



Operations and Maintenance Budget Fiscal Year 2015-16



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FY 2015-16 Budget Award



GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished
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PRESENTED TO

**City of Santa Rosa
California**

For the Fiscal Year Beginning

July 1, 2014

Executive Director

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

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

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

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July 1, 2015

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

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

The proposed FY 2015-16 budget totals \$356.7 million across all funds, representing a negligible increase of \$0.1 million over the prior year adopted budget. There is \$313.4 million of operational costs representing a 5.0% increase over the prior year and \$43.3 million of capital project investment in the community.

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

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

FY 2015-16 Budget Summary

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

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

City Manager's Budget Transmittal

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

The General Fund budget is highlighted because it is where many of the core services reside, relies upon funding from sources that respond to the overall health of the economy, and accounts for \$136.7 million or 38% of the total City budget. The General Fund revenue for FY 2015-16 is estimated at \$138.8 million in revenue in addition to \$2.8 million of transfers-in for a total of \$141.6 million. Expenditures are estimated at \$136.7 million with transfers-out of \$5.3 million, totaling \$142.0 million.

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

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

On the expenditure side, approximately 78.6% of the General Fund budget is comprised of personnel costs due to the fact that public services are directly delivered through personnel at the counter and in the field. The year over year increase of \$8.7 million in the Salary and Benefit categories of the budget reflect adding back some positions that were cut during the recession, salary increases set forth in the Memoranda of Understanding (MOU) for the City's bargaining units, and increases in benefit costs, primarily in healthcare and pension costs. General Fund services and supplies including projects show a decrease of almost \$1 million compared to last year's adopted budget. This is due to a one-time shift of budget from the services and supplies category (Professional Services line item) to the salary category as a result of labor negotiations.

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

Outside the General Fund, the Santa Rosa Water budget and the Non-Enterprise Capital Improvement Program budget accounts for the majority of the remaining citywide expenditure budget. The budget for Santa Rosa Water incorporates an approximately \$8 million decrease for FY 2015-16 over the previous year, driven primarily by a reduction in the Department's Capital Improvement Program and operating project accounts of over \$11.7 million. This decrease is a result of the absence of bond funding scheduled

City Manager's Budget Transmittal

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

Highlights of the FY 2015-16 budget include:

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

Budget Document Structure

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

Acknowledgements

Facilitation of the budget process and the development of a budget document is a major undertaking. I would like to express my gratitude and appreciation to all departments, departmental budget coordinators, and the City Council for their efforts, support, and deliberation during the budget process. Lastly, I would like to extend a special thanks to the City's Chief Financial Officer Deborah Lauchner, and the Budget and Financial Planning team in the Finance Department: Alan Alton, Shelley Reilly, Jim Arend, Veronica Conner, Arvin Look, and Jerilyn Holm. Collectively they provide tremendous resource and expertise coordinating the city-wide efforts on budget and capital plan development, forecast updates, and document production. I also congratulate this team on receiving the Government Finance Officer's Distinguished Budget Presentation Award for the 2014-15 Fiscal Year Budget.

Conclusion

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

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

City Manager's Budget Transmittal

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

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

Sincerely,

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

Sean McGlynn, City Manager

Guide to the Document

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

DOCUMENT ORGANIZATION

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

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

Transmittal, Guide and Budget Overview

The City Manager's Budget Transmittal introduces the budget. This section sets the context for budget decisions by describing the conditions affecting the budget, outlines major initiatives underway and challenges for the next year. This Guide to the Document explains the format and organization of the document and includes a section on the City's budget practices and policies. The Budget Overview summarizes the budget and focuses on its financial implications, including revenue and expenditure trends. Following the Budget Overview is a summary of the City's Capital Improvement Program budget and a list of projects receiving funding in FY 2015-16.

This section also includes a segment detailing the City Council's goals. Every two years, the Council meets to develop its goals for the coming two-year period. At that time, the Council outlines the goals, proposes strategies, and works with City staff to develop work plans. To show the City's progress and efforts towards the goals, each goal has been assigned a number. These numbers appear in circles in each department's section next to the FY 2015-16 Strategic Goals and Initiatives and the FY 2014-15 Accomplishments that relate to that goal. The associated goals show departments' continuing efforts toward furthering and achieving the Council's goals.

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

City and Organization Overview

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

Guide to the Document

Summary Financial Information

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

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

Department Detail

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

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

Guide to the Document

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

Reading Expenditures Tables

The Expenditures Tables in each department's section include four columns. The first two listed as "Actual" are the expenditures for those fiscal years. The column listed "Budget", represents the adopted budget for that fiscal year. The last column entitled "Request", is the budget proposal as it was adopted by the City Council during the City's annual Budget Hearings.

Appendix

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

Glossary

A Glossary of Terms, related to budgeting in general and the City of Santa Rosa particularly, can be found in this section.

BUDGET PRACTICES AND POLICIES

Basis of Accounting

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

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

Guide to the Document

Basis of Budgeting

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

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

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

Reserve Policies

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

Budget Overview

Introduction

Santa Rosa's Fiscal Year (FY) 2015-16 Operating and Capital Budget is \$356.7 million across all funds and is comprised of \$313.4 million of operational funding and \$43.3 million of capital project funding. While this represents a negligible increase over the FY 2014-15 adopted budget, Operations show an increase of 5.0% while the Capital Improvement Program (CIP) budget actually decreased by 25.5%, as shown in the following table.

FUND TYPE	FY 2014-15 ADOPTED BUDGET <i>(in millions)</i>	FY 2015-16 PROPOSED BUDGET <i>(in millions)</i>	\$ Dollar Increase/ (Decrease) <i>(in millions)</i>	% Increase/ (Decrease)
General Fund	\$128.9	\$136.7	\$7.8	6.1%
Enterprise Funds (non-CIP)	121.2	126.5	5.3	4.4%
Enterprise Funds - CIP	43.4	33.2	(10.2)	-23.5%
Other Funds - CIP	14.7	10.1	(4.6)	-31.3%
Special Revenue Funds	11.0	11.6	0.6	5.5%
Other Funds	6.1	5.3	(0.8)	-13.1%
Housing Authority	26.7	27.6	0.9	3.4%
Successor Agency to RDA	4.6	5.7	1.1	23.9%
TOTAL	\$356.6	\$356.7	\$0.1	0.0%
Operations (net of CIP)	\$298.5	\$313.4	\$14.9	5.0%
CIP only	\$58.1	\$43.3	(\$14.8)	-25.5%

General Fund

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

The FY 2015-16 General Fund expenditure budget of \$136.7 million can be broken down into three broad categories – Salaries & Benefits; Services & Supplies; and Operating Projects, with the Salaries & Benefits category representing \$107.5 million or 78.6% of the total General Fund budget. Services and Supplies account for another \$26.4 million or 19.3% of the total, with the remaining \$2.8 million or 2.0% representing operating projects in the General Fund. Increases over the FY 2014-15 adopted budget, by category, are as follows:

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

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

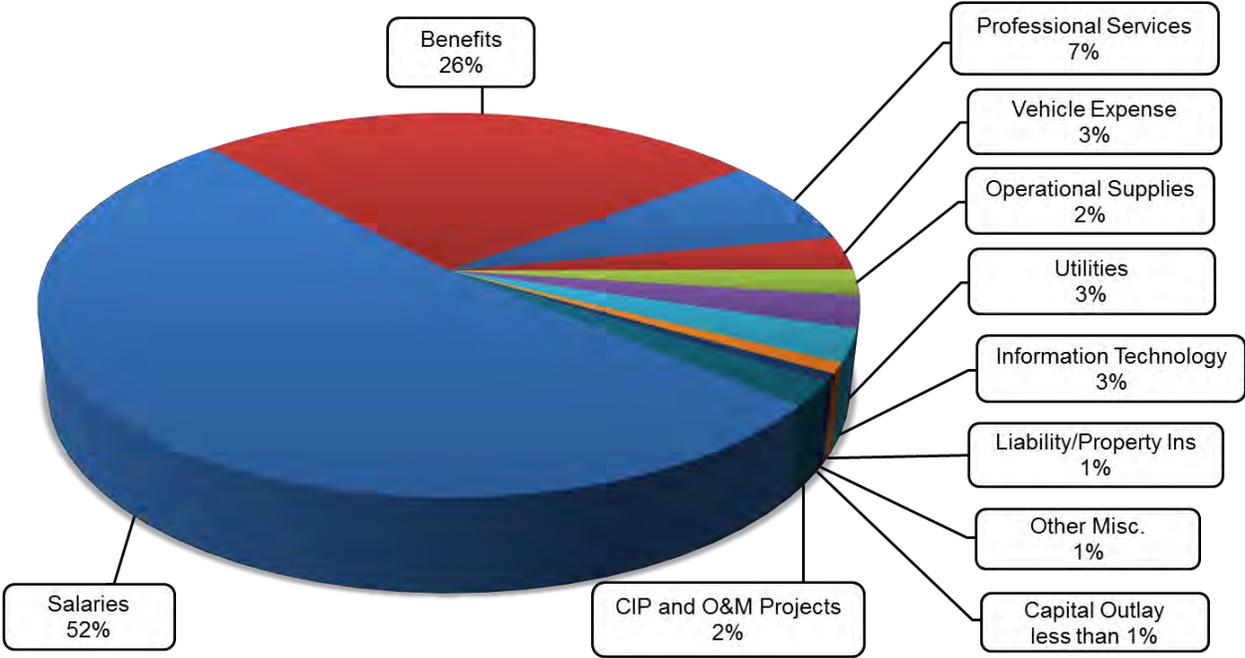
Budget Overview

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

FY 2015-16 General Fund Budgeted Expenditures

CATEGORY	EXPENDITURES <i>(in millions)</i>
Salaries	\$71.5
Benefits	36.0
Professional Services	10.0
Vehicle Expense	3.9
Operational Supplies	3.0
Utilities	3.7
Information Technology	3.7
Liability/Property Insurance	1.2
Other Miscellaneous	0.8
Capital Outlay	0.1
CIP and O&M Projects	2.8
TOTAL	\$136.7

FY 2015-16 General Fund Expenditures – % by Category



Budget Overview

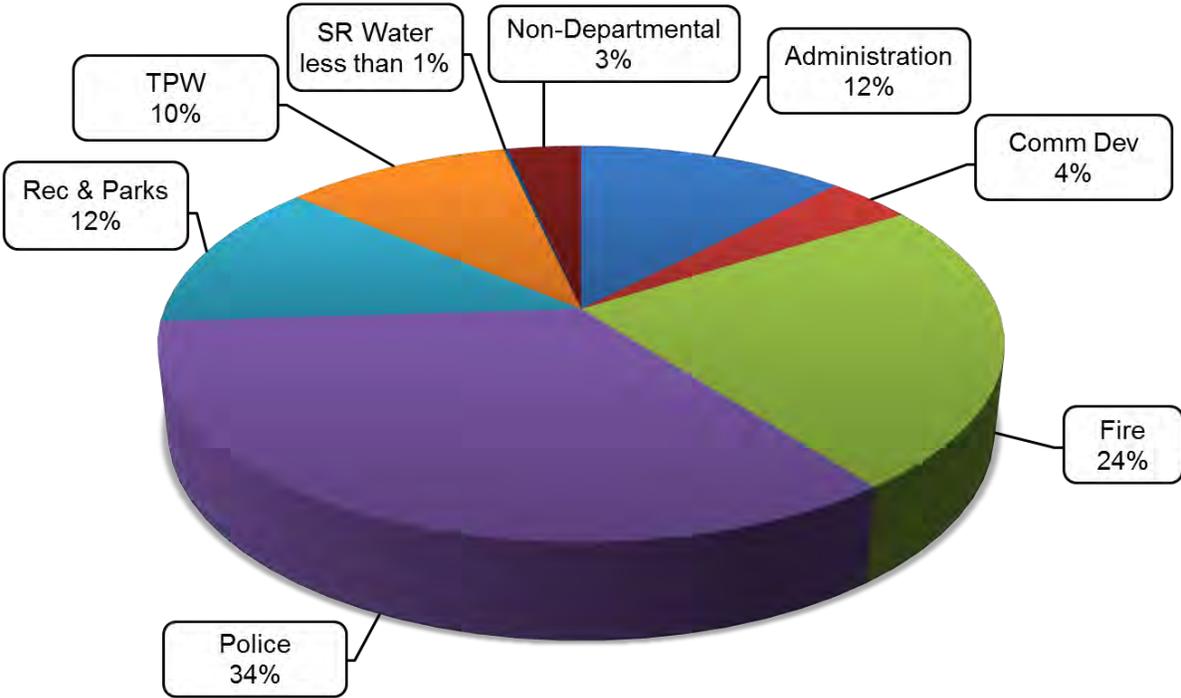
The General Fund FY 2015-16 expenditure budget of \$136.7 million reflects an emphasis on rebuilding and achieving stability for the core services provided to the community. As detailed above, this includes an increase in funding to stabilize permanent positions and ongoing operating expenditures, as well as increasing funding for known cost increases and urgent needs.

FY 2015-16 General Fund Budgeted Expenditures

DEPARTMENT	EXPENDITURES <i>(in millions)</i>
Administration*	\$16.5
Community Development	5.3
Fire	32.4
Police	46.9
Recreation & Parks	16.8
Transportation & Public Works	14.0
Utilities	0.3
Non-Departmental	4.5
TOTAL	\$136.7

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

FY 2015-16 General Fund Expenditures – % by Department



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

Budget Overview

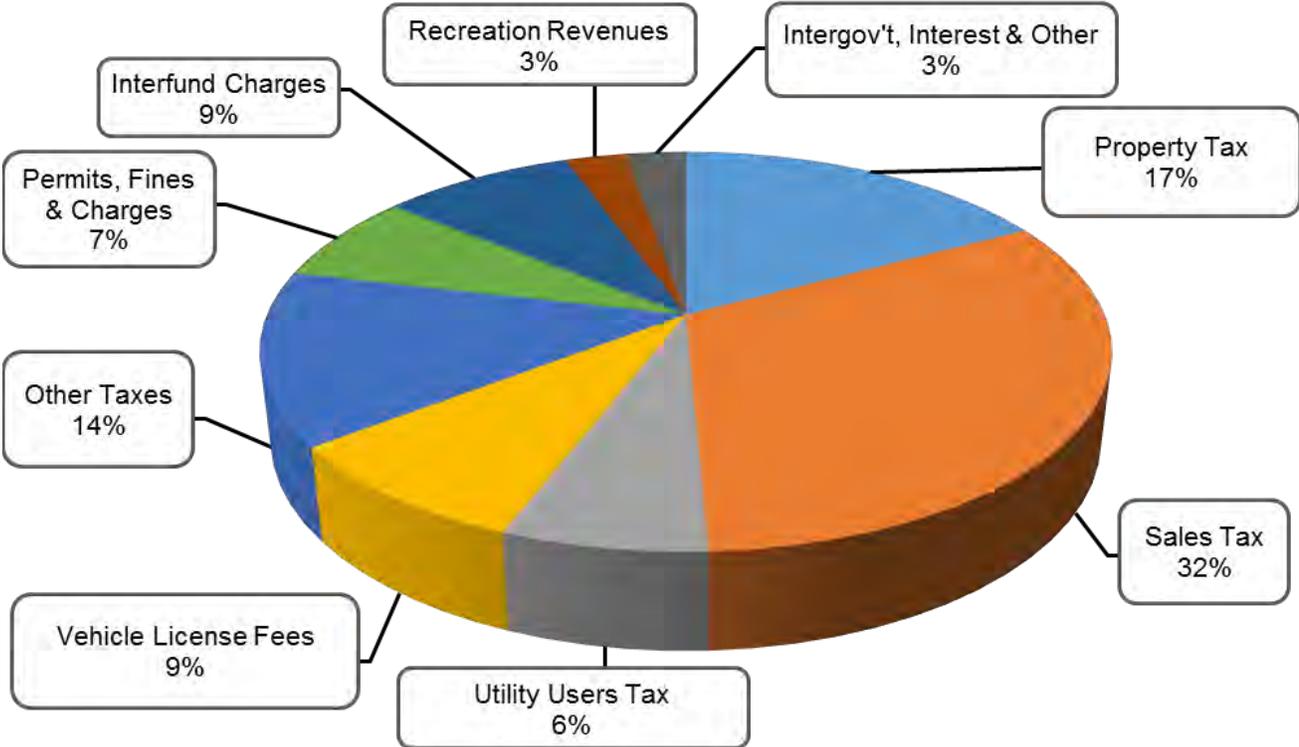
FY 2015-16 revenues are estimated at \$138.8 million, an increase of 1.6% over the FY 2014-15 estimate. Per the chart below, Sales and Property Tax are the two largest revenue sources for the City's General Fund, together accounting for 49.3% of General Fund revenue. Sales Tax also accounts for the largest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

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

FY 2015-16 General Fund Budgeted Revenues

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

FY 2015-16 General Fund Revenues – % by Source



Budget Overview

Enterprise Funds

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

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

Special Revenue Funds

The Special Revenue Funds FY 2015-16 budget of \$11.6 million is comprised of the following:

\$ 8.3 million - Measure O

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

\$ 0.3 million - Neighborhood Revitalization Program

\$ 1.1 million - Homeless Shelter Operations funding

\$ 0.4 million - Community Development Administrative Hearing Fund

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

Other Funds

Total Other Funds FY 2015-16 budget of \$15.4 million includes the Capital Improvement Program Funds with a budget of \$10.1 million, non-enterprise Debt Service Funds with a budget of \$5.0 million, Trust and Agency Funds with a budget of \$0.2 million and the Special Assessment Funds with a budget of \$0.1 million.

Housing Authority & Successor Agency to the Redevelopment Agency

The majority of the Housing Authority's proposed FY 2015-16 \$27.6 million budget is related to funding for the \$19.7 million Housing Choice Voucher program. This program also accounts for the majority of the \$872K year over year increase in the Housing Authority budget with the remainder coming from a \$387K increase in affordable housing loans. The \$5.7 million budget for the Successor Agency to the Redevelopment Agency reflects approved funding agreements, and debt service payments, per the Recognized Obligation Payment Schedule (ROPS).

Full-Time Equivalent Discussion

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

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

Budget Overview

Long Range Financial Plan

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

Conclusion and Future Challenges

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

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

Capital Improvement Program (CIP)

The City of Santa Rosa's Capital Improvement Program (CIP) is a planning tool that is intended to evaluate the City's long-range capital needs and prioritize them over a five-year period. The first year of the CIP is known as the Capital Budget. Each year, the City Council appropriates funding for the Capital Budget only, and approves years two through five on a planning basis.

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

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

FY 2015-16 CIP

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

General Fund Overview

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

Capital Improvement Program (CIP)

Summary of CIP Projects by Department

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

Transportation and Public Works

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

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

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

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

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

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

Capital Improvement Program (CIP)

Santa Rosa Water

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

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

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

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

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

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

Recreation & Parks

The FY 2015-16 CIP budget request for Recreation & Parks totals approximately \$2.3 million, with \$1.1 million appropriated from Park Development Funds, \$1.2 million from the General Fund for ADA improvements and park/facility lighting upgrades, and \$46,501 from the Library Improvement Fund. Park Development fee-funded CIP projects include building up project fund accounts to make future improvements to Youth Community Park, Kawana Neighborhood Park, Colgan Bellevue Neighborhood Park, Kawana Springs Community Park, and Roseland Creek Community Parks. Proposed project funding also includes replacement of park play equipment at many parks, new construction at existing facilities including bathrooms and doors at the Steele Lane Community Center, an interactive water feature at Finley Aquatic Center, picnic areas at Doyle Community Park, and restrooms at Howarth Park.

Capital Improvement Program (CIP)

Project List by Department

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

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

Capital Improvement Program (CIP)

17221 - Street Repair Associated with Water and Sewer Mains	\$500,000
17225 - Groundwater Investigation - Various	\$100,000
17238 - Pavement Markings - Various Locations	\$85,000
17291 - Walkways for School Pedestrian	\$15,000
17305 - Temporary Traffic Calming Devices	\$10,000
17336 - Audible Pedestrian Signal Head	\$20,000
17341 - Pacific Avenue Reconstruction	\$300,000
17346 - McDonald Area Traffic Calming	\$50,000
17379 - Replace Wood Street Light Pole	\$40,000
17395 - Garage 9 - Groundwater investigation	\$100,000
17432 - College Ave Widening-CalTrans	\$25,000
17450 - Contract Pavement Preventive Maintenance	\$315,000
17476 - Inspection of Bridge Assets-Structural Crossings	\$75,000
17477 - Pre Design Planning CIP	\$237,000
17483 - SMART Planning and Design	\$10,000
17495 - ROW Various Bike & Pedestrian	\$8,000
17496 - CIP Grant & Environmental Support	\$10,000
17506 - Meritage Reimbursement-CFF	\$268,868
17508 - Signal Battery Backup	\$8,000
17531 - LED Street Light Replacement Program	\$600,000
17534 - Streetlight Wire Replacement	\$300,000
17540 - 3rd St Storm Water Pump Station Upgrade	\$80,000
17546 - Signal Bike/Vehicle Detect Various	\$20,000
17547 - Montgomery Dr Sotoyome St Signal Mod	\$400,000
17549 - Meritage Reimbursement-SEADIF	\$222,026
17554 - SMART Path(3rd-4th)	\$150,000
17555 - SMART Bus Turnout Guerneville Road	\$300,000
Transportation and Public Works Department Total	\$6,962,075

Department: SR Water Department

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

Capital Improvement Program (CIP)

55677 - R7AccessRoadStabilization	\$1,900,000
55679 - WMR: Mohawk Seneca Yuma	\$250,000
55698 - AMI/AMR Implementation-1675	\$1,227
55699 – Energy Opt Plan Project: Water	\$100,000
55702 - S13 Pump Station Upgrades	\$1,100,000
55703 - WMR: Jennings Herbert To Cleveland	\$1,300,000
55705 - Booster Pump Westerly Zone 9	\$150,000
55706 - CH Plaza Demonstration Garden & LID	\$25,000
55707 - Misc Minor Contracts - Water	\$280,000
55708 - WMR: Oakmont-Riven Rock-SCWA	\$885,000
55711 - WM Replace: W 6th St at Madison	\$75,000
55714 - WMR: Chanate at Mendocino	\$50,000
55715 - Hydropneumatic Tank - S5	\$500,000
55719 - Generator Eval-S16, S17, S18	\$50,000
55722 – Seismic Eval-Reservoirs16 and17	\$100,000
70363 - Install/Rehab Manholes	\$100,000
70464 - Oversized Sewer Mains - City Participation	\$200,000
70516 - Sewer Master Plan	\$80,000
70517 - Trenchless Technology	\$500,000
70553 - Warranty Punchlist - Sewer	\$25,000
70556 - Pre-Design, Planning, Budget & GIS-Sewer	\$255,000
70560 - Local WW Project Litigation	\$10,000
70579 - SM Replacements	\$25,000
70590 - Local WW CIP Contingency	\$1,000,000
70620 - CCTV/Sonar Trunk SM Inspection	\$100,000
70621 - W College Pond 2 Decommissioning	\$50,000
70622 - SMR Exchange & Hinton	\$600,000
70640 - N Trunk S Replace W of Chanate	\$1,500,000
70669 - Wastewater Planning	\$75,000
70670 - Water Conservation Indoor Water Use Efficiency	\$100,000
70728 - AMI/AMR Meters-Sewer	\$800,000
70734 - SMR:Jennings at Range	\$150,000
70735 - W College Wet Weather Equal Project	\$2,000,000
70736 - SMR: Wiljan Ct	\$1,200,000
70738 - Los Alamos Trunk Replacement: Elaine to Melita	\$1,300,000
70743 - Misc Minor Contracts -Sewer	\$430,000
70748 - SM Reversal: Roberts Ave	\$700,000
70749 - SMR: W 6th St at Madison	\$250,000
70750 - Montgomery Bridge SM Pro Madison	\$250,000
70751 - Remove Bluebell Siphon	\$220,000
70752 - SMR: Pacific Ave W of North St	\$80,000
86384 – Subregional Plant Alt Energy Oppty	\$50,000
86489 - LTP On-Call Contractor	\$300,000
86522 – Ongoing Subregional System Upgrade	\$24,174
86523 - Plant Paving Rehabilitation	\$150,000
86524 – Subregional Asset Mgmt Implementation	\$50,000
86545 - Brown Farm Drain to Llano Trunk	\$100,000
86551 - NPDES Compliance Consul Services	\$100,000
86557 - LTP Onsite Diversion System	\$100,000
86558 – Natural Gas Engine Conversion-CHP Facility	\$900,000

Capital Improvement Program (CIP)

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

Total FY 2015-16 CAPITAL BUDGET REQUEST **\$43,291,088**

Conclusion

As in recent years, the FY 2015-16 CIP proposed budget was developed within the limited financial resources available. Development fees, grants, special sales taxes, and enterprise fund revenues are not adequate to fund all of the necessary infrastructure improvements identified in the City. Staff will continue to pursue grants, but additional funding mechanisms will be needed in the future to adequately fund adopted capital plans and ongoing maintenance of existing and future facilities.

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City Council Goals

Santa Rosa, located in coastal Northern California, is the largest City between San Francisco and Portland, Oregon. The ideal climate, wine country and redwood location, provides City residents and visitors an unmatched quality of life. The region offers residents, businesses, and visitors distinctive experiences that include a vibrant downtown; unique neighborhoods working together to connect and engage; breathtaking open space, creeks, and greenbelts; clean air and water; a multimodal transportation infrastructure to efficiently and safely move about the region; and countless cultural and recreational events all taking place in an ethnically and culturally diverse environment. However, Santa Rosa faces challenges common to many communities of comparable size including traffic congestion, and budgetary and service delivery concerns.

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

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



City Council Goals

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

1 Create a Strong, Sustainable Economic Base

Performance Measures:

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



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

Performance Measures:

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

2B Financial Sustainability

Performance Measures:

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

3 Provide Leadership for Environmental Initiatives

Performance Measures:

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



City Council Goals

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

Performance Measures:

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

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

Performance Measures:

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



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

Performance Measures:

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

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Measure O Overview



In November 2004, the voters in Santa Rosa passed Measure O, a quarter cent sales tax increase to fund Police, Fire, and Violence Prevention programs. The proceeds from the tax are divided 40%, 40% and 20%, respectively. Because the revenue from this increase is intended to fund specific programs, the increase was considered a “special tax” and as such, had to pass with a 2/3 majority vote. The City began receiving revenue from the tax increase in May of 2005. Revenue generated by this tax has averaged approximately \$7.4M annually over the past 11 years. Revenues for FY 2015-16 are budgeted at \$8.9M.

Measure O funding is to be spent according to the Implementation Plan established by the City Council. This plan provides funding for a variety of specific programs benefiting the community, including: additional Fire and Police department personnel and equipment; four interim fire stations in various locations throughout the City, including the Southwest area; and violence prevention and youth programs run by the Recreation & Parks Department. Please follow this link to the Measure O Implementation Plan:

<http://ci.santa-rosa.ca.us/doclib/Documents/FY%2013-14%20Measure%20O%20Implementation%20Plan.pdf>

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



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

Measure O Overview

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

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

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

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

Measure O Overview

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

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

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

TOTAL - ALL MEASURE O FUNDS	8,618,866	8,182,387	436,479
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Budget Process and Calendar

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

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

Early in the process, the City Council holds a public hearing to solicit information from Santa Rosa residents on their budget priorities. The City also conducts an online Budget Priorities Survey that is available to the public from early January through the end of February. The survey results are provided to the departments for use in developing the budget. In February and March, departments prepare their operations and maintenance budgets based on the budget guidelines, public feedback, City Council goals and priorities, and Strategic Planning initiatives. The Capital Improvement Program (CIP) budget process runs parallel with the operations and maintenance budget process. For more information on the CIP, please see that section of this document or the CIP budget document.

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

Throughout the year, Budget and Financial Planning staff presents financial updates to the Council and the public, including the Long Range Financial Plan information. During those updates, it's discussed whether the budget needs to be modified based on changes to revenue sources and other factors. While the budget development process runs from December through June, Budget and Financial Planning staff, the Chief Financial Officer, the City Manager and departments are constantly monitoring the budget throughout the year.

Budget Calendar

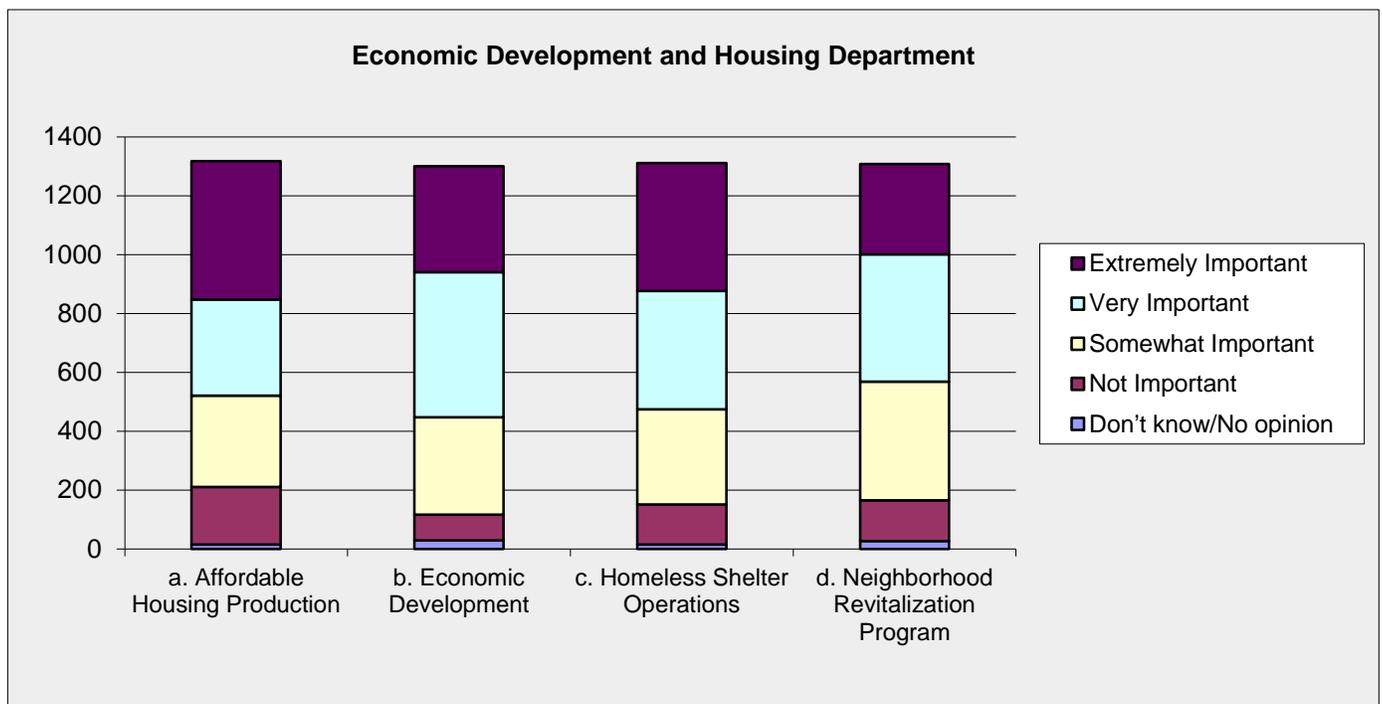
	<u>Santa Rosa Residents Participate:</u>	<u>Mayor and City Council Participate:</u>	<u>City Administration, Financial Planning staff & Departments Participate:</u>
November December	<ul style="list-style-type: none"> ✓ By giving input through direct contact with the Mayor and Council Members via budget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

City Budget Outreach

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

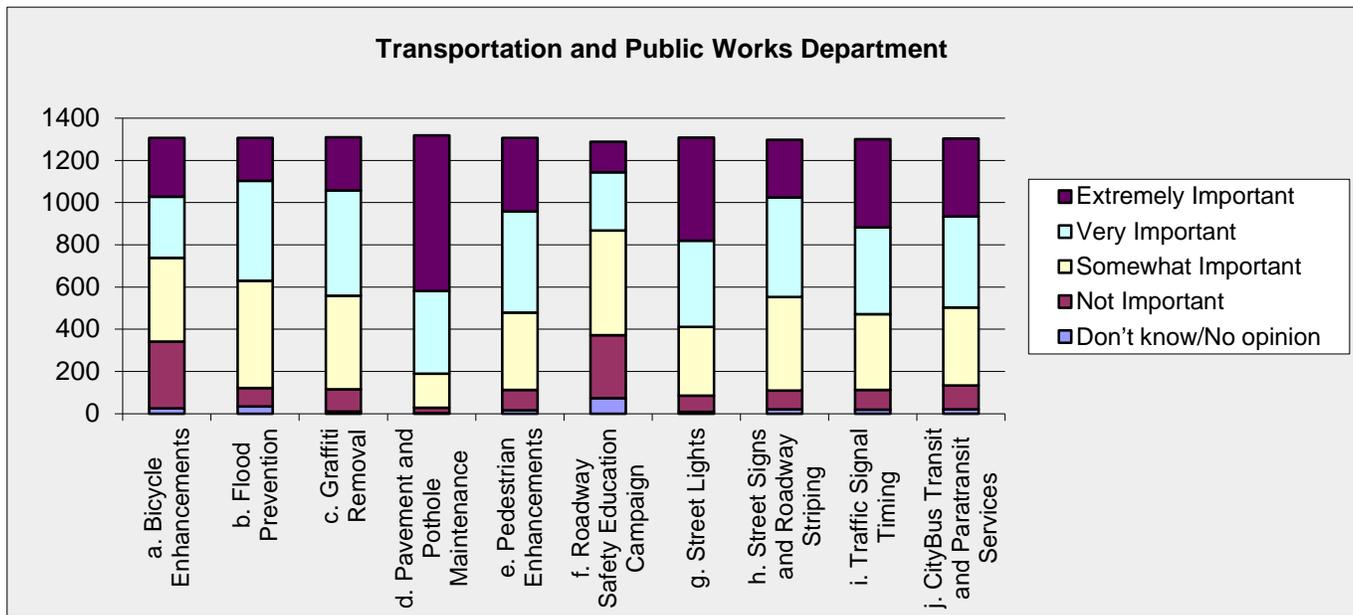
In addition, for FY 2015-16, the City solicited additional public input by launching a Budget Priorities Online Survey. Each department identified their programs. In order educate the survey respondents, program descriptions included relevant information on the various City programs and services. The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

Survey results from two departments are shown below:



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

City Budget Outreach



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

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

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

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

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

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



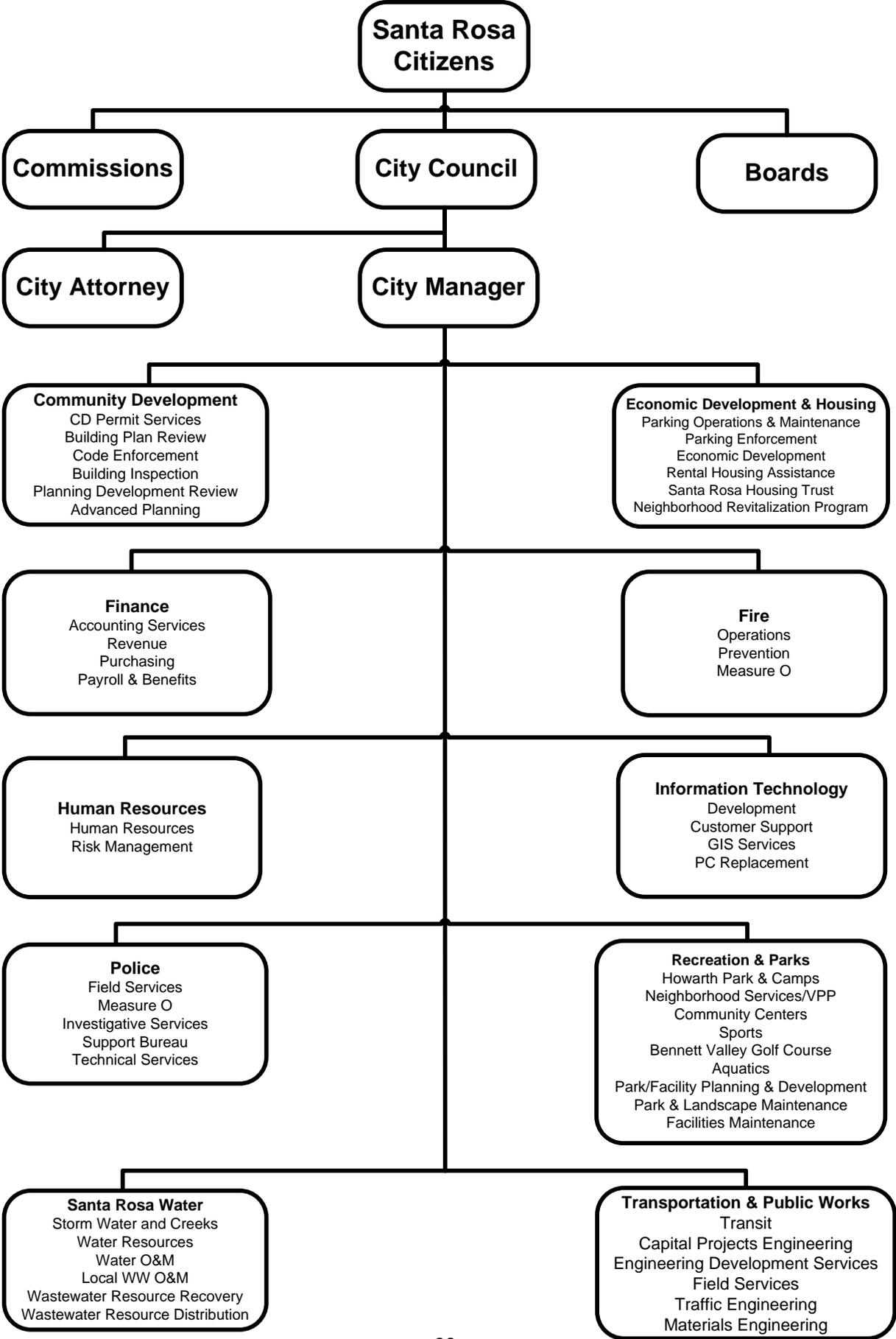
We are committed to a creative process which develops mutual respect and pride in ourselves and the community.

To this end we value:

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

ORGANIZATIONAL VALUES

City of Santa Rosa Organizational Chart



City at a Glance

As the county seat of Sonoma County, Santa Rosa is the center of trade, government, commerce, and medical facilities for the North Bay Area. Located just 55 miles north of San Francisco and 30 miles east of the Pacific Ocean, Santa Rosa is close to more than 400 Sonoma County wineries and 16 golf courses. Other available recreational pursuits include hot air ballooning, spas, and river sports, not to mention the famous Sonoma County cuisine. With fine schools that include a renowned junior college, a wealth of businesses and services, abundant recreational opportunities including many beautiful parks, and a superb climate in which to enjoy them. Santa Rosa has all the elements that create a unique and vibrant community.



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



Santa Rosa is known as one of the top cycling destinations in the world and has hosted a stage start or finish of the Amgen Tour of California seven of the nine years the tour has run. Although the City opted out in recent years, the Amgen Tour has been an event that attracts large crowds and visitors. Santa Rosa also hosts Levi's GrandFondo, started by former professional cyclist Levi Leipheimer. It began in 2009 and benefits local communities and charities.

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

History

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

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

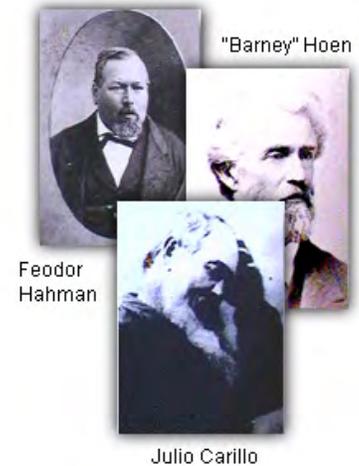
According to popular legend, this area was named Santa Rosa by Father Juan Amorosa. After baptizing a young Native American woman in a stream, he followed the usual custom of naming rivers and creeks for saints. Because the baptism took place on the day of the Feast of Santa Rosa de Lima, Santa Rosa was the name given to the stream (and later to the whole valley) as well as the young woman who was baptized.

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

City at a Glance

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

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



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

Luther Burbank

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

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

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

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

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



City Profile and Demographics

LOCATION

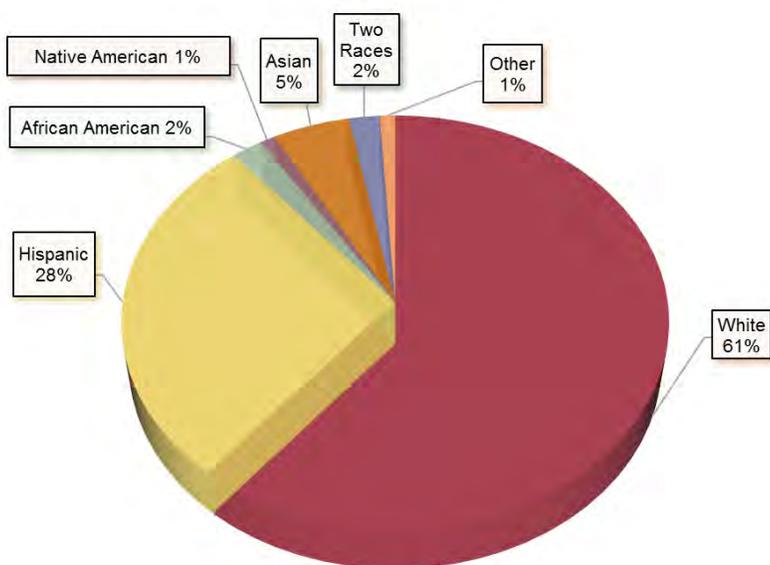
The City of Santa Rosa is located in central Sonoma County, about 55 miles north of San Francisco and 30 miles inland from the Pacific Ocean. Major access to Santa Rosa is from Highways 12 and 101.



AREA

Santa Rosa contains 41.5 square miles. The City's Urban Growth Boundary includes 45 square miles. Santa Rosa is 167 feet above sea level and we are the 27th largest city in the state.

POPULATION COMPOSITION



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

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

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

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

Source: City of Santa Rosa CAFR; all figures approximate

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All City Funds Schedule

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

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

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

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

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

All City Funds Schedule FY 2015-16

	GENERAL FUND	ENTERPRISE FUNDS	SPECIAL REVENUE FUNDS	OTHER FUNDS	HOUSING AUTHORITY	SUCCESSOR AGENCY	TOTAL ALL FUNDS
ESTIMATED RESERVES- JUNE 30, 2015	29,967,000	150,696,000	46,200,000	1,326,000	6,011,000	23,615,000	257,815,000
REVENUES:							
Sales Tax	44,646,613	-	10,135,623	-	-	-	54,782,236
Property Tax	23,770,278	-	-	-	-	5,741,501	29,511,779
Other Taxes	28,606,571	1,308,304	257,708	114,804	-	-	30,287,387
Vehicle License Fees	12,016,621	-	-	-	-	-	12,016,621
Licenses & Permits	1,782,511	7,558	-	-	-	-	1,790,069
Fines & Forfeitures	1,572,833	-	400,000	-	-	-	1,972,833
Intergovernmental Revenue	627,693	26,639,573	4,892,261	-	20,311,622	-	52,471,149
Uses of Money & Property	122,758	888,000	60,934	192,000	8,164	-	1,271,856
Charges for Services	10,478,947	116,254,490	2,293,859	400,000	388,321	-	129,815,617
Interfund Charges	12,137,754	-	-	3,791,500	861,587	-	16,790,841
Miscellaneous	3,034,603	2,020,569	1,346,950	-	3,606,740	-	10,008,862
TOTAL REVENUES	138,797,182	147,118,494	19,387,335	4,498,304	25,176,434	5,741,501	340,719,250
TRANSFERS IN	2,760,436	45,542,198	3,790,186	10,728,961	218,659	-	63,040,440
TOTAL REV & TRNSFS IN	141,557,618	192,660,692	23,177,521	15,227,265	25,395,093	5,741,501	403,759,690
EXPENDITURES:							
General Government	16,544,012	-	1,214,529	192,000	-	-	17,950,541 *
Community Development	5,314,005	-	400,633	-	-	-	5,714,638
Economic Develop. & Housing	-	7,493,840	2,571,451	-	27,581,729	5,741,501	43,388,521
Fire	32,416,891	-	2,914,576	471,947	-	-	35,803,414
Police	46,906,247	-	3,502,689	-	-	-	50,408,936
Transportation & Public Works	13,992,853	16,012,455	231,452	7,026,914	-	-	37,263,674 **
Recreation & Parks	16,774,730	562,988	769,259	2,394,745	-	-	20,501,722
SR Water	323,947	135,603,868	-	291,201	-	-	136,219,016 ***
Non-Departmental	4,423,573	-	-	5,033,920	-	-	9,457,493
TOTAL EXPENDITURES	136,696,258	159,673,151	11,604,589	15,410,727	27,581,729	5,741,501	356,707,955
TRANSFERS OUT	5,286,904	45,922,206	11,720,894	438,436	-	-	63,368,440
TOTAL EXP & TRNSFS OUT	141,983,162	205,595,357	23,325,483	15,849,163	27,581,729	5,741,501	420,076,395
SURPLUS / (DEFICIT)	(425,544)	(12,934,665)	(147,962)	(621,898)	(2,186,636)	-	(16,316,705)
ESTIMATED RESERVES- JUNE 30, 2016	29,541,456	137,761,335	46,052,038	704,102	3,824,364	23,615,000	241,498,295

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

* Total General Government = \$54,224,422 (includes Insurance Internal Service Fund \$29,528,010 & Information Technology Internal Service Funds \$6,745,871).

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

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

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

Enterprise Funds Schedule

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

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

Enterprise Funds Schedule FY 2015-16

	GOLF FUND	PARKING FUND	TRANSIT FUND	STORM WATER FUNDS	WATER FUND	LOCAL WASTEWTR FUND	SUBREG. WASTEWTR FUND	TOTAL ENTERPRISE FUNDS
ESTIMATED RESERVES- JUNE 30, 2015	1,089,000	12,172,000	-	1,100,000	48,840,000	54,205,000	33,290,000	150,696,000
REVENUES:								
Sales Tax	-	-	-	-	-	-	-	-
Property Tax	-	-	-	-	-	-	-	-
Other Taxes	-	513,500	794,804	-	-	-	-	1,308,304
Vehicle License Fees	-	-	-	-	-	-	-	-
Licenses & Permits	-	7,558	-	-	-	-	-	7,558
Fines & Forfeitures	-	-	-	-	-	-	-	-
Intergovernmental Revenue	-	-	11,666,711	80,000	-	480,876	14,411,986	26,639,573
Uses of Money & Property	177,000	25,000	-	-	390,000	180,000	116,000	888,000
Charges for Services	370,045	4,078,368	2,254,966	2,193,066	40,982,550	65,345,275	1,030,220	116,254,490
Interfund Charges	-	-	-	-	-	-	-	-
Miscellaneous	5,300	60,000	-	45,703	1,217,733	46,000	645,833	2,020,569
TOTAL REVENUES	552,345	4,684,426	14,716,481	2,318,769	42,590,283	66,052,151	16,204,039	147,118,494
TRANSFERS IN	-	1,055,720	843,661	-	26,227	-	43,616,590	45,542,198
TOTAL REV & TRNSFS IN	552,345	5,740,146	15,560,142	2,318,769	42,616,510	66,052,151	59,820,629	192,660,692
EXPENDITURES:								
General Government	-	-	-	-	-	-	-	-
Community Development	-	-	-	-	-	-	-	-
Economic Develop. & Housing	-	7,493,840	-	-	-	-	-	7,493,840
Fire	-	-	-	-	-	-	-	-
Police	-	-	-	-	-	-	-	-
Transportation & Public Works	-	-	15,548,501	463,954	-	-	-	16,012,455
Recreation & Parks	562,988	-	-	-	-	-	-	562,988
SR Water	-	-	-	1,973,416	49,633,246	23,362,576	60,634,630	135,603,868
Non-Departmental	-	-	-	-	-	-	-	-
TOTAL EXPENDITURES	562,988	7,493,840	15,548,501	2,437,370	49,633,246	23,362,576	60,634,630	159,673,151
TRANSFERS OUT	-	5,686	11,641	200,000	1,239,739	44,417,851	47,289	45,922,206
TOTAL EXP & TRNSFS OUT	562,988	7,499,526	15,560,142	2,637,370	50,872,985	67,780,427	60,681,919	205,595,357
SURPLUS / (DEFICIT)	(10,643)	(1,759,380)	-	(318,601)	(8,256,475)	(1,728,276)	(861,290)	(12,934,665)
ESTIMATED RESERVES- JUNE 30, 2016	1,078,357	10,412,620	-	781,399	40,583,525	52,476,724	32,428,710	137,761,335

Internal Service Funds Schedule

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

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

Internal Service Funds Schedule FY 2015-16

	EQUIPMENT REPAIR & REPLACEMENT FUND	INSURANCE FUND	INFORMATION TECHNOLOGY FUND	TOTAL INTERNAL SERVICE FUNDS
ESTIMATED RESERVES- JUNE 30, 2015	17,604,587	6,920,218	654,716	25,179,521
REVENUES:				
Sales Tax	-	-	-	-
Property Tax	-	-	-	-
Other Taxes	-	-	-	-
Vehicle License Fees	-	-	-	-
Licenses & Permits	-	-	-	-
Fines & Forfeitures	-	-	-	-
Intergovernmental Revenue	-	-	-	-
Uses of Money & Property	45,350	-	-	45,350
Charges for Services	-	-	-	-
Interfund Charges	8,020,000	30,700,000	6,440,496	45,160,496
Miscellaneous	96,700	-	20,000	116,700
Other	-	-	-	-
TOTAL REVENUES	8,162,050	30,700,000	6,460,496	45,322,546
TRANSFERS IN	-	-	400,000	400,000
TOTAL REV & TRNSFS IN	8,162,050	30,700,000	6,860,496	45,722,546
EXPENDITURES:				
General Government	-	29,528,010	6,745,871	36,273,881
Community Development	-	-	-	-
Economic Develop. & Housing	-	-	-	-
Fire	-	-	-	-
Police	-	-	-	-
Transportation & Public Works	7,726,791	-	-	7,726,791
Recreation & Parks	-	-	-	-
SR Water	-	-	-	-
Non-Departmental	-	-	-	-
TOTAL EXPENDITURES	7,726,791	29,528,010	6,745,871	44,000,672
TRANSFERS OUT	72,000	-	-	72,000
TOTAL EXP & TRNSFS OUT	7,798,791	29,528,010	6,745,871	44,072,672
SURPLUS / (DEFICIT)	363,259	1,171,990	114,625	1,649,874
ESTIMATED RESERVES- JUNE 30, 2016	17,967,846	8,092,208	769,341	26,829,395

Fund Use by Department

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

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

Enterprise Funds:

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

Special Revenue Funds:

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

Internal Service Funds:

Equipment Repair and Replacement Fund
 Insurance Fund
 Information Technology Fund

Housing Authority Funds:

Community Development Block Grant
 Housing Choice Voucher Program
 Housing Operations Funds

Successor Agency to the Redevelopment Funds:

Debt Service Funds (ROPS)

Other Funds:

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

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City Revenues

General Fund

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

City Revenues

General Fund

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

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

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

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

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

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

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

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

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

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

City Revenues

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

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

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

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

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

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

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

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

Water Fund

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

Local Wastewater Fund

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

Subregional Wastewater Fund

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

City Revenues

Golf Course Fund

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

Parking Fund

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

Transit Fund

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

Multi-Year Revenue Summary – All Funds

FUND	2011-12 Actual	2012-13 Actual	2013-14 Actual	2014-15 Budget / Est.	2015-16 Budget
GENERAL FUND REVENUES:					
Sales Tax	36,016,611	38,565,113	41,330,687	42,937,882	44,646,613
Property Tax	19,842,336	21,647,341	21,037,895	22,864,884	23,770,278
Other Taxes	25,136,478	27,727,152	28,016,194	28,674,659	28,606,571
Vehicle License Fees	10,390,644	10,291,986	10,576,828	11,556,546	12,016,621
Licenses & Permits	1,379,206	1,495,928	1,569,428	1,469,819	1,782,511
Fines & Forfeitures	1,681,577	1,699,891	1,864,984	1,665,424	1,572,833
Intergovernmental Revenue	1,228,460	1,626,065	2,575,819	2,669,216	627,693
Uses of Money & Property	187,488	98,363	150,010	122,758	122,758
Charges for Services	8,172,672	8,383,836	9,608,671	9,332,347	10,478,947
Interfund Charges	12,002,529	11,543,182	11,737,016	12,017,578	12,137,754
Miscellaneous	2,473,112	2,636,903	4,552,263	3,263,387	3,034,603
Other	-	-	-	-	-
TOTAL GENERAL FUND REVENUES	118,511,113	125,715,760	133,019,795	136,574,500	138,797,182
ENTERPRISE FUND REVENUES:					
Golf Fund	1,291,134	1,445,639	1,624,789	468,062	552,345
Parking Fund	4,527,873	4,720,240	4,882,623	4,809,358	4,684,426
Transit Fund	16,373,929	15,341,158	13,102,983	12,500,658	14,716,481
Storm Water Funds	2,083,772	2,196,000	2,227,004	2,258,930	2,318,769
Water Fund	42,458,794	47,605,925	44,816,280	39,455,741	42,590,283
Local Wastewater Fund	63,828,058	64,824,347	66,845,866	67,061,684	66,052,151
Subregional Wastewater Fund	13,382,119	15,159,311	33,795,115	16,038,559	16,204,039
TOTAL ENTERPRISE FUND REVENUES	143,945,679	151,292,620	167,294,660	142,592,992	147,118,494
SPECIAL REVENUE FUND REVENUES	32,947,278	21,049,816	24,766,524	18,783,369	19,387,335
OTHER FUNDS REVENUES	6,180,342	5,727,972	42,509,703	5,991,579	4,498,304
HOUSING AUTHORITY REVENUES	19,283,962	25,014,270	22,403,355	23,462,105	25,176,434
SUCCESSOR AGENCY TO THE REDEV. AGENCY	6,096,483	3,422,108	5,068,264	4,780,046	5,741,501
TOTAL REVENUES	326,964,857	332,222,546	395,062,301	332,184,591	340,719,250

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

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

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

Multi-Year Expenditure Summary – All Funds

FUND	2011-12 Actual	2012-13 Actual	2013-14 Actual	2014-15 Budget	2015-16 Budget
GENERAL FUND EXPENDITURES:					
City Attorney	1,994,471	2,044,297	2,100,052	2,149,684	2,295,391
City Council	485,616	581,202	598,951	795,551	692,709
City Manager	1,302,086	1,460,861	1,934,818	1,971,226	2,362,243
Finance	7,695,129	7,750,463	7,971,926	8,905,949	9,120,120
Human Resources	1,465,022	1,550,294	2,048,672	1,928,295	2,073,549
Subtotal - General Government	12,942,324	13,387,117	14,654,419	15,750,705	16,544,012
Community Development	3,739,737	3,825,961	3,913,572	4,603,707	5,314,005
Fire	27,464,994	29,652,487	31,021,132	30,131,830	32,416,891
Police	40,023,834	39,996,975	40,782,131	44,443,459	46,906,247
Transportation & Public Works	11,661,664	12,058,659	12,367,491	12,795,007	13,992,853
Recreation & Parks	13,206,103	13,823,121	13,562,063	15,183,882	16,774,730
SR Water	613,563	580,862	335,087	357,037	323,947
Non-Departmental	4,334,089	4,031,525	3,590,557	5,674,998	4,423,573
TOTAL GENERAL FUND EXPENDITURES	113,986,308	117,356,707	120,226,452	128,940,625	136,696,258
ENTERPRISE FUND EXPENDITURES:					
Golf Fund	2,078,304	2,345,847	2,084,430	959,820	562,988
Parking Fund	5,234,599	6,562,356	6,000,548	6,428,127	7,493,840
Transit Fund	17,556,537	16,636,686	17,351,111	12,871,316	15,548,501
Storm Water Funds	1,548,569	1,664,910	1,657,388	2,116,400	2,437,370
Water Fund	33,832,215	41,889,880	43,228,255	44,202,280	49,632,019
Local Wastewater Fund	20,411,777	26,201,419	28,506,094	23,284,071	23,362,576
Subregional Wastewater Fund	66,835,654	76,064,372	72,934,344	74,730,969	60,635,857
TOTAL ENTERPRISE FUND EXPENDITURES	147,497,655	171,365,470	171,762,170	164,592,983	159,673,151
SPECIAL REVENUE FUND EXPENDITURES	8,872,192	8,781,079	9,820,869	10,984,622	11,604,589
OTHER FUNDS EXPENDITURES:					
Capital Improvement Program (CIP) Fund	25,485,443	16,765,257	19,275,040	14,719,393	10,101,006
Debt Service Funds	4,409,835	4,359,599	37,931,849	5,685,396	5,033,920
Special Assessment Funds	28,507	39,620	25,164	78,252	77,526
Trust Funds	220,482	259,273	291,730	311,910	198,275
TOTAL OTHER FUNDS EXPENDITURES	30,144,267	21,423,749	57,523,783	20,794,951	15,410,727
HOUSING AUTHORITY EXPENDITURES	18,788,696	24,356,357	21,884,167	26,709,817	27,581,729
SUCCESSOR AGENCY TO THE REDEV. AGENCY	9,133,949	5,895,881	6,006,239	4,630,046	5,741,501
TOTAL EXPENDITURES	328,423,067	349,179,243	387,223,680	356,653,044	356,707,955

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

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

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

* 13/14 Actuals Expenditures are taken from IFAS, not the budget system, to present audited numbers

* Actual Expenditures exclude depreciation in HA and SA as this is not budgeted for

City Debt

Computation of Legal Debt Margin as of June 30, 2014

The City has a legal debt limitation not to exceed 3.75% of the total assessed valuation of taxable property within the City boundaries. In accordance with California Government Code Section 43605, only the City's general obligation bonds are subject to the legal debt limit. With \$39,652,000 of debt subject to the limit and a legal debt limit of \$737,087,213, the City is not at risk of exceeding its legal debt limit.

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

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

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

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

City Debt

Annual Debt Service Requirements

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

FTE Staffing Summary

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

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

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

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

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

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

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

FTE Staffing Summary

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

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

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

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

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

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

Long Range Financial Plan

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

Revenue Assumptions

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

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

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

Expenditure Growth Assumptions

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

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

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

Long Range Financial Plan

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

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

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

Transfers In and Out Growth Assumptions

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

Summary of Findings

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

Long Range Financial Plan

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

Please note: The LRFP was developed before the approval of the FY 2015-16 budget, and as such does not equal the FY 2015-16 General Fund Approved Budget.

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City Attorney's Office

Mission

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

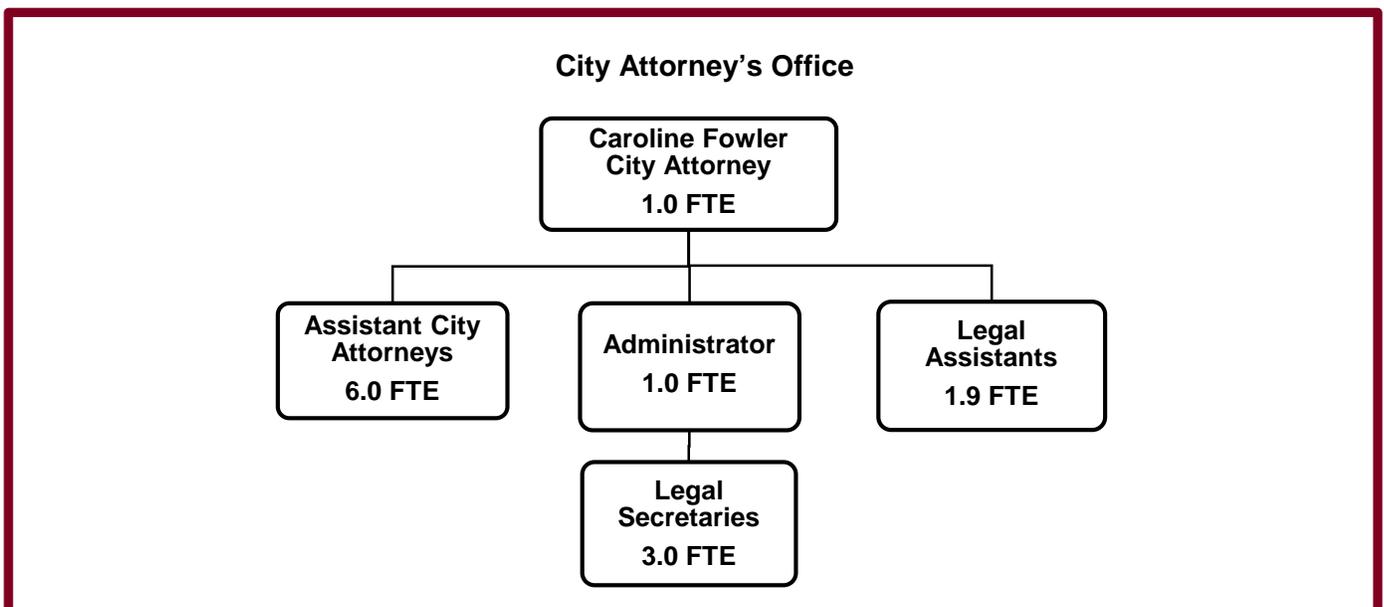
Department Description

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

The office reviews, evaluates and recommends disposition of all claims made against the City of Santa Rosa, and defends litigation (from claims through appeals) filed against the City, including civil rights, wrongful death, eminent domain, environmental violations, land use, inverse condemnation, personnel disputes, dangerous condition of public property, and personal injury claims. The City Attorney's Office makes recommendations to the Council for or against the settlement or dismissal of legal proceedings; and defends the validity of ordinances and other administrative actions.

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

FTE by Program



City Attorney's Office

Strategic Goals and Initiatives for FY 2015-16

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

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

Major Budget Changes

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

Budget Summary

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

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

City Attorney's Office

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

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

Fiscal Year	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15	FY 2015-16
Full-Time Equivalent	12.70	12.90	12.90	12.90	12.90

Performance Measures

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

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

City Attorney's Office

Prior FY 2014-15 Accomplishments

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

LITIGATION

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

CITYWIDE SUPPORT AND TRAINING

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

PROFESSIONAL AND COMMUNITY ORGANIZATIONS

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

City Attorney's Office

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

Looking Ahead

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

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City Council

Mission

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

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



John Sawyer
Mayor



Chris Coursey
Vice Mayor



Erin Carlstrom
Council Member



Julie Combs
Council Member



Ernesto Olivares
Council Member



Tom Schwedhelm
Council Member



Gary Wysocky
Council Member

City Council

City Council is comprised of Administration, Elections and various Community Promotions Programs, which in FY 2015-16 include: the Rose Parade, Santa Rosa Red White and Boom, Santa Rosa Symphony, Santa Rosa Downtown Market, West End Farmer's Market, the Imaginists, Human Race, Shakespeare in the Cannery, Winter Lights Downtown Tree Lighting, Matsuri Japanese Arts Festival and Santa Rosa's 150th Birthday.

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

Strategic Goals and Initiatives for FY 2015-16

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

Council's Current Goals and Initiatives:

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

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

Major Budget Changes

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

There is no change in Council Member salaries for FY 2015-16 however there is a decrease in benefits due to a drop in health premiums. Salaries and Benefits also include in-kind services of City employees for Community Promotions. In FY 2015-16 City Council increased the Community Promotion budget funding by \$21,946, or 21%, to a total of \$125,000. Council wished to broaden the scope of interest in FY 2015-16 and approved new Community Promotions projects including a Japanese Arts Festival, the Downtown Tree Lighting and Santa Rosa's 150th Birthday.

Budget Summary

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

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

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

Performance Measures

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

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

City Council

Various Committees: The City Council Members work with City staff on various committees and provide leadership and guidance on a variety of issues. Council standing committees include: BPU Liaison, Downtown Subcommittee, Economic Development Subcommittee, Violence Prevention Partnership – Steering Committee, Violence Prevention Partnership Policy Committee, Long Term Financial Policy Subcommittee, and the Courthouse Square Advisory Committee. Council Ad-Hoc Committee is the Joint City/County Roseland Annexation Committee. The Council Regional Appointments include: ABAG, Art in Public Places, Health Action Council, Library Advisory Board, LOCC North Bay, Mayors’ and Councilmembers’ Association Liaison to LOCC, Russian River Watershed Association, Waterways Advisory Committee, and the Water Advisory Committee (WAC). Council Members also hold liaison positions on Sonoma Clean Power Authority, Sonoma County Transportation Authority/Regional Climate Protection Authority, and Sonoma County Waste Management Agency.

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

Prior FY 2014-15 Accomplishments

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

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

City Manager's Office

Mission

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

Department Description

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

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

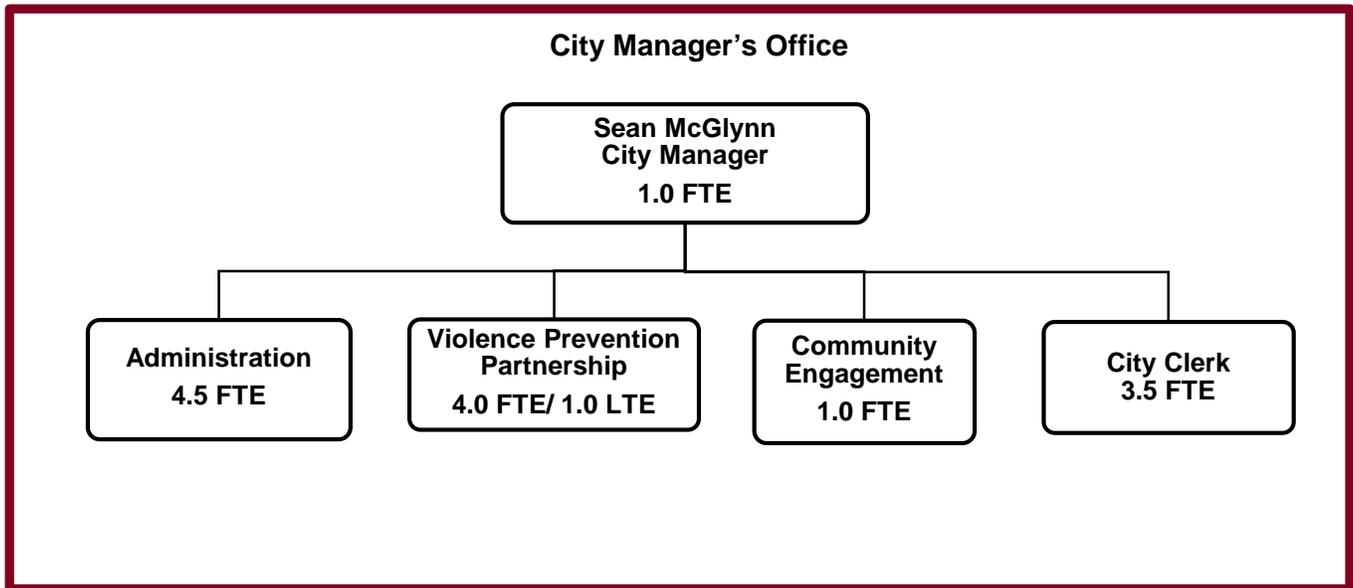
Violence Prevention Partnership – Responsible for the administration and management of the implementation and evaluation of the Measure O CHOICE Grant Program and Santa Rosa Violence Prevention Partnership (The Partnership) Strategic Plan (2012-2016), including the strategic goals of Awareness, Prevention,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

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

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

City Manager's Office

FTE by Program



Strategic Goals and Initiatives for FY 2015-16

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

Administration

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

Violence Prevention/Intervention Partnership

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

Community Engagement

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

City Manager's Office

City Clerk

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

Major Budget Changes

Overall the City Manager's budget increased by \$456K from FY 2014-15 to FY 2015-16. Most of these increases take place in programs funded by the General Fund, including Administration, City Clerk and Community Engagement. The Violence Prevention Partnership, which is funded by its own Measure O revenue source, has minimal changes.

The General Fund portion of the City Manager's budget increased by \$391K this year over last. The majority of the variance, or \$298K, occurs in Salaries and Benefits resulting from the addition of 2.0 new FTEs: an Administrative Assistant for City Council and a Director of Community Engagement. With these positions the total FTEs in the City Manager's Office is now 17.0, up from 15.0 in FY 2014-15. General Fund Services and Supplies rose due to new supplies and training for the Emergency Preparedness Coordinator as well as moderate increases in IT costs and professional services.

The General Fund also received one-time funding of \$50K in FY 2015-16 for community engagement support on homeless programs.

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

City Manager's Office

Budget Summary

Expenditures by Program				
	2012 - 2013 Actual	2013 - 2014 Actual	2014 - 2015 Budget	2015 - 2016 Request
General Administration	\$1,316,482	\$1,475,446	\$1,627,730	\$2,034,348
Measure O Gang Prevention	\$71,505	\$1,033,879	\$1,144,650	\$1,214,529
Community Engagement	\$8,237	\$9,610	\$38,631	\$38,030
City Clerk	\$37,704	\$56,522	\$73,550	\$73,550
CIP and O&M Projects	\$277,270	\$396,061	\$236,315	\$216,315
Total	\$1,711,198	\$2,971,518	\$3,120,876	\$3,576,772
Expenditures by Category				
	2012 - 2013 Actual	2013 - 2014 Actual	2014 - 2015 Budget	2015 - 2016 Request
Salaries	\$879,760	\$1,166,635	\$1,322,632	\$1,530,327
Benefits	\$302,100	\$441,958	\$502,110	\$592,861
Professional Services	\$104,678	\$704,715	\$719,705	\$870,780
Vehicle Expenses	\$1,647	\$13	\$500	\$500
Utilities	\$4,446	\$5,269	\$5,700	\$4,600
Operational Supplies	\$22,773	\$35,045	\$40,200	\$77,950
Information Technology	\$59,635	\$90,043	\$96,811	\$115,512
Other Miscellaneous	\$58,889	\$85,763	\$127,345	\$107,683
Subrecipient Funding	\$0	\$20,000	\$40,000	\$30,000
Indirect Costs	\$0	\$26,016	\$29,558	\$30,244
CIP and O&M Projects	\$277,270	\$396,061	\$236,315	\$216,315
Total	\$1,711,198	\$2,971,518	\$3,120,876	\$3,576,772
Expenditures by Fund				
Funding Source	2012 - 2013 Actual	2013 - 2014 Actual	2014 - 2015 Budget	2015 - 2016 Request
General Fund	\$1,460,861	\$1,934,823	\$1,971,226	\$2,362,243
Measure "O" - Recreation	\$71,505	\$1,033,879	\$1,144,650	\$1,214,529
Capital Improvement Fund	\$178,832	\$0	\$0	\$0
Expendable Fund-No Int Alloc	\$0	\$2,816	\$5,000	\$0
Total	\$1,711,198	\$2,971,518	\$3,120,876	\$3,576,772

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

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

City Manager's Office

Performance Measures

Administration

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

Violence Prevention/ Intervention Prevention	FY 2012-13	FY 2013-14	FY 2014-15
Continued implementation of the 2012-2016 Mayor's Gang Prevention Task Force (MGPTF) Strategic Plan	N/A	N/A	Implementing 28 of 40 identified Strategic Plan Objectives
Create Community Safety Scorecard to be used to measure long-term impacts of MGPTF efforts on a neighborhood level	N/A	N/A	Incorporated findings within Cycle VIII CHOICE Grant Program Request for Qualifications (#TBD)
Conduct 6 Policy Team and 12 Operational Team meetings for the MGPTF	Policy Team – 6 Operational Team – 11 Joint Meeting – 1	Policy Team – 6 Operational Team – 11 Joint Meeting – 1	Policy Team – 6 Operational Team – 11 Joint Meeting – 1

City Manager's Office

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

Community Engagement

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

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

City Manager's Office

Prior FY 14-15 Accomplishments

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

Administration

- Developed recommendations for annual City Budget and long-term fiscal policies; assisted the City Council with policy development and implementations of City Council Goals and Strategic Objectives. All
- Assisted the City Council with recruitments, orientations, and staffing for various Boards and Commissions, monitored legislation impacting the City of Santa Rosa, and recommended policy actions. 1, 2, 3
- Brought the Courthouse Square Project to City Council. 4, 5, 6
- Worked with the City Council in support of the Community Advisory Board and the Santa Rosa Violence Prevention Partnership. 5
- Brought forward the Open Door Initiative All
- Provided oversight for the County Animal Care and Control; served on Sonoma County Waste Management Board; served on Sonoma County's Joint Powers Agreement's Library Review Advisory Committee. 5
- Supported Community Engagement Program with public participation programs, online resources, service opportunities, and problem solving. 2, 4
- Continued work with the Inclusion Council on a variety of projects including the on-going Building an Inclusive Workforce training; participated in the Marketing and Communications Committee. 2, 5
- Participated in work group to recognize and celebrate the success of employees; supported the "Step Right Up" succession planning program. 2

Violence Prevention/Intervention Partnership

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

Community Engagement

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

City Manager's Office

City Clerk

Council Support

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

Elections

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

Records Management

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

Conflict of Interest

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

Public Records Act

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

Boards and Commissions

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

Looking Ahead

City Manager

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

City Clerk

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

City Manager's Office

Violence Prevention/Intervention Partnership

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

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Community Development

Mission

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

Department Description

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

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

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

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

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

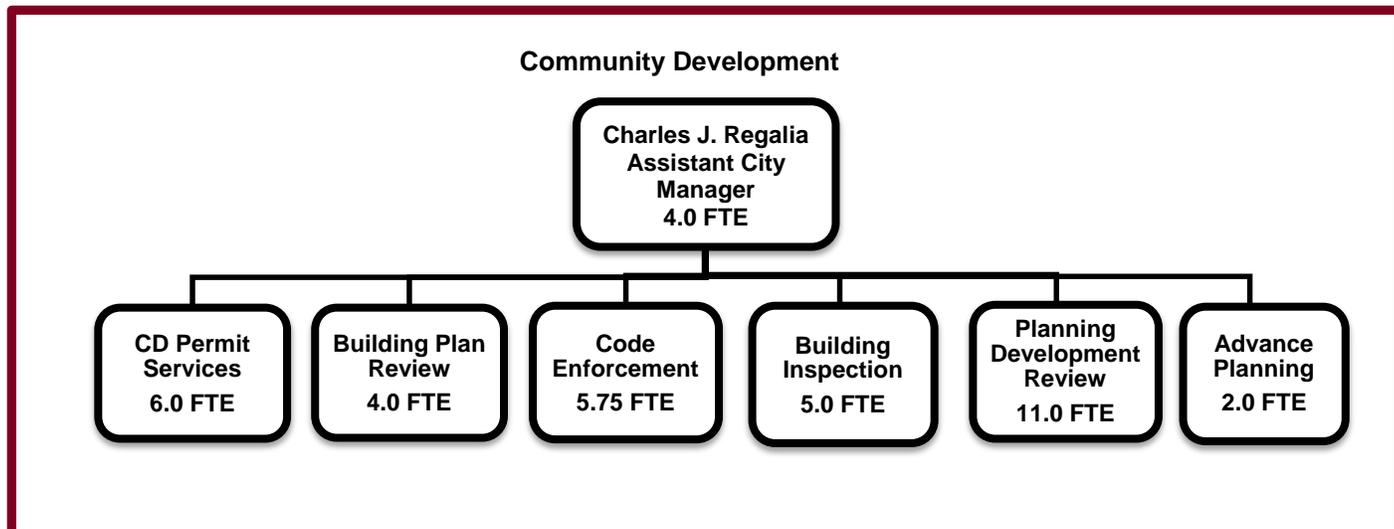
Building Inspection – The Building Inspection Program staff conducts building inspections to verify compliance with building codes and regulations.

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

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

Community Development

FTE by Program



Strategic Goals and Initiatives for FY 2015-16

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

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

Major Budget Changes

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

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

Community Development

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

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

Budget Summary

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

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

Community Development

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

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

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

Performance Measures

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

Prior FY 2014-15 Accomplishments

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

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

Community Development

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

Looking Ahead

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

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Economic Development & Housing

Mission

We build community and improve quality of life in Santa Rosa to help residents flourish and businesses thrive. We strengthen the local economy. We deliver exceptional parking services. We help people with rental assistance. We create quality affordable housing. We revitalize neighborhoods.

Department Description

The Department of Economic Development & Housing is comprised of three entities: the City of Santa Rosa, the Housing Authority, and the Successor Agency to the former Redevelopment Agency. The programs within those entities provide core economic development, parking, and housing services to our community. The functions of the Housing Authority and the Successor Agency are shown in separate sections of this document adjacent to this section.

Under the City of Santa Rosa Entity, the Department is responsible for providing economic development programming, neighborhood revitalization outreach, homeless services, managing the mobilehome rent control ordinance, and parking district services. A brief description of each program follows:

Parking Operations & Maintenance – Serves an estimated two million customers per year by managing and maintaining the City's five garages, ten surface lots, on-street metered parking and time-limited parking spaces for the downtown City center and residential parking zones.

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

Economic Development – Supports a vital local economy by helping business grow and expand in our community. Creative programming is designed to enhance the City's innovative and entrepreneurial image. Staff supports the Santa Rosa Tourism Business Improvement Area (SRTBIA) as well, with services focused on tourism by encouraging overnight stays at local hotels and supporting unique local events and marketing campaigns that reinforce Santa Rosa as a visitor destination in Sonoma County.

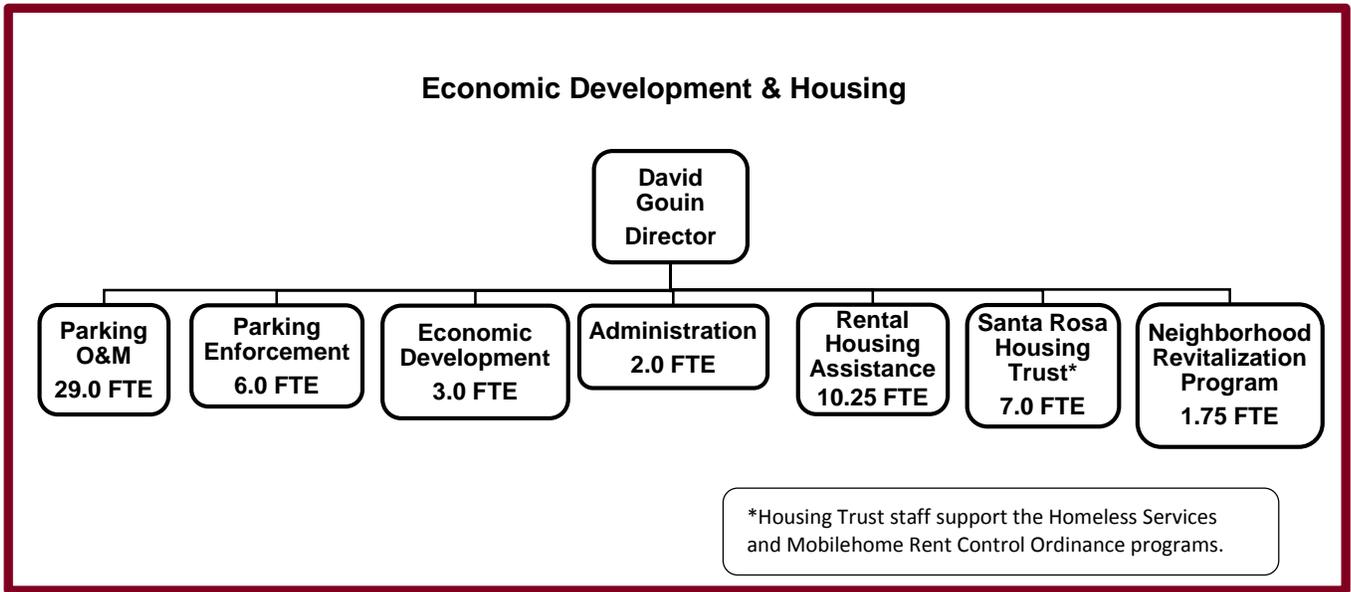
Neighborhood Revitalization Program (NRP) – Works to improve living conditions in target neighborhoods with employees from a City-wide taskforce. The goal is to improve neighborhood characteristics that contribute to lowering the quality-of-life in the area by responding with possible solutions and improvements that involve all the neighborhood stakeholders.

Homeless Services – Provides essential homeless shelter services through contracting the operation of the homeless shelter at Samuel Jones Hall, which serves homeless individuals and families throughout the year. The shelter provides 138 year-round and 50 winter shelter beds. Additionally, the City participates in the County-wide Continuum of Care program and helps fund the federally mandated homeless count.

Mobilehome Rent Control Ordinance – Enforces the Ordinance, enacted in 1993, which regulates mobilehome space rents in 15 mobilehome parks in the City by assisting mobilehome owners and park owners with mediation of mobilehome space rent issues.

Economic Development & Housing

FTE by Program



Strategic Goals and Initiatives for FY 2015-16

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

Economic Development

- Provide industry cluster support by helping our existing industries grow through awareness campaigns, business retention visits, and marketing and promotion of the area's demographic and lifestyle assets. 1
- Support local innovation and entrepreneurship by promoting entrepreneurial ecosystem to encourage start-ups. 1
- Enhance the business climate by collaborating with internal departments on marketing and simplifying the entitlement process. Improve culture through marketing campaigns that promote Santa Rosa lifestyle and local pride, and communications in internal and external programs to engage with the business community. 1

Neighborhood Revitalization Program

- Continue outreach and inspections to designated focused neighborhoods: Sunset/Delport, McMinn, West Ninth, Olive/ Corby, South Park and Aston. Partner with landlords, residents, surrounding schools, and nonprofit agencies to improve the quality of life of low income residents. 5

Homeless Services

- Continue to administer the Samuel Jones Hall Homeless Shelter operations contracts. 5
- Provide ongoing support to homeless services, the Continuum of Care planning group, and other community initiatives, including federally mandated homeless count on a bi-annual basis. 5

Mobilehome Rent Control Ordinance

- Continue to administer the City's Mobilehome Rent Control Ordinance by mediating mobilehome space rent issues 6

Economic Development & Housing

Parking Operations & Maintenance

- Continue former White House site/Garage 5 development feasibility analysis. 1
- Design and build solar energy system on garage roof tops. 1, 3
- Complete Garage 5 repairs to extend useful life of facility for 3-5 years. 1,6
- Replace 11 multi-space meters with 88 single-space credit card enabled meters in Railroad Square. 1
- Develop a Railroad Square/SMART Parking Management Plan in preparation for the arrival of the SMART train to Railroad Square and pending development. 1
- Implement Hansen asset management plan for Parking assets. 1,2
- Complete structural assessment of five public garages and revise the ten year capital improvement plan. 1,6
- Replace garage surveillance cameras at the end of their useful life. 1,6
- Replace outdated parking meter housings. 1,2

Major Budget Changes

Overall, the FY 2015-16 budget increased by \$1.24M when compared to FY 2014-15 with the vast majority of the increase coming from projects. Major position changes include the elimination of 5 vacant positions in the Parking Division. A new Parking Operations service model improved efficiencies and allowed for the elimination of 4.0 FTE Parking Operations Aides. Additionally, a vacant Department Technology Coordinator was eliminated in Parking as that Division will be supported by a 0.5 FTE Senior IT Technician in Information Technology. Salaries & Benefits decreased by \$133K and \$31K, respectively, due to eliminating 5.0 FTE's as noted above. These reductions were offset by negotiated cost-of-living salary increases, merit increases and increases in retirement costs and worker's compensation along with a net decrease in interdepartmental and reimbursements. Professional Service increased by \$521K due to a \$415K increase in the Homeless Outreach Service Team and the budget for credit card processing fees for the Parking Division moving from Operational Supplies into this category to ensure consistency with other departments. Conversely, Operational Supplies went down by \$144K because of this move and reduced budget for office supplies across most divisions. Other decreases include reducing tree maintenance in parking lots and reduced TurboData fees due to lower volume after burning off old outstanding collections in Parking. ED&H pays for services and support provided by the City's Information Technology Department. The methodology used to allocate IT costs changed in FY 2015-16, resulting in a total increase of \$94K or 78.27% overall to the department. As noted above, a contributing factor to the increase was the addition of 0.5 FTE Senior IT Technician to support Parking. Subrecipient Funding increased by \$40K overall, with the major share of the increase coming from a \$60K increase as the Department will partner with the County to fund administration for the HCA Program, which assists residents with rent, mortgage payments and security deposits. The overall increase also includes a (\$20K) reduction in funding for the Winter Shelter. Indirect Costs include City-wide overhead for support services such as HR, accounting, payroll, facilities and building maintenance. For FY 2015-16, these costs are slated to grow by \$62K or 17.49%. The greatest change for the Department occurs in the Project Budget, which increased \$818K (48.65%). The main driver is a City Council-directed project to install solar photovoltaic energy systems on parking garage rooftops for \$1.5M. This project is funded by Parking Reserves and is expected to reduce energy costs in the garages by over \$1M in its 20-year life span, and is estimated to meet 11% of the City's 2020 greenhouse gas reduction emission reduction target. Excluding the Garage Solar Project, Parking projects decreased \$303K, as funding appropriated in prior years will be used to complete existing projects. Additionally, the Department did not budget for the Amgen Tour of California in its base budget, which reduced the project budget by \$350K. If the Tour does return to Santa Rosa, staff will return to Council to appropriate the funding.

Economic Development & Housing

Budget Summary

Expenditures by Program				
	2012 - 2013 Actual	2013 - 2014 Actual	2014 - 2015 Budget	2015 - 2016 Request
Administration - ED & House	\$0	\$1	\$0	\$0
Parking Services O&M	\$4,001,404	\$4,151,116	\$4,526,674	\$4,396,281
Parking Services Enforcement	\$796,315	\$900,981	\$994,652	\$1,046,111
Neighborhood Revitalization	\$204,140	\$226,341	\$338,205	\$371,128
Economic Development	\$274,555	\$421,356	\$473,393	\$479,102
Homeless Services	\$522,410	\$600,499	\$701,197	\$1,161,041
Mobile Home Rent Control Ord.	\$51,162	\$67,474	\$106,759	\$110,930
CIP and O&M Projects	\$1,432,178	\$863,656	\$1,682,300	\$2,500,698
Total	\$7,282,164	\$7,231,424	\$8,823,180	\$10,065,291
Expenditures by Category				
	2012 - 2013 Actual	2013 - 2014 Actual	2014 - 2015 Budget	2015 - 2016 Request
Salaries	\$2,486,820	\$2,505,113	\$2,756,376	\$2,623,236
Benefits	\$1,079,743	\$1,192,240	\$1,337,758	\$1,307,032
Professional Services	\$227,311	\$286,801	\$491,913	\$1,013,054
Vehicle Expenses	\$120,340	\$120,362	\$123,324	\$127,216
Utilities	\$133,456	\$131,712	\$175,090	\$174,244
Operational Supplies	\$226,363	\$269,488	\$326,731	\$182,265
Information Technology	\$87,249	\$113,636	\$120,434	\$214,698
Debt Service	\$541,474	\$533,409	\$509,690	\$513,500
Liab/Property Insurance	\$74,180	\$106,548	\$81,619	\$94,505
Other Miscellaneous	\$155,350	\$193,768	\$260,185	\$255,005
Subrecipient Funding	\$470,303	\$503,283	\$602,803	\$642,803
Indirect Costs	\$247,397	\$359,028	\$354,957	\$417,035
Capital Outlay	\$0	\$52,380	\$0	\$0
CIP and O&M Projects	\$1,432,178	\$863,656	\$1,682,300	\$2,500,698
Total	\$7,282,164	\$7,231,424	\$8,823,180	\$10,065,291

Economic Development & Housing

Expenditures by Fund				
Funding Source	2012 - 2013 Actual	2013 - 2014 Actual	2014 - 2015 Budget	2015 - 2016 Request
General Fund	\$0	\$1	\$0	\$0
Homeless Shelter Operations	\$522,410	\$600,499	\$701,197	\$1,161,041
EPA Brownfields Grant	\$2,957	\$0	\$0	\$0
Neighborhood Revitalization Program	\$204,140	\$226,341	\$338,205	\$371,128
Mobilehome Rent Stabilization	\$51,162	\$67,474	\$106,759	\$110,930
Santa Rosa Tourism BIA	\$0	\$491,133	\$425,000	\$449,250
Economic Development Fund	\$604,235	\$432,630	\$823,393	\$479,102
Downtown BIA Fund	\$0	\$0	\$500	\$0
Parking District Fund	\$5,355,786	\$4,879,937	\$5,918,436	\$6,980,340
1998 Parking Refunding DS	\$541,474	\$533,409	\$509,690	\$513,500
Total	\$7,282,164	\$7,231,424	\$8,823,180	\$10,065,291

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

Fiscal Year	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15	FY 2015-16
Full-Time Equivalent	68.00	63.50	62.50	65.00	60.00

Performance Measures

Indicators	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15
Economic Development				
Number of business visitations	9	27	29	34
Number of businesses assistance calls	300	336	346	378
Number of Economic Development webpage hits	71,323	157,212	161,352	173,298
Neighborhood Revitalization Program (NRP)				
Number of units inspected (Building and Fire) in NRP neighborhoods	1,061	1,321	1,176	1,100
Number of units passed (Building and Fire)	447	370	404	400
Number of total violations in NRP neighborhoods (Building and Fire)	774	980	772	800
Number of legal letters sent to landlords in NRP neighborhoods	18	10	17	20
NRP Special Events	14	9	13	15
NRP "Knock and Talks" to distribute information	600	680	562	600
Homeless Facilities				
Number of persons sheltered at Samuel Jones Hall 138-bed year-round shelter	1,017	838	619	800
Number of persons sheltered at Samuel Jones Hall 50-bed permanent winter shelter	N/A	N/A	327	450
Mobilehome Rent Control Ordinance				
Number of mobilehome parks under rent control	14	14	14	15
Spaces under mobilehome rent control	1,445	1,450	1,455	1,642

Economic Development & Housing

Parking Operations				
Number of parking permits issued	19,501	22,941	23,507	23,719
Number of hourly parking garage patrons served	342,022	380,600	439,564	443,520
Number of residential parking permits issued	1,559	1,588	1,735	1,751

Prior FY 2014-15 Accomplishments

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

Economic Development

- Launched Phase II of the *Out There SR* Destination Campaign including microsite, welcome wagon mobile recording and photo studio, and merchandise store. 1
- Promoted the Downtown including partnering with Parking on the Parking validation program and radio campaign, installation of new Shop Rosa banners, curating City's downtown web portal and interactive downtown shopping map, and supporting downtown Tree Lighting event. 1
- Continued Shop Rosa to encourage residents to shop local and promote the importance of the multiplier effect in the local economy through social media and marketing campaigns. Partnered with Sonoma County Go Local on Small Business Independent's Month. 1
- Provided Industry Cluster Support by attending the Beer, Cider and Distilleries conference, participated on the event planning committee, hosted a wastewater panel discussion, and introduced an *Out There SR* outreach table to promote entitlement services and City merchandise. 1
- Supported local entrepreneurial ecosystem events including sponsoring SoCo Nexus Regional Investment Summit, Go Local's Chow Down Hoe Down, Sustainable Enterprise Conference, Leadership Institute Social Equity work shop, County Economic Development Board Doing Business with Government Procurement Day, Community Action Partnerships Second Annual Business Convention and Sonoma County BEST Site Selector Conference. 1

Neighborhood Revitalization Program

- Partnered with property owners, nonprofit organizations, schools and neighborhood leaders in providing community activities such as the NRP Holiday Food Outreach Program, Fiesta Celebration at the Wells Fargo Center, Fair Housing Meeting at Sunset/Delport area, Posada and Holiday Gathering at West 9th, Citizen Police Academy in Spanish and Computer Literacy Classes. 5
- Submitted 5 administrative hearings on properties that had building and fire code compliance issues. These were discovered through inspections at focused neighborhoods in Olive/Corby, the Woods and Sunset. 5

Homeless Services

- Continued operation of Samuel Jones Hall Homeless Shelter. Year-round shelter beds were increased from 120 to 138. The winter shelter bed program became permanent, with 50 winter shelter beds, as a result of an updated Conditional Use Permit. 5
- Continued to work with mobilehome park owners and residents under the City's Mobilehome Rent Control Ordinance, fully sustained by its own fees. The number of mobilehome parks subject to the Ordinance increased from 14 to 15, due to annexation of Sequoia Gardens Mobilehome Park. 6

Parking Operations & Maintenance

- Completed Parking Annual Report for FY 2013-14. 1,2
- Completed a revised Garage 5 structural assessment. 1,6

Economic Development & Housing

- Completed a Parking Demand Study to assist in evaluating long term parking needs for the downtown. 1
- Upgraded the coin collection process with secure collection vaults and secure coin collecting room. 1,2
- Successfully continued program to operate the City's parking garages on a 24-hour basis and perform round-the-clock patrols with City staff to improve facility security and achieve operational efficiencies. 1
- Continued partnership with Economic Development to market downtown, educate regarding parking options, and promote the parking validation program. 1
- Structural assessment of garages to support solar energy system to be completed by June 2015. 1

Parking Enforcement

- Implemented Pay by Phone mobile application pilot program 1
- Added a second AutoChalk (license plate recognition) vehicle to the Parking Enforcement fleet. 1,2
- Continued to provide parking enforcement services to the Railroad Square and Downtown metered parking zones, and six Residential Permit Zones. 1

Looking Ahead

Emerging issues that may need to be addressed in future budgets include:

- Coordinating the City's homeless response;
- Implementing Parking District economic development initiatives, including assisting with the SMART station parking plan;
- Implementing Parking asset maintenance, technology upgrades, and progressive parking policies;
- Providing economic development support to the downtown, including partnering with SMART to create a development program and ensure a positive visitor experience, and promoting the opening of the California Wine Museum;
- Promoting opportunities based on the Council's Economic Development Initiatives.

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Housing Authority

Mission

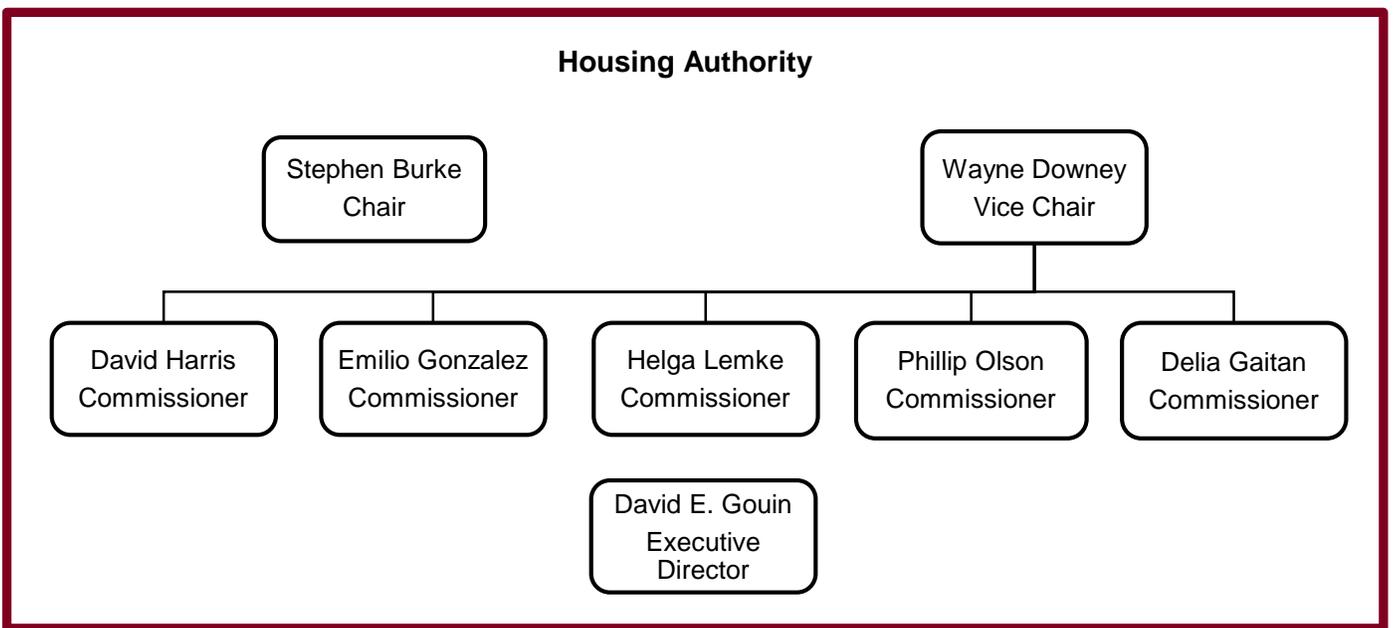
To ensure adequate, decent, safe and sanitary housing for qualified people within Santa Rosa consistent with Federal, State, and local law.

Department Description

The Economic Development & Housing Department supports the Housing Authority (Authority) entity, and consists of two divisions, the Santa Rosa Housing Trust and the Housing Choice Vouchers Division, which perform the Authority's core services. All of the Authority's programs are responsible for improving the quality and affordability of housing in the City. The target population is very low- and low- income households, and different housing programs utilize different income eligibility guidelines.

Santa Rosa Housing Trust (SRHT) – The Santa Rosa Housing Trust (SRHT) manages Loan Portfolio Services and Grant Management, and Affordable Housing Programs for the City. These programs maximize and leverage available Federal, State, and local funding to assist in the development and financing of affordable housing programs; conversion, preservation and rehabilitation of affordable housing; and the acquisition and development of facilities for the physically and developmentally disabled. The Authority also funds community-based non-profit agencies in support of homeless and housing services programs, and assists first-time homebuyers.

Housing Choice Vouchers – The Housing Authority provides rental assistance programs to very low-income clients by administering federal Housing and Urban Development Department (HUD) funded programs such as the Housing Choice Voucher program, HUD-Veteran's Affairs Supportive Housing (HUDVASH), Tenant Protection, Project Based, Family Self Sufficiency program, and Moderate Rehabilitation program. Clients need to meet the income requirements to qualify for these programs.



Housing Authority

Strategic Goals and Initiatives for FY 2015-16

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

-
- Manage the City's affordable housing portfolio consisting of 500 contracts, an economic value of approximately \$100 million, and monitoring of affordability covenants for 3,000 units. 5
 - Evaluate, originate, close, and manage loan disbursements for the development of new affordable housing units and the rehabilitation of existing affordable housing units. 5
 - Facilitate the acquisition of existing housing units for preservation or conversion. 5
 - Negotiate and administer contracts with developers participating in the Housing Allocation Plan, Density Increase, and Infill Policies. 5
 - Monitor existing affordable rental units for compliance with income and rent restrictions. 5
 - Provide rental assistance to at least 1,676 voucher holders to meet HUD's requirement to become a High Performing Agency, in a very tight rental market in the City. 5
 - Provide outreach to make the Housing Choice Voucher program attractive to landlords and increase available units. 5

Major Budget Changes

Overall, the FY 2015-16 budget increased by \$872K or 3.3% when compared to FY 2014-15. Major variances by category include the following: Salaries & Benefits increased by \$54K and \$66K, respectively, due to negotiated cost-of-living salary increases, merit increases, and anticipated increases in retirement costs and other benefits. Professional Services decreased by \$94K due to a reduction in Housing Choice Voucher (HCV) program for Port-In client expenditures (clients coming from other jurisdictions) based on current year and anticipated trends and a reduction in federal funding for Moderate Rehabilitation Program funding from HUD. The Housing Authority pays for services and support provided by the City's Information Technology Department. The allocation methodology to allocate IT costs changed in FY 2015-16, resulting in a total increase of \$83K or 64.9% overall. Other Miscellaneous Expenses includes the funding granted by HUD to provide rental assistance to low income residents, which increased by \$567K this year. This is offset by a reduction in federal funds for the Mod Rehab program (\$27K) and the Authority's share of the payment for City-wide accounting software (\$25K). Loan Activity increased by \$387K as the department is utilizing available resources to fund loans for affordable housing construction, conservation, and preservation. Indirect Costs include City-wide overhead for services such as accounting, payroll, facilities, and building maintenance; for FY 2015-16, these costs are slated to decline by \$142K or (8.2%), with the main decrease coming in financial services as the Department takes on more of the functions. CIP and O&M Projects are scheduled to increase by \$24K which reflects an increase in funding for the CDBG Homeless Program.

Housing Authority

Budget Summary

Expenditures by Program				
	2012 - 2013 Actual	2013 - 2014 Actual	2014 - 2015 Budget	2015 - 2016 Request
Administration - ED & House	\$1,003,104	\$1,059,458	\$1,076,802	\$1,013,604
Housing Choice Vouchers	\$18,222,159	\$18,684,225	\$21,334,957	\$21,834,283
SRHT Portfolio Services & Grant	\$519,527	\$449,421	\$392,078	\$404,359
SRHT Afford Housing Program & Financing	\$4,439,145	\$1,481,186	\$3,730,920	\$4,130,503
Other	\$6,049	\$0	\$0	\$0
CIP and O&M Projects	\$185,555	\$209,877	\$175,060	\$198,980
Total	\$24,375,539	\$21,884,167	\$26,709,817	\$27,581,729

Expenditures by Category				
	2012 - 2013 Actual	2013 - 2014 Actual	2014 - 2015 Budget	2015 - 2016 Request
Salaries	\$1,325,234	\$1,378,048	\$1,407,725	\$1,461,761
Benefits	\$567,231	\$574,313	\$634,072	\$700,027
Professional Services	\$2,930,535	\$2,778,979	\$3,443,799	\$3,349,500
Vehicle Expenses	\$10,507	\$12,138	\$39,720	\$31,720
Utilities	\$4,253	\$5,256	\$7,250	\$7,403
Operational Supplies	\$34,847	\$29,975	\$99,213	\$95,735
Information Technology	\$90,319	\$114,598	\$128,397	\$211,690
Debt Service	\$50,000	\$0	\$0	\$0
Liab/Property Insurance	\$15,249	\$14,157	\$12,970	\$14,237
Other Miscellaneous	\$17,390,197	\$14,681,012	\$16,257,378	\$16,761,168
Subrecipient Funding	\$32,400	\$32,400	\$36,000	\$36,000
Loan Activity	\$0	\$286,711	\$2,742,140	\$3,129,388
Indirect Costs	\$1,739,212	\$1,766,703	\$1,726,093	\$1,584,120
CIP and O&M Projects	\$185,555	\$209,877	\$175,060	\$198,980
Total	\$24,375,539	\$21,884,167	\$26,709,817	\$27,581,729

Housing Authority

Expenditures by Fund				
Funding Source	2012 - 2013 Actual	2013 - 2014 Actual	2014 - 2015 Budget	2015 - 2016 Request
Housing Operations Fund	\$1,003,104	\$1,059,458	\$1,076,802	\$1,013,604
Operating Reserve Fund	\$32,532	\$32,400	\$97,100	\$136,574
Housing Choice Voucher Program	\$18,129,562	\$18,583,083	\$21,189,414	\$21,703,572
1980 Moderate Rehabilitation A	\$103,092	\$103,842	\$145,543	\$130,711
Brookwood Property	\$571	\$686	\$8,073	\$8,663
Community Development Block Grant	\$2,092,380	\$785,254	\$1,539,990	\$1,348,536
Rental Rehabilitation Fund	\$0	\$26,952	\$13,046	\$0
Housing Grant Fund	\$50,000	\$0	\$10,280	\$48,602
Real Property Transfer Tax Fun	\$31,720	\$131,825	\$444,221	\$419,074
Southwest Low/Mod Housing Fund	\$85,014	\$80,819	\$337,383	\$851,734
Rental Housing Construction	\$1,843	\$0	\$0	\$0
Low and Moderate Income Housing	\$55,471	\$176,841	\$173,298	\$478,475
HA Gateways Low Mod Fund	\$84,651	\$0	\$0	\$0
HOME Fund	\$1,578,721	\$332,378	\$586,835	\$518,862
Mortgage Revenue Bond Fund	\$50,148	\$28,584	\$19,269	\$0
Housing Compliance Fund	\$285,333	\$258,472	\$118,555	\$120,495
Housing Impact Fee Fund	\$791,397	\$283,573	\$950,008	\$802,827
Total	\$24,375,539	\$21,884,167	\$26,709,817	\$27,581,729

Performance Measures

Service Indicators	FY 2011-12	FY 2012-13	FY 201314	FY 2014-15 Estimate
Santa Rosa Housing Trust				
Number of new affordable housing rental and ownership units completed	140	16	66	47
Very Low Income units	111	0	8	11
Low Income units	28	10	47	34
Moderate Income units	1	6	11	2
Number of new affordable rental housing units preserved	50 (includes 15 special needs beds)	7 (includes 57 special needs beds)	399 (includes 0 special needs beds)	0
Number of new affordable rental and ownership housing units in the pipeline	569	517	407	444
Very Low Income units	185	192	204	200
Low Income units	384	325	203	244
Number of affordable ownership units transferred title	2	8	5	8
Number of owner-occupied affordable housing units rehabilitated or financed	6	2	0	0
Number of investor/developer affordable rental housing units rehabilitated	56	0	0	153

Housing Authority

Number of units receiving housing accessibility modifications	2	7	3	3
Number of affordable housing rental units monitored	2,324	2,597	2,714	2,690
Number of owner-occupied housing units monitored	293	288	308	302
Homeless and Community Services				
Consolidated Plan for CDBG & HOME funds (2009-2014 and 2014-2019)	✓	✓	✓	✓
Action Plan for CDBG & HOME funds	✓	✓	✓	✓
Consolidated Annual Performance Report (CAPER) for CDBG & HOME funds	✓	✓	✓	✓
Number of homeless and housing services contracts	5	5	6	7
Amount of funding for homeless and housing services	\$679,763	\$677,763	\$736,763	\$768,016
Number of persons sheltered at Family Support Center (facility has long-term shelter clients and emergency shelter clients), providing meals, clothing, children's programs, employment services, life skills training, and individualized case management	661	430	437	450
Number of persons served at Homeless Services Center, a multi-service day center providing showers, laundry, telephone, mail, information and referrals	1,956	1,578	1,894	1,800
Housing Choice Voucher Program (Rental Housing Assistance)				
Number of Housing Choice Voucher Rentals (Vouchers and Port-Ins)	1,850	1850	1950	1950
Number of Housing Choice Vouchers	1,585	1,632	1705	1838
Number of landlords participating in program (all figures approximate)	660	815	750	650
Number of Port-Ins	280	320	280	250
Amount budgeted from HUD	\$15,674,746	\$19,743,916	\$21,214,316	\$21,720,036

Housing Authority

Prior FY 2014-15 Accomplishments

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

-
- The Santa Rosa Housing Trust (SRHT) activities resulted in \$4.6 million committed by the Housing Authority to assist the development of 78 new affordable rental housing units, the rehabilitation of 118 existing affordable rental housing units, and the acquisition and preservation of an emergency homeless shelter, a homeless services day center, and six existing affordable rental housing units. 5
 - SRHT activities resulted in the completion of 47 new affordable housing units, including 41 affordable rental housing units under the Low Income Housing Production Program and 6 affordable ownership housing units under the Housing Allocation Plan. 5
 - SRHT activities resulted in the rehabilitation of 102 existing affordable rental housing units. 5
 - SRHT facilitated re-syndication and refinance for the rehabilitation and preservation of 51 existing affordable rental housing units. 5
 - SRHT administered the implementation of a \$3.8M State grant to assist the financing of first-time homebuyer loans for purchase of 60 affordable self-help ownership housing units. 5
 - SRHT activities resulted in the award of a \$782K State grant to provide rehabilitation loans to Very Low and Low Income owners of manufactured homes (mobilehomes). 5
 - SRHT administered contracts with four non-profit organizations for homeless and housing services. 5
6
 - The Housing Choice Voucher Program was able to secure an extra 61 vouchers for 2014 for the HUDVASH program to help homeless veterans which brings the total HUDVASH vouchers to 296. 5
 - The Housing Choice Voucher received another Family Self Sufficiency Grant in the amount of \$66,856 for FY 2014-15. 5
 - The Housing Choice Voucher Program received for the 9th year the “2014 Housing Choice Voucher Program High Performer Award” from HUD. This award enables the housing authority to compete for extra vouchers and grants available. 5

Looking Ahead

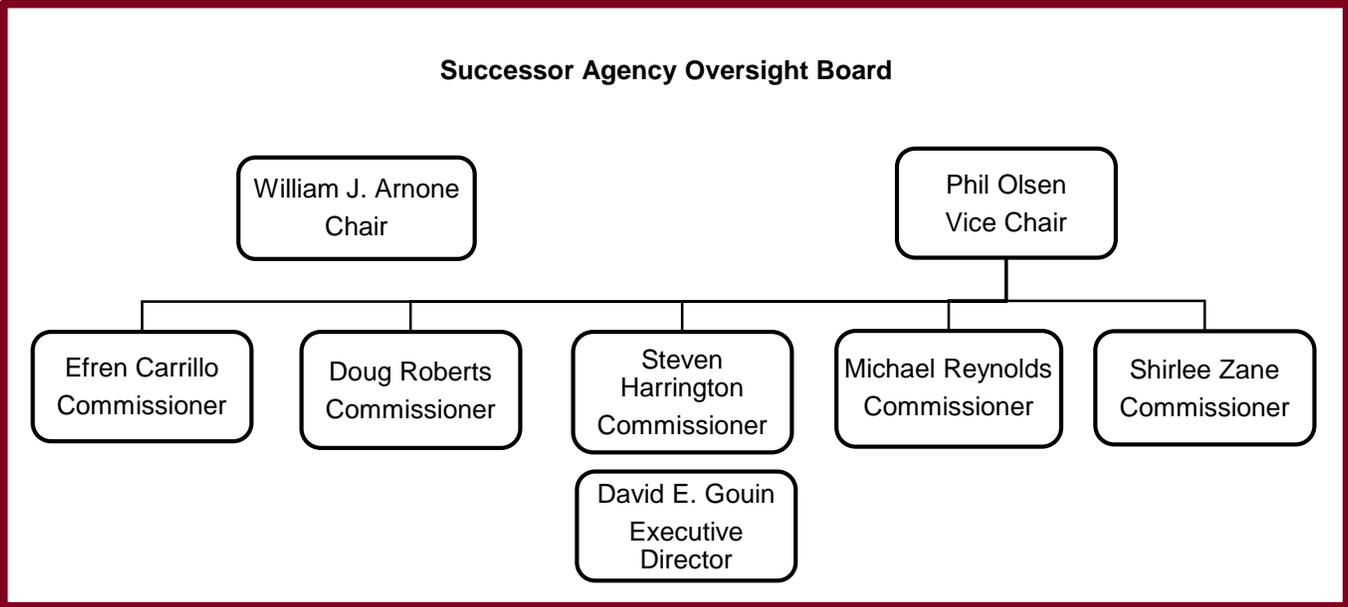
Emerging issues that may need to be addressed in future budgets:

- Identifying options for ongoing, sustainable affordable housing local match funding.

Successor Agency to the Former Redevelopment Agency

Description

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



Strategic Goals and Initiatives for FY 2015-16

- Maintain existing valid funding agreements and projects as presented on the Recognized Obligation Payment Schedule (ROPS), which is prepared twice annually, and must be approved by the Successor Agency and Oversight Board before being submitted to the State Department of Finance for approval.

Successor Agency to the Former Redevelopment Agency

Major Budget Changes

Overall, the FY 2015-16 budget increased by \$1.1M or 24.0% when compared to FY 2014-15. Major variances by category include the following: Salaries & Benefits increased by \$50K and \$24K, respectively as these charges were budgeted in projects prior to FY 2015-16. Professional Services increased by \$100K for litigation expenses related to the Redevelopment Agency dissolution; these charges were budgeted in the Finance Department prior to this year. Debt Service increased by \$1.0M to make payments toward three City General Fund loans, after receiving a favorable court ruling designating the loans as enforceable obligations under the redevelopment dissolution guidelines. The Successor Agency pays for services and support provided by the City's Information Technology Department. The allocation methodology to allocate IT costs changed in FY 2015-16, resulting in a total increase of \$14K. Other Miscellaneous Expenses increased by \$126K to cover other administrative costs to support the Successor Agency; again, prior to FY 2015-16, these charges were budgeted in projects. CIP and O&M Projects are scheduled to decrease by \$244K as the Successor Agency administration allowance is now budgeted in other expense categories as noted above.

Budget Summary

Expenditures by Program				
	2012 - 2013 Actual	2013 - 2014 Actual	2014 - 2015 Budget	2015 - 2016 Request
Redevelopment Dissolution	\$5,115,914	\$4,396,447	\$4,386,409	\$5,741,501
CIP and O&M Projects	\$184,301	\$1,191,505	\$243,637	\$0
Total	\$5,300,215	\$5,587,952	\$4,630,046	\$5,741,501

Expenditures by Category				
	2012 - 2013 Actual	2013 - 2014 Actual	2014 - 2015 Budget	2015 - 2016 Request
Salaries	\$63,923	\$0	\$0	\$50,440
Benefits	\$26,121	\$0	\$0	\$24,046
Professional Services	\$38,721	\$57,480	\$12,060	\$112,070
Utilities	-\$2,839	\$0	\$0	\$0
Information Technology	\$6,691	\$0	\$0	\$14,057
Debt Service	\$4,971,757	\$4,332,017	\$4,367,986	\$5,405,265
Liab/Property Insurance	\$7,478	\$6,950	\$6,363	\$6,181
Other Miscellaneous	\$5	\$0	\$0	\$126,238
Indirect Costs	\$4,057	\$0	\$0	\$3,204
CIP and O&M Projects	\$184,301	\$1,191,505	\$243,637	\$0
Total	\$5,300,215	\$5,587,952	\$4,630,046	\$5,741,501

Successor Agency to the Former Redevelopment Agency

Expenditures by Fund				
Funding Source	2012 - 2013 Actual	2013 - 2014 Actual	2014 - 2015 Budget	2015 - 2016 Request
2002A Southwest Debt Service	\$689,719	\$693,291	\$691,071	\$0
2005A Southwest DS Tax Exempt	\$879,838	\$869,900	\$874,000	\$0
2005B Southwest DS Taxable	\$166,228	\$170,305	\$168,996	\$0
2005A COPs Debt Service (SRC)	\$134,998	\$136,954	\$138,605	\$0
2005B COPs Debt Service (SRC)	\$1,337,976	\$1,355,236	\$1,379,340	\$0
2008 Southwest HsgLoan DS Txbl	\$866,681	\$810,510	\$820,138	\$0
2008 SRC/GB Hsg Loan DS Txbl	\$896,337	\$295,841	\$295,836	\$0
Gateways General Fund	\$95,793	\$114,846	\$243,637	\$0
Gateways Project Fund	\$157	\$9,102	\$0	\$0
Southwest General Fund	\$105,844	\$31,744	\$7,460	\$0
SRC Low/Mod Housing	\$0	\$38,400	\$0	\$0
SRC/GB General Fund	\$114,534	\$1,061,823	\$10,963	\$0
Third Implementation Agrmnt-GF	\$7,773	\$0	\$0	\$0
2005B Southwest Bonds Construc	\$79	\$0	\$0	\$0
2005 Reimbsmt Agreement-GF	\$4,258	\$0	\$0	\$0
SA RDA Oblig Retirement Fund	\$0	\$0	\$0	\$5,741,501
Total	\$5,300,215	\$5,587,952	\$4,630,046	\$5,741,501

Prior FY 2014-15 Accomplishments

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

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Finance

Mission

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

Department Description

The Finance Department is responsible for providing a variety of financial and support services to the City organization, as well as the business community and general public. The Department is divided into four programs in addition to the department's General Administration: Accounting Services, Payroll and Benefits, Purchasing and Revenue.

Accounting Services – Is divided into two sections that provide accounting and financial management to City departments, the Housing Authority and the Successor Agency to the Former Redevelopment Agency: Financial Reporting, Treasury, and Budget and Financial Planning. This division prepares and publishes various Federal and State mandated reports including but not limited to the City's Comprehensive Annual Financial Report (CAFR), the City's Annual Operations and Maintenance Budget Report and the Annual Capital Improvement Program Budget Report. Additionally, there is a fiscal year annual audit performed by an outside firm of certified public accountants. The Accounting Services section also provides City departments professional accounting and financial reporting services. This requires daily contact with various City personnel at all levels within the organization. These services range from answering questions concerning an accounting or budgeting problem to representing the City organization when responding to a federal or state agency.

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

Purchasing – Includes the Warehouse as well as Accounts Payable and Contract Management Services. The division provides purchasing, procurement, surplus disposal, purchasing cards, public requests for information and warehousing support to the entire City organization in addition to processing all the accounts payable requests relating to contracts, purchase orders, field requisitions and miscellaneous payments. Contracts are monitored for adherence to insurance requirements and to ensure payments are properly documented and the requirements of the federal and state laws are satisfied.

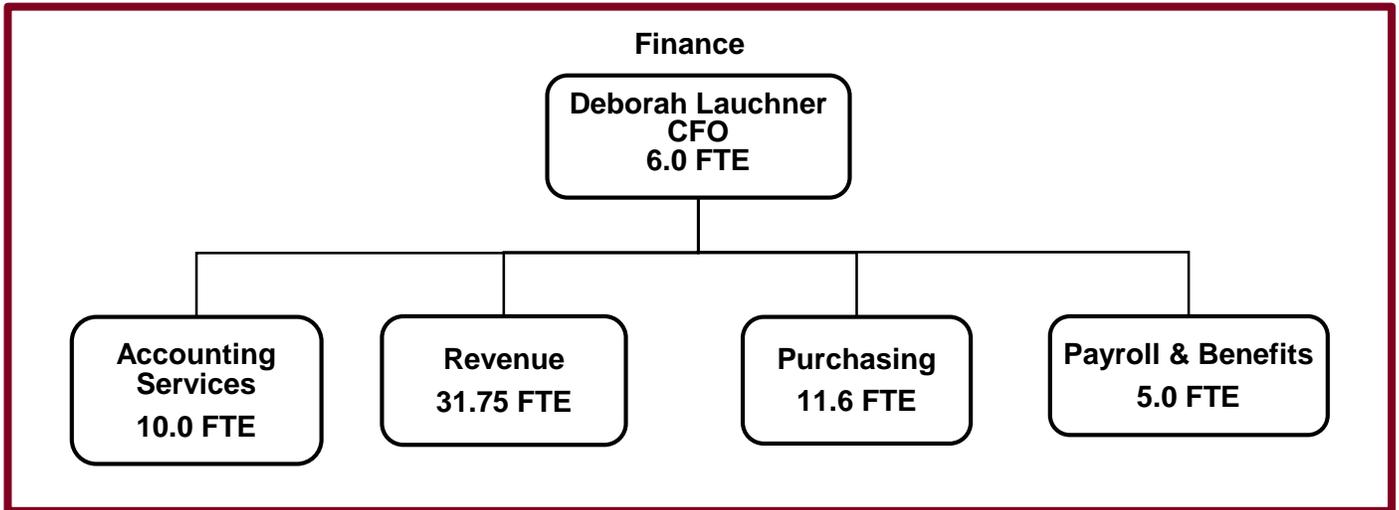
Materials, supplies, equipment, and services are procured through a centralized purchasing system directed by the City Purchasing Agent. Major public works contracts are managed by the Transportation and Public Works, Recreation & Parks, and Santa Rosa Water Departments while minor and some major public works projects may be awarded through central purchasing. The individual departments needing services manage the procurement of Professional Services. As Purchasing is a unit within Finance, it provides professional services procurements for this department. Purchasing delivers education, consultation, and process awareness to assist city-wide staff and the public on the methods, procedures and requirements associated with mandatory public purchasing practices.

Revenue – Includes business tax management and utility fee revenues; provides billing and collection services for City water and sewer utilities, City taxes, parking citations and miscellaneous receivables. This

Finance

section includes reading all the water meters in the City each month, performing a variety of customer outreach for issues such as excessive water use, and preparing and reviewing outgoing bills. Collection duties are also performed for delinquent utility accounts.

FTE by Program



Strategic Goals and Initiatives for FY 2015-16

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

Administration

- Continue evaluating ways to streamline processes and procedures to increase efficiencies and maintain compliance with Federal and State laws and mandates 2

Accounting Services – Budget and Financial Reporting

- Redesign the Long Range Financial Plan 1

Payroll

- Implement required tracking and reporting related to the Affordable Care Act 2
- Implement payroll system changes needed to accommodate AB1522, the new Paid Sick Leave Law 2
- Implement payroll system changes needed to accommodate CalPERS cost sharing for 16 bargaining units 2
- Improve payroll reports and drilldowns, increase ease-of-use 2
- Perform an FLSA audit, address any needed compliance issues 2

Purchasing

- Present Local Preference action plan to City Manager for review and approval then move forward with approved action plan 1
- Manage the process to integrate City purchasing into a single electronic venue that results in bids, outreach and processes are all equally tracked, documents and completed with the utmost transparency 1, 2
- Develop a citywide process for PSA RFP Projects that results in a uniform process for RFP development, training, scoring, protest language, records management and opportunity tracking with a streamlined process and transparency 2

Major Budget Changes

The FY 2015-16 Finance Department budget is \$9.3M, up \$233K or 2.6% over the prior year's adopted budget. The FY 2015-16 staffing count reflects the elimination of the vacant Financial Reporting Manager position and the addition of two administrative support positions, Administrative Technician and Senior Administrative Assistant. This reorganization will provide much needed administrative support across the department's various divisions. To accommodate the continued increase in purchasing department workloads, the addition of a Purchasing Technician position was funded via operational supplies cost savings.

Salary and benefits increased by \$463K due to City Council approved increases in the existing labor agreements. However, a significant portion of this increase was offset by the elimination of funding for the RDA litigation project (\$190K) which had been previously included in the Finance budget in FY 2014-15. All other categories of expenditures had minor increases and decreases without any impact on the overall Finance budget.

Budget Summary

Expenditures by Program				
	2012 - 2013	2013 - 2014	2014 - 2015	2015 - 2016
	Actual	Actual	Budget	Request
General Administration	\$1,024,742	\$1,006,228	\$1,129,135	\$1,361,974
Purchasing	\$856,238	\$831,796	\$954,468	\$997,632
Accounting Services	\$2,054,961	\$2,181,921	\$2,283,802	\$2,347,366
Revenue	\$3,446,003	\$3,549,920	\$3,925,704	\$4,041,427
Payroll and Benefits	\$480,718	\$491,335	\$530,840	\$538,721
CIP and O&M Projects	\$19,942	\$79,756	\$255,000	\$25,000
Total	\$7,882,604	\$8,140,956	\$9,078,949	\$9,312,120

Expenditures by Category				
	2012 - 2013	2013 - 2014	2014 - 2015	2015 - 2016
	Actual	Actual	Budget	Request
Salaries	\$3,926,504	\$4,031,771	\$4,272,050	\$4,494,878
Benefits	\$1,650,766	\$1,691,105	\$1,899,128	\$2,139,447
Professional Services	\$1,222,497	\$1,290,656	\$1,391,289	\$1,419,186
Vehicle Expenses	\$70,409	\$68,987	\$94,301	\$89,206
Utilities	\$5,547	\$4,793	\$8,310	\$7,245
Operational Supplies	\$414,845	\$365,890	\$482,634	\$411,595
Information Technology	\$495,793	\$508,255	\$538,747	\$583,845
Other Miscellaneous	\$76,301	\$90,063	\$137,490	\$141,718
Capital Outlay	\$0	\$9,680	\$0	\$0
CIP and O&M Projects	\$19,942	\$79,756	\$255,000	\$25,000
Total	\$7,882,604	\$8,140,956	\$9,078,949	\$9,312,120

Finance

Expenditures by Fund				
	2012 - 2013	2013 - 2014	2014 - 2015	2015 - 2016
	Actual	Actual	Budget	Request
General Fund	\$7,750,463	\$7,971,932	\$8,905,949	\$9,120,120
Capital Improvement Fund	\$1,660	\$15,833	\$0	\$0
ARP Capital Lease Fund	-\$27,214	\$0	\$0	\$0
Pooled Investment Fund	\$157,695	\$153,191	\$173,000	\$192,000
Total	\$7,882,604	\$8,140,956	\$9,078,949	\$9,312,120

Performance Measures

Revenue & Collections

Indicators	Monthly Average	FY 2014-15
Muniservices – number of business tax files processed	1,248	14,975
Number of misc. files	281	3,366
Calls received	152	1,820
Electronic payments received	56	676
Mail payments received	729	8,746
Counter payments received	117	1,402
Dollar amounts sent to collections	25,792	309,500

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

Utility Billing

Indicators	Monthly Average	FY 2014-15
Number of Accounts		47,724
Water Services **		48,511
Sewer Services		45,592
Operations calls initiated and received	3,082	36,983
Collections calls initiated and received	868	10,412
Meters read by Meter Specialists	47,478	569,732
Property visits by Meter Specialists	2,574	30,886
Electronic payments received	23,494	281,927
Mail payments received	16,244	194,928
Counter payments received	1,892	22,699
Electronic users	24,519	
Dollar amounts sent to collections	4,833	58,001

**Water Services = Water, Irrigation, Recycled, Fireline

***Property Visits = Other than normal meter reading (Delinquent turn on/off's, door tags, stop/starts, billing slips, off and lock checks, leak checks, dig/trims, flow test, etc.)

****Electronic Users = Infinity.Link registered users, E-bill users, incoming IVR users

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

Fiscal Year	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15	FY 2015-16
Full-Time Equivalent	62.85	63.85	62.85	62.35	64.35

Prior FY 2014-15 Accomplishments

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

Administration

- Reclassified the Financial Reporting Manager position to two administrative support positions, an Administrative Technician and a Senior Administrative Assistant, to provide much needed support across the department's various divisions. 2

Accounting Services – Budget and Financial Reporting

- Received the Government Finance Officers Association (GFOA) Certificate of Achievement Award for the FY 2014-15 Budget.
- Produced and published the FY 2014-15 Operations and Maintenance Budget Report and the Comprehensive Annual Financial Report (CAFR)
- Completed a Budget Priorities Survey for a second year to encourage the community's engagement in the City's budget process 1
- Reallocated 20% of the City's investment portfolio to a higher yield investments while increasing the portfolio's overall duration, taking advantage of higher market yields resulting in significantly higher overall portfolio returns for the City. 1
- Successfully implemented citywide credit card terminal upgrade to EMV (Chip & Pin) ahead of the Oct 2015 compliance deadline. 1, 2

Payroll

- Implemented new MOU provisions including a new vacation accrual structure for 15 bargaining units
- Automated the Annual Government Census Report
- Added a Roth 457 to the City's deferred compensation program 2

Purchasing – Accounts Payable

- Implemented Phase One of the project to streamline processing of PG&E invoices via EDI files using a third party VAN (Value Added Network). 2
- Completed the conversion to online management of individual procurement card account statements and streamlining the payment processing 2

Revenue

- Major Utility Billing software upgrade to CIS V4 scheduled for April 20, 2015 which will make us the 2nd utility organization to use this advanced software worldwide 1
- Implemented Apple Pay and Google Wallet citywide which places the City at the peak of technological advancements in the area of credit card acceptance 1, 2

Looking Ahead

The Finance Department will continue to pursue and evaluate strategies to streamline processes and procedures to increase efficiencies, maintain compliance, and stay current with Federal and State laws and mandates. The Department will address the effect of the Roseland Annexation on the department's staffing levels, services and the impact to the budget.

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Fire

Mission

To minimize the loss of life and damage to property and the environment resulting from fires, medical emergencies, complex rescues, and disasters through prevention, education, fire suppression, medical services, and other related emergency and non-emergency activities.

We actively participate in our community, serve as role models and strive to effectively and efficiently utilize all of the necessary resources at our command to provide a service deemed excellent by our citizens.

Department Description

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

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



Fire Prevention – Our mission is to prevent and limit the spread of fire and to provide life safety through community safety education and the application and enforcement of regulations, codes and ordinances. The Division administers a number of programs such as plan review, inspections, fire investigations, Certified Unified Program Agency (CUPA), hazardous materials, weed abatement, vegetation management, and Community Outreach within the city and the Roseland Fire Protection District.

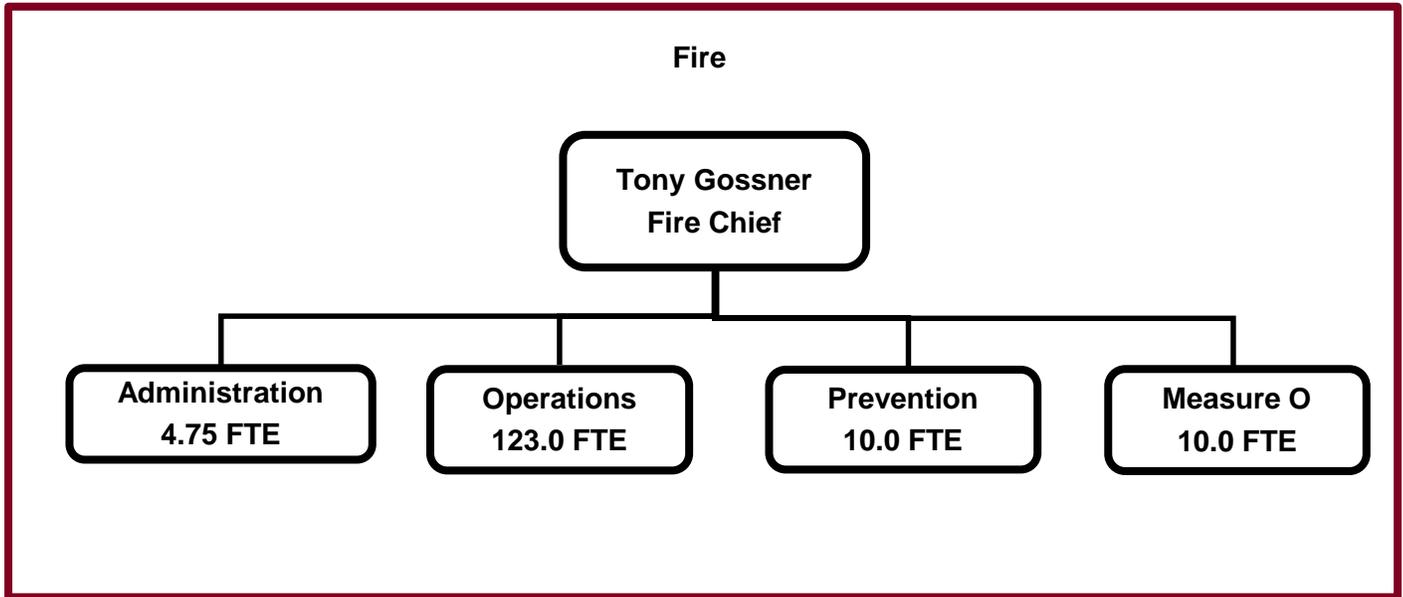
Operations – Responds to and mitigates emergency incidents within the city and Roseland Fire Protection District. Major services to the community include paramedic and emergency medical care, extinguishment of fires, technical rescue, mitigation of the effects from natural disasters, and hazardous materials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



Measure O – Is an extension of Operations that funds staffing for nine paramedic fire operations staff, partial funding for the EMS Division Chief, one Training Captain and also includes funding for the construction of Station 5.

Fire

FTE by Program



Strategic Goals and Initiatives for FY 2015-16

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

-
- Contract for Services with Rincon Valley Fire Protection District 1,2,6
 - Roseland annexation and the support of services required 1,2,6
 - Analyze station relocations and construction of new fire station 2,6
 - Train, develop and test new employees 2,6
 - Support the City's new service hub 1,2,6
 - Continue to seek grant opportunities to enhance services 1,6
 - Continue to support City-wide emergency preparedness through training and program analysis 1,2,3,4,5,6
 - Enhance advanced life support capabilities by staffing all trucks with paramedics 6

Major Budget Changes

The Fire Department's budget is divided between Measure O, which is funded by its own revenue source, and Operations, Prevention and Administration, which are funded by the General Fund. Overall the department's budget increased by approximately 7.3% totaling \$2.4M between FY 2014-15 and FY 2015-16. This variance can mostly be attributed to a \$2.1M increase in Salary and Benefits as well as other small changes across the department. Fire had no changes to authorized position count in FY 2015-16; however two limited term positions (an Administrative Assistant in Fire Administration and the Emergency Preparedness Coordinator in Fire Prevention) were made permanent.

The vast majority of the Salary and Benefits increase took place in the General Fund, due partially to the winding down of the FEMA SAFER grant. In years prior this grant revenue had been supplementing staffing costs through the recession while General Fund revenues recovered. FY 2015-16 marks the first year since its inception that SAFER grant revenues are no longer offsetting the General Fund. Also affecting the Salaries and Benefits increase are both Regular Overtime and Contract Overtime which rose in total by \$732K due to increased demand for drought induced wild land fires. The General Fund service and supplies budget had no significant changes from last year.

The Measure O budget stayed relatively flat from FY 2014-15 to FY 2015-16, increasing overall by \$240K or 9%. The most notable change is an increase to budgeted Capital Outlay. FY 2015-16 anticipates \$260K will be spent on three Battalion Chief vehicles and equipment for Advanced Life Support. Measure O Professional Services declined in FY 2015-16 due to reduced estimated fees for sales tax audit services.

Budget Summary

Expenditures by Program				
	2012 - 2013 Actual	2013 - 2014 Actual	2014 - 2015 Budget	2015 - 2016 Request
General Administration	\$995,922	\$1,239,034	\$1,209,360	\$1,310,484
Fire Prevention	\$1,399,832	\$1,464,061	\$1,762,530	\$1,756,148
Fire Operations	\$25,875,787	\$26,407,648	\$26,636,286	\$28,790,027
Measure O Fire	\$2,482,254	\$2,548,476	\$2,654,452	\$2,894,576
CIP and O&M Projects	\$1,757,710	\$3,745,910	\$1,105,804	\$1,052,179
Total	\$32,511,505	\$35,405,129	\$33,368,432	\$35,803,414

Fire

Expenditures by Category				
	2012 - 2013 Actual	2013 - 2014 Actual	2014 - 2015 Budget	2015 - 2016 Request
Salaries	\$17,678,326	\$17,819,086	\$18,233,489	\$19,753,774
Benefits	\$10,063,252	\$10,053,932	\$10,634,884	\$11,229,426
Professional Services	\$1,041,482	\$1,052,819	\$1,191,288	\$1,172,700
Vehicle Expenses	\$566,527	\$677,056	\$604,125	\$640,331
Utilities	\$44,494	\$32,107	\$46,335	\$47,735
Purchase Water	\$0	\$128	\$0	\$0
Operational Supplies	\$411,675	\$312,770	\$355,296	\$382,174
Information Technology	\$403,581	\$524,428	\$515,826	\$583,612
Liab/Property Insurance	\$10,630	\$10,906	\$11,791	\$11,692
Other Miscellaneous	\$328,740	\$463,182	\$538,226	\$548,816
Indirect Costs	\$139,155	\$130,082	\$131,368	\$120,975
Capital Outlay	\$65,933	\$582,723	\$0	\$260,000
CIP and O&M Projects	\$1,757,710	\$3,745,910	\$1,105,804	\$1,052,179
Total	\$32,511,505	\$35,405,129	\$33,368,432	\$35,803,414

Expenditures by Fund				
Funding Source	2012 - 2013 Actual	2013 - 2014 Actual	2014 - 2015 Budget	2015 - 2016 Request
General Fund	\$29,652,487	\$31,414,229	\$30,131,830	\$32,416,891
Measure "O" - Fire	\$2,482,254	\$2,548,476	\$2,654,452	\$2,894,576
Administrative Hearing Fund	\$0	\$0	\$10,000	\$10,000
Environmental Crimes Investiga	\$0	\$0	\$10,000	\$10,000
Capital Improvement Fund	\$376,764	\$1,442,424	\$562,150	\$471,947
Total	\$32,511,505	\$35,405,129	\$33,368,432	\$35,803,414

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

Fiscal Year	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15	FY 2015-16
Full-Time Equivalent	136.75	137.75	143.75	147.75	147.75

Performance Measures

Indicators	FY 2012-13	FY 2013-14	FY 2014-15
Budgeted Sworn Personnel	129	133	133
Population	168,841	168,841	170,093
Number of Incidents	21,554	22,322	23,931
Fire Loss	\$3,166,321	\$3,098,755	\$3,437,205
On Scene within 5 Min, council goal is 90%	72%	69%	74%
Civilian Fire Fatalities	1	0	2
Engine Company Inspections	2,533	2,440	2,508
Fire Inspector Inspections	613	686	501
CUPA Inspection	392	357	406
Construction Inspections	1,234	1,912	1,682
Plan Reviews	1,099	1,236	1,257
Total Number of Inspections	5,871	6,631	6,354

Prior FY 2014-15 Accomplishments

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

- Completion of Station 5 located at 2201 Newgate Court. 6
- Promotions: Fire Chief, Deputy Chief, Fire Marshal, Battalion Chief, three captains, three Engineers and an Assistant Fire Marshal. 2
- Recruitment and hiring of six Fire Fighter/Paramedics, Emergency Preparedness Coordinator, Assistant Fire Marshal, Research and Program Coordinator, Senior Administrative Assistant, and part time Community Outreach Specialist. 2
- Reorganization of the Fire Prevention Bureau. 2, 6
- FEMA grand for wild land urban interface education. 1, 2, 6
- FEMA grants for enhancements to the emergency preparedness program. 1, 2, 6
- FEMA grant for a driving simulator (training tool for Fire, Police and various City departments). 1, 2, 6
- FEMA grant for Fire Ground Safety and Survival Train-the Trainer Program 1, 2, 6
- Purchase of four new Type 1 Engines 6
- Purchase of one tractor drawn aerial (ladder truck) 6

Looking Ahead

The Fire Department is analyzing a contract for services with Rincon Valley Fire Protection District, support the annexation of Roseland, the construction of Station 9 and the possible relocation of Station 8. These are the forward-looking goals for service enhancements for our citizens.

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Human Resources

Mission

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

Department Description

Human Resources – Faced with the challenge of the continued retirements of employees, the Department plans, conducts and oversees the recruitment, hiring and position transitions of qualified staff and strives to reflect the diversity in our community. The Department works to provide a healthy environment to retain and develop staff through diverse benefit plans, employee training and development programs, and excellent employee relations resources including coaching, facilitation and mediation services. The Department also manages, in the most responsible manner possible, the complex personnel transitions occurring due to departmental succession planning and the continuing retirements of valuable staff.

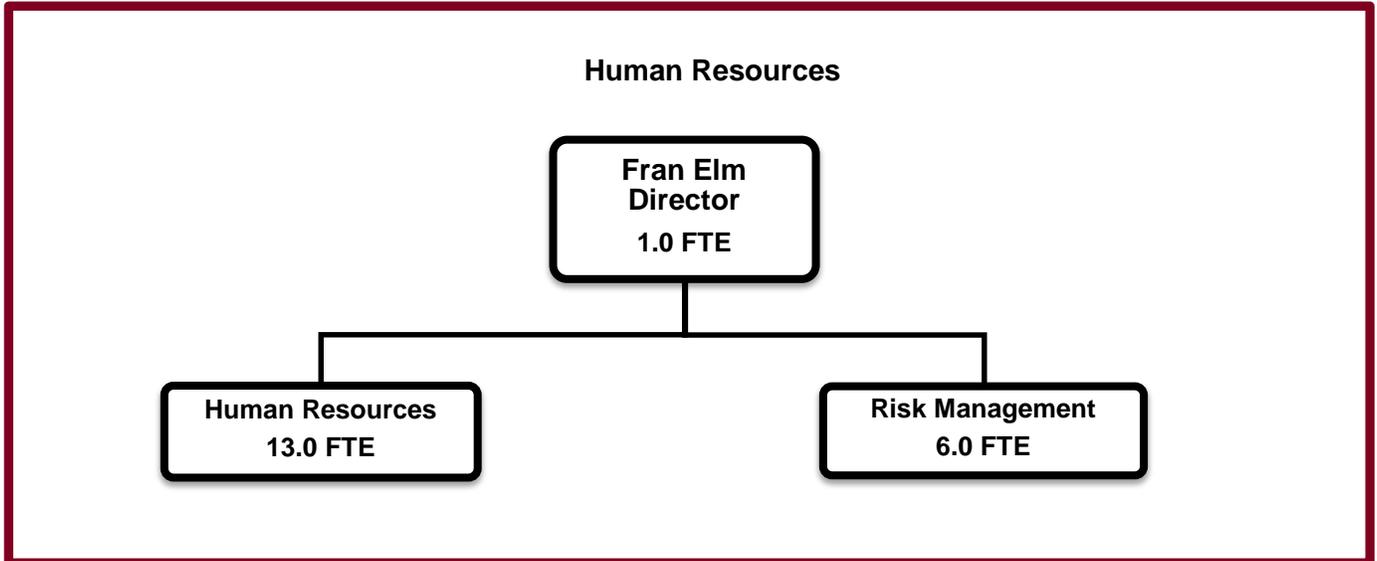
The Department monitors and advises departmental managers and supervisors on the full array of human resources issues including department reorganizations, performance management, conflict resolution, contract and policy interpretation, classification and compensation, grievances, harassment and discrimination complaints.

In addition, the Department negotiates labor contracts with bargaining units; administers current contracts; participates in on-going labor/management problem-solving committees addressing significant issues raised during and after negotiations; conducts thorough, responsive investigations to claims of discrimination; supports departments in conflict analysis and resolution, restructuring, customer service, team development; encourages constructive communication; and supports change management and other organizational development efforts, including initiatives to support an inclusive work environment.

Risk Management – Reviews activities of the City's wide variety of services and develops and maintains programs to minimize the City's exposure to risk; contains loss through proper risk management and control; provides a safe and healthful work environment for City employees; and promotes safety in the services provided to City residents by employees. This division administers the various insurance and risk control programs for employees such as employee safety, OSHA and workers compensation, as well as the City liability and property insurance programs, ADA compliance, and employee benefit programs.

Human Resources

FTE by Program



Strategic Goals and Initiatives for FY 2015-16

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

- Continue to prioritize the recruitment process to maintain City staffing and services.
- Continue to assist staff, departments and Council with department reorganizations, conflict resolution and staff development.
- Continue to define the compensation and classification structure of the City to attract and retain talent and to be more responsive to our internal customers.
- Continue to monitor and fine-tune the training systems available to the City.
- Prepare for and respond to mandates under the Affordable Care Act.
- Prepare for a data-driven negotiation cycle with most City bargaining units.
- Continue to administer the City-wide ADA transition plan.
- Implement a robust Wellness Program for all miscellaneous employees.

Major Budget Changes

The Human Resources Department is comprised of two funds – the General Fund and the Risk Management (Insurance) Fund.

Overall, the Department increased by 2.8% or \$849K from FY 2014-15 to FY 2015-16 which can be attributed to various areas across the two funds. In October of 2014 Council approved the elimination of the Employment Services Manager/Risk Manager position and reinstatement of two separate positions: the Employment Services Manager and the Risk Manager. In doing so the Department's FTEs increased by 1.0 from 19.0 to 20.0.

The General Fund portion of the Human Resources budget increased by 7.5%, or \$145K, from FY 2014-15 to FY 2015-16. Salaries and benefits increased due to the addition of 1.0 FTE as well as contracted salary increases and rising benefits costs. Overall Salaries and Benefits will increase for FY 2015-16 by \$136K. The remaining \$9K of General Fund Human Resources budget variance occurred for modest increases in Services and Supplies budgets, in particular Conferences and Training.

The Risk Management Fund budget is primarily status quo with very few changes. The total budget increase from FY 2014-15 to FY 2015-16 is 2.4% or \$703K mostly due to rising costs of health insurance premiums. In FY 2015-16 health insurance for both Safety and Miscellaneous employees increased by approximately

Human Resources

4.0%, or \$725K. Liability insurance also rose 8.3% or \$141K in 2015-16 partially because rate calculations are based on salary, but also due to a significant increase in bicycle and pedestrian injury cases against the City. These rising costs were offset by decreases in Worker's Compensation of (\$272K) and Earthquake insurance of (\$70K). Other miscellaneous insurance premiums had a total combined increase of \$84K, including \$150K for a Wellness Program for miscellaneous employees. Finally, Risk Management's budget increased from last year by \$84K in Salaries and Benefits and \$12K in Service and Supplies.

Budget Summary

Expenditures by Program				
	2012 - 2013 Actual	2013 - 2014 Actual	2014 - 2015 Budget	2015 - 2016 Request
General Administration	\$1,542,602	\$2,039,617	\$1,928,295	\$2,073,549
Employment Services	\$4,828	\$0	\$0	\$0
Organization and Staff Devel	\$49	\$0	\$0	\$0
Employee Relations	\$2,815	\$9,054	\$0	\$0
Risk Management	\$23,609,522	\$24,034,789	\$28,824,700	\$29,528,010
CIP and O&M Projects	\$0	\$0	\$0	\$0
Total	\$25,159,816	\$26,083,460	\$30,752,995	\$31,601,559

Expenditures by Category				
	2012 - 2013 Actual	2013 - 2014 Actual	2014 - 2015 Budget	2015 - 2016 Request
Salaries	\$1,431,177	\$1,515,928	\$1,548,448	\$1,691,802
Benefits	\$516,066	\$602,729	\$628,094	\$703,804
Professional Services	\$22,663,292	\$23,234,787	\$667,580	\$794,976
Vehicle Expenses	\$77	\$77	\$770	\$770
Utilities	\$1,586	\$1,556	\$1,450	\$1,450
Operational Supplies	\$28,781	\$24,065	\$23,905	\$23,905
Information Technology	\$142,654	\$131,343	\$141,103	\$146,210
Liab/Property Insurance	\$0	\$0	\$4,542	\$4,720
Other Miscellaneous	\$220,387	\$293,478	\$27,549,419	\$27,988,912
Indirect Costs	\$148,151	\$279,497	\$187,684	\$245,010
Capital Outlay	\$7,645	\$0	\$0	\$0
CIP and O&M Projects	\$0	\$0	\$0	\$0
Total	\$25,159,816	\$26,083,460	\$30,752,995	\$31,601,559

Human Resources

Expenditures by Fund				
Funding Source	2012 - 2013 Actual	2013 - 2014 Actual	2014 - 2015 Budget	2015 - 2016 Request
General Fund	\$1,550,294	\$2,048,671	\$1,928,295	\$2,073,549
Risk Management Fund	\$23,609,522	\$24,034,789	\$28,824,700	\$29,528,010
Total	\$25,159,816	\$26,083,460	\$30,752,995	\$31,601,559

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

Fiscal Year	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15	FY 2015-16
Full-Time Equivalent	17.00	17.70	18.00	19.00	20.00

Performance Measures

Indicators	FY 2010-11	FY 2011-12	FY 2012-13	FY 2013-14	Estimated FY 2014-15
Number of Positions	1295.3	1226.5	1205.3	1220	1248
Applications Received	1,718	3,528	3,500	5,803	4750
Percentage of Applications Received On-line	88%	99%	99%	100%	100%
Recruitments Conducted	44	45	52	91	101
New Hires	34	52	87	85	105
Retirements, Resignations,	87	63	94	89	72
Turnover Rate	2.77%	4.31%	7.13%	7.40%	8.60%
Labor Contracts Open & Negotiating	12	12	11	9	9
Training Sessions Held	46	32	52	45	58
Job/Class Studies	15	12	19	29	38
Workers' Comp Cases & Incidents	174/135	176/102	188/131	185/143	175/135
Liability Claims & Events	89/233	113/269	125/209	99/234	100/236

Prior FY 2014-15 Accomplishments

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

- Brought all negotiations to settlement bringing all units under contract.
- Developed objective selection methodology for comparable jurisdictions for use in negotiation process.
- Successfully integrated new managers and analysts into the department.
- Inclusion Council was one of two City service programs featured in the ICMA video on the City of Santa Rosa.
- Implemented the Careers in Local Government Program in partnership with SRJC.
- Facilitated teambuilding and strategic planning sessions and retreats in various departments.
- The number of recruitments conducted by the Department increased by 75% from the prior year.

Looking Ahead

The Human Resources Department will strive to insure the vitality of the workforce and City services through an array of resources. The Employment Services Division will prioritize the recruitment of the best candidates to fill City positions. They will also work with departments to develop the workforce to meet the needs of the City in the years ahead. Our Organizational Development (OD) efforts will work to meet the training needs of existing employees as well as playing a major role in onboarding new hires and continue to provide a robust training program to include new workshops that meet the needs of the City workforce. OD will also continue to work with Council, departments and individuals to meet the challenge of change by mediating, facilitating and identifying potential OD projects that will have meaningful impact upon the organization. Employee Relations will work to prepare for the next negotiating cycle using the experiences from the last cycle as a knowledge base for success. Risk Management looks to address City liabilities in a prudent and productive manner to minimize loss and enhance safety.

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Information Technology

Mission

The Mission of the Information Technology Department is to develop, leverage and implement technology to make Government more efficient, transparent and responsive to Citizens. This also includes driving business efficiency through deployment of solutions at the mobile, desktop and core systems level.

Department Description

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

Administration – Provides the overall strategy and administration for the Department, including franchising responsibility for video and cable services within the City of Santa Rosa and overall website administration for the City's website: srcity.org

Development – Provides strategy, leadership, analysis, and hands-on services for building new software systems and implementing large-scale City-wide software migration programs, while providing software application development, project management, and application support services. The division supports, enhances, and maintains over 70 in-house developed systems used by departments throughout the City, and also provides second-tier support for third party enterprise applications, including the core Finance/HR/Payroll system and the Utility Billing/Customer Information System. The Development division develops and maintains dozens of electronic interfaces between internal and external systems, migrates aging code to current technologies, and converts data for new migrations. The division is also responsible for system architecture definition, database design, application configuration, workflow development, and custom report writing for the various supported systems. Current projects include implementation of the Accela Automation permitting system, upgrading of the Utility Billing/Customer Information system, development of the Accounts Payable Electronic Invoices system, development of the Trust Affordable Housing Management system, Phase II implementation of the Fleet Management system, Phase II development of the Asset Tracking and Replacement system, migration of applications and technologies running on aging servers, and planning for the upgrade of the Finance/HR/Payroll system.

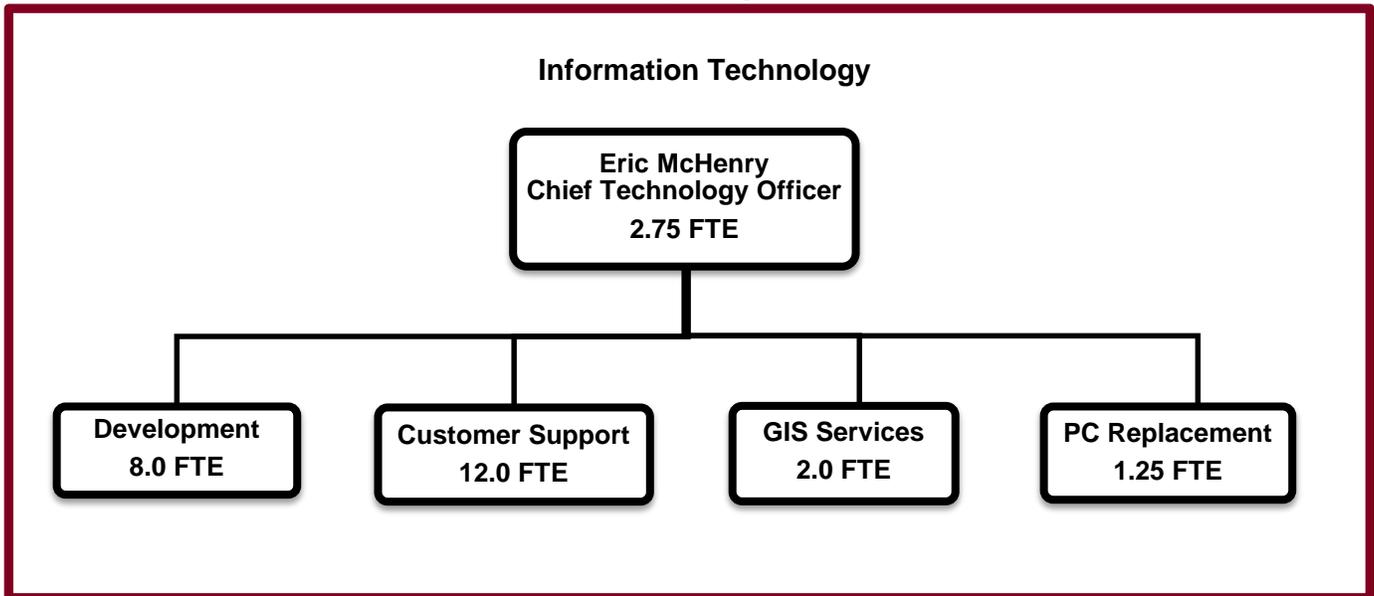
Customer Support – Provides the strategy and operations management of the core City data, storage, and telecommunication systems. The division also provides "Help Desk" support for all City employees (currently over 1,500 desktop units). The Help Desk is available to employees Monday through Friday, and responds to over 5,000 support requests each year. It completes the support of approximately 70% of the service calls, with the remaining calls being forwarded to development or technical staff. Technical Support within IT Operations includes the support of all voice communications, data communications, computer networks, and all peripheral equipment, i.e., printers and personal computers (PCs). The division supports 270 printers, over 1,200 PCs, roughly 180 servers, a City-wide computer network with 2,900 connections in over 60 City locations with hundreds of pieces of communications equipment, and a phone system that includes six separate switches and over 1,200 phone instruments.

Information Technology

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

PC Replacement – In 2013, the Information Technology Department implemented a City-wide PC replacement program aimed at consistent procurement and replacement of the 800+ City PC inventory. Prior to 2013, PCs were maintained by the IT Department, but budgeted, purchased and replaced on a department-by-department basis. The new centralized PC Replacement program now uses uniform and efficient processes developed specifically to rapidly procure, configure, deploy and recycle PCs.

FTE by Program



Strategic Goals and Initiatives for FY 2015-16

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

- Completion of the srcity.org redesign project.
- Launch Accela Automation permitting solution.
- Finalize mobile-friendly software development and hardware platforms.
- Develop plan for IT capital asset replacements.
- Deliver public-facing and staff technology solutions for the Santa Rosa Service Hub.

Information Technology

Major Budget Changes

The FY 2015-16 Information Technology budget is \$6.746M, up \$552K or 8.9% over last year's adopted budget. The FY 2015-16 budget includes the addition of 1.0 FTE Senior IT Technician, 50% of which will be funded by the Parking department. With the significant growth and complexity of the City's IT networks, the additional Senior IT Technician is needed to help maintain network security, implement and upgrade critical hardware and software applications, and provide network and server maintenance. Salaries and benefits increased a total of \$219K due to new MOU agreements, merit increases, and increases in benefit costs.

Under Professional services, enterprise software support maintenance costs increased \$155K as a result of vendor price increases and additional licenses for applications such as IFAS (One Solution upgrade), Hansen (Utilities), Microsoft Office, and Socrata. The legacy Admins system was retired in FY 2014-15, saving \$48K. Network equipment, data storage, and phone maintenance expenses contributed an additional cost increase of \$70K.

Budget Summary

Expenditures by Program				
	2012 - 2013 Actual	2013 - 2014 Actual	2014 - 2015 Budget	2015 - 2016 Request
I.T. Administration	\$261,343	\$335,545	\$337,889	\$392,813
I.T. Development	\$1,710,521	\$2,072,408	\$2,241,304	\$2,394,220
I.T. Customer Support	\$2,357,070	\$2,196,732	\$2,130,323	\$2,429,990
I.T. GIS Services	\$274,487	\$280,548	\$292,858	\$309,650
I.T. PC Replacement Program	\$0	\$132,486	\$167,080	\$175,316
CIP and O&M Projects	\$679,258	\$1,311,062	\$1,024,083	\$1,043,882
Total	\$5,282,679	\$6,328,781	\$6,193,537	\$6,745,871

Expenditures by Category				
	2012 - 2013 Actual	2013 - 2014 Actual	2014 - 2015 Budget	2015 - 2016 Request
Salaries	\$2,138,626	\$2,291,585	\$2,301,124	\$2,456,832
Benefits	\$857,835	\$971,242	\$1,008,342	\$1,071,576
Professional Services	\$792,148	\$1,000,286	\$1,054,772	\$1,280,211
Vehicle Expenses	\$11,479	\$11,693	\$13,750	\$13,850
Utilities	\$325,322	\$247,430	\$358,273	\$391,280
Operational Supplies	\$107,029	\$65,528	\$58,100	\$50,400
Information Technology	\$0	\$11,646	\$13,682	\$21,853
Liab/Property Insurance	\$0	\$0	\$20,825	\$21,188
Other Miscellaneous	\$39,293	\$93,058	\$39,484	\$41,609
Indirect Costs	\$308,019	\$298,300	\$301,102	\$353,190
Capital Outlay	\$23,670	\$26,951	\$0	\$0
CIP and O&M Projects	\$679,258	\$1,311,062	\$1,024,083	\$1,043,882
Total	\$5,282,679	\$6,328,781	\$6,193,537	\$6,745,871

Information Technology

Expenditures by Fund				
Funding Source	2012 - 2013 Actual	2013 - 2014 Actual	2014 - 2015 Budget	2015 - 2016 Request
Capital Improvement Fund	\$571,101	\$7,082	\$0	\$0
Information Technology	\$4,711,578	\$5,751,213	\$5,715,374	\$6,239,673
Technology Replacement	\$0	\$570,486	\$478,163	\$506,198
Total	\$5,282,679	\$6,328,781	\$6,193,537	\$6,745,871

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

Fiscal Year	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15	FY 2015-16
Full-Time Equivalent	25.00	24.00	27.00	25.00	26.00

Prior FY 2014-15 Accomplishments

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

- Successful launch of new interactive Budget application (budget.srcity.org).
- Successful launch of new Open Data application (data.srcity.org).
- Initiation of srcity.org redesign project.
- Assistance with build-up of Police IT division.
- Upgraded GIS client and website to standardized solution.
- Finalized shift to a standardized desktop platform through deployment of Office 365.
- Retired mainframe ADMINS system.
- Implemented and deployed Mobile Device Management and streamlined deployment for city-owned mobile devices.
- Finished implementation of internal WIFI replacement solution.
- Developed and deployed weed abatement tracking and inspection system.
- Working with the City Clerk’s Office, supported development of meeting efficiency and legislative tracking solutions (Granicus).
- Deployed MySantaRosa Citizen Request System.

Looking Ahead

For the Information Technology department, future strategic objectives will continue to include enhancement of public facing solutions that enable increased government transparency and make it easier for the public to do business with the City of Santa Rosa. Solutions will continue to be web-based, but will grow more into the mobile application area, taking advantage of smartphone and tablet-based technologies.

Internally the Information Technology department will continue to focus on network and data reliability and security, delivering applications that meet the business needs of the city departments.

Police

Mission

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

Department Description

The Police Department is responsible for the safeguard of lives and property, the preservation of constitutional rights, and the maintenance of quality of life in order to promote safe and secure neighborhoods for the citizens of Santa Rosa. The department responds to a wide range of calls for service and provides a number of community support and outreach programs to promote police/community partnerships. The six program areas that carry out these core functions are General Administration, Field Services, Support Bureau, Investigative Services, Technical Services, and Measure O.

General Administration – The administration of the department includes the Chief of Police and the administrative services functions responsible for the budget, contracts, department supplies, and facilities.

Field Services – The most visible component of the department is comprised of 8 teams that perform patrol 365 days a year, 24 hours a day. Field Services also includes the Traffic Bureau comprised of Motorcycle Officers and Accident Investigators, the Community Policing Team, School Resource Officers, Field and Evidence Technicians, SWAT team, Hostage Negotiation Team, Mobile Field Force, Canine Team, and the Downtown Enforcement Team.



Investigative Services – Detective units of the department: Domestic Violence and Sexual Assault, Narcotics, Property Crimes including Graffiti Abatement, Violent Crimes, and Gangs. The Investigative Services Bureau is supported by the Evidence Team that is responsible for the intake, tracking and disposition of all evidence related to investigations.

Technical Services – Provides the following services to the department: Communications, Records, Property and Evidence Technicians, Crime Analysis and a new Information Technology team.



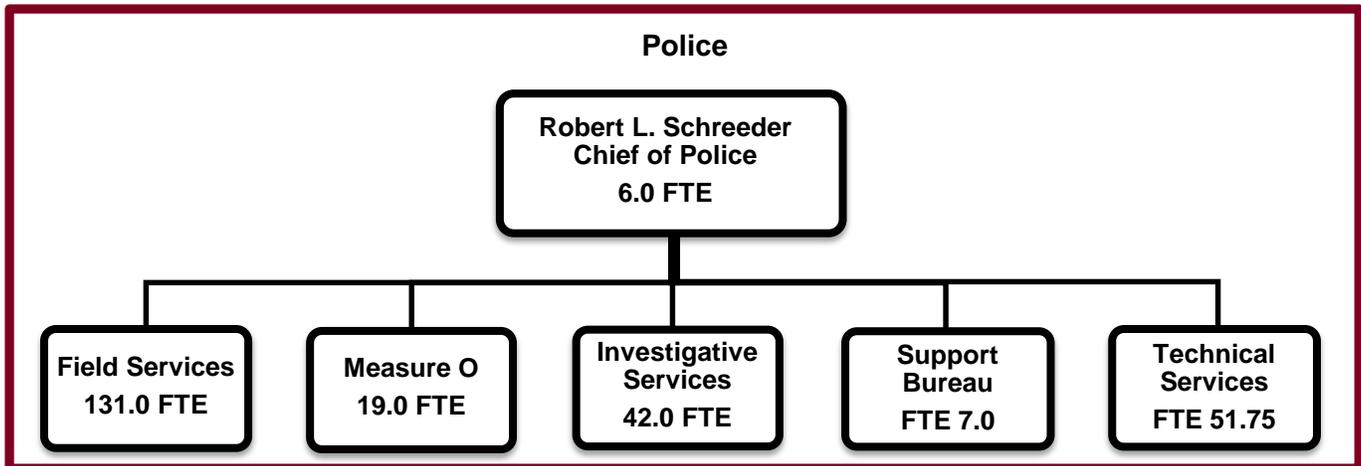
Support Bureau – Recruitment, Testing and Employment; Training and Wellness; and the Volunteers in Police Services (VIPS) program. The Police Department has personnel needs and recruitments that necessitate dedicated staff. As a result of this need, a bureau is dedicated to the recruiting and testing of new employees; conducting mandated background investigations; providing and tracking mandated training for all sworn staff; and administering the VIPS program that provides

approximately 5,000 hours of service per year, freeing up time for staff to address other public safety issues and clerical needs.

Police

Measure O – Funding and staff for a total of 19 positions: 17 Field Services positions that consist of 1 Lieutenant, 1 Sergeant, 12 Officers, 2 Field and Evidence Technicians and 1 Community Service Officer; and 2 Technical Services Division that consist of 1 Communications Supervisor and 1 Police Technician.

FTE by Program



Strategic Goals and Initiatives for FY 2015-16

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

- Continue to enhance Community Policing efforts and strategies, including working with the City's Homeless Outreach Services Team and Community Based Organizations; 6
- Actively recruit a diverse group of staff to fill vacancies at all levels of the organization; 6
- Continue to participate in community conversations on law enforcement and implement policies, processes and procedures; 6
- Increase bike and pedestrian safety through grant programs; 6
- Continue to participate in the Sonoma County Public Safety Consortium with a focus on including all law enforcement agencies in the information sharing and data gathering; 6
- Improve traffic safety and criminal enforcement by continuing to use Data Driven Approaches to Crime and Traffic Safety (DDACTS); 6
- Implement a Body Worn Camera program to patrol staff; 6
- Implement California Peace Officer Standards and Training course on racial profiling, including development of implicit bias information, for all department personnel; 6
- Implement Procedural Justice training for all staff members to maintain and improve relationships with the community. 6

Major Budget Changes

The FY 2015-16 budget increased by \$2.6M when compared to FY 2014-15. Major variances by category include the following: Salaries & Benefits increased by \$1.9M and \$595K, respectively, due to standard contractual increases related to the current MOU's, anticipated increases in overtime, retirement, worker's compensation and health insurance premiums. Police reduced staffing by 2.0 FTE's with the elimination of one vacant Senior Administrative Assistant position and with two unfilled positions converting into a Police Sergeant to enhance the consistency of personnel investigations and to provide a singular point of contact for complaints received from the community. This staffing change will free up patrol Sergeants, allowing them to focus on first line supervision in the field. Professional Services increased \$91K with the largest portion of this coming from the annual increase in Sonoma County Public Safety Consortium.

Utilities increased by \$15K, or 20.6%, as the cost of department cell phones was moved here from Operational Supplies. Information Technology costs increased by \$63K, or 10.9%, due to higher Internal IT Charges and PC Replacement costs. Major expenditure changes in project costs include using new Casino Crime Mitigation funding to purchase body worn cameras for officers for \$287K, coupled with lower expenditures in Federal Asset Forfeiture of \$150K and Technical Service Projects of \$185K in FY 2015-16.

Budget Summary

Expenditures by Program				
	2012 - 2013 Actual	2013 - 2014 Actual	2014 - 2015 Budget	2015 - 2016 Request
General Administration	\$3,031,912	\$3,127,007	\$3,474,132	\$3,535,493
Field Services	\$22,542,475	\$22,789,188	\$24,502,197	\$25,634,408
Investigative Services	\$6,663,917	\$6,859,018	\$7,721,351	\$8,375,866
Technical Services	\$5,471,485	\$5,856,754	\$6,435,405	\$6,834,059
Support Bureau	\$1,152,445	\$1,421,604	\$1,487,659	\$1,711,783
Measure O Police	\$3,032,867	\$3,173,684	\$3,359,192	\$3,464,989
CIP and O&M Projects	\$1,169,057	\$1,129,859	\$867,715	\$852,338
Total	\$43,064,158	\$44,357,114	\$47,847,651	\$50,408,936

Expenditures by Category				
	2012 - 2013 Actual	2013 - 2014 Actual	2014 - 2015 Budget	2015 - 2016 Request
Salaries	\$24,344,814	\$25,211,926	\$26,960,359	\$28,859,777
Benefits	\$13,325,877	\$13,533,165	\$15,206,091	\$15,800,952
Professional Services	\$939,010	\$1,011,135	\$1,275,863	\$1,366,398
Vehicle Expenses	\$1,561,893	\$1,627,874	\$1,785,318	\$1,746,318
Utilities	\$47,055	\$54,090	\$72,697	\$87,697
Operational Supplies	\$587,452	\$445,158	\$574,520	\$515,855
Information Technology	\$526,956	\$804,254	\$581,063	\$644,561
Liab/Property Insurance	\$10,630	\$10,906	\$15,838	\$16,290
Other Miscellaneous	\$361,181	\$370,227	\$376,819	\$389,619
Indirect Costs	\$139,155	\$130,082	\$131,368	\$120,975
Capital Outlay	\$51,078	\$28,438	\$0	\$8,156
CIP and O&M Projects	\$1,169,057	\$1,129,859	\$867,715	\$852,338
Total	\$43,064,158	\$44,357,114	\$47,847,651	\$50,408,936

Police

Expenditures by Fund				
Funding Source	2012 - 2013 Actual	2013 - 2014 Actual	2014 - 2015 Budget	2015 - 2016 Request
General Fund	\$39,996,975	\$41,149,344	\$44,443,459	\$46,906,247
Measure "O" - Police	\$3,067,183	\$3,207,770	\$3,404,192	\$3,488,189
State Grants Fund	\$0	\$0	\$0	\$14,500
Total	\$43,064,158	\$44,357,114	\$47,847,651	\$50,408,936

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

Fiscal Year	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15	FY 2015-16
Full-Time Equivalent	246.75	246.75	253.25	258.75	256.75

Performance Measures

	YTD 2012	YTD 2013	YTD 2014	% Change from 2013 to 2014
PART I CRIMES REPORTED				
Homicide	2	3	2	-33%
Forcible Rape	67	43	70	63%
Robbery	126	105	130	24%
Aggravated Assault	441	391	434	11%
Simple Assault (Not a Part I Crime)	724	751	713	-5%
Burglary	725	638	598	-6%
Larceny - Theft, Grand	877	780	940	21%
Larceny - Theft, Petty	1,900	1,780	1,933	9%
Motor Vehicle Theft	316	309	379	23%
Arson	22	25	42	68%
PART 1 CRIMES (CRIMES AGAINST PERSONS)	636	542	636	17%
PART 1 CRIMES (PROPERTY CRIMES)	3,840	3,532	3,892	10%
PART 1 CRIMES - TOTAL	4,476	4,074	4,528	11%
ARRESTS REPORTED				
Juvenile	798	551	631	15%
Adult	9,628	8,645	7,574	-12%
TOTAL ARRESTS	10,426	9,196	8,205	-11%
COMMUNICATIONS CENTER CALLS				
911 Calls	60,835	64,431	69,514	7%
Other Incoming Calls	120,906	123,867	122,354	-1%
Outbound Calls	37,144	41,332	39,226	-5%
Total Calls	218,885	229,630	231,094	1%

PATROL CALLS AND RESPONSE TIMES				
Calls Routed to Patrol	71,957	73,151	77,214	5%
Officer Initiated Calls	56,378	63,724	45,697	-39%
TOTAL Calls	128,335	136,875	122,911	-11%
% Officer Initiated	44%	47%	37%	-25%
Priority 1 Calls/Median Average Response Time (MM:SS)	5,971 / 5:51	5,731 / 6:03	5,299 / 6:22	-8% / 5%
Priority 2 Calls/Median Average Response Time (MM:SS)	27,781 / 9:38	27,955 / 10:08	28,237 / 10:46	1% / 4%
Priority 3 Calls/Median Average Response Time (MM:SS)	17,050 / 20:08	17,011 / 21:52	17,762 / 22:49	4% / 4%

Prior FY 2014-15 Accomplishments

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

- Acquired and implemented a digital evidence system to handle the department's increasing storage and cataloging requirements from interview rooms and body worn cameras; 6
- Increased department reporting and transparency to provide easily accessible information on Use of Force, Critical Incidents, complaints and personnel investigations; 6
- Continued to work with the Sonoma County Mobile Support Team to address mental health issues in the field; 6
- Hosted Citizen Police Academies in English and Spanish to educate the public on the roles and responsibilities of the department; 6
- Created an Information Technology team with four staff members to address the ever increasing technology needs of the department; 6
- Developed a Mobile Field Force team to provide an additional specialized response team for community events and needs; 6
- Continued to refine the department's planning and response systems for consistency with the City's Emergency Operations Center structure; 6
- Hired 13 Police Officer Trainees to attend the Santa Rosa Junior College Public Safety Training Center program and hired a total of 27 new department staff members; 6
- Participated in a countywide software upgrade to improve the Computer Aided Dispatch and Records Management System; 6
- Continued collaboration with the Family Justice Center to efficiently and effectively address domestic violence, including developing a 3-year partnership with the YWCA to form a Domestic Violence Response Team; 6
- Continued collaborations with the Santa Rosa Violence Prevention Partnership, North Bay Regional Gang Task Force, and the Sonoma County Auto Theft Task Force; 6
- Responded to approximately 16,000 calls for service per month; handled a 7% increase in 9-1-1 calls and a 5% increase in calls necessitating a patrol unit. 9-6

Looking Ahead

- Actively recruit a diverse group of staff members in all classifications throughout the organization to address the public safety needs of the community;
- Plan for the staffing impacts associated with upcoming annexations;

Police

- Develop and enhance training programs on racial profiling, including additional on-going training on implicit bias;
- Conduct training on Procedural Justice consistent with the department's community oriented policing philosophy;
- Develop department facilities for training that meet the needs of the department;
- Improve department technology including aging radio equipment;
- Develop partnerships and strategies to address the impacts of SMART rail service to traffic and regional public safety; and
- Support Community Policing efforts and strategies including the implementation of Data Driven Approaches to Crime and Traffic Safety (DDACTS).

Recreation & Parks

Mission

The Recreation & Parks Department creates community through people, parks and programs.

Department Description

General Administration – The Administration business unit provides central management, administration, and executive oversight for the Department, and includes all marketing functions and volunteer coordination. The City-wide Public Art Program, and City special event permits are also administered in this unit.

Aquatics – The Aquatics business unit includes the operation and specialized maintenance of the Ridgway Swim Center and the Finley Aquatic Center. Programs at the two outdoor, year-round facilities include swim lessons, water aerobics, lifeguard training, water polo, and diving, in addition to public swimming sessions and facility rentals.



Howarth Park and Camps – The Howarth Regional Park and Camps business unit includes operation and maintenance of the City's largest park, with seasonal amusements (train, carousel, jump house, petting barn, pony rides), food and beverage concessions, trails, picnic areas, Lake Ralphine and marina, lighted tennis courts, softball field, and the Land of Imagination playground. Annual youth summer camps include Wa-Tam, Yu-Chi and Doyle Adventure.

Sports – The Sports business unit organizes athletic activities. Slow/fast pitch softball leagues for adults, and T-ball, soccer, and basketball leagues for youth, are offered, as are sports classes and clinics. Tennis lessons are provided at Galvin Community Park, and sport field and sport court permits are administered through this unit.

Bennett Valley Golf Course – Bennett Valley Golf Course is a premier 18-hole par 72/6500 yard course and includes a driving range, pro shop, and clubhouse restaurant with banquet facilities. The course, pro shop and restaurant are operated and maintained under contracts, with the City responsible for certain direct/indirect expenses, capital improvements, and debt obligations.

Neighborhood Services / Violence Prevention Partnership – The Neighborhood Services business unit provides innovative youth development and recreational programming that serves at-risk, low-income and homeless youth and families. In partnership with other community agencies and with a share of the proceeds from the Transactions and Use Tax ("Measure O"), staff connect families to beneficial programs and services, helping to build a stronger community to provide "safe haven" sites where young people can enjoy recreational, social and sport activities without fear of gangs, drugs and other negative influences. Programs include after school, summer Recreation Sensation, and a variety of sports at middle schools and other locations.



Community Centers – The Community Centers business unit operates, maintains, and rents the City's community centers (Finley and Steele Lane), senior centers (Person Senior Wing and Bennett Valley) historic buildings (Church of One Tree and De Turk Round Barn), clubhouses (Franklin and Doyle) and

Recreation & Parks

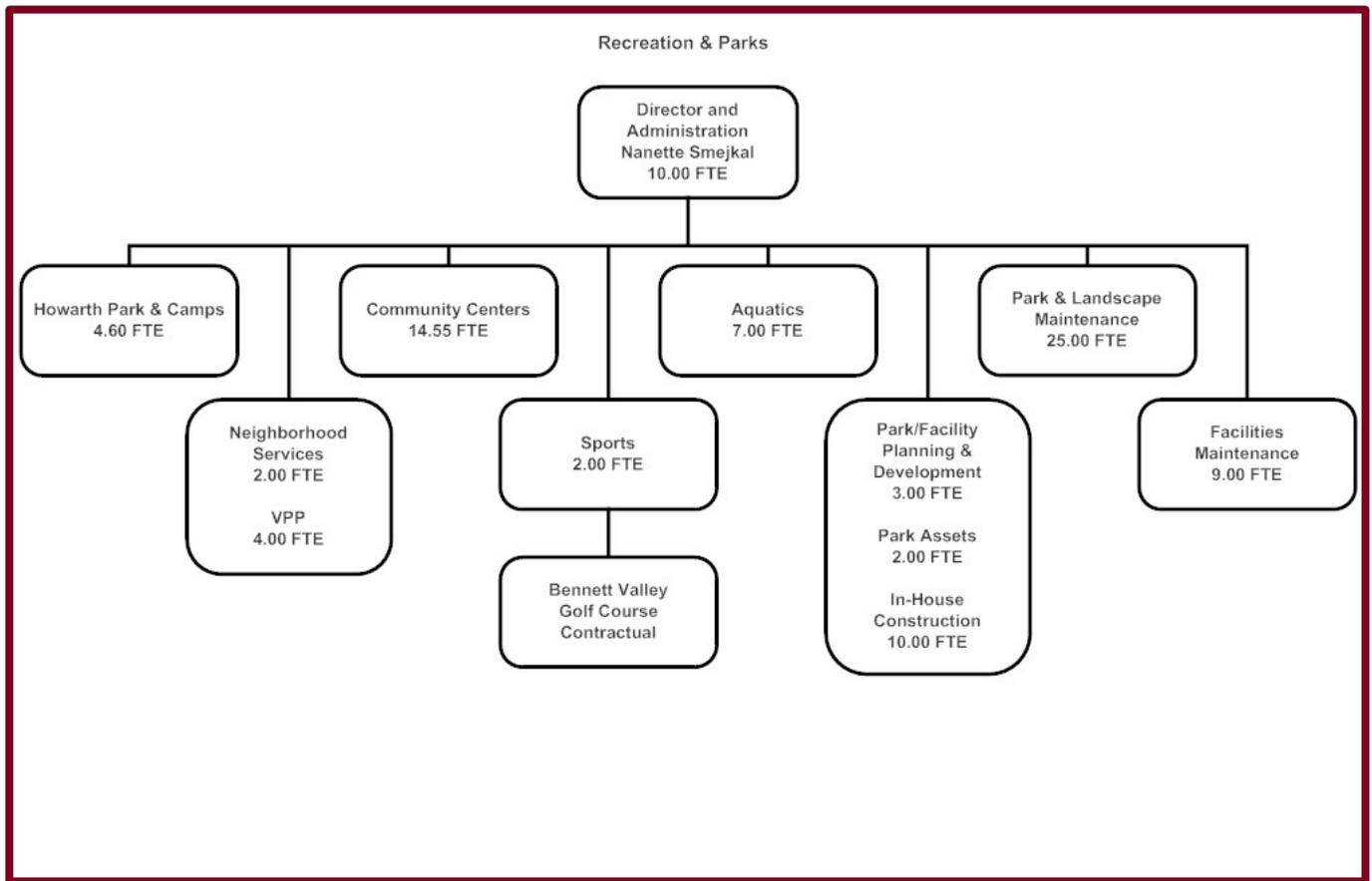
three commercial kitchens. Fee-based leisure instruction classes at the centers, off-site leisure instruction classes, picnic area reservations, and rental of Rosie the Trolley are also administered through this unit.

Park & Landscape Maintenance – The Park & Grounds Maintenance business unit maintains 700 acres of park land in neighborhood, community, and city-wide parks, including Luther Burbank Home & Gardens, Santa Rosa Rural Cemetery, Courthouse Square, Comstock Mall and Fourth Street Mall. Staff also provides land stewardship for 250 acres of open space, landscaped roadway medians and frontages, ten special landscaping districts, and landscapes around a variety of City buildings.

Park/Facility Planning & Development – The Park/Facility Planning & Development business unit oversees park, recreation and historic facility planning, acquisition, design and development, manages the capital improvement program and projects, and oversees the preparation of capital project-related grants. City-wide facility space planning and the Department’s in-house construction and park assets crews are grouped with this business unit.

Facilities Maintenance – The Facilities Maintenance business unit is responsible for maintaining 115 City buildings, not just those of the Recreation & Parks Department. Services performed include building inspections, regular preventative maintenance, contract administration, and work order responses/repairs. This business unit includes costs for janitorial services, utilities (gas, electricity, and water/sewer), elevator and HVAC repairs, fire alarm systems, permits, underground tank monitoring, and emergency generators.

FTE by Program



Recreation & Parks

Strategic Goals and Initiatives for FY 2015-16

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

-
- Increase park maintenance service levels, specifically in neighborhood parks 4
 - Improve the quality of soccer fields and ball diamonds 4
 - Implement ADA modifications at Bennett Valley Golf Course, Colgan Creek Park, Dauenhauer Park, Galvin Community Park, Harvest Park, Howarth Park, Martin Luther King Jr Park, Mesquite Park, Red Hawk Park, Southwest Community Park 4
 - Implement Public Art Master Plan: develop work plan, revise Public Art Policy, update written materials, inventory the City's collection 4
 - Facilitate the design and construction of the Service Hub at 651 1st Street 4
 - Expand health and fitness classes at community centers 6
 - Improve the department's website 4
 - Complete Finali Neighborhood Park 4
 - Construct Bayer Neighborhood Park and Gardens 4
 - Install new hallway flooring at Bennett Valley Senior Center 4
 - Add a water feature at Finley Pool 4
 - Implement a Performing Arts event and activate Courthouse Square 4
 - Install restroom and retrofit the circulation and sanitation systems at the Prince Gateway Park Spray Ground 4
 - Complete Master Plans for Roseland Creek Community Park Phase I, Kawana Springs Community Park and Galvin Community Park 4
 - Implement another year of fairway sanding to improve drainage at Bennett Valley Golf Course 4
 - Replace bridge at Bennett Valley Golf Course 4
 - Design a new restroom near the Howarth Park tennis courts and ball field 4
 - Repair Council Chamber roof 4
 - Save 6% energy costs due to Sonoma Clean Power 4

Major Budget Changes

Recreation & Parks FY 2015-16 budget increased by \$1.4M when compared to FY 2014-15. Major variances by category include the following: Salaries & Benefits increased by \$827K and \$464K, respectively, due to the transfer of 2.0 Maintenance Workers from Transportation & Public Works at mid-year 2014-15 and the addition of 6.0 new Groundskeepers mid-year 2014-15, together with the standard contractual increases related to the current MOU's. Temporary Staffing also increased by \$120K due to minimum wage and sick leave increases as required by State Law. Operational Supplies went up by \$81K overall with an additional need approved for \$99.8K for City-wide waste receptacles and a reduction of \$20.3K in grant expenditures (sailboats) not included this year. Capital expenditures increased by \$36.5K with an increase in the General Fund and decreased in the Golf Course fund. An additional General Fund expenditure was approved for \$100K for new filters for 2 pools and soccer goals in multiple parks. The Capital and Projects costs in the General Fund also increased by \$252K for multiple park improvements across the city.

For FY 2015-16, the Golf Course fund budget decreased by approximately \$400K from last year. This is primarily due to the elimination of the General Fund transfer to fund debt service payments which occurred in FY 2014-15. In order to cover the debt service payments, the Golf Course fund reduced Project expenditures including the irrigation system repairs of \$230K and the fairway weed and pest control of \$60K and reduced Capital expenditures for golf course equipment by \$63.5K.

Recreation & Parks

Budget Summary

Expenditures by Program				
	2012 - 2013 Actual	2013 - 2014 Actual	2014 - 2015 Budget	2015 - 2016 Request
General Administration	\$1,205,209	\$1,280,698	\$1,359,936	\$1,430,229
Golf Course Administration	\$1,645,948	\$1,534,759	\$589,820	\$497,988
Neighborhood Services	\$1,593,139	\$1,098,736	\$1,053,428	\$1,123,088
Recreation Programs	\$1,158,038	\$1,226,746	\$0	\$0
Parks and Grounds Maintenance	\$3,828,177	\$3,626,173	\$4,467,005	\$5,177,926
Park/Fac Planning/Development	\$462,545	\$513,776	\$621,713	\$763,407
Community Centers	\$2,113,700	\$2,319,081	\$2,258,758	\$2,416,370
Facilities Maintenance	\$2,381,350	\$2,468,864	\$2,932,622	\$3,078,013
Aquatics	\$681,118	\$701,132	\$1,422,634	\$1,591,498
Sports	\$185,057	\$181,672	\$452,653	\$482,993
Howarth Park & Camps	\$630,240	\$607,815	\$1,112,526	\$1,195,057
CIP and O&M Projects	\$4,743,043	\$4,298,655	\$2,788,969	\$2,745,153
Total	\$20,627,564	\$19,858,107	\$19,060,064	\$20,501,722

Expenditures by Category				
	2012 - 2013 Actual	2013 - 2014 Actual	2014 - 2015 Budget	2015 - 2016 Request
Salaries	\$5,756,031	\$5,798,223	\$6,297,721	\$7,124,912
Benefits	\$2,010,490	\$2,175,904	\$2,270,191	\$2,734,320
Professional Services	\$3,137,159	\$2,785,865	\$2,111,132	\$2,176,575
Vehicle Expenses	\$522,718	\$468,513	\$479,668	\$492,218
Utilities	\$2,238,337	\$2,088,359	\$2,686,710	\$2,685,285
Operational Supplies	\$787,862	\$761,076	\$831,501	\$912,955
Information Technology	\$360,687	\$460,724	\$481,466	\$518,810
Debt Service	\$452,894	\$439,360	\$471,801	\$456,091
Liab/Property Insurance	\$8,825	\$8,522	\$5,131	\$6,924
Other Miscellaneous	\$394,652	\$424,667	\$502,338	\$486,004
Subrecipient Funding	\$2,417	\$0	\$0	\$0
Indirect Costs	\$206,061	\$133,223	\$69,936	\$62,475
Capital Outlay	\$6,388	\$15,016	\$63,500	\$100,000
CIP and O&M Projects	\$4,743,043	\$4,298,655	\$2,788,969	\$2,745,153
Total	\$20,627,564	\$19,858,107	\$19,060,064	\$20,501,722

Recreation & Parks

Expenditures by Fund				
Funding Source	2012 - 2013 Actual	2013 - 2014 Actual	2014 - 2015 Budget	2015 - 2016 Request
General Fund	\$13,823,121	\$13,562,071	\$15,156,949	\$16,774,730
Art In-lieu Fee	\$174,192	\$112,297	\$75,350	\$91,009
Measure "O" - Recreation	\$1,182,660	\$614,244	\$611,366	\$653,845
Change For Kids Fund	\$28,723	\$74,979	\$28,025	\$24,405
Capital Improvement Fund	\$3,431,646	\$3,732,477	\$1,996,760	\$2,317,544
St. Francis Knolls	\$900	\$30	\$1,597	\$1,605
Stony Ranch	\$446	\$441	\$4,126	\$4,123
The Orchard at Oakmont	\$16,706	\$13,036	\$41,526	\$41,510
Sandra's Place Tax District	\$44	\$30	\$0	\$0
Woodbridge Tax District	\$6,728	\$6,070	\$9,831	\$9,826
North Village I Special Tax Di	\$7,670	\$62	\$8,291	\$8,286
Kawana Springs 6 Special Tax D	\$0	\$0	\$5,581	\$5,576
Bennett Valley Golf Course Op	\$1,450,117	\$1,215,952	\$564,458	\$170,143
Taxable Golf Bond Debt Serv	\$133,599	\$127,889	\$131,568	\$128,939
Tax-exempt Golf Bond DS	\$269,434	\$262,806	\$263,794	\$263,906
Railroad Square Maintenance Fu	\$2,784	\$971	\$6,000	\$6,275
Expendable Fund-Int Alloc	\$17,875	\$59,960	\$52,692	\$0
Expendable Fund-No Int Alloc	\$80,919	\$74,792	\$102,150	\$0
Total	\$20,627,564	\$19,858,107	\$19,060,064	\$20,501,722

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

Fiscal Year	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15	FY 2015-16
Full-Time Equivalent	84.40	82.65	83.15	85.15	93.15

Performance Measures

Indicators	FY 2012-13	FY 2013-14	FY 2014-15 estimate
Recreation			
Percentage of people who rate programs at signature facilities (FCC, SLCC, BVSC, PSW, Aquatic Centers) as good or excellent	90%	96%	95%
Increase in the number of people participating in programs and activities (Target 5% increase)	4%	-5%	1%
Number of people receiving information from Department public information efforts (includes email and Facebook)	46,267	57,589	57,500

Recreation & Parks

Percentage of planned programs, classes and activities canceled due to lack of registration (Target: less than 20%)	15%	12%	15%
Percentage of direct program costs offset by revenues	73%	74%	73%
Park & Facility Asset Development & Maintenance			
Percentage of Community parks and facilities rated in good or excellent condition based on surveys of park patrons	89%	67%	75%
Park acreage provided as City's 3.5 acre share of 6 acres of parkland and open space per 1,000 residents	6.26	6.22	6.2
Square feet of buildings maintained	487,871	530,561	566,304

Prior FY 2014-15 Accomplishments

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

- Received an additional grant from CA Division of Boating and Waterways and purchased one new rescue boat and a total of eight new sailboats. 4
- Recognized by Bohemian readers for Howarth Park "Best Park" and Camp Wa-tam "Best Day Camp". 4
- Received grant for Junior Giants youth baseball program and Finley Community Center was chosen as a stop for the SF Giants' World Series Trophy Tour. 4
- Raised \$20K for the youth scholarship fund from the St. Patrick's Day 5K Run. 4
- Received California Park and Recreation Society (CPRS) state award of excellence for video production "*THIS IS RECREATION & PARKS*". 4
- Installed seven video informational kiosks at community centers and pools. 4
- Received the 2014 Public Facilities Award of Excellence from the California Counties Facilities Services Association (CCFSA). 2,4
- Completed the renovation of Galvin Park tennis courts 5 & 6 and resurfaced courts 7, 8, 11 & 12. 4
- Rehabilitated backstops at Northwest Community Park ball fields 1, 2 & 3. 4
- Applied 1200 tons of sand to the fairways at Bennett Valley Golf Course. 4
- Recognized by Press Democrat readers as the "Best of Sonoma County" for: Best Summer Camp - Camp Wa-Tam; Best Golf Course - Bennett Valley Golf Course; Best Playground - Howarth Park; Best Dog Park - Doyle Park. 4
- Increased maintenance level of service at Courthouse Square and Prince Memorial Greenway with Limited Term Groundskeepers focused on graffiti removal, homeless remediation and weed removal. 4
- Began construction of Finali Neighborhood Park. 4
- Replaced the picket fence at Luther Burbank Home & Gardens. 4
- Prepared Public Art Master Plan for City Council adoption. 4
- Installed skylight covers to improve rooftop safety per OSHA. 2,4

Looking Ahead

- Deferred capital repairs and replacements at buildings and parks.
- Drought restrictions effect on turf and landscape irrigation and the operation of pools, fountains and spray parks.

Santa Rosa Water

Mission

Protecting public health by sustaining water and wastewater resources, infrastructure and the environment: our future in every drop.

Department Description

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

The City of Santa Rosa delivers 6 billion gallons of potable water to nearly 54,000 customer accounts, operates a recycled water system for agricultural and urban irrigation and commercial processes, collects wastewater from over 45,000 customer accounts, and operates the Subregional Water Reuse System which beneficially reuses over 6 billion gallons of tertiary treated wastewater and 26 thousand tons of biosolids annually. SRW also manages the Storm Water and Creeks section which works closely with other sections in the department to safeguard water sources and protect the urban watershed with over 100 miles of creeks.



There are separate enterprise funds that finance each of these operations, divided into 11 Programs.

Administration – Supports the whole department by providing leadership, finance, human resources, safety and training, asset management, technology, energy management, and administrative support across all programs.

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

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



Water Resources – Plans for long-term water supply and wastewater capacity to meet the needs of the City's currently adopted General Plan.

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

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

Debt Service – Provides financing for large, long-lasting debt financed projects.

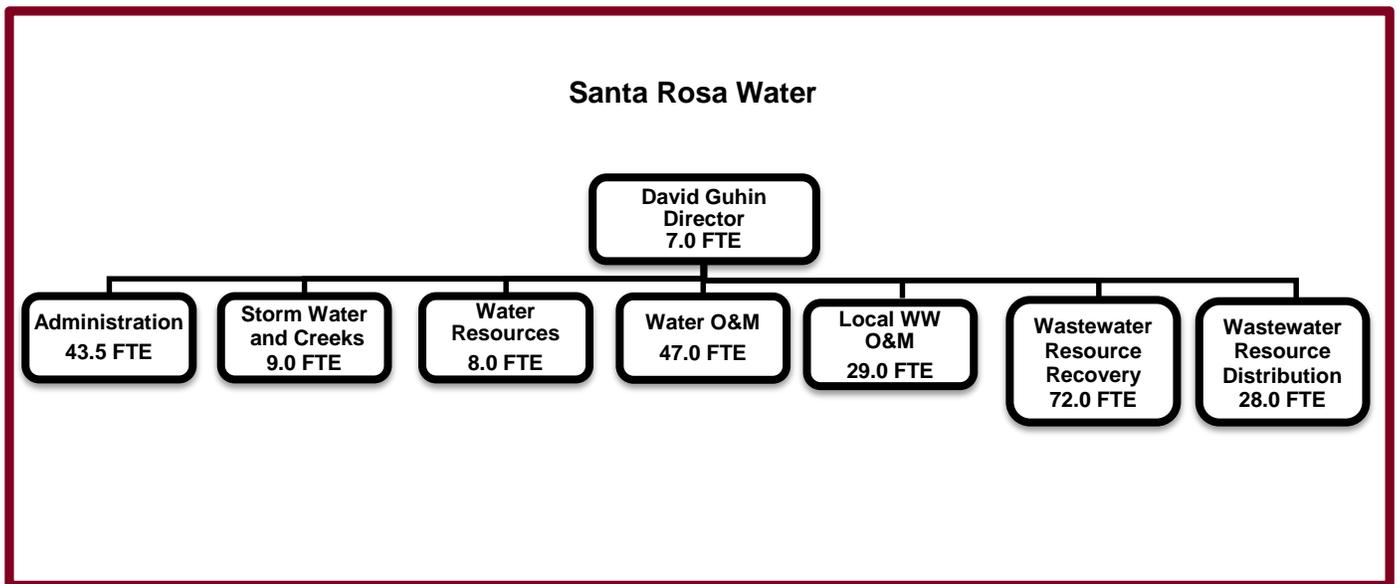
O&M Projects – Supports the various programs within Santa Rosa Water Utilities by providing either one-time funding for specific projects or ongoing funding for continuing projects that span multiple years.

Santa Rosa Water

Capital Improvement Projects – Install one-time or ongoing large projects for new capital improvements, or replace aging infrastructure in the various sections of Santa Rosa Water Utilities.

The water and wastewater funds are primarily financed by Santa Rosa ratepayer user fees and charges and the Subregional fund is primarily financed by the five user agencies (through wastewater fees and charges). The Storm Water and Creeks Section is financed by a parcel tax and the General Fund.

FTE by Program



Strategic Goals and Initiatives for FY 2015-16

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

• Customer service	1
• Meet and exceed present and future regulations	3
• Communication, outreach and education (internal and external)	
• Public and environmental health	3
• Fiscal responsibility and cost effectiveness	1
• Planning for the future – workplace and infrastructure	3
• Collaboration	5

Major Budget Changes

Major Budget changes include the addition of 5 new positions (partially offset by elimination of one vacant position). Detail of positions:

- Right of Way Agent
- Civil Engineering Technician – Development Services
- Utility System Operator I – Leak detection
- Wastewater Treatment Shift Supervisor – Treatment
- Utility Technician – Mechanical Services
- Eliminate – Senior Administrative Assistant – Water Administration

Santa Rosa Water

Rates approved by the Santa Rosa City Council are considered sufficient to fund the prudent operation of the water, wastewater, and Subregional systems and maintain appropriate debt service ratios through FY 2015-16. Overall, the FY 2015-16 budget decreased by \$8.0M when compared to FY 2014-15. Major variances by category include the following: Salaries & Benefits increased by \$1.1M and \$764K, respectively, due to adding 4.0 FTE's and MOU negotiated increases and employee step increases, anticipated increases in retirement costs, worker's compensation and health insurance premiums. Utility Billing Services increased by \$224K due a large increase in city-wide allocated costs, other than this, Utility Billing only increased 3.5% reflecting normal operating increases. Purchase of Electricity is up \$159K based on anticipated annual cost increases and Water/Sewer Charges are down by \$210K with no Oakmont Treatment Plant irrigation this budget year. Purchase of Water from Sonoma County Water Agency (SCWA) is expected to increase by \$629K to reflect the wholesale water increase of 4.14% going into effect in FY 2015-16. Santa Rosa purchases about 90% of the water distributed to customers from the SCWA. Operational Supplies are up \$418K due to both the increased cost of materials and because of aging equipment needing replacement. The Subregional Treatment Plant and the Geysers Water Recharge System in particular are both aging and beginning to need more upkeep and equipment replacements. Santa Rosa Water pays a share of the costs of the City's Information Technology department. Those costs have been determined by an outside consultant this year for the first time resulting in a total increase of \$267K or 16.2% overall. Santa Rosa Water pays a share of city-wide costs that benefit the department; as the City in general recovers from the recession these costs will increase. For FY 2015-16, these costs are slated to grow by \$272K or 3.1%. The largest change for the department shows a dramatic decrease in project budgets of \$11.7M, or (24.6%), since there is no new bond funding in FY 2015-16.

Budget Summary

Expenditures by Program				
	2012 - 2013 Actual	2013 - 2014 Actual	2014 - 2015 Budget	2015 - 2016 Request
Administration	\$3,868,542	\$3,615,212	\$4,638,054	\$5,009,598
Purchase of Water	\$14,016,254	\$13,459,090	\$15,229,280	\$15,857,960
Storm Water and Creeks	\$1,306,613	\$1,352,148	\$1,710,856	\$1,963,963
Water Resources	\$948,974	\$837,206	\$1,019,779	\$1,134,957
Water O&M	\$11,969,690	\$12,332,199	\$14,067,880	\$15,056,166
Local Wastewater O&M	\$9,028,768	\$8,954,047	\$10,542,445	\$10,533,657
Wastewater Resource Recovery	\$16,810,675	\$17,219,802	\$19,876,618	\$21,035,840
Wastewater Resource Distributn	\$5,531,628	\$5,475,486	\$6,547,974	\$6,867,792
Debt Service	\$32,351,915	\$32,184,944	\$29,303,977	\$29,231,404
Util - Infrastrctr R/R & CIP	\$330,119	\$54,583	\$0	\$0
CIP and O&M Projects	\$32,198,107	\$33,219,166	\$47,726,893	\$36,005,734
Total	\$128,361,285	\$128,703,883	\$150,663,756	\$142,697,071

Santa Rosa Water

Expenditures by Category				
	2012 - 2013 Actual	2013 - 2014 Actual	2014 - 2015 Budget	2015 - 2016 Request
Salaries	\$16,021,489	\$15,865,946	\$17,815,658	\$18,942,950
Benefits	\$7,456,040	\$7,514,155	\$8,560,769	\$9,325,241
Professional Services	\$2,105,575	\$2,059,267	\$3,305,687	\$3,249,148
Utility Billing Svcs	\$3,099,810	\$3,320,040	\$3,626,911	\$3,850,417
Vehicle Expenses	\$2,457,451	\$2,555,169	\$2,975,330	\$2,985,756
Utilities	\$3,908,251	\$4,008,489	\$5,385,557	\$5,322,562
Purchase Water	\$14,015,797	\$13,459,052	\$15,229,280	\$15,857,960
Operational Supplies	\$3,243,047	\$3,511,050	\$3,979,639	\$4,397,257
Information Technology	\$1,449,360	\$1,605,457	\$1,644,224	\$1,911,084
Debt Service	\$32,351,915	\$32,184,944	\$29,303,977	\$29,231,404
Liab/Property Insurance	\$763,778	\$712,555	\$659,170	\$728,683
Other Miscellaneous	\$1,001,389	\$1,028,859	\$1,663,873	\$1,718,116
Indirect Costs	\$8,216,939	\$7,600,553	\$8,786,788	\$9,058,759
Capital Outlay	\$72,337	\$59,181	\$0	\$112,000
CIP and O&M Projects	\$32,198,107	\$33,219,166	\$47,726,893	\$36,005,734
Total	\$128,361,285	\$128,703,883	\$150,663,756	\$142,697,071

Santa Rosa Water

Expenditures by Fund				
Funding Source	2012 - 2013 Actual	2013 - 2014 Actual	2014 - 2015 Budget	2015 - 2016 Request
General Fund	\$580,862	\$335,088	\$357,037	\$323,947
Capital Improvement Fund	\$636,470	\$1,160,195	\$645,447	\$284,601
Stony Ranch	\$2,057	\$1,771	\$2,000	\$2,000
Woodbridge Tax District	\$1,603	\$1,718	\$2,000	\$2,000
Kawana Springs 6 Special Tax D	\$3,466	\$1,835	\$2,700	\$2,000
Kawana Town Center Special Tax	\$0	\$171	\$600	\$600
Utilities Administration Fund	\$5,045,362	\$4,658,004	\$5,771,333	\$6,478,055
Water Utility Operations	\$26,384,184	\$26,118,587	\$30,328,494	\$31,577,083
Water Capital Fund	\$7,858,675	\$9,559,042	\$13,000,000	\$17,182,233
2001 WW Bonds - Water Portion	\$637,414	\$62,232	\$0	\$1,227
2008 Water Bond Debt Service	\$887,226	\$872,462	\$873,786	\$872,703
2008 Water Construction	\$670,919	\$652,875	\$0	\$0
Local Wastewater Utility Fund	\$9,353,327	\$9,201,542	\$11,256,389	\$11,362,576
Local Wastewater Capital Fund	\$10,072,926	\$14,271,770	\$12,000,000	\$12,000,000
1990 Local Wastewater Const	\$3,016	\$0	\$27,682	\$0
2008 Local Wastewater Construc	\$1,904,861	\$116,867	\$0	\$0
Subregional Waste Operations	\$23,963,570	\$24,512,787	\$28,297,578	\$30,151,755
CEC Loan Debt Service Fund	\$108,312	\$108,309	\$103,127	\$103,127
Subregional Waste Capital	\$1,731,651	\$1,330,492	\$1,500,000	\$2,024,174
2014 Wastewater Debt Service	\$0	\$180,113	\$1,041,000	\$972,500
2012 WW Refunding Debt Svce	\$2,489,325	\$2,301,382	\$2,569,900	\$2,569,900
2014 Wastewater Construction	\$0	\$0	\$16,500,000	\$100,000
2008 Wastewater Debt Service	\$2,492,336	\$2,466,257	\$2,561,153	\$2,770,553
2008 Subregional Construction	\$5,251,452	\$2,654,299	\$0	\$0
2004A Wastewater Bond Debt Ser	-\$6,000	\$0	\$0	\$0
2004B Wastewater Bond Debt Ser	\$1,436,827	\$274,855	\$274,219	\$0
2007 Wastewater Bond Debt Serv	\$5,929,582	\$5,871,973	\$5,781,488	\$7,624,088
Storm Water Enterprise Fund	\$743,143	\$720,829	\$992,514	\$1,089,163
Storm Water -Creek Restoration	\$578,562	\$548,592	\$676,005	\$884,253
2007 Wastewater Bond Construct	\$59,405	\$236,774	\$0	\$0
2002B Subregional WW Debt Svc	\$4,177,544	\$4,377,933	\$0	\$0
2001B Subregional Construction	\$377,615	\$177,885	\$0	\$0
1998A Subregional WW - Constru	\$10,179	\$14,843	\$0	\$0
1993 WW Refunding Debt Serv	\$276,419	\$1,390,385	\$1,401,938	\$1,400,656
1999State Revolving Loan Debt	\$1,742,328	\$1,741,430	\$1,772,239	\$0
1992 Wastewater Refunding DS	\$1,766,918	\$1,749,533	\$1,787,850	\$1,781,900
1992B Wastewater Debt Service	\$2,488,724	\$2,469,932	\$2,499,050	\$2,497,750
2000Geysers State Loan Debt	\$8,562,374	\$8,560,493	\$8,638,227	\$8,638,227
1996A Subregional Construction	\$138,651	\$628	\$0	\$0
Total	\$128,361,285	\$128,703,883	\$150,663,756	\$142,697,071

Santa Rosa Water

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

Fiscal Year	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15	FY 2015-16
Full-Time Equivalent	240.00	241.00	248.00	239.50	243.50

Performance Measures

	2012	2013	2014
Subregional Treatment*			
Billion gallons wastewater treated	6.9	6.1	6.4
Treated wastewater recycled	100%	100%	100%
Biosolids reused	100%	100%	94%
Environmental compliance inspections - grease related food industries	565	417	357
Number of people attending Treatment Plant educational tours	2,806	1,837	3,400
Laguna Lab annual proficiency acceptance rating	99%	97%	99.6%

Water Supply, Distribution and Quality*

Miles of water main in system	619	620	619
Million gallons of water purchased	6307	6743	5510
Million gallons metered water delivered	6190	6408	5473
Million gallons water produced from well	258	369	370
Unaccounted for water	5.55%	9.80%	6.46%
Water Main repairs	20	26	20
Drinking Water Compliance Rate (AWWA benchmark)	100%	100%	100%

Local Wastewater Collection*

Miles of sewer main in system	587.9	588.6	589.1
Miles of sewer lines flushed	178.2	249.5	298.7
Miles of sewer lines rodded	9.04	7.53	7.05
CCTV inspection of sewer main miles	146.1	124.9	116.5
Sewer Main repairs	77	109	86
Sewer laterals repair/replace	60	54	30

Engineering**

Number of water and/or sewer connection permits issued	272	227	309
Miles of water line replaced	1.78	1.35	2.19
System replaced - .88% goal	0.29%	0.18%	0.35%
Miles of sewer main replaced	2.59	2.95	2.92
System replaced - 1.2% goal	0.53%	0.36%	0.49%
Water CIP projects completed	15	7	15
Wastewater CIP projects completed	6	10	10
Laguna Treatment Plant CIP projects completed	1	6	5

Storm Water and Creeks Section **

Educational creek related activities with youth	73	144	182
Volunteer creek cleanups	79	85	78
Cubic yards of debris removed from creeks	598	692	923
Illicit spill discharges responded to by SW Team	108	94	77

*Calendar Year figures

**Fiscal Year figures

Prior FY 2014-15 Accomplishments

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

-
- Operated the Subregional Water Reuse System, which includes the Laguna Wastewater Treatment Plant, Geysers Recharge Project and Recycled Water Distribution, allowing for the beneficial reuse of 6 billion gallons of recycled water and resulted in no discharge. **3**
 - Collected and disposed of 12,197 pounds of pharmaceuticals for the customers of Subregional Water Reuse (9,175 pounds in Santa Rosa) through the Safe Medicine Disposal program. This is a 9.2% increase since 2012. **3**
 - Tested 99.6% accurate in the Laguna Environmental Laboratory for proficiency testing in water quality, wastewater, soils and hazardous waste sampling.
 - Became one of the first labs in the state to reach full compliance, at the Laguna Environmental Laboratory, with new and very stringent Federal wastewater analysis requirements.
 - Restored 0.32 miles of channelized creek along Bellevue Avenue between Elsie Allen High School and Dutton Meadow in phase 1 of 2 of the Colgan Creek Restoration Project. **4**
 - Recognized by the California State Water Resources Control Board's Division of Drinking Water for an outstanding performance record for water distribution and treatment operations. **2**
 - Completed a successful drought outreach campaign, with customers reducing water use by 19%. Increased Green Exchange rebate amount resulted in a 243% increase in participation or 343 participants. Since the inception of the Green Exchange Program, over 2.4 million square feet of turf have been removed. **3**
 - Received an \$800,000 in grant funding from the State to transform the City Hall lawn and landscape into a beautiful demonstration garden and community gathering area that will feature water-use efficiency and storm water best management practices , which includes native/ low water-use plants, bioswales, and rainwater harvesting. **3, 4**
 - Adopted the Santa Rosa Plain Ground Water Management Plan, as part of the Basin Advisory Panel. **1, 3, 6**
 - Improved the meter set process for new development by implementing operational changes. **1, 3**
 - Partnered with the Sonoma County Department of Health Service to provide 2,000 low-income students with water education and reusable water bottles as part of the Take it From the TAP! education program focused on where our water comes from, water quality, and environmental stewardship. **3, 6**
 - Updated the Water and Sewer Master Plans and initiated the development of the first-ever Subregional Master Plan. **1, 3**
 - Hosted the Mike Hauser Algebra Academy, sponsored by the Chamber of Commerce, for the future leaders in our community to learn how to apply math to water related jobs. **5**

Santa Rosa Water

- Coordinated the Department's Emergency Operations Center in conjunction with the city-wide Emergency Operations Center and the Safety & Training team established a Subregional Department Operations Center (DOC) at the Laguna Treatment Plant.
- Issued \$16.5 million in wastewater revenue bonds to fund a variety of Subregional capital improvement program projects.
- Repaired, replaced and/or installed 381 water services, mains, and/or valves. Located and replaced over 134 leaking water services.
- Handled 2,647 customer calls relating to water and sewer. Responded to over 12,000 requests for underground service alert (USA) mark-outs requiring 4,000 mark outs by local operations.
- Produced and distributed 369.90 million gallons (MG) of water at the Farmers Lane Well Water Treatment Plant. The Farmers Lane facility operated for 175 days with a daily average production of 2.11 MG per day.
- Installed 197 new meters. The meter operations crews also focused on meter age by changing out 1,360 meters, replacing or repairing 89 substandard meter boxes and replacing 87 leaking curb stops. The crews also flow-tested 76 large meters.

Looking Ahead

Staffing – Santa Rosa Water, along with government in general, sees challenges with experienced staff retiring and the loss of highly trained, knowledgeable & experienced industry professionals and making sure there are successful training & succession plans in place. In addition, the improving economy with its competing job opportunities creates challenges in retaining top qualified employees. Santa Rosa Water will need to be prepared for these staffing challenges to continue to be in a position to provide excellent customer service, have the trained staff to maintain the City's infrastructure, and have certified staff to continue to meet present and future regulations.

Rate Study - Santa Rosa Water is in the midst of a new Cost of Service Rate Study and will likely be bringing a rate proposal to City Council near the end of 2015. Rate structure changes may be proposed based on recent legal decisions. SRW has been fiscally prudent in the face of the drought and the associated reduced revenues and does not foresee major rate increases due to reduced revenue in FY 2015-16.

Drought - On January 17, 2014, Governor Brown declared a state-wide drought emergency and asked for a 20% water use reduction. In July 2014, the State Water Resources Control Board (State Board) adopted emergency drought regulations to achieve the 20% water use reduction, requiring all residents to eliminate wasteful water use and restricting outdoor water use. The Santa Rosa City Council adopted Stage 1-Mandatory of the City's Water Shortage Contingency Plan on August 5, 2014, requiring customers to reduce usage by 20% community-wide and putting restrictions on outdoor water use. Our customers have responded very well, reducing water use by 19% compared to 2013. On March 17, 2015, the State Board extended the emergency drought regulations for another 270 days, requiring even greater restrictions on outdoor water use. On April 1, 2015, Governor Brown announced a state-wide mandatory 25% water use reduction. Going into the FY 2015-16 budget year, the Utility is planning to partially use the water fund balance as a buffer to absorb potential impacts of drought related water use reduction. Revenue for the water utility is highly dependent on weather and water use patterns.

Groundwater – In September 2014, Governor Brown signed into law the Sustainable Groundwater Management Act (Act) which gives local agencies a range of powers to manage groundwater for sustainability in the long term. The Act requires that Groundwater Sustainability Agencies (GSAs) be established by June 2017 and that Groundwater Sustainability Plans (GSPs) be developed for all high

and medium priority groundwater basins in Sonoma County by January 2022. The Santa Rosa Plain Basin, from which Santa Rosa Water draws 5-10% of our water supply, is a medium priority basin. The County of Sonoma and Sonoma County Water Agency (Water Agency) have taken a proactive position with respect to the Act and have been meeting with staff from local cities, towns and water districts regarding formation of the GSAs. On May 17, 2015, the Water Agency Board of Directors approved the hiring of a facilitator to conduct a formal stakeholder assessment to inform the next steps in the GSAs formation process. Santa Rosa water staff will be participating in the stakeholder assessment as well as the GSAs formation process.

Storm Water NPDES Permit – The City’s Storm Water NPDES Permit (Storm Water Permit) is up for renewal in 2015. Storm water compliance is occurring within a dynamic regulatory and legal framework. It remains to be seen how the new Storm Water Permit, the State Water Resources Control Board’s anticipated Trash Policy and the upcoming Russian River Total Maximum Daily Load study for pathogens will impact regulatory requirements related to storm water discharges. Significant budgetary impacts related to increasingly stringent storm water requirements are anticipated.

Subregional NPDES Permit – After being issued the 2013 NPDES Waste Discharge Requirements and Master Reclamation Permit (“Permit”) for the Subregional System, the City filed a Petition for Review of the Permit with the State Water Board challenging Permit provisions related to final effluent limitations for phosphorus, recycled water use, receiving water temperature limitations, and a number of other issues the City raised during the Regional Board’s permit review and issuance process. On October 23, 2014, the City placed the Petition for Review of the Permit in abeyance to allow for discussion between Santa Rosa Water and State Water Board staffs regarding possible partial settlement of some of the Permit provisions. A final decision on the City’s Petition for Review may take several years. Although the Petition has been placed in abeyance, concerns remain regarding Permit provisions, particularly with regard to final effluent limitations for phosphorus. Ultimately, the Laguna de Santa Rosa Total Maximum Daily Load Study for Nutrients, which the Regional Board currently anticipates completing in 2019, may determine long term allocations of allowable phosphorus-discharges.

High Strength Waste Receiving – A receiving facility is being constructed to receive up to 40,000 gallons per day of high strength liquid waste. This system will leverage existing infrastructure at LTP, increase disposal service alternatives for existing and future local businesses, reduce the carbon footprint associated with trucking waste out of Sonoma County, and offset power costs.

Disinfection – Alternative replacement strategies for the existing Ultraviolet disinfection system are being studied, with full implementation anticipated in 5 years. Each of the front running strategies include a creative and cost effective way to provide immediate capacity relief and long term redundancy – using a safe chemical disinfectant to separately treat flows that are pumped to the Geysers steamfields. This is anticipated to be implemented in the near term (1-2 years) while the full replacement strategy is selected and designed.

Microgrid related power system capabilities – Through installation of specialized equipment in the Plant’s Combined Heat and Power Facility, the Plant will become more capable of reducing electrical demand on the local power grid which will, in turn, allow greater local reliance on renewable energy supplies. This equipment will also allow the Plant to produce more electricity on site, which will reduce power costs.

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Transportation & Public Works

Mission

Provide effective transportation options through planning, design and construction, while being responsive and competent stewards of the public infrastructure and environment.

Department Description

The Transportation and Public Works Department is divided into six (6) programs, in addition to the department's General Administration:

Traffic Engineering – Responsible for planning the street signs, striping, and signal timing throughout the City's 540 miles of streets. Its goal is to provide an effective and efficient facility for transportation, regardless of the mode: pedestrian, bicycle, or vehicle.

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

Field Services – Comprised of three sections: Fleet Services, Street Maintenance, and Electrical Maintenance. Their primary functions are to maintain and replace the City's fleet vehicles and equipment; to maintain most street assets including pavement, sidewalk, curb and gutter, storm drain system, creeks, ditches, pedestrian ramps, signs, and markings; and to maintain traffic signals, street lights, and electrical systems in City-owned facilities.

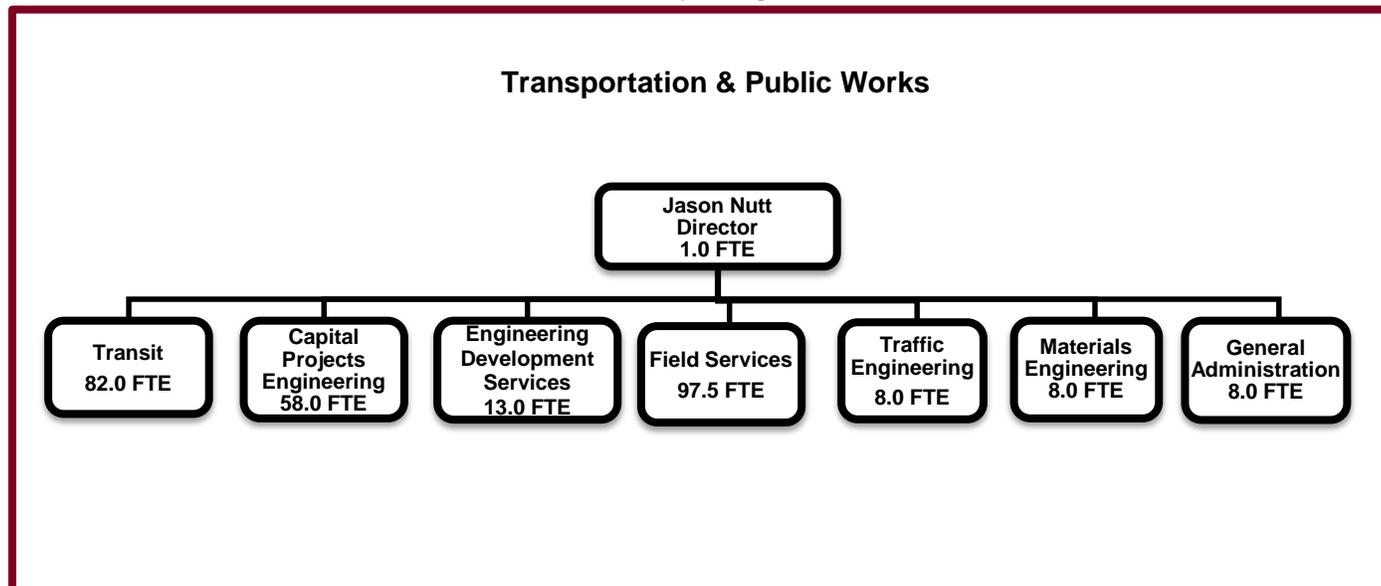
Engineering Development Services (EDS) – Provides engineering and inspection services for Private Development and subdivision plan check and inspection, encroachment permit issuance and inspection, Storm Water Discharge compliance, Water Efficient Landscape compliance, and requested engineering services to other City departments. EDS works closely with the Community Development Department, providing engineering support on private development proposals.

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

Transit – Manages and operates Santa Rosa CityBus, providing fixed-routes service throughout Santa Rosa and the unincorporated areas of Roseland, with 17 fixed-routes and one deviated fixed-route which serves the Oakmont community. The Transit Division also manages Santa Rosa Paratransit, the City's ADA complementary curb-to-curb Paratransit service, manages and operates the Santa Rosa Free Ride Trip Reduction Incentive Program and the Learn to Ride Santa Rosa CityBus Travel Training Program. The Transit Division provides the staff support for the Bicycle and Pedestrian Advisory Board.

Transportation & Public Works

FTE by Program



Strategic Goals and Initiatives for FY 2015-16

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

Pavement

- The replacement value of the city's pavement is about \$1 billion. To keep that asset in good repair, we should be spending about 1.5% of its value each year or about \$15 million dollars annually. Instead, the City typically spends about \$6 million annually. We are falling behind \$9 million per year. The City's pavement backlog could be considered in parallel with the City's operating budget structural deficit. If we solve the City's operating budget issues, but defer significant upkeep on our pavement, we will eventually pay a high price. Both problems need to be addressed.

Transportation

- Manage construction of the Stony Point Road Widening project between Sebastopol Road and Hearn Avenue project with a goal of completion by the end of 2016.
- Complete construction of slurry seal and pavement preventative maintenance projects.
- Complete design of the Jennings Avenue Rail Crossing.
- Complete Project Initiation Document process with Caltrans for the Highway 101 Bike/Pedestrian Overcrossing near SRJC.

Outside Funding

- Maximize use of outside revenue sources to maintain an active Capital Improvement Program (CIP) and address infrastructure needs by securing grant revenues equaling 30% of the budgeted Public Works Department CIP.

	Total Public Works CIP	Grant %
FY 2014-15	\$11,490,306	21%
FY 2013-14	\$10,023,290	56%
FY 2012-13	\$7,073,383	61%

Transportation & Public Works

Transit

- The comprehensive operational analysis of CityBus, called Reimagining CityBus, is underway and will involve community outreach, engagement, and participation.
- Issue a Request for Proposals for the Santa Rosa Paratransit service for FY 2015-16 through FY 2017-18.
- A bus purchase is planned for FY 2015-16 to replace aging fixed route fleet vehicles.

Major Budget Changes

The Transportation and Public Works Department (TPW) has four primary components: the General Fund, the Transit Enterprise Funds, the Capital Improvement Fund and the Equipment Repair and Replacement Internal Service Funds. Overall, increases and decreases in various categories of the funds result in a department-wide budget reduction of \$2.85M from FY 2014-15 to FY 2015-16. TPW's FTEs also decrease department-wide from 275.5 in FY 2014-15 to 270.5 in FY 2015-16. Mid-year 2014-15 TPW moved 2.0 FTE Skilled Maintenance Workers to Recreation and Parks to aide in graffiti abatement. In FY 2015-16 the elimination of 4.0 vacant positions (1.0 Administrative Assistant in CIP Team 3 and 3.0 Mechanic I's in the Garage) are offset by the addition of 1.0 Limited Term Electrician in Field Services to assist in completing a CIP project. TPW also reclassified several positions across programs which had a negligible dollar effect on the budget.

The General Fund portion of TPW's budget increased by \$1.20M, or 9.4%, mostly driven by Salary and Benefits. \$480K of the Salary increase reflects restored funding to the General Fund for six Field Services employees who were temporarily assigned to CIP projects to avoid layoffs during the recession. MOU contracts and rising benefit costs also contribute to the variance. Finally, the General Fund grants an additional \$62K for electricity and \$53K in gasoline for Electrical and Streets Field Services programs to better reflect actual need and usage.

The Transit Enterprise Funds increased by \$2.68M from FY 2014-15 to FY 2015-16. The primary driver is \$1.97M budgeted for the FY 2015-16 purchase and delivery of four 40-foot clean diesel buses for use in fixed route service. An additional \$360K is budgeted for the purchase of two new bus hoists to maintain and repair existing stock. With no FTE changes Transit's Salary and Benefit labor contract increases total \$343K, or 4.8%. Other small increases occur in citywide overhead charges while the overall services and supplies budget had no significant changes.

The FY 2015-16 budget for the Capital Improvement Fund focuses on pavement maintenance, traffic safety, street capacity, and signal and street light replacement and modifications. Overall the CIP budget decreased by \$4.5M from the prior year, partially because FY 2014-15 had an unusually high budget due to one-time use of In-Lieu Fees and higher Gas Tax and Development Fees. Specifically, the 2015-16 budget for Citywide Pedestrian Enhancements declined by \$899K. Another factor was a budget decrease of \$1.85M for the Stony Point Road widening project because the majority of the work was completed in FY 2014-15.

The Equipment Repair and Replacement Internal Service Funds budget decreases by \$2.19M in FY 2015-16. In the previous fiscal year almost 60 City vehicles were budgeted for replacement, and upon completion of these purchases the FY 2015-16 budget dropped \$2.6M. While the elimination of three FTEs reduced E&R's budget by \$230K, labor and benefit costs for existing employees rose, resulting an overall decrease of \$72K.

Transportation & Public Works

Budget Summary

Expenditures by Program				
	2012 - 2013 Actual	2013 - 2014 Actual	2014 - 2015 Budget	2015 - 2016 Request
General Administration	\$1,053,586	\$1,171,422	\$1,053,915	\$1,064,157
Traffic	\$829,903	\$940,793	\$1,070,829	\$1,153,198
Engineering Development Svcs	\$1,567,447	\$1,585,364	\$1,698,584	\$1,835,281
Capital Projects Engineering	\$2,856,960	\$2,498,545	\$2,436,621	\$2,371,149
Field Services	\$13,238,356	\$14,362,819	\$17,008,914	\$15,454,723
Materials Laboratory	\$185,995	\$342,925	\$456,448	\$504,036
Transit	\$11,198,530	\$11,195,289	\$12,062,609	\$12,497,839
CIP and O&M Projects	\$17,164,958	\$18,809,343	\$13,355,786	\$11,413,619
Total	\$48,095,735	\$50,906,500	\$49,143,706	\$46,294,002

Expenditures by Category				
	2012 - 2013 Actual	2013 - 2014 Actual	2014 - 2015 Budget	2015 - 2016 Request
Salaries	\$12,724,026	\$12,951,071	\$13,690,848	\$14,537,168
Benefits	\$6,193,063	\$6,457,830	\$6,969,881	\$7,549,277
Professional Services	\$425,724	\$435,693	\$605,826	\$365,828
Vehicle Expenses	\$3,027,355	\$2,797,515	\$3,027,011	\$3,066,782
Utilities	\$898,663	\$955,839	\$861,321	\$914,184
Operational Supplies	\$1,893,054	\$1,986,454	\$2,113,960	\$2,258,878
Information Technology	\$715,578	\$920,929	\$1,003,181	\$969,571
Liab/Property Insurance	\$180,257	\$184,365	\$232,999	\$277,494
Other Miscellaneous	\$1,437,388	\$1,105,278	\$998,360	\$1,080,113
Transportation Purchase	\$1,307,411	\$1,260,568	\$1,323,432	\$1,408,422
Indirect Costs	\$1,275,040	\$1,594,069	\$1,614,749	\$1,790,482
Capital Outlay	\$853,218	\$1,447,546	\$3,346,352	\$662,184
CIP and O&M Projects	\$17,164,958	\$18,809,343	\$13,355,786	\$11,413,619
Total	\$48,095,735	\$50,906,500	\$49,143,706	\$46,294,002

Transportation & Public Works

Expenditures by Fund				
Funding Source	2012 - 2013 Actual	2013 - 2014 Actual	2014 - 2015 Budget	2015 - 2016 Request
General Fund	\$12,058,659	\$12,581,678	\$12,795,007	\$13,992,853
AB 434 Funds (Transit)	\$228,606	\$257,538	\$241,452	\$231,452
Capital Improvement Fund	\$11,575,504	\$12,868,731	\$11,515,036	\$7,026,914
Utilities Administration Fund	\$1,624,437	\$1,568,378	\$1,360,120	\$1,303,537
Parking District Fund	\$0	\$0	\$0	\$0
Municipal Transit Fund	\$9,943,877	\$9,972,691	\$10,729,393	\$11,086,223
Transit Capital Fund	\$4,146,171	\$4,659,831	\$808,707	\$3,050,662
Paratransit Operations	\$1,300,755	\$1,222,598	\$1,333,216	\$1,411,616
Storm Water Enterprise Fund	\$340,517	\$387,026	\$447,881	\$463,954
Equipment Repair	\$4,844,286	\$4,746,699	\$5,362,954	\$5,331,182
Equipment Replacement Fund	\$2,032,923	\$2,641,330	\$4,549,940	\$2,395,609
Total	\$48,095,735	\$50,906,500	\$49,143,706	\$46,294,002

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

Fiscal Year	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15	FY 2015-16
Full-Time Equivalent	270.00	268.00	264.00	275.50	270.50

Performance Measures

INDICATORS:	FY 2012-13	FY 2013-14	FY 2014-15
Grant Revenues Secured	\$4.3M	\$5.6M	\$2.8M
Travel Time Along 5 Major Arterial Streets (PM Peak)			
College/West College Ave Cleveland Avenue to 4 th Street	3:40	3:57	3:13
Guerneville Road/Steele Lane Range Avenue to Illinois Street/County Center Drive	2:29	2:35	2:26
Mendocino Ave College Ave to Steele Lane	4:21	4:29	3:21
Santa Rosa Avenue Baker Overcrossing to Yolanda Ave	2:04	2:23	2:00
Stony Point Road West College Avenue to Hearn Avenue	5:51	7:02	6:34
Completed Field Services Work Orders			
Streets	1,660	1,516	1,317
Electrical	4,014	2,844	3,396
Fleet	7,691	7,919	5,000
Field Services and Capital Projects			
Asphalt and Portland Cement Concrete Recycled (tons)	7,177	4,624	
Capital Projects Engineering			
Total Project Expenditures	\$43M	43.8M	

Transportation & Public Works

Engineering Development Services			
Completed plan checks	96	88	95
Permits Issued	525	716	620
Transit Operations (Estimates)			
Number of annual CityBus passenger trips	3,077,065	2,326,846	2,175,601
Number of annual Paratransit trips	50,477	51,059	49,000

Prior FY 2014-15 Accomplishments

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

- Managed construction of 48 CIP projects with a total contract value of over \$38M during 2014. Consultants designed 52% of these projects. City staff designed 48%. 1
- The Engineering Development Services Division responded to over 978 public information requests providing information regarding location of water and sewer services and property boundaries for individual property owners. 1
- Transit implemented a new Day Pass for CityBus travel and adopted efficiency improvements for Santa Rosa Paratransit service. Also developed and implemented the Sonoma Access program, a web and phone based service to provide countywide information about transportation options to residents in Sonoma County. This program is being transitioned to the Area Agency on Agency for its on-going operation and support. 1
- Significant street and paving projects completed in FY 2014-15 include: 1
 - Annual Slurry Seal 2014. 1
 - Contract and City Pavement Preventative Maintenance. 1
 - Ventura Avenue Improvements – Paulin Drive to Bicentennial Way. 1
- Neighborhood and business area infrastructure upgrades (sewer, water, paving and some drainage and pedestrian improvements) completed in FY 2014-15 include: 1
 - Administration Drive Sewer Improvements. 1
 - Leland, Stanford and Fair Oaks Sewer and Water Improvements. 1
 - Sixth Street and Wilson Sewer and Water Improvements. 1
 - Valley Center and Village Side Drive Sewer and Water Improvements. 1
 - West End Neighborhood North Sewer and Water Improvements – Phase 1. 1
- Initiated Project Approval and Environmental Document for the Hearn Avenue at Highway 101 Interchange. 1
- Sixth St, A St, Seventh St road diet bike lane project. 3
- Hearn Ave at Old Stony Point Rd Rectangular Rapid Flashing Beacon and crosswalk. 3
- Lewis Rd bike lanes from Mendocino Ave to Humboldt St. 3
- Jennings Ave Rail Crossing Environmental Impact Report. 3
- Santa Rosa Avenue Widening – Sidewalks, Pedestrian Ramps and Bicycle Lanes. 3
- Promoted srcity.org/CIP web site and continued to post information for citizens about active CIP projects. Engineering staff regularly post construction updates to keep the community informed. 6
- Constructed Fire Station 5 to provide better service to a high fire hazard severity zone. 6
- Constructed the Lower Colgan Creek Restoration Project to provide environmental, drainage and recreation benefits to the southwest Santa Rosa community. 6
- Initiated work by private utility companies to place overhead utility lines underground along Stony Point Road south of Sebastopol Road. 6

Transportation & Public Works

Looking Ahead

Traffic Engineering will be installing a new Intelligent Transportation System software on Santa Rosa Avenue over the next year to improve traffic flow. The system will use the existing detection to determine cycle lengths and timing plans based on the traffic demands and will vary throughout the day depending on those demands. We have seen improvements on other corridors in the City with this type of technology but this will be the first installation of QuicTracs software in Santa Rosa.

The Electrical Section of the Field Services Division will be focusing its efforts to turn on all City street lights by the end of FY 2015-16, and to replace high-pressure sodium street lights with energy-saving LED technology. This will include hiring additional staff for the length of the project. The Streets Section will be turning its attention back to maintaining streets that are most in need of repair after staff was temporarily shifted to project work as a budget reduction strategy the last 5+ years. The Fleet Services Section will continue implementing a new fleet maintenance management system that they migrated to in mid-fiscal year 2014-15. In addition, one or two of the Garage's primary in-ground vehicle lifts are scheduled for replacement.

The Capital Projects Engineering Division is expecting to be very busy managing the construction of the City's projects, including the \$10 million Stony Point Road Widening project and about \$39 million of Santa Rosa Water projects that are expected to start construction in 2015. These projects provide the infrastructure that is critical to the economic vitality, health and safety, and quality of life in Santa Rosa.

Engineering Development Services (EDS) is anticipating a surge in plan checking and construction inspection this spring and summer. Currently there are 8 subdivisions under construction, with an additional seven projects awaiting final approval to start construction. Indications are that more projects will be submitted for plan checking with the goal of starting construction this season. EDS is planning to fill a key management position, as the current Development Review Coordinator has announced his retirement. This position is essential in managing an efficient Division and providing the level of service our customers have come to know and expect. The selection to fill this position will be vital to the success of the Division.

Santa Rosa Transit Division is looking forward to completion of the Reimagine CityBus project, including the second phase of the community engagement activities focused on the options for CityBus' future and then bringing recommendation to the City Council. We will also be moving forward with a new contract to provide Paratransit Services with an eye toward improving efficiency and maintaining client satisfaction. In addition, we will be working with the Metropolitan Transportation Commission to install real-time transit signs displaying departure times at the Transit Mall. Clipper cards should also be debuted in Sonoma County in fall or winter, allowing people to use a single type of fare media on CityBus and SMART and the other Bay Area transit operators.

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Non-Departmental

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

PROGRAMS

General Administration: This program includes the Sonoma County Administration Fee, in connection with the collection and allocation of property taxes on behalf of the City.

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

Media Access Center: The Community Media Center is a collaborative project funded through the City's cable communication franchise agreement with Comcast. The Center offers services to Santa Rosa schools, local government, non-profit organizations and individuals on a nondiscriminatory basis. Public access provides opportunities to local residents and non-profit organizations to become trained to use broadcast quality production equipment and create non-commercial programming reflecting their interests and ideas. Organizations can also utilize simplified, call-in program options in the "Hotline" studio, and downlink programs and professional development materials from satellite.

Educational access serves the training, production and communication needs of local educational institutions, including teacher training, access to equipment and facilities, cablecast of school-sponsored programming, technical advice and assistance, student training and internship opportunities, and satellite down-linking services.

Government access is designed to foster better communication with residents and within local government. The Community Media Center provides City meeting coverage to residents via cable TV, trains City staff to use video technology, facilitates studio use for the dissemination of government information and cablecasts government-sponsored programming.

NON-PROGRAM

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

- Costs charged from the Insurance Fund to the General Fund for the General Fund's portion of City liability and fire insurance, \$1.2M.
- A contingency appropriation in the General Fund, for the City Manager's use, as required, primarily for funding special studies, analyses, or other special projects, approved by the Council, but which were not anticipated or budgeted for during the budget process, and to respond to changed departmental operating needs during the year, \$350K.
- Costs related to retirements and voluntary terminations for all General Fund operating departments have been centrally budgeted. These amounts are transferred to the appropriate General Fund department to cover the expenses related to retirements and voluntary terminations as they occur, \$1.4M.
- Unspent Appropriations (turnback) are budgeted as a credit here as a holding place to reflect unspent budget amounts that occur each year. Actual turnback will be recognized in department budgets rather than in the Non-departmental budget, (\$1.3M).

Non-Departmental

Debt Service: The Debt Service Program includes all general debt service expenditures, including debt service for pension obligation bonds, certificates of participation, and capital lease payments. This does not include debt service associated with the enterprise funds, such as debt service for the Water, Local Wastewater and Subregional Wastewater Utilities, the Parking Fund and the Golf Course Fund. Such expenses are reflected in the appropriate enterprise fund. Debt service associated with the Successor Agency to the Redevelopment Agency is shown in the Successor Agency to the Redevelopment Agency portion of the budget.

Other: This program includes costs for Santa Rosa's local contribution to Sonoma County Transportation Authority (SCTA) for FY 2015-16 estimated based on last year's actual expense increased by 5% to \$99K.

Expenditures by Program				
	2012 - 2013 Actual	2013 - 2014 Actual	2014 - 2015 Budget	2015 - 2016 Request
General Administration	\$309,395	\$309,598	\$360,500	\$322,106
Animal Shelter	\$1,735,608	\$1,638,379	\$1,950,000	\$1,950,000
Media Access Center	\$280,014	\$342,095	\$343,550	\$281,366
Non-Program	\$1,426,234	\$946,304	\$2,704,472	\$1,653,901
Debt Service	\$4,359,599	\$37,931,849	\$5,685,396	\$5,033,920
Other	\$41,180,063	\$41,119,642	\$94,476	\$99,200
CIP and O&M Projects	\$190,312	\$264,251	\$222,000	\$117,000
Total	\$49,481,225	\$82,552,118	\$11,360,394	\$9,457,493

Expenditures by Category				
	2012 - 2013 Actual	2013 - 2014 Actual	2014 - 2015 Budget	2015 - 2016 Request
Salaries	\$0	\$0	\$1,400,000	\$1,400,000
Benefits	\$0	\$0	\$0	\$10,000
Professional Services	\$2,917,779	\$2,464,637	\$4,206,126	\$3,007,852
Debt Service	\$4,356,799	\$37,847,214	\$5,677,796	\$5,028,740
Liab/Property Insurance	\$926,234	\$946,304	\$1,254,472	\$1,193,901
Other Miscellaneous	\$0	\$0	-\$1,400,000	-\$1,300,000
Depreciation	\$41,090,101	\$41,029,712	\$0	\$0
CIP and O&M Projects	\$190,312	\$264,251	\$222,000	\$117,000
Total	\$49,481,225	\$82,552,118	\$11,360,394	\$9,457,493

Non-Departmental

Expenditures by Fund				
Funding Source	2012 - 2013 Actual	2013 - 2014 Actual	2014 - 2015 Budget	2015 - 2016 Request
General Fund	\$4,031,525	\$3,590,557	\$5,674,998	\$4,423,573
2003A Pension Oblg (Variabl)	\$783,647	\$10,497,236	\$0	\$0
2003B Pension Oblg (Fixed)	\$2,362,386	\$24,637,399	\$0	\$0
2013 Pension Oblig (Refund)	\$0	\$1,319,207	\$4,103,735	\$3,732,484
2007 COPs Bldng Acquisition	\$651,200	\$652,281	\$652,906	\$653,195
ARP Capital Lease Debt Serv	\$562,366	\$561,028	\$561,028	\$280,514
Fire Station Capital Lease	\$0	\$264,698	\$367,727	\$367,727
Water Utility Operations	\$6,088,876	\$6,025,289	\$0	\$0
Local Wastewater Utility Fund	\$4,867,289	\$4,915,915	\$0	\$0
Subregional Waste Operations	\$12,429,746	\$12,451,809	\$0	\$0
Parking District Fund	\$665,096	\$587,202	\$0	\$0
Municipal Transit Fund	\$1,245,883	\$1,495,991	\$0	\$0
Bennett Valley Golf Course Op	\$492,697	\$477,783	\$0	\$0
Storm Water Enterprise Fund	\$2,688	\$941	\$0	\$0
Equipment Repair	\$6,493	\$9,597	\$0	\$0
Equipment Replacement Fund	\$1,518,742	\$1,572,307	\$0	\$0
Risk Management Fund	\$255	\$765	\$0	\$0
Information Technology	\$148,624	\$146,918	\$0	\$0
Full Accrual Fund - City	\$13,142,401	\$12,899,992	\$0	\$0
Full Accrual Fund - Housing	\$26,916	\$26,916	\$0	\$0
Full Accrual Fund - Redev	\$454,395	\$418,287	\$0	\$0
Total	\$49,481,225	\$82,552,118	\$11,360,394	\$9,457,493

Major Budget Changes

The FY 2015-16 budget decreased by \$1.9M when compared to FY 2014-15. The Non-Departmental budget includes a General Fund component, as well as non-enterprise debt service funds for Pension Obligation Bonds, Certificates of Participation (for building acquisition), and capital leases (for the City-wide software upgrade and Fire Station). Major variances include a reduction of \$1.1M for labor negotiations which has been spread across all the departments in Salaries for FY 2015-16, a reduction of debt service payment of \$644K and zero budget allocated for Revenue Audit fees which reduced year-over-year expenditures by \$100K. Account balance will be used for any expenditures for Revenue Audit fees in FY 2015-16.

It should be noted that the Professional Services expense category is made up of several unrelated expenditures including the following; Animal Shelter, County Admin Fees, Media Access Center, Sonoma County Transportation and the City Manager's contingency.

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Policies

Policies have been summarized for brevity. Copies of the policies in their entirety are available for review at City Hall in the City Manager's Office, 100 Santa Rosa Avenue, Room 10, 95404.

CONTINGENCY RESERVE POLICIES

General Fund

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

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

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

VARIOUS OTHER FUNDS

Equipment Repair Fund

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

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

Storm Water Utility Fund

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

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

Policies

Insurance Fund

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

A reserve for potential liability claims should be maintained at a level at least equal to the discounted expected value of reserves determined by the annual actuarial valuation that estimates the potential loss from incurred but not reported (IBNR) claims. Due to the lack of predictability of future IBNR claims, and the potential of non-insured claims against the City, additional reserves of twice individual claim Self Insured Retention should be set aside.

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

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

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

Information Technology Internal Service Fund

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

Parking Reserve Fund

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

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

Bennett Valley Municipal Golf Course Reserve Fund

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

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

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

SR WATER DEPARTMENT AND SANTA ROSA SUBREGIONAL WATER REUSE SYSTEM RESERVE POLICY

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

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

Discretionary Reserves

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

Capital Replacement Reserves

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

Catastrophic Reserves

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

Rate Stabilization Reserves

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

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

Policies

Designated or Restricted Reserves

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

AFFORDABLE HOUSING POLICY

The City Council has made a determination to annually designate a calculated amount from the General Fund to the Housing and Economic Department to be used for homeless and affordable housing programs.

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

The annual amount to be designated shall be a figure arrived at by multiplying 20 percent times the estimated amount of Real Property Transfer Tax projected to be received by the City in that fiscal year.

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

COMMUNITY PROMOTIONS FUNDING POLICY

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

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

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

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

INVESTMENT POLICY

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

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

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

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

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

DEBT MANAGEMENT AND DISCLOSURE POLICY

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

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

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

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

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

Policies

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

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

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

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

Gann (Appropriations) Limit

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

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

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

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

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

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

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

Multiplied by either

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

Or

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

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

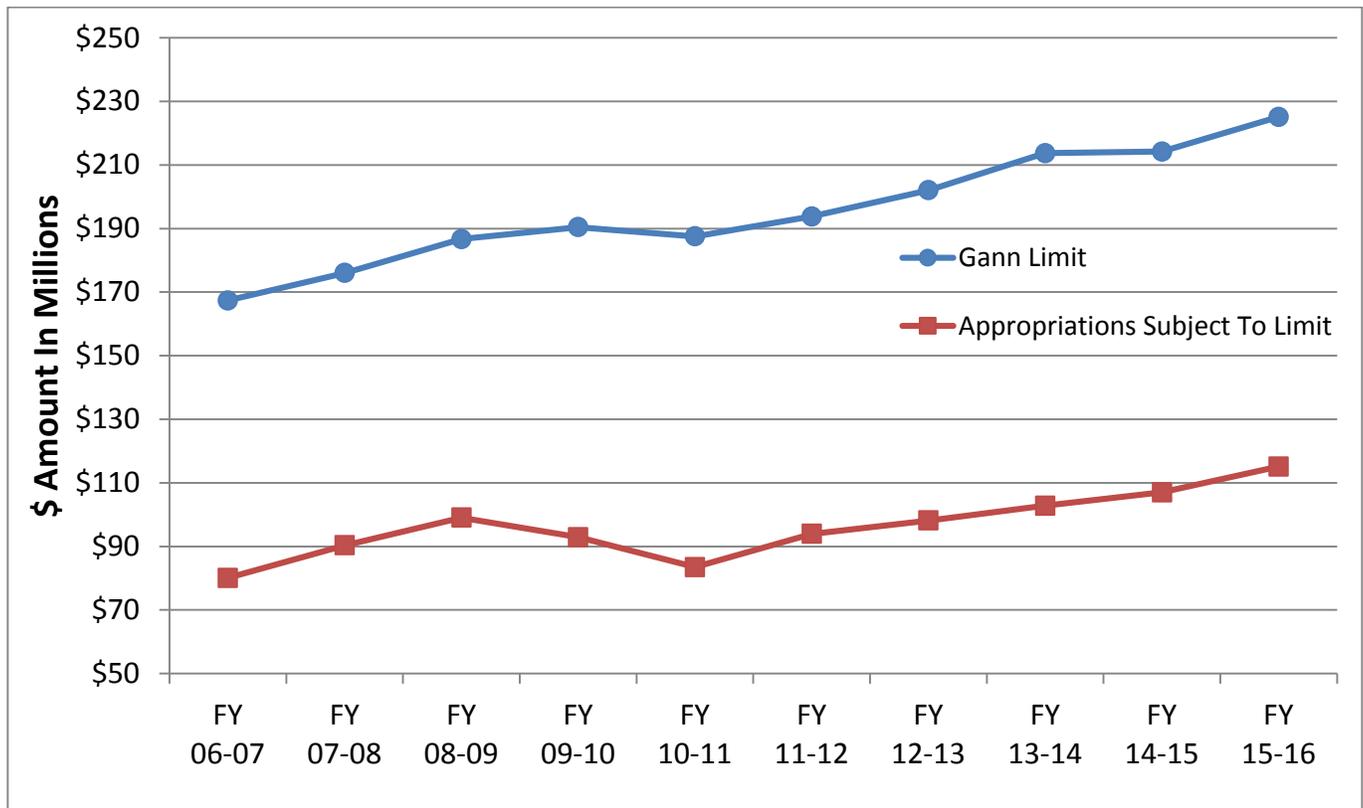
Gann (Appropriations) Limit

In May 2015, the California State Department of Finance notified cities of the population change and the per capita personal income factor to be used to determine the appropriation limit. Using the change in per capita income method, the calculation as applied to the City of Santa Rosa for FY 2015-16 is:

- The change in the California per Capita Income for FY 2015-16 is 3.82%.
- The percent population increase of the City of Santa Rosa from Jan. 1, 2014 to Jan. 1, 2015 is 1.23%.

$$\frac{3.82 + 100.00}{100.00} \times \frac{1.23 + 100.00}{100.00} = 1.0510$$

Applying the year's factor of 1.0510 to last year's limit of \$214,185,000, the Gann limit for FY 2015-16 is \$225,108,000. With appropriations subject to the limitation totaling approximately \$115,097,000, the City of Santa Rosa is not at risk of exceeding the Gann limit.



RESOLUTION NO. 28654

RESOLUTION OF COUNCIL OF THE CITY OF SANTA ROSA APPROVING THE BUDGET FOR THE CITY OF SANTA ROSA FOR FISCAL YEAR 2015-2016, THE CAPITAL IMPROVEMENT PROGRAM BUDGET FOR FISCAL YEAR 2015-2016 AND ESTABLISHING RESERVES FOR THE 2014-2015 FISCAL YEAR

WHEREAS, the City Manager has submitted to the Council an estimate of expenditures, revenues and transfers for all City Departments for the fiscal year 2015-2016, together with such other budget information as required by the Charter of the City of Santa Rosa; and

WHEREAS, sufficient copies of such estimates were placed on file in the Office of the City Clerk for inspection by the public as required by the Charter of the City of Santa Rosa and other applicable laws; and

WHEREAS, the Council has reviewed the proposed budget for the fiscal year 2015-2016 based upon the City Manager's estimate of expenditures, revenues and transfers; and

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

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

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

WHEREAS, Council has made amendments to the proposed FY 2015-2016 budget to add \$415,000 to the Economic Development and Housing Department budget for homeless programs and \$50,000 to the City Manager Department budget for community engagement support on homeless programs.

NOW, THEREFORE, BE IT RESOLVED that the Council of the City of Santa Rosa approves the budget of the City of Santa Rosa for the fiscal year 2015-2016, as set forth in the "2015-2016 Request" columns along with amendments included in this resolution of those documents marked, "City of Santa Rosa Proposed Operations and Maintenance Budget – Fiscal Year 2015/16" and "City of Santa Rosa Proposed Capital Improvement Program Budget – Fiscal Year 2015/16," together with the detailed back-up to those documents, with the exception of the following CIP project:

- 661 Pacific Avenue Reconstruction – Humboldt St to Montecito Ave
- 1586 Storm Drain Rock Removal at Various Locations (Bennett Valley Road and Yulupa Ave.)

The Council approves the 2015-2016 Operating and Capital budgets with the following Modifications:

Modifications:

- A. Changes directed or approved by Council during the review of the budget;

- B. The Council has approved a policy to fund public safety services in kind for community promotion programs in the budget. The actual cost may exceed the estimated budgeted appropriations for these services;
- C. Adjustment of salary and benefit costs in accordance with applicable ordinances and resolutions of the Council and updated cost calculations regarding such salaries and benefits;
- D. Adjustment of revenues and expenditures in the Risk Fund to cover benefit costs associated with new 2015-2016 positions approved by Council and benefit costs associated with 2015-2016 Memorandum of Understanding (M.O.U.) agreements;
- E. Adjustment of interfund charges, indirect costs and other costs which are allocated to various accounts in accordance with City accounting practice;
- F. Carryover of 2014-2015 appropriations in the Internal Service Equipment and Replacement Fund related to equipment purchases that were delayed due to issues with the manufacturer, a change in need or finalization of grants supporting the purchases;
- G. Incorporation of approved budget adjustments in fiscal year 2014-2015 which affect the 2015-2016 budget, and which are not reflected in the budget document;
- H. Any necessary adjustments to the allocation of costs to the agencies in the Santa Rosa Subregional Wastewater System, including the issuance of refunds or credits for payments and/or the collection of additional funds;
- I. Inclusion of any additional 2014-2015 projects which are to be carried forward into 2015-2016 without appropriation of additional funds and exclusion of any other 2014-2015 projects which are not to be carried forward into 2015-2016;
- J. The adjustment of revenues and expenditures for grant-funded activities, in which the expenditures and the revenues must be “balanced”;
- K. Other administrative or accounting adjustments and corrections which are necessary and which are in accordance with the Council’s direction and approval of the budget including the creation of capital project accounts for the purpose of administrative tracking and including, but not limited to substitutions/exchanges of non-General Fund funding sources;
- L. The Council authorizes 1,249.65 FTE as of July 1, 2015 as the total authorized positions for the City for 2015-2016, and authorizes any necessary adjustments and corrections which are necessary and which are in accordance with the Council’s direction and approval of the budget or previous Council approval.
- M. The Council authorizes the issuance of Project Work Orders under Master Professional Services Agreements in Exhibit A attached hereto, with a cumulative not to exceed sum of \$9 million for fiscal year 2015-2016.
- N. The Council has approved amendments to add \$415,000 to the Economic Development and Housing Department budget for homeless programs and \$50,000 to the City Manager Department budget for community engagement support on homeless programs.

BE IT FURTHER RESOLVED that the Council confirms reductions, increases and adjustments in 2014-2015 appropriations, which have been accomplished by administrative action.

BE IT FURTHER RESOLVED that:

1. All available fund balances as of June 30, 2015, as determined upon completion of the annual audit, are appropriated in a reserve in each fund in accordance with GAAP.
2. The City Manager and Chief Financial Officer are authorized to make changes to the budget document that enhance the presentation of the document in such a way to meet the criteria set forth by the Government Finance Officer's Association "Distinguished Budget Presentation Award" but shall not make any material changes to budget appropriations approved by the City Council.
3. Deficits in available fund balances are adjusted by an appropriation from the existing reserves.

BE IT FURTHER RESOLVED that the City Manager is authorized to administer the budget in accordance with established administrative policies, and the City Manager is authorized to approve the transfer of budgeted amounts, as necessary and without restriction within a fund, not to exceed \$50,000 between funds, including the use of contingency funds, and the establishment, substitution, or deletion of projects and capital items; the City Manager is authorized to delegate approval authority for such budget changes, in accordance with administrative policy; and the City Manager is further authorized to decrease the total budget for a fund, if required during the year.

IN COUNCIL DULY PASSED this 17th day of June, 2015.

AYES: (7) Mayor Sawyer, Vice Mayor Coursey, Council Members Carlstrom, Combs, Olivares, Schwedhelm, Wysocky

NOES: (0)

ABSENT: (0)

ABSTAIN: (0)

ATTEST: _____
City Clerk

APPROVED: _____
Mayor

APPROVED AS TO FORM:

City Attorney

Attachment: Exhibit A - Master Professional Services Agreements List

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RESOLUTION NO 28653

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

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

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

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

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

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

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

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

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

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

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

BE IT FURTHER RESOLVED that the action of adopting the 2015-16 Budget, including the conditions attached thereto, is exempt from CEQA in that it can be seen with certainty that there is no possibility that the adoption of the budget, as conditioned, may have significant effect on the environment.

IN COUNCIL DULY PASSED this 17th day of June, 2015.

AYES: (7) Mayor Sawyer, Vice Mayor Coursey, Council Members Carlstrom, Combs, Olivares, Schwedhelm, Wysocky

NOES: (0)

ABSENT: (0)

ABSTAIN: (0)

ATTEST: _____
City Clerk

APPROVED: _____
Mayor

APPROVED AS TO FORM:

City Attorney

RESOLUTION NO. 28656

RESOLUTION OF THE COUNCIL OF THE CITY OF SANTA ROSA SETTING THE STORM WATER UTILITY BUDGET AND DETERMINING THE AMOUNT OF ELIGIBLE FUNDING THAT HAS BEEN RECEIVED FROM THE FLOOD CONTROL ZONE 1A BENEFIT ASSESSMENT IN FISCAL YEAR 2014-15 AND BASED THEREON SETTING THE STORM WATER ASSESSMENT PER EQUIVALENT RESIDENTIAL UNIT FOR THE FISCAL YEAR 2015-16

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

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

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

WHEREAS, the 3.0% escalator for the year ended August 31, 2014, increased the assessment for the Storm Water Utility for fiscal year 2015-16 to \$30.80 per Equivalent Residential Unit (ERU); and

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

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

WHEREAS, the Council has determined that no such qualifying funds were received from the Zone 1A Benefit Assessment and so committed in the current fiscal year (2014-15), resulting in a storm water assessment of \$30.80 per ERU for fiscal year 2015-16.

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

1. Based on the foregoing and in accordance with the provisions of Section 4 of Resolution No. 22880, the assessment levied for the Storm Water Utility for fiscal year 2015-16 only shall be \$30.80 per ERU.

2. It is the Council's intent by its adoption of this resolution to establish the amount of qualifying funds received from the Flood Control Zone 1A Benefit Assessment during fiscal year 2014-15 only and using that amount as the credit described and required under Section 4 of

Resolution No. 22880 to establish the amount of the storm water assessment per ERU which the City will levy in fiscal year 2015-16 only for its Storm Water Utility. The qualifying amount so received from the Flood Control Zone 1A Benefit Assessment during fiscal year 2014-15 if any, as determined is a credit against the storm water assessment levied for fiscal year 2015-16 only and does not change the annual per ERU assessment established by Resolution No. 22880.

IN COUNCIL DULY PASSED this 17th day of June, 2015.

AYES: (7) Mayor Sawyer, Vice Mayor Coursey, Council Members Carlstrom, Combs, Olivares, Schwedhelm, Wysocky

NOES: (0)

ABSENT: (0)

ABSTAIN: (0)

ATTEST: _____
City Clerk

APPROVED: _____
Mayor

APPROVED AS TO FORM:

City Attorney

RESOLUTION NO. 28655

RESOLUTION OF THE COUNCIL OF THE CITY OF SANTA ROSA APPROVING CERTAIN PROJECTS WITHIN THE 2015-2016 CAPITAL IMPROVEMENT PROGRAM BUDGET

WHEREAS, the City Manager has submitted to the Council an estimate of expenditures, revenues and transfers for all City Departments for the fiscal year 2015-2016, together with such other budget information as required by the Charter of the City of Santa Rosa; and

WHEREAS, the Council has reviewed the proposed budget for the fiscal year 2015-2016 based upon the City Manager's estimate of expenditures, revenues and transfers; and

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

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

NOW, THEREFORE, BE IT RESOLVED that the Council approves the 2015-2016 budget for the following Capital Improvement Program project that was excluded from the primary budget adoption resolution as follows:

- 661 Pacific Avenue Reconstruction - Humboldt St to Montecito Ave
- 1586 Storm Drain Rock Removal at Various Locations (Bennett Valley Road and Yulupa Avenue)

IN COUNCIL DULY PASSED this 17th day of June, 2015.

AYES: (5) Mayor Sawyer, Council Members Carlstrom, Olivares, Schwedhelm, Wysocky

NOES: (0)

ABSENT: (0)

ABSTAIN: (2) Vice Mayor Coursey, Council Member Combs

ATTEST: _____
City Clerk

APPROVED: _____
Mayor

APPROVED AS TO FORM:

City Attorney

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Glossary

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

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

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

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

American Water Works Association (AWWA): An international nonprofit scientific and educational society dedicated to the improvement of drinking water quality and supply.

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

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

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

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

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

Automatic Vehicle Locator (AVL): A device that makes use of the Global Positioning System (GPS) to enable a business or agency to remotely track the location of its fleet using the Internet.

Balanced Budget: The budget for a fund is balanced when total budgeted resources, including revenues, transfers in from other funds, and unallocated fund balance from the previous years, meet or exceed total budgeted uses of resources, including expenditures and transfers out to other funds.

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

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

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

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

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

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

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

California Association for Local Economic Development (CALED): A statewide professional economic development organization dedicated to advancing its members' ability to deliver economic development services to their communities and business clients.

Glossary

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

Capital Asset: Land, infrastructure, and equipment that are used in operations that have initial useful lives of at least five years. The City has set the capitalization threshold for reporting infrastructure capital assets at \$25,000 and for all other capital assets at \$5,000.

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

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

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

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

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

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

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

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

Debt Service: Payment of the principle and interest on an obligation resulting from the issuance of bonds, notes, or certificates of participation (COPs).

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

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

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

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

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

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

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

Expenditure: The actual spending of governmental funds.

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

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

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

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

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

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

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

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

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

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

Global Positioning System (GPS): A satellite-based navigation system made up of a network of satellites placed into orbit by the United States Department of Defense, originally intended for military applications, but was made available for civilian use in the 1980s.

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

Government Finance Officers Association (GFOA): A professional association of state, provincial, and local finance officers in the United States and Canada whose purpose is to enhance and promote the professional management of governments for the public benefit by identifying and developing financial policies and practices and promoting them through education, training, leadership.

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

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

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

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

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

Glossary

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

Internal Transfers/Reimbursements:

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

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

Laguna Treatment Plant (LTP): The wastewater treatment plant operated by the City of Santa Rosa that treats wastewater from homes, businesses, and industry located within the Santa Rosa Subregional Water Reuse System, which serves the cities of Santa Rosa, Rohnert Park, Sebastopol, and Cotati.

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

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

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

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

Measure “O”: A quarter cent sales tax measure passed by Santa Rosa voters in 2004, of which proceeds are used to fund public safety and gang intervention and prevention programs.

Measure “P”: A quarter cent sales tax measure passed by Santa Rosa voters in 2010 which expires in March 2019.

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

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

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

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

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

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

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

Objectives: The expected results or achievements of a budget activity.

Operating Budget: Annual appropriation of funds for ongoing program costs, including salaries and benefits, services, and supplies. This is the primary means by which most of the

Glossary

financing, acquisition, spending, and service delivery activities of the City are controlled.

Reserves and contingencies are also components of Santa Rosa's annual budget.

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

Other Financing Sources: Long-term debt proceeds, proceeds from the sale of general fixed assets, and incoming operating transfers from another governmental fund.

Other Financing Uses: Operating transfers out from one governmental fund to another.

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

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

Photovoltaic system (PV): A system that uses panels (or cells) of semiconductor material similar to that used in computer chips to absorb sunlight and convert it to electricity.

Proprietary Funds: Revenues from City of Santa Rosa activities that operate as public enterprises, in which revenues are derived from fees charged to users, and programs are largely cost-covering. Also referred to as Enterprise Funds.

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

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

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

Reserve: A portion of fund balance that is designated for contingencies or emergencies,

which generally has a policy dictating a minimum level.

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

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

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

Salaries and Benefits: A budget category which generally accounts for full-time and temporary employees, overtime, and all employee benefits such as medical, dental, and retirement.

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

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

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

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

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

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

Glossary

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

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

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

Utility Users Tax (UUT): A 5% tax charged by the City of Santa Rosa on the usage of electricity, gas, cable television, local non-cellular communications, and intrastate non-cellular communications.