

Operations and Maintenance Budget

Fiscal Year 2023-24

DRAFT





CITY COUNCIL

Mayor

Natalie Rogers

Vice Mayor

Dianna MacDonald

Council Members

Eddie Alvarez

Victoria Fleming

Jeff Okrepkie

Chris Rogers

Mark Stapp

City Manager

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City Attorney

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GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished
Budget Presentation
Award*

PRESENTED TO

**City of Santa Rosa
California**

For the Fiscal Year Beginning

July 01, 2022

Christopher P. Morrill

Executive Director

Table of Contents

TRANSMITTAL & BUDGET OVERVIEW

- N/A City Manager's Budget Transmittal Letter
- 1 Guide to the Document
- 5 Budget Overview
- 11 Capital Improvement Program
- 17 City Council Goals
- 21 Public Safety Special Tax
- 25 Budget Process and Calendar

CITY & ORGANIZATION OVERVIEW

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

SUMMARY FINANCIAL INFORMATION

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

DEPARTMENTS

- 57 City Attorney's Office
- 63 City Council
- 67 City Manager's Office
- 73 Communications & Intergovernmental Relations
- 79 Finance
- 85 Fire
- 91 Housing & Community Services
- 97 Housing Authority
- 105 Human Resources
- 111 Information Technology
- 117 Non-Departmental
- 121 Planning & Economic Development
- 129 Police
- 135 Recreation & Community Engagement
- 143 Santa Rosa Water
- 151 Successor Agency to the Redevelopment Agency
- 153 Transportation & Public Works

APPENDIX

- 161 Policies
- 167 Gann (Appropriation) Limit
- 177 Budget Resolutions
- 169 Glossary

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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 Special 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.

Guide to the Document

Summary Financial Information

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

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

Department Detail

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

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

Guide to the Document

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

Reading Expenditures Tables

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

Appendix

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

Guide to the Document

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

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

Reserve Policies

The General Fund maintains a reserve policy based on City Council approval. The policy states that the General Fund reserve will be maintained 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) 2023-24 Operating and Capital Budget is \$535.7 million across all funds and is comprised of \$461.7 million of operational funding and \$74 million of capital project funding. This represents a total increase of \$54.4 million or 11.3% over the FY 2022-23 adopted budget. Operations are increasing by \$48.8 million or 11.8% and the Capital Improvement Program (CIP) is increasing by \$6.4 million or 9.4%, as shown in the following table.

FUND TYPE	FY 2022-23 ADOPTED BUDGET (in millions)	FY 2023-24 ADOPTED BUDGET (in millions)	\$ Dollar Increase/ (Decrease) (in millions)	% Percent Increase/ (Decrease)
General Fund	\$190.3	\$200.9	\$10.6	5.6%
Enterprise Funds (Operating)	143.1	150.6	7.5	5.3%
Enterprise Funds (CIP)	37.8	38.6	0.8	2.2%
Other Funds (CIP)	30.7	36.3	5.6	18.3%
Special Revenue Funds	16.5	25.6	9.1	55.4%
Other Funds	5.4	5.5	0.1	1.9%
Housing Authority	54.6	75.7	21.1	38.6%
Successor Agency to RDA	3.0	3.0	0.0	0.0%
TOTAL	\$481.3	\$536.2	\$54.9	11.4%
Operations (net of CIP)	\$412.9	\$461.3	\$48.5	11.8%
CIP only	\$68.4	\$74.9	\$6.4	9.4%

General Fund

The City of Santa Rosa's FY 2023-24 General Fund budget is not balanced, with revenues and transfers equaling \$2.5 million less than expenditures and transfers out. Due to inflation and the current market, sales tax is projected to continue to increase but at a slower growth rate.

The FY 2023-24 General Fund expenditure budget of \$200.9 million increased by \$10.6 million or 5.6% 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 \$153 million or 76% of the total General Fund budget. Services and Supplies account for another \$45.1 million or 23% of the total, with the remaining \$2.8 million or 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 increased by \$2.3 million or 2.6% and benefits increased by \$3.3 million or 5.6% from the FY 2022-23 adopted budget. The increase in salaries corresponds to MOU negotiations and an increase of 7 FTE positions. The increase in benefits is primarily related to the increasing costs of healthcare, worker's compensation insurance, and health administrative costs.

General Fund Services and Supplies: Increase of \$4.5 million or 11% from the FY 2022-23 adopted budget. The additions in this broad category include increases in Vehicle Expenses, Information Technology costs, and Liability and Property insurance costs. Vehicle Expenses have increased due to rising gasoline, service, and maintenance costs. Information Technology costs increased as the City shifted towards more employees working remotely and the cost of online permitting software.

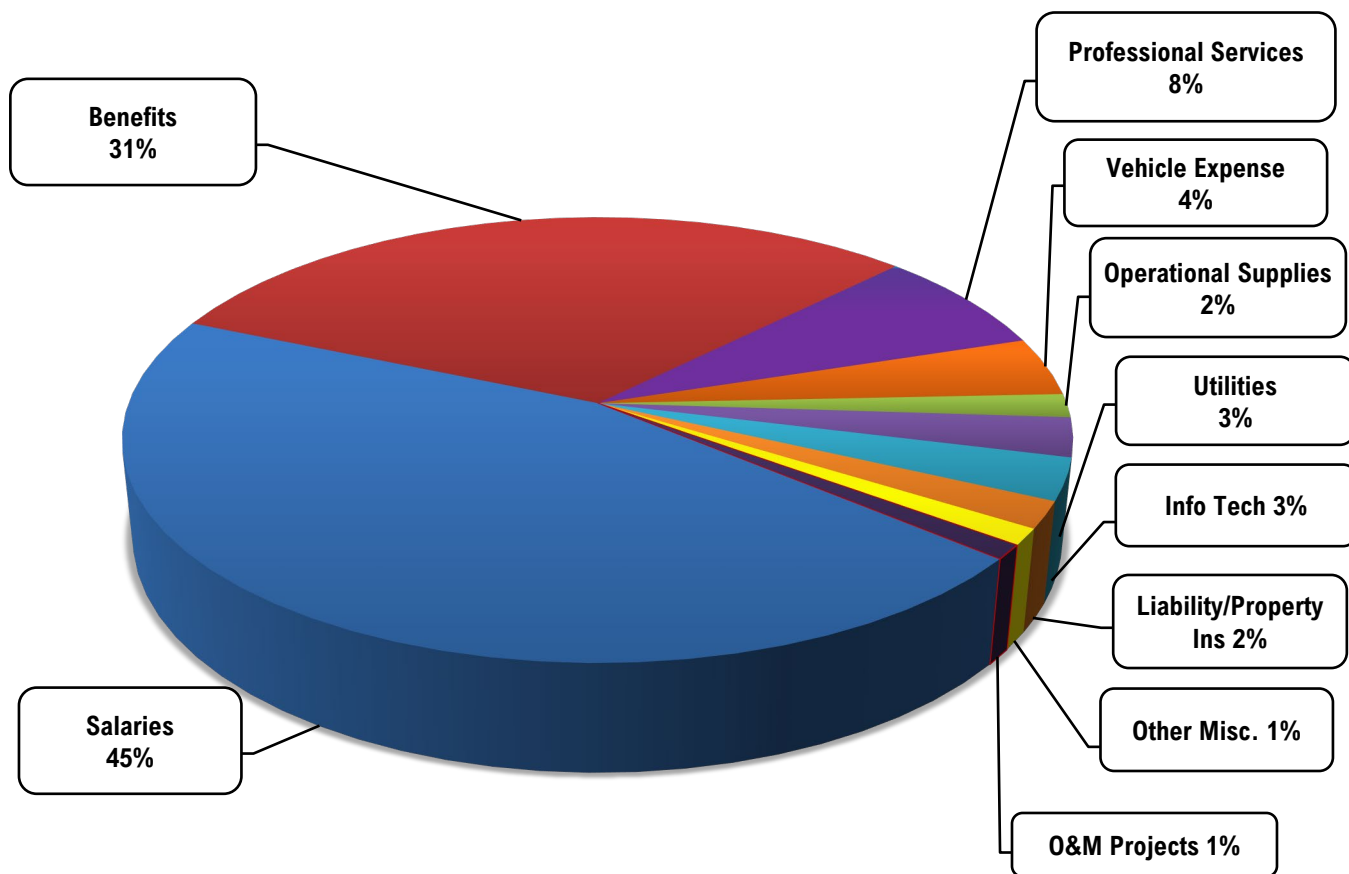
General Fund Operating Projects: Increased by \$630K or 29% from the FY 2022-23 adopted budget. The operating projects vary year over year depending on the individual project timelines.

Budget Overview

FY 2023-24 General Fund Budgeted Expenditures

CATEGORY	EXPENDITURES (in millions)
Salaries	\$90.7
Benefits	62.3
Professional Services	15.1
Vehicle Expense	8.5
Operational Supplies	3.4
Utilities	5.7
Information Technology	6.1
Liability/Property Insurance	3.9
Other Miscellaneous	2.4
Capital Outlay	0.0
O&M Projects	2.8
TOTAL	\$200.9

FY 2023-24 General Fund Expenditures – % by Category



FY 2023-24 General Fund Budgeted Expenditures

Budget Overview

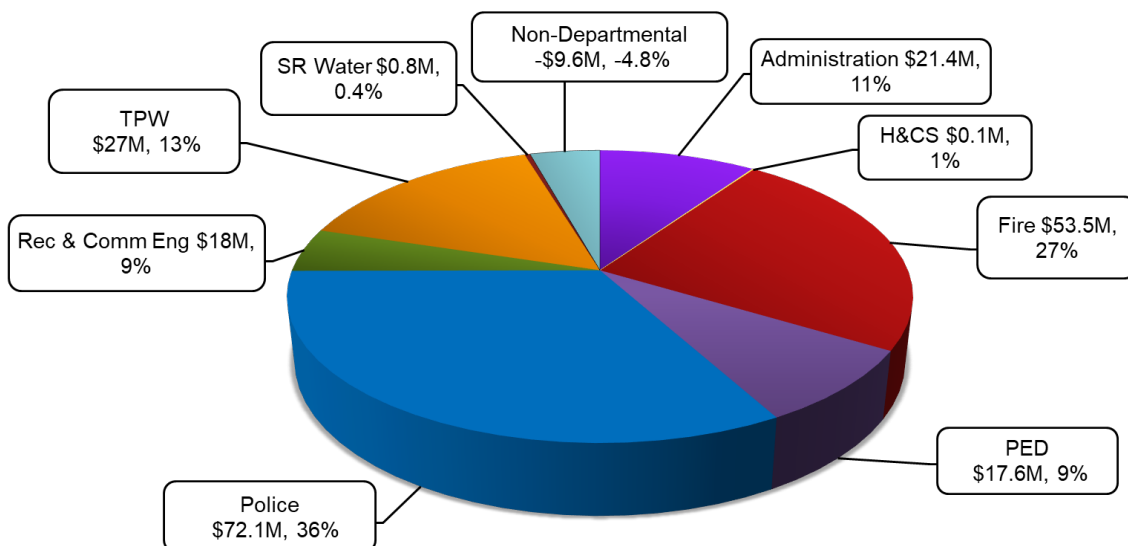
DEPARTMENT	EXPENDITURES (in millions)
Administration*	\$21.4
Housing & Community Services	0.1
Fire	53.5
Planning & Economic Development	17.6
Police	72.1
Parks & Recreation	18.0
Transportation & Public Works	27.0
Water	0.8
Non-Departmental	-9.6
TOTAL	\$200.9

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

FY 2023-24 General Fund Expenditures – % by Department

FY 2023-24 General Fund revenues are estimated at \$201.9 million, an increase of \$4.4 million or 2.2% over the FY 2022-23 adopted budget. Sales tax is projected to continue to increase but at a slower growth rate than anticipated last year for a total increase of \$1.1 million or 1.5% higher than the FY 2022-23 adopted budget. Sales tax is the largest revenue source for the City's General Fund, accounting for 38% of the total General Fund revenue. Many other revenues are projected to increase at a modest increase including Real Property Transfer tax, Business tax, building and development permit revenue, and recreation revenue. In FY 2023-24 Property tax is expected to increase by 4.6% from FY 2022-23 adopted budget.

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

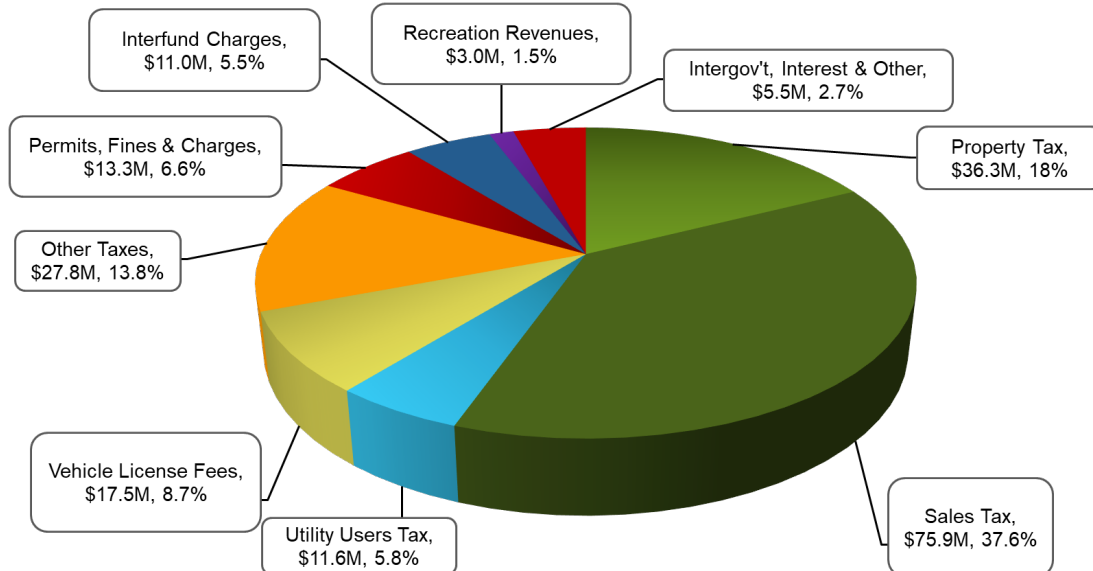


FY 2023-24 General Fund Budgeted Revenues

Budget Overview

SOURCE	REVENUES <i>(in millions)</i>
Property Tax	\$36.3
Sales Tax	75.9
Utility Users Tax	11.6
Other Taxes	27.8
Vehicle License Fees	17.5
Permits, Fines and Charges	13.3
Recreational Revenue	3.0
Interfund Charges	11.0
Intergovernmental, Interest & Misc.	5.5
TOTAL	\$201.9

FY 2023-24 General Fund Revenues – % by Source



General Fund Conclusion

In FY 2022-23, sales tax revenues were anticipated to continue to rise but at a growth rate, however, inflation has shifted consumption of goods impacting sales tax. FY 2023-24 sales tax collection predictions have been estimated at a more conservative growth rate. The FY 2023-24 General fund is a deficit budget, with revenues and transfers \$2.5 Million less than expenditures and transfers out. Going forward, the City has considerable work to do to balance growing expenditures to on-going revenue. Currently, the City is taking a conservative approach to appropriate expenditures with ongoing implications that may be difficult to sustain in the long run.

Enterprise Funds

Budget Overview

As noted in the fund chart at the beginning of this overview section, the Enterprise funds budgets include both Operational and CIP elements, \$150.7 million and \$38.6 million respectively. The Water Enterprise Funds (Water, Local Wastewater, and Subregional Wastewater) make up the vast majority, \$166.4M of the \$189.2M total Enterprise funds budgets. The Enterprise Funds FY 2023-24 budgeted expenditures is comprised of the following:

- \$ 0.7 million - Golf Funds
- \$ 5.6 million - Parking Funds
- \$ 16.6 million - Transit Funds
- \$ 3.1 million - Storm Water Funds
- \$ 55 million - Water Funds
- \$ 27.6 million - Local Wastewater Funds
- \$ 80.7 million - Subregional Wastewater Funds

Special Revenue Funds

The FY 2023-24 Special Revenue Funds budget of \$25.7 million is comprised of the following:

- \$13.8 million - Public Safety Tax (formerly known as Measure O) Funds
- \$ 5.7 million - ARPA Federal Stimulus
- \$ 0.2 million - Measure M Parks 2019
- \$ 2.6 million - Measure M
- \$ 0.6 million - Homeless Shelter Operations & Mobile Home Rent Stabilization Funds
- \$ 0.5 million - Santa Rosa City Tourism BIA Fund
- \$ 0.3 million - Art-in Lieu Fund
- \$ 0.2 million - Federal and State Narcotics Asset Forfeiture
- \$ 1.6 million - All other funds

Other Funds

Total Other Funds FY 2023-24 budget of \$41.7 million includes Capital Improvement Program Funds with a budget of \$36.3 the non-enterprise Debt Service Funds with a budget of \$4.8 million, Trust and Agency Funds with a budget of \$0.4 million, and the Special Assessment Funds with a budget of \$0.2 million.

Housing Authority & Successor Agency to the Redevelopment Agency

The Housing Authority's FY 2023-24 budget is \$75.7 million with the majority of the funding for the Housing Choice Voucher Program and a one-time \$20.7M State Infill Infrastructure Grant in the Housing Trust. The \$3.0 million budget for the Successor Agency to the Redevelopment Agency reflects approved funding agreements and debt service payments, per the Recognized Obligation Payment Schedule (ROPS).

Full-Time Equivalent Discussion

The FY 2023-24 budget has a total staffing count of 1,285.5 Full-Time Equivalents (FTE) across all funds. Staffing levels increased by 7 FTEs or 0.5% 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.

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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 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

The City Charter requires that the Community Advisory Board (Section 10.b) review the CIP priorities for each district. The Board met on April 26, 2023, and staff presented the current priorities and scoring criteria used to develop the CIP seeking input and feedback. The CAB members recommended that the priorities and criteria be expanded in the future to include:

- Consider environmental justice
- Ensure equity across all council districts
- Ensure equity regarding Park Development Fees

Capital Improvement Program (CIP)

- Focus on projects with the greatest needs

Also, in compliance with the City Charter (Section 28.b), the City Council holds a Budget Priority 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 10, 2023. The City Council, City Manager, and staff utilized the public input to further evaluate proposed projects.

After the Budget Priority Hearing, the City Council and Executive Team hold a workshop with the community to discuss and establish City Council Goals. On March 9-10, 2023, the City Council held their Goal Setting Workshops and established the following seven goals for FY 2023-24:

- Deliver housing for all
- Reduce Homelessness and its impacts
- Ensure a healthy and safe community for all
- Promote economic and community vibrancy
- Build and maintain sustainable infrastructure
- Achieve organizational excellence
- Address Climate Change

Prior to the Budget Study Session on May 9-10, 2023, 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 20, 2023, 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 \$200.3M expenditure budget, only \$2.2M is for capital projects.

Project List by Department

The table below lists the projects being funded in FY 2023-24. For more information on any of the CIP projects, please refer to the FY 2023-24 Capital Improvement Program budget document. It includes detailed information about each project and information on funding sources. Copies of the FY 2023-24 CIP document are available online at the Finance Department page on srcity.org.

Project Number / Title	2023 - 2024 Request
Department: Fire Department	
05050 - Fire Training Center Improv	\$390,547
05054 - New Fire Station-So Santa Rosa	\$390,547
05096 – FEMA Temp Fire Sta 5	\$390,547
Fire Department Total	\$1,171,641
Department: Parks and Recreation	
09541 - Fremont Park	\$497,370
09598 - Northwest Zone Play Equipment	\$3,192,463
09605 - Colgan Bellevue Park	\$3,205,691
09608 - Southeast Community Park	\$687,715

Capital Improvement Program (CIP)

09748 - Park Amenities Cap Replacement	\$1,030,000
Parks and Recreation Department Total	\$8,613,239

Department: SR Water

54001 - Storm Water Drainage Improvement	\$612,488
54004 - Storm Water Creek Restoration	\$50,000
54009 - Santa Rosa Creek Ecosystem Res	\$30,000
54030 - Colgan Creek Restore Phase3	\$400,000
55420 - W Supply Planning-Urban W Mgmt PI	\$200,000
55495 – Water Conservation Indoor Water	\$20,000
55498 - Local Water Repairs-Urgent	\$200,000
55505 - Warranty Punchlist - Water	\$25,000
55511 - Pre-Design - Water	\$70,000
55527 - Water Peak Reduction	\$300,000
55574 - Water CIP Contingency	\$1,000,000
55586 - WSR Salem Ave	\$200,000
55663 - S14PumpUpgrades	\$1,400,000
55671 – WSR: Meyers Dr	\$370,000
55725 – Carley Emergency Well Upgrades	\$2,500,000
55731 - CobblestnDrZoneR2-R4 WM Connect	\$300,000
55732 - S10 High Flow Retrofit	\$2,000,000
55758 – Leete Well Rehabilitation	\$2,000,000
55777 – Water OnCall Engineering Svcs	\$333,000
55787 – SR Water Consolidation Project	\$2,000,000
55788 – WMR Terra Linda Buena Vista	\$1,000,000
55798 - Station4EvalandRehab	\$600,000
55805 – Fb Optic Install Various Pumps Rs	\$111,811
70551 - Local Repairs-Urgent Projects	\$200,000
70553 - Warranty Punchlist - Sewer	\$25,000
70590 - Local WW CIP Contingency	\$1,000,000
70641 - SMR: Salem/Clement	\$309,000
70669 - Wastewater Planning	\$38,257
70670 - Wtr Conse Indoor Wtr Use Effic	\$25,000
70707 - SMR: Meyers-Steele To Admin Dr	\$950,000
70737 – Los Alamos TR: Streamside To Elain	\$4,075,000
70790 - RoblesTrunkLiningPhase2	\$1,650,000
70803 – Sewer OnCall Engineering Svcs	\$333,000
70811 – SMR Terra Linda Buena Vista	\$1,400,000
70818 – Siphon Rehab Various Locations	\$3,500,000
86458 - Subregional CIP Contingency	\$675,000
86489 - LTP On-Call Contractor	\$175,000
86523 – Plant Paving Rehabilitation	\$100,000
86572 - LTP Electrical Infrastructure Repl	\$500,000
86573 - Superstructure Removal Phase 2	\$500,000
86577 - Rec Sys Cond Assmt Phase 1	\$200,000
86580 - FilterValvesActrsPhase2	\$1,435,000

Capital Improvement Program (CIP)

86584 - LTPWtrBoosterStn1Replacement	\$50,000
86593 - LTP Security Project Phase 2	\$150,000
86599 - Digester3And4Rehabilitation	\$150,000
86618 – Subreg OnCall Engineering Svcs	\$333,000
86627 – Warranty Punch List Subregional	\$5,000
86628 – Delta Pond Standby Generator	\$500,000
86630 - ProcessBoiler2Replacement	\$750,000
86636 – Regional OnCall Insp Services	\$327,000
86643 – Twin Vista Levee Maintenance	\$700,000
86644 – SCR Replacement Gas Cond Imprmnts	\$500,000
86651 – LTP Aeration Basin Improvements	\$850,000
86653 - SubRegSysMasterPlanUpdate2023	\$500,000
86654 – Delta Pond Iso Valve replacement	\$250,000
86656 – Geysers Pump Sta Electric Upgrades	\$1,350,000
Water Department Total	\$39,227,556

Department: Transportation and Public Works

09708 - ADA Settlement-Facilities Proj	\$1,200,000
17014 - Slurry Seal Selected Streets	\$1,500,000
17015 - Sidewalk Program	\$160,000
17016 - Street Overlay - Various Location	\$1,923,372
17017 - Traffic Signal Modification	\$60,000
17057 - School Ped Safety Proj-Variou	\$20,000
17075 - Hearn Avenue at Highway 101 In	\$3,714,279
17109 - Sign Replacements	\$25,000
17116 – Slurry Seal Prep &Traffic Control	\$575,000
17134 - Traffic Safety Projects	\$50,000
17238 - Pavement Markings - Various Lo	\$50,000
17269 - Traffic Signal Interconnect	\$100,000
17305 - Temporary Traffic Calming Devi	\$35,000
17308 - Bicycle Master Plan Project	\$300,000
17317 - Annual Pedestrian Access Ramp	\$250,000
17325 – Bridge Repairs/CalTrans Recmdn	\$50,000
17336 - Audible Pedestrian Signal Head	\$50,000
17377 - Farmers Lane at Fourth Street	\$50,000
17379 - Replace Wood Street Light Pole	\$100,000
17381 - Highway 101 Bike/Pedestrian Ov	\$1,174,065
17395 - Garage 9 - Groundwater invest	\$80,000
17405 - Class III Bike Signage Phase I	\$10,000
17444 - Fulton-Grnville Rd-Piner-Widen	\$876,000
17450 - Contract Pvmt Preventive Maint	\$1,500,000
17474 - Santa Rosa Ave Corridor Plan	\$305,000
17476 - Insp Bridge Assets-Strct X	\$50,000
17477 - Pre Design Planning CIP	\$10,000
17479 - Piner Creek Crossing-HAWK	\$150,000
17483 - SMART Planning and Design	\$20,000

Capital Improvement Program (CIP)

17496 - CIP Grant & Envrnmtl Support	\$10,000
17508 - Signal Battery Backup	\$26,000
17546 - Signal Bike Veh Detect Various	\$50,000
17573 - Roseland Pavement Maintenance	\$662,000
17579 - Survey Equipment Replacement	\$20,000
17582 - Santa Rosa Creek Trail Phase 3	\$671,000
17592 - Road Rule 20A Grnv Rd- Piner Rd	\$4,000
17606 - Fire Related Street Repairs	\$2,478,050
17608 - PW On Call Projects-Phase 1	\$200,000
17610 – Sonoma Ave Reconst Farmers-Hahman	\$925,000
17613 - B Street High-Traffic Slurry	\$800,000
17638 – Stony Point Rd Transport Corridor	\$250,000
17639 – Hearn Ave Burbank Av Traffic Signal	\$418,000
17643 - SR Ave-Bellevue Traffic Signal	\$200,000
17648 – Corby Ave-Baker Ped Gap Closures	\$100,000
17649 - TPW CIP Contingency	\$2,276,027
17653 - Steele Bike Lane Steele Lane Sch	\$150,000
17654 - Low Impact Development at MSCN	\$57,000
17664 – Cycle Tracks Armory Dr SR Avenue	\$25,000
17665 – Fulton Rd Riparian Mitigation	\$260,000
17666 – Roseland Area Street Lights	\$60,602
17667 – SR Bicycle Parking	\$5,000
17671 - Hwy101HearnMultiUsePathRehab	\$250,000
17672 – Downtown Cnnctvty for House Density	\$400,000
54035 - Parker Hill-Paulin Crk Erosion	\$200,000
54057 - McMinn Ave Storm Drain Replace	\$550,000
54059 - Storm Drain Repairs On-call	\$300,000
54061 – Third St Depression Pump Maintenance	\$100,000
Transportation and Public Works Department Total	\$25,835,395

Total FY 2023-24 CAPITAL BUDGET REQUEST	\$74,847,831
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Conclusion

As in recent years, the FY 2023-24 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.

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City Council Goals

Santa Rosa, located in coastal Northern California, is the largest city between San Francisco and Portland, Oregon. The ideal climate, wine country, and redwood location 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 2023 workshop took place on March 9-10, 2023. The City Council identified seven priorities for FY 2023-24 which are listed in order below:

Strategic Goal	Strategies
Deliver Housing for all <i>Pursue housing options for residents of all income levels</i>	<ul style="list-style-type: none"> • Implement the City's Housing Action Plan to address ongoing unmet housing needs - facilitate housing options/supply for all • Reduce barriers to ownership and access to housing opportunities through education, awareness and financial assistance • Encourage higher density housing development in the downtown, expand options of housing stock • Encourage innovation in achieving increased inclusionary housing • Streamline the approval process; be nimble and quick • Implement State and Federal regulations
Reduce Homelessness and its Impacts <i>Partner with key stakeholders to offer housing and support services to the unsheltered and address the issues and causes of homelessness</i>	<ul style="list-style-type: none"> • Implement the tenets of the Homeless Strategic Plan • Minimize impacts on neighborhoods and businesses • Maintain the City's commitment to the Housing First Strategy in partnership with the Sonoma County Continuum of Care (<i>Home Sonoma County</i>) • Fund programs that enable emergency shelter and deliver individualized assistance to people experiencing homelessness • Support temporary housing options, like the Safe Parking Pilot Program throughout the city • Invest in prevention and intervention programs to prevent vulnerable individuals from becoming homeless • Improve and expand coordinated outreach and engagement (i.e., Homeless Outreach Services Team, Downtown Enforcement Team) • Use a compassionate approach to address the health, safety and shelter needs of those living in encampments and ease the impacts on surrounding communities

City Council Goals

Strategic Goal	Strategies
	<ul style="list-style-type: none"> • Rely on evidence-based or best practices
<p>Ensure a Healthy and Safe Community for All <i>Ensure the public's safety by engaging residents and using a broad range of proactive approaches that reduces racism and inequality in our community.</i></p>	<ul style="list-style-type: none"> • Increase community partnerships, engagement and accountability through an equity lens • Utilize data driven strategies and tactics to deploy resources and reduce crime • Engage neighborhoods • Develop and implement strategies for mental health response • Invest in prevention and intervention programs • Implement the Fire Resiliency and Response Strategic Plan • Ensure safe routes to school and crosswalk safety
<p>Promote Economic and Community Vibrancy <i>Sustain and develop a diverse and thriving economy that benefits Santa Rosa residents and businesses and contributes to the community's economic health while preserving historical and cultural integrity.</i></p>	<ul style="list-style-type: none"> • Develop business incentives and tools for underserved neighborhoods • Promote open dialogue with education partners to improve quality of life, increase literacy, and work together to connect students to potential career paths in public service • Engage private employers and the business community in workforce development and job placement • Support and engage local businesses and workers to promote prosperity • Establish Santa Rosa as a desired destination for business • Create spaces for residents to gather, learn and connect • Support access to childcare, including preschool and early childhood support and recreational and summer camp programming • Encourage public-private partnerships • Acknowledge local cultural resources and assets • Evaluate opportunities to integrate unincorporated areas into the City
<p>Build and Maintain Sustainable Infrastructure <i>Invest in and maintain infrastructure that supports environmental sustainability, multi-modal transportation options, and a vibrant City.</i></p>	<ul style="list-style-type: none"> • Be responsive and competent stewards of public infrastructure and the environment • Safeguard the City's assets by anticipating, planning and allocating resources for infrastructure upgrades and replacement as needed • Establish a plan to address deferred and ongoing maintenance • Educate the public about water usage impacts and long-term water-saving strategies to meet conservation goals

City Council Goals

Strategic Goal	Strategies
	<ul style="list-style-type: none"> • Enable movement within and around the city to reduce reliance on vehicles • Complete solid waste system improvements (engage businesses) • Finalize the Roseland Creek Community Park Master Plan
<p>Achieve Organizational Excellence <i>Create a high performing organization that pursues excellence, efficiency and engagement; is fiscally sound; promotes diversity, equity and inclusion; and reliably delivers outstanding services to the community.</i></p>	<ul style="list-style-type: none"> • Sustain fiscal health by maintaining reserves, forecasting impacts of budget choices, monitoring revenue trends, maintaining competitive salaries for employees, and creatively leverage other funding sources • Plan for asset and technology maintenance needs (i.e., streets, facilities, technology, capital assets, adjust facilities for gender accommodation, include supporting cost for public safety, such as recreation, sheltering, water, building safety, etc.) • Utilize data driven strategies and tactics • Implement process improvements and best practices that prioritize customer experience • Workforce planning (recruitment and retention; training and professional development for staff, volunteers and policy makers) • Create a culture of that cultivates diversity, equity, inclusion, safety and belonging • Optimize organization structure to strengthen teamwork through interdepartmental collaboration to deliver results • Support employee wellness • Build and strengthen interagency partnerships with key stakeholders on issues facing the City
<p>Address Climate Change <i>Take proactive steps toward carbon neutrality and environmental education for all</i></p>	<ul style="list-style-type: none"> • Mitigate the impacts of climate change with comprehensive planning and implementation • Establish policies that support environmental sustainability in building and infrastructure investment to facilitate • carbon neutrality (electric fleet, bikeways, SWOT analysis of PG&E independence)

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Public Safety Special 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 about the two measures this sales tax extension is being referred to as “Public Safety Special Tax”. Revenue generated by the sales tax has averaged \$9.2M annually for the last ten years. Revenues for FY 2023-24 are budgeted at \$12.3M.



Public Safety Special 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. Measure H also expanded the permissible uses originally stated in Chapter 3-26 of the City Code. For more information on Measure O, please visit <http://srcity.org/188/Measure-O-Oversight-Committee>

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

The FY 2023-24 Measure O budget provides funding for positions consistent with the uses and purposes outlined in the Implementation Plan. All departments are subject to ongoing labor agreements that negotiate annual salary increases. City-wide salaries, benefits, and retirement costs also are on the rise in FY 2023-24. Measure O authorized positions for FY 2023-24 totaled 36.0 FTE; 10.0 in the Fire department, 17.0 in the Police department and 9.0 in Violence Prevention.



Measure O Overview

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

Fire: In FY 2023-24, Salaries and Benefits budgeted expenditures increased by a combined \$147K, due to COLAS and merit increases and the increasing cost of benefits. Services and Supplies increased by \$13K due to \$5K in E & R Maintenance costs as well as an \$8K increase for Liability Insurance. Administrative Overhead decreased by \$1K. There were no other significant changes to their Services and Supplies budget.

Police: FY 2023-24, the Police department's budget increased by \$3.1M, primarily due to the purchase for the Roseland Substation, \$2.6M. Salaries and Benefits increased by \$439K partially due to the addition of 1.0FTE Sergeant to oversee the Gangs team as well as COLAS and merit increases and the increasing costs of benefits. Services and Supplies increased \$83K overall, \$36K for supplies, \$37K for the new DET lease as well as fleet maintenance costs increasing by \$10K, or 15%. Administrative Overhead decreased by -\$1K.

Violence Prevention: Violence Prevention has an increase of \$123K in Salaries and Benefits for FY 2023-24. Services and Supplies had no significant changes, as evidenced by the small increase of \$2K. The Violence Prevention CHOICE Grants Program increased by \$31K overall based on the 35% of estimated revenue.

Measure O Overview

FIRE - MEASURE O:	FY 2022-23 Adopted Budget	FY 2023-24 Adopted Budget	Change
Salaries	2,190,273	2,228,033	37,760
Benefits	1,372,618	1,481,950	109,332
Services and Supplies	141,486	154,642	13,156
Administrative Overhead	121,620	120,325	(1,295)
Total Operating	3,825,997	3,984,950	158,953
Debt Service - Fountaingrove Fire Station	367,727	367,727	-
TOTAL FIRE - MEASURE O	4,193,724	4,352,677	158,953

POLICE - MEASURE O:	FY 2022-23 Adopted Budget	FY 2023-24 Adopted Budget	Change
Salaries	2,151,396	2,381,058	229,662
Benefits	1,552,382	1,761,841	209,459
Services and Supplies	384,278	467,326	83,048
Administrative Overhead	121,620	120,325	(1,295)
Department Substation	-	2,600,000	2,600,000
Total Operating	4,209,676	7,330,550	3,120,874
TOTAL POLICE - MEASURE O	4,209,676	7,330,550	3,120,874

VIOLENCE PREVENTION MEASURE O:	FY 2022-23 Adopted Budget	FY 2023-24 Adopted Budget	Change
Salaries	950,697	982,472	31,775
Benefits	371,084	461,998	90,914
Services and Supplies	159,265	161,947	2,682
Grants Program	883,900	914,884	30,984
Administrative Overhead	60,810	60,162	(648)
Total Operating	2,425,756	2,581,463	155,707
TOTAL VIOLENCE PREV - MEASURE O	2,425,756	2,581,463	155,707

TOTAL - ALL MEASURE O FUNDS	10,829,156	14,264,690	3,435,534
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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 (every 2 years) 		<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



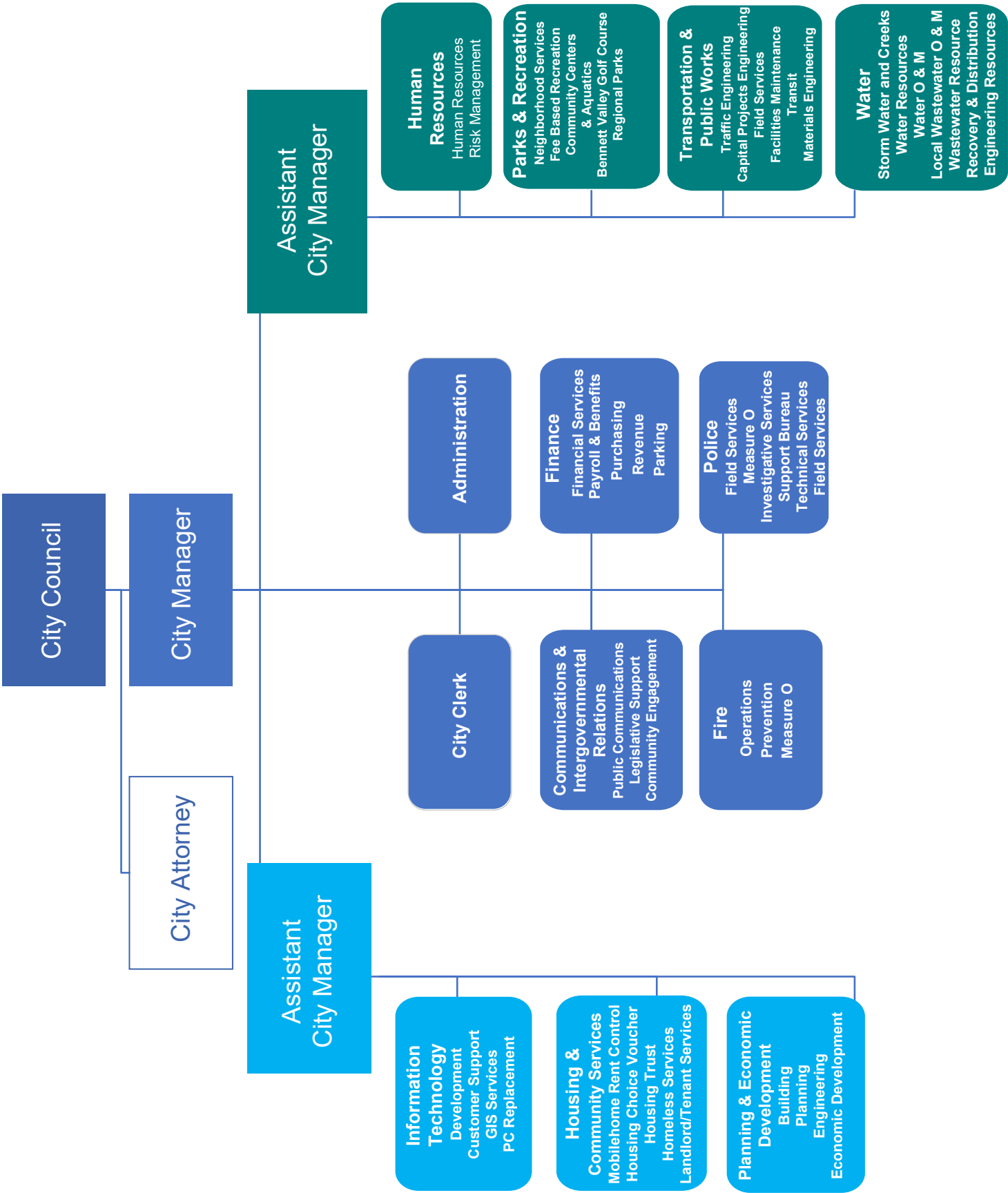
We are committed to a creative process that develops mutual respect and pride in ourselves and the community.

To this end we value:



ORGANIZATIONAL VALUES

City of Santa Rosa Organizational Chart



City at a Glance

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



Photo from Charles M Schulz Museum website

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.



Photo from SR Metro Chamber website

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.

History

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

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

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

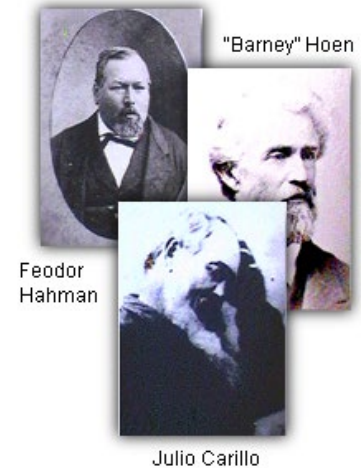
City at a Glance

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

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

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

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



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

Luther Burbank

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

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



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

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

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

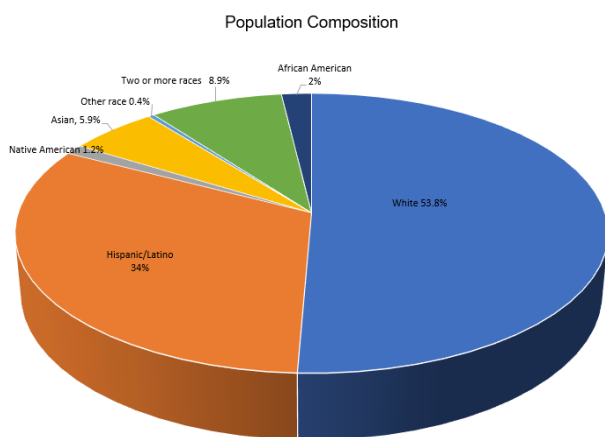
City Profile and Demographics

LOCATION

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

AREA

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



Source: U.S. Census Bureau
*Some categories may be of any race, so also are included in applicable race categories

According to the latest US Census Bureau 2017-2021, there are approximately 2.60 persons per household, the median age is 39.6 and the median household income is \$84,823. The homeownership rate was 55.3% with a median value of \$598,700 for owner-occupied homes. Regarding the education of Santa Rosa residents, the survey states 85.5% are high school graduates and 34.3% have a bachelor's degree or beyond. The gender distribution is 51.4% female and 48.6% male. Approximately 9.8% of the City of Santa Rosa's population lives below poverty level.

Source: US Census Bureau, 2017-2021 American Community Survey 5-Year Estimates

The US Census Bureau estimates the City of Santa Rosa population at 176,938 (2021). The unemployment rate, provided by The U.S. Bureau of Labor Statistics, was 3.6% (January 2023).

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

Major Employers (2022)	
Employer	Employees
County of Sonoma	4,278
Kaiser Permanente	3,241
Santa Rosa Junior College	3,047
St. Joseph Health System	2,019
Santa Rosa School District	1,700
Keysight/Agilent Technologies	1,539
City of Santa Rosa	1,264
Medtronic/Arterial Vascular Eng.	961
Sutter Medical Center of Santa Rosa	913
Safeway	814
Total	19,776

Source: City of Santa Rosa CAFR; all figures approximate

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All City Funds Schedule

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

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

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

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

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

All City Funds Schedule FY 2023-24

	GENERAL FUND	ENTERPRISE FUNDS	SPECIAL REVENUE FUNDS	OTHER FUNDS	HOUSING AUTHORITY	SUCCESSOR AGENCY	TOTAL ALL FUNDS
ESTIMATED RESERVES- JUNE 30, 2023	45,000,000	287,300,000	82,300,000	10,565,000	10,700,000	-	435,865,000
REVENUES:							
Property Tax	36,325,000	-	-	-	-	3,022,314	39,347,314
Sales Tax	75,866,735	-	12,327,630	-	-	-	88,194,365
Utility Users Tax	11,641,100	-	-	-	-	-	11,641,100
Other Taxes	45,258,029	-	-	-	-	-	45,258,029
Licenses & Permits	3,075,000	11,030	1,950,000	-	-	-	5,036,030
Charges for Services	23,151,558	142,913,273	3,870,977	4,865,511	3,215,410	-	178,016,729
Intergovernmental Revenue	1,893,693	36,836,116	18,357,137	-	60,730,009	-	117,816,955
Fines & Forfeitures	1,710,900	-	-	-	10,000	-	1,720,900
Investment Earnings	600,000	1,533,251	64,557	330,000	154,000	-	2,681,808
Contributions from Private Parties	-	-	109,250	-	-	-	109,250
Miscellaneous	2,370,000	679,014	824,800	-	5,466,209	-	9,340,023
TOTAL REVENUES	201,892,015	181,972,684	37,504,351	5,195,511	69,575,628	3,022,314	499,162,503
TRANSFERS IN	2,876,247	58,024,289	5,524,690	37,359,640	2,125,000	-	105,909,866
TOTAL REV & TRNSFS IN	204,768,262	239,996,973	43,029,041	42,555,151	71,700,628	3,022,314	605,072,369
EXPENDITURES:							
General Government	21,448,020	5,578,028	-	330,000	-	3,022,314	30,378,362 *
Housing & Community Svcs	101,000	-	6,323,926	-	75,723,351	-	82,148,277
Fire	53,450,873	-	3,984,950	1,171,641	-	-	58,607,464
Planning & Economic Dev.	17,604,609	-	1,704,085	-	-	-	19,308,694
Police	72,094,362	-	8,045,550	-	-	-	80,139,912
Recreation & Comm Engagement	17,956,499	669,988	5,595,965	8,857,298	-	-	33,079,750
Transportation & Public Works	27,007,860	17,187,832	-	25,835,395	-	-	70,031,087 **
Water	804,466	165,809,086	-	689,058	-	-	167,302,610 ***
Non-Departmental	(9,590,573)	-	-	4,832,467	-	-	(4,758,106)
TOTAL EXPENDITURES	200,877,116	189,244,934	25,654,476	41,715,859	75,723,351	3,022,314	536,238,050
TRANSFERS OUT	6,435,558	62,121,511	37,284,182	68,615	-	-	105,909,866
TOTAL EXP & TRNSFS OUT	207,312,674	251,366,445	62,938,658	41,784,474	75,723,351	3,022,314	642,147,916
SURPLUS / (DEFICIT)	(2,544,412)	(11,369,472)	(19,909,617)	770,677	(4,022,723)	-	(37,075,547)
ESTIMATED RESERVES- JUNE 30, 2024	42,455,588	275,930,528	62,390,383	11,335,677	6,677,277	-	398,789,453

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

* Total General Government = \$81,819,155 (includes Insurance Internal Service Fund \$40,718,032 & Information Technology Internal Service Funds \$10,722,761).

** Total Transportation & Public Works = \$91,923,733 (includes Equipment and Repair Replacement Internal Service Fund \$20,618,304 & a portion of internally allocated Administration Fund \$1,274,342).

*** Total SR Water = \$182,069,709 (includes internally allocated Utilities Administration Fund \$14,767,099).

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

Enterprise Funds Schedule

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

- **Golf Fund:** Accounts for the revenues and expenditures related to maintaining and operating the public golf course.
- **Parking Fund:** Accounts for the revenues and expenditures associated with the City's over 4,500 parking spaces, five multi-level garages, and 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 2023-24

	GOLF FUND	PARKING FUND	TRANSIT FUND	STORM WATER FUNDS	WATER FUND	LOCAL WASTEWTR FUND	SUBREG. WASTEWTR FUND	TOTAL ENTERPRISE FUNDS
ESTIMATED RESERVES- JUNE 30, 2023	1,200,000	10,700,000	-	3,300,000	72,900,000	89,400,000	109,800,000	287,300,000
REVENUES:								
Property Tax	-	-	-	-	-	-	-	-
Sales Tax	-	-	-	-	-	-	-	-
Utility Users Tax	-	-	-	-	-	-	-	-
Other Taxes	-	-	-	-	-	-	-	-
Licenses & Permits	-	11,030	-	-	-	-	-	11,030
Charges for Services	375,897	3,807,600	1,118,748	3,023,048	53,774,880	77,188,100	3,625,000	142,913,273
Intergovernmental Revenue	-	-	15,424,483	93,000	-	756,485	20,562,148	36,836,116
Fines & Forfeitures	-	-	-	-	-	-	-	-
Investment Earnings	-	100,000	-	-	520,000	413,251	500,000	1,533,251
Contributions from Private Parties	-	-	-	-	-	-	-	-
Miscellaneous	67,656	5,025	-	-	100,000	361,333	145,000	679,014
TOTAL REVENUES	443,553	3,923,655	16,543,231	3,116,048	54,394,880	78,719,169	24,832,148	181,972,684
TRANSFERS IN	229,070	1,306,330	30,000	-	-	-	56,458,889	58,024,289
TOTAL REV & TRNSFS IN	672,623	5,229,985	16,573,231	3,116,048	54,394,880	78,719,169	81,291,037	239,996,973
EXPENDITURES:								
General Government	-	5,578,028	-	-	-	-	-	5,578,028
Housing & Community Svcs	-	-	-	-	-	-	-	-
Fire	-	-	-	-	-	-	-	-
Planning & Economic Dev.	-	-	-	-	-	-	-	-
Police	-	-	-	-	-	-	-	-
Recreation & Comm Engagement	669,988	-	-	-	-	-	-	669,988
Transportation & Public Works	-	-	16,573,231	614,601	-	-	-	17,187,832
Water	-	-	-	2,484,340	55,021,529	27,560,198	80,743,019	165,809,086
Non-Departmental	-	-	-	-	-	-	-	-
TOTAL EXPENDITURES	669,988	5,578,028	16,573,231	3,098,941	55,021,529	27,560,198	80,743,019	189,244,934
TRANSFERS OUT	-	121,338	-	30,000	2,864,163	59,106,010	-	62,121,511
TOTAL EXP & TRNSFS OUT	669,988	5,699,366	16,573,231	3,128,941	57,885,692	86,666,208	80,743,019	251,366,445
SURPLUS / (DEFICIT)	2,635	(469,381)	-	(12,893)	(3,490,812)	(7,947,039)	548,018	(11,369,472)
ESTIMATED RESERVES- JUNE 30, 2024	1,202,635	10,230,619	-	3,287,107	69,409,188	81,452,961	110,348,018	275,930,528

Internal Service Funds Schedule

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

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

Internal Service Funds Schedule FY 2023-24

	EQUIPMENT REPAIR & REPLACEMENT FUND	INSURANCE FUND	INFORMATION TECHNOLOGY FUND	TOTAL INTERNAL SERVICE FUNDS
ESTIMATED RESERVES- JUNE 30, 2023	14,300,000	33,100,000	3,200,000	50,600,000
REVENUES:				
Property Tax	-	-	-	-
Sales Tax	-	-	-	-
Utility Users Tax	-	-	-	-
Other Taxes	-	-	10,000	10,000
Licenses & Permits	-	-	-	-
Charges for Services	13,881,000	42,200,000	10,127,839	66,208,839
Intergovernmental Revenue	-	-	-	-
Fines & Forfeitures	-	-	-	-
Investment Earnings	-	-	-	-
Contributions from Private Parties	-	-	-	-
Miscellaneous	-	1,384,849	-	1,384,849
TOTAL REVENUES	13,881,000	43,584,849	10,137,839	67,603,688
TRANSFERS IN	-	-	-	-
TOTAL REV & TRNSFS IN	13,881,000	43,584,849	10,137,839	67,603,688
EXPENDITURES:				
General Government	-	40,718,032	10,722,761	51,440,793
Housing & Community Svcs	-	-	-	-
Fire	-	-	-	-
Planning & Economic Dev.	-	-	-	-
Police	-	-	-	-
Recreation & Comm Engagement	-	-	-	-
Transportation & Public Works	20,618,304	-	-	20,618,304
Water	-	-	-	-
Non-Departmental	-	-	-	-
TOTAL EXPENDITURES	20,618,304	40,718,032	10,722,761	72,059,097
TRANSFERS OUT	-	-	-	-
TOTAL EXP & TRNSFS OUT	20,618,304	40,718,032	10,722,761	72,059,097
SURPLUS (DEFICIT)	(6,737,304)	2,866,817	(584,922)	(4,455,409)
ESTIMATED RESERVES- JUNE 30, 2024	7,562,696	35,966,817	2,615,078	46,144,591

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	√		√				
Parks & Recreation	√	√	√				√
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 Special Tax
 Development Impact Fees Fund
 Homeless Shelter Operations Fund
 Santa Rosa Tourism BIA Fund
 Mobile Home Rent Stabilization Fund

Internal Service Funds:

Equipment Repair and Replacement Funds
 Insurance Fund
 Information Technology Funds

Housing Authority Funds:

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

Successor Agency to the Redevelopment Funds:

Debt Service Funds (ROPS)

Other Funds:

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

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City Revenues

General Fund

Description:	2022-23 Adopted Budget	2023-24 Proposed Budget	Dollar Change	Percent Change
Tax Revenue Detail				
Property Taxes	\$ 34,695,000	\$ 36,325,000	\$ 1,630,000	4.7%
Sales Taxes	74,745,226	75,866,735	\$ 1,121,509	1.5%
Utility Use Taxes	10,674,100	11,641,100	\$ 967,000	9.1%
Motor Vehicle License Fees	16,509,103	17,478,677	\$ 969,574	5.9%
Franchise Fees	10,763,600	11,123,600	\$ 360,000	3.3%
Cannabis Industry Tax	1,800,000	1,800,000	\$ -	0.0%
Business Licenses	4,560,150	4,605,752	\$ 45,602	1.0%
Real Property Transfer Tax	5,000,000	4,250,000	\$ (750,000)	-15.0%
Transient Occupancy Tax	5,750,000	6,000,000	\$ 250,000	4.3%
Total Tax Revenues	\$ 164,497,179	\$ 169,090,864	\$ 4,593,685	2.8%
Other Revenue Detail				
Licenses and Permits	\$ 2,360,000	\$ 3,075,000	\$ 715,000	30.3%
Charges for Services	21,393,337	23,151,558	1,758,221	8.2%
Intergovernmental Revenue	5,150,640	1,893,693	(3,256,947)	-63.2%
Fines and Forfeitures	1,506,500	1,710,900	204,400	13.6%
Investment Earnings	600,000	600,000	-	0.0%
Miscellaneous Revenues	1,995,000	2,370,000	375,000	18.8%
Total Other Revenues	\$ 33,005,477	\$ 32,801,151	\$ (204,326)	-0.6%
Total General Fund Revenues	\$ 197,502,656	\$ 201,892,015	\$ 4,389,359	2.2%

General Fund

The General Fund revenues for FY 2023-24 reflect a relatively stable economy. There are differing opinions regarding the likelihood of a recession in FY 2023-24. The City of Santa Rosa is not budgeting for a recession in FY 2023-24. Revenue amounts for FY 2022-23 projected a significant increase; a 10.7% revenue increase overall. The FY 2022-23 revenue was projected during a time of a rebounding economy, due to the winding down of the COVID-19 pandemic. Due to a stable economy being projected for FY 2023-24, most revenue categories are proposing a very modest increase. In particular Sales Tax, the General Fund's largest portion of revenue, is budgeting a 1.5% increase. Overall, the FY 2023-24 General Fund is forecasted at a total of \$201.9M, a 2.2% or \$4.4M increase from FY 2022-23.

Property tax is projected at \$36.3M for FY 2023-24, a \$1.6M or 4.7% increase from the previous fiscal year. Property values of homes were not affected by the pandemic and continue to rise across the county.

Sales tax is the largest revenue source for the City and is projected to increase this fiscal year by 1.5% or about \$1.1M, for a total of \$75.9M. As mentioned above, the revenue estimates for FY 2022-23 were decided upon nearing the end of the COVID-19 pandemic and a rebounding economy. A relatively

City Revenues

conservative FY 2023-24 Sales Tax increase of 1.5% reflects the outlook of a stable economy. Included in the total projected Sales Tax amount is Measure Q and Proposition 172 proceeds. In November 2020, the voters approved Measure Q (the combination of Measure P/N and Measure O-Temporary Fire Relief). Measure Q is a fifty-cent sales tax measure that expires in June 2030. Prop. 172 sales tax is based on a per-capita allocation.

Utility Users Tax (UUT) is a usage tax on electricity, gas, cable, and telecommunications. We expect to see a 9.1% increase in these taxes, or \$967K, for total revenue of \$11.6M. This increase is mostly due to rising PG&E costs.

Motor Vehicle License Fees are projected to increase by \$970K or 5.9% in FY 2023-24. These fees usually fluctuate with the annual assessed property valuation and grow with the property tax trend.

Franchise Fees are forecasted at \$11.1M, a slight increase of \$360K 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 \$7.4M, 66.1% of the total franchise fee revenues. The other franchise fees for PG&E, cable TV, and construction combined for a total of \$3.8M of anticipated revenue.

Cannabis Industry Tax revenue is forecasted at \$1.8M in FY 2023-24, the same as 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 \$46K or just 1% for FY 2023-24. Business tax revenue is collected annually based on the prior year's receipts and has appeared to stabilize post-pandemic.

Real Property Transfer Tax (RPTT) is projected to decrease by -15.0% from the FY 2022-23 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 and this impacts FY2023-24 revenues. The estimated total decrease is -\$750K, for a total revenue of \$4.25M in FY 2023-24.

Transient Occupancy Tax (TOT) revenue is projected to increase by \$250K or 4.3% for FY 2023-24. The City of Santa Rosa passed a Short-Term Rental tax that took effect in 2021. FY 2022-23 was the first full year this additional revenue was received. In FY 2023-24, TOT is projecting a small 4.3% increase due to tourism continuing to rebound post-pandemic.

Licenses and Permit Revenues are projected to increase by 30.3% or \$715K, for a total of \$3.1M for FY 2023-24. Similar to the prior year, building permit fees and encroachment permits are driving the increase in this revenue.

Charges for Services are forecasted at \$23.2M, an increase of \$1.8M or 8.2% in FY 2023-24. Most of the Charges for Services include Interfund charges (the General Fund charging other funds for services) of \$11M, Planning and Economic Development fees of \$4.2M, Fire Engineering & other miscellaneous Fire fees of \$3M, and Recreation fees of \$3M.

Intergovernmental Revenues are received from grant funds and other government entities. This revenue is expected to decrease significantly due to a one-time receipt of State Grants funding for a Capital Improvement Project in the amount of \$3.4M being received in FY 2022-23. This one-time State Grant is the reason for the \$3.3M, or -63.2%, decrease in the FY 2023-24 Intergovernmental Revenues budget. The remaining Intergovernmental Revenue is mostly collected from the County of Sonoma for the Roseland Annexation; \$662K is dedicated to spending on road improvements in the Roseland area.

City Revenues

Fines and Forfeitures are expected to increase by \$204K or 13.6%. Parking Violation revenue makes up most of this category at \$1.1M and has yet to reach pre-pandemic levels. Investment Earnings are projected at \$600K. Miscellaneous Revenues are budgeted at \$2.4M for FY 2023-24; a \$375K, or 18.8%, increase from the previous year. This increase is primarily driven by the Wildfire Strike Team reimbursements of \$1.5M.

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 \$54.4M, an increase of about \$3.8M from the prior year, or 7.6%. The Water Utility's main source of revenue is rates, which make up 89.1% of the total revenue. Santa Rosa experienced a sequential number of storms at the beginning of 2023. These storms resulted in saturating Lake Sonoma and Lake Mendocino to full water levels. Despite this good news, over half of California is still characterized as being in some version of a drought. For this reason, Santa Rosa still needs to comply with the city's water waste ordinance and all existing statewide emergency water conservation regulations adopted by the State Water Resources Control Board. Full water levels are the main reason for an increase in water sales being projected in FY 2023-24. Water sales are expected to increase by 5% in FY 2023-24, 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 0.8% to \$78.7M in FY 2023-24. Rate revenue comprises 90.6% of the projected revenue for the upcoming year and is budgeted at \$71.3M.

Regional Wastewater Fund

The Regional Wastewater fund is estimating \$24.8M total revenue for FY 2023-24, a \$864K or 3.6% increase from the last fiscal year. For the current fiscal year, 82.8% 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 \$35.6M, 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 has had a new operator for less than a year and they are making repairs and improvements. At this time, budgeted revenues for the Golf Course are \$444K, a decrease of \$7K from the previous year, in accordance with a decrease in Capital Improvement Fees.

Parking Fund

Parking revenues reflect an increase of just 0.8% up to \$3.9M for FY 2023-24. Parking revenues are still rebounding from shorter parking hours and COVID-19 restrictions on essential business operations. With the economy recovering and restrictions being lifted, parking revenue and downtown parking usage are expected to stabilize in FY 2023-24 and hopefully be impacted favorably in the coming years. 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 will decrease by \$1.4M, or 8.9%, for a total of \$16.5M in FY 2023-24. \$15.4M, or 93.2% of total Transit revenue is derived from state and federal grant revenue, which accounts for the majority of the year over year revenue increases. With sales and fuel taxes recovering from the COVID-19 economic crisis, a correlating increase is expected in grant funds available. Budgeted transit fare revenues from ridership are projected to increase by 32% to \$1.1M in the coming year, mostly due to projected increases in bus passes and bus ticket sales.

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Multi-Year Revenue Summary – All Funds

FUND	2019-20 Actual	2020-21 Actual	2021-22 Actual	2022-23 Budget	2023-24 Budget
GENERAL FUND REVENUES:					
Property Taxes	30,473,327	32,097,520	33,689,779	34,695,000	36,325,000
Sales Tax	58,435,658	65,523,209	71,236,600	74,745,226	75,866,735
Utility Users Tax	10,669,391	11,467,876	12,107,856	10,674,100	11,641,100
Other Taxes	40,239,897	41,488,932	45,350,744	44,382,853	45,258,029
Licenses and Permits	3,274,334	3,200,753	3,439,656	2,360,000	3,075,000
Charges for Services	26,677,022	23,755,375	25,438,733	21,393,337	23,151,558
Intergovernmental Revenue	6,977,233	10,099,290	8,872,065	5,150,640	1,893,693
Fines and Forfeitures	1,704,248	1,048,970	1,633,099	1,506,500	1,710,900
Investment Earnings	2,261,005	2,043,092	(4,466,736)	600,000	600,000
Contributions from Private Parties	2,836,663	7,643	3,967	-	-
Miscellaneous	2,399,476	101,189,340	2,937,080	1,995,000	2,370,000
	185,948,254	291,922,000	200,242,843	197,502,656	201,892,015
ENTERPRISE FUND REVENUES:					
Golf Fund	496,767	736,433	459,018	451,000	443,553
Parking Fund	4,223,014	2,521,710	3,964,780	3,889,260	3,923,655
Transit Fund	13,242,911	11,894,664	14,482,838	15,189,523	16,543,231
Storm Water Funds	2,834,008	2,820,807	2,690,858	2,844,176	3,116,048
Water Fund	57,821,779	53,058,373	47,764,451	50,498,300	54,394,880
Local Wastewater Fund	74,115,277	70,269,267	83,472,163	78,078,542	78,719,169
Subregional Wastewater Fund	22,223,213	23,571,712	17,453,903	23,968,426	24,832,148
TOTAL ENTERPRISE FUND REVENUES	174,956,969	164,872,966	170,288,011	174,919,227	181,972,684
SPECIAL REVENUE FUND REVENUES	34,688,556	34,108,425	37,107,098	38,382,726	37,504,351
OTHER FUNDS REVENUES	29,812,879	30,643,004	34,191,800	5,013,113	5,195,511
HOUSING AUTHORITY REVENUES	34,854,853	38,788,817	52,111,866	48,530,955	69,575,628
SUCCESSOR AGENCY TO THE REDEV. AGENCY	3,048,582	3,127,501	2,949,805	3,023,661	3,022,314
TOTAL REVENUES	463,310,093	563,462,713	496,891,423	467,372,338	499,162,503

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

Multi-Year Expenditure Summary – All Funds

FUND	2019-20 Actual	2020-21 Actual	2021-22 Actual	2022-23 Budget	2023-24 Budget
GENERAL FUND EXPENDITURES:					
City Attorney	3,369,311	3,497,188	3,621,164	3,888,597	4,300,346
City Council	713,904	820,275	887,756	1,580,544	934,174
City Manager	2,695,894	1,751,379	1,948,588	2,882,370	3,029,775
Comms & Intergov Relations	-	1,097,992	1,234,980	1,444,055	1,924,622
Office of Community Engagement	-	-	-	-	-
Finance	11,540,386	15,465,736	8,876,069	7,193,577	7,186,371
Human Resources	2,075,111	2,763,991	3,747,155	3,062,482	4,072,732
Subtotal - General Government	20,394,606	25,396,561	20,315,712	20,051,625	21,448,020
Housing & Community Services	1,766,916	303,033	255,275	161,000	101,000
Fire	44,370,325	47,297,737	48,132,095	49,764,957	53,450,873
Planning & Economic Development	18,827,083	17,874,047	17,085,721	17,333,340	17,604,609
Police	59,972,387	62,222,250	67,566,494	68,540,250	72,094,362
Parks & Recreation	9,915,371	8,460,608	8,962,361	10,070,591	17,956,499
Transportation & Public Works	24,821,368	27,551,803	30,633,686	32,588,077	27,007,860
Water	723,154	618,248	832,005	698,045	804,466
Non-Departmental	(6,791,975)	(7,912,126)	(7,155,879)	(8,942,425)	(9,590,573)
TOTAL GENERAL FUND EXPENDITURES	173,999,235	181,812,161	186,627,470	190,265,460	200,877,116
ENTERPRISE FUND EXPENDITURES:					
Golf Fund	934,117	1,001,647	1,007,223	583,920	669,988
Parking Fund	5,830,860	6,715,428	6,146,043	6,850,090	5,578,028
Transit Fund	16,059,586	14,511,417	14,605,719	15,219,523	16,573,231
Storm Water Funds	1,956,502	2,095,169	1,895,089	2,921,794	3,098,941
Water Fund	49,689,036	56,462,047	48,593,698	51,791,779	55,021,529
Local Wastewater Fund	29,906,681	37,906,433	29,980,268	26,978,920	27,560,198
Subregional Wastewater Fund	83,396,788	140,737,863	75,206,015	76,531,031	80,743,019
TOTAL ENTERPRISE FUND EXPENDITURES	187,773,570	259,430,004	177,434,055	180,877,057	189,244,934
SPECIAL REVENUE FUND EXPENDITURES	16,245,647	14,363,329	14,906,528	16,504,230	25,654,476
OTHER FUNDS EXPENDITURES:					
Capital Improvement Program (CIP) Fund	26,538,906	22,485,726	28,269,879	30,661,980	36,262,763
Debt Service Funds	31,819,504	29,902,216	33,806,813	4,835,283	4,832,467
Special Assessment Funds	25,314	20,306	55,822	179,618	181,379
Trust Funds	253,380	271,425	343,700	337,460	439,250
TOTAL OTHER FUNDS EXPENDITURES	58,637,104	52,679,673	62,476,214	36,014,341	41,715,859
HOUSING AUTHORITY EXPENDITURES	37,063,259	35,931,700	58,735,726	54,614,272	\$75,723,351
SUCCESSOR AGENCY TO THE REDEV. AGENCY	3,063,078	3,055,093	3,049,630	3,023,661	3,022,314
TOTAL EXPENDITURES	476,781,893	547,271,960	503,229,623	481,299,021	536,238,050

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, 2022

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 \$16,415,000 of debt subject to the limit and a legal debt limit of \$1,086,193,740 the City is not at risk of exceeding its legal debt limit.

<u>Computation of Legal Debt Margin</u>	
Assessed Value	\$29,402,899,729
Debt Limit (3.75% of Assessed Value)	1,102,608,740
Less Net Debt Applicable to Limit	(16,415,000)
Legal Debt Margin	\$1,086,193,740

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 6/30/2023	Bond Rating	Principal Outstanding
Wastewater Bonds	AA	175,769,474
Wastewater Loans	N/A	-
Water Bonds	AA+	7,750,000
Golf Course Bonds	AA-	2,600,000
Redevelopment Bonds	AA	26,750,000
Courthouse Square Project and Building Acquisition Certificates of Participation	AA-	9,345,000
Pension Obligation Bonds	AA	7,070,000
Financed Purchased Obligations	NR	624,433
Interfund Loans	NR	<u>1,525,980</u>
		231,434,888

City Debt

Annual Debt Service Requirements

		2024	2025	2026	2027	Thereafter	Total
Wastewater Bonds (Capital project funding)	Principal	13,679,313	13,868,891	14,045,588	14,241,779	119,933,904	175,769,474
	Interest	13,263,492	13,075,797	12,894,779	12,699,364	86,124,111	138,057,543
	Total Debt Service	26,942,805	26,944,688	26,940,367	26,941,143	206,058,016	313,827,018
Water Bonds (Capital Project funding)	Principal	330,000	345,000	365,000	380,000	6,330,000	7,750,000
	Interest	379,250	362,375	344,625	326,000	2,082,250	3,494,500
	Total Debt Service	709,250	707,375	709,625	706,000	8,412,250	11,244,500
Golf Course Bonds (Capital Project funding)	Principal	275,000	285,000	300,000	315,000	1,425,000	2,600,000
	Interest	117,643	104,461	90,679	76,054	141,010	529,848
	Total Debt Service	392,643	389,461	390,679	391,054	1,566,010	3,129,848
Redevelopment Bonds	Principal	1,975,000	2,045,000	2,120,000	2,195,000	18,415,000	26,750,000
	Interest	1,044,314	970,453	895,692	813,189	2,592,995	6,316,642
	Total Debt Service	3,019,314	3,015,453	3,015,692	3,008,189	21,007,995	33,066,642
Courthouse Square Project and Building Acquisition Certificates of Participation	Principal	385,000	400,000	415,000	435,000	7,710,000	9,345,000
	Interest	342,900	327,200	310,900	293,900	2,135,750	3,410,650
	Total Debt Service	727,900	727,200	725,900	728,900	9,845,750	12,755,650
Pension Obligation Bonds	Principal	3,440,000	3,630,000	-	-	-	7,070,000
	Interest	294,090	99,771	-	-	-	393,860
	Total Debt Service	3,734,090	3,729,771	-	-	-	7,463,860
Financed Purchased Obligations (Fire Station and Equipment Lease)	Principal	353,884	270,549	-	-	-	624,433
	Interest	13,842	5,246	-	-	-	19,089
	Total Debt Service	367,727	275,795	-	-	-	643,522
Interfund Loans	Principal	381,975	342,310	84,800	88,802	628,094	1,525,980
	Interest	75,492	64,367	56,019	51,116	167,477	414,472
	Total Debt Service	457,468	406,677	140,819	139,918	795,571	1,940,452
Citywide	Principal	20,820,172	21,186,749	17,330,387	17,655,581	154,441,998	231,434,888
	Interest	15,531,023	15,009,671	14,592,694	14,259,622	93,243,594	152,636,604
	Total Debt Service	36,351,195	36,196,420	31,923,082	31,915,203	247,685,591	384,071,491

FTE Staffing Summary

In fiscal year (FY) 2023-24, the City's proposed authorized Full-Time Equivalent (FTE) position count is 1,285.50, an increase of 7.00 FTEs or 0.5% from last fiscal year's budget. FTE position count by department and detailed additions/eliminations are shown below. In addition to the staffing changes, several positions have been, or are being, evaluated for classification changes. Detailed position classifications and salary ranges by department are available on the City's website at www.srcity.org under Departments/Human Resources/Salaries or through the following link: <http://srcity.org/192/Salaries>.

Authorized Full-Time Equivalent Position Count

DEPARTMENT	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23	change	FY 2023-24	% change
City Attorney	15.90	15.90	15.90	15.90	1.00	16.90	6.3%
City Manager	10.00	8.00	9.00	11.00	-	11.00	0.0%
Communications & Intergovernmental Relations *	-	7.00	7.00	7.00	2.00	9.00	28.6%
Finance	95.85	92.85	89.60	62.60	-	62.60	0.0%
Fire	151.00	151.00	148.00	157.00	-	157.00	0.0%
Housing & Community Services	34.00	24.00	24.00	27.00	-	27.00	0.0%
Human Resources	20.00	21.00	21.00	22.00	-	22.00	0.0%
Information Technology	29.00	29.00	30.00	31.00	2.00	33.00	6.5%
Planning & Economic Development	61.00	69.00	68.00	74.00	-	74.00	0.0%
Police	260.50	260.00	256.00	259.00	1.00	260.00	0.4%
Recreation & Community Engagement	44.00	42.00	42.00	44.00	(44.00)	-	-100.0%
Parks & Recreation	-	-	-	-	74.00	74.00	
Transportation & Public Works	290.00	287.00	288.00	292.00	(31.00)	261.00	-10.6%
Water	247.50	247.50	248.50	276.00	2.00	278.00	0.7%
Total FTE Positions	1,258.75	1,254.25	1,247.00	1,278.50	7.00	1,285.50	0.5%

FTE Staffing Summary

Detail Full-Time Equivalent Position Change

Dept.	Position Title	FTE
CMO	Administrative Analyst	1.00
CMO	Senior Administrative Assistant (Confidential)	-1.00
City Manager's Office Total		0.00
CAO	Assistant City Attorney	1.00
City Attorney's Office Total		1.00
Finance	Payroll Supervisor	1.00
Finance	Parking Operations Aide	0.50
Finance	Parking Supervisor	1.00
Finance	Parking Program Coordinator	-1.00
Finance	Parking Enforcement Officer	-0.50
Finance	Accountant - Auditor	-1.00
Finance Total		0.00
Fire	Limited-Term Community Outreach Specialist	1.00
Fire	Limited-Term Building Plans Examiner	-1.00
Fire's Office Total		0.00
IT	Technology Application Specialist	1.00
IT	Information Technology Supervisor	1.00
IT	Senior Information Technology Technician	1.00
IT	Information Technology Section Manager	-1.00
Information Technology Total		2.00
PED	Code Enforcement Officer	1.00
PED	Administrative Analyst	1.00
PED	Senior Administrative Assistant	-1.00
PED	Limited Term Senior Planner	-1.00
Planning & Economic Development Total		0.00
Police	Police Sergeant (Measure O)	1.00
Police	Property and Evidence Technician	1.00
Police	Police Technician	-1.00
Police Department Total		1.00
TPW	Administrative Secretary - To Parks & Recreation	-1.00
TPW	Street Maintenance Superintendent - To Parks & Recreation	-1.00
TPW	Deputy Director Parks - To Parks & Recreation	-1.00
TPW	Parks Planner - To Parks & Recreation	-1.00
TPW	Research& Program Coordinator - To Parks & Recreation	-1.00
TPW	Administrative Technician - To Parks & Recreation	-1.00
TPW	Parks Crew Supervisor - To Parks & Recreation	-2.00
TPW	Senior Maintenance Worker - To Parks & Recreation	-7.00
TPW	Skilled Maintenance Worker - To Parks & Recreation	-10.00
TPW	Groundskeeper - To Parks & Recreation	-6.00
Transportation & Public Works Total		-31.00
Water	Quality Control Associate (General Fund)	1.00
Water	Water Quality Supervisor	1.00
Santa Rosa Water Total		2.00

FTE Staffing Summary

Detail Full-Time Equivalent Position Change

Dept.	Position Title	FTE
R&CE	Director of Parks & Recreation	1.00
R&CE	Recreation Specialist	1.00
R&CE	Assistant Parks Planner	1.00
R&CE	Administrative Secretary - From TPW	1.00
R&CE	Street Maintenance Superintendent - From TPW	1.00
R&CE	Deputy Director Parks - From TPW	1.00
R&CE	Parks Planner - From TPW	1.00
R&CE	Research& Program Coordinator - From TPW	1.00
R&CE	Administrative Technician - From TPW	1.00
R&CE	Parks Crew Supervisor - From TPW	2.00
R&CE	Senior Maintenance Worker - From TPW	7.00
R&CE	Skilled Maintenance Worker - From TPW	10.00
R&CE	Groundskeeper - From TPW	6.00
R&CE	Senior Administrative Assistant	-2.00
R&CE	Deputy Director Community Engagement - To CIRO	-1.00
R&CE	Community Engagement Coordinator - To CIRO	-1.00
Total Change R&CE Total		30.00
HR	Human Resources Technician	2.00
HR	Risk Management Analyst	-1.00
HR	Senior Administrative Assistant	-1.00
Total Change HR Total		0.00
CIRO	Deputy Director Community Engagement - From Parks & Recreation	1.00
CIRO	Community Engagement Coordinator - From Parks & Recreation	1.00
Total Change 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 2023 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 strong Sales Tax forecast coming out of the pandemic. With consumers staying home and stimulus money in the economy, Sales Tax grew at record rates from quarter to quarter. However, starting in 2023 consumer spending has begun to taper off and not increase at previous rates. The LRFF has modified accordingly and allows the City to adapt as economic circumstances and local factors warrant and provide the City Council and management with valuable direction.

Revenue Growth Assumptions

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

Revenues	Forecast Assumptions
Property Tax	Property taxes are projected to increase by 3.5% in the next three years, reflecting the three-year average rate. In the last two years, property taxes grow at 4% as interest rates are expected to eventually decrease and affect home sale prices.
Sales Tax & Measure Q	Leveling off after sustained growth coming out of the pandemic; forecasted to grow 1.6% in FY 2024-25 and recover to 3% in the following years, predicted by the City's consultants at Avenu Insight.
Utility User's Tax	Increasing due to a rise in energy and gas costs at 1% per year; UUT on telephone and cable TV remains flat.
Other Taxes	Franchise Fees grow at 1% ongoing; Cannabis Industry Tax grows to \$1.8M annually and then is projected to plateau; Transient Occupancy Tax is recovering from the pandemic at 3% per year although Real Property Transfer Tax is decreasing in the first two years due to low volume of home sales.
Motor Vehicle License Fees	Projected to grow at 3.5% in the next year in line with Property Tax, and then growth will increase to 4%.

Expenditure Growth Assumptions

Long Range Financial Forecast

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

Expenditures	Forecast Assumptions
Salary COLAs	2.5% in FY 2023-24 per labor contracts; 1% ongoing for merit increases
Staffing Growth	none
Vacancy Rate	A vacancy credit of \$3.5M (equivalent to about 2.5%) is built into General Fund salaries and benefits for all years.
O&M/Inflation	Assumes most Services & Supplies will grow at 2% or 3% annually. Vehicle costs growing at 7% in line with replacement & maintenance trends.
Pension Costs	PERS Retirement grows in line with Salaries at 2.5% in FY 2023-24 per labor contracts, and 1% ongoing. PERS Unfunded Liability expenditures per CalPERS schedule in upcoming years.
Health	6% ongoing
Overtime	2.5% in FY 2023-24 per labor contracts; 1% ongoing
Project Budgets	\$2.8M in FY 23-24 due to one-time appropriations of \$557K; drops down to \$2.3M in FY 24-25 with 3% growth
Capital Project Transfers	\$2M in FY 23-24, reduced to \$1.9M in FY 24-25 with 3% growth thereafter. This is embedded within the "Transfers Out" line item.
One-time Funds	The City is funding several programs with one-time funding from PG&E Settlement funds and the American Rescue Plan Act (ARPA) that will eventually expire. Starting in FY 2024-25, additional expenditures are factored in for Homeless Services programs. The General Fund may need to supplement additional programs as one-time funds are depleted.

Summary of Findings

The LRFF begins with a budgeted deficit of \$2.5M in FY 2023-24 and adjusts revenue and expenditures projections in the out years for any known changes. In FY 2024-25, labor contracts will have expired, and any staffing costs are adjusted for 1% merit and step increases. Even with budgeting salaries and retirement at a conservative rate with labor agreements being unknown, expenditures and transfers out are outpacing revenue growth and transfers in.

Additionally, any unknown future costs not included in this forecast, such as wage increases per labor agreements after FY 2024-25, adding staff, or the continuation of any additional programs funded by PG&E or ARPA funds will continue to drive the General Fund further into a deficit.

The FY 2023-24 budget was adopted with the anticipation that the City would take the next year to determine a plan for returning to a balanced budget. Options to increase revenue as well as decrease

Long Range Financial Forecast

expenditures will both be explored. Once known, the LRFF will be adjusted to reflect any known measures for returning the General Fund to a balanced budget.

	FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28
Property Tax	36,325,000	37,868,550	38,891,717	40,383,292	41,933,381
Sales Tax	51,137,735	52,672,000	54,410,000	56,096,000	57,722,000
Measure Q	24,729,000	25,050,000	25,852,000	26,757,000	27,667,000
Utility Users Tax	11,641,100	11,641,100	11,641,100	11,641,100	11,641,100
Other Taxes	27,779,952	28,170,700	28,655,460	29,151,150	29,657,990
Motor Vehicle Fees	17,478,677	17,826,300	18,180,820	18,542,360	18,911,120
License and Permits	3,075,000	2,970,200	2,951,300	2,998,330	3,056,290
Fines and Forfeitures	1,710,900	1,745,100	1,779,980	1,815,560	1,851,840
Intergovernmental	1,893,693	1,901,030	1,908,510	1,916,140	1,923,920
Use of Money & Property	600,000	612,000	618,120	624,300	630,540
R&P Revenues	2,996,000	3,026,310	3,056,530	3,086,650	3,117,050
All Other Charges for Services	8,124,000	8,213,530	8,304,570	8,397,180	8,535,360
Interfund Charges	11,010,958	11,341,290	11,681,530	12,031,980	12,392,940
Miscellaneous	3,390,000	3,391,730	3,393,480	3,395,260	3,374,570
Total Revenue	201,892,015	206,429,840	211,325,117	216,836,302	222,415,101
Transfers IN	2,876,247	2,365,428	2,412,736	2,460,991	2,510,211
Salaries	90,720,808	91,594,301	92,476,461	93,367,376	94,267,133
PERS Retirement	15,921,304	16,080,517	16,241,322	16,403,735	16,567,773
PERS Unfunded Liability	24,929,111	26,105,500	26,379,000	27,992,000	29,208,000
Healthcare	15,239,068	16,153,412	17,122,617	18,149,974	19,238,972
All Other Benefits	6,252,137	6,398,863	6,548,952	6,702,480	6,859,526
IT Costs	5,657,213	5,883,502	6,118,842	6,363,595	6,618,139
Insurance	3,619,747	3,800,119	3,989,503	4,188,351	4,397,134
All Other Service & Supplies	35,773,054	38,314,234	41,001,937	43,221,069	46,431,876
O&M Projects	2,764,674	2,273,698	2,341,909	2,412,166	2,484,531
Total Expenditures	200,877,116	206,604,146	212,220,543	218,800,746	226,073,084
Transfers OUT	6,435,558	7,740,664	9,130,276	9,319,686	9,514,506
Total Surplus (Deficit)	(2,544,412)	(5,549,542)	(7,612,965)	(8,823,139)	(10,662,278)

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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

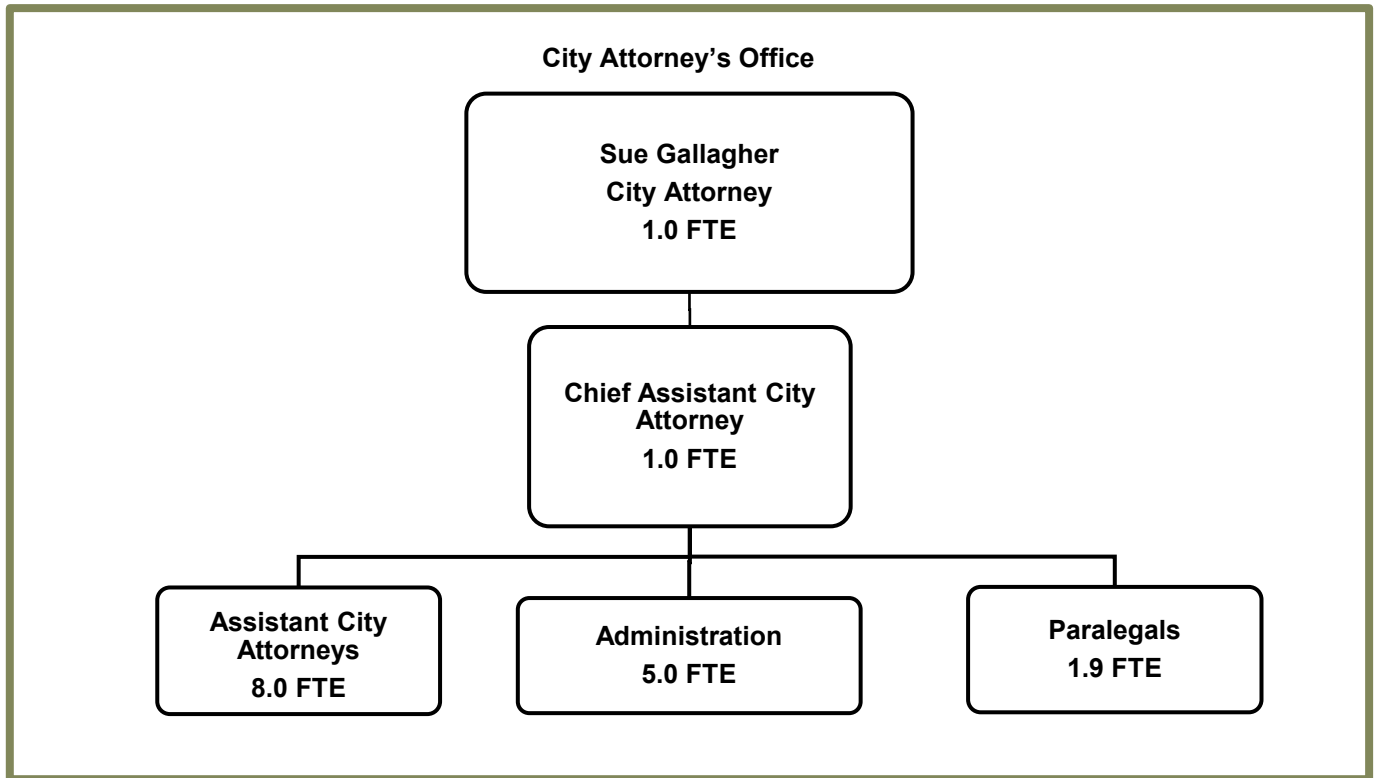
By City Charter, the City Attorney is appointed by the City Council to serve as the chief legal advisor for the City of Santa Rosa.

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

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

City Attorney's Office

FTE by Program



Strategic Goals and Initiatives for FY 2023-24

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

Emerging Issues:

- Assist City Departments in responding to evolving state and federal law, policy and opportunities regarding housing and homelessness. **1, 2**
- Continue to facilitate greater efficiencies and innovation in City procurement procedures. **6**
- Foster and facilitate regional approaches to key issues, including housing, homelessness, and climate change. **3, 4, 6**
- Provide continued legal support as Police implement new state laws and pursue significant community reforms. **3, 4**
- Work closely with Human Resources and regional partners to further diversity, equity, inclusion, and belonging in the community and within our City government. **3, 6**

Ongoing Council Priorities:

- Provide continuing advice and legal support regarding comprehensive housing policies and programs, including downtown development. **1, 4**
- Provide continuing advice and legal support regarding enhanced policies and programs to reduce homelessness, with an ultimate goal of functional zero. **2**
- Provide continuing advice and legal support regarding policies and programs to address climate change. **7**
- Provide continued legal support to Departments on initiatives to promote sustainable infrastructure, economic vitality and core City services. **4, 5**
- Enhance collaboration with our public entity partners in regional efforts to address housing, homelessness, emergency response, climate change and other issues of regional concern. **1, 2, 3**

City Attorney's Office

Foundational responsibilities:

- Provide skilled and effective defense of all claims and lawsuits filed against the City of Santa Rosa. 6
- Enforce environmental and consumer protection laws and aggressively pursue violations. 3, 4, 7
- Enforce the City Code with a focus on the highest health and safety risks. 3
- Provide timely review of contracts, resolutions, and proposed ordinances. 6
- Provide advice and legal support in state and federal legislative and regulatory initiatives. 1 - 6
- Provide professional, timely, and effective legal advice to the Council, City Manager, City Departments, and City boards and commissions throughout our work. 6

Major Budget Changes

The FY 2023-24 City Attorney's Office (CAO) budget is \$4.3M, an increase of \$411K, or 10.6%, over the prior year's adopted budget. Salaries & Benefits increased by \$416K, or 12.2%, primarily due to the addition of 1.0 FTE Assistant City Attorney. A nominal decrease of \$5K or -4.7% in Information Technology services cost.

Budget Summary

Expenditures by Program				
	2020 - 21 Actual	2021 - 22 Actual	2022 - 23 Budget	2023 - 24 Budget
Legal Services	\$3,497,188	\$3,621,164	\$3,888,597	\$4,300,346
CIP and O&M Projects	\$0	\$0	\$0	\$0
Total	\$3,497,188	\$3,621,164	\$3,888,597	\$4,300,346

Expenditures by Category				
	2020 - 21 Actual	2021 - 22 Actual	2022 - 23 Budget	2023 - 24 Budget
Salaries	\$2,075,165	\$2,221,428	\$2,261,266	\$2,482,594
Benefits	\$1,022,549	\$1,100,364	\$1,145,674	\$1,340,868
Professional Services	\$243,042	\$121,318	\$278,800	\$278,800
Vehicle Expenses	\$0	\$0	\$400	\$0
Utilities	\$1,822	\$1,034	\$1,400	\$1,400
Operational Supplies	\$14,527	\$10,359	\$21,000	\$16,000
Information Technology	\$82,201	\$94,928	\$101,357	\$96,584
Other Miscellaneous	\$57,882	\$71,733	\$78,700	\$84,100
CIP and O&M Projects	\$0	\$0	\$0	\$0
Total	\$3,497,188	\$3,621,164	\$3,888,597	\$4,300,346

City Attorney's Office

Expenditures by Fund				
	2020 - 21 Actual	2021 - 22 Actual	2022 - 23 Budget	2023 - 24 Budget
General Fund	\$3,497,188	\$3,621,164	\$3,888,597	\$4,300,346
Total	\$3,497,188	\$3,621,164	\$3,888,597	\$4,300,346

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

Fiscal Year	FY 2019 - 20	FY 2020 - 21	FY 2021 - 22	FY 2022 - 23	FY 2023 - 24
Full-Time Equivalent	15.90	15.90	15.90	15.90	16.90

Performance Measures

- Litigation:** As of April 11, 2023, CAO had 32 matters in active litigation and 16 additional claims under review. The Office estimates that it is likely to receive 25 new lawsuits and 30 new claims by the end of the fiscal year. The existing lawsuits include civil rights claims, personal injury, contract claims, construction disputes, regulatory matters, claims under CEQA, receiverships and others. Several cases are matters filed by the City itself to recover damages or monies owed. Seven existing cases are currently scheduled for trial in the coming months, and we anticipate additional cases may be scheduled before the end of the FY 2022-23. The City Attorney's Office handles the vast majority of this litigation in-house to minimize outside counsel costs when possible. CAO's engagement begins with the claim filing and continues strongly through discovery, trial, appeals and writs. In addition to lawsuits and claims, the litigation team will, by the end of FY 22-23, have defended approximately 19 weapons administrative actions, 8 vicious animal complaints (some involving multi-day trials), 21 Pitchess Motions, and 1 unlawful detainer.
- Departmental Support:** CAO continues to provide general legal advice and support on a wide range of municipal matters. The Office has responded to approximately 97 formal legal opinion requests, and several hundred more informal inquiries. On a day-to-day basis, the CAO's transactional team works closely with staff of all Departments to provide on-going legal guidance and proactive support on a vast array of City projects and initiatives. Much of this work is not reflected in the official opinion requests tracked above, and is performed as a part of continuing services to the Council, the City Manager and the Departments. The City Attorney's Office has reviewed 1161 agenda items to be presented to Council and other Boards and Commissions. Additionally, the City Attorney's Office has provided support to the City Clerk's Office in the review of the over 915 Public Records Act requests received this fiscal year.
- Contracts:** By the end of FY 22-23, CAO will have reviewed and approved more than 845 contracts and has developed, or is in the process of refining new procurement templates, including for Design-Build, Progressive Design Build, Project Labor Agreement, and others. The average turnaround for standard contracts was approximately 6 business days and the average of all contracts reviewed was approximately 16 business days.

City Attorney's Office

Prior FY 2022-23 Accomplishments

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

- Led Charter Review process, including working with the Council and Charter Review Committee toward drafting and processing successful ballot measures **6**
- Resolution of multiple matters of significant litigation at little or no cost to City **6**
- Support and engagement in redistricting and 2022 Council-member elections (four districts) **4, 6**
- Support and engagement in key departmental initiatives including: **All**
 - extension of Measure O
 - gas station ban
 - short term rental ordinance
 - housing element
 - homeless support
 - sideshow ordinance
 - drought response
- Neighborhood safety, including: **3, 4**
 - drug house abatements
 - receiverships
 - code enforcement
 - drafting and implementation of Animal Control ordinance amendments to facilitate the removal of vicious animals

Looking Ahead

This will be a year of transition for the City Attorney's Office, with the retirements of both the City Attorney and the Chief Assistant City Attorney, and new appointees taking their places. We can expect a period of adjustment and growth as new personnel arrive and integrate, and new assignments are taken and expanded.

The City Attorney's Office will continue to provide essential legal support to the City Council, City Manager, and all City Departments in pursuit of the Council's top priorities. Our efforts are wide-ranging and will include working closely with staff to address the community's housing needs and the ongoing impacts of homelessness, working closely with staff to strengthen the City's response to climate change, 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 a strong local economy. 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 ongoing initiatives, including the General Plan Update, climate change policies, new proposed housing ordinances, new City and regional homeless initiatives, new efforts to support local businesses, innovative Water programs and policies, and multiple complex real estate transactions to facilitate downtown development.

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

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



Natalie Rogers
Mayor
District 7



Dianna MacDonald
Vice Mayor
District 3



Eddie Alvarez
Council Member
District 1



Victoria Fleming
Council Member
District 4



Jeff Okrepkie
Council Member
District 6



Chris Rogers
Council Member
District 5



Mark Stapp
Council Member
District 2

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 2023-24 budget year, the City Council identified seven priorities from which goals would be identified and prioritized. The seven priorities, in order, are:

Priorities
1. Deliver housing for all Pursue housing options for residents of all income levels.
2. Reduce homelessness and its impacts Partner with key stakeholders to offer housing and support services to the unsheltered and address the issues and causes of homelessness.
3. Ensure a healthy and safe community for all Ensure the public's safety by engaging residents and using a broad range of proactive approaches that reduce racism and inequality in our community.
4. Promote economic and community vibrancy Sustain and develop a diverse and thriving economy that benefits Santa Rosa residents and businesses and contributes to the community's economic health while preserving historical and cultural integrity.
5. Build and maintain sustainable infrastructure Invest in and maintain the infrastructure that supports environmental sustainability, multi-modal transportation options, and a vibrant City.
6. Achieve organizational excellence Create a high-performing organization that pursues excellence, efficiency, and engagement; is fiscally sound; promotes diversity, equity, and inclusion; and reliably delivers outstanding services to the community.
7. Address Climate Change Take proactive steps toward carbon neutrality and environmental education for all.

Major Budget Change

The City Council's FY 2023-24 budget is \$934K, a decrease of \$646K, or 40.9%, over the prior year's adopted budget. This decrease is a result of Community Promotions moving to Planning & Economic Development, \$105K and as there are no upcoming elections for FY 2023-24 the budget was reduced by \$612K to \$0. Salaries and Benefits in General Administration increased by \$71K, or 8.3%, as a result of the increase in City Council wages that was approved on December 14, 2022.

Budget Summary

Expenditures by Program				
	2020 - 2021 Actual	2021 - 2022 Actual	2022 - 2023 Budget	2023 - 2024 Request
Events	\$0	\$0	\$105,000	\$0
CIP and O&M Projects	\$0	\$12,248	\$0	\$0
Administration	\$707,545	\$875,371	\$862,814	\$934,174
Elections	\$112,730	\$137	\$612,730	\$0
Total	\$820,275	\$887,756	\$1,580,544	\$934,174

Expenditures by Category				
	2020 - 21 Actual	2021 - 22 Actual	2022 - 23 Actual	2023 - 24 Budget
Salaries	\$74,212	\$71,332	\$122,000	\$132,960
Benefits	\$86,926	\$90,708	\$119,319	\$135,038
Professional Services	\$309,078	\$351,619	\$1,037,597	\$395,565
Utilities	\$5,157	\$4,350	\$1,589	\$1,589
Operational Supplies	\$7,795	\$1,824	\$11,728	\$11,728
Information Technology	\$164,134	\$152,880	\$133,910	\$128,591
Other Miscellaneous	\$172,973	\$202,795	\$154,401	\$128,703
CIP and O&M Projects	\$0	\$12,248	\$0	\$0
Total	\$820,275	\$887,756	\$1,580,544	\$934,174

Expenditures by Fund				
Funding Source	2020 - 21 Actual	2021 - 22 Actual	2022 - 23 Budget	2023 - 24 Budget
General Fund	\$820,275	\$887,756	\$1,580,544	\$934,174
Total	\$820,275	\$887,756	\$1,580,544	\$934,174

City Council

Performance Measures

The City Council's service indicators remain relatively the same year after year. In FY 2022-23, the City Council held their annual Council Goals Session and adopted the updated priorities. The City Council held 27 meetings and made 65 appointments to various Boards and Commissions. Council Members all serve on various Boards and Committees.

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

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

Prior FY 2022-23 Accomplishments

- Engaged with more than 100 stakeholders
- Launched Clean Santa Rosa
- Adopted Project Labor Agreement
- Distributed Employee Appreciation Awards
- Developed Round Table

Looking Ahead

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

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.

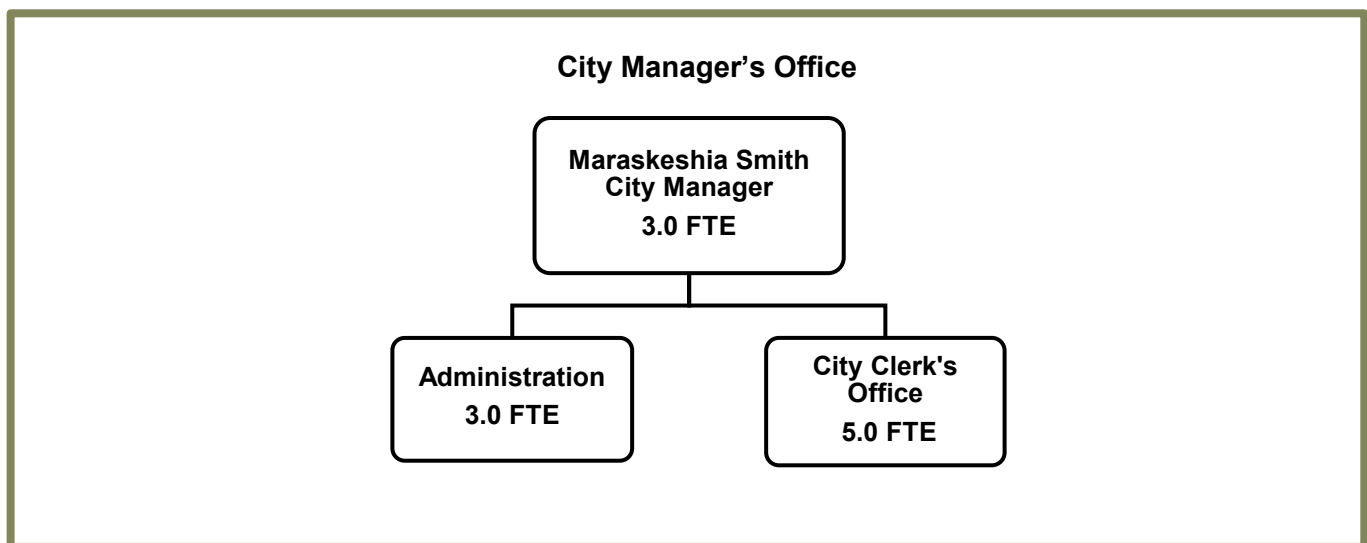
Department Description

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 2023-24

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

Administration

- Deliver housing options for residents of all income levels 1
- Reduce homelessness and its impacts 2
- Ensure a healthy and safe community for everyone 3
- Promote economic and community vibrancy 4
- Build and maintain sustainable infrastructure 5
- Achieve organizational excellence 6
- Address Climate Change 7

City Clerk

- Prepare and distribute preliminary and current City Council agendas, paperless agenda packets, and minutes pursuant to the Brown Act and City policy. 6, 7
- Facilitate an open and transparent democratic process through public access to Council and advisory body legislative records. 6
- Promptly receive, review, track, and coordinate responses to all Public Records Act request. 6, 7
- Continue development, implementation, and coordination of a comprehensive Citywide Records Management Program. 6, 7
- Administer fair and impartial municipal and ballot measure elections; provide technical support and guidance to City Council candidates and proponents. 6, 7
- Serve as fining officer/official under the Political Reform Act for Statements of Economic Interests and Campaign Finance Disclosure Statements. 6
- Effectively manage all board and commission member vacancies, recruitments, and appointments to ensure City boards, commissions, and committees represent the diversity of the community. 6
- Foster public involvement and informed decision-making by provide professional customer service and accessible and accurate information about City government. 6

Major Budget Changes

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

The City Manager's Office added 1.0 FTE Administrative Analyst and deleted a Senior Administrative Assistant. The City Manager's Office budget for FY 2023-24 is \$3M, an increase of \$147K, or 5% over last fiscal year. Salaries and benefits increased by \$128K or almost 6% due to the restructuring and COLAS. There was also an increase of \$19K, or 13%, for Information Technology services.

Budget Summary

Expenditures by Program				
	2020 - 2021 Actual	2021 - 2022 Actual	2022 - 2023 Budget	2023 - 2024 Budget
General Administration	\$1,668,539	\$1,867,749	\$2,801,114	\$2,948,519
City Clerk	\$78,682	\$80,814	\$81,256	\$81,256
Homeless Services	\$0	\$3,272,163	\$3,645,105	\$0
CIP and O&M Projects	\$4,158	\$237,744	\$350,000	\$0
Total	\$1,751,379	\$5,458,470	\$6,877,475	\$3,029,775

City Manager's Office

Expenditures by Category				
	2020 - 2021 Actual	2021 - 2022 Actual	2022 - 2023 Budget	2023 - 2024 Budget
Salaries	\$878,380	\$1,407,488	\$1,894,010	\$1,537,406
Benefits	\$464,945	\$658,650	\$992,974	\$746,117
Professional Services	\$213,791	\$227,272	\$466,261	\$458,261
Utilities	\$1,275	\$2,504	\$5,265	\$2,845
Operational Supplies	\$9,670	\$14,657	\$40,043	\$27,998
Information Technology	\$126,179	\$147,072	\$168,760	\$165,083
Other Miscellaneous	\$52,981	\$79,694	\$111,039	\$92,065
Subrecipient Funding	\$0	\$2,653,852	\$2,794,781	\$0
CIP and O&M Projects	\$4,158	\$237,744	\$350,000	\$0
Indirect Costs	\$0	\$29,537	\$54,342	\$0
Total	\$1,751,379	\$5,458,470	\$6,877,475	\$3,029,775

Expenditures by Fund				
	2020 - 2021 Actual	2021 - 2022 Actual	2022 - 2023 Budget	2023 - 2024 Budget
Funding Source				
General Fund	\$1,751,379	\$1,948,588	\$2,882,370	\$3,029,775
Homeless Shelter Operations	\$0	\$3,509,882	\$3,995,105	\$0
Total	\$1,751,379	\$5,458,470	\$6,877,475	\$3,029,775

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

Fiscal Year	FY 2019 - 20	FY 2020 - 21	FY 2021 - 22	FY 2022 - 23	FY 2023 - 24
Full-Time Equivalent	10.00	8.00	9.00	11.00	11.00

City Manager's Office

Performance Measures

Administration

Work with the Mayor, the City Council, and the Executive Staff to implement City Council Goals. **All**
Follow-up with staff to develop and produce desired results.

Provide responses to each of the approximate 3000+/- emails that come to the City Manager and City Council. **All**

City Clerk

	FY 2020/2021	FY2021/2022	FY2022/2023
City Council Meetings: Produce, publish, and timely post preliminary and final Council agendas, agenda packets and meeting minutes	148*	152**	152***
City Council Legislation: Timely and accurately conform, publish, post, and import into Laserfiche all City Council legislation	Resolutions – 235** Ordinances – 18**	Resolutions – 252** Ordinances – 20**	Resolutions – 252*** Ordinances – 20***
FPPC Filings – Form 700: Provide notification of filing deadlines; receive, review, and post filings; seek amendments as needed	551 filings*	562 filings**	459 filings***
FPPC Filings – Campaign Disclosure Statements: Provide notification of filing deadlines; receive, review, and post filings; seek amendments as needed	Filers – 25* Filings – 84*	Filers – 32** Filings – 86**	Filers – 29*** Filings – 91***
Public Records Act Requests: Receive and review written requests, coordinate production of records, prepare responses	959*	1321**	916***
Boards and Commissions: Track and recruit applicants and administer appointments for 12 advisory bodies (86 positions)	Applications– 160*** Appointments– 51***	Applications– 65** Appointments– 11**	Applications– 73*** Appointments– 62***
(*) 1/1-12/31/2021 (**) 1/1-12/31/2022 (***) Fiscal Year-end estimates based on year-to-date actuals			

City Manager's Office

Prior FY 2022-23 Accomplishments

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

- Facilitated countless changes due to COVID-19 response and meeting requirement changes for City Council and other boards and commissions. **6**
- Managed the preparation, distribution, and posting of City Council agendas, agenda packets, and minutes for 27 City Council meetings. **All**
- Served as filing official for over 562 Statements of Economic Interests for City Council members, advisory body members, and designated staff in compliance with the Political Reform Act. **5, 6, 7**
- Responded in a timely manner to 1321 Public Record Requests in 2022, refined use of Public Record Request database for ease of access for the public and process improvements for staff. **6, 7**
- Solidified agenda publishing process and staff understanding of critical deadlines to be in compliance with the Open Government chapter of city code. **6**
- Successfully ran the 2022 City Council election. **6**
- Led the 2022 Redistricting of City Council Districts to align with the California FAIR MAPs Act **6**

Looking Ahead

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

The City Clerk's Office will continue the facilitation of Council meetings with multiple platforms for participation by the public; facilitate the 2024 City Council general election; and continue efforts with Information Technology staff to implement a trusted system and develop a records and information management policy for citywide records.

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Communications & Intergovernmental Relations

Mission

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

Department Description

The Communications & Intergovernmental Relations Office (CIRO) is the centralized 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.

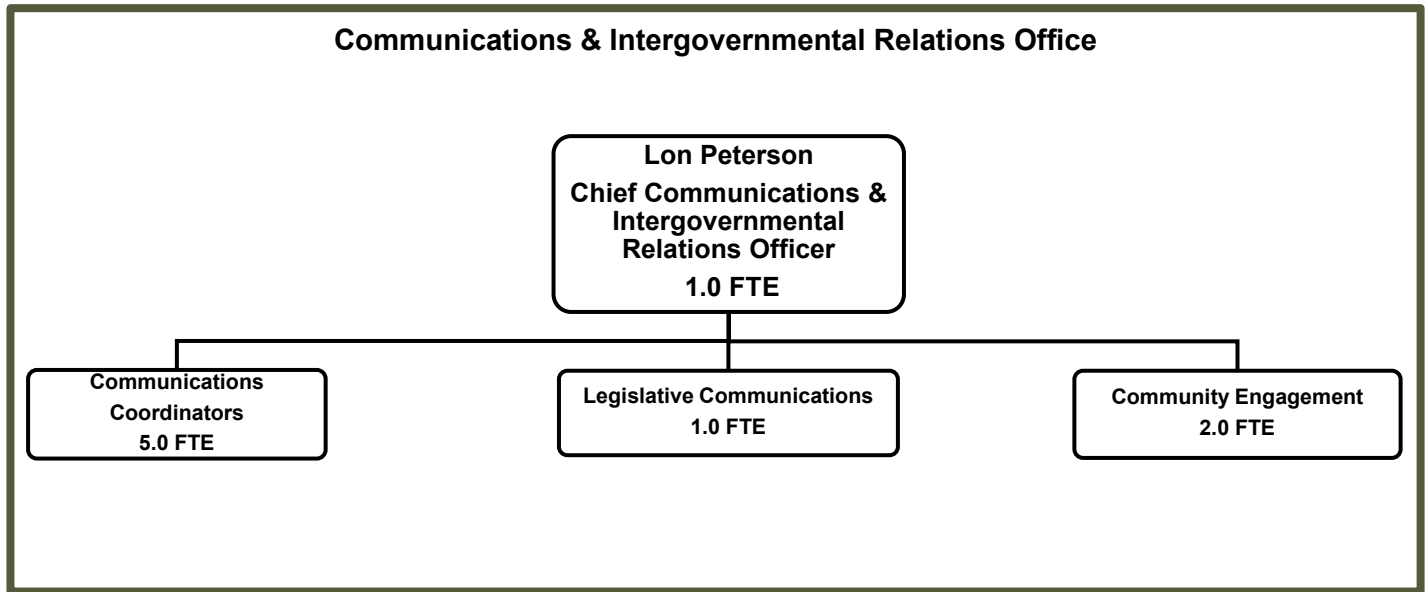
CIRO facilitates neighborhood connectedness through the Community Improvement Grant program and works in partnership with the Community Advisory Board to gather community feedback on issues of concern.

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 - Supports and organizes civic engagement opportunities with residents of Santa Rosa, including connecting community members and various groups with their local government to strengthen the public involvement process in local government decision-making. The OCE is responsible for implementing City-wide community engagement strategies based on recommendations from the Mayor's Open Government Task Force Report to help create an inclusive, transparent, participatory, and collaborative relationship with the community in the City's decision-making processes. The OCE facilitates neighborhood connectedness through the Community Improvement Grant program and works in partnership with the Community Advisory Board (CAB) to gather community feedback on issues of concern to City residents and Capital Improvement Program priorities. The OCE also 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 2023-24

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

CIRO

- Redesign the City's website into a modern, vibrant virtual City Hall, focused on residents, businesses, and visitors. 4
- Assist in implementing a modern employee Intranet, with improved online tools for effective internal communications and collaboration amongst staff. 6
- Increase awareness and community engagement by bringing together all departments to provide a cohesive annual community events and engagement calendar accessible to staff and the public. 6
- Engage with policymakers at the federal and state levels to enact the Council's policy Priorities. 6
- Monitor grant opportunities with the City's Grants Committee. 6

Community Engagement

- Support public information needs through the duration of the pandemic, fire season, drought, and other unanticipated emergencies. 3
- Develop and implement outreach/communication plans for critical issues and projects. 6
- Enhance community engagement efforts by implementing strategic, measurable communications plans. 6
- Define and develop CIRO infrastructure and processes. 6
- Community relationship building through various equity, inclusion, and belonging initiatives. 3, 4, 6
- Continue to support the Community Advisory Board and its Charter requirements 3, 4
- Complete and disseminate Guidebook to Participating in Local Government and Civic 101 video series. 4, 6

Communications & Intergovernmental Relations

Major Budget Changes

The Communications and Intergovernmental Relations Office's (CIRO) FY 2023-24 budget is \$1.9M, an increase of \$480K over the prior year's adopted budget. FY 2023-24 will be the fourth year of existence for this General Fund supported department. During this time, the roles, and responsibilities of CIRO continue to be adjusted and clarified which has resulted in an increase in the budget. In FY 2023-24, 1.0 Deputy Director of Community Engagement & 1.0 Community Engagement Coordinator were moved from Community Engagement (within the formerly Recreation & Community Engagement department) to CIRO. This FTE movement, along with MOU increases, were the main drivers for the salaries and benefits increase of \$402K. Service and Supplies increased by \$44K, to a total budget of \$354K. This Service and Supplies increase was almost entirely due to the Community Engagement FTEs moved to CIRO. \$24K of the Service and Supplies increase was due to Informational Technology services. There was also a \$35K increase in O&M Projects due to the Community Advisory Board Grant project moving from the formerly Recreation & Community Engagement department to CIRO as well.

Budget Summary

Expenditures by Program				
	2020 - 2021 Actual	2021 - 2022 Actual	2022 - 2023 Budget	2023 - 2024 Budget
Comms & Intergovernmental Relations	\$1,097,992	\$1,234,980	\$1,444,055	\$1,889,622
CIP and O&M Projects	\$0	\$0	\$0	\$35,000
Total	\$1,097,992	\$1,234,980	\$1,444,055	\$1,924,622

Expenditures by Category				
	2020 - 2021 Actual	2021 - 2022 Actual	2022 - 2023 Budget	2023 - 2024 Budget
Salaries	\$640,704	\$655,682	\$725,537	\$979,999
Benefits	\$335,592	\$348,853	\$408,050	\$555,255
Professional Services	\$21,119	\$47,216	\$94,650	\$102,818
Vehicle Expenses	\$0	\$315	\$0	\$240
Utilities	\$3,211	\$2,281	\$2,500	\$2,920
Operational Supplies	\$11,421	\$17,433	\$14,380	\$15,880
Information Technology	\$0	\$56,874	\$57,803	\$81,375
Liability/Property Insurance	\$0	\$223	\$0	\$0
Other Miscellaneous	\$85,945	\$106,102	\$141,135	\$146,135
Subrecipient Funding	\$0	\$0	\$0	\$5,000
Indirect Costs	\$0	\$1	\$0	\$0
CIP and O&M Projects	\$0	\$0	\$0	\$35,000
Total	\$1,097,992	\$1,234,980	\$1,444,055	\$1,924,622

Expenditures by Fund				
Funding Source	2020 - 2021 Actual	2021 - 2022 Actual	2022 - 2023 Budget	2023 - 2024 Budget
General Fund	\$1,097,992	\$1,234,980	\$1,444,055	\$1,924,622
Total	\$0	\$1,234,980	\$1,444,055	\$1,924,622

Communications & Intergovernmental Relations

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

Fiscal Year	FY 2019 - 20	FY 2020 - 21	FY 2021 - 22	FY 2022 - 23	FY 2023 - 24
Full-Time Equivalent	N/A	7.00	7.00	7.00	9.00

Performance Measures

- Write, code, and publish approximately 50 *City Connections* email newsletters each year.
- Shepherd approximately 30 articles, interviews, or mentions in local/regional media outlets.
- Write and distribute 20 press releases and/or media advisories each year.
- Conduct 4 surveys or assessments to measure the community's input and understanding of key city programs, initiatives, programs, projects, or policies.
- Host and promote approximately 10 community events each year.
- Host and facilitate approximately 12 Community Advisory Board meetings each year.
- Host and facilitate approximately 12 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 2022-23 Accomplishments

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

- Reauthorization of City's Public Safety Special Tax. 4
- Secured more than \$53M in federal and state funds 5
- Adopted the 2023 State and Federal Legislative Platforms 6
- Successfully launched the CivicReady public safety notification platform. 6
- Established a strategic Citywide Grants Committee to increase effectiveness. 6
- Engagement facilitated the Hearn Community Hub engagement phase, holding 6 community meetings and workshops, and engaging 255 community members. 3, 4, 5
- The Community Advisory Board awarded 7 Community Improvement Grants totaling \$14,614. This has brought the CAB's grant program budget down to \$0. 3, 4
- Community Engagement launched the Diversity, Equity, Inclusion and Belonging (DEIB) Spaces Mini-Grant Program. The first round of applications are due by June 30, 2023 3, 4, 6
- Developed and implemented several bilingual outreach plans, focused on equitable communications, for: Safe Parking Pilot Program, inRESPONSE Mental Health Support Team launch, new Aquatics and Senior Membership programs, Housing Choice Voucher Program, Zero Waste Food Ware Ordinance campaign, General Plan Update, redistricting, Short-term rental urgency ordinance, District 3 council member vacancy, and more. 6
- Provided effective emergency communications for the drought, achieving the 20% communitywide reduction in water use, and Covid 19 communication and updates. 3

Communications & Intergovernmental Relations

- Launched Santa Rosa Transit's UR Free Unlimited Rides Free for Youth pilot program campaign, resulting in a 13% increase in youth ridership over pre-pandemic rider levels. 4
- Secured two federal earmarks for inRESPONSE and a new Emergency Operations Center and coordinated the adoption of the City's first ever state legislative platform. 3

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 you are well-informed about city initiatives, services, and events and that your voice is 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, redesigning our website and Intranet, in partnership with IT, to provide accessible, up-to-date information.

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

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

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

Communications & Intergovernmental Relations

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

Finance

Mission

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

Department Description

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

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

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

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

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

Finance

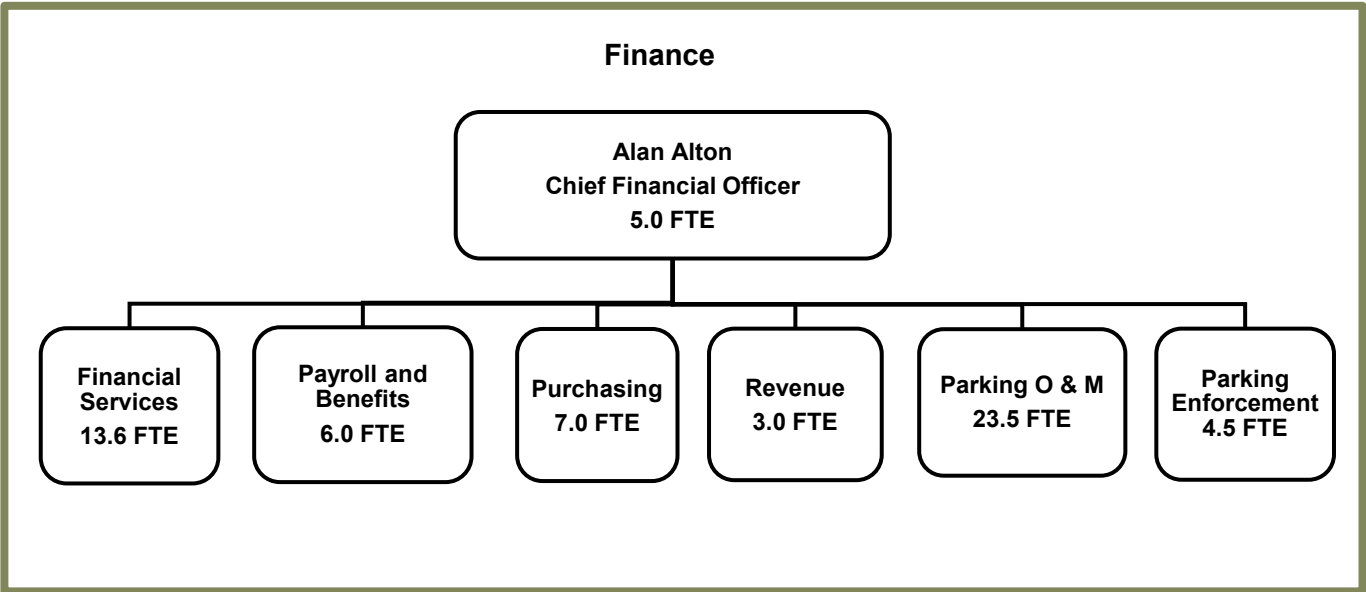
Purchasing staff are all vital members of the City’s emergency response team, coordinating logistical needs, facilitating exigent emergency procurement of rental equipment, procurement card transactions, and compliance with terms and conditions for federal reimbursement. They also assist in audit requests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

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

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

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

FTE by Program



Strategic Goals and Initiatives for FY 2023-24

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

Administration

- Refine approach to FEMA and CalOES recovery projects 6
- Increase the continuity of staff resources focused on grants 6
- Investigate potential automation while increasing process improvement through talent development

Financial Services

- Engage new external financial auditing team 6

Payroll and Benefits

- Review MOUs and compare to PERS laws to resolve any compliance issues 6

Revenue

- Refine processes to create more efficiency 6

Parking Enforcement

- Created expectation of community involvement and open dialogue 4
- Emphasized communication between City departments to ensure consistent expectations and community involvement. 3

Parking Operations & Maintenance

- Streamlined leadership and delegation of duties to ensure consistency 5
- Cut spending to eliminate waste and develop priorities 6
- Begin development a GHG reduction plan that includes multiple departments and agencies. 7

Major Budget Changes

The FY 2023-24 Finance Department's total budget is approximately \$13.1M, a decrease of \$1.3M, or -8.9% 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 decreased by -\$7K overall. The General Fund Salaries & Benefits increased overall by only \$62K, or 1.2%. Financial Reporting deleted 1.0 FTE Accountant position to offset the addition of 1.0 FTE Payroll Supervisor. Additionally, Professional Services increased by \$20K, or 2.4% due to contract costs increasing, and Information Technology service costs decreased by \$70K, or -9.2%.

The Parking District Fund budget is \$5.6M in FY 2023-24, a decrease of -\$1.3M, or -18.6% over the prior year's budget. Most of the decrease is attributable to removing all project spending for FY 2023-24. Overall, Parking's operational budget reflects conservative budgeting to maintain services despite continued revenue loss as the result of the COVID pandemic and free parking initiatives for the Downtown area. Parking's Services & Supplies saw a modest decrease of -\$117k as the result of continuing to reduce spending.

Finally, the Pooled Investment Fund budget remained flat at \$330K compared to FY 2022-23. In FY 2022-23 the budget increased by \$39K for Professional Services and keeping the amount flat is adequate for FY 2023-24.

Finance

Budget Summary

Expenditures by Program				
	2020 - 21 Actual	2021 - 2022 Actual	2022 - 2023 Budget	2023 - 2024 Budget
General Administration	\$1,862,091	\$1,900,032	\$1,894,003	\$1,815,206
Purchasing	\$1,119,786	\$1,238,763	\$1,267,451	\$1,314,720
Financial Services	\$2,583,255	\$2,688,751	\$2,993,046	\$2,907,023
Revenue	\$4,018,985	\$2,540,241	\$692,495	\$646,652
Payroll and Benefits	\$584,146	\$661,245	\$676,582	\$832,770
Parking Services O&M	\$3,554,443	\$3,888,201	\$4,456,228	\$4,285,894
Parking Enforcement	\$845,893	\$852,995	\$1,177,507	\$1,292,134
CIP and O&M Projects	\$7,203,236	\$1,541,294	\$1,216,355	\$0
Total	\$21,771,835	\$15,311,522	\$14,373,667	\$13,094,399

Expenditures by Category				
	2020 - 21 Actual	2021 - 2022 Actual	2022 - 2023 Budget	2023 - 2024 Budget
Salaries	\$6,050,554	\$5,661,211	\$5,271,351	\$5,257,994
Benefits	\$3,759,327	\$3,326,119	\$3,285,822	\$3,422,524
Professional Services	\$2,217,399	\$2,402,215	\$2,113,276	\$1,989,755
Vehicle Expenses	\$158,264	\$134,773	\$151,225	\$150,622
Utilities	\$75,060	\$81,490	\$87,969	\$83,813
Operational Supplies	\$529,178	\$509,935	\$411,556	\$394,594
Information Technology	\$961,239	\$962,425	\$978,846	\$931,183
Debt Service	\$0	\$4,597	\$0	\$0
Liab/Property Insurance	\$101,925	\$124,567	\$178,964	\$181,535
Other Miscellaneous	\$399,381	\$178,179	\$331,574	\$245,779
Indirect Costs	\$316,272	\$334,717	\$346,729	\$436,600
Capital Outlay	\$0	\$50,000	\$0	\$0
CIP and O&M Projects	\$7,203,236	\$1,541,294	\$1,216,355	\$0
Total	\$21,771,835	\$15,311,522	\$14,373,667	\$13,094,399

Expenditures by Fund				
	2020 - 21 Actual	2021 - 2022 Actual	2022 - 2023 Budget	2023 - 2024 Budget
General Fund	\$15,465,736	\$8,876,069	\$7,193,577	\$7,186,371
ARPA Federal Stimulus	\$0	\$25,645	\$0	\$0
Capital Improvement Fund	\$7,820	\$720	\$0	\$0
Parking District Fund	\$6,047,789	\$6,078,917	\$6,850,090	\$5,578,028
Pooled Investment Fund	\$250,490	\$330,171	\$330,000	\$330,000
Total	\$21,771,835	\$15,311,522	\$14,373,667	\$13,094,399

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

Fiscal Year	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24
Full-Time Equivalent	95.85	92.85	89.60	62.60	62.60

Performance Measures

Revenue & Collections

INDICATORS:	FY 2021-22	FY 2022-23 Est.
Total Amount Billed	44,288,370	\$45,000,000
HdL – Business Tax Certificates Issued	11,601	12,000
Invoices Issued	2,279	2,300
Utility User's Tax files	230	230
Alcohol Sales Permit Fee files	448	448
Transient Occupancy Tax files	379	415
City Tourism BIA files	379	415
County Tourism Business Improvement Area (BIA) files	22	22
Franchise Fees	36	36
Calls received	1,356	1,400
Electronic payments received	23	25
Mail (Phone) payments received	7,706	7,850
Counter payments received *	150	300
Dollar amounts sent to collections	259,300	\$300,000

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

Parking Operations

INDICATORS:	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23 Estimate
Number of monthly parking permits issued	18,141	16,921	16,525	15,333
Number of hourly parking garage patrons served	396,361	195,300	360,100	353,577
Number of metered parking transactions	1,318,590	894,232	1,233,400	1,195,627
Number of residential parking permits issued	1,417	1,279	1,460	1,540

Finance

Prior FY 2022-23 Accomplishments

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

• Compliance:	
• Clean audit with no findings for 2022 financial statements	6
• Quarterly submission of ARPA Program Expenditure reports with US Treasury	
• Developed strategy to mitigate pension cost increases utilizing the City’s Section 115 Pension Stabilization funds	6
• Payroll successfully implemented electronic W-2 process leading to improved efficiency	6
• Added a position to the Payroll division to meet the increasing City compliance needs	6
• Filled 16 open positions including 8 internal promotions	6
• Parking streamlined staffing and outside contracts to reduce costs	6
• Parking restructured roles and responsibilities to ensure consistent operations	6

Looking Ahead

Finance Department staff will continue to play an integral role to ensure the fiscal stability of the City’s operating funds. Finance staff will work with the City Manager and other departments to develop creative strategies to fund priority projects. Finance staff will continue to monitor closely the financial condition of the General Fund and update the General Fund Long Range Financial Forecast as revenue and expenditure trends dictate. Department managers will continue to look for ways to modernize processes to provide efficient and cost-effective services to the community and the City organization. Staff will continue to monitor the Parking Enterprise to identify new parking revenue trends post-pandemic and strategize ways to correct the structural deficit that exists in the fund.

Fire

Mission

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

Department Description

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

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

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



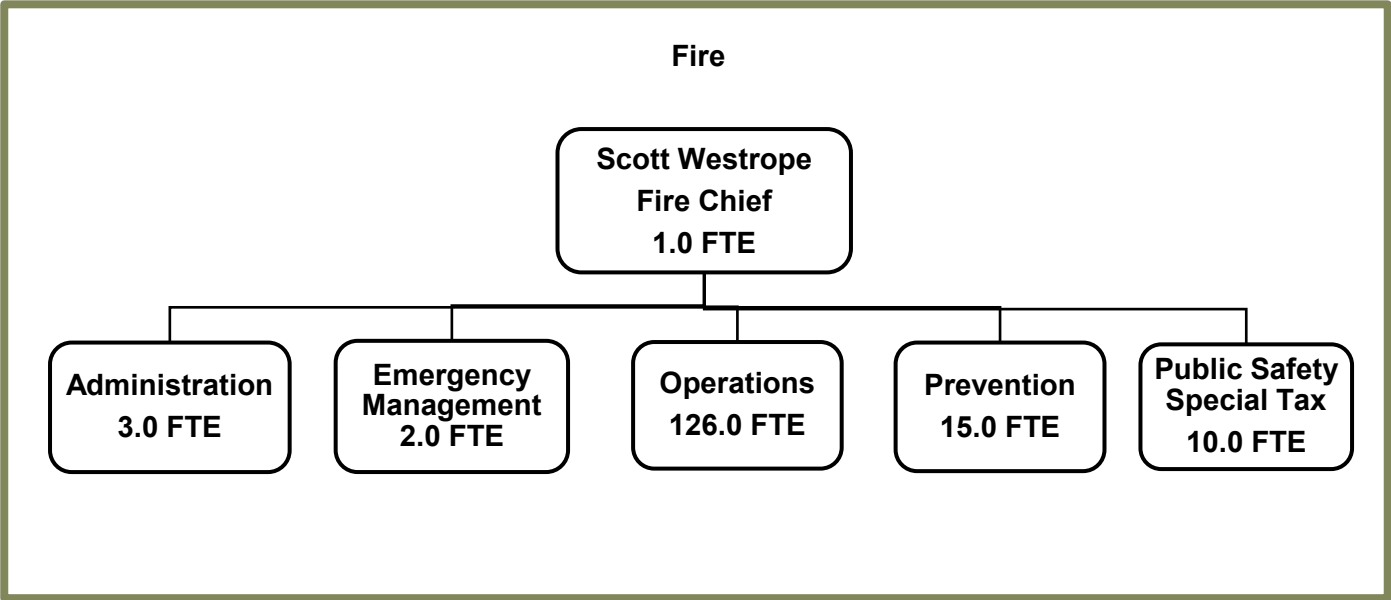
Fire Operations - Responds to and mitigates emergency incidents within the City of Santa Rosa. Major services to the community include paramedic and emergency medical care, extinguishment of fires, technical rescue, mitigation of the effects of natural disasters, and hazardous materials containment.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

Public Safety Special Tax (formerly known as Measure O) -

Is an extension of the Fire Operations Bureau that funds nine (9) personnel in Fire Operations, paramedic incentive pay for fifteen (15) paramedics, one Training Captain, and partial funding (25%) for the Emergency Medical Services Division Chief. Measure O also funds the construction of future fire stations and helps purchase necessary fire apparatus and specialized equipment. Measure O 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.

Fire

FTE by Program



Strategic Goals and Initiatives for FY 2023-24

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

• Enhance operational readiness to “all-risk” emergency response.	3, 5, 6
• Continue to explore opportunities for fire station construction and existing living quarters privatization.	3, 5, 6
• Enhance Fire Department programs related to training, safety, behavioral health, recruitment, and retention.	3, 5, 6
• Implement new Vegetation Management Ordinance by the end of FY 2023-24.	3, 4, 5, 6
• Maintain implementation of Vegetation Management grant funding for fuel reduction along evacuation routes, home hardening, defensible space, and education through the current fiscal year.	3, 4, 5, 6
• Maintain the efficiency of plan review turnaround times to support the development of housing units.	1, 6
• Identify funding and begin Phase 1 EOC construction by the end of FY 2023-24.	3, 5, 6
• Continue to enhance and improve the readiness of the workforce in the event of a moderate or large-scale disaster.	3, 5, 6

Major Budget Changes

The Fire Department’s programs consist of Administration, Prevention, Operations, and Public Safety Special Tax (formerly known as Measure O, which is funded by its own revenue source). Overall, Fire’s FY 2023-24 budget increased by \$4.5M, or 8.3% when compared with the FY 2022-23 adopted budget.

Within the General Fund, total Salaries and Benefits combined increased by \$1.5M, or 3.6% due to merit increases, COLAS, and the increasing cost of benefits. 1.0 FTE Limited Term Building Plans Examiner has been deleted to add 1.0 FTE Limited Term Community Outreach Specialist. Another significant contributor to Fire’s rising budget is vehicle expenses, which increased \$1.5M or 92.7%. This increase is due to the Fire Apparatus Replacement Program that was approved last year by City Council. Professional Services increased by \$254K due to a contract increase for dispatch services. Lastly, Administrative Cost Plan costs increased by \$347K.

Fire

FY 2023-24 the Public Safety Special Tax expenditures increased by \$159K, or 4.2%. Most of this increase can be attributed to Salaries and Benefits, principally driven by MOU salary increases (\$38K). Benefits increased by \$109K, or 8.3% made up of increases in Worker's Compensation, Health Insurance, and Unfunded Pension Liability charges. Measure O services and supplies had no significant changes.

Finally, CIP and O&M project expenditures increased in the amount of \$668K or 67.4% for a total of \$1.6M. Capital Facilities fees collected increased and can fund three fire station projects.

Budget Summary

Expenditures by Program				
	2020 - 2021 Actual	2021 - 22 Actual	2022 - 23 Budget	2023 - 24 Budget
General Administration	\$5,050,107	\$5,478,362	\$6,156,406	\$6,379,390
Fire Prevention	\$3,026,765	\$2,588,802	\$3,270,063	\$3,218,167
Fire Operations	\$38,242,309	\$39,373,425	\$39,850,578	\$43,365,406
Public Safety Special Tax - Fire	\$3,615,236	\$3,684,713	\$3,825,997	\$3,984,950
CIP and O&M Projects	\$3,887,861	\$7,106,025	\$991,157	\$1,659,551
Total	\$53,822,278	\$58,231,327	\$54,094,201	\$58,607,464

Expenditures by Category				
	2020 - 2021 Actual	2021 - 22 Actual	2022 - 23 Budget	2023 - 24 Budget
Salaries	\$26,861,004	\$26,446,870	\$26,799,527	\$27,341,575
Benefits	\$15,789,395	\$16,480,380	\$17,649,107	\$18,712,610
Professional Services	\$1,645,486	\$1,810,386	\$1,618,963	\$1,873,276
Vehicle Expenses	\$1,306,643	\$1,410,143	\$1,697,012	\$3,269,490
Utilities	\$40,088	\$35,873	\$39,945	\$39,945
Operational Supplies	\$331,783	\$367,913	\$260,692	\$247,289
Information Technology	\$693,148	\$888,641	\$950,317	\$1,019,065
Liability/Property Insurance	\$20,697	\$31,094	\$43,782	\$52,090
Other Miscellaneous	\$215,617	\$223,168	\$316,212	\$319,310
Indirect Costs	\$116,007	\$112,486	\$121,620	\$120,325
GF Admin Cost Plan	\$2,914,549	\$3,315,743	\$3,605,867	\$3,952,938
Capital Outlay	\$0	\$2,605	\$0	\$0
CIP and O&M Projects	\$3,887,861	\$7,106,025	\$991,157	\$1,659,551
Total	\$53,822,278	\$58,231,327	\$54,094,201	\$58,607,464

Fire

Expenditures by Fund				
Funding Source	2020 - 2021 Actual	2021 - 22 Actual	2022 - 23 Budget	2023 - 24 Budget
General Fund	\$47,297,737	\$48,132,095	\$49,764,957	\$53,450,873
Public Safety Special Tax - Fire	\$3,615,236	\$3,684,713	\$3,825,997	\$3,984,950
Federal Grants	\$36,539	\$0	\$0	\$0
Capital Improvement Fund	\$2,872,766	\$6,414,519	\$503,247	\$1,171,641
Total	\$53,822,278	\$58,231,327	\$54,094,201	\$58,607,464

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

Fiscal Year	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24
Full-Time Equivalent	151.00	151.00	148.00	157.00	157.00

Performance Measures

Indicators	2020	2021	2022
Budgeted Sworn Personnel	139	136	142
Population	173,628	178,488	177,586
Number of Incidents	26,409	28,115	29,250
Number of EMS/Rescue Incidents	16,138	18,026	19,108
Percentage of EMS/Rescue Calls	61.11%	64.10%	65.3%
Fire Loss	\$6,478,656	\$4,447,505	\$6,391,045
Number of Fires with Loss	192	165	165
On Scene within 5 Min. (Goal 90%)	65.18%	59.45%	59.3%
Weed Abatement Inspections	13,618	11,501	10,933
Engine Company Annual Inspections	2,674	2,656	2,472
Fire Prevention Annual Inspections	564	589	529
CUPA Annual Inspections	302	452	424
Plan Reviews	2,224	3,100	2,143
Plan Review Inspections	3,221	2,283	1,865
	* Some changes were made to previous years to reflect amounts more accurately.		

Prior FY 2022-23 Accomplishments

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

-
- | | |
|--|------------|
| • Implemented a Capital Fleet Replacement Program | 3, 5, 6 |
| • Obtained enhanced communications equipment | 3, 5, 6 |
| • Identified funding sources for Fire Station 8 construction | 3, 5, 6 |
| • Filled operational vacancies to achieve constant staffing levels | 3, 4, 5, 6 |
| • Developed a new five-year Strategic Plan | 3, 4, 5, 6 |

Looking Ahead

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

Standards of Coverage report:

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

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

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

Enhance Fire Department Programs Related to Training, Safety, Behavioral health, Recruitment, and Retention

The Fire Department will continue to recruit new employees in line with the Department's internal "Recruitment and Diversity Plan." Utilizing current and innovative technology to better schedule, facilitate, and document all Department training, to better retain and train our current staff. Maintain all current promotional and hiring lists to have available personnel to fill vacant positions when needed.

Implement new Vegetation Management Ordinance

Using recommendations from the Community Wildfire Protection Plan to establish the ordinance, the Fire Department's Prevention Bureau will coordinate with City Attorney's Office and Chief Building Official to codify a new Vegetation Management Ordinance. The Fire Department will implement the three-phase approach of education, inspection, and enforcement of the new ordinance.

The Department will continue to maintain the implementation of vegetation management-related grant funding for fuel reduction along evacuation routes, home hardening, defensible space, and education through the current fiscal year. The Prevention Bureau will leverage the new limited term staff's ability to initiate outreach to opt residents into Hazard Mitigation Grant Program funded projects. Using the grant funding to finance the Wildfire Ready campaign and needs, the Santa Rosa Fire Department intends to increase awareness and resources for fuel reduction along evacuation routes, home hardening, defensible space, and education.

Fire

Maintain Efficiency of Plan Review Turn Around Times

The Prevention Bureau will maintain the efficiency of plan review turnaround times to support the development of housing units. This will be achieved by utilizing enhancements in technology to improve internal plan review turnaround times, and training of internal staff in lieu of using outside consultants for less complex plan reviews, while also maintaining funding to utilize external contract plan review as needed. The Santa Rosa Fire Department will continue to monitor turnaround times.

Continue to develop, update and refine COOP Basic Plan and Annexes

The Emergency Management Bureau continues to develop, update and refine COOP Basic Plans and Annexes with departments city-wide to ensure continuity of operations. Looking forward the department will develop shelter and temporary evacuation point trainings and exercises. This year, the department was able to develop a Damage Assessment software that better suited our needs. Staff will continue to develop EOC drills and exercises for staff. Damage Assessment software and tools will be utilized during a major drill mid-year, in conjunction with the Transportation and Public Works and Water Departments.

Housing & Community Services

Mission

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

Department Description

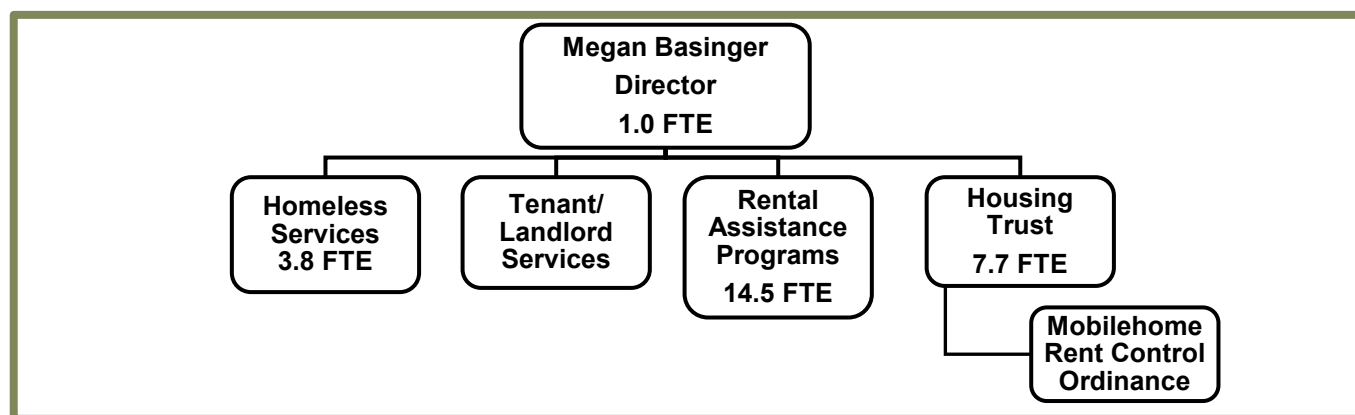
The Department of Housing and Community Services (HCS) is comprised of two entities, the City Entity, and the Housing Authority. HCS staff support the Housing Authority as noted on the FTE by Program below. Information regarding the Housing Authority is in its own section. Under the City Entity, HCS manages tenant/landlord services contracts, the Mobile Home Rent Control Ordinance governs mobile home space rent, and the Homeless Services Division funds 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 initiative areas – day services, street outreach and encampment resolution, housing-focused emergency shelter, housing support, and community-based solutions – through the following programs: Homeless Services Center, Living Room, Samuel L. Jones Hall Homeless Shelter, Family Support Center, YWCA, Homeless Outreach Services Team (HOST), Season of Sharing, Safe Parking Program, Community Homeless Assistance Program (CHAP) and the City's Encampment Team. In FY 2022/23, the City's Encampment Team was formed to compassionately and proactively addresses the health, safety, and environmental concerns associated with encampments to mitigate broader impacts to the community. In fiscal years 2021/22, 2022/23 and 2023/24 American Rescue Plan Act (ARP) funds are being used for a Safe Parking site for up to 50 residents at a time. 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.

Mobile Home Rent Control Ordinance - Enforces the Ordinance, enacted in 1993 and amended in 2023, which regulates mobile home space rents in 17 mobile home parks in the City. The City assists residents and owners with mediation.

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

FTE by Program Housing & Community Services



Housing & Community Services

Strategic Goals and Initiatives for FY 2023-24

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

- Administer homeless service contracts for the Samuel L. Jones Hall Homeless Shelter and Annex, Family Support Center, Homeless Services Center, Living Room, Homeless Outreach Services Team (HOST), YWCA, Season of Sharing, and Safe Parking; continue support to the Community Homeless Assistance Program (CHAP). 1, 2
- Support efforts to solve homelessness through continued coordination of services among City departments including the City's Encampment Team, collaboration with regional partners through the Continuum of Care, and implementation of the City's Homelessness Solutions Strategic Plan. 1, 2, 3
- Continue to administer the Tenant/Landlord services contract with non-profit service providers. 1
- Continue to administer the self-sustaining Mobile Home Rent Control Ordinance by working with the City's mobile homeowners/residents and mobile home park owners/operators. 1

Major Budget Changes

The General Fund portion of HCS's budget decreased from \$161K to \$110K, or -37.2% as a portion of the tenant/landlord services contract will be funded with the remaining one-time CARES Act Community Development Block Grant (CDBG-CV) funds for one year.

The Mobile Home Fund's salaries, benefits, and indirect costs budget increased \$120K, or 84% over the previous fiscal year due to more spaces coming online requiring more staff time and anticipated increased fair rate of return hearings due to recent Ordinance updates.

Homeless Services Operations moved back to HCS from the City Manager's Office this fiscal year. The \$302K of Homeless Services Operations 2023-24 budget is local subrecipient funding used for Samuel L. Jones Hall Homeless Shelter operations. One-time American Rescue Plan Act (ARPA) funds are paying for all other Homeless Services expenses in FY 2023-24 and are budgeted in O&M projects in the Expenditures by Program and Categories tables and in the ARPA Federal Stimulus Fund in the Expenditures by Fund table below. Of the \$4.1M of Homeless Services ARPA expense, administration is \$915K, and programs as described on the previous page, are \$3.2M. The additional \$1.6M has been appropriated in the ARPA project key to the program's budget for FY 2024-25.

Overall, the budget increased \$4.5M year-over-year, primarily due to Homeless Services moving back to the department.

Budget Summary

Expenditures by Program				
	2020 - 2021 Actual	2021 - 2022 Actual	2022 - 23 Budget	2023 - 2024 Budget
Neighborhood Revitalization	\$203	\$0	\$0	\$0
Administration	\$29	\$1	\$0	\$0
Tenant/Landlord Services	\$124,080	\$84,581	\$111,000	\$51,000
Homeless Services Operations	\$2,718,444	\$0	\$0	\$301,800
Mobile Home Rent Control Ord.	\$15,500	\$13,893	\$143,569	\$263,982
ARPA Federal Stimulus	\$0	\$0	\$0	\$0
CIP and O&M Projects	\$181,745	\$170,693	\$50,000	\$5,808,144
Total	\$3,040,001	\$269,168	\$304,569	\$6,424,926

Housing & Community Services

Expenditures by Category				
	2020 - 2021 Actual	2021 - 2022 Actual	2022 - 23 Budget	2023 - 2024 Budget
Salaries	\$347,820	\$4,920	\$18,035	\$68,582
Benefits	\$181,463	\$2,709	\$10,990	\$43,607
Professional Services	\$134	\$2,063	\$100,000	\$100,000
Vehicle Expenses	\$0	\$0	\$0	\$0
Utilities	\$1,061	\$0	\$0	\$0
Operational Supplies	\$235	\$0	\$0	\$0
Information Technology	\$43,917	\$0	\$0	\$0
Other Miscellaneous	\$25,528	\$0	\$0	\$0
Subrecipient Funding	\$2,222,947	\$84,581	\$111,000	\$352,800
Indirect Costs	\$35,151	\$4,202	\$14,544	\$51,793
CIP and O&M Projects	\$181,745	\$170,693	\$50,000	\$5,808,144
Total	\$3,040,001	\$269,168	\$304,569	\$6,424,926

Expenditures by Fund				
	2020 - 2021 Actual	2021 - 2022 Actual	2022 - 23 Budget	2023 - 2024 Budget
General Fund	\$303,033	\$255,275	\$161,000	\$101,000
Homeless Shelter Operations	\$2,721,468	\$0	\$0	\$301,800
ARPA Federal Stimulus	\$0	\$0	\$0	\$5,758,144
Mobile Home Rent Stabilization	\$15,500	\$13,893	\$143,569	\$263,982
Total	\$3,040,001	\$269,168	\$304,569	\$6,424,926

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

Fiscal Year	FY 2019 - 20	FY 2020 - 21	FY 2021 - 22	FY 2022 - 23	FY 2023 - 24
Full-Time Equivalent	34.00	24.00	24.00	27.00	27.00

Housing & Community Services

Performance Measures

Indicators	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23 Estimates
Number of persons sheltered at Samuel L. Jones Hall Homeless Shelter and Annex (SJHA)	764	622	542	600
Number of persons who exited to housing from SJHA	75	60	46	60
Number of persons sheltered at Family Support Center	318	245	362	400
Number of persons exited housing from Family Support Center	293	112	90	100
Number of persons served at Homeless Services Center	1,747	2,929	1,072	1,800
Number of persons served under the Homeless Outreach Services Team (HOST)	857	270	504	500
Number of persons placed into safe shelter or housing (temporary or permanent) under HOST	204	127	208	200
Number of persons served at Safe Parking (new in 21/22)	n/a	n/a	131	125
CHAP sites receiving City funding	2	2	2	2
Number of mobile home parks under rent control	17	16	16	16
Number of mobile home spaces under rent control	1,615	1,636	1,723	2,014
Number of low-income tenants received legal education about their rights	403	295	489	500
Number of low-income tenants received legal advocacy related to an eviction	267	226	258	275
Number of tenants remaining in current housing as a result of Legal Aid intervention	66	98	121	125
Number of low-income tenants received assistance with habitability issues related to the condition of housing	27	40	69	70
Number of low-income landlords received counsel and assistance with pleadings	34	26	13	20

Housing & Community Services

Prior FY 2022-23 Accomplishments

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

- Implemented a new, multi-disciplinary team to proactively address encampments throughout the community (City Encampment Team). 2, 3
- Adopted Homelessness Solutions Strategic Plan (2023-2027) and developed Year One (2023) Implementation Plan. 2
- Completed the first year of operations for the Safe Parking Program, serving 131 individuals living in vehicles/RVs. 2
- Amended the City's Mobile Home Rent Control Ordinance effective January 6, 2023, by working with the City's mobile homeowners/residents and mobile home park owners/operators. 1
- Assisted in securing over \$24.6M from the State's Homekey grant program for the Caritas Center and St. Vincent de Paul Commons. 2

Looking Ahead

The City will continue to focus on homelessness through the Continuum of Care and non-profit partnerships as well as through the implementation of its Homelessness Solutions Strategic Plan (2023-2027).

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Housing Authority

Mission

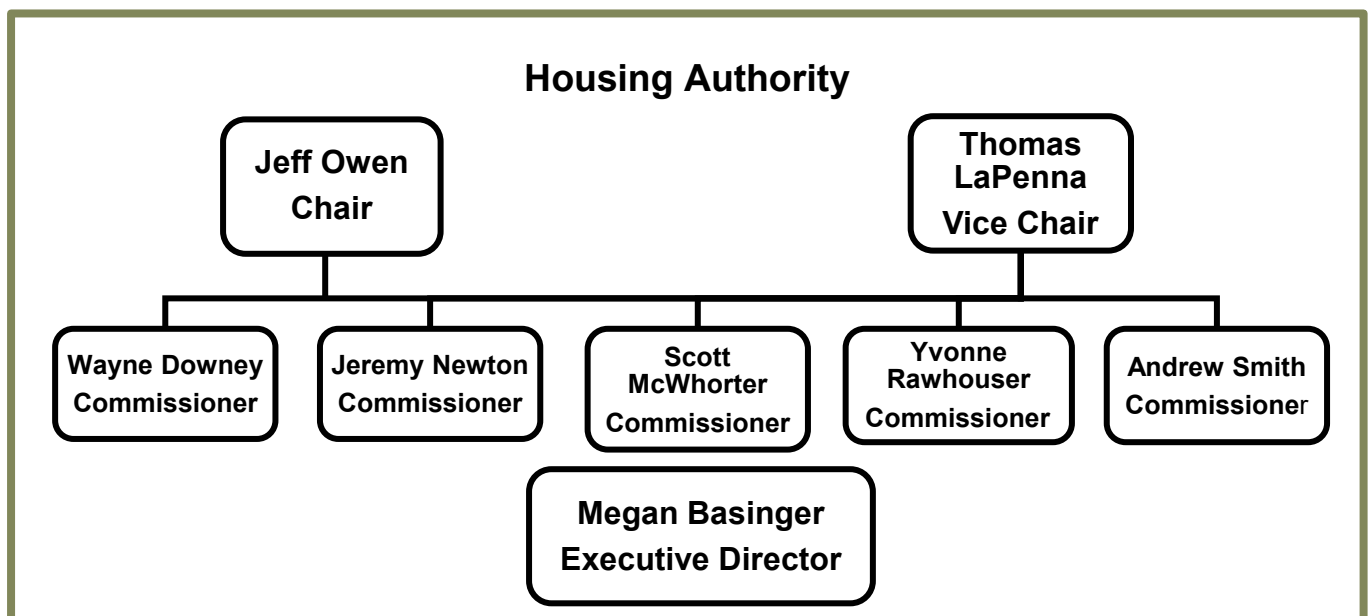
To ensure adequate, decent, safe, and sanitary housing for qualified people within Santa Rosa consistent with Federal, State, and local law.

Department Description

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

Santa Rosa Housing Trust (SRHT) - Manages the City's \$178 million affordable housing loan portfolio, administers Federal and State housing grants, and performs compliance monitoring for approximately 5,300 units Citywide. These programs maximize and leverage available Federal, State, and local funding to assist in the production of affordable housing programs; conversion, preservation, and rehabilitation of affordable housing; and the acquisition, development, and rehabilitation of special needs facilities.

Rental Assistance Division - Provides rental assistance to over 2,300 income-qualifying individuals and families by administering three programs directed by the Federal Housing and Urban Development (HUD) Department: 1) Housing Choice Voucher program, including the HUD-Veterans Affairs Supportive Housing program (VASH) 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 (ARP) funded Emergency Housing Vouchers.



Housing Authority

Strategic Goals and Initiatives for FY 2023-24

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

-
- | | |
|---|------|
| • Utilize American Rescue Plan Act (ARP) Emergency Housing Voucher funding and allotment of 131 vouchers to achieve 100% lease up rate. | 1, 2 |
| • Utilize HOME funding to provide monthly tenant based rental assistance to 45 income qualifying individuals/families. | 1 |
| • Utilize the resources of the Housing Choice Voucher program to support the preservation and development of affordable housing. | 1 |
| • Fully utilize the resources of the Housing Choice Voucher program to attain 98% lease up rate. | 1 |
| • Manage the Housing Authority's \$178M loan portfolio and perform compliance monitoring on approximately 5,300 units annually. | 1, 3 |
| • Solicit, evaluate, originate, and close loans for new affordable housing units, rehabilitation of existing units, or conversion of market rate to affordable housing units. | 1 |
| • Pursue additional funding opportunities to further the creation and preservation of affordable housing units in Santa Rosa. | 1 |
| • Continue management and oversight of \$38.4M of one-time Community Development Block Grant- Disaster Recovery funds, received as a result of the 2017 Tubbs Nunns fire disaster, to facilitate loans for five projects totaling 377 new affordable housing units. | 1 |
| • Continue management and oversight of one-time COVID pandemic related funding, including HOME-ARP (American Rescue Plan Act) funding of \$2.7M. | 1, 2 |

Major Budget Changes

Overall, the Housing Authority budget increased by \$21.1M, or 38.6% compared to the prior year. The largest change is a one-time \$20.7M State Infill Infrastructure Grant in the Housing Trust. Various other programs and funds also had increases and decreases, as discussed below.

In the Rental Assistance Division, the Emergency Housing Voucher Program, funded by the American Rescue Plan Act, increased due to higher per-unit rental assistance costs. This program provides administrative and rental assistance funding for 131 vouchers, focused on people who are homeless or at risk; fleeing domestic violence, human trafficking or stalking; or facing housing instability. In the existing Housing Choice Voucher program, which provides administrative and rental assistance for 1915 Santa Rosa vouchers, and 275+ port in vouchers monthly, rental assistance payments increased approximately 5% over the prior year. Various services and supplies were increased to utilize the full administrative allowance in both the Emergency and Housing Choice Voucher programs.

The Santa Rosa Housing Trust is funded by 15 distinct Federal, State and local sources through grants, impact fees, compliance monitoring fees, and loan repayments. Loan repayments decreased in FY 2023-24 as 2022-23 was an especially high year; this resulted in a reduction of \$2.2M in loan activity.

Real Property Transfer Tax (RPTT) is \$2.1M in FY 2023-24; City Council policy 000-48 dictates that a portion of City General Fund RPTT must be allocated to homeless services and housing annually. In FY 2022-23, the Council chose to fund the entirety of homeless services with American Rescue Plan Act funds in 2022-23 and 2023-24, which allows all RPTT to go to Housing Trust. Additionally, the Trust received the State Permanent Local Housing Assistance Grant of nearly \$1.1M, all used for loan activity, as well as the \$20.7M Infill Infrastructure Grant (IIG) mentioned above. The IIG is being used for six different projects and is shown in the CIP and O&M Projects category in the Expenditures by Program and Category tables below, and in the Housing Grant Fund in the Expenditures by Fund table.

Housing Authority

Budget Summary

Expenditures by Program				
	2020 - 2021 Actual	2021 - 22 Actual	2022 - 2023 Budget	2023 - 2024 Budget
Admin Housing & Community Services	\$1,338,922	\$1,417,066	\$1,574,741	\$1,570,901
Rental Housing Assistance	\$29,273,578	\$29,273,400	\$38,967,504	\$41,502,044
SRHT Portfolio Services & Grant	\$637,430	\$636,840	\$845,532	\$838,420
SRHT Afford Housing Program & Fin	\$3,109,596	\$16,677,949	\$11,910,429	\$9,764,446
CIP and O&M Projects	\$1,541,859	\$10,699,910	\$1,316,066	\$22,047,540
Total	\$35,901,385	\$58,705,165	\$54,614,272	\$75,723,351

Expenditures by Category				
	2020 - 2021 Actual	2021 - 22 Actual	2022 - 2023 Budget	2023 - 2024 Budget
Salaries	\$1,350,987	\$1,297,636	\$2,061,465	\$2,068,876
Benefits	\$767,914	\$756,869	\$1,278,465	\$1,256,562
Professional Services	\$116,129	\$189,647	\$264,676	\$386,856
Vehicle Expenses	\$10,854	\$14,685	\$22,750	\$54,175
Utilities	\$4,068	\$4,161	\$13,700	\$13,750
Operational Supplies	\$20,738	\$50,520	\$191,669	\$197,677
Information Technology	\$243,721	\$246,666	\$263,629	\$286,483
Liability & Property Insurance	\$32,938	\$51,256	\$101,925	\$82,020
Other Miscellaneous	\$40,201	\$68,753	\$119,920	\$120,676
Subrecipient Funding	\$476,255	\$481,629	\$516,612	\$583,396
Loan Activity	\$1,920,296	\$15,130,436	\$9,630,828	\$7,432,585
Rental Assistance	\$27,193,900	\$27,661,939	\$36,280,680	\$38,720,663
Indirect Costs	\$2,181,525	\$2,041,240	\$2,551,887	\$2,472,092
Capital Outlay	\$0	\$9,818	\$0	\$0
CIP and O&M Projects	\$1,541,859	\$10,699,910	\$1,316,066	\$22,047,540
Total	\$35,901,385	\$58,705,165	\$54,614,272	\$75,723,351

Housing Authority

Expenditures by Fund				
	2020 - 2021 Actual	2021 - 22 Actual	2022 - 2023 Budget	2023 - 2024 Budget
Housing Operations Fund	\$1,338,922	\$1,417,066	\$1,574,741	\$1,570,901
Operating Reserve Fund	\$107,745	\$10,197,941	\$343,612	\$310,000
HOME-ARP Fund	\$0	\$23,099	\$0	\$0
Housing Choice Voucher Program	\$29,429,204	\$29,573,786	\$36,685,174	\$38,842,907
Emergency Housing Vouchers	\$0	\$470,327	\$2,282,330	\$2,660,062
Brookwood Property	\$4,835	\$5,007	\$19,286	\$19,313
Community Development Block Grant	\$2,332,216	\$4,107,086	\$1,999,844	\$1,794,606
Rental Rehabilitation Fund	\$25,000	\$0	\$0	\$0
Housing Grant Fund	\$453,064	\$655,830	\$1,914,654	\$22,357,940
Real Property Transfer Tax Fund	\$432,876	\$1,039,280	\$3,279,559	\$3,115,984
Southwest Low/Mod Housing Fund	\$48,148	\$36,661	\$228,939	\$0
CDBG-DR Fund	\$20,629	\$8,957,138	\$0	\$0
Low and Moderate Income Housing	\$161,581	\$145,141	\$836,690	\$5,920
HOME Fund	\$213,797	\$518,980	\$1,101,815	\$948,593
Mortgage Revenue Bond Fund	\$33,000	\$245,499	\$343,401	\$0
Housing Compliance Fund	\$179,531	\$183,467	\$345,203	\$300,143
Housing Impact Fee Fund	\$1,098,364	\$1,128,857	\$3,584,065	\$3,697,410
CalHome Grant MH Loan Program	\$22,473	\$0	\$74,959	\$99,572
Total	\$35,901,385	\$58,705,165	\$54,614,272	\$75,723,351

Housing Authority

Performance Measures

Service Indicators	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23 Est.
New affordable housing rental and ownership units completed	18	18	88	70
Very Low-Income units	6	6	26	40
Low-Income units	12	12	43	30
Moderate-Income units	0	0	19	0
New affordable rental housing units preserved	8	8	49	0
New affordable rental and ownership housing units in the pipeline	544	544	648	583
Very Low-Income Units	338	338	464	424
Low-Income Units	197	197	184	154
Moderate-Income Units	31	31	0	0
Affordable ownership units transferred title	7	7	11	0
Owner-occupied affordable housing units rehabilitated or financed	0	0	0	0
Investor/developer affordable rental housing units rehabilitated	34	34	0	20
Units receiving housing accessibility modifications	2	2	0	1
Affordable housing rental units monitored	3,094	3,094	3,133	3,203
Owner-occupied housing units monitored	343	343	391	391
Consolidated Plan for CDBG, HOME and HOPWA Funds (2014 -2019 and 2020 -2024)	✓	✓	✓	✓
Action Plan for CDBG, HOME and HOPWA Funds	✓	✓	✓	✓
Consolidated Annual Performance Report (CAPER) for CDBG, HOME and HOPWA Funds	✓	✓	✓	✓
Individuals/Families receiving rental assistance, all programs	2,169	2,169	2,324	2,388
Total number of Housing Choice Vouchers- Santa Rosa clients	1,903	1,903	1,903	1,915
Total HUD-VASH Vouchers (included in total)	414	414	419	419
Total Port-In clients (varies monthly, approximate)	250	250	250	250
Total HOME tenant based rental assistance clients (new in FY20/21)	16	16	40	42
Total Emergency Housing Vouchers (started in 21/22)	n/a	n/a	131	131
Number of landlords participating in programs (approximate)	700	700	710	710

Housing Authority

Prior FY 2022-23 Accomplishments

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

-
- Completed lease of 19 project-based vouchers designated for senior VASH clients at River City Apartments. 1
 - Completed Linda Tunis Senior Apartments, the first constructed project in California funded by the 2017 wildfire CDBG-DR Multifamily Housing Program. It received \$2.8M for 26 units dedicated to seniors, including 13 project-based vouchers. As of March 2023, leasing is underway. 1
 - As of March 2023, 80 Emergency Housing Vouchers clients are housed, and an additional 21 clients have vouchers and are searching for housing. 1, 2
 - The Rental Assistance Division successfully transitioned from a paper wait list process to an online process, allowing a record 7,296 residents to apply for rental assistance. 1
 - As of March 2023, 300 families from the Rental Assistance waiting list have been contacted to be screened for eligibility, to increase the lease-up rate. 1
 - As of March 2023, 1,577 inspections have been completed for voucher holders, including initial inspections for move-ins, biennial inspections and quality control inspections. 1, 3
 - Finalized and submitted the HOME-ARP Allocation Plan, including holding public hearings, continuing community meetings for the administration of \$2.6M in funding to address homelessness. 1
 - Performed compliance monitoring on over 5,300 units, of which over 3,500 units have Housing Authority loans. 1, 3
 - Facilitated reuse of the 983 Sonoma Avenue site for the City of Santa Rosa's inResponse Team. 3
 - Completed the Orchard Commons project (formerly Boyd Street Apartments), a 46-unit project with 45 affordable units and 1 unrestricted manager's unit. 1
 - The Bennett Valley Apartments Project is under construction, repurposing the City's former Bennett Valley Senior Center site with a Housing Authority investment of 30 Project-Based Vouchers and \$5M in funding. 1
 - Of the five projects that received Community Development Block Grant – Disaster Recovery (CDBG-DR) funds, the Linda Tunis Senior Apartments project has been completed, Caritas Homes Phase I, 3575 Mendocino Avenue Phase I, and The Cannery at Railroad Square are under construction, and Burbank Avenue Apartments is securing additional funding needed to begin construction. 1, 2
 - Received a \$22M award for Infill Infrastructure Grant funds for infrastructure associated projects located within the greater downtown area including Martin Luther King Jr. Memorial (MLK) Park in the South Park neighborhood. 1

Looking Ahead

The Housing Trust will continue to utilize all available funding for affordable housing development, preservation, and conversion. The past several years have seen significant one-time funding, including CDBG-Disaster Recovery funds from the 2017 wildfire disaster, and CARES Act CDBG-CV funds from the pandemic. As this one-time funding is spent down, the Authority will rely on its ongoing funding including federal entitlement grants, real property transfer tax, impact fees, and loan repayments, and seek new grant opportunities.

Project based vouchers will continue to be used strategically to fund affordable housing development. As of March 2023, four projects supported by project-based voucher resources are under construction, bringing a total of 324 units online, with 93 PBVs dedicated to seniors and people experiencing homelessness.

The Rental Assistance Division will continue to maximize federal resources by increasing utilization of the Housing Choice Voucher program to 98% and the Emergency Housing Voucher program to 100%.

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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.

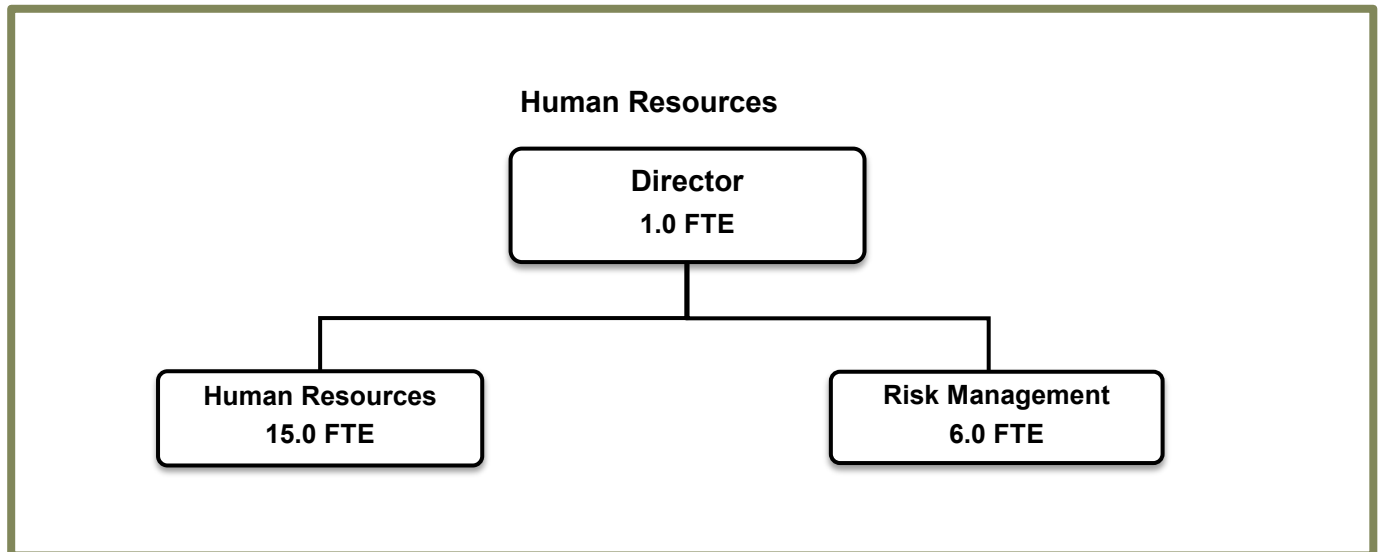
Risk Management - Risk Management's primary objective is to limit risk and implement various risk transfer programs and activities that minimize the City's exposure to litigation. Risk Management strives to manage, control, minimize, or eliminate risk, to the extent that citizens and personnel may be 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 2023-24

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

- Develop and implement new progressive leadership development training series. 6
- Review current NEOGOV programs to ensure the quality of services and identify potential new opportunities for utilization of the NEOGOV system. 6
- Refresh the current Mentoring Program to align with the new leadership development training series. 6
- Apply the DEIB lens to all training opportunities. 6
- Implement the NEOGOV ONBOARD platform to streamline Human Resources operations related to recruitment and onboarding. 6
- Redesign the existing Internet and Intranet portals for HR, Risk, Training, and Organizational Development, as well as DEIR, with the aim of enhancing the brand image and providing improved accessibility to users. 6
- Continue to leverage community engagement to implement increased recruitment opportunities, along with continuing to engage in best practices and modernize the City's recruitment campaign to attract a highly qualified and diverse workforce. 6
- Create a data dashboard for recruitment and DEI metrics to be used in City-wide initiatives and to support, track, and report department-specific diversity goals in application pools. 6
- To ensure we provide ongoing equitable benefits that support the success and well-being of our employees and address the needs of our workforce. Strive to educate our employees on the various benefits available to them. Provide effective communication to employees regarding upcoming retirement and benefits information to assure that our benefits programs meet their needs. 6

Human Resources

- Search and explore alternative options to provide our workforce with enhancements to current benefits and wellness programs or additional benefits that include more comprehensive coverage 6
- Strengthening our Worker's Compensation claims management by working closely with individual departments to address specific areas of concern. This is an effort to lower claims and associated costs. 6
- Continuing to develop and improve safety and health efforts across all departments to lower injury rates, enhance compliance, and lead to a greater level of workplace morale. 6

Major Budget Changes

The Human Resources Department is comprised of two funds: Human Resources (funded by the General Fund) and Risk Management (an internal service fund). As an internal service fund, the Risk Management fund is charged out to all other City departments through benefit costs. Overall, the department increased by \$4.7M, or 11.9%, when compared to the FY 2022-23 adopted budget.

In FY 2023-24, the General Fund increased by \$1.0M or 33.0% from last fiscal year's adopted budget. Salary and Benefits experienced a \$265k increase, including increases per MOU changes, and a \$74K increase in Health insurance premiums. There was also an increase of \$744K in Professional Services for rising costs of legal consulting and labor negotiation costs.

The Risk Management fund increased by \$3.7M, or 10.1%, over the prior fiscal year. The majority of the increase within the fund is due to higher Insurance Premiums and Claims cost of \$3.6M, or 13.0%. Miscellaneous employees (non-sworn) health insurance costs increased by \$2.0M due to an estimated 5% health insurance rate increase. Insurance Premiums and Claims also includes Worker's Compensation and Liability insurance which increased by \$420K, and \$640K, respectively. Additionally, CalPERS (California Public Employees' Retirement System) health coverage increased by \$281K. The increase is due to CalPERS approving rate hikes for its cheapest health insurance plan, to aid some of the more expensive plans' net position.

Budget Summary

Expenditures by Program				
	2020 - 2021 Actual	2021 - 2022 Actual	2022 - 2023 Budget	2023 - 2024 Budget
General Administration	\$2,701,557	\$3,747,155	\$3,062,482	\$4,072,732
Risk Management	\$34,025,743	\$34,846,600	\$36,979,823	\$40,718,032
CIP and O&M Projects	\$62,434	\$0	\$0	\$0
Total	\$36,789,734	\$38,593,755	\$40,042,305	\$44,790,764

Human Resources

Expenditures by Category				
	2020 - 2021 Actual	2021 - 2022 Actual	2022 - 2023 Budget	2023 - 2024 Budget
Salaries	\$1,915,816	\$2,128,747	\$2,333,204	\$2,413,103
Benefits	\$936,539	\$981,845	\$1,209,496	\$1,334,763
Professional Services	\$880,302	\$1,541,957	\$838,027	\$1,666,465
Utilities	\$3,813	\$3,818	\$3,330	\$3,330
Operational Supplies	\$18,204	\$23,942	\$17,369	\$19,500
Information Technology	\$174,837	\$183,115	\$202,506	\$202,539
Other Miscellaneous	\$62,782	\$250,705	\$100,273	\$276,509
Insurance Prem/Claim	\$32,415,521	\$33,179,663	\$35,028,264	\$38,582,213
Indirect Costs	\$319,486	\$299,963	\$309,836	\$292,342
CIP and O&M Projects	\$62,434	\$0	\$0	\$0
Total	\$36,789,734	\$38,593,755	\$40,042,305	\$44,790,764

Expenditures by Fund				
Funding Source	2020 - 2021 Actual	2021 - 2022 Actual	2022 - 2023 Budget	2023 - 2024 Budget
General Fund	\$2,763,991	\$3,747,155	\$3,062,482	\$4,072,732
Risk Management Fund	\$34,025,743	\$34,846,600	\$36,979,823	\$40,718,032
Total	\$36,789,734	\$38,593,755	\$40,042,305	\$44,790,764

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

Fiscal Year	FY 2019 - 20	FY 2020 - 21	FY 2021 - 22	FY 2022 - 23	FY 2023 - 24
Full-Time Equivalent	20.00	21.00	21.00	22.00	22.00

Human Resources

Prior FY 2022-23 Accomplishments

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

-
- Training Needs Assessment completed organization wide. 6
 - Three-year Training Plan developed. 6
 - HR Training and Organizational Development iNet site re-designed. 6
 - New Employee Welcome re-designed and streamlined. 6
 - Monthly Learning Aids 6
 - Completed an RFP and selection process to secure a classification and compensation consultant for a City-wide classification and compensation study. 6
 - Completed an RFP for Chief Negotiator to secure labor relations consultation and legal services in preparation of the next round of Negotiations with all City unions. 6
 - Completed the SEED Collaborative and implemented the Citywide Equity Plan with support from SEED. 6
 - Since July 1, 2022, to April 2023, there has been 167 New Hires and 107 active Recruitments. 6
 - 90% of employees participated in an active open enrollment using the Benxcel system. 6
 - Benefits and Health fair largest turnout, with an estimated count of 750 employees 6
 - Improved communication process and working relationships between employees and management throughout the City. 6
 - Completed a City-wide Supervisor training effort to ensure safety program goals and worker's compensation system administration. This training is held regularly and at the request of the department. 6

Performance Measures

-
- Created and distributed 12 Monthly Learning Aids 6
 - Facilitated 2 Skills for Success Series (5 courses per series – total of 10 days) 6
 - Facilitated 2 Supervisory Success Series (5 courses per series – total of 10 days) 6
 - Facilitated 10 New Employee Welcome programs 6

Looking Ahead

The Human Resources department will proactively collaborate with all departments to deliver outstanding and innovative service to City staff and the community. Our goal is to continually assess existing recruitment practices and investigate novel approaches and technologies to enhance diversity and inclusivity that is representative of the community. We will engage in community outreach initiatives to highlight the range of potential career paths and opportunities available. Additionally, we will continue to participate in career fairs and expos to expand our reach within the community and identify new recruitment prospects.

Human Resources

Human Resources will persist in streamlining procedures and initiatives to provide prompt, inventive, and tailored service, while regularly seeking feedback from stakeholders. We will strive to introduce supplementary feedback methods, such as surveys following training sessions, surveys for onboarding participants, feedback for the Recruitment Process Check-in Program, and the exit interview process. Additionally, we will continue to administer the Onboarding Program for newly recruited staff and adapt it, as needed, to fulfill the expectations of participants.

The Organization Development and Training Division will persist in identifying and implementing the most effective training and organizational development practices while prioritizing diversity, equity, inclusion, and belonging (DEIB) in all training initiatives. Additionally, we will implement an innovative and comprehensive leadership development training program throughout the entire organization.

The Benefits Section's ongoing priority is to prioritize competitive benefits packages that align with the changing requirements and expectations of our employees, with a particular emphasis on supporting work-life balance and promoting wellness initiatives.

Furthermore, we will make a concerted effort to communicate the significance and objectives of our wellness and benefits programs, enabling our employees to make well-informed decisions regarding their benefits selections. Our aim is to empower our employees by providing them with the requisite knowledge and tools. We will uphold transparency and responsibility in our benefits administration procedures while ensuring adherence to applicable laws and regulations. We welcome employee input to enhance our services over time.

The Risk Management Division has reached full staffing with the addition of two Risk Analysts. The division is actively implementing a comprehensive approach to risk management to prevent injuries to our valuable workforce and reduce workers' compensation expenses. The focus is on mitigating the frequency and severity of all potential risks. The contribution of our Safety and Worker's Compensation team is crucial in achieving this goal by minimizing exposures and reducing claims expenses.

Information Technology

Mission

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

Department Description

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

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

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; and also provides 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 11,000 support requests last year. It completes the support of approximately 63% of the service tickets, with the remaining tickets being forwarded to development or other technical staff. Technical Support within IT Operations includes the support of all voice communications, data communications, computer networks, and all peripheral equipment, e.g. printers and personal computers (PCs, laptops & tablets). The division supports over 1,400 PCs, 242 servers, over 300 printers, a Citywide computer network with 2,900 connections in over 60 City locations with hundreds of pieces of communications equipment, and a phone system with over 1,200 phone units and over 1,100 mobile devices through a managed Mobile Device Management (MDM) solution.

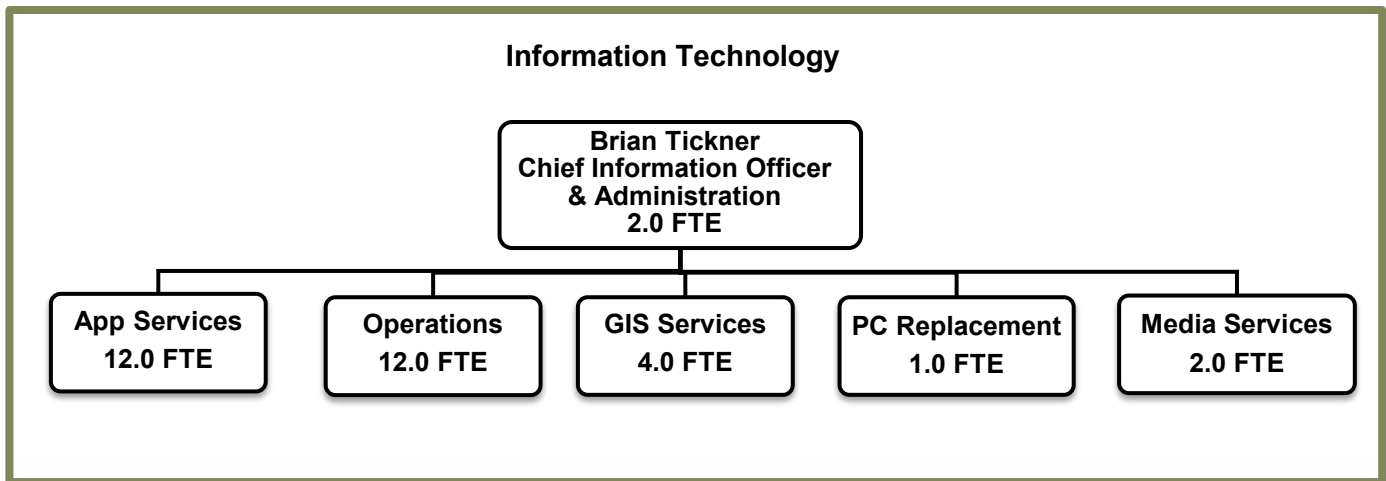
GIS Services - The Geographical Information System (GIS) Services division provides coordination, support, and maintenance of the City's GIS system and GIS services for all departments. The City GIS group also works closely with Sonoma County GIS to support County-wide 911 dispatch. The GIS system is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

Information Technology

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

Media Services - The Media Services section manages the City's Public, Educational & Government (PEG) public access television, and broadcasts City Council and other public meetings. Media Services supports the hybrid meeting technology 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 2023-24

(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 1-7
- Security: Optimize technology, processes, and services relating to cybersecurity, site security, and resilience against major disasters 3, 5
- Hybrid Services: Improve and refine tools and processes to support the ongoing needs of a digital, hybrid workforce and community including public participation and collaboration 5, 6
- Support and Maintenance: Support, maintain, update, and enhance existing systems and technologies required for daily citywide operations 5, 6
- People and Process: Address staffing and process-related needs within the department 5, 6
- Governance and Accountability: Improve the IT environment through the maturation of IT governance and accountability 6

Major Budget Changes

Information Technology

The Information Technology's (IT) FY 2023-24 budget is \$10.7M, an increase of \$809K, or 8.2%, over the prior year's adopted budget.

Salaries & Benefits increased by \$463K or 8.4%. Besides MOU increases, the most significant change to Salaries & Benefits is due to an IT reorganization - 1.0 IT Section Manager was deleted, which is being replaced by 1.0 Senior IT Tech. Also, 1.0 IT Supervisor was added, which is conditional on an internal promote. Lastly, there was 1.0 new Technology Application Specialist added, which is being charged 100% to PED.

Services & Supplies grew by \$244K or 8.5%. This increase was mainly a result of Software increases. \$211K of costs related to the CityWorks software was moved into the IT Cost Plan in 23-24. There were also standard software cost increases that contributed to the overall Services & Supplies increase.

In CIP and O&M Projects, the PC and laptop replacement project slightly increased by \$23K, or 2.0%.

Budget Summary

Expenditures by Program				
	2020 - 2021 Actual	2021 - 2022 Actual	2022 - 2023 Budget	2023 - 2024 Budget
I.T. Administration	\$854,830	\$834,543	\$970,938	\$1,073,033
I.T. Media Services	\$230,322	\$225,214	\$252,488	\$261,212
I.T. GIS Services	\$674,241	\$743,684	\$758,113	\$785,964
I.T. Development	\$3,163,429	\$3,444,255	\$3,826,588	\$4,246,478
I.T. Customer Support	\$2,635,268	\$2,733,978	\$2,750,688	\$2,970,937
I.T. PC Replacement Program	\$152,442	\$154,368	\$205,375	\$212,308
CIP and O&M Projects	\$819,582	\$1,128,769	\$1,149,650	\$1,172,829
Total	\$8,530,114	\$9,264,811	\$9,913,840	\$10,722,761

Expenditures by Category				
	2020 - 2021 Actual	2021 - 2022 Actual	2022 - 2023 Budget	2023 - 2024 Budget
Salaries	\$3,162,190	\$3,380,406	\$3,475,563	\$3,722,902
Benefits	\$1,780,957	\$1,921,189	\$2,045,585	\$2,261,282
Professional Services	\$1,927,244	\$2,015,976	\$2,319,547	\$378,210
Vehicle Expenses	\$8,159	\$12,950	\$18,850	\$18,850
Utilities	\$212,036	\$233,778	\$265,033	\$264,733
Operational Supplies	\$121,274	\$57,822	\$71,200	\$2,242,149
Information Technology	\$31,648	\$32,589	\$34,671	\$31,996
Liability/Property Insurance	\$44,911	\$64,632	\$95,066	\$112,891
Other Miscellaneous	\$40,351	\$20,324	\$62,484	\$62,184
Indirect Costs	\$361,550	\$358,771	\$376,191	\$454,735
Capital Outlay	\$20,212	\$37,605	\$0	\$0
CIP and O&M Projects	\$819,582	\$1,128,769	\$1,149,650	\$1,172,829
Total	\$8,530,114	\$9,264,811	\$9,913,840	\$10,722,761

Information Technology

Expenditures by Fund				
Funding Source	2020 - 2021 Actual	2021 - 2022 Actual	2022 - 2023 Budget	2023 - 2024 Budget
Information Technology	\$8,040,072	\$8,698,782	\$9,188,815	\$9,967,624
Technology Replacement	\$490,042	\$566,029	\$725,025	\$755,137
Total	\$8,530,114	\$9,264,811	\$9,913,840	\$10,722,761

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

Fiscal Year	FY 2019 - 20	FY 2020 - 21	FY 2021 - 22	FY 2022 - 23	FY 2023 - 24
Full-Time Equivalent	29.00	29.00	30.00	31.00	33.00

Performance Measures

Number of emails <i>received</i> through IT supported e-mail systems	9,014,882
Number of emails <i>sent</i> through IT supported e-mail systems	1,599,833
Number of landline phone calls through IT supported phone system	964,839
Number of IT HelpDesk service request tickets addressed	6,897
Number of Non-HelpDesk IT service request tickets addressed	4,083
Number of PC's/Laptops/Tablets managed/supported	1,410
Number of mobile devices managed (iPhones, iPads, etc.)	1,142
Number of servers managed/maintained	242
Number of active user and service accounts managed	2,654
Number of new user accounts set up	432
Number of user accounts deactivated	341
Number of virtual / hybrid Zoom meetings	2,905
Number of virtual / hybrid Zoom meeting participants	18,100
Number of virtual / hybrid Zoom webinars	429
Number of virtual / hybrid Zoom webinar participants	11,996
Number of virtual / hybrid Teams meetings	15,443
Number of Teams phone calls	8,597
Number of Teams electronic communications/chat messages	960,018
Number of projects reviewed and approved by IT Advisory Committee	32
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 2022-23 Accomplishments

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

-
- Completed Development of 4-year IT Strategic Plan 5, 6
 - Deployed Enhanced Online Services for Internal Staff and the Community 1-6
 - MySantaRosa App
 - Map-based tools to assist with addressing homelessness
 - Expanded online tools for permit applications and electronic plan review
 - Addressed Nearly 11,000 Internal IT Service Requests 5, 6
 - 6,897 HelpDesk
 - 4,083 Software/Other
 - Hardened Cybersecurity Measures 5, 6
 - Multi-factor Authentication
 - Upgraded Firewall
 - Remote Access
 - Citywide Training and Testing
 - Cybersecurity Assessment
 - Upgraded City Council Chambers Public Meeting Features 6
 - Cameras
 - Broadcast Equipment
 - Closed Captioning
 - Spanish Translation Capabilities
 - Enhanced in-house Service Request system to be used for Emergency Operations Center collaboration, request, and task management 3, 5

Looking Ahead

The Information Technology department completed the development of a revised 4-year IT Strategic Plan in 2022 and continues to focus efforts on the goals and strategies laid out in the plan. Key areas include an emphasis on Digital Services; Security; Hybrid Services; Support and Maintenance; People and Process; and IT Governance and Accountability.

Looking ahead to the fiscal year 2023-2024, IT plans call for continued partnerships with all City departments to develop, optimize, enhance, and deploy additional technology-based solutions in support of the City Council's goals. Key initiatives in this area include completing the implementation of a trusted system to enable the digitization of documents and improve electronic access to public records. The IT Department also recently completed building out the core infrastructure to support data analytics initiatives and plans to work with departments to provide additional open data and information in the form of dashboards, metrics, and analytic reporting tools for internal staff and the community.

Additional projects planned for the upcoming year include working with the Communications and Intergovernmental Relations Office to redesign the City's srcity.org website to provide for an improved user experience and easier navigational access to information. Similarly, the City's Intranet site used for internal collaboration and content management will be upgraded this year to provide for a standardized experience across all departments and improved tools for collaboration and information sharing. The IT Department also continues to partner with Santa Rosa Water on the implementation of the new asset management system used by hundreds of staff members.

Information Technology

As with prior years, key emphasis on supporting and maintaining the City's growing technology infrastructure will continue to be required. Upgrades and enhancements to City systems are needed to address deficiencies and add needed features, while hardware and software maintenance is required to maximize technology investments and minimize disruption of IT services. As the demand for IT services continues to increase, additional considerations must be taken into account this year to properly balance the priorities of IT staff working on new projects while also supporting citywide staff needs and maintaining existing systems and infrastructure.

As part of the IT Strategic Plan initiatives, additional work will be done this year focused on Cloud strategies as well as refinements to cybersecurity processes, procedures, and technologies to reduce vulnerabilities and mitigate cybersecurity threats. Additional improvements to overall processes and policies will also be important to help maximize the retention of staff and provide for a continued high-caliber professional workforce through inclusive leadership and investment in employee development.

Non-Departmental

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

Department Description

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

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

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

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

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

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

- Costs related to employee retirements and voluntary terminations for all General Fund operating departments have been centrally budgeted. These amounts are transferred to the appropriate General Fund department to cover the expenses related to employee retirements and voluntary terminations as they occur. Also includes the CalPERS cost of retired employees who are over the IRS payout limit.
- Unspent Appropriations (turnback) are budgeted as a credit here as a holding place to reflect unspent budget amounts that occur each year 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 budgeted General Fund expenditures, as well as non-enterprise debt service funds for Pension Obligation Bonds and two capital leases: Fire Station 5 and Courthouse Square.

The FY 2023-24 Non-Departmental budget decreased in total by \$651K compared to FY 2022-23. The major driver is a decrease of \$1.1M in General Fund Administration, which distributes administrative costs within the General Fund to non-administrative departments including Planning & Economic Development, Fire, Police, Public Works and Recreation & Community Engagement. General Fund expenditures increased overall mostly due to rising salaries and retirement costs. As a result, the credit for General Fund Administration also grew by 7.5%, or \$1.1M, which translates as a decrease in the Non-Departmental expenditure budget. There is also a decrease in Non-Program Salaries of \$500K, which accounts for a combination of anticipated retirement payouts, salary increases, hiring changes, and unspent appropriations (turnback). There is an offsetting increase of \$293K in Animal Shelter fees as well. These fees are for amounts paid to Sonoma County for animal care & control services. Also, worth noting is an offsetting increase of \$626K in Citywide rates for the General Fund's portion of Liability, Fire and Earthquake insurance.

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

Budget Summary

Expenditures by Program				
	2020 - 2021 Actual	2021 - 2022 Actual	2022 - 2023 Budget	2023 - 2024 Budget
Citywide GF Insurance	\$1,915,252	\$2,440,213	\$3,253,041	\$3,879,153
Contract Services	\$278,444	\$281,006	\$460,000	\$385,000
Sonoma Co Transportation Authority	\$108,114	\$113,756	\$110,000	\$120,000
Debt Service	\$4,799,082	\$4,785,802	\$4,835,283	\$4,832,467
General Fund Admin Cost Plan	-\$12,245,124	-\$13,111,646	-\$14,312,466	-\$15,379,726
CIP and O&M Projects	\$0	\$0	\$0	\$0
Animal Shelter	\$1,722,276	\$2,739,741	\$2,207,000	\$2,500,000
County Admin Fee	\$308,912	\$381,051	\$315,000	\$380,000
Non-Program	\$25,103,134	\$29,021,011	-\$975,000	-\$1,475,000
Total	\$21,990,090	\$26,650,934	-\$4,107,142	-\$4,758,106

Non-Departmental

Expenditures by Category				
	2020 - 2021 Actual	2021 - 2022 Actual	2022 - 2023 Budget	2023 - 2024 Budget
CIP and O&M Projects	\$0	\$0	\$0	\$0
Salaries	\$0	\$0	-\$1,000,000	-\$1,500,000
Benefits	\$0	\$0	\$25,000	\$25,000
Professional Services	\$2,422,996	\$3,518,304	\$3,094,750	\$3,387,750
Debt Service	\$4,793,832	\$4,783,052	\$4,832,533	\$4,829,717
Liability/Property Insurance	\$1,915,252	\$2,440,213	\$3,253,041	\$3,879,153
Other Miscellaneous	\$25,103,134	\$29,021,011	\$0	\$0
GF Admin Cost Plan	-\$12,245,124	-\$13,111,646	-\$14,312,466	-\$15,379,726
Total	\$21,990,090	\$26,650,934	-\$4,107,142	-\$4,758,106

Expenditures by Fund				
Funding Source	2020 - 2021 Actual	2021 - 2022 Actual	2022 - 2023 Budget	2023 - 2024 Budget
General Fund	-\$7,912,126	-\$7,155,879	-\$8,942,425	-\$9,590,573
2013 Pension Obligation (Refund)	\$28,797,614	\$32,705,511	\$3,735,081	\$3,735,590
Fire Station Capital Lease	\$367,727	\$367,727	\$367,727	\$367,727
Courthouse Square Capital Lease	\$736,875	\$733,575	\$732,475	\$729,150
Total	\$21,990,090	\$26,650,934	-\$4,107,142	-\$4,758,106

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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:

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

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

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

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

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

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

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

Engineering Development Services - Provides engineering services, including entitlement conditioning, public improvement plans, survey maps and legal descriptions, encroachment and grading permits, Water Efficient Landscape Ordinance (WELO) review, and public and private inspections throughout the various development phases of private residential and commercial projects to ensure the

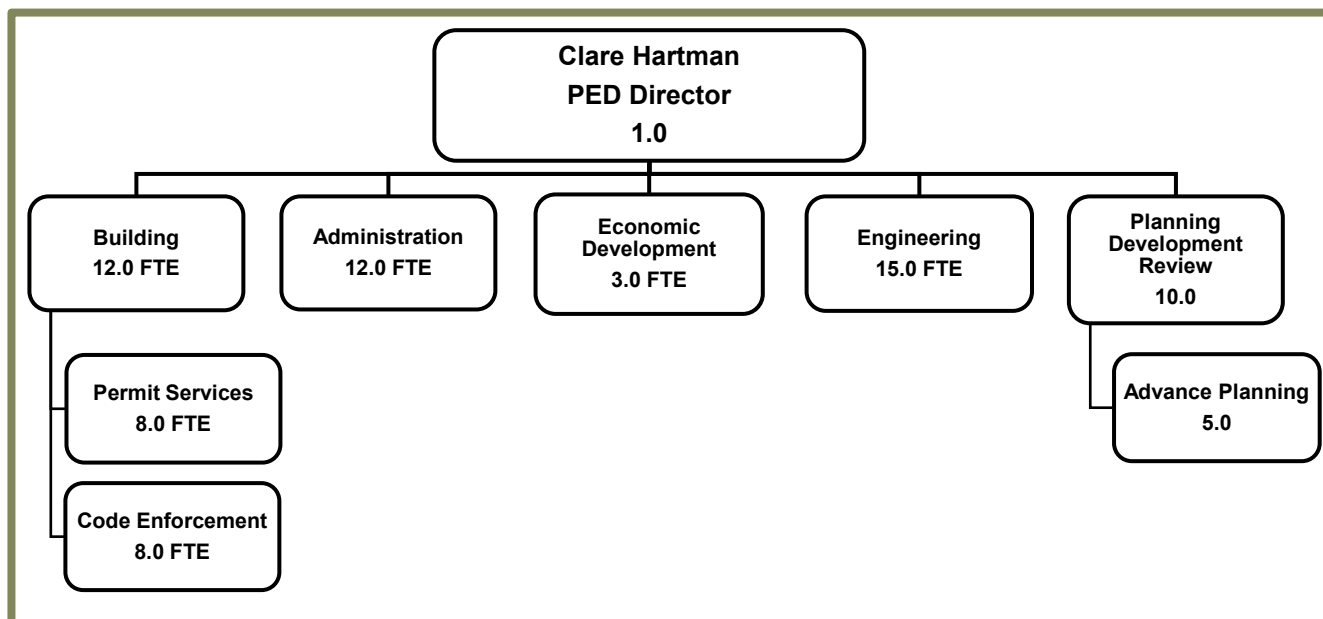
Planning & Economic Development

safety and quality of construction activities within the public right-of-way. Responds to Public Records Act requests.

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

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

FTE by Program



Strategic Goals and Initiatives for FY 2023-24

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

- Complete Development Cost of Services Fee update and Strategic Business Plan. 6
- Continue to evolve and enhance the data dashboard system and finalize dashboards to show metrics for housing production, economic development, downtown, and code enforcement. 4, 6
- Initiate Brownfields program and close out the grant. 3
- Continue Department-wide records management update. 6
- Implement City Equity Plan and ensure diversity and equity access and engagement. 3
- Continue to support hybrid public meetings to support equitable access for all attendees. 3, 4
- Complete the majority of the General Plan Update and EIR work in late 2023 (policy development, community engagement, associated Zoning Code amendments, and preparation of the Draft General Plan and Draft EIR), and adopt the final General Plan and EIR in early 2024. 3
- Achieve Pro-Housing designation. 1

Planning & Economic Development

- Complete grant-funded initiatives- Missing Middle Housing Initiative, Downtown Historic Surveys, Cannabis Program Process Improvements, Cannabis Equity Assessment and House Santa Rosa. 1, 3, 4
- Adopt Accessory Dwelling Unit Urgency Ordinance to comply with State Legislation. 1
- Prioritize downtown development, housing, and wayfinding. 1, 4
- Complete vacant property and nuisance property ordinances. 3
- Support electronic plan review and virtual inspections and increase online permitting. 1, 6
- Streamline solar permits. 7
- Establish a sustainable night/weekend response for Code Enforcement. 3
- Improve digital tools to allow applicants to request changes to existing permits and submit and track public improvement plans and subdivision maps through Accela. 1, 4, 6
- Reduce intake and issuance of encroachment permits to two business days. 4
- Perform comprehensive update of design and construction standards. 3, 4
- Continue implementation of Economic Development Strategic Plan, including Enhanced Infrastructure Finance District, childcare business support, Roseland/Sebastopol Rd Community Business District, business and workforce development programs, downtown properties, and City assets strategy. 4
- Continue implementation of Public Art Strategic Plan, including public art audit and toolkits. 4
- Initiate Fire Station 5 public art project. 4
- Continue implementation of PG&E settlement and American Rescue Plan Act (ARPA) funded projects, including Guaranteed Basic Income, Child College Savings Accounts, and Small Business support programs such as Façade Improvement Program and Food Incubator. 4
- Complete installation of Asawa Fountain in Courthouse Square. 4
- Continue implementation of PG&E settlement funded project to enhance records management system, utilizing new trusted records system (Laserfiche) and updated records retention schedule. 5, 6
- Advance Department's Diversity, Equity, Inclusion, and Belonging efforts. 3, 4, 6

Major Budget Changes

The Planning & Economic Development (PED) budget is \$19.3M, an increase of \$1.1M, or 6.2%, compared to the FY 2022-23 adopted budget.

Salaries and Benefits increased by \$133K, or 2%, compared to the FY 2022-23 adopted budget.

The increase in Salaries and Benefits can be attributed to MOU changes which included cost-of-living salary increases and the addition of a 1.0 Code Enforcement Officer. Additionally, a 1.0 Senior Administrative Assistant was reclassified to a 1.0 Administrative Analyst with a permanent corresponding reduction to professional services. Increases to benefits were primarily due to retirement cost.

Service and Supplies increased by \$287K, or 9.4%. A portion of the increase in Services & Supplies is \$100K one-time funding for the Santa Rosa Metro Chamber contract in Professional Services. Additionally, the Community Promotions program was moved from the City Manager's Office to PED, which added another \$105K to the PED budget. The rest of the increase in Services and Supplies is due to higher Information Technology costs of \$122K.

Planning & Economic Development

The Operations & Maintenance (O&M) Projects netted a \$830K increase. Most of the increase is due to the usage of \$865K of State Grant Brownfield Fund reserves to initiate a brownfields clean-up program and close out the grant. There was also a decrease of \$39K in the General Plan Advance Planning project, due to lower fee collection, and a slight decrease to Public Art.

Budget Summary

Expenditures by Program				
	2020 - 2021 Actual	2021 - 2022 Actual	2022 - 2023 Budget	2023 - 2024 Budget
Building Inspection	\$889,937	\$986,384	\$1,008,728	\$1,017,448
Planning Development Review	\$2,119,786	\$2,139,693	\$2,162,756	\$1,591,115
Advance Planning	\$522,425	\$496,437	\$761,531	\$562,357
Economic Development	\$730,630	\$793,106	\$738,523	\$902,996
Permit Services	\$897,586	\$996,407	\$1,274,668	\$1,219,277
Engineering	\$3,048,176	\$3,094,530	\$3,524,444	\$3,548,337
Neighborhood Revitalization	\$241,633	\$240,897	\$303,910	\$188,630
General Administration	\$3,570,722	\$3,808,611	\$4,081,178	\$5,317,785
Building Plan Review	\$1,710,794	\$1,715,763	\$1,887,258	\$1,709,658
Code Enforcement	\$1,037,086	\$1,121,365	\$1,349,783	\$1,333,792
CIP and O&M Projects	\$3,778,224	\$2,382,996	\$1,087,186	\$1,917,299
Total	\$18,546,999	\$17,776,189	\$18,179,965	\$19,308,694

Expenditures by Category				
	2020 - 2021 Actual	2021 - 2022 Actual	2022 - 2023 Budget	2023 - 2024 Budget
Salaries	\$6,362,740	\$6,736,739	\$7,486,273	\$7,580,961
Benefits	\$3,606,214	\$3,673,349	\$4,316,629	\$4,355,438
Professional Services	\$1,301,770	\$1,223,932	\$1,203,800	\$1,358,307
Vehicle Expenses	\$105,522	\$110,601	\$111,632	\$139,171
Utilities	\$30,656	\$23,853	\$30,000	\$30,000
Operational Supplies	\$45,757	\$43,045	\$92,539	\$82,517
Information Technology	\$1,078,135	\$1,157,364	\$1,246,357	\$1,365,904
Other Miscellaneous	\$269,447	\$286,284	\$385,408	\$380,902
Indirect Costs	\$3,440	\$2,730	\$2,984	\$0
GF Admin Cost Plan	\$1,965,094	\$2,135,296	\$2,217,157	\$2,098,195
CIP and O&M Projects	\$3,778,224	\$2,382,996	\$1,087,186	\$1,917,299
Total	\$18,546,999	\$17,776,189	\$18,179,965	\$19,308,694

Planning & Economic Development

Expenditures by Fund				
Funding Source	2020 - 2021 Actual	2021 - 2022 Actual	2022 - 2023 Budget	2023 - 2024 Budget
General Fund	\$17,874,047	\$17,085,721	\$17,333,340	\$17,604,609
Art In-lieu Fee	\$279,953	\$131,178	\$243,625	\$235,800
Administrative Hearing Fund	\$110,521	\$133,188	\$103,000	\$103,000
EPA Brownfields Grant	\$0	\$0	\$0	\$865,285
State Grants Fund	\$83,043	\$0	\$0	\$0
Santa Rosa Tourism BIA	\$199,313	\$425,494	\$500,000	\$500,000
Capital Improvement Fund	\$122	\$608	\$0	\$0
Total	\$18,546,999	\$17,776,189	\$18,179,965	\$19,308,694

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

Fiscal Year	FY 2019 - 20	FY 2020 - 21	FY 2021 - 22	FY 2022 - 23	FY 2023 - 24
Full-Time Equivalent	61.00	69.00	68.00	74.00	74.00

Performance Measures

- Pre-application meetings are held within 21 days of the request of service. **1, 4**
- Planning entitlement applications receive a determination of completeness within 30 days of submittal. **1, 4**
- Innovative and effective public policy documents are delivered within expected timeframes and budget allocations. **3, 4**
- 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. **3, 4**
- Modern and effective community engagement techniques are used to increase attendance
- and diversity in participation and foster meaningful communication, participation, and engagement with residents for economic, planning, and development-related initiatives. **3, 4**
- 85% of Building Plan Checks are completed within 10 weeks of submission on the first check and 5 weeks for subsequent checks. **1, 4**
- 90% of Encroachment Permits are issued within 3 weeks of submission of the first check. **1, 4**
- 90% of public improvement plan checks were completed within 6 weeks of submission of first submittal and 3 weeks for subsequent checks, meeting published timelines. **1, 4**
- Real-time dashboards are made available to the public to enable and expand self-help record, permit or development production research. **6**
- Quarterly reports are published that highlight local economic development conditions, the status of program initiatives, and current issues in the market. **3**
- 100% of Priority 1- Life, Health, and Safety code enforcement complaints investigated within 24 hours. **3**
- The Department website is regularly reviewed for performance analytics, and improvements and updates are performed in a timely, progressive manner. **6**
- Special events are supported in an organized and timely manner, and funds are strategically and equitably matched to meet community interests. **3, 4**
- The public art program continues to expand its collection and its engagement process. **4**

Planning & Economic Development

Prior FY 2022-23 Accomplishments

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

Launched srcity.org/Dashboards website showing all housing and development-related dashboards and reports, including real-time housing dashboard and Pending Development and Economic Development quarterly reports.	6
Completed General Plan Update Preferred Alternative process, which concluded a two-year engagement effort including 90 community meetings/touch points.	1, 3
Initiated Environmental Impact Report process and began to engage the technical advisory team and the public on Draft Plan and policy development.	7
Adopted Housing Element on February 14, 2023, which was certified by the State Department of Housing and Community Development (HCD) on April 7, 2023. The Housing Element provides a plan for 4,685 new housing units during the 2023-2031 period.	1, 3
With non-profit and regional partners, launched the ARPA-funded Guaranteed Basic Income program, the College Savings Accounts program, the Small Business Facade Improvement Program, and the Childcare Support Facility Fund program.	3, 4
Completed 461 housing units in 2022, of which 83 are affordable by City contract.	1
Issued building permits for 1,419 housing units in 2022, of which 377 are affordable by City contract.	1
Continued support of approx. 1,800 units currently under construction and 2,300 units currently in plan review or pending permit issuance.	1
Completed housing land use entitlements city-wide: 344 single-family units, 904 multi-family units and 271,441 sq. ft. of non-residential.	1
Adopted Gas Station Ban Ordinance, making Santa Rosa the largest city in the United States to do so.	7
Initiated Developer Round Table meetings in fall 2022 to gather input from development community.	1, 4
Updated Downtown Multifamily High-Density Fee Incentive Ordinance in December 2022.	1
Utilized one-time funding to complete permitting and enforcement efforts for Short-Term-Rentals and completed multiple public engagement events with goal of final Ordinance adoption in June 2023.	3
Installed the "Unum" Sculpture in Courthouse Square in January 2023.	4
Installed the "Help Each Other Grow" mural on the 5th Street Parking Garage in Fall 2022.	4
Codified permanent parklet program and 11 permits are being processed as of March 2023.	4
Introduced a revamped Out There Santa Rosa website and destination marketing campaign.	4
Supported Live at Julliard Park concert series; 6 free concerts were held with over 3,000 attendees.	4
Completed initial public engagement and Missing Middle initiative and folded into Housing Element.	1
Completed historic surveys of downtown properties and preparing report for Cultural Heritage Board review in Spring 2023.	4
Completed draft Vacant Properties Ordinance and vetting with community stakeholders in preparation for potential City Council adoption in Spring 2023.	3
Utilizing one-time funds to pilot a weeknight/weekend code enforcement program.	3
Completed a community wide GHG Inventory that identifies emissions from residents and employees within Santa Rosa.	7
Processed 726 Public Records Act Requests (PRA) in 2022, representing 55% of total PRA requests for the City.	6

Planning & Economic Development

Looking Ahead

The Planning & Economic Development Department (PED) will continue to adjust to the dynamic economy and housing market to best serve Santa Rosa residents.

The Department continues to move toward online and paperless options for permitting and inspecting to maximize efficiencies. With that effort, there also comes a reliance on technology support and staff time to train and manage electronic records and to provide the public with real-time dashboard and direct access to records and performance.

This year, the Department will complete a Cost of Services Study and Fee Update and a Development Services Strategic Business Plan. These efforts will inform how the balancing of staffing with professional services and technology can best address peaks in demand and focus on mission alignment across the City's plan review and inspection teams. The Fee Update and Strategic Plan will also establish transparency and accountability for performance protocols and standards for development services staffing and service.

This year, the Department will also complete a Citywide Economic Development Strategic Plan. This plan will be set in the context of long-term economic goals for the city and region but focuses on strategic, actionable, and measurable objectives in the next 3 to 5 years.

PED will continue to utilize one-time funds to leverage the work of the Department and the City in the furtherment of the City Council goals and to achieve excellence in core services. PED will provide regular updates on its use of the American Rescue Plan Act (ARPA) and PG&E settlement funding to support economic and community vibrancy, including childcare funding and facility programs, small business improvements, and child savings account and guaranteed basic income programs, as well as initiatives that support downtown economic development, small business support and workforce support. The Department will continue to seek out state and federal grants that help staff to prioritize affordable and market-rate housing development, strategic and streamlining planning efforts, and development or industry support initiatives.

Lastly, staff will complete the Santa Rosa General Plan Update, a multi-year process focused on community inclusion and input, which will provide a Citywide look at long-range housing policy, economic development, infrastructure, circulation, and climate initiatives, amongst others.

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Police

Mission

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

Department Description

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

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

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

Special Services – Includes the four detective units: Domestic Violence and Sexual Assault, Narcotics, Property Crimes, and Violent Crimes. These units investigate homicides, robbery, sexual offenses, aggravated assault, narcotics, child abuse, domestic violence, gang crimes, and vehicle theft. The Forensic Team supports these units and is responsible for higher-level processing and analysis of evidence related to investigations.

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

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

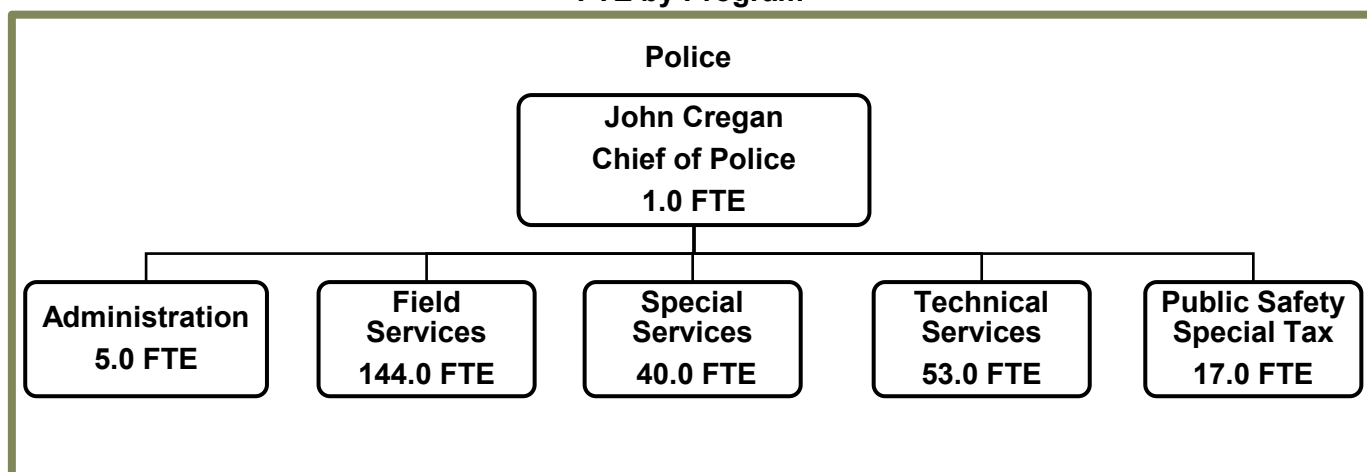
Technical Services – Provides critical services for the community and the entire department, including the 911 Communications Center, Records Department, Property and Evidence, Crime Analysis, and Information Technology.

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 Special Tax (formerly known as Measure O) – A crucial part of the Police Department's overall operations. This funding allows the department to enhance services to the community 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 2023-24

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

- Reduce violent crimes and traffic fatalities by utilizing data, innovative techniques, and strategic resource deployment. 3
- Reduce impacts of service resistant homeless individuals through proactive enforcement and coordinated care. Continue to expand mental health resources to aid those in need. 2
- Hire qualified and diverse staff who represent the community we serve and fill all open position in the organization. 3
- Create meaningful support structures to mitigate the impacts of stress and trauma on all members of our organization. 5
- Provide safety equipment and enhanced training opportunities to ensure that all staff members are prepared to address any disaster, emergency, or dangerous situation that may occur in our city. 5
- Work to engage our community and help our community members understand the incredible work being done by all members of our organization. 3, 4
- Build long-lasting relationships and trust within the community through fair, equitable, and impartial policing. Focus to build stronger connections and comradery between the employees within our organization. 3
- Develop a timely plan to address infrastructure needs and develop a city timeline to replace the aging Public Safety Building. 5

Major Budget Changes

The Police Department's budget is comprised of two primary funding sources, the General Fund and the Public Safety Special Tax (formerly known as Measure O Fund). The total FY 2023-24 budget is \$79.6M, an increase of 8.3% over the prior year's adopted budget.

The department is funded largely by the General Fund, which in FY 2023-24 totals \$71.5M, an increase of \$3.0M or 4.4%. The General Fund makes up 89.9% of the Police Department budget. A \$2.0M increase in Salary and Benefits occurred primarily due to increases per MOU changes and various benefit increases. There was also the deletion of 1.0 FTE Police Technician and the addition of 1.0 Property and Evidence Technician. Services and Supplies increased by \$420K. This Services and Supplies increase includes a \$75K

Sonoma County Public Safety Consortium increase and a \$50K increase for Large Vehicle Towing, within the Professional Services category. There are also increases of \$238K and \$53K for City fleet repair and replacement services and IT charges, respectively.

Meanwhile, the Public Safety Special Tax increased by \$3.1M to a total budget of \$7.3M in FY 2023-24, while revenues are budgeted to be \$4.9M. The main reason for this overall increase is a \$2.6M increase to purchase a new Roseland Police substation. Police Measure O fund balance is being used to purchase this Roseland substation. Salary and Benefits increased \$439K or 11.9%. This increase is mainly due to MOU increases as well as the addition of 1.0 Police Sergeant. Services and Supplies increased by \$83K or 21.6% from a \$50K increase in Professional Services for expenses related to the purchase and outfit of a new Roseland Substation. There was also a \$35K increase in Other Miscellaneous to lease a temporary substation in the Roseland area, while the permanent Roseland substation is still being prepared.

Budget Summary

Expenditures by Program				
	2020 - 2021 Actual	2021 - 2022 Actual	2022 - 2023 Budget	2023 - 2024 Budget
General Administration	\$9,382,531	\$10,006,082	\$9,591,804	\$10,613,090
Field Services	\$34,910,006	\$37,734,404	\$37,918,722	\$39,524,598
Investigative Services	\$7,491,796	\$9,628,245	\$10,969,445	\$11,016,603
Technical Services	\$8,399,082	\$9,078,798	\$9,436,470	\$9,674,111
Support Bureau	\$1,598,934	\$995,271	\$979,386	\$1,006,260
Public Safety Special Tax - Police	\$4,061,200	\$3,655,937	\$4,209,676	\$7,330,550
CIP and O&M Projects	\$1,292,157	\$699,631	\$354,423	\$974,700
Total	\$67,135,706	\$71,798,368	\$73,459,926	\$80,139,912

Expenditures by Category				
	2020 - 2021 Actual	2021 - 2022 Actual	2022 - 2023 Budget	2023 - 2024 Budget
Salaries	\$32,584,849	\$34,880,146	\$35,148,406	\$36,356,246
Benefits	\$22,363,334	\$23,773,568	\$26,358,150	\$27,547,526
Professional Services	\$1,700,341	\$2,145,710	\$2,065,550	\$2,200,550
Vehicle Expenses	\$2,004,330	\$2,332,327	\$2,350,978	\$2,600,059
Utilities	\$153,485	\$156,638	\$138,585	\$138,285
Operational Supplies	\$659,466	\$964,203	\$1,255,115	\$1,279,115
Information Technology	\$780,761	\$864,261	\$868,386	\$928,918
Debt Service	\$0	\$17,861	\$0	\$0
Liability/Property Insurance	\$29,655	\$43,537	\$56,769	\$59,209
Other Miscellaneous	\$1,432,662	\$1,624,880	\$466,325	\$503,365
Indirect Costs	\$116,007	\$112,486	\$121,620	\$120,325
GF Admin Cost Plan	\$3,987,826	\$3,926,827	\$4,275,619	\$4,831,614
Capital Outlay	\$30,833	\$256,293	\$0	\$2,600,000
CIP and O&M Projects	\$1,292,157	\$699,631	\$354,423	\$974,700
Total	\$67,135,706	\$71,798,368	\$73,459,926	\$80,139,912

Police

Expenditures by Fund				
Funding Source	2020 - 2021 Actual	2021 - 2022 Actual	2022 - 2023 Budget	2023 - 2024 Budget
General Fund	\$62,222,250	\$67,566,494	\$68,540,250	\$72,094,362
Public Safety Tax - Police	\$4,061,200	\$3,655,937	\$4,209,676	\$7,330,550
Federal Grants	\$4,532	\$0	\$0	\$0
Federal Narcotics Asset Forfeiture	\$6,951	\$22,560	\$40,000	\$50,000
State Grants Fund	\$35,778	\$0	\$0	\$0
Supplemental Law Enforcement S	\$215,904	\$209,354	\$520,000	\$515,000
State Narcotics Asset Forfeiture	\$589,091	\$232,164	\$150,000	\$150,000
ARPA Federal Stimulus	\$0	\$1,960	\$0	\$0
Capital Improvement Fund	\$0	\$109,899	\$0	\$0
Total	\$67,135,706	\$71,798,368	\$73,459,926	\$80,139,912

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

Fiscal Year	FY 2019 - 20	FY 2020 - 21	FY 2022 - 22	FY 2022 - 23	FY 2023 - 24
Full-Time Equivalent	260.50	260.00	256.00	259.00	260.00

Performance Measures

Measurable	2020	2021	2022
Total events responded to	111,990	109,377	108,507
Total calls to the Dispatch Center	246,472	241,440	246,140
Average response time priority 1 calls	6:44 min	7:03 min	7:07 min
Total firearms seized	105	170	236
Ghost guns seized	15	44	74
Homicides	4	6	12

Prior FY 2022-23 Accomplishments

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

- Implemented the new Sideshow Ordinance **3**
- Recruited and hired 35 new employees **3, 6**
- Implemented lateral police officer and communications dispatcher hiring incentive **6**
- Staff attended 22,905 hours of training and 253 different courses; all sworn staff attended the newly developed implicit bias training **3, 6**
- Implemented Restorative Justice Program for Youth **3, 6**
- Expanded onsite employee wellness coordinator to a full-time basis **6**
- Increased community engagement and outreach **3, 4**
- Held successful gun buy-back program taking 423 guns out of the community **3, 4**
- Launched data led proactive policing initiative with a focus on violence reduction **3**
- Purchased an armored rescue vehicle **3**

- Renewed focus on removing dangerous RV's that are negatively impacting our neighborhoods 2, 3
- Introduced new K9 Ghost as the first K9 trained for firearm detection 3

Looking Ahead

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

We continue to look for ways to use innovative technology and strategies to aid in a more data-driven policing model, allowing staff allocation to areas where the most need is and providing for a more thoughtful deployment of our limited resources.

We will continue to grow our involvement with the community by attending and hosting numerous community events and have an even more significant presence in our community policing efforts.

The inRESPONSE program has been an enormous success. It is helping the department to reduce the impacts of service-resistant homeless individuals through coordinated care. We plan to expand the number of teams to have an even greater impact. The reality is that some calls are more violent in nature so we are looking into adding a service model that includes a sworn officer in partnership with a clinician for these types of calls and are actively looking for outside funding for this new program.

The Downtown Enforcement Team is a critical part of the overall strategy for addressing quality-of-life issues in the downtown area. Expanding this team so there is a 7-day-a-week presence requires the addition of 2 new officer positions. These staff members will be the subject matter experts with the evolving case law and federal court orders that are highly complicated and controversial. We continue to research and apply for grant opportunities that may help fill this need temporarily, but more long-term solutions are needed.

The Police Department's goal is to re-establish the Gang Crime Team to have an impact on the rise in violent crimes, which has been a priority for the department since being disbanded in 2019. A Sergeant position was added for this team using Measure O funding, allowing the department to begin to phase the team back into place once staffing allows.

We continually recruit and hire a diverse workforce but struggle to maintain full staffing levels with the number of retirements and people moving out of the area. The department will continue looking for innovative ways to attract a larger pool of qualified candidates while maintaining our high standards.

It is crucial to have civilian staff that supports the entire department and can handle some of the non-violent calls for service. The addition of 1 new Property and Evidence Technician to maintain the chain of custody for all evidence, exemplifies this importance. This Property and Evidence Technician supports the officers and detectives and is a critical part of the department. We will continue to look for ways to reorganize workload, streamline processes, and implement technologies that will increase the capacity of this team.

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Parks & Recreation

Mission

The Parks and Recreation Office creates community through partnerships and programs.

Parks & Recreation Division Description

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

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

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

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

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

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

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

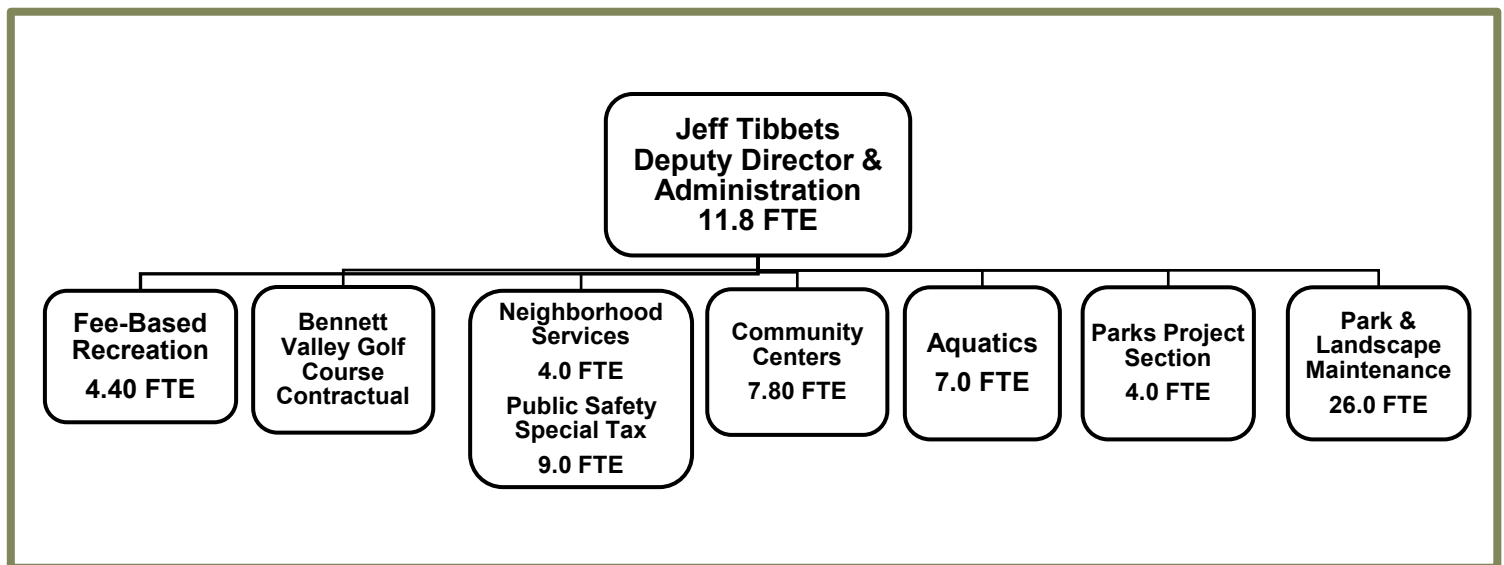
Parks & Recreation

Park & Landscape Maintenance - The Park & Landscape Maintenance Section maintains 1,036 acres of park land and park amenities in neighborhood, community, and regional parks; maintains 15 acres of specialized parks, at Luther Burbank Home & Gardens and Santa Rosa Rural Cemetery; and 65 acres of landscaped roadway medians. Staff also provide land stewardship for 195 acres of open space, ten special landscaping districts, and landscapes around a variety of City buildings.

Parks Planning - The Parks Planning Section manages the Parks CIP program for park, recreation and historic facility planning, acquisition, design, and development; initiates park enhancements and projects; oversees the preparation and administration of project-related grants; and manages the Bennett Valley Golf Course.

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

FTE by Program



Strategic Goals and Initiatives for FY 2023-24

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

- Reach 100% Pre-COVID Revenue Recovery 6
- Initiate Construction on the Kawana Springs Community Garden and the Finley Aquatic Center Spray Ground 4, 5
- Meet Bennett Valley Golf Course performance objectives for new Touchstone contract 4, 6
- Implement expanded Neighborhood Services Afterschool Sites in partnership with Burbank Housing 3, 4
- Implement water use and conservation improvements at the Bennett Valley Golf Course 4, 5
- Implement the Park Condition Assessment – Phase 2 4, 5
- Implement the CHOICE Grants, Cycle XII 3, 4

Major Budget Changes

In FY 2023-24, a Citywide reorganization moved the Parks and Landscape Maintenance division and the Bennett Valley Golf Course from the Transportation and Public Works Department (TPW) to the Parks and Recreation Department. The Citywide reorganization also resulted in the Office of Community Engagement department (OCE) being combined with the Communications and Intergovernmental Relations Department (CIRO). The FY 2023-24 Parks and Recreation budget is \$33.1M; a \$20.4M increase from the prior fiscal year's adopted budget.

The General Fund portion of the budget increased by \$7.9M, when compared against the FY 2022-23 adopted budget. Salaries and Benefits increased by \$4.3M in comparison to FY 2022-23 adopted budget. A significant portion of the increase is attributed to the Citywide reorganization which resulted in 31.0 FTE's transferring from TPW to P&R. Additionally, 1.0 FTE Director of Parks and Recreation and 1.0 FTE Recreation Specialist has been added with the associated costs being offset by the elimination of 2.0 FTE vacant Senior Administrative Assistant position. The Citywide reorganization also resulted in 2.0 FTEs from the OCE department transferring to the CIRO department.

The General Fund supported Service and Supplies increased by \$3.8M. The primary driver of this increase is the Citywide reorganization. Approximately, \$1.5M of the increase can be attributed to the park-related service contracts largely within landscape maintenance, weed abatement, and security. Additionally, utilities rose significantly to \$1.3M for water, sewer, and electricity required for vegetation, restrooms, lighting, and sports facilities. Ongoing operation and maintenance cost for 1,000+ acres of City park land is reflected in the vehicle and utilities budget. Vehicle expenses increased \$600K for the operation and replacement of park vehicles and equipment.

The O&M projects in the General Fund remained entirely flat. The FY 2023-24 O&M 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, which funds 1.0 FTE Community Outreach Specialist within the Violence Prevention Partnership.

The Capital Improvement Fund budget increased to \$8.6M as this entire CIP budget was in TPW in the prior year. Along with the transfer of the CIP Fund, the Citywide reorganization also transferred the Bennett Valley Golf Course Enterprise Funds; Railroad Square Maintenance Fund; Measure M Funds, and Special Assessment Funds from TPW. The movement of these funds resulted in a \$3.6M transfer of budget to Parks and Recreation.

In FY 2023-24, the Public Safety Special Tax (formerly known as Measure O) fund budget increased by \$155K, or 6.4% to a total budget of \$2.6M. Salaries and Benefits increased by \$122K mostly due to increases per MOU changes and various benefit cost increases. Additionally, the CHOICE grant increase of \$30K is the result of higher projected revenue for the Public Safety Special Tax for FY 2023-24.

In FY 2023-24, the Change for Kid's fund budget increased by \$70K, to a total budget of \$247K. This change reflects the anticipated increase in cost associated with temporary employee service hours.

Parks & Recreation

Budget Summary

Expenditures by Program				
	2020 - 2021 Actual	2021 - 2022 Actual	2022 - 2023 Budget	2023 - 2024 Budget
General Administration	\$3,014,106	\$2,938,228	\$2,744,462	\$2,931,341
Fee-Based Recreation	\$812,763	\$1,036,595	\$1,337,570	\$1,492,856
Aquatics	\$1,615,842	\$1,872,449	\$1,954,224	\$2,042,511
Neighborhood Services	\$2,558,445	\$2,796,681	\$3,218,118	\$3,487,485
Community Centers	\$1,846,749	\$1,858,039	\$2,235,737	\$1,939,476
Regional Parks & Permits	\$610,951	\$0	\$867,696	\$1,045,987
Regional Parks	\$0	\$0	\$0	\$312,039
Parks & Landscape Maintenance	\$0	\$0	\$0	\$7,529,828
Bennett Valley Golf Course	\$0	\$0	\$0	\$669,988
CIP and O&M Projects	\$347,745	\$243,677	\$315,000	\$11,628,239
Total	\$10,806,601	\$10,745,669	\$12,672,807	\$33,079,750

Expenditures by Category				
	2020 - 2021 Actual	2021 - 2022 Actual	2022 - 2023 Budget	2023 - 2024 Budget
Salaries	\$4,586,597	\$4,485,571	\$5,675,403	\$8,346,451
Benefits	\$1,844,532	\$1,780,280	\$2,054,924	\$3,899,288
Professional Services	\$1,107,869	\$1,621,610	\$1,711,111	\$3,346,863
Vehicle Expenses	\$82,667	\$61,884	\$82,940	\$726,469
Utilities	\$17,660	\$12,875	\$14,089	\$1,292,604
Operational Supplies	\$356,703	\$400,324	\$580,934	\$920,741
Information Technology	\$539,306	\$464,212	\$503,619	\$647,777
Debt Service	\$0	\$0	\$0	\$455,889
Liability/Property Insurance	\$10,004	\$14,208	\$19,941	\$30,782
Other Miscellaneous	\$50,010	\$73,289	\$95,545	\$189,221
Subrecipient Funding	\$63,673	\$0	\$55,000	\$50,000
Indirect Costs	\$58,014	\$56,499	\$60,810	\$86,454
GF Admin Cost Plan	\$1,741,821	\$1,516,552	\$1,503,491	\$1,458,972
Capital Outlay	\$0	\$14,688	\$0	\$0
CIP and O&M Projects	\$347,745	\$243,677	\$315,000	\$11,628,239
Total	\$10,806,601	\$10,745,669	\$12,672,807	\$33,079,750

Parks & Recreation

Expenditures by Fund				
Funding Source	2020 - 2021 Actual	2021 - 2022 Actual	2022 - 2023 Budget	2023 - 2024 Budget
General Fund	\$8,460,608	\$8,347,956	\$10,070,591	\$17,956,499
Public Safety Special Tax - Recreation	\$2,232,963	\$2,347,365	\$2,425,756	\$2,581,463
State Grants Fund	\$95,967	\$37,912	\$0	\$0
Change For Kids Fund	\$173	\$3,149	\$176,460	\$246,522
Measure M - Parks 2019	\$0	\$0	\$0	\$167,980
Capital-Measure M Parks	\$0	\$0	\$0	\$1,300,000
Maintenance-Measure M Parks	\$0	\$0	\$0	\$1,040,000
Recreation-Measure M Parks	\$0	\$0	\$0	\$260,000
Capital Improvement Fund	\$0	\$0	\$0	\$8,613,239
St. Francis Knolls	\$0	\$0	\$0	\$2,667
Stony Ranch	\$0	\$0	\$0	\$8,664
The Orchard at Oakmont	\$0	\$0	\$0	\$59,471
Sandra's Place Tax District	\$0	\$0	\$0	\$5,569
Woodbridge Tax District	\$0	\$0	\$0	\$13,758
North Village I Special Tax Di	\$0	\$0	\$0	\$11,688
Kawana Springs 6 Special Tax D	\$0	\$0	\$0	\$8,594
Gardens STD 2006-1 Zone 10	\$0	\$0	\$0	\$24,398
Bennett Valley Golf Course Ops	\$0	\$0	\$0	\$272,075
Taxable Golf Bond Debt Serv	\$0	\$0	\$0	\$130,747
Tax-exempt Golf Bond DS	\$0	\$0	\$0	\$267,166
Railroad Square Maintenance Fu	\$0	\$0	\$0	\$9,250
Expendable Fund-No Int Allocation	\$16,890	\$9,287	\$0	\$100,000
Total	\$10,806,601	\$10,745,669	\$12,672,807	\$33,079,750

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

Fiscal Year	FY 2019 - 20	FY 2020 - 21	FY 2021 - 22	FY 2022 - 23	FY 2023 - 24
Full-Time Equivalent	44.00	42.00	42.00	44.00	74.00

Parks & Recreation

Performance Measures

Indicators	FY 2020-21	FY 2021-22	FY 2022-23 Estimate
Percentage of cost recovery through usage fees during fiscal year	23%	8%	12%
Number of people attending permitted park events (facility bookings) annually	244,492	45,000	200,000
Per-capita park maintenance expense			
Number of people awarded scholarships annually	195	105	150
Number of volunteers annually	758	155	350
Number of activity registrations*	65,270	65,000	60,000
Number CHOICE Grants awarded	11	11	11
Amount CHOICE Grants awarded	\$840,000	\$840,000	\$840,000
Number of CHOICE Mini-Grants awarded	11	10	0
Amount CHOICE Mini-Grants awarded	\$18,000 *Due to COVID	\$50,000	0
Number of VPP Policy Team meetings	2	6	6
Number of VPP Operational Team meetings	4	10	11
Number of VPP Multi-Disciplinary Assessment and Referral Team meetings	15	2	11
Number of Guiding People Successfully referrals and evaluations	11	11	32

Prior FY 2022-23 Accomplishments

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

- Exceed 85% pre-COVID revenue recovery goal **6**
- Created a Recreation Permit desk (sports field permits, park permits, and picnic reservations) at Steele Lane Community Center and Facility Rental desk (Finley, Steele Lane, historical sites, and clubhouses) at Finley Community Center to streamline customer service **4**
- Resumed City Sluggers and City Booters and brought on the National Academy of Athletics to provide a variety of youth sports serving a total of 850 youth **4**
- Completed agreements with local School Districts for Neighborhood Services summer camp (Recreation Sensation) to serve 400 youth **6**
- 17% increase in Neighborhood Services youth membership by adding priority neighborhoods as a qualifying factor **3, 4**
- Secured \$12,502,000 in grant funding for Kawana Springs Community Park, Martin Luther King Junior Park, and Lower Colgan Creek Park **5**
- Completed construction drawings for Kawana Springs Community Garden and Finley Aquatic Center Spray Ground **5**
- Installed new picnicking features at Bayer Neighborhood Park and DeTurk Round Barn Park **4, 5**
- Installed a new playground at Colgan Creek Neighborhood Park **4, 5**
- New Bennett Valley Golf Course Operations Agreement with Touchstone **6**
- Maintained 1036 acres of parks and 65 acres of roadway landscapes **5, 6**

Parks & Recreation

- Implemented the Volunteer Trailer to support parks volunteer events 4, 6
- Facilitated 28 volunteer events, including the Park A Month Program 4, 6
- Implemented an updated Adopt A Green Space Program 4, 6

Looking Ahead

The reorganized Parks & Recreation Department is facing an aging parks system with over 1,000 developed acres, six major Recreation facilities, and thousands of park amenities. Fire recovery continues in the City's Parks, with attention spreading to the construction of several Community and Neighborhood parks already in the design process.

Expanded partnerships with Schools and Burbank Housing are providing thousands more children with recreation alternatives outside of school hours and will require developing new staff and operationalizing locations to ensure success. Long-term strategic planning and programming for youth services can now update with the renewal of the Public Safety Tax (Measure O/H), and the reintegration of the Violence Prevention Partnership back into the Department.

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Santa Rosa Water

Mission

Provide essential water services and invest in a sustainable future for our community:
Our future in every drop!

Department Description

Santa Rosa Water (SRW) strives to be a resilient organization through leadership, service, stewardship, and innovative planning to provide essential water services and invest in a sustainable future for our community. The core values of the department are excellence, integrity, teamwork, transparency, innovation, and inclusiveness.

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

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

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

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

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

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

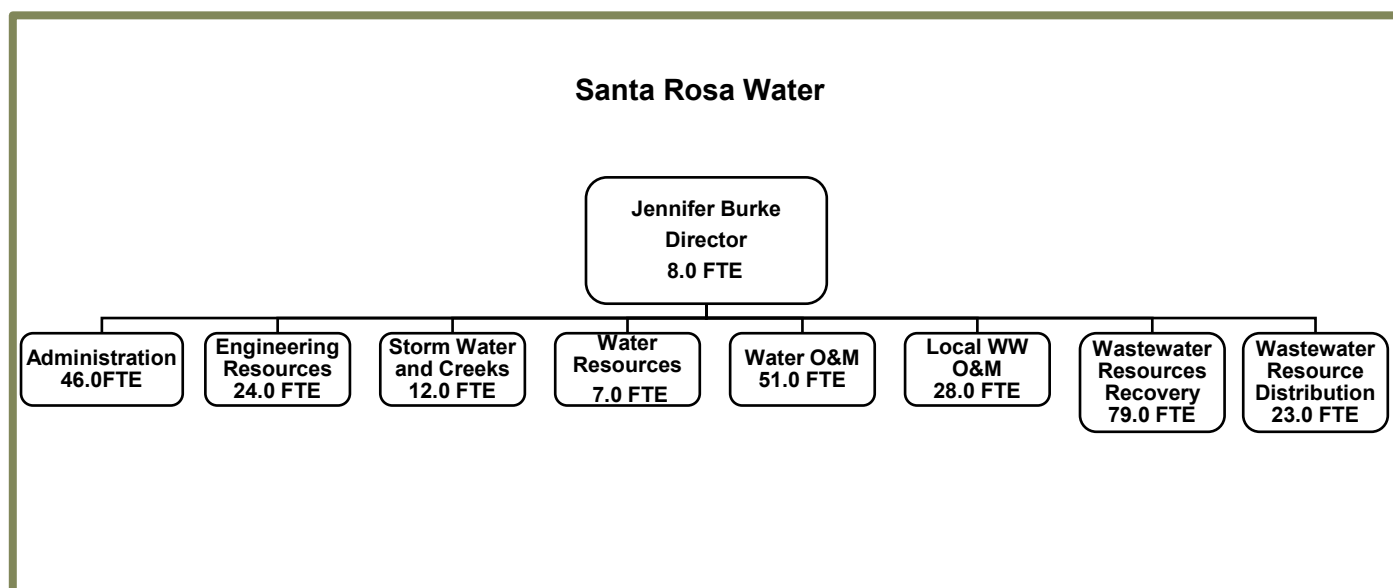
Water Resources - Ensures water quality meets and exceeds all regulatory requirements, develops, and implements cost-effective water use efficiency programs for Santa Rosa Water's customers, and plans for long-term water supply and wastewater capacity to meet the needs of the City's currently adopted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

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

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

Santa Rosa Water

FTE by Program



Strategic Goals and Initiatives for FY 2023-24

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

• Financial Stability	3, 4, 5
• Investing in our Employees	6
• Improve Infrastructure Resilience and Reliability	5, 7
• Climate Change Adaptability	5, 7
• Regulatory Compliance	3, 4

Major Budget Changes

The FY 2023-24 Water budget is \$182M; a \$9M, or 5.2% increase from the prior fiscal year's adopted budget. A \$1.9M increase in Salary and Benefits occurred primarily due to increases per MOU changes and various benefit increases. There was also the addition of 1.0 FTE Quality Control Associate and the addition of 1.0 Water Quality Supervisor.

The Water department's services and supplies saw a \$5.5M, or 7.2%, increase compared to the prior fiscal year. Purchase of Water increased in FY 2023-24 by \$2.5M, or 16.5%, partially due to a 10.5% water cost increase from the Sonoma County Water Agency. The City is also purchasing more water being that water shortage restrictions have been lifted. There was a \$1.4M increase in electricity costs, within the utilities category, due to rising electricity costs. The Chemicals budget also increased by \$556K, primarily due to significant cost increases for chemicals needed for the Laguna Treatment Plant. There was also an increase of \$257K, or 10.3%, in Information Technology services.

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 increasing by \$106K or 15.2%. The majority of this increase is due to the addition of 1.0 FTE Quality Control Associate being added in FY 2023-24 mentioned above.

There was also a \$1M increase in CIP and O&M projects, compared to the prior fiscal year, due to various project increases and decreases.

Santa Rosa Water

Budget Summary

Expenditures by Program				
	2020 - 2021 Actual	2021 - 22 Actual	2022 - 23 Budget	2023 - 24 Budget
Administration	\$4,758,812	\$7,865,232	\$9,284,733	\$9,663,170
Purchase of Water	\$17,355,962	\$15,437,921	\$15,307,147	\$17,833,000
Storm Water and Creeks	\$2,123,052	\$2,139,332	\$2,581,358	\$2,835,376
Water Resources	\$1,063,955	\$1,172,372	\$1,178,832	\$1,253,398
Water O&M	\$16,495,238	\$17,376,493	\$21,123,300	\$21,637,649
Local Wastewater O&M	\$11,690,420	\$11,818,549	\$13,638,405	\$13,871,941
Wastewater Resource Recovery	\$24,042,689	\$24,959,785	\$28,461,797	\$31,726,010
Wastewater Resource Distribution	\$7,167,529	\$7,296,000	\$7,875,922	\$8,630,181
Debt Service	\$81,340,032	\$26,806,421	\$27,662,823	\$27,668,524
Engineering Resources	\$3,539,122	\$3,522,035	\$3,578,455	\$3,610,531
CIP and O&M Projects	\$52,431,560	\$35,790,769	\$42,341,343	\$43,339,929
Total	\$222,008,371	\$154,184,909	\$173,034,115	\$182,069,709

Expenditures by Category				
	2020 - 2021 Actual	2021 - 22 Actual	2022 - 23 Budget	2023 - 24 Budget
Salaries	\$20,100,493	\$22,204,505	\$24,868,148	\$25,824,655
Benefits	\$12,426,724	\$13,255,026	\$16,099,245	\$17,004,361
Professional Services	\$4,092,317	\$4,373,331	\$6,022,337	\$6,082,736
Utility Billing Services	\$3,917,496	\$4,225,565	\$4,150,130	\$4,284,775
Vehicle Expenses	\$2,742,720	\$2,922,815	\$4,170,321	\$4,166,266
Utilities	\$5,427,252	\$6,063,638	\$6,025,402	\$7,383,556
Purchase Water	\$17,356,013	\$15,437,832	\$15,307,147	\$17,833,000
Operational Supplies	\$3,737,361	\$4,409,170	\$5,853,774	\$6,444,715
Information Technology	\$2,329,733	\$2,390,091	\$2,680,387	\$2,947,623
Debt Service	\$81,739,397	\$27,071,004	\$27,918,387	\$28,046,058
Liability & Property Insurance	\$1,074,674	\$1,269,890	\$1,725,338	\$1,869,356
Other Miscellaneous	\$2,530,321	\$935,470	\$2,278,276	\$2,518,918
Subrecipient Funding	\$0	\$1,058,627	\$0	\$0
Indirect Costs	\$11,971,157	\$12,311,828	\$13,468,880	\$14,253,761
Capital Outlay	\$131,153	\$465,348	\$125,000	\$70,000
CIP and O&M Projects	\$52,431,560	\$35,790,769	\$42,341,343	\$43,339,929
Total	\$222,008,371	\$154,184,909	\$173,034,115	\$182,069,709

Santa Rosa Water

Expenditures by Fund				
	2020 - 2021 Actual	2021 - 22 Actual	2022 - 23 Budget	2023 - 24 Budget
General Fund	\$618,248	\$832,005	\$698,045	\$804,466
Capital Facilities Fee Fund	\$1,007	\$5,231	\$0	\$0
Capital Improvement Fund	\$1,220,988	\$2,804,174	\$393,315	\$642,488
Stony Ranch	\$0	\$0	\$2,000	\$500
Woodbridge Tax District	\$0	\$2,546	\$32,000	\$500
Kawana Springs 6 Special Tax District	\$0	\$0	\$15,077	\$17,070
Kawana Town Center Special Tax District	\$0	\$0	\$5,498	\$0
Gardens STD 2006-1 Zone 10	\$0	\$0	\$0	\$2,000
Lantana STD 2006-1 Zone 11	\$0	\$0	\$0	\$26,500
Utilities Administration Fund	\$9,638,247	\$12,691,756	\$14,257,712	\$14,767,099
Water Utility Operations	\$34,123,855	\$33,341,898	\$36,881,079	\$39,680,718
Water Capital Fund	\$13,354,435	\$10,762,714	\$14,203,700	\$14,629,811
Water Demand Fee Fund	\$335,911	\$0	\$0	\$0
2018 Water Bond Debt Service	\$632,188	\$627,524	\$707,000	\$711,000
Local Wastewater Utility Fund	\$11,771,993	\$11,904,048	\$13,787,020	\$14,004,941
Local Wastewater Capital Fund	\$19,655,943	\$11,971,216	\$13,111,900	\$13,505,257
Local Wastewater Demand Fee	\$26,000	\$85,737	\$80,000	\$50,000
Subregional Waste Operations	\$34,956,086	\$35,852,716	\$40,575,208	\$43,785,495
2020 Subregional Construction	\$922,069	\$797,566	\$0	\$0
2020 Subregional Bonds	\$1,938,204	\$3,634,502	\$4,752,302	\$5,897,304
Subregional Waste Capital	\$11,069,219	\$4,585,267	\$9,000,000	\$10,000,000
2018 WW Refunding Debt Service	\$3,085,910	\$3,031,531	\$3,187,200	\$691,450
2016 WW Refunding Debt Service	\$11,746,272	\$11,738,459	\$11,734,000	\$7,594,200
2014 Wastewater Debt Service	\$875,202	\$878,709	\$1,454,450	\$1,521,450
2012 WW Refunding Debt Service	\$56,085,965	\$0	\$0	\$0
2014 Wastewater Construction	\$1,383,522	\$345,351	\$0	\$0
2008A Subregional Construction	\$27,938	\$79	\$0	\$0
Storm Water Enterprise Fund	\$805,923	\$835,619	\$965,945	\$961,748
Storm Water -Creek Restoration	\$756,955	\$560,565	\$1,362,793	\$1,522,592
2002B Subregional WW Debt Service	\$6,976,291	\$6,895,696	\$5,827,871	\$11,253,120
Total	\$222,008,371	\$154,184,909	\$173,034,115	\$182,069,709

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

Fiscal Year	FY 2019 - 20	FY 2020 - 21	FY 2021 - 22	FY 2022 - 23	FY 2023 - 24
Full-Time Equivalent	247.50	247.50	248.50	276.00	278.00

Performance Measures

Regional Water Reuse*	2020	2021	2022
Billion gallons of wastewater treated	5.5	6.0	5.7
Treated wastewater recycled	100%	100%	100%
Biosolids reused	100%	100%	100%
EC inspections - Grease related food industries	228	696	738
People attending Treatment Plant Educational Tours	75	1,067	204
Laguna Environmental Laboratory Analytical Results	28,619	26,073	28,171
Laguna Environmental Laboratory Aliquots	17,449	16,562	16,691
Laguna Environmental Laboratory Samples Analyzed	11,279	10,999	11,535
Laguna Environmental Laboratory Total Work Orders	4,859	4,985	5,332
Water Supply, Distribution and Quality*			
Miles of water main in system	625	627	628
Million gallons of water purchased	5,873	5,162	4,946
Million gallons metered water delivered	5,828	5,182	5,147
Million gallons water produced from well	408.4	431.3	344.5
Unaccounted for water	7.0%	7.2%	6.3%
Water Main repairs	18	23	21
Gross Gallons Per Capita Per Day (GPCD)	96	86	82
Local Wastewater Collection*			
Miles of sewer main in system	596	597	597.4
Miles of sewer lines flushed	224	300	243
Miles of sewer lines rodded	3.1	3.3	3.41
CCTV inspection of sewer main miles	108.8	97.4	66
Sewer Main repairs	42	60	88
Sewer laterals repair/replace	47	42	47
Engineering*			
Number of water and/or sewer connection permits issued	763	773	547
Miles of water line replaced	1.43	3.2	1.58
System replaced (%) – Water Line	0.11%	0.24%	0.15%
Miles of sewer main replaced	1.88	0.9	2.12
System replaced (%) – Sewer Main	.06%	0.01%	0.28%
Water CIP projects completed	4	4	2
Wastewater CIP projects completed	3	0	3
Laguna Treatment Plant CIP projects completed	1	2	1
Storm Water and Creeks Section **			
Educational creek related activities with youth	249	205	280
Volunteer creek cleanups	67	62	126

Santa Rosa Water

Cubic yards of debris removed from creeks	883	1,452	1,134
Illicit spill discharges responded to by SW Team	106	95	125
Water Billing *			
Number of Calls	56,271	49,453	45,191
Number of Transactions for Revenue Collected	562,258	558,157	555,533
Counter Customers	20,884	1,130	1,827
*Calendar Year			
**Fiscal Year			

Prior FY 2023-24 Accomplishments

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

- Achieved an outstanding Sanitary Sewer Overflow (SSO) record with only four SSO's in 2022. From the State's most recent information, our annual metric for SSOs per 100 miles of pipe for 2020 was 0.34. The region, however, was 12.65 and the State average was 23.95. **3, 5**
- Responded to 1,478 customer service calls as they relate to water and local wastewater, including 296 by after-hours personnel. Received approximately 6,800 requests for USA mark-outs. Preventative maintenance was performed on 705 fire hydrants. Repaired 46 fire hydrant knockdowns, repaired 14 leaking hydrants, and flow-tested 28 fire hydrants. **3, 5**
- The Farmers Lane Well Treatment Plant produced 344,560,975 gallons of potable drinking water. **3, 4**
- The Water Quality Team responded to 334 unique water quality customer calls and obtained 1,680 routine bacteriological samples, with no coliform violations per the Environmental Protection Agency's Total Coliform Rule. **3**
- In early 2022, the Take it From the Tap! Program returned to local schools for in-person education. The program educates school-age children about our water supply and the health, environmental, and cost-saving benefits of choosing tap water. In FY 2022-23 the program reached 2,800 students in schools, after-school programs, and summer camps. **3**
- In September 2022, Santa Rosa Water launched the "Our Water Future" project to explore options for diversifying and increasing the City's water supplies to reduce vulnerability to prolonged droughts, climate change, and catastrophic events. The scope of work includes soliciting input from a wide range of interests, establishing a long-term water supply goal, identifying potential water supply sources, conducting a feasibility study, developing alternative portfolios for increasing water supply resiliency and reliability, and preparing an adaptive Water Supply Alternatives Plan to achieve the city's water supply goals. The project includes an interdisciplinary team of Water staff, an external stakeholder group of community leaders, and community webinars to inform the public and solicit input. The Plan is anticipated to be completed in late fall 2023. **3, 5, 7**
- On March 14, 2023, in response to favorable water supply conditions in the region, the Santa Rosa City Council rescinded the city's water shortage emergency that was instituted on June 29, 2021. During the emergency, Santa Rosa Water customers reduced their water use by 18% when compared to 2020 and saved more than 1.8 billion gallons of water. **3, 7**
- The Water Use Efficiency team completed over 260 indoor and/or outdoor residential Water-Use Efficiency Check-Ups and conducted over 500 pre- and post-inspections for the Cash for Grass lawn removal rebate program, resulting in over 258,000 square feet of grass removed and replaced with low water use landscapes. The 16-year-old Cash for Grass Program achieved the 4,000,000 square foot of turf removed milestone in January 2023. **7**

- COVID arrearage work continued during 2022. SRW resumed the typical collections process and began billing and collecting delinquent fees, completed reporting to the State on the number and total value of funding applied to arrearage accounts. For the State Water Resources Water and Wastewater Arrearages program, \$353k for water and \$623k for wastewater has been applied to qualified customer accounts. Through the Low-Income Household Water Assistance Program, \$52k in funding has been secured and applied to arrearage accounts. 4
- Maintained over 1,000 active sewer use permits for businesses and industries throughout the Regional System. 3, 5
- Expanded our program with the Center for Disease Control for monitoring viruses in wastewater to include SARS CoV-2, MPOX, Influenza A, Human Metapneumovirus, and Norovirus. 3
- Started the Lower Colgan Creek Restoration Project Phase 3, which included the purchase of land and receiving grant awards greater than \$4.3 million. 5
- Coordinated the Creek Stewardship Program, a partnership with Sonoma Water, that continues to raise the community's awareness of creeks and improve water quality. Removed 1,134 cubic yards of trash and debris from waterways and the storm drain system (by City staff, volunteers, youth corps, and County Probation Department). Coordinated 345 education and stewardship events. Engaged 8,482 residents, including 6,833 youth who volunteered 3,657 service hours. 3, 5
- Received \$500,000 in grant funding for the city's initial Storm Drain Master Plan (SDMP) and selected a consultant to create the SDMP. 3, 5

Looking Ahead

Financial Planning - As recovery from the COVID-19 pandemic continues, staff will be actively working on collecting any outstanding balances created from the State's shut-off moratorium during the emergency.

Staff will begin the rate-setting process during this year, beginning with securing a rate consultant to perform a rate study and developing the communications and outreach planning that will be implemented as the new rate schedule is being developed.

Local Operations - Santa Rosa Water (SRW) performed an analysis on our two production wells and the drinking water treatment facility at Farmers Lane, which will be used to drive operational decisions that will maximize productivity and increase our annual cost savings. The data collected can be used to determine when we should start our seasonal production, the pump rate for the wells, the expected total production per year, and the anticipated value of operating drinking water production wells. SRW 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.

Water Use Efficiency - In September 2022, Governor Newsom signed Assembly Bill 179, which included an appropriation of \$1.5 million for SRW to launch a Direct Install Water Use Efficiency Project. In 2023, SRW will launch an indoor direct install program utilizing this funding, which aims to install approximately 2,000 new high-efficiency toilets, showerheads, and bathroom and kitchen faucet aerators on a first-come, first-served basis. This program will achieve over 1,400 acre-feet of water savings over the expected lifetime of these devices.

Laguna Treatment Plant - SRW will begin an effort to revitalize the Laguna Treatment Plant tour program, including a staff training program and an educational signage plan for the facility. This project will improve our outreach efforts to educate our local community on the value and benefit of wastewater treatment and beneficial reuse. This project is expected to conclude in late 2024.

Santa Rosa Water

Regulatory Permit for the Laguna Wastewater Treatment Plant - The Laguna Wastewater Treatment Plant and Water Reclamation System (LTP) was issued a National Pollutant Discharge Elimination System (NPDES) Permit (LTP Permit) in October of 2020. This permit contains provisions that are more stringent and costly compared to the previous permit. Staff are working with Sonoma Water and the Town of Windsor to develop and implement phosphorus credit projects for permit compliance under the Water Quality Trading Framework. We plan to execute the Colgan Creek Reaches 1 and 2 Restoration Plan which should provide up to 8,000 phosphorus credits. Compliance certainty may come at a greater cost than was spent in the previous term for phosphorus limit compliance. Long-term cost impacts associated with permit compliance cannot yet be determined, but estimates are that costs for phosphorus alone could be \$1.0-2.5 million more during this permit term.

Regulatory Permit Renewal for the City of Santa Rosa's Municipal Separate Storm Sewer System (MS4) NPDES Permit (Storm Water Permit) - The City of Santa Rosa submitted a new Report of Waste Discharge (ROWD) in 2020 which is the first step in renewing the Storm Water Permit. This ROWD highlights the City's results from the previous permit term and identifies changes that the City would like to see in the next permit. City staff are meeting monthly with the Regional Board staff to provide feedback on various elements of the new MS4 NPDES permit and are planning on seeing a draft permit by the end of 2023. In general, the cost of implementing the Storm Water Permit has increased each permit term, with changes to development requirements to install green infrastructure as a part of their development projects which the City is required to track in perpetuity, increased costs related to greater amounts of water quality monitoring, and new requirements to control pollution sources, all of which are just a few examples of ways that the new Storm Water Permit may become more expensive to implement.

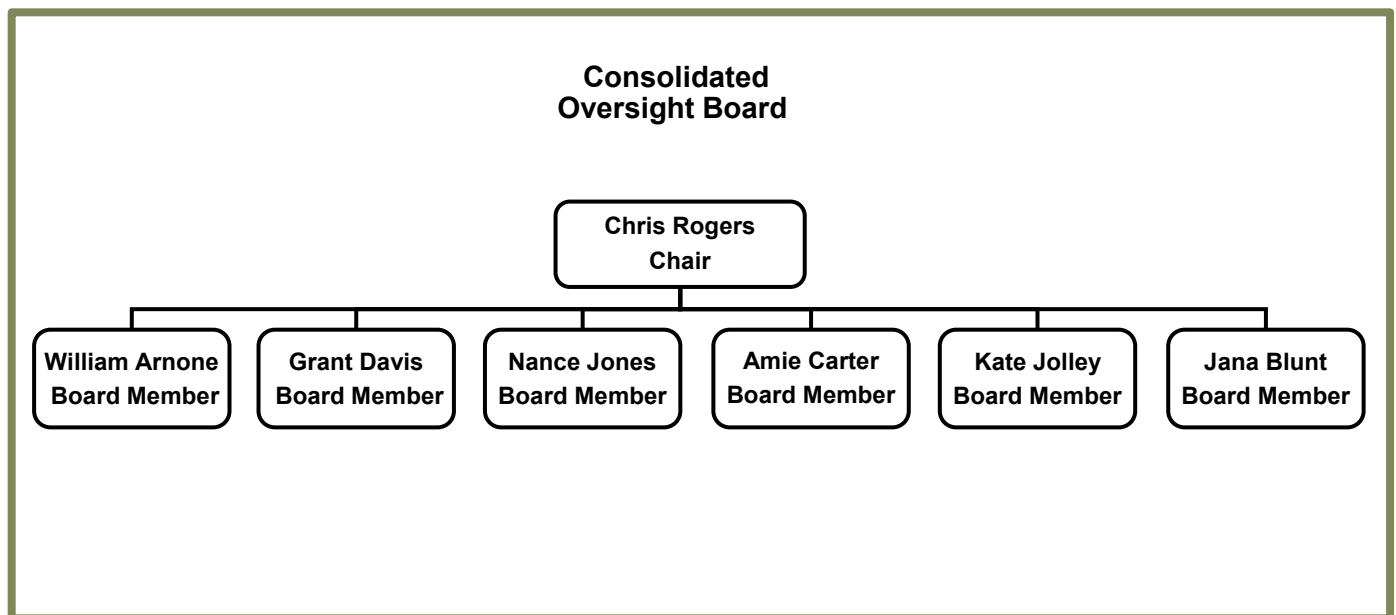
Asset Management - The City utilizes asset management programs to manage assets proactively and budget accordingly. The City utilizes an enterprise asset management software product to inventory assets and manage maintenance on citywide infrastructure including the water distribution, collection, and reuse systems. In 2017, SRW initiated a multi-year effort to replace our current enterprise asset management software, Hansen, with Cityworks, a City-wide software solution. Cityworks went live in 2022 and is currently used by Public Works, Parks and Recreation, Facilities, and Parking. It will be implemented for SRW in 2023 and will significantly improve the efficiency of the services maintaining city assets and produce condition and other data points to improve the forecasting and planning of asset replacement.

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 2023-24

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

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

6

Successor Agency to the Former Redevelopment Agency

Major Budget Changes

The FY 2023-24 Successor Agency budget is \$3M, falling \$1K, or 0.04%, over the prior year's adopted budget. The decline is primarily due to a reduction in lower scheduled payments for the redevelopment bond.

Budget Summary

Expenditures by Program				
	2020 - 21 Actual	2021 - 22 Actual	2022 - 2023 Budget	2023 - 24 Budget
Successor Agency	\$3,055,093	\$3,049,630	\$3,023,661	\$3,022,314
Total	\$3,055,093	\$3,049,630	\$3,023,661	\$3,022,314

Expenditures by Category				
	2020 - 21 Actual	2021 - 22 Actual	2022 - 2023 Budget	2023 - 24 Budget
Professional Services	\$27,992	\$25,992	\$3,000	\$3,000
Debt Service	\$3,027,101	\$3,023,638	\$3,020,661	\$3,019,314
Total	\$3,055,093	\$3,049,630	\$3,023,661	\$3,022,314

Expenditures by Fund				
	2020 - 21 Actual	2021 - 22 Actual	2022 - 2023 Budget	2023 - 24 Budget
SA RDA Obligation Retirement Fund	\$3,055,093	\$3,049,630	\$3,023,661	\$3,022,314
Total	\$3,055,093	\$3,049,630	\$3,023,661	\$3,022,314

Prior FY 2022-23 Accomplishments

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

- 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).

6

Transportation & Public Works

Mission

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

Department Description

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

Traffic Engineering - Traffic Engineering is responsible for managing the placement and maintenance of street signs and striping throughout the City's 512 street miles. In addition, the Traffic team programs and maintains traffic signal timing to ensure safe and efficient traffic flow. The team's goal is to provide effective and efficient transportation facilities for all modes, whether pedestrian, bicycle, or vehicle. The Transportation Planning team develops and manages the long-term transportation strategy for the City while monitoring and managing regional, state, and federal funding opportunities. Electrical Maintenance maintains traffic signals, streetlights, and electrical systems in City-owned facilities; Materials Engineering and Facilities Maintenance are described below.

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

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

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

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

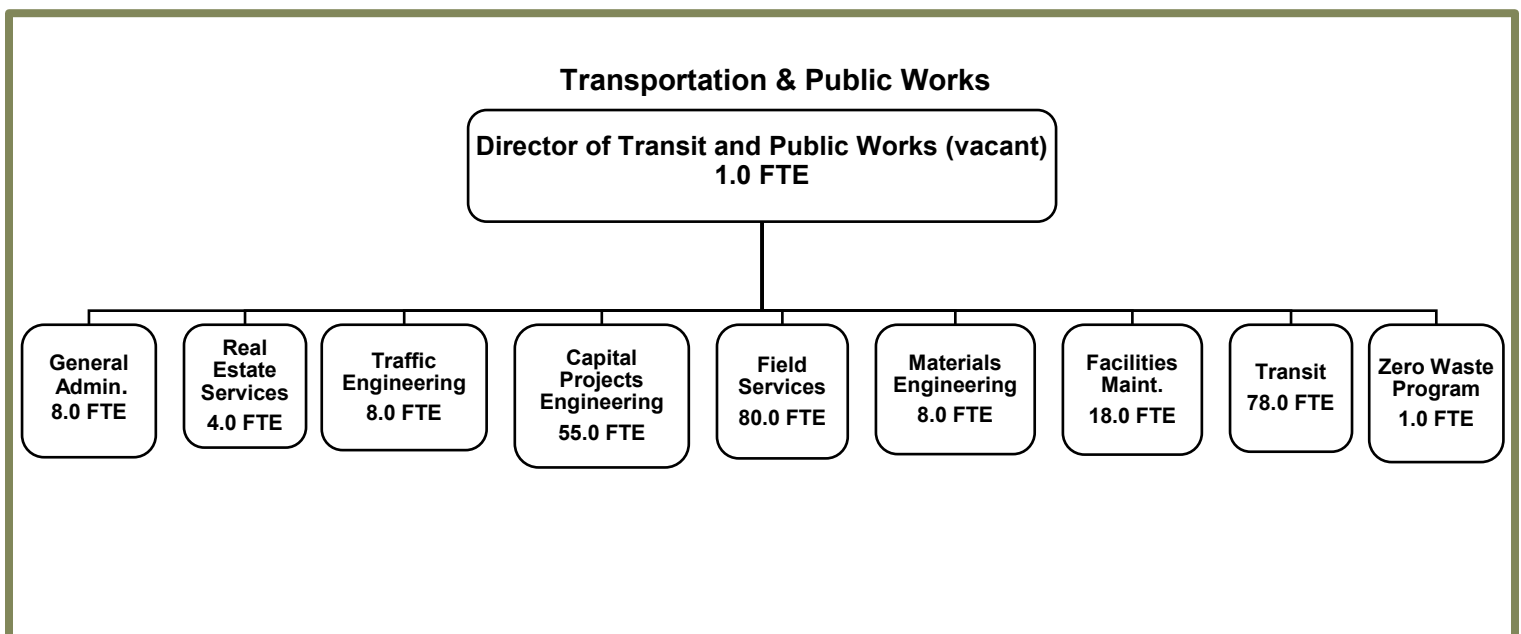
Real Estate Services - Responsible for all Citywide acquisition and surplus sales. The RES team provides Real Estate and Right of Way Services to all City Departments and manages over 1800 pieces of City owned property as well as over 80 City leases. In addition to acquisition, sales, and leases, the team also performs all right of way functions, the City's Capital Improvement Projects such as; fire stations, parks, and biosolid lands. Over the last few years, the team has worked with multiple City Departments on the City's economic goals, executing exclusive negotiation agreements disposition and development agreements, and providing analysis and proformas on City owned properties, to bring development into the downtown core as well as low-income housing development outside of the downtown.

Transportation & Public Works

Transit - Manages and operates Santa Rosa City Buses, 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 five 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.

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

FTE by Program



Strategic Goals and Initiatives for FY 2023-24

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

- | | |
|--|---------|
| • Break ground on Hearn Interchange | 5 |
| • Begin update process for the Bicycle and Pedestrian Master Plan | 3, 5 |
| • Continue to work with local transit partners to implement Phase 2 of the Sonoma County Transit Integration and Efficiency Study scope, including development of an Integrated Service Plan | 5, 6, 7 |
| • Deploy five additional battery-electric buses in revenue service | 5, 7 |
| • Continue expansion of CityBus Unlimited Pass Program to provide fare-free access to transit | 4, 5, 7 |
| • Launch a two-year pilot program providing fare-free countywide transit access for K through 12 th grade youth | 4, 5, 7 |
| • Invest in and maintain city-owned road, facility, electrical and mechanical infrastructure to regional, state, federal and industry standards | 3, 5 |

Transportation & Public Works

• Develop a highly skilled and motivated team	6
• Reduce Vacancy Rate - Repost recruitments until positions filled; Continuing supporting HR, SRCEA, SRMA regarding compensation reviews; Redistribute CPE staff to initiate function of Team 6 once created	6
• Increase professional development – post pandemic -Identify and promote training/conference opportunities for all CPE staff	6
• Complete implementation of Telematics program throughout the city fleet	6, 7
• Finalize vehicle purchasing policy for electric vehicle standards	6, 7
• Replace remaining Police patrol vehicles with hybrid vehicles	2, 3, 5
• Develop debris removal metrics for encampment & roadside debris	
• Implement employee wellness programs developed during Ops Organizational Clarity meetings	6
• Invest in and maintain city owned facilities, roads, electrical and mechanical systems	5
• Southwest Greenway acquisition	4, 3
• Successfully negotiate Development Agreements for Housing on Downtown City Surplus Parcels	1, 3, 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 FY 2023-24 budget is \$92.0M, a decrease of -\$7.9M, or -8.0%, over the prior year's adopted budget. The decrease is largely due to the Citywide reorganization of Parks and Landscape Maintenance and the Bennett Valley Golf Course moving from TPW to Parks and Recreation.

The General Fund makes up 29.0% of the department's budget, decreasing -\$5.6M over the prior year to a total of \$27.0M. Salaries and Benefits decreased by -\$3M in comparison to FY 2022-23 adopted budget. A significant portion of the decrease is attributed to the Citywide reorganization which resulted in 31.0 FTEs transferring from TPW to P&R. Additionally, the General Fund saw a reduction in Services and Supplies of -\$2.9M from the prior fiscal year; -\$1.3M in Other Outside Services, -\$1M in Utilities, -\$345K due to fleet and -\$256K for operational supplies.

The Capital Improvement Fund makes up 29.0% of the department's overall budget. Over the prior year the fund decreased by \$4.0M, ending with a total budget of \$25.8M in FY 2023-24. The Citywide reorganization also transferred the Bennett Valley Golf Course Enterprise Funds; Railroad Square Maintenance Fund; Measure M Funds and Special Assessment Funds. The movement of these funds resulted in a \$3.6M transfer of budget to Parks and Recreation in FY 2023-24.

The Equipment Repair and Replacement Internal Service Funds increased by \$1.0M over the prior year. This is mainly attributable to a \$1.0M increase in the Replacement Fund. This increase in budget is to match the replacement schedule per the City's fleet replacement program. The funding source for the increase is from the fund balance of the Replacement Fund which collects from departments in advance. Salaries & Benefits remained relatively flat year over year. Services & Supplies increased by \$100K, most of this increase is the result of the expected higher cost of parts to maintain the City's fleet.

The Transit Enterprise Fund budget is \$16.6M, an increase of \$1.3M, or 9.0% over the FY 2022-23 adopted budget. Salaries & Benefits grew by \$414K or 8.2% which included increases from MOU changes and \$80K in CalPERS retirement benefit. Services and Supplies increased by \$871K, mainly due to \$575k in electricity usage to power the City's fleet of new electric buses. Additionally, \$150K increase for Paratransit service contract.

Transportation & Public Works

Budget Summary

Expenditures by Program				
	2020 - 2021 Actual	2021 - 2022 Actual	2022 - 2023 Budget	2023 - 2024 Budget
General Administration	\$1,614,356	\$1,661,188	\$1,651,462	\$1,622,032
Transit	\$11,903,576	\$13,173,225	\$15,219,523	\$16,573,231
Real Estate Services	\$0	\$0	\$619,613	\$743,400
Capital Projects Engineering	\$2,199,952	\$2,889,240	\$2,928,341	\$3,384,031
Facilities	\$4,342,661	\$5,003,929	\$5,482,411	\$5,674,725
Materials Engineering	\$655,485	\$681,109	\$759,261	\$757,173
Regional Parks	\$6,305,510	\$7,470,806	\$7,498,455	\$0
Zero Waste Operations	\$0	\$162,866	\$166,670	\$278,014
Traffic	\$1,451,490	\$1,706,061	\$1,827,329	\$1,946,496
Bennett Valley Golf Course	\$512,936	\$573,810	\$583,920	\$0
Field Services	\$23,906,776	\$19,839,632	\$32,772,253	\$34,510,236
CIP and O&M Projects	\$20,579,657	\$21,893,226	\$30,364,418	\$26,434,395
Total	\$73,472,399	\$75,055,092	\$99,873,656	\$91,923,733

Expenditures by Category				
	2020 - 2021 Actual	2021 - 2022 Actual	2022 - 2023 Budget	2023 - 2024 Budget
Salaries	\$15,528,202	\$17,855,875	\$18,916,442	\$17,048,422
Benefits	\$10,274,227	\$10,899,949	\$12,497,504	\$11,565,246
Professional Services	\$2,976,152	\$3,254,546	\$3,366,521	\$2,090,212
Vehicle Expenses	\$3,933,102	\$4,717,373	\$5,367,646	\$5,681,840
Utilities	\$3,965,289	\$4,185,974	\$5,212,123	\$4,236,412
Operational Supplies	\$2,971,500	\$2,720,742	\$3,132,372	\$2,987,315
Information Technology	\$1,166,125	\$1,283,040	\$1,293,531	\$1,274,718
Debt Service	\$453,318	\$451,529	\$458,606	\$0
Liability/Property Insurance	\$418,992	\$450,576	\$450,687	\$400,641
Other Miscellaneous	\$518,775	\$893,654	\$904,524	\$822,014
Transportation Purchase	\$1,167,413	\$1,365,434	\$1,410,000	\$1,575,000
Indirect Costs	\$1,805,304	\$1,781,069	\$1,703,775	\$1,759,511
General Fund Administration	\$1,635,834	\$2,217,228	\$2,710,332	\$3,038,007
Capital Outlay	\$6,078,509	\$1,084,877	\$12,085,175	\$13,010,000
CIP and O&M Projects	\$20,579,657	\$21,893,226	\$30,364,418	\$26,434,395
Total	\$73,472,399	\$75,055,092	\$99,873,656	\$91,923,733

Transportation & Public Works

Expenditures by Fund				
Funding Source	2020 - 2021 Actual	2021 - 2022 Actual	2022 - 2023 Budget	2023 - 2024 Budget
General Fund	\$27,551,803	\$31,248,091	\$32,588,080	\$27,007,860
AB 434 Funds (Transit)	\$22,080	\$188,236	\$0	\$0
ARPA Federal Stimulus	\$0	\$12,598	\$0	\$0
Measure M - Parks 2019	\$36,110	\$266,069	\$171,042	\$0
St. Francis Knolls	\$2,587	\$3,886	\$2,969	\$0
Stony Ranch	\$203	\$400	\$8,728	\$0
The Orchard at Oakmont	\$16,251	\$45,992	\$53,714	\$0
Sandra's Place Tax District	\$274	\$196	\$6,025	\$0
Woodbridge Tax District	\$875	\$1,090	\$13,624	\$0
North Village I Special Tax Di	\$116	\$1,712	\$11,636	\$0
Kawana Springs 6 Special Tax D	\$0	\$0	\$8,120	\$0
Catalina/Amorosa STD Zone 7	\$0	\$0	\$19,289	\$0
Gardens STD 2006-1 Zone 10	\$0	\$0	\$938	\$0
Utilities Administration Fund	\$826,601	\$1,134,923	\$1,206,881	\$1,274,342
Municipal Transit Fund	\$10,674,451	\$11,689,280	\$13,693,693	\$14,861,923
Transit Capital Fund	\$470,820	\$1,350,575	\$0	\$0
Paratransit Operations	\$1,229,125	\$1,483,945	\$1,525,830	\$1,711,308
Bennett Valley Golf Course Ops	\$202,454	\$251,920	\$188,559	\$0
Taxable Golf Bond Debt Serv	\$129,411	\$130,060	\$132,736	\$0
Tax-exempt Golf Bond DS	\$260,662	\$258,225	\$262,625	\$0
Storm Water Enterprise Fund	\$526,703	\$492,971	\$593,056	\$614,601
Equipment Repair	\$5,985,374	\$5,528,899	\$6,548,086	\$6,395,515
Equipment Replacement Fund	\$7,148,424	\$2,021,823	\$13,065,147	\$14,222,789
Railroad Square Maintenance Fu	\$4,045	\$4,242	\$7,460	\$0
Capital Improvement Fund	\$18,384,030	\$18,939,959	\$29,765,418	\$25,835,395
Total	\$73,472,399	\$75,055,092	\$99,873,656	\$91,923,733

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

Fiscal Year	FY 2019 - 20	FY 2020 - 21	FY 2021 - 22	FY 2022 - 23	FY 2023 - 24
Full-Time Equivalent	290.00	287.00	288.00	292.00	261.00

Performance Measures

INDICATORS:	FY 2020-21	FY 2021-22	FY 2022-23
Travel Time Along 5 Major Arterial Streets (PM Peak)			
College/West College Avenue Cleveland Avenue to 4 th Street	3:16	4:32	3:31
Guerneville Road/Steele Lane Range Avenue to Illinois Street/County Center Drive	2:11	2:27	1:59
Mendocino Avenue College Ave to Steele Lane	2:56	2:53	3:30
Santa Rosa Avenue Baker Overcrossing to Yolanda Avenue	3:21	4:03	2:44
Stony Point Road West College Avenue to Hearn Avenue	6:45	6:22	9:50

Transportation & Public Works

Capital Projects Engineering	2020	2021	2022
Number of New Projects Bid	30	11	20
Total Value of New Projects Bid (Engineer's Estimates)	\$21.7M	\$10.4M	\$113.7M
Notices of Completion Filed	24	12	9

Transit	FY 2020-21	FY 2021-22	FY 2022-23
Routes meeting system productivity standards	Measure Suspended*	0	0
Average systemwide on-time performance of 90%	90.6%	88%	86%
Paratransit passengers/hour equal or greater than 2.4	Measure Suspended*	1.69	1.80

* Due to COVID-related reductions in service/demand

Fleet Services	2020*	2021*	2022*
Mechanic productivity: goal 1,500 hours/mechanic/year	1266	1356	1328
Vehicle Downtime: goal under 5%	2.21%	3.05%	3.06%
Preventive Maintenance Performed On-time: goal 90%	75%	71%	60.28%
Scheduled versus Non-Scheduled Repairs: goal (60% or higher) versus (40% or lower)	70.2% /29.8%	67.18% /32.82%	67.29% /32.71%
Annual Parts Inventory Turn (annual sales/inventory value): goal 4-6	2.6	3.34	2.86%
Parts Fill Rate: goal 90% within 24 hours	93.04%	87.07%	94.21%

* Calendar Year

Prior FY 2022-23 Accomplishments

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

- Completed Local Road Safety Plan for Fourth St, Montgomery Dr, and North Dutton Avenue to incorporate bicycle and pedestrian infrastructure improvements. Developed a plan to include bike lanes on Mendocino Ave between Fourth St and College Ave. **3**
- Broke ground on the Fulton Rd Widening Project adding bicycle, pedestrian, and vehicle enhancements between Piner Rd and Guerneville Rd. utilizing roller compacted concrete technology. **5**
- Collaborate with CPUC and SMART to install and test the first sanctioned (by CPUC) pedestrian activated crossing adjacent to an active rail line and provided before and after data to support the installation. **3**
- Received approval to program \$3.8M in One Bay Area Grant 3 funds for the Hearn Multi-use Path and Downtown Connectivity Plan. **5**
- Completed North Truck Sewer Replacement project from Mendocino Avenue to Terra Linda. **5**
- Developed funding plan in collaboration with SCTA to begin construction of the Hearn Avenue Interchange. **5**
- Fire Station 5 design build contract awarded. **5**
- Hearn Hub community outreach and project concept design underway. **3, 5**

Transportation & Public Works

- Facilities crews assembled 6 Remote Automated Weather Stations for fire prevention, installed ADA accessible picnic area at DeTurk Park, enclosed a 1,600 square foot warehouse area at LTP to protect equipment, and restored the Sonoma County Health building for the InResponse team by deep cleaning, painting, and repairing plumbing and leaking windows. 5, 6
- Developed the City's first electric bus charging station, capable of charging up to ten battery-electric buses 5, 7
- Took delivery of the City's first four battery electric transit buses which began revenue service in January 2023 5, 7
- Secured \$8.6 million in competitive state and federal grant applications for 6 additional electric buses and a second phase of bus charging infrastructure. 5, 7
- Continued transit integration work with SCT and Petaluma Transit including securing funding from the Sonoma County Climate Initiatives program for a two-year countywide fare free transit program for youth beginning July 1, 2023 4, 6, 7
- Surplused 4 downtown City- owned Parcels for Housing development 1, 4
- Sent out Notices of Availability for Downtown City-owned parcels 1, 4
- Completed the acquisition of land for the future Hearn Community Hubb Project 4, 3
- Completed the mapping of parcels for the Southeast Greenway 4, 3, 1
- Amended and/or maintained over 80 Citywide leases 3, 4, 5
- Completed over 18 easement acquisitions for Capital Improvement Projects 5, 4, 3
- Completed 4 new or amended telecommunication sites on City Property 3, 5
- Completed the acquisition of land for the rebuild of Fire Station 5 in Fountaingrove 3
- Applied for \$15 million to IIGC grant to assist with the development of the City's downtown surplus parcels 1, 4, 5
- In conjunction with Housing and Community Services, completed the development agreement and sale of the old Bennett Valley Senior Center, City-owned property, to an affordable housing developer, for a 62-unit affordable housing development. 1, 2, 3, 4
- The Debris Removal Team (DRT) removed 2932 cubic yards of debris from the public right-of-way. 2, 3, 5
- The street maintenance team filled 5,269 potholes and performed weed removal throughout the Wildland Urban Interface (WUI) and roadside areas of the city. 5
- Cityworks reports were developed to evaluate metrics for Streets maintenance operations. 3, 5
- Fleet Maintenance designed and built 4 new In-Response vehicles. 2, 3
- Purchased 12 mid-size Battery Electric Vehicles (BEV) and 15 hybrid police patrol vehicles. 7
- A replacement fund was created to budget for the replacement of fire apparatus at the end of their life cycle. 3, 5

Looking Ahead

Capital Projects Engineering looks forward to working toward developing a longer-term budgeting process to identify project stages, funding sources, and schedules. This is in an effort to transition from a single year CIP budgeting process to a multi-year process. New project management software could help with this transition and is another aspect being reviewed. Developing this process now will also aid the many new Capital Project engineers in developing schedules and budgets for upcoming projects as they transition from project that have been teed up for them to moving forward on their own development of projects.

Transportation & Public Works

The **Transit Division** will continue to staff up and further restore transit service levels following pandemic reductions, with a goal of reaching 90% of pre-pandemic service levels by the end of the year. Service restoration will be guided by an updated Short-Range Transit Plan. The Transit Division will continue coordination with SCTA, Sonoma County Transit, and Petaluma Transit to implement Phase 2 of the Sonoma County Transit Integration and Efficiency Study recommendations, including an Integrated Service Plan. The Division expects to deploy five additional battery-electric buses in revenue service in early 2024. Finally, work will continue on expansion of the City's Unlimited Pass Program providing fare-free access to transit. A two-year pilot program providing countywide fare-free transit access for K-12 youth will begin in June 2023.

Real Estate Services as always, will support Departments throughout the City and provide high quality real estate services in support of City projects and Council Goals. The Team will focus significant effort on negotiating the development of housing on the 4 City-owned parcels that have been surplus in the downtown, with the assistance of several other departments within the City, and with the goal of entering into a development agreement for a future housing development that is viable and meets affordable housing/housing and economic goals for our City.

If the City is awarded the \$15M in grant funds for the downtown surplus sites applied for from the Department of Housing and Community Services IIGC grant, we will also prepare to meet the requirements of the grant to use these funds to further development by assisting with predevelopment costs normally born by the developer.

The Team will also be working to locate and acquire property for future fire stations and police substations throughout the City, analyzing options to tackle the significant deferred maintenance issues at City Hall, and supporting City wide capital improvement projects by acquiring the necessary right of way.

The Southeast Greenway project will continue through the completed mapping process in the prior year into the lengthy acquisition process with the State.

Additionally, the Team expects to begin the first of several surplus processes on 20 City-owned parcels that have been analyzed and are no longer used by the City, from our expansive 1800-piece portfolio.

The Street Maintenance section will continue to invest in the training and development of recently hired staff members. Research into new technology, equipment, and materials continues to be a priority as we look for ways to streamline processes and increase efficiencies. The Street Maintenance section will continue working towards meeting the required Maintenance of Effort (MOE) target. The Debris Removal Team will continue efforts to clean and remove debris from public spaces and provide support to the Encampment Evaluation & Enforcement (EEE) program. A metrics dashboard is being developed using data collected from Cityworks to show response times and work completed.

Fleet Services successfully filled most staff vacancies and continues efforts towards training and building a cohesive team. Progress continues towards integrating the existing telematics program with the Faster Fleet maintenance program to help reduce operating and maintenance costs. Twelve electric vehicle charging stations will be installed at 7 city-owned facilities to charge new electric fleet vehicles. This is to comply with the 2035 California electric vehicle mandate. Fleet continues working towards reducing the backlog of vehicles & equipment due for replacement as manufacturer supply chain shortage issues are resolved. Efforts to clean, re-organize, and upgrade the aging fleet maintenance facility will ensure the team continues to operate efficiently.

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 of 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.

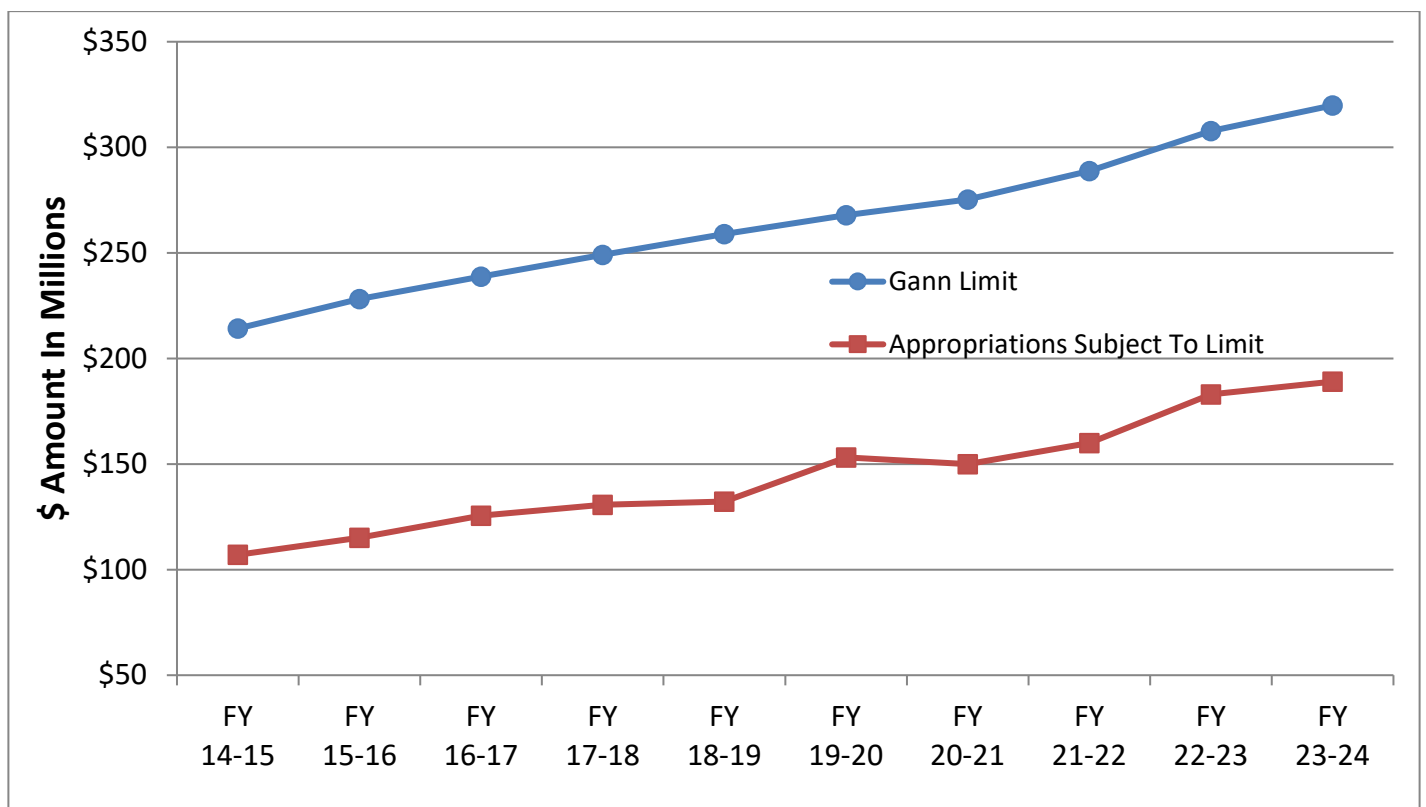
Gann (Appropriations) Limit

In May 2023, 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 2022-23 is:

- The change in the California per Capita Income for FY 2023-24 is 4.44%.
- The percent population increase of the City of Santa Rosa from Jan. 1, 2022 to Jan. 1, 2023 is -0.47%.

$$\frac{4.44 + 100.00}{100.0} \times \frac{-0.47 + 100.00}{100.00} = 1.0395$$

Applying the year's factor of 1.0395 to last year's limit of \$307,704,000, the Gann limit for FY 2023-24 is \$319,856,000. With appropriations subject to the limitation totaling approximately \$189,034,000, 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 \$25,000 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.

Glossary

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,

Glossary

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.

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 cost covering. Also referred to as Enterprise Funds.

Public Safety Power Shutoff (PSPS): PG&E turns off power to the electrical system in areas of severe weather to prevent a potential wildfire.

Glossary

Public Safety Special Tax (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.

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.

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

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

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

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

Salaries and Benefits: A budget category 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.