



CITY OF STOCKTON



# **FY 2017-18 ANNUAL BUDGET**





# **FY 2017-18 ANNUAL BUDGET ADOPTED**

## **City Council**

Michael Tubbs, Mayor

Elbert Holman, Jr., Vice Mayor  
Dan Wright, Councilmember  
Susan Lofthus, Councilmember

Susan Lenz, Councilmember  
Christina Fugazi, Councilmember  
Jesús Andrade, Councilmember

## **Council Appointees**

Kurt O. Wilson, City Manager  
John Luebberke, City Attorney  
Bonnie Paige, City Clerk  
Moss Adams, LLP, City Auditor

## **Executive Team**

Laurie K. Montes, Deputy City Manager  
Scott R. Carney, Deputy City Manager  
Christian Clegg, Deputy City Manager  
David Kwong, Community Development Director  
John Alita, Community Services Director  
Micah Runner, Economic Development Director  
Gordon MacKay, Public Works Director

Eric Jones, Chief of Police  
Erik Newman, Fire Chief  
Matt Paulin, Chief Financial Officer  
DeAnna L. Solina, Human Resources Director  
M. Nabil Fares, Information Technology Director  
John Abrew, Municipal Utilities Director

## **Budget Team**

Kimberly K. Trammel

Mahin Shah  
Laura Mayate-DeAndreis  
Paula O'Keefe

Imelda Arroyo  
Susan Wren  
Yvonne Perry

## **Budget Photo Contest Winners**

Jennifer Booth  
Curtice Ervin

# CITY OF STOCKTON

## CITY COUNCIL



**MICHAEL TUBBS**  
MAYOR



**ELBERT HOLMAN, JR.**  
VICE MAYOR  
District 1



**DAN WRIGHT**  
COUNCILMEMBER  
District 2



**SUSAN LOFTHUS**  
COUNCILMEMBER  
District 3



**SUSAN LENZ**  
COUNCILMEMBER  
District 4



**CHRISTINA FUGAZI**  
COUNCILMEMBER  
District 5



**JESUS ANDRADE**  
COUNCILMEMBER  
District 6





# City of Stockton

## Table of Contents

### FY 2017-18 Adopted Budget

<b>Introduction</b>	<b>A</b>	<b>Utilities</b>	<b>J</b>
FY 2017-18 Adopted Annual Budget Introduction	A - 1	Organization Chart	J - 1
City Council Resolution	A - 3	Department Overview	J - 3
Public Hearing Staff Report	A - 13	Appropriations by Fund	J - 5
Budget Message	A - 21		
City Council Strategic Work Plan	A - 34	<b>Administration and Support</b>	<b>K</b>
		Appropriations by Fund	K - 2
<b>Citywide</b>	<b>B</b>	Charter Offices	K - 4
Citywide Summary	B - 1	Administrative Services	K - 18
Citywide Org Chart	B - 3	Human Resources	K - 24
Personnel by Fund - Summary	B - 4	Information Technology	K - 28
Personnel Listing by Department	B - 6	Non-Departmental	K - 34
		Fiscal Sustainability and Reserve Fund	K - 38
<b>General Fund Summary</b>	<b>C</b>	Office of Violence Prevention	K - 40
General Fund Summary	C - 1	Special Purpose Grant Funds	K - 42
Fund Balance and Budget Summary	C - 3		
Revenues	C - 4	<b>Debt</b>	<b>L</b>
Expenditures	C - 6	Debt Service Funds Overview	L - 1
Measures A and B	C - 7	Appropriations by Fund	L - 5
<b>Police</b>	<b>D</b>	<b>Capital</b>	<b>M</b>
Organization Chart	D - 1	Capital Budget Overview	M - 1
Department Overview	D - 3	Appropriations by Fund	M - 7
Appropriations by Fund	D - 6	General Government Funds	M - 8
		Transportation Funds	M - 9
<b>Fire</b>	<b>E</b>	Public Facility Fee Programs	M - 10
Organization Chart	E - 1	Summary by Program	M - 14
Department Overview	E - 3	Summary by Fund	M - 15
Appropriations by Fund	E - 6	Project Listing	M - 16
		<i>Detail available in Capital Improvement Plan</i>	
<b>Public Works</b>	<b>F</b>	<b>Internal Service Funds</b>	<b>N</b>
Organization Chart	F - 1	Internal Service Funds Overview	N - 1
Department Overview	F - 3	Appropriations by Fund	N - 4
Appropriations by Fund	F - 6	Fleet	N - 8
		Computer Equipment	N - 12
<b>Community Services</b>	<b>G</b>	Radio	N - 16
Organization Chart	G - 1	Telephones	N - 18
Department Overview	G - 3	Office Equipment	N - 20
Appropriations by Fund	G - 5	General Liability	N - 22
Strong Communities	G - 6	Workers' Compensation	N - 25
Library Division	G - 9	Health	N - 26
Recreation Division	G - 15	Unemployment	N - 28
		Long-Term Disability and Life Insurance	N - 30
<b>Community Development</b>	<b>H</b>	Retirement	N - 32
Organization Chart	H - 1	Compensated Absences	N - 34
Department Overview	H - 3		
Appropriations by Fund	H - 6	<b>Appendix</b>	<b>O</b>
		Glossary	O - 1
<b>Economic Development</b>	<b>I</b>		
Organization Chart	I - 1		
Department Overview	I - 3		
Appropriations by Fund	I - 6		
Housing Division	I - 8		
Parking and Venues Division	I - 26		



## TAB 1 INTRODUCTION





# City of Stockton

## Fiscal Year 2017-18

### Adopted Annual Budget

### Introduction

The following are the documents that make up the Adopted Fiscal Year (FY) 2017-18 Annual Budget. This is a balanced budget that reflects prudent financial practices under the Plan of Adjustment, Council strategic spending, and approved labor contracts.

The Introduction section of the Annual Budget reflects the development process from the proposed budget released May 15, 2017, through the budget adoption on June 20, 2017. The steps in the development and changes to the budget are summarized as follows:

- The Budget Message for the FY 2017-18 proposed budget released May 15, 2017, describes the City Manager's proposed plan for City operations and related budget of \$625,603,982.
- The City Council held a budget study session on June 6, 2017. A public hearing on the budget was opened on June 6, 2017, and continued to June 20, 2017. The budget adoption staff report includes an increase of \$750,000 for City Council Strategic Priority Spending as discussed at the budget study session.
- On June 20, 2017, the City Council approving the revised FY 2017-18 Annual Budget of \$626,353,982. The City Council resolution 2017-06-20-1501 is incorporated into this document along with the revised budget schedules.

The details of the adopted budget are reflected in the FY 2017-18 Annual Budget pages that follow beginning with Citywide Budget, B-1.

Respectfully submitted,



KURT O. WILSON  
CITY MANAGER



Resolution No. 2017-06-20-1501

## STOCKTON CITY COUNCIL

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**RESOLUTION OF THE CITY OF STOCKTON APPROVING THE FISCAL YEAR 2017-18 ANNUAL BUDGET; APPROVING THE 2017-22 CAPITAL IMPROVEMENT PLAN; APPROVING THE FISCAL YEAR 2017-18 FEE SCHEDULE; AUTHORIZING VARIOUS FUND TRANSFERS AND ADMINISTRATIVE ACTIONS**

On May 15, 2017, in accordance with City Charter, Article XIX, Section 1905, the City Manager provided City Council the Proposed Fiscal Year (FY) 2017-18 Annual Budget, Proposed 2017-22 Capital Improvement Plan, and Proposed FY 2017-18 Fee Schedule; and

On April 27, 2017, the Planning Commission determined that the 2017-22 Capital Improvement Plan conforms to the 2035 General Plan; and

The City Council scheduled and conducted a budget study session on June 6, 2017, to review projections, allow for public discussion, and provide direction in the preparation of the annual budget. This study session included the proposed documents: FY 2017-18 Annual Budget, 2017-22 Capital Improvement Plan, and FY 2017-18 Fee Schedule; and

On June 6, 2017, the City Council conducted a duly noticed public hearing on the Proposed FY 2017-18 Annual Budget, the Proposed FY 2017-22 Capital Improvement Plan, and the Proposed FY 2017-18 Fee Schedule; now, therefore,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF STOCKTON, AS FOLLOWS:

1. The FY 2017-18 Annual Budget with expenditure appropriations of \$625,603,982, as submitted by the City Manager and with modifications by the City Council during the budget study sessions and Public Hearing, is adopted as shown in Exhibit 1 of this resolution.
2. The number of full-time positions authorized under the FY 2017-18 Annual Budget is 1,691.
3. The 2017-22 Capital Improvement Plan with a 5-year CIP project total of \$720,369,000 is adopted, which includes \$36,692,639 appropriations for the FY 2017-18 capital projects.
4. The 2017-22 Capital Improvement Plan conforms to the City of Stockton 2035 General Plan.

5. The effective date of the FY 2017-18 Fee Schedule is July 1, 2017. Any fee changes that are not effective July 1, 2017, are noted in the document.
6. The fees on development projects will take effect 60 days following the final action on the increases in the FY 2017-18 Fee Schedule, where Government Code section 66017(a) applies.
7. The Parking Bail Schedule be amended with adjustments to maintain consistency with parking meter/street violation fees; effective July 1, 2017.
8. An appropriation limit is established in the amount of \$339,151,468 for FY 2017-18 pursuant to the requirements of the California Government Code. The City of Stockton selected the "change in California per capita personal income" for the "change in cost of living" component and the change in annual population for the County of San Joaquin as of January 1, 2017, component in the calculation of the appropriation limit.
9. The City Manager or his designee is authorized to adjust appropriations from the General Fund Contingency account to General Fund Departments, subsidized programs, and Internal Service Funds as needed for unexpected expenditures or emergencies that are unanticipated at the time of the budget adoption. The City Manager or his designee will report Contingency uses with each quarterly budget status report.
10. The City Attorney is authorized to enter into contracts for services and supplies where the total cost is: below the expenditure limit established in Section 3.68.040 of the Stockton Municipal Code, within existing budget appropriation, and consistent with established administrative processes.
11. Authorize the continuation of FY 2016-17 appropriation balances for one-time expenses to FY 2017-18 to complete the delivery of specific programs as listed in the following table:

Description	Department	Fund	Not to Exceed Amount
Homeless	Non-Departmental	General Fund	150,000
Youth Employment	Non-Departmental	General Fund	100,000
Marketing Communication Plan	Non-Departmental	General Fund	25,000
City Facility Re-keying	Public Works	General Fund	55,000
Community Center Gym Equipment	Community Services	Recreation Fund	40,000
Pixie Woods PA System	Community Services	Recreation Fund	7,000

12. The remaining balances of all capital projects and grant funds are authorized to continue beyond the fiscal year in which they are originally appropriated until project cancellation or completion, grant expiration, or funds are fully expended, at which time appropriations will be reduced or eliminated.
13. The following administrative actions required to implement the FY 2017-18 Annual Budget are authorized:
  - a) Level of Budgetary Control – Budgetary control is established at the following levels: a) General Fund - Department Level; b) Other Funds - Fund level; and c) Capital Fund - Project level. The City Manager or his designee may authorize line item budget transfers within a General Fund department, or within a fund other than the General Fund.
  - b) The City Manager or his designee is authorized to make administrative or technical corrections to the FY 2017-18 Annual Budget with a subsequent report to City Council on any corrections greater than \$75,000.
  - c) The City Manager or his designee is authorized to establish and amend revenue estimates and expenditure appropriations corresponding to receipt or award of grant funding, donations, and reimbursements where these special funds and any matching City funds are under the expenditure limit of \$75,000 as established by Ordinance 2015-01-27-1501-01, which amended Section 3.68.040 of the Stockton Municipal Code.
  - d) The City Manager or his designee is authorized to establish revenue estimates and corresponding budget appropriations in General Fund Fire Department as needed during FY 2017-18 to recognize the costs and the associated reimbursement revenue for providing wild-land firefighting and other disaster response services requested by state or federal governments.
  - e) The City Manager or his designee is authorized to abolish positions and/or reduce and reorganize personnel, programs, services, departments, offices, or agencies and take such other action as is necessary to maintain a balanced budget.
  - f) The City Manager is authorized to make adjustments in classifications, including salary and benefit adjustments, to ensure comparability with similar classifications to maintain equity in the City's salary schedules as recommended by the Human Resources

Department classification studies and reviews, and to incorporate changes into the Salary Schedule, as appropriate.

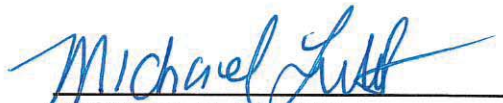
- g) The City Manager or his designee is authorized to fill additional Special Revenue Fund positions, such as grant-funded, Measure W, and contract reimbursement positions, if additional funding becomes available.
- h) The indirect cost rate, as detailed in the City of Stockton Full Cost Allocation Plan and Cost Recovery Allocation Plan, shall be charged to departments and capital projects as project funding and regulations permit. The City Manager or his designee is authorized to modify appropriations for changes that result from an independently prepared indirect cost allocation plan.
- i) The City Manager or his designee is authorized to prepay the City's annual CalPERS payments in a lump sum consistent with FY 2017-18 budget.
- j) The City Manager or his designee is authorized to approve temporary interfund borrowing within the fiscal year, and at the June 30 fiscal year end, to finance the collection period for tax, grant, and other accounts receivable. Any new interfund loans extending beyond these terms must be approved by the City Council. The City Manager is authorized to repay interfund loans when funding becomes available.
- k) The City Council delegates investment authority to the Chief Financial Officer, acting in capacity of Treasurer, for the period of July 1, 2017 through June 30, 2018, pursuant to Section 53601 and 53607 of the California Government Code.
- l) The City Manager or his designee is authorized to move appropriations and transfer between funds within a single budget unit, such as the water utility, Federal grant funds, and other funds where multiple funds have been established in the general ledger for purposes other than legal restrictions and the fund relationship has been identified in the FY 2017-18 Annual Budget, or established by subsequent City Council action.
- m) The City Manager or his designee is authorized to make the Contingent General Fund Payment to Assured Guaranty per the terms of the Reimbursement Agreement. Should the amount exceed the FY 2017-18 budget estimate, the City Manager or designee is



authorized to increase the budget appropriation and transfer from the General Fund.

- n) The City Manager or his designee is authorized to close out non-active assessment and special district redemption and project accounts and transfer all residual account balances to City funds in FY 2017-18 per legislation pertaining to the use of assessment and special district surplus funds and Section 3.76.141 of the Stockton Municipal Code.
- o) With the consolidation of telephone and computer equipment and services, the City Manager is authorized to transfer the ending fund balance of the Telephone Internal Service Fund 504 to the Computer Internal Service Fund 502, without limitation of the estimates in the FY 2017-18 Annual Budget.
- p) The City Manager or his designee is authorized and directed to take such other actions as are necessary and appropriate to carry out the purpose and intent of this resolution including adjusting appropriations from the General Fund Non-Departmental accounts to General Fund Departments, subsidized programs, and Internal Service Funds as needed to implement budget revisions authorized by Council.

PASSED, APPROVED, and ADOPTED June 20, 2017.

  
MICHAEL D. TUBBS,  
Mayor of the City of Stockton

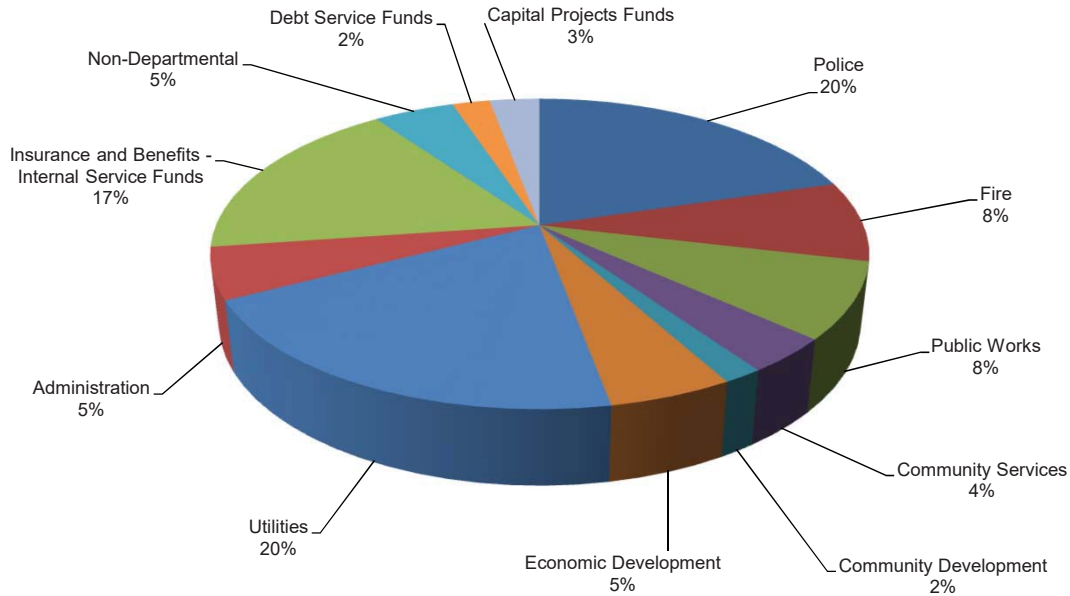
ATTEST:

  
BONNIE PAIGE  
City Clerk of the City of Stockton



**City of Stockton**  
**Citywide Expenditures**  
**FY 2017-18 Proposed Budget with Revisions**

**\$626,353,982**



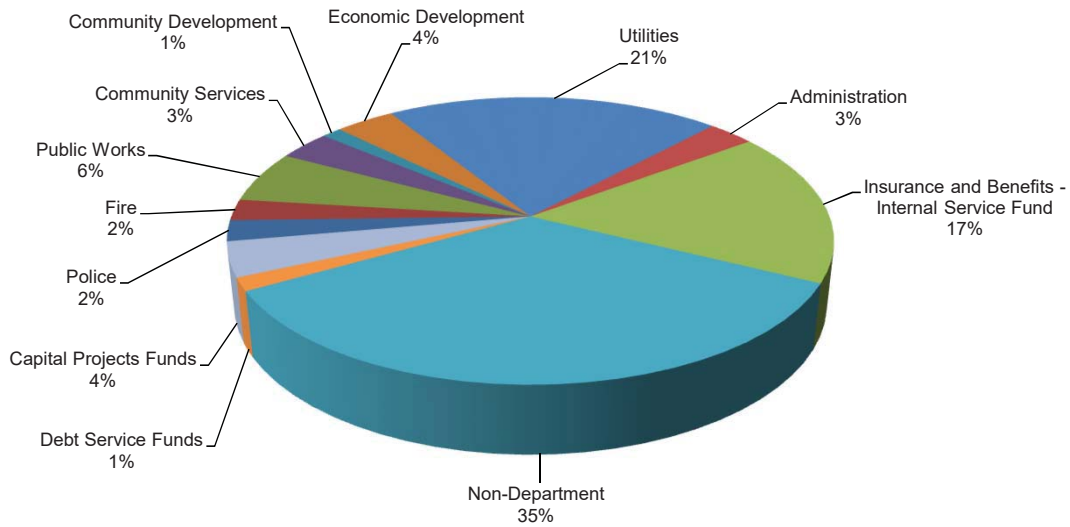
	Operating Budget	Debt Service Budget	Capital Budget	Total	% of Total
<b>Program Appropriations</b>					
Police	\$ 127,387,861	\$ -	\$ 4,000	\$ 127,391,861	20%
Fire	51,955,365	-	401,180	52,356,545	8%
Public Works	42,864,952	782,937	5,948,192	49,596,081	8%
Community Services	22,965,766	-	-	22,965,766	4%
Community Development	10,286,148	-	-	10,286,148	2%
Economic Development	27,842,540	3,335,265	1,160,000	32,337,805	5%
Utilities	83,851,709	27,994,764	15,484,235	127,330,708	20%
Administration	29,530,215	-	3,991,419	33,521,634	5%
Insurance and Benefits - Internal Service Funds	108,716,878	-	-	108,716,878	17%
<b>Non-Departmental Funds</b>					
Non-Departmental	29,225,070	-	550,000	29,775,070	5%
Debt Service Funds	-	13,798,456	-	13,798,456	2%
Capital Projects Funds	116,818	-	18,160,212	18,277,030	3%
	<u>\$ 534,743,322</u>	<u>\$ 45,911,422</u>	<u>\$ 45,699,238</u>	<u>\$ 626,353,982</u>	<u>100%</u>

**Net Budgeted Expenditures**

Internal Service Charges	\$ (118,025,479)
Interfund Transfers	(24,410,765)
	<u>\$ 483,917,738</u>

**City of Stockton**  
**Citywide Revenues**  
**FY 2017-18 Proposed Budget with Revisions**

**\$605,423,250**



	Taxes	Program Revenues	Enterprise Revenues	Total	% of Total
<b>Revenues by Department*</b>					
Police	\$ 5,144,000	\$ 9,070,175	\$ -	\$ 14,214,175	2%
Fire	5,144,000	9,277,492	-	14,421,492	2%
Public Works	-	35,083,912	-	35,083,912	6%
Community Services	10,228,000	8,184,723	1,624,327	20,037,050	3%
Community Development	-	7,539,962	-	7,539,962	1%
Economic Development	-	15,793,956	6,706,106	22,500,062	4%
Utilities	-	343,779	126,686,489	127,030,268	21%
Administration	-	17,811,979	-	17,811,979	3%
Insurance and Benefits - Internal	-	105,187,361	-	105,187,361	17%
<b>Non-Departmental Funds</b>					
Non-Department	198,332,177	10,683,334	-	209,015,511	35%
Debt Service Funds	-	8,897,290	-	8,897,290	1%
Capital Projects Funds	-	23,684,188	-	23,684,188	4%
	<u>\$ 218,848,177</u>	<u>\$ 251,558,151</u>	<u>\$ 135,016,922</u>	<u>\$ 605,423,250</u>	<u>100%</u>

**Net Budget**

Internal Service Charges

\$ (118,025,479)

\$ 487,397,771

\*Excludes interfund transfers

**General Fund - 010**  
**Fund Balance Summary**  
**FY 2017-18 Proposed Budget with Revisions**

	<b>FY 2014-15</b>	<b>FY 2015-16</b>	<b>FY 2016-17</b>	<b>FY 2016-17</b>	<b>FY 2017-18</b>
	<b>Actual</b>	<b>Actual</b>	<b>Current Budget <sup>(1)</sup></b>	<b>Projected</b>	<b>Proposed Budget</b>
<b>Beginning Available Balance</b>	<b>\$ 9,751,000</b>	<b>\$ 33,601,588</b>	<b>\$ 33,898,626</b>	<b>\$ 33,898,626</b>	<b>\$ 47,379,150</b>
<b>Revenues</b>	<b>202,224,368</b>	<b>213,755,012</b>	<b>214,956,204</b>	<b>215,477,856</b>	<b>221,120,697</b>
	<b>202,224,368</b>	<b>213,755,012</b>	<b>214,956,204</b>	<b>215,477,856</b>	<b>221,120,697</b>
<b>Expenditures</b>					
Employee Services	109,017,206	119,504,488	142,346,116	136,388,715	145,223,885
Other Services	30,643,872	33,120,564	44,629,693	43,534,949	42,703,967
Materials & Supplies	4,472,364	3,985,995	5,506,377	5,612,301	4,286,582
Other Expenses	1,547,555	2,060,161	4,655,899	4,024,461	5,059,624
Capital Outlay	1,306,781	3,266,166	2,867,150	2,774,571	147,000
Loan Repayment	1,407,946	1,420,238	1,443,873	1,443,873	4,906,848
Transfer Out	21,323,918	23,338,212	16,317,000	16,117,000	14,726,497
	<b>169,719,642</b>	<b>186,695,824</b>	<b>217,766,108</b>	<b>209,895,870</b>	<b>217,054,403</b>
<b>Net Annual Activity</b>	<b>32,504,726</b>	<b>27,059,188</b>	<b>(2,809,904)</b>	<b>5,581,986</b>	<b>4,066,294</b>
<b>Reserves</b>					
Reserve for future appropriation	(8,842,261)	(4,817,739)	3,951,000	3,951,000	-
Reserve Policy Contributions	-	(19,821,066)	-	-	-
Change in Fund Balance restrictions	188,123	(2,123,345)	3,947,538	3,947,538	-
	<b>(8,654,138)</b>	<b>(26,762,150)</b>	<b>7,898,538</b>	<b>7,898,538</b>	<b>-</b>
<b>Ending Available Balance</b>	<b>\$ 33,601,588</b>	<b>\$ 33,898,626</b>	<b>\$ 38,987,260</b>	<b>\$ 47,379,150</b>	<b>\$ 51,445,444</b>
<b>Available Balance Calculation</b>					
Cash		\$ 65,396,997			
Accounts Receivable		36,056,320			
Prepaid Items/Inventory		829,499			
Accounts Payable		(9,595,637)			
Non-Spendable		(9,652,154)			
Encumbrances		(4,193,399)			
Other Commitments & Reserves		(44,943,000)			
Ending Available Balance		<b>\$ 33,898,626</b>			
<b>General Fund Total Fund Balance with Reserves</b>					
Working Capital Reserve - 16.67%		\$ 33,898,626		\$ 34,989,642	\$ 36,182,969
Uncommitted Fund Balance		-		12,389,508	15,262,475
<b>Ending Available Balance</b>		<b>33,898,626</b>		<b>47,379,150</b>	<b>51,445,444</b>
Known Contingency Reserves at 6/30/16		31,300,000		31,300,000	31,300,000
Risk-Based Reserves at 6/30/16		4,983,000		4,983,000	4,983,000
<b>Total</b>		<b>\$ 70,181,626</b>		<b>\$ 83,662,150</b>	<b>\$ 87,728,444</b>

The Working Capital Reserve is included in the FY 2016-17 beginning available balance. Known Contingencies held in reserves are removed from available fund balance and Risk Based Reserves are held in Fiscal Sustainability and Reserve Fund (012).

(1) Current Budget includes employee labor agreement appropriations approved after adoption of the FY 2016-17 Annual Budget, rollover of encumbrance balances as of June 30, 2016, and all other budget adjustments approved by Council during the fiscal year.

**General Fund - 010**  
**Expenditures by Program**  
**FY 2017-18 Proposed Budget with Revisions**

	<b>FY 2014-15</b>	<b>FY 2015-16</b>	<b>FY 2016-17</b>	<b>FY 2016-17</b>	<b>FY 2017-18</b>
	<b>Actual</b>	<b>Actual</b>	<b>Current Budget</b>	<b>Projected</b>	<b>Proposed Budget</b>
<b>Expenditures</b>					
<u>Programs</u>					
Police	\$ 88,870,616	\$ 97,514,838	\$ 118,123,891	\$ 111,590,288	\$ 119,872,529
Fire	37,044,688	39,108,922	42,880,563	42,839,345	42,105,239
Public Works	7,800,884	9,183,435	13,189,247	13,191,924	11,800,711
Economic Development	987,623	1,141,227	3,455,730	3,339,181	2,519,661
Office of Violence Prevention	632,867	1,242,652	1,594,226	1,475,510	1,486,484
Arts Commission	-	-	-	-	-
	<u>135,336,678</u>	<u>148,191,074</u>	<u>179,243,657</u>	<u>172,436,248</u>	<u>177,784,624</u>
<u>Program Support for Other Funds</u>					
Recreation	3,105,000	3,585,112	3,915,000	3,915,000	3,407,000
Library	4,275,000	5,312,525	4,504,000	4,504,000	3,984,500
Entertainment Venues	3,100,000	3,445,000	3,445,000	3,445,000	3,445,000
Development Services	1,000,000	1,000,000	1,000,000	1,000,000	925,000
Capital Improvement	2,775,000	7,135,000	1,933,000	1,933,000	868,600
Golf Courses	450,000	550,000	850,000	850,000	700,000
Radio ISF	1,000,000	-	-	-	700,000
Grant Match	167,918	60,575	300,000	300,000	300,000
Downtown Marina	215,000	215,000	170,000	170,000	212,000
Low & Moderate Income Housing	-	-	-	-	184,397
RDA Successor Agency	-	-	200,000	-	-
Information Technology ISF	5,236,000	1,035,000	-	-	-
Retirement ISF	-	500,000	-	-	-
Workers Comp ISF	-	500,000	-	-	-
Compensated Absences	-	-	-	-	-
	<u>21,323,918</u>	<u>23,338,212</u>	<u>16,317,000</u>	<u>16,117,000</u>	<u>14,726,497</u>
<u>Administration</u>					
City Council	453,578	406,960	668,693	667,727	681,325
City Manager	1,156,278	1,333,846	1,418,188	1,408,949	1,456,904
City Attorney	838,622	1,137,610	1,339,948	1,381,702	1,374,113
City Clerk	670,045	759,168	853,419	835,355	910,301
City Auditor	644,743	604,453	1,340,043	1,102,238	560,004
Administrative Services	3,713,742	4,006,914	5,107,558	4,710,231	5,379,646
Human Resources	1,630,723	1,721,574	2,590,190	2,428,389	2,339,061
Tax Collection & Election	2,368,539	2,781,096	3,759,451	3,605,057	3,078,000
Other Administration	(140,888)	609,710	1,551,003	1,736,016	1,357,080
Labor Litigation	315,718	384,969	500,000	390,000	500,000
	<u>11,651,100</u>	<u>13,746,300</u>	<u>19,128,493</u>	<u>18,265,664</u>	<u>17,636,434</u>
Debt Service	<u>1,407,946</u>	<u>1,420,238</u>	<u>1,443,873</u>	<u>1,443,873</u>	<u>4,906,848</u>
Contingency	<u>-</u>	<u>-</u>	<u>1,633,085</u>	<u>1,633,085</u>	<u>2,000,000</u>
<b>Total</b>	<b><u>\$ 169,719,642</u></b>	<b><u>\$ 186,695,824</u></b>	<b><u>\$ 217,766,108</u></b>	<b><u>\$ 209,895,870</u></b>	<b><u>\$ 217,054,403</u></b>







# City of Stockton

## Legislation Text

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**File #: 17-3745, Version: 1**

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**HOLD PUBLIC HEARING ADOPTING THE FISCAL YEAR (FY) 2017-18 ANNUAL BUDGET; APPROVING THE 2017-2022 CAPITAL IMPROVEMENT PLAN; APPROVING THE FY 2017-18 FEE SCHEDULE; APPROVING THE FY 2017-18 CALIFORNIA CONSTITUTIONAL APPROPRIATIONS LIMIT; ADOPTING THE FY 2017-18 ANNUAL BUDGET FOR THE PARKING AUTHORITY OF THE CITY OF STOCKTON; AND ADOPTING THE FY 2017-18 ANNUAL BUDGET FOR THE SUCCESSOR AGENCY TO THE FORMER STOCKTON REDEVELOPMENT AGENCY**

### RECOMMENDATION

It is recommended that the City Council approve a resolution that:

- Adopts the FY 2017-18 Annual Budget, the 2017-2022 Capital Improvement Plan, the FY 2017-18 Fee Schedule, the FY 2017-18 California Constitutional (Gann) Appropriations Limit and other administrative, financial actions.

And it is recommended that the Parking Authority of the City of Stockton (Parking Authority) approve a resolution that:

- Adopts the FY 2017-18 Annual Budget for the Parking Authority (Exhibit 1 to the Parking Authority resolution).

And it is recommended that the Successor Agency to the former Stockton Redevelopment Agency (Successor Agency) approve a resolution that:

- Adopts the FY 2017-18 Annual Budget for the Successor Agency to the former Stockton Redevelopment Agency (Exhibit 1 to the Successor Agency resolution).

It is further recommended that the City Manager be authorized to take appropriate and necessary actions to carry out the purpose and intent of the resolutions.

### Summary

The City Manager submitted the Proposed Annual Budget, Capital Improvement Plan and Fee Schedule to Council on May 15, 2017. These documents include an annual financial plan for all City funds, the key elements of which are summarized below and described in much greater detail in the documents, which are available on the City's website.

The FY 2017-18 annual budgets for the City of Stockton Parking Authority and the Successor Agency to the former Stockton Redevelopment Agency are also provided for approval and adoption. Council

held a Special Meeting on June 6, 2017, to review the budget in detail and receive public comment for consideration.

The proposed financial plans are balanced in both the short- and long-term, address Council priorities and maintain the commitment to financial sustainability. The proposed Budget released on May 15, 2017 has been increased by \$750,000 for a total of \$626.4 million for operations, capital, debt, transfers and internal service fund operations for all programs of the City. This represents an increase of \$35.5 million from the FY 2016-17 budget primarily due to appropriations for retirement benefit costs, federal capital project grants, technology projects, and Strong Communities Initiative funding. Citywide revenues are budgeted at \$605.4 million for FY 2017-18. Fund summaries and financial schedules showing prior year actuals, FY 2016-17 projections, and FY 2017-18 budget, are included for each City budget unit. The FY 2017-18 budget funds 1,691 full-time positions as detailed in the Personnel Listing.

Staff recommends that Council conduct a public hearing to receive input regarding the proposed budgets and after the hearing approve resolutions to enact the FY 2017-18 budgets.

## DISCUSSION

### Background

The City is poised to begin a fifth year of fiscal stewardship and discipline. In recent years, the Council balanced both its short- and long-term demands by keeping a watchful eye on the City's long-term financial position. The Mayor and Council proactively adjusted the City's financial components within its control and established reserves to ensure the ongoing delivery of services. The City's fiscal stability was further enhanced by Stockton voters, who approved sales tax increases for public safety, libraries, and recreation services. Adherence to prudent financial policies required discipline in the face of internal and external need-based pressures and resulted in Stockton being ranked one of the most financially stable large cities in the United States. The City Manager's proposed budget is balanced both in the near-term and long-term and is consistent in its commitment to long-term solvency. General Fund projected revenues net of transfers and internal charges are expected to exceed expenditures by \$4.1 million in FY 2017-18.

In March 2016, the City Council adopted the General Fund - Fund Balance and Reserve Policy that describes various reserve types, funding priorities, and calculation guidelines. At the close of FY 2015-16, Council allocated the available General Fund balance to the reserve categories outlined in the policy: Priority I targets for the Working Capital and Known Contingencies, and Priority II reserve targets for risk-based contingencies. The Working Capital Reserve target is based on a percentage of total budgeted General Fund expenditures. The current Known Contingencies Reserve target is based on a list of known future expenses that require significant resources, including CalPERS pension costs, staff recruitment and retention, financial system replacement, and a permanent City Hall. The risk-based reserves are based on potential City costs related to infrastructure replacement, extreme events/disasters, legal claims, and economic and revenue volatility. At the close of FY 2015-16, the Working Capital Reserve was funded at \$34 million, Known Contingencies at \$31 million and \$5 million was distributed among the risk-based reserves. The reserve targets are reviewed annually in accordance with the reserve policy.

### Present Situation

The City Manager provided the Proposed FY 2017-18 Annual Budget, along with the Proposed 2017-2022 Capital Improvement Plan and the Proposed FY 2017-18 Fee Schedule to Council on May 15, 2017. A public study session was held on June 6, 2017, to review the budget in detail and to receive public comment. The revenue and expenditure appropriations in the budget are for all funds and include operations, capital, debt and internal transfers for all programs and support functions of the City.

### Revisions to the Published Proposed FY 2017-18 Budget

During the Council's Study Session on the proposed budget held on June 6, 2017, Council members discussed and considered the varying needs of Stockton residents. The Council indicated a strong interest in continuing efforts for blight reduction, increasing efforts to address issues related to homelessness, economic development, public safety radios, and establishing discretionary funds to be available to each Councilmember and the Mayor for projects that are significant to the residents of Stockton. Funding for Council priority spending in the amount of \$750,000 has been incorporated into the General Fund Non-Departmental budget increasing total expenditures from \$216.3 million to \$217.1 million. A portion of the increase for Council priority spending is from the transfer of residual balances from inactive assessment and special district funds. The district funds add \$300,000 to General Fund revenues of \$220.8 million for a new revenue budget of \$221.1 million. Following further Council direction on programming the \$750,000, the appropriations will be scheduled as necessary consistent with Council direction.

### FY 2017-18 Annual Budget

#### **Citywide Budget**

Citywide revenues are budgeted at \$605 million, which represents an 11 percent increase from the prior year total budgeted revenue of \$546 million. These increases include:

- \$12 million in utility user fees
- \$11 million of inter-departmental revenue for higher employee benefit rates and technology projects
- \$10 million from the new Strong Communities Initiative transactions and use tax
- \$9 million in additional transportation grant monies for traffic congestion mitigation, safety, and traffic flow projects
- \$6 million of additional property tax, sales tax, business license and interest revenues
- \$6 million of unspent bond proceeds to be used toward eligible district and utility capital or maintenance costs.
- \$2 million from the State revisions to Gas Tax funding

Total City expenditures of \$626 million reflect a 6 percent increase from the prior year total appropriation of \$590 million, with \$22 million of the \$36 million increase for new positions, wage and benefit rate changes; \$3 million for technology; \$2 million for Strong Communities Initiative programs; and the remainder for capital projects, equipment, grants and operating needs.

The Proposed FY 2017-18 Annual Budget funds 1,691 full-time positions, an increase of 44 from the adopted FY 2016-17 Annual Budget. All but three of these new positions were added by Council action during FY 2016-17, including 26 positions for the Strong Communities Initiative and 11 positions for the Enterprise Resource Plan (ERP) project.

City staff developed this Annual Budget using certain assumptions for baseline costs, such as approved positions and salary and benefit increments in line with approved labor agreements and ongoing expenditure increases no greater than ongoing revenue increases. Staff recommends one-time expenditure increases for equipment purchases, professional services, facility repairs and capital improvements. To ensure long-term sustainability, staff continue to utilize the Long-Range Financial Plan (L-RFP) as part of budget development, an overview of which is included in the Proposed FY 2017-18 Annual Budget Introduction section.

### **General Fund Operating Budget**

General Fund revenues are expected to increase \$6 million to \$221 million from \$215 million projected in the prior year, primarily from sales taxes (\$2.8 million), property taxes (\$2.3 million), and business licenses (\$0.6 million).

As part of its settlement agreement to adjust bond debt in bankruptcy, the City agreed to compensate Assured Guaranty if actual revenues rebounded more than projected in the Plan of Adjustment. Revenues returned to the level required to trigger this provision, and in FY 2017-18, the City expects to pay \$2.1 million to Assured Guaranty. The costs related to this “contingent payment” provision were already incorporated into the L-RFP and will be a draw on General Fund resources of \$350,000 to \$1.6 million annually for the next 35 years.

The General Fund expenditure budget is \$217 million and reflects a \$13 million increase from what was originally adopted in FY 2016-17. This 6 percent increase is primarily related to labor rate increases that occurred after the FY 2016-17 budget was adopted, and increases to retirement costs. Other benefit costs have remained stable.

The General Fund is projected to end FY 2017-18 with a positive net annual activity of \$4.1 million, when combined with FY 2016-17 projections, would result in an available fund balance of \$51 million.

### **General Fund Reserves**

In accordance with the General Fund - Reserve and Fund Balance Policy, the General Fund reserve targets have been updated for the year:

<b>Category</b>	<b>Amount (millions)</b>
Working Capital	\$36
Known Contingencies	\$69
Risk-Based	\$73
<b>Total</b>	<b>\$178</b>

With the increase in budgeted expenditures compared to prior year, the Working Capital Reserve target will also increase from \$34 million to \$36 million. The list of Known Contingencies remains the same. However, the reserve target increased because of CalPERS policy changes adopted last year that increase City costs. The target for the Priority II Risk-Based Reserve in the Fiscal Sustainability Fund increased by \$1 million to \$73 million based on updated revenues and infrastructure values.

At the end of FY 2016-17, the General Fund projected available balance of \$47 million would first be used to fund the Working Capital reserve of \$36 million consistent with the reserve policy. Per the Policy, the balance will partially fund the Known Contingencies. Because there is insufficient funding for the Known Contingencies, no additional funds will be provided for the Risk-Based Reserve that will remain funded at the \$5 million level established at the close of FY 2015-16.

The citizens of Stockton, in demonstration of their support for their community, approved new General Fund taxes that generated revenues faster than services and staffing could be deployed. The lag between the collection of Measure A, and likely Strong Communities, tax revenues and the full ramp up of services is one of the main reasons the General Fund reserves accumulated. As the Police Department fills positions and Strong Communities projects are begun, the rate at which General Fund reserves has grown is likely to diminish.

### **Measure A Citizens' Advisory Committee**

On May 31, 2017, the Measure A Citizens' Advisory Committee reviewed the Measure A FY 2017-18 Proposed Budget (page C-7) along with supporting documents. In summary, the ongoing General Fund increases contained in the Annual Budget include Marshall Plan staffing and operations for the fourth full year.

The Committee recommended the following expenses be added to the proposed budget:

1. Purchase additional radios for the Police Department to assign all sworn officers with a radio unit.
2. One additional prevention staff member within the Office of Violence Prevention to increase school outreach.

The cost to purchase 80 additional radios is \$400,000. A new staff position in the Office of Violence Prevention would cost approximately \$125,000 annually. These costs are not included in the City's Long-Range Financial Plan and would result in the fund balance dropping below the 5% warning level absent offsetting reductions to other services.

### **Continuation of FY 2016-17 Appropriations**

Pursuant to Section 1908 of the City Charter, budget appropriations lapse at the end of each fiscal year if not expended or encumbered. With this requirement in place, projects lose funding at year end unless Council takes action to continue the appropriation into a following fiscal year. A review of City Council-approved FY 2016-17 funding for one-time expenses resulted in six recommendations to continue appropriation balances in FY 2017-18:

Description	Department	Fund	Not to Exceed Amount
Homeless Care	Non-Departmental	General Fund	150,000
Youth Employment	Non-Departmental	General Fund	100,000
Marketing Communication Plan	Non-Departmental	General Fund	25,000
City Facility Re-keying	Public Works	General Fund	55,000
Community Center Gym Equipment	Community Services	Recreation Fund	40,000
Pixie Woods PA System	Community Services	Recreation Fund	7,000
TOTAL			\$377,000

### 2017-2022 Capital Improvement Plan (CIP)

The CIP is a five-year plan that lists the facility and infrastructure needs for the City. On April 27, 2017, the Planning Commission determined that the proposed 2017-2022 CIP conforms to the City of Stockton 2035 General Plan as required by Government Code Section 65401. The CIP includes a list of projects with a total value of \$720 million. Citywide appropriations of \$37 million are recommended in the FY 2017-18 Annual Budget, and of this amount, \$869,000 or 2 percent represents the General Fund appropriation. Appropriations are made for only the first year of the plan, with available funding identified and confirmed. Project costs in years 2 through 5 of the CIP show an unfunded project need of \$275 million. For these unfunded projects to be delivered, additional funding will need to come from cost efficiencies, one-time cost savings, additional revenues from State and Federal grant funds, or other sources.

### FY 2017-18 Fee Schedule

The FY 2017-18 Fee Schedule reflects new and proposed changes to existing fees in many City departments, including a 6 percent inflationary adjustment intended to recover the cost of providing services where applicable. Proposed new and changed fees are listed in Section I of the document along with reasons for each change. Proposed new fees are presented for Administrative Services, Community Development, Economic Development, Fire, Library, Police, and Recreation & Leisure. Proposed fee changes include revisions to Medical Cannabis Business fees, Boat Launching Facility fees, Water and Stormwater fees, Parking bail schedules and Recreation & Leisure event permits, sports registration and activities.

### FY 2017-18 Gann Appropriation Limit

An amendment to the California Constitution intended to limit growth in local government spending requires the establishment of a maximum limit for expenditures from general taxes. The law, generally known as the Gann Limit, requires that the limit is recalculated and approved annually by the City Council at the beginning of each fiscal year. The Gann Limit is also indexed to specified growth factors approved by the Legislature and applied to revenue appropriations. The City's FY 2017-18 Gann Limit is \$339,151,468 while the appropriations the City is making subject to the Gann



Limit are \$185,275,310. Therefore, the City's appropriations are well within the Constitutional appropriations limit.

### *Parking Authority of the City of Stockton*

The Parking Authority of the City of Stockton is a public body established by the City Council in Resolution 2013-12-17-1209, pursuant to the Streets and Highways Code, to oversee the parking garages, lots, meters and enforcement activities within the boundaries of the City of Stockton CFD 2001-1 Downtown Parking District. The FY 2017-18 Budget for the Parking Authority includes expenditure appropriations for operations, violation enforcement and debt service for parking garage facility bonds. The expectation is for expenditures to exceed revenue in FY 2017-18 with the allocation of available fund balance for parking facility and technology improvements.

Revenues derived from fees paid for parking within the district and proceeds from enforcement of parking violations are pledged to first pay the 2004 Parking Bond debt service, then to fund operations and maintenance and any other obligations of the Parking Authority. Taxes assessed on property owners and businesses in the downtown parking district are also recorded in this fund and used for parking management and operations of parking facilities and programs within the district. Revenues are expected to increase 2 percent from proceeds related to more special events, and Parking Authority expenditures of \$6.9 million are less than one percent below projected FY 2016-17 expenditures.

### *Successor Agency to the former Stockton Redevelopment Agency*

The Successor Agency depends on the receipt of property tax increment revenues to pay obligations of the former Stockton Redevelopment Agency. To receive tax increment funds, the Successor Agency submits a Recognized Obligation Payment Schedule annually to an Oversight Board and the State Department of Finance. After approval by the Oversight Board, tax increment funds are distributed to the Successor Agency by the San Joaquin County Auditor Controller's Office. The use of tax increment is restricted, and the Successor Agency does not receive excess tax increment. Excess tax increment after payment of debt and administrative costs are distributed to other taxing entities such as the City of Stockton, San Joaquin County, the State of California (for schools), and special districts.

Successor Agency revenue of \$12 million is expected to be sufficient for all debt and enforceable obligations in FY 2017-18. The total FY 2017-18 Successor Agency budget including transfers and loan repayments is \$18 million. For the first time since the dissolution of the Redevelopment Agency, the City's General Fund will not be subsidizing the Successor Agency for its administrative and operating costs. As property values increase and more tax increment becomes available, there is sufficient funding for administration and loan repayments to City funds approved by the State Department of Finance. The FY 2017-18 Budget includes approximately \$1.8 million in loan repayments to the General Fund, Community Development Block Grant, and Parking Authority funds. The Ending Available Balance in the Administration and Project Area budgets will be retained by the San Joaquin County Auditor-Controller for distribution to other taxing entities including the City of Stockton.

## FINANCIAL SUMMARY

The proposed FY 2017-18 Annual Budget appropriates expenditures of \$626,353,982 for all City funds, \$6,847,552 for the Parking Authority, and \$18,496,942 for the Successor Agency.

The complete documents of the City's Proposed FY 2017-18 Annual Budget, the Proposed 2017-2022 Capital Improvement Plan, and the Proposed FY 2017-18 Fee Schedule are available for review on the City's website [www.stocktonca.gov](http://www.stocktonca.gov) <<http://www.stocktonca.gov>> or in the City Clerk's office.



## CITY OF STOCKTON

### OFFICE OF THE CITY MANAGER

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May 15, 2017

Honorable Mayor and Council:  
City of Stockton, California

### **BUDGET MESSAGE**

On behalf of the entire budget team, I'm pleased to present the Fiscal Year (FY) 2017-18 budget which is balanced in both the near and long-term. The near-term balancing occurred seamlessly because of the disciplined approach you have taken in recent years to ensure our fiscal sustainability. The Mayor and Council have proactively adjusted the components of our finances that are within our control and created an aggressive reserve policy that projects a Working Capital reserve of \$36 million and a \$31.3 million Known Contingency reserve at the end of FY 2017-18. That approach was recognized by *The Financial Times* who ranked Stockton as the 18<sup>th</sup> most financially stable large city (population 200,000+) in the United States. In fact, using the same measurements, our ranking improves to #6 when considering cities larger than 300,000. These strong budgeting practices have contributed to the true Stockton story which has only begun to be told. In 2015, Stockton regained its status as an All American City. U.S. News and World Report ranked Stockton as one of the top 100 places to live in the U.S. and Verizon ranked Stockton as one of the *Top 12 cities in America to launch your tech start-up*. These accolades are particularly meaningful considering how far we've come.

Conversely, the long-term balancing was fraught with difficult decisions this year despite prudent planning on your part. Several external factors outside of our control are constraining our spending ability in the out years. The most impactful of these changes are CalPERS cost increases of \$16.5 million annually by FY 2024-25. This puts us in a similar, yet far less severe, position as most public agencies in California. Fortunately, much of this increase was already anticipated and accounted for in our Long-Range Financial Plan, but the balance creates the spending pressures for which we must begin to prepare. Therein lies the difficulty of this budget. We are a city of many unmet needs but, despite a strong current financial position, we must maintain painfully high levels of discipline because of what we know the future holds. This path sacrifices short-term discomfort for the long-term financial stability that our citizens and employees deserve. It also honors the lessons we learned during the bankruptcy process and keeps the promises of prudent budgeting that we made to our citizens, employees, and creditors.

While this budget maintains our long-term fiscal strength, it comes at a cost. There are many worthwhile items that are not funded this year because this budget limits spending to what we can afford (based on your strategic priorities) rather than what we want or need. In another gesture of confidence from our citizens, the size and impacts of that gap have been mitigated by voters who agreed to fund increased service levels in areas like public safety, libraries, and recreation. These increases are reflected in this budget and have decreased, but not eliminated the gap. Beyond those voter-approved service-level increases, the best path for continued gains is by exploring rationally creative approaches. With a greater emphasis on partnerships, we can better meet the needs of our constituents. This will enable us to have focused, but meaningful, quality of life improvements that we can afford and that our residents deserve.

### Long-Range Financial Plan

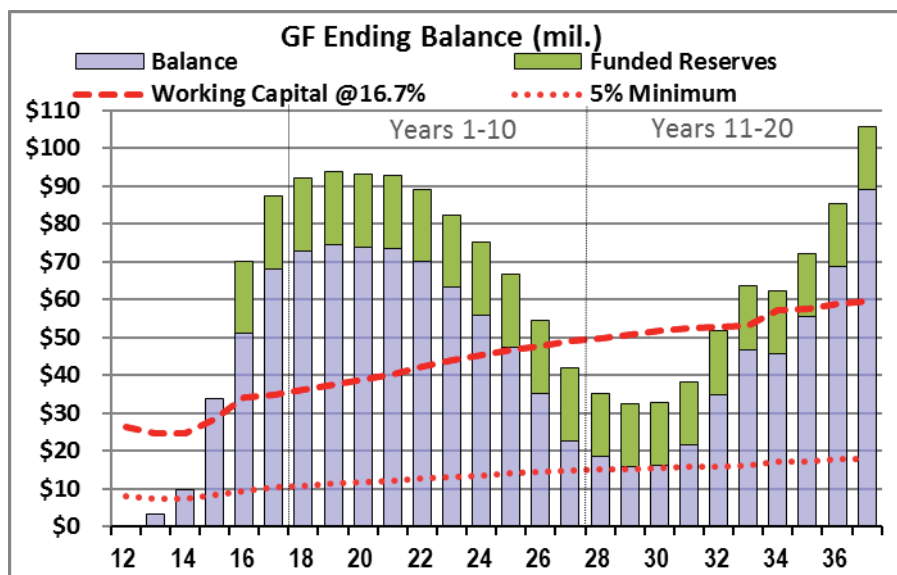
The Long-Range Financial Plan was created as part of the bankruptcy process to demonstrate the financial viability of the Plan of Adjustment over a 30-year period. This window is significantly longer than most long-term forecasts but was necessary to adequately present of significant changes such as debt restructuring, pension costs, and equipment replacement. The L-RFP continues to be updated and is proving to be a useful framework to make budget decisions. By incorporating the L-RFP into its decision-making process, the Council has an effective tool to forecast the future effects of decisions. Because so many facets of City services include long-term commitments such as labor, infrastructure improvements and sufficient reserves, it is imperative for the City to take a long-term view. The L-RFP provides this forward-focused perspective, and as long as the underlying projections are realistic and fiscally conservative, we have the framework to evaluate measured increases.

The L-RFP produced a fund balance chart that shows the annual ending General Fund balance compared to the 17% Working Capital goal and a 5% minimum warning level. The Working Capital Reserve is intended to allow the City to weather the ups and downs of the economy. The 5% minimum is a warning level that operations are not fiscally sustainable and service reductions may be necessary. On April 18, 2017, an update on the L-RFP was provided to Council to provide a preliminary analysis of the effect of recent CalPERS action on the General Fund. At that time, the L-RFP chart showed the General Fund balance falling below the warning level and going negative, absent actions to mitigate the CalPERS discount rate change. A second version of the L-RFP successfully mitigated the CalPERS discount rate change but still left the fund balance below the 5% warning level.

With the FY 2017-18 Annual Budget development, the L-RFP has been updated to reflect new revenue information and expenses from the FY 2017-18 Annual Budget as proposed. The L-RFP incorporates the recently approved PERS rate adjustments, the Strong Communities Initiative, labor agreement terms effective July 1, 2016 through June 30,

2019, and the same long-term labor rate assumptions used during the bankruptcy process. The financial model builds in an additional cost burden of more than \$11 million to the General Fund beginning FY 2034-35 assuming the Strong Communities Initiative sales transactions and use tax is not renewed. General Fund contributions to library and recreation activities are limited to the maintenance of effort (MOE) requirement contained in the Strong Communities ordinance during the years when the tax is in effect.

The graph below illustrates the short and long-term General Fund available balance forecast compared to the 17% Working Capital Reserve and a 5% warning level.



The two red lines on this chart reflect the range of available fund balance to be maintained for operating reserves. The red dotted line represents the minimum fund balance level of 5% of expenditures and indicates a warning that operating reductions may be required to maintain solvency. The available balance exceeds the 17% Working Capital Reserve for several years before decreasing as CalPERS payments begin to rise. The L-RFP anticipates that the balance will drop below the goal for a 10-year period between 2026 and 2035 before stabilizing again at or above 17% goal level. The green bars represent funds reserved at June 30, 2016 for Known Contingencies and Risk-Based Reserves which would be utilized as needs within these categories occur.

Compared to the last scenario presented to Council in April, the City's reserves are larger in the short-term and will be sustained longer, and the period of time the reserves are below the Working Capital level is shorter. The General Fund reserves do recover at a slower rate using an assumption that the Strong Communities Initiative is not renewed. This improved fiscal picture is the result of moderately improved revenues, particularly business license and property taxes and lower-than-anticipated expenditures. We will need to continue to maintain our fiscal discipline in order to stay out ahead of the

inevitable economic downturn and numerous cost pressures, not the least of which are the CalPERS costs described earlier.

### FY 2017-18 Budget Overview

The proposed Budget totals \$625.6 million including operating, capital, debt, transfers and internal service fund operations for all programs of the City. This represents an overall increase of \$35.5 million from the FY 2016-17 budget primarily due to appropriations for retirement benefit costs, federal capital project grants, technology projects, and Strong Communities Initiative funding. Citywide revenues are budgeted at \$605.2 million for FY 2017-18. Fund summaries and financial schedules showing prior year actuals, FY 2016-17 projections and FY 2017-18 budget have been included for each City budget unit in this document.

A summary of the proposed FY 2017-18 Annual Budget is provided in the table below:

City-wide Expenditure Budget All Funds	2016-17 Budget	2017-18 Proposed	Proposed vs. 2016-17 Current
General Fund*	\$ 222,524,108	\$ 216,304,403	\$ (6,219,705)
Utilities	123,171,786	126,973,490	3,801,704
Other Community Programs	65,318,251	70,384,477	5,066,226
Capital/Street Maintenance	31,919,466	37,530,287	5,610,821
Debt Service	12,479,609	13,798,456	1,318,847
Housing Grant Funds	8,276,615	9,510,653	1,234,038
Special Districts/Special Funds	6,870,866	6,182,566	(688,300)
Low & Mod. Income Housing	5,354,661	2,673,620	(2,681,041)
Internal Services	124,790,501	142,246,030	17,455,529
	<u>\$ 600,705,863</u>	<u>\$ 625,603,982</u>	<u>\$ 24,898,119</u>

\*The 2016-17 General Fund expenditure budget includes expenses in the Fiscal Sustainability and Reserve Fund and is presented as amended to include labor agreement costs for a more accurate comparison between fiscal years.

### General Fund

The General Fund budget is \$216.3 million, an increase of \$12.5 million from the FY 2016-17 Adopted budget, which was increased by \$9.9 million for labor agreement costs approved after budget adoption in June 2016.

As shown in the table below, the General Fund is projected to end FY 2016-17 with a fund balance of \$47.1 million that will be used to fund the working capital and known contingency reserves. General Fund expenditure appropriations in the FY 2017-18 Annual Budget are \$4.5 million less than revenues.



General Fund Budget	2016-17 Projected	2017-18 Proposed	Proposed vs. 2016-17 Projected
Beginning Available Balance	\$ 33,898,626	\$ 47,379,150	\$ 13,480,524
Revenues	215,477,856	220,820,697	5,342,841
Expenditures			
Police	111,590,288	119,872,529	8,282,241
Fire	42,839,345	42,105,239	(734,106)
Other Programs	55,466,237	54,326,635	(1,139,602)
	209,895,870	216,304,403	6,408,533
Prior Year Commitments*	7,898,538	-	(7,898,538)
Ending Available Balance	\$ 47,379,150	\$ 51,895,444	\$ 4,516,294

\*Adjustments include encumbrance and Council approved program carryover from prior year.

## Revenues

General Fund revenues proposed in the FY 2017-18 Annual Budget are \$220.8 million, which is an increase of \$6.1 million or 2.6% from the prior year Adopted Budget, and \$5.3 million or 2.5% from the currently anticipated year-end receipts for FY 2016-17.

Property tax revenues continue to grow due to three primary factors: the continued recapturing of property values reduced below Proposition 13 values during the housing market downturn as authorized by Proposition 8, an increase in value due to property sales and transfers, and the Proposition 13 allowed 2% CPI adjustment. The FY 2017-18 Annual Budget includes an estimated overall growth in property tax receipts of 4.5%. It is believed that most of the properties that had their property values reduced during the Great Recession, in accordance with State law have now had the values restored as market values moved upward. According to information from the County Assessor, through FY 2014-15, approximately 73% of properties awaiting recapturing of values under the Proposition 8 process had been fully reinstated, and that the process of restoring the remaining properties would probably extend through the next two fiscal years. Thus, it is anticipated that the 1.1% portion of the growth expected from this process in the FY 2017-18 Budget is probably close the last of Proposition 8 related value restoration growth that can be anticipated for the future.

Sales tax revenues on an overall basis are proposed to be budgeted at \$78.3 million in FY 2017-18. This is only a slight increase from the amount included in the FY 2016-17 Annual Budget (\$77.4 million), but actually represents a projected 3.1% increase from the amount now anticipated to be received in the current year. Since the estimate for Sales Tax proceeds was formulated for FY 2016-17, information has been received indicating a misallocation of sales tax revenue from a large generator of sales tax revenues. Revenue from this entity had been mistakenly allocated to the City of Stockton since 2015

and must be refunded by the City and transferred to the appropriate agency. This one-time reduction is expected to impact FY 2016-17 revenues and cause a shortfall from the budgeted estimate of as much as \$2.0 million.

After adjusting for the one-time impact of the refund discussed above, the FY 2017-18 Proposed Annual Budget projects a relatively healthy sales tax growth of 3.7% from the adjusted base is anticipated. We anticipate the highest growth rates to be in the Fuel and Service Stations, State and County Pools categories, and Restaurants and Hotels. Revenues from the Sales Tax Incentive Program approved by Council in 2014 are estimated to add \$895,000 to the City's sales tax revenues, next year; all of which has again been earmarked for additional Economic Development programs in FY 2017-18. Measure A revenues, which were not impacted by the misallocation, are projected to increase by 2.3%, for a total of \$31.0 million.

Utility Users Tax (UUT) revenues on an overall basis are projected to experience only a small increase 1.0%, or \$340,000, from the current year estimated collection total. This estimate is the result of offsetting projections for increases in two of the four categories of UUT taxes, and significant drops in the other two categories. Water revenues are anticipated to increase approximately 4.9% compared to the FY 2016-17 year-end projection. This reflects mostly the impact of scheduled rate increases for City Water of 11%. Gas and electric revenues are budgeted to increase 2.7% from FY 2016-17. Cable TV UUT proceeds continue to drop as the nation-wide trend of "cutting the cord" and dropping cable service impacts UUT proceeds. The Proposed Budget presumes a 5% drop from the anticipated year-end collections which will fall well below the Adopted Budget level. The Telecommunications UUT also continues its decline, as the types of packages that wireless vendors provide shift due to market forces, to the detriment of City UUT tax collections, and the number of land lines continues to drop precipitously. The FY 2017-18 Annual Budget anticipates a further drop of 4% from projection FY 2016-17 revenues. It should be noted that each sector of the UUT revenues continues to be vulnerable to market conditions and industry advancements such as conservation efforts, solar energy usage, cable video alternatives, and federal laws regulating taxation of internet usage.

Other City tax revenues including franchise, business license, hotel/motel, document transfer fees and interest earning are expected to experience modest growth (1.4%) from FY 2016-17 anticipated collection levels. The largest increase in this group is expected to occur in the Business License Tax, where growth of \$900,000 from the FY 2016-17 Annual Budget level is projected. A total of \$600,000 of this growth is attributable to existing medical marijuana businesses. Revenues from new marijuana businesses authorized by voter approval of Measure P may not be received until late in the fiscal year.

Franchise Tax revenues are estimated to up less than 1% from current year collections. This is the combined result of collections in the three different Franchise Taxes. Small

increases in the PG&E and Waste Haulers Franchise taxes are almost entirely offset by an anticipated drop in the Cable/Video Franchise Tax. Proceeds of this tax will fall below the anticipated current year level by approximately 5%.

Program Revenues are projected to be within \$100,000 of the FY 2016-17 Annual Budget and \$560,000 less than the year-end projection. This variance is due to receipts of greater than anticipated Revenues from Other Agencies for wildland fire reimbursements and the City's share of Successor Agency property tax funds. In the remaining accounts in this category, estimates for revenue collections in FY 2017-18 for Code Enforcement proceeds and Charges for Services are anticipated to fall slightly, but proceeds for Fire Contract, Fines and Forfeitures, and Licenses and Permits are anticipated to be up slightly.

Interfund Reimbursement revenues are projected to increase by \$268,000, or 3.2% compared to the FY 2016-17 year-end projection, reflecting almost entirely an anticipated increase in the estimate for Refunds and Reimbursements.

Transfers In revenue includes a \$922,000 loan repayment from the Redevelopment Successor Agency and \$915,000 in pass through transfers from the Parking Authority for Debt Service payments.

## **Expenditures**

General Fund expenditures in the FY 2017-18 Proposed Budget are \$216.3 million. This is a \$1.5 million decrease from the FY 2016-17 Current Budget and a \$12.6 million increase from the FY 2016-17 Adopted Budget. The FY 2017-18 Annual Budget includes expenditure increases for debt service payments to Assured Guaranty of \$3.4 million in and labor costs totaling \$2.9 million from market adjustments effective July 1, 2017, approved in employee labor agreements and CalPERS rate increases. These increases are offset by reductions in funding for capital projects, recreation programs, library programs and capital outlay. The FY 2017-18 Annual Budget includes \$2.1 million in one-time funding for council priorities compared to \$3.7 million in FY 2016-17. It should be noted, however, that any comparison between the Current Budget and the Proposed Budget is somewhat misleading. For example, the Current Budget includes \$7.9 million in prior year encumbrances and other appropriations carried over from FY 2015-16.

In addition to normal labor, utility and service cost increases, the FY 2017-18 General Fund Annual Budget includes additional funding of \$4.0 million for items that meet the City Council strategic targets of Public Safety, Fiscal Sustainability, Economic Development and Infrastructure.

### *Public Safety*

A total of \$2.5 million has been added to the public safety expenditure budgets and includes funding for items that will continue in the future and one-time expenditures that occur less frequently. Ongoing cost increases include an annual firefighter academy, a service contract for the Animal Shelter, the Safe and Sane Fireworks program, and a variety of technical training programs. One-time funding is made available for specialty training, replacing self-contained breathing apparatus cylinders, to purchase a new Wildland Fire Fighting utility vehicle, and replace police dispatch consoles.

<u>Ongoing</u>	<u>One-time</u>	<u>Description</u>
\$ 131,000	18,000	Fire Department training
400,000		Fire Academy (expected for 3-5 years)
90,000		Safe and Sane Fireworks outreach and enforcement
650,000		Police Department contract for Animal Shelter services
192,000		Police Department training
160,000		Police Officer from Measure W
105,000	700,000	Police Department equipment and dispatch consoles
	50,000	Replace 100 breathing apparatus cylinders
	60,000	One Fire Department Wildland utility vehicle
	11,000	Peacekeeper Program training
<b>\$1,728,000</b>	<b>\$839,000</b>	<b>Total</b>

### *Fiscal Sustainability*

Additional budget for fees charged by collection agencies based on the amount of revenues successfully recovered.

<u>Ongoing</u>	<u>One-time</u>	
\$60,000		Revenue Collection fees
<b>\$60,000</b>		<b>Total</b>

### *Economic Development*

A total of \$1.1 million in one-time funds is proposed for economic development activities. Funding is included for the Downtown Infill Infrastructure program, the implementation of strategies included in the final Food and Agricultural Action Plan, and to conduct feasibility and environmental reviews and other land use initiatives to encourage commercial and infill development.

<u>Ongoing</u>	<u>One-time</u>	<u>Description</u>
	\$900,000	Downtown Infill Infrastructure
	40,000	Food and Agricultural Action Plan
	200,000	Feasibility, environmental and land use reviews
<b>\$1,140,000</b>	<b>Total</b>	

### *Infrastructure*

Increases are recommended for janitorial and alarm services at various City buildings. A small amount of one-time funding is recommended for floor maintenance and new ovens for the Civic Auditorium.

<u>Ongoing</u>	<u>One-time</u>	
\$179,000		Janitorial and alarm contract costs increases
	\$12,000	Civic Auditorium floor maintenance and ovens
<b>\$179,000</b>	<b>\$12,000</b>	<b>Total</b>

### *Other*

A small amount of ongoing and one-time funding is recommended for promotional efforts for the City of Stockton, the restoration of a Tuition Reimbursement program and added temporary help for enhanced recruiting city-wide.

<u>Ongoing</u>	<u>One-time</u>	<u>Description</u>
\$10,000		City Manager's Office travel for professional development, recruiting and promoting the City
30,000		Tuition Reimbursement program for employees
	\$25,000	Recruitment support
<b>\$40,000</b>	<b>\$25,000</b>	<b>Total</b>

### Strong Communities

On November 8, 2016, Stockton voters approved a ballot initiative for a ¼ cent sales transactions and use tax for the restoration and expansion of library and recreation services. The initiative, also known as the Strong Communities Initiative, is estimated to raise between \$9.4 million and \$11.8 million per year for 16 years and is to be used specifically for the purposes of supporting library and recreation programs, facilities and services in the City. The budget incorporates a General Fund allocation of \$7.4 million for library and recreation activities, pursuant to the maintenance of effort contained in the Strong Communities ordinance.

The proposed FY 2017-18 Annual Budget includes \$4.3 million of Strong Communities Initiative appropriations to:

- Fully restore library and community center operating schedules to six days a week by January 1, 2018,
- Provide the on-going funding source to operate the Fair Oaks Branch Library
- Develop Makerspaces to spark entrepreneurial interest and involve children and youth in science and technology learning
- Develop on-line services to register for programs, pay library fines and receive remote access to databases and materials
- Develop community-wide programs to support health and literacy

### Utility Funds

The Municipal Utilities Department (MUD) funds of water, wastewater, and stormwater present unique challenges for the future. Stormwater fund deficits are so severe that many important capital projects have been delayed for years. The City attempted to address this issue in 2010 with a Proposition 218 vote needing a majority of voters to approve; however, sufficient votes were not received. This situation will require additional analysis in order to maintain the safety and efficiency of the flood control system as well as maintain compliance with our regulatory agencies.

In 2010, the Council approved a 5-year tiered wastewater rate increase that provides funding to ensure compliance with bond covenants and to support scheduled capital improvement projects in the Wastewater Utility. Consumer Price Index adjustments were made in FY 2015-16 and FY 2016-17, but no increase is proposed for FY 2017-18.

Since the State declared a drought emergency in 2015, the Water Utility experienced, on average, a 28% decline in water consumption (and a similar decline in revenue) throughout its service area due to significant water conservation. In an effort to soften the financial burden to citizens and allow for the water fund to gradually recover from the drought emergency, the City implemented a water rate increase of 38.5% over a 5-year



period. The first increase of 18.5% was implemented on August 1, 2016. The second increase of 11% will become effective, July 1, 2017.

Maintaining and improving capital facilities is an important part of the utilities ability to comply with regulations and operate efficiently. Year to year capital project funding fluctuations based on available funding and project needs. In FY 2017-18, approximately \$15.4 million is budgeted of capital projects in the utility funds including \$12.3 million in the Wastewater utility. Each of these funds will require close observation and careful analysis going forward to maintain the appropriate level of fiscal health and meet debt coverage ratio requirements. In the interim, any new burdens to these funds should not be taken lightly. We will continue to monitor and plan with the idea of returning to Council as needed for further direction.

### Internal Service Funds

Internal Service Funds (ISFs) are used for equipment and employee benefits whereby service department costs are charged to user departments systematically using comprehensive rate formulas. Rate formulas and methodologies are reviewed annually to determine whether changes could yield greater accuracy. Internal service fund expenditures are budgeted to increase \$15 million dollars in FY 2017-18, primarily from a \$10 million growth for employee and employer contributions to CalPERS, \$2.1 million increase in projected liability claims costs, \$1.5 million increase for the Enterprise Resource Plan (ERP) replacement project and \$900,000 greater costs for vehicles and equipment, most of which are in line with City forecasts.

The retirement fund increase is due to two things: the effect of adding 41 during FY 2016-17 and three new proposed positions in FY 2017-18 and the pension plan funding increase needed to prepare for the impact of the discount rate change on CalPERS rates. The FY 2017-18 retirement ISF rates to City departments will increase 12% and 7% for miscellaneous and safety personnel respectively.

The General Liability Fund is well prepared for changes that may come from increased claim costs resulting from an increasing personnel roster and following the City's exit from bankruptcy protection. Based on a current actuarial report, the fund has reserves in excess of what is expected to be needed for incurred claims, and sufficient resources to accommodate increased litigation and claims processing costs that may occur in the coming fiscal year.

The Workers Compensation Fund is a testament to the diligence and commitment of City staff. Attention to safety by all employees, coupled with a focus by Human Resources to close old claims, resulted in an overall decrease in actual and projected claims costs. Resources have accumulated in the fund and reserves are now sufficient to cover 60% of expected claims costs, where minimal reserves were available three years ago. As a

result, the ISF rates charged to departments will decrease in FY 2017-18, which diffuses increases of other benefits.

### Capital Improvement Program

The FY 2017-18 budget for the Proposed Capital Improvement Program is \$36.7 million. This is an increase of \$8.1 million from the \$28.5 million included in the prior year capital budget. Of this amount, \$869,000 or 2.3% is from the General Fund, with over 42% from the utility funds, 40% from state and federal grants and 8% from Measure K sales tax revenues.

The proposed CIP projects are grouped into three categories: General Government, Transportation, and Utilities. The General Government Category includes improvements associated with City owned facilities including Police, Fire, Parks, Golf Courses, Libraries, Community Centers and City Buildings. For FY 2017-18 include improvements associated with American Disability Act compliance, Roof Reconstruction, and Fire Station security and painting. Additionally, the Public Works Parks Section secured donations for the Grupe Park Court Resurfacing.

Transportation Projects proposed for funding in FY 2017-18 of the Capital Improvement program include Bridge Rehabilitation and Replacement, pavement throughout the City, traffic calming measures in neighborhoods, construction of American Disability Act accessibility improvements, Bus Rapid Transit V on Weber Avenue, High Friction Surface Treatment, and Miner Avenue Streetscape Phase 2.

The Municipal Utilities Department is continuing to budget new projects in the water enterprise to improve onsite treatment capacity, water system expansions, system improvements, transmission mains, and water well new acquisitions, rehabilitations, and abandonments. The Wastewater program continues to fund the multi-year Capital Improvement and Energy Management Plan and has included funding for a number of projects for the Regional Wastewater Control Facility. The maintenance and repairs for the Stormwater program, as mentioned previously, is greatly constrained because of the lack of a fee increase since 1992. For FY 2017-18, a total of \$880,000 in available funding will be used for capital improvements to address a small fraction of pipeline and pump station deficiencies.

Conclusion

The City's prudent financial practices in recent years were designed to provide stability for the services we deliver to the public and to protect against future downturns. This budget meets those standards and demonstrates the fiscal discipline to apply today's surpluses to tomorrow's debts. This responsible approach provides long-term protections for our citizens and staff and reflects the post-bankruptcy evolution of the City's fiscal maturity. By continuing on this path for the foreseeable future, Stockton can look forward to a future of stability and continually improving service levels that our citizens expect and deserve.

Respectfully submitted,

A handwritten signature in blue ink, appearing to read 'K. Wilson', is written over a light blue rectangular background.

KURT O. WILSON  
CITY MANAGER

# 2017 STRATEGIC WORK PLAN

## Strategic Targets:

- Public Safety
- Fiscal Sustainability
- Economic Development
- Infrastructure

## Priority Goals:

### Tier 1

1. Focus on crime reduction, blight reduction and outreach for “Hot Zones” and “Hot People”
2. Adopt a budget and allocate resources consistent with the Long-Range Financial Plan; implement solutions that provide financial transparency to the community
3. Develop business incentives, including incentive tools for underserved neighborhoods
4. Maximize relationships with partner agencies and organizations in carrying out and funding priority projects
5. Develop solutions that address housing infrastructure for the homeless

### Tier 2

1. Prioritize resource allocation and infrastructure projects to “Hot Zones” within Council Districts
2. Engage private employers and the business community in workforce development and job placement; develop an employment pipeline for Stockton residents to Stockton employers
3. Achieve full staffing for positions funded through Measure A

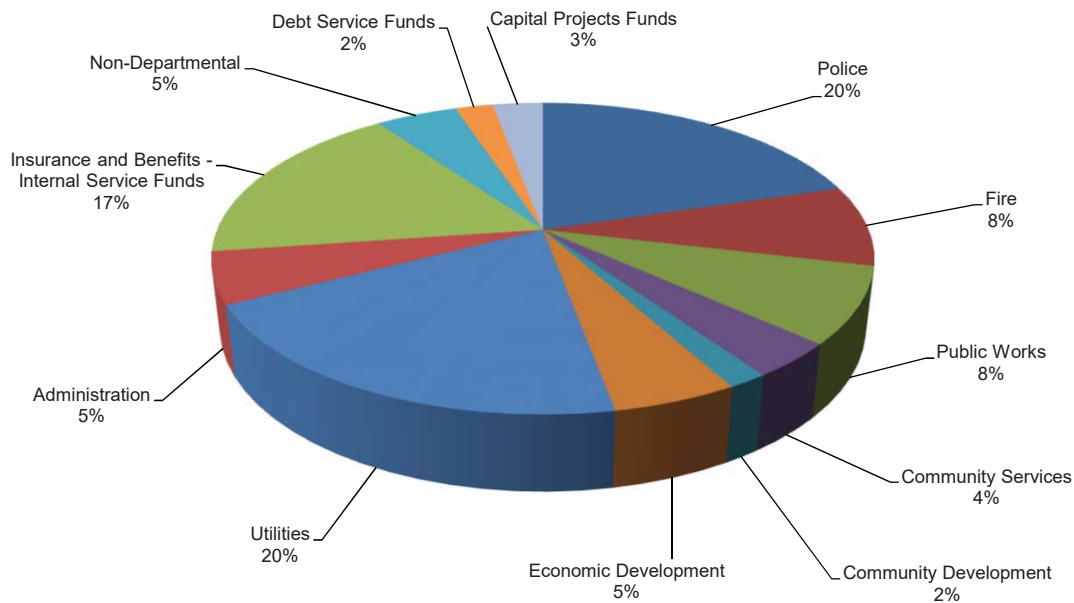
## TAB 2 CITYWIDE





# City of Stockton Citywide Expenditures FY 2017-18 Adopted Budget

**\$626,353,982**



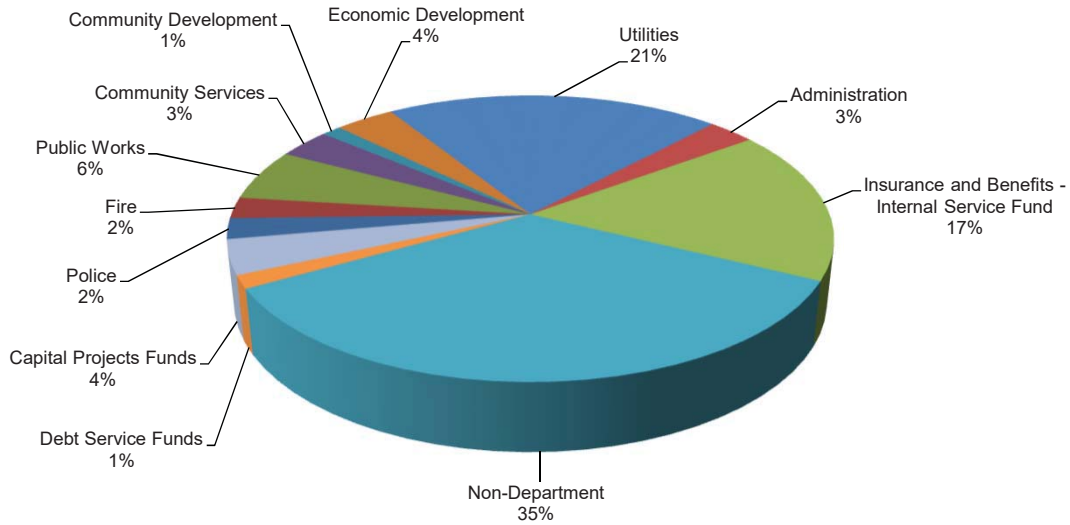
	Operating Budget	Debt Service Budget	Capital Budget	Total	% of Total
<b>Program Appropriations</b>					
Police	\$ 127,387,861	\$ -	\$ 4,000	\$ 127,391,861	20%
Fire	51,955,365	-	401,180	52,356,545	8%
Public Works	42,864,952	782,937	5,948,192	49,596,081	8%
Community Services	22,965,766	-	-	22,965,766	4%
Community Development	10,286,148	-	-	10,286,148	2%
Economic Development	27,842,540	3,335,265	1,160,000	32,337,805	5%
Utilities	83,851,709	27,994,764	15,484,235	127,330,708	20%
Administration	29,530,215	-	3,991,419	33,521,634	5%
Insurance and Benefits - Internal Service Funds	108,716,878	-	-	108,716,878	17%
<b>Non-Departmental Funds</b>					
Non-Departmental	29,225,070	-	550,000	29,775,070	5%
Debt Service Funds	-	13,798,456	-	13,798,456	2%
Capital Projects Funds	116,818	-	18,160,212	18,277,030	3%
	<u>\$ 534,743,322</u>	<u>\$ 45,911,422</u>	<u>\$ 45,699,238</u>	<u>\$ 626,353,982</u>	<u>100%</u>

## Net Budgeted Expenditures

Internal Service Charges	\$ (118,025,479)
Interfund Transfers	(24,410,765)
	<u>\$ 483,917,738</u>

**City of Stockton  
Citywide Revenues  
FY 2017-18 Adopted Budget**

**\$605,423,250**



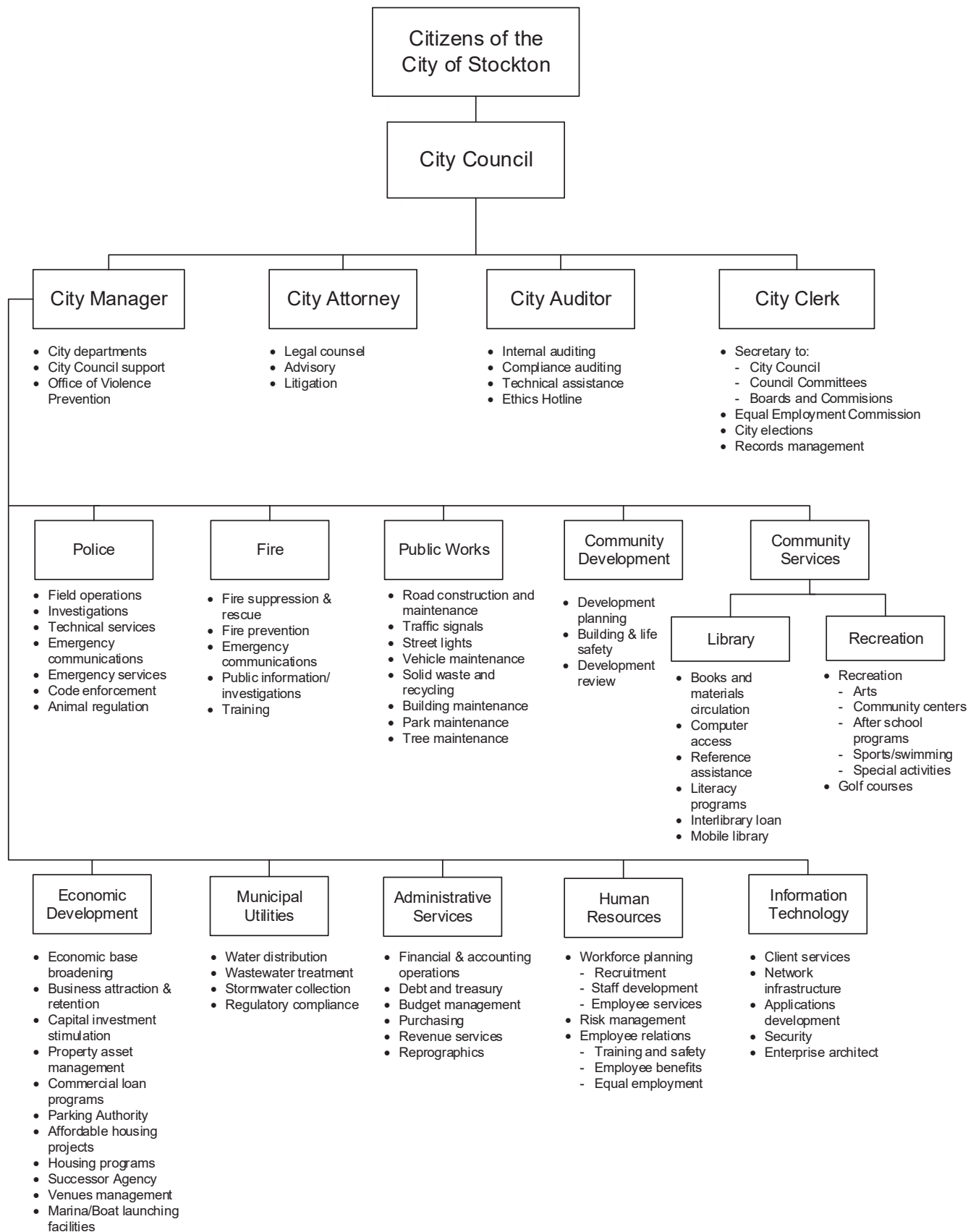
	Taxes	Program Revenues	Enterprise Revenues	Total	% of Total
<b>Revenues by Department*</b>					
Police	\$ 5,144,000	\$ 9,070,175	\$ -	\$ 14,214,175	2%
Fire	5,144,000	9,277,492	-	14,421,492	2%
Public Works	-	35,083,912	-	35,083,912	6%
Community Services	10,228,000	8,184,723	1,624,327	20,037,050	3%
Community Development	-	7,539,962	-	7,539,962	1%
Economic Development	-	15,793,956	6,706,106	22,500,062	4%
Utilities	-	343,779	126,686,489	127,030,268	21%
Administration	-	17,811,979	-	17,811,979	3%
Insurance and Benefits - Internal	-	105,187,361	-	105,187,361	17%
<b>Non-Departmental Funds</b>					
Non-Department	198,332,177	10,683,334	-	209,015,511	35%
Debt Service Funds	-	8,897,290	-	8,897,290	1%
Capital Projects Funds	-	23,684,188	-	23,684,188	4%
	<u>\$ 218,848,177</u>	<u>\$ 251,558,151</u>	<u>\$ 135,016,922</u>	<u>\$ 605,423,250</u>	<u>100%</u>

**Net Budget**

Internal Service Charges

\$ (118,025,479)  
\$ 487,397,771

\*Excludes interfund transfers



# CITY OF STOCKTON

**PERSONNEL BY FUND - SUMMARY**

**FY 2017-18 Adopted Budget**

	<b>2014-15</b>	<b>2015-16</b>	<b>2016-17</b>	<b>Staffing Changes</b>	<b>2017-18 Adopted</b>
<b>General Fund and Tax-Supported Programs</b>					
Programs					
Police-sworn	360	400	440	18	458
Police-non sworn	212	218	223	0	223
Fire	177	178	177	0	177
Public Works	50	53	54	0	54
Library	60	61	62	4	66
Recreation	24	24	24	0	24
Economic Development	8	8	8	0	8
	<b>891</b>	<b>942</b>	<b>988</b>	<b>22</b>	<b>1,010</b>
Administration					
City Council	8	8	8	2	10
City Manager	10	10	10	2	12
City Attorney	11	11	12	0	12
City Clerk	7	7	7	0	7
Administrative Services	65	77	77	3	80
Human Resources	17	18	18	0	18
Non Departmental	4	4	4	(1)	3
Office of Violence Prevention	13	13	14	0	14
	<b>135</b>	<b>148</b>	<b>150</b>	<b>6</b>	<b>156</b>
<b>Total General Fund</b>	<b>1,026</b>	<b>1,090</b>	<b>1,138</b>	<b>28</b>	<b>1,166</b>
<b>Enterprise Funds</b>					
Parking Authority	3	5	5	0	5
Municipal Utilities	217	217	218	(2)	216
	<b>220</b>	<b>222</b>	<b>223</b>	<b>(2)</b>	<b>221</b>
<b>Special Revenue/District Funds</b>					
Community Development Block Grant	6	6	5	0	5
Development Services	40	40	46	1	47
Flood Control Agency	5	5	5	0	5
Assessment Districts	4	3	3	0	3
Police grants	24	24	24	(16)	8
Successor Agency	1	1	1	0	1
Safe Neighborhood Measure W	50	50	50	(1)	49
Solid Waste & Recycling	9	9	9	0	9
Street Maintenance/ Gas Tax Fund	62	60	59	0	59
Strong Communities Measure M	0	0	0	23	23
	<b>201</b>	<b>198</b>	<b>202</b>	<b>7</b>	<b>209</b>

**PERSONNEL BY FUND - SUMMARY**

**FY 2017-18 Adopted Budget**

	<b>2014-15</b>	<b>2015-16</b>	<b>2016-17</b>	<b>Staffing Changes</b>	<b>2017-18 Adopted</b>
<b>Internal Service Funds</b>					
Fleet	27	27	27	0	27
General Liability Insurance	3	3	3	0	3
Workers' Compensation	3	3	3	0	3
Health Benefits	6	6	6	0	6
Information Technology	38	39	40	11	51
Radio	2	2	2	0	2
Telecommunications	1	1	1	0	1
Document Services	2	2	2	0	2
	<b>82</b>	<b>83</b>	<b>84</b>	<b>11</b>	<b>95</b>
<b>Total All Funds</b>	<b>1,529</b>	<b>1,593</b>	<b>1,647</b>	<b>44</b>	<b>1,691</b>

**Endnotes**

**Additions**

Mid Year Public Safety grant position authorized	1
Mid Year Council Strong Communities and County Library positions authorized	26
Mid Year positions authorized by Measures O	2
Mid Year Fair Oaks Branch Library position authorized	1
Mid Year ERP positions authorized	11
New positions in FY 2017-18 Budget	3
<b>Total Changes</b>	<b>44</b>

**PERSONNEL LISTING - POLICE DEPARTMENT**

**FY 2017-18 Adopted Budget**

	<b>2014-15</b>	<b>2015-16</b>	<b>2016-17</b>	<b>Staffing Changes</b>	<b>2017-18 Adopted</b>	
<b><u>GENERAL FUND</u></b>						
<b>010-2410 Police Administration</b>						
Administrative Analyst I/II/Sr	2	2	2	1	3	PD-01
Community Service Officer I/II	1	1	1		1	
Executive Assistant	1	1	1		1	
Finance Assistant I/II	3	3	2		2	
Office Asst I/II/ Specialist/ Secretary/Technician	4	4	3		3	
Program Manager I/II	1	1	1		1	
Program Manager III	1	1	0		0	
Police Fiscal Affairs & Planning Manager	0	0	1		1	
Sr Finance Assistant	1	1	2	(1)	1	PD-02
Supervising Office Assistant	0	0	1		1	
Sworn: Chief of Police	1	1	1		1	
Sworn: Deputy Chief of Police I/II	2	2	2		2	
Sworn: Police Captain	1	1	1		1	
Sworn: Police Lieutenant	2	2	4		4	
Sworn: Police Officer/Trainee	6	6	10	2	12	PD-03
Sworn: Police Sergeant	5	5	5	2	7	PD-04
	<b>31</b>	<b>31</b>	<b>37</b>	<b>4</b>	<b>41</b>	
<b>010-2420 Police Field Services</b>						
Administrative Analyst I/II/Sr	2	2	2	(1)	1	PD-01
Code Enforcement Field Manager	1	1	1		1	
Code Enforcement Officer I/II	18	18	20		20	
Code Enforcement Supervisor	2	2	2		2	
Community Service Officer I/II	26	26	26	(1)	25	PD-05
Graffiti Abatement Technician	4	4	4		4	
Office Asst I/II/Specialist/ Secretary/Technician	8	8	8	1	9	PD-06
Police Court Coordinator	1	1	1		1	
Police Records Assistant I/II/III/Sr	1	1	1		1	
Police Services Manager	1	1	1		1	
Sr Code Enforcement Officer	3	3	3		3	
Sr Community Service Officer	1	1	1		1	
Sr Finance Assistant	0	0	0	1	1	PD-02
Supervising Office Assistant	1	1	1		1	
Sworn: Police Captain	2	2	2		2	
Sworn: Police Lieutenant	11	11	9		9	PD-03
Sworn: Police Officer/Trainee	231	252	276	(18)	258	PD-07
Sworn: Police Sergeant	33	35	40	(4)	36	PD-04
	<b>346</b>	<b>369</b>	<b>398</b>	<b>(22)</b>	<b>376</b>	



**PERSONNEL LISTING - POLICE DEPARTMENT**

**FY 2017-18 Adopted Budget**

	<b>2014-15</b>	<b>2015-16</b>	<b>2016-17</b>	<b>Staffing Changes</b>	<b>2017-18 Adopted</b>	
<b>010-2430 Police Investigations</b>						
Community Service Officer I/II	2	2	2	1	3	PD-05
Evidence Technician I/II	14	14	14	(2)	12	PD-08
Office Asst I/II/Specialist/ Secretary/Technician	1	1	2	1	3	PD-09
Police Records Assistant I/II/III/Sr	3	3	3		3	
Sr Evidence Technician	4	4	5	1	6	PD-08
Supervising Evidence Technician	1	1	1	1	2	PD-08
Sworn: Police Captain	1	1	1		1	
Sworn: Police Lieutenant	2	2	4		4	PD-07
Sworn: Police Officer/Trainee	51	65	72	34	106	PD-09
Sworn: Police Sergeant	10	14	12	2	14	PD-04
	<b>89</b>	<b>107</b>	<b>116</b>	<b>38</b>	<b>154</b>	
<b>010-2462-63 Police Support Services</b>						
Office Asst I/II/Specialist/ Secretary/Technician	1	2	1		1	
Police Records Assistant I/II/III/Sr	26	27	27	(2)	25	PD-06
Property Clerk	4	5	5		5	
Property Room Supervisor	1	1	1		1	
Supervising Police Records Assistant	2	2	2		2	
Sworn: Police Captain	1	1	1		1	
	<b>35</b>	<b>38</b>	<b>37</b>	<b>(2)</b>	<b>35</b>	
<b>010-2466-67 Police Animal Control</b>						
Animal Services Assistant I/II	8	8	8	(1)	7	PD-10
Animal Services Officer/Sr	5	5	5		5	
Animal Services Supervisor	1	1	1		1	
Office Asst I/II/Specialist/ Secretary/Technician	1	2	2	1	3	PD-10
Police Services Manager	1	1	1		1	
	<b>16</b>	<b>17</b>	<b>17</b>	<b>0</b>	<b>17</b>	
<b>010-2470 Police Telecommunications</b>						
Crime Analyst	7	7	7		7	
Office Asst I/II/Specialist/ Secretary/Technician	0	0	0	1	1	PD-11
Police Records Assistant I/II/III/Sr	1	1	2	(1)	1	PD-11
Police Telecommunicator I/II	39	41	41		41	
Police Telecommunications Supervisor	6	6	6		6	
Police Services Manager	0	0	1	1	2	PD-12
Program Manager II	1	1	1	(1)	0	PD-12
Sworn: Police Sergeant	1	0	0		0	
	<b>55</b>	<b>56</b>	<b>58</b>	<b>0</b>	<b>58</b>	
<b>Total General Fund</b>	<b>572</b>	<b>618</b>	<b>663</b>	<b>18</b>	<b>681</b>	

**PERSONNEL LISTING - POLICE DEPARTMENT**

**FY 2017-18 Adopted Budget**

	<b>2014-15</b>	<b>2015-16</b>	<b>2016-17</b>	<b>Staffing Changes</b>	<b>2017-18 Adopted</b>	
<b><u>SPECIAL REVENUE FUNDS</u></b>						
<b>Police Grant-Funded</b>						
024-6426 COPS Grant: Community Service Officer	2	2	2		2	
025-6478 CCP Task Force: Crime Analyst	1	1	1		1	
025-6478 CCP Task Force: Police Officer	1	1	1		1	
025-6478 CCP Task Force: Police Sergeant	1	1	1		1	
025-6436 VAWA Grant: Police Officer	1	1	1		1	
025-6465 CHP 2012-13: Police Officer	17	17	17	(17)	0	PD-09
025-6468 Firearms Examiner	1	1	1		1	
025-6498 Admin Analyst I/II/Sr	0	0	0	1	1	PD-13
	<b>24</b>	<b>24</b>	<b>24</b>	<b>(16)</b>	<b>8</b>	
<b>081-2436 Police Safe Neighborhood Measure W</b>						
Sworn: Police Officer/Trainee	25	25	25	(1)	24	PD-03
Total	<b>25</b>	<b>25</b>	<b>25</b>	<b>(1)</b>	<b>24</b>	
<b>Total Special Revenue Funds</b>	<b>49</b>	<b>49</b>	<b>49</b>	<b>(17)</b>	<b>32</b>	
<b>Total Police</b>	<b>621</b>	<b>667</b>	<b>712</b>	<b>1</b>	<b>713</b>	
<b>Police Department Summary</b>						
<b>Sworn Positions</b>						
General Fund	360	400	440	18	458	
Safe Neighborhood Measure W	25	25	25	(1)	24	
Grant Funded	20	20	20	(17)	3	
	<b>405</b>	<b>445</b>	<b>485</b>	<b>0</b>	<b>485</b>	
<b>Non-Sworn Positions</b>						
General Fund	212	218	223	0	223	
Grant Funded	4	4	4	1	5	
	<b>216</b>	<b>222</b>	<b>227</b>	<b>1</b>	<b>228</b>	
<b>Total Police</b>	<b>621</b>	<b>667</b>	<b>712</b>	<b>1</b>	<b>713</b>	

**PERSONNEL LISTING - FIRE DEPARTMENT**

**FY 2017-18 Adopted Budget**

	<b>2014-15</b>	<b>2015-16</b>	<b>2016-17</b>	<b>Staffing Changes</b>	<b>2017-18 Adopted</b>	
<b><u>GENERAL FUND</u></b>						
<b>010-2610 Fire Administration</b>						
Deputy Fire Chief I/II	1	1	2		2	
Executive Assistant	1	1	1		1	
Fire Battalion Chief	0	0	0	1	1	FD-01
Fire Chief	1	1	1		1	
Office Asst I/II/ Specialist/ Secretary/Technician	3	2	2		2	
Office Technician	0	1	1		1	
Program Manager I/II	2	0	0		0	
Program Manager III	1	3	2		2	
Project Manager I/II/III	1	1	1		1	
Supervising Office Assistant	1	1	1		1	
	<b>11</b>	<b>11</b>	<b>11</b>	<b>1</b>	<b>12</b>	
<b>010-2620 Fire Suppression/Rescue</b>						
Fire Battalion Chief	6	7	7	(1)	6	FD-01
Fire Captain	47	47	46	(1)	45	FD-02
Fire Fighter	47	47	47		47	
Fire Fighter Engineer	49	49	49		49	
	<b>149</b>	<b>150</b>	<b>149</b>	<b>(2)</b>	<b>147</b>	
<b>010-2650 Fire Training</b>						
Fire Battalion Chief	1	1	1		1	
Fire Captain	2	2	2		2	
	<b>3</b>	<b>3</b>	<b>3</b>	<b>0</b>	<b>3</b>	
<b>010-2660 Fire Dispatch</b>						
Emergency Communications Manager	0	1	1		1	
Fire Captain	0	0	0	1	1	FD-02
Fire Telecommunicator I/II	10	10	10		10	
Fire Telecommunications Supervisor	3	3	3		3	
Program Manager I/II	1	0	0		0	
	<b>14</b>	<b>14</b>	<b>14</b>	<b>1</b>	<b>15</b>	
<b>Total General Fund</b>	<b>177</b>	<b>178</b>	<b>177</b>	<b>0</b>	<b>177</b>	

**PERSONNEL LISTING - FIRE DEPARTMENT**

**FY 2017-18 Adopted Budget**

	<u>2014-15</u>	<u>2015-16</u>	<u>2016-17</u>	<u>Staffing Changes</u>	<u>2017-18 Adopted</u>	
<b><u>SPECIAL REVENUE FUNDS</u></b>						
<b>048-2630 Development Services - Fire Prevention</b>						
Deputy Fire Marshal	1	0	0		0	
Fire Battalion Chief	1	0	0	1	1	FD-03
Fire Captain	0	0	1		1	
Fire Prevention Inspector I/II	2	3	2	1	3	FD-04
Fire Prevention Manager	0	1	1	(1)	0	FD-03
Fire Protection Specialist	1	1	1		1	
Office Asst I/II/ Specialist/ Secretary/Technician	2	1	1		1	
Plan Checker I/II	0	0	1		1	
Program Manager I/II	0	0	1		1	
Project Manager I/II/III	0	1	0		0	
	<u>7</u>	<u>7</u>	<u>8</u>	<u>1</u>	<u>9</u>	
<b>081-2636 Fire Safe Neighborhood Measure W</b>						
Fire Captain	6	6	6		6	
Fire Fighter	14	14	14		14	
Fire Fighter Engineer	5	5	5		5	
	<u>25</u>	<u>25</u>	<u>25</u>	<u>0</u>	<u>25</u>	
<b>Total Special Revenue Funds</b>	<u>32</u>	<u>32</u>	<u>33</u>	<u>1</u>	<u>34</u>	
<b>Total Fire</b>	<u>209</u>	<u>210</u>	<u>210</u>	<u>1</u>	<u>211</u>	
<b>Fire Department Summary</b>						
<b>Sworn Positions</b>						
General Fund	154	155	155	0	155	
Safe Neighborhood Measure W	25	25	25	0	25	
Development Services - Fire Prevention	1	0	1	1	2	
	<u>180</u>	<u>180</u>	<u>181</u>	<u>1</u>	<u>182</u>	
<b>Non-Sworn Positions</b>						
General Fund	23	23	22	0	22	
Development Services - Fire Prevention	6	7	7	0	7	
	<u>29</u>	<u>30</u>	<u>29</u>	<u>0</u>	<u>29</u>	
<b>Total Fire</b>	<u>209</u>	<u>210</u>	<u>210</u>	<u>1</u>	<u>211</u>	

**PERSONNEL LISTING - PUBLIC WORKS DEPARTMENT**

**FY 2017-18 Adopted Budget**

	<u>2014-15</u>	<u>2015-16</u>	<u>2016-17</u>	<u>Staffing Changes</u>	<u>2017-18 Adopted</u>	
<b>GENERAL FUND</b>						
<b>010-3010 Public Works Administration</b>						
Administrative Analyst I/II/Sr	1	1	2		2	
Executive Assistant	1	1	1		1	
Finance Assistant I/II/Sr	1	0	0		0	
Office Assist I/II/ Spec/ Secretary/Technician	2	3	3		3	
Program Manager I/II	1	1	1		1	
Program Manager III	1	1	1		1	
Public Works Director	1	1	1		1	
Records Specialist	1	1	1		1	
Supervising Office Assistant	1	1	1		1	
	<b>10</b>	<b>10</b>	<b>11</b>	<b>0</b>	<b>11</b>	
<b>010-3060 Public Works Operations &amp; Maintenance</b>						
Deputy Public Works Dir/Ops & Maint	1	1	1		1	
Eng Aide/Traffic Eng Aide/ Eng Tech I/II/Sr	1	1	0		0	
Office Assist I/II/ Spec/ Secretary/Technician	2	2	3		3	
Program Manager I/II	0	1	1		1	
Sr Civil Engineer	1	1	1		1	
Sr Public Works Supervisor	1	0	0		0	
Supervising Office Assistant	1	1	1		1	
	<b>7</b>	<b>7</b>	<b>7</b>	<b>0</b>	<b>7</b>	
<b>010-3070 Public Works Parks &amp; Street Trees</b>						
Office Assist I/II/ Spec/ Secretary/Technician	1	0	0		0	
Parks Manager	1	1	1		1	
Project Manager I/II/III	0	1	1		1	
Public Works Field Specialist	3	3	2	1	3	PW-01
Public Works Maintenance Worker I/II/Sr	4	3	3	(1)	2	PW-01
Public Works Supervisor	2	3	3		3	
Sr Tree Surgeon	1	1	1		1	
Tree Surgeon	3	4	4		4	
	<b>15</b>	<b>16</b>	<b>15</b>	<b>0</b>	<b>15</b>	
<b>010-3090 Public Works Facilities Maintenance</b>						
Craft Maintenance Worker I/II	5	5	5		5	
Electrician I/II/Sr	3	3	3		3	
Facilities Maintenance Worker I/II/III	3	3	4		4	
Heating, Ventilation and Air Mechanic	3	3	3		3	
Office Assist I/II/ Spec/ Secretary/Technician	0	1	1		1	
Program Manager III	1	1	1		1	
Project Manager I/II/III	1	2	2		2	
Public Works Safety Training Officer	1	1	1		1	
Public Works Supervisor	1	1	1		1	
	<b>18</b>	<b>20</b>	<b>21</b>	<b>0</b>	<b>21</b>	
<b>Total General Fund</b>	<b>50</b>	<b>53</b>	<b>54</b>	<b>0</b>	<b>54</b>	

**PERSONNEL LISTING - PUBLIC WORKS DEPARTMENT**

**FY 2017-18 Adopted Budget**

	<b>2014-15</b>	<b>2015-16</b>	<b>2016-17</b>	<b>Staffing Changes</b>	<b>2017-18 Adopted</b>	
<b><u>SPECIAL REVENUE FUNDS</u></b>						
<b>030-3020 Gas Tax - Street Maintenance Engineering</b>						
Assistant City Traffic Engineer	1	1	1		1	
City Traffic Engineer	1	1	1		1	
Deputy Public Works Director/City Engineer	1	1	1		1	
Engineering Aide/Eng Technician I/II/Sr	2	1	1		1	
Engineering Services Manager	1	1	1		1	
Jr/Asst/Assoc Engineer/Civil Engineer	13	13	13	(1)	12	PW-02
Parks Facility Planner	1	1	1		1	
Project Manager I/II/III	3	3	2		2	
Public Works Inspector	3	4	4		4	
Supv Public Works Inspector	1	1	1		1	
Sr Civil Engineer	2	2	2	1	3	PW-02
	<b>29</b>	<b>29</b>	<b>28</b>	<b>0</b>	<b>28</b>	
<b>030-3060 Gas Tax Street Maintenance and Operations</b>						
Civil Engineer Assoc/Sr	1	1	1		1	
Engineering Aide/Engineering Technician I/II/Sr	2	2	1		1	
Jr/Asst/Assoc Engineer/Civil Engineer	0	0	1		1	
Maintenance Repair Technician I/II	11	10	10		10	
Parks Supervisor	2	1	1	(1)	0	PW-03
Public Works Heavy Equipment Operator	1	2	2		2	
Public Works Maintenance Worker	2	2	2		2	
Public Works Supervisor	1	1	1		1	
Public Works Supervisor/Electrical	1	1	1		1	
Sr Maintenance Repair Technician	4	4	4	1	5	PW-03
Sr Public Works Supervisor	1	0	0		0	
Sr Traffic Signal Electrician	1	1	1		1	
Traffic Signal Electrician/Trainee	6	6	6		6	
	<b>33</b>	<b>31</b>	<b>31</b>	<b>0</b>	<b>31</b>	
<b>Total Gas Tax Fund</b>	<b>62</b>	<b>60</b>	<b>59</b>	<b>0</b>	<b>59</b>	



**PERSONNEL LISTING - PUBLIC WORKS DEPARTMENT**

**FY 2017-18 Adopted Budget**

	<u>2014-15</u>	<u>2015-16</u>	<u>2016-17</u>	<u>Staffing Changes</u>	<u>2017-18 Adopted</u>
<b>020-0137 San Joaquin Area Flood Control Agency</b>					
Deputy Public Works Director/City Engineer	1	1	1		1
Jr/Asst/Assoc Engineer/Civil Engineer	1	1	1		1
Office Assist I/II/ Spec/ Secretary/Technician	1	1	1		1
Project Manager I/II/III	1	1	1		1
Sr Civil Engineer	1	1	1		1
	<b>5</b>	<b>5</b>	<b>5</b>	<b>0</b>	<b>5</b>
<b>072-6900 Assessment Districts</b>					
Administrative Aide I/II	1	0	0		0
Assessment District Program Coordinator	1	1	1		1
Project Manager I/II/III	2	2	2		2
	<b>4</b>	<b>3</b>	<b>3</b>	<b>0</b>	<b>3</b>
<b>047-3080 Solid Waste &amp; Recycling</b>					
Administrative Aide I/II	1	1	0		0
Program Manager III	0	0	1		1
Project Manager I/II/III	3	3	3		3
Public Works Field Specialist	1	1	1		1
Recycling Specialist	1	1	1		1
Solid Waste Manager	1	1	1		1
Sr Maintenance Repair Technician	2	2	2		2
	<b>9</b>	<b>9</b>	<b>9</b>	<b>0</b>	<b>9</b>
<b>Total Special Revenue Funds</b>	<b>80</b>	<b>77</b>	<b>76</b>	<b>0</b>	<b>76</b>
<b><u>INTERNAL SERVICE FUNDS</u></b>					
<b><u>FLEET</u></b>					
<b>501-5021 Fleet Administration</b>					
Fleet Manager	1	1	1		1
Office Assist I/II/ Spec/ Secretary/Technician	2	2	2		2
Project Manager I/II/III	1	1	1		1
Supervising Mechanic	1	1	2		2
	<b>5</b>	<b>5</b>	<b>6</b>	<b>0</b>	<b>6</b>
<b>501-5023 Fleet Equipment Maintenance</b>					
Auto Painter/Repair Worker	1	1	0		0
Facilities Maintenance Worker I/II/III	3	3	3		3
Mechanic I/II/III	17	17	17		17
Welder/Fabricator Specialist	1	1	1		1
	<b>22</b>	<b>22</b>	<b>21</b>	<b>0</b>	<b>21</b>
<b>Total Internal Service Funds</b>	<b>27</b>	<b>27</b>	<b>27</b>	<b>0</b>	<b>27</b>
<b>Total Public Works</b>	<b>157</b>	<b>157</b>	<b>157</b>	<b>0</b>	<b>157</b>

**PERSONNEL LISTING - COMMUNITY SERVICES DEPARTMENT**

**FY 2017-18 Adopted Budget**

	<b>2014-15</b>	<b>2015-16</b>	<b>2016-17</b>	<b>Staffing Changes</b>	<b>2017-18 Adopted</b>	
<b><u>SPECIAL REVENUE FUNDS</u></b>						
<b>LIBRARY</b>						
<b>041-3510 Administration</b>						
Administrative Analyst I/II/Sr	1	1	1		1	
Deputy Dir of Comm Services/City Librarian	1	1	1		1	
Office Assist I/II/ Spec/ Secretary/Technician	2	2	2		2	
Program Manager III	1	1	1		1	
	<b>5</b>	<b>5</b>	<b>5</b>	<b>0</b>	<b>5</b>	
<b>041-3524-30 Outreach/Technical Services</b>						
Bookmobile Driver/Circulation Assistant	1	1	1		1	
Librarian I/II/Trainee	2	3	2		2	
Library Assistant I/II	3	2	2		2	
Library Driver/Clerk	1	1	1		1	
Office Assist I/II/ Spec/ Secretary/Technician	2	2	2		2	
Sr Library Assistant	0	0	0		0	
Supervising Librarian	1	1	1		1	
	<b>10</b>	<b>10</b>	<b>9</b>	<b>0</b>	<b>9</b>	
<b>041-3550 City Branches</b>						
Circulation Assistant I/II	6	6	6		6	
Librarian I/II/Trainee	7	6	7		7	
Library Aide I/II	2	2	2		2	
Library Assistant I/II/Sr	5	6	7	1	8	CS-01
Supervising Librarian	1	1	1		1	
	<b>21</b>	<b>21</b>	<b>23</b>	<b>1</b>	<b>24</b>	
<b>041-3540 County Branches</b>						
Circulation Assistant I/II	7	7	6		6	
Librarian I/II/Trainee	8	8	8		8	
Library Aide I/II	1	1	1	1	2	CS-02
Library Assistant I/II/Sr	7	8	9	1	10	CS-02
Supervising Librarian	1	1	1	1	2	CS-02
	<b>24</b>	<b>25</b>	<b>25</b>	<b>3</b>	<b>28</b>	
<b>Total Library Fund</b>	<b>60</b>	<b>61</b>	<b>62</b>	<b>4</b>	<b>66</b>	

**PERSONNEL LISTING - COMMUNITY SERVICES DEPARTMENT**

**FY 2017-18 Adopted Budget**

	<b>2014-15</b>	<b>2015-16</b>	<b>2016-17</b>	<b>Staffing Changes</b>	<b>2017-18 Adopted</b>	
<b>RECREATION</b>						
<b>044-3610 Recreation-Administration</b>						
Administrative Analyst I/II/Sr	1	1	1		1	
Deputy Director of Community Services	1	1	1		1	
Director of Community Services	1	1	1		1	
Executive Assistant	1	1	1		1	
Office Assist I/II/ Spec/ Secretary/Technician	4	4	4		4	
	<b>8</b>	<b>8</b>	<b>8</b>	<b>0</b>	<b>8</b>	
<b>044-36XX Recreation Services</b>						
Recreation Assistant I/II/Sr	10	9	9		9	
Recreation Program Coordinator	3	4	4		4	
Recreation Supervisor	3	3	3		3	
	<b>16</b>	<b>16</b>	<b>16</b>	<b>0</b>	<b>16</b>	
<b>Total Recreation Fund</b>	<b>24</b>	<b>24</b>	<b>24</b>	<b>0</b>	<b>24</b>	
<b>083 - Strong Communities Tax-Measure M</b>						
Administrative Analyst I/II/Sr	0	0	0	2	2	CS-03
Circulation Assistant I/II	0	0	0	2	2	CS-03
Librarian I/II	0	0	0	1	1	CS-03
Library Assistant I/II/Sr	0	0	0	6	6	CS-03
Recreation Assistant I/II/Sr	0	0	0	8	8	CS-03
Recreation Program Coordinator	0	0	0	2	2	CS-03
Recreation Superintendent	0	0	0	1	1	CS-03
Supervising Office Assistant	0	0	0	1	1	CS-03
<b>Total Strong Communities Tax Fund</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>23</b>	<b>23</b>	
<b>Total Community Services</b>	<b>84</b>	<b>85</b>	<b>86</b>	<b>27</b>	<b>113</b>	

**PERSONNEL LISTING - COMMUNITY DEVELOPMENT DEPARTMENT**

**FY 2017-18 Adopted Budget**

	<b>2014-15</b>	<b>2015-16</b>	<b>2016-17</b>	<b>Staffing Changes</b>	<b>2017-18 Adopted</b>	
<b>DEVELOPMENT SERVICES FUND</b>						
<b>048-1810 Development Services-Administration</b>						
Community Development Director	1	1	1		1	
Community Development Assistant Director	1	1	1		1	
Community Development Tech I/II/Sr	4	2	2	1	3	CD-01
Executive Assistant	1	1	1		1	
Office Assist I/II/ Spec/ Secretary/Technician	0	1	1		1	
Planning Technician I/II	0	1	1		1	
Planning Manager	0	0	0	1	1	CD-02
Program Manager I/II	2	2	2		2	
Program Manager III	1	1	1		1	
Revenue Assistant I/II	1	1	1		1	
	<b>11</b>	<b>11</b>	<b>11</b>	<b>2</b>	<b>13</b>	
<b>048-1820 Development Services-Planning</b>						
Assistant/Associate Planner	0	0	1	1	2	CD-03
Community Development Tech I/II/Sr	1	0	1	(1)	0	CD-01
Deputy Dir - Engineering & Transportation	1	1	1		1	
Eng Aide/Engineering Technician I/II/Sr	0	1	1		1	
Junior/Assistant/Associate Civil Engineer	1	2	3	(1)	2	CD-03
Planning Manager	3	3	4	(1)	3	CD-02
Sr Planner	2	1	1		1	
	<b>8</b>	<b>8</b>	<b>12</b>	<b>(2)</b>	<b>10</b>	
<b>048-1830 Development Services-Building</b>						
Community Development Tech I/II/Sr	2	2	1		1	
Combination Inspector I/II	5	5	5		5	
Deputy Director - Building	1	1	1		1	
Deputy Building Official	0	0	0	1	1	CD-04
Plan Check Engineer	1	1	1		1	
Plan Checker I/II/Sr	3	3	4		4	
Sr Building Inspector	1	1	1		1	
Supervising Combination Inspector	1	1	1		1	
Supervising Plan Checker/Structural Engineer	0	0	1	(1)	0	CD-04
	<b>14</b>	<b>14</b>	<b>15</b>	<b>0</b>	<b>15</b>	
<b>Total Community Development</b>	<b>33</b>	<b>33</b>	<b>38</b>	<b>0</b>	<b>38</b>	

**PERSONNEL LISTING - ECONOMIC DEVELOPMENT DEPARTMENT**

**FY 2017-18 Adopted Budget**

	<u>2014-15</u>	<u>2015-16</u>	<u>2016-17</u>	<u>Staffing Changes</u>	<u>2017-18 Adopted</u>	
<b><u>GENERAL FUND</u></b>						
<b>010-1700 Economic Development</b>						
Asst Economic Development Director	0	0	0	1	1	ED-01
Deputy Economic Development Director	1	1	1	(1)	0	ED-01
Director of Economic Development	1	1	1		1	ED-02 ED-03
Economic Development Analyst I/II/Sr	2	2	3		3	
Executive Assistant	1	1	1		1	
Office Assist I/II/ Spec/ Secretary/Technician	1	1	1		1	
Program Manager III	0	0	0	1	1	ED-02
Project Manager I/II	0	1	1	(1)	0	ED-03
Real Property Agent I/II/Sr	1	0	0		0	
Supervising Real Property Agent	1	1	0		0	
<b>Total General Fund</b>	<b>8</b>	<b>8</b>	<b>8</b>	<b>0</b>	<b>8</b>	
<b><u>SPECIAL REVENUE FUND</u></b>						
<b>054-8120 Housing - Community Development Block Grant</b>						
Administrative Analyst I/II/Sr	1	1	1		1	
Deputy Housing Director	1	1	1	(1)	0	ED-04
Economic Development Analyst I/II/Sr	0	0	0	1	1	ED-05
Housing Financial Advisor I/II/Sr	2	1	0		0	
Office Assist I/II/ Spec/ Secretary/Technician	1	1	1		1	
Program Manager III	0	0	0	1	1	ED-04
Project Manager I/II/III	1	2	2	(1)	1	ED-05
	<b>6</b>	<b>6</b>	<b>5</b>	<b>0</b>	<b>5</b>	
<b><u>AGENCY FUND</u></b>						
<b>633-7310 Successor Agency (RDA)</b>						
Program Manager I/II	1	1	1		1	
	<b>1</b>	<b>1</b>	<b>1</b>	<b>0</b>	<b>1</b>	
<b><u>ENTERPRISE FUND</u></b>						
<b>418-4000 Parking Authority</b>						
Administrative Analyst I/II/Sr	0	0	1		1	
Office Assist I/II/ Spec/ Secretary/Technician	1	1	0		0	
Parking District Supervisor	1	0	0		0	
Parking Enforcement Officer	0	2	2		2	
Program Manager III	0	1	1		1	
Supervising Parking Enforcement Officer	1	1	1		1	
	<b>3</b>	<b>5</b>	<b>5</b>	<b>0</b>	<b>5</b>	
<b>Total Other Funds</b>	<b>10</b>	<b>12</b>	<b>11</b>	<b>0</b>	<b>11</b>	
<b>Total Economic Development Department</b>	<b>18</b>	<b>20</b>	<b>19</b>	<b>0</b>	<b>19</b>	

**PERSONNEL LISTING - MUNICIPAL UTILITIES DEPARTMENT**

**FY 2017-18 Adopted Budget**

	<u>2014-15</u>	<u>2015-16</u>	<u>2016-17</u>	<u>Staffing Changes</u>	<u>2017-18 Adopted</u>	
<b><u>WATER FUND</u></b>						
<b>421-4210 Water Administration</b>						
Deputy Director Water Resource Planning	1	1	1		1	
Sr. Civil Engineer	1	1	0		0	
Office Asst I/II/ Office Specialist/ Secretary	1	2	2		2	
Program Manager III	1	1	1		1	
Project Manager I/II	1	1	0		0	
	<u>5</u>	<u>6</u>	<u>4</u>	<u>0</u>	<u>4</u>	
<b>421-4223 Hydrant Maintenance</b>						
Hydrant Worker/Sr	2	2	2	(2)	0	MD-01 MD-02
	<u>2</u>	<u>2</u>	<u>2</u>	<u>(2)</u>	<u>0</u>	
<b>421-4231 Water Distribution</b>						
Hydrant Worker/Sr	0	0	0	1	1	MD-01
Office Asst I/II/ Specialist/Secretary/Technician	2	2	1		1	
Plant Operations Supervisor	0	0	0	1	1	MD-02
Water Field Technician	5	5	4	(2)	2	MD-03
Water Operations Superintendent	1	1	1		1	
Water Systems Operator I/II/Sr	17	17	18	2	20	MD-03
Water/Sewer Equipment Operator	1	1	1		1	
	<u>26</u>	<u>26</u>	<u>25</u>	<u>2</u>	<u>27</u>	
<b>421-4234 Water Operations &amp; Maintenance</b>						
Chief Plant Operator	1	1	1		1	
Electrical Technician I/II	2	2	2		2	
Plant Maintenance Mechanic	2	3	2	1	3	MD-04
Plant Maintenance Worker I/II	2	0	0		0	
Plant Operator I/II/Sr	8	8	8		8	
Plant Operations Supervisor	1	1	1		1	
Sr Plant Maintenance Mechanic	1	1	1		1	
Water Systems Operator I/II/Sr	4	4	4		4	
	<u>21</u>	<u>20</u>	<u>19</u>	<u>1</u>	<u>20</u>	
<b>Total Water</b>	<u>54</u>	<u>54</u>	<u>50</u>	<u>1</u>	<u>51</u>	

**PERSONNEL LISTING - MUNICIPAL UTILITIES DEPARTMENT**

**FY 2017-18 Adopted Budget**

	<u>2014-15</u>	<u>2015-16</u>	<u>2016-17</u>	<u>Staffing Changes</u>	<u>2017-18 Adopted</u>	
<b><u>WASTEWATER FUND</u></b>						
<b>431-4311 Wastewater Administration</b>						
Assistant MUD Director	1	1	1		1	
Buyer I/II/Sr	1	1	1	(1)	0	MD-05
Director of Municipal Utilities	1	1	1		1	
Executive Assistant	1	1	1		1	
Materials Specialist	2	2	2	(2)	0	MD-06
MUD Finance Officer	1	1	1		1	
Office Asst I/II/Specialist/ Secretary/Technician	5	4	6	(1)	5	MD-07
Program Manager III	1	1	0	1	1	MD-08
	<b>13</b>	<b>12</b>	<b>13</b>	<b>(3)</b>	<b>10</b>	
<b>431-4312 Engineering &amp; Capital Projects</b>						
Assistant MUD Director	0	0	0	1	1	MD-09
Engineering Services Manager	1	1	1		1	
GIS Specialist I/II	1	1	0		0	
Junior/Assistant/Associate Civil Engineer	7	7	7		7	
Office Asst I/II/Specialist/ Secretary/Technician	2	2	2		2	
Public Works Inspector	1	1	1		1	
Sr Civil Engineer	1	1	2		2	
Principal Civil Engineer	1	1	1		1	
	<b>14</b>	<b>14</b>	<b>14</b>	<b>1</b>	<b>15</b>	
<b>431-4331 Operations</b>						
Chief Plant Operator	1	1	1		1	
Deputy Director Wastewater	1	1	1		1	
Office Asst I/II/Specialist/ Secretary/Technician	1	1	1		1	
Office Technician	1	1	1		1	
Plant Operator I/II/Sr	25	25	25		25	
Plant Operations Supervisor	2	2	2		2	
Program Manager III	1	1	1		1	
	<b>32</b>	<b>32</b>	<b>32</b>	<b>0</b>	<b>32</b>	



**PERSONNEL LISTING - MUNICIPAL UTILITIES DEPARTMENT**

**FY 2017-18 Adopted Budget**

	<u>2014-15</u>	<u>2015-16</u>	<u>2016-17</u>	<u>Staffing Changes</u>	<u>2017-18 Adopted</u>	
<b>431-4331 Maintenance</b>						
Electrical Technician I/II	3	3	3		3	
Office Asst I/II/Specialist/ Secretary/Technician	0	0	0	1	1	MD-10
Plant Maintenance Machinist	0	0	0	1	1	MD-11
Plant Maintenance Mechanic	9	9	9	2	11	MD-12
Plant Maintenance Worker I/II	2	3	3	(1)	2	MD-13
Plant Maintenance Supervisor	1	1	1		1	MD-12
Sr Plant Maintenance Mechanic	3	3	3		3	
Sr Plant Maintenance Supervisor	0	0	1		1	
	<b>18</b>	<b>19</b>	<b>20</b>	<b>3</b>	<b>23</b>	
<b>431-4332 Sanitary Sewers/Collections</b>						
Collection Systems Operator I/II/Sr	36	36	37	(3)	34	MD-08
Sr Collection Systems Supervisor	0	0	1		1	MD-14
Collection Systems Supervisor	2	2	2		2	
Deputy Director Maintenance & Collections	1	1	1		1	
Program Manager I/II	1	1	0		0	
Program Manager III	1	1	2	(1)	1	MD-15
Project Manager I/II	0	0	1	(1)	0	MD-16
Public Works Inspector	1	1	1	(1)	0	MD-17
Office Asst I/II/ Office Specialist/ Secretary	2	2	1		1	
Water/Sewer Equipment Operator	2	2	2		2	
	<b>46</b>	<b>46</b>	<b>48</b>	<b>(6)</b>	<b>42</b>	
<b>431-4333 Sanitary Pump Stations</b>						
Electrical Technician I/II	2	2	2		2	
Office Asst I/II/Specialist/ Secretary/Technician	1	1	1	(1)	0	MD-10
Plant Maintenance Machinist	1	1	1	(1)	0	MD-11
Plant Maintenance Mechanic	8	9	11	(1)	10	MD-13
Plant Maintenance Worker I/II	4	3	1	(1)	0	MD-04
Plant Maintenance Supervisor	1	1	1		1	
Sr Plant Maintenance Mechanic	2	2	2	(1)	1	MD-18
Sr Plant Maintenance Supervisor	1	1	0		0	
	<b>20</b>	<b>20</b>	<b>19</b>	<b>(5)</b>	<b>14</b>	
<b>431-4341 Environmental Control</b>						
Environmental Control Officer	4	4	3		3	
Office Asst I/II/Specialist/ Secretary/Technician	1	1	1		1	
Sr Environmental Control Officer	1	1	2		2	
Technical Services Supervisor	1	1	1		1	
	<b>7</b>	<b>7</b>	<b>7</b>	<b>0</b>	<b>7</b>	
<b>Total Wastewater</b>	<b>150</b>	<b>150</b>	<b>153</b>	<b>(10)</b>	<b>143</b>	

**PERSONNEL LISTING - MUNICIPAL UTILITIES DEPARTMENT**

**FY 2017-18 Adopted Budget**

	<u>2014-15</u>	<u>2015-16</u>	<u>2016-17</u>	<u>Staffing Changes</u>	<u>2017-18 Adopted</u>	
<b><u>STORMWATER FUND</u></b>						
<b>441-4410 Stormwater-Policy, Planning, Management</b>						
Program Manager III	0	0	0	1	1	MD-15
Project Manager I/II	0	0	0	1	1	MD-16
Public Works Inspector	0	0	0	1	1	MD-17
	<u>0</u>	<u>0</u>	<u>0</u>	<u>3</u>	<u>3</u>	
<b>441-4431 Stormwater Collections</b>						
Collections Systems Operator I/II/Sr	0	0	0	2	2	MD-14
	<u>0</u>	<u>0</u>	<u>0</u>	<u>2</u>	<u>2</u>	
<b>441-4432 Stormwater Pump Stations</b>						
Sr Plant Maintenance Mechanic	0	0	0	1	1	MD-18
	<u>0</u>	<u>0</u>	<u>0</u>	<u>1</u>	<u>1</u>	
<b>Total Stormwater</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>6</b>	<b>6</b>	
<b><u>OPERATIONAL SUPPORT SERVICES</u></b>						
<b>Laboratory</b>						
Chemist	2	2	2		2	
Laboratory Technician	3	3	3		3	
Laboratory Supervisor	1	1	1		1	
Microbiologist	1	1	1		1	
	<u>7</u>	<u>7</u>	<u>7</u>	<u>0</u>	<u>7</u>	
<b>Regulatory Compliance, Outreach, SCADA</b>						
Electrical Technician I/II	1	1	1		1	
GIS Specialist I/II	0	0	1		1	
Occupational Health/Safety Compliance Specialist	1	1	1		1	
Office Asst I/II/Specialist/ Secretary/Technician	0	0	0	1	1	MD-07
Program Manager I/II	1	1	2	(1)	1	MD-19
Program Manager III	0	0	0	1	1	MD-19 MD-20 MD-21
Regulatory Compliance Officer	1	1	1		1	
SCADA/CMMS Manager	1	1	1		1	
Utility Technology Specialist	1	1	1		1	
	<u>6</u>	<u>6</u>	<u>8</u>	<u>1</u>	<u>9</u>	
<b>Total Municipal Utilities</b>	<b>217</b>	<b>217</b>	<b>218</b>	<b>(2)</b>	<b>216</b>	

**PERSONNEL LISTING - ADMINISTRATIVE AND SUPPORT DEPARTMENTS**

**FY 2017-18 Adopted Budget**

	<b>2014-15</b>	<b>2015-16</b>	<b>2016-17</b>	<b>Staffing Changes</b>	<b>2017-18 Adopted</b>	
<b>CITY COUNCIL</b>						
Councilmember	6	6	6		6	
Executive Assistant to the Mayor	1	1	1		1	
Public Information Officer	0	0	0	1	1	CC-01
Mayor	1	1	1		1	
Mayor's Senior Policy Advisor	0	0	0	1	1	CC-01
	<b>8</b>	<b>8</b>	<b>8</b>	<b>2</b>	<b>10</b>	
<b>CITY MANAGER</b>						
Administrative Aide I/II	2	2	2		2	
Assistant to the City Manager	1	1	1	(1)	0	CM-01
City Manager	1	1	1		1	CM-01 MD-20
Deputy City Manager I/II	2	2	2	2	4	
Executive Assistant to City Manager	1	1	1		1	
Office Asst I/II/ Specialist/Secretary/Technician	1	1	1		1	
Program Manager III	2	2	2	1	3	CM-03
	<b>10</b>	<b>10</b>	<b>10</b>	<b>2</b>	<b>12</b>	
<b>CITY ATTORNEY</b>						
Assistant City Attorney	1	1	1		1	
City Attorney	1	1	1		1	
Deputy City Attorney	6	6	6		6	
Executive Assistant to City Attorney	1	1	1		1	
Paralegal	0	0	1		1	
Legal Secretary I/II	2	2	2		2	
	<b>11</b>	<b>11</b>	<b>12</b>	<b>0</b>	<b>12</b>	
<b>CITY CLERK</b>						
Assistant City Clerk I/II	1	1	1		1	
City Clerk	1	1	1		1	
Deputy City Clerk I/II/Sr	4	4	4		4	
Records Research Specialist	1	1	1		1	
	<b>7</b>	<b>7</b>	<b>7</b>	<b>0</b>	<b>7</b>	
<b>NON-DEPARTMENTAL</b>						
Administrative Aide I/II	2	2	2		2	
Community Relations Officer	0	0	0	1	1	ND-01
Program Manager III	2	2	2	(2)	0	CM-03 ND-01
	<b>4</b>	<b>4</b>	<b>4</b>	<b>(1)</b>	<b>3</b>	
<b>OFFICE OF VIOLENCE PREVENTION</b>						
Administrative Aide I/II	0	0	0	1	1	ND-02
Administrative Analyst I/II/Sr	1	0	1	(1)	0	ND-03
Management Assistant	0	0	0	1	1	ND-03
Office Asst I/II/ Specialist/Secretary/Technician	1	1	1	(1)	0	ND-02
OVP Program Assistant	0	1	1		1	
OVP Manager	1	1	1		1	
Outreach Supervisor	1	2	2		2	
Outreach Worker	9	8	8		8	
	<b>13</b>	<b>13</b>	<b>14</b>	<b>0</b>	<b>14</b>	
<b>Total Non-Departmental</b>	<b>17</b>	<b>17</b>	<b>18</b>	<b>(1)</b>	<b>17</b>	

**PERSONNEL LISTING - ADMINISTRATIVE AND SUPPORT DEPARTMENTS**

**FY 2017-18 Adopted Budget**

	<b>2014-15</b>	<b>2015-16</b>	<b>2016-17</b>	<b>Staffing Changes</b>	<b>2017-18 Adopted</b>	
<b>ADMINISTRATIVE SERVICES DEPARTMENT</b>						
<b><u>GENERAL FUND</u></b>						
<b>010-1310 Administration</b>						
Assistant Chief Financial Officer	1	1	1		1	
Chief Financial Officer	1	1	1		1	
Executive Assistant	1	1	1		1	
Office Asst I/II/Specialist	1	2	4		4	
Program Manager III	1	1	1		1	
	<b>5</b>	<b>6</b>	<b>8</b>	<b>0</b>	<b>8</b>	
<b>010-1320 Financial Services</b>						
Accountant I/II/Sr	8	8	7		7	
Accounting Manager	1	1	1		1	
Deputy City Auditor I/II/Sr	1	1	0		0	
Finance Assistant I/II/Sr	7	7	8		8	
Payroll Supervisor	1	1	1		1	
Payroll Technician	1	1	0		0	
Program Manager I/II	1	2	2		2	
Supervising Accountant	2	2	2		2	
	<b>22</b>	<b>23</b>	<b>21</b>	<b>0</b>	<b>21</b>	
<b>010-1322 Budget</b>						
Budget Officer	1	1	1		1	
Program Manager I/II	4	0	0		0	
Budget Analyst I/II/Sr	0	4	5		5	
	<b>5</b>	<b>5</b>	<b>6</b>	<b>0</b>	<b>6</b>	
<b>010-1331 Revenue/Collections</b>						
Office Asst I/II/ Office Specialist/ Secretary	1	1	0		0	
Revenue Assistant I/II/Sr	10	10	10	1	11	AD-01
Revenue Collector	1	1	1		1	
Revenue Officer	1	1	1		1	
Supervising Revenue Collector	1	0	0		0	
Supervising Revenue Assistant	1	0	0		0	
Revenue Supervisors	0	2	2	(1)	1	AD-02
	<b>15</b>	<b>15</b>	<b>14</b>	<b>0</b>	<b>14</b>	
<b>010-1340 Procurement</b>						
Buyer I/II/Sr	2	2	2	(2)	0	AD-03
Materials Specialist	1	1	1	2	3	MD-06
Purchasing Agent	1	1	1	(1)	0	AD-04
Deputy Director of Procurement	0	1	1	(1)	0	AD-04
Procurement Manager	0	1	1		1	
Procurement Specialist I/II/Sr	0	1	1	3	4	AD-03 MD-05
Supervising Procurement Specialist	0	0	0	2	2	AD-04
	<b>4</b>	<b>7</b>	<b>7</b>	<b>3</b>	<b>10</b>	
<b>010-1350 Utility Billing/Customer Service</b>						
Customer Service Assistant	2	2	2		2	
Revenue Assistant I/II/Sr	8	14	14	(1)	13	AD-01
Revenue Collector	3	4	4		4	
Supervising Revenue Assistant	1	0	0		0	
Revenue Supervisor	0	1	1	1	2	AD-02
	<b>14</b>	<b>21</b>	<b>21</b>	<b>0</b>	<b>21</b>	
<b>Total General Fund</b>	<b>65</b>	<b>77</b>	<b>77</b>	<b>3</b>	<b>80</b>	

**PERSONNEL LISTING - ADMINISTRATIVE AND SUPPORT DEPARTMENTS**

**FY 2017-18 Adopted Budget**

	<u>2014-15</u>	<u>2015-16</u>	<u>2016-17</u>	<u>Staffing Changes</u>	<u>2017-18 Adopted</u>
<b><u>INTERNAL SERVICE FUNDS</u></b>					
<b>502-5400 Document Services</b>					
Reprographics/Mailroom Supervisor	1	1	1		1
Reprographics/Mailroom Technician I/II	1	1	1		1
	<u>2</u>	<u>2</u>	<u>2</u>	<u>0</u>	<u>2</u>
<b>Total Administrative Services</b>	<b>67</b>	<b>79</b>	<b>79</b>	<b>3</b>	<b>82</b>
<b><u>HUMAN RESOURCES</u></b>					
<b><u>GENERAL FUND</u></b>					
<b>010-1610 Human Resources Recruitment &amp; Workforce Planning</b>					
Human Resources Analyst I/II/Sr	4	4	4		4
Human Resources Asst I/II /Specialist	1	1	1		1
Supervising Human Resource Analyst	1	1	1		1
	<u>6</u>	<u>6</u>	<u>6</u>	<u>0</u>	<u>6</u>
<b>010-1620, 1621 Human Resources-Administration &amp; Employee/Labor Relations</b>					
Administrative Aide I/II	1	1	1		1
Assistant Director of Human Resources	1	1	1		1
Director of Human Resources	1	1	1		1
Executive Assistant (Confidential)	1	1	1		1
Human Resources Analyst I/II/Sr	2	2	2		2
Human Resources Asst I/II /Specialist	1	1	1		1
Human Resources Program Assistant	1	1	1		1
Human Resources Technician	2	2	2		2
Program Manager III	0	1	1		1
Supervising Human Resource Analyst	1	1	1		1
	<u>11</u>	<u>12</u>	<u>12</u>	<u>0</u>	<u>12</u>
<b>Total General Fund</b>	<b>17</b>	<b>18</b>	<b>18</b>	<b>0</b>	<b>18</b>
<b><u>INTERNAL SERVICE FUNDS</u></b>					
<b>551-5600 Worker's Compensation</b>					
Human Resources Program Assistant	1	1	0		0
Human Resources Manager/Safety Officer	1	1	1		1
Risk Analyst I/II	1	1	2		2
	<u>3</u>	<u>3</u>	<u>3</u>	<u>0</u>	<u>3</u>
<b>552-5510 Health Benefits</b>					
Benefits Analyst	1	0	0		0
Deputy Director of Human Resources	1	1	1		1
Human Resources Analyst I/II/Sr	0	0	1		1
Human Resources Asst I/II /Specialist	1	2	1		1
Human Resources Technician	2	2	2		2
Supervising Human Resources Analyst	1	1	1		1
	<u>6</u>	<u>6</u>	<u>6</u>	<u>0</u>	<u>6</u>

**PERSONNEL LISTING - ADMINISTRATIVE AND SUPPORT DEPARTMENTS**

**FY 2017-18 Adopted Budget**

	<b>2014-15</b>	<b>2015-16</b>	<b>2016-17</b>	<b>Staffing Changes</b>	<b>2017-18 Adopted</b>	
<b>541-5700 General Liability Insurance</b>						
Human Resources Program Assistant	1	1	1	(1)	0	HR-01
Liability Claims Investigator I/II	1	1	1		1	
Risk Analyst I/II	0	0	0	1	1	HR-01
Risk/Loss Control Specialist	1	1	1		1	
	<b>3</b>	<b>3</b>	<b>3</b>	<b>0</b>	<b>3</b>	
<b>Total Internal Service Funds</b>	<b>12</b>	<b>12</b>	<b>12</b>	<b>0</b>	<b>12</b>	
<b>Total Human Resources</b>	<b>29</b>	<b>30</b>	<b>30</b>	<b>0</b>	<b>30</b>	

**INFORMATION TECHNOLOGY DEPARTMENT**

**INTERNAL SERVICE FUNDS**

**502-5100 Information Technology**

Administrative Analyst I/II/Sr	0	0	0	1	1	IT-01
Director of Information Technology	1	1	1		1	
Executive Assistant	1	1	1		1	
Information Technology Officer	1	1	1	1	2	IT-01
Information Technology Supervisor	0	0	3		3	
GIS Analyst I/II/Sr	2	2	2		2	
GIS Specialist I/II/Sr	1	1	1		1	
GIS Supervisor	1	1	0		0	
Network Support Analyst I/II/Sr	4	4	4		4	
Network Support Services Supervisor	1	1	0		0	
Office Asst I/II/ Office Specialist/ Secretary	2	2	2	1	3	IT-01
Program Manager I/II	0	0	2		2	
Program Manager III	1	2	2	5	7	IT-01
Systems Analyst I/II/Sr	9	9	16	3	19	IT-01
Technology Project Coordinator	1	1	1		1	
Technology Support Specialist I/II	10	10	6		6	
Technology Systems Supervisor	3	3	0		0	
	<b>38</b>	<b>39</b>	<b>42</b>	<b>11</b>	<b>53</b>	

**503-5200 Radio**

Technology Support Specialist I/II	1	1	0		0	
Project Manager I/II	1	1	1		1	
	<b>2</b>	<b>2</b>	<b>1</b>	<b>0</b>	<b>1</b>	

**504-5300 Telecommunications**

Technology Support Specialist I/II	1	1	0		0	
Telecommunications Coordinator	1	1	0		0	
	<b>1</b>	<b>2</b>	<b>0</b>	<b>0</b>	<b>0</b>	

<b>Total Information Technology</b>	<b>41</b>	<b>43</b>	<b>43</b>	<b>11</b>	<b>54</b>	
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**PERSONNEL LISTING - FOOT NOTES**  
**FY 2017-18 Adopted Budget**

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**Police Department**

PD-01 Move 1 Administrative Analyst from Field Services to Administration  
PD-02 Move Sr Finance Assistant from Administration to Field Services  
PD-03 Move 2 Police Officers to Administration; 1 from Field Services, 1 from Measure W Safe Neighborhoods  
PD-04 Move 4 Police Sergeants from Field Services; 2 to Administration, 2 to Investigations  
PD-05 Move 1 Community Service Officer II from Field Services to Investigations  
PD-06 Reclass and move 2 Police Records Assistants from Support; 1 to Office Technician in Field Services, 1 to Office Specialist in Investigations  
PD-07 Move 17 Police Officers from Field Services to Investigations  
PD-08 Reclass 2 Evidence Technicians; 1 as Sr. Evidence Technician, 1 as Supervising Evidence Technician  
PD-09 Move 17 Police Officers from Grants to Investigations per completion of Cops Hiring Plan grant  
PD-10 Reclass 1 Animal Services Assistant I to Office Specialist  
PD-11 Reclass 1 Police Records Assistant to Office Technician  
PD-12 Reclass 1 Program Manager II to Police Services Manager  
PD-13 New Administrative Analyst position authorized mid-year, resolution 2016-06-28-1205

**Fire Department**

FD-01 Moved 1 Fire Battalion Chief from Suppression to Administration  
FD-02 Moved 1 Fire Captain from Suppression to Dispatch  
FD-03 Reclass 1 Fire Prevention Manager to Fire Battalion Chief  
FD-04 New Fire Prevention Inspector I/II authorized in FY 2017-18 budget

**Public Works Department**

PW-01 Reclass 1 Public Works Maintenance Worker to Public Works Field Specialist  
PW-02 Reclass 1 Jr Engineer to Sr Civil Engineer  
PW-03 Reclass Parks Supervisor to Sr Maint Repair Tech

**Community Services Department**

CS-01 New position for Fair Oaks Branch authorized mid-year, resolution 2007-01-24-1501  
CS-02 3 New County branch positions authorized mid-year, resolution 2017-04-01-0301  
CS-03 23 New Strong Communities positions authorized mid-year, resolution 2017-04-01-0301

**Community Development Department**

CD-01 Move Community Development Technician from Planning to Administration  
CD-02 Move Planning Manager from Planning to Administration for PFF administration  
CD-03 Reclass Engineer to Planner  
CD-04 Reclass Supervising Plan Checker to Deputy Building Official

**Economic Development Department**

ED-01 Reclass 1 Deputy Economic Development Director to Assistant Economic Development Director  
ED-02 Reclass 1 Sr Economic Development Analyst to Program Manager III  
ED-03 Reclass 1 Project Manager to Economic Development Analyst  
ED-04 Reclass 1 Deputy Housing Director to Program Manager III in Housing  
ED-05 Reclass 1 Project Manager to Economic Development Analyst in Housing



**PERSONNEL LISTING - FOOT NOTES**  
**FY 2017-18 Adopted Budget**

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**Municipal Utilities Department**

MD-01 Move 1 Hydrant Worker from Hydrant Maintenance to Water Distribution Division  
MD-02 Reclass 1 Sr. Hydrant Worker to Plant Operations Supervisor and move from Hydrant Maintenance to Water Distribution  
MD-03 Reclass 2 Water Field Technicians to Water Systems Operators  
MD-04 Reclass 1 Plant Maint Worker to Plant Maintenance Mechanic and move from Sanitary Pump Stations to Water Operations & Maintenance  
MD-05 Reclass 1 Buyer I/II/Sr to Procurement Specialist and move from MUD Wastewater Administration to Administrative Services Procurement  
MD-06 Move 2 Materials Specialists from MUD Administration to Administrative Services Procurement  
MD-07 Move 1 Office Specialist from Wastewater Administration to Regulatory Compliance  
MD-08 Reclass 1 Collection System Operator to a Program Manager III and moved from Sanitary Sewer to Wastewater Administration  
MD-09 New position for Regional Wastewater Control Facility capital projects added in FY 2017-18 budget  
MD-10 Move 1 Office Specialist from Sanitary Pump Stations to Wastewater Maintenance  
MD-11 Move 1 Plant Maintenance Machinist from Sanitary Pump Stations to Wastewater Maintenance  
MD-12 Reclass 1 Plant Maint Worker to Plant Maintenance Mechanic  
MD-13 Move a Plant Maintenance Mechanic from Sanitary Pump Stations to Wastewater Maintenance  
MD-14 Move 2 Collection Systems Operators from Sanitary Fund to Storm Fund  
MD-15 Move 1 Program Manager II from Sanitary Pump Stations to Stormwater Pump Stations  
MD-16 Move 1 Project Manager from Sanitary Pump Stations Fund to Stormwater Pump Stations  
MD-17 Move 1 Public Works Inspector from Sanitary Pump Stations to Stormwater Pump Stations  
MD-18 Move 1 Sr Plant Maintenance Mechanic from Sanitary Pump Stations to Stormwater Collections  
MD-19 Reclass Program Manager II to Program Manager III  
MD-20 Move 1 Program Manager III from Municipal Utilities Outreach to City Manager's Office and reclass to Deputy City Manager  
MD-21 New Program Manager III added in FY 2017-18 Budget

**City Council**

CC-01 2 New positions authorized with voter approval of Measure O

**City Manager's Office**

CM-01 Reclass 1 Assistant to the City Manager to Deputy City Manager I  
CM-02 Move Program Manager III to City Manager's Office from Non-Departmental

**Non-Departmental**

ND-01 Reclass Program Manager III to Community Relations Officer  
ND-02 Reclass Office Assistant to Administrative Aide  
ND-03 Reclass Administrative Analyst to Management Assistant

**Administrative Services Department**

AD-01 Move Revenue Assistant from Utility Billing to Revenue/Collections  
AD-02 Move Revenue Supervisor from Revenue/Collections to Utility Billing  
AD-03 Reclass 2 Buyers to Procurement Specialists  
AD-04 Reclass Purchasing Agent and Deputy Director of Procurement to Supervising Procurement Specialists

**Human Resources Department**

HR-01 Reclassed a Human Resources Program Assistant to a Risk Analyst II

**Information Technology Department**

IT-01 11 New ERP positions authorized mid-year for the duration of the project. Positions will be eliminated upon completion of project

**PERSONNEL LISTING - END NOTES**  
**FY 2017-18 Adopted Budget**

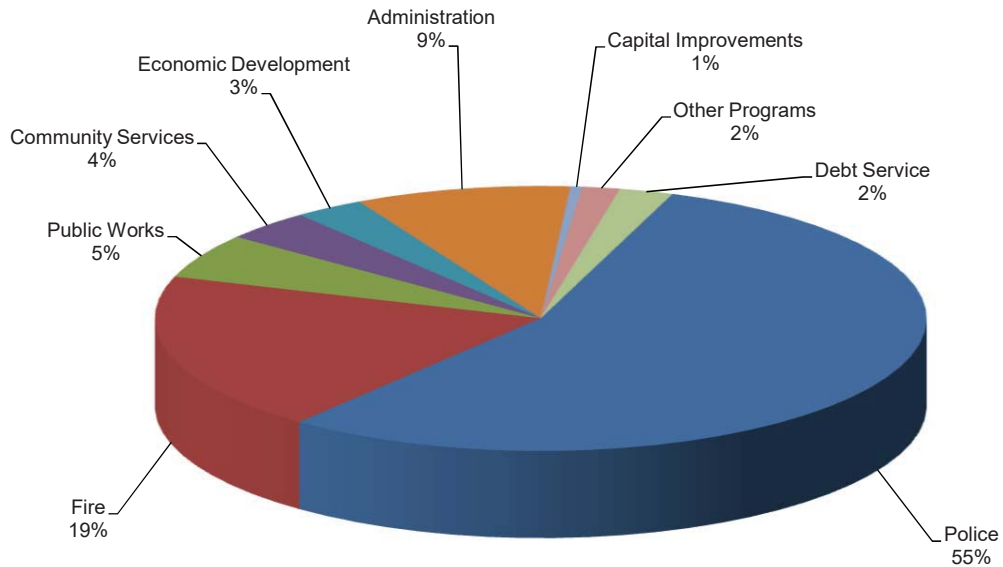
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- (A) Grant funded positions are authorized to be added as grant funding is received Positions may be eliminated when grant funding ends. Positions correspond to the grant period, and do not necessarily correspond to the City's fiscal year.
- (B) The City Manager is authorized to establish additional Library positions if mid-year funding is provided by San Joaquin County.
- (C) When separations are imminent, but have not yet occurred, the City Manager is authorized to fill unfunded positions, as necessary, subject to availability, for the effective conduct of training and transition, and to avoid excessive overtime.
- (D) The City Manager is authorized to fill Police Officers as Police Officer Trainees or Police Officers, and with recommendation of the Human Resources Director, can reclassify Police Officer Trainees as Police Officers.
- (E) Persons employed by the City who are later defined by the State of California PERS, the Internal Revenue Service, the City Attorney, or other rulings, to be City employees performing on-going City activities may be converted to City positions and added to the City's position list during the fiscal year.
- (F) Fire Captains and Firefighters in Fire Prevention may be designated as Deputy Fire Marshals.
- (G) Groupings on the Personnel Listing of various classification titles does not indicate a "deep classification" or other form of alternative staffing.

## TAB 3 GENERAL FUND SUMMARY



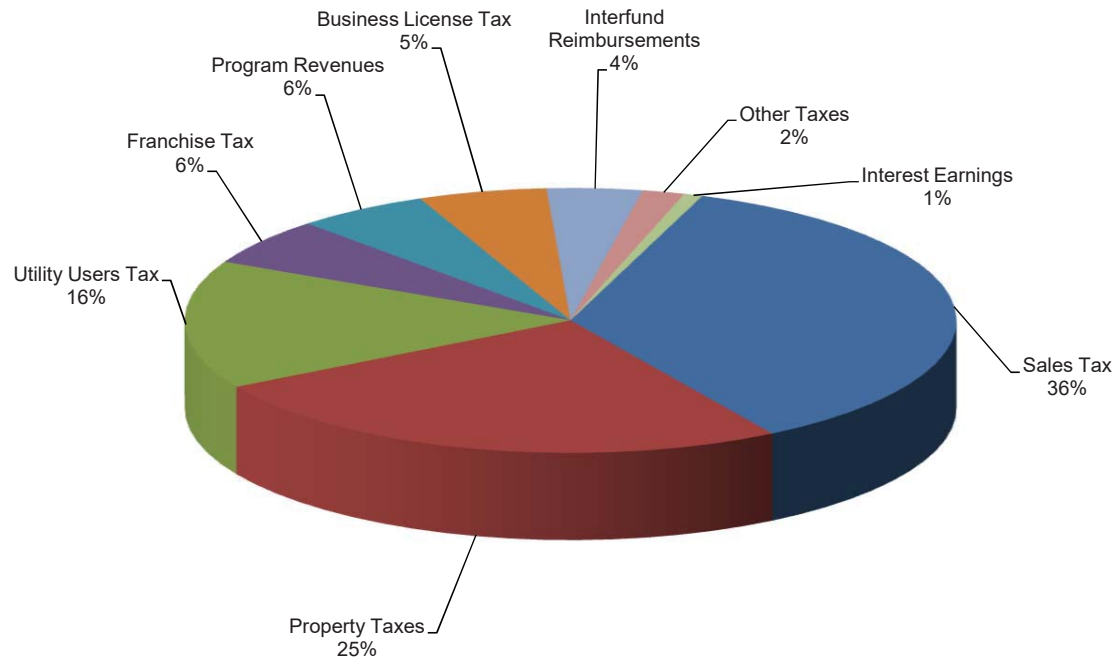
## General Fund Expenditures FY 2017-18 Adopted Budget



### Program Appropriations

Police	\$ 119,872,529	55%
Fire	42,105,239	19%
Public Works	11,800,711	5%
Community Services	8,091,500	4%
Economic Development	6,361,058	3%
Administration	19,636,434	9%
Capital Improvements	868,600	1%
Other Programs	3,411,484	2%
Debt Service	4,906,848	2%
	<u>\$ 217,054,403</u>	

## General Fund Revenues FY 2017-18 Adopted Budget



### General Fund Revenues by Category\*

Sales Tax	\$	78,310,298	36%
Property Taxes		55,612,179	25%
Utility Users Tax		34,333,000	16%
Franchise Tax		12,640,000	6%
Program Revenues		12,184,548	6%
Business License Tax		11,836,700	5%
Interfund Reimbursements		8,767,043	4%
Other Taxes		3,880,000	2%
Interest Earnings		1,720,000	1%
	\$	<u>219,283,768</u>	

\*Excludes interfund transfers

**General Fund - 010**  
**Fund Balance Summary**  
**FY 2017-18 Adopted Budget**

	FY 2014-15	FY 2015-16	FY 2016-17 Current Budget <sup>(1)</sup>	FY 2016-17 Projected	FY 2017-18 Adopted Budget
	<u>Actual</u>	<u>Actual</u>	<u>Budget <sup>(1)</sup></u>	<u>Projected</u>	<u>Budget</u>
<b>Beginning Available Balance</b>	<b>\$ 9,751,000</b>	<b>\$ 33,601,588</b>	<b>\$ 33,898,626</b>	<b>\$ 33,898,626</b>	<b>\$ 47,379,150</b>
<b>Revenues</b>	<u>202,224,368</u>	<u>213,755,012</u>	<u>214,956,204</u>	<u>215,477,856</u>	<u>221,120,697</u>
	<b>202,224,368</b>	<b>213,755,012</b>	<b>214,956,204</b>	<b>215,477,856</b>	<b>221,120,697</b>
<b>Expenditures</b>					
Employee Services	109,017,206	119,504,488	142,346,116	136,388,715	145,223,885
Other Services	30,643,872	33,120,564	44,629,693	43,534,949	42,703,967
Materials & Supplies	4,472,364	3,985,995	5,506,377	5,612,301	4,286,582
Other Expenses	1,547,555	2,060,161	4,655,899	4,024,461	5,059,624
Capital Outlay	1,306,781	3,266,166	2,867,150	2,774,571	147,000
Loan Repayment	1,407,946	1,420,238	1,443,873	1,443,873	4,906,848
Transfer Out	21,323,918	23,338,212	16,317,000	16,117,000	14,726,497
	<u>169,719,642</u>	<u>186,695,824</u>	<u>217,766,108</u>	<u>209,895,870</u>	<u>217,054,403</u>
<b>Net Annual Activity</b>	<b>32,504,726</b>	<b>27,059,188</b>	<b>(2,809,904)</b>	<b>5,581,986</b>	<b>4,066,294</b>
<b>Reserves</b>					
Reserve for future appropriation	(8,842,261)	(4,817,739)	3,951,000	3,951,000	-
Reserve Policy Contributions	-	(19,821,066)	-	-	-
Change in Fund Balance restrictions	188,123	(2,123,345)	3,947,538	3,947,538	-
	<u>(8,654,138)</u>	<u>(26,762,150)</u>	<u>7,898,538</u>	<u>7,898,538</u>	<u>-</u>
<b>Ending Available Balance</b>	<b>\$ 33,601,588</b>	<b>\$ 33,898,626</b>	<b>\$ 38,987,260</b>	<b>\$ 47,379,150</b>	<b>\$ 51,445,444</b>
<b>Available Balance Calculation</b>					
Cash		\$ 65,396,997			
Accounts Receivable		36,056,320			
Prepaid Items/Inventory		829,499			
Accounts Payable		(9,595,637)			
Non-Spendable		(9,652,154)			
Encumbrances		(4,193,399)			
Other Commitments & Reserves		(44,943,000)			
Ending Available Balance		<u>\$ 33,898,626</u>			
<b>General Fund Total Fund Balance with Reserves</b>					
Working Capital Reserve - 16.67%		\$ 33,898,626		\$ 34,989,642	\$ 36,182,969
Uncommitted Fund Balance		-		12,389,508	15,262,475
<b>Ending Available Balance</b>		<b>33,898,626</b>		<b>47,379,150</b>	<b>51,445,444</b>
Known Contingency Reserves at 6/30/16		31,300,000		31,300,000	31,300,000
Risk-Based Reserves at 6/30/16		4,983,000		4,983,000	4,983,000
<b>Total</b>		<b>\$ 70,181,626</b>		<b>\$ 83,662,150</b>	<b>\$ 87,728,444</b>

The Working Capital Reserve is included in the FY 2016-17 beginning available balance. Known Contingencies held in reserves are removed from available fund balance and Risk Based Reserves are held in Fiscal Sustainability and Reserve Fund (012).

(1) Current Budget includes employee labor agreement appropriations approved after adoption of the FY 2016-17 Annual Budget, rollover of encumbrance balances as of June 30, 2016, and all other budget adjustments approved by Council during the fiscal year.



**General Fund - 010**  
**Revenues**  
**FY 2017-18 Adopted Budget**

	<b>FY 2014-15</b>	<b>FY 2015-16</b>	<b>FY 2016-17</b>	<b>FY 2016-17</b>	<b>FY 2017-18</b>
	<b>Actual</b>	<b>Actual</b>	<b>Current Budget</b>	<b>Projected</b>	<b>Adopted Budget</b>
<b>General Tax Revenues</b>					
Property Taxes					
Property Taxes	\$ 29,572,984	\$ 30,646,304	\$ 31,670,000	\$ 31,991,067	\$ 33,222,000
In-Lieu of Motor Vehicle Fees	19,600,995	20,229,972	21,416,000	21,281,416	22,390,179
	<u>49,173,979</u>	<u>50,876,275</u>	<u>53,086,000</u>	<u>53,272,483</u>	<u>55,612,179</u>
Sales Tax					
Point of Sale	31,353,821	38,751,156	45,706,000	43,657,823	45,732,298
25% County ERAF Backfill	9,815,968	8,774,722	-	-	-
Measure A Transaction Tax	27,811,587	29,259,106	30,161,000	30,331,624	31,020,000
Proposition 172	1,445,329	1,458,579	1,517,000	1,518,000	1,558,000
	<u>70,426,705</u>	<u>78,243,563</u>	<u>77,384,000</u>	<u>75,507,447</u>	<u>78,310,298</u>
Utility Users Tax					
Water	3,355,794	3,510,586	3,593,000	3,911,000	4,103,000
Electric & Gas	19,075,399	19,783,286	19,997,000	20,434,000	20,989,000
Cable	2,636,444	2,603,260	2,802,000	2,425,935	2,305,000
Telecommunications	7,853,186	7,527,903	7,678,000	7,221,934	6,936,000
	<u>32,920,823</u>	<u>33,425,036</u>	<u>34,070,000</u>	<u>33,992,869</u>	<u>34,333,000</u>
Franchise Tax					
Electric & Gas	2,107,623	2,131,826	2,246,000	2,185,075	2,255,000
Cable/Video	2,411,693	2,471,933	2,629,000	2,331,655	2,215,000
Waste Haulers	7,860,527	7,792,935	7,933,000	8,051,000	8,170,000
	<u>12,379,843</u>	<u>12,396,693</u>	<u>12,808,000</u>	<u>12,567,730</u>	<u>12,640,000</u>
Business License Tax	9,662,882	10,669,613	10,955,000	11,207,282	11,836,700
Hotel/Motel Tax	2,377,875	2,710,538	2,700,000	2,962,000	2,990,000
Document Transfer Tax	587,166	856,442	720,000	831,000	750,000
Motor Vehicle License	1,412	123,869	120,000	141,381	140,000
Interest	259,448	1,473,300	560,200	2,055,088	1,720,000
	<u>12,888,783</u>	<u>15,833,761</u>	<u>15,055,200</u>	<u>17,196,751</u>	<u>17,436,700</u>
<b>Program Revenues</b>					
Fire Contracts	3,308,381	3,562,986	3,566,855	3,733,396	3,928,803
Code Enforcement	3,367,098	3,715,944	3,602,719	3,447,909	3,444,631
Charges for Services	2,432,570	2,241,428	1,375,140	1,657,799	1,458,435
Fines & Forfeitures	3,053,866	382,670	289,507	325,475	325,475
Revenues from Other Agencies	1,969,974	2,479,072	2,048,904	2,474,083	1,772,461
Licenses & Permits	392,299	483,601	422,693	451,565	513,303
Sale of Fixed Assets	521,253	378,993	500,000	466,195	500,000
Misc. Other Revenues	(2,232,204)	414,876	(37,320)	(111,219)	241,440
	<u>12,813,237</u>	<u>13,659,568</u>	<u>11,768,498</u>	<u>12,445,203</u>	<u>12,184,548</u>
<b>Interfund Reimbursements</b>					
Indirect Cost Allocation	4,500,260	4,238,460	4,518,606	4,370,358	4,372,606
Refunds & Reimbursements	3,108,561	1,602,943	1,771,373	1,632,195	1,904,386
Rents/Leases/Concessions	2,606,112	2,572,252	2,498,433	2,496,726	2,490,051
	<u>10,214,933</u>	<u>8,413,655</u>	<u>8,788,412</u>	<u>8,499,279</u>	<u>8,767,043</u>
<b>Loan Repayments and Transfers In</b>					
Loan Repayment	477,020	-	1,086,000	1,086,000	922,035
From Parking for Debt Service	909,167	906,459	910,094	910,094	914,894
From Admin. Building Fund	19,878	-	-	-	-
	<u>1,406,065</u>	<u>906,459</u>	<u>1,996,094</u>	<u>1,996,094</u>	<u>1,836,929</u>
<b>Total Revenues</b>	<b><u>\$ 202,224,368</u></b>	<b><u>\$ 213,755,012</u></b>	<b><u>\$ 214,956,204</u></b>	<b><u>\$ 215,477,856</u></b>	<b><u>\$ 221,120,697</u></b>

**General Fund - 010**  
**Revenues by Department**  
**FY 2017-18 Adopted Budget**

	<b>FY 2014-15</b>	<b>FY 2015-16</b>	<b>FY 2016-17</b>	<b>FY 2016-17</b>	<b>FY 2017-18</b>
	<b>Actual</b>	<b>Actual</b>	<b>Current Budget</b>	<b>Projected</b>	<b>Adopted Budget</b>
<b>General Tax Revenues</b>					
Taxes	\$ 157,928,279	\$ 168,948,188	\$ 170,307,000	\$ 169,059,395	\$ 174,081,998
Licenses & Permits	38,183	113,699	69,132	104,782	162,652
Intergovernmental Revenue	20,889,383	22,229,544	23,150,000	23,567,268	24,232,640
Charges for Services	563,640	-	-	-	-
Uses of Money & Property	2,720,373	3,905,697	2,934,502	4,413,901	4,070,756
Reimbursements/Other Revenues	5,062,021	4,505,337	4,318,606	4,174,090	4,472,606
Sale of Fixed Assets	521,253	375,188	500,000	470,000	500,000
	<u>187,723,132</u>	<u>200,077,653</u>	<u>201,279,240</u>	<u>201,789,436</u>	<u>207,520,652</u>
<b>Police Department</b>					
Licenses & Permits	354,116	369,540	349,491	345,533	350,651
Intergovernmental Revenue	185,833	187,203	197,128	70,912	70,000
Charges for Services	3,526,190	3,600,606	3,749,659	3,698,365	3,695,087
Fines & Forfeitures	3,744,369	554,120	852,507	795,837	795,837
Uses of Money & Property	99,995	144,284	102,700	152,700	152,700
Reimbursements/Other Revenues	452,385	2,682,582	1,931,477	1,966,371	2,056,792
Sale of Fixed Assets	-	3,805	-	(3,805)	-
	<u>8,362,888</u>	<u>7,542,140</u>	<u>7,182,962</u>	<u>7,025,913</u>	<u>7,121,067</u>
<b>Fire Department</b>					
Intergovernmental Revenue	497,165	416,166	237,776	258,700	-
Charges for Services	3,825,895	4,539,813	3,703,758	3,878,183	4,068,911
Fines & Forfeitures	-	-	-	-	8,000
Reimbursements/Other Revenues	102,571	89,985	125,948	63,557	106,708
	<u>4,425,631</u>	<u>5,045,964</u>	<u>4,067,482</u>	<u>4,200,440</u>	<u>4,183,619</u>
<b>Public Works</b>					
Licenses & Permits	-	362	4,070	1,250	-
Uses of Money & Property	131,313	8,681	-	7,000	7,000
Reimbursements/Other Revenues	28,534	17,038	25,680	25,915	22,680
	<u>159,847</u>	<u>26,081</u>	<u>29,750</u>	<u>34,165</u>	<u>29,680</u>
<b>Administrative Services</b>					
Charges for Services	97,861	30,245	39,000	226,425	42,250
Fines & Forfeitures	6,384	(25,647)	6,000	6,000	6,000
Reimbursements/Other Revenues	15,236	(970)	218,825	30,250	239,015
	<u>119,481</u>	<u>3,628</u>	<u>263,825</u>	<u>262,675</u>	<u>287,265</u>
<b>Charter Offices</b>					
Charges for Services	14,812	19,365	12,920	27,900	9,390
Fines & Forfeitures	40	-	-	-	-
	<u>14,852</u>	<u>19,365</u>	<u>12,920</u>	<u>27,900</u>	<u>9,390</u>
<b>Economic Development</b>					
Charges for Services	925	-	-	-	-
Uses of Money & Property	11,547	133,722	123,931	130,713	132,095
Reimbursements/Other Revenues	-	-	-	10,520	-
	<u>12,472</u>	<u>133,722</u>	<u>123,931</u>	<u>141,233</u>	<u>132,095</u>
<b>Loan Repayments and Transfers In</b>					
Loan Repayment	477,020	-	1,086,000	1,086,000	922,035
From Parking for Debt Service	909,167	906,459	910,094	910,094	914,894
From Admin. Building Fund	19,878	-	-	-	-
	<u>1,406,065</u>	<u>906,459</u>	<u>1,996,094</u>	<u>1,996,094</u>	<u>1,836,929</u>
<b>Total Revenues</b>	<b>\$ 202,224,368</b>	<b>\$ 213,755,012</b>	<b>\$ 214,956,204</b>	<b>\$ 215,477,856</b>	<b>\$ 221,120,697</b>

**General Fund - 010**  
**Expenditures by Program**  
**FY 2017-18 Adopted Budget**

	<b>FY 2014-15</b>	<b>FY 2015-16</b>	<b>FY 2016-17</b>	<b>FY 2016-17</b>	<b>FY 2017-18</b>
	<b>Actual</b>	<b>Actual</b>	<b>Current Budget</b>	<b>Projected</b>	<b>Adopted Budget</b>
<b>Expenditures</b>					
<u>Programs</u>					
Police	\$ 88,870,616	\$ 97,514,838	\$ 118,123,891	\$ 111,590,288	\$ 119,872,529
Fire	37,044,688	39,108,922	42,880,563	42,839,345	42,105,239
Public Works	7,800,884	9,183,435	13,189,247	13,191,924	11,800,711
Economic Development	987,623	1,141,227	3,455,730	3,339,181	2,519,661
Office of Violence Prevention	632,867	1,242,652	1,594,226	1,475,510	1,486,484
	<u>135,336,678</u>	<u>148,191,074</u>	<u>179,243,657</u>	<u>172,436,248</u>	<u>177,784,624</u>
<u>Program Support for Other Funds</u>					
Recreation	3,105,000	3,585,112	3,915,000	3,915,000	3,407,000
Library	4,275,000	5,312,525	4,504,000	4,504,000	3,984,500
Entertainment Venues	3,100,000	3,445,000	3,445,000	3,445,000	3,445,000
Development Services	1,000,000	1,000,000	1,000,000	1,000,000	925,000
Capital Improvement	2,775,000	7,135,000	1,933,000	1,933,000	868,600
Golf Courses	450,000	550,000	850,000	850,000	700,000
Radio ISF	1,000,000	-	-	-	700,000
Grant Match	167,918	60,575	300,000	300,000	300,000
Downtown Marina	215,000	215,000	170,000	170,000	212,000
Low & Moderate Income Housing	-	-	-	-	184,397
RDA Successor Agency	-	-	200,000	-	-
Information Technology ISF	5,236,000	1,035,000	-	-	-
Retirement ISF	-	500,000	-	-	-
Workers Comp ISF	-	500,000	-	-	-
	<u>21,323,918</u>	<u>23,338,212</u>	<u>16,317,000</u>	<u>16,117,000</u>	<u>14,726,497</u>
<u>Administration</u>					
City Council	453,578	406,960	668,693	667,727	681,325
City Manager	1,156,278	1,333,846	1,418,188	1,408,949	1,456,904
City Attorney	838,622	1,137,610	1,339,948	1,381,702	1,374,113
City Clerk	670,045	759,168	853,419	835,355	910,301
City Auditor	644,743	604,453	1,340,043	1,102,238	560,004
Administrative Services	3,713,742	4,006,914	5,107,558	4,710,231	5,379,646
Human Resources	1,630,723	1,721,574	2,590,190	2,428,389	2,339,061
Tax Collection & Election	2,368,539	2,781,096	3,759,451	3,605,057	3,078,000
Other Administration	(140,888)	609,710	1,551,003	1,736,016	1,357,080
Labor Litigation	315,718	384,969	500,000	390,000	500,000
	<u>11,651,100</u>	<u>13,746,300</u>	<u>19,128,493</u>	<u>18,265,664</u>	<u>17,636,434</u>
Debt Service	<u>1,407,946</u>	<u>1,420,238</u>	<u>1,443,873</u>	<u>1,443,873</u>	<u>4,906,848</u>
Contingency	<u>-</u>	<u>-</u>	<u>1,633,085</u>	<u>1,633,085</u>	<u>2,000,000</u>
<b>Total</b>	<b><u>\$ 169,719,642</u></b>	<b><u>\$ 186,695,824</u></b>	<b><u>\$ 217,766,108</u></b>	<b><u>\$ 209,895,870</u></b>	<b><u>\$ 217,054,403</u></b>

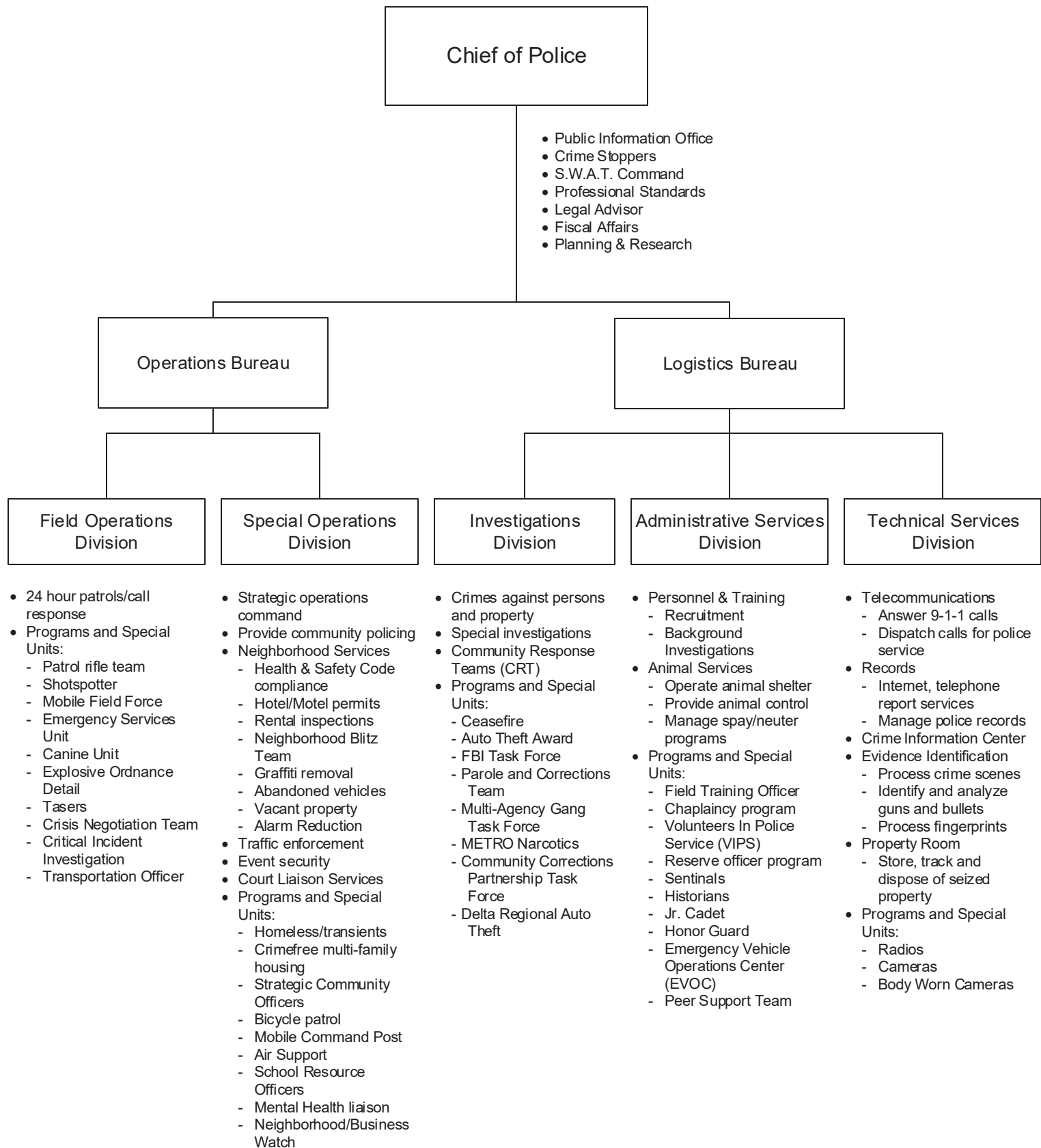
**General Fund - 010**  
**Measures A and B**  
**FY 2017-18 Adopted Budget**

	<b>FY 2014-15</b>	<b>FY 2015-16</b>	<b>FY 2016-17</b>	<b>FY 2016-17</b>	<b>FY 2017-18</b>
	<b>Actual</b>	<b>Actual</b>	<b>Current Budget</b>	<b>Projected</b>	<b>Adopted Budget</b>
<b>Revenues</b>					
<b>Police</b>					
Measure A Transaction and Use Tax	\$ 27,811,587	\$ 29,259,106	\$ 30,161,000	\$ 30,331,624	\$ 31,020,000
<b>Total Revenues</b>	<b>27,811,587</b>	<b>29,259,106</b>	<b>30,161,000</b>	<b>30,331,624</b>	<b>31,020,000</b>
<b>Expenditures (Public Safety Measure B)</b>					
<b>Police</b>					
Salary & Benefits					
Sworn & Non-Sworn	2,460,518	8,202,924	20,011,519	13,537,717	20,435,631
Vacancy Savings	-	-	(3,640,000)	-	(2,300,000)
Other Services	396,961	775,634	1,318,287	1,189,336	1,813,468
Materials & Supplies					
Fuel	3,935	58,588	191,700	83,562	108,308
Other Supplies	258,183	212,470	545,144	545,144	418,200
Equipment					
Office Equipment	26,125	-	-	-	-
Radios	375,873	1,396,096	489,465	489,465	-
Vehicles	1,102,228	1,233,765	1,487,914	1,487,914	-
Other Expenses					
Technology Upgrades	-	104,547	195,851	195,851	-
Training	233,567	271,761	400,340	400,815	539,000
	4,857,390	12,255,785	21,000,220	17,929,804	21,014,607
<b>Office of Violence Prevention</b>					
Salary & Benefits					
Non-Sworn	77,520	302,489	627,914	625,079	654,522
Other Services	128,698	221,737	240,873	226,569	287,689
Materials & Supplies					
Fuel	-	-	12,000	-	12,000
Other Supplies	1,334	11,210	11,289	9,876	10,000
Equipment					
Office Equipment	2,380	451	20,875	20,875	17,500
Radios	-	-	-	-	-
Vehicles	-	74,274	23,746	23,746	-
Other Expenses	-	1,696	8,750	7,750	15,750
	209,932	611,857	945,447	913,895	997,461
<b>Total Expenditures (Measure B)</b>	<b>\$ 5,067,322</b>	<b>\$ 12,867,642</b>	<b>\$ 21,945,667</b>	<b>\$ 18,843,699</b>	<b>\$ 22,012,068</b>
Measure B expenditures as a % of annual Measure A revenues	18%	44%	73%	62%	71%



## TAB 4 POLICE





# POLICE DEPARTMENT





# POLICE DEPARTMENT

## MISSION STATEMENT

To work in partnership with our community, to build and maintain relationships founded on trust and mutual respect, while reducing crime and improving the quality of life.

## Budget at a Glance:

Total Expenditures	\$127,391,861
Total Revenues	\$14,214,175
Total Net Cost	\$113,177,686
Total Staff	713

## DEPARTMENT DESCRIPTION

The Chief of Police is appointed by the City Manager and under state law, is responsible for the delivery of law enforcement and related emergency services within the City of Stockton. The Chief of Police provides direction over all Police operations including:

- Field Operations Division, commonly known as Patrol.
- Special Operations Division, including Neighborhood Services and Neighborhood Blitz Team, Traffic and Events, and Strategic Operations sections.
- Investigations Division, including Crimes Against Persons and Property, Special Investigations and Ceasefire sections as well as the Community Response Team.
- Technical Services Division, including Telecommunications, Records Management, Evidence/Identification, Property Room and Crime Analysis sections.
- Administrative Services Division, including Personnel, Training, and Animal Services sections.
- Professional Standards section; Fiscal Affairs and Planning section; and Public Information Office.

There are also programs and specialized units that operate under the Divisions such as Special Weapons and Tactics (SWAT), Crisis Negotiations, Explosive Ordnance Disposal (EOD), Mobile Field Force, and the Canine Unit.

## KEY CONSIDERATIONS

In January 2017, the Stockton Police Department released its 2017-2019, three-year Strategic Plan, which includes the above Mission Statement, discussion of the Department's policing philosophy, core values, and identified goals and objectives, to focus the Department's work over the term of the plan. Each of the Strategic Plan goals is tied to the City Council's Priority Goals for increasing officer diversity, improving customer service and response times, increasing the number of officers, and further implementation of the Marshall Plan.

The policing philosophy of the Department is founded upon the pillars of Smarter Policing and Principled Policing. Smarter Policing refers to intelligence-led policing, an approach which includes evidence-based, data-driven, strategic, and innovative use of technology to inform and support real-time-policing and improved service delivery. Principled Policing refers to the underlying ethics, values, and principles of accountability, transparency, training, evaluation, listening, dialogue, community outreach and relationship-based problem solving which guide the actions of the Department.

The Department's core values include: integrity, professionalism, sensitivity, cooperation, and innovation. The core values define who we are and what we as an organization hold as paramount. Combined, the mission statement, policing philosophy, and core values establish a strong foundation for accomplishing the following four goals over the next three years:

## POLICE DEPARTMENT

1. **Reduce crime and blight.** A primary focus of resources and manpower is on the reduction of violent crime, property crime, traffic collisions, and other quality of life impacts such as neighborhood blight. The framework to achieve this goal remains the “Four P’s” of Partnership, Prediction, Prevention, and Pursuit.
  2. **Increase trust between the community and police.** Identifying trust as a key component to a sustainable and collaborative approach to improving public safety in Stockton has led the Department to implement several innovative strategies to increasing trust between the community and police. Building upon these initial efforts with the assistance of the National Initiative research effort, procedural justice and implicit bias training, and participating at local, regional, state and national levels of this important dialog will further Stockton’s ability to increase trust.
  3. **Recruit and hire a qualified diverse workforce.** Rebuilding the Police Department while maintaining a commitment to high quality standards for hiring and by valuing all forms of diversity, including ethnicity, gender, culture, education, and experience will ensure Stockton builds a department that is representative of the community it serves. We are looking for those who see police service as a calling and not just an occupation. We are also focused on a long-term recruitment strategy which includes supporting the Public Safety Academy and increasing participation in our Cadet and Sentinel volunteer programs.
  4. **Employ staff that are highly trained, knowledgeable and prepared.** The Department’s extensive turnover and hiring of new staff over the last few years requires a renewed focus on training, both in-house and industry specific. Police Officers have to meet specific mandates related to training to maintain Police Officer Standards and Training (POST) certification through the State. This goal includes implementation of a comprehensive training plan by developing professional training staff, a succession and career plan, and providing adequate training facilities and equipment for staff.
- **The Police Department** FY 2017-18 Annual Budget includes funding for 713 full time staff, part-time staffing, academy costs for new hires, and funds to cover the cost of enhanced recruiting and training strategies. Highlights of the General Fund budget include:
    - Funding for part-time staff has been retained on an ongoing basis to enhance police services, improve revenue collections, and increase hiring capacity.
    - Police service contracts with two school districts, Housing Authority of San Joaquin, San Joaquin Regional Transit District and Parking Authority continue, reflecting approximately \$1 million in both revenues and employee expenses.
    - Other Services funding increased to reflect higher rates for contracts including records management, hazardous material disposal, and property storage, to fund costs related to enhanced neighborhood services activity through the San Joaquin County Regional Conservation Corps, additional cellular service costs as part of the vehicle conversion to digital technology, and professional services costs related to Project Ceasefire, the Wellness Unit and San Francisco Society for Prevention of Cruelty to Animals (SF SPCA).
    - Other Expenses increased to fund training needed to maintain POST certifications and provide for professional development and memberships.
    - In FY 2017-18, 17 Police Officers previously funded through the 2011 Federal COPS Hiring Grant have been reallocated to the General Fund.

## **POLICE DEPARTMENT**

- o One Police Officer has been moved from Measure W funding to the General Fund to maintain a balance between Measure W and sales tax revenues and expenses.
- o Eight 9-1-1 emergency dispatch consoles will reach end-of-life and be replaced in FY 2017-18. The new technology will allow our Telecommunications Center to maintain high quality customer service to those calling in with emergencies and be able to dispatch our Police Officers to assist where needed.
- o Additional funding for surveillance cameras is included to cover repair, replacement and new equipment for the Police Department's Camera Operations Center, which assists our Officers tracking cars and persons of interest during calls for service in key hot spot intersections throughout the city.

**Police Department**  
**FY 2017-18 Adopted Budget**

	<b>General Fund</b>	<b>Measure W</b>	<b>Asset Seizure</b>	<b>State COPS</b>
	<b>010</b>	<b>081</b>	<b>023</b>	<b>024</b>
	<i>See Page D-8</i>	<i>See Page D-11</i>	<i>See Page D-13</i>	<i>See Page D-15</i>
<b>Beginning Available Balance</b>			<b>\$ 170,330</b>	<b>\$ 646,413</b>
<b>Revenues</b>				
Taxes	-	5,144,000	-	-
Grants	-	-	-	500,000
Program Revenue	7,121,067	-	78,000	-
Other Revenue	-	7,500	1,800	2,500
	<b>7,121,067</b>	<b>5,151,500</b>	<b>79,800</b>	<b>502,500</b>
<b>Expenditures</b>				
Salary & Benefits	97,861,336	4,461,868	-	899,790
Services & Supplies	22,007,193	453,349	149,726	-
Administration Overhead	-	230,127	-	-
Capital Outlay	4,000	-	-	-
	<b>119,872,529</b>	<b>5,145,344</b>	<b>149,726</b>	<b>899,790</b>
-	-	-	-	-
<b>Transfers</b>				
Transfer In	-	-	-	-
Transfer Out	-	-	-	-
	-	-	-	-
<b>Net Annual Activity</b>	<b>(112,751,462)</b>	<b>6,156</b>	<b>(69,926)</b>	<b>(397,290)</b>
<b>Ending Available Balance</b>			<b>\$ 100,404</b>	<b>\$ 249,123</b>
	-	-	-	-

**Police Department, Continued**  
**FY 2017-18 Adopted Budget**

	<b>Police Special Revenue 025</b>	<b>Special Revenue 645</b>	<b>Police Total</b>
	<i>See Page D-18</i>	<i>See Page D-21</i>	
<b>Beginning Available Balance</b>	<b>\$ 1,664,329</b>	<b>\$ 482,891</b>	
<b>Revenues</b>			
	-	-	5,144,000
Grants	1,091,373	-	1,591,373
Program Revenue	-	126,435	7,325,502
Other Revenue	117,500	24,000	153,300
	<b>1,208,873</b>	<b>150,435</b>	<b>14,214,175</b>
<b>Expenditures</b>			
Salary & Benefits	1,208,873	-	104,431,867
Services & Supplies	-	45,599	22,655,867
Administration Overhead	-	-	230,127
Capital Outlay	-	-	4,000
	<b>1,208,873</b>	<b>45,599</b>	<b>127,321,861</b>
<b>Transfers</b>			
Transfer In	-	-	-
Transfer Out	-	(70,000)	(70,000)
	<b>-</b>	<b>(70,000)</b>	<b>(70,000)</b>
<b>Net Annual Activity</b>	<b>-</b>	<b>34,836</b>	<b>(113,177,686)</b>
<b>Ending Available Balance</b>	<b>\$ 1,664,329</b>	<b>\$ 517,727</b>	
	-	-	-
		Revenues	\$ 14,214,175
		Transfers	-
		Total Sources	<b>\$ 14,214,175</b>
		Expenditures	\$ 127,321,861
		Transfers	70,000
		Total Appropriations	<b>\$ 127,391,861</b>
			-

**Police Department  
General Fund - 010  
FY 2017-18 Adopted Budget**

	<b>FY 2014-15</b>	<b>FY 2015-16</b>	<b>FY 2016-17</b>	<b>FY 2017-18</b>
	<b>Actual</b>	<b>Actual</b>	<b>Current Budget</b>	<b>Adopted Budget</b>
<b>Total Police Department</b>				
Employee Services	\$ 68,926,148	\$ 75,824,259	\$ 95,151,080	\$ 97,861,336
Other Services	15,554,424	15,942,495	17,559,742	18,723,509
Materials and Supplies	2,546,154	2,038,466	2,522,930	2,208,524
Other Expenses	715,538	975,472	878,635	1,075,160
Capital Outlay	1,128,352	2,734,146	2,011,504	4,000
Total	<u>\$ 88,870,616</u>	<u>\$ 97,514,838</u>	<u>\$ 118,123,891</u>	<u>\$ 119,872,529</u>
<b>Administration</b>				
Employee Services	5,270,801	5,671,781	7,232,919	7,145,867
Other Services	2,640,821	2,643,805	2,764,438	2,858,804
Materials and Supplies	346,623	321,372	424,134	392,016
Other Expenses	469,580	680,007	474,850	110,700
Total	<u>8,727,825</u>	<u>9,316,965</u>	<u>10,896,341</u>	<u>10,507,387</u>
<b>Marshall Plan - Administration</b>				
Employee Services	198,773	531,351	876,579	881,029
Other Services	32,903	16,145	36,282	30,541
Materials and Supplies	9,132	1,064	1,000	1,000
Other Expenses	-	-	-	-
Total	<u>240,808</u>	<u>548,560</u>	<u>913,861</u>	<u>912,570</u>
<b>Field Services</b>				
Employee Services	39,154,383	39,374,200	40,937,200	40,265,257
Other Services	5,156,978	4,823,886	5,061,816	5,054,030
Materials and Supplies	1,089,670	844,051	784,521	840,934
Other Expenses	(11,925)	20,833	(3,835)	202,950
Capital Outlay	-	-	4,000	4,000
Total	<u>45,389,106</u>	<u>45,062,970</u>	<u>46,783,702</u>	<u>46,367,171</u>
<b>Marshall Plan - Field Services</b>				
Employee Services	2,206,792	7,074,947	13,420,134	11,918,237
Other Services	351,431	657,945	1,091,213	1,224,206
Materials and Supplies	622,629	262,656	796,944	489,161
Other Expenses	233,567	271,285	400,340	539,000
Capital Outlay	1,128,352	1,233,766	2,007,504	-
Total	<u>4,542,771</u>	<u>9,500,599</u>	<u>17,716,135</u>	<u>14,170,604</u>
<b>Investigations</b>				
Employee Services	13,029,511	14,170,177	20,198,480	21,645,263
Other Services	1,066,599	1,291,403	1,443,970	1,459,923
Materials and Supplies	183,008	159,674	154,566	158,353
Other Expenses	3,704	2,285	6,050	126,250
Capital Outlay	-	20,528	-	-
Total	<u>14,282,822</u>	<u>15,644,067</u>	<u>21,803,066</u>	<u>23,389,789</u>

**Police Department  
General Fund - 010  
FY 2017-18 Adopted Budget**

	<b>FY 2014-15</b>	<b>FY 2015-16</b>	<b>FY 2016-17</b>	<b>FY 2017-18</b>
	<b>Actual</b>	<b>Actual</b>	<b>Current Budget</b>	<b>Adopted Budget</b>
<b>Marshall Plan - Investigations</b>				
Employee Services	-	-	670,297	4,145,813
Other Services	-	15,050	51,348	222,186
Materials and Supplies	3,935	5,265	18,900	14,147
Other Expenses	-	-	-	-
Total	<u>3,935</u>	<u>20,315</u>	<u>740,545</u>	<u>4,382,146</u>
<b>Support Services</b>				
Employee Services	3,645,590	3,685,207	4,465,528	4,538,402
Other Services	693,719	779,879	1,326,044	1,977,748
Materials and Supplies	254,279	368,567	216,524	212,598
Other Expenses	20,392	750	1,010	21,010
Total	<u>4,613,980</u>	<u>4,834,403</u>	<u>6,009,106</u>	<u>6,749,758</u>
<b>Marshall Plan - Support Services</b>				
Employee Services	25,726	95,820	307,226	377,925
Other Services	722	2,903	8,135	10,760
Materials and Supplies	1,657	483	5,000	-
Other Expenses	-	-	-	-
Total	<u>28,105</u>	<u>99,206</u>	<u>320,361</u>	<u>388,685</u>
<b>Telecommunications</b>				
Employee Services	5,365,345	4,719,969	5,945,434	6,130,916
Other Services	5,599,346	5,627,888	5,645,187	5,559,536
Materials and Supplies	34,584	52,951	40,615	78,115
Other Expenses	220	312	220	75,250
Capital Outlay	-	-	-	-
Total	<u>10,999,495</u>	<u>10,401,120</u>	<u>11,631,456</u>	<u>11,843,817</u>
<b>Marshall Plan - Telecommunications</b>				
Employee Services	29,227	500,807	1,097,283	812,627
Other Services	11,905	83,591	131,309	325,775
Materials and Supplies	637	22,383	80,726	22,200
Other Expenses	-	-	-	-
Capital Outlay	-	1,479,852	-	-
Total	<u>41,769</u>	<u>2,086,633</u>	<u>1,309,318</u>	<u>1,160,602</u>

See summary of Public Safety Measure A funded Marshall Plan expenditures on page C-7.



## **POLICE DEPARTMENT**

### **MEASURE W FUND (081)**

#### **History**

- City of Stockton voters approved Measure W in November, 2004 authorizing a one-quarter percent Transaction and Use Tax. (Ordinance No. 038-04 CS, adding Chapter 3.52 to the Stockton Municipal Code).
- This Ordinance provided authorization for the proceeds to be used for police and fire protection services and to contract with the State Board of Equalization to perform all functions necessary for the administration and operation thereof.
- The Police Department uses 50% of the Measure W tax proceeds. These funds primarily pay for Police Officer salaries and benefits, but have also been used to purchase equipment, vehicles, and radios for those Police Officers funded with the proceeds.

#### **FY 2016-17 Events**

- Measure W funds pay the salary and benefits for 25 Police Officers.
- Revenues continue to be monitored closely to ensure they are sufficient to cover expenditures and maintain an adequate fund balance.
- The overall budget projection for year-end indicates that the balance in the Measure W Economic Uncertainty Fund will meet or exceed the program guidelines.

#### **FY 2017-18 Budget Changes**

- Measure W proceeds are anticipated to increase 3% from prior year projections.
- The State Board of Equalization charges a quarterly administration fee for services associated with collection of the Measure W Public Safety Sales Tax. A sales tax audit contract provides auditing/compliance services to ensure sales tax is properly collected and distributed.
- Measure W will pay for salaries, benefits, and equipment for 24 Police Officer positions in FY 2017-18 assigned to Field Operations Division for street patrol.
- Due to the salary and benefit increases in FY 2017-18, the majority of officer supplies will be funded from other sources to maintain the recommended balance in the Measure W Economic Uncertainty Fund.
- The Program Guidelines include an Economic Uncertainty Fund provision to be funded at 25% of annually budgeted revenues. In FY 2017-18 this would be \$1,286,000.

**Police and Fire Departments  
Measure W - 081(a)  
FY 2017-18 Adopted Budget**

	<b>FY 2014-15</b>	<b>FY 2015-16</b>	<b>FY 2016-17</b>	<b>FY 2017-18</b>
	<b>Actual</b>	<b>Actual</b>	<b>Projected</b>	<b>Adopted Budget</b>
<b>Beginning Available Balance</b>	<b>\$ 2,991,209</b>	<b>\$ 3,049,867</b>	<b>\$ 3,404,851</b>	<b>\$ 2,858,273</b>
<b>Revenues</b>				
<b>Police</b>				
Measure W Sales Tax	4,698,142	4,905,605	4,994,000	5,144,000
Interest	6,084	13,429	6,893	7,500
	<u>4,704,226</u>	<u>4,919,034</u>	<u>5,000,893</u>	<u>5,151,500</u>
<b>Fire</b>				
Measure W Sales Tax	4,698,142	4,905,605	4,994,000	5,144,000
Interest	7,445	17,753	9,107	7,500
	<u>4,705,587</u>	<u>4,923,358</u>	<u>5,003,107</u>	<u>5,151,500</u>
	<b><u>9,409,813</u></b>	<b><u>9,842,392</u></b>	<b><u>10,004,000</u></b>	<b><u>10,303,000</u></b>
<b>Expenditures</b>				
<b>Police</b>				
Salary & Benefits	3,865,830	4,110,723	4,546,368	4,461,868
Services & Supplies	559,624	389,171	398,338	453,349
Administration Overhead	215,787	223,854	243,176	230,127
Capital Outlay	136,556	-	-	-
	<u>4,777,797</u>	<u>4,723,748</u>	<u>5,187,882</u>	<u>5,145,344</u>
<b>Fire</b>				
Salary & Benefits	4,084,454	4,258,743	4,622,435	4,561,723
Services & Supplies	93,087	113,453	148,583	203,086
Administration Overhead	213,147	222,976	244,702	231,142
Capital Outlay	182,670	168,488	346,976	258,180
	<u>4,573,358</u>	<u>4,763,660</u>	<u>5,362,696</u>	<u>5,254,131</u>
	<b><u>9,351,155</u></b>	<b><u>9,487,408</u></b>	<b><u>10,550,578</u></b>	<b><u>10,399,475</u></b>
<b>Transfers</b>				
Transfer In	-	-	-	-
Transfer Out	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Net Annual Activity</b>				
Police	(73,571)	195,286	(186,989)	6,156
Fire	<u>132,229</u>	<u>159,698</u>	<u>(359,589)</u>	<u>(102,631)</u>
	<b><u>58,658</u></b>	<b><u>354,984</u></b>	<b><u>(546,578)</u></b>	<b><u>(96,475)</u></b>
<b>Ending Available Balance</b>	<b><u>\$ 3,049,867</u></b>	<b><u>\$ 3,404,851</u></b>	<b><u>\$ 2,858,273</u></b>	<b><u>\$ 2,761,798</u></b>
<b>Available Balance Calculation</b>				
Current assets		\$ 3,986,742		
Current liabilities		<u>(581,891)</u>		
Ending Available Balance		<b><u>\$ 3,404,851</u></b>		

(a) The portion of Measure W Fund - 081 relating to Fire is also presented in Fire on page E-15.

## POLICE DEPARTMENT

### ASSET SEIZURE FUND (023)

#### History

Asset seizure accounts were established to allow the Police Department to properly manage the proceeds of the sale of seized property under State and Federal forfeiture laws.

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

#### FY 2016-17 Events

- Federal seizure amounts remained low while local seizure amounts increased compared to recent years.
- Funds are being spent on ammunition and SWAT equipment such as protective vests and sniper rifle replacement.

#### FY 2017-18 Budget Changes

- Revenues are projected to maintain at levels experienced in FY 2016-17 based on actual amounts received in prior years and known activity throughout the year. Projected staffing increases in the Special Investigations section should contribute to a higher volume of asset seizure cases; however, payments are largely tied to court proceedings and can still take several years to materialize.
- The level of safety equipment and supply purchases is in line with the availability of cash in the fund.
- Planned purchases in FY 2017-18 include ammunition and equipment for the SWAT Team, EOD and VICE, as well as some replacement investigative software.

**Police Department  
Asset Seizure - 023  
FY 2017-18 Adopted Budget**

	<b>FY 2014-15</b>	<b>FY 2015-16</b>	<b>FY 2016-17</b>	<b>FY 2017-18</b>
	<b>Actual</b>	<b>Actual</b>	<b>Projected</b>	<b>Adopted Budget</b>
<b>Beginning Available Balance</b>	<b>\$ 146,317</b>	<b>\$ 211,448</b>	<b>\$ 228,120</b>	<b>\$ 170,330</b>
<b>Revenues</b>				
State/local seizures	64,942	30,943	83,210	75,000
Federal DOJ seizures	2,200	2,932	-	2,500
Federal Treasury seizures	-	-	-	500
Interest	-	-	1,800	1,800
	<b>67,142</b>	<b>33,875</b>	<b>85,010</b>	<b>79,800</b>
<b>Expenditures</b>				
State/local seizures	2,011	15,042	106,800	100,000
Federal DOJ seizures	-	2,161	28,500	30,000
Federal Treasury seizures	-	-	7,500	19,726
	<b>2,011</b>	<b>17,203</b>	<b>142,800</b>	<b>149,726</b>
<b>Transfers</b>				
Transfer In	-	-	-	-
Transfer Out - 025	-	-	-	-
	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net Annual Activity</b>	<b>65,131</b>	<b>16,672</b>	<b>(57,790)</b>	<b>(69,926)</b>
<b>Ending Available Balance</b>	<b>\$ 211,448</b>	<b>\$ 228,120</b>	<b>\$ 170,330</b>	<b>\$ 100,404</b>
<b>Available Balance Calculation</b>				
Cash and interest receivable		\$ 228,660		
Vouchers payable		(540)		
Ending Available Balance		<b>\$ 228,120</b>		

## **POLICE DEPARTMENT**

### **STATE CITIZENS OPTIONS FOR PUBLIC SAFETY FUND (024)**

#### **History**

- The Citizens Options for Public Safety fund was established by the State of California to assist in funding front line law enforcement activities.
- Funds are predominantly used for equipment and public safety programs. During the years of fiscal uncertainty, the City began funding Community Service Officer personnel from this source.

#### **FY 2016-17 Events**

- The Police Department purchased officer equipment such as body worn camera digital storage, other safety equipment, photographic equipment, evidence identification microscope, and specialized investigations software.
- Two Community Service Officer positions were funded during FY 2016-17.

#### **FY 2017-18 Budget Changes**

- Revenue projections remain stable as staff continues to monitor any available information from the Board of State Community Corrections on potential changes to funding allocations.
- Two Community Service Officer positions remain funded through this source.
- Funds will be used to purchase equipment and supplies that are one-time in nature and do not require ongoing financial support. Purchases slated for this fiscal year include: rifles and duty equipment for sworn personnel. Other anticipated equipment purchases: specialized investigation equipment, mobile command post equipment, upgrades to crime scene evidence collection equipment, and various items for special teams.

**Police Department**  
**State Citizens Options for Public Safety (COPS) - 024**  
**FY 2017-18 Adopted Budget**

	<b>FY 2014-15</b>	<b>FY 2015-16</b>	<b>FY 2016-17</b>	<b>FY 2017-18</b>
	<b>Actual</b>	<b>Actual</b>	<b>Projected</b>	<b>Adopted Budget</b>
<b>Beginning Available Balance</b>	<b>\$ 22,257</b>	<b>\$ 25,941</b>	<b>\$ 730,993</b>	<b>\$ 646,413</b>
<b>Revenues</b>				
State COPS Grant	307,760	426,469	792,243	500,000
Interest	3,684	2,728	4,700	2,500
	<b>311,444</b>	<b>429,197</b>	<b>796,943</b>	<b>502,500</b>
<b>Expenditures</b>				
State COPS Grant	307,760	426,468	881,523	899,790
	<b>307,760</b>	<b>426,468</b>	<b>881,523</b>	<b>899,790</b>
<b>Transfers</b>				
Transfer In	-	-	-	-
Transfer Out	-	-	-	-
	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net Annual Activity</b>	<b>3,684</b>	<b>2,729</b>	<b>(84,580)</b>	<b>(397,290)</b>
<b>Ending Available Balance</b>	<b>\$ 25,941</b>	<b>\$ 28,670</b>	<b>\$ 646,413</b>	<b>\$ 249,123</b>
<b>Available Balance Calculation</b>				
Cash and interest receivable		\$ 737,052		
Accounts Payable		(6,059)		
Ending Available Balance		<b>\$ 730,993</b>		

## **POLICE DEPARTMENT**

### **SPECIAL REVENUE GRANTS FUND (025)**

#### **History**

- This fund maintains and finances certain Police Department activities through special revenues including Federal and State Grants and Supplemental Police Services event contracts.
- This fund is intended to provide accountability for restricted sources of revenue.

#### **FY 2016-17 Events**

- New grants awarded include:
  - State of California Department of Alcoholic Beverage Control – funding for staff costs, training and equipment dedicated to reduction and eradication of alcohol related crimes which includes the sale of alcohol to minors.
  - State of California Board of State and Community Corrections – joint funding with community and faith based organizations intended to strengthen the relationship with the community and reduce shootings and recidivism among these at highest risk of violence using the evidence-based ceasefire initiative, and additional training focused on practice and policy, training, and community engagement.
  - Byrne Memorial Justice Assistance – joint funding with San Joaquin County for continued operations of the Firearms Reduction Consortium, including upgrades for the Integrated Ballistics Identification System, a full-time Firearms Examiner position, training, and overtime for Police, Sheriff, and Probation to conduct firearms missions.
  - Office of Traffic Safety's DUI Enforcement, Distracted Driving and Checkpoints – funded various overtime missions to improve traffic safety.
- Several local businesses and organizations requested additional police services for special events via Supplemental Services Contracts. During FY 2016-17, six organizations are estimated to pay approximately \$110,000 for these services.
- The Community Corrections Partnership Taskforce proactively addresses violent crimes and early-release offenders. Funds cover salaries, overtime, and equipment for Task Force participants from Police Departments of Stockton, Lodi, Manteca, and Tracy as well as the San Joaquin County Sheriff.
- The 2011 Federal COPS Hiring Grant term for 17 entry-level Police Officers completed in December 2016.
- The Police Department began drawing down funding from the 2014 Federal COPS Hiring Grant to partially fund 15 entry-level Police Officer positions. The use of these funds coincides with the fulfillment of the 120 Police Officers in support of the Marshall Plan.

## **POLICE DEPARTMENT**

### **SPECIAL REVENUE GRANT FUND (025) (CONT.)**

#### **FY 2017-18 Budget Changes**

- Per the grant agreement, the 17 Police Officers hired under the 2011 Federal COPS Hiring Grant funds must be retained for at least one additional year and are included in the FY 2017-18 General Fund budget.
- Police Supplemental Service Contracts for event specific overtime assistance continue to be accounted for in this fund. Current contracts include:
  - o Stockton Ports – Thursday, Friday, and Saturday home baseball games
  - o San Joaquin Regional Transit District – Bus fare evasion missions
  - o High School Football – Bear Creek, Lincoln, and McNair
  - o Stone Brothers and Weberstown – Holiday mall shopping
  - o SMG Stockton Arena and the Bob Hope Theatre – Hockey, concerts, and other community events as needed.
  - o San Joaquin County Fairgrounds – special events
- Budget for the Community Corrections Partnership Task Force increased to reflect personnel cost changes implemented in FY 2016-17. This special revenue continues to carry a fund balance for economic uncertainty and sustainability of the task force.
- Overall expenditures in this fund will vary based on the amounts of the grants received during the year.
- The Police Department will continue to partially fund 15 entry-level Police Officer positions with the 2014 Federal COPS Hiring Grant, in conjunction with the 120 Police Officers added to support implementation of the Marshall Plan.



**Police Department  
Special Revenue Grants - 025  
FY 2017-18 Adopted Budget**

	<b>FY 2014-15</b>	<b>FY 2015-16</b>	<b>FY 2016-17</b>	<b>FY 2017-18 Adopted Budget</b>
	<b>Actual</b>	<b>Actual</b>	<b>Projected</b>	
<b>Beginning Available Balance</b>	<b>\$ 32,917</b>	<b>\$ 36,314</b>	<b>\$ 1,647,562</b>	<b>\$ 1,664,329</b>
<b>Revenues</b>				
Federal Grants	2,451,749	2,701,808	2,540,232	1,091,373
State Grants	1,870,065	1,632,981	2,039,617	-
Other Grants	21,643	1,241	-	-
Contract Reimbursements	141,348	127,015	111,356	117,500
Donations	496,622	185,989	5,535	-
Interest	3,397	2,567	-	-
	<b>4,984,824</b>	<b>4,651,601</b>	<b>4,696,740</b>	<b>1,208,873</b>
<b>Expenditures</b>				
Federal Grants	2,451,747	2,762,383	2,610,178	1,091,373
State Grants	1,869,235	1,632,981	2,041,851	-
Other	518,265	185,989	5,535	-
Contract Reimbursements	141,348	127,015	111,356	117,500
	<b>4,980,595</b>	<b>4,708,368</b>	<b>4,768,920</b>	<b>1,208,873</b>
<b>Transfers</b>				
Transfer In - Grant Match				
General Fund - VAWA Match	(832)	60,575	88,947	-
Asset Forfeiture - VAWA Match	-	-	-	-
	<b>(832)</b>	<b>60,575</b>	<b>88,947</b>	<b>-</b>
<b>Net Annual Activity</b>	<b>3,397</b>	<b>3,808</b>	<b>16,767</b>	<b>-</b>
<b>Ending Available Balance</b>	<b>\$ 36,314</b>	<b>\$ 40,122</b>	<b>\$ 1,664,329</b>	<b>\$ 1,664,329</b>
<b>Available Balance Calculation</b>				
Cash and interest receivable		\$ 1,983,315		
Accounts Payable		(335,753)		
Due to Other Governments		-		
Ending Available Balance		<b>\$ 1,647,562</b>		



## **POLICE DEPARTMENT**

### **POLICE SPECIAL REVENUE FUND (645)**

#### **History**

- The Police Department maintains a variety of special revenue programs in this fund. These programs historically provided accounting and management support for activities that are specific to the funding sources, but do not require the same level of oversight as a grant or contract.
- Revenues in this fund are derived from donations or charges for services from programs.
- The Geraldine Schmidt Trust was established to provide a direct benefit to the Stockton Animal Shelter and provides the majority of the Police Special Revenue fund balance.

#### **FY 2016-17 Events**

- Donations for the Cadet Program, miscellaneous equipment and community events are trending upward in comparison to prior years.
- Funds from the Geraldine Schmidt Trust as well as additional grants and donations are allocated for capital improvements at the Animal Shelter, specifically for an upgrade to the electrical panel which will allow for the installation of a portable x-ray machine.

#### **FY 2017-18 Budget Changes**

- Staff continue to review available balances and expend funds for their intended purposes including community events, equipment, and special programs such as Cadets, Sentinels, and Volunteers in Police Service (VIPS).
- The Pet Overpopulation Fund supports Spay and Neuter Clinics under the guidance of a Memorandum of Understanding with the San Francisco Society for the Prevention of Cruelty to Animals. Revenues have been insufficient to cover program expenditures and thus, program activities will cease from this fund until revenues can support the associated costs.

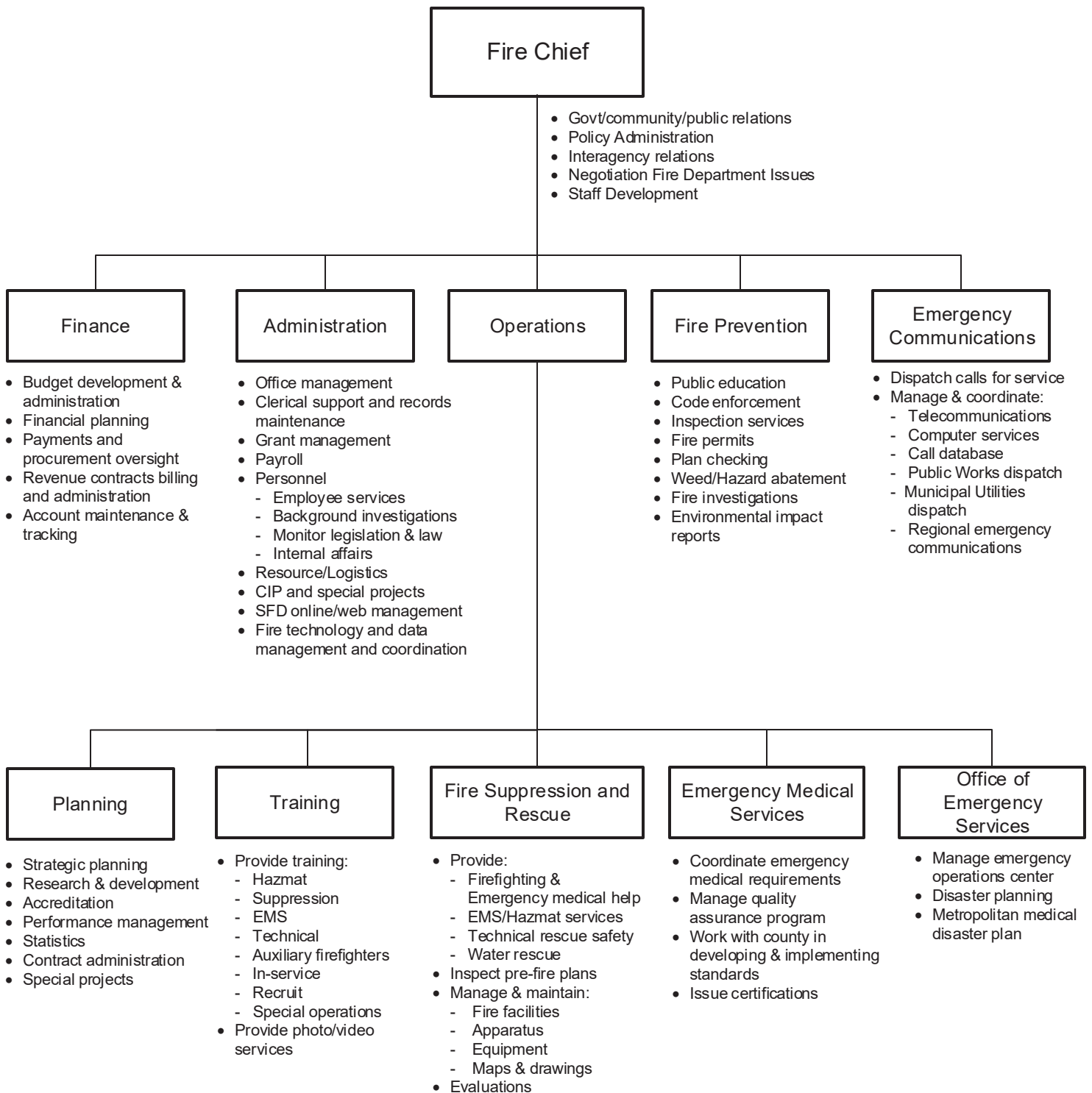
**Police Department**  
**Police Special Revenue - 645**  
**FY 2017-18 Adopted Budget**

	<b>FY 2014-15</b>	<b>FY 2015-16</b>	<b>FY 2016-17</b>	<b>FY 2017-18</b>
	<b>Actual</b>	<b>Actual</b>	<b>Projected</b>	<b>Adopted Budget</b>
<b>Beginning Available Balance</b>	<b>\$ 701,531</b>	<b>\$ 578,040</b>	<b>\$ 492,561</b>	<b>\$ 482,891</b>
<b>Revenues</b>				
Pet Overpopulation Program	166,734	134,759	124,657	126,435
Other Revenue	123,807	31,485	32,670	24,000
	<b>290,541</b>	<b>166,244</b>	<b>157,327</b>	<b>150,435</b>
<b>Expenditures</b>				
Pet Overpopulation Program	411,644	249,790	125,095	-
Miscellaneous Expense	2,388	1,933	11,902	45,599
	<b>414,032</b>	<b>251,723</b>	<b>136,997</b>	<b>45,599</b>
<b>Transfers</b>				
Transfer In	-	-	-	-
Transfer Out - Capital Fund	-	-	(30,000)	(70,000)
	<b>-</b>	<b>-</b>	<b>(30,000)</b>	<b>(70,000)</b>
<b>Net Annual Activity</b>	<b>(123,491)</b>	<b>(85,479)</b>	<b>(9,670)</b>	<b>34,836</b>
<b>Ending Available Balance</b>	<b>\$ 578,040</b>	<b>\$ 492,561</b>	<b>\$ 482,891</b>	<b>\$ 517,727</b>
<b>Available Balance Calculation</b>				
Cash		\$ 505,410		
Vouchers Payable		(12,849)		
Ending Available Balance		<b>\$ 492,561</b>		



## TAB 5 FIRE





# FIRE DEPARTMENT





## FIRE DEPARTMENT

### MISSION STATEMENT

The Stockton Fire Department is committed to providing excellent emergency and non-emergency customer service. Our dedicated members ensure a safe community through public education, prevention, and aggressive fire suppression and rescue activities.

### Budget at a Glance:

Total Expenditures	\$52,356,545
Total Revenues	\$14,421,492
Total Net Cost	\$37,935,053
Total Staff	211

### DEPARTMENT DESCRIPTION

The Fire Department is responsible for fire protection and emergency medical services in the City of Stockton as well as four bordering county fire districts that contract with the City for services (Boggs Tract, Eastside, Lincoln and Tuxedo-Country Club).

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

Administrative Division provides overall policy direction and management support for the department including office administration, finance, planning and logistics.

Operations Division provides emergency and non-emergency services to the community and contract agencies including fire suppression, emergency responses, mitigation of hazardous materials incidents, technical rescue, urban search and rescue, water and dive rescue, arson investigations and routine fire prevention inspections.

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

Training Division maintains technical and operational proficiency in the suppression division through ongoing prescriptive training ensuring compliance with all statutory mandates and adjusts its programs to best prepare staff for a constantly changing work environment.

Emergency Communications Division serves as a regional dispatch center for the San Joaquin County Regional Fire Dispatch Authority and processes fire and emergency medical calls to dispatch crews for Stockton, Lodi, Manteca, Tracy and Lathrop. The Fire Department dispatch center also processes after hours calls for Stockton's Municipal Utilities and Public Works departments.

## FIRE DEPARTMENT

### KEY CONSIDERATIONS

In 2016, the Stockton Fire Department responded to more than 42,000 incidents, including 19,300 rescue and emergency medical service responses, 2,566 fires, 539 hazardous conditions, and other calls for emergency services.

#### Computer Equipment, Software and Technology

The City Council approved the purchase of a fire computer aided dispatch (CAD) system module in October 2016 to replace outdated software and meet the integration and functional needs of the dispatch center. The Fire CAD module enables the receipt and management of 9-1-1 calls for service from the public. The Fire CAD System Upgrade project has been initiated and is tentatively scheduled for completion by December 2017. The State of California Emergency Communications Branch approved approximately \$400,000 for the Stockton Dispatch Center to replace and upgrade the 9-1-1 emergency communications systems, services and equipment. This allotment will be used in FY 2017-18.

Mobile routers were installed to provide internet connectivity on all front-line Fire apparatus to broadcast and receive signals on computer and telephone devices. The routers allow for the effective utilization of various devices and provide the functionality of Automatic Vehicle Locator, which allow CAD and other units to locate an apparatus in real time and dispatch the closest unit to respond to any particular emergency call.

**Fire Apparatus and Equipment** In February, 2017, Stockton City Council approved the purchase and financing of two fire engines and one ladder truck, both of which are beyond the City's 15-year Heavy Fire Vehicle Replacement Plan useful life. The department continues to work with the Public Works Fleet Division to implement a comprehensive maintenance and replacement schedule for all Fire apparatus.

A grant was received to purchase a Hazardous Material (HazMat) Emergency Response Vehicle to replace an 18 year old vehicle. This commercial HazMat response vehicle was acquired with a Federal Emergency Management Agency grant, which required a 25% local match.

In collaboration with the Information Technology Department, 148 modern portable and mobile radios (71% of Fire Department's radio equipment inventory) were purchased to replace existing units that are beyond their useful lives.

**Capital Improvements** Projects are in progress for station repairs and improvements including: (1) Fire Station No. 2 kitchen, burn room, engine bay and driveway; and (2) Fire Station No. 4 kitchen. Fire Station No. 10 driveway repair and improvement project was completed in 2016. The proposed FY 2017-18 Capital Improvement Plan includes funding for the Fire Stations Security Systems project. This project will provide security card access systems to all 13 fire stations to increase security and safety of fire personnel and equipment. Other projects for renovation and repair of fire facilities continue to be deferred due to lack of funds.

**Emergency Communications** Under an operating agreement with the San Joaquin County Regional Fire Dispatch Authority (Authority), the City began providing dispatch and administrative services to the Authority's members effective July 1, 2016. A budget for emergency communications (dispatch) operations, separate from the General Fund, has been created to track all expenses associated with the operating agreement.

## FIRE DEPARTMENT

**Fire Personnel** Staffing continues to be a key issue in the department as trained and experienced firefighters retire or separate. Six percent of the sworn Fire Department positions were vacant in FY 2016-17. A fire training academy was conducted in FY 2016-17 and graduated 10 new Stockton firefighters. Another academy to fill additional expected vacancies is scheduled to be conducted in FY 2017-18. The FY 2017-18 budget includes \$400,000 to cover costs of wages, instructors, training materials, and certifications of an academy.

**Special Operations** The Water Rescue, Hazardous Materials, Wildland Fire, Tactical Emergency Medical Services, Disaster Preparedness and Urban Search and Rescue teams provide diverse and complex situation emergency services that are outside the scope of typical emergency calls through advanced and specialized training, equipment, organization and teamwork. These teams are staffed with existing Fire personnel with specialized training and tools that require regular maintenance to ensure that local, state, and federal mandates and discretionary service levels are maintained.

The department continues to send Special Operations teams to training to maintain the required skills and update staff certifications. Safety training mandated by CalOSHA and CA State Fire Training classes were conducted by the Training Division. The FY 2017-18 Budget includes \$280,000 for training and additional equipment for the special operations teams.

**Mutual Aid Arrangements** provide timely, coordinated, and less costly access resources for major emergencies. Requests from the State for the deployment of Stockton Fire Department resources to provide emergency assistance for wildland fires increased in the past three years. The department accommodates such requests when possible. The cost of resources deployed to these incidents are fully reimbursed by the requesting federal or state agency.

**Safe and Sane Fireworks** In an effort to decrease the possession and use of illegal fireworks, the FY 2017-18 Budget includes expenditure appropriations of \$90,000 for public awareness and enforcement of the City regulations.

**Fire Department**  
**FY 2017-18 Adopted Budget**

	<b>General Fund 010</b>	<b>Emergency Communication 042</b>	<b>Development Services 048</b>	<b>Measure W 081</b>
	<i>See Page E-8</i>	<i>See Page E-11</i>	<i>See Page E-13</i>	<i>See Page E-15</i>
<b>Beginning Available Balance</b>		<b>\$ -</b>		
<b>Revenues</b>				
Taxes	-	-	-	5,144,000
Program Revenue	4,183,619	2,880,023	2,206,350	-
Donations	-	-	-	-
Other Revenue	-	-	-	7,500
	<b>4,183,619</b>	<b>2,880,023</b>	<b>2,206,350</b>	<b>5,151,500</b>
<b>Expenditures</b>				
Salary & Benefits	31,463,062	2,186,010	-	4,561,723
Services & Supplies	10,499,177	524,764	-	203,086
Administration Overhead	-	169,249	-	231,142
Fire Prevention & Education	-	-	2,044,265	-
Capital Outlay	143,000	-	-	258,180
	<b>42,105,239</b>	<b>2,880,023</b>	<b>2,044,265</b>	<b>5,254,131</b>
<b>Transfers</b>				
Transfer In	-	-	-	-
Transfer Out	-	-	-	-
	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net Annual Activity</b>	<b>(37,921,620)</b>	<b>-</b>	<b>162,085</b>	<b>(102,631)</b>
<b>Ending Available Balance</b>		<b>\$ -</b>		
	-	-	-	-

**Fire Department, Continued**  
**FY 2017-18 Adopted Budget**

	<b>Special Revenue 646</b>	<b>Fire Total</b>
	<i>See Page E-17</i>	
<b>Beginning Available Balance</b>	<b>\$ 72,887</b>	
<b>Revenues</b>		
Taxes	-	5,144,000
Program Revenue	-	9,269,992
Donations	-	-
Other Revenue	-	7,500
	<u>-</u>	<u>14,421,492</u>
<b>Expenditures</b>		
Salary & Benefits	-	38,210,795
Services & Supplies	72,887	11,299,914
Administration Overhead	-	400,391
Fire Prevention & Education	-	2,044,265
Capital Outlay	-	401,180
	<u>72,887</u>	<u>52,356,545</u>
<b>Transfers</b>		
Transfer In	-	-
Transfer Out	-	-
	<u>-</u>	<u>-</u>
<b>Net Annual Activity</b>	<u>(72,887)</u>	<u>(37,935,053)</u>
<b>Ending Available Balance</b>	<u>\$ -</u>	
	-	-
	Revenues	\$ 14,421,492
	Transfers	-
	Total Sources	<u>\$ 14,421,492</u>
	Expenditures	\$ 52,356,545
	Transfers	-
	Total Appropriations	<u>\$ 52,356,545</u>
		-

**Fire Department  
General Fund - 010  
FY 2017-18 Adopted Budget**

	<b>FY 2014-15</b>	<b>FY 2015-16</b>	<b>FY 2016-17</b>	<b>FY 2017-18</b>
	<b>Actual</b>	<b>Actual</b>	<b>Current Budget</b>	<b>Adopted Budget</b>
<b>Total Fire Department</b>				
Employee Services	\$ 29,746,275	\$ 31,560,689	\$ 31,592,653	\$ 31,463,062
Other Services	4,486,589	4,859,234	6,996,237	7,163,020
Materials and Supplies	1,183,527	961,177	1,168,856	1,090,038
Other Expenses	1,449,868	1,598,619	2,390,917	2,246,119
Capital Outlay	178,429	129,203	731,900	143,000
Total	<u>\$ 37,044,688</u>	<u>\$ 39,108,922</u>	<u>\$ 42,880,563</u>	<u>\$ 42,105,239</u>
<b>Administration</b>				
Employee Services	1,590,032	1,442,793	1,943,568	2,114,246
Other Services	476,847	498,734	743,165	484,425
Materials and Supplies	18,294	25,779	23,240	25,697
Other Expenses	1,376,636	1,368,155	1,378,669	1,378,469
Total	<u>3,461,809</u>	<u>3,335,461</u>	<u>4,088,642</u>	<u>4,002,837</u>
<b>Fire Suppression</b>				
Employee Services	25,559,827	27,064,498	28,187,156	28,340,969
Other Services	3,299,551	3,715,836	4,156,086	4,151,452
Materials and Supplies	1,127,825	864,424	1,100,917	1,006,722
Other Expenses	725	2,506	384,410	5,800
Capital Outlay	158,543	129,203	164,900	143,000
Total	<u>30,146,471</u>	<u>31,776,467</u>	<u>33,993,469</u>	<u>33,647,943</u>
<b>Safe and Sane Fireworks Program</b>				
Employee Services	-	-	49,500	79,833
Other Services	-	-	-	-
Materials and Supplies	-	-	8,500	10,167
Other Expenses	-	-	-	-
Total	<u>-</u>	<u>-</u>	<u>58,000</u>	<u>90,000</u>
<b>Training/Emergency Services</b>				
Employee Services	843,595	1,137,105	1,175,888	795,048
Other Services	107,790	118,654	194,839	521,307
Materials and Supplies	21,607	55,613	31,941	47,452
Other Expenses	68,125	227,634	627,838	861,850
Capital Outlay	19,886	-	-	-
Total	<u>1,061,003</u>	<u>1,539,006</u>	<u>2,030,506</u>	<u>2,225,657</u>
<b>Dispatch</b>				
Employee Services	1,752,821	1,916,293	236,541	132,966
Other Services	602,401	526,010	1,902,147	2,005,836
Materials and Supplies	15,801	15,361	4,258	-
Other Expenses	4,382	324	-	-
Capital Outlay	-	-	567,000	-
Total	<u>2,375,405</u>	<u>2,457,988</u>	<u>2,709,946</u>	<u>2,138,802</u>





## **FIRE DEPARTMENT**

### **EMERGENCY COMMUNICATIONS FUND (042)**

#### **History**

- Stockton is self-reliant for dispatch services. The dispatch unit processes fire, and emergency medical calls and provides after-hours dispatch for the Stockton Municipal Utilities and Public Works Departments.
- In October, 2015, the San Joaquin County Regional Fire Dispatch Authority (Authority), was created by the cities of Stockton, Lodi, Manteca, and the Lathrop-Manteca Fire District to provide dispatch services to its members. The City of Tracy joined the Authority effective July 1, 2016.
- The Authority contracts with the City of Stockton to provide regional emergency and non-emergency dispatch services to Authority members, and administrative and financial services to Authority management.
- The 042 Emergency Communications Fund is the accounting mechanism used to capture the revenue and expenditures of the dispatch activities and the cost to provide the contracted services. This structure allows for more accurate and efficient administration and reporting of the operations subject to the JPA agreement.

#### **FY 2016-17 Events**

- Beginning July 1, 2016, under an operating agreement with the Authority, the City of Stockton began providing dispatch and administrative services to the member agencies.
- Initiated recruitment of a non-sworn Emergency Communications Manager who will be responsible for the overall management and operations of the division.
- Contracted project management services for the Fire Computer Aided Dispatch system module upgrade.
- Re-accreditation of the Stockton Fire Dispatch Center as the 129<sup>th</sup> Center of Excellence with the International Academy of Emergency Dispatchers.
- Stockton Fire Dispatch Center received an average of 231 service calls daily in 2016 or a 59% increase in daily service call volume from prior year.

#### **FY 2017-18 Budget Changes**

- The proposed FY 2017-18 budget of the Stockton Fire Department Fire Dispatch Division reflects an increase of approximately 10% from the prior year primarily due to increased salary and benefit rates and an allocation of indirect costs.

**Fire Department  
Emergency Communications - 042  
FY 2017-18 Adopted Budget**

	<b>FY 2014-15</b>	<b>FY 2015-16</b>	<b>FY 2016-17</b>	<b>FY 2017-18</b>
	<b>Actual</b>	<b>Actual</b>	<b>Projected</b>	<b>Adopted Budget</b>
<b>Beginning Available Balance</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Revenues</b>				
Contract Revenue	-	-	2,447,825	2,736,526
Reimbursements	-	-	148,589	143,497
	<b>-</b>	<b>-</b>	<b>2,596,414</b>	<b>2,880,023</b>
<b>Expenditures</b>				
Salary & Benefits	-	-	1,985,119	2,186,010
Services & Supplies	-	-	512,802	524,764
Utilities & Maintenance	-	-	95,079	95,000
Other Expenses	-	-	3,414	74,249
	<b>-</b>	<b>-</b>	<b>2,596,414</b>	<b>2,880,023</b>
<b>Transfers</b>				
Transfer In	-	-	-	-
Transfer Out	-	-	-	-
	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net Annual Activity</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Ending Available Balance</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Available Balance Calculation</b>				
Current assets		\$ -		
Current liabilities		-		
Ending Available Balance		<b>\$ -</b>		

## **FIRE DEPARTMENT**

### **DEVELOPMENT SERVICES FUND FIRE PREVENTION (048)**

#### **History**

- Fire Prevention Division inspects various operations, industrial and commercial buildings, and multi-family dwellings for California Fire Code compliance and life safety. The Fire Prevention Division budget as presented in this section is a portion of the larger Development Services Fund (048).
- Fees for fire prevention inspections and technical services such as plan checking and managing fire code operational permits finance the operations of the Division.

#### **FY 2016-17 Events**

- Processed 398 new operational fire permits, completed 413 plan checks, and conducted 360 special fire inspections in 2016.
- One additional full-time Fire Prevention Inspector was approved in the FY 2016-17 Annual Budget. This position is filled and assists in the completion of required annual fire inspections within the City's jurisdiction.
- The vacant Fire Prevention Manager position was reclassified to a Fire Battalion Chief. This position, also known as Fire Marshal, has been filled and will manage and oversee the operations of the division.
- Updated fire prevention inspection area boundaries to aide in the accuracy and completeness of the inspection program.
- Participated in 48 Public Education Safety outreach activities and presentations reaching approximately 52,000 citizens.

#### **FY 2017-18 Budget Changes**

- Continue to implement technology upgrades and recommendations developed from the Data Assessment Project to automate and improve data management and reporting systems including billing and permit processing, tracking and maintenance of occupancy, permit and inspection records and activities.
- One additional Fire Prevention Inspector position is added in the FY 2017-18 Annual Budget to further reduce backlog and to perform required state-mandated annual fire inspections within the City's jurisdiction.
- Revenue projections for FY 2017-18 are based on the current fee structure.

**Fire Department  
Development Services - 048 (a)  
FY 2017-18 Adopted Budget**

	<b>FY 2014-15</b>	<b>FY 2015-16</b>	<b>FY 2016-17</b>	<b>FY 2017-18</b>
	<b>Actual</b>	<b>Actual</b>	<b>Projected</b>	<b>Adopted Budget</b>
<b>Revenues</b>				
Fire Prevention				
User Fees	\$ 1,652,627	\$ 2,378,431	\$ 2,114,393	\$ 2,145,267
Safe & Sane Fireworks Program	25,840	26,085	-	-
Fines & Penalties/Misc.	59,710	72,242	60,550	57,958
Sale of Goods	-	3,170	4,915	3,125
	<u><b>1,738,177</b></u>	<u><b>2,479,928</b></u>	<u><b>2,179,858</b></u>	<u><b>2,206,350</b></u>
<b>Expenditures</b>				
Fire Prevention				
Fire Prevention	1,486,775	1,225,947	1,531,247	2,034,054
Fire Public Education	34,451	33,663	368,680	10,211
Safe & Sane Fireworks Program	28,764	27,862	29,493	-
	<u><b>1,549,990</b></u>	<u><b>1,287,472</b></u>	<u><b>1,929,420</b></u>	<u><b>2,044,265</b></u>
<b>Transfers</b>				
Transfer In	-	-	-	-
Transfer Out	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Net Annual Activity</b>	<u><b>\$ 188,187</b></u>	<u><b>\$ 1,192,456</b></u>	<u><b>\$ 250,438</b></u>	<u><b>\$ 162,085</b></u>

(a) The total Development Services Fund - 048 is presented with the Community Development Department budget on page H-9.

## **FIRE DEPARTMENT**

### **MEASURE W FUND (081)**

#### **History**

- Stockton's voters approved Measure W in November, 2004 authorizing an additional ¼ cent sales transactions and use tax.
- Funds collected are used to provide public safety services in the City of Stockton.
- The Fire Department is allocated 50% of the tax proceeds. Funds are currently used to provide staffing at Fire Company No. 3 (southeast Stockton), Fire Company No. 4, (central Stockton), Fire Company No. 13 (northeast Stockton), Alternative Response Program and other fire services.
- Measure W funded salaries and benefits for 25 firefighter positions for the past five years.

#### **FY 2016-17 Events**

- The budget projection reflects an ending fund balance of approximately \$1.5 million for the Fire Department, which is within the Measure W guidelines to mitigate economic uncertainties.

#### **FY 2017-18 Budget Changes**

- Measure W Tax revenues are projected to increase 3% from the prior year.
- The 25 Measure W firefighter positions will be assigned to Fire Companies 3, 4 and 13.
- Expected vacancies created by separation or retirement of existing Firefighters will likely be filled with new Firefighters with less seniority who receive lower compensation, resulting in a temporary decrease in overall salary and benefit costs.
- One-time funding to equip and outfit one new ladder truck and two fire engines scheduled for completion and delivery in FY 2017-18 is incorporated in the annual budget.

**Fire Department  
Measure W - 081 (a)  
FY 2017-18 Adopted Budget**

	<b>FY 2014-15</b>	<b>FY 2015-16</b>	<b>FY 2016-17</b>	<b>FY 2017-18</b>
	<b>Actual</b>	<b>Actual</b>	<b>Projected</b>	<b>Adopted Budget</b>
<b>Revenues</b>				
Measure W Sales Tax	\$ 4,698,142	\$ 4,905,605	\$ 4,994,000	\$ 5,144,000
Interest	7,445	17,753	9,107	7,500
	<u><b>4,705,587</b></u>	<u><b>4,923,358</b></u>	<u><b>5,003,107</b></u>	<u><b>5,151,500</b></u>
<b>Expenditures</b>				
Salary & Benefits	4,084,454	4,258,743	4,622,435	4,561,723
Services & Supplies	93,087	113,453	148,583	203,086
Administration Overhead	213,147	222,976	244,702	231,142
Capital Outlay	182,670	168,488	346,976	258,180
	<u><b>4,573,358</b></u>	<u><b>4,763,660</b></u>	<u><b>5,362,696</b></u>	<u><b>5,254,131</b></u>
<b>Transfers</b>				
Transfer In	-	-	-	-
Transfer Out	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Net Annual Activity</b>	<u><b>\$ 132,229</b></u>	<u><b>\$ 159,698</b></u>	<u><b>\$ (359,589)</b></u>	<u><b>\$ (102,631)</b></u>

(a) The total Measure W Fund - 081 is presented with the Police Department budget on page D-11.

## **FIRE DEPARTMENT**

### **FIRE SPECIAL REVENUE FUND (646)**

#### **History**

- The Fire Department receives donations that have been used for materials, supplies, equipment, training and safety awareness expenses that are not funded within the General Fund operating budget.

#### **FY 2016-17 Events**

- Current year purchases are expected to total \$32,500, and include training materials for firefighters and small equipment for facilities.
- \$73,000 is expected to remain at the end of the fiscal year.

#### **FY 2017-18 Budget Changes**

- The projected available balance is fully appropriated in anticipation of costs for specialized dive and water rescue training, equipment for the DOT licensure classroom, crash site tools, and facility repairs.

**Fire Department  
Special Revenue - 646  
FY 2017-18 Adopted Budget**

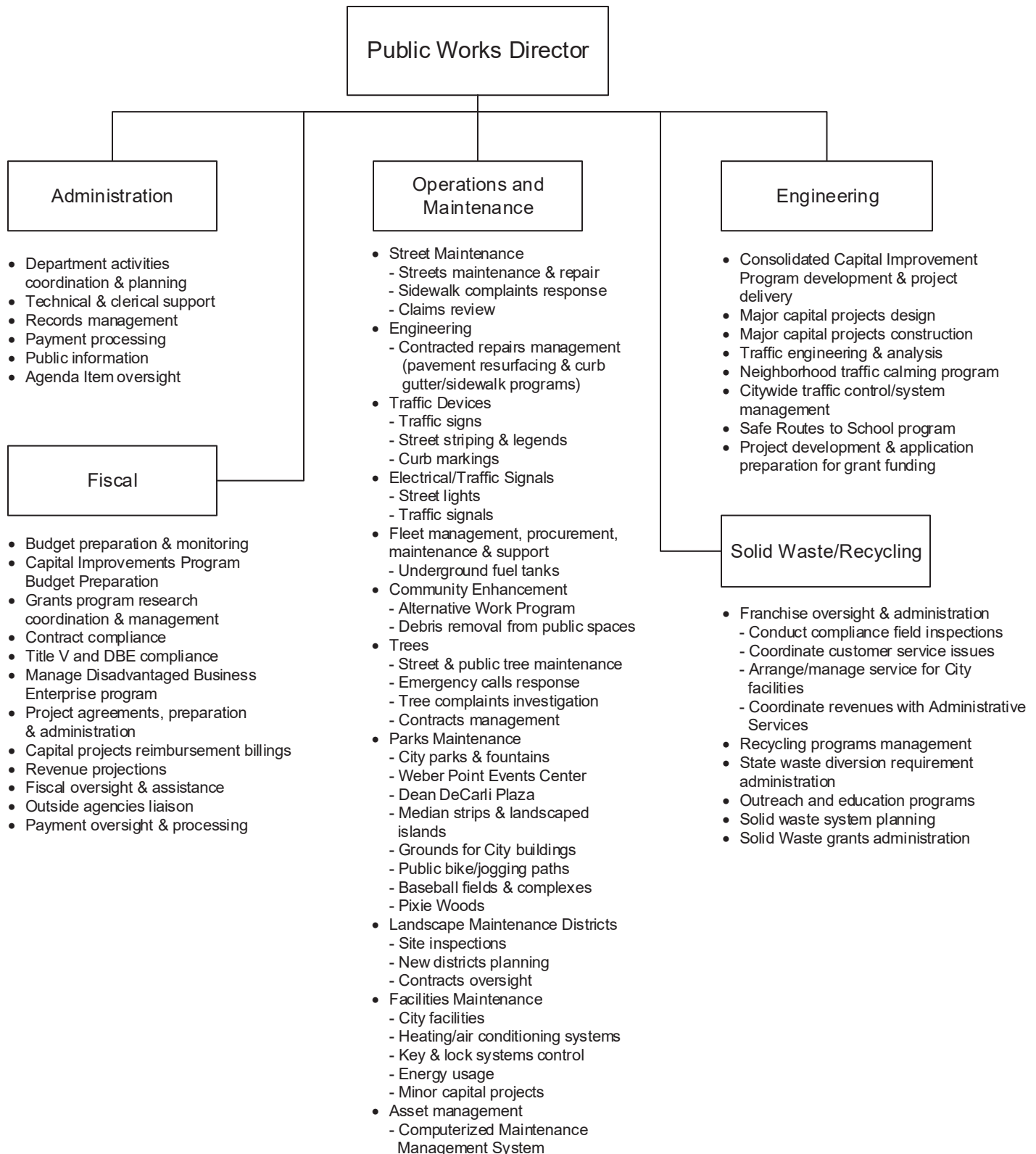
	<b>FY 2014-15</b>	<b>FY 2015-16</b>	<b>FY 2016-17</b>	<b>FY 2017-18 Adopted Budget</b>
	<b>Actual</b>	<b>Actual</b>	<b>Projected</b>	
<b>Beginning Available Balance</b>	<b>\$ 140,642</b>	<b>\$ 149,254</b>	<b>\$ 105,376</b>	<b>\$ 72,887</b>
<b>Revenues</b>				
Program Revenue	38,893	-	-	-
Donations	1,025	2,000	-	-
Other Revenue	2,968	530	-	-
	<b>42,886</b>	<b>2,530</b>	<b>-</b>	<b>-</b>
<b>Expenditures</b>				
Program Expenses	34,274	46,408	32,489	72,887
	<b>34,274</b>	<b>46,408</b>	<b>32,489</b>	<b>72,887</b>
<b>Transfers</b>				
Transfer In	-	-	-	-
Transfer Out - Grant Fund - 020	-	-	-	-
	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net Annual Activity</b>	<b>8,612</b>	<b>(43,878)</b>	<b>(32,489)</b>	<b>(72,887)</b>
<b>Ending Available Balance</b>	<b>\$ 149,254</b>	<b>\$ 105,376</b>	<b>\$ 72,887</b>	<b>\$ -</b>
<b>Available Balance Calculation</b>				
Current assets		\$ 105,553		
Current liabilities		(177)		
Ending Available Balance		<b>\$ 105,376</b>		





## TAB 6 PUBLIC WORKS





# PUBLIC WORKS DEPARTMENT



## PUBLIC WORKS DEPARTMENT

### MISSION STATEMENT

Plan, design, build, and maintain public works for residents, businesses, and departments of the City of Stockton to meet their needs and expectations with pride and professionalism in a cost-effective manner.

### Budget at a Glance:

Total Expenditures	\$49,596,081
Total Revenues	\$35,083,912
Total Net Cost	\$14,512,169
Total Staff	157

### DEPARTMENT DESCRIPTION

Public Works is comprised of five divisions: Engineering, Solid Waste/Recycling, Operations and Maintenance, Fiscal and Administration.

Engineering oversees traffic engineering, traffic system management and delivery of the City's Capital Improvement Program (CIP) projects.

Solid Waste and Recycling manage recycling programs and oversight of the City's franchise agreements. These programs include:

- Recycling education and outreach.
- 3-cart residential trash, recycling, and green/food waste composting.
- Neighborhood "Clean Sweep".
- Construction/demolition, multi-family housing, and business recycling.
- Food waste composting.

This division also oversees contracted street sweeping services, manages garbage, recycling and special waste services for City facilities, and coordinates services for community cleanups and events. These activities are funded by fees from the franchised hauler gross rate revenues.

Operations and Maintenance is responsible for maintaining transportation infrastructure, parks, trees, Landscape and Lighting Assessment Districts, City facilities, and the City fleet.

- Transportation infrastructure maintenance is funded by State Gas Tax and Measure K Maintenance monies and responsibilities include maintenance, repair and replacement of:
  - 763 miles of roads.
  - Over 1,200 miles of sidewalk, pavement striping and markings.
  - More than 16,000 regulatory/warning signs.
- The Community Enhancement program removes weeds, debris, and graffiti from public spaces.
- Manages contracts for over 2.0 million square feet of median and streetscape landscape maintenance, alley maintenance, and weed spraying.
- The Landscape Maintenance Assessment District function provides maintenance services to 27 separate zones where fees are collected from benefiting properties. Services include landscaping and irrigation work for streetscapes and medians, painting and repair of walls, landscape/janitorial services at 12 parks, and street lighting repair and electricity costs.

## PUBLIC WORKS DEPARTMENT

- Maintains and pays the electrical power costs for over 19,000 street lights and 308 traffic signals.
- Fleet operations are funded by rental rates charged to user departments. Fleet services include:
  - Maintaining and replacing the City's mixed fleet of approximately 1,000 vehicles and equipment.
  - Providing preventive maintenance inspections to full engine rebuilds, specialized auto body repairs, and vehicle setups. This work is performed either by an in-house team of mechanics and specialists or by outside vendors.
  - Replacing aging vehicles and equipment including police vehicles, heavy fire equipment, and large construction units.

Fiscal and Administration provides management support for the department, which includes office administration and finance.

Public Works' budget consists mainly of restricted funding sources augmented by General Fund monies. The General Fund is used for parks, trees, facilities, and administrative expenses comprising of:

- Maintenance, minor repairs, and capital replacements for 800,000 square feet of City buildings at 60 sites, including janitorial, grounds maintenance, roof maintenance, HVAC, plumbing, carpentry, and key/alarm control services.
- Contracted maintenance services at 50 parks, including janitorial, landscape, vandalism repair, and irrigation work.
- Maintenance of approximately 98,000 trees along streets and in parks, with services limited to safety trimming and emergency response using a combination of City and contracted personnel.

Gas Tax and Measure K Maintenance funds support traffic engineering, traffic system management, and delivery of the various projects in the Capital Improvement Program. The budget for the capital function is separate from, and in addition to, the operating budget. Public Works staff seek out and secure various capital grants, without which, the needed capital improvements could not be completed. Measure K Maintenance and developer fee revenues provide important matching funds for capital projects grants.

### KEY CONSIDERATIONS

**Maintaining the City's infrastructure** is increasingly difficult as our assets age and long term replacement is deferred due to funding limitations. The demand for routine and emergency maintenance increases annually as aging infrastructure is kept in service beyond its useful life. Preventative maintenance has been reduced due to the increased demand for breakdown repair. This is the case in all Public Works maintenance categories of transportation, buildings, parks, and the urban forest. In addition, the cost of utilities and contracted services are not controlled by the City, and cost increases are ultimately absorbed by the City.

**Vandalism and wire theft** is frequent and expenditures in these areas drain resources that could otherwise be used to replace outdated or damaged equipment and infrastructure. The estimated backlog of needed repairs is currently \$1.2 million.

## PUBLIC WORKS DEPARTMENT

**Transportation maintenance** receives revenue from State Gas Tax and Measure K. Maintenance activities are focused on high priority safety and pavement preservation tasks, and funding for capital projects has been limited in recent years. Recent approval of a transportation funding package by the State will result in additional funding for transportation system maintenance in future years. However, the new revenue in the first year of the state funding program, FY 2017-18, will not be a significant increase over prior years.

The Public Works General Fund budget also includes additional funding for limited janitorial services at community centers and other City facilities.



**Public Works Department  
FY 2017-18 Adopted Budget**

	<b>General Fund 010</b>	<b>Street Maintenance Gas Tax 030</b>	<b>Measure K Street Maintenance 082</b>	<b>Solid Waste Recycling 047</b>
	<i>See Page F-8</i>	<i>See Page F-11</i>	<i>See Page F-13</i>	<i>See Page F-15</i>
<b>Beginning Available Balance</b>		<b>\$ 1,856,238</b>	<b>\$ 4,978,872</b>	<b>\$ 1,196,996</b>
<b>Revenues</b>				
State Gas Tax	-	8,583,281	-	-
Measure K Sales Tax	-	-	5,083,224	-
User Fees	-	-	-	1,440,983
Interfund Project Charges	-	-	-	-
Other Revenue	29,680	10,000	60,000	5,000
	<b>29,680</b>	<b>8,593,281</b>	<b>5,143,224</b>	<b>1,445,983</b>
<b>Expenditures</b>				
Salary and benefits	4,800,888	4,446,431	-	1,370,524
Operating expenses	6,999,823	4,380,878	2,635,000	710,217
Debt service	-	-	-	-
Capital projects	-	50,000	2,898,192	-
	<b>11,800,711</b>	<b>8,877,309</b>	<b>5,533,192</b>	<b>2,080,741</b>
<b>Transfers</b>				
Transfer In	-	-	-	-
Transfer Out	-	-	-	-
	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net Annual Activity</b>	<b>(11,771,031)</b>	<b>(284,028)</b>	<b>(389,968)</b>	<b>(634,758)</b>
<b>Ending Available Balance</b>		<b>\$ 1,572,210</b>	<b>\$ 4,588,904</b>	<b>\$ 562,238</b>
		-	-	-

**Public Works Department, Continued**  
**FY 2017-18 Adopted Budget**

	<b>Lighting Maintenance 071</b>	<b>Assessment District Maintenance 072</b>	<b>Capital Project Administration 399/999</b>	<b>Fleet Services 501</b>	<b>Public Works Total</b>
	<i>See Page F-17</i>	<i>See Page F-19</i>		<i>See Page N-10</i>	
	<b>\$ 285,398</b>	<b>\$ 9,984,093</b>	<b>\$ -</b>	<b>\$ 1,768,130</b>	
<b>Revenues</b>					
State Gas Tax	-	-	-	-	8,583,281
Measure K Sales Tax	-	-	-	-	5,083,224
User Fees	15,821	3,103,446	-	11,907,681	16,467,931
Interfund Project Charges	-	-	4,651,926	-	4,651,926
Other Revenue	1,620	60,000	-	131,250	297,550
	<b>17,441</b>	<b>3,163,446</b>	<b>4,651,926</b>	<b>12,038,931</b>	<b>35,083,912</b>
					-
<b>Expenditures</b>					
Salary and benefits	15,821	-	4,651,926	-	15,285,590
Operating expenses	-	3,920,297	-	8,543,935	27,190,150
Debt service	-	-	-	782,937	782,937
Capital projects	-	-	-	3,000,000	5,948,192
	<b>15,821</b>	<b>3,920,297</b>	<b>4,651,926</b>	<b>12,326,872</b>	<b>49,206,869</b>
					-
<b>Transfers</b>					
Transfer In	-	-	-	-	-
Transfer Out	-	(7,212)	-	(382,000)	(389,212)
	-	<b>(7,212)</b>	-	<b>(382,000)</b>	<b>(389,212)</b>
<b>Net Annual Activity</b>	<b>1,620</b>	<b>(764,063)</b>	<b>-</b>	<b>(669,941)</b>	<b>(14,512,169)</b>
					-
	<b>\$ 287,018</b>	<b>\$ 9,220,030</b>	<b>\$ -</b>	<b>\$ 1,098,189</b>	
	-	-	-	-	
					Revenues
					\$ 35,083,912
					Transfers
					-
					<b>Total Sources</b>
					<b>\$ 35,083,912</b>
					Expenditures
					\$ 49,206,869
					Transfers
					389,212
					<b>Total Appropriations</b>
					<b>\$ 49,596,081</b>

**Public Works Department  
General Fund - 010  
FY 2017-18 Adopted Budget**

	<b>FY 2014-15</b>	<b>FY 2015-16</b>	<b>FY 2016-17</b>	<b>FY 2017-18</b>
	<b>Actual</b>	<b>Actual</b>	<b>Current Budget</b>	<b>Adopted Budget</b>
<b>Total Public Works Department</b>				
Employee Services	\$ 2,758,708	\$ 3,626,325	\$ 4,658,920	\$ 4,800,888
Other Services	4,438,869	4,602,723	7,002,380	6,175,872
Materials and Supplies	576,992	855,912	1,447,207	747,751
Other Expenses	26,315	40,582	80,740	76,200
Capital Outlay	-	57,893	-	-
Total	<u>\$ 7,800,884</u>	<u>\$ 9,183,435</u>	<u>\$ 13,189,247</u>	<u>\$ 11,800,711</u>
<b>Administration</b>				
Employee Services	245,325	413,034	354,558	384,874
Other Services	249,394	260,865	421,182	396,385
Materials and Supplies	2,619	47,198	8,950	8,505
Other Expenses	7,252	10,163	14,300	14,600
Capital Outlay	-	16,463	-	-
Total	<u>504,590</u>	<u>747,723</u>	<u>798,990</u>	<u>804,364</u>
<b>Operations &amp; Maintenance</b>				
Employee Services	208,220	873,849	945,948	1,020,122
Other Services	220,054	360,840	473,482	371,775
Materials and Supplies	8,540	260,260	718,321	30,796
Other Expenses	1,270	4,797	12,300	12,300
Total	<u>438,084</u>	<u>1,499,746</u>	<u>2,150,051</u>	<u>1,434,993</u>
<b>Parks &amp; Street Trees</b>				
Employee Services	1,137,511	1,028,845	1,268,819	1,216,792
Other Services	3,422,883	3,231,466	4,502,872	3,713,697
Materials and Supplies	236,272	204,329	285,789	250,861
Other Expenses	15,255	11,192	20,800	21,800
Capital Outlay	-	-	-	-
Total	<u>4,811,921</u>	<u>4,475,832</u>	<u>6,078,280</u>	<u>5,203,150</u>
<b>Facilities Maintenance</b>				
Employee Services	1,167,652	1,310,597	2,089,595	2,179,100
Other Services	546,538	749,552	1,604,844	1,694,015
Materials and Supplies	329,561	344,125	434,147	457,589
Other Expenses	2,538	14,430	33,340	27,500
Other Expenses	-	41,430	-	-
Total	<u>2,046,289</u>	<u>2,460,134</u>	<u>4,161,926</u>	<u>4,358,204</u>



## **PUBLIC WORKS DEPARTMENT**

### **STREET MAINTENANCE/GAS TAX FUND (030)**

#### **History**

- Gas Tax Fund revenues are transferred from the State based on an allocation formula that distributes taxes collected on fuel sales.
- The City maintains a transportation asset inventory that includes 763 miles of roads, 308 traffic signals, 98,000 trees, and more than 19,000 street lights and 16,000 regulatory/warning signs.
- Expenditures from the fund are used to maintain signals, street lights, traffic devices, streets and sidewalks, bridges, ditches, graffiti abatement, and street trees.

#### **FY 2016-17 Events**

- Completed 9,000 tons of asphalt repair.
- Upgraded 72 overhead street name signs along West Lane and Airport Way.
- Replaced 2,250 street name signs.
- Restriped approximately 250 lane miles and repainted 550 "Stop" legends.
- Continued annual traffic signal controller preventative maintenance inspections for 293 signalized controllers.
- Replaced 37,000 linear feet of stolen wires.
- In addition to typical street light maintenance, City crews and contract staff converted over 5,300 street lights to LED fixtures as part of the LED Streetlight Phase 3 project.
- Replaced over 36 street light/signal pole knockdowns.
- Hauled 186,104 tons of trash and debris from vacant areas and streets right-of-way.

#### **FY 2017-18 Budget Changes**

- Continue re-striping, sign upgrading, and pavement repair program.
- Complete annual traffic signal controller preventative maintenance inspections for 308 controllers.
- The gas tax has been a volatile revenue source with projections that can vary from year-to-year by over a million dollars. This variability is caused by the Excise Tax (Prop 42 replacement) calculation based on fuel consumption and varying fuel prices. The State recently approved a transportation funding package (SB1) that will reduce this volatility and significantly increase revenues in future years. However, the additional revenue for FY 2017-18 will be small and will not have a significant impact on the program.

**Public Works Department  
Street Maintenance/Gas Tax - 030  
FY 2017-18 Adopted Budget**

	<b>FY 2014-15</b>	<b>FY 2015-16</b>	<b>FY 2016-17</b>	<b>FY 2017-18</b>
	<b>Actual</b>	<b>Actual</b>	<b>Projected</b>	<b>Adopted Budget</b>
<b>Beginning Available Balance</b>	<b>\$ 2,595,998</b>	<b>\$ 3,493,794</b>	<b>\$ 3,044,731</b>	<b>\$ 1,856,238</b>
<b>Revenues</b>				
State Gas Tax	5,184,997	4,834,085	5,245,902	5,326,608
Prop 42 Replacement Gas Tax	3,183,837	1,328,069	741,647	3,256,673
Refunds and reimbursements	10,134	1,076	-	-
Interest	15,888	14,052	10,000	10,000
	<b>8,394,856</b>	<b>6,177,282</b>	<b>5,997,549</b>	<b>8,593,281</b>
<b>Expenditures</b>				
Salary and benefits	4,213,890	3,822,133	4,020,341	4,446,431
Electricity	2,109,595	25,586	-	-
Maintenance and repair services	437,363	196,210	630,784	720,000
Insurance premiums	119,593	118,625	111,471	131,104
Auto equipment rental	935,216	970,155	779,494	1,133,247
Computer/Tech/Operating support	372,945	428,613	349,285	406,349
Engineering services	10,750	17,425	-	-
Construction services	16,900	199,878	165,000	105,000
Materials and supplies	1,240,376	753,264	898,758	1,602,000
Fuels - gas/oil/propane	88,689	56,119	97,726	116,919
All other expenses	61,743	38,337	133,183	166,259
Capital projects	-	-	-	50,000
	<b>9,607,060</b>	<b>6,626,345</b>	<b>7,186,042</b>	<b>8,877,309</b>
<b>Transfers</b>				
Transfer In - Measure K - 082	2,110,000	-	-	-
Transfer Out	-	-	-	-
	<b>2,110,000</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net Annual Activity</b>	<b>897,796</b>	<b>(449,063)</b>	<b>(1,188,493)</b>	<b>(284,028)</b>
<b>Ending Available Balance</b>	<b>\$ 3,493,794</b>	<b>\$ 3,044,731</b>	<b>\$ 1,856,238</b>	<b>\$ 1,572,210</b>
<b>Available Balance Calculation</b>				
Current assets		\$ 3,349,258		
Current liabilities		(304,527)		
Ending Available Balance		<b>\$ 3,044,731</b>		

## **PUBLIC WORKS DEPARTMENT**

### **MEASURE K MAINTENANCE FUND (082)**

#### **History**

- In 1990, voters in San Joaquin County passed a ½ cent sales tax increase dedicated to transportation projects. This original sales tax increase was to expire in 2011; however, in 2006, voters passed a 30-year extension of the sales tax increase.
- Of the funds collected, 35% are dedicated to maintenance activities and are divided among the jurisdictions in the County. The program is administered by the San Joaquin Council of Governments, and Measure K funds are distributed to the City quarterly.
- The City of Stockton historically used this funding for local capital projects and to provide matching funds to leverage state and federal grant programs. However, recent reductions in Gas Tax revenue and other changes resulted in the use of Measure K maintenance funds for maintenance.

#### **FY 2016-17 Events**

- \$3 million was budgeted for several capital projects including the Neighborhood Traffic Calming Program, and matching funds for the Center Street and El Dorado Street Overpass Rehabilitation and the federal Regional Surface Transportation Program street resurfacing project.
- In addition, \$1.9 million provided for operational activities related to pavement, street lighting, traffic signals, pavement markings, and signs.

#### **FY 2017-18 Budget Changes**

- Based upon information provided by the San Joaquin Council of Governments, projected revenues are budgeted to increase by 4%.
- Several capital projects budgeted include: the Accessible Pedestrian Signals Program, Alexandria and Five Mile Slough Culvert Replacements, Neighborhood Traffic Management Program, Responsive Traffic Signal Control on El Dorado, Traffic Signal Control System, and matching funds for federal Regional Surface Transportation Program street resurfacing project, Bridge Engineering and Rehabilitation/Replacement Programs, Hunter Street Road Diet and Bike Lane Installation, Emergency Vehicle Pre-Emption, and Installation and Upgrade of Bicycle Facilities Citywide.
- \$2.4 million is budgeted for operational activities related to engineering, pavement, street lighting, traffic signals, and pavement markings and signs to improve the City's infrastructure.

**Public Works Department  
Measure K - Maintenance - 082  
FY 2017-18 Adopted Budget**

	<b>FY 2014-15</b>	<b>FY 2015-16</b>	<b>FY 2016-17</b>	<b>FY 2017-18 Adopted Budget</b>
	<b>Actual</b>	<b>Actual</b>	<b>Projected</b>	
<b>Beginning Available Balance</b>	<b>\$ 5,912,993</b>	<b>\$ 6,610,879</b>	<b>\$ 5,126,187</b>	<b>\$ 4,978,872</b>
<b>Revenues</b>				
Sales Tax	4,104,500	4,887,468	3,500,000	5,083,224
Interest	68,935	165,666	60,000	60,000
Other Revenues	175,323	2,365,566	-	-
	<b>4,348,758</b>	<b>7,418,700</b>	<b>3,560,000</b>	<b>5,143,224</b>
<b>Expenditures</b>				
Operating	55,184	2,490,303	1,806,513	2,635,000
Capital projects	1,443,673	252,944	1,900,802	2,898,192
Debt service	42,015	30,814	-	-
	<b>1,540,872</b>	<b>2,774,061</b>	<b>3,707,315</b>	<b>5,533,192</b>
<b>Transfers</b>				
Transfer In - Capital - 080	-	-	-	-
Transfer Out - Gas Tax - 030	(2,110,000)	-	-	-
	<b>(2,110,000)</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net Annual Activity</b>	<b>697,886</b>	<b>4,644,639</b>	<b>(147,315)</b>	<b>(389,968)</b>
<b>Ending Available Balance</b>	<b>\$ 6,610,879</b>	<b>\$ 11,255,518</b>	<b>\$ 4,978,872</b>	<b>\$ 4,588,904</b>
<b>Available Balance Calculation</b>				
Current assets		\$ 11,388,465		
Current liabilities		(132,947)		
Capital Appropriation		(6,129,331)		
Ending Available Balance		<b>\$ 5,126,187</b>		



## **PUBLIC WORKS DEPARTMENT**

### **SOLID WASTE AND RECYCLING FUND (047)**

#### **History**

- This fund was established to track financial activities in compliance with state mandates for solid waste diversion and expansion of recycling programs.
- Revenues for this fund come from the 3.5% surcharge (AB939 fees) on gross revenues paid by the franchise haulers (Waste Management and Republic Allied Waste) as a component of their franchise fees. This results in approximately \$1.4 million per year for the operating budget including franchise oversight.
- The AB939 fees are the sole revenue source for the division apart from a small state grant to promote beverage container recycling.

#### **FY 2016-17 Events**

- Partnered with San Joaquin County Solid Waste to install sharps collection kiosks in local pharmacies so residents have safe disposal options for syringes.
- Conducted a performance review of the franchised haulers with R3 Consulting.
- Coordinated a Citywide committee to develop and issue a request for proposals for hazardous waste management services for all City departments.
- Partnered with the franchised haulers to create StocktonRecycles.com, a website to provide understandable and accessible information to promote proper recycling.
- Maintained the Green Business Certification through the Greater Stockton Chamber of Commerce. Obtained Green Business Certification at the state level.

#### **FY 2017-18 Budget Changes**

- Program expenses include funding for tree trimming related to street sweeping, consultant for Solid Waste Division review and analysis, and hosted website offering detailed information about Stockton's solid waste and recycling programs including a comprehensive on-line recycling guide.
- Collaboration with the San Joaquin Regional Conservation Corps to improve special event recycling efforts and inspect curbside recycling and green waste carts.
- Increased outreach efforts including redesign and updating of existing outreach materials for commercial recycling and organics recycling. These efforts bring the City in compliance with AB 1826 mandates requiring local jurisdictions to implement an organic waste recycling program.

**Public Works Department  
Solid Waste & Recycling - 047  
FY 2017-18 Adopted Budget**

	<b>FY 2014-15</b>	<b>FY 2015-16</b>	<b>FY 2016-17</b>	<b>FY 2016-17</b>
	<b>Actual</b>	<b>Actual</b>	<b>Projected</b>	<b>Adopted Budget</b>
<b>Beginning Available Balance</b>	<b>\$ 1,972,638</b>	<b>\$ 1,908,740</b>	<b>\$ 1,890,701</b>	<b>\$ 1,196,996</b>
<b>Revenues</b>				
Franchise Fees				
Residential	359,698	339,717	350,240	350,590
Residential	415,307	401,461	412,790	413,203
Commercial	290,570	250,257	311,383	311,694
Commercial	260,054	249,117	300,001	300,301
Other	9,002	8,017	6,701	6,708
Industrial	13,060	39,602	17,938	17,956
Industrial	32,383	38,523	40,491	40,531
	<u>1,380,074</u>	<u>1,326,694</u>	<u>1,439,544</u>	<u>1,440,983</u>
Interest	16,519	33,792	5,000	5,000
Other Revenues	85	-	-	-
	<u><b>1,396,678</b></u>	<u><b>1,360,486</b></u>	<u><b>1,444,544</b></u>	<u><b>1,445,983</b></u>
<b>Expenditures</b>				
Salaries and Benefits	1,075,049	1,046,902	1,430,399	1,370,524
Rents and Support	90,762	80,496	125,637	81,187
Professional & Special Services	80,545	46,218	184,216	292,207
Materials and Supplies	21,577	24,165	54,233	85,524
Training & Travel	17,828	14,356	20,700	35,095
Indirect Costs	153,964	153,964	153,964	153,964
All Other Expenses	20,851	12,424	169,100	62,240
	<u><b>1,460,576</b></u>	<u><b>1,378,525</b></u>	<u><b>2,138,249</b></u>	<u><b>2,080,741</b></u>
<b>Transfers</b>				
Transfer In	-	-	-	-
Transfer Out	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Net Annual Activity</b>	<b>(63,898)</b>	<b>(18,039)</b>	<b>(693,705)</b>	<b>(634,758)</b>
<b>Ending Available Balance</b>	<b>\$ 1,908,740</b>	<b>\$ 1,890,701</b>	<b>\$ 1,196,996</b>	<b>\$ 562,238</b>
<b>Available Balance Calculation</b>				
Current assets		\$ 1,945,796		
Current liabilities		(55,095)		
Ending Available Balance		<u><u>\$ 1,890,701</u></u>		

## **PUBLIC WORKS DEPARTMENT**

### **LIGHTING ASSESSMENT DISTRICT FUND (071)**

#### **History**

- This fund tracks financial activity relative to the Central Stockton Lighting Maintenance Assessment District (CSLMD) formed under the Landscape and Lighting Act of 1972 and collects assessments for the “Special Lighting Benefit” received.
- The current district is a reformation of the original Lighting & Maintenance Districts 74 and 75 formed under the Street Light Acts of 1927 and 1931. There were originally five zones between these two districts.
- Only one of the original five zones is still active. The Oxford Manor zone contains 278 street lights.

#### **FY 2016-17 Events**

- A review of long term capital needs and the capacity of the current reserve was completed.

#### **FY 2017-18 Budget Changes**

- A plan for gradual replacement of the District’s ongoing infrastructure, including conversion to LED fixtures will be developed.

**Public Works Department  
Lighting Maintenance - 071  
FY 2017-18 Adopted Budget**

	<b>FY 2014-15</b>	<b>FY 2015-16</b>	<b>FY 2016-17</b>	<b>FY 2017-18 Adopted Budget</b>
	<u><b>Actual</b></u>	<u><b>Actual</b></u>	<u><b>Projected</b></u>	
<b>Beginning Available Balance</b>	<u><b>\$ 237,960</b></u>	<u><b>\$ 249,545</b></u>	<u><b>\$ 275,438</b></u>	<u><b>\$ 285,398</b></u>
<b>Revenues</b>				
Charges for services	23,827	23,901	23,823	15,821
Investment earnings	2,072	4,712	1,620	1,620
	<u><b>25,899</b></u>	<u><b>28,613</b></u>	<u><b>25,443</b></u>	<u><b>17,441</b></u>
<b>Expenditures</b>				
Operations	14,314	2,720	15,483	15,821
	<u><b>14,314</b></u>	<u><b>2,720</b></u>	<u><b>15,483</b></u>	<u><b>15,821</b></u>
<b>Transfers</b>				
Transfer In	-	-	-	-
Transfer Out	-	-	-	-
	<u><b>-</b></u>	<u><b>-</b></u>	<u><b>-</b></u>	<u><b>-</b></u>
<b>Net Annual Activity</b>	<u><b>11,585</b></u>	<u><b>25,893</b></u>	<u><b>9,960</b></u>	<u><b>1,620</b></u>
<b>Ending Available Balance</b>	<u><b>\$ 249,545</b></u>	<u><b>\$ 275,438</b></u>	<u><b>\$ 285,398</b></u>	<u><b>\$ 287,018</b></u>
<b>Available Balance Calculation</b>				
Cash & interest receivable		\$ 275,438		
Accounts receivable		-		
Accounts payable				
Ending Available Balance		<u><b>\$ 275,438</b></u>		

## **PUBLIC WORKS DEPARTMENT**

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

#### **History**

- In previous years, this fund combined Landscape Maintenance Assessment Districts and Storm Drain Maintenance Districts. This fund currently reflects only the Landscape Maintenance Districts which are managed by Public Works.
- On February 26, 1996, Council adopted Resolution No. 96-0084 that consolidated the eight Landscape Maintenance Districts that existed at the time into the new Consolidated Landscape District 96-2.
- There are 34 separate zones in the Consolidated Landscape District. Assessments are levied in 27 zones. Assessments are not levied in the remaining seven zones as no improvements have been constructed and maintenance is not required.
- This fund carries a significant balance which is the aggregate of the separate fund balances for the 27 zones. Funds from one zone cannot be used in a different zone. The fund balances for each zone are intended to be used for replacement of infrastructure, such as irrigation systems, back up walls, street lights, and playground equipment, and for replacement of plant material. However, only certain zones were created with assessments that automatically keep pace with inflation. The fund balance in zones without a cost of living adjustment is reserved to meet future increases in maintenance costs, and may be insufficient in future years to replace aged infrastructure in future years.
- Improvements maintained include, but are not limited to, street and median landscaping, fountains, ornamental structures, public lighting (such as street lights and traffic signals), walls, irrigation, parks, and park equipment. Maintenance typically includes mowing, edging, trash collection, irrigation system operation and repairs, and replanting of landscape.
- All maintenance services are provided by contract with the exception of some lighting work performed by City staff.

#### **FY 2016-17 Events**

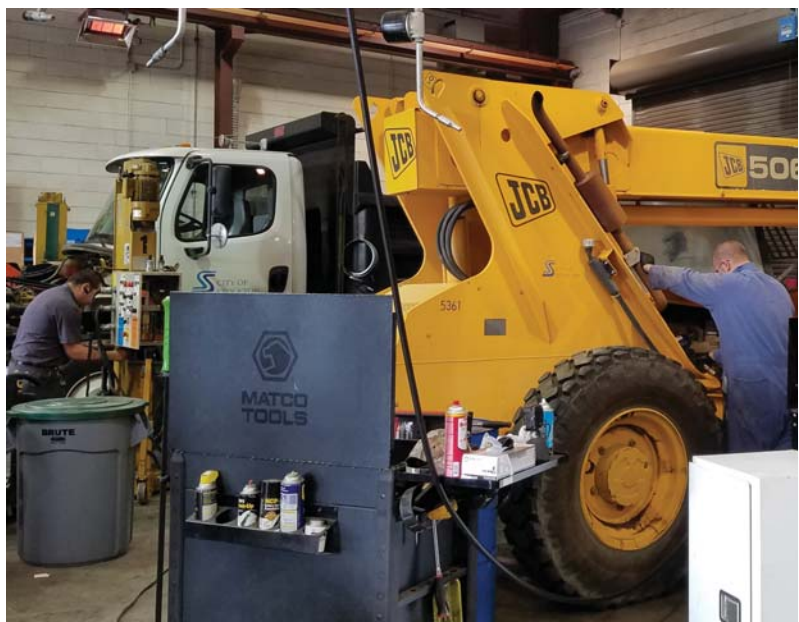
- A review of annual operational tasks and long term capital needs was completed.
- Repainted game courts at 12 parks and 1 open space.

#### **FY 2017-18 Budget Changes**

- The assessment will remain the same for FY 2017-18 for the seven zones with fixed assessments.
- For the 20 zones where the assessment formula provides for adjustment, the actual FY 2017-18 assessment will be reduced in four zones, remain the same as the FY 2016-17 assessment in three zones, and be increased in 13 zones.

**Public Works Department  
Assessment District Maintenance - 072  
FY 2017-18 Adopted Budget**

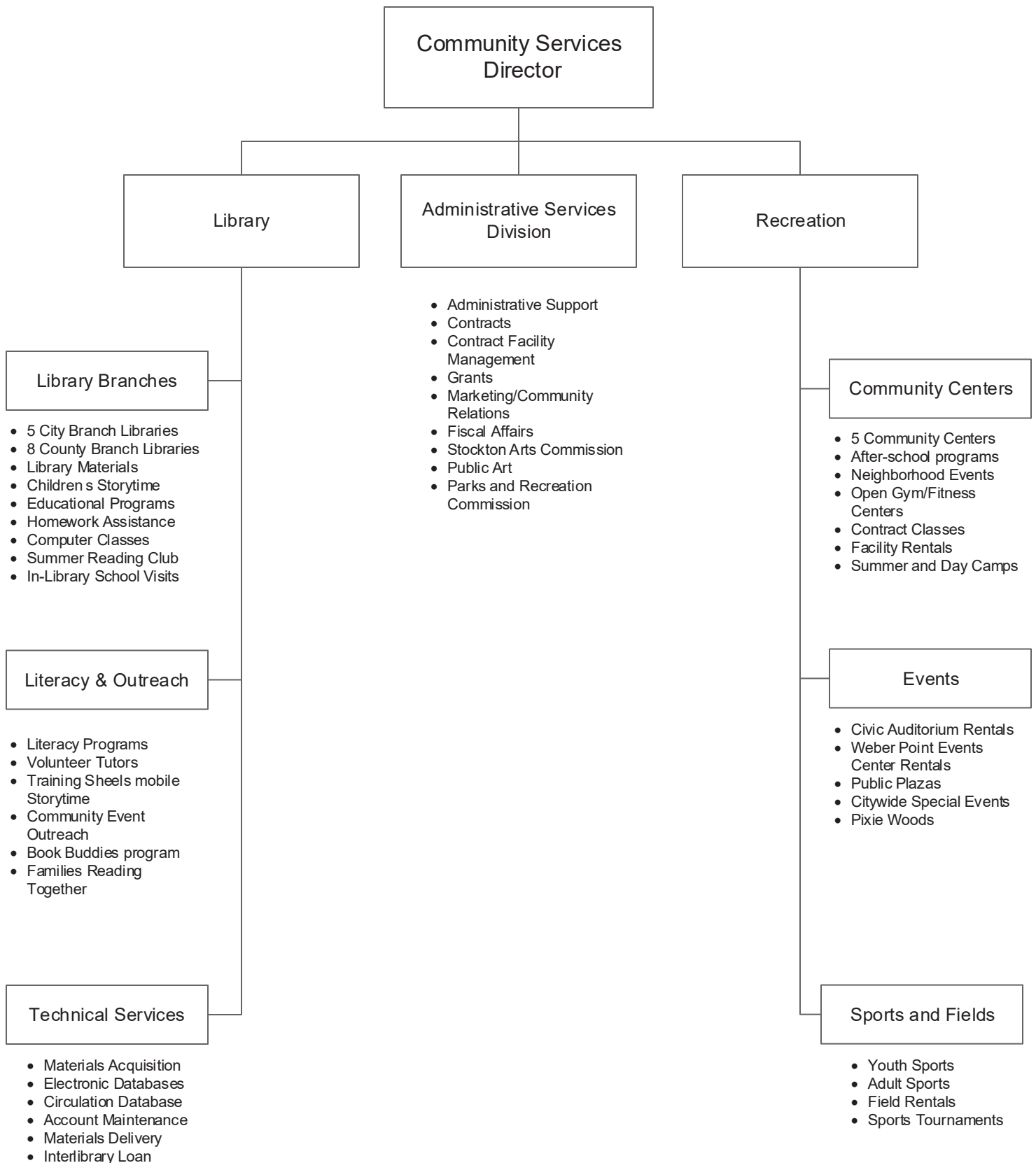
	<b>FY 2014-15</b>	<b>FY 2015-16</b>	<b>FY 2016-17</b>	<b>FY 2017-18 Adopted Budget</b>
	<u><b>Actual</b></u>	<u><b>Actual</b></u>	<u><b>Projected</b></u>	
<b>Beginning Available Balance</b>	<b>\$ 13,071,388</b>	<b>\$ 11,320,143</b>	<b>\$ 11,758,679</b>	<b>\$ 9,984,093</b>
Stormwater Maintenance District	(2,121,561)			
<b>Adjusted, Beginning Available Balance</b>	<u><b>10,949,827</b></u>			
<b>Revenues</b>				
Charges for services	2,857,134	2,846,721	2,752,692	3,103,446
Investment earnings	83,272	207,608	60,000	60,000
	<u><b>2,940,406</b></u>	<u><b>3,054,329</b></u>	<u><b>2,812,692</b></u>	<u><b>3,163,446</b></u>
<b>Expenditures</b>				
Miscellaneous expenditures	2,570,090	2,615,793	4,580,066	3,920,297
Capital projects	-	-	-	-
	<u><b>2,570,090</b></u>	<u><b>2,615,793</b></u>	<u><b>4,580,066</b></u>	<u><b>3,920,297</b></u>
<b>Transfers</b>				
Transfer In	-	-	-	-
Transfer Out - Storm Drain Maint. Dist.	-	-	(7,212)	(7,212)
	<u>-</u>	<u>-</u>	<u>(7,212)</u>	<u>(7,212)</u>
<b>Net Annual Activity</b>	<u><b>370,316</b></u>	<u><b>438,536</b></u>	<u><b>(1,774,586)</b></u>	<u><b>(764,063)</b></u>
<b>Ending Available Balance</b>	<u><u><b>\$ 11,320,143</b></u></u>	<u><u><b>\$ 11,758,679</b></u></u>	<u><u><b>\$ 9,984,093</b></u></u>	<u><u><b>\$ 9,220,030</b></u></u>
<b>Available Balance Calculation</b>				
Cash & interest receivable		\$ 11,932,251		
Accounts payable		(173,572)		
Encumbrances		-		
Ending Available Balance		<u><u><b>\$ 11,758,679</b></u></u>		



## TAB 7 COMMUNITY SERVICES







# COMMUNITY SERVICES DEPARTMENT



## COMMUNITY SERVICES DEPARTMENT

### MISSION STATEMENT

To afford opportunities for personal fulfillment and creative expression, to meet recreation and leisure needs, enhance the quality of life within the community, and allow for the pursuit of education, civic, professional, and personal interests.

### Budget at a Glance:

Total Expenditures	\$22,738,766
Total Revenues	\$28,128,550
Total Net Revenues	\$5,389,784
Total Staff	113

### DEPARTMENT DESCRIPTION

Community Services has three primary budgetary program areas: Library , Recreation and Golf.

The Library provides experiences and resources designed to improve the lives of residents in our community. Programs such as story-time, tutoring, and summer reading focus on literacy, learning, and building strong families and communities. Library collections support this goal and include internet access, computer labs, books, music, movies, electronic research tools and digital format materials.

The Library system, known as the Stockton-San Joaquin County Public Library, is operated by the City of Stockton yet serves all of San Joaquin County through an arrangement to provide a regional, multi-branch system. The system is made up of five branches within Stockton city limits, eight branches throughout the rest of San Joaquin County, and a bookmobile. This centralized system allows all of the sites to circulate materials between one another and benefit from combined administrative and management costs.

General Fund allocations from the City of Stockton and San Joaquin County have made up the majority of the funding for the library system. Operating and system-wide administration and support costs are tracked separately, and assigned to the two agencies in accordance with a contract for services. Beginning in FY 2017-18, funding will be available from a voter approved sales transactions and use tax to support the City of Stockton share of library programs and facilities.

Recreation is comprised of programs that improve the lives of Stockton residents. Recreation programs are known to foster physical health, promote social equity, build life skills and strengthen community bonds. Through neighborhood facilities the City offers youth and adult sports leagues, meals for seniors, day camps, after-school programs, instructional classes and a variety of other leisure events and activities.

Recreation facilities include: community centers, ball field complexes, swimming pools and special event venues including the Civic Auditorium, Weber Point Events Center, and Pixie Woods Children's Theme Park. Some facilities and programs are operated by the City in total, some are jointly used with other agencies, and others are contracted out to private firms for full or partial management. Operating costs for recreation programs have historically been funded by fees and an allocation of General Fund revenues. Program registration and facility rental price points were developed to maximize recreational opportunities for citizens, and have not traditionally been based on full cost recovery, but rather have been set at a level commensurate to local needs. Beginning in FY 2017-18, resources will become available from a voter approved sales transactions and use tax to support recreation programs and facilities.

## COMMUNITY SERVICES DEPARTMENT

Golf operations at the Swenson and Van Buskirk municipal courses are managed through a contract with Kemper Sports, Inc. that began in July 2011. Due to the significant number of competitor courses and a decrease in regional golf rounds, these municipal courses are unable to cover operating costs through course fees and require support from the General Fund. Although the early expectations of contract management were for the courses to be self-sustaining, it is evident that a significant ongoing subsidy will be required for the properties.

In addition to operational areas, the department provides oversight to the Parks and Recreation Commission, Stockton Arts Commission and Public Art Program.

### KEY CONSIDERATIONS

In November 2016, City of Stockton voters passed Measure M, a ¼ cent transactions and use tax specifically for Library and Recreation services known as the Strong Communities Initiative. Over the next 16 years, the initiative will generate more than \$150 million for programs and facilities, and will allow the City to restore and enhance service levels and address deferred facility maintenance and renovation. The increased tax revenues, along with stable funding from San Joaquin County for Library services, improves the Department's ability to address long-standing needs.

The initial priorities facing the Department include: restoring programs and operating schedules to satisfy citizen demand, repairing and modernizing facilities, and meeting needs for technology, education, recreation and health.

In FY 2017-18, the Library expects to complete a high-speed bandwidth project and offer all branches, up to 1,000 times greater capacity than is currently available, and develop programming to take specific advantage of this valuable new resource. Staff continues to work on implementing the Library Strategic Plan. Noteworthy accomplishments include increased science, technology, engineering, arts and Math programming to support the development of 21<sup>st</sup> century technology skills, offering Makerspace programs with robotic equipment and 3D printers, and increased outreach presence throughout the library system.

Recreation considerations for the coming year will focus on continued execution of the Recreation Strategic Plan completed in 2015, implementing online registration software, and continuing to improve sports fields. During FY 2016-17 the Recreation Division was successful in expanding the Holiday Tree Lighting event, completing an aquatics facility analysis, and expanding programming and marketing of Pixie Woods.

The City Council adopted the Teen Leadership Council of the Gary and Janice Podesto Teen IMPACT Center as the voice for youth in Stockton. Staff is now working with them to develop plans for increased involvement with the City. Staff will also complete a comparative analysis of program fees and costs and will make recommendations for fee adjustments that balance cost recovery and General Fund revenue with long-term program affordability and viability.

**Community Services Department**  
**FY 2017-18 Adopted Budget**

	<u><b>Strong Communities</b></u> <i>See Page G-7</i>	<u><b>Library</b></u> <i>See Page G-9</i>	<u><b>Recreation</b></u> <i>See Page G-15</i>	<u><b>Total</b></u>
<b>Beginning Available Balance</b>	<b>\$ 2,293,000</b>	<b>\$ 2,810,010</b>	<b>\$ 546,036</b>	<b>\$ 5,649,046</b>
<b>Revenues</b>				
Measure M Sales Tax	10,228,000	-	-	10,228,000
San Joaquin County Contract	-	6,500,000	-	6,500,000
Additional Hours Contracts	-	163,330	-	163,330
Fines	-	248,960	-	248,960
Other Revenues	-	131,033	1,300	132,333
Recreation Programs	-	-	2,267,327	2,267,327
Facility Admission and Rentals	-	-	283,100	283,100
Community Centers	-	-	214,000	214,000
	<b>10,228,000</b>	<b>7,043,323</b>	<b>2,765,727</b>	<b>20,037,050</b>
<b>Expenditures</b>				
Administration	659,289	1,452,185	1,041,399	3,152,873
Library Operations	1,602,875	10,139,782	-	11,742,657
Recreation Programs	2,014,850	-	1,175,409	3,190,259
Civic Auditorium	-	-	401,562	401,562
Community Centers	-	-	1,967,780	1,967,780
Other Programs	-	-	2,283,635	2,283,635
Capital Projects	-	-	-	-
	<b>4,277,014</b>	<b>11,591,967</b>	<b>6,869,785</b>	<b>22,738,766</b>
<b>Transfers</b>				
Transfer In - General Fund	-	3,984,500	4,107,000	8,091,500
Transfer In - Other Funds	-	-	-	-
Transfer Out - Other Funds	-	-	-	-
	<b>-</b>	<b>3,984,500</b>	<b>4,107,000</b>	<b>8,091,500</b>
<b>Net Annual Activity</b>	<b>5,950,986</b>	<b>(564,144)</b>	<b>2,942</b>	<b>5,389,784</b>
				-
<b>Ending Available Balance</b>	<b>\$ 8,243,986</b>	<b>\$ 2,245,866</b>	<b>\$ 548,978</b>	<b>\$ 11,038,830</b>
	-	-	-	
			Revenues	\$ 20,037,050
			Transfers	8,091,500
			Total Sources	<u>\$ 28,128,550</u>
			Expenditures	\$ 22,738,766
			Transfers	-
			Total Appropriations	<u>\$ 22,738,766</u>

## COMMUNITY SERVICES DEPARTMENT

### STRONG COMMUNITIES FUND (083)

#### **History**

- On November 8, 2016, Stockton voters passed a ballot initiative for a ¼ cent sales transactions and use tax for Library and Recreation Services.
- The initiative, known as the Strong Communities Initiative, went into effect on April 1, 2017, will continue for 16 years and is estimated to generate an average of between \$9.4 and \$11.8 million per year.

#### **FY 2016-17 Events**

- April 1, 2017, the City Council unanimously approved a set of guiding principles to be used in determining the use of Strong Communities resources and adopted a resolution approving a policy to govern the activities of the Strong Communities Oversight Committee.
- City Council authorized 23 new positions in the Community Services Department for the restoration of Library and Recreation services.
- Expenditures pertain to State of California Board of Equalization fees to establish and administer the tax.

#### **FY 2017-18 Budget Changes**

- Recruit 23 newly authorized positions.
- Fully restore library and community centers operating schedules to six days a week by January 1, 2018.
- Develop Makerspaces to spark entrepreneurial interest and involve children and youth in science and technology learning.
- Develop on-line services to register for programs, pay library fines, and provide remote access to databases and materials.
- Develop community-wide programs to support health and literacy.
- Develop further plans for programming and facility renovation and present to City Council.
- Revive and renew the quarterly community activities guide that incorporates Recreation and Library activities.

**Community Services Department  
Strong Communities - 083  
FY 2017-18 Adopted Budget**

	<b>FY 2014-15</b>	<b>FY 2015-16</b>	<b>FY 2016-17</b>	<b>FY 2017-18 Adopted Budget</b>
	<b><u>Actual</u></b>	<b><u>Actual</u></b>	<b><u>Projected</u></b>	
<b>Beginning Available Balance</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 2,293,000</b>
<b>Revenues</b>				
Measure M Sales Tax	-	-	2,497,000	10,228,000
Recreation Programs	-	-	-	-
Fines	-	-	-	-
Other Revenues	-	-	-	-
Interest	-	-	-	-
	<b>-</b>	<b>-</b>	<b>2,497,000</b>	<b>10,228,000</b>
<b>Expenditures</b>				
Administration	-	-	-	414,789
Library Programs	-	-	-	1,602,875
Recreation Programs	-	-	-	2,014,850
Tax Collection & Audit Costs	-	-	204,000	244,500
	<b>-</b>	<b>-</b>	<b>204,000</b>	<b>4,277,014</b>
<b>Transfers</b>				
Transfer In	-	-	-	-
Transfer Out	-	-	-	-
	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net Annual Activity</b>	<b>-</b>	<b>-</b>	<b>2,293,000</b>	<b>5,950,986</b>
<b>Ending Available Balance</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 2,293,000</b>	<b>\$ 8,243,986</b>
	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Available Balance Calculation</b>				
Cash		\$ -		
Accounts Receivable		-		
Accounts Payable		-		
Capital Projects		-		
Ending Available Balance		<b>\$ -</b>		





**Community Services Department  
Library Programs  
FY 2017-18 Adopted Budget**

	<b>Library 041</b>	<b>Special Revenue 644</b>	<b>Kolak Trust 614</b>	<b>G. Cady Trust 622</b>	<b>Library Programs Total</b>
	<i>See Page G-11</i>	<i>See Page G-12</i>	<i>See Page G-13</i>	<i>See Page G-14</i>	
<b>Beginning Available Balance</b>	<b>\$ 2,766,993</b>	<b>\$ 46,063</b>	<b>\$ (2,888)</b>	<b>\$ (158)</b>	<b>\$ 2,810,010</b>
<b>Revenues</b>					
San Joaquin County	6,500,000	-	-	-	6,500,000
Additional Hours Contracts	163,330	-	-	-	163,330
Fines	248,960	-	-	-	248,960
Other Revenues	127,383	500	3,100	50	131,033
	<b>7,039,673</b>	<b>500</b>	<b>3,100</b>	<b>50</b>	<b>7,043,323</b>
<b>Expenditures</b>					
Branch operations	8,686,589	15,000	-	-	8,701,589
Technical services	877,453	-	-	-	877,453
Programming and outreach	560,740	-	-	-	560,740
Administration and delivery	1,452,185	-	-	-	1,452,185
Capital projects	-	-	-	-	-
	<b>11,576,967</b>	<b>15,000</b>	<b>-</b>	<b>-</b>	<b>11,591,967</b>
<b>Transfers</b>					
Transfer In - General Fund	3,984,500	-	-	-	3,984,500
Transfer In - Other	-	-	-	-	-
Transfer Out	-	-	-	-	-
	<b>3,984,500</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3,984,500</b>
<b>Net Annual Activity</b>	<b>(552,794)</b>	<b>(14,500)</b>	<b>3,100</b>	<b>50</b>	<b>(564,144)</b>
<b>Ending Available Balance</b>	<b>\$ 2,214,199</b>	<b>\$ 31,563</b>	<b>\$ 212</b>	<b>\$ (108)</b>	<b>\$ 2,245,866</b>
	-	-	-	-	-

## COMMUNITY SERVICES DEPARTMENT

### LIBRARY FUND (041)

#### **History**

- This fund tracks the financial activities for the Stockton-San Joaquin County Public Library.
- Under City of Stockton management, library services have been made available County-wide since 1910.
- Currently five City and eight County facilities are open to the public between 25 and 42 hours per week.
- Resources for operations recorded in this Fund are provided from the City of Stockton General Fund, San Joaquin County General Fund, contracts for automation services, support from outlying cities, donations from individuals and charitable organizations, and fines and fee revenues.

#### **FY 2016-17 Events**

- Conducted an 8-week, grant funded program called Path to the Future, which focused on providing teens skills for obtaining employment and assistance with college readiness.
- Held annual One Book, One San Joaquin program featuring Cristina Henriquez, the author of *The Book of Unknown Americans*.
- Applied for and received discounts through the Federal E-Rate program to cover up to 85% of internet service and equipment costs.
- Received a State grant for technology equipment used to increase bandwidth in Libraries.
- Updated technologies in the Libraries - replaced obsolete systems and equipment used by patrons to reserve and access public computers and print or copy documents and materials.
- Re-opened the full-service Fair Oaks Branch Library on Main Street.

#### **FY 2017-18 Budget Changes**

- Switch to the California Research Education Network (CalREN), as a provider for internet access. receiving 1 gigabyte of bandwidth at all Library branches, which is up to 1,000 times faster than current speeds.
- Add a new electronic resource called "Hoopla" for movie, music, ebook and audiobook downloads and streaming to San Joaquin County branch libraries.
- Introduce online payment of library fines as well as digital library cards for San Joaquin County branch share of costs.
- Recruit three new San Joaquin County library positions authorized by City Council April 1, 2017.

**Community Services Department  
Library - 041  
FY 2017-18 Adopted Budget**

	<b>FY 2014-15</b>	<b>FY 2015-16</b>	<b>FY 2016-17</b>	<b>FY 2017-18</b>
	<b>Actual</b>	<b>Actual</b>	<b>Projected</b>	<b>Adopted Budget</b>
<b>Beginning Available Balance</b>	<b>\$ 3,996,640</b>	<b>\$ 4,329,044</b>	<b>\$ 3,951,435</b>	<b>\$ 2,766,993</b>
<b>Revenues</b>				
San Joaquin County	5,566,960	5,863,930	4,648,800	6,500,000
Material Match Program	128,640	58,210	-	-
Additional Hours Contracts	157,991	138,193	163,300	163,330
Fines & Fees	267,514	261,040	248,319	248,960
Other Revenues	269,607	177,771	131,434	127,383
	<b>6,390,712</b>	<b>6,499,144</b>	<b>5,191,853</b>	<b>7,039,673</b>
<b>Expenditures</b>				
Administration	1,212,671	1,138,335	1,143,109	1,258,273
Programming and Outreach	345,984	367,344	484,988	560,740
Technical Services	1,105,844	758,787	961,257	877,453
Branch Operations				
Branch Operations - County	3,643,969	3,864,675	4,339,141	4,936,470
Branch Operations - City	3,265,360	3,702,584	3,859,631	3,750,119
Delivery Services	215,557	211,408	201,777	193,912
Capital projects	443,923	113,655	(1,092,175)	-
	<b>10,233,308</b>	<b>10,156,788</b>	<b>9,897,728</b>	<b>11,576,967</b>
<b>Transfers</b>				
Transfer In - General Fund	4,275,000	5,312,525	4,504,000	3,984,500
Transfer In - Other	-	36,035	12,433	-
Transfer Out - Capital 301	(100,000)	-	(995,000)	-
	<b>4,175,000</b>	<b>5,348,560</b>	<b>3,521,433</b>	<b>3,984,500</b>
<b>Net Annual Activity</b>	<b>332,404</b>	<b>1,690,916</b>	<b>(1,184,442)</b>	<b>(552,794)</b>
<b>Ending Available Balance</b>	<b>\$ 4,329,044</b>	<b>\$ 6,019,960</b>	<b>\$ 2,766,993</b>	<b>\$ 2,214,199</b>
	-	-	-	-
<b>Available Balance Calculation</b>				
Current Assets		\$ 6,602,362		
Current Liabilities		(582,402)		
Capital Projects		(2,068,525)		
Ending Available Balance		<b>\$ 3,951,435</b>		

**Community Services Department  
Library Special Revenue Fund - 644  
FY 2017-18 Adopted Budget**

	<b>FY 2014-15</b>	<b>FY 2015-16</b>	<b>FY 2016-17</b>	<b>FY 2017-18 Adopted Budget</b>
	<b><u>Actual</u></b>	<b><u>Actual</u></b>	<b><u>Projected</u></b>	
<b>Beginning Available Balance</b>	<b>\$ 108,303</b>	<b>\$ 106,979</b>	<b>\$ 63,063</b>	<b>\$ 46,063</b>
<b>Revenues</b>				
Program Revenue	1,000	-	-	-
Other Revenue	2,164	10,665	3,404	500
	<b><u>3,164</u></b>	<b><u>10,665</u></b>	<b><u>3,404</u></b>	<b><u>500</u></b>
<b>Expenditures</b>				
Program Expenditures	4,487	18,546	7,971	15,000
	<b><u>4,487</u></b>	<b><u>18,546</u></b>	<b><u>7,971</u></b>	<b><u>15,000</u></b>
<b>Transfers</b>				
Transfer In	-	-	-	-
Transfer Out	-	(36,035)	(12,433)	-
	<b><u>-</u></b>	<b><u>(36,035)</u></b>	<b><u>(12,433)</u></b>	<b><u>-</u></b>
<b>Net Annual Activity</b>	<b><u>(1,324)</u></b>	<b><u>(43,916)</u></b>	<b><u>(17,000)</u></b>	<b><u>(14,500)</u></b>
<b>Ending Available Balance</b>	<b><u>\$ 106,979</u></b>	<b><u>\$ 63,063</u></b>	<b><u>\$ 46,063</u></b>	<b><u>\$ 31,563</u></b>
<b>Available Balance Calculation</b>				
Cash		\$ 63,063		
Accounts Receivable		-		
Accounts Payable		-		
Ending Available Balance		<b><u>\$ 63,063</u></b>		

**Community Services Department  
Kolak Trust - 614  
FY 2017-18 Adopted Budget**

	<b>FY 2014-15</b>	<b>FY 2015-16</b>	<b>FY 2016-17</b>	<b>FY 2017-18 Adopted Budget</b>
	<u><b>Actual</b></u>	<u><b>Actual</b></u>	<u><b>Projected</b></u>	
<b>Beginning Available Balance</b>	<u><b>\$ 170,719</b></u>	<u><b>\$ 172,175</b></u>	<u><b>\$ (5,888)</b></u>	<u><b>\$ (2,888)</b></u>
<b>Revenues</b>				
Interest	<u>1,456</u>	<u>3,030</u>	<u>3,000</u>	<u>3,100</u>
	<u><b>1,456</b></u>	<u><b>3,030</b></u>	<u><b>3,000</b></u>	<u><b>3,100</b></u>
<b>Expenditures</b>				
Operating Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u><b>-</b></u>	<u><b>-</b></u>	<u><b>-</b></u>	<u><b>-</b></u>
<b>Transfers</b>				
Transfer In	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Transfer Out	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u><b>-</b></u>	<u><b>-</b></u>	<u><b>-</b></u>	<u><b>-</b></u>
<b>Net Annual Activity</b>	<u><b>1,456</b></u>	<u><b>3,030</b></u>	<u><b>3,000</b></u>	<u><b>3,100</b></u>
<b>Ending Available Balance</b>	<u><b>\$ 172,175</b></u>	<u><b>\$ 175,205</b></u>	<u><b>\$ (2,888)</b></u>	<u><b>\$ 212</b></u>
<b>Available Balance Calculation</b>				
Cash		\$ 175,205		
Accounts Payable		-		
Principal endowment		(181,093)		
Ending Available Balance		<u><b>\$ (5,888)</b></u>		

**Community Services Department  
Cady Endowment - 622  
FY 2017-18 Adopted Budget**

	<b>FY 2014-15</b>	<b>FY 2015-16</b>	<b>FY 2016-17</b>	<b>FY 2017-18 Adopted Budget</b>
	<b><u>Actual</u></b>	<b><u>Actual</u></b>	<b><u>Projected</u></b>	
<b>Beginning Available Balance</b>	<b>\$ 9,975</b>	<b>\$ 10,060</b>	<b>\$ (258)</b>	<b>\$ (158)</b>
<b>Revenues</b>				
Interest	85	178	100	50
	<u>85</u>	<u>178</u>	<u>100</u>	<u>50</u>
<b>Expenditures</b>				
Library Materials	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Transfers</b>				
Transfer In	-	-	-	-
Transfer Out	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Net Annual Activity</b>	<b>85</b>	<b>178</b>	<b>100</b>	<b>50</b>
<b>Ending Available Balance</b>	<b><u>\$ 10,060</u></b>	<b><u>\$ 10,238</u></b>	<b><u>\$ (158)</u></b>	<b><u>\$ (108)</u></b>
<b>Available Balance Calculation</b>				
Cash		\$ 10,238		
Principal endowment		(10,496)		
Ending Available Balance		<u>\$ (258)</u>		

**Community Services Department  
Recreation Division  
FY 2017-18 Adopted Budget**

	<b>Recreation 044</b>	<b>Golf 481</b>	<b>Arts Endowment 613</b>	<b>Parks &amp; Recreation Trust 643</b>	<b>Recreation Total</b>
	<i>See Page G-17</i>	<i>See Page G-19</i>	<i>See Page G-20</i>	<i>See Page G-21</i>	
<b>Beginning Available Balance</b>	<b>\$ 419,917</b>	<b>\$ 12,856</b>	<b>\$ 550</b>	<b>\$ 112,713</b>	<b>\$ 546,036</b>
<b>Revenues</b>					
Recreation Programs	633,000	1,624,327	-	10,000	2,267,327
Facility Admission and Rentals	283,100	-	-	-	283,100
Community Centers	214,000	-	-	-	214,000
Other Revenue	-	-	-	1,300	1,300
	<b>1,130,100</b>	<b>1,624,327</b>	<b>-</b>	<b>11,300</b>	<b>2,765,727</b>
<b>Expenditures</b>					
Administration	1,041,399	-	-	-	1,041,399
Civic Auditorium	401,562	-	-	-	401,562
Community Centers	1,967,780	-	-	-	1,967,780
Pixie Woods	221,549	-	-	-	221,549
Programs - After School	36,888	-	-	-	36,888
Programs - Instructional	-	-	-	-	-
Programs - Sports	869,094	-	-	-	869,094
Silver Lake Camp	-	-	-	-	-
Special Events	47,878	-	-	-	47,878
Swimming Facilities	-	-	-	-	-
Tennis Facilities	-	-	-	-	-
Grants Awarded	-	-	550	-	550
Materials & Supplies	-	-	-	-	-
Program Costs	-	2,228,085	-	55,000	2,283,085
	<b>4,586,150</b>	<b>2,228,085</b>	<b>550</b>	<b>55,000</b>	<b>6,869,785</b>
<b>Transfers</b>					
Transfer In - General Fund	3,407,000	700,000	-	-	4,107,000
Transfer Out	-	-	-	-	-
	<b>3,407,000</b>	<b>700,000</b>	<b>-</b>	<b>-</b>	<b>4,107,000</b>
<b>Net Annual Activity</b>	<b>(49,050)</b>	<b>96,242</b>	<b>(550)</b>	<b>(43,700)</b>	<b>2,942</b>
<b>Ending Available Balance</b>	<b>\$ 370,867</b>	<b>\$ 109,098</b>	<b>\$ -</b>	<b>\$ 69,013</b>	<b>\$ 548,978</b>



## COMMUNITY SERVICES DEPARTMENT

### RECREATION FUND (044)

#### **History**

- Recreation programs and facilities are enjoyed by thousands of Stockton residents and visitors every year.
- This fund is used to record the activities related to recreation facilities and programs that are funded by an allocation of the General Fund.
- Facility rentals and registration fees, contract revenues, donations, admissions, and the City's General Fund are used to support these programs.

#### **FY 2016-17 Events**

- Completed capital projects including safety lighting at the Civic Auditorium, repairs to Oak Park Senior Center and Seifert Community Center, new outdoor court lighting at Van Buskirk and Stribley Community Centers and improvements to Pixie Woods.
- Reseeded the Stockton Soccer Complex to support youth activities and team sports.
- Selected a replacement software for recreation programs and facility reservation and revenue management.
- Completed an analysis of City pools determining short and long-term needs as well as a conceptual plan for future aquatics programming.

#### **FY 2017-18 Budget Changes**

- Implement new Recreation software with online capability for web-based sign-ups, payments, and facility rentals.
- Complete a cost recovery and pricing policy that communicates the Community Services Department fee rationale and ensures programs are adequately supported and remain affordable.

**Community Services Department  
Recreation Services - 044  
FY 2017-18 Adopted Budget**

	<b>FY 2014-15</b>	<b>FY 2015-16</b>	<b>FY 2016-17</b>	<b>FY 2017-18 Adopted Budget</b>
	<b>Actual</b>	<b>Actual</b>	<b>Projected</b>	
<b>Beginning Available Balance</b>	<b>\$ 1,313,226</b>	<b>\$ 1,162,554</b>	<b>\$ 939,452</b>	<b>\$ 419,917</b>
<b>Revenues</b>				
Recreation Programs	1,427,995	976,766	417,593	633,000
Facility Admission and Rentals	307,202	286,366	300,002	283,100
Community Centers	194,938	220,000	195,000	214,000
Other Revenue	15,517	7,888	8,000	-
	<b>1,945,652</b>	<b>1,491,020</b>	<b>920,595</b>	<b>1,130,100</b>
<b>Expenditures</b>				
Administration	914,984	1,080,763	921,803	1,041,399
Civic Auditorium	349,850	346,160	429,729	401,562
Community Centers	1,933,896	2,173,493	2,103,304	1,967,780
Pixie Woods	146,130	126,120	248,063	221,549
Programs - After School	820,534	462,718	57,912	36,888
Programs - Sports	623,113	723,102	811,290	869,094
Special Events	287,635	386,878	743,029	47,878
	<b>5,076,142</b>	<b>5,299,234</b>	<b>5,315,130</b>	<b>4,586,150</b>
<b>Transfers</b>				
Transfer In - General Fund	3,105,000	3,585,112	3,875,000	3,407,000
Transfer Out - Other	(125,182)	-	-	-
	<b>2,979,818</b>	<b>3,585,112</b>	<b>3,875,000</b>	<b>3,407,000</b>
<b>Net Annual Activity</b>	<b>(150,672)</b>	<b>(223,102)</b>	<b>(519,535)</b>	<b>(49,050)</b>
<b>Ending Available Balance</b>	<b>\$ 1,162,554</b>	<b>\$ 939,452</b>	<b>\$ 419,917</b>	<b>\$ 370,867</b>
<b>Available Balance Calculation</b>				
Cash		\$ 1,410,120		
Accounts Receivable		-		
Current Liabilities		(470,668)		
Encumbrances		-		
Ending Available Balance		<b>\$ 939,452</b>		

## COMMUNITY SERVICES DEPARTMENT

### GOLF FUND (481)

#### **History**

- This fund tracks the financial activities related to the operation and maintenance of the Swenson and Van Buskirk municipal golf courses, which offer twenty-seven and eighteen holes of play, respectively.
- Operations of the courses are managed by Kemper Sports Management, Inc. with funding from fees and a General Fund subsidy.

#### **FY 2016-17 Events**

- The Stockton area golf market remains very competitive with many low-cost, public course options available for consumers.
- The General Fund subsidy was increased by \$200,000 to \$850,000 due to higher than expected maintenance costs and lower-than-anticipated player revenue.

#### **FY 2017-18 Budget Changes**

- Significant deferred maintenance concerns continue at both courses, the most prominent being the pond and pump system at Van Buskirk.
- The FY 2017-18 Annual Budget includes \$700,000 from the General Fund to support the golf program and repairs to the irrigation system at Van Buskirk.
- A thorough analysis of the golf courses are being undertaken, which will provide a basis from which to make informed decisions about continued operations and subsidies.

**Community Services Department  
Golf - 481  
FY 2017-18 Adopted Budget**

	<b>FY 2014-15</b>	<b>FY 2015-16</b>	<b>FY 2016-17</b>	<b>FY 2017-18 Adopted Budget</b>
	<b>Actual</b>	<b>Actual</b>	<b>Projected</b>	
<b>Beginning Available Balance</b>	<b>\$ 216,728</b>	<b>\$ 143,203</b>	<b>\$ 18,822</b>	<b>\$ 12,856</b>
<b>Revenues</b>				
Swenson Golf Course	1,042,133	1,069,628	815,986	1,120,693
Van Buskirk Golf Course	466,897	423,746	346,000	480,934
Other Revenues	12,447	16,035	22,618	22,700
	<b>1,521,477</b>	<b>1,509,409</b>	<b>1,184,604</b>	<b>1,624,327</b>
<b>Expenditures</b>				
Swenson Golf Course	1,298,490	1,355,341	1,237,278	1,340,384
Van Buskirk Golf Course	703,909	744,295	725,572	776,794
City Costs Contingency	42,603	38,030	77,720	110,907
Repairs and Maintenance	-	46,124	-	-
	<b>2,045,002</b>	<b>2,183,790</b>	<b>2,040,570</b>	<b>2,228,085</b>
<b>Transfers</b>				
Transfer In - General Fund	450,000	550,000	850,000	700,000
Transfer Out	-	-	-	-
	<b>450,000</b>	<b>550,000</b>	<b>850,000</b>	<b>700,000</b>
<b>Net Annual Activity</b>	<b>(73,525)</b>	<b>(124,381)</b>	<b>(5,966)</b>	<b>96,242</b>
<b>Ending Available Balance</b>	<b>\$ 143,203</b>	<b>\$ 18,822</b>	<b>\$ 12,856</b>	<b>\$ 109,098</b>
<b>Available Balance Calculation</b>				
Current assets		\$ 174,791		
Current liabilities		(155,969)		
Ending Available Balance		<b>\$ 18,822</b>		

**Community Services Department  
Arts Endowment - 613  
FY 2017-18 Adopted Budget**

	<b>FY 2014-15</b>	<b>FY 2015-16</b>	<b>FY 2016-17</b>	<b>FY 2017-18</b>
	<b>Actual</b>	<b>Actual</b>	<b>Projected</b>	<b>Adopted Budget</b>
<b>Beginning Available Balance</b>	<b>\$ 73,529</b>	<b>\$ 25,463</b>	<b>\$ 538</b>	<b>\$ 550</b>
<b>Revenues</b>				
Interest	215	-	12	-
Grant Reimbursement	1,000	-	-	-
	<b>1,215</b>	<b>-</b>	<b>12</b>	<b>-</b>
<b>Expenditures</b>				
Grants Awarded	48,500	24,925	-	550
Materials & Supplies	781	-	-	-
	<b>49,281</b>	<b>24,925</b>	<b>-</b>	<b>550</b>
<b>Transfers</b>				
Transfer In - Arts Commission (641)	-	-	-	-
Transfer Out	-	-	-	-
	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net Annual Activity</b>	<b>(48,066)</b>	<b>(24,925)</b>	<b>12</b>	<b>(550)</b>
<b>Ending Available Balance</b>	<b>\$ 25,463</b>	<b>\$ 538</b>	<b>\$ 550</b>	<b>\$ -</b>
<b>Available Balance Calculation</b>				
Cash		\$ 538		
Ending Available Balance		<b>\$ 538</b>		

**Community Services Department  
Parks & Recreation Trust - 643  
FY 2017-18 Adopted Budget**

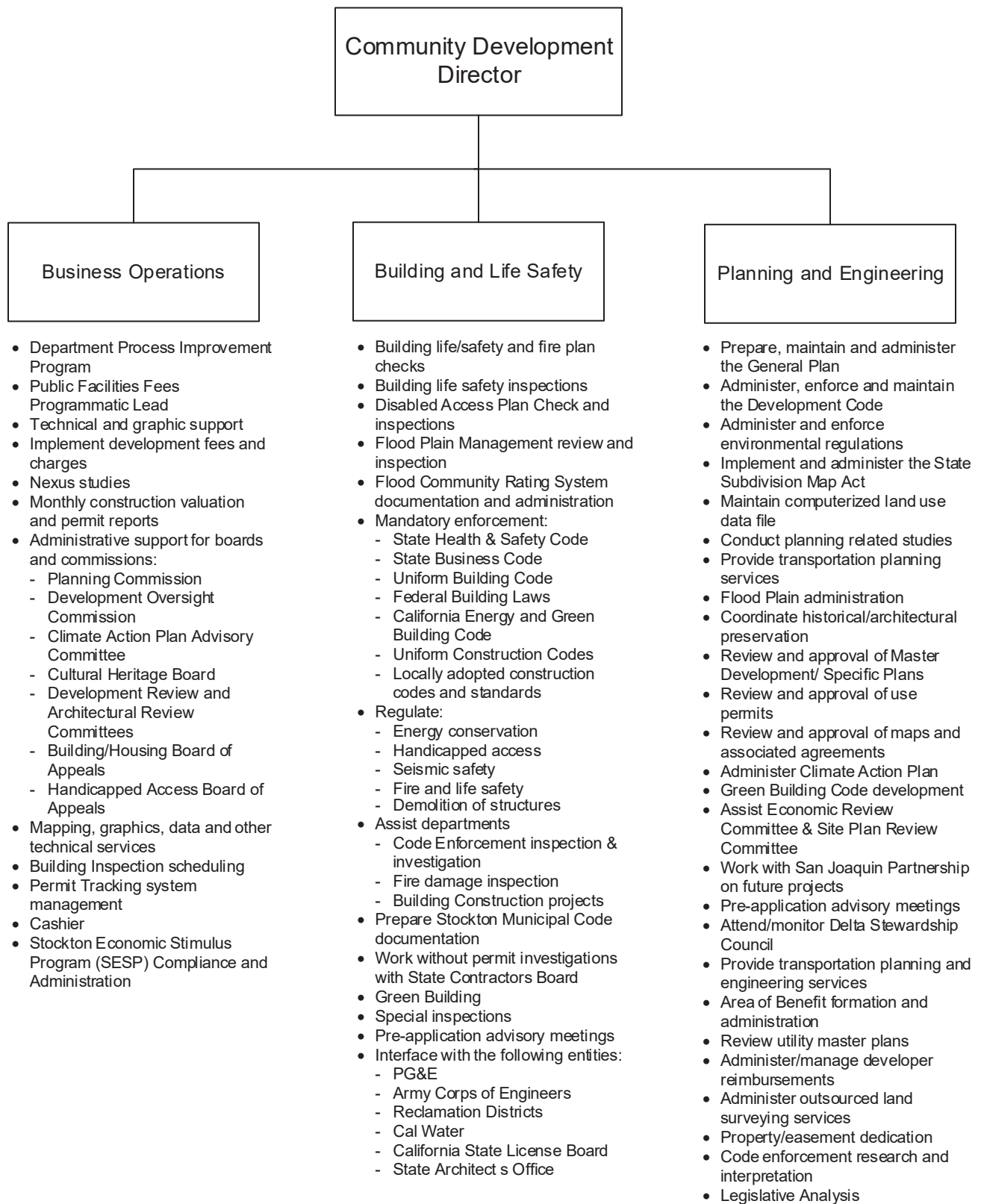
	FY 2014-15	FY 2015-16	FY 2016-17	FY 2017-18
	Actual	Actual	Projected	Adopted Budget
<b>Beginning Available Balance</b>	<b>\$ 112,332</b>	<b>\$ 121,941</b>	<b>\$ 131,889</b>	<b>\$ 112,713</b>
<b>Revenues</b>				
Donations	22	118	-	-
Program revenue	12,750	15,750	10,000	10,000
Interest income	953	505	1,300	1,300
	<b>13,725</b>	<b>16,373</b>	<b>11,300</b>	<b>11,300</b>
<b>Expenditures</b>				
Program costs	4,116	6,425	6,500	55,000
	<b>4,116</b>	<b>6,425</b>	<b>6,500</b>	<b>55,000</b>
<b>Transfers</b>				
Transfer In - General Fund	-	-	-	-
Transfer Out	-	-	(23,976)	-
	<b>-</b>	<b>-</b>	<b>(23,976)</b>	<b>-</b>
<b>Net Annual Activity</b>	<b>9,609</b>	<b>9,948</b>	<b>(19,176)</b>	<b>(43,700)</b>
<b>Ending Available Balance</b>	<b>\$ 121,941</b>	<b>\$ 131,889</b>	<b>\$ 112,713</b>	<b>\$ 69,013</b>
<b>Available Balance Calculation</b>				
Cash		\$ 136,716		
Accounts Receivable		(4,827)		
Accounts Payable				
Ending Available Balance		<b>\$ 131,889</b>		



## TAB 8 COMMUNITY DEVELOPMENT







# COMMUNITY DEVELOPMENT DEPARTMENT



## COMMUNITY DEVELOPMENT DEPARTMENT

### MISSION STATEMENT

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

### Budget at a Glance:

Total Expenditures	\$10,286,148
Total Revenues	\$8,464,962
Total Net Cost	\$1,821,186
Total Staff	38

### DEPARTMENTAL DESCRIPTION

The Community Development Department is comprised of the Building and Life Safety Division, Planning and Engineering Division, and the Business Operations Division. The operational center of the department is at the City Permit Center. The purpose of the department is to:

- Plan for future growth, infrastructure needs and service demands of the City.
- Review and process permit applications for development activities.
- Provide permit and life safety inspections of buildings, storage tanks, mechanical equipment lines and other structures.
- Provide emergency operations inspection services and action plan support.
- Coordinate floodplain management efforts.
- Assist other departments and agencies in the areas of economic development, climate action planning, design review, historic building analysis, environmental impact review, and geographic information mapping and analysis.
- Serve as the Public Facilities Fees citywide programmatic lead.

The department supports the Planning Commission, Development Oversight Commission, Climate Action Plan Advisory Committee, Cultural Heritage Board, Building and Housing Board of Appeals, and the Handicap Access Board of Appeals. Community-based planning efforts are funded by intergovernmental grants and the General Fund. Development permitting is largely funded by user fees.

### KEY CONSIDERATIONS

The operative General Plan 2035 was completed in 2007. Stockton has dramatically changed since 2007 to the extent that the baseline conditions, reasoning and vision of that plan are no longer applicable. The City Council continues to identify a revised General Plan as a strategic priority and the General Plan process is well underway. This process includes the need for a comprehensive update of the General Plan and the various other complimentary documents, public policies and programs that stem from the General Plan. Additionally, the Capital Improvement Program, Stockton Municipal Code, and development impact fees within the City Fee Schedule will be reviewed for potential revisions. The department entered a contract to facilitate these goals and the General Plan update remains a top priority for FY 2017-18.

**The General Plan** schedule for revision sets forth a 24 to 30 month long effort to conduct necessary technical analyses, environmental impact analysis and reporting, and workshop and hearing processes. The General Plan amendment is anticipated to be completed by September 2018. Changes to the General Plan would be responsive to:

## COMMUNITY DEVELOPMENT DEPARTMENT

- the Economic Development Strategic Plan (February 2015);
- the 2008 Settlement Agreement with the State regarding alleged defects with General Plan 2035;
- the SB 375 Sustainable Communities Strategy goals for the region and how that impacts the City's Circulation Element and Housing Element of the General Plan;
- the AB 32 climate action planning policies and programs and how that impacts the General Plan;
- the SB 5 floodplain management regulations and related effects on the City's planning and building codes;
- the Downtown Area Plan focusing on transit-oriented, mixed-use development opportunities; and
- the production of baseline conditions for the preparation of a state-mandated Municipal Services Review to include the impact of the City's annexation policies and rules.

**Flood Plain Management** refers to the effort required to work with the Federal Emergency Management Agency and other agencies to provide "100-year" flood protection and to achieve an improved Community Rating System score that helps to lower all citywide homeowner flood insurance rates. This effort was modified by State Law, which now requires the City to achieve an even higher "200-year" level of flood protection because of state law (SB 5). SB 5 places restrictions on development within 200-year flood plain areas and went into effect July 1, 2016. The Development Code will continue to be revised as required in compliance with this new State mandate.

**Permit Center** changes are underway to increase the customer service focus and improve efficiency. A significant department improvement was the permit management system implementation in November 2015 and current year costs include ongoing software licenses, hardware and technology upgrades, training services, and technical support services. The next step is the procurement of a vendor to digitize permit records and building/engineering plan sets. The digitizing project is expected to be accomplished in FY 2017-18.

Customer service improvements at the Permit Center are ongoing. Multiple evaluations, including those of Management Partners Inc. and the Urban Land Institute, made over 60 recommendations regarding needed reforms to the department functions. Those modifications are well underway as part of the department's process and workflow improvement.

Other notable improvements for this year include:

- 1) Implement Electronic Plan Review;
- 2) Refine queuing system to improve customer service wait times in the Permit Center;
- 3) Process Over the Counter permits on-line including electronic payment;
- 4) Collaborate with other City departments to expand existing permitting capability to non-development functions;
- 5) Continue to maintain Flood Plain Management Status;
- 6) Continue customer service and technical training of staff; and
- 7) Begin time and motion study after a full year of permit management system stabilization.

## COMMUNITY DEVELOPMENT DEPARTMENT

**Public Facility Admin** will be managed by the newly created PFF Manager position. The individual will serve as programmatic lead for citywide coordination of the City's Development Impact Fee Program, preparing studies or directing the preparation of studies regarding impact fee best practices, evaluating current impact fee program(s) and make recommendations for revisions to the program. They will monitor timely production and presentation to Council of the annual State-mandated AB1600 report on development fee collection and expenditures. An additional role will be to review and analyze economic incentive programs brought forward that impact development impact fees.

**Community Development Department  
FY 2017-18 Adopted Budget**

	<b>Development Services 048</b>	<b>Public Facilities Fee Administration 999</b>	<b>Total</b>
	<i>See Page H-9 (excludes Fire portion of fund)</i>	<i>See Page H-10</i>	
<b>Beginning Available Balance</b>		<b>\$ 658,413</b>	
<b>Revenues</b>			
Fees	7,336,962	200,000	7,536,962
Other Revenues	2,500	500	3,000
	<b>7,339,462</b>	<b>200,500</b>	<b>7,539,962</b>
<b>Expenditures</b>			
Operating Expense	9,604,818	190,830	9,795,648
	<b>9,604,818</b>	<b>190,830</b>	<b>9,795,648</b>
<b>Transfers</b>			
Transfer In - General Fund	925,000	-	925,000
Transfer Out	(490,500)	-	(490,500)
	<b>434,500</b>	<b>-</b>	<b>434,500</b>
<b>Net Annual Activity</b>	<b>(1,830,856)</b>	<b>9,670</b>	<b>(1,821,186)</b>
<b>Ending Available Balance</b>		<b>\$ 668,083</b>	
		-	
		Revenues	\$ 7,539,962
		Transfers	925,000
		Total Sources	<b>\$ 8,464,962</b>
		Expenditures	\$ 9,795,648
		Transfers	490,500
		Total Appropriations	<b>\$ 10,286,148</b>





## **COMMUNITY DEVELOPMENT DEPARTMENT**

### **DEVELOPMENT SERVICES FUND (048)**

#### **History**

- This fund includes both the Community Development Department and the Fire Prevention Division of the Fire Department.
  - The Development Services fund is a special revenue fund to track building and planning activities.
  - Operating costs are funded largely by permit revenues.

#### **2016-17 Events**

- Started General Plan outreach meetings.
- Began pilot program for electronic plan review.
- Cannabis policy research and policy adoption to align municipal code with voter initiatives and State law changes in progress.
- Successfully passed Flood Plain Management five-year audit.
- Worked with other City departments to enhance the permit management system capabilities.
- Established a queuing system to improve customer service wait times in the Permit Center.
- Continued programmatic lead in Public Facility Fees management and oversight. The department will continue to manage and report on the Stockton Economic Stimulus Plan.
- Five new positions budgeted to assist the department to focus on efficiency, refining operating procedures, improvement of workflow, and cross training.

#### **2017-18 Budget Changes**

- Process improvements include establishing self-help resources at the Permit Center and contracting for a time and motion study to capture the efficiencies achieved through re-organization and automation.
- The General Plan revision effort includes conducting the technical and environmental impact analyses, and holding community workshops.
- The web-based Permit Management and Fee Management System will be refined with several enhancements, including analytics and performance metrics and on-line payment capability.
- Other priority projects for the department include administering the AB 32 Climate Action Plan, providing revisions to the Capital Improvement Plan to match the General Plan, addressing flood plain management issues in accordance with SB 5 (FEMA Community Service Rating and other flood plain management responsibilities), and reporting to the City Council on the Stockton Economic Stimulus Plan.
- The General Fund contribution that began in FY 2012-13 continues in FY 2017-18 at \$925,000. The contribution supports general government activities that are not supported by development fees.

**Community Development and Fire Departments - Combined  
Development Services - 048  
FY 2017-18 Adopted Budget**

	<b>FY 2014-15</b>	<b>FY 2015-16</b>	<b>FY 2016-17</b>	<b>FY 2017-18</b>
	<b>Actual</b>	<b>Actual</b>	<b>Projected</b>	<b>Adopted Budget</b>
<b>Beginning Available Balance</b>	<b>\$ 3,562,540</b>	<b>\$ 5,666,794</b>	<b>\$ 8,439,076</b>	<b>\$ 7,065,332</b>
<b>Revenues</b>				
Community Development				
User Fees	4,881,663	5,583,396	6,407,424	6,339,462
Development Oversight	223,806	110,011	51,000	51,000
Technology Fee	350,968	326,578	342,500	342,500
Comm. Rating System Admin. Fee	72,583	88,047	90,000	90,000
General Plan Maint & Implementation	671,205	462,144	308,000	310,000
Development Code Maintenance	223,861	71,220	-	-
Climate Action Plan	223,816	71,220	-	-
Housing Element Prep/Impl/Maint	111,863	35,143	-	-
Capital Preservation	223,774	236,749	204,000	204,000
Other Revenues	58,263	172,171	(7,632)	2,500
	<u>7,041,802</u>	<u>7,156,679</u>	<u>7,395,292</u>	<u>7,339,462</u>
Fire Prevention				
User Fees	1,652,627	2,378,431	2,114,393	2,145,267
Safe & Sane Fireworks Program	25,840	26,085	-	-
Fines & Penalties	59,710	72,242	60,550	57,958
Other Revenues	-	3,170	4,915	3,125
	<u>1,738,177</u>	<u>2,479,928</u>	<u>2,179,858</u>	<u>2,206,350</u>
	<b>8,779,979</b>	<b>9,636,607</b>	<b>9,575,150</b>	<b>9,545,812</b>
<b>Expenditures</b>				
Community Development				
Business Ops and Customer Service	2,066,954	1,930,049	2,334,926	4,136,843
Planning & Engineering Services	1,828,290	611,399	4,324,890	2,804,798
Building and Life Safety	1,487,014	1,486,322	1,918,158	2,663,177
Department restructuring	743,477	2,549,083	855,000	-
	<u>6,125,735</u>	<u>6,576,853</u>	<u>9,432,974</u>	<u>9,604,818</u>
Fire Prevention				
Fire Prevention	1,486,775	1,225,947	1,531,247	2,034,054
Fire Public Education	34,451	33,663	368,680	10,211
Safe & Sane Fireworks Program	28,764	27,862	29,493	-
	<u>1,549,990</u>	<u>1,287,472</u>	<u>1,929,420</u>	<u>2,044,265</u>
	<b>7,675,725</b>	<b>7,864,325</b>	<b>11,362,394</b>	<b>11,649,083</b>
<b>Transfers</b>				
Transfer In - General Fund	1,000,000	1,000,000	1,000,000	925,000
Transfer Out - CIP	-	-	(586,500)	(490,500)
	<u>1,000,000</u>	<u>1,000,000</u>	<u>413,500</u>	<u>434,500</u>
<b>Net Annual Activity</b>				
Community Development	1,916,067	1,579,826	(1,624,182)	(1,830,856)
Fire	188,187	1,192,456	250,438	162,085
	<u>2,104,254</u>	<u>2,772,282</u>	<u>(1,373,744)</u>	<u>(1,668,771)</u>
	-	-	-	-
<b>Ending Available Balance</b>	<b>\$ 5,666,794</b>	<b>\$ 8,439,076</b>	<b>\$ 7,065,332</b>	<b>\$ 5,396,561</b>
<b>Available Balance Calculation</b>				
Current Assets		\$ 9,564,917		
Current Liabilities		(1,125,841)		
Encumbrances		-		
Ending Available Balance		<u>\$ 8,439,076</u>		

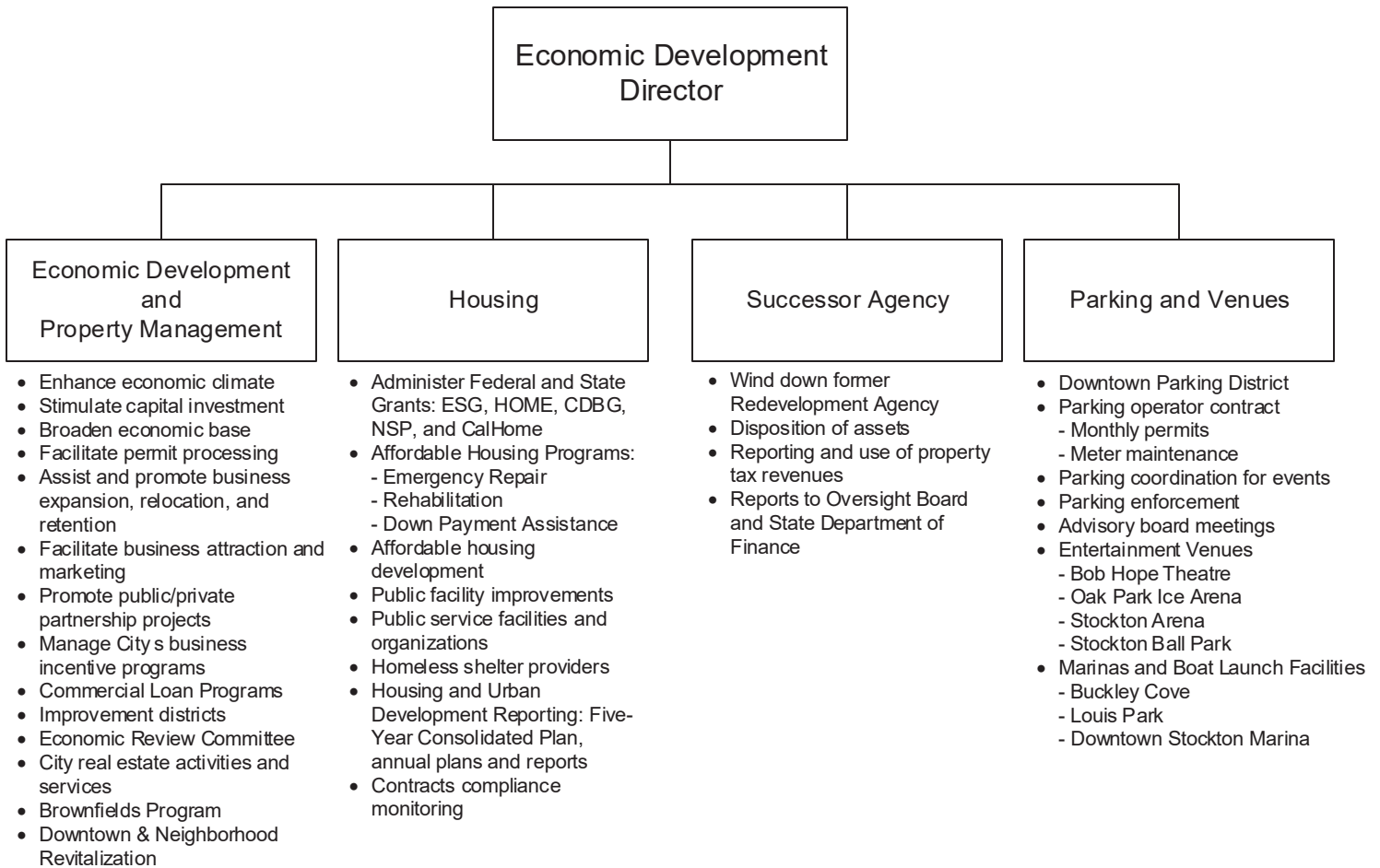
(a) The total Development Services Fund - 048 is presented with the Community Development Department budget. The portion relating to Fire has also been included on page E-13.

**Community Development  
Public Facilities Fee Administration - 999  
FY 2017-18 Adopted Budget**

	<b>FY 2014-15</b>	<b>FY 2015-16</b>	<b>FY 2016-17</b>	<b>FY 2017-18</b>
	<b>Actual</b>	<b>Actual</b>	<b>Projected</b>	<b>Adopted Budget</b>
<b>Beginning Available Balance</b>	<b>\$ 150,037</b>	<b>\$ 190,828</b>	<b>\$ 521,938</b>	<b>\$ 658,413</b>
<b>Revenues</b>				
Public Facilities Fee	181,104	422,242	187,344	200,000
Interest	1,310	7,869	296	500
	<b>182,414</b>	<b>430,111</b>	<b>187,640</b>	<b>200,500</b>
<b>Expenditures</b>				
Operating Expenses	141,623	99,001	51,165	190,830
	<b>141,623</b>	<b>99,001</b>	<b>51,165</b>	<b>190,830</b>
<b>Transfers</b>				
Transfer In - General Fund	-	-	-	-
Transfer Out	-	-	-	-
	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net Annual Activity</b>	<b>40,791</b>	<b>331,110</b>	<b>136,475</b>	<b>9,670</b>
<b>Ending Available Balance</b>	<b>\$ 190,828</b>	<b>\$ 521,938</b>	<b>\$ 658,413</b>	<b>\$ 668,083</b>
<b>Available Balance Calculation</b>				
Cash		\$ 525,113		
Accounts Payable		(3,175)		
Ending Available Balance		<b>\$ 521,938</b>		

## TAB 9 ECONOMIC DEVELOPMENT





# ECONOMIC DEVELOPMENT DEPARTMENT



## ECONOMIC DEVELOPMENT DEPARTMENT

### MISSION STATEMENT

To expand and diversify the City of Stockton's economic base; to provide real property services to City staff and efficient parking facilities downtown; and to facilitate the preservation and production of affordable housing.

### Budget at a Glance:

Total Expenditures	\$32,337,805
Total Revenues	\$28,008,492
Total Net Cost	\$4,329,313
Total Staff	19

### DEPARTMENT DESCRIPTION

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

The Economic Development Division engages in activities that expand and diversify the City of Stockton's economic base to attract and retain businesses, assist with the creation of quality jobs, and to promote business and developments in Downtown Stockton to establish an economically sustainable community. The division works directly with businesses to facilitate business start-up or expansion within Stockton and interacts with resource providers, such as the San Joaquin Partnership, San Joaquin County WorkNet, San Joaquin Delta College Small Business Development Center, and chambers of commerce to connect those resources to local businesses. This division also supports the Miracle Mile, Downtown Stockton Alliance, and Tourism improvement districts, and is responsible for overseeing implementation of the Economic Development Strategic Plan. The division manages several Economic Development Incentive Programs including: the Commercial Facade Improvement and Micro Loan, Commercial Emergency Grant, Downtown Financial Incentive, Non-Residential Fee Deferral, Office and Industrial Sales Tax Incentive, and Downtown Infill Infrastructure Incentive programs. In addition to economic development activities, this division provides property management and real estate support services to all departments.

The Housing Division is responsible for administering several Federal and State grant programs. The division uses these funds to preserve and produce affordable and workforce housing, fund non-profit organizations that provide public services for low-income residents of the community, rehabilitate or construct public facilities, and assist the homeless. The Federal funds are also used to fund some economic development activities. The division works with a Community Development Committee that acts as an advisory board to the City Council and assists with the preparation of the Five-Year Consolidated and One-Year Action plans. The Committee also evaluates proposals from non-profit organizations requesting federal funds. The division is responsible for ensuring activities meet State and Federal guidelines.

The Parking and Venues Division manages City parking facilities, entertainment venues, and marina/boat launching facilities. The division administers third-party contracts with operators who are responsible for daily operations at the Downtown Stockton Marina, Arena, Stockton Ballpark, Bob Hope Theatre, Oak Park Ice Rink, and parking in the Downtown Stockton area. This division is also responsible for the boat launching facilities located at Louis Park and Buckley Cove, in addition to overseeing long-term leases for Ladd's and Riverpoint Marinas, and the Stockton Sailing Club. Parking compliance and enforcement services are also provided by this division. The division is working with representatives of the community to develop a Strategic Parking Master Plan, and will also begin working on a Marina Master Plan.



## ECONOMIC DEVELOPMENT DEPARTMENT

The Successor Agency Division is responsible for winding down the activities of the former Stockton Redevelopment Agency. The Agency financed development activities in four targeted geographic “project areas,” adopted between 1961 and 2009. Activities were financed through incremental property taxes earned on property value appreciation over and above the baseline valuations at the time of project area formation. Through the passage of State Assembly Bills x1 26 and 1484, all California redevelopment agencies were dissolved and replaced with successor agencies effective February 1, 2012. The City of Stockton elected to become the Successor Agency. An Oversight Board directs and/or approves actions of the Successor Agency.

### KEY CONSIDERATIONS

For the Economic Development Division, the local economy has experienced significant improvements over the past several years with unemployment figures continuing to decline and absorption of vacant industrial and commercial properties increasing. The division continues to meet with retail, logistics and manufacturing companies. These efforts resulted in approximately a dozen new businesses opening, seven relocating or expanding, and seven companies announcing a Stockton location in FY 2016-17. In addition, the City Council adopted a new Nonresidential Public Facilities Fee Short-term Deferral Program to provide short-term relief from upfront development costs until construction has been completed and the building is ready to occupy. There has also been a focus on entrepreneurship with the department launching its first Business Entrepreneurship Program in FY 2015-16 that provides funding to organizations that support small business development within Stockton. Further, the department is in the process of negotiating agreements for the development of property along South Airport Way to bring much needed services to that neighborhood and will be seeking individuals interested in developing City-owned property along the downtown waterfront.

On February 24, 2015 the City Council approved the Economic Development Strategic Plan. The goal of the plan is to expand employment and investment in core local businesses and industries, as well as strengthen quality of life and foundational conditions. In addition to the plan, the division works with businesses and property owners in different geographic areas of the City to promote programs that encourage growth and development of Downtown Stockton, including the implementation of the Urban Land Institute report recommendations, and supporting developments such as the Open Window Project through various incentive programs.

The Downtown Infrastructure Infill Incentive program will support the City’s business expansion efforts, bring private investment to Downtown Stockton, and generate additional jobs and revenue for the City. The Downtown Infrastructure Infill Incentive Program provides financial incentives to eligible parties that are interested in developing new market rate residential, commercial, or mixed-use projects in Downtown Stockton. Funding was awarded in October 2016 to the Open Window Project.

The outlook for the annual Federal entitlements administered by the Housing Division is uncertain at this time. Changes in the Federal administration often result in programmatic adjustments to the Community Development Block Grant, HOME Investment Partnerships, and Emergency Solutions Grant programs that the City receives from the U.S. Department of Housing and Urban Development. The actual allocations for FY 2017-18 are not currently known, and the budget is based on last year’s allocations.

The Housing Division is also responsible for projects funded with the 2006 Revenue Bond, Series C – Housing loan proceeds, funds in the low and moderate income housing fund, and the remaining program income from the Neighborhood Stabilization Program grants, awarded in 2009

## ECONOMIC DEVELOPMENT DEPARTMENT

and 2011. This program funded the acquisition and rehabilitation of 107 foreclosed homes and the acquisition and rehabilitation of five apartment complexes, which are now providing housing for 119 households with incomes at or below 50% of the Area Median Income. The Division will oversee construction of four single-family homes and the rehabilitation of a complex that will provide housing for an additional 72 households.

The Parking and Venues Division made changes to its parking operations to improve efficiencies. In 2013, the City Council adopted Resolution No. 2013-12-17-1209 establishing a Parking Authority to function within the City, and transitioned parking operations from the City to the Parking Authority. In FY 2014-15, the Parking Authority entered an agreement with a third-party vendor to manage and operate the parking programs in the Downtown Parking District (District), and moved parking enforcement from the City's Police Department to the Parking Authority. The Parking Authority continues to fund two bicycle patrol officers within the District.

This division is also responsible for City venues such as the Downtown Stockton Marina, boat launching facilities at Buckley Cove and Louis Park, long-term leases with operators at Ladd's and Riverpoint Marinas and the Stockton Sailing Club and entertainment venues. The Entertainment Venues Fund includes the Stockton Arena, Stockton Ballpark, Oak Park Ice Rink, and the Bob Hope Theatre. The centralized management of parking assets, marina assets, and venues continues to improve efficiencies in planning, parking, and coordination of the events, as well as improve business and customer services. In November 2016, the third-party operator for the Downtown Marina facility terminated their agreement to manage the Stockton Downtown Marina. The Marina is currently under the direct operation of City staff until a competitive bidding process for a new operator is completed.

Annual tax increment revenues in the Successor Agency Division continue to improve with the housing market and the Successor Agency expects sufficient revenues to cover its obligations. The Successor Agency reports its finances and requests tax increment revenues to pay its obligations through an annual Recognized Obligation Payment Schedule.

In FY 2015-16, the State Department of Finance approved the Successor Agency's Long Range Property Management Plan. This plan outlines the intended uses or sale of Successor Agency owned properties. The Successor Agency is in the process of selling some properties and working with organizations to develop others. Proceeds received from the sale or transfer of properties will be distributed to the taxing entities. All actions of the Successor Agency are reviewed or approved by the Oversight Board and the State Department of Finance.

**Economic Development Department  
FY 2017-18 Adopted Budget**

	<b>General Fund 010</b>	<b>HUD/ Housing</b>	<b>Parking and Venues</b>	<b>Economic Development Total</b>
	<i>See Page I-7</i>	<i>See Page I-8</i>	<i>See Page I-26</i>	
<b>Beginning Available Balance</b>		<b>\$ 3,499,198</b>	<b>\$ 3,076,799</b>	
<b>Revenues</b>				
Grants & Entitlements	-	8,735,458	-	8,735,458
Assessment & User Fees	-	-	7,514,845	7,514,845
Fines & Forfeitures	-	-	759,560	759,560
Interest	-	-	-	-
Other Revenue	132,095	-	5,358,104	5,490,199
	<b>132,095</b>	<b>8,735,458</b>	<b>13,632,509</b>	<b>22,500,062</b>
<b>Expenditures</b>				
Employee Services	260,029	-	-	260,029
Other Services	42,738	-	-	42,738
Materials and Supplies	3,000	-	-	3,000
Other Expenses	6,520	172,795	-	179,315
Loan Programs	-	6,628,700	-	6,628,700
Program Expense	-	1,162,083	14,129,613	15,291,696
Operating Expense	-	1,689,932	-	1,689,932
Economic Development	2,207,374	450,000	-	2,657,374
Debt Service	-	1,918,659	1,416,606	3,335,265
Capital Projects	-	-	1,160,000	1,160,000
	<b>2,519,661</b>	<b>12,022,169</b>	<b>16,706,219</b>	<b>31,248,049</b>
<b>Transfers</b>				
Transfer In - General Fund	-	-	3,720,787	3,720,787
Transfer In - Other Funds	-	1,787,643	-	1,787,643
Transfer Out	-	(162,104)	(927,652)	(1,089,756)
	<b>-</b>	<b>1,625,539</b>	<b>2,793,135</b>	<b>4,418,674</b>
<b>Net Annual Activity</b>	<b>(2,387,566)</b>	<b>(1,661,172)</b>	<b>(280,575)</b>	<b>(4,329,313)</b>
<b>Ending Available Balance</b>		<b>\$ 1,838,026</b>	<b>\$ 2,796,224</b>	
		-	-	
			Revenues	\$ 22,500,062
			Transfers	5,508,430
			Total Sources	<b>\$ 28,008,492</b>
			Expenditures	\$ 31,248,049
			Transfers	1,089,756
			Total Appropriations	<b>\$ 32,337,805</b>
				-

**Economic Development Department  
General Fund - 010  
FY 2017-18 Adopted Budget**

	<b>FY 2014-15</b>	<b>FY 2015-16</b>	<b>FY 2016-17</b>	<b>FY 2017-18</b>
	<b>Actual</b>	<b>Actual</b>	<b>Current Budget</b>	<b>Adopted Budget</b>
<b>Total Economic Development Department</b>				
Employee Services	\$ 625,378	\$ 762,954	\$ 898,713	\$ 902,038
Other Services	327,128	340,813	2,518,214	1,578,753
Materials and Supplies	8,497	6,974	8,700	6,000
Other Expenses	26,620	30,486	30,103	32,870
Total	<u>\$ 987,623</u>	<u>\$ 1,141,227</u>	<u>\$ 3,455,730</u>	<u>\$ 2,519,661</u>

**Economic Development**

Employee Services	416,817	532,339	668,890	642,009
Other Services	291,929	279,028	2,314,615	1,536,015
Materials and Supplies	3,809	2,910	4,200	3,000
Other Expenses	23,994	26,818	27,103	26,350
Total	<u>736,549</u>	<u>841,095</u>	<u>3,014,808</u>	<u>2,207,374</u>

**Asset Management**

Employee Services	208,561	230,615	229,823	260,029
Other Services	35,199	61,785	203,599	42,738
Materials and Supplies	4,688	4,064	4,500	3,000
Other Expenses	2,626	3,668	3,000	6,520
Total	<u>251,074</u>	<u>300,132</u>	<u>440,922</u>	<u>312,287</u>

**Economic Development Department  
Housing Division  
FY 2017-18 Adopted Budget**

	<b>Community Development Block Grants 052/054/062</b>	<b>Emergency Solutions Grant 057</b>	<b>HOME 058/059</b>	<b>Special Purpose CDBG Loan Program 053</b>	<b>CALHOME Loan 060</b>
	<i>See Page I-11</i>	<i>See Page I-13</i>	<i>See Page I-15</i>	<i>See Page I-17</i>	<i>See Page I-19</i>
<b>Beginning Available Balance</b>	<b>\$ 907,607</b>	<b>\$ -</b>	<b>\$ 425,082</b>	<b>\$ 3,959</b>	<b>\$ 83,446</b>
<b>Revenues</b>					
Entitlements	3,934,021	291,273	1,362,102	-	-
Loan Repayments	390,000	-	250,000	-	37,322
Other Revenue	-	-	-	-	-
	<b>4,324,021</b>	<b>291,273</b>	<b>1,612,102</b>	<b>-</b>	<b>37,322</b>
<b>Expenditures</b>					
Program Expenses	880,810	281,273	-	-	-
Operating Expenses	1,117,858	10,000	254,779	-	-
Debt Service - Section 108	1,918,659	-	-	-	-
CHDO Set-aside loan pool	-	-	172,795	-	-
Economic Development	450,000	-	-	-	-
Loan programs	605,111	-	1,184,528	-	71,000
	<b>4,972,438</b>	<b>291,273</b>	<b>1,612,102</b>	<b>-</b>	<b>71,000</b>
<b>Transfers</b>					
Transfer In	810,521	-	-	-	-
Transfer Out	(162,104)	-	-	-	-
	<b>648,417</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net Annual Activity</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(33,678)</b>
<b>Ending Available Balance</b>	<b>\$ 907,607</b>	<b>\$ -</b>	<b>\$ 425,082</b>	<b>\$ 3,959</b>	<b>\$ 49,768</b>
	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

**Economic Development Department  
Housing Division, Continued  
FY 2017-18 Adopted Budget**

	<b>State Housing Loan 061</b>	<b>Neighborhood Stabilization Program 063/064</b>	<b>Low/Mod Housing 329</b>	<b>Housing Total</b>
	<i>See Page I-20</i>	<i>See Page I-23</i>	<i>See Page I-25</i>	
<b>Beginning Available Balance</b>	<b>\$ 15,773</b>	<b>\$ 300,709</b>	<b>\$ 1,762,622</b>	<b>\$ 3,499,198</b>
<b>Revenues</b>				
Entitlements	-	2,401,736	-	7,989,132
Loan Repayments	6,504	-	-	683,826
Other Revenue	-	-	62,500	62,500
	<b>6,504</b>	<b>2,401,736</b>	<b>62,500</b>	<b>8,735,458</b>
<b>Expenditures</b>				
Program Expenses	-	-	-	1,162,083
Operating Expenses	-	157,295	150,000	1,689,932
Debt Service - Section 108	-	-	-	1,918,659
CHDO Set-aside loan pool	-	-	-	172,795
Economic Development	-	-	-	450,000
Loan programs	-	2,244,441	2,523,620	6,628,700
	<b>-</b>	<b>2,401,736</b>	<b>2,673,620</b>	<b>12,022,169</b>
<b>Transfers</b>				
Transfer In	-	-	977,122	1,787,643
Transfer Out	-	-	-	(162,104)
	<b>-</b>	<b>-</b>	<b>977,122</b>	<b>1,625,539</b>
<b>Net Annual Activity</b>	<b>6,504</b>	<b>-</b>	<b>(1,633,998)</b>	<b>(1,661,172)</b>
<b>Ending Available Balance</b>	<b>\$ 22,277</b>	<b>\$ 300,709</b>	<b>\$ 128,624</b>	<b>\$ 1,838,026</b>
	-	-	-	-

## **ECONOMIC DEVELOPMENT DEPARTMENT**

### **COMMUNITY DEVELOPMENT BLOCK GRANTS (052, 054, and 062)**

#### **History**

- The Community Development Block Grant (CDBG) Program is authorized under Title I of the Housing and Community Development Act of 1974, as amended.
- The program must primarily benefit low and moderate income persons.
- The primary objective of the Act is the development of viable communities by providing decent housing, a suitable living environment, and expanded economic opportunities.
- 20% of the annual entitlement plus program income received during the current fiscal year can be used for administrative costs.
- The CDBG budget includes the following components:
  - Program Delivery and Administration – costs attributed to CDBG projects including staff costs, reporting, code enforcement, and project costs.
  - Housing Loan Pool – housing programs for low income households.
  - Sub-Recipient Assistance – funds provided to local non-profit organizations for public services and projects.
  - Economic Development Programs – programs to assist businesses, including the Commercial Façade and Micro-Business Loan programs.
  - Debt Service – repayment of two federal Section 108 Loans used to partially fund projects such as Dean DeCarli Waterfront Square, Stockton Arena, Stockton Ballpark, and Downtown Stockton Marina.
- Unused and uncommitted funds expire at the end of the fiscal year. Remaining funds are reallocated annually as reprogrammed funds.

#### **FY 2016-17 Events**

- The annual CDGB entitlement decreased 2.8% in FY 2016-17 from the prior fiscal year.
- Nine single family rehabilitation projects were completed or are underway.
- Four Commercial Façade Loans were approved and are underway.

#### **FY 2017-18 Budget Changes**

- The amount of the annual CDBG entitlement is currently unknown. The budget is based on the FY 2016-17 funding level and includes the estimated FY 2017-18 entitlement, remaining prior years' grant entitlement funds, and projected program income.
- A loan repayment of approximately \$800,000 is budgeted from the Successor Agency as approved in the ROPS, a portion of which must be transferred to the Low-and Mod-Income Housing Fund.

**Housing Division**  
**Community Development Block Grants - 052 - 054 - 062**  
**FY 2017-18 Adopted Budget**

	<b>FY 2014-15</b>	<b>FY 2015-16</b>	<b>FY 2016-17</b>	<b>FY 2017-18</b>
	<b>Actual</b>	<b>Actual</b>	<b>Projected</b>	<b>Adopted Budget</b>
<b>Beginning Available Balance</b>	<b>\$ 1,353,142</b>	<b>\$ 1,215,967</b>	<b>\$ 773,490</b>	<b>\$ 907,607</b>
<b>Revenues</b>				
CDBG Entitlement	3,551,352	3,218,742	3,747,645	3,934,021
Interest earned	3,415	4,977	(1,513)	-
Loan Repayments	410,836	338,365	405,146	390,000
Other Revenue	4,278	3,511	4,300	-
Reimbursements	-	-	-	-
	<b>3,969,881</b>	<b>3,565,595</b>	<b>4,155,578</b>	<b>4,324,021</b>
<b>Expenditures</b>				
Administration	682,089	628,658	595,462	836,444
Program Delivery	196,776	202,922	207,966	281,414
Debt Service - Section 108	2,159,098	1,860,746	1,892,299	1,918,659
Subrecipient Assistance	387,258	322,040	523,142	880,810
Housing Loan Pool	201,579	476,153	210,001	605,111
Economic Dev Program	30,372	287,547	367,500	450,000
Code Enforcement	284,436	230,004	225,091	-
	<b>3,941,608</b>	<b>4,008,070</b>	<b>4,021,461</b>	<b>4,972,438</b>
<b>Transfers</b>				
Transfer In	-	-	-	810,521
Transfer In				
Transfer Out	(165,448)	-	-	(162,104)
	<b>(165,448)</b>	<b>-</b>	<b>-</b>	<b>648,417</b>
<b>Net Annual Activity</b>	<b>(137,175)</b>	<b>(442,475)</b>	<b>134,117</b>	<b>-</b>
<b>Ending Available Balance</b>	<b>\$ 1,215,967</b>	<b>\$ 773,492</b>	<b>\$ 907,607</b>	<b>\$ 907,607</b>
<b>Available Balance Calculation</b>				
Current Assets		\$ 892,403		
Current Liabilities		(118,913)		
Ending Available Balance		<b>\$ 773,490</b>		



## **ECONOMIC DEVELOPMENT DEPARTMENT**

### **EMERGENCY SOLUTIONS GRANT (057)**

#### **History**

- The City receives an annual federal entitlement of Emergency Solutions Grant (ESG) funds.
- ESG funds are used to assist homeless shelters and service providers with maintenance and operation expenses, to provide homeless prevention, and to re-house those who have become homeless.
- ESG funds are required to be matched 100% with other funding by the sub-recipient.

#### **FY 2016-17 Events**

- The annual entitlement increased 1% in FY 2016-17 from the prior fiscal year.
- Funds were provided to multiple local non-profits, including Haven of Peace, Women's Center Youth and Family Services, and the Stockton Shelter for the Homeless.

#### **FY 2017-18 Budget Changes**

- The amount of the annual ESG entitlement is currently unknown. The FY 2017-18 budget is based on the FY 2016-17 entitlement.
- ESG funding is fully committed each year to local homeless shelters, homeless service providers and a minor allocation to program administration.

**Housing Division  
Emergency Solutions Grant - 057  
FY 2017-18 Adopted Budget**

	<b>FY 2014-15</b>	<b>FY 2015-16</b>	<b>FY 2016-17</b>	<b>FY 2017-18 Adopted Budget</b>
	<b>Actual</b>	<b>Actual</b>	<b>Projected</b>	
<b>Beginning Available Balance</b>	<b>\$ 21,098</b>	<b>\$ 21,098</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Revenues</b>				
ESG Entitlement	255,354	228,900	295,475	291,273
HPRP Grant	-	-	-	-
	<b>255,354</b>	<b>228,900</b>	<b>295,475</b>	<b>291,273</b>
<b>Expenditures</b>				
ESG Community Program Services	249,278	241,551	281,273	281,273
HPRP Employee Services	-	-	-	-
HPRP Community Program Services	-	-	-	-
Administration	6,076	8,447	14,202	10,000
	<b>255,354</b>	<b>249,998</b>	<b>295,475</b>	<b>291,273</b>
<b>Transfers</b>				
Transfer In	-	-	-	-
Transfer Out	-	-	-	-
	<b>-</b>	<b>(21,098)</b>	<b>-</b>	<b>-</b>
<b>Net Annual Activity</b>	<b>-</b>	<b>(21,098)</b>	<b>-</b>	<b>-</b>
<b>Ending Available Balance</b>	<b>\$ 21,098</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Available Balance Calculation</b>				
Current Assets		\$ 19,525		
Current Liabilities		(19,525)		
Encumbrances		-		
Ending Available Balance		<b>\$ -</b>		

## **ECONOMIC DEVELOPMENT DEPARTMENT**

### **HOME INVESTMENT PARTNERSHIP PROGRAM (HOME) FUND (058 and 059)**

#### **History**

- The HOME program was created by the National Housing Act of 1990, as amended. The objectives of the HOME Program are to provide decent affordable housing to lower-income households; strengthen the ability of state and local governments to provide housing; and leverage private-sector participation.
- The HOME budget includes the following components:
  - Program Delivery and Administration - Includes the general costs associated with the administration and oversight of the HOME Program; 10% of its annual entitlement plus program income received can be used toward administrative costs.
  - Community Housing Development Organization Set-Aside – HUD regulations require that 15% of the City's HOME allocation be reserved for these entities, which are community based organizations that develop affordable housing.
  - Housing Loan Fund – housing programs for low income households including single-family rehabilitation, down payment assistance, and multi-family residential projects.

#### **FY 2016-17 Events**

- The annual entitlement of HOME funds decreased 5% in FY 2016-17 from the prior fiscal year.
- The Cal Weber 40 project was completed and is providing 39 units for low income households, along with space for small businesses in downtown Stockton.
- HOME funds were awarded to the Medico Artist Flats project, which will be an adaptive reuse, mixed-income, mixed-use project and will provide 27 units for low-income households, 6 market rate unit, and commercial space on the ground floor of the historic Medico Dental Building.

#### **FY 2017-18 Budget Changes**

- The amount of the annual HOME entitlement is currently unknown. The budget is based on the FY 2016-17 funding level and includes current year entitlement plus remaining grant entitlement funds from prior years and projected program income from housing loan payments.
- The Department will issue another Notice of Funding Availability during FY 2017-18.

**Housing Division  
HOME - 058/059  
FY 2017-18 Adopted Budget**

	<b>FY 2014-15</b>	<b>FY 2015-16</b>	<b>FY 2016-17</b>	<b>FY 2017-18</b>
	<b>Actual</b>	<b>Actual</b>	<b>Projected</b>	<b>Adopted Budget</b>
<b>Beginning Available Balance</b>	<b>\$ -</b>	<b>\$ 311,809</b>	<b>\$ 223,736</b>	<b>\$ 425,082</b>
<b>Revenues</b>				
HOME Entitlement	2,575,129	413,274	611,384	1,362,102
HOME Program Income	192,325	301,605	200,000	250,000
Interest	882	1,097	1,346	-
	<b>2,768,336</b>	<b>715,976</b>	<b>812,730</b>	<b>1,612,102</b>
<b>Expenditures</b>				
Administration	92,061	77,668	107,449	140,197
CHDO Set-aside loan pool	27,728	9,847	137,547	172,795
Housing Loan Programs	2,275,733	643,480	297,901	1,184,528
Program Delivery	61,005	73,054	68,487	114,582
Loan Forgiveness	-	-	-	-
	<b>2,456,527</b>	<b>804,049</b>	<b>611,384</b>	<b>1,612,102</b>
<b>Transfers</b>				
Transfer In	-	-	-	-
Transfer Out	-	-	-	-
	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net Annual Activity</b>	<b>311,809</b>	<b>(88,073)</b>	<b>201,346</b>	<b>-</b>
<b>Ending Available Balance</b>	<b>\$ 311,809</b>	<b>\$ 223,736</b>	<b>\$ 425,082</b>	<b>\$ 425,082</b>
<b>Available Balance Calculation</b>				
Current Assets		\$ 246,329		
Current Liabilities		(22,593)		
Encumbrances		-		
Due from HUD		-		
Ending Available Balance		<b>\$ 223,736</b>		

## **ECONOMIC DEVELOPMENT DEPARTMENT**

### **SPECIAL PURPOSE CDBG LOAN PROGRAMS FUND (053)**

#### **History**

- This fund was established to manage one-time Community Development Block Grant (CDBG) special purpose grants and loans.
- Federal entitlements such as Economic Development Initiative, Brownfields Economic Development Initiative and CDBG-R have moved through this fund.

#### **FY 2016-17 Events**

- A transfer of approximately \$1.1 million was for the receipt of Brownfields Economic Development grant funds. The Redevelopment West End Fund paid for project costs that were to be reimbursed by the grant prior to Redevelopment Agency dissolution. At the time of dissolution, the General Fund covered the cash deficit for Redevelopment West End Fund. As a result, the grant funds were owed and transferred to the General Fund.

#### **FY 2017-18 Budget Changes**

- No additional funding or activity is expected.

**Housing Division**  
**Special Purpose CDBG Loan Programs - 053**  
**FY 2017-18 Adopted Budget**

	<b>FY 2014-15</b>	<b>FY 2015-16</b>	<b>FY 2016-17</b>	<b>FY 2017-18</b>
	<b>Actual</b>	<b>Actual</b>	<b>Projected</b>	<b>Adopted Budget</b>
<b>Beginning Available Balance</b>	<b>\$ 2,606,046</b>	<b>\$ 2,606,715</b>	<b>\$ 1,089,716</b>	<b>\$ 3,959</b>
<b>Revenues</b>				
EDI Grant Funds	-	-	-	-
BEDI Grant Funds	-	-	-	-
CDBG-R Grant 2009-10	-	-	-	-
Interest Earnings	669	1,893	243	-
	<b>669</b>	<b>1,893</b>	<b>243</b>	<b>-</b>
<b>Expenditures</b>				
CDBG-R Expenditures	-	-	-	-
	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Transfers</b>				
Transfer In	-	-	-	-
Transfer Out	-	-	(1,086,000)	-
	<b>-</b>	<b>-</b>	<b>(1,086,000)</b>	<b>-</b>
<b>Net Annual Activity</b>	<b>669</b>	<b>1,893</b>	<b>(1,085,757)</b>	<b>-</b>
<b>Ending Available Balance</b>	<b>\$ 2,606,715</b>	<b>\$ 2,608,608</b>	<b>\$ 3,959</b>	<b>\$ 3,959</b>
<b>Available Balance Calculation</b>				
Current Assets		\$ 2,608,608		
BEDI Accounts Receivable		-		
Cash with Fiscal Agent		(1,260,397)		
Section 108 Debt Reserve		(258,495)		
Ending Available Balance		<b>\$ 1,089,716</b>		

## **ECONOMIC DEVELOPMENT DEPARTMENT**

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

#### **History**

- State HELP funding was received in prior fiscal years in amounts totaling \$1.1 million.
- HELP funds have been fully expended and the debt to the State of California was paid in full in FY 2010-11.
- State CalHOME funding was received in prior fiscal years in amounts totaling \$1.5 million.
- CalHOME funding is used for single-family rehabilitation and down payment assistance to benefit low and moderate income persons and families.
- Program income from housing loan repayments under both HELP and CalHOME has been recycled back into additional low- and mod-income housing loans.

#### **FY 2016-17 Events**

- CalHOME funding was used for three rehabilitation loans.
- \$431,000 in accumulated program income in the HELP fund was used in conjunction with HOME funding as down payment assistance for the acquisition of the Cal Weber 40 housing project which includes 39 units for low income households, along with space for small businesses in downtown Stockton.

#### **FY 2017-18 Budget Changes**

- CalHOME program income will be used to fund down payment assistance or rehabilitation loans.

**Housing Division  
CALHOME Loan - 060  
FY 2017-18 Adopted Budget**

	<b>FY 2014-15</b>	<b>FY 2015-16</b>	<b>FY 2016-17</b>	<b>FY 2017-18</b>
	<b>Actual</b>	<b>Actual</b>	<b>Projected</b>	<b>Adopted Budget</b>
<b>Beginning Available Balance</b>	<b>\$ 118,131</b>	<b>\$ 203,084</b>	<b>\$ 338,641</b>	<b>\$ 83,446</b>
<b>Revenues</b>				
CalHome Loan Program	97,645	290,666	-	-
Loan Repayments	107,759	37,343	54,482	37,322
Misc. Other Revenues	1,365	700	-	-
Interest Earnings	2,311	1,452	1,544	-
	<b>209,080</b>	<b>330,161</b>	<b>56,026</b>	<b>37,322</b>
<b>Expenditures</b>				
Housing Loan Programs	124,127	194,604	311,221	71,000
	<b>124,127</b>	<b>194,604</b>	<b>311,221</b>	<b>71,000</b>
<b>Transfers</b>				
Transfer In	-	-	-	-
Transfer Out	-	-	-	-
	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net Annual Activity</b>	<b>84,953</b>	<b>135,557</b>	<b>(255,195)</b>	<b>(33,678)</b>
<b>Ending Available Balance</b>	<b>\$ 203,084</b>	<b>\$ 338,641</b>	<b>\$ 83,446</b>	<b>\$ 49,768</b>
<b>Available Balance Calculation</b>				
Current Assets		\$ 338,641		
Current Liabilities		-		
Ending Available Balance		<b>\$ 338,641</b>		



**Housing Division  
State Housing Loan (HELP) - 061  
FY 2017-18 Adopted Budget**

	<b>FY 2014-15</b>	<b>FY 2015-16</b>	<b>FY 2016-17</b>	<b>FY 2017-18 Adopted Budget</b>
	<b>Actual</b>	<b>Actual</b>	<b>Projected</b>	
<b>Beginning Available Balance</b>	<b>\$ 427,964</b>	<b>\$ 7,162</b>	<b>\$ 13,984</b>	<b>\$ 15,773</b>
<b>Revenues</b>				
Loan Repayments	7,083	6,775	1,620	6,504
Interest	3,115	47	169	-
	<b>10,198</b>	<b>6,822</b>	<b>1,789</b>	<b>6,504</b>
<b>Expenditures</b>				
Housing Loan Programs	431,000	-	-	-
	<b>431,000</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Transfers</b>				
Transfer In	-	-	-	-
Transfer Out	-	-	-	-
	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net Annual Activity</b>	<b>(420,802)</b>	<b>6,822</b>	<b>1,789</b>	<b>6,504</b>
<b>Ending Available Balance</b>	<b>\$ 7,162</b>	<b>\$ 13,984</b>	<b>\$ 15,773</b>	<b>\$ 22,277</b>
<b>Available Balance Calculation</b>				
Current Assets		\$ 13,984		
Current Liabilities		-		
Ending Available Balance		<b>\$ 13,984</b>		



## **ECONOMIC DEVELOPMENT DEPARTMENT**

### **NEIGHBORHOOD STABILIZATION GRANT (063 and 064)**

#### **History**

- Neighborhood Stabilization Program Grant (NSP) funding was awarded in 2009 in the amount of \$12.1 million.
- NSP third round funding was awarded in 2011 in the amount of \$4.2 million.
- NSP funds were used to acquire 107 foreclosed homes, rehabilitate them, and sell them to qualified low and moderate income buyers.
- 25% of the funding is required to be used to acquire foreclosed apartments, rehabilitate them, and rent to households with incomes below 50% of Area Median Income.
- 10% of the grant award plus program income is allowed for administrative costs.
- Five rehabilitated apartment complexes have been completed and are providing 119 units for low income households. The projects utilized HOME and NSP funds.

#### **FY 2016-17 Events**

- Coventry Apartments was acquired and rehabilitated and is providing 44 units for low income households.
- El Monte Apartments was acquired and rehabilitated and is providing 11 units for low income households.
- NSP funds were committed to rehabilitating Hunter Street Apartments. When completed, this project is expected provide 72 units for low income households.
- NSP funds were also awarded to the Dream Creek Project. When completed this project will provide four single family homes to low income households.

#### **FY 2017-18 Budget Changes**

- NSP funding will be fully expended upon the completion of Hunter Street Apartments and the construction of the Dream Creek single-family homes by Habitat for Humanity.

**Housing Division**  
**Neighborhood Stabilization Program - 063**  
**FY 2017-18 Adopted Budget**

	<b>FY 2014-15</b>	<b>FY 2015-16</b>	<b>FY 2016-17</b>	<b>FY 2017-18</b>
	<b>Actual</b>	<b>Actual</b>	<b>Projected</b>	<b>Adopted Budget</b>
<b>Beginning Available Balance</b>	<b>\$ 557,580</b>	<b>\$ 92,463</b>	<b>\$ -</b>	<b>\$ 282,306</b>
<b>Revenues</b>				
NSP Entitlement	755,918	429,843	238,008	1,926,060
Interest Earned	144	-	582	-
Loan Repayments	806,620	98,537	43,716	-
	<b>1,562,682</b>	<b>528,380</b>	<b>282,306</b>	<b>1,926,060</b>
<b>Expenditures</b>				
Administration	96,338	51,876	-	52,183
Program Delivery	38,469	7,118	-	50,000
Housing Loan Programs	1,892,992	561,849	-	1,823,877
	<b>2,027,799</b>	<b>620,843</b>	<b>-</b>	<b>1,926,060</b>
<b>Transfers</b>				
Transfer In	-	-	-	-
Transfer Out	-	-	-	-
	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net Annual Activity</b>	<b>(465,117)</b>	<b>(92,463)</b>	<b>282,306</b>	<b>-</b>
<b>Ending Available Balance</b>	<b>\$ 92,463</b>	<b>\$ -</b>	<b>\$ 282,306</b>	<b>\$ 282,306</b>
<b>Available Balance Calculation</b>				
Current Assets		\$ 143,011		
Current Liabilities		(535)		
Loan commitments		(142,476)		
Due from HUD		-		
Ending Available Balance		<b>\$ -</b>		

**Housing Division**  
**Neighborhood Stabilization Program #3 - 064**  
**FY 2017-18 Adopted Budget**

	<b>FY 2014-15</b>	<b>FY 2015-16</b>	<b>FY 2016-17</b>	<b>FY 2017-18</b>
	<b>Actual</b>	<b>Actual</b>	<b>Projected</b>	<b>Adopted Budget</b>
<b>Beginning Available Balance</b>	<b>\$ (2,368)</b>	<b>\$ 480,598</b>	<b>\$ -</b>	<b>\$ 18,403</b>
<b>Revenues</b>				
NSP Entitlement	73,124	72,540	791,835	475,676
Interest Earned	-	1,931	(1,352)	-
Loan Repayments	798,538	215,760	26,170	-
	<b>871,662</b>	<b>290,231</b>	<b>816,653</b>	<b>475,676</b>
<b>Expenditures</b>				
Administration	101,262	72,142	31,910	35,112
Program Delivery	1,645	3,085	7,000	20,000
Housing Loan Programs	285,789	695,602	759,340	420,564
	<b>388,696</b>	<b>770,829</b>	<b>798,250</b>	<b>475,676</b>
<b>Transfers</b>				
Transfer In	-	-	-	-
Transfer Out	-	-	-	-
	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net Annual Activity</b>	<b>482,966</b>	<b>(480,598)</b>	<b>18,403</b>	<b>-</b>
<b>Ending Available Balance</b>	<b>\$ 480,598</b>	<b>\$ -</b>	<b>\$ 18,403</b>	<b>\$ 18,403</b>
<b>Available Balance Calculation</b>				
Current Assets		\$ -		
Current Liabilities		(4,757)		
Encumbrances		-		
Loan commitments		(67,783)		
Due from HUD		72,540		
Ending Available Balance		<b>\$ -</b>		

**Economic Development Department  
Low & Moderate Income Housing - 329  
FY 2017-18 Adopted Budget**

	<b>FY 2014-15</b>	<b>FY 2015-16</b>	<b>FY 2016-17</b>	<b>FY 2017-18</b>
	<b>Actual</b>	<b>Actual</b>	<b>Projected</b>	<b>Adopted Budget</b>
<b>Beginning Available Balance</b>	<b>\$ 135,476</b>	<b>\$ 2,991,140</b>	<b>\$ 3,218,570</b>	<b>\$ 1,762,622</b>
<b>Revenues</b>				
Interest Earned	18,803	107,080	61,536	60,000
Other	-	1,000	2,500	2,500
	<b>18,803</b>	<b>108,080</b>	<b>64,036</b>	<b>62,500</b>
<b>Expenditures</b>				
Administration and Overhead	278,347	-	1,466	150,000
Housing Loan Programs	-	1,047,926	1,725,000	2,523,620
Capital projects	-	-	-	-
	<b>278,347</b>	<b>1,047,926</b>	<b>1,726,466</b>	<b>2,673,620</b>
<b>Transfers</b>				
Transfer In - GF and Other	278,347	-	-	359,260
Transfer In - 20% Set-Aside	6,606,138	4,101,444	206,482	617,862
Transfer Out - Debt Fund	(3,253,991)	(2,934,168)	-	-
Transfer Out	(515,286)	-	-	-
	<b>3,115,208</b>	<b>1,167,276</b>	<b>206,482</b>	<b>977,122</b>
<b>Net Annual Activity</b>	<b>2,855,664</b>	<b>227,430</b>	<b>(1,455,948)</b>	<b>(1,633,998)</b>
<b>Ending Available Balance</b>	<b>\$ 2,991,140</b>	<b>\$ 3,218,570</b>	<b>\$ 1,762,622</b>	<b>\$ 128,624</b>
<b>Available Balance Calculation</b>				
Current Assets		\$ 3,218,570		
Current Liabilities		-		
Encumbrances		-		
Ending Available Balance		<b>\$ 3,218,570</b>		

**Economic Development Department  
Parking and Venues  
FY 2017-18 Adopted Budget**

	<b>Boat Launching 045</b>	<b>Tourism and Business Improvement 073</b>	<b>Entertainment Venues 086</b>
	<i>See Page I-29</i>	<i>See Page I-30</i>	<i>See Page I-34</i>
<b>Beginning Available Balance</b>	<b>\$ 633,217</b>	<b>\$ 112,067</b>	<b>\$ 234,843</b>
<b>Revenues</b>			
Taxes/Assessments	-	1,495,630	-
Fees	187,100	-	-
Fines & Forfeitures	-	-	-
Rent	-	-	-
Other Revenue	5,932	-	5,237,741
	<b>193,032</b>	<b>1,495,630</b>	<b>5,237,741</b>
<b>Expenditures</b>			
Operating Expenses	127,314	1,495,630	8,214,850
Debt Service	-	-	-
Capital Improvement	-	-	400,000
	<b>127,314</b>	<b>1,495,630</b>	<b>8,614,850</b>
<b>Transfers</b>			
Transfer In	-	-	3,445,000
Transfer Out	-	-	-
	<b>-</b>	<b>-</b>	<b>3,445,000</b>
<b>Net Annual Activity</b>	<b>65,718</b>	<b>-</b>	<b>67,891</b>
<b>Ending Available Balance</b>	<b>\$ 698,935</b>	<b>\$ 112,067</b>	<b>\$ 302,734</b>
	-	-	-

**Economic Development Department  
Parking and Venues, Continued  
FY 2017-18 Adopted Budget**

	<b>Parking Authority 418/419</b>	<b>Marina 460</b>	<b>Parking and Venues Total</b>
	<i>See Page I-37</i>	<i>See Page I-41</i>	
<b>Beginning Available Balance</b>	<b>\$ 1,837,708</b>	<b>\$ 258,964</b>	<b>\$ 3,076,799</b>
<b>Revenues</b>			
Taxes/Assessments	1,263,483	-	2,759,113
Fees	4,345,882	222,750	4,755,732
Fines & Forfeitures	759,560	-	759,560
Rent	-	-	-
Other Revenue	114,431	-	5,358,104
	<b>6,483,356</b>	<b>222,750</b>	<b>13,632,509</b>
<b>Expenditures</b>			
Operating Expenses	3,743,294	548,525	14,129,613
Debt Service	1,416,606	-	1,416,606
Capital Improvement	760,000	-	1,160,000
	<b>5,919,900</b>	<b>548,525</b>	<b>16,706,219</b>
<b>Transfers</b>			
Transfer In	63,787	212,000	3,720,787
Transfer Out	(927,652)	-	(927,652)
	<b>(863,865)</b>	<b>212,000</b>	<b>2,793,135</b>
<b>Net Annual Activity</b>	<b>(300,409)</b>	<b>(113,775)</b>	<b>(280,575)</b>
<b>Ending Available Balance</b>	<b>\$ 1,537,299</b>	<b>\$ 145,189</b>	<b>\$ 2,796,224</b>
	-	-	-



## **ECONOMIC DEVELOPMENT DEPARTMENT**

### **BOAT LAUNCHING FACILITIES FUND (045)**

#### **History**

- The City maintains boat launching facilities at Louis Park and Buckley Cove. A third boat launching facility, Morelli Park, can be found in the Downtown Stockton Marina Fund which is operated by a third party.
- The Boat Launching Facilities Fund receives funding from launching fees collected from vehicles that launch boats at Buckley Cove.
- Expenditures from the fund are used to provide dock and landscape maintenance at Louis Park and Buckley Cove and to cover security services, as needed.
- When sufficiently accumulated, the fund balance will be utilized for dock infrastructure improvements, traffic control devices, and parking lot maintenance.

#### **FY 2016-17 Events**

- The boat launch facilities at Buckley Cove and Louis Park are under the Parking and Venues Division which oversees all marinas and boat launching facilities.
- Repairs were made to the docks and perimeter trees were trimmed during this past year.
- Operational efficiency is under review, specifically the use of technology to improve accounting practices, facility access, and payment options.

#### **FY 2017-18 Budget Changes**

- Due to increased use based on improved control of the hyacinth in the waterways and increases in boat launching and park use fees, revenue projections are up slightly over the prior year.
- Budgeted expenses are lower than FY 2016-17 due to the removal of one-time funding for boat launch automation installation costs. The automation project did not move forward, due to the continued need for personnel to be present for the park fee collection.

**Parking and Venues  
Boat Launching Facilities - 045  
FY 2017-18 Adopted Budget**

	<b>FY 2014-15</b>	<b>FY 2015-16</b>	<b>FY 2016-17</b>	<b>FY 2017-18 Adopted Budget</b>
	<b>Actual</b>	<b>Actual</b>	<b>Projected</b>	
<b>Beginning Available Balance</b>	<b>\$ 404,447</b>	<b>\$ 494,545</b>	<b>\$ 568,058</b>	<b>\$ 633,217</b>
<b>Revenues</b>				
Boat Launching Fees	169,823	152,301	171,000	187,100
Interest	3,861	2,658	2,600	2,500
Other Reimbursements	3,431	3,481	3,431	3,432
	<b>177,115</b>	<b>158,440</b>	<b>177,031</b>	<b>193,032</b>
<b>Expenditures</b>				
Salaries & Benefits	1,178	1,665	4,508	6,920
Utilities	9,594	7,951	1,800	3,600
Maintenance & Repair	-	-	10,000	20,820
Security Contractor	67,384	65,818	85,000	85,325
Materials & Supplies	258	309	1,500	1,500
Indirect Costs	8,338	8,289	8,289	8,289
Other Expenses	265	895	775	860
	<b>87,017</b>	<b>84,927</b>	<b>111,872</b>	<b>127,314</b>
<b>Transfers</b>				
Transfer In	-	-	-	-
Transfer Out	-	-	-	-
	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net Annual Activity</b>	<b>90,098</b>	<b>73,513</b>	<b>65,159</b>	<b>65,718</b>
<b>Ending Available Balance</b>	<b>\$ 494,545</b>	<b>\$ 568,058</b>	<b>\$ 633,217</b>	<b>\$ 698,935</b>
<b>Available Balance Calculation</b>				
Current Assets		\$ 576,447		
Current Liabilities		(8,389)		
Ending Available Balance		<b>\$ 568,058</b>		

**Parking and Venues**  
**Tourism and Business Improvement Fund - 073**  
**FY 2017-18 Adopted Budget**

	<b>FY 2014-15</b>	<b>FY 2015-16</b>	<b>FY 2016-17</b>	<b>FY 2017-18</b>
	<b>Actual</b>	<b>Actual</b>	<b>Projected</b>	<b>Adopted Budget</b>
<b>Beginning Available Balance</b>	<b>\$ 97,910</b>	<b>\$ 442,972</b>	<b>\$ 112,067</b>	<b>\$ 112,067</b>
<b>Revenues</b>				
Taxes/Assessments				
Tourism Business Improvement	1,141,652	1,325,968	1,410,968	1,495,630
Interest/Other	1,593	2,260	-	-
	<u>1,143,245</u>	<u>1,328,228</u>	<u>1,410,968</u>	<u>1,495,630</u>
<b>Expenditures</b>				
Pass-Through				
TBID - Convention & Visitors	774,238	1,629,507	1,368,639	1,450,761
Administration	23,945	29,626	42,329	44,869
	<u>798,183</u>	<u>1,659,133</u>	<u>1,410,968</u>	<u>1,495,630</u>
<b>Transfers</b>				
Transfer In	-	-	-	-
Transfer Out	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Net Annual Activity</b>	<b>345,062</b>	<b>(330,905)</b>	<b>-</b>	<b>-</b>
<b>Ending Available Balance</b>	<b>\$ 442,972</b>	<b>\$ 112,067</b>	<b>\$ 112,067</b>	<b>\$ 112,067</b>
<b>Available Balance Calculation</b>				
Current Assets		\$ 115,772		
Current Liabilities		(3,705)		
Ending Available Balance		<u>\$ 112,067</u>		



## ECONOMIC DEVELOPMENT DEPARTMENT

### ENTERTAINMENT VENUES FUND (086)

#### History

- The City owns four specialty sports and entertainment venues; the 12,000 seat Stockton Arena, the 5,000 seat Stockton Ballpark, the 2,042 seat Bob Hope Theatre, and the Oak Park Ice Rink.
- These venues are managed by SMG, a worldwide entertainment and convention venue management corporation, pursuant to a contract approved by Council in 2011.
- SMG develops an annual operating budget and capital repair and improvement plan budget as part of its Annual Business Plan, which is submitted to the City each year. The Entertainment Venues Fund budget represents the SMG operating fund, direct City expenditures, and an allocation for maintenance repairs and improvements.
- The venues continue to require a subsidy from the General Fund.

#### FY 2016-17 Events

- The Venues are under the Parking and Venues Division, which also oversees the Downtown Stockton Marina, boat launching facilities, and Parking operation. Managing these assets together under one department, allows staff to coordinate, plan, and operate the facilities more efficiently.
- The FY 2016-17 General Fund subsidy remained consistent with previous years' at approximately \$3.4 million, which included funds for planned maintenance projects.
- The venues' operating costs are anticipated to be within FY 2016-17 budget appropriation.
- Overall attendance is trending 9% ahead of last year's figures with an increase of approximately 7% over last year's operating revenues.
- SMG estimates nearly 300,000 people will have attended 150 events at the Bob Hope Theatre and Stockton Arena. The Arena hosted the NCAA Women's Basketball Regional Sweet 16 and Elite Eight playoffs, bringing national exposure and fans to the area; in addition, Disney on Ice saw the highest attendance for a non-Frozen show since 2010 with 30,105 in attendance. Attendees, as well as show personnel, provide direct and indirect benefits to the community through increased economic activity, hotel stays, and local tax revenue generation.
- Stockton's ability to successfully host the NCAA Women's Regional playoffs was a huge opportunity to showcase the City and its assets on a national stage. Media from 140 television stations, including ESPN, were in town for five days during the tournament festivities. Stockton's tournament success in 2017 should support bids for future events.
- After ten years of Stockton Thunder Hockey, the National Hockey League Calgary Flames purchased the team and brought its American Hockey League affiliate, now the Stockton Heat, to town. This change brings hockey talent that is only a step below NHL, or under NHL contract, to Stockton. The hockey fan base dropped quite a bit in FY 2016-17, with the change of the team and affiliate; however, recent attendance numbers show promise of a renewed interest with new fans in attendance for next season.

## **ECONOMIC DEVELOPMENT DEPARTMENT**

### **ENTERTAINMENT VENUES FUND (086) (Cont.)**

- In FY 2015-16, the Ballpark hosted additional events such as the Prima Division Soccer match and a car show. FY 2016-17 was an off year for those events, which alternate regions each year. New outdoor events that lend themselves to the off-season of baseball or fit between scheduled games are continually sought for future bookings at the Ballpark.
- SMG continues to partner with local non-profit agencies to staff some of the arena beverage concession stands which in turn provides the agencies with a portion of sales. This arrangement is estimated to provide more than \$30,000 in donations to non-profits during the fiscal year. SMG continues to be a community partner by employing 550 people from the region with over 90% of the employees residing in Stockton.
- The installation of the new Point-of-Sale equipment that was installed throughout the SMG managed facilities resulted in a 57% increase in sales at the Oak Park Ice Rink. This new technology provides parents a new option of allowing gift cards to be used by their children as currency while attending classes and practices.

#### **FY 2017-18 Budget Changes**

- The FY 2016-17 subsidy of approximately \$3.4 million will remain flat to the previous year's allocation and includes some planned maintenance projects.
- The venues' operating revenue estimate includes a projected 17% increase, based on increasing trends in event bookings, attendance at the Arena and Bob Hope Theatre, and increases in facility fees and concession pricing. Oak Park Ice Rink is also anticipated to have an increase in revenue due to growing demand for ice time and concession sales.
- The venues' operating expenditure budget is anticipated to increase overall by 11%, largely due to the state mandatory minimum wage increase, increases in ancillary services and supplies, and continuing building/systems preventative maintenance and repairs.
- Current trends are showing a heightened interest by regional and national promoters in placing acts in Stockton's facilities. Stockton is building on recent successful events from artists such as Pepe Aguilar, Joe Bonamassa, and Ringo Starr.
- SMG estimates 400,000 people will attend 179 events at the Bob Hope Theatre and Stockton Arena in FY 2017-18. An estimated 170,000 people will attend games or events at the Ballpark and approximately 30,000 people will visit the Ice Rink.
- Many events will return in FY 2017-18 such as Disney on Ice, WWE Wrestling, concerts, sporting events, and local graduations. In addition, SMG will continue to partner with local promoters to grow events such as the Beer Festival and the StocktonCon event which has blossomed into a two-day event with over 12,000 attendees and has served as an example for a new event, Sinister Creature Con, scheduled for later this year.
- Attendance from events listed above and others will continue to provide exposure to the area, along with direct and indirect benefits to the community through increased economic activity, hotel stays and local tax proceeds.

**Parking and Venues**  
**Entertainment Venues - 086**  
**FY 2017-18 Adopted Budget**

	<b>FY 2014-15</b>	<b>FY 2015-16</b>	<b>FY 2016-17</b>	<b>FY 2017-18</b>
	<b>Actual</b>	<b>Actual</b>	<b>Projected</b>	<b>Adopted Budget</b>
<b>Beginning Available Balance</b>	<b>\$ (537,340)</b>	<b>\$ (444,914)</b>	<b>\$ 145,830</b>	<b>\$ 234,843</b>
<b>Revenues</b>				
Operations:				
Stockton Arena	2,502,451	2,267,767	2,660,128	3,481,001
Bob Hope Theatre	492,325	647,344	569,311	801,655
Oak Park Ice Arena	403,784	405,252	440,854	465,085
Ballpark	323,038	456,780	380,542	442,000
Other Revenue	45,754	(211,491)	49,308	48,000
	<b>3,767,352</b>	<b>3,565,652</b>	<b>4,100,143</b>	<b>5,237,741</b>
<b>Expenditures</b>				
Operations:				
Stockton Arena	4,258,968	4,207,417	4,592,350	5,261,496
Bob Hope Theatre	790,017	914,450	865,845	1,091,061
Oak Park Ice Arena	616,911	680,495	702,412	785,417
Ballpark	744,955	901,168	777,040	903,852
Administration	174,266	159,733	118,483	173,024
Facility Maint. & Equipment	189,809	129,461	400,000	400,000
	<b>6,774,926</b>	<b>6,992,724</b>	<b>7,456,130</b>	<b>8,614,850</b>
<b>Transfers</b>				
Transfer In - General Fund	3,100,000	3,445,000	3,445,000	3,445,000
Transfer In - Other	-	46,036	-	-
Transfer Out	-	-	-	-
	<b>3,100,000</b>	<b>3,491,036</b>	<b>3,445,000</b>	<b>3,445,000</b>
<b>Net Annual Activity</b>	<b>92,426</b>	<b>63,964</b>	<b>89,013</b>	<b>67,891</b>
<b>Ending Available Balance</b>	<b>\$ (444,914)</b>	<b>\$ (380,950)</b>	<b>\$ 234,843</b>	<b>\$ 302,734</b>
<b>Available Balance Calculation</b>				
Current Assets		\$ 983,260		
Current Liabilities		(837,429)		
Encumbrances		-		
Ending Available Balance		<b>\$ 145,830</b>		





## **ECONOMIC DEVELOPMENT DEPARTMENT**

### **PARKING AUTHORITY FUND (418 and 419)**

#### **History**

- This fund maintains and operates the downtown parking garages, parking lots, and parking meters. Prior to 2015 all downtown event parking was provided through the Central Parking Division.
- In FY 2011-12, prior to filing for bankruptcy, the City defaulted on the parking garage bond debt service. At the end of FY 2011-12, Wells Fargo, Indenture Trustee on behalf of National Public Finance Guaranty, took title possession of the Market Street, Coy, and Arena garages and the City entered into a settlement agreement.
- In FY 2013-14, in accordance with the settlement agreement, the City Council established a Parking Authority to oversee the City's parking programs within the Downtown Parking District.
- In FY 2014-15, the Parking Authority approved an agreement with SP Plus Corporation (SP+) to operate and manage the parking facilities within the District. In August 2015, Economic Development Department assumed parking enforcement responsibilities.

#### **FY 2016-17 Events**

- Automation of two parking lots and the Channel Street Garage were completed in May 2016.
- Assessment of the City's parking garages has been completed; the report findings will be used to guide upcoming repair and improvement projects over the next year.
- A Parking Master Plan work group began meeting in FY 2015-16 to assess needs and recommend improvements to parking programs, automation and technology, and wayfinding and signage. The Parking Master Plan is nearing completion and includes a mission statement, strategic principles, performance indicators, and implementation recommendations.
- SP+ is overseeing a pilot project using LED solar powered lights in a smaller lot to determine whether solar is a good alternative to traditional electrical lighting. If successful, further installation is anticipated.

#### **FY 2017-18 Budget Changes**

- During FY 2017-18 staff will present the work group's recommendations for automation of the remaining surface lots, garages, and on-street parking, in addition to parking programs and a comprehensive signage and wayfinding project.
- Revenues for FY 2017-18 are budgeted to increase by 1.5%, primarily due to increases in special event parking revenue.
- Expenses for FY 2017-18 are budgeted to increase by 1%, based on the state-mandated increase in the minimum wage.
- Funding for parking improvements and capital projects was allocated in FY 2014-15, FY 2015-16 and again in FY 2017-18 to address major concerns such as revenue control system replacement; facility assessment findings and maintenance; additional automation; and signage, branding and wayfinding improvements. Most of the funding will be used in FY 2016-17 and 2017-18 as the above projects are completed.

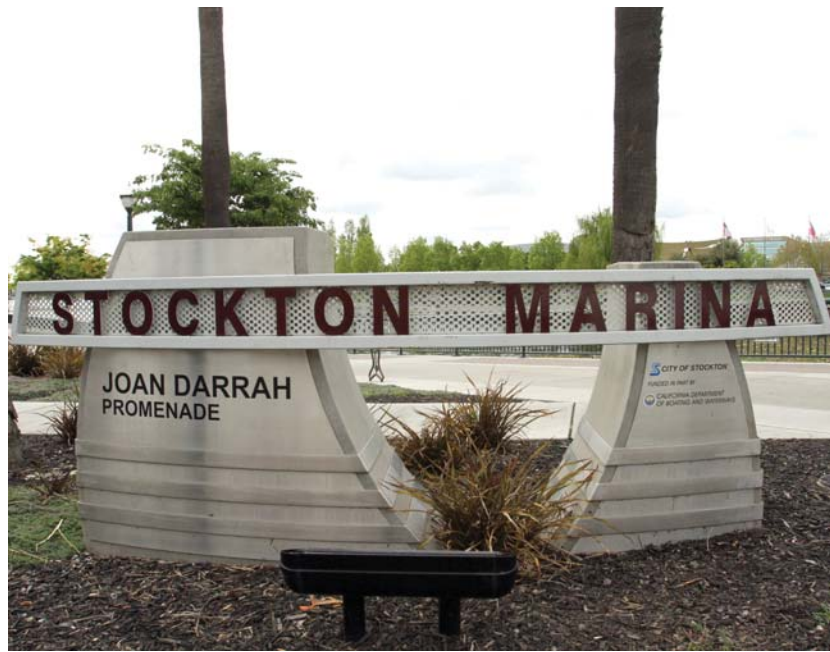
**Parking and Venues  
Parking Authority - 418/419  
FY 2017-18 Adopted Budget**

	<b>FY 2014-15</b>	<b>FY 2015-16</b>	<b>FY 2016-17</b>	<b>FY 2017-18 Adopted Budget</b>
	<b>Actual</b>	<b>Actual</b>	<b>Projected</b>	
<b>Beginning Available Balance (a)</b>	<b>\$ 707,462</b>	<b>\$ 751,337</b>	<b>\$ 2,314,389</b>	<b>\$ 1,837,708</b>
<b>Revenues</b>				
Interest	20,866	43,814	15,639	-
Assessments	811,806	1,238,709	1,219,782	1,263,483
Operating Revenue	2,473,427	4,279,026	4,276,303	4,345,882
Parking Citations	-	556,037	723,369	759,560
Reimbursements	12	21,839	24,005	11,593
Misc. Other	219,933	114,297	145,400	102,838
	<b>3,526,044</b>	<b>6,253,722</b>	<b>6,404,498</b>	<b>6,483,356</b>
<b>Expenditures</b>				
Administration	556,007	533,785	616,330	648,269
Other Services	317,741	280,201	313,646	442,095
Parking Operations	787,480	1,844,746	1,841,082	1,857,143
Management Fee	49,581	168,949	172,329	175,776
Parking Enforcement	6,860	462,415	611,092	620,011
Debt Service	2,344,841	1,420,393	1,416,606	1,416,606
Parking Improvements	-	73,722	850,000	660,000
Capitol Improvements	-	-	150,000	100,000
	<b>4,062,510</b>	<b>4,784,211</b>	<b>5,971,085</b>	<b>5,919,900</b>
<b>Transfers</b>				
Transfer In - General Fund	813,115	1,000,000	-	-
Transfer In - Successor Agency	-	-	-	63,787
Transfer Out - SEB Debt	(232,774)	(906,459)	(910,094)	(914,894)
Transfer Out - Low/Mod Housing	-	-	-	(12,758)
	<b>580,341</b>	<b>93,541</b>	<b>(910,094)</b>	<b>(863,865)</b>
<b>Net Annual Activity</b>	<b>43,875</b>	<b>1,563,052</b>	<b>(476,681)</b>	<b>(300,409)</b>
<b>Ending Available Balance</b>	<b>\$ 751,337</b>	<b>\$ 2,314,389</b>	<b>\$ 1,837,708</b>	<b>\$ 1,537,299</b>
<b>Available Balance Calculation</b>				
Current Assets		\$ 3,193,228		
Current Liabilities		(878,839)		
Capital Projects		-		
Ending Available Balance		<b>\$ 2,314,389</b>		

(a) Beginning balance from close out of Central Parking District 416/417 fund.

**Parking and Venues  
Central Parking - 416/417  
FY 2017-18 Adopted Budget**

	FY 2014-15	FY 2015-16	FY 2016-17	FY 2017-18
	Actual	Actual	Projected	Adopted Budget
<b>Beginning Available Balance</b>	<b>\$ 1,867,352</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Revenues</b>				
Interest Earned	6	-	-	-
Assessments	161,827	-	-	-
Monthly Parking	619,142	-	-	-
Hourly Parking	320,491	-	-	-
Parking Meters	297,281	-	-	-
Events	116,300	-	-	-
Other agencies	65,385	-	-	-
Validations / Lot Envelopes	7,497	-	-	-
Other	67,781	-	-	-
	<b>1,655,710</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Expenditures</b>				
Administration & Overhead	540,278	-	-	-
Utilities	55,777	-	-	-
Rentals	117,569	-	-	-
Maintenance	45,598	-	-	-
Materials & Supplies	25,401	-	-	-
Taxes/Indirect costs	94,951	-	-	-
Other services	174,366	-	-	-
Compensated Absences	-	-	-	-
Debt Service - Principal & Interest	271,264	-	-	-
	<b>1,325,204</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Transfers</b>				
Transfer In	-	-	-	-
Transfer Out - Parking Authority	(1,521,465)	-	-	-
Transfer Out - General Fund	(676,393)	-	-	-
Transfer Out - Air Quality PFF 990	-	-	-	-
Transfer Out - Insurance 541	-	-	-	-
	<b>(2,197,858)</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net Annual Activity</b>	<b>(1,867,352)</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Ending Available Balance</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Available Balance Calculation</b>				
Current Assets		\$ -		
Current Liabilities		-		
Capital Projects		-		
Encumbrances		-		
Ending Available Balance		<b>\$ -</b>		



## **ECONOMIC DEVELOPMENT DEPARTMENT**

### **DOWNTOWN MARINA COMPLEX FUND (460)**

#### **History**

- This fund operates, maintains, and services the debt for the Downtown Marina.
- The Marina has been in operation for nearly six years providing permanent slips and short term berthing as well as management of the Morelli Park Boat launch.
- The City defaulted on the Department of Boating and Waterways Marina Construction Loan as part of the bankruptcy. The City came to an agreement with the Department to allow the City to continue operating the Marina.
- The Downtown Marina continues to require a subsidy from the General Fund.

#### **FY 2016-17 Events**

- In November 2016, Westrec, the third-party operator for the Downtown Marina facility terminated its management contract and left the area. The Marina is being operated by City staff until a competitive bidding process for a new operator is completed.
- Operating revenues do not meet the overall operational expenses of the Marina. A General Fund subsidy of \$170,000 was budgeted in FY 2016-17, down from the previous FY 2015-16 subsidy of \$215,000.
- One of the large sails above the marina failed in February of 2017 during a strong storm, causing the need to replace the sail and assess the remaining sails.

#### **FY 2017-18 Budget Changes**

- Revenue projections are up from the prior year due to the consistent application of current market pricing and improved billing and collection efforts.
- The General Fund subsidy will be increased to \$212,000 to address maintenance and safety concerns, such as increased security, electrical parts and repairs; dock access system replacement, and anticipates a new operator management fee.

**Parking and Venues  
Downtown Marina Complex - 460  
FY 2017-18 Adopted Budget**

	<b>FY 2014-15</b>	<b>FY 2015-16</b>	<b>FY 2016-17</b>	<b>FY 2017-18 Adopted Budget</b>
	<b>Actual</b>	<b>Actual</b>	<b>Projected</b>	
<b>Beginning Available Balance</b>	<b>\$ 136,901</b>	<b>\$ 223,490</b>	<b>\$ 317,884</b>	<b>\$ 258,964</b>
<b>Revenues</b>				
User Services	237,885	239,909	223,990	222,750
Interest Earned	1,546	5,253	2,000	-
	<b>239,431</b>	<b>245,162</b>	<b>225,990</b>	<b>222,750</b>
<b>Expenditures</b>				
Administration and Overhead	3,638	2,467	7,180	44,250
Operating Costs	318,208	317,305	427,553	429,275
Management Contract	45,996	45,996	20,177	75,000
	<b>367,842</b>	<b>365,768</b>	<b>454,910</b>	<b>548,525</b>
<b>Transfers</b>				
Transfer In - General Fund	215,000	215,000	170,000	212,000
Transfer Out	-	-	-	-
	<b>215,000</b>	<b>215,000</b>	<b>170,000</b>	<b>212,000</b>
<b>Net Annual Activity</b>	<b>86,589</b>	<b>94,394</b>	<b>(58,920)</b>	<b>(113,775)</b>
<b>Ending Available Balance</b>	<b>\$ 223,490</b>	<b>\$ 317,884</b>	<b>\$ 258,964</b>	<b>\$ 145,189</b>
<b>Available Balance Calculation</b>				
Current Assets		\$ 369,185		
Current Liabilities		(51,301)		
Encumbrances		-		
Ending Available Balance		<b>\$ 317,884</b>		

## **ECONOMIC DEVELOPMENT DEPARTMENT**

### **CITY ADMINISTRATION BUILDING FUND (085)**

#### **History**

- This fund was established to operate and maintain the City office building located at 400 East Main Street.
- On April 26, 2012, the City failed to make a lease payment and the Trustee assumed building control on behalf of Assured Guaranty Trust on June 1, 2012.
- At that point all building revenues and expenses became the property and responsibility of Assured Guaranty.
- This fund was closed out in FY 2014-15.

#### **FY 2016-17 Events**

- There was no activity in this fund.

#### **FY 2017-18 Budget Changes**

- There is no activity in this fund.

**Parking and Venues**  
**City Administration Building - 085**  
**FY 2017-18 Adopted Budget**

	FY 2014-15	FY 2015-16	FY 2016-17	FY 2017-18
	Actual	Actual	Projected	Adopted Budget
<b>Beginning Available Balance</b>	<u>\$ 84,778</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<b>Revenues</b>				
Outside Agency Rent	-	-	-	-
Misc. Other Revenues	-	-	-	-
Interest Earned	333	-	-	-
	<u>333</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Expenditures</b>				
Administration & Overhead	65,233	-	-	-
Capital Improvements	-	-	-	-
	<u>65,233</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Transfers</b>				
Transfer In - General Fund	-	-	-	-
Transfer Out - General Fund	(19,878)	-	-	-
Transfer Out - Debt Service	-	-	-	-
	<u>(19,878)</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Net Annual Activity</b>	<u>(84,778)</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Ending Available Balance</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<b>Available Balance Calculation</b>				
Current Assets		\$ -		
Current Liabilities		-		
Ending Available Balance		<u>\$ -</u>		

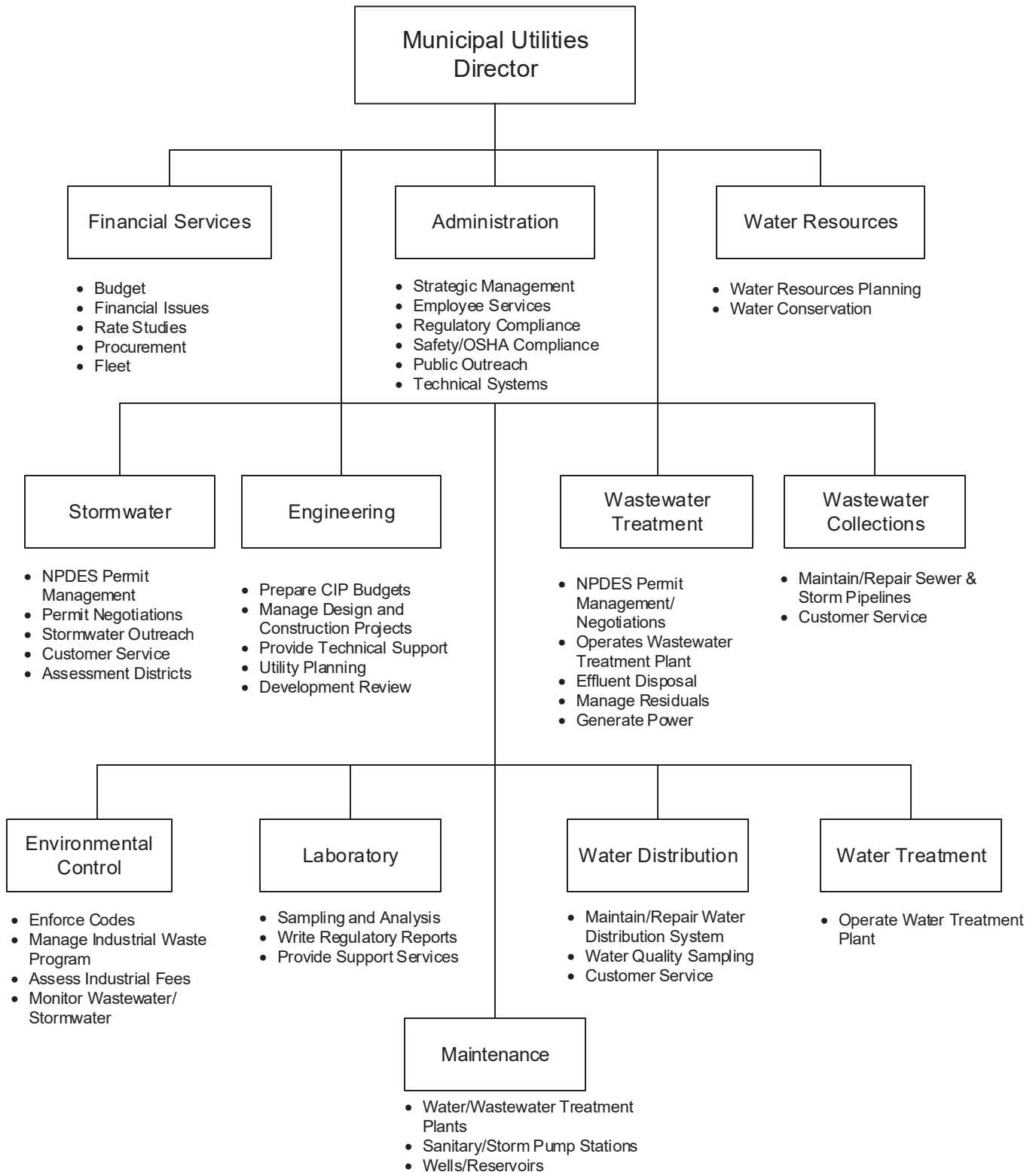
\* Fund closed out as of June 30, 2015





## TAB 10 UTILITIES





# MUNICIPAL UTILITIES



## MUNICIPAL UTILITIES DEPARTMENT

### MISSION STATEMENT

The Municipal Utilities Department mission is to provide high quality drinking water on demand; collect, treat, and dispose of wastewater; and collect and dispose of stormwater, all in accordance with applicable regulations and responsible business practices.

### Budget at a Glance:

Total Expenditures	\$127,330,708
Total Revenues	\$130,557,812
Total Net Revenues	\$3,227,104
Total Staff	216

### DEPARTMENT DESCRIPTION

The Municipal Utilities Department (MUD) is comprised of the Water, Wastewater, and Stormwater Enterprises, which are regulated and supported by user fees restricted to the specific utility. For purposes of operational efficiency, the department is comprised of 12 divisions to operate, maintain and support the Enterprises. The Enterprises are managed to recognize the independent financial structure and regulatory requirements unique to each.

The Water Utility provides drinking water service to approximately 55% of the Stockton Metropolitan Area with the California Water Service Company and San Joaquin County serving the remaining 45%. The Delta Water Supply Treatment Plant began operation in May 2012, providing up to 30 million gallons per day of treated surface water from the Sacramento/San Joaquin Delta and Mokelumne River. Stockton's other water supply is derived under a water supply agreement with the Stockton East Water District and from 21 groundwater wells. The Water Utility maintains a water transmission and distribution system that includes 7 reservoirs, 590 miles of pipeline, 48,000 water meters and 7,000 fire hydrants. The Water Utility also provides long-term water resources planning and supports a water conservation program.

The Wastewater Utility is comprised of a collection system of approximately 900 miles of gravity sewer main, 554 miles of lower lateral pipe, 27 pump stations and 30 miles of pressurized force main that route sewage to the Regional Wastewater Control Facility. The system collects from many connections within the City, special districts outside the City, and certain areas within San Joaquin County. The Facility is a 55-million gallon per day capacity advanced treatment facility located on nearly 700 acres in the southwestern portion of the City adjacent to the San Joaquin River. On average, the Facility treats 30 million gallons of wastewater daily and discharges into the San Joaquin River under a National Pollutant Discharge Elimination System permit.

The Stormwater Utility consists of 74 pump stations, over 600 miles of pipeline, and 22,500 drain inlets that route stormwater from city streets into local basins and waterways. Regular maintenance of the system is necessary to prevent flooding from storm runoff. The Stormwater Utility is also responsible for oversight and compliance with the City's National Pollutant Discharge Elimination System Municipal Separate Storm Sewer System permit, which requires extensive water quality monitoring and public outreach programs to promote pollution prevention in the San Joaquin Delta.

## MUNICIPAL UTILITIES DEPARTMENT

### KEY CONSIDERATIONS

Since the State declared a drought emergency in 2015, the Water Utility experienced, on average, a 28% decline in water consumption (and a similar decline in revenue) throughout its service area due to significant water conservation. In an effort to soften the financial burden to citizens and allow for the water fund to gradually recover from the drought emergency, the City implemented a water rate increase of 38.5% over a 5-year period. The first increase of 18.5% was implemented on August 1, 2016. The second increase of 11% will become effective, July 1, 2017.

In 2010, the Council approved a 5-year tiered wastewater rate increase that provides funding to ensure compliance with bond covenants and to support scheduled capital improvement projects in the Wastewater Utility. Consumer Price Index adjustments were made in FY 2015-16 and FY 2016-17, but no increase is proposed for FY 2017-18. The City Council approved the Capital Improvement and Energy Management Plan in 2011 and authorized staff to move ahead with a phased upgrade plan for the Regional Wastewater Control Facility. Funding approved in FY 2015-16 was used for the first phase of the Progressive Design-Build project. A Progressive Design-Build consultant was selected and scoping meetings to set the design parameters for the new treatment process have begun. The design will incorporate upgrades mandated by the Central Valley Regional Water Quality Control Board for the new wastewater discharge permit regulations for nitrate. The upgrades are required by June 1, 2024.

In 2015, the City met the Sanitary Sewer Overflow Spill Reduction Performance Standard of less than seven per 100 miles of sewer pipe and is no longer under scrutiny of the Consent Decree. The Consent Decree concluded and a final annual report to the California Sportfishing Protection Alliance was submitted April 15, 2016.

The Stormwater Utility has been operating under a fee that was implemented in 1992 and has not increased since that time even though demands on the utility have grown significantly. As a result, the Stormwater Enterprise Fund has been underfunded for many years. In 2010, the City attempted a Proposition 218 ballot measure to approve a new Clean Water fee that would supplement the current fee. The rate study prepared for the Proposition 218 ballot determined the utility was underfunded by approximately \$9 million a year. The ballot measure failed, and the new user fee was not imposed. Staff are evaluating the Stormwater Utility revenues and expenditures to determine the best course of action.

The current fee is insufficient to properly fund the operations and maintenance needs of the City's aging stormwater and flood control system. The Central Valley Regional Water Quality Control Board issued a new Interim Municipal Separate Storm Sewer System NPDES Permit in 2015 that imposes additional requirements on the Stormwater Utility. Significant cuts in operation and maintenance activities have been implemented to stay within the available budget. Failing to adequately maintain the City's aging infrastructure could lead to system failures and deterioration. Because the Stormwater Utility is a vital component of Stockton's flood protection system, system failures could lead to flood problems. In FY 2016-17, significant infrastructure improvement projects continue to be on hold pending additional funding. However, emergency infrastructure repairs and costs due to vandalism are being completed, which result in reduced funding for operations and routine maintenance activities.

**Utilities**  
**FY 2017-18 Adopted Budget**

	<u><b>Water 421-427</b></u> <i>See Page J-7</i>	<u><b>Wastewater 431-438</b></u> <i>See Page J-9</i>	<u><b>Stormwater 441/447</b></u> <i>See Page J-11</i>	<u><b>Storm Districts 074</b></u> <i>See Page J-13</i>	<u><b>Utilities Total</b></u>
<b>Beginning Available Balance</b>	<b>\$ 17,089,380</b>	<b>\$ 37,607,535</b>	<b>\$ 3,739,219</b>	<b>\$ 2,587,611</b>	<b>\$ 61,023,745</b>
<b>Revenues</b>					
User Services	43,907,657	66,449,319	5,802,658	316,298	116,475,932
Connection Fees	735,291	1,613,535	-	-	2,348,826
Storm Drain Districts	-	-	84,500	-	84,500
Fines and Penalties	836,779	1,325,614	-	-	2,162,393
Interest	576,347	1,197,546	13,632	27,481	1,815,006
Build America Bond Rebate	3,853,013	-	-	-	3,853,013
Rate Stabilization Deposit	-	-	-	-	-
Other Revenue	9,948	188,418	92,232	-	290,598
	<u><b>49,919,035</b></u>	<u><b>70,774,432</b></u>	<u><b>5,993,022</b></u>	<u><b>343,779</b></u>	<u><b>127,030,268</b></u>
<b>Expenditures</b>					
Administration	2,843,334	3,974,119	2,521,195	-	9,338,648
Customer Service	902,401	2,884,677	398,825	-	4,185,903
Operations and Maintenance	13,421,808	43,417,992	3,126,831	357,218	60,323,849
Water Treatment	303,769	-	-	-	303,769
Water Conservation	238,655	-	-	-	238,655
Purchased Water	9,460,885	-	-	-	9,460,885
Debt Service	21,506,597	6,488,167	-	-	27,994,764
Capital Projects	2,354,000	12,250,435	879,800	-	15,484,235
	<u><b>51,031,449</b></u>	<u><b>69,015,390</b></u>	<u><b>6,926,651</b></u>	<u><b>357,218</b></u>	<u><b>127,330,708</b></u>
<b>Transfers</b>					
Transfer In	-	2,226,648	1,293,684	7,212	3,527,544
Transfer Out	-	-	-	-	-
	<u><b>-</b></u>	<u><b>2,226,648</b></u>	<u><b>1,293,684</b></u>	<u><b>7,212</b></u>	<u><b>3,527,544</b></u>
<b>Net Annual Activity</b>	<u><b>(1,112,414)</b></u>	<u><b>3,985,690</b></u>	<u><b>360,055</b></u>	<u><b>(6,227)</b></u>	<u><b>3,227,104</b></u>
<b>Ending Available Balance</b>	<u><b>\$ 15,976,966</b></u>	<u><b>\$ 41,593,225</b></u>	<u><b>\$ 4,099,274</b></u>	<u><b>\$ 2,581,384</b></u>	<u><b>\$ 64,250,849</b></u>
				Revenues	\$ 127,030,268
				Transfers	3,527,544
				Total Sources	<u><u><b>\$ 130,557,812</b></u></u>
				Expenditures	\$ 127,330,708
				Transfers	-
				Total Appropriations	<u><u><b>\$ 127,330,708</b></u></u>



## **MUNICIPAL UTILITIES DEPARTMENT**

### **WATER ENTERPRISE FUND (421, 423-427)**

#### **History**

- The City's Water Enterprise Fund provides funding for the operation and maintenance of the City's water utility.
- The water utility is supported by user fees that are restricted for water utility use only.
- The water utility provides drinking water service to approximately 55% of the Stockton Metropolitan Area with the California Water Service Company and San Joaquin County serving the remaining 45%.

#### **FY 2016-17 Events**

- The Delta Water Treatment Plant is fully operational with staffing levels based on current demand.
- State drought mandates called for stricter water conservation measures and a robust water conservation media campaign to reduce water use by customers.
- Water conservation programs helped achieve a reduction of 22% water use in calendar year 2016 to meet the State's mandate.
- A Proposition 218 ballot measure to increase water rates was passed in June 2016 and new water rates went into effect on August 1, 2016.

#### **FY 2017-18 Budget Changes**

- Capital improvement projects typically span multiple years. The five-year Capital Improvement Program identifies estimated project costs and potential sources of funding. The FY 2017-18 Annual Budget will continue funding the following projects:
  - Abandon Old Wells
  - North/South Aqueduct Interconnect
  - Water Field Office Remodel
  - Service Lateral Replacements
  - Water System Improvements
- To ensure adequate bond coverage in the Water Fund, some selected capital improvements such as the Advanced Metering Infrastructure will be delayed by one or two years.
- Effective July 1, 2017, water fees will increase by 11%.

**Utilities**  
**Water - 421/423/424/425/426/427**  
**FY 2017-18 Adopted Budget**

	<b>FY 2014-15</b>	<b>FY 2015-16</b>	<b>FY 2016-17</b>	<b>FY 2017-18</b>
	<b>Actual</b>	<b>Actual</b>	<b>Projected</b>	<b>Adopted Budget</b>
<b>Beginning Available Balance</b>			<b>\$ 13,383,719</b>	<b>\$ 17,089,380</b>
<b>Revenues</b>				
User Services	34,322,998	32,542,168	39,387,821	43,907,657
% increase	-7%	-5%	21%	11%
Connection Fees	1,079,635	1,298,336	704,775	735,291
Fines and Penalties	727,202	670,810	781,418	836,779
Interest	677,483	1,175,374	617,415	576,347
Federal Build America Bond Grant	3,924,373	3,776,328	3,891,571	3,853,013
Rate Stabilization Deposit	5,600,000	2,155,539	-	-
Other Revenue	9,043	63,828	9,948	9,948
	<b>46,340,734</b>	<b>41,682,383</b>	<b>45,392,948</b>	<b>49,919,035</b>
<b>Expenditures</b>				
Administration	2,205,093	2,371,945	2,386,068	2,843,334
Customer Service	927,715	847,664	908,167	902,401
Operations and Maintenance	10,077,877	10,882,905	10,652,426	13,421,808
Water Treatment	284,652	407,368	300,663	303,769
Water Conservation	211,553	207,948	194,681	238,655
Purchased Water	8,595,356	8,441,508	8,044,583	9,460,885
Debt Service	17,160,581	16,958,254	16,786,299	21,506,597
Capital Projects	1,381,716	446,432	2,414,400	2,354,000
	<b>40,844,543</b>	<b>40,564,024</b>	<b>41,687,287</b>	<b>51,031,449</b>
<b>Transfers</b>				
Transfer In	-	-	-	-
Transfer Out	(5,960,368)	(2,246,613)	-	-
	<b>(5,960,368)</b>	<b>(2,246,613)</b>	<b>-</b>	<b>-</b>
<b>Net Annual Activity</b>	<b>(464,177)</b>	<b>(1,128,254)</b>	<b>3,705,661</b>	<b>(1,112,414)</b>
<b>Ending Available Balance</b>			<b>\$ 17,089,380</b>	<b>\$ 15,976,966</b>
<b>Available Balance Calculation</b>				
Current Assets		\$ 41,771,960		
Current Liabilities		(13,207,055)		
Encumbrances		(158,276)		
Capital Appropriations		(15,022,910)		
Ending Available Balance		<b>\$ 13,383,719</b>		

## **MUNICIPAL UTILITIES DEPARTMENT**

### **WASTEWATER ENTERPRISE FUND (431, 433, 434, 435, 437, 438)**

#### **History**

- The City's Wastewater Enterprise Fund provide funding for the operation and maintenance of the City's Wastewater utility.
- This utility is supported by user fees that are restricted for wastewater utility use only.
- The City's wastewater system is comprised of approximately 900 miles of gravity sewer main, 554 miles of lower lateral pipe, 27 pump stations and 30 miles of pressurized force main that route sewage to the Regional Wastewater Control Facility (RWCF).

#### **FY 2016-17 Events**

- Began design scoping sessions with the Progressive Design-Build project team for the Capital Improvement and Energy Management Plan Project.
- Replaced chemical dosing pumps at the RWCF to improve and regulate usage.
- Cleaned Digester 4 at the RWCF, removing approximately 475,000 pounds of sludge.
- Substantially completed transition from use of sulfur dioxide to sodium bisulfite at the RWCF, and nearly completing transition from use of chlorine gas to sodium hypochlorite. The sodium bisulfite and sodium hypochlorite are safer chemicals and reduces United States Environmental Protection Agency oversight at the RWCF.

#### **FY 2017-18 Budget Changes**

- Capital improvement projects typically span multiple years. The five year Capital Improvement Program identifies estimated project costs and potential sources of funding. The FY 2017-18 Budget will continue funding the following projects:
  - Alexandria Place Sewer Rehab.
  - Della Street Sewer Rehab.
  - 99 at Farmington Fresh Sewer Rehab.
  - Market Street Sewer Upsize
  - Myrtle Street Sewer Rehab.
  - RWCF Cogeneration Cooling Tower
  - RWCF Digester #5 Rehab.
  - RWCF Electrical Upgrades
  - RWCF Digester A & B Rehab.
- Develop an asset management program and a master plan for gravity sanitary systems.
- Some retired Assessment and Special Tax Districts had remaining funds after payoff of bonds. Funds from districts exclusively formed for sewer related projects are being proposed to be transferred to Wastewater capital funds. Eligible projects and expenditures will be identified in FY 2017-18 to be funded with these Assessment and Special Tax Districts funds.
- Wastewater fees will not increase in FY 2017-18.

**Utilities**  
**Wastewater - 431/433/434/435/437/438**  
**FY 2017-18 Adopted Budget**

	FY 2014-15	FY 2015-16	FY 2016-17	FY 2017-18
	Actual	Actual	Projected	Adopted Budget
<b>Beginning Available Balance</b>			<b>\$ 33,060,918</b>	<b>\$ 37,607,535</b>
<b>Revenues</b>				
User Services	64,917,936	67,354,883	64,999,601	66,449,319
% increase	10%	4%	-3%	2%
Connection Fees	960,517	2,263,463	1,613,535	1,613,535
Fines and Penalties	538,996	1,376,764	1,343,614	1,325,614
Interest	434,469	1,330,339	143,923	1,197,546
Other Revenue	1,477,914	206,541	183,731	188,418
	<b>68,329,832</b>	<b>72,531,990</b>	<b>68,284,404</b>	<b>70,774,432</b>
<b>Expenditures</b>				
Administration	3,419,675	3,320,812	3,604,442	3,974,119
Customer Service	2,087,159	2,527,646	2,813,445	2,884,677
Operations and Maintenance	31,958,108	35,366,506	42,301,548	43,417,992
Debt Service	4,953,228	2,698,827	6,441,800	6,488,167
Capital Projects	13,096,419	3,773,942	7,260,817	12,250,435
	<b>55,514,589</b>	<b>47,687,733</b>	<b>62,422,052</b>	<b>69,015,390</b>
<b>Transfers</b>				
Transfer In - District Funds	-	-	-	2,226,648
Transfer Out	(560,348)	(469,393)	(1,315,735)	-
	<b>(560,348)</b>	<b>(469,393)</b>	<b>(1,315,735)</b>	<b>2,226,648</b>
<b>Net Annual Activity</b>	<b>12,254,895</b>	<b>24,374,864</b>	<b>4,546,617</b>	<b>3,985,690</b>
<b>Ending Available Balance</b>			<b>\$ 37,607,535</b>	<b>\$ 41,593,225</b>
<b>Available Balance Calculation</b>				
Current Assets		\$ 86,169,728		
Current Liabilities		(7,290,771)		
Encumbrances		(3,849,900)		
Capital Appropriations		(41,968,139)		
Ending Available Balance		<b>\$ 33,060,918</b>		

## **MUNICIPAL UTILITIES DEPARTMENT**

### **STORMWATER ENTERPRISE FUND (441, 447)**

#### **History**

- The City's Stormwater Enterprise Fund provides funding for the operation and maintenance of the City's Stormwater utility.
- The stormwater utility is supported by user fees that are restricted for stormwater utility use only.
- The City's stormwater system consists of 74 pump stations, over 600 miles of pipeline, and 22,500 drain inlets that route stormwater from City streets into local basins and waterways.

#### **FY 2016-17 Events**

- Completed the negotiation and adoption process of a new Interim Stormwater Permit with the Central Valley Regional Water Quality Control Board in April 2015. Continued to work on Reasonable Assurance Analysis and prepare to submit a new Stormwater Management Plan.
- Anticipate the Order by Central Valley Regional Water Quality Control Board on the implementation of the Trash Amendment.

#### **FY 2017-18 Budget Changes**

- Capital Improvement Plan projects can typically span multiple years. The five-year Capital Improvement Program identifies estimated capital project costs and potential sources of funding. The FY 2017-18 Annual Budget will continue funding the following projects:
  - HWY 4 at San Joaquin River Pipe Replacement
  - Harding Way Subway Storm Station
  - Wilson Way Subway Storm Station
  - Storm Station Forcemain Cathodic Protection
  - Storm System Street Improvements
- The current stormwater fee is insufficient to properly fund the operations and maintenance needs of the City's aging stormwater and flood control system. Staff are evaluating the Stormwater Utility revenues and expenditures to determine the best course of action.
- The Fund would have negative net annual activity if not for a one-time transfer of some retired Assessments and Special Tax Districts unused funds that can only be used for storm system maintenance and capital projects in specific areas. Eligible projects and expenditures will be identified in FY 2017-18 to be funded with these Assessments and Special Tax Districts funds.

**Utilities**  
**Stormwater - 441/447**  
**FY 2017-18 Adopted Budget**

	<b>FY 2014-15</b>	<b>FY 2015-16</b>	<b>FY 2016-17</b>	<b>FY 2017-18</b>
	<b>Actual</b>	<b>Actual</b>	<b>Projected</b>	<b>Adopted Budget</b>
<b>Beginning Available Balance</b>			<b>\$ 3,655,991</b>	<b>\$ 3,739,219</b>
<b>Revenues</b>				
User Services	5,442,701	5,548,552	5,768,620	5,802,658
% increase	0%	2%	4%	1%
Admin Fee Storm Drains	84,500	-	84,492	84,500
Agency Reimbursements	42,294	24,033	278,099	92,232
Interest	41,785	99,185	13,632	13,632
	<b>5,611,280</b>	<b>5,671,770</b>	<b>6,144,843</b>	<b>5,993,022</b>
<b>Expenditures</b>				
Administration	3,057,255	2,261,992	2,447,111	2,521,195
Customer Service	386,212	359,357	381,400	398,825
Operations and Maintenance	2,041,953	2,046,838	2,399,204	3,126,831
Capital Projects	34,124	377,400	833,900	879,800
	<b>5,519,544</b>	<b>5,045,587</b>	<b>6,061,615</b>	<b>6,926,651</b>
<b>Transfers</b>				
Transfer In - District Funds	-	-	-	1,293,684
Transfer Out	(30,998)	(1,103)	-	-
	<b>(30,998)</b>	<b>(1,103)</b>	<b>-</b>	<b>1,293,684</b>
<b>Net Annual Activity</b>	<b>60,738</b>	<b>625,080</b>	<b>83,228</b>	<b>360,055</b>
<b>Ending Available Balance</b>			<b>\$ 3,739,219</b>	<b>\$ 4,099,274</b>
<b>Available Balance Calculation</b>				
Current Assets		\$ 6,295,382		
Current Liabilities		(499,199)		
Encumbrances		(146,442)		
Capital Appropriations		(1,993,750)		
Ending Available Balance		<b>\$ 3,655,991</b>		

## **MUNICIPAL UTILITIES DEPARTMENT**

### **CONSOLIDATED STORM DRAIN MAINTENANCE DISTRICT AND 5 STORM DRAINAGE BASIN DISTRICTS (074)**

#### **History**

- The storm drainage maintenance assessment special districts were formed under the Municipal Improvement Act of 1913, Division 12 of the California Streets and Highways Code, and the Stockton Improvement Procedure Code; and are managed by the Municipal Utilities Department.
- These Districts provide for the maintenance and operation of capital improvements that impart a special benefit to a designated area. These improvements provide either stormwater quality treatment and/or flood control.
- These special districts require an Engineer's Report to be prepared annually to identify the budgets, changes to boundaries, and assessments for each parcel contained within each district. The budgets for each District include engineering fees for the preparation of the annual engineer's report and tax rolls, attorney's fees, estimated costs of maintenance work to the device(s), City administrative costs, County costs to collect the assessments on the tax rolls, replacement reserve costs, and contingency fees. City administrative costs include staff salary expenses that provide oversight of the preparation of the annual Engineer's Report and tax rolls, oversight of maintenance service contracts, coordination of device inspections and maintenance schedules, and management of District finances. The assessments are approved by a separate public hearing process.
- Prior to FY 2014-15, these special districts were accounted for in Fund 072 along with the Landscape Maintenance Assessment Districts in the Public Works Department budget.

#### **FY 2016-17 Events**

- Completed the bid out and award of storm drainage basin maintenance services with a contract term through FY 2019-2020 with two possible one-year extensions.
- The budgets shown here include the individually-approved budgets for the Consolidated Storm Drain Maintenance District and each of the 5 Storm Drainage Basin Districts. Specific details of the budgets and assessments for each district can be found in the approved Engineer's Reports, which are on file with the City Clerk.

#### **FY 2017-18 Budget Changes**

- The Public Hearing and approval of the Engineer's Reports and Assessment Rolls will be presented to City Council in June 2017. There will be no increase to the assessments.

**Utilities**  
**Storm Drain Maintenance District - 074**  
**FY 2017-18 Adopted Budget**

	FY 2014-15	FY 2015-16	FY 2016-17	FY 2017-18
	Actual	Actual	Projected	Adopted Budget
<b>Beginning Available Balance</b>	<b>\$ 2,121,561</b>	<b>\$ 2,292,202</b>	<b>\$ 2,434,694</b>	<b>\$ 2,587,611</b>
<b>Revenues</b>				
Charges for services	309,055	324,566	323,504	316,298
Investment earnings	17,236	42,657	27,481	27,481
	<b>326,291</b>	<b>367,223</b>	<b>350,985</b>	<b>343,779</b>
<b>Expenditures</b>				
Miscellaneous expenditures	193,860	224,731	205,280	357,218
Capital projects	-	-	-	-
	<b>193,860</b>	<b>224,731</b>	<b>205,280</b>	<b>357,218</b>
<b>Transfers</b>				
Transfer In	38,210	-	7,212	7,212
Transfer Out	-	-	-	-
	<b>38,210</b>	<b>-</b>	<b>7,212</b>	<b>7,212</b>
<b>Net Annual Activity</b>	<b>170,641</b>	<b>142,492</b>	<b>152,917</b>	<b>(6,227)</b>
<b>Ending Available Balance</b>	<b>\$ 2,292,202</b>	<b>\$ 2,434,694</b>	<b>\$ 2,587,611</b>	<b>\$ 2,581,384</b>
<b>Available Balance Calculation</b>				
Current Assets		\$ 2,445,725		
Current Liabilities		(11,031)		
Encumbrances		-		
Ending Available Balance		<b>\$ 2,434,694</b>		





## TAB 11     ADMINISTRATION & SUPPORT





**Administration and Support  
FY 2017-18 Adopted Budget**

	<b>Charter Offices</b>	<b>Administrative Services</b>		<b>Human Resources</b>	
	<b>City Council, Manager, Clerk, Attorney, Auditor 010</b>	<b>General Fund 010</b>	<b>Office Equipment Internal Service 505</b>	<b>General Fund 010</b>	<b>Insurance and Benefits Internal Service 541-562</b>
	<i>See Page K-17</i>	<i>See Page K-22</i>	<i>See Page N-21</i>	<i>See Page K-27</i>	<i>See Page N-24</i>
<b>Beginning Available Balance</b>			<b>\$ 1,322,390</b>		<b>\$ 11,845,938</b>
<b>Revenues</b>					
Operating Revenues	-	-	343,500	-	89,005,974
Other Revenue	9,390	287,265	-	-	16,181,387
	<b>9,390</b>	<b>287,265</b>	<b>343,500</b>	<b>-</b>	<b>105,187,361</b>
<b>Expenditures</b>					
Employee Services	3,611,603	3,965,543	-	1,374,416	-
Other Services	1,190,457	1,280,853	-	736,039	-
Materials and Supplies	78,737	78,150	-	25,111	-
Capital Outlay	-	-	-	-	-
Debt Service	-	-	-	-	-
Other Expenses	101,850	55,100	416,849	203,495	108,716,878
	<b>4,982,647</b>	<b>5,379,646</b>	<b>416,849</b>	<b>2,339,061</b>	<b>108,716,878</b>
	-	-	-	-	-
<b>Transfers</b>					
Transfer In - General Fund	-	-	-	-	-
Transfer In - Other Funds	-	-	-	-	-
Transfer Out - Other Funds	-	-	-	-	-
	-	-	-	-	-
<b>Net Annual Activity</b>	<b>(4,973,257)</b>	<b>(5,092,381)</b>	<b>(73,349)</b>	<b>(2,339,061)</b>	<b>(3,529,517)</b>
<b>Ending Available Balance</b>			<b>\$ 1,249,041</b>		<b>\$ 8,316,421</b>
			-		-

**Summary by Department**

	<b>Charter Offices</b>	<b>Administrative Services</b>	<b>Human Resources</b>
Revenues	\$ 9,390	\$ 630,765	\$ 105,187,361
Transfers	-	-	-
Total Sources	<b>\$ 9,390</b>	<b>\$ 630,765</b>	<b>\$ 105,187,361</b>
Expenditures	\$ 4,982,647	\$ 5,796,495	\$ 111,055,939
Transfers	-	-	-
Total Appropriations	<b>\$ 4,982,647</b>	<b>\$ 5,796,495</b>	<b>\$ 111,055,939</b>

**Administration and Support, Continued**  
**FY 2017-18 Adopted Budget**

	<b>Information Technology Internal Service 502-504</b>	<b>Non-Departmental General Fund 010</b>	<b>Other Special Programs 020/627/642</b>	<b>Administration &amp; Support &amp; Support Total</b>
	<i>See Page N-14</i>	<i>See Page K-36</i>	<i>See Page K-42</i>	
<b>Beginning Available Balance</b>	<b>\$ 12,995,601</b>		<b>\$ 1,156,575</b>	
<b>Revenues</b>				
Operating Revenues	17,111,824	-	1,384,959	107,846,257
Other Revenue	60,000	-	109,900	16,647,942
	<b>17,171,824</b>	<b>-</b>	<b>1,494,859</b>	<b>124,494,199</b>
<b>Expenditures</b>				
Employee Services	-	1,244,999	760,085	10,956,646
Other Services	-	5,855,464	156,724	9,219,537
Materials and Supplies	-	52,271	20,000	254,269
Capital Outlay	3,991,419	-	550,000	4,541,419
Debt Service	-	-	-	-
Other Expenses	14,007,060	1,268,830	127,352	124,897,414
	<b>17,998,479</b>	<b>8,421,564</b>	<b>1,614,161</b>	<b>149,869,285</b>
		-		
<b>Transfers</b>				
Transfer In - General Fund	700,000	-	-	700,000
Transfer In - Other Funds	2,404,952	-	-	2,404,952
Transfer Out - Other Funds	(2,404,952)	(19,633,345)	(333,000)	(22,371,297)
	<b>700,000</b>	<b>(19,633,345)</b>	<b>(333,000)</b>	<b>(19,266,345)</b>
<b>Net Annual Activity</b>	<b>(126,655)</b>	<b>(28,054,909)</b>	<b>(452,302)</b>	<b>(44,641,431)</b>
		-		-
<b>Ending Available Balance</b>	<b>\$ 12,868,946</b>		<b>\$ 704,273</b>	
	-		-	

**Summary by Department**

	<b>Information Technology</b>	<b>Non-Departmental</b>
Revenues	\$ 17,171,824	\$ 1,494,859
Transfers	3,104,952	-
Total Sources	<b>\$ 20,276,776</b>	<b>\$ 1,494,859</b>
Expenditures	\$ 17,998,479	\$ 10,035,725
Transfers	2,404,952	19,966,345
Total Appropriations	<b>\$ 20,403,431</b>	<b>\$ 30,002,070</b>

<b>Administration &amp; Support</b>	
Expenditures	\$ 149,869,285
Transfers	22,371,297
Total Appropriations	<b>\$ 172,240,582</b>

Appropriation by Function

Administration	\$ 33,521,634
Insurance and Benefits	108,716,878
Non-Departmental	30,002,070
	<b>\$ 172,240,582</b>

## OFFICE OF THE CITY COUNCIL

### MISSION STATEMENT

The mission of the City Council is to serve the community by providing innovative, courteous and responsive service; promoting economic opportunity; enhancing the quality of life for its citizens; and building a better Stockton for future generations.

### Budget at a Glance:

Total Expenditures	\$681,325
Total Revenues	\$0
Total Net Cost	\$681,325
Total Staff	10

### DEPARTMENT DESCRIPTION

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

### KEY CONSIDERATIONS

In recent years, the City Council took difficult but critical steps to restructure its finances and put in place the policies and practices that make possible a financially stable future for the City. Due to an acute imbalance between revenues and expenditures for the City, had this restructuring not occurred, the City would have had to cut services to a point that the City and community could not afford. Following several years of significant reductions in spending, the City entered the protection of Chapter 9 bankruptcy. With bankruptcy proceedings concluded, the City of Stockton has implemented the Plan of Adjustment and is committed to a Long-Range Financial Plan that will help the City sustain its restructuring efforts and chart a course for our financial future.

While the Long-Range Financial Plan does not forecast revenue increases that would allow the City to restore services to former levels, the financial restructuring effort safeguarded existing revenues to maintain the safety and well-being of our citizens. Restructuring our finances was critical to maintain fiscal sustainability and enable the City to pursue the Marshall Plan on Crime which is intended focused on violence prevention and intervention. A critical component of this restructuring was the passage of Measures A and B. The resources made possible by the Measure A Transaction and Use tax will position the City to fully implement the Marshall Plan and enable the City to implement the bankruptcy Plan of Adjustment while sustaining services. Reducing crime is essential to providing a quality of life that will encourage economic development and result in job growth and a revitalized Stockton.

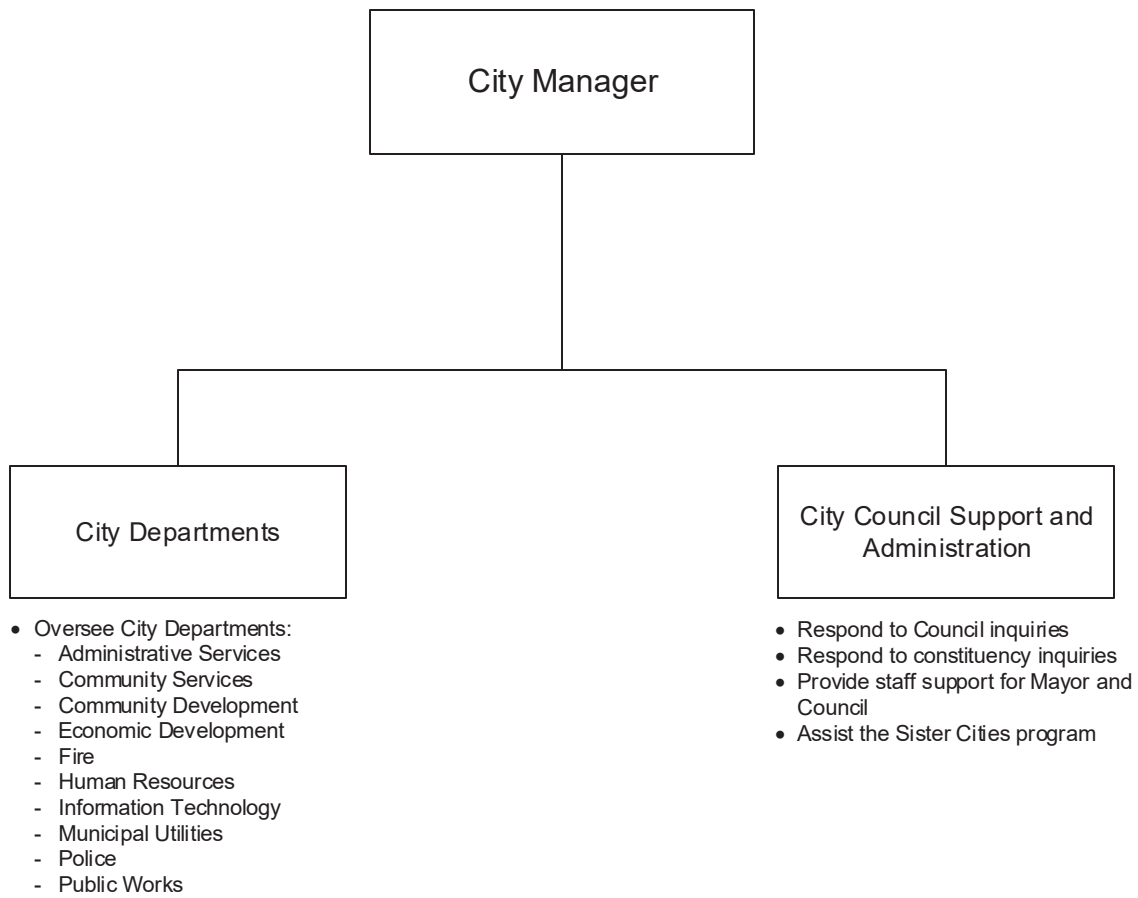
In November 2016, the voters approved Measure M Strong Communities. The funds collected from this ¼ cent sales transaction and use will also be realized in the upcoming year. These funds will be used to restore needed library and recreation services that were severely impacted during bankruptcy. The Strong Communities Initiative will provide more than \$150 million in dedicated revenue for Library and Recreation Services.

The City Council stayed focused throughout the challenges faced in recent years and pursued aggressive work plans to accomplish priority goals. With the progress made toward some priorities, the City Council has shifted the focus of their future goals related to Organizational Development, Youth and Public Image to be incorporated into the remaining priority targets of Public Safety, Fiscal Sustainability, Economic Development, and Infrastructure. Specific goals

## OFFICE OF THE CITY COUNCIL

and work plans have been developed to address these targeted areas and activities have been identified for accomplishing these goals. There are funds allocated in the FY 2017-18 Annual Budget targeted to these efforts. A description of these activities can be found in the departmental sections contained in this Annual Budget.





# CITY MANAGER

## OFFICE OF THE CITY MANAGER

### MISSION STATEMENT

To provide direction and oversight of all phases of City operations, including City departments and programs, and to ensure Council goals, policy and established administrative practices are effectively carried out within the fiscal and physical abilities of the various City departments during normal operations, as well as emergency situations.

### Budget at a Glance:

Total Expenditures	\$1,456,904
Total Revenues	\$0
Total Net Cost	\$1,456,904
Total Staff	12

### DEPARTMENT DESCRIPTION

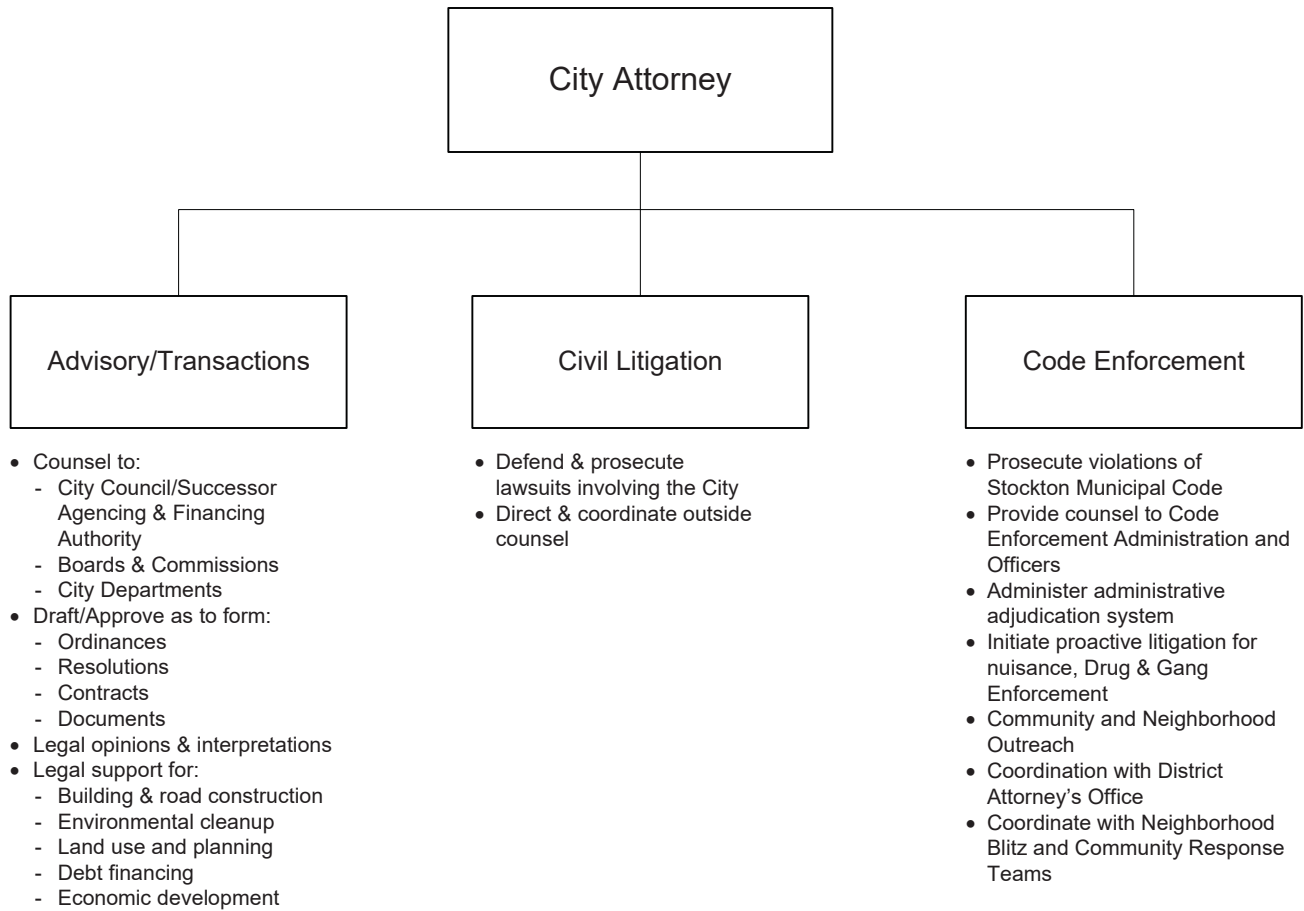
The Office of the City Manager provides direction and administration of City departments and general oversight of City operations under the policy direction of the City Council. Other functions within the City Manager's Office include: Office of Violence Prevention, Grants, Legislative Advocacy, Communications, Public Relations and Channel 97 Government Access Cable Channel.

### KEY CONSIDERATIONS

The City of Stockton implemented the court-approved Plan of Adjustment and restructured its finances by making difficult decisions to balance revenues and expenditures for the City. Throughout years of declining revenues and the bankruptcy process, the City Manager's Office provided direction and oversight to City departments to address these factors and pursue restructuring of the City's finances. With the Plan of Adjustment, the City is fiscally solvent and has a clear picture of our financial condition. Stockton has the unique advantage of having a 30-year economic forecast specific to the City, the Long-Range Financial Plan, which allows the City to understand the long-term ramifications of its fiscal decisions. The City Manager's Office will ensure that the Long-Range Financial Plan remains a financial guidepost and becomes an institutionalized planning tool.

The City Manager's Office has been engaged in overseeing the regular operations of the City as well as pursuing the City Council strategic priorities. Over the past five years, significant progress has been made in modernizing the organization, streamlining and creating operational efficiencies, developing organizational capacity and implementing innovative solutions to the challenges of our community. The City Manager's Office addressed several priorities that have emerged through the bankruptcy process. Of particular importance is collaboration with the City Auditor in implementing the Internal Audit Plan to mitigate risk and address internal controls and the implementation of the Marshall Plan and creation of the Office of Violence Prevention following passage of Measure A. In November 2016, voters approved Measure M Strong Communities, a ¼ cent sales tax measure which became effective April 1, 2017. The City Manager's Office will continue to make prudent financial decisions as it remains consistent in its efforts to maintain financial solvency in the future.

The City Manager's Office will continue to pursue the accomplishment of the City Council strategic priorities as well as address the numerous challenges that the City will face along the path to fiscal sustainability, reduced crime, increased economic development and improved service delivery to the community.



## OFFICE OF THE CITY ATTORNEY

### MISSION STATEMENT

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

### Budget at a Glance:

Total Expenditures	\$1,374,113
Total Revenues	\$0
Total Net Cost	\$1,374,113
Total Staff	12

### DEPARTMENT DESCRIPTION

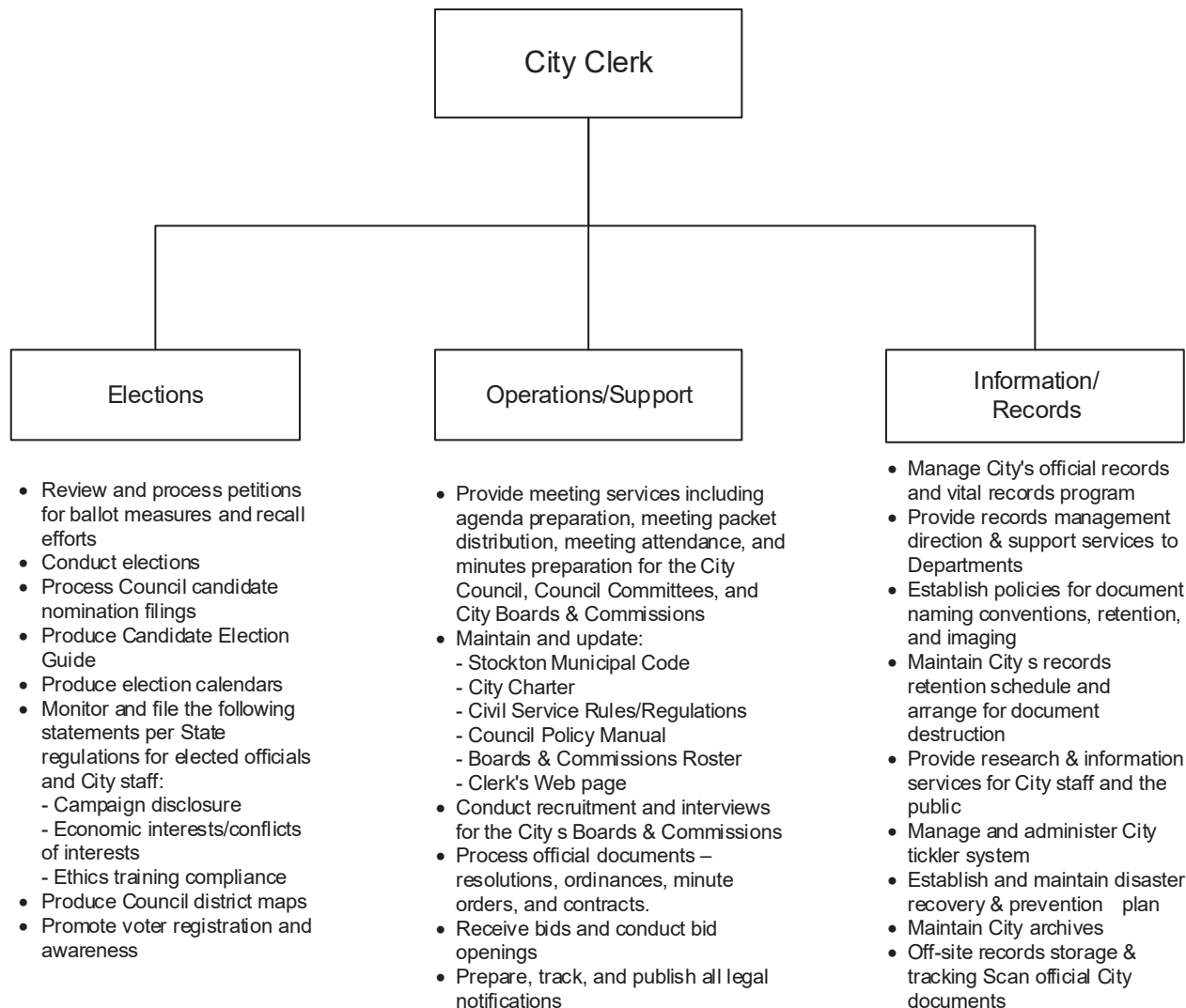
The Office of the City Attorney provides legal services and advice to the City Council, officials, boards, commissions, and City departments regarding legal and regulatory matters of concern to the City and its operations, including: matters relating to their official duties; defending lawsuits and preparing legal opinions and documents, ordinances, and resolutions; reviewing and approving contracts, bonds, deeds, and other legal documents; and prosecuting violations of the Stockton Municipal Code.

### KEY CONSIDERATIONS

The City of Stockton, due to its size and complexity, suffers a significant amount of litigation filed against it annually. Managing this litigation in a cost-effective manner, without sacrificing the quality of representation, is a constant challenge that is met through the balancing of in-house and contract resources on a case-by-case basis.

The Office of the City Attorney consists of one city attorney, one assistant city attorney, six deputy city attorneys (with one position filled by a part-time annuitant), one executive assistant, two legal secretaries, and one paralegal. This department is currently comprised of two divisions. One division is primarily focused on litigation and code enforcement, and is comprised of the assistant city attorney, three deputy city attorneys (one part-time), a paralegal, and one legal secretary. The second division, consisting of three deputy city attorneys and one legal secretary, is primarily focused on advisory and employment-related matters.

The department has continued to support a significant volume of litigation following the exit from bankruptcy, and it is expected that this activity will only increase in the next fiscal year. Also, the department has continued to increase its criminal prosecution and code enforcement efforts in keeping with Council priorities and to support the City's implementation of the Marshall Plan.



# CITY CLERK

## OFFICE OF THE CITY CLERK

### MISSION STATEMENT

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

### Budget at a Glance:

Total Expenditures	\$910,301
Total Revenues	\$9,390
Total Net Cost	\$900,911
Total Staff	7

### DEPARTMENT DESCRIPTION

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

The City Clerk serves as the City's Elections Official, managing the nominations for Council office, and performing prima facie review of any petitions that are filed with the City. Additional duties include: preparation of the Council Candidate Guide; receiving and processing Campaign Statements and Statements of Economic Interest; monitoring the filings/amendments/updates to the City's Conflict of Interest Code; and promoting voter registration and participation.

Operations provides support services, ensuring agenda posting and public hearing notification requirements are met. Support services include meeting attendance and minute preparation for various City meeting bodies including, but not limited to: City Council/Successor Agency to the Redevelopment Agency, Public Financing Authority, Planning Commission, Council Water Committee, Civil Service and Equal Employment Commissions, Salary Setting Commission, Measure A, M, and W Oversight Committees, Development Oversight Commission, Cultural Heritage Board and various committees of the City Council. Additional services provided include, but are not limited to Citywide legal publications, bid openings, scheduling Interpreter Services, and Board and Commission recruitment services.

The Records division receives, indexes, classifies, files and codifies records applicable to the actions of the City Council, Successor Agency to the Redevelopment Agency, Public Financing Authority, Planning Commission, Civil Service Commission and the Equal Employment Commission. The City Clerk researches and retrieves records, maintains contract and deed inventories. The department also develops and implements records retention policy in accordance with State of California statutes and good records management principles, preserving the hard or electronic copies of permanent records and destroying records which have fulfilled administrative, fiscal, and/or legal value.

### KEY CONSIDERATIONS

Recent Retention Schedule update meetings revealed a Citywide lack of legal compliance with the Trustworthy Electronic Records requirements. The Clerk will be working with the City Manager, IT Department and City Attorney to secure the City's official records. With the bankruptcy legal hold lifted and departments beginning to catch up with records disposition, related costs for destruction will increase. Additionally, our microfilm machine is aging rapidly and microfilm scanning services (digitizing records) will be required to comply with future Public Records Requests. Inquiries from persons needing ADA compliant interpreter services to participate at a variety of Citywide events is increasing. With 2018 being an election year, the

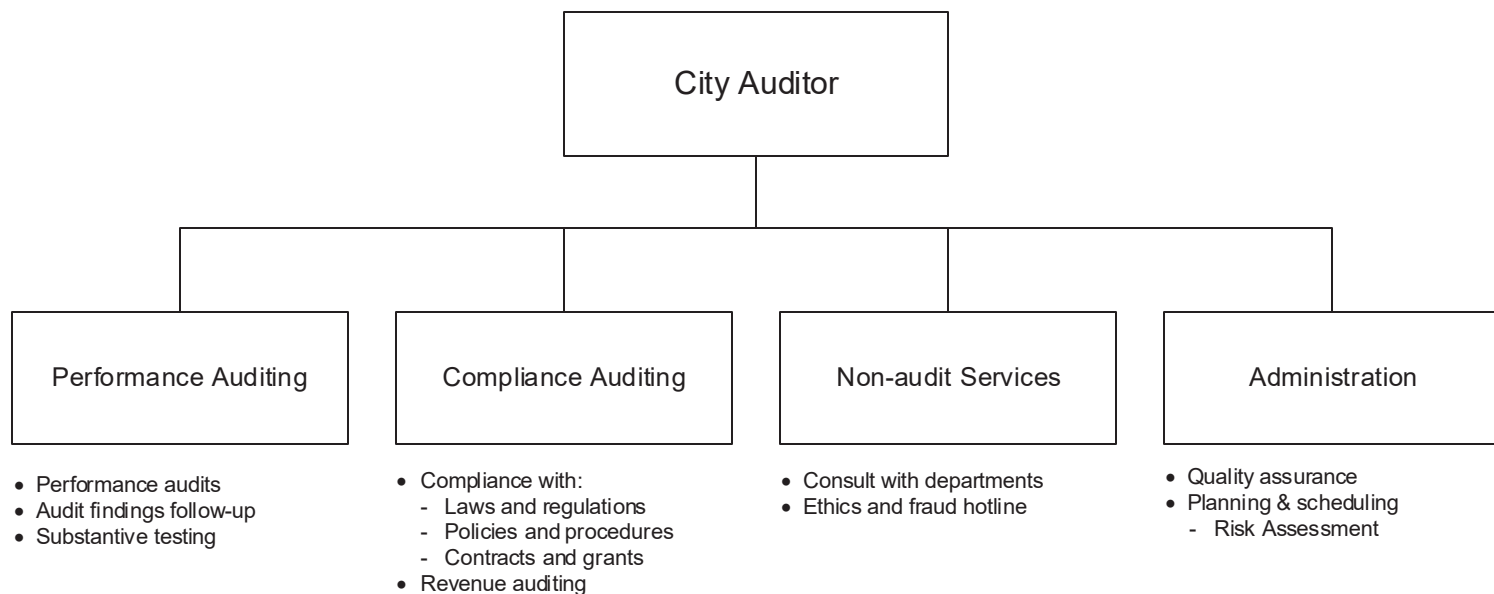
## OFFICE OF THE CITY CLERK

Clerk's Office will again focus on the election tasks for both Council candidates and potential measures for the upcoming Primary and General elections.

The Office of the City Clerk has continued to seek training opportunities to provide staff the ability to be prepared for the office succession plan. Several staff are participating in the Technical Training for Clerks path, with one employee set to complete the program in the near future. The remaining employees will continue through March and June of 2018. To increase customer service, staff attended training and became Certified Tourism Ambassadors through Visit Stockton.







# CITY AUDITOR

## CITY AUDITOR

### MISSION STATEMENT

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

### Budget at a Glance:

Total Expenditures	\$560,004
Total Revenues	\$0
Total Net Cost	\$560,004
Total Staff	-

### DEPARTMENT DESCRIPTION

The Office of the City Auditor provides the City Council, management, and employees with objective analyses, appraisals, and recommendations for improvements to the City systems and activities. The primary activity of the department is to conduct performance internal audits. These audits may focus on internal controls, compliance with laws and policies, accomplishment of goals and objectives, or a combination of these areas. The City Auditor in collaboration with the Chief Financial Officer also provides oversight for the external audit of the City's financial reports.

This department is funded primarily through the General Fund with appropriate cost allocations made to other funds. The Office of the City Auditor conducts regular organizational risk assessments and prepares a proposed annual internal audit plan listing potential projects. The City Council, through the Council Audit Committee, selects those audit projects to be included in the final annual audit plan.

### KEY CONSIDERATIONS

Since 2012, the City Council has authorized a contract to provide the services of the City Auditor. The contracted Audit firm created the Internal Audit Plan served as the work plan for the City Auditor for FY 2013-14, 2014-15 and 2015-16. The Internal Audit Plan represented a critical body of work to strengthen the internal controls of the City in an aggressive timeframe. To bring audits current, the Council authorized increases to the City Auditor budget in FY 2013-14 and FY 2014-15 to expedite the Internal Audit Plan. In the FY 2015-16 Annual Budget, appropriations were subsequently returned to prior levels.

The initial Internal Audit Plan was completed in FY 2015-16. Nine internal control audits were completed over a three-year period with follow-up testing and validation occurring in FY 2015-16. In addition, the Internal Audit Plan strengthened the City's fraud, waste and abuse and performance management programs. Furthermore, significant policy and process developments occurred, bringing the City up-to-date on current trends and best practices. The final component of the initial Internal Audit Plan was a subsequent risk assessment to determine progress and outline new projects recommended for the Internal Audit Plan for FY 2016-17.

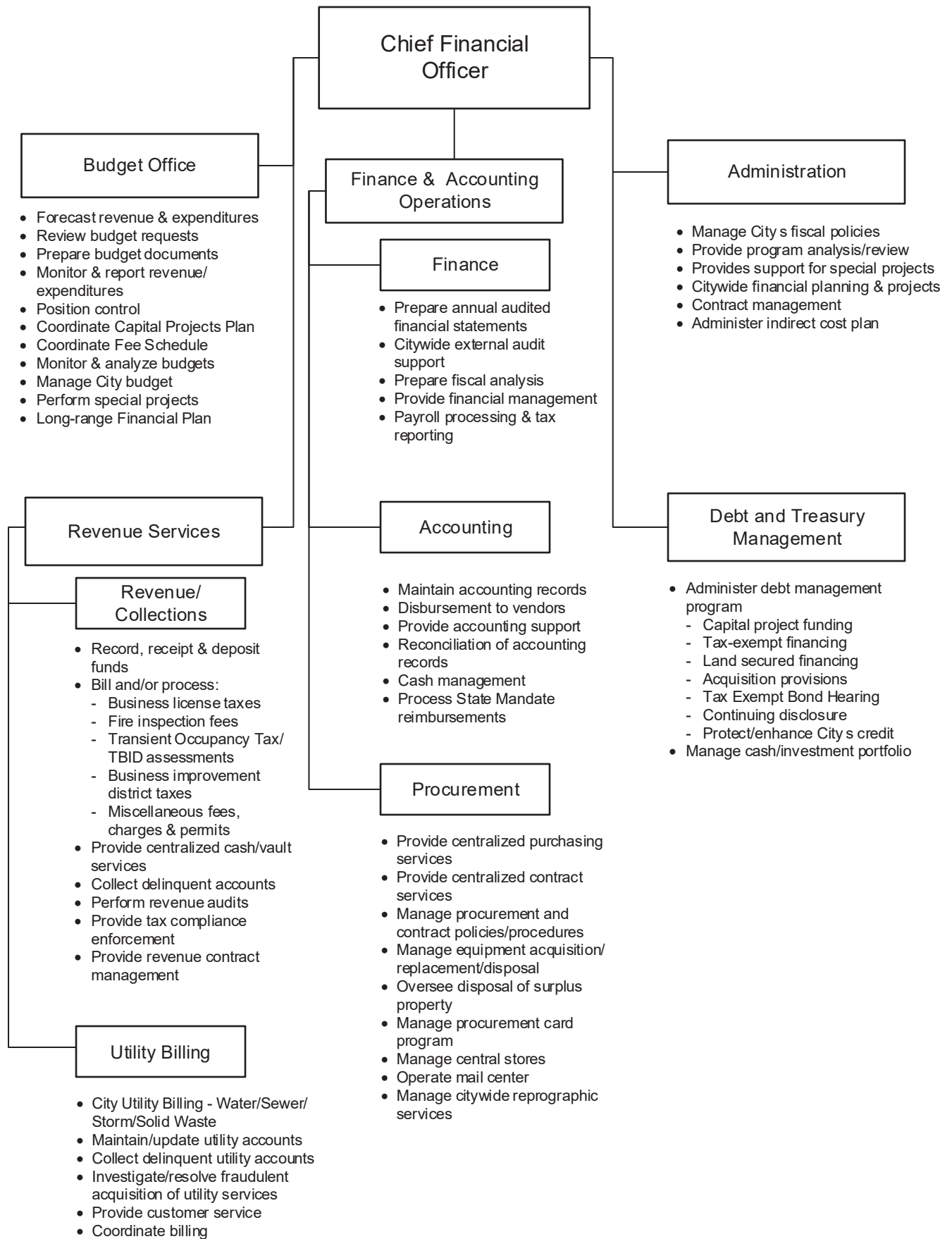
The FY 2016-17 Internal Audit Plan included projects to continue strengthening performance management, policy development and regular internal controls testing. This plan also included a workforce diversity planning process as well as planning support for the new financial system software implementation. The FY 2016-17 Internal Audit Plan set in place the best practice pattern of conducting assessments on an annual or semi-annual basis and adopting one-year work plans with specific projects. On completion of the FY 2016-17 Internal Audit Plan, an assessment of progress will be conducted by the City Auditor and a subsequent annual audit plan adopted for FY 2017-18.

## **CITY AUDITOR**

In addition to the internal audit function, the City Auditor's budget has allocated sufficient resources in recent years to bring the City into compliance and best practice related to the timing of external financial reporting and auditing. The FY 2013-14, 2014-15 and 2015-16 financial reports for years ending June 30 were completed and submitted to the appropriate reporting agencies within the correct timelines outlined by best practices. The FY 2016-17 projections reflect a timing delay due to the request for proposal process for audit services delayed the start of the audit. The contracts for FY 2015-16 auditor services could not be encumbered before the end of the fiscal year and were added to the FY 2016-17 budget. Financial Audit remain a priority in the FY 2017-18 Annual Budget.

**Charter Officers  
General Fund - 010  
FY 2017-18 Adopted Budget**

	<b>FY 2014-15</b>	<b>FY 2015-16</b>	<b>FY 2016-17</b>	<b>FY 2017-18</b>
	<b>Actual</b>	<b>Actual</b>	<b>Current Budget</b>	<b>Adopted Budget</b>
<b>Total Charter Officers</b>				
Employee Services	\$ 2,533,115	\$ 2,888,260	\$ 3,379,596	\$ 3,611,603
Other Services	1,085,257	1,173,742	2,055,352	1,190,457
Materials and Supplies	65,877	78,448	89,859	78,737
Other Expenses	79,017	101,587	95,484	101,850
Total	<u>\$ 3,763,266</u>	<u>\$ 4,242,037</u>	<u>\$ 5,620,291</u>	<u>\$ 4,982,647</u>
<b>City Council</b>				
Employee Services	392,028	306,200	440,929	612,081
Other Services	39,657	73,638	192,630	44,244
Materials and Supplies	1,916	3,477	18,000	8,000
Other Expenses	19,977	23,645	17,134	17,000
Total	<u>453,578</u>	<u>406,960</u>	<u>668,693</u>	<u>681,325</u>
<b>City Manager</b>				
Employee Services	988,175	1,131,481	1,205,301	1,224,155
Other Services	136,390	155,211	173,441	181,836
Materials and Supplies	8,589	6,048	11,446	10,913
Other Expenses	23,124	41,105	28,000	40,000
Total	<u>1,156,278</u>	<u>1,333,845</u>	<u>1,418,188</u>	<u>1,456,904</u>
<b>City Attorney</b>				
Employee Services	619,466	858,268	1,040,297	1,045,781
Other Services	152,370	213,110	229,777	258,458
Materials and Supplies	50,232	43,948	37,524	37,524
Other Expenses	16,554	22,285	32,350	32,350
Total	<u>838,622</u>	<u>1,137,611</u>	<u>1,339,948</u>	<u>1,374,113</u>
<b>City Clerk</b>				
Employee Services	533,186	592,311	693,069	729,586
Other Services	112,357	127,330	119,461	145,915
Materials and Supplies	5,140	24,975	22,889	22,300
Other Expenses	19,362	14,552	18,000	12,500
Total	<u>670,045</u>	<u>759,168</u>	<u>853,419</u>	<u>910,301</u>
<b>City Auditor</b>				
Employee Services	260	-	-	-
Other Services	644,483	604,453	1,340,043	560,004
Materials and Supplies	-	-	-	-
Other Expenses	-	-	-	-
Total	<u>644,743</u>	<u>604,453</u>	<u>1,340,043</u>	<u>560,004</u>



# ADMINISTRATIVE SERVICES DEPARTMENT

## ADMINISTRATIVE SERVICES DEPARTMENT

### MISSION STATEMENT

To provide financial, administrative and technical support to residents, business partners, decision makers and other City departments; and to safeguard and facilitate the optimal use of City resources for strategic financial planning.

#### Budget at a Glance:

Total Expenditures	\$5,796,495
Total Revenues	\$630,765
Total Net Cost	\$5,165,730
Total Staff	82

### DEPARTMENT DESCRIPTION

The Administrative Services Department (ASD) provides vital systems and services administered through five divisions: Administration, Budget, Financial and Accounting Operations, Debt and Treasury, and Revenue Services.

The Administration Division provides support to the various areas within the Administrative Services Department and directs its overall activities. This area also provides support to the Measure A Citizens Advisory Committee, the Measure W Citizens Oversight Committee, and the newly-formed Strong Communities (Measure M) Oversight Committee.

The Budget Office is responsible for developing and monitoring the City's annual budget. This division maintains the Long-Range Financial Plan for the City to better understand the long-term impact of decisions using a 30-year fiscal forecasting tool. Throughout the fiscal year, the Office provides assistance to City management and departments by analyzing and evaluating financial performance and budget projections. The Office coordinates financial planning and management, reports financial outcomes as compared to budgets, and monitors fees and revenues.

The Financial and Accounting Operations Division is responsible for the following citywide procurement, finance, and accounting operations:

- Finance is responsible for recording and reporting financial transactions; reporting financial positions in accordance with generally accepted accounting principles, and the preparation of the Comprehensive Annual Financial Report and other financial reports.
- Accounting services include payroll processing for over 1,700 employees, payroll tax compliance, employee benefit reporting for retirement systems, accounts payable, cash activity and all central accounting recording and monitoring.
- Purchasing is responsible for the procurement of all supplies and services necessary for the operation of City departments. Purchasing also provides centralized printing, high volume reprographic and mail services to departments.

The Debt and Treasury Division manages the City's \$450 million pooled investment portfolio and debt issues which total approximately \$555 million. Division services include oversight of the cash and investment portfolio, investor relations, market disclosures, financing and refinancing programs.

## ADMINISTRATIVE SERVICES DEPARTMENT

The Revenue Services Division is responsible for the following citywide services:

- The Customer Services Unit is responsible for providing customer service for 112,000 accounts at the counter and over the phone. There are 95,000 utility accounts including water, sewer, stormwater, and solid waste services. In addition to utility customers, the Customer Services Unit also provides assistance to over 17,000 business license tax accounts.
- The Revenue Operations Unit is comprised of multiple billing functions, centralized cash/vault services, and business license processing. It is responsible for the enforcement and audit of business license tax, hotel and motel tax, utility users tax, improvement district assessments, and other fees and charges owed to the City. It also is responsible for the accurate recording, reconciliation, receipting, control, and deposit of all monies received by City departments.
- The Collection, Compliance, and Revenue Reporting Unit is responsible for the recovery of City revenues from delinquent accounts including utilities, business licenses, transient occupancy tax, utility users tax and miscellaneous accounts receivables. It promotes compliance through audits of the business license tax and transient occupancy tax. The unit also manages the accounts and relationship with an outside collection agency and provides revenue reporting functions such as cash collections and deposits, quarterly receivables and write-offs.

### KEY CONSIDERATIONS

The Administrative Services Department continues to focus on the City Council strategic goal of fiscal sustainability. The Budget Office continues to fully institutionalize the Long-Range Financial Plan, which provides a long-term view of the City's General Fund and demonstrates the City's ability to afford its current service levels. The Long-Range Financial Plan enables the City to understand the long-term fiscal effects of its decisions and to plan for future challenges like CalPERS retirement cost increases and changes in the economy.

The City's General Fund Reserve and Fund Balance Policy reflects best practices and prudently protects the fiscal solvency of the City. At the close of FY 2015-16, the working capital reserve (2 months of expenditures) was fully funded in addition to setting aside funds for known contingencies (CalPERS costs, City Hall relocation, etc.) and risk-based reserves (catastrophic infrastructure failure, recession, etc.).

Timeliness, accuracy, and transparency in financial reporting is an important ASD goal. The department has provided timely delivery of the FY 2015-16 Comprehensive Annual Financial Report, which received a clean opinion from an independent auditor. The department continues to promptly deliver budget, financial and investment updates to the City Council, various committees and commissions, and the public.

The department also regularly reviews the City's debt portfolio for potential savings. The City took advantage of favorable interest rates and refinanced two bond issuances in FY 2016-17, that will result in savings of approximately \$56 million over the life of the bonds and provide additional funds to property owners, the City, and other taxing entities in the City.

The City continues to plan for the eventual replacement of its 25-year old financial system with a modern enterprise resource planning system. In addition to dedicating significant resources toward this effort, the ASD works with its partners in the Information Technology Department to upgrade the current financial system to maintain Citywide functions.

## ADMINISTRATIVE SERVICES DEPARTMENT

The department continues to proactively address delinquent accounts receivable through its audit and collections efforts to maximize City collections and cash flow. The department also anticipates becoming current on its uncollectible account write-offs by June 2016, and those uncollectable amounts will no longer show on financial statements as potential revenue.

Extensive efforts have been and will continue to address audits and resolve prior audit findings which require collaboration with all departments and timely accounting reporting. Significant City time and resources will continue to be required to work with auditors as they complete their fieldwork and to address prior audit findings. In recognition of these demands, the FY 2017-18 Budget moves \$110,000 from the Internal Auditor budget to ASD so significant progress can be made towards closing out prior audit findings.

The department continues to evaluate and improve processes and implement best practices in functional areas such as procurement, contract administration, payroll, and accounting. In FY 2016-17, the City implemented a Purchasing Card (pCard) program with U.S. Bank Cal Card through a State of California cooperative agreement. The program provides the City with rebates and improved internal control and functionality.





**Administrative Services  
General Fund - 010  
FY 2017-18 Adopted Budget**

	<b>FY 2014-15</b>	<b>FY 2015-16</b>	<b>FY 2016-17</b>	<b>FY 2017-18</b>
	<b>Actual</b>	<b>Actual</b>	<b>Current Budget</b>	<b>Adopted Budget</b>
<b>Total Administrative Services Department</b>				
Employee Services	\$ 2,524,874	\$ 2,626,765	\$ 3,777,866	\$ 3,965,543
Other Services	1,099,496	1,277,647	1,084,304	1,280,853
Materials and Supplies	59,461	65,649	190,688	78,150
Other Expenses	29,911	36,853	54,700	55,100
Total	<u>\$ 3,713,742</u>	<u>\$ 4,006,914</u>	<u>\$ 5,107,558</u>	<u>\$ 5,379,646</u>

**Administration**

Employee Services	368,194	327,145	628,981	690,504
Other Services	149,959	286,501	214,889	272,973
Materials and Supplies	12,484	10,791	106,954	11,700
Other Expenses	6,993	4,455	11,800	11,800
Total	<u>537,630</u>	<u>628,892</u>	<u>962,624</u>	<u>986,977</u>

**Budget**

Employee Services	381,511	369,757	554,977	575,145
Other Services	70,209	90,835	176,850	173,885
Materials and Supplies	1,970	9,803	12,000	12,000
Other Expenses	229	2,241	11,500	11,500
Total	<u>453,919</u>	<u>472,636</u>	<u>755,327</u>	<u>772,530</u>

**Financial Services**

Employee Services	698,373	787,769	1,084,021	1,219,662
Other Services	369,178	405,059	303,083	370,205
Materials and Supplies	20,104	18,116	27,848	16,800
Other Expenses	15,923	10,463	17,100	12,100
Total	<u>1,103,578</u>	<u>1,221,407</u>	<u>1,432,052</u>	<u>1,618,767</u>

**Revenue Services**

Employee Services	840,796	855,360	1,004,392	1,020,410
Other Services	251,820	238,512	221,731	326,510
Materials and Supplies	15,589	18,567	22,086	21,250
Other Expenses	1,474	15,549	7,200	7,200
Total	<u>1,109,679</u>	<u>1,127,988</u>	<u>1,255,409</u>	<u>1,375,370</u>

**Purchasing**

Employee Services	236,000	286,734	505,495	459,822
Other Services	258,330	256,740	167,751	137,280
Materials and Supplies	9,314	8,372	21,800	16,400
Other Expenses	5,292	4,145	7,100	12,500
Total	<u>508,936</u>	<u>555,991</u>	<u>702,146</u>	<u>626,002</u>





# HUMAN RESOURCES DEPARTMENT

## HUMAN RESOURCES DEPARTMENT

### MISSION STATEMENT

Human Resources is a cohesive, collaborative team of professionals dedicated to attracting, recruiting, hiring and developing a qualified diverse workforce. Human Resources provides quality and innovative customer driven services and programs to support organizational goals, and to create a healthy and positive work environment for City employees to deliver high quality service to the citizens of Stockton.

### Budget at a Glance:

Total Expenditures	
General Fund	\$2,339,061
Benefits Programs	\$108,716,878
Total Revenues	\$105,187,361
Total Net Cost	\$3,529,517
Total Staff	30

### DEPARTMENT DESCRIPTION

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

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

The Employee/Labor Relations Division develops, negotiates, implements, and administers policies, procedures and labor agreements that support and promote workplace diversity, fairness and equality for City employees. This division provides counseling and advisement on labor relations and human resources matters, provides assistance in the timely resolution of grievances, complaints and other personnel-related matters.

The Risk Management Services Division protects the City's resources by working proactively to limit liability exposures and by providing cost-effective risk management programs, such as employee safety and workers' compensation, and contract review and insurance monitoring. The division also purchases insurance to protect City property and liability, and works to recover General Fund monies from third parties for damages.

The Benefits Administration Division assists in providing and coordinating all aspects of employees' benefit compensation packages. This includes, but is not limited to: health insurance, retirement services, leave entitlements, employee assistance program, flexible spending accounts, life insurance, and long-term disability. In addition to assisting current employees, this division provides services to retirees and dependents.

### KEY CONSIDERATIONS

In an effort to modernize and streamline the process of providing personnel services, the Human Resources Department is focusing on improving benefit services, a more active Risk Management Division, and providing focused training for all level of City personnel. In addition, the Workforce Planning Division assists City departments in organizational restructuring due to reduced staffing levels and to implement operating efficiencies.

## HUMAN RESOURCES DEPARTMENT

The City's health plans are designed to attract and retain a quality workforce, protect and promote healthy living, and fall within financially sustainable parameters. In FY 2017-18, overall, the City's health plan rates are decreasing, depending on plan selection. The department continues to ensure compliance with all Affordable Care Act mandates.

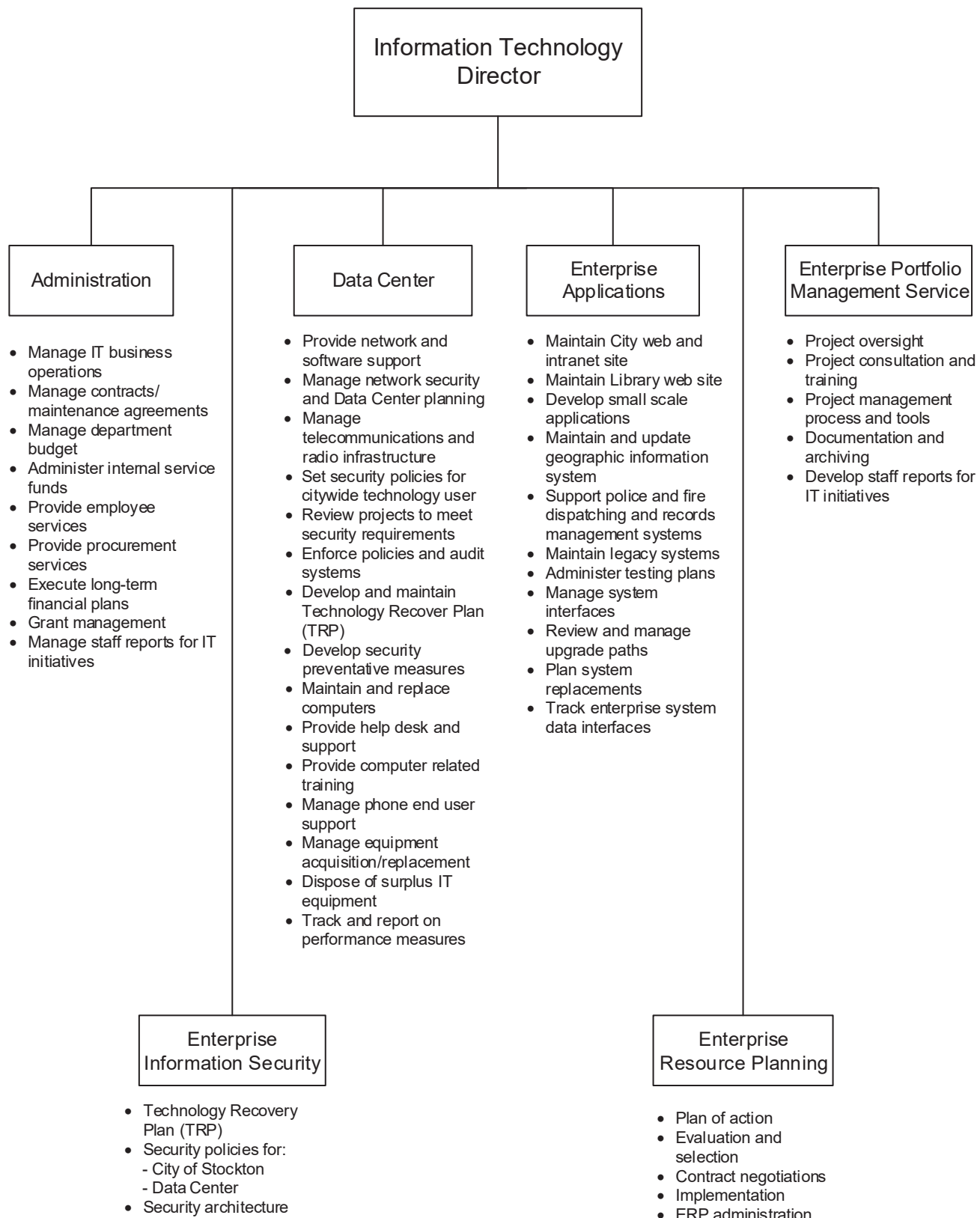
Human Resources has played an active role in addressing the City's retention and recruitment challenges. In FY 2016-17, Workforce Planning continued efforts to diversify the workforce to match the community. Various methods of advertising venues, as well as professional publications, have been used to attract viable candidates within the local community. Police Officer hiring is a top priority as Human Resources and the Police Department work toward the goal of filling 485 sworn positions. New labor agreements approved by Council at the beginning of FY 2016-17 are expected to have a positive effect on overall employee retention.

Investing in City employees assists in recruitment and retention efforts and creates a higher quality workforce, benefitting both the City and its employees. In FY 2016-17, Human Resources provided the following services to the organization and its employees:

- The Labor/Employee Relations division completed negotiations and implemented three-year labor agreements for the nine bargaining units effective July 1, 2016 through June 30, 2019.
- The Tuition Reimbursement program to reimburse City employees for educational courses that enhance their job skills and bring added value to the City was reinstated.
- The Benefits division hosted an employee Health Fair, attended by over 300 City employees.

**Human Resources  
General Fund - 010  
FY 2017-18 Adopted Budget**

	<b>FY 2014-15</b>	<b>FY 2015-16</b>	<b>FY 2016-17</b>	<b>FY 2017-18</b>
	<b>Actual</b>	<b>Actual</b>	<b>Current Budget</b>	<b>Adopted Budget</b>
<b>Total Human Resources Department</b>				
Employee Services	\$ 1,120,270	\$ 1,146,142	\$ 1,393,153	\$ 1,374,416
Other Services	428,501	480,542	904,642	736,039
Materials and Supplies	14,072	17,842	19,990	25,111
Other Expenses	67,880	77,048	272,405	203,495
Capital Outlay	-	-	-	-
Total	<u>\$ 1,630,723</u>	<u>\$ 1,721,574</u>	<u>\$ 2,590,190</u>	<u>\$ 2,339,061</u>
<b>Workforce Planning</b>				
Employee Services	405,972	472,264	563,892	570,853
Other Services	279,452	305,182	658,027	414,641
Materials and Supplies	9,237	8,972	11,247	11,311
Other Expenses	6,661	6,551	12,360	12,250
Capital Outlay	-	-	-	-
Total	<u>701,322</u>	<u>792,969</u>	<u>1,245,526</u>	<u>1,009,055</u>
<b>Employee Relations</b>				
Employee Services	714,298	673,878	829,261	803,563
Other Services	149,049	175,360	246,615	321,398
Materials and Supplies	4,835	8,870	8,743	13,800
Other Expenses	61,219	70,497	260,045	191,245
Total	<u>929,401</u>	<u>928,605</u>	<u>1,344,664</u>	<u>1,330,006</u>



# INFORMATION TECHNOLOGY

## INFORMATION TECHNOLOGY DEPARTMENT

### MISSION STATEMENT

A focus on business solutions, service reliability, innovations, and customer satisfaction.

### Budget at a Glance:

Total Expenditures	\$20,403,431
Total Revenues	\$20,276,776
Total Net Cost	\$126,655
Total Staff	54

### DEPARTMENT DESCRIPTION

The Information Technology (IT) Department is responsible for providing:

- leadership and vision for integrating City Council, City Manager, and departmental goals into a citywide information technology strategy
- flexible, cost-effective enterprise business systems for the City
- reliable and secure data center services and support for citywide technology systems
- network design and support, including network monitoring and security
- support for internet and intranet services as well as desktop support services
- support for citywide telecommunications
- partnering with departments to develop technology solutions and provide project management process and tools

The IT Department is comprised of six divisions: Administration, Data Center, Enterprise Applications, Enterprise Portfolio Management Office, Enterprise Information Security Office, and Enterprise Resource Planning.

Administration directs the administrative, financial, and human resources functions of the IT Department, including managing business operations, department budget, financial planning, contracts and maintenance agreements, procurements, and employee services.

Data Center provides reliable and secure enterprise computing and telecommunications infrastructure. Directs the delivery of computer purchases, repairs, replacements and services to departments and provides support for computer hardware, software, and technology solutions as well as providing computer-related training for City staff. Evaluates and plans for the upgrade, consolidation and/or the replacement of IT infrastructure. Explores new technologies such as cloud computing and determines how to apply the new technologies to the current infrastructure.

Enterprise Applications supports custom and third party applications, including the geographic information system, enterprise resource planning, public safety dispatch, records management system and analytics systems. This service area also supports testing and web applications, and develops in-house solutions. Supports Enterprise Architecture and the overall strategy to provide enterprise business systems. Optimizes and transforms business processes, information application systems and technologies into an efficient and integrated environment. This service area provides system interface management, integrations, and replacement planning.

Enterprise Portfolio Management Office facilitates all phases of the IT governance process; partners with departments to develop technology solutions based upon business needs, facilitates all phases of the information technology governance process, and provides guidance and



## INFORMATION TECHNOLOGY DEPARTMENT

oversight of project management processes; tools; project consultation and training; documentation and archiving.

Enterprise Information Security Office provides oversight for security policies for the Data Center and the City's lines of business to ensure alignment and optimization of business strategy and IT security. Develops and maintains the City's security architecture and technology recovery plans. Enforces security policies and performs audits of systems for security compliance. This service area also performs eDiscovery data collection requests.

Enterprise Resource Planning (ERP) provides oversight for planning, organization, and control of business and technical operations for the City's ERP project while ensuring its alignment with City business objectives. The goal is to ensure project success, which entails on-time and within budget evaluation, selection, and delivery of a new ERP system that meets business users' current and emerging needs. This is a multi-year project that will satisfy multiple Council strategic priorities and resolve outstanding audit findings.

### KEY CONSIDERATIONS

The City Council identified improved technology as part of the Infrastructure Strategic Target which involves participation from all departments including significant efforts by IT. Improvements are needed in emergency communication, financial systems and computer networks. Major technology initiatives for FY 2017-18 include the following:

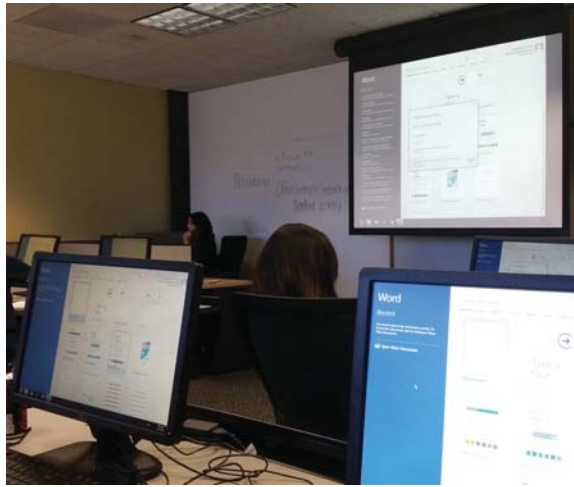
- **Enterprise Resource Plan (ERP)** – This multi-year project is underway with Council approval of 11 new positions for the core project team and a consultant contract to assist the City with the vendor selection process. In FY 2017-18, the system needs assessment will be completed, a contract for replacement of the existing ERP solution implemented in 1991 will be awarded, and implementation will begin.
- **SunGard HTE Version Management** – Upgrade the financial and human capital system to latest version, on a regularly scheduled basis.
- **SharePoint Architect and Training** – Enhance usability, resolve configuration issues and limitations, and improve Team site and Project sites for end users.
- **City Website Redesign** – Redesign the City's landing page and Police Department homepage on a SharePoint platform. This is the first phase of a complete website redesign.
- **Security Assessment** – Security assessment and researching, developing, implementing, testing and reviewing the City's security on an ongoing basis to protect information and prevent unauthorized access.
- **Telephone Equipment Upgrades/Replacements** – Move to a cloud-based VoIP system utilizing a cooperative agreement from San Joaquin County. Replacement of the VoIP system will be completed in FY 2017-18.
- **Evaluate Plans for Public Safety Radio Infrastructure Upgrades** – Continue to review options for the planned upgrades to the Public Safety Radio Infrastructure. Review potential options for joining the County trunked radio system or for upgrading the current City-owned system. The proposed solutions will be brought forward to City Council in FY 2017-18.
- **Replace Fire CAD system** – Consolidate of Fire and Police computer-aided dispatch into one system.

## INFORMATION TECHNOLOGY DEPARTMENT

- **Replace Various Technology Equipment** – Address backlog of technology equipment replacement. Significant funding for replacement of desktop computers, printers, laptops, and other office technology equipment used is budgeted to begin this multi-year effort.
- **Improve Connectivity to Remote Locations** – Increase bandwidth for all Library locations to 1GB connection.
- **Data Center Management Plan** – Formalize a framework for the management and refreshment of the data center technology infrastructure equipment and end-user devices supported by IT.
- **Replace Police Dispatch Consoles** – Replace the dispatch consoles at the main Police Dispatch Center. The manufacturer will no longer support this equipment in December 2018.
- **UOP Partnership** – The department has worked with the University of Pacific to develop a job training program for current students that provides on-the-job training and career readiness.

**Information Technology  
Internal Service Funds  
FY 2017-18 Adopted Budget**

	<b>Computer Equipment 502</b>	<b>Radio Equipment 503</b>	<b>Telephone Equipment 504</b>	<b>Internal Service Total</b>
	<i>See Page N-14</i>	<i>See Page N-17</i>	<i>See Page N-19</i>	
<b>Beginning Available Balance</b>	<b>\$ 9,639,302</b>	<b>\$ 951,347</b>	<b>\$ 2,404,952</b>	<b>\$ 12,995,601</b>
<b>Revenues</b>				
Charge for Services				
Police	6,204,845	1,201,785	-	7,406,630
Fire	1,175,371	558,337	-	1,733,708
Other General Fund	1,621,368	2,866	-	1,624,234
Other Funds	6,163,737	183,515	-	6,347,252
	15,165,321	1,946,503	-	17,111,824
Refunds & Reimbursements	60,000	-	-	60,000
Investment Interest	-	-	-	-
	<b>15,225,321</b>	<b>1,946,503</b>	<b>-</b>	<b>17,171,824</b>
<b>Expenditures</b>				
General & Administrative	2,222,706	-	-	2,222,706
Operations & Maintenance	10,890,988	893,366	-	11,784,354
Equipment Replacements	2,263,665	1,727,754	-	3,991,419
Debt Service	-	-	-	-
	<b>15,377,359</b>	<b>2,621,120</b>	<b>-</b>	<b>17,998,479</b>
<b>Transfers</b>				
Transfer In	2,404,952	700,000	-	3,104,952
Transfer Out	-	-	(2,404,952)	(2,404,952)
	<b>2,404,952</b>	<b>700,000</b>	<b>(2,404,952)</b>	<b>700,000</b>
<b>Net Annual Activity</b>	<b>2,252,914</b>	<b>25,383</b>	<b>(2,404,952)</b>	<b>(126,655)</b>
<b>Ending Available Balance</b>	<b>\$ 11,892,216</b>	<b>\$ 976,730</b>	<b>\$ -</b>	<b>\$ 12,868,946</b>
	-	-	-	-
			Revenues	\$ 17,171,824
			Transfers	3,104,952
			Total Sources	<u>\$ 20,276,776</u>
			Expenditures	\$ 17,998,479
			Transfers	2,404,952
			Total Appropriations	<u>\$ 20,403,431</u>



## NON-DEPARTMENTAL

### MISSION STATEMENT

To provide for citywide General Fund expenses not solely related to one department. Functions include: reporting, securing and providing technical assistance for grant funding from state, local and federal agencies; and prevention and intervention; providing timely, accurate, and complete information that is readily accessible to the public, via print, web-based and broadcast mediums, about City services, events, issues and actions; responding to public inquiries and requests for public information; and reaching out to the community to encourage public participation in local government.

### Budget at a Glance:

Total Expenditures	\$30,002,070
Total Revenues	\$1,494,859
Total Net Cost	\$28,507,211
Total Staff	17

### DEPARTMENT DESCRIPTION

Non-Departmental is a funding source category for functions within the City Manager's Office that have citywide impact and are not directly attributable to any single department. The programs funded, in whole or part, through Non-Departmental, include: Channel 97, Office of Violence Prevention, Labor Litigation, Communications and Public Relations. Non-Departmental funds are also used to pay for expenses and costs related to receipt of tax revenues from other agencies, general elections costs, advertising and outreach for the City of Stockton, coordination and oversight of outreach programs in the Office of Violence Prevention, contracts for legislative advocacy, and dues to the California League of Cities. Also contained in the Non-Departmental section are three other categories of funding that are citywide in nature. These are:

- Debt service payments, which under the Plan of Adjustment are limited to payments on the Stuart Eberhardt Building, the Civic Auditorium HVAC lease, Assured Guaranty Settlement Agreement, and a small amount of staff time
- Transfers for Program Support for Other Funds (e.g. Capital Improvement Fund, Development Services, Golf, Entertainment Venues, Library, Recreation, etc.)
- Contingency Reserve of \$2 million to cover unexpected expenditures or emergencies

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

### KEY CONSIDERATIONS

As the City of Stockton continues its financial and economic recovery, outside funding sources remain limited, resulting in a continued need for the functions provided by Non-Departmental funding. Grant funding opportunities are scarce and available grants have more stringent requirements and qualifications, requiring additional time and resources for grant research and application processing.

## **NON-DEPARTMENTAL**

A significant change to the Non-Departmental budget in recent years is the large increase in the funding of the newly created Office of Violence Prevention from Measure A funding in support of the Marshall Plan. As the Office of Violence Prevention has been established and staff have been hired, additional funding has been made available to expand programs. It is anticipated that the programs and outcomes of the Office of Violence Prevention will now expand at a much quicker pace. There will also be a heightened focus on obtaining additional grant funding.

To continue the progress that this organization and community have made, outreach and strategic media relations will play a pivotal role as the City works with employees, citizens, visitors, and ultimately employers that may wish to locate their businesses here. The City is poised to build on the many outstanding accomplishments and recognition that Stockton is receiving and leverage these successes to enhance Stockton's public image.

**Non-Departmental  
General Fund - 010  
FY 2017-18 Adopted Budget**

	<b>FY 2014-15</b>	<b>FY 2015-16</b>	<b>FY 2016-17</b>	<b>FY 2017-18</b>
	<b>Actual</b>	<b>Actual</b>	<b>Current Budget</b>	<b>Adopted Budget</b>
<b>Total Non-Departmental</b>				
Employee Services	\$ 782,438	\$ 1,069,094	\$ 1,494,135	\$ 1,244,999
Other Services	3,223,608	4,443,368	6,508,822	5,855,464
Materials and Supplies	17,784	(38,473)	58,147	52,271
Other Expenses	(847,594)	(800,486)	852,915	1,268,830
Capital Outlay	-	344,924	123,746	-
Transfers Out	22,731,864	24,758,450	17,760,873	19,633,345
Total	<u>\$ 25,908,100</u>	<u>\$ 29,776,877</u>	<u>\$ 26,798,638</u>	<u>\$ 28,054,909</u>

**Office of Violence Prevention**

Employee Services	293,327	358,277	394,663	373,725
Other Services	111,302	266,542	235,758	91,152
Materials and Supplies	17,637	5,977	12,858	11,646
Other Expenses	670	-	5,500	12,500
Total	<u>422,936</u>	<u>630,796</u>	<u>648,779</u>	<u>489,023</u>

**Marshall Plan - Office of Violence Prevention**

Employee Services	77,520	302,489	627,914	654,522
Other Services	128,698	221,737	240,873	287,689
Materials and Supplies	3,713	11,660	44,164	39,500
Other Expenses	-	1,696	8,750	15,750
Capital Outlay	-	74,274	23,746	-
Total	<u>209,931</u>	<u>611,856</u>	<u>945,447</u>	<u>997,461</u>

**Tax Collection & Election**

Employee Services	-	-	-	-
Other Services	1,922,338	2,331,383	3,311,451	2,595,000
Materials and Supplies	-	-	-	-
Other Expenses	446,201	449,713	448,000	483,000
Total	<u>2,368,539</u>	<u>2,781,096</u>	<u>3,759,451</u>	<u>3,078,000</u>

**Labor Litigation/AB506/Chapter 9 Legal\***

Employee Services	-	-	-	-
Other Services	315,718	384,969	500,000	500,000
Materials and Supplies	-	-	-	-
Other Expenses	-	-	-	-
Capital Outlay	-	-	-	-
Total	<u>315,718</u>	<u>384,969</u>	<u>500,000</u>	<u>500,000</u>

**Non-Departmental  
General Fund - 010  
FY 2017-18 Adopted Budget**

	<b>FY 2014-15</b>	<b>FY 2015-16</b>	<b>FY 2016-17</b>	<b>FY 2017-18</b>
	<b>Actual</b>	<b>Actual</b>	<b>Current Budget</b>	<b>Adopted Budget</b>
<b>Other Administration</b>				
Employee Services	411,591	408,328	471,558	216,752
Other Services	745,552	1,238,737	1,963,740	2,381,623
Materials and Supplies	(3,566)	(56,110)	1,125	1,125
Other Expenses	(1,294,465)	(1,251,895)	(1,242,420)	(1,242,420)
Capital Outlay	-	270,650	100,000	-
Total	<u>(140,888)</u>	<u>609,710</u>	<u>1,294,003</u>	<u>1,357,080</u>
<b>Homeless Program</b>				
Other Services	-	-	257,000	-
Total	<u>-</u>	<u>-</u>	<u>257,000</u>	<u>-</u>
<b>Debt Service</b>				
Transfer Out - Debt Service - 201				
Assured Guaranty Contingent Payment	-	-	-	2,106,000
Assured Guaranty Settlement	-	-	-	1,337,175
Civic Aud. HVAC Lease	248,779	248,779	248,779	248,779
Parking Bond (SEB)	912,194	908,494	910,094	914,894
Debt Administration	246,973	262,965	285,000	300,000
Total	<u>1,407,946</u>	<u>1,420,238</u>	<u>1,443,873</u>	<u>4,906,848</u>
		-		
<b>Program Support for Other Funds</b>				
Transfers				
Capital Improvement - 301	2,775,000	7,135,000	1,933,000	868,600
Development Services - 048	1,000,000	1,000,000	1,000,000	925,000
Downtown Marina - 460	215,000	215,000	170,000	212,000
Entertainment Venues - 086	3,100,000	3,445,000	3,445,000	3,445,000
Golf - 481	450,000	550,000	850,000	700,000
Grant Match - 025	167,918	60,575	300,000	300,000
Information Technology ISF - 502	5,236,000	1,035,000	-	-
Library - 041	4,275,000	5,312,525	4,504,000	3,984,500
Low & Mod. Income Housing - 329	-	-	-	184,397
Radio ISF - 503	1,000,000	-	-	700,000
RDA Successor Agency - 633	-	-	200,000	-
Recreation - 044	3,105,000	3,585,112	3,915,000	3,407,000
Retirement ISF - 561	-	500,000	-	-
Workers Comp ISF - 551	-	500,000	-	-
Total	<u>21,323,918</u>	<u>23,338,212</u>	<u>16,317,000</u>	<u>14,726,497</u>
<b>Contingency</b>				
Employee Services	-	-	-	-
Other Services	-	-	-	-
Materials and Supplies	-	-	-	-
Other Expenses	-	-	1,633,085	2,000,000
Total	<u>-</u>	<u>-</u>	<u>1,633,085</u>	<u>2,000,000</u>



## **NON-DEPARTMENTAL**

### **FISCAL SUSTAINABILITY AND RESERVE FUND (012)**

#### **History**

- The need for a separate Bankruptcy and Sustainability Fund was identified after the City went through a lengthy and expensive pre-bankruptcy application process required by State law. The Bankruptcy and Sustainability Fund was established in FY 2013-14 to track costs associated with the City's bankruptcy process, including legal fees, certain settlements, and bankruptcy project management.
- The City filed for bankruptcy in June 2012 and the bankruptcy court affirmed the City's eligibility for bankruptcy protection in March 2013. The Court confirmed the City's bankruptcy exit plan, known as the Plan of Adjustment, in October 2014.
- The Bankruptcy and Sustainability Fund was primarily funded with the available General Fund balance that the City Council committed towards bankruptcy costs in fiscal years 2011-2 through 2013-14. These resources were used to implement the approved Plan of Adjustment including settlement payments of over \$10.9 million in FY 2014-15. While bankruptcy proceedings have concluded, implementation of the Plan of Adjustment is a longer-term commitment. The Plan of Adjustment is intended to bring the City's debts in line with its resources, both now and over time.
- Bankruptcy proceedings were concluded in FY 2015-16 with the appellate court ruling against the appeal filed by one of the City's creditors, Franklin Funds. With no further legal challenges from Franklin Funds, the City considers bankruptcy legal proceedings as concluded and began considering how to allocate the monies left in the Bankruptcy and Sustainability Fund.
- On March 29, 2016, the City Council adopted a revised Council Policy called "Reserve and Fund Balance Policy – General Fund" which establishes a working capital reserve of 17%, a restricted Known Contingencies reserve and specific risk-based reserves. This policy directs that the City set up 7 new reserve categories (Working Capital, Committed Fund Balance Priority I - Known Contingencies, Committed Fund Balance Priority II – Risk Based Reserves, Contingent Liability Reserve, Revenue Volatility Reserve, Infrastructure Failure Reserve, and an Extreme Events Reserve.

#### **FY 2016-17 Events**

- Prior year encumbrances for legal expenses and consultant services continued to be expended in FY 2016-17
- The 2016-17 Budget allocated the remaining funds to several key capital projects related to the Marshall Plan and critical City infrastructure needs. The remainder was allocated to implement the new Reserve Policy. The Working Capital Reserve will continue to be held in the General Fund with the remaining reserves held in this fund under the new description of Fiscal Sustainability and Reserve Fund.
- Risk Based reserves of approximately \$5.0 million will be held in this fund until needed and released by Council action.

#### **FY 2017-18 Budget Changes**

- There is no activity in this fund.

**Administration and Support**  
**Fiscal Sustainability & Reserve Fund - 012**  
**FY 2017-18 Adopted Budget**

	FY 2014-15	FY 2015-16	FY 2016-17	FY 2017-18
	Actual	Actual	Projected	Adopted Budget
<b>Beginning Available Balance</b>	<b>\$ 30,097,268</b>	<b>\$ 18,057,092</b>	<b>\$ 6,725,340</b>	<b>\$ -</b>
<b>Revenues</b>				
Chapter 9 Funding	-	-	-	-
	-	-	-	-
<b>Expenditures</b>				
Chapter 9 Administration & Legal	3,641,499	1,159,715	246,167	-
Cost Reimbursed from Other Funds	(1,360,186)	(338,038)	-	-
Special Election	-	-	-	-
Settlements	10,885,945	27,316	-	-
Settlement Reimbursed from Other Funds	(1,659,427)	-	-	-
Capital Projects	532,345	5,500,000	4,758,000	-
	<b>12,040,176</b>	<b>6,348,993</b>	<b>5,004,167</b>	<b>-</b>
<b>Transfers</b>				
Transfer In	-	-	-	-
Transfer Out - General Fund	-	-	(1,721,173)	-
Transfer Out	-	-	-	-
	-	-	<b>(1,721,173)</b>	<b>-</b>
<b>Net Annual Activity</b>	<b>(12,040,176)</b>	<b>(6,348,993)</b>	<b>(6,725,340)</b>	<b>-</b>
<b>Ending Available Balance</b>	<b>\$ 18,057,092</b>	<b>\$ 11,708,099</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Available Balance Calculation</b>				
Cash & interest receivable		\$ 11,756,867		
Accounts payable		(48,767)		
Less: Risk-Based Reserves		(4,982,760)		
Encumbrances		-		
Ending Available Balance		<b>\$ 6,725,340</b>		

## **NON-DEPARTMENTAL**

### **OFFICE OF VIOLENCE PREVENTION / PEACEKEEPERS**

#### **History**

- The Peacekeeper Program was initiated in 1998 in an effort to curb gang homicide and violent crime by connecting community members at-risk of violence with community services, diffusing conflicts that lead to gang violence and working with institutions critical to their development. This effort is accomplished by outreach workers that work in collaboration with governmental, community-based and faith-based organizations. Outreach workers are assigned to work one-on-one with individuals at highest risk of violence with the backdrop of this support network. The program has been a highly-acclaimed collaborative project.
- Despite the outstanding accomplishments of the Peacekeeper Program, the City of Stockton has faced the challenge of addressing generational violent crime in a stressed criminal justice system. In an effort to further address gang homicide and violent crime, the City of Stockton included in the Marshall Plan a focus on violence prevention and intervention with the expansion of efforts through the creation of an Office of Violence Prevention and implementation of Operation Ceasefire.

#### **FY 2016-17 Events**

- Implementation of the Marshall Plan has continued through FY 2016-17 with the support of Measure A funding. During FY 2016-17, new hires for the Office of Violence Prevention included the Management Assistant and two Outreach Supervisors.
- Under the direction of the City Manager's Office, the Office of Violence Prevention managed the Peacekeeper Program, continued implementation of Operation Ceasefire with expanded services to Ceasefire participants, developed performance reporting tools for Operation Ceasefire, and worked as a liaison between the City and community partners to further implement the Marshall Plan.
- The Police Department and Office of Violence Prevention were awarded a \$600,000 grant from the Board of State and Community Corrections in support of Operation Ceasefire and Police-Community Trust Building activities.

#### **FY 2017-18 Budget Changes**

- Historically, the Peacekeeper Program was funded through a combination of Public Safety grants and General Fund contributions. Due to economic conditions, the grant funding of the program has decreased significantly in recent years. A significant expansion of the Office of Violence Prevention has been made possible through the passage of Measure A. The program will continue to be funded through the General Fund, including Measure A sales tax revenues and donations, and augmented with available grant funding.
- A priority in FY 2017-18 is to pursue grant funding with a countywide coalition of partner agencies for Operation Ceasefire client support, diversion or deflection programs and early intervention or prevention programs. The newly-appointed Management Assistant position will provide the analytical and administrative support critical to implementing this strategy.
- As the Office of Violence Prevention has become established, it is evident that resources are necessary to both keep staff up-to-date on trends in violence prevention and to promote the good work of the City of Stockton. As a result, modest increases to training and equipment have been included in the FY 2017-18 Annual Budget.

**Administration and Support  
Office of Violence Prevention  
FY 2017-18 Adopted Budget**

	<b>FY 2014-15</b>	<b>FY 2015-16</b>	<b>FY 2016-17</b>	<b>FY 2017-18 Adopted Budget</b>
	<b>Actual</b>	<b>Actual</b>	<b>Projected</b>	
<b>Revenues</b>				
Grant funding secured	\$ 200,000	\$ -	\$ -	\$ -
Grant funding expected	-	-	-	200,000
General Fund Contribution	422,937	630,796	536,616	489,023
General Fund Measure A Contribution	209,931	611,857	913,894	997,461
	<b>832,868</b>	<b>1,242,653</b>	<b>1,450,510</b>	<b>1,686,484</b>
<b>Expenditures</b>				
Salaries & benefits - program	570,846	660,766	939,390	1,228,247
Salaries & benefits - administrative	-	-	-	-
Supplies & services	262,022	507,613	487,374	458,237
Capital Outlay	-	74,274	23,746	-
	<b>832,868</b>	<b>1,242,653</b>	<b>1,450,510</b>	<b>1,686,484</b>
<b>Transfers</b>				
Transfer In - General Fund	-	-	-	-
Transfer Out	-	-	-	-
	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net Annual Activity</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

**Administration and Support  
Special Purpose Grant Funds - 020  
FY 2017-18 Adopted Budget**

	<b>FY 2014-15</b>	<b>FY 2015-16</b>	<b>FY 2016-17</b>	<b>FY 2017-18 Adopted Budget</b>
	<b>Actual</b>	<b>Actual</b>	<b>Projected</b>	
<b>Beginning Available Balance</b>	<b>\$ -</b>	<b>\$ 59,910</b>	<b>\$ 451,411</b>	<b>\$ 949,106</b>
<b>Revenues</b>				
Flood Agency Reimbursement	796,459	696,373	718,556	936,809
Public Education Gov. Access Fee	59,910	398,925	566,531	448,150
Other Revenue	-	-	-	-
	<b>856,369</b>	<b>1,095,298</b>	<b>1,285,087</b>	<b>1,384,959</b>
<b>Expenditures</b>				
San Joaquin Area Flood Control Agency				
Employee Services	694,130	589,003	594,816	760,085
Other Services	37,606	28,508	21,594	29,695
Internal Service Fund Charges	27,767	31,496	59,100	92,699
Materials and supplies	2,826	13,376	8,716	20,000
Indirect Cost Allocation	33,330	33,330	33,330	33,330
All other expenses	800	660	1,000	1,000
	<b>796,459</b>	<b>696,373</b>	<b>718,556</b>	<b>936,809</b>
Public Education Gov. Access Fee				
Internal Service Fund Charges	-	-	-	-
Equipment Purchases	-	7,424	68,836	550,000
	<b>-</b>	<b>7,424</b>	<b>68,836</b>	<b>550,000</b>
	<b>796,459</b>	<b>703,797</b>	<b>787,392</b>	<b>1,486,809</b>
<b>Transfers</b>				
Transfer In - General Fund	-	-	-	-
Transfer In - Technology 502	-	-	-	-
Transfer Out	-	-	-	(333,000)
	<b>-</b>	<b>-</b>	<b>-</b>	<b>(333,000)</b>
<b>Net Annual Activity</b>	<b>59,910</b>	<b>391,501</b>	<b>497,695</b>	<b>(434,850)</b>
<b>Ending Available Balance</b>	<b>\$ 59,910</b>	<b>\$ 451,411</b>	<b>\$ 949,106</b>	<b>\$ 514,256</b>

**Other Special Programs**  
**Wagner - General Special Revenue - 627**  
**FY 2017-18 Adopted Budget**

	FY 2014-15	FY 2015-16	FY 2016-17	FY 2017-18
	Actual	Actual	Projected	Adopted Budget
<b>Beginning Available Balance</b>	<b>\$ 64,285</b>	<b>\$ 61,825</b>	<b>\$ 47,911</b>	<b>\$ 45,011</b>
<b>Revenues</b>				
Program Revenue	-	-	-	-
Donations	-	-	-	-
Other Revenue	540	1,086	100	500
	<u>540</u>	<u>1,086</u>	<u>100</u>	<u>500</u>
<b>Expenditures</b>				
Program Expenses	3,000	-	3,000	3,000
	<u>3,000</u>	<u>-</u>	<u>3,000</u>	<u>3,000</u>
<b>Transfers</b>				
Transfer In	-	-	-	-
Transfer Out	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Net Annual Activity</b>	<b>(2,460)</b>	<b>1,086</b>	<b>(2,900)</b>	<b>(2,500)</b>
<b>Ending Available Balance</b>	<b>\$ 61,825</b>	<b>\$ 62,911</b>	<b>\$ 45,011</b>	<b>\$ 42,511</b>
<b>Available Balance Calculation</b>				
Current assets		\$ 62,911		
Principal endowment		(15,000)		
Ending Available Balance		<u>\$ 47,911</u>		

**Other Special Programs  
General Special Revenue - 642  
FY 2017-18 Adopted Budget**

	<b>FY 2014-15</b>	<b>FY 2015-16</b>	<b>FY 2016-17</b>	<b>FY 2017-18 Adopted Budget</b>
	<b>Actual</b>	<b>Actual</b>	<b>Projected</b>	
<b>Beginning Available Balance</b>	<b>\$ 88,071</b>	<b>\$ 92,455</b>	<b>\$ 130,858</b>	<b>\$ 162,458</b>
<b>Revenues</b>				
Program Revenue	4,400	4,400	4,400	4,400
Donations	4,456	791	12,628	1,000
Other Revenue	96,456	103,764	104,726	104,000
	<b>105,312</b>	<b>108,955</b>	<b>121,754</b>	<b>109,400</b>
<b>Expenditures</b>				
Program Expenses	100,928	70,552	90,154	124,352
	<b>100,928</b>	<b>70,552</b>	<b>90,154</b>	<b>124,352</b>
<b>Transfers</b>				
Transfer In	-	-	-	-
Transfer Out - Grant Fund - 020	-	-	-	-
	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net Annual Activity</b>	<b>4,384</b>	<b>38,403</b>	<b>31,600</b>	<b>(14,952)</b>
<b>Ending Available Balance</b>	<b>\$ 92,455</b>	<b>\$ 130,858</b>	<b>\$ 162,458</b>	<b>\$ 147,506</b>
<b>Available Balance Calculation</b>				
Current assets		\$ 133,680		
Current liabilities		(2,822)		
Ending Available Balance		<b>\$ 130,858</b>		

## TAB 12     DEBT





## DEBT

### CITY DEBT SERVICE FUNDS

Debt Service Funds are used to administer the City's General Government and Assessment District debt obligations.

#### Budget at a Glance:

City Debt Service Fund	\$6,087,802
CFD & Assessment Districts	\$7,282,909
Administration	\$427,745
Total Expenditures	\$13,798,456
Total Revenues	\$13,804,138
Total Net Revenue	\$5,682

### GENERAL FUND DEBT OBLIGATIONS

The City's General Fund secures a number of bonds and other debt obligations that are administered in the City's Debt Service Fund.

#### Lease Revenue Bonds 2006 Series A – Parking and Stewart-Eberhardt Building

The 2006 Lease Revenue Refunding Bonds Series A were issued in the amount of \$13,965,000 in March, 2006. The Bonds were issued to finance the acquisition and construction of the parking facility adjacent to the Essential Services Building (the Stewart-Eberhardt Building). The source for repayment is from the Parking Authority Fund revenues. The annual debt service payment and fees is budgeted at \$910,894.

#### Capital Lease – Civic Auditorium HVAC System

On December 15, 2009, the City Council approved the execution of a Lease Purchase Agreement with Wells Fargo Securities, LLC to provide financing for the replacement of the Heating, Ventilation and Air Conditioning (HVAC) system for the Stockton Memorial Civic Auditorium. The lease is in the amount of \$1,930,000 and the sources for repayment are savings from reductions in utility costs to operate the HVAC system and from the City's General Fund. The annual debt service payment for the lease is budgeted at \$248,779.

#### Assured Guaranty Settlement Repayment

Upon exit from bankruptcy in FY 2014-15, the City started paying on an agreement with the insurer that replaced payments formerly required on the following bonds:

- Pension Obligation Bonds 2007 Series A and B

The 2007 Taxable Pension Obligation Bonds, Series A and B were issued in the amount of \$125,310,000 in March 2007. The bonds were issued to refinance a portion of the City's unfunded actuarial liability with respect to retirement benefits accruing to its members of the California Public Employees' Retirement System.

- Lease Revenue Bonds 2007 Series A and B – City Administration Building

The 2007 bonds were issued in two series: Series A (Tax-Exempt) in the amount of \$36,500,000 and Series B (Taxable) in the amount of \$4,270,000 in September 2007. The bonds were issued to finance acquisition of property at 400 E. Main Street to be used as City Hall. Under the settlement agreement through the Plan, these bonds have been canceled, and the City has surrendered the property to the insurer. The City has entered into a separate lease to use portions of the building.

## DEBT

The City's settlement agreement covers both bond series and was confirmed by the bankruptcy court effective February 25, 2015. The details of the modified agreement can be found in the City's Plan of Adjustment. The City's settlement agreement includes a series of payments to be made to the trustee. These payments are applied to the remaining bondholder debt service payments with the balance paid by the insurer. The City's settlement payment and fees under the modified reimbursement agreement with the insurer is budgeted at \$2,826,429.

This agreement also contains provisions that require the City to make "contingent revenue" payments to Assured Guaranty if core General Fund revenues (as defined in the settlement agreement) increase above those projected in the settlement agreement. The contingent payment due to be paid June 1, 2018 is to be determined May 2, 2018 and is budgeted at \$2,106,000.

### **INTERNAL SERVICE FUNDS DEBT SERVICE (\*NOT INCLUDED IN BUDGET AT A GLANCE)**

#### Capital Lease – Fire Vehicles (see page N-10)

On April 17, 2007, the City Council approved the execution of a Master Equipment/Lease Agreement with Banc of America Leasing and Capital, LLC to provide a tax-exempt financing mechanism and established the underlying financing tool for designated capital projects. The City authorized the purchase of an aerial fire truck and water rescue vehicle for the Fire Department amounting to \$1,000,000. The annual debt service payment for the lease is budgeted at \$88,455 in the Fleet Internal Service Fund.

#### Capital Lease - Fire Vehicles (see page N-10)

On January 24, 2012, the City Council approved a tax-exempt lease purchase agreement with Oshkosh Capital for the acquisition of four Pierce Fire Pumper vehicles. Subsequently, the City filed for Chapter 9 bankruptcy protection. On January 30, 2013, the US Bankruptcy Court approved an amended agreement with a cost of \$1,871,404 and delivery of the trucks occurred in the spring of 2013. The annual debt service payment for the lease is budgeted at \$213,300 in the Fleet Internal Service Fund.

#### Capital Lease – Fire Vehicles (see page N-10)

On May 19, 2015, the City Council authorized the purchase of three Fire Engines and one Ladder Truck partially financed by entering a purchase lease agreement with Western Alliance Bank. The lease agreement was finalized on August 2015 and the annual debt service payment is budgeted at \$253,877 in the Fleet Internal Service Fund.

#### Capital Lease – Fire Vehicles (see page N-10)

On February 7, 2017, the City Council authorized the purchase of two Fire Engines and one Ladder Truck partially financed by entering a purchase lease agreement with Western Alliance Bank. The lease agreement was finalized in April and the annual debt service payment is budgeted at \$227,295 in the Fleet Internal Service Fund.

## **DEBT**

### **OTHER DEBT SERVICE BACKED BY GENERAL FUND (\*NOT INCLUDED IN BUDGET AT A GLANCE)**

#### Lease Revenue Bonds Series 2004 – Parking and Capital Projects (see page I-37)

The 2004 Revenue Bonds were issued in June 2004 in the amount of \$32,785,000 to finance the construction of two parking garages. Repayment of the bonds is financed by payments made from the City's Parking Authority. Pursuant to the City's bankruptcy, the Trustee (Wells Fargo Corporate Trust) took possessory interest of the two parking garages and a third that was pledged as collateral. Until the effective date of the bankruptcy agreement, the garages were operated for the benefit of the bond insurer and debt service payments were made by the bond insurer. Under the terms of the settlement agreement confirmed by the bankruptcy court effective February 25, 2015, the City transferred certain parking assets to the newly formed Stockton Parking Authority. Annual settlement payment and fees under the settlement agreement are budgeted at \$1,418,605 in the Parking Authority Fund.

### **COMMUNITY FACILITIES DISTRICTS AND ASSESSMENT DISTRICTS**

Approximately 15 special districts have been formed throughout the City to finance improvements through the issuance of bonds. The types of improvements that have been financed include subdivision improvements, street lights, and parks. Assessments are levied and added to the tax rolls on properties within the various districts. These assessments provide the source of payment on the bonds. The annual debt service payment is budgeted at \$6,880,420 plus associated administrative costs of \$402,489 for a total budget of \$7,282,909.

### **SUCCESSOR AGENCY AND UTILITIES DEBT**

Other City debt obligations secured by the Successor Agency and utility funds are listed in the following pages for informational purposes only. Debt service payments are included within the Successor Agency and Municipal Utilities fund budgets.

### **SUCCESSOR AGENCY**

#### Successor Agency - 2016 Tax Allocation Refunding Bonds - Series A and B (see page L-8)

The Series A Bonds were issued in the amount of \$73,310,000 and the Taxable Series B Bonds were issued in the amount of \$30,010,000 in November 2016. The Bonds were issued to refund and defease the following obligations: 2003 Series A and B Certificates of Participation (Redevelopment Housing Projects); 2004 Revenue Bonds (Stockton Events Center-Arena Project); and the 2006 Series A and C (Housing and Redevelopment Projects). The source for repayment is Successor Agency property tax revenue that are pledged toward repayment of the bonds. The annual debt service payment and fees for the bonds is budgeted at \$8,160,316.

### **MUNICIPAL UTILITIES DEBT**

#### California Statewide Community Development Authority Revenue Bonds Series 2002A (See page L-9)

The 2002 Series A Bonds were part of a pooled issuance totaling \$34,335,000 issued by the California Statewide Community Development Authority in April 2002. The City's portion of the overall issuance was \$14,280,000, which allowed the City to refund and defease the 1993 Certificates of Participation used to finance water system improvements. Net revenues of the Water Utility Fund are pledged towards repayment of the 2002A Bonds. The annual debt service payment and fees for the bonds is budgeted at \$1,113,633.

## **DEBT**

### Stockton Public Financing Authority Revenue Bonds Series 2005A (See page L-9)

The 2005 Series A Bonds were issued in the amount of \$24,230,000 in November 2005. The bonds were issued to finance various water system capital improvement projects. Net revenue for the Water Utility Fund are pledged towards repayment of the 2005A Bonds. The annual debt service payment and fees for the bonds is budgeted at \$1,299,313.

### Stockton Public Financing Authority Revenue Bonds Series 2009B (See page L-9)

The 2009 Water Revenue Bonds, Series B (Taxable Build America Bonds, Delta Water Supply Project) were issued in the amount of \$154,550,000 in August 2009. The 2009B Bonds were issued to finance the design and construction of the first phase of the Delta Water Supply Project. The bonds are subordinate to the other bonds paid from the Water Utility Fund, meaning that net revenues remaining after semi-annual debt service payments on those other bonds are pledged towards repayment of the 2009B Bonds. The annual debt service payment and fees for the bonds is budgeted at \$15,649,813. This payment is offset by the Build America Bonds of \$3,853,013.

### Stockton Public Financing Authority Revenue Bonds Series 2010A (See page L-9)

The 2010 Water Revenue Bonds, Series A were issued in the amount of \$55,000,000 in October 2010. The 2010A Bonds were issued for the design and construction of the final phase of the Delta Water Supply Project. The repayment of the 2010A Bonds is from a pledge of net revenues of the Water Utility Fund. The annual debt service payment and fees for the bonds is budgeted at \$3,443,838.

### Stockton Public Financing Authority Wastewater Revenue Refunding Bonds Series 2014 (See page L-10)

The 2014 Wastewater Revenue Bonds were issued in the amount of \$69,440,000 in November 2014 to refund and defease Certificates of Participation issued by the Utility in 1998 and 2003. These earlier debt issues financed various projects throughout the wastewater system. The repayment of the 2014 Bonds is from a pledge of net revenues of the Wastewater Fund. The annual debt service payment and fees for the bonds is budgeted at \$6,488,167.

## **OTHER DEBT SERVICE**

### Section 108 Loans (see page I-11)

The City has entered into four Section 108 loan guarantee agreements with the U.S. Department of Housing and Urban Development (HUD) to complete redevelopment projects. Repayment of the loans will be financed from Community Development Block Grant entitlement funds. The annual debt service payment for the loans is \$1,918,659.

**City Debt Service Fund - 201**  
**FY 2017-18 Adopted Budget**

	FY 2014-15	FY 2015-16	FY 2016-17	FY 2017-18
	Actual	Actual	Projected	Adopted Budget
<b>Beginning Available Balance</b>	<b>\$ 2,502,157</b>	<b>\$ 2,961,461</b>	<b>\$ 2,998,849</b>	<b>\$ 1,599,246</b>
<b>Revenues</b>				
Charges for Services	-	1,465,386	1,489,254	1,614,381
Insurance Proceeds	4,039,109	(15,031)	-	-
Other	5,915,000	-	-	-
Interest	(1,017)	22,226	-	-
	<b>9,953,092</b>	<b>1,472,581</b>	<b>1,489,254</b>	<b>1,614,381</b>
<b>Expenditures</b>				
Principal Payments	6,688,844	1,959,497	12,193,113	748,565
Interest Expense	2,404,528	1,623,479	2,340,842	3,233,237
Contingent Payment	-	-	-	2,106,000
Operating Expenses	6,304,542	72,088	4,300	4,300
Administration & Overhead	609,703	535,670	729,154	769,445
Cost Reimbursed	(410,805)	(337,400)	(394,000)	(346,000)
	<b>15,596,812</b>	<b>3,853,334</b>	<b>14,873,409</b>	<b>6,515,547</b>
<b>Transfers</b>				
Transfer In - General Fund	1,407,946	1,420,238	1,443,873	3,991,954
Transfer In - Other	4,695,078	997,903	10,540,679	914,894
Transfer Out	-	-	-	-
	<b>6,103,024</b>	<b>2,418,141</b>	<b>11,984,552</b>	<b>4,906,848</b>
<b>Net Annual Activity</b>	<b>459,304</b>	<b>37,388</b>	<b>(1,399,603)</b>	<b>5,682</b>
<b>Ending Available Balance</b>	<b>\$ 2,961,461</b>	<b>\$ 2,998,849</b>	<b>\$ 1,599,246</b>	<b>\$ 1,604,928</b>
<b>Available Balance Calculation</b>				
Current Assets		\$ 3,032,803		
Current Liabilities		(33,954)		
Ending Available Balance		<b>\$ 2,998,849</b>		

**City Debt Service Funds  
FY 2017-18 Adopted Budget**

	<b>Debt and Cash Administration 201</b>	<b>Lease Revenue 2006 Series A 201</b>	<b>Capital Lease 201</b>	<b>Assured Guaranty Repayment 201</b>
<b>Date Issued</b>		<b>4/6/2006</b>		
<b>Purpose</b>		<b>Parking and Stewart-Eberhardt Building</b>	<b>Civic Auditorium HVAC System</b>	<b>Settlement Agreement</b>
<b>Beginning Available Balance</b>	<b>\$ 113,992</b>	<b>\$ (4,000)</b>	<b>\$ -</b>	<b>\$ 1,489,254</b>
<b>Revenues</b>				
Charges for Services	100,000	-	-	1,514,381
Assessments	-	-	-	-
	<b>100,000</b>	<b>-</b>	<b>-</b>	<b>1,514,381</b>
<b>Expenditures</b>				
Principal	-	490,000	216,622	41,943
Interest	-	418,894	32,157	2,782,186
Contingent Payment	-	-	-	2,106,000
Administrative Costs	769,445	2,000	-	2,300
Other Debt Service Cost	-	-	-	-
Cost Reimbursed	(346,000)	-	-	-
	<b>423,445</b>	<b>910,894</b>	<b>248,779</b>	<b>4,932,429</b>
<b>Transfers</b>				
Transfer In - General Fund	300,000	-	248,779	3,443,175
Transfer In - Other	-	914,894	-	-
Transfer Out	-	-	-	-
	<b>300,000</b>	<b>914,894</b>	<b>248,779</b>	<b>3,443,175</b>
<b>Net Annual Activity</b>	<b>(23,445)</b>	<b>4,000</b>	<b>-</b>	<b>25,127</b>
<b>Ending Available Balance</b>	<b>\$ 90,547</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 1,514,381</b>

**City Debt Service Funds, Continued  
FY 2017-18 Adopted Budget**

	<b>City Debt Service Fund 201 Subtotal</b>	<b>CFD and 1915 Act Debt Service 250/701 Subtotal</b>	<b>Total</b>
<b>Date Issued</b>		<b>Various</b>	
<b>Purpose</b>		<b>Assessment Districts</b>	
<b>Beginning Available Balance</b>	<b>\$ 1,599,246</b>	<b>\$ -</b>	<b>\$ 1,599,246</b>
<b>Revenues</b>			
Charges for Services	1,614,381	-	1,614,381
Assessments	-	7,282,909	7,282,909
	<b>1,614,381</b>	<b>7,282,909</b>	<b>8,897,290</b>
<b>Expenditures</b>			
Principal	748,565	3,460,000	4,208,565
Interest	3,233,237	3,115,955	6,349,192
Contingent Payment	2,106,000	-	2,106,000
Administrative Costs	773,745	402,489	1,176,234
Other Debt Service Cost	-	304,465	304,465
Cost Reimbursed	(346,000)	-	(346,000)
	<b>6,515,547</b>	<b>7,282,909</b>	<b>13,798,456</b>
<b>Transfers</b>			
Transfer In - General Fund	3,991,954	-	3,991,954
Transfer In - Other	914,894	-	914,894
Transfer Out	-	-	-
	<b>4,906,848</b>	<b>-</b>	<b>4,906,848</b>
<b>Net Annual Activity</b>	<b>5,682</b>	<b>-</b>	<b>5,682</b>
<b>Ending Available Balance</b>	<b>\$ 1,604,928</b>	<b>\$ -</b>	<b>\$ 1,604,928</b>
		Revenues	\$ 8,897,290
		Transfers	4,906,848
		<b>Total Sources</b>	<b>\$ 13,804,138</b>
		Expenditures	\$ 13,798,456
		Transfers	-
		<b>Total Appropriations</b>	<b>\$ 13,798,456</b>



**Successor Agency Debt Service Fund - 231  
FY 2017-18 Adopted Budget**

	Revenue Bonds 2016A Series 231	Revenue Bonds 2016B Series 231	Total Debt Service 231
<b>Date Issued</b>	<u>11/3/2016</u>	<u>11/3/2016</u>	
<b>Purpose</b>	<u>RDA Projects</u>	<u>Housing RDA Projects</u>	
<b>Expenditures</b>			
Principal	\$ -	\$ 4,195,000	\$ 4,195,000
Interest	3,373,800	582,516	3,956,316
Administration	4,500	4,500	9,000
	<u>3,378,300</u>	<u>4,782,016</u>	<u>8,160,316</u>
			-
<b>Transfers</b>			
Transfer In - Successor Agency	3,378,300	4,782,016	8,160,316
	<u>3,378,300</u>	<u>4,782,016</u>	<u>8,160,316</u>
<b>Net Annual Activity</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**Water Debt Service Funds - 423  
FY 2017-18 Adopted Budget**

	California Statewide Community Development Authority Revenue Bonds Series 2002A 423	Stockton Public Financing Authority Revenue Bonds Series 2005A 423	Stockton Public Financing Authority Revenue Bonds Series 2009B 423	Stockton Public Financing Authority Revenue Bond (2013 FR Conversion) Series 2010A 423	Total Water Debt Service
<b>Date Issued</b>	<u>5/7/2002</u>	<u>11/17/2005</u>	<u>8/11/2009</u>	<u>10/20/2010</u>	
<b>Purpose</b>	<u>Water System Capital Improvements</u>	<u>Water System Capital Improvements</u>	<u>Delta Water Project</u>	<u>Delta Water Project</u>	
<b>Revenues</b>					
Charges for Services	\$ -	\$ -	\$ -	\$ -	\$ -
Build America Bonds	-	-	3,853,013	-	3,853,013
Other Revenue	-	-	-	-	-
	<u>-</u>	<u>-</u>	<u>3,853,013</u>	<u>-</u>	<u>3,853,013</u>
<b>Expenditures</b>					
Principal	840,000	150,000	3,835,000	130,000	4,955,000
Interest	270,063	1,147,313	11,811,813	3,311,838	16,541,027
Operating Expenses	3,570	2,000	3,000	2,000	10,570
Capital Projects	-	-	-	-	-
	<u>1,113,633</u>	<u>1,299,313</u>	<u>15,649,813</u>	<u>3,443,838</u>	<u>21,506,597</u>
<b>Transfers</b>					
Transfer In					
Water User Fees - 421	872,527	-	11,796,800	3,443,838	16,113,165
Water Connections Fees - 424	241,106	1,299,313	-	-	1,540,419
Delta Water Surface Fee - 425	-	-	-	-	-
Transfer Out					
Water Debt Service - 423	-	-	-	-	-
Water Capital Projects - 427	-	-	-	-	-
	<u>1,113,633</u>	<u>1,299,313</u>	<u>11,796,800</u>	<u>3,443,838</u>	<u>17,653,584</u>
<b>Net Annual Activity</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**Wastewater Debt Service Funds - 433  
FY 2017-18 Adopted Budget**

	<b>Stockton Public Financing Authority Wastewater Revenue Refunding Bonds Series 2014 433</b>
<b>Date Issued</b>	<b>10/22/2014</b>
<b>Purpose</b>	<b>Wastewater Projects</b>
<b>Expenditures</b>	
Principal	\$ 3,490,000
Interest	2,995,667
Disclosure fees	2,500
	<b>6,488,167</b>
<b>Transfers</b>	
Transfer In	-
Wastewater User Fees - 431	3,050,763
Wastewater Connection Fees Capital Projects - 434	3,437,404
	<b>6,488,167</b>
<b>Net Annual Activity</b>	<b>\$ -</b>

## TAB 13 CAPITAL



# CAPITAL IMPROVEMENT PROGRAM

## MISSION STATEMENT

The Capital Improvement Program is a five-year plan of the public projects necessary to maintain and improve the public works of the City and the orderly implementation of the Stockton General Plan. The public works include buildings, parks, golf courses, utilities, and transportation system.

## Budget at a Glance:

Total Expenditures	\$23,810,222
Total Revenues	\$30,971,512
Total Net Revenues	\$7,161,290

## PROGRAM DESCRIPTION

The projects listed in the accompanying five-year Capital Improvement Program have a minimum estimated individual cost of \$50,000 and provide long term assets that maintain and improve our community. Budgeted funds for each project cover costs for design, construction, equipment and land purchases, project administration, and contingencies. The Capital Improvement Program includes buildings, parks, golf courses, utilities, and the transportation system. The costs identified in the first year of the program are appropriated as a part of the operating and capital budget process. Each year, the five-year plan is reviewed considering the City's needs, priorities, and available funds, and revised as necessary.

## KEY CONSIDERATIONS

### Capital Improvement Highlights

A summary of FY 2017-18 revenues, expenditures and the balances for the various City funds that contain the individual capital projects included in FY 2017-22 Capital Improvement Program (CIP), is provided in this document. For FY 2017-18, funding has been identified for the projects as shown. The projects and costs identified in years two through five of the program are intended to illustrate future priorities and the magnitude of funding needed in order for these projects to be constructed.

A long-term CIP provides a number of benefits:

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

### Capital Improvement Program Process

To identify capital programs and projects, Public Works staff consulted with other City departments and external agencies such as the San Joaquin Council of Governments and the Regional Transit District, and members of the community to identify potential projects. Based on this input, a prioritized list of proposed capital projects, along with cost estimates, is created. In addition, Public Works staff works with Budget Office staff along with other stakeholders of the

## CAPITAL IMPROVEMENT PROGRAM

City to identify funding for the capital projects. These funding sources include, but are not limited to, the General Fund, Public Facilities Fees, Proportionate Share Fees, Measure K, Utility Fees, Enterprise Funds, Parking, and various State and Federal grants.

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

### **FY 2017-18 through FY 2021-22 Capital Improvement Program Highlights**

The five-year plan contains a list of projects with a total value of \$720.4 million. The plan includes Municipal Utility projects totaling \$275 million, Transportation projects totaling \$278 million, other Citywide projects of \$168 million. Of the projects included in the five-year plan, projects totaling \$445 million have identified fund sources. An additional \$275 million currently do not have an identified funding source. City staff will seek grant opportunities and other ways to leverage local funds to deliver as many projects as possible within our funding restrictions.

First year appropriations of \$36.7 million are recommended for FY 2017-18. This is the only year of the plan that funding will be appropriated. Of this amount, only \$868,600 or 1% is from the General Fund, excluding special reimbursements.

The proposed CIP projects are grouped into three categories: General Government and Grants, Transportation, and Utilities. The following provides highlights of the proposed projects in each of these categories. In addition, this program includes a list of unfunded capital projects. This information is being provided to more fully detail the improvements that are needed but cannot be funded because of ongoing financial constraints. The list of unfunded projects is not comprehensive and does not capture the extent of all the capital needs of the City. Deferred maintenance of City facilities or infrastructure is also not fully illustrated in the five-year CIP projects. While not a complete list of additional deferred maintenance projects, the following list is provided to put this significant issue into context and illustrate the magnitude of the cost.

- Roadway pavement: over \$10 million per year is needed to resurface pavement to keep the pavement network in its current condition. This cost will significantly increase if streets are allowed to deteriorate to a condition that warrants reconstruction due to severe distress. In addition roads that currently require reconstruction due to pavement failure, high roadway center, or extensive curb damage are not included in the \$10 million estimated. The proposed Capital Improvement Plan allocates only \$3.6 million in FY 2017-18 which is entirely from Federal Grants.
- Parks: \$12 million is needed for play areas, park furnishings, irrigation systems, buildings, courts, ball fields, and flatwork.
- Facilities: more than \$10 million is needed to address deferred maintenance and replace roofs at City facilities (not including Historical City Hall).

## CAPITAL IMPROVEMENT PROGRAM

### General Government

This category includes improvements associated with City owned facilities including Police, Fire, Parks, Golf Courses, Libraries, community centers, and other City buildings. Improvements are funded from the General Fund as well as dedicated funding sources such as Public Facility Fees. The proposed General Fund allocation for capital projects in FY 2017-18 is \$868,600. Funding is allocated for several projects that address the City Council's strategic priorities relative to infrastructure. These projects include improvements associated with ADA, Roof Reconstruction, and Fire Station security and painting. Additionally, the Public Works Parks Section secured donations for the Grupe Park Court Resurfacing.

### Transportation/Streets

Improvements to the transportation system are funded from non-General Fund sources that are restricted to transportation projects. These sources include State and Federal Grants, Public Facilities Fees and Proportionate Shares from developers, Measure K, and Regional Transportation Improvement Fees.

The transportation projects included in the CIP represent a continuing effort to improve traffic flow, safety and personal mobility reduce air pollution, accommodate growth, foster economic development, promote use of alternate transportation modes, and preserve the transportation infrastructure. Projects are drawn from many sources, including adopted precise Road Plans, the Circulation Element of the General Plan, Bicycle Master Plan, Safe Routes to School Plan, Complete Streets Plan and various planning documents from the San Joaquin Council of Governments.

The City has consistently been successful in generating significant amounts of grant funds for the transportation/streets portion of the program. Public Works is currently managing Transportation projects with a combined value of over \$220 million, of which over \$165 million is from competitive grant sources. Based on past and current success, the proposed five-year program includes an aggressive list of transportation projects that either have grant funding, or for which grant funds will be sought, to facilitate design and construction of the needed improvements.

Examples of the transportation projects proposed for funding in FY 2017-18 of the Capital Improvement program include: Bridge Rehabilitation and Replacement, pavement throughout the City, traffic calming measures in neighborhoods, construction of ADA accessibility improvements, Bus Rapid Transit V on Weber Avenue, High Friction Surface Treatment, and Miner Avenue Streetscape Phase 2.

### Utilities

Capital improvements to the City's Water, Wastewater and Stormwater utility systems are funded from non-General Fund sources that are dedicated to utility operations, maintenance and improvements. These sources include utility user fees, connection fees and Public Facilities Fees.

The Municipal Utilities Department is continuing to budget new project funds in the Water Enterprise for treatment improvements, system expansions, system improvements, and water well acquisitions, rehabilitations and abandonments.

The 2011 Capital Improvement and Energy Management Plan (CIEMP) outlined a multi-year \$150 million project to repair, replace and upgrade the treatment process units at the Regional Wastewater Control Facility (RCWF). A large part of the RWCF infrastructure is over 60 years old and past its effective operating life. The funding approved in FY 2015-16 advanced the first phase of a design-build project that will provide design of the overall RWCF Facilities Modification Project, which will incorporate many of the CIEMP improvements as well as new facilities to meet



## CAPITAL IMPROVEMENT PROGRAM

new wastewater discharge permit requirements. The Wastewater Enterprise is also proposing to fund other improvements at the RWCF outside of the CIEMP including: repairs, replacements and upgrades to current technology; and conversion of hydrogen peroxide to hypochlorite system for odor control.

The Stormwater Enterprise fee has been unchanged since 1992, and the utility is insufficiently funded for needed capital improvements. Therefore, over the years a large number of capital improvement projects have been moved to later years. During FY 2017-18, available funding will be used for capital improvements to address a small fraction of pipeline and pump station deficiencies.

### **Basis of Capital Revenue Projections**

To determine the funds available for Capital Projects in the FY 2017-18 Capital Budget, the City considers the following:

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

### **Capital Improvement Program Funding Sources**

#### City Funds

Capital Improvement Fund: The Capital Improvement Fund is unrestricted and can be used for any capital project over \$50,000 designated by the City Council. The resources in this fund come from transfers from the City's General Fund, interest earnings, reimbursements for specific projects, fees and from other unrestricted City funding sources. In FY 2017-18, unused land based bonded district funds will be made available for use on capital projects with some restrictions on project type and geographic areas. These funds are from some retired Assessment and Special Tax Districts that had remaining funds after payoff of bonds. Appropriate projects will be identified during the year.

#### Federal/State Grant Funds

Federal/State Grants: These funds are normally restricted towards the specific purpose of the grant. These funds are made available through an extensive application process that is usually initiated by City staff. Most grants require some level of fund match from the City.

#### Transportation Development Act

These funds are derived from the statewide sales tax and are returned to each City and County for public transit and bicycle/pedestrian purposes. Stockton's allocation for transit operations is allocated directly to San Joaquin Regional Transit District as the City's transit provider. The pedestrian/bicycle improvement funds are allocated in this document for sidewalk and wheelchair ramp repairs and installations.

## CAPITAL IMPROVEMENT PROGRAM

### Measure K Sales Tax

Known as Measure K: In 2006, voters approved a 30-year extension of the one-half cent transportation sales tax. These funds are earmarked for: Local Street Repairs and Roadway Safety (35%), Congestion Relief projects (32.5%), Railroad Crossing Safety projects (2.5%), and Passenger Rail, Bus and Bicycles (30%) which include dedicated funding for bus rapid transit and safe routes to schools. Two of the City's current congestion relief projects (Hammer Lane Widening and the Thornton Road Widening) have received advanced funding from the sale of Bonds.

### City Enterprise Funds

Wastewater Revenue: These funds are generated from user fees and connection fees for sewer service provided by the Municipal Utilities Department.

Water Revenue: These funds are generated from user fees and connection fees for water services provided by the Municipal Utilities Department.

Stormwater Revenue: These funds are generated from fees for storm water services provided by the Municipal Utilities Department.

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

Parking Fund: These funds are generated from user fees charged for the parking structures and on-street parking meters.

### Public Facility Fees

Public Facilities Fees (PFF): These fees are collected through the building permit process from new development projects and are restricted for new or expanded infrastructure necessary as a result of development. PFF programs include street improvements, community centers, city office space, fire stations, libraries, police stations, traffic signals, parks, street trees, signs, and air quality.



**Capital Project Funds  
FY 2017-18 Adopted Budget**

	<b>General Government</b>	<b>Transportation Programs</b>	<b>Public Facilities Fees</b>	<b>Capital Improvement Total</b>
	<i>See Page M-8</i>	<i>See Page M-9</i>	<i>See Page M-10</i>	
<b>Beginning Available Balance</b>	<b>\$ 6,654,659</b>	<b>\$ 4,978,872</b>	<b>\$ 17,801,962</b>	<b>\$ 29,435,493</b>
<b>Revenues</b>				
Grants	-	15,280,732	-	15,280,732
Fees	-	-	2,228,872	2,228,872
Interest Earned	1,000	5,083,224	76,629	5,160,853
Other Revenue	6,096,955	60,000	-	6,156,955
	<b>6,097,955</b>	<b>20,423,956</b>	<b>2,305,501</b>	<b>28,827,412</b>
<b>Expenditures</b>				
Capital Projects - General Government	2,151,500	-	350,000	2,501,500
Capital Projects - Transportation	41,600	18,178,924	336,380	18,556,904
Other	100,000	2,635,000	16,818	2,751,818
	<b>2,293,100</b>	<b>20,813,924</b>	<b>703,198</b>	<b>23,810,222</b>
<b>Transfers</b>				
Transfer In - General Fund	868,600	-	-	868,600
Transfer In - Development Services	490,500	-	-	490,500
Transfer In - PEG Fees	333,000	-	-	333,000
Transfer In - Fleet ISF	382,000	-	-	382,000
Transfer In - Police Trust	70,000	-	-	70,000
Transfer Out	-	-	-	-
	<b>2,144,100</b>	<b>-</b>	<b>-</b>	<b>2,144,100</b>
<b>Net Annual Activity</b>	<b>5,948,955</b>	<b>(389,968)</b>	<b>1,602,303</b>	<b>7,161,290</b>
<b>Ending Available Balance</b>	<b>\$ 12,603,614</b>	<b>\$ 4,588,904</b>	<b>\$ 19,404,265</b>	<b>\$ 36,596,783</b>
<b>Reconciliation of Capital Funds</b>				
Capital Projects	\$ 21,058,404		Revenues	\$ 28,827,412
Public Works (pg. F-15)	50,000		Transfers	2,144,100
Parking Authority (pg. I-39)	100,000		Total Sources	<b>\$ 30,971,512</b>
Utilities (pg. J-5)	15,484,235			
Total Appropriations	<b>\$ 36,692,639</b>		Expenditures	\$ 23,810,222
			Transfers	-
			Total Capital Project Funds	<b>\$ 23,810,222</b>
Project Total by Category (pg. M-14)	<b>\$ 36,692,639</b>		Utilities Projects	<b>\$ 15,484,235</b>

**Capital Project Funds  
General Government Funds  
FY 2017-18 Adopted Budget**

	<b>General Capital 301</b>	<b>Other Reimbursements 301/305</b>	<b>Public Art 306</b>	<b>General Government Total</b>
<b>Beginning Available Balance</b>	<b>\$ -</b>	<b>\$ 6,269,000</b>	<b>\$ 385,659</b>	<b>\$ 6,654,659</b>
<b>Revenues</b>				
Other Revenue	-	6,096,955	-	6,096,955
Fees	-	-	-	-
Interest	-	-	1,000	1,000
	<u>-</u>	<u>6,096,955</u>	<u>1,000</u>	<u>6,097,955</u>
<b>Expenditures</b>				
Capital Projects - General Government	827,000	1,324,500	-	2,151,500
Capital Projects - Transportation	41,600	-	-	41,600
Other Maintenance	-	-	100,000	100,000
Debt Service	-	-	-	-
	<u>868,600</u>	<u>1,324,500</u>	<u>100,000</u>	<u>2,293,100</u>
<b>Transfers</b>				
Transfer In - General Fund	868,600	-	-	868,600
Transfer In - Library Fund	-	-	-	-
Transfer In - Development Services	-	490,500	-	490,500
Transfer In - PEG Fees	-	333,000	-	333,000
Transfer In - Fleet ISF	-	382,000	-	382,000
Transfer In - Police Trust	-	70,000	-	70,000
Transfer Out	-	-	-	-
	<u>868,600</u>	<u>1,275,500</u>	<u>-</u>	<u>2,144,100</u>
<b>Net Annual Activity</b>	<u>-</u>	<u>6,047,955</u>	<u>(99,000)</u>	<u>5,948,955</u>
<b>Ending Available Balance</b>	<u><u>\$ -</u></u>	<u><u>\$ 12,316,955</u></u>	<u><u>\$ 286,659</u></u>	<u><u>\$ 12,603,614</u></u>

**Capital Project Funds  
Transportation Funds  
FY 2017-18 Adopted Budget**

	<b>Transportation Dev. Act. 034</b>	<b>Grants 038/304/308</b>	<b>Measure K Maintenance 082</b>	<b>Transportation Total</b>
			<i>See Page F-13</i>	
<b>Beginning Available Balance</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 4,978,872</b>	<b>\$ 4,978,872</b>
<b>Revenues</b>				
Grants	486,000	14,794,732	-	15,280,732
Fees	-	-	-	-
Reimbursements	-	-	5,083,224	5,083,224
Interest	-	-	60,000	60,000
	<b>486,000</b>	<b>14,794,732</b>	<b>5,143,224</b>	<b>20,423,956</b>
<b>Expenditures</b>				
Capital Projects - General Government	-	-	-	-
Capital Projects - Transportation	486,000	14,794,732	2,898,192	18,178,924
Other	-	-	2,635,000	2,635,000
	<b>486,000</b>	<b>14,794,732</b>	<b>5,533,192</b>	<b>20,813,924</b>
<b>Transfers</b>				
Transfer In	-	-	-	-
Transfer Out	-	-	-	-
	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net Annual Activity</b>	<b>-</b>	<b>-</b>	<b>(389,968)</b>	<b>(389,968)</b>
<b>Ending Available Balance</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 4,588,904</b>	<b>\$ 4,588,904</b>

**Capital Project Funds  
Public Facilities Fee  
FY 2017-18 Adopted Budget**

	<b>Traffic Signals Citywide 900</b>	<b>Traffic Signals Zone 1 901</b>	<b>Traffic Signals Zone 2 902</b>	<b>Traffic Signals Zone 3 903</b>	<b>Traffic Signals Zone 4 904</b>
<b>Beginning Available Balance</b>	<b>\$ 118,825</b>	<b>\$ 159,196</b>	<b>\$ 148,594</b>	<b>\$ 46,480</b>	<b>\$ 41,818</b>
<b>Revenues</b>					
Fees	47,000	6,000	63,000	5,500	1,000
Interest	1,500	2,000	400	1,200	-
Other Revenue	-	-	-	-	-
	<b>48,500</b>	<b>8,000</b>	<b>63,400</b>	<b>6,700</b>	<b>1,000</b>
<b>Expenditures</b>					
Capital Projects	-	-	-	-	-
Other	-	-	-	-	-
	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Transfers</b>					
Transfer In	-	-	-	-	-
Transfer Out	-	-	-	-	-
	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net Annual Activity</b>	<b>48,500</b>	<b>8,000</b>	<b>63,400</b>	<b>6,700</b>	<b>1,000</b>
<b>Ending Available Balance</b>	<b>\$ 167,325</b>	<b>\$ 167,196</b>	<b>\$ 211,994</b>	<b>\$ 53,180</b>	<b>\$ 42,818</b>

**Capital Project Funds  
Public Facilities Fee, Continued  
FY 2017-18 Adopted Budget**

	<b>Street Improvements Citywide 910 - 915</b>	<b>Street Improvements Reg Traffic 917</b>	<b>Community Recreation Centers-Citywide 920</b>	<b>City Office Space 930</b>	<b>Fire Station Citywide 940</b>
<b>Beginning Available Balance</b>	<b>\$ 8,950,690</b>	<b>\$ 3,799,598</b>	<b>\$ (3,567,868)</b>	<b>\$ 1,049,193</b>	<b>\$ (1,845,104)</b>
<b>Revenues</b>					
Fees	950,000	500,000	40,000	35,000	90,000
Interest	22,649	15,000	-	-	-
Other Revenue	-	-	-	-	-
	<b>972,649</b>	<b>515,000</b>	<b>40,000</b>	<b>35,000</b>	<b>90,000</b>
<b>Expenditures</b>					
Capital Projects	336,380	-	-	-	-
Other	-	-	-	-	-
	<b>336,380</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Transfers</b>					
Transfer In	-	-	-	-	-
Transfer Out	-	-	-	-	-
	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net Annual Activity</b>	<b>636,269</b>	<b>515,000</b>	<b>40,000</b>	<b>35,000</b>	<b>90,000</b>
<b>Ending Available Balance</b>	<b>\$ 9,586,959</b>	<b>\$ 4,314,598</b>	<b>\$ (3,527,868)</b>	<b>\$ 1,084,193</b>	<b>\$ (1,755,104)</b>
			(a)		(a)

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



**Capital Project Funds  
Public Facilities Fee, Continued  
FY 2017-18 Adopted Budget**

	<u>Library Citywide 950</u>	<u>Police Station Expansion 960</u>	<u>Parkland Citywide 970</u>	<u>Street Trees 978</u>	<u>Street Signs 979</u>
<b>Beginning Available Balance</b>	<b>\$ 3,913,529</b>	<b>\$ (1,015,695)</b>	<b>\$ 4,003,296</b>	<b>\$ 19,593</b>	<b>\$ 9,066</b>
<b>Revenues</b>					
Fees	62,000	80,000	259,372	-	-
Interest	-	-	22,000	700	700
Other Revenue	-	-	-	-	-
	<u><b>62,000</b></u>	<u><b>80,000</b></u>	<u><b>281,372</b></u>	<u><b>700</b></u>	<u><b>700</b></u>
<b>Expenditures</b>					
Capital Projects	350,000	-	-	-	-
Other	-	-	-	-	-
	<u><b>350,000</b></u>	<u><b>-</b></u>	<u><b>-</b></u>	<u><b>-</b></u>	<u><b>-</b></u>
<b>Transfers</b>					
Transfer In	-	-	-	-	-
Transfer Out	-	-	-	-	-
	<u><b>-</b></u>	<u><b>-</b></u>	<u><b>-</b></u>	<u><b>-</b></u>	<u><b>-</b></u>
<b>Net Annual Activity</b>	<u><b>(288,000)</b></u>	<u><b>80,000</b></u>	<u><b>281,372</b></u>	<u><b>700</b></u>	<u><b>700</b></u>
<b>Ending Available Balance</b>	<u><b>\$ 3,625,529</b></u>	<u><b>\$ (935,695)</b></u>	<u><b>\$ 4,284,668</b></u>	<u><b>\$ 20,293</b></u>	<u><b>\$ 9,766</b></u>

(a)

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

**Capital Project Funds  
Public Facilities Fee, Continued  
FY 2017-18 Adopted Budget**

	<b>Street Lights City Wide 980</b>	<b>Street Lights Zone 1 981</b>	<b>Street Lights Zone 3 &amp; 4 983</b>	<b>Street Lights Zone 5 985</b>	<b>Air Quality 990</b>	<b>Public Facilities Total</b>
<b>Beginning Available Balance</b>	<b>\$ 4,054</b>	<b>\$ 23,746</b>	<b>\$ 46,659</b>	<b>\$ 7,799</b>	<b>\$ 1,888,493</b>	<b>\$ 17,801,962</b>
<b>Revenues</b>						
Fees	-	-	-	-	90,000	2,228,872
Interest	40	300	100	40	10,000	76,629
Other Revenue	-	-	-	-	-	-
	<u>40</u>	<u>300</u>	<u>100</u>	<u>40</u>	<u>100,000</u>	<u>2,305,501</u>
<b>Expenditures</b>						
Capital Projects	-	-	-	-	-	686,380
Other	-	-	-	-	16,818	16,818
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>16,818</u>	<u>703,198</u>
<b>Transfers</b>						
Transfer In	-	-	-	-	-	-
Transfer Out	-	-	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Net Annual Activity</b>	<u>40</u>	<u>300</u>	<u>100</u>	<u>40</u>	<u>83,182</u>	<u>1,602,303</u>
<b>Ending Available Balance</b>	<u><b>\$ 4,094</b></u>	<u><b>\$ 24,046</b></u>	<u><b>\$ 46,759</b></u>	<u><b>\$ 7,839</b></u>	<u><b>\$ 1,971,675</b></u>	<u><b>\$ 19,404,265</b></u>

**Five Year Capital Improvement Program  
Project Summary by Program  
2017-2022  
(Dollars in thousands)**

	<b>Remaining Appropriation at 6/30/16</b>	<b>2016-17 Adopted</b>	<b>2017-18 Adopted Budget</b>	<b>2018-19 Projected</b>	<b>2019-20 Projected</b>	<b>2020-21 Projected</b>	<b>2021-2022 Projected</b>
<b>Summary by Program</b>							
<b>General Government</b>							
Citywide	4,575	2,883	1,671	1,833	650	400	41,367
Golf	-	-	-	-	-	-	5,431
Library	5,478	995	350	2,360	-	26,558	-
Recreation	140	196	-	4,448	426	779	5,780
Fire	992	293	352	522	42	408	43,218
Police	1,733	4,758	-	-	495	335	7,781
Parks & Trees	2,777	119	229	195	2,968	10,622	8,381
	<u>15,696</u>	<u>9,244</u>	<u>2,602</u>	<u>9,358</u>	<u>4,581</u>	<u>39,102</u>	<u>111,958</u>
<b>Transportation/Streets</b>	20,894	8,790	18,606	12,408	15,360	9,539	222,059
<b>Utilities</b>	-	10,509	15,484	65,934	83,849	53,358	56,173
<b>Total CIP Program</b>	<u>36,589</u>	<u>28,543</u>	<u>36,692</u>	<u>87,700</u>	<u>103,789</u>	<u>101,998</u>	<u>390,190</u>
<b>Funded</b>		28,543	36,692	87,700	103,789	101,998	114,886
<b>Unfunded</b>		-	-	-	-	-	275,304
<b>Total</b>		<u>28,543</u>	<u>36,692</u>	<u>87,700</u>	<u>103,789</u>	<u>101,998</u>	<u>390,190</u>

**Five Year Capital Improvement Program  
Project Summary by Fund  
2017-2022  
(Dollars in thousands)**

	<b>Fund Number</b>	<b>Remaining Appropriation 6/30/16</b>	<b>2016-17 Adopted</b>	<b>2017-18 Adopted</b>	<b>2018-19 Projected</b>	<b>2019-20 Projected</b>	<b>2020-21 Projected</b>	<b>2021-22 Projected</b>
<b>Summary by Fund</b>								
<b>General Government and Grants</b>								
General Fund	301	7,438	6,691	869	1,097	1,111	1,118	9,057
Other	301	-	-	562	333	-	-	-
Developer Fees	048	-	587	491	-	-	-	-
Entertainment Venues	086	110	-	-	-	-	-	-
Fleet ISF	501	60	438	272	-	100	100	-
Library	041	563	995	-	-	-	-	-
Strong Communities Initiative	083	-	-	-	8,003	861	14,995	11,956
Strong Neighborhoods Funds	305	145	1,798	-	-	-	-	-
Measure K Renewal	080	254	285	-	-	-	-	-
Measure K Maintenance	082	3,345	1,552	2,899	3,052	3,530	3,795	8,550
Gas Tax	030	97	50	50	50	548	50	50
Other Grants/Reimbursements	304/308	165	502	-	-	-	-	-
Transportation Dev. Act	034	1,201	209	486	253	263	273	284
Federal Grants	038/308	4,486	4,641	14,792	7,989	10,134	2,696	5,802
Parking Authority Enterprise	419	-	150	100	-	50	-	-
Golf Enterprise Fund	481	-	-	-	-	-	-	5,431
		<u>17,863</u>	<u>17,898</u>	<u>20,520</u>	<u>20,776</u>	<u>16,597</u>	<u>23,027</u>	<u>41,129</u>
<b>Public Facilities Fees</b>								
Library	950	4,915	-	350	-	-	13,279	-
Street Improvement	910-915	9,480	47	337	885	300	300	300
Regional Streets	917	175	-	-	-	-	2,350	14,466
Parkland	970	2,553	-	-	-	2,533	9,685	2,206
Street Trees	978	342	-	-	-	-	-	-
Street Signs	979	139	-	-	-	-	-	-
Street Lights	980-985	372	-	-	105	511	-	612
Air Quality	990	570	90	-	-	-	-	-
Traffic Signals	900-904	180	-	-	-	-	-	-
		<u>18,726</u>	<u>137</u>	<u>687</u>	<u>990</u>	<u>3,344</u>	<u>25,614</u>	<u>17,584</u>
<b>Utilities</b>								
Water	427	-	2,414	2,354	6,294	2,363	3,789	17,408
Wastewater	437	-	7,261	12,250	57,792	78,881	45,487	36,615
Stormwater	447	-	834	880	1,848	2,604	4,082	2,150
		<u>-</u>	<u>10,509</u>	<u>15,484</u>	<u>65,934</u>	<u>83,848</u>	<u>53,358</u>	<u>56,173</u>
<b>Unfunded</b>								
Unidentified Funding		<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>275,304</u>
		<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>275,304</u>
<b>Total CIP Program</b>		<u><b>36,589</b></u>	<u><b>28,543</b></u>	<u><b>36,691</b></u>	<u><b>87,700</b></u>	<u><b>103,789</b></u>	<u><b>101,998</b></u>	<u><b>390,190</b></u>
Funded		36,589	28,543	36,691	87,700	103,789	101,998	114,886
Unfunded		-	-	-	-	-	-	275,304
<b>Total</b>		<u><b>36,589</b></u>	<u><b>28,543</b></u>	<u><b>36,691</b></u>	<u><b>87,700</b></u>	<u><b>103,789</b></u>	<u><b>101,998</b></u>	<u><b>390,190</b></u>

**Five Year Capital Improvement Program  
Project List by Category  
2017-2022  
(Dollars in thousands)**

	<b>Project Number</b>	<b>Remaining Appropriation 6/30/16</b>	<b>2016-17 Adopted</b>	<b>2017-18 Adopted</b>	<b>2018-19 Projected</b>	<b>2019-20 Projected</b>	<b>2020-21 Projected</b>	<b>2021-22 Projected</b>
<b>City-Wide</b>								
ADA Compliance Program	PW1701	127	75	75	100	100	100	100
Arena and Ballpark Flooring Replacement Project	0000	-	-	-	-	-	-	500
Ballpark and Arena Video Equipment	EV3661	-	-	-	-	-	-	1,550
Buckley Cove Parking Lot Pavement Resurfacing	PW1413	-	-	-	-	-	-	602
Build Fleet Parts Supply Warehouse	0000	-	-	-	-	-	100	-
City Hall Relocations	ED7001	4,006	-	-	-	-	-	-
Government Access Channel Alternate Sites	PW1709	-	-	333	333	-	-	-
Historic City Hall Renovations	PW1712	-	-	-	-	-	-	37,280
Light and Heavy Shop Lifts	PW1708	-	-	130	-	-	-	-
Lighting Improvements at Entertainment Venues	PW1404	86	-	-	-	-	-	-
Marina Sail Covering Replacement Project	ED8605	-	-	-	-	-	-	500
Miracle Mile Parking Lots Resurfacing	0000	11	-	-	-	-	-	635
MSC Yard and Main Police Fuel Site Upgrades	PW1502	60	412	-	-	-	-	-
Oak Park Ice Arena Upgrades and Rehabilitation Program	ED8604	102	433	-	1,000	-	-	-
Paint Shop Building Conversion	0000	-	-	-	-	100	-	-
Parking Signage Project	ED4181	-	150	100	-	50	-	-
Permit Center Renovation	PW1614	-	587	491	-	-	-	-
Stockton Arena Chiller Rebuild	PW1405	1	-	-	-	-	-	-
SEB Public Works Relocation	PW1615	-	1,000	-	-	-	-	-
Roof Replacement and Construction Program	PW1320	182	200	400	400	400	200	200
Vehicle and Equipment Wash Rack Improvements	PW1616	-	26	142	-	-	-	-
<b>Total City-Wide</b>		<b>4,575</b>	<b>2,883</b>	<b>1,671</b>	<b>1,833</b>	<b>650</b>	<b>400</b>	<b>41,367</b>
<b>Total City-Wide</b>		<b>4,575</b>	<b>2,883</b>	<b>1,671</b>	<b>1,833</b>	<b>650</b>	<b>400</b>	<b>41,367</b>
<b>Community Services</b>								
<b>Golf</b>								
Van Buskirk Golf Course Irrigation	0000	-	-	-	-	-	-	5,431
<b>Total Golf</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>5,431</b>
<b>Library</b>								
Chavez Library Restroom Renovations & ADA Compliance	PW1408	-	188	-	-	-	-	-
Chavez Library Restroom Renovations and ADA Compliance - Staff	PW1620	182	287	-	-	-	-	-
Chavez Library Upgrades and Maintenance	PW1509	95	520	-	-	-	-	-
New Library	PW1432	150	-	-	-	-	-	-
New Library Facility Study	PW9262	472	-	-	-	-	-	-
Northeast Stockton McNair Library and Recreation Center	PW1724	1,049	-	250	250	-	14,608	-
Northwest Branch Thornton Road Library and Recreation Center	PW1730	527	-	100	250	-	11,950	-
Northwest Stockton Multi-Purpose	PW9737	3,003	-	-	-	-	-	-
Radio Frequency Identification Conversion	0000	-	-	-	1,768	-	-	-
Troke Program Room Remodel	PW1728	-	-	-	92	-	-	-
<b>Total Library</b>		<b>5,478</b>	<b>995</b>	<b>350</b>	<b>2,360</b>	<b>-</b>	<b>26,558</b>	<b>-</b>
<b>Recreation</b>								
Aquatic Facilities Renovation and Replacement	0000	-	-	-	1,166	426	667	850
Civic Auditorium Stage Controls/Rigging	PW1409	118	-	-	623	-	-	-
Civic Auditorium Upgrades	0000	-	-	-	-	-	-	1,324
Detention Basin Soccer Complex	PW9815	22	-	-	-	-	-	-
McNair Soccer Complex - Fencing, Gate & Turf Improvements	PW1624	-	120	-	362	-	-	-
Oak Park Facilities Upgrades	0000	-	-	-	-	-	-	3,606
Panella Park Baseball Diamond Replacement	0000	-	76	-	-	-	-	-
Park Sportfield Lighting Repairs	0000	-	-	-	-	-	112	-
Stockton Soccer Complex Upgrades and Maintenance Program	PW1510	-	-	-	2,297	-	-	-
<b>Total Recreation</b>		<b>140</b>	<b>196</b>	<b>-</b>	<b>4,448</b>	<b>426</b>	<b>779</b>	<b>5,780</b>
<b>Total Community Services</b>		<b>5,618</b>	<b>1,191</b>	<b>350</b>	<b>6,808</b>	<b>426</b>	<b>27,337</b>	<b>11,211</b>

**Five Year Capital Improvement Program  
Project List by Category  
2017-2022  
(Dollars in thousands)**

	<b>Project Number</b>	<b>Remaining Appropriation 6/30/16</b>	<b>2016-17 Adopted</b>	<b>2017-18 Adopted</b>	<b>2018-19 Projected</b>	<b>2019-20 Projected</b>	<b>2020-21 Projected</b>	<b>2021-22 Projected</b>
<b>Public Safety</b>								
<b>Public Safety - Fire</b>								
Emergency Vehicle Pre-emption	PW1211	901	25	-	-	-	367	183
Fire Station 11 Driveway and Parking Lot Replacement	0000	-	-	-	-	-	-	237
Fire Station 5 Concrete Driveway and Parking Lot Replacement	0000	-	-	-	-	-	-	239
Fire Station Extractor and Dry Rack Installation	0000	-	-	-	-	-	-	865
Fire Station Interior Apparatus Bay Painting	0000	-	-	-	-	-	-	372
Fire Station Landscaping - Design & Construction	0000	-	-	-	-	-	-	654
Fire Station No. 14 Concrete Driveway and Parking Lot	0000	-	-	-	-	-	-	264
Fire Station #2 Burn Room	PW1503	87	70	-	-	-	-	-
Fire Station #2 Driveway Replacement - Sonora Street	PW1617	-	50	-	-	-	-	-
Fire Station 2 Kitchen Improvements	PW1618	-	148	-	-	-	-	-
Fire Station No. 2 Parking Lot	0000	-	-	-	-	-	-	241
Fire Station No. 2 Window Replacement	0000	-	-	-	146	-	-	-
Fire Station No. 3 Reconstruction	0000	-	-	-	-	-	-	11,144
Fire Station No. 6 Reconstruction	PW1706	-	-	-	-	-	-	11,144
Fire Station Nos. 2,4,5,6,7,9,10,&14 Exterior Painting	0000	-	-	83	83	42	42	83
Fire Stations Asphalt Preservation	PW1707	-	-	-	120	-	-	-
Fire Stations Security Systems	0000	4	-	269	-	-	-	-
Public Parking in Front of Fire Stations	0000	-	-	-	173	-	-	-
Regional Dispatch Center	0000	-	-	-	-	-	-	11,105
Safety Police and Fire Regional Training Center	0000	-	-	-	-	-	-	6,687
<b>Total Public Safety - Fire</b>		<b>992</b>	<b>293</b>	<b>352</b>	<b>522</b>	<b>42</b>	<b>408</b>	<b>43,218</b>
<b>Total Fire</b>		<b>992</b>	<b>293</b>	<b>352</b>	<b>522</b>	<b>42</b>	<b>408</b>	<b>43,218</b>
<b>Public Safety - Police</b>								
Animal Shelter Renovation	PW1321	303	-	-	-	-	335	-
Main PD Parking Lot Improvements	PW1619	-	160	-	-	-	-	-
Police Department Under Freeway Parking Lot	PW1621	-	1,246	-	-	-	-	-
Police Facilities	PW1535	1,430	3,352	-	-	-	-	7,781
Replace Modular Buildings at Firing Range	0000	-	-	-	-	495	-	-
<b>Total Public Safety - Police</b>		<b>1,733</b>	<b>4,758</b>	<b>-</b>	<b>-</b>	<b>495</b>	<b>335</b>	<b>7,781</b>
<b>Total Police</b>		<b>1,733</b>	<b>4,758</b>	<b>-</b>	<b>-</b>	<b>495</b>	<b>335</b>	<b>7,781</b>
<b>Public Works</b>								
<b>Parks and Trees</b>								
American Legion Park Lagoon Fencing	0000	-	-	-	-	-	-	60
Bin Enclosures at City Facilities	PW1504	84	-	-	-	200	200	-
Cannery Park Neighborhood Park - 2.7 Acres	PW9270	14	-	-	-	-	994	-
Cannery Park Neighborhood Park - 7.48 Acres	PW9271	-	-	-	-	-	3,380	-
Citywide Park Shade Structure Replacement	PW1414	43	-	-	117	-	-	-
Fong Park (Blossom Ranch)	PW9207	772	-	-	-	-	-	-
Game Court Rehabilitation Program	0000	-	-	-	-	-	652	1,711
Grupe Park Court Reconstruction	PW1710	-	-	229	-	-	-	-
Harrell Park Restroom Demolition	0000	-	-	-	-	-	85	-
Juliet Terrace Neighborhood Park	PW9131	2	-	-	-	-	-	2,206
La Morada Neighborhood Park	PW9173	1,598	-	-	-	-	-	-
Louis Park Softball Complex Parking Lot & Walk Improvements	PW1323	-	-	-	-	-	-	520
Louis Park Pump House Rehabilitation	0000	-	119	-	-	-	-	-
Oak Park Tennis Center Upgrades	0000	-	-	-	-	-	-	588
Oakmore Montego Neighborhood Park - 6 Acres	PW9254	123	-	-	-	2,533	-	-
Park Parking Renovation Program	0000	-	-	-	-	-	-	806
Park Restroom Rehabilitation and Repair Program	0000	-	-	-	-	-	-	350
Play Equipment Replacement	PW1512	120	-	-	-	-	-	600
Spanos Parks Baxter	PW9229	20	-	-	-	-	-	-

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Stribley Park Burned Restroom Demo and Replacement	0000	-	-	-	-	-	-	347
Swenson Park and Golf Irrigation System	0000	-	-	-	-	-	-	242
Van Buskirk Playground Rubber Fall Surface Replacement	PW1729	-	-	-	78	-	-	-
Victory Park Restrooms Demolition and	0000	-	-	-	-	235	-	-
Waterfront Lighting Restoration	0000	-	-	-	-	-	-	320
Weber Point Shade Structure Fabric Replacement	0000	-	-	-	-	-	-	631
Westlake Villages Park - 11.5 Acres	9269	1	-	-	-	-	5,311	-
<b>Total Parks and Trees</b>		<b>2,777</b>	<b>119</b>	<b>229</b>	<b>195</b>	<b>2,968</b>	<b>10,622</b>	<b>8,381</b>
<b>Streets</b>								
Accessible Pedestrian Signals (APS) Program	PW1528	50	80	180	180	181	-	-
Active Transportation Plan-Greater Downtown Dist.	PW1601	-	396	-	-	-	-	-
Alexandria and Five Mile Slough Culvert	PW1602	-	41	-	-	-	-	-
Alpine Avenue Grade Separation	0000	-	-	-	-	-	-	30,685
Arch Road Fiber Optic	PW7239	115	-	-	-	-	-	-
Arch Road Widening - Austin Road to Performance Drive	0000	-	-	-	-	-	-	39,444
Arch Road/SR99 Interchange Improvements	PW9944	175	-	-	-	-	-	-
Bear Creek and Pixley Slough Bicycle and Pedestrian Path	PW1702	4	-	308	-	1,419	-	-
Benjamin Holt Drive/Cumberland Traffic Signal	PW9743	2	-	-	-	-	-	-
Benjamin Holt Drive/Inglewood Avenue Traffic Signal	PW9744	3	-	-	-	-	-	-
Bicycle Master Plan Implementation Program	PW1703	-	-	150	300	300	400	400
Bridge Engineering Program	PW1520	14	26	75	26	26	26	26
Bridge Rehabilitation and Replacement Program	PW1603	25	446	1,576	-	-	-	-
Bridge Rehabilitation and Replacement Program	PW1604	-	-	165	-	-	-	-
Bridge Rehabilitation and Replacement Program FY17/18	PW1704	-	-	401	1,610	-	-	-
Bus Rapid Transit (BRT) 1-B	PW1515	318	-	-	1,750	-	-	-
Bus Rapid Transit (BRT) V on Weber Avenue, Miner Avenue	PW1516	416	-	1,725	-	-	-	-
California Street Gap Closure Improvements	0000	-	-	-	-	-	-	396
Citywide Transportation Demand Management (TDM) Suitability Study	0000	-	-	-	-	-	-	155
Citywide Video System Upgrade	0000	-	-	-	-	-	1,170	4,678
Claremont Avenue Reconstruction (include bike lane striping)	0000	-	-	-	-	-	-	1,764
Closing Pedestrian Access Gaps to Schools	PW1705	-	-	326	-	2,295	-	-
Complete Streets Plan	0000	-	-	-	-	-	-	406
Corporation Yard Improvements	0000	-	-	-	-	-	-	1,000
Corporation Yard Pavement Resurfacing	0000	-	-	-	-	210	-	-
Corporation Yard Storage Building Installation	0000	-	-	-	-	288	-	-
Curb, Gutter, and Sidewalk Infill Program	0000	-	-	-	-	-	-	312
Davis Road Widening (Bear Creek to Waterford)	0000	-	-	-	-	-	-	4,371
Developers Reimbursements	PW9711	5,853	-	-	-	-	-	-
EBMUD - March Lane Greenscape, Phase 2	0000	-	-	-	-	-	-	2,704
Eight Mile Rd/UPPR (East) Grade	PW9829	126	-	-	-	-	-	-
Eight Mile Rd/UPRR West Sep.	PW9716	1,134	-	-	-	-	-	-
Eight Mile/SR 99 Interchange	PW9719	135	-	-	-	-	-	-
El Dorado Street Improvements Phase 3	0000	-	-	-	-	-	-	3,108
Fiber Optic Network Expansion	PW9741	82	-	-	-	-	-	-
Filbert Street/Miner Avenue Traffic Signal	PW1310	638	-	83	-	-	-	-
Fremont Square Sidewalk Reconstruction	PW1310	71	-	-	-	-	-	-
French Camp Road/I-5 Interchange Landscaping	PW1418	750	-	-	-	-	-	-
Guard Rail and Impact Attenuator Installation	PW1606	-	254	-	-	-	-	-
Grant Match Program	0000	-	-	-	300	300	300	300
Grant Match Program	0000	-	-	-	-	-	200	200
Green Initiatives	PW9276	314	-	-	-	-	-	-
Hammer/SR99 Interchange Imps	PW9942	535	-	-	-	-	-	-
Harding Way Corridor	PW1612	25	580	-	-	-	-	-

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HAWK Pedestrian Signal Installation	PW1604	-	374	-	-	-	-	-
Hunter Street Road Diet/Bike Lane Installation	PW1609	-	449	-	-	-	-	-
High Friction Surface Treatment	PW1711	-	-	844	-	-	-	-
HSIP 8 - Convert Signals from Pedestal Mount to Mast Arm	PW1713	-	-	208	956	-	-	-
HSIP 8 - Install Guardrails	PW1714	-	-	211	970	-	-	-
HSIP 8 - Install Pedestrian Crossings at 9 Intersections	PW1715	-	-	185	850	-	-	-
HSIP 8 - Raised Median along Dr. Martin Luther King	PW1716	-	-	74	338	-	-	-
HSIP 8 - Raised Median along Pacific Avenue	PW1717	-	-	192	885	-	-	-
HSIP 8 - Raised Median N. El Dorado Street including Fencing, Sidewalks and Curb Ramps	PW1718	-	-	131	607	-	-	-
HSIP 8 - Road Diet on N. El Dorado Street, Turn and Bike Lanes	PW1719	-	-	105	484	-	-	-
Install Emergency Vehicle Pre-Emption System	PW1605	-	267	-	-	-	-	-
Installation and Upgrade of Bicycle Facilities (Class 2 & 3) Citywide	PW1517	79	285	-	-	-	-	-
Leaking Underground Fuel Tank (LUFT) Program	PW1425	22	75	42	75	75	75	75
LED Street Lights Conversion on Collector and Residential Streets - Phase 3	0000	-	-	-	-	-	-	3,153
Left Turn Lane Additions at Various Locations	PW1720	-	-	319	-	1,806	-	-
Lighted Crosswalk Upgrades	PW1526	788	-	398	-	-	-	-
Lincoln Street and Eighth Street Roundabout	PW1721	-	-	322	-	861	-	-
Little John Creek Reimb. Agreement	PW9165	141	-	-	-	-	-	-
Local Street Resurfacing Program (FY2018/19 - 2021/22)	0000	-	-	-	-	-	-	4,000
Lower Sacramento Road and Bear Creek Bridge Replacement	PW1419	-	-	-	-	-	-	12,616
Lower Sacramento Road and Pixley Slough Bridge Replacement	0000	-	-	-	-	-	-	2,036
Lower Sacramento Road Reimb. Agreem.	PW9261	181	-	-	-	-	-	-
Lower Sacramento Road Widening - Royal Oaks Drive to Pixley Bridge	0000	-	-	-	-	-	2,350	12,430
Lower Sacramento Rd. Widening/UPRR	PW9718	108	-	-	-	-	-	-
Manthey Road Relocation COS	PW9281	170	-	-	-	-	-	-
March Lane Adaptive Traffic Control System	PW1312	1,185	35	-	-	-	-	-
March Lane Widening - Venezia Blvd to I-5	0000	-	-	-	-	-	-	5,145
March Lane/EBMUD Bicycle and Pedestrian Path Connectivity Improvements	PW1722	56	-	360	-	-	-	3,509
Miner Avenue Complete Streets Improvements Phase 1	PW1607	-	332	-	-	-	-	-
Miner Avenue Streetscape, Phase 2	PW1607	-	-	2,607	-	-	-	-
Miner Avenue Streetscape, Phase 3	PW1607	-	-	670	-	-	-	-
Miner Avenue Streetscape, Phase 4	0000	-	-	-	-	-	-	7,824
Miracle Mile Street Lighting Replacement	0000	-	-	-	-	-	-	612
Montauban Avenue and Hammertown Drive Roundabout	PW1723	-	-	193	-	885	-	-
Montauban Avenue and Swain Road Roundabout	PW1315	698	-	-	-	-	-	-
Morada Lane/SR 99 Interchange	PW9720	43	-	-	-	-	-	-
Mormon Slough Bikeway Improvement Project	0000	-	-	-	-	-	-	1,242
Mormon Slough Feasibility Study	0000	-	-	-	-	-	-	150
Neighborhood Traffic Calming Program (16 Neighborhoods)	PW1608	-	750	500	750	750	750	750
Pacific Avenue and March Lane Intersection Modifications	PW1725	-	-	95	117	437	-	-
Pershing Avenue Corridor Adaptive Traffic Control System	PW1311	1,113	55	-	-	-	-	-
Pershing Avenue Roadway Crown Reduction - Princeton Ave to Elmwood Ave	0000	-	-	-	-	-	-	761
Railroad Crossing Program	PW1527	-	-	-	-	-	-	50
Real Time Traffic Monitoring System	PW1726	-	-	102	493	-	-	-
Relocation of Traffic Control Communications	0000	-	-	-	-	-	-	844
Residential Development Street Signs	PW1525	80	-	-	-	-	-	-
Residential Development Trees	PW1524	50	-	-	-	-	-	-



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Responsive Traffic Control System Program	PW1522	421	-	-	-	-	-	-
Responsive Traffic Signal Control on El Dorado	PW1421	-	9	-	-	-	-	-
Robinhood Drive Bike Lanes	0000	-	-	-	-	-	-	519
Roundabout Program	0000	-	-	-	-	-	-	1,497
Rule 20A Streetlighting Program	PW1521	97	50	50	50	50	50	1,404
Safe Routes to School Plan Implementation	0000	-	-	-	-	-	-	728
Security Lid Conversion on Electrical Utility Boxes	0000	-	-	-	-	-	-	620
Sidewalk, Curb, and Gutter Repair Program	PW1531	1,201	209	486	253	263	273	284
Sperry Road Extension	PW9837	885	32	-	-	-	-	-
Street Light Installation	PW9191	362	-	-	-	-	-	-
Street Name Sign Installation	PW9176	59	-	-	-	-	-	-
Street Resurfacing on Federal-Aid Streets FY16/17	0000	-	2,181	3,578	-	-	-	-
Street Resurfacing on Federal-Aid Streets FY18/19- FY21/22	0000	-	-	-	349	3,046	3,046	3,046
Street Smarts Program	0000	-	-	-	-	-	-	312
Street Tree Planting	PW9118	292	-	-	-	-	-	-
Tam O'Shanter/Castle Oaks	PW1443	65	-	-	-	-	-	-
Tam O'Shanter Drive and Knickerbocker Drive Roundabout	PW1727	-	-	268	-	698	-	-
Thornton Road / Lower Sacramento Road / Hammer Lane Triangle Left Turn Lanes	PW1518	184	770	199	-	-	-	-
Traffic Signal Control System	PW9906	815	-	-	-	-	-	-
Traffic Signal Control System Program	PW1522	422	175	400	500	500	500	500
Traffic Signal Conversions to City Standard	0000	-	-	-	-	-	-	593
Traffic Signal Head Visibility Improvements - 8" to 12" Signal Indicators	0000	-	-	-	-	-	-	140
Traffic Signal Modifications Program	PW1529	544	-	459	459	459	400	400
West Lane Grade Separation	0000	-	-	-	-	-	-	44,240
West Lane Traffic Responsiveness Signal Control System	PW1611	-	135	620	-	-	-	-
West Lane Widening - Hammer Lane to Morada Lane	0000	-	-	-	-	-	-	22,631
Wood Pole Replacement and Infill Street Lighting Program	PW1523	10	-	-	105	511	-	-
Wilson Way Corridor	PW1613	40	785	-	-	-	-	-
<b>Total Streets</b>		<b>20,894</b>	<b>8,790</b>	<b>18,606</b>	<b>12,408</b>	<b>15,360</b>	<b>9,539</b>	<b>222,059</b>
<b>Total Public Works</b>		<b>23,671</b>	<b>8,909</b>	<b>18,835</b>	<b>12,603</b>	<b>18,328</b>	<b>20,161</b>	<b>230,440</b>

**Municipal Utilities**

**Sanitation**

Abandon Old Brookside Pump Station		-	-	-	-	19	97	-
Alexandria Place Sewer Trunk Line Rehabilitation		-	-	2,740	-	-	-	-
Brookside and I-5 Pump Station Emergency Power		-	-	-	-	-	-	236
Brookside Estates Sanitary Sewer Pump Station		-	-	-	-	-	-	288
Capital Asset Replacements	7992	-	2,750	-	-	-	-	-
Della Street Sewer Line Rehabilitation		-	-	1,214	-	-	-	-
Downtown Sewer Collection System		-	-	-	190	190	200	15,200
Farmington Fresh at Highway 99 SS Crossing Rehabilitation		-	-	345	-	-	-	-
Five Mile Slough Force Main Assessment		-	-	-	336	-	-	-
Hammer Lane Sewer Trunk Rehabilitation		-	-	-	-	-	69	1,090
Howard Street Sanitary Sewer Line Rehabilitation		-	-	-	55	257	-	-
Kelly and Mosher Slough Sanitary Sewer Pump Station		-	-	-	795	-	-	-
Lincoln Street Sanitary Sewer Pump Station and Forcemain		-	-	-	312	8,189	-	-
Louis Park Access Road		-	-	-	86	-	-	-
Market Street Sanitary Sewer Upsize		-	-	199	1,222	-	-	-
Mormon Slough Sanitary Sewer Line Rehabilitation		-	-	-	186	1,358	-	-
Myrtle Street Sewer Line Rehabilitation		-	-	2,339	-	-	-	-
Oak Street Sewer Trunk Rehabilitation- Wilson		-	-	-	-	1,172	8,521	-
Oversize Collection Lines - 434	7713	-	200	-	-	-	-	-

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2017-2022  
(Dollars in thousands)**

	<b>Project Number</b>	<b>Remaining Appropriation 6/30/16</b>	<b>2016-17 Adopted</b>	<b>2017-18 Adopted</b>	<b>2018-19 Projected</b>	<b>2019-20 Projected</b>	<b>2020-21 Projected</b>	<b>2021-22 Projected</b>
Pershing Avenue Sewer Trunk Rehabilitation- Church Street		-	-	-	2,149	-	-	-
Pershing Avenue Sewer Trunk Rehabilitation -Oak Street		-	-	-	-	-	94	1,504
Pilgrim and Union Streets Easement Sanitary Sewer Rehabilitation		-	-	-	40	183	-	-
Quail Lakes Sanitary Sewer Lift Station Upgrade/Rehabilitation		-	-	-	-	-	516	-
Ralph Avenue Sewer Trunk Line Rehabilitation - Phase II		-	-	-	-	-	169	2,756
Regional Wastewater Control Facility	7709	-	2,736	-	-	-	-	-
Regional Wastewater Control Facility - Cogeneration Evaporative Cooling Tower		-	-	415	-	-	-	-
Regional Wastewater Control Facility - Replace Inoperable Isolation Valves at Headworks		-	-	-	120	727	-	-
Regional Wastewater Control Facility 60" River Crossing Forcemain Rehabilitation		-	-	-	-	-	-	268
Regional Wastewater Control Facility Cogeneration Engine No. 3 Rebuild		-	-	-	-	674	-	-
Regional Wastewater Control Facility Digester 5 Mixing Valve Replacement		-	-	877	-	-	-	-
Regional Wastewater Control Facility Dual Electrical Feed		-	-	-	-	-	-	159
Regional Wastewater Control Facility Electrical Switch Gear Upgrades		-	-	291	503	503	503	-
Regional Wastewater Control Facility Main Plant Flood Study		-	-	-	217	-	-	-
Regional Wastewater Control Facility Modifications Project		-	-	-	46,046	48,808	30,858	14,288
Regional Wastewater Control Facility Paving		-	-	378	-	-	-	-
Regional Wastewater Control Facility Pond No. 1 Cleaning		-	-	-	2,120	8,166	-	-
Regional Wastewater Control Facility Stores Relocation		-	-	-	-	-	80	-
Rehabilitate Digesters A & B for Sludge Storage		-	-	454	1,678	1,678	-	-
Sanitary Pump Station Rehabilitation	7785	-	672	-	-	-	-	-
Sanitary Sewer and Forcemain Cathodic Protection Repairs		-	-	-	469	-	-	-
Sanitary Sewer Maintenance Hole Rehabilitation Project		-	-	300	300	300	300	300
Sanitary Sewer Rehabilitation Project		-	-	1,072	-	-	-	-
Sanitary Sewer Street Improvements		-	-	40	13	13	13	13
Sanitary Sewer Trunk Line Rehabilitation Project Navy Drive		-	-	1,588	-	-	-	-
Sanitary System Deficiency Improvements	7787	-	724	-	-	-	-	-
Sanitary System Repair - 437	7702	-	169	-	-	-	-	-
Sanitary System Street Improvements - 437	7790	-	10	-	-	-	-	-
Sierra Nevada Street Sanitary Sewer Line Rehabilitation		-	-	-	166	1,216	-	-
South Tuxedo Avenue Sewer Trunk Rehabilitation		-	-	-	-	-	-	512
Sperry Road/Gibraltar Court Sanitary Sewer Rehabilitation		-	-	-	-	555	4,067	-
Worth Street Sanitary Sewer Line Rehabilitation		-	-	-	790	4,872	-	-
<b>Total Sanitation</b>		-	<b>7,261</b>	<b>12,250</b>	<b>57,792</b>	<b>78,881</b>	<b>45,487</b>	<b>36,615</b>
<b>Stormwater (Drainage)</b>								
Alexandria and 14-Mile Slough Storm Drain Pump Station		-	-	-	-	-	69	412
Bianchi and Calaveras River Storm Station New Sanitary Sewerline Installation		-	-	-	378	-	-	-
Blossom Ranch Storm Drain Pump Station		-	-	-	-	-	-	86
Buena Vista and Smith Canal Storm Drain Pump Station		-	-	-	131	-	-	-
Buena Vista Avenue and Stockton Deep Water Channel Storm Water Pump Station		-	-	-	-	806	3,818	-
Capital Asset Replacements	7792	-	50	-	-	-	-	-
Charter Way and Tillie Lewis Drive Flood Relief		-	-	-	-	-	-	321

**Five Year Capital Improvement Program  
Project List by Category  
2017-2022  
(Dollars in thousands)**

	<b>Project Number</b>	<b>Remaining Appropriation 6/30/16</b>	<b>2016-17 Adopted</b>	<b>2017-18 Adopted</b>	<b>2018-19 Projected</b>	<b>2019-20 Projected</b>	<b>2020-21 Projected</b>	<b>2021-22 Projected</b>
Charter Way and Walnut Plant Storm Drain Pump Station		-	-	-	183	-	-	-
Charter Way Subway Storm Drain Pump Station		-	-	-	103	-	-	-
Discharge Pipe Replacement - San Joaquin River at Hwy 4 Storm Station		-	-	241	-	-	-	-
El Dorado Street Storm Drain Installation		-	-	-	-	-	-	345
Harding Way Subway Storm Drain Pump Station		-	-	225	-	-	-	-
Mission Road Storm Drainage Installation		-	-	-	-	237	-	-
Pump Station Discharge Modification for Pipe Inspections		-	-	-	300	300	-	-
Rose Street Storm Line Upsize		-	-	-	59	239	-	-
Spanos Park West Infiltration Assessment		-	-	-	-	73	-	-
Storm Drain Detention Basins - 447		-	100	-	50	50	50	50
Storm Drain Pump Stations and Force mains Cathodic Protection Repairs - Priority #1 & #2		-	-	220	213	-	-	-
Storm Drainage Watersheds Master Planning		-	-	-	-	-	-	115
Storm Drainage Street Improvements	7989	-	10	-	-	-	-	-
Storm Pump Station Improvements	7783	-	674	-	-	-	-	-
Storm System Street Improvements		-	-	34	10	10	10	10
West Lane and Calaveras River North Storm Station New Sanitary Sewer Line Installation		-	-	-	135	811	-	-
West Lane and Calaveras River South Storm Station New Sanitary Sewer		-	-	-	-	-	135	811
West Lane and Mosher Slough Storm Drain Pump Station		-	-	-	236	-	-	-
Western Pacific Stormwater Pump Station Improvements		-	-	-	50	-	-	-
Weston Ranch Infiltration Assessment		-	-	-	-	79	-	-
Wilson Way Subway Storm Drain Pump Station		-	-	160	-	-	-	-
<b>Total Stormwater (Drainage)</b>		-	<b>834</b>	<b>880</b>	<b>1,848</b>	<b>2,604</b>	<b>4,082</b>	<b>2,150</b>
<b>Water</b>								
Abandonment of Wells 9 and 11		-	-	-	179	-	-	-
16" Water Line Along I-5 North of East Roth Road		-	-	-	-	-	87	637
Abandonment of Well 1 and 16		-	-	-	-	-	198	-
Abandonment of Wells 4 and 7		-	-	44	-	-	-	-
Advanced Metering Infrastructure		-	-	-	-	-	491	3,537
CAT Engine Replacements at Water Wells 20 & SS1		-	-	-	454	-	-	-
Delta Water Treatment Plant - Intake Pumping Facility Repairs	7622	-	500	-	634	-	562	-
Demolition of Walnut Plant		-	-	-	-	150	-	-
Henry Long Loop Reimbursement		-	-	-	-	-	127	-
Holman Road/Hendrix Drive to Eight Mile Oversizing		-	-	-	-	-	212	-
Lower Sacramento Road Water Main between Marlette		-	-	-	-	-	201	-
Northeast Reservoir No. 1 and Pump Station		-	-	-	-	-	558	4,055
Origone Ranch Oversizing Reimbursement		-	-	-	-	-	-	259
Preserve/Atlas Tract Oversizing Reimbursements		-	-	-	-	-	-	485
Sanctuary/Shima Tract Oversizing Reimbursement		-	-	-	-	-	249	1,569
SEWD North-South Aqueducts Connections		-	-	258	1,727	-	-	-
Stockton East Water Interconnect Sodium Hypochlorite System		-	-	-	2,162	-	-	-
Veterans Affairs Medical Facility		-	-	-	384	-	-	-
Water Field Office Remodel - 427		-	-	1,874	-	-	-	-
Water Service Lateral Replacement		-	-	150	150	-	-	-
Water Supply - New Wells - 423	7618	-	300	-	-	-	-	-
Water Supply - Old Wells - 427	7617	-	170	-	-	-	-	-
Water Supply - Well #33 (Pumping Plant Only)		-	-	-	-	-	-	447
Water System Expansion - 427	7601	-	737	-	-	-	-	-
Water System Improvements - 427	7602	-	475	-	-	-	-	-
Water System Street Improvements - 427		-	-	28	10	10	10	10
Water Transmission Mains - 427	7623	-	32	-	-	-	-	-
Water Treatment Equipment - 427	7619	-	200	-	-	-	-	-

**Five Year Capital Improvement Program  
Project List by Category  
2017-2022  
(Dollars in thousands)**

<b>Project Number</b>	<b>Remaining Appropriation 6/30/16</b>	<b>2016-17 Adopted</b>	<b>2017-18 Adopted</b>	<b>2018-19 Projected</b>	<b>2019-20 Projected</b>	<b>2020-21 Projected</b>	<b>2021-22 Projected</b>
Water Well SS#10	-	-	-	223	1,406	-	-
Well/Reservoir Site Improvements	-	-	-	298	75	75	-
West, East and South Bear Creek Oversizing Reimbursements	-	-	-	-	-	1,018	6,410
Westlake Village Oversizing Reimbursement	-	-	-	-	106	-	-
Wolfe and Mathew Roads Water Main	-	-	-	-	337	-	-
Zephyr Road Water Main Connection	-	-	-	73	279	-	-
<b>Total Water</b>	-	<b>2,414</b>	<b>2,354</b>	<b>6,294</b>	<b>2,363</b>	<b>3,789</b>	<b>17,408</b>
<b>Total Municipal Utilities</b>	-	<b>10,509</b>	<b>15,484</b>	<b>65,934</b>	<b>83,849</b>	<b>53,358</b>	<b>56,173</b>
<b>Grand Total</b>	<b>36,589</b>	<b>28,543</b>	<b>36,692</b>	<b>87,700</b>	<b>103,789</b>	<b>101,998</b>	<b>390,190</b>



## TAB 14      INTERNAL SERVICE FUNDS



## INTERNAL SERVICE FUNDS

### MISSION STATEMENT

Internal Service Funds are used to report the centralized financing of goods and services provided by one department on a cost reimbursement basis. The City of Stockton uses internal service funds for the central administration of insurance, equipment replacement, and computer services.

### Budget at a Glance:

Total Expenditures	\$142,246,030
Total Revenues	\$137,846,568
Total Net Cost	\$4,399,462

### DEPARTMENT DESCRIPTION

The City has internal service funds (ISF) for equipment, risk management, and employee benefits funding. City departments pay into these funds as part of their annual budgets and receive services from the funds. Approximately 75% of ISF expenditures are related to the City's insurance and other benefits costs, while the remainder is related to equipment services. The City's ISFs are as follows:

**Equipment:** Fleet Services, Computer Equipment, Radio Equipment, Telephone Equipment, and Office Equipment.

**Insurance Benefits:** General Insurance; Workers Compensation; Health Insurance; Unemployment; Long Term Disability, Life Insurance and Accidental Death and Dismemberment; Retirement; and Compensated Absence.

### KEY CONSIDERATIONS

The City continues to make significant progress towards replacing critical equipment including public safety radios, mobile data computers, dispatch consoles, vehicles, and telephones. The City has set aside an additional \$1.6 million in FY 2017-18 toward the replacement of its 25-year old financial system.

During the course of developing each fund's allocation rates, an evaluation has been done in the proposed budget and modifications have been made to the methodology used to determine and distribute rates, in addition to evaluation of the costs associated with each fund. Over the last few years, the methodologies for Equipment-type of ISFs were improved to follow consistent and logical calculations while eliminating duplications. Methodologies continue to be evaluated and refinements made in determining appropriate ISF rates for equipment maintenance and replacements.

**The Computer Equipment ISF** is managed by the Information Technology Department. This department is continuing operational improvements that will enhance service provided through the computer and radio ISFs. As technology evolves and platforms merge, it is evident that telephones used in standard office operations are now more computerized than mechanized. Telephones used throughout the City are being tracked in the Computer Equipment ISF instead of the Telephone Equipment ISF. This enables those with technical expertise to evaluate and standardize computer-driven tools used throughout the City in a more efficient and cost-effective manner. The City plans to replace its current on premise Voice over Internet Protocol (VoIP) phone system with a hosted cloud-based solution.



## INTERNAL SERVICE FUNDS

**The Radio Equipment ISF** continues to allocate substantial resources towards equipment replacement, including public safety radios and dispatch consoles. Approximately \$1.9 million was allocated in FY 2016-17, and the FY 2017-18 Budget includes \$1.7 million for additional radio replacements. Several years ago, the City completed a comprehensive inventory of radios that determined the need to replace more than 800 radios at nearly \$6 million. These efforts are anticipated to be completed in FY 2017-18. The support infrastructure necessary for the radio system is still being evaluated to determine the most cost-effective approach toward a regional radio solution.

**The Office Equipment ISF** continues to be managed by the Administrative Services Department, however copiers and printers for department use citywide have been transferred to the Computer Equipment ISF fund.

**The City's General Liability and Workers' Compensation ISFs** had been underfunded for years and had accumulated approximately \$48.9 million in unfunded liabilities at June 30, 2012. The most recent actuarial report indicates that, as of June 30, 2016, the General Liability ISF is in a positive financial position and the unfunded liability in the Worker's Compensation program decreased by roughly 32.6%, or \$10.0 million, as compared to the previous year. Workers' Compensation rates are set in FY 2017-18 to fund the current need and the City will continue to make efforts to address the unfunded liability. General Liability rates remain unchanged in an effort to stabilize the fund and provide for additional claim costs, which are increasing by approximately 48% primarily due to a back log in litigation activity.

**Healthcare insurance costs in the Health Benefits ISF** are anticipated to decrease as a result of favorable active employee medical claims experience, reduced prescription drug costs, and the addition of two medical plans. Projected medical premiums will go down approximately 6% for the self-funded plan and by less than 1% for both Kaiser plans in FY 2017-18. Rates for the Sutter plan are basically flat. Dental plan rates are decreasing by approximately 3.3% and Vision plan rates are increasing by approximately 8.8%.

**Unemployment costs** continue to be fairly level. The ending fund balance projected in this fund is considered large enough to cover future claims, so annual rates remain largely flat.

**The City of Stockton contracts with the California Public Employees' Retirement System** for defined retirement benefits to its employees. Retirement rates will be going up again in FY 2017-18 as expected. As a percentage of payroll, both Safety and Miscellaneous employer rates are going up by three percentage points in FY 2017-18, to 52.5% and 26.8% respectively.



**Internal Service Funds  
FY 2017-18 Adopted Budget**

	<b>Fleet Services 501</b>	<b>Computer Equipment 502</b>	<b>Radio Equipment 503</b>	<b>Telephone Equipment 504</b>	<b>Office Equipment Printing/Mailing 505</b>
	<i>See Page N-10</i>	<i>See Page N-14</i>	<i>See Page N-17</i>	<i>See Page N-19</i>	<i>See Page N-21</i>
<b>Beginning Available Balance</b>	<b>\$ 1,768,130</b>	<b>\$ 9,639,302</b>	<b>\$ 951,347</b>	<b>\$ 2,404,952</b>	<b>\$ 1,322,390</b>
<b>Revenues</b>					
Charge for Services					
Police	4,709,662	6,204,845	1,201,785	-	-
Fire	2,416,875	1,175,371	558,337	-	-
Other General Fund	653,830	1,621,368	2,866	-	-
Other Funds	4,127,314	6,163,737	183,515	-	-
	11,907,681	15,165,321	1,946,503	-	-
Refunds & Reimbursements	105,000	60,000	-	-	333,500
Investment Interest	26,250	-	-	-	10,000
	<b>12,038,931</b>	<b>15,225,321</b>	<b>1,946,503</b>	<b>-</b>	<b>343,500</b>
<b>Expenditures</b>					
General & Administrative	2,330,850	2,222,706	-	-	-
Operations & Maintenance	4,562,380	10,890,988	893,366	-	416,849
Equipment Replacements	4,650,705	2,263,665	1,727,754	-	-
Debt Service	782,937	-	-	-	-
Claims	-	-	-	-	-
Excess Insurance Premium	-	-	-	-	-
Third Party Administrator	-	-	-	-	-
Pension contributions to CalPERS	-	-	-	-	-
Employee leave balance payoffs	-	-	-	-	-
	<b>12,326,872</b>	<b>15,377,359</b>	<b>2,621,120</b>	<b>-</b>	<b>416,849</b>
<b>Transfers</b>					
Transfer In	-	2,404,952	700,000	-	-
Transfer Out	(382,000)	-	-	(2,404,952)	-
	<b>(382,000)</b>	<b>2,404,952</b>	<b>700,000</b>	<b>(2,404,952)</b>	<b>-</b>
<b>Net Annual Activity</b>	<b>(669,941)</b>	<b>2,252,914</b>	<b>25,383</b>	<b>(2,404,952)</b>	<b>(73,349)</b>
<b>Ending Available Balance</b>	<b>\$ 1,098,189</b>	<b>\$ 11,892,216</b>	<b>\$ 976,730</b>	<b>\$ -</b>	<b>\$ 1,249,041</b>
	-	-	-	-	-

**Internal Service Funds, Continued  
FY 2017-18 Adopted Budget**

	<b>General Insurance 541</b>	<b>Workers' Compensation 551</b>	<b>Health Insurance 552</b>	<b>Unemployment 556</b>
	<i>See Page N-24</i>	<i>See Page N-25</i>	<i>See Page N-27</i>	<i>See Page N-29</i>
<b>Beginning Available Balance</b>	<b>\$ 7,441,048</b>	<b>\$ (14,513,591)</b>	<b>\$ 13,881,745</b>	<b>\$ 756,524</b>
<b>Revenues</b>				
Charge for Services				
Police	2,707,000	4,126,000	7,455,472	49,000
Fire	909,000	2,128,000	1,800,871	20,000
Other General Fund	455,000	359,000	1,558,860	10,000
Other Funds	2,181,000	3,637,000	7,444,394	60,000
	<u>6,252,000</u>	<u>10,250,000</u>	<u>18,259,597</u>	<u>139,000</u>
Refunds & Reimbursements	349,500	850,000	3,693,768	-
Investment Interest	100,000	280,000	100,000	12,000
	<u><b>6,701,500</b></u>	<u><b>11,380,000</b></u>	<u><b>22,053,365</b></u>	<u><b>151,000</b></u>
<b>Expenditures</b>				
General & Administrative	1,378,350	744,345	1,190,959	-
Operations & Maintenance	911,634	348,500	-	-
Equipment Replacements	-	-	-	-
Debt Service	-	-	-	-
Claims	4,777,250	8,520,500	22,340,027	175,000
Excess Insurance Premium	1,150,000	983,000	-	-
Third Party Administrator	-	746,000	146,483	-
Pension contributions to CalPERS	-	-	-	-
Employee leave balance payoffs	-	-	-	-
	<u><b>8,217,234</b></u>	<u><b>11,342,345</b></u>	<u><b>23,677,469</b></u>	<u><b>175,000</b></u>
<b>Transfers</b>				
Transfer In	-	-	-	-
Transfer Out	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Net Annual Activity</b>	<u><b>(1,515,734)</b></u>	<u><b>37,655</b></u>	<u><b>(1,624,104)</b></u>	<u><b>(24,000)</b></u>
<b>Ending Available Balance</b>	<u><b>\$ 5,925,314</b></u>	<u><b>\$ (14,475,936)</b></u>	<u><b>\$ 12,257,641</b></u>	<u><b>\$ 732,524</b></u>
	-	-	-	-

**Internal Service Funds, Continued  
FY 2017-18 Adopted Budget**

	<b>Long Term Disability &amp; Life 557</b>	<b>Retirement 561</b>	<b>Compensated Absences 562</b>	<b>Internal Service Total</b>
	<i>See Page N-31</i>	<i>See Page N-33</i>	<i>See Page N-35</i>	
<b>Beginning Available Balance</b>	<b>\$ 118,073</b>	<b>\$ 2,478,042</b>	<b>\$ 1,684,097</b>	<b>\$ 27,932,059</b>
<b>Revenues</b>				
Charge for Services				
Police	146,446	25,926,504	367,823	52,894,537
Fire	16,747	8,395,696	105,627	17,526,524
Other General Fund	76,662	2,948,119	91,351	7,777,056
Other Funds	327,991	15,366,344	336,067	39,827,362
	<u>567,846</u>	<u>52,636,663</u>	<u>900,868</u>	<u>118,025,479</u>
Refunds & Reimbursements	-	10,764,619	-	16,156,387
Investment Interest	1,500	10,000	20,000	559,750
	<u><b>569,346</b></u>	<u><b>63,411,282</b></u>	<u><b>920,868</b></u>	<u><b>134,741,616</b></u>
<b>Expenditures</b>				
General & Administrative	-	34,621	-	7,901,831
Operations & Maintenance	-	-	-	18,023,717
Equipment Replacements	-	-	-	8,642,124
Debt Service	-	-	-	782,937
Claims	-	-	-	35,812,777
Excess Insurance Premium	567,928	-	-	2,700,928
Third Party Administrator	-	-	-	892,483
Pension contributions to CalPERS	-	63,395,281	-	63,395,281
Employee leave balance payoffs	-	-	1,307,000	1,307,000
	<u><b>567,928</b></u>	<u><b>63,429,902</b></u>	<u><b>1,307,000</b></u>	<u><b>139,459,078</b></u>
<b>Transfers</b>				
Transfer In	-	-	-	3,104,952
Transfer Out	-	-	-	(2,786,952)
	<u>-</u>	<u>-</u>	<u>-</u>	<u><b>318,000</b></u>
<b>Net Annual Activity</b>	<u><b>1,418</b></u>	<u><b>(18,620)</b></u>	<u><b>(386,132)</b></u>	<u><b>(4,399,462)</b></u>
<b>Ending Available Balance</b>	<u><b>\$ 119,491</b></u>	<u><b>\$ 2,459,422</b></u>	<u><b>\$ 1,297,965</b></u>	<u><b>\$ 23,532,597</b></u>
	-	-	-	-
			Revenues	\$ 134,741,616
			Transfers	3,104,952
			Total Sources	<u><b>\$ 137,846,568</b></u>
			Expenditures	\$ 139,459,078
			Transfers	2,786,952
			Total Appropriations	<u><b>\$ 142,246,030</b></u>



## **INTERNAL SERVICE FUNDS**

### **FLEET SERVICES FUND (501)**

#### **History**

- The Fleet Internal Service Fund is managed by Public Works and is responsible for maintaining and replacing the City's fleet of vehicles and major equipment.
- Departments are charged monthly rental rates to finance operations and vehicle replacements.
- Maintenance activities performed either by City staff or outside vendors include: preventive maintenance inspections, complete mechanical repairs, and specialized auto body work.
- Cash replacement reserves have ranged from \$1 to \$5 million over the past ten years.

#### **FY 2016-17 Events**

- Purchased and outfitted 50 Ford Police Interceptor utility vehicles, which replaced 25 discontinued Ford Crown Victoria models and added 25 units. The procurement included specifying, bidding, and contracting with the vehicle outfitter to install specialized equipment.
- Purchased 25 police administrative sedans including 10 additional units to support the Marshall Plan funded by the Measure A sales transactions and use tax.
- Purchased 14 ½-ton to Heavy Duty-class trucks for the Municipal Utility Department, Public Works, and Animal Services.
- Purchased 11 ¼-ton pickup trucks for the Community Development Department, Public Works, and Neighborhood Services.
- Purchased 7 vans for the Police Department, City Manager's Office, and Public Works.
- Purchased a Hydro-Vac Sewer Cleaner truck for the Municipal Utilities Department.
- Purchased a custom-designed community service outreach vehicle to be used as a "Mobile City Hall" at public events.
- Leased 1 new ladder truck and 2 new engines for the Fire Department.
- Provided preventative maintenance and repairs
- Completed overhaul of the Pixy Woods locomotive.
- Provided 26 training sessions to mechanics.
- Purchased new tools to increase fabrication efficacy, reduce out sourcing, and partner with City's sign shop to lower costs.
- Responded to fires to provide mechanical support to the fireman.

#### **FY 2017-18 Budget Changes**

- Replacement Schedule
  - The FY 2017-18 Annual Budget provides for continued equipment replacement, with lease and buyback payments for fire apparatus being made out of a separate line item in the Fleet budget.

## INTERNAL SERVICE FUNDS

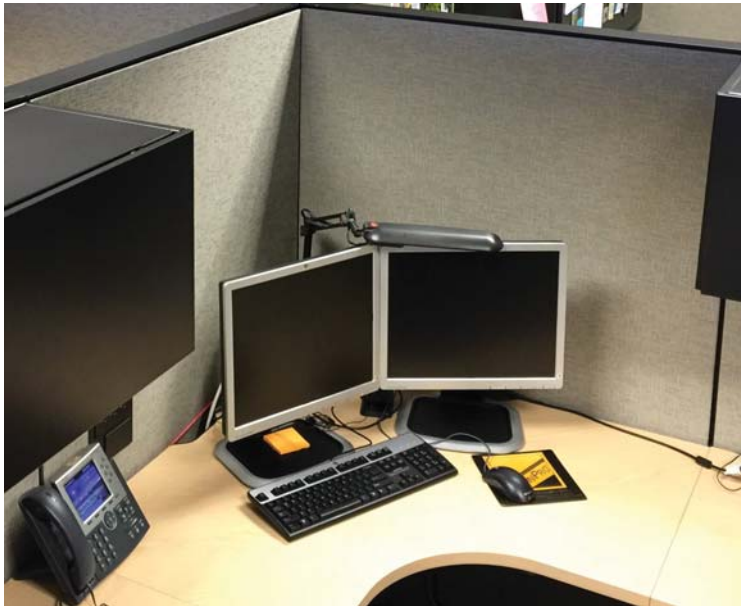
### FLEET SERVICES FUND (501) (CONT.)

- o Continued progress towards vehicle replacement backlog including: police interceptor, animal services, evidence technician, community service officer, and administrative sedan vehicles.
- o Development of a long-term sustainable replacement plan for all major equipment continues in partnership with departments.
- Operations and Utilization Analysis – In an ongoing effort to review and improve fleet operations and vehicle/equipment utilization as recommended by the adopted Management Partners study, fleet parts procurement services will continue to be evaluated through a proposal process to provide set pricing and delivery criteria . As part of the implementation process of the computerized maintenance management system, operational procedures and data collection will be evaluated to improve overall asset management.
- Technology Projects – In addition to the implementation of the computerized maintenance management system, the Information Technology Capital Plan included the replacement of the fuel management system. Procurement funded by the Fleet ISF was completed in FY 2016-17 and the new system will be fully implemented in FY 2017-18.
- The calculation methodology for program contribution rates continues to be evaluated and refined.
  - o FY 2017-18 Fleet operations and maintenance rates are based on mechanic work The hours for maintenance and repair on the vehicles and equipment maintained in the citywide fleet inventory. Costs are allocated based on the averaged amount of time spent maintaining vehicles and equipment in each of the respective class categories. Departments are charged an annualized rate for each assigned vehicle.
  - o Vehicle replacement rates have been determined by amortizing each vehicle's estimated replacement cost over its estimated replacement life. Over the last few years, the details used in this methodology have been evaluated and refined to standardize equipment classifications and set replacement lives at industry standards.
  - o Pooled vehicles used for occasional special purposes, and when not associated with assigned vehicles, are charged at the time of use.
  - o Fuel costs are charged directly to the user based on actual use. The budgets are developed based on prior year actual gallon usage multiplied by the projected price per gallon which currently is approximately \$2.40 for both gasoline and diesel.
- Annual Activity and ending balance – The Fleet ISF ending available fund balance covers emergency equipment purchases and includes accumulation of contributions for replacement of vehicles and equipment. Although efforts are being made to replace vehicles that are past their replacement lives, this fund balance is still insufficient and decreasing each year.



**Internal Service Funds  
Fleet Services - 501  
FY 2017-18 Adopted Budget**

	<b>FY 2014-15</b>	<b>FY 2015-16</b>	<b>FY 2016-17</b>	<b>FY 2017-18</b>
	<b>Actual</b>	<b>Actual</b>	<b>Projected</b>	<b>Adopted Budget</b>
<b>Beginning Available Balance</b>	<b>\$ 4,143,299</b>	<b>\$ 4,243,982</b>	<b>\$ 4,971,750</b>	<b>\$ 1,768,130</b>
<b>Revenues</b>				
Charge for Services				
Police	4,050,537	4,652,411	5,058,677	4,709,662
Fire	1,710,426	2,071,139	2,214,155	2,416,875
Other General Fund	470,286	390,880	427,602	653,830
Other Funds	3,189,485	2,593,799	2,860,812	4,127,314
	9,420,734	9,708,229	10,561,246	11,907,681
Refunds & Reimbursements	100,000	2,000,000	-	-
Sale of Assets	142,382	200,566	290,000	105,000
Interest	41,409	88,083	24,000	26,250
	<b>9,704,525</b>	<b>11,996,878</b>	<b>10,875,246</b>	<b>12,038,931</b>
<b>Expenditures</b>				
Operations & Maintenance	4,139,312	3,953,191	4,319,182	4,562,380
Fuel	1,562,498	1,216,564	1,425,452	1,650,705
General & Administrative	1,463,260	1,561,706	2,075,647	2,330,850
Debt Service	292,379	340,967	555,739	782,937
Replacements	2,146,393	4,196,682	5,264,846	3,000,000
	<b>9,603,842</b>	<b>11,269,110</b>	<b>13,640,866</b>	<b>12,326,872</b>
<b>Transfers</b>				
Transfer In	-	-	-	-
Transfer Out	-	-	(438,000)	(382,000)
	<b>-</b>	<b>-</b>	<b>(438,000)</b>	<b>(382,000)</b>
<b>Net Annual Activity</b>	<b>100,683</b>	<b>727,768</b>	<b>(3,203,620)</b>	<b>(669,941)</b>
<b>Ending Available Balance</b>	<b>\$ 4,243,982</b>	<b>\$ 4,971,750</b>	<b>\$ 1,768,130</b>	<b>\$ 1,098,189</b>
<b>Available Balance Calculation</b>				
Current Assets		\$ 5,986,887		
Current Liabilities		(1,015,137)		
Encumbrances		-		
Ending Available Balance		<b>\$ 4,971,750</b>		



## INTERNAL SERVICE FUNDS

### COMPUTER EQUIPMENT FUND (502)

#### History

- The Computer Equipment internal service fund supports computers, multi-functional copiers, application systems, and network connectivity.
- Supports Information Technology (IT) Governance for City of Stockton.
- Provides IT consulting services to departments.
- Manages the implementation of the IT Capital Plan (ITCP).

#### FY 2016-17 Events

- Completed SunGard, Enterprise Resource Planning (ERP) system, migration and upgrade.
- Completed ERP Gap Analysis.
- Implemented new ERP Division and hired an IT Technology Officer to provide oversight of the planning and technical operations for the City's ERP project.
- Upgraded Tiburon Computer-Aided Dispatch and Record Management System (CAD/RMS) for Police Department.
- Installed mobile data computers for Police Department.
- Initiated and completed Windows 7 upgrades for approximately 1,500 City computers and laptops followed by Windows 10 updates to 40% of City computers.
- Participated in Countywide Fire Dispatch Joint Power Authority (JPA) planning; assisted Fire in the purchase of CAD Module; and facilitated communication between Fire and Stockton Police.
- Upgraded citywide internet speed (100M to 1GB).
- Increased bandwidth for libraries (300MB to 500MB) and fire stations (1.5MB to 100MB).
- Launched Internship Program within IT and developed partnership with the University of the Pacific.
- Completed refresh of Citywide Multifunction Copier Program.
- Assisted with department moves to 400 East Main Street building.
- Participated in City Health and Benefits Fair.
- Developed Data Center upgrade strategy to include a focus on cloud services.
- Hired IT Security Officer.
- Provided training in core software applications (39 classes) including Intro to Office 365 and Outlook, SharePoint, 2010/2013 Microsoft Word, Excel, PowerPoint, Project and Visio.

## INTERNAL SERVICE FUNDS

### COMPUTER EQUIPMENT FUND (502) (CONT.)

#### **FY 2017-18 Budget Changes**

- Significant efforts currently managed by the IT Department are related to the Information Technology capital projects. The current technology related capital projects are as follows:
  - o Complete assessment and award contract for replacement of the existing ERP solution.
  - o Develop long term cloud-based backup solution.
  - o Continue to explore cloud-based solutions to reduce Data Center footprint (servers).
  - o Restructure and provide additional Microsoft software licenses and cloud services.
  - o Redesign the City's internet landing page and Police Department homepage on a SharePoint platform as phase one of a complete website redesign.
- The telephone equipment fund will be eliminated in FY 2017-18 and expenditures reclassified to the Computer Equipment internal service fund.

**Internal Service Funds**  
**Computer Equipment Internal Service - 502**  
**FY 2017-18 Adopted Budget**

	<b>FY 2014-15</b>	<b>FY 2015-16</b>	<b>FY 2016-17</b>	<b>FY 2017-18</b>
	<b>Actual</b>	<b>Actual</b>	<b>Projected</b>	<b>Adopted Budget</b>
<b>Beginning Available Balance</b>	<b>\$ 9,621,263</b>	<b>\$ 17,575,999</b>	<b>\$ 8,685,375</b>	<b>\$ 9,639,302</b>
<b>Revenues</b>				
Charges for services				
Police	5,512,098	5,357,313	5,338,180	6,204,845
Fire	709,348	771,719	919,100	1,175,371
Other General Fund	1,103,291	1,242,217	1,451,961	1,621,368
Other Funds	3,467,304	3,813,548	4,171,371	6,163,737
Refunds & Reimbursements	120,166	346,704	61,914	60,000
	<b>10,912,207</b>	<b>11,531,501</b>	<b>11,942,526</b>	<b>15,225,321</b>
<b>Expenditures</b>				
Computer Maintenance	2,328,728	2,421,689	4,103,785	4,057,117
IT Administration	1,700,952	1,574,426	1,631,634	1,180,409
Enterprise Applications	1,466,085	1,556,228	1,315,739	2,016,676
Telephone	-	-	-	783,611
Enterprise Resource Planning (ERP)	-	-	-	1,648,990
Enterprise Portfolio Management Office	-	-	-	1,042,297
Maintenance	1,551,030	1,602,952	2,094,141	2,384,594
Replacements	193,785	1,205,476	1,842,220	2,263,665
New equipment	87,534	20,829	1,080	-
Capital Projects	865,357	1,070,801	-	-
	<b>8,193,471</b>	<b>9,452,401</b>	<b>10,988,599</b>	<b>15,377,359</b>
<b>Transfers</b>				
Transfer In - General Fund	5,236,000	1,035,000	-	2,404,952
Transfer Out	-	-	-	-
	<b>5,236,000</b>	<b>1,035,000</b>	<b>-</b>	<b>2,404,952</b>
<b>Net Annual Activity</b>	<b>7,954,736</b>	<b>3,114,100</b>	<b>953,927</b>	<b>2,252,914</b>
<b>Ending Available Balance</b>	<b>\$ 17,575,999</b>	<b>\$ 20,690,099</b>	<b>\$ 9,639,302</b>	<b>\$ 11,892,216</b>
<b>Available Balance Calculation</b>				
Current Assets		\$ 21,084,505		
Current Liabilities		(394,406)		
Encumbrances		-		
Capital Projects		(12,004,724)		
Ending Available Balance		<b>\$ 8,685,375</b>		



## INTERNAL SERVICE FUNDS

### RADIO EQUIPMENT FUND (503)

#### History

- The Radio Equipment fund supports mission critical radio, information, and hardware systems for Fire, Municipal Utilities, Public Works and Police Department.

#### FY 2016-17 Events

- Completed new Stockton Courthouse radio coverage assessment.
- Replaced portable and mobile radios for Police and Fire departments (portable 148 and 106; mobile 60 and 42 respectively).
- Purchased 79 mobile data computers.
- Hired a consultant to provide an assessment of the City's radio infrastructure system and San Joaquin County's Trunk System. The assessment will include a recommendation for further improvements to the City's radio systems.

#### FY 2017-18 Budget Changes

- Replacement Schedule:
  - Continuing plans developed in FY 2015-16 to upgrade and modernize the Public Safety radio system infrastructure. The goal is to develop interoperability with other Public Safety agencies throughout the County by participating in San Joaquin County's Radio trunk system. A consultant was hired to review plans, evaluate the current radio infrastructure and make a recommendation on how to move forward.
  - The plan developed calls for installing Fire radio dispatch consoles. As part of the console replacement, the plan also prepares the City to join the County trunk system.
  - Replacement strategies call for multi-year purchases and prioritization of all hardware, software, and services for the radio system infrastructure. Spreading the costs and prioritizing the replacement over multiple budget years helps with long-range financial planning.
  - Completion of three-year plan to replace all aged public safety radios.
  - Replacing eight dispatch consoles at the main Police Dispatch Center. This equipment will reach end-of-life manufacturer support in December 2018.

**Internal Service Funds**  
**Radio Equipment Internal Service - 503**  
**FY 2017-18 Adopted Budget**

	FY 2014-15	FY 2015-16	FY 2016-17	FY 2017-18
	Actual	Actual	Projected	Adopted Budget
<b>Beginning Available Balance</b>	<b>\$ 769,280</b>	<b>\$ 1,839,019</b>	<b>\$ 2,080,380</b>	<b>\$ 951,347</b>
<b>Revenues</b>				
Charges for services				
Police	706,321	971,220	999,693	1,201,785
Fire	342,964	479,140	488,096	558,337
Other General Fund	-	-	2,695	2,866
Other Funds	94,135	148,179	148,277	183,515
	<b>1,143,420</b>	<b>1,598,539</b>	<b>1,638,761</b>	<b>1,946,503</b>
<b>Expenditures</b>				
Operations & Maintenance	641,878	591,864	892,854	893,366
Replacements	431,803	765,314	1,874,940	1,727,754
	<b>1,073,681</b>	<b>1,357,178</b>	<b>2,767,794</b>	<b>2,621,120</b>
New Projects				
Equipment Replacement				
	<b>1,073,681</b>	<b>1,357,178</b>	<b>2,767,794</b>	<b>2,621,120</b>
<b>Transfers</b>				
Transfer In - General Fund	1,000,000	-	-	700,000
Transfer Out	-	-	-	-
	<b>1,000,000</b>	<b>-</b>	<b>-</b>	<b>700,000</b>
<b>Net Annual Activity</b>	<b>1,069,739</b>	<b>241,361</b>	<b>(1,129,033)</b>	<b>25,383</b>
<b>Ending Available Balance</b>	<b>\$ 1,839,019</b>	<b>\$ 2,080,380</b>	<b>\$ 951,347</b>	<b>\$ 976,730</b>
<b>Available Balance Calculation</b>				
Current Assets		\$ 2,121,520		
Current Liabilities		(41,140)		
Encumbrances				
Ending Available Balance		<b>\$ 2,080,380</b>		



## **INTERNAL SERVICE FUNDS**

### **TELEPHONE EQUIPMENT FUND (504)**

#### **History**

- The Telephone Equipment internal service fund supports telecommunications for the City of Stockton. This includes Voice over Internet Protocol (VoIP) and Centrex phone systems, data lines, and mobile support services for the entire city.
- The current VoIP system was paid in full on August 1, 2014.
- This fund also supports employee services and integration of all telecommunication services.

#### **FY 2016-17 Events**

- The City reviewed and researched hosted, cloud based solutions to replace the on-premise VoIP telephone system.

#### **FY 2017-18 Budget Changes**

- The telephone equipment fund will be eliminated in FY 2017-18 and consolidated with the Computer Equipment internal service fund.

**Internal Service Funds**  
**Telephone Equipment Internal Service - 504**  
**FY 2017-18 Adopted Budget**

	<b>FY 2014-15</b>	<b>FY 2015-16</b>	<b>FY 2016-17</b>	<b>FY 2017-18 Adopted Budget</b>
	<b>Actual</b>	<b>Actual</b>	<b>Projected</b>	
<b>Beginning Available Balance</b>	<b>\$ 1,146,591</b>	<b>\$ 1,288,330</b>	<b>\$ 1,992,109</b>	<b>\$ 2,404,952</b>
<b>Revenues</b>				
Charge for Services				
Police	498,352	497,552	523,730	-
Fire	79,822	79,822	68,264	-
Other General Fund	241,161	267,822	258,508	-
Other Funds	646,761	633,043	633,043	-
Interest	7,167	32,453	32,000	-
Reimbursements	2,992	-	-	-
	<b>1,476,255</b>	<b>1,510,692</b>	<b>1,515,545</b>	<b>-</b>
<b>Expenditures</b>				
Operations & Maintenance	993,500	801,554	872,702	-
Replacements	16,016	5,359	230,000	-
Principal	310,663	-	-	-
Interest Expense	14,337	-	-	-
	<b>1,334,516</b>	<b>806,913</b>	<b>1,102,702</b>	<b>-</b>
<b>Transfers</b>				
Transfer In	-	-	-	-
Transfer Out - Technology 502	-	-	-	(2,404,952)
	<b>-</b>	<b>-</b>	<b>-</b>	<b>(2,404,952)</b>
<b>Net Annual Activity</b>	<b>141,739</b>	<b>703,779</b>	<b>412,843</b>	<b>(2,404,952)</b>
<b>Ending Available Balance</b>	<b>\$ 1,288,330</b>	<b>\$ 1,992,109</b>	<b>\$ 2,404,952</b>	<b>\$ -</b>
<b>Available Balance Calculation</b>				
Current Assets		\$ 2,019,003		
Current Liabilities		(26,894)		
Encumbrances		-		
Ending Available Balance		<b>\$ 1,992,109</b>		

## **INTERNAL SERVICE FUNDS**

### **OFFICE EQUIPMENT FUND (505) DUPLICATING, PRINTING & MAILING**

#### **History**

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

#### **FY 2016-17 Events**

- Transitioned department copier systems to the Information Technology Department for coordinated administration of copier, printers, desktop computers and other technology devices used throughout City departments.
- Evaluated and upgraded reprographics equipment in preparation of downsizing space available for operations.

#### **FY 2017-18 Budget Changes**

- Rates charged to departments for copiers have transitioned to the Information Technology Computer Equipment Fund. There will be no charges for Office Equipment replacement or overhead in FY 2017-18 as the remaining inventory replacements can be funded from available fund balance. The fund will continue to collect fees for printing and mailroom services.

**Internal Service Funds**  
**Office Equipment Internal Service - 505**  
**FY 2017-18 Adopted Budget**

	<b>FY 2014-15</b>	<b>FY 2015-16</b>	<b>FY 2016-17</b>	<b>FY 2017-18</b>
	<b>Actual</b>	<b>Actual</b>	<b>Projected</b>	<b>Adopted Budget</b>
<b>Beginning Available Balance</b>	<b>\$ 758,954</b>	<b>\$ 960,902</b>	<b>\$ 1,270,301</b>	<b>\$ 1,322,390</b>
<b>Revenues</b>				
Charges for Equipment				
Police	72,415	41,459	7,813	-
Other General Fund	56,135	95,439	29,431	-
Other Funds	186,707	207,040	30,338	-
Printing & Mailroom	360,562	386,067	333,500	333,500
Investment Income	6,874	20,403	14,218	10,000
	<b>682,693</b>	<b>750,408</b>	<b>415,300</b>	<b>343,500</b>
<b>Expenditures</b>				
Operations & Maintenance	463,711	437,476	360,785	416,849
Replacements	17,034	3,533	2,426	-
	<b>480,745</b>	<b>441,009</b>	<b>363,211</b>	<b>416,849</b>
<b>Transfers</b>				
Transfer In	-	-	-	-
Transfer Out	-	-	-	-
	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net Annual Activity</b>	<b>201,948</b>	<b>309,399</b>	<b>52,089</b>	<b>(73,349)</b>
<b>Ending Available Balance</b>	<b>\$ 960,902</b>	<b>\$ 1,270,301</b>	<b>\$ 1,322,390</b>	<b>\$ 1,249,041</b>
<b>Available Balance Calculation</b>				
Current Assets		\$ 1,301,957		
Current Liabilities		(31,656)		
Encumbrances		-		
Ending Available Balance		<b>\$ 1,270,301</b>		

## INTERNAL SERVICE FUNDS

### RISK SERVICES – GENERAL LIABILITY FUND (541) AND WORKERS' COMPENSATION FUND (551)

#### History

- The Risk Services Division is responsible for protecting the City's resources and limiting its liability exposure. Contract monitoring, inventory lists, and insurance cover review is a vital part of ensuring that assets are well documented and accurately valued, exposure is limited and risk is transferred appropriately.
- Risk Services also includes Workers' Compensation and Safety Program components working to reduce costs associated with illness and injury sustained by City employees.
- Risk Services recovers monies from third parties who damage City property and for law enforcement activities.

#### FY 2016-17 Events

- Implemented safety inspections within city departments and facilities. Of the 50 inspections completed, the City averaged a positive score of 64%.
- Current citywide department safety policies were reviewed, revised, and constructed to meet the Division of Occupational Safety and Health Administration (Cal OSHA) guidelines. The Heat Illness Prevention Plans, Lockout-Tagout safety procedure, Confined Space, Respiratory Program, Personal Protective Equipment, Hazardous Energy Control as well as Emergency Action Plans within various departments were all reviewed and updated to ensure compliance with Cal OSHA guidelines.
- Completed over 100 individual ergonomic inspections and facilitated four department-wide ergonomic training presentations. The assessments identify posture and equipment-related deficiencies at employee work stations in an effort to reduce workplace injuries.
- Initiated a citywide defensive driver training program. The online drivers training program was implemented for all employees that were listed on the Employee Pull Notice program. The program allows the City to monitor Department of Motor Vehicles records of employees who drive on behalf of the City.
- Worked with various City departments to recover funds related to restitution fees and property damage caused by third parties. Collected over \$212,000 in subrogation and restitution revenue during FY 2016-17.
- Conducted detailed audits and updated property and auto insurance lists to ensure accurate coverages and premium evaluations. Coordinated with various departments on insurance consultation services for over 9,000 city contracts, special events, and requisition insurance approvals.
- Received and investigated over 250 liability claims that were submitted to the City by claimants seeking damages due to a cause of action for injury to a person or personal property.
- Continued to aggressively work with the City's Workers' Compensation Third Party Administrator to close eligible cases, thereby eliminating future medical and ongoing reserve costs.

## INTERNAL SERVICE FUNDS

### **RISK SERVICES – GENERAL LIABILITY FUND (541) AND WORKERS' COMPENSATION FUND (551) (CONT.)**

- The most recent actuary report based on program claims experience as of June 30, 2016, indicated that the unfunded liability in the workers' compensation program decreased by roughly 32.6%, or \$10.0 million, from the previous fiscal year.

#### **FY 2017-18 Budget Changes**

- Human Resources staff continues to work with the Budget Office to evaluate and refine the allocation methodology used to calculate the risk rates for departments.
- Workers' Compensation Internal Service Fund rates will decrease in FY 2017-18 to adjust for positive claims experience and reduce the amount collected toward the unfunded liability.
- General Liability Internal Service Fund rates remain unchanged to provide stability in the fund and fund an increase in claims costs.
- General Liability expenses are increasing 48% mainly due to increased litigation costs from a backlog of legal cases.
- Excess Insurance purchased from third-party agencies will increase for both Workers' Compensation and General Liability.

**Internal Service Funds**  
**General Liability Insurance - 541**  
**FY 2017-18 Adopted Budget**

	FY 2014-15	FY 2015-16	FY 2016-17	FY 2017-18
	Actual	Actual	Projected	Adopted Budget
<b>Beginning Available Balance</b>	<b>\$ (964,115)</b>	<b>\$ 4,598,785</b>	<b>\$ 7,318,178</b>	<b>\$ 7,441,048</b>
<b>Revenues</b>				
Charge for Services				
Police	2,112,195	2,388,993	2,628,621	2,707,000
Fire	911,702	1,087,612	882,689	909,000
Other General Fund	356,988	393,424	441,660	455,000
Other Funds	2,138,412	1,924,643	2,117,030	2,181,000
Reimbursement	2,343,111	525,086	349,500	349,500
Investment Interest	101,581	253,290	90,000	100,000
	<b>7,963,989</b>	<b>6,573,048</b>	<b>6,509,500</b>	<b>6,701,500</b>
<b>Expenditures</b>				
Claims				
Paid	1,187,129	1,717,321	3,223,000	4,777,250
Actuarial Adjustment	(1,294,474)	(864,388)	-	-
	(107,345)	852,933	3,223,000	4,777,250
Excess Insurance Premium	780,408	925,090	1,150,000	1,150,000
City staff costs	977,284	1,084,832	1,167,995	1,378,350
Operating expenditures	750,742	990,799	845,635	911,634
	<b>2,401,089</b>	<b>3,853,654</b>	<b>6,386,630</b>	<b>8,217,234</b>
<b>Transfers</b>				
Transfer In	-	-	-	-
Transfer Out	-	-	-	-
	-	-	-	-
<b>Net Annual Activity</b>	<b>5,562,900</b>	<b>2,719,394</b>	<b>122,870</b>	<b>(1,515,734)</b>
<b>Ending Available Balance</b>	<b>\$ 4,598,785</b>	<b>\$ 7,318,179</b>	<b>\$ 7,441,048</b>	<b>\$ 5,925,314</b>
<b>Available Balance Calculation</b>				
Cash and Current Assets		\$ 15,245,530		
Current Liabilities		(1,454,092)		
Expected Claims		(6,473,260)		
Ending Available Balance		<u>\$ 7,318,178</u>		
<b>Rates (percentage of payroll)</b>				
All employees	4.78%	4.78%	4.51%	4.51%

**Note**

Program revenues are estimated based upon percentage of projected payroll.  
Actual revenues and the cash flow to settle claims will fluctuate based on actual payroll.

**Internal Service Funds  
Workers' Compensation - 551  
FY 2017-18 Adopted Budget**

	<b>FY 2014-15</b>	<b>FY 2015-16</b>	<b>FY 2016-17</b>	<b>FY 2017-18</b>
	<b>Actual</b>	<b>Actual</b>	<b>Projected</b>	<b>Adopted Budget</b>
<b>Beginning Available Balance</b>	<b>\$ (37,404,456)</b>	<b>\$ (31,194,403)</b>	<b>\$ (20,697,825)</b>	<b>\$ (14,513,591)</b>
<b>Revenues</b>				
Charge for Services				
Police	5,040,605	6,386,764	5,958,643	4,126,000
Fire	3,041,815	3,694,947	3,073,174	2,128,000
Other General Fund	355,479	424,329	518,196	359,000
Other Funds	3,670,702	3,156,651	5,253,632	3,637,000
	12,108,601	13,662,691	14,803,645	10,250,000
Refunds & Reimbursements	989,202	1,064,674	1,846,665	850,000
Interest	182,094	533,098	280,000	280,000
	<b>13,279,897</b>	<b>15,260,463</b>	<b>16,930,310</b>	<b>11,380,000</b>
<b>Expenditures</b>				
Claims Expense - Cash	5,714,642	6,006,836	8,367,000	8,520,500
Actuarial accrued claims liability	(687,000)	5,873,000	-	-
Insurance Administration	451,922	472,723	562,357	744,345
TPA Administration	736,382	736,979	740,000	746,000
Excess Insurance Premium	582,338	792,029	800,923	983,000
State CA Assessment	222,637	152,983	188,296	251,000
Safety Program	48,923	48,445	87,500	97,500
	<b>7,069,844</b>	<b>14,082,995</b>	<b>10,746,076</b>	<b>11,342,345</b>
<b>Transfers</b>				
Transfer In	-	500,000	-	-
Transfer Out	-	-	-	-
	<b>-</b>	<b>500,000</b>	<b>-</b>	<b>-</b>
<b>Net Annual Activity</b>	<b>6,210,053</b>	<b>1,677,468</b>	<b>6,184,234</b>	<b>37,655</b>
<b>Ending Available Balance</b>	<b>\$ (31,194,403)</b>	<b>\$ (29,516,935)</b>	<b>\$ (14,513,591)</b>	<b>\$ (14,475,936)</b>
<b>Available Balance Calculation</b>				
Cash and Current Assets		\$ 32,372,022		
Accounts Payable		(124,847)		
Estimated Claims		(52,945,000)		
Ending Available Balance		<b>\$ (20,697,825)</b>		
<b>Rates (percent of payroll)</b>				
Police	13.10%	14.94%	14.74%	10.74%
Fire	16.53%	17.33%	15.98%	10.69%
Manual	9.34%	11.12%	12.27%	7.67%
Non-Manual	6.70%	7.86%	7.25%	3.93%
Office/Clerical	3.02%	3.57%	3.54%	2.28%
Library	5.20%	5.87%	5.80%	3.31%

**Note**

Program revenues are estimated based upon percentage of projected payroll.  
Actual revenues will fluctuate based on actual payroll.



## **INTERNAL SERVICE FUNDS**

### **HEALTH BENEFITS FUND (552)**

#### **History**

- The Health Benefits Fund includes the health benefit plans offered to eligible employees and retirees and their eligible dependents.
- Historically, the health benefit plans included self-funded medical, dental and vision plan options, a fully-insured high-deductible medical plan through Kaiser, and a fully-insured Dental Maintenance Organization. In 2016, the City offered two additional health plan options: fully insured Sutter HMO and a low deductible Kaiser option.

Health benefits are funded through a combination of City and employee contributions. City contributions to retiree medical were eliminated during the City's bankruptcy and in subsequent employee bargaining agreements. Since 2013, eligible retirees may elect to enroll in the City's self-funded health plan by paying the full premium cost.

#### **FY 2016-17 Events**

- Hosted a Health and Safety Fair attended by over 300 employees
- Issued a Request for Proposals for a health eligibility system
- Implemented an online health eligibility system
- Issued a Request for Proposals for medical third-party administrator services
- Issued Request for Information (RFI) for the following:
  - Network services for the City's Preferred Provider Organization (PPO) medical plan
  - Stop loss insurance for the City's PPO medical plan
  - Pharmacy benefit management services
- Issued request for sealed bids for Health Reimbursement Arrangement services

#### **FY 2017-18 Budget Changes**

- Due to recent favorable active employee medical plan claims experience, a continued drop in prescription drug expenses, and a migration to the two new medical plans, premium rates for FY 2017-18 will experience a modest decline. The PPO rates declined by approximately 6%, while the rates for Kaiser plans declined by 0.6% (high-deductible) and 0.5% (low deductible). The Sutter plan rates declined by 0.1%.
- Access to health insurance coverage (Kaiser high-cost only) will continue to be provided to all part-time employees, at full premium cost in compliance with the Affordable Care Act.
- Dental plan rates are decreasing by approximately 3.3%.
- Vision plan rates are increasing by approximately 8.8%

**Internal Service Funds  
Health Benefits - 552  
FY 2017-18 Adopted Budget**

	<b>FY 2014-15</b>	<b>FY 2015-16</b>	<b>FY 2016-17</b>	<b>FY 2017-18</b>
	<b>Actual</b>	<b>Actual</b>	<b>Projected</b>	<b>Adopted Budget</b>
<b>Beginning Available Balance</b>	<b>\$ 8,638,944</b>	<b>\$ 11,741,710</b>	<b>\$ 13,960,730</b>	<b>\$ 13,881,745</b>
<b>Revenues</b>				
Charge for Services				
Police	5,845,039	5,832,919	6,180,878	7,455,472
Fire	1,944,135	1,780,748	1,698,891	1,800,871
Other General Fund	1,203,897	1,228,058	1,327,500	1,558,860
Other Funds	7,021,469	6,446,639	6,397,211	7,444,394
	<u>16,014,540</u>	<u>15,288,364</u>	<u>15,604,480</u>	<u>18,259,597</u>
Participant Contributions				
Employees (current MOUs)	3,130,824	3,561,727	3,330,990	3,160,451
Retirees	484,600	347,384	290,834	340,217
Continuation	83,569	49,988	54,294	90,000
Rebates and reimbursements	290,929	139,454	264,454	103,100
Interest	78,468	223,543	105,000	100,000
	<u>20,082,930</u>	<u>19,610,460</u>	<u>19,650,052</u>	<u>22,053,365</u>
<b>Expenditures</b>				
Medical Plans	4,794,574	3,777,500	2,413,637	3,108,564
Kaiser	8,908,815	10,122,400	13,626,407	15,916,607
IBNR Adjustments	(608,200)	(163,300)	(178,600)	-
Operating Engineers	1,033,241	899,023	830,544	993,600
Vision	143,296	147,555	174,664	216,063
Dental	1,312,284	1,274,057	1,454,852	1,813,613
Health & Wellness Program	-	1,391	1,500	4,000
General & Administrative	837,234	824,856	1,039,925	1,190,959
Stop Loss Premium	285,237	272,722	212,190	287,580
Vendor Administration Fee	273,683	235,236	153,918	146,483
	<u>16,980,164</u>	<u>17,391,440</u>	<u>19,729,037</u>	<u>23,677,469</u>
<b>Net Annual Activity</b>	<b>3,102,766</b>	<b>2,219,020</b>	<b>(78,985)</b>	<b>(1,624,104)</b>
<b>Ending Available Balance</b>	<b>\$ 11,741,710</b>	<b>\$ 13,960,730</b>	<b>\$ 13,881,745</b>	<b>\$ 12,257,641</b>
<b>Available Balance Calculation</b>				
Cash and Interest Receivable		\$ 13,425,923		
Accounts Receivable and deposits		1,191,065		
Current Liabilities		(42,945)		
Expected Claims		(613,313)		
Ending Available Balance		<u>\$ 13,960,730</u>		

**Note**

Budget based on total authorized position. Actual revenue and expenses will fluctuate based on health plan enrollment.

## **INTERNAL SERVICE FUNDS**

### **UNEMPLOYMENT FUND (556)**

#### **History**

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

#### **FY 2016-17 Events**

- Unemployment expenses for FY 2016-17 ended under budget.
- Claims experience declined due to consistent monitoring and attending grievance hearings.

#### **FY 2017-18 Budget Changes**

- In FY 2017-18 expenses and revenues are budgeted based on historical claims costs.
- The ending balance projected in the Unemployment Fund is considered large enough to cover any future claims fluctuation so that annual rates can be stabilized for the next several years.

**Internal Service Funds  
Unemployment - 556  
FY 2017-18 Adopted Budget**

	<b>FY 2014-15</b>	<b>FY 2015-16</b>	<b>FY 2016-17</b>	<b>FY 2017-18</b>
	<b>Actual</b>	<b>Actual</b>	<b>Projected</b>	<b>Adopted Budget</b>
<b>Beginning Available Balance</b>	<b>\$ 689,616</b>	<b>\$ 737,326</b>	<b>\$ 773,724</b>	<b>\$ 756,524</b>
<b>Revenues</b>				
Charge for Services				
Police	82,757	62,372	47,600	49,000
Fire	36,047	29,822	19,700	20,000
Other General Fund	14,107	12,327	10,100	10,000
Other Funds	85,705	76,845	58,400	60,000
Investment Income	6,392	14,013	12,000	12,000
	<b>225,008</b>	<b>195,379</b>	<b>147,800</b>	<b>151,000</b>
<b>Expenditures</b>				
Claims	177,298	158,981	165,000	175,000
	<b>177,298</b>	<b>158,981</b>	<b>165,000</b>	<b>175,000</b>
<b>Transfers</b>				
Transfer In	-	-	-	-
Transfer Out	-	-	-	-
	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net Annual Activity</b>	<b>47,710</b>	<b>36,398</b>	<b>(17,200)</b>	<b>(24,000)</b>
<b>Ending Available Balance</b>	<b>\$ 737,326</b>	<b>\$ 773,724</b>	<b>\$ 756,524</b>	<b>\$ 732,524</b>
<b>Available Balance Calculation</b>				
Cash and Interest Receivable		\$ 813,594		
Current Liabilities		(39,870)		
Cash and Interest Receivable		<b>\$ 773,724</b>		
<b>Rates (percentage of payroll)</b>	<b>0.19%</b>	<b>0.15%</b>	<b>0.10%</b>	<b>0.10%</b>

**Note**

Program revenues are estimated based upon projected payroll.  
Actual revenues will fluctuate based on actual payroll.

## **INTERNAL SERVICE FUNDS**

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

#### **History**

- This fund provides long term disability, life insurance, and accidental death and dismemberment benefits, as part of the total compensation package provided to City employees.
- Revenue to fund these programs is collected from each department.
- The Long-Term Disability (LTD) benefit provides eligible employees with 67% of their salary while disabled, after a 90-day waiting period.
- The Life Insurance benefit provides eligible employees with:
  - \$50,000 life insurance coverage, and
  - a portability option to continue the life insurance coverage when leaving City employment (at the member's expense).

#### **FY 2016-17 Events**

- The fund balance remained stable as department payments to the internal service fund were paid out to the City's vendor for life insurance and LTD.

#### **FY 2017-18 Budget Changes**

- Slight increase in insurance premiums for FY 2017-18 due to increased authorized positions and prior year vacancies.

**Internal Service Funds  
LTD and Life Insurance - 557  
FY 2017-18 Adopted Budget**

	<b>FY 2014-15</b>	<b>FY 2015-16</b>	<b>FY 2016-17</b>	<b>FY 2017-18</b>
	<b>Actual</b>	<b>Actual</b>	<b>Projected</b>	<b>Adopted Budget</b>
<b>Beginning Available Balance</b>	<b>\$ 114,747</b>	<b>\$ 118,320</b>	<b>\$ 117,687</b>	<b>\$ 118,073</b>
<b>Revenues</b>				
Charge for Services				
Police	101,878	131,572	138,374	146,446
Fire	21,346	35,265	33,077	16,747
Other General Fund	49,727	43,858	52,142	76,662
Other Funds	250,866	231,545	259,058	327,991
Investment Income	819	1,906	1,500	1,500
	<b>424,636</b>	<b>444,146</b>	<b>484,151</b>	<b>569,346</b>
<b>Expenditures</b>				
Insurance Premiums	421,063	444,779	483,765	567,928
	<b>421,063</b>	<b>444,779</b>	<b>483,765</b>	<b>567,928</b>
<b>Transfers</b>				
Transfer In	-	-	-	-
Transfer Out	-	-	-	-
	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net Annual Activity</b>	<b>3,573</b>	<b>(633)</b>	<b>386</b>	<b>1,418</b>
<b>Ending Available Balance</b>	<b>\$ 118,320</b>	<b>\$ 117,687</b>	<b>\$ 118,073</b>	<b>\$ 119,491</b>
<b>Available Balance Calculation</b>				
Cash and Interest Receivable		\$ 117,687		
Current Liabilities		-		
Ending Available Balance		<b>\$ 117,687</b>		
<b>Rates (percentage of payroll)</b>				
Long Term Disability				
Non-safety	0.58%	0.58%	0.58%	0.58%
Police	\$240/yr.	\$240/yr.	\$240/yr.	\$240/yr.
Police Mgmt.	\$294/yr.	\$294/yr.	\$294/yr.	\$294/yr.
Fire	\$204/yr.	\$204/yr.	\$204/yr.	\$204/yr.
Fire Unrep	\$228/yr.	\$228/yr.	\$228/yr.	\$228/yr.
Life Insurance (per \$1,000 of annual pay)				
with Accidental Death & Disability	0.165%	0.165%	0.165%	0.165%
without Accidental Death & Disability	0.142%	0.142%	0.142%	0.142%

**Note**

Program revenues are estimated based upon budgeted payroll.  
Actual revenues and expenses will fluctuate based on actual payroll.

## **INTERNAL SERVICE FUNDS**

### **RETIREMENT FUND (561)**

#### **History**

- This fund is utilized to collect revenue and make contributions to California Public Employees' Retirement System (CalPERS) for the defined benefit retirement program.
- The City of Stockton contracts with CalPERS for defined retirement benefits.
- Employer contributions for CalPERS retirement benefits are collected from departments as a percentage of pay and other compensation considered reportable for retirement purposes.
- The City offers a deferred compensation (Section 457) plan for supplemental retirement benefits. Full-time employees may participate in this program on a voluntary basis. As the City does not participate in Social Security, plan participation is required for part-time employees. These plans are administered by Human Resources staff.
- The City offers a deferred compensation (Section 401(a)) plan as a supplemental retirement benefit. This benefit is afforded by employment contract, and is funded by an employer contribution. This plan is also administered by Human Resources staff.
- The City has a supplemental retirement plan for a select group of employees called Public Agency Retirement Services (PARS).

#### **FY 2016-17 Events**

- Worked with PARS and an actuary to complete the biennial actuary for the PARS benefit. Completed a second actuary report to fulfill GASB 67 and 68 financial accounting requirements.
- Continued with quarterly deferred compensation trainings for all employees.

#### **FY 2017-18 Budget Changes**

- CalPERS rates continue to increase as anticipated. Safety rates are going up from 48.8% to 52.5% and Miscellaneous employee rates are going up from 23.9% to 26.8% as a percentage of qualifying payroll.
- While changes in the CalPERS discount rate approved by the CalPERS board in December 2016 will not be reflected in the employer contribution rates developed by CalPERS until FY 2018-19, the FY 2017-18 Annual Budget is based on rates assuming a 7.25% discount rate consistent with the Long-Range Financial Plan.

**Internal Service Funds  
Retirement - 561  
FY 2017-18 Adopted Budget**

	<b>FY 2014-15</b>	<b>FY 2015-16</b>	<b>FY 2016-17</b>	<b>FY 2017-18 Adopted Budget</b>
	<b>Actual</b>	<b>Actual</b>	<b>Projected</b>	
<b>Beginning Available Balance</b>	<b>\$ (28,119,415)</b>	<b>\$ 3,579,234</b>	<b>\$ 3,018,779</b>	<b>\$ 2,478,042</b>
<b>Revenues</b>				
Charge for Services				
Police	13,221,860	14,004,960	20,178,445	25,926,504
Fire	5,546,336	6,345,928	6,846,619	8,395,696
Other General Fund	1,362,893	1,725,741	2,178,364	2,948,119
Other Funds	11,204,620	12,084,206	11,924,392	15,366,344
Employee Paid	8,258,507	8,535,069	9,198,905	10,758,619
Investment Income	39,035	53,285	10,000	10,000
Refunds & Reimbursements	143,127,229	5,500	3,800	6,000
	<b>182,760,480</b>	<b>42,754,689</b>	<b>50,340,525</b>	<b>63,411,282</b>
<b>Expenditures</b>				
CalPERS payments	37,451,398	43,779,656	50,549,290	63,395,281
Amortize Pension Asset	107,812,401	-	-	-
Debt Service on Pension Bonds	2,368,652	-	-	-
Other Operating Costs	30,776	35,488	28,072	34,621
	<b>147,663,227</b>	<b>43,815,144</b>	<b>50,577,362</b>	<b>63,429,902</b>
<b>Transfers</b>				
Transfer In	-	500,000	-	-
Transfer Out	(3,398,604)	-	(303,900)	-
	<b>(3,398,604)</b>	<b>500,000</b>	<b>(303,900)</b>	<b>-</b>
<b>Net Annual Activity</b>	<b>31,698,649</b>	<b>(560,455)</b>	<b>(540,737)</b>	<b>(18,620)</b>
<b>Ending Available Balance</b>	<b>\$ 3,579,234</b>	<b>\$ 3,018,779</b>	<b>\$ 2,478,042</b>	<b>\$ 2,459,422</b>
<b>Available Balance Calculation</b>				
Cash and Interest Receivable		\$ 3,036,628		
Current Liabilities		(17,849)		
Ending Available Balance		<b>\$ 3,018,779</b>		
<b>PERs Employer Retirement Rates excluding Pension Obligation Bond (percentages of payroll)</b>				
Safety	41.385%	45.502%	48.816%	52.480%
Miscellaneous	20.090%	22.355%	23.859%	26.760%

**Notes**

Program revenues are estimated based upon budgeted payroll.  
Payments to CalPERS will fluctuate with staffing levels.  
Rates incorporate both CalPERS employer normal cost rate  
and employer payment of unfunded liability converted to a  
percent of payroll



## INTERNAL SERVICE FUNDS

### COMPENSATED ABSENCE FUND (562)

#### History

- This fund is utilized to collect revenue and fund employee separation pay outs.
- The Pendency Plan, as adopted by Council on June 26, 2012, eliminated the pay out of sick leave to employees at separation, and was later incorporated into the amended labor agreements. This adjustment greatly reduces this fund's expenditure volatility.

#### FY 2016-17 Events

- During FY 2016-17, the City continued to pay separated and separating employees per the approved labor agreements.
- Separation Pay costs are slightly higher than prior years as a result of wage increases implemented in FY 2016-17.
- For retiring employees who qualified as "classic" (Tier 1 only) members in CalPERS, 100% (up to 2080 hours) of their unused sick leave was credited to CalPERS for additional service credit.
- Employees with sick leave balances over 2080 hours in 2012 are eligible to receive 50% (separation after July 1, 2015) of cash values at separation.

#### FY 2017-18 Budget Changes

- Separation pay costs are anticipated to be higher in FY 2017-18 due to approximately \$300,000 in estimated vacation sellback for certain eligible employees per the labor agreements approved in 2016.

**Internal Service Funds  
Compensated Absence - 562  
FY 2017-18 Adopted Budget**

	<b>FY 2014-15</b>	<b>FY 2015-16</b>	<b>FY 2016-17</b>	<b>FY 2017-18</b>
	<b>Actual</b>	<b>Actual</b>	<b>Projected</b>	<b>Adopted Budget</b>
<b>Beginning Available Balance</b>	<b>\$ 2,393,796</b>	<b>\$ 2,287,451</b>	<b>\$ 2,157,097</b>	<b>\$ 1,684,097</b>
<b>Revenues</b>				
Charge for Services				
Police	278,703	291,616	228,647	367,823
Fire	102,633	98,206	65,660	105,627
Other General Fund	61,280	73,534	56,786	91,351
Other Funds	301,842	281,644	208,907	336,067
Investment Income	20,932	38,448	25,000	20,000
	<b>765,390</b>	<b>783,448</b>	<b>585,000</b>	<b>920,868</b>
<b>Expenditures</b>				
Employee Separation Pay	871,735	913,802	1,058,000	1,307,000
	<b>871,735</b>	<b>913,802</b>	<b>1,058,000</b>	<b>1,307,000</b>
<b>Transfers</b>				
Transfer In	-	-	-	-
Transfer Out	-	-	-	-
	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net Annual Activity</b>	<b>(106,345)</b>	<b>(130,354)</b>	<b>(473,000)</b>	<b>(386,132)</b>
<b>Ending Available Balance</b>	<b>\$ 2,287,451</b>	<b>\$ 2,157,097</b>	<b>\$ 1,684,097</b>	<b>\$ 1,297,965</b>
<b>Available Balance Calculation</b>				
Cash and Interest Receivable		\$ 2,157,097		
Accrued Compensated Absences		-		
Ending Available Balance		<b>\$ 2,157,097</b>		
<b>Program Contribution Rate</b>	<b>0.70%</b>	<b>0.70%</b>	<b>0.50%</b>	<b>0.70%</b>



## TAB 15    APPENDIX



## Local Government Glossary and Acronyms

**AD&D:** Accidental Death and Dismemberment Insurance

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

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

**AMI:** Area Median Income

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

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

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

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

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

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

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

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

**BANKRUPTCY:** Bankruptcy for Municipalities is covered under Chapter 9 of the United States Bankruptcy Code to provide a financially-distressed municipality protection from its creditors while it develops and negotiates a plan for adjusting its debts.

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

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

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

## Local Government Glossary and Acronyms

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

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

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

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

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

**CalPERS:** California Public Employees' Retirement System

**CALTRANS:** California Department of Transportation

**CAPER:** Consolidated Annual Performance and Evaluation Report

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

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

**CAPITAL OUTLAY:** Expenditures for tangible property of relatively permanent nature

**CC:** City Council

**CDBG:** Community Development Block Grant - Funded from the Federal Department of Housing and Urban Development provides programs for general community development to eliminate blight and provide to low and moderate income persons.

**CEQA:** California Environmental Quality Act

**CNT:** Crisis Negotiations Team

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

**COPs:** Certificates of Participation – This financing technique provides long-term financing through a lease installment sale agreement or loan agreement. Certificates of Participation (COPs) allow the public to purchase participation relating to the acquisition or construction of specific equipment, land, or facilities.

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

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

**CRT:** Community Response Teams

## Local Government Glossary and Acronyms

**CRWQCB:** California Regional Water Quality Control Board

**CTSP:** Citywide Technology Strategic Plan

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

**CWEA:** California Water Environment Association

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

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

**DEIR:** Draft Environmental Impact Report

**DEPARTMENT:** A major organizational unit of the City that has management responsibility for related operations.

**DISTRICT FUND:** A fund used to account for the resources, revenues and expenditures of separate special districts formed to provide certain public services.

**DIVISION:** A sub-unit of a department which encompasses more specific functions of that department and may consist of several activities.

**DOJ:** Department of Justice

**EEOC:** Equal Employment Opportunity Commission

**EIR:** Environmental Impact Report - A detailed document describing and analyzing the significant environmental effects of a project and ways to mitigate or avoid the effects.

**EMS:** Emergency Medical Services

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

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

**EOD:** Explosive Ordnance Disposal Team

**EPA:** Environmental Protection Agency

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



## Local Government Glossary and Acronyms

**ESG:** Emergency Solutions Grant

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

**FEIR:** Final Environmental Impact Report

**FEMA:** Federal Emergency Management Agency

**FHA:** Federal Housing Authority

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

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

**FLSA:** Fair Labor Standards Act

**FPPC:** Fair Political Practices Commission

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

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

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

**GAAP:** Generally Accepted Accounting Principles - The guidelines established for financial accounting and reporting which govern the form and content of the financial statements of an entity. GAAP encompass the conventions, rules, and procedures necessary to define accepted accounting practice at a particular time.

**GASB:** Governmental Accounting Standards Board

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

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

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

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

**HCD:** Housing and Community Development

**HOME:** Home Investment Partnership Program

## Local Government Glossary and Acronyms

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

**INDIRECT COSTS:** Elements of cost necessary in the production of a good or service that are not directly traceable to the product or service. These are sometimes referred to as overhead costs.

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

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

**JAG:** Byrne Memorial Justice Assistance grant

**LIEN:** A document recorded with the County Recorder placing a debt against a parcel of land.

**LOCC:** League of California Cities

**LONG-TERM DEBT:** Debt with a maturity of more than one year after the date of issuance.

**LTD:** Long Term Disability insurance

**MARSHALL PLAN:** A City of Stockton Strategic Initiative adopted by the Council to reduce crime and increase public safety. Funding for these efforts are appropriated from Measure A sales tax revenues. Specific elements of the Marshall Plan are present in the Measure B Implementation Plan (see Council meetings June 25, 2013 and February 25, 2014)

**MBE:** Minority Business Enterprise

**MDC:** Mobile Data Computers

**MEASURE A:** A general transaction and use tax measure approved by the citizens of Stockton on November 5, 2013 for  $\frac{3}{4}$  cent sales tax effective April 1, 2014. Revenue from Measure A sales tax is reported in the General Fund to pay for law enforcement services, to emerge from bankruptcy and restore other City services.

**MEASURE B:** A non-binding advisory measure approved by the citizens of Stockton on November 5, 2013 related to the Measure A  $\frac{3}{4}$  cent general sales tax effective April 1, 2014, 65% of which is to be used for law enforcement and crime prevention services in the City.

**MEASURE K:** A San Joaquin County special transaction and use tax measure approved in 1990 for  $\frac{1}{2}$  cent sales tax dedicated to transportation projects. This original sales tax increase was to expire in 2011; however, in 2006, voters passed a 30-year extension. The program is administered by the San Joaquin Council of Governments.

**MEASURE W:** A special transaction and use tax measure approved by the citizens of Stockton in November 2004 for  $\frac{1}{4}$  cent sales tax dedicated to public safety services. Proceeds from the measure are allocated 50% to Fire Department and 50% to Police Department.

**MFF:** Mobile Field Force

**MOE:** Maintenance of Effort

## Local Government Glossary and Acronyms

**MUNICIPAL CODE:** Codification of ordinances (laws) of a municipality.

**NON-DEPARTMENTAL:** Program costs that do not relate to any one department, but represent costs of a general citywide nature.

**NPDES:** National Pollutant Discharge Elimination System

**OPERATING BUDGET:** Annual appropriation of funds for on-going program costs, including personnel, operations, capital outlay, and debt service.

**OPERATING TRANSFERS:** Transfers from a fund receiving revenue to a fund which will expend the resources.

**ORDINANCE:** A formal legislative enactment by the City Council. It has the full force and effect of law within the City boundaries unless it conflicts with any higher form of law such as a State statute or constitutional provision. An ordinance has higher legal standing than a resolution.

**OSHA:** Occupational Safety and Health Administration

**OVP:** Office of Violence Prevention

**PACE:** Property Assessed Clean Energy

**PENDENCY PLAN:** A budget plan that provides for day-to-day operations and delivery of services possible within available resources during a bankruptcy process up to the point of a bankruptcy court approved Plan of Adjustment.

**PERMANENT FUND:** A fund in which the principal remains permanently restricted, while the interest earnings may be spent for the specific purpose for which the money was given.

**PERS:** Public Employees Retirement System

**PERSONNEL COSTS:** The cost of a City department, including wage/salary, direct and indirect benefits such as health insurance, retirement contribution, workers' compensation, unemployment insurance, etc.

**PLAN OF ADJUSTMENT:** A long term financial plan, approved by the bankruptcy court, which comprehensively restructures financial commitments through creditor settlement agreements to demonstrate solvency.

**POST:** Police Officers Standards and Training

**PROCLAMATION:** An official announcement or public declaration.

**PSAF:** Public Safety Augmentation Fund

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

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

## Local Government Glossary and Acronyms

**RESOLUTION:** A document confirming City Council administrative action.

**RESOURCES:** Total amounts available for appropriation during the fiscal year, including revenues, fund transfers, and beginning fund balances.

**REVENUE:** Money received from taxes, fees, permits, licenses, interest, inter-governmental sources, and other sources.

**RFP:** Request for Proposal

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

**SECTION 8:** Federal subsidized low income housing.

**SECTION 108:** Section 108 is the loan guarantee provision of the Community Development Block Grant (CDBG) program. Section 108 provides communities with a source of financing for economic development, housing rehabilitation, public facilities, and large-scale physical development projects.

**SMC:** Stockton Municipal Code

**SPECIAL ASSESSMENTS:** Compulsory charges levied by a government to finance current or permanent public services or facilities to a particular group or persons or property.

**SPECIAL REVENUE FUND:** A fund which collects revenues that are restricted by the City, State, or Federal Government as to the purpose of spending.

**SPFA:** Stockton Public Financing Authority

**SRDA:** Stockton Redevelopment Agency

**SRF:** State Revolving Fund

**SUCCESSOR AGENCY:** An agency that replaces a redevelopment agency as dissolved by Assembly Bill x1 26 (AB1 26 or Dissolution Act) which was signed into law by Governor Brown on June 28, 2011 which was later amended by Assembly Bill 1484 in June 2012. The Successor Agency became operative February 1, 2012, and is responsible for unwinding the affairs of the former Stockton Redevelopment Agency and ensuring recognized obligations are met.

**SWAT:** Special Weapons and Tactics Team

**SWRCB:** State Water Regional Control Board

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

**TFCA:** Transportation Fund for Clean Air

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

**UBC:** Uniform Building Code

## Local Government Glossary and Acronyms

**UEC:** Uniform Electrical Code

**UFC:** Uniform Fire Code

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

**USGS:** United States Geological Survey

**VIPS:** Volunteers in Police Service

**VLF:** Vehicle License Fees