prevention Training
Supervisor Training Series
Violence Prevention Program

Looking Ahead

Our focus is on supporting the City through necessary budget reductions while supporting employees and departments through the resulting changes and remaining committed to creating a strong culture of belonging. We recognize that the adjustments are crucial for maintaining the financial health and sustainability of our community. Our goal is to balance fiscal responsibility with the well-being of our staff and ensure a resilient and thriving City for the future.

As part of these efforts, maintaining competitive salaries continues to be a priority, in alignment with Council Goal #1 to achieve and maintain fiscal sustainability. Ensuring that the remaining workforce enjoys appropriate salaries and benefits to further stabilize staffing while reducing unnecessary turnover benefits the community through a sustainable organization. We continue to evaluate employment lifecycle process and practices for improvements and modernization to benefit employee well-being and retention. Updating policies and procedures to reflect the organization's current and future needs is a part of the ongoing evaluation as the City undergoes changes.

In support of Council Goal #2, Invest in Development and Maintenance of the City's Infrastructure, we are working on implementing new classification specifications that more appropriately describe the requirements of positions that support the work is doing towards development and infrastructure, and all other positions within the organization. Up to date and appropriate job descriptions are necessary to support all processes and Council Goals.

In alignment with Council Goal #4, Foster a Safe, Healthy, and Inclusive Community, the work towards updating the City's ADA transition plan will help support enhanced accessibility for the community.

Information Technology

Mission

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

Department Description

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

Administration - Provides the overall strategy, policies, and administration for the Department including oversight of citywide cybersecurity.

Application Services / Development - Provides strategy, leadership, analysis, and hands-on services for building new software systems and implementing large-scale Citywide software migration programs, while providing software application development, project management, and software application support services. The division supports, enhances, and maintains over 75 in-house developed systems used by departments throughout the City while also providing support for over 30 third party enterprise applications, including the core Finance / Human Resources / Payroll system, the central Permitting and Inspections system, and the Water Billing / Customer Information System. The Application Services division also develops and maintains dozens of electronic interfaces between internal and external systems, migrates aging code to current technologies, and converts data for new migrations. The division is also responsible for software system architecture definition, database design, application configuration, workflow development, and custom report writing for the various supported systems.

Operations / Customer Support - Provides the strategy and operations management of the core City data, storage, and telecommunications systems. The division also provides "Help Desk" support for all City employees. The Help Desk is available to employees Monday through Friday and responded to nearly 12,000 support requests last year. The IT Operations / Customer Support team completes approximately 70% of the service request tickets, with the remaining tickets being forwarded to Application Services, GIS, or other technical staff. Technical Support within IT Operations includes the support of all voice communications, data communications, computer networks, and all peripheral equipment, including PCs, laptops, tablets, and printers. The division supports nearly 1,400 PCs, 278 servers, over 300 printers, a Citywide computer network with 2,900 connections in over 60 City locations with hundreds of pieces of communications equipment, a phone system with over 1,200 phone units and over 1,100 mobile devices through a managed Mobile Device Management (MDM) solution.

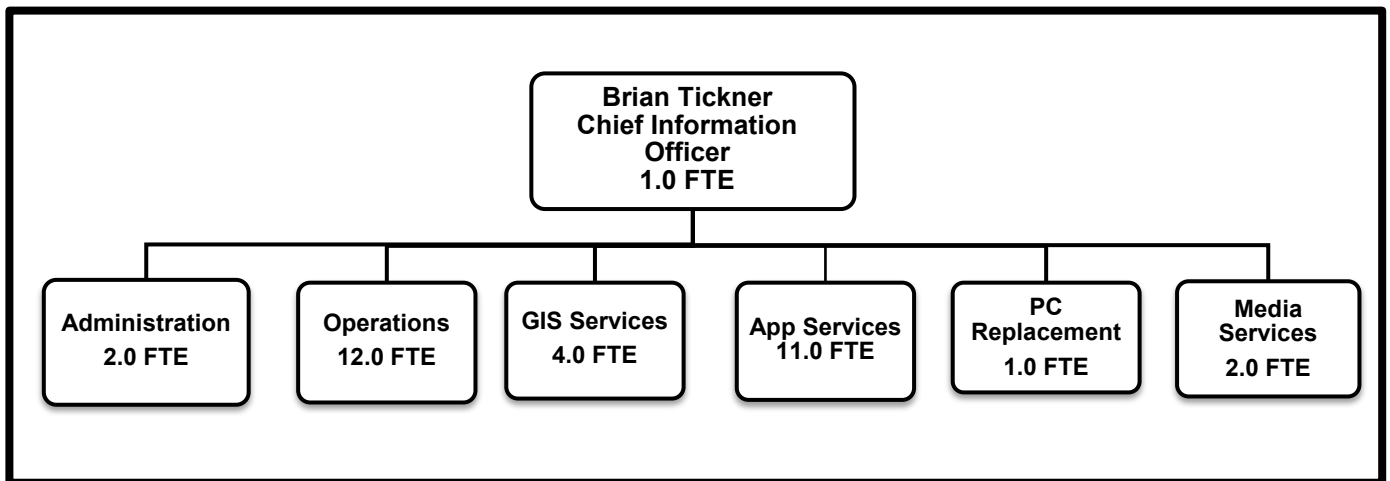
GIS Services - The Geographic Information System (GIS) Services division provides coordination, support, and maintenance of the City's GIS system and GIS services for all departments. The City GIS group also works closely with Sonoma County GIS to support County-wide 911 dispatch. The GIS system is accessible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

Information Technology

PC Replacement - The Citywide PC replacement program focuses on consistent procurement practices, support, and replacement of the City PC, laptop, and tablet inventory. The program uses uniform and efficient processes developed specifically to rapidly procure, configure, deploy, and recycle PCs. Today, nearly 1,400 PCs, laptops and Windows tablets are actively managed within the PC Replacement Program, which replaces approximately 300 devices per year.

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

FTE by Program



Strategic Goals and Initiatives for FY 2025-26

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

- Digital Services: Partner with internal departments and the community to deploy reliable data-driven technologies that provide efficiencies and innovation of City services. **1- 4**
- Security: Optimize technology, processes, and services relating to cybersecurity, site security, and resilience against major disasters. **2, 4**
- Hybrid Services: Improve and refine tools and processes to support the on-going needs of a digital, hybrid workforce and community including public participation and collaboration. **2, 4**
- Support and Maintenance: Support, maintain, update, and enhance existing systems and technologies required for daily citywide operations. **2**
- People and Process: Address staffing, policy, and process-related needs within the department. **2**
- Governance and Accountability: Improve the IT environment through the maturation of IT governance and accountability. **1**

Information Technology

Major Budget Changes

The Information Technology's (IT) FY 2025-26 budget is \$11.4M, an increase of \$563K, or 5.2%, over the prior year's adopted budget.

Salaries & Benefits increased by \$532K or 8.6%. This change is due to the labor negotiations FY 24-25.

Services & Supplies increased \$19K or 0.7%. This increase was kept mainly flat by keeping Software costs as low as possible.

In CIP and O&M Projects, the PC and laptop replacement project slightly decreased (\$20K), or (1.7%) by extending the useful life of technology.

Budget Summary

Expenditures by Program				
	2022- 23 Actual	2023 - 24 Actual	2024 - 25 Budget	2025 - 26 Budget
I.T. Administration	\$972,908	\$1,090,727	\$1,434,257	\$1,433,613
I.T. Media Services	\$276,540	\$266,592	\$264,375	\$278,391
I.T. GIS Services	\$753,847	\$773,193	\$794,813	\$878,208
I.T. Development	\$3,299,788	\$3,913,705	\$3,901,146	\$4,145,845
I.T. Customer Support	\$2,874,206	\$2,75,559	\$3,035,671	\$3,259,008
I.T. PC Replacement Program	\$177,260	\$211,206	\$213,623	\$231,314
CIP and O&M Projects	\$1,046,551	\$1,094,570	\$1,188,716	\$1,168,827
Total	\$9,401,100	\$10,225,552	\$10,832,601	\$11,395,206

Expenditures by Category				
	2022- 23 Actual	2023 - 24 Actual	2024 - 25 Budget	2025 - 26 Budget
Salaries	\$3,343,151	\$3,521,623	\$3,839,494	\$4,360,355
Benefits	\$2,042,609	\$2,120,331	\$2,384,569	\$2,396,698
Professional Services	\$1,503,483	\$245,691	\$390,310	\$248,410
Vehicle Expenses	\$18,493	\$35,930	\$18,850	\$21,050
Utilities	\$232,318	\$233,702	\$264,733	\$255,680
Operational Supplies	\$564,934	\$2,280,359	\$2,060,579	\$2,213,574
Information Technology	\$34,671	\$31,996	\$32,545	\$29,320
Debt Service	\$12,943	\$36,622	\$0	\$0
Liability/Property Insurance	\$95,066	\$112,891	\$138,685	\$163,947
Other Miscellaneous	\$27,944	\$26,178	\$61,084	\$54,135
Indirect Costs	\$376,191	\$454,735	\$453,036	\$483,210
Capital Outlay	\$102,746	\$30,924	\$0	\$0
CIP and O&M Projects	\$1,046,551	\$1,094,570	\$1,188,716	\$1,168,827
Total	\$9,401,100	\$10,225,552	\$10,832,601	\$11,395,206

Information Technology

Expenditures by Fund				
Funding Source	2022- 23 Actual	2023 - 24 Actual	2024 - 25 Budget	2025 - 26 Budget
Information Technology	\$8,900,892	\$9,509,544	\$10,035,262	\$10,662,065
Technology Replacement	\$500,208	\$716,008	\$797,339	\$733,141
Total	\$9,401,100	\$10,225,552	\$10,832,601	\$11,395,206

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

Fiscal Year	FY 2021 - 22	FY 2022 - 23	FY 2023 - 24	FY 2024 - 25	FY 2025 - 26
Full-Time Equivalent	30.00	31.00	33.00	33.00	33.00

Performance Measures (Annual Number / Usage)

Number of emails <i>received</i> through IT supported e-mail systems	9,003,347
Number of emails <i>sent</i> through IT supported e-mail systems	1,393,067
Number of land line phone calls through IT supported phone system	880,907
Number of IT HelpDesk / service request tickets received	11,715
Number of suspicious emails reported and manually reviewed by IT Operations	1,756
Number of cybersecurity endpoint incidents investigated	130
Number of PC's/Laptops/Windows Tablets managed/supported	1,390
Number of mobile devices managed (iPhones, iPads, etc.)	1,119
Number of servers managed/maintained	278
Number of active user and service accounts managed	2,376
Number of new user accounts set up	432
Number of user accounts deactivated	356
Number of virtual / hybrid Zoom meetings	2,388
Number of virtual / hybrid Zoom meeting participants	10,384
Number of virtual / hybrid Zoom webinars	279
Number of virtual / hybrid Zoom webinar participants	3,068
Number of virtual / hybrid Teams meetings	14,088
Number of Teams phone calls	7,584
Number of Teams chat messages	1,253,332
Number of Teams channel messages (posts/replies)	8,324
Uptime for Internet	>99.9%
Uptime for data center and network	>99.9%
Uptime for VPN / remote connectivity	>99.9%
Uptime for phone system	>99.9%
Uptime for email system	>99.9%

Information Technology

Prior FY 2024-25 Accomplishments

(Numbers at right show relation to City Council Goals; see FY 2024-25 Council Goals)

-
- | | |
|--|------------|
| • Addressed Nearly 12,000 IT Service Requests. | 1-7 |
| • Launched Santa Rosa Insights dashboard portal. | 1, 4, 5, 7 |
| • Enhanced cybersecurity program with new cybersecurity manager position, SIEM system, vulnerability scanning, training, and response plans. | 3, 4, 7 |
| • Developed initial AI strategy and policy for the City. | 2, 3, 7 |
| • Completed downtown City Hall campus security camera deployment project. | 3, 4, 7 |
| • Completed RFP and contract process for new permitting and code enforcement system. | 3, 4, 5, 7 |
| • Completed implementation of Cloud-based permitting and code enforcement system. | 3, 4, 5, 7 |
| • Updated, Replaced, and Maintained Core Citywide IT Infrastructure. | 3, 4 |
| • Upgraded broadcast and audio/visual system at UFO training rooms. | 3, 4, 7 |
| • Won Government Experience Award for in-house developed system for Stormwater. | 3 |
| • Developed AWARE system for weather data. | 3, 4, 6, 7 |
| • Developed system for tracking employee injury reports. | 3, 7 |
| • Developed system for code enforcement tracking of vacant buildings and lots. | 3, 4, 7 |
| • Completed upgrade for Finance / HR / Payroll system. | 2, 3, 4 |
| • Developed Ask Rosa automated search agent for srcity.org website. | 3, 4 |

Looking Ahead

The Information Technology department is poised for a transformative year ahead, continuing to build on the goals and strategies outlined in the 4-year IT Strategic Plan developed in 2022. This plan emphasizes key areas such as Digital Services, Security (including cybersecurity and physical site security), Hybrid Services, Support and Maintenance, People and Process, and IT Governance and Accountability. By fostering strong partnerships with all City departments, IT aims to develop, optimize, enhance, and deploy technology-based solutions that align with the City Council's goals for fiscal year 2025-2026.

One of the primary initiatives for the upcoming year is the replacement of the City's soon-to-be unsupported phone system. This upgrade is crucial to ensure reliable communication services and enhance the overall efficiency of citywide operations. Additionally, maintaining and securing core IT infrastructure remains a top priority to sustain the City's technological backbone while safeguarding against potential cyber threats. The IT department will also partner with the Planning and Economic Development department to focus on developing and launching a comprehensive web portal dedicated to providing resources and information for individuals interested in starting new businesses in Santa Rosa. This portal is envisioned to offer easy access to essential guidelines, permit information, financial assistance programs, and other relevant information, thereby fostering entrepreneurship and supporting economic growth within the community.

In an effort to enhance public engagement and streamline processes for potential and existing business owners, IT also plans to work with the Planning and Economic Development department to deploy an automated chat assistant to answer specific questions regarding economic development-related items. This assistant will provide timely and accurate information on topics such as business licensing, zoning regulations, and available incentives. Furthermore, the MySantaRosa platform will be assessed to determine feasibility of upgrading it to a more current system that incorporates modern technology and features needed by the public. This upgrade will make the platform more impactful and user-friendly, enabling residents to report issues and provide feedback more efficiently, while providing tools for staff

Information Technology

to manage reported issues and communicate with the public more easily. The improved system is intended to foster greater community engagement and ensure timely responses to community concerns.

Supporting the Police department in deploying the Real Time Crime Center (RTCC) is another significant initiative for the year. The RTCC will provide real-time data and analytics to enhance situational awareness, improve response times, and support proactive policing efforts. This initiative will significantly contribute to public safety by enabling law enforcement to address incidents more effectively and prevent crime within the community. Additionally, the continual refinement of cybersecurity practices and ongoing citywide cybersecurity training will remain a high priority. IT staff will also be involved with technology infrastructure deployments on building construction projects for Fire Station 5 and the Hearn Community Hub. As with prior years, there will be a key emphasis on supporting and maintaining the City's growing technology infrastructure, with upgrades and enhancements to City systems to address deficiencies and add needed features. Further work will also be done this year focused on assessing options for efficiencies and advancements using Artificial Intelligence (AI) technology and improving the eDiscovery process.

Non-Departmental

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

Department Description

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

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

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

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

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

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

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

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

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

Non- Departmental

Major Budget Changes

The Non-Departmental budget includes General Fund appropriations that either span multiple departments or do not belong with any single department. The Non-Departmental budget also includes non-enterprise debt service funds for Pension Obligation Bonds and one capital lease: Courthouse Square.

The FY 2025-26 Non-Departmental budget decreased by (\$5.4M) compared to FY 2024-25. The majority of this decrease (\$4M) is attributed to the payoff of the 2013 Pension Obligation Bond (POB) and Fire Station Capital Lease. Additionally, Citywide rates for the General Fund's portion of Liability, Fire and Earthquake insurance increased by \$830K. This increase is offset by a (\$2.1M) decrease in General Fund Administration, which distributes administrative costs within the General Fund to non-administrative departments including Planning & Economic Development, Fire, Police, Public Works, and Recreation & Parks. General Fund expenditures decreased overall due to departments effort to reduce costs across the City. Non-Program Salaries remained flat, which accounts for a combination of anticipated retirement payouts, salary increases, hiring changes, and unspent appropriations (turnback).

Budget Summary

Expenditures by Program				
	2022 - 2023 Actual	2023 - 2024 Actual	2024 - 2025 Budget	2025 - 2026 Budget
Animal Shelter	\$2,658,649	\$2,605,757	\$3,346,441	\$3,346,441
County Admin Fee	\$342,044	\$345,203	\$380,000	\$380,000
Citywide GF Insurance	\$3,253,041	\$4,142,153	\$4,871,083	\$5,701,410
Sonoma Co Transportation Authority	\$119,138	\$127,180	\$130,000	\$130,000
General Fund Admin Cost Plan	-\$14,312,466	-\$15,379,726	-\$16,088,978	-\$18,212,381
Debt Service	\$4,782,712	\$4,770,291	\$4,735,516	\$727,650
Contract Services	\$445,468	\$299,700	\$375,000	\$375,000
Non-Program	\$33,059,585	\$31,931,863	-\$1,475,000	-\$1,613,000
Total	\$30,348,171	\$28,842,421	-\$3,725,938	-\$9,164,880

Expenditures by Category				
	2022 - 2023 Actual	2023 - 2024 Actual	2024 - 2025 Budget	2025 - 2026 Budget
Salaries	\$0	\$0	-\$1,500,000	-\$1,638,000
Benefits	\$0	\$0	\$25,000	\$25,000
Professional Services	\$3,568,049	\$3,380,590	\$4,234,191	\$4,233,191
Debt Service	\$4,779,962	\$4,767,541	\$4,732,766	\$725,900
Liability/Property Insurance	\$3,253,041	\$4,142,153	\$4,871,083	\$5,701,410
Other Miscellaneous	\$33,059,585	\$31,931,863	\$0	\$0
GF Admin Cost Plan	-\$14,312,466	-\$15,379,726	-\$16,088,978	-\$18,212,381
Total	\$30,348,171	\$28,842,421	-\$3,725,938	-\$9,164,880

Non-Departmental

Expenditures by Fund				
Funding Source	2022 - 2023 Actual	2023 - 2024 Actual	2024 - 2025 Budget	2025 - 2026 Budget
General Fund	-\$7,494,126	-\$7,859,733	-\$8,461,454	-\$9,892,530
2013 Pension Obligation (Refund)	\$36,742,095	\$35,605,277	\$3,731,271	\$0
Fire Station Capital Lease	\$367,727	\$367,727	\$275,795	\$0
Courthouse Square Capital Lease	\$732,475	\$729,150	\$728,450	\$727,650
Total	\$30,348,171	\$28,842,421	-\$3,725,938	-\$9,164,880

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Planning & Economic Development

Mission

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

Department Description

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

Development Services – Intake, processing, review, and inspection of private development proposal

- Planning
 - o Process new entitlement applications and review for CEQA compliance
 - o Staff the PC, DRPB, CHB, ZA and WAC
 - o Provide information to the public regarding City policies, land use and zoning
 - o Provide environmental coordinator support to all City departments
 - o Provide tribal liaison support to all City departments
- Building
 - o Review, approve, and inspect all private property improvements requiring building permits
 - o In-person and virtual counter service management
 - o Collaborate closely with residents, businesses, and other agencies to assist with project development needs
 - o Policy development aligning with core responsibilities
- Engineering
 - o Review, approve, and inspect all work performed in the public right-of-way from private developments and dry utility providers.
 - o In-person and virtual counter service management
 - o Policy development aligning with core responsibilities

Advance Planning – Prepares housing and land use policy consistent with State laws and the City's vision for growth and development; leads the organization's process for planning document preparation and community engagement such as for the City's General Plan, Specific Plans, and Zoning Code, including State mandated updates, reporting and policy implementation; participates in regional planning efforts and discussions; monitors and develops implementation related to annual State legislation.

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

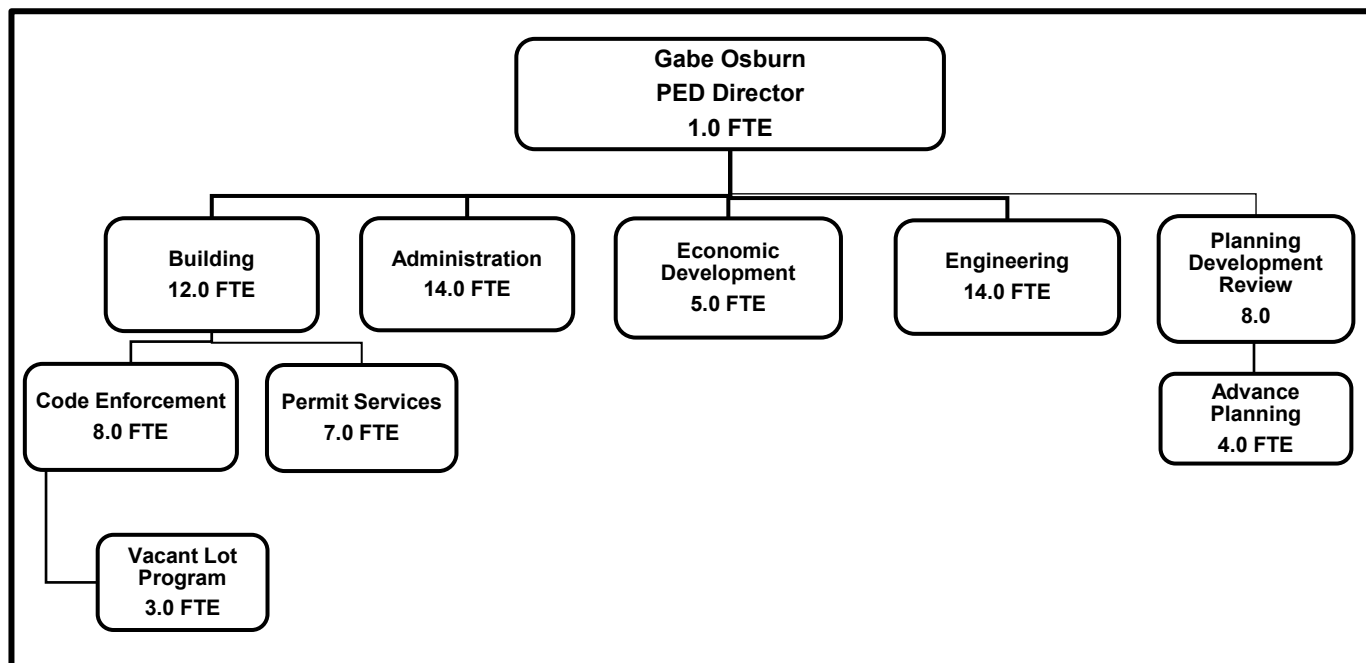
Code Enforcement - Responds to complaints and conducts inspections of private properties to ensure that the Santa Rosa City Code, adopted Building and Construction Codes, and California Codes are followed by addressing general health, life, fire, and safety issues, including but not limited to proactive or reactive investigations of complaints regarding health and safety violations; unsafe buildings; substandard housing; general nuisances; environmental crimes; zoning violations; cannabis operations; tobacco sales; water billing; short-term rentals; graffiti; massage establishments; vacant buildings and lots; unpermitted or expired construction; stormwater/water quality; vehicle, trash, and debris storage; and animal violations, among others. Conducts focused inspection and enforcement efforts through the

Planning & Economic Development

Neighborhood Revitalization Program to improve building safety and living conditions in designated neighborhoods. Collaborates closely with residents, businesses, and other agencies. Responds to Public Records Act requests.

Administration - Oversees and supports all functions of the department, providing technical and organizational support and department wide management; prepares and monitors the department budget, provides administrative support to boards and commissions; coordinates personnel recruitments, customer service inquiries, plan referrals, public record requests, and contract management; manages departmental operations, policies and procedures.

FTE by Program



Strategic Goals and Initiatives for FY 2025-26

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

Administration

- Achieve fiscal sustainability through transparent, data-driven planning and efficient resource allocation 1
- Work with CIRO to continue to update and optimize PED's external website 2, 3, 4
- Continue to explore efficiencies and process improvement opportunities for the department 1, 2
- Continue to maintain department goals for frontline customer service 4

Advance Planning

- Complete and adopt State housing and land use legislation. 2
- Complete the Multi-Jurisdictional Hazard Mitigation Plan, including the Santa Rosa specific annex to the Plan. 2, 4
- Complete amendments to the Zoning Code aimed at streamlining the City's conditional use permit and hillside development permit process. 3, 4
- Facilitate completion of State mandated Housing Element implementation identified in the Housing Element FY 2025-2026 2, 3, 4
- Complete and adopt a new Reach code for cost-effective greenhouse gas (GHG) emission reduction in the built environment consistent with our city-wide GHG reduction strategy. 2, 4

Planning & Economic Development

- Complete the following portions of the South Santa Rosa Specific Plan and EIR project: community engagement, development of land use and circulation alternatives, finalize draft preferred alternative, and development of Draft EIR. 2, 3, 4
- Complete the Transit Oriented Committees (TOC) policy project (housing, parking land use) to ensure the City remains competitive for the next round of OBAG funding. 2, 3, 4

Development Services & Code Enforcement

- Adopt Development Services and Code Enforcement Strategic Plans. 1, 2, 3, 4
- Adopt updated Storm Drain Standards 2
- Adopt State updates to Title 24 (Building-related codes effective January 01, 2026), along with updating all local amendments. 2, 3, 4
- Leverage technology to streamline the Planning, Engineering, and Building Permit processes and PED's review of SB9 lot split and two-unit development applications 2, 3, 4

Economic Development

- Continue implementation of the adopted Strategic Plan 1, 2, 3, 4
- Create a business-friendly, sustainable, and strong economy by attracting new businesses and expanding, retaining, and supporting existing businesses 1, 2, 3, 4
- Invest in and support our diverse community to fortify against current and future economic challenges 1, 2, 3, 4
- Create a vibrant and livable City by promoting and creating innovative infrastructure in support of economic accelerators. 1, 2, 3, 4

Major Budget Changes

The Planning & Economic Development (PED) budget is \$20.1M, a decrease of (\$194K), or (1.0%), compared to the FY 2024-25 adopted budget.

Salaries and Benefits decreased by (\$11K), or (0.1%), compared to the FY 2024-25 adopted budget. To meet targeted General Fund reductions, the department eliminated 1.0 FTE Civil Engineering Technician, 1.0 FTE Administrative Secretary, 1.0 FTE Code Enforcement Officer, and .50 FTE Limited Term Community Outreach Specialist. These reductions were partially offset by scheduled cost-of-living adjustments agreed upon by all bargaining units at the beginning of FY 2024-25.

Service and Supplies decreased by (\$685K), or (20.8%). The majority of the decrease is attributed to cuts in Professional Services amounting to (\$659K), which are aligned with Citywide General Fund targeted reduction goals. Temporary help to meet peak season demand in Building Plan Review was reduced by (\$376K). Additionally, the Metro Chamber contract for \$100K, intended to support annual events in downtown was not renewed. Engineering, Administration, and other programs designed to achieve the department's mission reduced costs by (\$180K).

The Operations & Maintenance (O&M) Projects saw a modest increase of \$60K. As part of ongoing efforts to meet General Fund reduction targets, the department will charge out an additional \$221K in staff time to the Santa Rosa Tourism Business Improvement Assessment (SRTBIA) key. Additionally, the department will forgo annual funding of \$175K for the Public Art projects key. The remaining \$11K variance is attributed to minor increases across multiple O&M projects.

Planning & Economic Development

Budget Summary

Expenditures by Program				
	2022 - 2023 Actual	2023 - 2024 Actual	2024 - 2025 Budget	2025 - 2026 Budget
General Administration	\$4,387,266	\$4,994,989	\$6,311,942	\$6,446,364
Building Inspection	\$959,836	\$1,041,117	\$1,135,746	\$1,255,469
Planning Development Review	\$2,220,564	\$1,566,948	\$1,554,307	\$1,692,586
Advance Planning	\$436,338	\$748,131	\$760,867	\$824,487
Economic Development	\$849,961	\$771,458	\$903,882	\$899,497
Permit Services	\$1,117,874	\$1,149,962	\$1,090,086	\$1,048,944
Engineering	\$3,269,354	\$2,916,774	\$3,503,168	\$3,299,183
Neighborhood Revitalization	\$165,487	\$187,727	\$201,315	\$231,898
Building Plan Review	\$2,373,487	\$1,837,137	\$1,698,828	\$1,340,731
Code Enforcement	\$1,260,178	\$1,250,566	\$2,120,805	\$1,986,932
CIP and O&M Projects	\$6,323,762	\$4,582,322	\$1,028,461	\$1,088,993
Total	\$23,364,107	\$21,047,131	\$20,309,407	\$20,115,084

Expenditures by Category				
	2022 - 2023 Actual	2023 - 2024 Actual	2024 - 2025 Budget	2025 - 2026 Budget
Salaries	\$6,927,064	\$7,144,541	\$8,676,141	\$8,822,082
Benefits	\$4,111,239	\$4,120,285	\$5,028,167	\$4,870,809
Professional Services	\$1,877,538	\$1,155,418	\$1,140,699	\$480,759
Vehicle Expenses	\$135,448	\$161,185	\$208,296	\$224,534
Utilities	\$29,924	\$23,902	\$31,000	\$31,000
Operational Supplies	\$84,715	\$68,529	\$95,854	\$89,912
Information Technology	\$1,246,357	\$1,365,904	\$1,435,884	\$1,392,874
Other Miscellaneous	\$375,017	\$326,741	\$378,228	\$385,353
Indirect Costs	\$3,335	\$109	\$0	\$0
GF Admin Cost Plan	\$2,217,157	\$2,098,195	\$2,286,677	\$2,728,768
Capital Outlay	\$32,551	\$0	\$0	\$0
CIP and O&M Projects	\$6,323,762	\$4,582,322	\$1,028,461	\$1,088,993
Total	\$23,364,107	\$21,047,131	\$20,309,407	\$20,115,084

Planning & Economic Development

Expenditures by Fund				
Funding Source	2022 - 2023 Actual	2023 - 2024 Actual	2024 - 2025 Budget	2025 - 2026 Budget
General Fund	\$19,024,325	\$17,940,548	\$19,469,107	\$19,073,064
Art In-lieu Fee	\$530,616	\$120,792	\$237,300	\$98,700
Administrative Hearing Fund	\$23,659	\$42,217	\$103,000	\$222,101
EPA Brownfields Grant	\$0	\$70,946	\$0	\$0
City In-Lieu Fee Fund	\$0	\$23,493	\$0	\$0
ARPA Federal Stimulus	\$3,325,958	\$2,232,723	\$0	\$0
Santa Rosa Tourism BIA	\$458,308	\$377,503	\$500,000	\$721,219
CIP and O&M Projects	\$1,241	\$238,909	\$0	\$0
Total	\$23,364,107	\$21,047,131	\$20,309,407	\$20,115,084

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

Fiscal Year	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25	FY 2025-26
Full-Time Equivalent	68.00	74.00	74.00	78.50	76.00

Performance Measures

Administration

4

- Process Public Records Requests consistent with state-mandated guidelines.
- Maintain an average queue time on live phone system of 60 seconds, with voicemails being returned within 1 business day.

Advance Planning

2, 4

- Innovative and effective public policy documents are delivered within expected timeframes and budget allocations.
- Metrics associated with public engagement in current planning and public policy processes are monitored with an emphasis on increasing access and participation from vulnerable communities.

Development Services & Code Enforcement

2

- Pre-Application meetings are held within 2 weeks of request of service.
- Planning entitlement applications receive a determination of completeness within 30 days of submittal.
- Process 100% of SB9, SB35 and SB330 applications within the State mandated timelines provided.
- 85% of Building Plan Checks completed within 10 weeks of submission on the first check and 5 weeks for subsequent checks.
- 100% of Priority 1-Life, Health and Safety Code Enforcement complaints investigated within 24 hours
- 6-week average review time for first plan check and 3 weeks for subsequent checks for Public Improvement Plans.
- 4-week average turnaround time from intake to issuance for Encroachment Permits

Economic Development

1, 2, 3, 4

Planning & Economic Development

- Track business attraction and retention via percentage change in the number of business licenses, startups, businesses in key industries, and commercial property vacancy rate
- Website analytics for virtual portal
- Monetary tracking for incentive packages
- Percentage business demographics
- Track BIPOC and women-owned business support through an annual survey
- Implementation of/or monetary amount for financial fund for feasibility areas
- Feasibility and fiscal impact studies complete, and business opportunities defined.
- Report progress on all funded programs and implementation through online dashboards

Prior FY 2024-25 Accomplishments

(Numbers at right show relation to FY 2024-25 City Council Goals)

Development Services – as of April 2025

- Completed draft Development Services Strategic Plan 1, 4
- Implemented new fee schedule based on Development Cost of Services Fee study 1
- Significant progress towards housing production: 2, 3, 4
 - Granted entitlement approvals for 956 housing units, 3 of which will be affordable to lower income households.
 - Issued building permits for 516 housing units, 75 of which will be affordable to lower income households.
 - Issued temporary occupancy for 442 housing units, 397 of which are affordable to lower income households.
 - Held 15 Pre-Application meetings for new development, representing 925 residential units, 24,499 sq. ft. of commercial space, and 39,000 sq. ft. of event space.
 - Completed and furthered numerous Housing Element implementation tasks, including a Housing Conditions Survey and continued work on the draft Missing Middle Housing Ordinance.
- Engineering recorded 4 subdivision maps resulting in 208 lots 2
- Approximately 100,000 square feet of street pavement and 27,000 square feet of sidewalk replaced or newly installed resulting from large commercial projects and subdivisions. 2
- Approximately 1,200 linear feet of public sewer, 1,100 linear feet of public storm drain, and 2,000 linear feet of public water main replaced or newly installed resulting from large commercial projects and subdivisions. 2
- Permits & Inspections: 2
 - Received 6,243 building permits
 - Issued 2,588 building permits
 - Finaled 4,861 building permits
 - Completed 20,834 building inspections
 - Processed and issued 844 encroachment permits
 - Streamlined several permit intake methods to an online system

Advance Planning

- Approved a new consultant contract and kicked off the community engagement and existing conditions portion of the South Santa Rosa Specific Plan. 2, 4
- Completed and released the revised Draft General Plan 2050 and associated Draft EIR for public review and public hearing with the Planning Commission. 2
- Completed and adopted the Resilient City Development Measures Ordinance. 2

Planning & Economic Development

- Code Enforcement
 - Opened 1,674 code enforcement cases 2, 4
 - Closed 1,217 code enforcement cases
 - Established Graffiti Abatement Pilot Program
 - Established Vacant Building/Lot program
 - Developed and adopted the massage-related businesses ordinance

Administration/Departmental Support

- Department-Wide Records Management Project:
 - Fixed the data in approximately 35,000 PED records that are currently in Laserfiche 1, 2
- Customer Service Enhancements:
 - Received 10,641 calls this FY, with an average queue time of 1 minute 3, 4
 - Website – working with CIRO to update and enhance user experience
- Expended approximately \$400K in ARPA funds to local partners and small business owners for the College Savings Accounts program and the Small Business Facade Improvement Program 2, 3, 4
- The Implementation Plan for the Economic Development Strategic plan was completed and launched January 2025 3
- The Business Concierge program offering support and assistance to small businesses was completed and launched February 2025. 2, 3, 4
- The Room Six Refresh project as part of the One Stop Shop program is complete. The economic development division hosted its first community group meeting in March. 3
- Santa Rosa completed participation in its first Retail Academy to analyze gap analyses and retail trends as part of its business recruitment strategy and is ramping up for the ICSC event in May. 1, 2, 3
- Economic Development has been in conversations with the United Soccer League about their interest in Santa Rosa 3
- The Big Belly can art initiative in Roseland featuring 10 Sonoma County artists of all ages is complete, and the cans have been installed. 4
- The City sponsored four art pieces in celebration of Earth Day as the City of Santa Rosa presents Earthbound: Art for a Sustainable Future. The pieces are on display now and will be in the square through the end of April. Additionally, the temporary art walk plan approved and call for art currently open. 4

Looking Ahead

The Planning Division will continue to move the South Santa Rosa Specific Plan and EIR through the community engagement, land use and circulation alternatives and EIR development process, with a target completion date in the third quarter of calendar year 2026. The division will continue to implement specific tasks identified within the adopted Housing Element and respond to future California housing and land use related legislation. Planning will also proceed with leading a group of multi-departmental staff in the development of policies related to Transit Oriented Committees (TOC), with the goal of ensuring that the City remains competitive for OBAG infrastructure funding.

The Engineering division will propose an update to the BPU for the Storm Drain Standards FY 25/26 and continue to work on an update to the Street Design and Construction Standards. The division will continue to explore efficiencies with the public improvement plan and subdivision map plan check process and aim to fully transition this record to an online application.

We will continue to look for process improvements in all divisions to further streamline permitting and enforcement processes to better serve the public at large. We remain dedicated to keeping the public safe and promoting a vibrant and attractive place to live, work, and play. Our current initiatives address large-scale community issues such as housing, climate change, and economic feasibility for

Planning & Economic Development

businesses, and we look forward to continuing our dedication to the people of Santa Rosa. The Economic Development division will continue to implement its approved 5-year Strategic Plan, fostering sustainable economic growth, business attraction, community vitality, and ensuring financial resilience.

Police

Mission

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

Department Description

The Police Department is entrusted with the responsibility of safeguarding lives and property, upholding constitutional rights, and maintaining the quality of life to foster a safe and secure community in Santa Rosa. The department addresses a broad spectrum of service calls and offers numerous community support and outreach programs to strengthen police-community partnerships.

The department's core functions are made up of three major divisions: Field Services, Special Services, and Technical Services, all of which are supported by Administration.

Field Services: This division is the most visible component of the department, with patrol teams providing rapid responses to emergency and non-emergency calls for service 24/7, 365 days a year. Field Services also encompass traffic safety and enforcement, including Motorcycle Officers, Accident Investigators, Field and Evidence Technicians, Community Service Officers, the SWAT Team, Hostage Negotiation Team, Mobile Field Force, Canine Team, and the Downtown Enforcement Team as well as the Volunteers in Police Services (VIPS) program.

Special Services: This division includes the Special Enforcement Team and five detective teams specializing in Domestic Violence and Sexual Assault, Narcotics, Property Crimes, Gang Crimes, and Violent Crimes. These teams investigate homicides, robberies, sexual offenses, aggravated assaults, narcotics, child abuse, domestic violence, gang crimes, embezzlements, elder abuse, and vehicle theft. The Forensic Team supports these units by conducting advanced processing and analysis of investigative evidence.

The Professional Standards Team, comprising of a Lieutenant and Sergeant, tracks and investigates all community complaints and reports of staff misconduct. This team collaborates closely with the Independent Police Auditor to ensure thorough investigations and timely release of mandated reports and information to the community.

The Support Bureau, an integral part of the Special Services division, is responsible for Recruitment and Hiring, Training and Employee Wellness. Continuous hiring and recruitment necessitate dedicated staff, and mandatory training for staff requires coordination and tracking to ensure compliance.

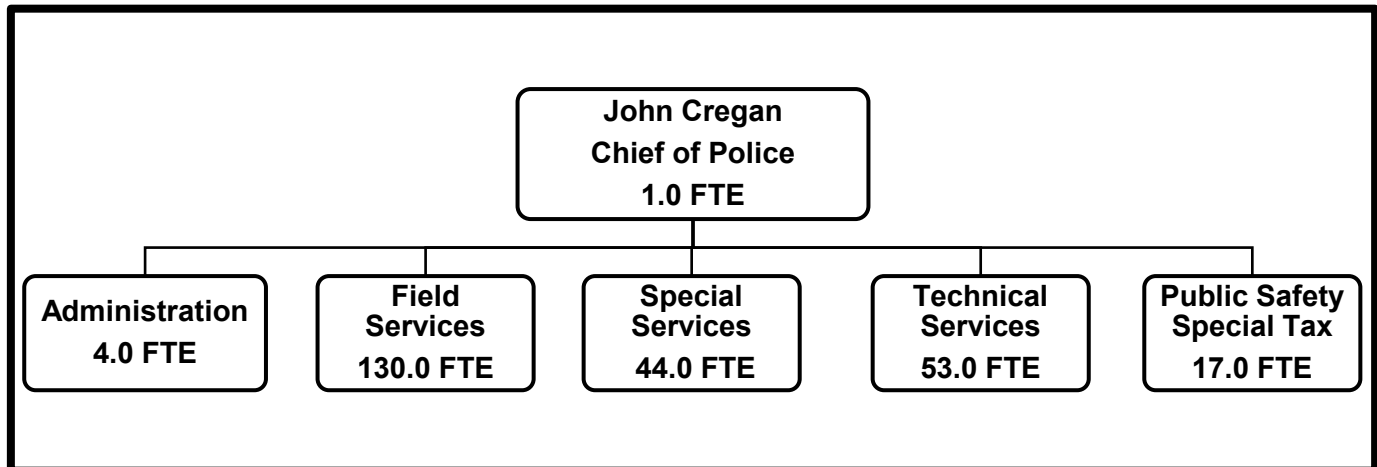
Technical Services: This division provides essential services for the community and the entire department, including the 911 Communications Center, Records Division, Property and Evidence, Crime Analysis, and Information Technology.

Administration: Manages the preparation and monitoring of the budget and oversees all contracts, purchases, grants, Human Resources, department equipment, facilities, and administrative support staff.

Public Safety and Prevention Tax: This funding is vital to the Police Department's operations, enabling the enhancement of community services with an additional 19 positions, including 1 Lieutenant, 2 Sergeants, 9 Officers, 2 Field and Evidence Technicians, 1 Community Service Officer, 1 Communications Supervisor, 1 Police Technician, and 2 Community Outreach Student Interns.

Police

FTE by Program



Strategic Goals and Initiatives for FY 2025-26

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

- Foster Community safety and reduce crime:
 - Implement focused operations to swiftly address criminal activities
 - Implement a comprehensive, proactive approach to school violence to effectively reduce crime within educational settings
 - Facilitate more effective law enforcement interventions and ensure safer communities 7
 - Quality of Life issues: prioritize mental health response strategies, enhance traffic enforcement efforts and work with other city departments and community-based organizations to ensure a safer and more vibrant community
- Achieve Organizational Excellence:
 - Provide the highest level of service while ensuring members of our community are treated with respect and professionalism
 - Develop a comprehensive mentorship program with a focus on succession planning and personal development
 - Strengthen community trust building long-lasting relationships with the community we serve 3
 - Ensure development of best practices in law enforcement
 - Continue to evaluate innovative equipment and enhanced training opportunities
 - Continue to work with our independent police auditor, labor groups and other community stakeholders to find ways to strengthen transparency and accountability
- Enhance Technology/Innovation
 - Data led policing-implement an innovative dashboard, integrated real-time crime center
 - Integrate advanced tools and methodologies to enhance departmental processes and improve overall crime clearance rates 2
 - Evaluate and implement advanced technology solutions to reduce communication barriers
- Employee Wellness
 - Foster a supportive culture prioritizing physical and mental health among our personnel 3

- Increase awareness and utilization of resources available to all employees
- Promote a culture of openness and support
- Focus on building stronger connections, trust and camaraderie between the employees within our organization
- Community Engagement
 - Identify and address root causes of crime while bolstering proactive patrols and fostering a safer and healthier environment
 - Establish and maintain partnerships with both community members and businesses 1
 - Expand the community engagement team
 - Foster department wide culture of prioritizing connecting with our community and gathering and incorporating feedback.

Major Budget Changes

The Police Department's budget is comprised of two primary funding sources, the General Fund and the Public Safety and Prevention Tax (formerly known as Measure O) Fund. The total FY 2025-26 budget is \$85.7M, an increase of 0.6% over the prior year's adopted budget.

The department is funded largely by the General Fund, which in FY 2025-26 totals \$79.7M, which remained relatively flat with an increase of \$72K or 0.1%. The General Fund makes up 93% of the Police Department budget. An increase for an estimated cost of living adjustment (COLA) has impacted both Salaries and Benefits. This COLA increase was almost entirely offset by numerous position reductions and reorganizations. There were FY 2025-26 reductions of 14.0 FTEs. 9.0 of these reductions were sworn positions: 9.0 Police Officers and 1.0 Police Sergeant. The remaining 4.0 reductions were non-sworn positions: 1.0 Police Technician, 1.0 Communications Dispatcher, 1.0 Police Field & Evidence Technician, and 1.0 Community Services Officer. There was also a reorganization that resulted in a net decrease of 1.0 FTE: 2.0 Technical Services Managers were added, along with the reductions of 1.0 Senior Administrative Assistant, 1.0 Community Services Officer, and 1.0 Technical Services Division Manager. There was also a 1.0 reduction of a Police Field and Evidence Technician made at mid-year. Lastly, there was a (\$400K) decrease in overtime costs, due to this amount being approved as one-time funding for FY 2024-25.

Services and Supplies decreased by (\$83K) to help the overall General Fund deficit. There was a (\$121K) decrease in Professional Services due to decreased Public Safety Consortium payments. Equipment & Repair (E&R) Maintenance and E&R Replacement had a combined decrease of (\$174K), to better align with past actuals. Partially offsetting these decreases was a \$157K increase in the Operational Supplies category for Software increases. This increase was mostly due to moving specific software out of the IT cost plan and budgeting this directly in Police. There was also a \$54K increase for telephones, to better align with past actuals.

Meanwhile, the Public Safety and Prevention Tax increased by \$459K to a total budget of \$5.3M in FY 2025-26, while revenues are budgeted to be \$4.9M. Salary and Benefits increased \$497K, or 11.6%, primarily due to the COLA increases mentioned above. Services and Supplies decreased by (\$48K) or (10.9%). This decrease is mostly due to Equipment and Repair Replacement decreasing by (\$33K), to better align with past actuals.

Police

Budget Summary

Expenditures by Program				
	2022 - 23 Actual	2023 - 24 Actual	2024 - 2025 Budget	2025 - 2026 Budget
General Administration	\$11,321,406	\$10,712,317	\$14,733,246	\$12,008,259
Field Services	\$37,333,930	\$40,356,458	\$41,108,630	\$40,929,658
Investigative Services	\$10,641,059	\$11,095,985	\$13,070,112	\$14,236,693
Technical Services	\$8,820,735	\$9,097,141	\$9,960,053	\$10,925,884
Support Bureau	\$1,042,746	\$1,183,643	\$1,122,127	\$1,932,112
Public Safety and Prevention - Police	\$3,959,158	\$6,553,511	\$4,835,432	\$5,294,760
CIP and O&M Projects	\$3,243,875	\$4,093,164	\$392,500	\$413,456
Total	\$76,362,909	\$83,092,219	\$85,222,100	\$85,740,822

Expenditures by Category				
	2022 - 23 Actual	2023 - 24 Actual	2024 - 2025 Budget	2025 - 2026 Budget
Salaries	\$33,853,828	\$36,376,387	\$40,167,514	\$40,634,728
Benefits	\$25,650,420	\$27,695,247	\$31,014,817	\$30,697,687
Professional Services	\$2,445,558	\$2,250,708	\$1,934,100	\$1,818,457
Vehicle Expenses	\$2,779,047	\$2,751,083	\$2,991,843	\$2,724,140
Utilities	\$171,935	\$205,782	\$144,285	\$197,285
Operational Supplies	\$574,151	\$741,178	\$1,399,215	\$1,515,875
Information Technology	\$868,386	\$928,918	\$1,015,248	\$1,086,545
Debt Service	\$18,575	\$20,026	\$0	\$0
Liab/Property Insurance	\$56,769	\$59,209	\$72,592	\$90,373
Other Miscellaneous	\$1,670,700	\$553,015	\$547,473	\$528,000
Indirect Costs	\$121,620	\$120,325	\$119,592	\$130,636
GF Admin Cost Plan	\$4,275,619	\$4,831,614	\$5,422,921	\$5,903,640
Capital Outlay	\$632,426	\$2,465,563	\$0	\$0
CIP and O&M Projects	\$3,243,875	\$4,093,164	\$392,500	\$413,456
Total	\$76,362,909	\$83,092,219	\$85,222,100	\$85,740,822

Expenditures by Fund				
Funding Source	2022 - 23 Actual	2023 - 24 Actual	2024 - 2025 Budget	2025 - 2026 Budget
General Fund	\$67,566,494	\$73,582,455	\$79,673,668	\$79,746,062
Public Safety and Prevention - Police	\$3,655,937	\$6,553,511	\$4,835,432	\$5,294,760
Federal Narcotics Asset Forfeiture	\$22,560	\$45,019	\$50,000	\$50,000
Supplemental Law Enforcement S	\$209,354	\$512,105	\$515,000	\$525,000
State Narcotics Asset Forfeiture	\$232,164	\$329,191	\$148,000	\$125,000
ARPA Federal Stimulus	\$1,960	\$2,053,216	\$0	\$0
Capital Improvement Fund	\$109,899	\$16,722	\$0	\$0
Total	\$71,798,368	\$83,092,219	\$85,222,100	\$85,740,822

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

Fiscal Year	FY 2022-22	FY 2022-23	FY 2023-24	FY 2024-25	FY 2025-26
Full-Time Equivalent	260.00	256.00	259.00	264.00	249.00

Performance Measures

- 80% Decrease in homicides: 2 in 2024 compared to 10 in 2023
- 51% Increase in firearm seizures: 390 seized in 2024 and 259 seized in 2023
- 125% increase in ghost gun seizures: 124 seized in 2024 compared to 55 seized in 2023
- 52% decrease in promiscuous shooting events: 173 reported shooting events in 2024 compared to 361 reported shooting events in 2023. This is 188 fewer shootings reported in our City!
- 4% increase in traffic stops: 23,198 in 2024 compared to 22,292 in 2023
- 25% increase in traffic citations: 10,291 in 2024 compared to 8,230 in 2023
- 18% reduction in DUI collisions: 206 in 2024 compared to 251 in 2023. SRPD was named the MADD Outstanding Agency of the Year for DUI enforcement efforts.
- 6% reduction in priority 1 response times: 6:31 minutes in 2024 compared to 6:57 minutes in 2023.

Prior FY 2024-25 Accomplishments

(Numbers at right show relation to FY 2024-25 City Council Goals)

- Held more than 55 community engagement events 7
- Reduced Priority 1 Response times to 6:31 minutes 7
- Created a comprehensive five-year Strategic Plan 3
- Made Employee Wellness a priority: Hosted the Resiliency Program for all staff (paid for by Opioid funding); Updated the police gym equipment (paid for with grant funding); Hosted several employee morale events 3
- Started the Real Time Crime Center: Installed 50 ALPR cameras and ordered 71 additional cameras; purchased 28 pan/tilt cameras; installed enhanced RTCC software. 2
- Zero organized sideshows in our city 1
- The Real Time Crime Center began to fully develop and enhance our operations 2
- Experienced the first year of the relaunched Gang Crimes Team and felt the impact of this specialized team 7
- Responded to over 110,000 calls for service 7
- Received over \$1.8 Million in grant funding to enhance our operations 2
- inRESPONSE launched a third-response team and has 24/7 coverage: Dispatched to 4,977 calls; 4,301 calls diverted from Police and 1,772 diverted from Fire. 5

- Roseland substation opened on Sebastopol Road for a more visible presence and faster response time.

Looking Ahead

The upcoming year will present significant challenges for our community, our department and staff, and the City as a whole. Employee wellness will be a priority, with efforts to foster a supportive culture that prioritizes physical and mental health among personnel. Increasing awareness and utilization of available resources, promoting a culture of openness and support, and focusing on building stronger connections, trust, and camaraderie within the organization are essential.

We will focus on fostering community safety and reducing crime. The department will implement focused operations to swiftly address criminal activities and adopt a comprehensive, proactive approach to school violence. This will facilitate more effective law enforcement interventions and ensure safer communities. Additionally, prioritizing mental health response strategies, enhancing traffic enforcement efforts, and collaborating with other city departments and community-based organizations will contribute to a safer and more vibrant community.

The department aims to continue to provide the highest level of service while treating community members with respect and professionalism. Developing a comprehensive mentorship program focused on succession planning and personal development, strengthening community trust, and building long-lasting relationships are key objectives. The department will also ensure the development of best practices in law enforcement, continuously evaluate innovative equipment and enhanced training opportunities, and work with the independent police auditor, labor groups, and other community stakeholders to strengthen transparency and accountability.

Enhancing technology and innovation involves implementing data-led policing through an innovative dashboard and integrated real-time crime center. The department will integrate advanced tools and methodologies to enhance processes and improve overall crime clearance rates, while evaluating and implementing advanced technology solutions to reduce communication barriers.

The department will focus on increased community engagement and concentrate on identifying and addressing the root causes of crime, bolstering proactive patrols, and fostering a safer and healthier environment. Establishing and maintaining partnerships with community members and businesses, expanding the community engagement team, and fostering a department-wide culture that prioritizes connecting with the community and incorporating feedback are crucial for effective community engagement.

Recreation & Parks

Mission

Santa Rosa Recreation and Parks provides recreational experiences, fosters human development, increases cultural unity, protects environmental resources, facilitates community problem solving, strengthens safety and security, promotes health and wellness, strengthens community image and sense of place, and supports economic development.

Recreation & Parks Division Description

General Administration - The Administration Division serves as the central hub of leadership, coordination, and support for the Recreation and Parks Department. It is responsible for strategic and day-to-day management of core functions including financial planning and oversight, budgeting, personnel administration, and contract management. Key responsibilities also include administration of the Department's Recreation enterprise software system, which supports program registration, facility rentals, and customer service operations. Additionally, Administration supports internal communications, data reporting, policy development, and performance tracking to enhance departmental efficiency and service delivery.

Recreation - The Recreation Division offers a diverse range of programs, activities, classes, events, and experiences to serve the community. It is organized into four main sections:

Community Centers and Park Permits - Community center rentals, picnic permits, and park permits provide valuable opportunities for local residents to gather, celebrate, and engage in recreational activities, enhancing community connection and supporting diverse events and programs. It oversees the operation and rentals of the City's community centers, clubhouses and commercial kitchens. The Park Permit Desk, also within this section, issues permits for picnic areas, special events, and use of sports fields and courts. Additionally, this unit supports the Department's volunteer program and the Rural Cemetery Preservation Committee.

Aquatics - The aquatics section encompasses the operation and specialized maintenance of the Ridgway Swim Center and the Finley Aquatic Center. These two outdoor, year-round facilities offer a variety of programs, including swim lessons, water aerobics, lifeguard training, and water polo, alongside public and lap swimming sessions and facility rentals. Additionally, five high school swim teams utilize the pools, and Ridgway is home to the Neptune Swim Club. The Finley Aquatic Center is set to unveil a brand-new spray ground in summer 2025. This vibrant addition features 15 interactive spray elements such as dripping palm trees, water cannons, spraying arches, and a central water dump and an expanded, ADA-compliant pool deck to ensure accessibility for all visitors.

Enrichment Programs - The Enrichment Programs Section enhances community life by offering a wide range of recreational opportunities for youth, adults, and seniors. It manages the City's largest park, Howarth Park, which features seasonal attractions including a train, carousel, boat house, and petting barn, as well as popular community events such as Kids to Parks Day, Movies in the Park, and Halloween at Howarth. The section oversees the City's award-winning day camp programs (Camp Wa-Tam, Yu-Chi, Doyle Adventure, Camp Wa-Tots, Kamp Kennedy, and Camp Kaos) and the Work Experience program. Additional programs include early childhood offerings such as Kindergym, Tiny Tots, and Art 2 Play 2, along with a wide variety of special interest classes and camps for youth, adults, and seniors. Youth sports opportunities include City-run t-ball and soccer leagues, along with various classes, leagues, and camps offered through contract instructors. The region's largest adult softball program—serving approximately 4,000 players annually—is also managed here. Additionally, a variety of programs, classes, and events for seniors are coordinated primarily at the Person Senior Wing, located within the Finley Community Complex.

Recreation & Parks

Neighborhood Services - Neighborhood Services provides youth development and recreation programming for underserved, low-income youth and families. Funded by the General Fund and the Public Safety and Prevention Special Tax (PSAP, formerly Measure O), this section delivers safe, supportive environments where young people can engage in educational, recreational, and social activities. Programs include academic enrichment, school break camps, family events, field trips, and a variety of extracurricular activities and sports.

The Violence Prevention Partnership – The Violence Prevention Partnership is a collective impact initiative dedicated to fostering safe, healthy neighborhoods where youth and families thrive. The Partnership aligns resources and mobilizes stakeholders—including parents, schools, community-based organizations, faith leaders, businesses, law enforcement, and government agencies—to reduce youth and gang violence in Santa Rosa. It oversees the CHOICE Grant Program, the Guiding People Successfully referral program, and contracts with New Hope for Youth for street outreach and crisis response. VPP collaborates with over 50 partner organizations to provide outreach, education, and support services.

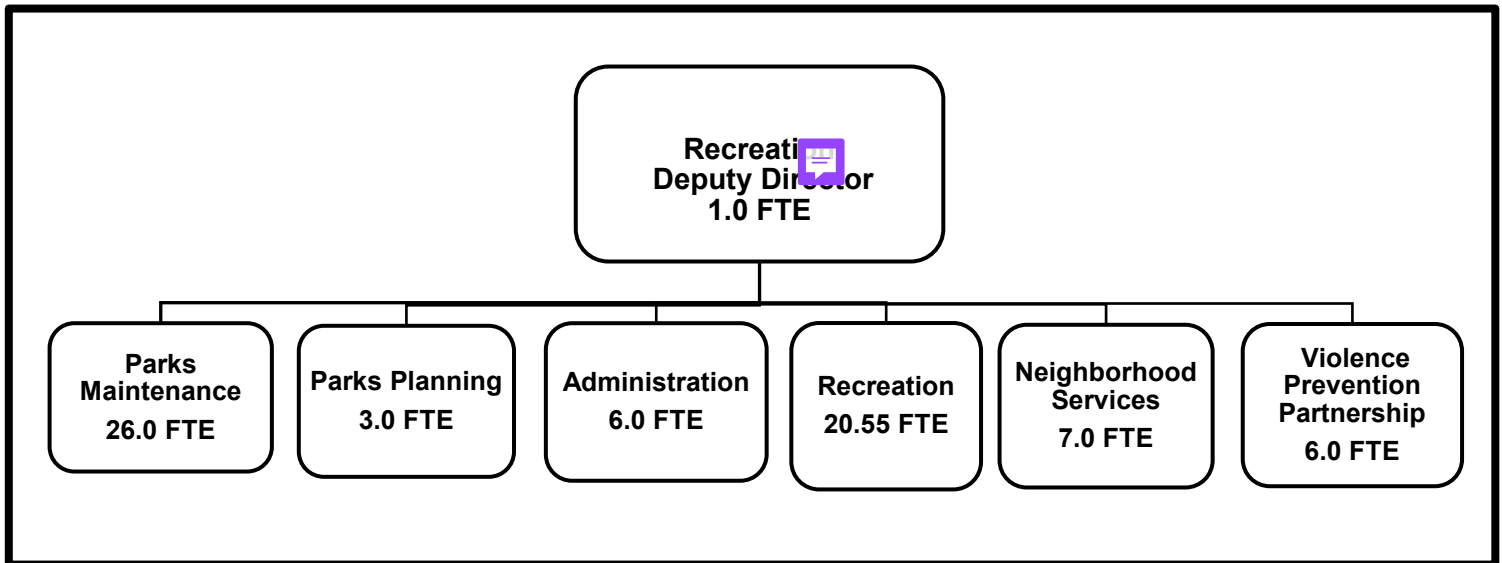
Park & Landscape Maintenance – The Park & Landscape Maintenance Division enhances the beauty, safety, and sustainability of Santa Rosa’s public spaces while fostering community involvement through volunteer engagement. The division is responsible for maintaining 1,036 acres of parkland and amenities across neighborhood, community, and regional parks. This includes 15 acres of specialized parks at Luther Burbank Home & Gardens and the Santa Rosa Rural Cemetery, as well as 65 acres of landscaped roadway medians. Additionally, staff manage 195 acres of open space, ten special landscaping districts, and landscaped areas around various City facilities. The division also partners with volunteers to support stewardship projects and beautification efforts, leveraging community participation to extend resources.

Parks Planning – The Parks Planning Division guides the long-term vision and development of Santa Rosa’s Park system by managing capital projects, ensuring quality design, and aligning resources with community needs. The division oversees the Department’s Capital Improvement Program (CIP) for park, recreation, and historic facilities, including planning, design, and construction of new parks and the renovation of existing ones. Typical tasks include conducting needs assessments, facilitating community engagement and public meetings, developing master plans, preparing construction documents, and ensuring ADA and safety compliance. The division also initiates park enhancement projects, manages project-specific grants, collaborates with other City departments and external agencies, and participates in the creation and review of planning policies to support parkland development and preservation.

Bennett Valley Golf Course – The Bennett Valley Golf Course is an 18-hole, par-72 course spanning 6,500 yards over 156 acres. It includes a driving range, pro shop, and a full-service clubhouse restaurant operating seven days a week. The facility is managed under a third-party contract. The City retains responsibility for select direct and indirect operational expenses, capital improvements, and debt obligations.

Recreation & Parks

FTE by Program



Strategic Goals and Initiatives for FY 2025-26

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

- Deliver efficient, transparent, and responsive services through sound management, modern technology, and staff development. Improve internal systems, data-driven decision-making, staff training, and customer service while maximizing use of enterprise software and digital tools to streamline delivery. 1
- Leverage community input, volunteerism, and public-private partnerships to support program delivery, special events, and park stewardship. Expand volunteer programs, strengthen collaboration with nonprofits and local businesses, and integrate community feedback into planning and service delivery. 1
- Encourage physical activity, wellness, and social connection through diverse recreation offerings for residents of all ages. Increase participation in aquatics, fitness classes, senior activities, and organized sports leagues while supporting mental and emotional well-being. 4

Major Budget Changes

The General Fund portion of the budget decreased by (\$409K), when compared against the FY 2024-25 adopted budget. All bargaining units entering new labor agreements beginning FY 2024-25. An increase in salaries and benefits was offset by the reduction in the Director of Recreation and Parks, a reduction of the Deputy Director of Parks, two 0.8 Recreation Specialists, and one Facilities Attendant. The O&M projects in the General Fund remained flat. The FY 2025-26 project budget of \$315K is comprised of two projects: \$190K for the Community Helping Our Indispensable Children Excel (CHOICE) grant, and \$125K for the Sonoma County Probation Grant.

The Capital Improvement Fund budget increased \$2.5M for a total budget of \$8.9M. This increase is due to the increase of revenues from Capital Facilities Fees.

The Bennett Valley Golf Course decreased by (\$32K) over the prior fiscal year. This is mostly due to maintenance expenditures being paid directly by Touchstone.

In FY 2025-26 the Public Safety and Prevention Tax (formerly known as Measure O) fund budget increased by \$496K or 19.5% to a total budget of \$3M. Salaries and Benefits increased by \$98K, mostly due to COLA increases. The \$400K increase in services is the contract for the Street Outreach Program.

Recreation & Parks

Budget Summary

Expenditures by Program				
	2022 - 23 Actual	2022 - 24 Actual	2024 - 2025 Budget	2025 - 26 Budget
General Administration	\$2,799,985	\$2,857,678	\$4,063,569	\$3,611,926
Fee-Based Recreation	\$1,269,780	\$1,208,183	\$1,705,954	\$1,631,498
Aquatics	\$1,930,878	\$1,879,784	\$2,048,776	\$2,150,122
Neighborhood Services	\$2,732,763	\$2,857,950	\$3,209,047	\$3,747,785
Community Centers	\$1,969,136	\$2,125,150	\$1,781,627	\$1,746,605
Gang Prevention / Intervention	\$0	\$0	\$314,858	\$326,990
Regional Parks & Permits	\$620,387	\$725,791	\$1,088,880	\$747,380
Regional Parks	\$249,287	\$227,539	\$132,418	\$84,359
Parks & Landscape Maintenance	\$2,270,394	\$8,000,243	\$7,036,880	\$7,400,896
Bennett Valley Golf Course	\$977,870	\$785,607	\$805,610	\$774,539
CIP and O&M Projects	\$3,376,088	\$4,441,194	\$8,778,675	\$11,909,882
Total	\$18,196,568	\$25,109,119	\$30,966,294	\$34,131,982

Expenditures by Category				
	2022 - 23 Actual	2022 - 24 Actual	2024 - 2025 Budget	2025 - 26 Budget
Salaries	\$5,521,950	\$7,262,212	\$8,658,866	\$8,295,648
Benefits	\$2,425,370	\$3,544,687	\$3,609,919	\$3,427,451
Professional Services	\$2,842,712	\$4,165,757	\$3,640,502	\$3,383,766
Vehicle Expenses	\$372,589	\$708,428	\$773,208	\$759,561
Utilities	\$202,553	\$1,057,728	\$1,351,457	\$1,349,026
Operational Supplies	\$741,599	\$885,656	\$1,011,683	\$926,883
Information Technology	\$503,619	\$647,777	\$642,542	\$687,527
Debt Service	\$454,033	\$462,275	\$452,705	\$453,923
Liability/Property Insurance	\$28,318	\$30,782	\$38,852	\$37,003
Other Miscellaneous	\$134,550	\$233,890	\$344,728	\$343,392
Subrecipient Funding	\$0	\$0	\$0	\$424,000
Indirect Costs	\$79,216	\$86,454	\$103,747	\$93,674
GF Admin Cost Plan	\$1,503,491	\$1,458,972	\$1,559,410	\$2,040,246
Capital Outlay	\$10,480	\$123,307	\$0	\$0
CIP and O&M Projects	\$3,376,088	\$4,441,194	\$8,778,675	\$11,909,882
Total	\$18,196,568	\$25,109,119	\$30,966,294	\$34,131,982

Recreation & Parks

Expenditures by Fund				
Funding Source	2022 - 23 Actual	2022 - 24 Actual	2024 - 2025 Budget	2025 - 26 Budget
General Fund	\$11,507,857	\$17,564,055	\$18,778,367	\$18,368,897
Public Safety and Prevention - Recreation	\$2,105,924	\$2,152,382	\$2,536,850	\$3,032,783
Change For Kids Fund	\$123,059	\$174,635	\$249,374	\$276,522
Measure M - Parks 2019	\$176,152	\$193,923	\$0	\$0
Capital-Measure M Parks	\$0	\$0	\$1,031,369	\$1,342,077
Maintenance-Measure M Parks	\$0	\$138,753	\$825,096	\$1,073,661
Recreation-Measure M Parks	\$0	\$25,068	\$206,274	\$268,415
Capital Improvement Fund	\$3,175,229	\$3,902,508	\$6,400,936	\$8,910,729
St. Francis Knolls	\$384	\$613	\$2,161	\$1,024
Stony Ranch	\$286	\$343	\$8,289	\$5,986
The Orchard at Oakmont	\$69,206	\$45,722	\$58,435	\$29,691
Sandra's Place Tax District	\$73	\$0	\$5,337	\$1,086
Woodbridge Tax District	\$3,925	\$853	\$13,309	\$9,436
North Village I Special Tax Di	\$3,492	\$905	\$11,223	\$5,886
Kawana Springs 6 Special Tax D	\$0	\$0	\$7,533	\$7,566
Gardens STD 2006-1 Zone 10	\$73	\$6,814	\$16,881	\$14,434
Bennett Valley Golf Course Ops	\$590,261	\$491,671	\$410,879	\$378,590
Taxable Golf Bond Debt Serv	\$133,072	\$128,448	\$130,987	\$130,955
Tax-exempt Golf Bond DS	\$262,986	\$264,675	\$263,744	\$264,994
Railroad Square Maintenance Fu	\$3,425	\$3,125	\$9,250	\$9,250
Expendable Fund-No Int Allocation	\$41,164	\$14,626	\$0	\$0
Total	\$18,196,568	\$25,109,119	\$30,966,294	\$34,131,982

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

Fiscal Year	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25	FY 2025-26
Full-Time Equivalent	42.00	44.00	74.00	76.15	69.55

Performance Measures

Indicators	FY 22-23	FY 23-24	FY 24-25 Estimate
Total revenue generated	\$3.33 mil	\$3.4 mil	\$3.2 mil
Number of activity registrations	71,536	98,148	112,500
Number of scholarships awarded	149	273	300
Number of CHOICE Grants awarded	8	8	8
Amount of CHOICE Grants awarded	\$750,000	\$750,000	\$750,000
Number of Guiding People Successfully referrals	139	140	200
Number of volunteers	360	1,789	2,000
Number of volunteer hours	NA	9,009	12,000
Amount of park and landscape maintenance expense per capita	\$32	\$33	\$32

Recreation & Parks

Prior FY 2024-25 Accomplishments

(Numbers at right show relation to FY 2024-25 City Council Goals)

-
- Implemented Park-a-Week initiative with internal staff to make a concentrated impact on our parks. We successfully removed 880 cubic yards of green waste from 49 different parks this year during Park-a-Week (4,160 total cubic yards of green waste removed from all of our park spaces). 7
 - Completed the restroom remodel at LBHG 4
 - Developed a Maintenance and Management Strategy for all parks (completion targeted for Dec. 2025) 3
 - Implemented an updated Integrated Pest Management Policy to assist in weed control around the city. 3
 - Successfully hosted 12 Park-a-Month events engaging volunteers in park maintenance and beautification throughout the year 7
 - Offered over 1,500 educational and recreational programs serving 98,148 registrants. 7
 - Utilized Measure M "Parks for All" sales tax funds to expand early learning, socialization and enrichment programs for tots (ages 2-5). This included developing a new Art 2 Music Too class, expanding the Art 2 Play Too program and increasing capacity for Camp Wa-Tots from 180 participants in 2024 to 240 in 2025 7
 - Enhanced programming at the Person Senior Wing for Active Adults 50+ expanding special event offerings 7
 - Installed a Para-Transit stop at the Finley complex to improve accessibility to programs and services 4
 - Expanded services across Santa Rosa to reach more youth through increased afterschool, camps and sports programs through collaborations with St. Luke Lutheran Church, Burbank Housing and local school districts. 7
 - Found efficiencies and implemented streamlined processes as part of a restructure of the Recreation Division 3
 - Finley Aquatic Center; spray ground nearing completion and open to community soon 4
 - Update of Board of Community Services Ordinance and related Policy and Bylaws 3
 - New Roof for Luther Burbank Home, Carriage House and with remaining funds updated Garden shed slate roof 4
 - MLK master plan outreach and final plan nearing completion 4
 - Completion of Construction Bid Documents for 5 main projects under construction in 2025: Dutch Flohr Neighborhood Park playground replacement, Kawana Springs Community Garden improvement, South Davis Neighborhood Park playground replacement, Galvin and Howarth Park Tennis and Pickleball improvements, Bennett Valley Golf Course Irrigation Pond 4
 - Initiated Cycle XII of CHOICE Grant Program providing funding to 8 local organizations. 7
 - Rolled out the Clean Slate Tattoo Removal Program with over 40 intakes conducted and 14 current participants receiving over 20 removal sessions to date. 7
 - Contracted with New Hope for Youth to provide Street Outreach and Crisis Response services in Santa Rosa 7
 - Continued to implement Safe Campus Intervention Program at Santa Rosa City Schools while also expanding services to Roseland Charter Schools. This includes 8 youth empowerment groups at 4 local middle schools. 7
 - Conducted 6 educational community meetings in partnership with Santa Rosa Police Department on the dangers of fentanyl and youth gang participation in Santa Rosa. 7

Looking Ahead

Parks Planning: Begin construction on major projects, including South Davis and Dutch Flohr Neighborhood Parks, Bennett Valley Golf Course irrigation, and improvements at Galvin and Howarth Parks. Advance planning and design efforts through robust community outreach for a portfolio of parks including Fremont, Kawana Springs, and Southeast Greenway. Finalize and implement an updated Parks Naming Policy reflecting community input and redesign the Parks Planning website to enhance public accessibility and engagement.

Parks Maintenance: Implement and monitor the new landscape maintenance contract and launch Phase 1 of the Park Maintenance Matrix to evaluate service levels at all neighborhood parks. Establish a transparent pesticide reporting system supported by a public-facing website. Continue to utilize Measure M-funded park maintenance aids to supplement service levels and ensure cleaner, safer parks for all residents.

Neighborhood Services & Violence Prevention Partnership (VPP): Expand recreation opportunities with a focus on equity by strengthening partnerships with schools and housing providers. Integrate the renewed Public Safety & Prevention Tax into long-term youth service strategies and continue implementation of the VPP Strategic Plan to reduce violence and increase community resilience.

Recreation: Develop an updated Recreation and Parks strategic plan and cost recovery model to guide decision-making and resource allocation. The plan will identify priority objectives, align performance metrics with service goals, and establish strategic partnerships and funding strategies to support sustainability in difficult economic times.

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Santa Rosa Water

Mission

Protecting public health by sustaining water resources, infrastructure and the environment

Department Description

Santa Rosa Water (SRW) is a resilient organization built on leadership, service, stewardship, and innovative planning. We provide essential, reliable water, wastewater, recycled water, and storm water services, continually investing in a sustainable water future for our community. The core values of Santa Rosa Water are excellence, integrity, teamwork, transparency, innovation, inclusivity, and service.

Santa Rosa Water delivers approximately 6 billion gallons of high-quality drinking water to 54,000 customer accounts, serving more than 175,000 residents, collects wastewater from 49,000 customer accounts, and operates a regional water reuse system serving the cities of Cotati, Rohnert Park, Santa Rosa, Sebastopol, and South Park County Sanitation District. The Regional Water Reuse System includes the Laguna Treatment Plant and the Geysers Recharge Pipeline, and beneficially reuses over 7 billion gallons of recycled water and 32 thousand tons of biosolids annually. The recycled water is reused for agricultural and urban irrigation, and to produce clean and renewable energy for the North Bay. The biosolids are reused as a soil amendment. The Storm Water and Creeks team is tasked with safeguarding our waterways and protecting the urban watershed with over 100 miles of creeks.

There are 5 separate enterprise funds that finance each of these operations.

Administration - Supports the entire department by providing leadership, finance, human resources, safety and training, asset management, technology, energy management, water engineering services, and administrative support across all programs and manages the Water Billing division which bills and collects ratepayer revenue and provides support to over 54,000 customer accounts.

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

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

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

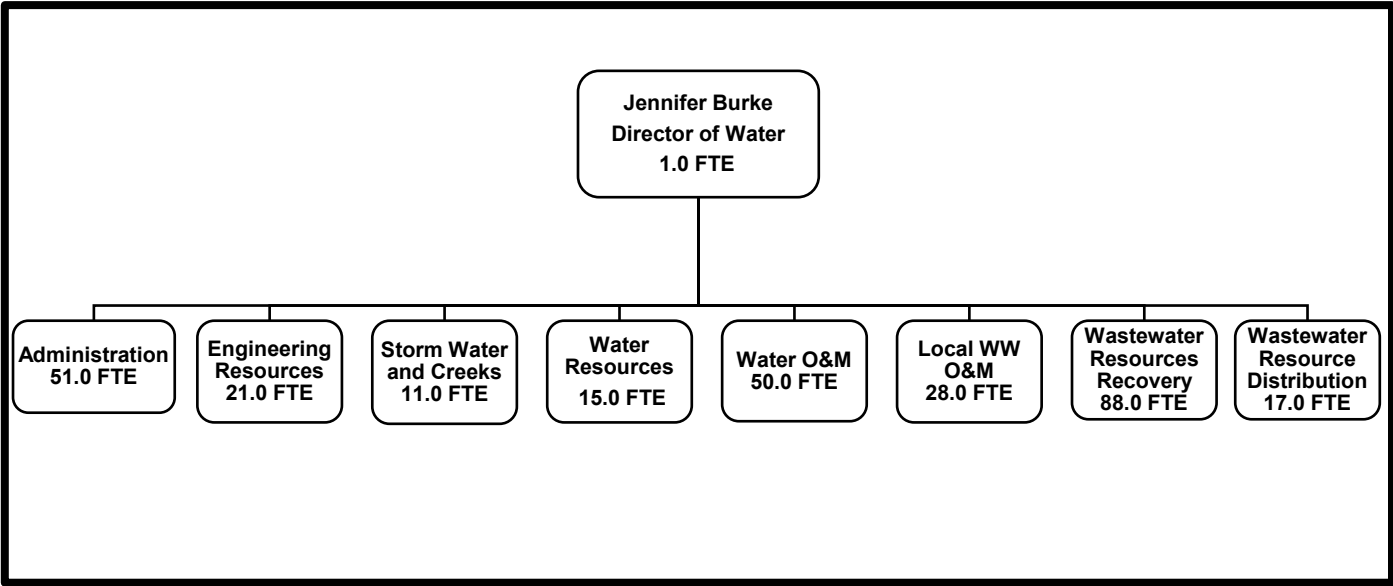
Water Resources – Ensures water quality meets and exceeds all regulatory requirements, develops, and implements cost-effective water use efficiency programs for SRW's customers, and plans for long-term water supply and wastewater capacity to meet the needs of the City's currently adopted General Plan.

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

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

Santa Rosa Water

FTE by Program



Strategic Goals and Initiatives for FY 2025-26

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

• Financial Stability	1
• Investing in our Employees	4
• Improve Infrastructure Resilience and Reliability	2, 3, 4
• Climate Change Adaptability	2, 4
• Regulatory Compliance	2, 4

Major Budget Changes

The FY 2025-26 Water budget is \$208.9M; a \$31.9M, or 18.0% increase from the prior fiscal year’s adopted budget. A \$2.7M increase in Salaries and Benefits is primarily due to the FY 2025-26 cost of living adjustment. There was also a position reorganization. This reorganization resulted in 7.0 positions being reduced: 1.0 Utilities System Operator III, 1.0 Supervising Mechanical Technologist, 1.0 Senior Maintenance Worker – Painter, 3.0 Skilled Maintenance Workers, and 1.0 Utilities Mechanical Superintendent. The reorganization also resulted 11.0 positions that were added: 1.0 Utilities Mechanical Superintendent, 1.0 Electrical Tech – Utilities, 2.0 Treatment Shift Supervisors, 1.0 Wastewater Operator, 2.0 Senior Mechanical Technologists, 1.0 Supervising Instrumentation Technician, 1.0 Senior Electrical Technician-Utilities, 2.0 Electrical Technician-Utilities, which resulted in a net 4.0 additional positions added.

The Water department’s services and supplies saw a \$5.1M, or 5.8%, increase compared to the prior fiscal year. Purchase of Water increased in FY 2025-26 by \$1.9M, or 9.7%, mostly due to an 8.68% proposed wholesale water rate increase. There was a \$2.5 M, or 31%, increase in electricity costs. \$1.4M of this electricity increase was for the Laguna Treatment Plant, which is a 24-hour operation that has seen past actuals increase. Within the Vehicle Expense category, Equipment and Repair (both Replacement and Maintenance) increased by a combined total of \$270K. There was also a \$219K increase in the Information Technology expense category, which is an uncontrollable expense.

Santa Rosa Water

The General Fund portion of the Water department's budget is for the Storm Water division. Most of Storm Water is funded through enterprise funds. However, a small portion of Storm Water's operations, funded by the General Fund, is decreasing by (\$71K), or (8.9%). The majority of this decrease is due to an increase in charge-outs to the Storm Water Enterprise funds. This decrease was made in an effort to help support the General Fund's overall budget deficit.

There was also a \$22.6M, or 80.4%, increase in CIP and O&M projects, compared to the prior fiscal year. In an effort to preserve funds, prior year funding for CIP was significantly decreased by (\$15.2M). In 2025-26, CIP funding was brought back up to more normal funding levels.

Budget Summary

Expenditures by Program				
	2022 - 2023 Actual	2023 - 2024 Actual	2024 - 2025 Budget	2025 - 2026 Budget
Administration	\$9,305,202	\$11,458,132	\$10,638,163	\$11,864,234
Purchase of Water	\$15,255,648	\$18,186,035	\$19,724,320	\$21,631,000
Storm Water and Creeks	\$2,529,425	\$2,891,018	\$3,289,291	\$3,315,111
Water Resources	\$1,234,976	\$1,198,460	\$1,428,427	\$1,646,946
Water O&M	\$18,526,340	\$20,285,203	\$22,767,034	\$24,240,919
Local Wastewater O&M	\$12,069,962	\$12,770,877	\$14,115,843	\$15,861,362
Wastewater Resource Recovery	\$28,910,815	\$29,145,987	\$35,749,992	\$39,030,132
Wastewater Resource Distribution	\$6,738,132	\$7,041,434	\$9,686,419	\$8,845,452
Debt Service	\$29,970,736	\$21,904,445	\$27,668,953	\$27,671,382
Engineering Resources	\$3,334,254	\$3,414,508	\$3,776,973	\$4,009,811
CIP and O&M Projects	\$49,266,476	\$73,138,608	\$28,166,339	\$50,801,826
Total	\$177,141,966	\$201,434,707	\$177,011,754	\$208,918,175

Expenditures by Category				
	2022 - 2023 Actual	2023 - 2024 Actual	2024 - 2025 Budget	2025 - 2026 Budget
Salaries	\$22,749,560	\$23,437,998	\$28,501,794	\$30,915,280
Benefits	\$14,580,702	\$15,140,816	\$18,082,569	\$18,400,361
Professional Services	\$4,775,111	\$4,853,380	\$7,039,040	\$6,495,887
Utility Billing Services	\$3,803,456	\$3,860,189	\$4,652,975	\$5,425,046
Vehicle Expenses	\$3,278,103	\$3,928,233	\$4,493,644	\$4,646,762
Utilities	\$7,572,276	\$7,491,258	\$8,712,888	\$11,191,699
Purchase Water	\$15,255,648	\$18,185,699	\$19,724,320	\$21,631,000
Operational Supplies	\$5,695,173	\$6,057,682	\$6,845,271	\$7,189,738
Information Technology	\$2,680,387	\$2,947,623	\$2,814,619	\$3,033,414
Debt Service	\$30,225,430	\$22,274,779	\$28,046,285	\$27,772,632
Liability/Property Insurance	\$1,725,338	\$1,869,356	\$2,420,166	\$2,373,380
Other Miscellaneous	\$1,693,065	\$2,197,723	\$2,672,821	\$2,761,923
Subrecipient Funding	\$134,734	\$2,082,009	\$0	\$0
Indirect Costs	\$13,277,358	\$13,728,728	\$14,742,023	\$16,179,227
Capital Outlay	\$429,149	\$240,626	\$97,000	\$100,000
CIP and O&M Projects	\$49,266,476	\$73,138,608	\$28,166,339	\$50,801,826
Total	\$177,141,966	\$201,434,707	\$177,011,754	\$208,918,175

Santa Rosa Water

Expenditures by Fund				
	2022 - 2023 Actual	2023 - 2024 Actual	2024 - 2025 Budget	2025 - 2026 Budget
General Fund	\$796,012	\$824,579	\$798,969	\$728,209
Capital Facilities Fee Fund	\$14,290	\$0	\$0	\$0
Capital Improvement Fund	\$389,701	\$1,081,755	\$307,634	\$25,000
Stony Ranch	\$0	\$622	\$500	\$0
Woodbridge Tax District	\$28,544	\$65	\$2,000	\$13,916
Kawana Springs 6 Special Tax D	\$1,104	\$543	\$2,500	\$0
Gardens STD 2006-1 Zone 10	\$0	\$3,887	\$27,500	\$13,000
Lantana STD 2006-1 Zone 11	\$1,568	\$22,442	\$4,500	\$4,500
Utilities Administration Fund	\$14,034,848	\$16,398,303	\$16,008,563	\$17,754,741
Water Utility Operations	\$34,370,106	\$40,883,415	\$42,641,354	\$46,023,169
Water Capital Fund	\$8,253,761	\$15,987,293	\$9,468,705	\$15,400,000
Water Demand Fee Fund	\$9,350	\$0	\$0	\$0
2018 Water Bond Debt Serv	\$628,902	\$635,073	\$709,125	\$711,375
Local Wastewater Utility Fund	\$12,165,721	\$12,874,334	\$14,180,843	\$15,937,362
Local Wastewater Capital Fund	\$9,585,284	\$13,593,422	\$3,310,000	\$14,200,000
Local Wastewater Demand Fee	\$134,925	\$47,364	\$50,000	\$0
Subregional Waste Operations	\$38,261,794	\$39,902,227	\$48,286,411	\$53,016,522
2020 Subregional Construction	\$20,498,321	\$29,171,466	\$0	\$3,165,088
2020 Subregional Bonds	\$3,634,249	\$4,776,285	\$8,374,313	\$8,450,992
Subregional Waste Capital	\$6,270,905	\$6,117,563	\$11,000,000	\$11,700,000
2018 WW Refunding Debt Service	\$3,114,227	\$616,949	\$690,525	\$688,150
2016 WW Refunding Debt Service	\$10,208,542	\$6,130,029	\$6,137,200	\$6,120,825
2014 Wastewater Debt Service	\$1,300,109	\$1,367,136	\$529,670	\$511,920
2014 Wastewater Construction	\$431,539	\$217,486	\$0	\$200,000
Storm Water Enterprise Fund	\$966,228	\$1,031,062	\$1,361,741	\$1,373,821
Storm Water -Creek Restoration	\$957,229	\$1,372,434	\$1,891,581	\$1,691,465
2002B Subregional WW Debt Svc	\$11,084,707	\$8,378,973	\$11,228,120	\$11,188,120
Total	\$177,141,966	\$201,434,707	\$177,011,754	\$208,918,175

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

Fiscal Year	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25	FY 2025-26
Full-Time Equivalent	248.50	276.00	278.00	278.00	282.00

Performance Measures

Regional Water Reuse*	2022	2023	2024
Billion gallons of wastewater treated	5.7	7.2	7
Treated wastewater recycled	100%	90.3%	88.1%
Biosolids reused	100%	100%	100%
EC inspections - Grease related food industries	738	758	337
People attending Treatment Plant Educational Tours	204	175	129
Laguna Environmental Laboratory Analytical Results	28,171	26,436	32,693
Laguna Environmental Laboratory Aliquots	16,691	15,920	18,265
Laguna Environmental Laboratory Samples Analyzed	11,535	10,510	11,976
Laguna Environmental Laboratory Total Work Orders	5,332	5,194	5,354

Santa Rosa Water

Water Supply, Distribution and Quality*			
Miles of water main in system	628	629	630
Million gallons of water purchased	4,946	4,906	5,277
Million gallons of metered water delivered	5,147	5,309	5,307
Million gallons of water produced from well	344.5	402.03	326.2
Unaccounted for water	6.3%	6.9%	N/A^
Water Main repairs	21	12	3
Gross Gallons Per Capita Per Day (GPCD)	82	83	88
Local Wastewater Collection*			
Miles of sewer main in system	597.4	598	600
Miles of sewer lines flushed	243	369	230
Miles of sewer lines rodded	3.41	3.66	3.2
CCTV inspection of sewer main miles	66	29	33
Sewer Main repairs	88	31	27
Sewer laterals repaired/replaced	47	30	34
Engineering*			
Number of water and/or sewer connection permits issued	547	232	208
Miles of water line replaced	1.58	2.32	1.11
System replaced (%) – Water Line	0.15%	0.4%	0.17%
Miles of sewer main replaced	0.9	1.24	0.85
System replaced (%) – Sewer Main	.028%	0.21%	0.14%
Water CIP projects completed	4	4	8
Wastewater CIP projects completed	0	0	5
Regional CIP projects completed	2	1	2
Storm Water and Creeks Section **			
Educational creek related activities with youth	280	212	255
Volunteer creek cleanups	126	172	198
Cubic yards of debris removed from creeks	1,134	1,085	1,160
Illicit spill discharges responded to by SW Team	125	120	83
Water Billing *			
Number of Calls	45,191	51,372	53,950
Number of Transactions for Revenue Collected	555,533	464,081	471,507
Counter Customers	1,827	5,278	6,911
^ The State requires third party validation of real losses. This additional requirement results in a delay of reporting results by one calendar year.			
*Calendar Year			
**Fiscal Year			

Santa Rosa Water

Prior FY 2024-25 Accomplishments

(Numbers on the right show relation to FY 2024-25 City Council Goals)

-
- Successfully completed the 2024 Comprehensive Water and Wastewater Rate Study Report, with City Council adopting our proposed 5-year rate structure, with rates to take effect on July 1 each year, 2025 – 2029. **2, 4, 7**
 - Installed a new SCADA network to enhance the telemetry and monitoring capabilities for our water and wastewater system. **3, 4, 7**
 - Published a new public interactive GIS map with the City's Water Service Line Inventory in compliance with the U.S. Environmental Protection Agency's new Lead and Copper Rule. To-date, no lead service lines have been identified in our service area or distribution system. **3, 4, 7**
 - Delivered \$16 million in progress on the UV disinfection improvement project at the Laguna Treatment Plant (LTP). **4, 7**
 - Adopted an update of the City's Sewer System Management Plan (SSMP). **4, 7**
 - Responded to 1,952 customer service calls related to water and local wastewater, including 706 by after-hours personnel. Received approximately 8,835 requests for USA mark-outs. Preventative maintenance was performed on 508 fire hydrants. Repaired 54 fire hydrant knockdowns and repaired 37 leaking hydrants. **4, 7**
 - Passed a balanced budget for fiscal year 2024/25. **2**
 - The Water Quality Team responded to a combination of 1,025 unique water quality customer calls and inspections and obtained 1,703 routine bacteriological samples throughout the drinking water system, with no violations of the US Environmental Protection Agency's Total Coliform Rule. **3, 4**
 - Santa Rosa Water (SRW) achieved an outstanding Sanitary Sewer Overflow (SSO) record with only 5 SSOs for 600 miles of sewer main in 2024. The regional average was 7.49 per 100 miles and the state average was 8.3 per 100 miles for the same time period. **4, 7**
 - Continued implementation of the first and second phases of the Efficient Fixtures Direct Install program. The program works with contractors to swap out and directly install ultra-high efficiency toilets and fixtures at no cost to Santa Rosa Water customers. Phase 1, funded with a \$1.5 million FY22/23 state budget earmark will conclude in June 2025, resulting in more than 1,800 package installs that will save over 1,400 acre-feet of water over the life of the project. This project increases long-term water supply reliability and provides climate benefits by reducing greenhouse gas emissions. **1, 2, 4, 6**
 - Appropriated an additional \$407,000 in funding for our Help 2 Others (H2O) low-income ratepayer assistance program. **7**
 - The Farmers Lane Well Treatment Plant produced 326.25 million gallons of potable drinking water. **7**
 - Santa Rosa Water implemented numerous outreach and education programs this fiscal year. The Hydration Station and Water Use Efficiency Teams attended 34 public events throughout the year, engaging with over 20,000 people. The Take it from the TAP! Program provided in-person education opportunities and reached over 2,000 students in schools, after school programs, and summer camps. The Water Education and Tour Program for the Laguna Treatment Plant facilitated the training of a multi-disciplinary team of Santa Rosa Water employees to increase capacity to deliver public tours. **3, 7**
 - Santa Rosa Water completed installation of the CityWorks asset management software this year, improving efficiency and data-driven decision-making capabilities across all aspects of operations, including streamlined work order management and proactive CIP planning and asset management capabilities. **3, 4, 7**
 - Water, working with TPW and Transit staff, initiated the Fleet Electrification Infrastructure Master Plan (EV Master Plan). The project is partially funded through the Federal Energy **2, 4, 6**

Santa Rosa Water

Efficiency and Conservation Block Grant Program. The City of Santa Rosa must prepare for compliance with the recently enacted advanced clean fleet and innovative clean transit rules, which require municipalities in California to pursue a rapid transition to zero-emission vehicles (ZEV) and zero-emission buses (ZRB) in their operational and transit fleets. The EV Master Plan is intended be a “roadmap” of how the city will respond to the new regulations, and a guide to help Santa Rosa consider future infrastructure investment decisions for accommodating ZEVs and ZEBs in city owned fleets and facilities. Final Report delivery to the City Council is anticipated in summer 2025.

- Maintained over 1,000 active sewer use permits for business and industries throughout the Regional system. **4, 7**
- Expanded the program with the Centers for Disease Control for monitoring viruses in wastewater to also include monitoring for drugs. We are currently monitoring for Fentanyl, Cocaine, Methamphetamine and Xylazine. **7**
- Safety and Training provided training to approximately 278 employees this year. There are 88 different job classifications with varying training requirements. The two coordinators provided approximately 4,195 training instances with anywhere from 4-19 training topics required per employee. **3**
- Staffed, prepared, and managed 47 public meetings, including Board of Public Utilities (BPU) and BPU subcommittee meetings, Water Advisory Committee, Technical Advisory Committee, Subregional Technical Advisory Committee, and the Climate Action Subcommittee. **3, 4, 6, 7**
- In 2024, staff facilitated and coordinated responses to 103 Public Record Act requests that involved Santa Rosa Water. **3, 7**
- Coordinated the Creek Stewardship Program, a partnership with Sonoma Water, which continues to raise the community’s awareness of creeks and improve water quality. Removed 1,160 cubic yards of trash and debris from waterways and the storm drain system (by City staff, volunteers, youth corps and County Probation Department). Coordinated 453 education and stewardship events. **4, 7**
- Kicked off a trash pilot program in Roseland, “Every Piece Inspires Change” (EPIC). The pilot is evaluating a suite of tactics utilizing public outreach and education to meet trash reduction requirements promulgated by the State Water Quality Control Board. **4, 7**
- Continued progress on the City’s initial Storm Drain Master Plan. Completed a first draft of the document, including an in-depth analysis of the condition of existing infrastructure, asset management planning, identification of funding and human resource needs, and funding options. **4, 7**

Looking Ahead

Financial Planning – Santa Rosa Water completed the 2024 Comprehensive Water and Wastewater rate study and report. The report and rate recommendation were adopted by City Council at a public hearing at the April 1, 2025, council meeting. The rates are scheduled to take effect July 1 each year, 2025-2029 with increases of 6%, 6%, 6%, 7% and 7% for Water and 5 years of 5% increases for wastewater. In addition, City Council authorized the re-introduction of the pass-through in July 2026 to account for the annual increases to the Sonoma Water wholesale rate for deliveries on the Santa Rosa aqueduct. The re-introduction of the wholesale pass-through will ensure that Santa Rosa’s ratepayers are only absorbing the actual increases in the wholesale rate, while also protecting Santa Rosa Water from having to absorb unforeseen rate spikes utilizing fund balance. The rate study and adopted rates allow Santa Rosa Water to deliver increased CIP appropriations over the next 10 years, to ensure the resiliency of our infrastructure and achieve our annual target CIP appropriations of \$34 million in the Water Enterprise and \$42 million in the Wastewater Enterprise by 2035.

Laguna Treatment Plant – Santa Rosa Water is revitalizing the tour program at the Laguna Treatment Plant (LTP), including a staff training program and an educational signage plan for the facility. This project

Santa Rosa Water

will strengthen our outreach efforts to educate our local community about the value and benefit of wastewater treatment and beneficial reuse. The re-vamped tour program is anticipated to launch in Fall 2025. As LTP continues to age, significant capital replacement and investment will be needed. The \$68 million Ultraviolet (UV) Disinfection Replacement Project at LTP is nearing completion and is on track for startup and commissioning by late 2025. The new UV system offers multiple benefits, including an anticipated savings of over \$440,000 per year in electrical costs and improved system reliability and resiliency. As the construction phase of the Project wraps up, operational staff will be training on the unique aspects of the new system while developing system specific standard operating procedures. The next major construction effort will be the Electrical System Upgrade at LTP, with focus on final design and initiation of equipment procurement in FY 2025/26. Staff will also be updating the Regional System Master Plan to refresh prioritization of infrastructure needs and better inform the annual Capital Improvement Program budget process.

Local Water and Sewer Operations - With projections for continued rising costs of our wholesale water supply, Santa Rosa Water continues to analyze the performance of our two production wells and the drinking water treatment facility at Farmers Lane. Maximizing productivity and increasing efficiency decreases the annual cost of purchasing water. Santa Rosa Water anticipates achieving annual cost savings of \$500,000 - \$1,000,000 from these assets, based on the current cost comparison of purchasing water from our wholesale supplier. Santa Rosa Water is able to produce high quality drinking water for our residents at roughly one third of the cost of purchasing water from our wholesaler.

Regulatory Permit Renewal for the City of Santa Rosa's Municipal Separate Storm Sewer System (MS4) NPDES Permit (Storm Water Permit) – Santa Rosa Water submitted a new Report of Waste Discharge (ROWD) in 2020 which was the first step in renewing the Storm Water Permit. This ROWD highlights the City's results from the previous permit term and identifies changes that the City would like to see in the next permit. City staff are meeting regularly with the Regional Board staff to provide feedback on various elements of the new MS4 NPDES permit and are anticipating seeing a draft permit by the end of 2025. In general, the cost of implementing the Storm Water Permit has increased each permit term, with changes to development requirements to install green infrastructure as a part of development projects which the City is required to inspect and track in perpetuity, increased costs related to greater amounts of water quality monitoring, and new requirements to control pollution sources such as trash, pathogens, sediment and nutrients, all of which are just a few examples of ways that the new Storm Water Permit may become more expensive to implement.

Asset Management - As part of the Citywide initiative, the Asset Management Software is proving to be a valuable tool for several departments—including Santa Rosa Water, Public Works, and Parks and Recreation—by supporting more informed and strategic decision-making. Through its robust features in metrics tracking, work management, and resource scheduling, Cityworks is helping to optimize asset lifecycle maintenance while improving our ability to forecast future needs for Capital Improvement Planning (CIP) and procurement budgeting. We are exploring opportunities to expand the software's use to additional departments, with potential applications in citizen service request management, inventory, and replenishment, and incorporating additional cost factors such as PG&E meters, vehicle usage, and contractor invoicing and monitoring. Cityworks continues to offer significant potential to support the City of Santa Rosa's forward-looking goals and operational excellence. Additionally, staff continues to improve, refine, and document its Asset Management protocols and procedures to ensure Santa Rosa Water's infrastructure continues to meet the City's needs in a fiscally responsible matter.

Water Use Efficiency – SRW is implementing phase 2 of our grant funded Direct Install Water Use Efficiency Project. When completed the second phase will have installed approximately 2,500 new high efficiency toilets, showerheads, and bathroom and kitchen faucet aerators on a first-come, first-served basis. This program will achieve over 2,272 acre-feet of water savings over the expected lifetime of these devices. To date, staff have coordinated the installation of 440 packages as part of this second phase of

the project. We anticipate that this phase will be complete by September 2026, the deadline for the expenditure of program funds.

Regulatory Permit for the Laguna Wastewater Treatment Plant – The Laguna Wastewater Treatment Plant and Water Reclamation System (LTP) was issued a National Pollutant Discharge Elimination System (NPDES) Permit (LTP Permit) in October of 2020. The permit required Santa Rosa Water to complete and submit to the North Coast Regional Water Quality Control Board a Report of Waste Discharge (ROWD) in August 2024. The ROWD is the first step in renewing our NPDES Permit for LTP and the ROWD was completed in June 2024, and we anticipated working with the North Coast Regional Water Quality Control Board on the issuance of the new permit in FY 2025-26. In addition, the City will continue to develop projects to meet the “phosphorus no-net load” provision in our current permit. We currently have 11,600 credits and anticipate this requirement will continue in our next permit.

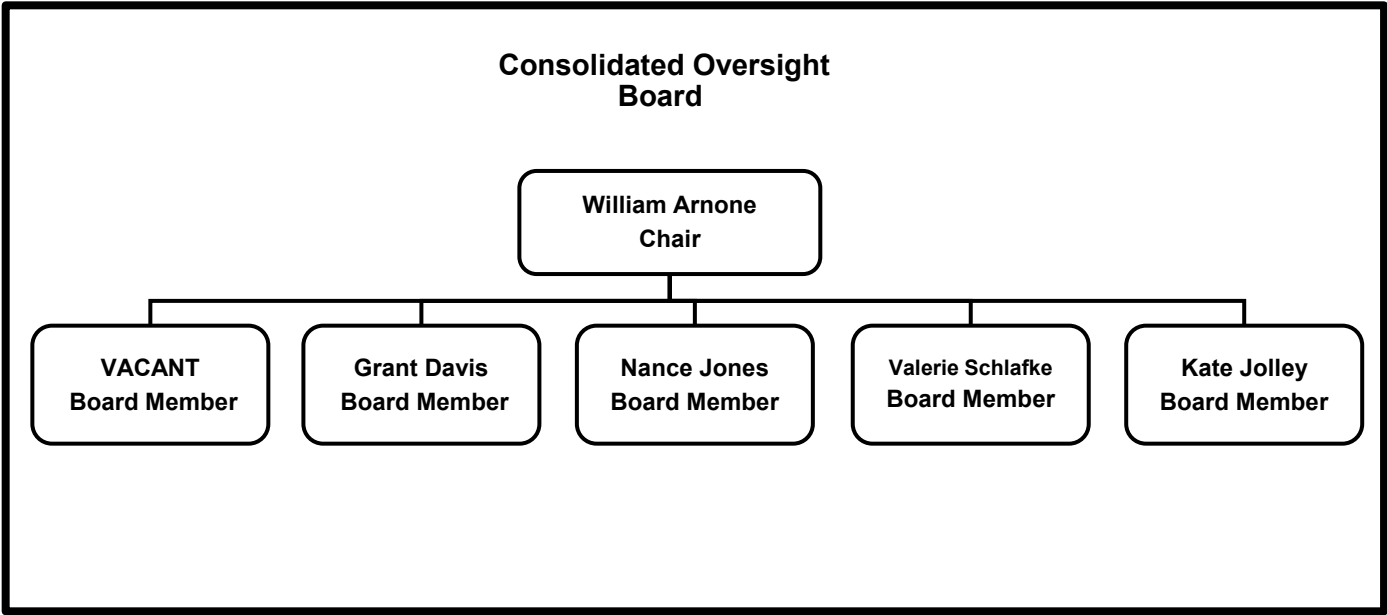
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Successor Agency to the Former Redevelopment Agency

Description

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

Per the Health and Safety Code 34179, all individual successor agencies' boards in Sonoma County were consolidated into a single oversight board on July 1, 2018. The Sonoma County Auditor/Controller's office delegated the staffing of the board to the Sonoma County Community Development Commission with board members made up of representatives throughout the County. The City remains in its role as Successor Agency but now submits items such as the annual Recognized Obligation Payment Schedules (ROPS) to the Consolidated Oversight Board.



Strategic Goals and Initiatives for FY 2025-26

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

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

1

Successor Agency to the Former Redevelopment Agency

Major Budget Changes

The FY 2025-26 Successor Agency budget is \$3.0M, decreasing (\$238K), or (7.28%), over the prior year's adopted budget. This decrease is primarily due to funding no longer being needed for Successor Agency RDA administrative support, within the Professional Services expenditure category.

Budget Summary

Expenditures by Program				
	2022 - 2023 Actual	2023 - 2024 Actual	2024 - 2025 Budget	2025 - 2026 Budget
Successor Agency	\$3,046,653	\$3,051,723	\$3,268,453	\$3,030,639
Total	\$3,046,653	\$3,051,723	\$3,268,453	\$3,030,639

Expenditures by Category				
	2022 - 2023 Actual	2023 - 2024 Actual	2024 - 2025 Budget	2025 - 2026 Budget
Salaries	\$0	\$1,061	\$5,000	\$1,100
Benefits	\$0	\$746	\$3,639	\$684
Professional Services	\$25,992	\$30,602	\$244,361	\$8,500
Debt Service	\$3,020,661	\$3,019,314	\$3,015,453	\$3,015,692
Indirect Costs	\$0	\$0	\$0	\$4,663
Total	\$3,046,653	\$3,051,723	\$3,268,453	\$3,030,639

Expenditures by Fund				
	2022 - 2023 Actual	2023 - 2024 Actual	2024 - 2025 Budget	2025 - 2026 Budget
SA RDA Obligation Retirement Fund	\$3,046,653	\$3,051,723	\$3,268,453	\$3,030,639
Total	\$3,046,653	\$3,051,723	\$3,268,453	\$3,030,639

Prior FY 2024-25 Accomplishments

(Numbers at right show relation to FY 2024-25 City Council Goals)

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

2

Transportation & Public Works

Mission

Provide safe movement throughout the City and responsible stewardship of the public infrastructure to enhance our City's vibrant quality of life.

Department Description

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

Traffic Engineering and Electrical - Traffic Engineering is responsible for managing the placement and maintenance of street signs and striping throughout the City's 514 centerline street miles. The team's goal is to provide effective and efficient transportation facilities for pedestrians, bicycles, and vehicles. The Traffic team programs and maintains traffic signal timing to ensure safe and efficient traffic flow. The Transportation Planning team develops and manages the long-term transportation strategy for the City while monitoring and managing regional, state, and federal funding opportunities. Electrical Maintenance maintains traffic signals, streetlights, and electrical systems in City-owned facilities; Materials Engineering and Facilities Maintenance are described below.

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

Capital Projects Engineering - Responsible for the design and construction of projects to rehabilitate, upgrade and expand the City's public infrastructure. Engineering and technical staff in this division are committed to enhancing water, sewer and drainage systems, transportation networks, parks, and other City facilities to protect public health and safety, as well as the environment. This division includes our Materials Lab, which is Responsible for quality assurance of materials used to construct City roadway projects, including those constructed by private developers. Services provided include asphalt plant inspection and sampling, laboratory and field testing, and pavement engineering. The team is also responsible for maintaining the Citywide Pavement Management Program as required by the Metropolitan Transportation Commission (MTC) and helps establish the annual roadway repaving plan.

Field Services - Fleet Services maintains and replaces the City's fleet vehicles and equipment. Fleet Services keeps a detailed database of required maintenance and maintenance histories for each piece of equipment in the City's program, as well as a replacement program to ensure the safety and sustainability of the City's vehicle fleet. Street Maintenance maintains most street assets including pavement, sidewalk, curb and gutter, storm drain system, creeks, ditches, pedestrian ramps, signs, and markings. This group also is responsible for debris and dead animal pick-up and removal, as well as removing graffiti from public spaces.

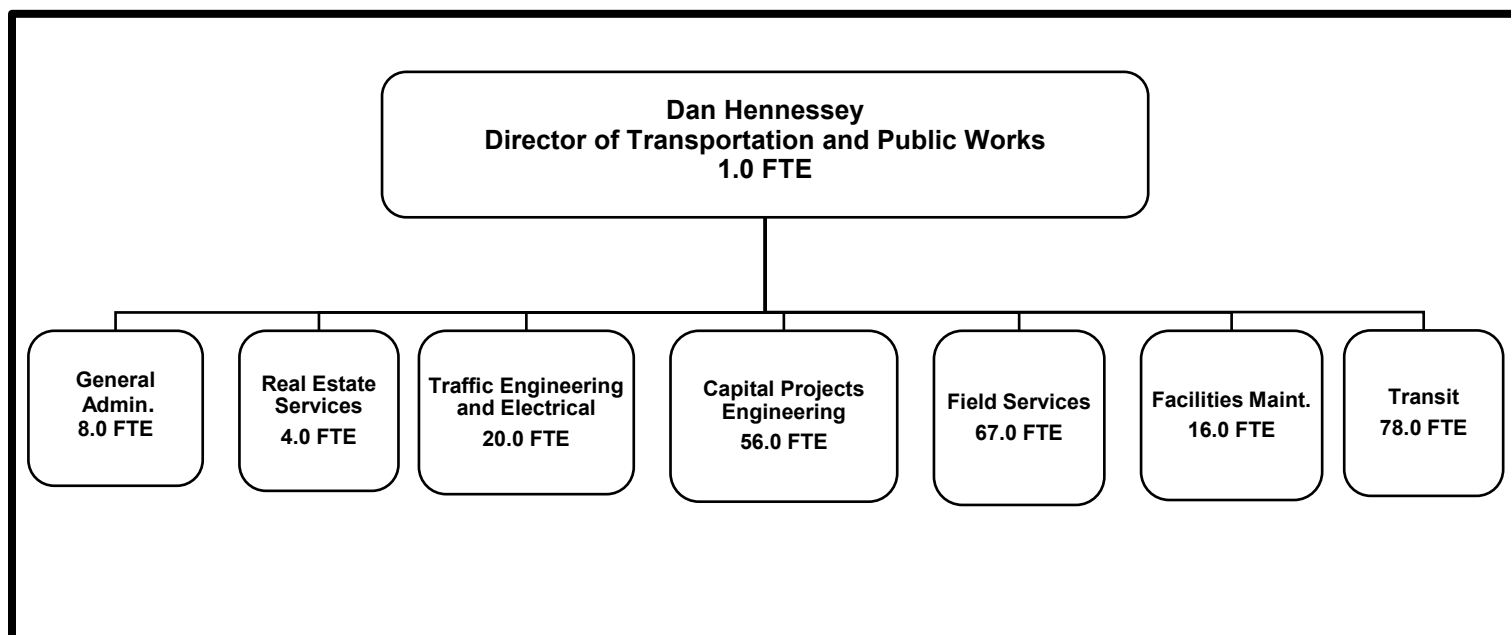
Real Estate Services - The Real Estate Services (RES) team is responsible for all citywide real estate functions, including property acquisitions, surplus property sales, right-of-way management, and the development of City-owned sites. RES provides comprehensive real estate and right-of-way services to all City departments, overseeing a portfolio of more than 1,800 City-owned properties and managing over 90 active leases. In addition to acquisitions, sales, and leasing activities, RES handles all right-of-way functions critical to the City's Capital Improvement Projects. In recent years, the team has played a key role in

Transportation & Public Works

advancing the City's economic development goals by collaborating across departments to execute exclusive negotiation agreements, disposition and development agreements, and by providing detailed financial analyses and proformas for City-owned properties. These efforts have supported revitalization of the downtown core and facilitated low-income housing developments throughout the City.

Transit - The Transit Division manages and operates Santa Rosa City Bus, providing fixed-route bus service throughout Santa Rosa, and Santa Rosa Paratransit, the City's Americans with Disabilities Act (ADA) curb-to-curb paratransit service. The Division operates the Downtown Transit Mall (a regional hub served by four transit operators), coordinates services with transit partners including SMART, Sonoma County Transit, and Golden Gate Transit, administers several free and reduced fare programs, and conducts a range of marketing, outreach, and travel training activities to promote transit use.

FTE by Program



Strategic Goals and Initiatives for FY 2025-26

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

- Focus on implementing Vision Zero strategies by reducing speed limits via AB43 and AB1938 allowances and key safety, bicycle, and pedestrian infrastructure. 1, 2, 3, 4
- Implement Class IIB and Class IV bicycle infrastructure in tandem with Pavement Maintenance Projects and Active Transportation Plan priorities 1, 2, 3, 4
- Improve our traffic signal detection systems to create more efficiency in operations for the public 1, 2, 3, 4
- Identify, assess, and designate City-owned properties not required for operational use as surplus, preparing them for sale or alternative productive uses. 1, 2, 3, 4
- Actively promote and negotiate development agreements for City-owned properties to advance housing opportunities and support broader economic development goals. 1, 2, 3, 4
- Continue to rebuild and electrify the transit fleet by taking delivery of 12 new battery-electric buses to replace diesel buses. 1, 3, 4
- Work with partners from Sonoma County Transit, Golden Gate Transit, Petaluma Transit, and Marin Transit to implement the Marin-Sonoma Coordinated Transit Service Plan (MASCOTS). 1, 3, 4

Transportation & Public Works

- Continue to execute on prioritized Capital Projects for each department and support City's public outreach communications and community engagement efforts on Capital Improvement Program. 1, 2, 3, 4
- Complete Design portion of Design-Build contract for the Hearn Community Hub Phase 1 project. 1, 2, 3, 4
- Bid and begin construction on US-101 Bicycle and Pedestrian Overcrossing. 1, 2, 3, 4
- Move additional Parks projects forward by streamlining finances and committing to specific projects. 1, 2, 3, 4
- Combine Streets and Parks maintenance efforts to be able to more quickly and capably respond to citizen requests and specifically identified issues. 1, 2, 4

Major Budget Changes

The Transportation & Public Works (TPW) budget is funded by four major sources: The General Fund, the Capital Improvement Fund, the Transit Enterprise Funds, and the Equipment Repair and Replacement Internal Service Funds. The total budget for FY 2025-26 is \$94.1M, an increase of \$6.9M, or 7.9%, in comparison with prior year's adopted budget. A major contributor to this increase is Salaries and Benefits and uncontrollable costs such as Fleet Maintenance and Repairs.

The General Fund budget makes up 30% of the department's total budget and increased by \$432K to \$27.8M in comparison to the FY 2024-25 adopted budget. In an effort to reduce costs, the department eliminated the following positions mid-year FY 2024-25: 2 FTE Administrative Technician, 1 FTE Senior Administrative Assistant, 1 FTE Civil Engineer Technician, 3 FTE Civil Engineer Technician, and 2 Skilled Maintenance Workers – Streets. To meet targeted General Fund reductions for FY 2025-26, 1 FTE Facility Maintenance Operations Coordinator and 1 FTE Zero Waste Coordinator were also eliminated. At the beginning of FY 2024-25, all bargaining units agreed to cost-of-living adjustments for a term of three years. The resulting percentage increase is reflected in the Salaries and Benefits cost for FY 2025-26. General Fund Salaries and Benefits increased by \$382K, or 4.1%. Services and Supplies decreased (\$75K) as the continued effort to reduce costs.

The Equipment Repair and Replacement Internal Service Funds increased by \$2.3M over the prior year. This is attributable to an \$819K increase in the Replacement Fund, which aligns the budget with the vehicle replacement schedule outlined in the City's fleet replacement program. The funding source for the increase is from the fund balance of the Replacement Fund which collects from departments in advance. Additionally, the Equipment Repairs Fund increased by \$1.5M, with \$688K attributed to increases in Salaries & Benefits. Services and Supplies rose by a total of \$1.2M, including \$276K due to higher cost for repair parts and \$350K for services and repairs performed by outside specialized vendors. The remaining difference is the result of modest increases in numerous services and supplies line items.

The Transit Enterprise Fund budget is \$19.3M, an increase of \$2M, or 11.8% over the FY 2024-25 adopted budget. Salaries & Benefits grew by \$985K or 17.9%. The increase is attributed to annual cost-of-living adjustments, overtime pay to maintain service levels, and miscellaneous salary cost, including uniform allowance. Additionally, uncontrolled cost for Worker's Compensation, health insurance, and CalPERS retirement benefits also increased.

Transportation & Public Works

Budget Summary

Expenditures by Program				
	2022 - 2023 Actual	2023 - 2024 Actual	2024 - 2025 Budget	2025 - 2026 Budget
General Administration	\$1,460,104	\$1,586,034	\$2,327,423	\$1,870,551
Transit	\$13,563,517	\$14,862,852	\$17,223,973	\$19,253,725
Real Estate Services	\$644,186	\$480,770	\$726,448	\$820,824
Capital Projects Engineering	\$2,801,866	\$3,087,306	\$3,586,359	\$3,342,862
Facilities	\$5,649,829	\$5,659,212	\$5,832,445	\$6,095,198
Materials Engineering	\$676,449	\$632,778	\$779,523	\$787,782
Regional Parks	\$4,670,880	\$132,894	\$0	\$0
Zero Waste Operations	\$262,921	\$246,377	\$276,597	\$0
Traffic	\$1,679,569	\$1,926,133	\$1,890,211	\$2,081,229
Field Services	\$23,513,818	\$25,253,412	\$35,242,231	\$38,236,054
CIP and O&M Projects	\$37,621,374	\$40,874,668	\$19,317,284	\$21,564,869
Total	\$92,544,513	\$94,742,436	\$87,202,494	\$94,053,094

Expenditures by Category				
	2022 - 2023 Actual	2023 - 2024 Actual	2024 - 2025 Budget	2025 - 2026 Budget
Salaries	\$16,087,183	\$15,404,709	\$17,847,212	\$19,355,514
Benefits	\$10,613,073	\$10,235,753	\$12,045,858	\$12,310,276
Professional Services	\$2,938,527	\$2,173,614	\$2,116,399	\$2,017,428
Vehicle Expenses	\$4,676,887	\$5,802,895	\$5,895,431	\$6,679,329
Utilities	\$4,387,164	\$3,818,379	\$4,233,901	\$4,291,424
Operational Supplies	\$2,736,535	\$3,684,381	\$3,138,046	\$3,226,610
Information Technology	\$1,293,531	\$1,274,718	\$1,404,013	\$1,471,734
Debt Service	\$0	\$4,845	\$0	\$0
Liability/Property Insurance	\$442,310	\$400,641	\$507,052	\$465,397
Other Miscellaneous	\$1,025,138	\$1,221,884	\$1,003,666	\$1,335,241
Transportation Purchase	\$1,462,279	\$1,671,018	\$1,825,000	\$2,710,320
Indirect Costs	\$1,685,413	\$1,759,511	\$1,845,741	\$1,984,817
GF Admin Cost Plan	\$2,710,332	\$3,038,007	\$2,522,891	\$2,640,135
Capital Outlay	\$4,864,767	\$3,377,413	\$13,500,000	\$14,000,000
CIP and O&M Projects	\$37,621,374	\$40,874,668	\$19,317,284	\$21,564,869
Total	\$92,544,513	\$94,742,436	\$87,202,494	\$94,053,094

Transportation & Public Works

Expenditures by Fund

Funding Source	2022 - 2023 Actual	2023 - 2024 Actual	2024 - 2025 Budget	2025 - 2026 Budget
General Fund	\$29,387,959	\$26,292,425	\$27,326,861	\$27,758,765
AB 434 Funds (Transit)	\$283,045	\$161,275	\$0	\$0
ARPA Federal Stimulus	\$333,236	\$89,236	\$0	\$0
Gas Tax Fund, 2107 & 2107.5	\$0	\$0	\$0	\$396,254
Measure M	\$0	\$0	\$0	\$1,373,094
Utilities Administration Fund	\$1,031,670	\$1,226,306	\$1,521,406	\$1,399,419
Municipal Transit Fund	\$11,988,091	\$13,055,380	\$15,248,046	\$16,500,811
Transit Capital Fund	\$5,036,431	\$2,144,451	\$0	\$0
Paratransit Operations	\$1,575,426	\$1,807,472	\$1,975,927	\$2,752,914
Storm Water Enterprise Fund	\$558,691	\$572,664	\$630,229	\$625,633
Equipment Repair	\$5,497,625	\$7,153,335	\$6,969,463	\$8,468,218
Equipment Replacement Fund	\$5,354,847	\$4,471,375	\$14,735,278	\$15,554,465
Utility Impact Fee Fund	\$0	\$0	\$0	\$750,057
Capital Improvement Fund	\$31,497,492	\$37,768,517	\$18,795,284	\$18,473,464
Total	\$92,544,513	\$94,742,436	\$87,202,494	\$94,053,094

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

Fiscal Year	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25	FY 2025-26
Full-Time Equivalent	287.00	288.00	292.00	261.00	250.00

Performance Measures

Fleet Services	2022*	2023*	2024*
Mechanic productivity: goal 1,500 hours/mechanic/year	1,328	1,456	1,518
Vehicle Downtime: goal under 5%	3.1%	4.0%	7.6%
Preventive Maintenance Performed On-time: goal 90%	61%	56%	58%
Scheduled versus Non-Scheduled Repairs: goal (60% or higher) versus (40% or lower)	67.3%/32.7%	67.2%/32.8%	66.5%/33.5%
Annual Parts Inventory Turn (annual sales/inventory value): goal 4-6	2.9%	3.3%	4.1%
Parts Fill Rate: goal 90% within 24 hours	94.2%	87.1%	91.5%

* Calendar Year

Transportation & Public Works

Travel Time Along 5 Major Arterial Streets (PM Peak)	FY 2022-23	FY 2023-24	FY 2024-25
College/West College Avenue Cleveland Avenue to 4 th Street	3:31	4:49	4:06
Guerneville Road/Steele Lane Range Avenue to Illinois Street/County Center Drive	1:59	2:26	3:06
Mendocino Avenue College Ave to Steele Lane	3:30	3:19	3:12
Santa Rosa Avenue Baker Overcrossing to Yolanda Avenue	2:44	3:57	3:16
Stony Point Road West College Avenue to Hearn Avenue	9:50	10:11	9:34

Collision Statistics (Calendar Year)	2022	2023	2024
Traffic-Related Fatal Crashes on City-Owned Streets	6	1	4
Traffic-Related Fatalities on City-Owned Streets	6	1	4
Traffic-Related Serious Injury Crashes on City-Owned Streets	43	30	34
Traffic-Related Serious Injuries on City-Owned Streets	56	31	36
Comprehensive Cost of Serious Injury/Fatal Crashes	\$118M	\$42.5M	\$84M
Five-Year Total of Fatal Crashes on City-Owned Streets	23	17	16
Serious Injury/Fatal Crashes involving a Pedestrian or Cyclist	17	16	16

Commute Statistics (Census Data)	2021	2022	2023
Commute to Work – Drove Alone	67.4%	73.4%	70.9%
Commute to Work – Transit, Walk, or Bike	4.5%	4.2%	2.5%
Commute to Work – Work from Home	15.8%	10.7%	12.0%
Work and Live in Santa Rosa	58.4%	57.1%	57.4%
Mean Travel Time to Work (minutes)	24.2	21.9	23.4

Capital Projects Engineering	2022	2023	2024
Number of New Projects Bid	17	13	9
Total Value of New Projects Bid (Engineers Estimates)	\$116.4M	\$48.6M	\$42.7M
Notices of Completion Filed	9	5	12

Transit	FY 2022-23	FY 2023-24	FY 2024-25
Fixed-Route Ridership	1,288,970	1,419,472	1,500,000*
Fixed-Route Passengers/Revenue Hour	18.9	20	21
Fixed-Route On-time Trips	82%	78%	88%**
Paratransit Ridership	26,015	28,425	29,698*
Paratransit Passengers/Revenue Hour	1.81	1.77	1.59
Paratransit On-time Trips	99.9%	99.8%	99.5%

* Projected

** Defined as % of trips beginning service on-time

Transportation & Public Works

Prior FY 2024-25 Accomplishments

(Numbers at right show relation to FY 2024-25 City Council Goals)

- Speed reductions implemented on over 30 roadway segments according to AB43 and AB1938 1, 2, 4, 6, 7
- Installed over 3 miles of new bike lanes and buffered bike lanes within the City 1, 2, 4, 6, 7
- With our Facilities and Electrical crews, we installed 7 Rectangular Rapid Flashing Beacons to enhance pedestrian crossings 1, 4, 6, 7
- Removed 4,226 graffiti tags 1, 3, 4, 7
- Removed 1,960 cubic yards of debris from the public ROW (12 percent increase) 1, 3, 4, 7
- Filled 8,816 potholes (up 16 percent) 1, 3, 4, 7
- Purchased 4 BEV vehicles and 35 hybrid police vehicles (doubled previous year investment in electric vehicles) 2, 3, 4, 6, 7
- Completed purchase of Southeast Greenway property from the State 1, 4, 6, 7
- Completed acquisitions for the Bicycle and Pedestrian Overcrossing 1, 4, 6, 7
- Surplus City-owned property no longer needed for operational use 1, 2, 5
- Projected 6% year-over-year increase in CityBus ridership 1, 4, 6, 7
- Completed rehabilitation of the Transit Mall Roadbed and related facility upgrades 1, 4, 6, 7
- Implemented prototype MTC Regional Mapping and Wayfinding signage in the Transit Mall 1, 4, 6, 7
- Prioritized CIP projects based on known Council goals related to a healthy and safe community for all, economic vibrancy, sustainable infrastructure, and climate change. 1, 2, 4, 6, 7
- Complete update to the Active Transportation Plan. 1, 2, 4, 6, 7
- Implemented a shared mobility program through Redwood Bike Share. 1, 4, 6, 7
- Identified high waste generators and provide technical assistance with a goal of reducing the overall volume of garbage. 3, 6, 7
- Invest in and maintain city-owned facilities, roads, electrical and mechanical systems, and water and wastewater infrastructure. 1, 2, 4, 6, 7
- Executed a Design-Build contract for the Hearn Community Hub Phase 1 project. 1, 3, 4, 6, 7

Transportation & Public Works

Looking Ahead

Traffic Engineering will be focusing on implementing projects prioritized in the Active Transportation Plan recommendations, as well as working through pavement maintenance projects on streets that can be reconfigured to provide multimodal access for the community as part of paving and slurry projects.

Facilities has a challenging role maintaining aging buildings with little funding for preventative maintenance.

The Field Services division has invested in new equipment, technologies, and training to maintain and increase productivity with fewer personnel. Ongoing training remains a core focus, with new team members rotating through various crews to build a diverse skill set. A recent restructuring effort successfully reinstated the Special Projects Crew, and further restructuring with the addition of Parks Maintenance will allow for additional capacity in times of special need. The Fleet division is modernizing equipment and tools within the facility, and the fleet telematics program is instrumental in identifying underutilized vehicles. Reducing greenhouse gas emissions is a key element of the vehicle replacement strategy, and the team is evaluating hybrid and electric vehicle options to ensure they align with operational needs.

The Real Estate Services Division will focus on identifying, assessing, and surplusing City-owned properties that are no longer needed for operational purposes, positioning them for sale or strategic reuse. We will continue to promote and negotiate development agreements on City-owned properties to support the City's housing production goals and drive economic development. Additionally, the team partners closely with the Economic Development Division to support business attraction efforts.

The Transit division will continue to improve Santa Rosa CityBus service by replacing 12 aging diesel buses with new battery-electric buses and partnering with transit operators in Marin and Sonoma Counties to implement the Marin-Sonoma Coordinated Transit Service Plan (MASCOTS). The Division will continue to coordinate with SCTA, Sonoma County Transit, and Petaluma Transit on implementation of Sonoma County Transit Integration and Efficiency Study (TIES) recommendations. During FY25-26 the Division will also initiate several grant-funded activities to improve passenger amenities at transit hubs and bus stops.

The Capital Projects team has almost 40 projects to bid by the end of June 2026, including 21 Santa Rosa Water projects, 12 transportation projects, and 7 parks projects. These efforts will include several high-profile projects and key efforts for City Council, including Calistoga Road repaving and water improvements, Llano Trunk rehabilitation, Bennett Valley Golf Course irrigation pond, improvements at Roseland Creek Park, Hopper Avenue fire recovery project, and the US-101 Bicycle and Pedestrian Overcrossing. Materials Engineering is investigating Artificial Intelligence (AI) aids through a grant award to test AI grading of our street network pavement conditions; if successful, it could be a significant cost savings for the department.

Policies

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

CONTINGENCY RESERVE POLICIES

General Fund

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

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

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

Equipment Repair Fund

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

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

Storm Water Utility Fund

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

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

Insurance Internal Service Fund

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

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

Policies

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

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

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

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

Information Technology Internal Service Fund

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

Parking Reserve Fund

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

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

Bennett Valley Municipal Golf Course Reserve Fund

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

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

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

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

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

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

Discretionary Reserves

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

Capital Replacement Reserves

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

Catastrophic Reserves

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

Rate Stabilization Reserves

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

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

Designated or Restricted Reserves

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

Policies

Homeless and Affordable Housing Policy

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

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

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

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

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

Community Promotions Funding Policy

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

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

All requested background material shall be submitted to the City no later than March 1 in order that it is given proper consideration within the City's established budget process. The organization must show, by submitting evidence satisfactory to the Council, that it is not asking the City to be the sole support of the project or activity which the organization seeks to finance and that the activity is reflective of the goals of the City.

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

Investment Policy

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

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

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

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

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

Debt Management and Disclosure Policy

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

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

Policies

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

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

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

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

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

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

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

Gann (Appropriations) Limit

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

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

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

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

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

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

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

Multiplied by either

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

Or

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

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

Gann (Appropriations) Limit

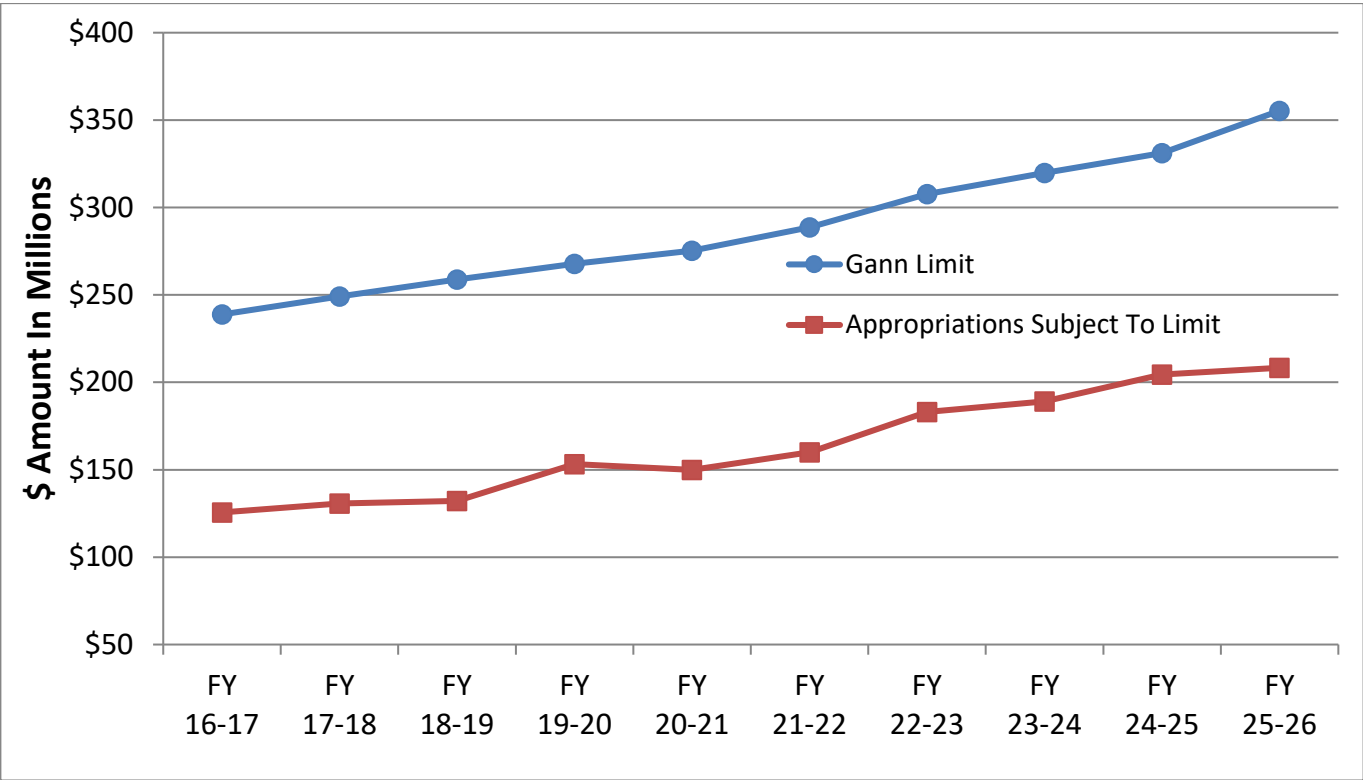
In May 2025, the California State Department of Finance notified cities of the population change and the per capita personal income factor to be used to determine the appropriation limit. Using the change in per capita income method, the calculation as applied to the City of Santa Rosa for FY 2024-25 is:

- The change in the California per Capita Income for FY 2025-26 is 6.44%.
- The percent population change of the City of Santa Rosa from Jan. 1, 2024, to Jan. 1, 2025, is 0.8%.

The factor for determining the year-to-year increase computed as:

$$\frac{6.44 + 100.00}{100.0} \times \frac{0.8 + 100.00}{100.00} = 1.0729$$

Applying the year’s factor of 1.0729 to last year’s limit of \$331,203,000 the Gann limit for FY 2025-26 is \$355,353,000. With appropriations subject to the limitation totaling approximately \$208,313,000, the City of Santa Rosa is not at risk of exceeding the Gann limit.



Glossary

Accrual: The process of recording income or expenses on the financial statements when they occur, rather than when payment is made or received.

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

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

Advanced Life Support (ALS): The name given to a Fire Engine company when its staff includes a Paramedic and paramedic medical supplies.

American Recovery & Reinvestment Act (ARRA): An act established by the federal government in February 2009 whose intent is to create and save jobs, spur economic activity, and focus on long-term growth through the funding of various projects and initiatives.

Americans with Disabilities Act (ADA): The Federal act prohibiting discrimination against people with disabilities in employment, transportation, public accommodation, communications, and governmental activities.

Annual Operating Contingency: An account, used at the discretion of the City Manager, to fund emergency or extraordinary items.

Appropriation: An authorization by the City Council to make expenditures and to incur obligations for a specific purpose within a specific time frame.

Assessed Valuation: A dollar value placed on real estate by counties as a basis for levying property taxes.

Audit: Scrutiny of the City's accounts by an independent auditing firm to determine whether the City's financial statements are fairly presented in accordance with generally accepted accounting principles.

Balanced Budget: The budget for a fund is balanced when total budgeted resources, including revenues, transfers in from other funds, and unallocated fund balance from the previous

years, meet or exceed total budgeted uses of resources, including expenditures and transfers out to other funds.

Base Budget: Under traditional budgeting, the base budget is that amount carried over from one year to the next. Each year, approved amounts may be added or reduced from the base budget.

Basic Life Support (BLS): The name given to a Fire Engine company when its staff includes an Emergency Medical Technician (EMT), who is more limited than a Paramedic in the medical services they can provide based on their training.

Beginning Balance: Unencumbered resources available in a fund from the prior fiscal year after payment of prior fiscal year expenditures.

Bond: Capital raised by issuing a written promise to pay a specified sum of money, called the face value or principle amount, with interest at predetermined intervals.

Budget: A fiscal plan of financial operation listing an estimate of proposed allocations or expenditures and the proposed means of financing them. The budget must be approved by the City Council prior to the beginning of the fiscal year.

Budgetary Basis: This refers to the basis of accounting used to estimate financing sources and uses in the budget. This generally takes one of three forms: Generally Accepted Accounting Principles (GAAP), cash, or modified accrual.

Business Tax: A tax levied on persons or companies doing business in Santa Rosa, based on gross receipts, which must be renewed each year.

California Public Employees' Retirement System (CalPERS): The retirement system, administered by the State of California, to which all permanent City employees belong.

Capital Asset: Land, infrastructure, and equipment that are used in operations that have initial useful lives of at least five years. The City has set the capitalization threshold for reporting

Glossary

infrastructure capital assets at \$50,000 and for all other capital assets at \$5,000.

Capital Improvement Program (CIP): The five-year financial plan for improving assets and integrating debt service and capital assets maintenance, adopted in a separate budget document and updated every year.

Certificates of Participation (COPs): A lending agreement secured by a lease on the acquired asset or other assets of the City.

Certified Unified Program Agency (CUPA): A program that provides information regarding hazardous materials to emergency responders and the general public.

Citizens Organized to Prepare for Emergencies (COPE): A citizen/City partnership group whose mission is to help residents, families, and neighborhoods become and remain better prepared to respond to and recover from emergency situations.

Community Advisory Board (CAB): A Board appointed by the City Council to represent views and ideas from a broader community on issues of interest to the Council, such as public safety, capital improvement priorities, development issues, etc.

Community Helping Our Indispensable Children Excel grant (CHOICE grant): Measure O funded grants given to organizations offering specific gang prevention and intervention related services in targeted areas of Santa Rosa.

Consumer Price Index (CPI): A measure estimating the average price of consumer goods and services purchased by households. A consumer price index measures a price change for a constant market basket of goods and services from one period to the next within the same area (city, region, or nation).

Customer Information System (CIS): Automated customer management software which provides customer support, account management, billing, and collections for water and wastewater services, used by the City's Utility Billing staff. The CIS system was implemented in FY 2009-10.

Debt Service: Payment of the principle and interest on an obligation resulting from the

issuance of bonds, notes, or certificates of participation (COPs).

Debt Service Fund: A fund established to finance and account for the payment of interest and principal on all general obligation debt, other than that payable exclusively from special assessments and revenue debt issued for and serviced by a governmental enterprise.

Deficit: An excess of expenditures over revenues (resources).

Department: An organizational unit comprised of divisions or functions. It is the basic unit of service responsibility encompassing a broad mandate of related activities.

Emergency Medical Service (EMS): Paramedic and medical service provided by the Santa Rosa Fire Department.

Encumbrances: A legal obligation to pay funds for expenses yet to occur, such as when a purchase order has been issued but the related goods or services have not yet been received. They cease to be encumbrances when the obligations are paid or terminated.

Enterprise Fund: A type of fund established for the total costs of those governmental facilities and services which are operated in a manner similar to private enterprise. These programs are entirely or predominantly self-supporting through user charges. The City has a number of enterprises such as the Utilities and Transportation and Public Works departments. May also be referred to as Proprietary Funds.

Environmental Impact Report (EIR): An assessment of the likely influence a project might have on the environment.

Expenditure: The actual spending of governmental funds.

Fair Political Practices Commission (FPPC): A bi-partisan independent commission whose mission is to promote the integrity of the representative state and local government in California through fair, impartial interpretation and enforcement of political campaigns, lobbying, and conflict of interest laws.

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Fiscal Year: A twelve-month period of time to which a budget applies. In Santa Rosa, it is July 1 through June 30.

Full Time Equivalent (FTE): The percentage of full time an employee is assigned to work. Full-time equals 100% or 40 hours per week. 1.0 equals one employee working 40 hours per week.

Fund: An independent fiscal and accounting entity with a self-balancing set of accounts, used to record all financial transactions related to the specific purpose for which the fund was created.

Fund Balance: The difference between fund assets and fund liabilities.

Gann Limit: State of California legislation that limits a City's appropriations growth rate to two factors: Changes in population, and either the change in California per capita income or the change in the local assessment roll due to non-residential new construction.

General Fund: The primary fund of the City used to account for all revenues and expenditures of the City that are not legally restricted to use. This fund is used to accumulate the cost of the City's general operations.

General Obligation Bond: Bonds backed by the full faith and credit of the City, used for various purposes, and repaid by the regular revenue raising powers (generally property taxes) of the City.

Generally Accepted Accounting Principles (GAAP): Uniform minimum standards for financial accounting and recording, encompassing the conventions, rules, and procedures that define accepted accounting principles.

Geographic Information System (GIS): A system of maps that can be accessed online through the srcity.org webpage.

Governmental Accounting Standards Board (GASB): The authoritative accounting and financial reporting standard-setting body for government entities.

Government Finance Officers Association (GFOA): A professional association of state, provincial, and local finance officers in the United States and Canada whose purpose is to enhance

and promote the professional management of governments for the public benefit by identifying and developing financial policies and practices and promoting them through education, training, leadership.

Governmental Fund Types: Funds used to account for acquisitions and other uses of balances of expendable financial resources and related current liabilities, except for transactions and accounted for in proprietary and fiduciary funds. Under current GAAP, there are four governmental types: general, special revenue, debt service, and capital projects.

Grant: Contributions or gifts of cash or other assets from another governmental entity or foundation to be used or expended for a specific purpose, activity, or facility.

Infrastructure: The physical assets of the City (e.g., street, water, sewer, public buildings and parks).

Interfund Transfers: Amounts of Money transferred from one fund to another, such as from a fund receiving revenue to the fund through which the resources are to be expended.

Intergovernmental Revenue: Funds received from federal, state and other local government sources in the form of grants, shared revenues and payments in lieu of taxes.

Internal Service Fund: A fund used to account for the financing of goods or services provided by one department to another department of a government.

Internal Transfers/Reimbursements: Appropriations and revenues necessary to move from one budget unit to another (within a department) to properly account for revenues and expenditures. Similar to operating transfers within a department.

International City/County Management Association (ICMA): A professional and educational organization for chief appointed managers, administrators, and assistants in cities, towns, countries, and regional entities throughout the world.

Laguna Treatment Plant (LTP): The wastewater treatment plant operated by the City of Santa Rosa that treats wastewater from homes,

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businesses, and industry located within the Santa Rosa Subregional Water Reuse System, which serves the cities of Santa Rosa, Rohnert Park, Sebastopol, and Cotati.

League of California Cities (LOCC): An association of California city officials who work together to exchange information and combine resources to influence policy decisions that affect cities in California.

Local Improvement District Bonds (LID): Bonds paid for by special assessments on benefiting property owners for specific capital improvements.

Long Term Debt: Debt with a maturity of more than one year after the date of issuance.

Mandated Programs: Mandated programs are those programs and services that the City is required to provide by specific state and/or federal law.

Measure “Q”: A half-cent general sales tax measure passed by Santa Rosa voters in November 2020. Measure Q simply combines and extends existing voter approved sales taxes (Measure O-Temporary Emergency funding and Measure P, each ¼ cent) without changing the sales tax rate. The measure is effective July 2021 and expires after ten years.

Measure “H”: A half-cent general sales tax measure passed by Sonoma County voters in March 2024 election. Measure H will supplement existing funding for wildfire prevention and preparedness, paramedic services, and emergency and disaster response. The measure is effective October 1st, 2024, and expires when voters decide to end it.

Memoranda of Understanding (MOU): A document describing an agreement between parties, most often used in the City of Santa Rosa to describe the agreement resulting from labor negotiations between the City and its various bargaining units.

Metropolitan Transportation Commission (MTC): The transportation planning, coordinating, and financing agency for the nine-county San Francisco Bay Area, including Sonoma County.

Modified Accrual Basis: The accrual basis of accounting adapted to the government fund-type measurement focus. Under it, revenues and other financial resource increments (e/g., bond proceeds) are recognized when they become susceptible to accrual, which is when they become both “measurable” and “available” to finance expenditures of the current period. All governmental funds, expendable trust funds and agency funds, are accounted for using the modified accrual basis of accounting.

National Incident Management System (NIMS): A program developed by the Federal Department of Homeland Security so responders from different jurisdictions and disciplines can work together better to respond to natural disasters and emergencies.

National Pollutant Discharge Elimination System (NPDES): As authorized by the Clean Water Act, the NPDES permit program controls water pollution by regulating point sources that discharge pollutants into U.S. waters.

Neighborhood Revitalization Program (NRP): A coordinated inter-departmental City task force that works in certain neighborhoods to ensure decent, safe, and sanitary housing.

Object Code: The line item where a revenue or expenditure is recorded.

Operating Budget: Annual appropriation of funds for ongoing program costs, including salaries and benefits, services, and supplies. This is the primary means by which most of the financing, acquisition, spending, and service delivery activities of the City are controlled.

Ordinance: A formal legislative enactment by the City Council, which has the full force and effect of law within City boundaries.

Overhead: Charges to various funds to cover the cost of administrative services, rent, custodial services, etc.

Pavement Condition Index (PCI): A numerical index between 0 and 100 that is used to indicate the condition of a roadway.

Proprietary Funds: Revenues from the City of Santa Rosa activities that operate as public enterprises, in which revenues are derived from fees charged to users, and programs are largely

Glossary

cost covering. Also referred to as Enterprise Funds.

Public Safety and Prevention Tax (PSAP, formerly known as Measure “O”): A quarter-cent sales special tax measure passed by Santa Rosa voters in 2004, of which proceeds are used to fund public safety and gang intervention and prevention programs. The measure is effective April 2005 and expires after 20 years. Renewed by Measure H in November 2022 for an additional 20 years.

Public Safety Power Shutoff (PSPS):

PG&E turns off power to the electrical system in areas of severe weather to prevent a potential wildfire.

Real Property Transfer Tax (RPTT): Tax revenues generated by the transfer of ownership of real property. Taxes are charged on the sale price of the property and are paid by the seller, buyer, or both.

Redwood Empire Dispatch Communications Authority (REDCOM): The agency that provides regional fire and emergency medical dispatching services for Sonoma County.

Regional Climate Protection Authority (RCPA): A coordinated Sonoma County-wide plan to reduce greenhouse gas emissions and promote energy efficiency through a variety of initiatives and programs.

Request for Proposal (RFP): An invitation for suppliers, often through a bidding process, to submit a proposal for a specific commodity or service.

Reserve: A portion of fund balance that is designated for contingencies or emergencies, which generally has a policy dictating a minimum level.

Resolution: A special order of the City Council which has a lower legal standing than an ordinance.

Revenue: Income received during the fiscal year from taxes, fees, permits, franchises, interest, and intergovernmental sources.

Salaries and Benefits: A budget category that generally accounts for full-time and temporary

employees, overtime, and all employee benefits such as medical, dental, and retirement.

Services and Supplies: A budget category that accounts for expenditures that are ordinarily consumed within a fiscal year.

Sonoma County Energy Independence Program (SCEIP): A program that provides low interest loans to citizens and businesses wishing to make energy improvements to homes or properties.

Sonoma County Transportation Authority (SCTA): A group that acts as the county-wide planning and programming agency for transportation related issues, including securing funds, project oversight, and long-term planning.

Sonoma Marin Area Rail Transit Project (SMART): A project to install a passenger rail in San Francisco’s North Bay, which aims to provide rail service along 70 miles of the Northwestern Pacific Railroad alignment, offering an alternative to driving.

Special Revenue Fund: A revenue fund used to account for the proceeds of specific revenue sources (other than special assessments, or for major capital projects) that are legally restricted to expenditures for specified purposes.

Standardized Emergency Management System (SEMS): The State system for managing emergencies involving multiple jurisdictions and agencies.

Structural Deficit: The permanent financial gap that results when ongoing revenues do not match or keep pace with ongoing expenditures.

Transfers In and Transfers Out: Movement of revenue out of one fund and into another. The recipient fund uses the money to cover the cost of services provided or to cover the cost of a contract between two funds.

Transient Occupancy Tax (TOT): A tax imposed on travelers who stay in temporary lodging facilities within the City.

Utility Users Tax (UUT): A tax charged by the City of Santa Rosa on the usage of electricity, gas, cable television, local non-cellular communications, and intrastate non-cellular communications.

