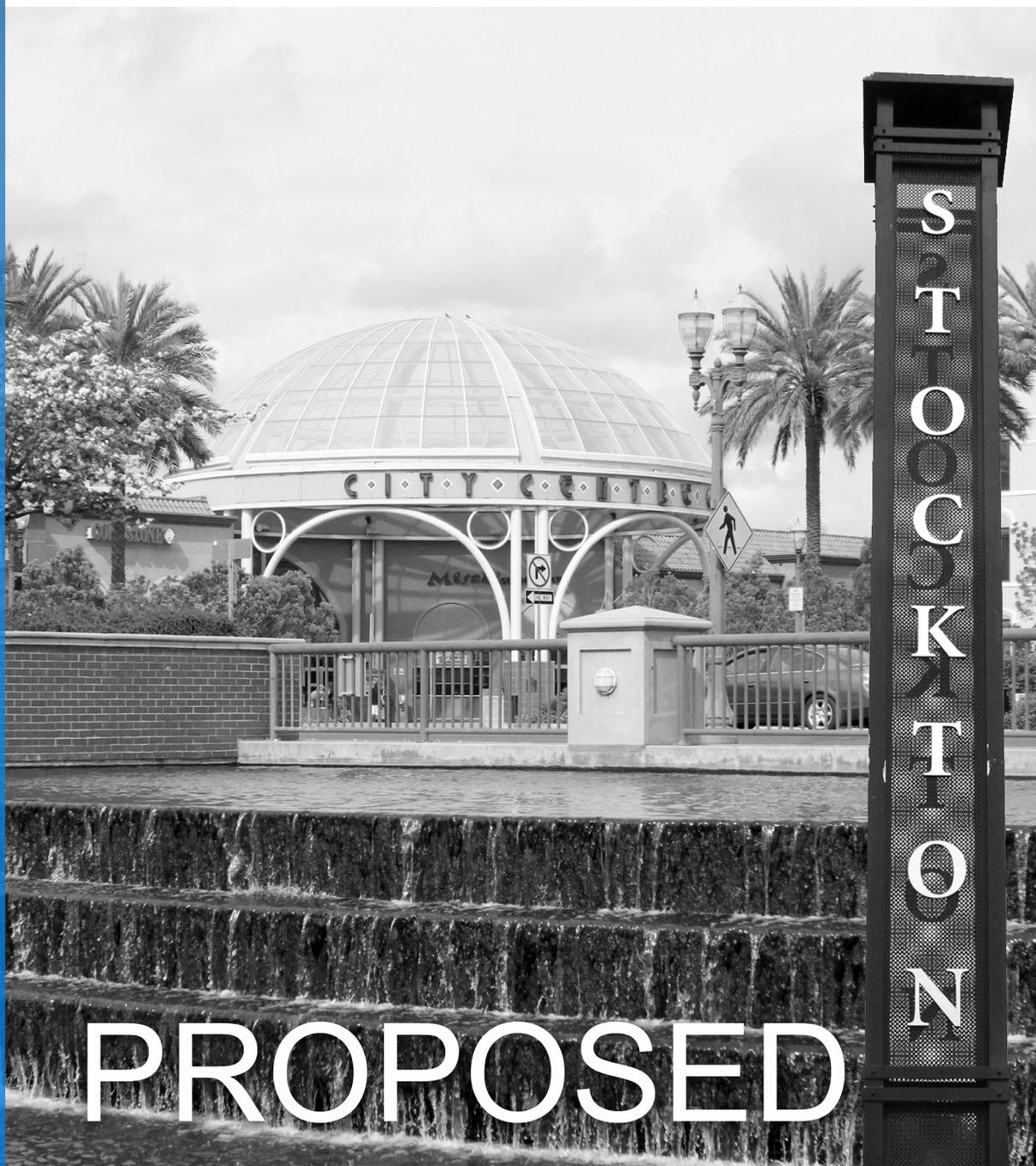


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 CITY OF STOCKTON

# ANNUAL BUDGET



PROPOSED





# 2013-2014 ANNUAL BUDGET

## Proposed

### City Council

Anthony Silva, Mayor

Paul Canepa, Vice Mayor  
Elbert H. Holman Jr., Councilmember  
Katherine M. Miller, Councilmember

Moses Zapien, Councilmember  
Dyane Burgos, Councilmember  
Michael D. Tubbs, Councilmember

### Executive Team

Bob Deis, City Manager

Laurie K. Montes, Deputy City Manager  
Kurt Wilson, Deputy City Manager  
Eric Jones, Chief of Police  
Jeff Piechura, Fire Chief  
Vanessa Burke, Chief Financial Officer  
Gordon MacKay, Public Works Director  
Vacant, Community Services Director

John Luebberke, City Attorney  
Tom Krippaehne, City Auditor  
Bonnie Paige, City Clerk  
Teresia Haase, Human Resources Director  
Mel Lytle, Municipal Utilities Director  
Steve Chase, Community Development Director  
Vacant, Economic Development Director

### Budget Team

Claire Tyson, Budget Officer  
Kimberly K. Trammel, Program Manager II  
Mahin Shah, Program Manager II  
Edwin Gato, Program Manager II

# CITY OF STOCKTON CITY COUNCIL



**ANTHONY SILVA**  
MAYOR



**PAUL CANEPA**  
VICE MAYOR  
District 3



**ELBERT H. HOLMAN, JR.**  
COUNCILMEMBER  
District 1



**KATHERINE M. MILLER**  
COUNCILMEMBER  
District 2



**MOSES ZAPIEN**  
COUNCILMEMBER  
District 4



**DYANE BURGOS**  
COUNCILMEMBER  
District 5



**MICHAEL D. TUBBS**  
COUNCILMEMBER  
District 6



City of Stockton  
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# TAB 1 INTRODUCTION





# CITY OF STOCKTON

OFFICE OF THE CITY MANAGER

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www.stocktongov.com

May 15, 2013

City Council  
City of Stockton, California

## **BUDGET MESSAGE**

With this memorandum I am transmitting to the City Council the Fiscal Year 2013-14 Proposed Budget. Study sessions discussing this budget will be held on June 3<sup>rd</sup>, 4<sup>th</sup> and 6<sup>th</sup>, concluding with Council final budget adoption on June 25, 2013. The proposed budget before you continues the Pendency Plan under Chapter 9 protection of the federal bankruptcy code. This reflects the expenditure priorities pending confirmation of a plan of adjustment to exit Chapter 9.

The City of Stockton has undergone an unprecedented fiscal emergency in our General Fund resulting in insolvency at the beginning of the 2012-13 Fiscal Year; thus, forcing the City to file for Chapter 9 protection. Since 2008, the City Council has substantially reduced programs, staffing, services and employee compensation by enacting \$90 million in ongoing General Fund budget cuts. We were facing an additional deficit of \$26 million going into the 2012-13 Fiscal Year that could only be addressed under protection of Chapter 9.

As the City of Stockton moves forward, the budget plan for Fiscal Year 2013-14 reflects the priorities and direction of the Council goals in consideration of our limited resources in the current economic environment. Over the past two years, the City has accomplished remarkable steps to achieve the City Council Goals to Achieve Fiscal Sustainability, Increase Public Safety, Promote Economic Development, and Increase Organizational Capacity. In February of this year, your Council provided direction to stay the course in pursuing these core goals and related strategic initiatives. With these goals in mind, City Departments have identified strategies and initiatives relative to their specific service areas and determined the resources necessary to accomplish their objectives. For the most part, those resources have been budgeted through redistribution of existing expenditure budgets without any increases. In some instances small increases are proposed, as a result of planning for future revenue sources such as grants or for critical strategic initiatives such as implementation of the Marshall Plan project as directed by Council during your April 2, 2013 meeting. I am proposing a balanced budget for Fiscal Year 2013-14 that is presented here as a result of these efforts.



It is important to keep in mind that the City of Stockton is balancing the City's General Fund by making \$22 million in reductions to creditors and retirees (see schedule below) and by assuming that all pendency plan reductions continue through the end of next fiscal year. The Fiscal Year 2012-13 budget was balanced with \$26 million in pendency plan reductions which has been reduced primarily due to yet more concessions from the City's labor unions (\$4.2 million).

**Pendency Plan Reductions**

General Fund Budget	2012-13 Adopted	2013-14 Proposed
Debt		
Howard Jarvis Settlement	\$ 1,127,000	\$ 1,127,000
Marina Towers Settlement	312,500	312,500
Public Facilities Bonds	632,000	1,130,000
Marina DBAW Loan	685,000	685,000
Events Center Bonds	-	341,000
Main Hotel Loan (one-time)	500,000	-
400 E. Main Bonds	2,588,000	2,672,500
Pension Obligation Bonds	5,775,000	6,305,000
Entertainment Venue Subsidy	370,000	-
	11,989,500	12,573,000
Retiree Medical Reductions	7,053,000	9,903,000
Salary & Benefit Reductions	4,160,000	-
Fiscal Stabilization & Other	2,797,500	-
Ending Available Balance	\$ 26,000,000	\$ 22,476,000

The Proposed Budget for Fiscal Year 2013-14 separates the resources and costs of bankruptcy activities from other funds so that tracking of bankruptcy expenditures is more transparent. The new Bankruptcy Fund begins with the available general fund balance (unaudited) that the Council has committed towards bankruptcy costs. This fund began with the initial Council commitment of \$5.6 million at the beginning of Fiscal Year 2012-13 increased by additional projected general fund balance ending June 30, 2013. The combined total is projected to be approximately \$10 million to begin this fund as of July 1, 2013. These funds were generally created by year-end General Fund budget savings (vacancies, etc.). These resources are dedicated to negotiating a consensual Plan of Adjustment (or bankruptcy exit plan). The Plan of Adjustment is intended to bring the City's debts in line with our resources, both now and over time.

Specifically, the Bankruptcy Fund will be used to cover costs for Chapter 9 project management, litigation and negotiations with our creditors, with remaining money available to pay our creditors as settlements for claims. The outstanding claims or potential “call” on this money far exceed available monies.

**Budget Format**

This document contains proposed budgets in a pro forma schedule format for all City funds, with brief highlights of the history, current status and significant 2013-14 proposals and issues for each fund. Included are the Capital Improvement funds that are described in much more detail in the Five Year Capital Improvement Program document (CIP) that will be released to the Planning Commission and City Council shortly.

A summary of the City-wide Proposed Budget is provided in the table below:

City-wide Expenditure Budget All Funds	2012-13 Approved	2013-14 Proposed	Difference
General Fund*	\$ 158,290,692	\$ 159,518,531	\$ 1,227,839
Utilities	109,129,043	114,510,812	5,381,769
Capital/Street Maintenance	31,590,614	33,796,093	2,205,479
Other Community Programs	58,085,089	61,157,599	3,072,510
Debt Service	27,261,545	28,350,320	1,088,775
Redev. Low/Mod Housing	-	2,222,347	2,222,347
HUD/Housing Programs	12,257,221	10,909,115	(1,348,106)
Internal Services	115,383,433	110,789,195	(4,594,238)
	<u>\$ 511,997,637</u>	<u>\$ 521,254,012</u>	<u>\$ 9,256,375</u>

\*The 2012-13 General Fund expenditure budget is presented as amended to provide a more appropriate comparison between fiscal years.

The proposed budget appropriations included in this document total \$521 million and include operating, capital, debt, transfers, and internal service fund operations for all programs of the City. The general fund expenditure budget has increased by \$1.2 million resulting from budget adjustments for the elimination of furloughs for those agreements that are open, increases to the City contribution for employee health care coverage, PERS and worker’s compensation rate increases, and additional staff costs in police department in support of the crime analysis activities related to the Marshall Plan and Project Ceasefire. In addition, city-wide significant changes totaling \$8 million include the same increases for elimination of furloughs, employee health care coverage, PERS and worker’s compensation, along with an increase to utilities to cover rising water and facility rental costs, increased support of the community recreation activities, increased capital projects for deferred repairs on City buildings and infrastructure and bankruptcy costs.

**General Fund**

As the table below illustrates, General Fund total revenues are projected at \$159.5 million and expenditures are projected at \$159.5 million. The combined revenue and expenditures budgets result in an ending available balance of zero. The change in expenditures, as shown in the table below, between the Fiscal Year 2012-13 Current Budget and Fiscal Year 2013-14 Proposed Budget is an increase of \$1,228,000. These changes are described below.

<u>General Fund Budget</u>	<u>2012-13 Current</u>	<u>2013-14 Proposed</u>	<u>Proposed vs. 12-13 Current</u>
Beginning Available Balance	\$ 0	\$ 0	\$ 0
Revenues	155,987,713	159,518,531	3,530,818
Expenditures			
Police	82,593,751	83,698,594	1,104,843
Fire	36,343,178	35,456,447	(886,731)
Other Programs	39,353,763	40,363,490	1,009,727
	<u>158,290,692</u>	<u>159,518,531</u>	<u>1,227,839</u>
Prior Year Commitments*	<u>2,302,979</u>	<u>-</u>	<u>(2,302,979)</u>
Ending Available Balance	\$ 0	\$ 0	\$ 0

\*Adjustments include AB506 carryover, encumbrances and anticipated balance commitment for bankruptcy.

General Fund revenues proposed in the Fiscal Year 2013-14 budget are \$159.5 million which is an increase from the prior year by \$3.5 million or 2.3% due to the following estimations:

1. Property Tax revenues show slow recovery in alignment with the general economic improvements, specifically as median home prices trend upward slightly. Median home prices in Stockton have returned to 2010 levels but are still 65.8% below the peak in 2006. Proposition 13 will hold down property tax growth as the annual assessed value adjustments are limited to the lesser of the change in California consumer price index or 2%, unless sold. The 2% increase will be applied to all real property not reduced by Proposition 8 appeals in 2013-14. A large number of the properties in the City have been subject to Proposition 8 appeals in the past five years. The City collects information relative to property taxes from the County Assessor's Office, an external consultant and economic trends to determine the best approach for budgeting Property Taxes. From this evaluation, the Fiscal Year 2013-14 Proposed Budget reflects a Property Tax

revenue increase of 2.4% or \$1 million. If materialized, this will be the first year property tax revenues have increased since 2008.

2. Improvement in sales tax revenues of almost \$1.3 million or 3.2% is reflected in the new forecasts. Automotive and Transportation sales are up due to pent-up demand combined with low interest rates. Business and industry receipts are up, in part, due to numerous utility and energy related development projects which are expected to continue through 2013. A recovery in business and leisure travel has improved restaurants, hotels, and car rentals. The opening of a second Wal-Mart Supercenter in July 2012 has increased sales tax revenues. Fuel prices have been driving sales tax revenue up for the last two years, but prices are projected to stabilize as fuel consumption continues to drop.
3. Utility Users Taxes are expected to increase by \$703,000 or 2.2% due to slight increases in Water and Electric & Gas revenue trends. Most of this growth is due to rate increases, not additional consumption. In addition, a shift of revenues between Cable and Telecommunications, reported by AT&T, results in a slight increase overall.
4. Franchise taxes and other tax revenue budgets reflect slow improvements based on current trends.
5. Program Revenues continue to decline primarily due to service contract reimbursements being reduced by lower City service costs, such as salaries and benefits. Overall these revenues are being budgeted lower than prior year by \$1.2 million or 10%. An example is the reimbursement the City receives from Fire Districts for the services provided to those areas by the Fire Department. This revenue has been reduced due to the lower staff costs associated with the service.
6. Of special note is a change in the recording of Police Department reimbursements for services that were previously recorded in a special revenue fund and proposed to be recorded in the General Fund to offset costs also recorded in the General Fund. The amount budgeted Fiscal Year 2013-14 is \$1.1 million in both revenues and expenses for a net impact of zero. Through these contracts the City is partially reimbursed for full time police officer salary and benefits in exchange for increased service to contracting entities (i.e., school districts and Housing Authority). Also, part of Interfund Reimbursements is an increase for rental rates charged to City operations (Municipal Utilities) in other funds (\$200,000).

General Fund expenditures proposed in the Fiscal Year 2013-14 budget are \$159.5 million which is an increase from prior year of \$1,228,000 due to the following budget changes.

1. Employee Services general fund costs have increased by \$2.7 million or 2.6%. Several factors attribute to the changes.
  - a. Salary costs city-wide have increased due to provisions of the bargaining unit agreements that eliminate furloughs for those agreements that are open and modification of longevity levels to provide equity among employees in most labor groups. The increase to the General Fund is \$734,000 and City-wide is \$2.3 million.
  - b. In support of Project Ceasefire and the department's Real Time Policing strategy, two crime analysts and one property/evidence position have been added to the budget. These positions increase the budget by \$181,000 net of reduced hourly costs.
  - c. Administrative Services is committed to continuing to address the Council's strategic initiative of "getting our fiscal house in order" and has increased its accounting staff by one Supervising Accountant as part of the clean-up efforts (\$69,000) to assist in bringing audits and accounting current. We expect this will help get the issuance of our financial statements more in line with expectations.
  - d. Part-time salary expenses are up by \$485,000 in the Police Department as a result of efforts to bring the department to full staffing as well as provide the capacity to support Project Ceasefire and other violence reduction efforts. This has specifically included increases in background investigations, camera operators, dispatch, and code enforcement.
  - e. An evaluation of overtime costs has been conducted by the Budget Office and departments, which has brought to light the need for an increase to the Police Department budget of \$496,000 due to increased investigations, recruitment and special missions.
  - f. Pension has increased by \$590,000 or 3% due to a change in CalPERS rate from 16.88% to 17.939% (Misc.) and from 31.79% to 34.605% (Safety).
  - g. Health Benefit budgets will increase by \$307,000 due to adjustments to current employee labor agreements (with all groups except Fire, Fire Management and POA) which increase the City contribution for health care coverage on a tiered basis. This is offset by the elimination of a City contribution to retiree health.
  - h. Worker's Compensation costs will increase by \$850,000 due to fluctuations of 12% in claims and 18% in administration. These increases are for current costs and do not begin to reflect the large deficit balance in the fund of more than \$40 million.

- i. Compensated Absences are dropping (\$536,000) due primarily to elimination of sick leave pay-offs at separation. Changes in the treatment of vacation, including the recently implemented vacation cap, will also have a long-term impact on compensated absences costs.
2. Other services are primarily made up of costs for services provided to the City. This includes our gas and electricity expenses, advertising, audit services, and construction costs to name a few types of items included in this category. The decrease of \$2.9 million is primarily due to a combination of line item changes; the transfer of bankruptcy related legal costs now in a separate fund (\$4.2 million), additional funds to cover the continuation of the Project Ceasefire and support services for the Marshall Plan Stakeholders Committee (\$225,000), increased water utility usage and rates for City parks (\$200,000), additional auditor services budget to bring the annual financial audits up to date (\$300,000) and increased election costs (\$100,000).
3. Capital Outlay has been decreased by \$250,000 due to prior year one time bankruptcy related expense for preliminary work on moving the Information Technology division out of the 400 E. Main building funded in Fiscal Year 2012-13. If the move occurs, the project costs will come from the Bankruptcy Fund.
4. Loan Repayments budget has been increased by \$400,000 to pay the Civic HVAC lease directly from the General Fund (\$250,000), increased costs associated with debt administration (\$100,000), and a change in the pass through debt payment for the Stewart/Eberhardt Building bond (\$50,000) (essential services building). The Civic HVAC lease has been paid from the General Capital Improvement fund balance for the past few years, but this General Fund supported capital fund no longer has available balance. The Stewart/Eberhardt debt payment passes through the General Fund but funding in an equal amount comes from the Parking fund.
5. Police Department has increased evidence supplies and ammunition budget due to increasing costs driven by high demand (\$110,000). Parks and Street Trees supplies have increased to repair damage to playgrounds and irrigation systems due to vandalism and thefts (\$125,000).
6. Transfers out to other City funds have been increased by \$1 million based on updated information from third party service providers and others relative to operations of the City's community services that are partially funded by City resources. Budgets have been revised as appropriate and are listed below.

- a. Library general fund subsidy has increased by \$92,000 due to provisions of the bargaining unit agreements that eliminate furloughs and modification of longevity levels to provide consistency among employees.
- b. Recreation general fund subsidy has increased by \$500,000 due to the reinstatement of City managed Soccer activities (\$35,000), fully funding vacant positions that provided savings in Fiscal Year 2012-13 (\$200,000), moving arts budget from the General Fund to the Recreation Fund (\$33,000), and labor agreement driven salary increases (\$75,000). The Fiscal Year 2012-13 Recreation subsidy was lowered from prior years because of \$375,000 in one-time funds available for recreation activities. The 2013-14 recreation General Fund subsidy is consistent with prior year subsidies.
- c. Entertainment Venues has increased by \$16,000 primarily due to Bob Hope Theatre operations.
- d. Successor Agency/Redevelopment expenses have reduced in this budget based on recent experience as the winding down of redevelopment activities continues, thus reducing the subsidy from general fund by \$319,000.

Funding for capital projects has increased by \$690,000 to make a small dent in deferred repairs on City buildings and infrastructure. This includes roof replacements, entry improvements, animal shelter repairs, and drinking fountain repairs, to name a few.

### **Other City Funds**

As described above, included in the Proposed Budget are balanced pro forma schedules for all other City funds. In the body of the document, grouped by the departments that retain responsibilities for each fund, you will find a pro forma schedule for each special fund that includes actual expenditures and revenues for the two prior fiscal years, a year-end projection for the current fiscal year, and a proposed 2013-14 budget. Included also is a brief bulleted summary of the history, current year issues and significant developments, and comments about significant elements of the 2013-14 budget being proposed. Highlights for each department fund group are described below:

#### **Police**

The Police Department is responsible for five funds: Police Measure W, Asset Seizure, COPS State Block Grant, Special Revenue Grants, and Police Special Revenue. Notable elements of the 2013-14 proposed budgets for these funds include the following:

- The Police Measure W fund continues to pay the salaries, benefits, equipment and supplies for 23 Police Officer positions. Measure W sales tax

proceeds are projected to grow by approximately 3% from current projected revenue.

- In the Asset Seizure Fund revenues continue to decline. The available funds will be used to fund safety equipment and supplies.
- The COPS fund will continue to pay salaries and benefits for seven Community Service Officers.
- In the Special Revenue Grant Fund, the Federal COPs Hiring Grant for 17 new entry-level Police Officers was budgeted to begin in the current year when the Department reached 344 filled sworn positions which may occur as early as January 2014 provided no further officer exits. This funding remains available and is programmed in the Fiscal Year 2013-14 Proposed Budget. The 2011-12 year was the last year that the 20 officers hired under the Federal ARRA COPS Hiring Program were funded by the federal grant. The cost for those 20 officers was moved to the general fund in Fiscal Year 2012-13 Budget and continues to be funded in the 2013-14 Proposed General Fund Budget.
- In the Police Special Revenue Fund, the Geraldine Schmidt Trust funds will continue to be held until a long-term plan is developed for the Animal Shelter Replacement project.

## Fire

The Fire Department is partially responsible for three funds: Fire Development Services, Fire Measure W, and Fire Special Revenue. Notable elements of the 2013-14 proposed budgets for these funds include the following:

- In the Fire Prevention section of the fund, revenue projections for 2013-14 are based on the current fee structure. That fee structure is still undergoing evaluation to determine whether they correctly align with program costs. Revenues currently fall short of fully covering costs by approximately \$16,000. The difference will be covered by fund balance.
- The Fire Measure W fund continues to pay the salaries, benefits, equipment and supplies for 23 firefighter positions. Measure W sales tax proceeds are projected to grow by approximately 3% from current projected revenue.
- There are no issues or major changes in the Fire Special Revenue fund.
- The Stockton Fire Department (SFD) is implementing an Alternative Response Program (ARP) as a new service to provide a smaller vehicle and a two-person crew to respond to increased lower priority medical and small fire calls. This will be funded only by Measure W funds. Two Fire Fighters have been added to the budget in support of this new program. This program will lower overall cost of vehicle operations by lowering the cost of operating emergency response units, reducing the cost of acquiring fire and medical response vehicles and reducing the wear and tear on the larger fire engines and trucks. The ARP will increase efficiency of response to lower level

medical calls by using smaller units and crew size while at the same time will increase fire engine and ladder truck efficiency for higher priority incidents. An evaluation of the ARP will be conducted and a report will be prepared on the outcome after one year of ARP's implementation.

### Community Services

The Community Services Department is responsible for three fund groups: Library, Recreation, and Golf. Notable elements of the 2012-13 proposed budgets for these funds include the following:

- The proposed 2013-14 budget for the Library Fund requires a General Fund subsidy of \$4 million. This pays for the City portion of the County-wide Library system operated by Stockton. The proposed budget does not reflect any service reductions or enhancements.
- The proposed 2013-14 budget for the Recreation Fund requires a subsidy of \$2.8 million. Although many Recreation programs are funded through registration and rental fees, historically the fee structure was developed to maximize recreational opportunities for the community, and has not traditionally been solely based on full cost recovery for facilities, administration and overhead. To fill this gap the General Fund subsidy will primarily be used to support Youth Sports and Community Centers. A small portion will also fund recreation facilities such as the Teen Center, Civic Auditorium, Weber Point Events Center, community pools, Tennis Center and Silver Lake Family Camp. The proposed budget for this fund reflects no service changes except the reinstatement of City managed soccer complex operations. We are currently evaluating the level of cost recovery by fees vs. the general fund subsidy. The results will be reported back to Council.
- The proposed 2013-14 budget for the Golf Fund requires a General Fund subsidy of \$450,000, down from the \$500,000 included in the 2012-13 current budget. As discussed in the quarterly budget reviews presented to Council on December 11, 2012 and March 19, 2013, rounds of play and revenue are down at both City courses due to increased competition from area courses and an overall drop in golf play. Kemper Sports Inc., the City's Golf operator, has submitted a plan to increase marketing efforts in an attempt to reduce the subsidy requirements.

### Community Development

The Community Development Department is responsible for one fund: the Development Services fund. Notable elements of the 2012-13 proposed budget for this fund includes the following:

- In the Community Development section of this fund, the Fiscal Year 2012-13 current year budget included for the first time a General Fund subsidy of \$1.0

million. It was determined that there were a number of services and initiatives in this department that are more appropriately charged to the General Fund rather than recovered through development fees. The \$1.0 million will be used to cover these general government costs each year beginning in Fiscal Year 2012-13 and going forward. For 2012-13 only \$180,000 of the \$1 million subsidy is expected to be spent. Plans are underway to carryover the balance and use this resource for several one-time costs such as completion of the Fee Study, a major update of the General Plan, an update of the Housing Element based on the new cycle of Regional Housing Needs Assessment (State mandated), an update of the Municipal Services Plan (State mandated), an update of CEQA environmental review thresholds and processes, an update of the Development Code, re-crafting of the Design Guidelines with a focus on Downtown transit oriented, mixed use development opportunities, and makeover of the website to support the application and issuance of on-line permits for routine construction activities. The FY 2013-14 General Fund subsidy is expected to be used for on-going costs in a reorganization plan. A comprehensive review was conducted by Management Partners, Inc. and the Urban Land Institute which made over 60 recommendations. In response to the recommendations, the department is bringing forth this reorganization plan for review and consideration which includes four new positions.

### Public Works

The Public Works Department is responsible for seven funds: Street Maintenance Gas Tax, Boat Launching Facilities, Solid Waste and Recycling, Lighting Maintenance District, Assessment District Maintenance, and Measure K Maintenance. Notable elements of the Fiscal Year 2013-14 Proposed Budgets for these funds include the following:

- In the Street Maintenance Gas Tax fund, funding is proposed to be used to fill cracks and patch streets between Eight Mile Road and Hammer Lane, as part of a 6 year cyclical program to address failing streets. Funding is also included to continue re-striping arterial and collector streets, to address deteriorated pavement markings that have not been maintained for several years (over 50 miles), as well as to start replacing large overhead street name signs on arterials. Signs on Pacific Avenue will be replaced. Funding will also continue reflectivity upgrades of all regulatory and warning signs required by Federal mandate. Signs between Harding Way and March Lane will be replaced. This will bring all signs into compliance prior to the 2017 deadline. Activities will also complete annual traffic signal controller preventative maintenance inspections for 305 controllers, and an upgrade of 13 traffic signal controllers in the Weston Ranch area to complete a multi-year program to upgrade 138 intersections. Proposed expenditures will exceed revenue by

almost \$620,000. This will reduce the projected fund balance to approximately \$488,000.

- In the Solid Waste and Recycling Fund projected revenues reflect a 1.59% annual CPI adjustment for residential and commercial service. An increase in program expenses is included which will provide funds for tree trimming related to street sweeping, a financial consultant for franchise agreement analysis, translation services for printed outreach material, and a capital improvement project to build a storage facility for existing solid waste and recycling containers at Louis Park.
- Lighting Maintenance District Assessments for Fiscal Year 2013-14 will be at the same rate as the current fiscal year. The budget includes services, such as, replacement of fixtures in Oxford Circle, to improve lighting levels, and increased pole maintenance.
- In the Assessment District Maintenance Fund assessments for the Fiscal Year 2013-14 will not be increased. Landscape and Storm Drainage District maintenance activities will be consistent with the current year.
- In the Measure K Maintenance Fund, revenues are projected to increase by approximately 5%. Of the funding projected, \$2 million is budgeted for several capital projects including the required matches for a number of City projects. The transfer to the Gas Tax Fund has been budgeted to increase slightly to \$2 million to account for the additional electrical costs for street lighting and traffic signals, and maintenance costs for the Traffic Control System.
- It should be mentioned that the San Joaquin Council of Governments maintenance-of-effort (MOE) requirement (temporarily suspended) of \$4.7 million from the General Fund, is still not being budgeted or met. We are currently allocating \$800,000 from the General Fund. This may become a policy issue in the future.
- In the Boat Launching Facilities Fund fees will not be changed from the current rates. Expenditures for security services and maintenance and repair services are being increased slightly. With the budgeted assumptions, revenues are projected to exceed expenditures.

### Economic Development

The Economic Development Department is responsible for the various Housing funds, as well as the City Administration Building, Central Parking District, and Downtown Marina Complex funds. The department formerly oversaw the Redevelopment Agency funds prior to the dissolution of the Agency. The General Fund will be required to fund administrative and overhead costs for the Successor Agency, due to the fall-off in tax increment proceeds. Those costs, estimated at \$750,000, are included as a transfer in the General Fund Budget. Notable elements of the Fiscal Year 2013-14 Proposed Budget for this department's funds include the following:

- Included in the Housing funds is the impact of an additional 8% decrease in the CDBG entitlement on top of last year's 18% decrease, and an additional 8% reduction in the HOME entitlement grant. This will result in reductions to the CDBG Housing Loan Pool, Sub-Recipient Assistance, and the budget for CDBG and HOME Administration and Program Delivery.
- The Administration Building Fund is used to account for costs associated with the 400 E. Main building. The proposed budget reflects only a small amount of funding for administrative costs and tracking of any related City expenses for the building. The City no longer has control of the building since the Trustee assumed control of the building on behalf of Assured Guaranty Trust on June 1, 2012. The City continues to lease the fourth floor of this building and expense the costs to the Computer Internal Service Fund.
- The Central Parking District Fund proposed budget reflects revenue and costs for the City garages remaining after Trustee Wells Fargo was awarded possession of the Market Street, Coy and Arena garages last year after the City defaulted on its debt payments. No increases to monthly or hourly fees are planned for next fiscal year. Monthly rates were established for surface lots that did not previously offer monthly parking during this fiscal year. Funding for maintenance of lots and garages has been included in the Fiscal Year 2013-14 Proposed Budget. During the Fiscal Year 2013-14, staff will review and prepare a request for proposals for the automation of the surface lots as well as the Stewart/Eberhardt Building and Channel Street garages.
- The proposed Fiscal Year 2012-13 budget for the Downtown Marina Complex will again require a subsidy from the General Fund in the amount of \$160,000. The increase in events planned at Weber Point and the Arena have increased revenues in the transient/guest docks. Marina staff will increase marketing efforts to attempt to increase short-term berthing and boat launching revenue.

### Municipal Utilities Department

The Municipal Utilities Department is responsible for three fund groups: Water Enterprise, Wastewater Enterprise, and Stormwater Enterprise. Notable elements of the Fiscal Year 2013-14 Proposed Budgets for these funds include the following:

- Water user rates and connection fees are projected to be increased by the Consumer Price Index (CPI). Construction of the Ammonia Facilities Project is expected to be completed by June 2014. Water conservation efforts will continue to meet the State's mandate to reduce water use by 20 percent by the year 2020. The Delta Water Supply Project has completed a full year of project start-up and will move to normal operations.
- In the Wastewater Fund, the fourth year rate increase of 9%, of the approved 5 year tiered increase plan, is reflected. The tiered structure was designed to ensure adequate coverage required by the bond covenants and to fund the

Capital Improvement and Energy Management plans. The Phase 2 projects identified in the CIEMP have been separated into five packages with three RFPs to be released this year with the Headworks Project. Activities during coming year will focus on meeting all requirements of the Consent Decree for the collections system and to successfully negotiate the new National Pollutant Discharge Elimination System (NPDES) permit.

- As rates are capped in the Stormwater Fund, some required NPDES program elements have been reduced to stay within projected revenue levels. No funding is available for needed infrastructure repairs. The Fiscal Year 2013-14 Proposed Budget for this fund is balanced, but without a rate increase, there is General Fund exposure for this fund in future years if NPDES requirements are to be met. A new permit is anticipated by October 2013 which may include additional requirements that further strain this fund's budget. Plans to attempt another Proposition 218 ballot measure to increase revenue are under review.

#### City Manager and Administrative Services

The City Manager's Office, in addition to being responsible for the entire City budget, monitors and manages one fund, the Entertainment Venues Fund: Notable elements of the Fiscal Year 2013-14 Proposed Budget for these funds include the following:

- The Fiscal Year 2013-14 General Fund subsidy for the Entertainment Venues Fund is estimated at \$2.6 million. This compares to \$3.2 million under the previous facilities manager (IFG). Fiscal Year 2013-14 budget is up by \$16,000 from the current year level. Our facility management firm, SMG, continues its efforts to increase revenues and reduce costs. SMG has not achieved the savings anticipated due to declining ticket sales and revenue. Though our economy is slowly improving, these venues continue to lag behind the recovery process. This trend is in line with national event and entertainment productions. The venues host over 300 events at the four facilities annually.

#### Internal Service Funds

There are 12 Internal Service Funds: Four of the funds are overseen by the Administrative Services Department (Computer Equipment, Radio Equipment, Telephone Equipment, and Office Equipment). Seven Internal Services Funds are overseen by the Human Resources Department (General Liability, Workers Compensation, Health Insurance, Unemployment, Long-Term Disability/Life Insurance, Retirement Benefits and Compensated Absences). One (Fleet) is managed by the Public Works Department. These Internal Service Funds can be categorized as Equipment or Benefits. During the course of developing each fund's allocation rates, an evaluation was done on the methodology used to determine and distribute rates, in

addition to evaluation of the costs associated with each fund. Methodologies for most Equipment type of Internal Service Funds were improved to follow consistent and logical calculations while eliminating duplications. This process created some fluctuations in costs between departments, such as a fleet increase to the Police Department and decrease to the Fire Department; however these improvements did not significantly impact the overall costs being allocated. Notable elements of the Fiscal Year 2013-14 Proposed Budget for Internal Service Funds include the following:

- The proposed Fleet Budget includes an increase of \$120,000 for fleet operations, maintenance, fuel and replacement vehicles..
- The Computer Equipment budget includes approximately \$2.1 million that was set aside for implementing the Citywide Technology Strategic Plan projects which have been approved by Council. This does not come close to meeting our needs. The Plan spans five years and some projects have shifted into future years beyond their initial planning but within the five year model. These planning changes have been reflected in the Fiscal Year 2013-14 budget and will be reported to Council through a separate Citywide Technology Strategic Plan update report. Other expenses within the Computer Equipment fund have remained fairly stable with a few refinements that have no material net effect, with the exception of computer replacements which has been budgeted at \$200,000 above last year.
- In the Risk Services and Workers Compensation Funds proposed budget, insurance rates charged to the departments have been raised to reflect the higher cost of insurance coverage. These funds are still carrying huge fund balance deficits in the Liability and Workers Compensation Funds because past administrations did not budget adequate contributions of the General Fund and other Funds to finance accrued long-term liabilities.
- In the Health Benefits Fund the proposed increase in the City contribution to health for active employees increased revenues from other City funds by \$1.3 million. The increase in City contributions were offset by the elimination of contributions to retiree health per the Pendency Plan (\$3.9 million). Human Resources staff will be working to ensure compliance with the Affordable Care Act provisions mandated for January 1, 2014.

### **Upcoming Schedule**

The current schedule calls for the City Council to conduct three budget study sessions on June 3, 4 and 6, 2013 and the adoption of the final budget document on June 25, 2013.

### **Stockton's Plan for Recovery**

The organization remains very focused on our City's recovery and on long-term sustainability. As you know, the previous City Council adopted four key goals: 1) Getting Our Fiscal House in Order, 2) Improve Real and Perceived Sense of Public Safety, 3) Increase Economic Development and 4) Increase Organizational Capacity. To effectuate these goals, the previous Council also adopted 38 specific Strategic Initiatives. At a recent City Council planning session, you reaffirmed this direction for now, but reserved the right to reassess it in a subsequent planning session early this fall. You can find the listing of 4 goals and Strategic Initiatives in Attachment A.

The most pressing two initiatives that will have the greatest impact on our recovery are: getting a bankruptcy (exit) plan of adjustment approved by the court and implementing our new Marshall Plan on Crime. The pall and confusion of bankruptcy and the concerns about our crime rates are preventing robust investment in our economy. The strength or weakness of our economy impacts our financial sustainability as a city. As a result, we cannot recover without both exiting bankruptcy and implementing our Marshall Plan on Crime.

The City's general fund is obviously insolvent in the immediate and long-term. We have a temporary reprieve by not paying certain creditors under the protection of Chapter 9; however, we cannot suspend payments to all these creditors indefinitely. We eventually have to negotiate a new payment schedule that hopefully provides us some permanent debt reduction and near-term relief. For example, our deals with labor made permanent near-term savings of almost \$40 million a year and will save us approximately \$2 Billion over the next 30 years. We plan to propose a Plan of Adjustment for our other creditors sometime in the third quarter of this calendar year. However, the City financial picture is so dire any Plan will likely be contingent on a request from tax payers for more revenues to simply maintain general fund insolvency for the modest services we have now. At the same time, we plan to ask voters for more resources to restore police services in a very strategic way as found in the Marshall Plan. These two needs should be addressed at the same time, via one request from our citizenry, hopefully this fall.

The City of Stockton, its citizens, the City Council and City staff have all made tremendous sacrifices and adjustments. The City staff will continue to work hard for our citizens during a time of great stress. We have accomplished a huge milestone in the bankruptcy process, with our determination of eligibility, despite opposition from a well-financed group. Like all of you, I am looking forward to getting through this very difficult and complex restructuring and exiting bankruptcy so we can return 100 percent of our focus on providing the best for our city.

The Fiscal Year 2013-14 Proposed Budget before you is another step in that direction.

Respectfully submitted,

A handwritten signature in blue ink, appearing to read 'Bob Deis', is written over the typed name. The signature is fluid and cursive.

BOB DEIS  
CITY MANAGER

**City of Stockton City Council  
Goals for 2011**

As an outcome of the performance evaluation of the City Manager and the Annual Workshop of the City Council held on January 28, 2011. The Council has adopted the following work plan. Given these difficult times, and after much consideration, the Stockton Council has decided that less is more. Rather than trying to be all things to all people, it will have a greater impact to the community by focusing on a short list of key goals .... some would say getting back to basics .... in order to begin the true revival of the great City of Stockton.

**1. Fiscal Sustainability--Getting our fiscal house in order.**

It has become clear there will not be a robust recovery in the City of Stockton's general fund revenue base for some time to come. Furthermore, the City does not have adequate reserves to weather these difficult times, and its compensation practices and employee benefit insurance programs are not being administered using current best management practices. The estimated budget deficit for FY 2011-12 is \$34 million and growing. It grows even more, each year thereafter. The City must improve its cost of doing business and look beyond just the next year with a goal of providing multi-year fiscal sustainability.

As a start, the City Council adopted its Action Plan For Fiscal Sustainability on June 22, 2010 (see attachment at end of packet). This provides the framework for labor negotiations and concession bargaining for 2011. Labor costs represent 80 percent of the general fund. We have begun the negotiations process to effectuate the sustainability goals and to balance the next few years' budgets. Furthermore, we need an independent review of our employee benefits/insurance programs (medical, workers compensation, long term disability, life. etc.) to ensure they are administered in a cost effective manner and provide a benefit level that is generally supported in the labor market. Finally, we need to ensure our accounting and fiscal management practices are up to par to ensure the financial data that underlies our decisions is accurate and reliable. Finally, we need to begin the conversation about our unsustainable retiree health program.

**2. Increase Public Safety, both real and perceived.**

The level of crime is unacceptable in the City of Stockton. The sense of safety by Stocktonians appears to have reduced in the recent past. The relative increase in crime from 2009 to 2010 is disconcerting and the total amount of crimes (on a per capita basis) is some of the highest in the nation. Violent crimes increased 9 percent overall while burglaries increased 13 percent this last year. Yet, the number of arrests went down 27 percent. This last figure is directly a result of fewer officers on the street.

While the data supports the assertion that much of the violent crime is associated with gangs and drugs, and the odds of being victim to a violent crime are low, we have

double the murder rate of Los Angeles and there are simply too many victims of violent and property crime in our City. Furthermore, we have direct evidence that our real or perceived sense of public safety is one key factor impacting our ability to attract new high wage employers to the City.

The sources of crime are complex and therefore the strategies of reducing it are equally complex and must come from multiple disciplines. Poverty, youth employment and activities outside school, gangs, school performance, parenting, substance abuse, mental health, and faith based institutions; law enforcement and criminal justice system performance are just some of the causes and possible sources for reducing crime.

The City needs the equivalent of the Marshall Plan for addressing public safety in the City. Besides being a direct service provider in this area, the City needs to be a convener of stakeholders acting in concert with the various institutions that have a stake in the factors that impact public safety e.g. county, schools, state, faith based groups, non-profits, etc.

### **3. Economic Development-Facilitate Investment and Job Creation.**

It is no secret that Stockton has been hit harder by the recent recession than other communities. Our current unemployment rate hovers around 20 percent. Our per capita income is 37% less than the statewide average. Our much publicized foreclosure rate is third in the nation. Our relative success in this area has an indirect impact on the previous (Public Safety) goal.

There are parts of the economy that we have no control over nor can we make an impact on them. However, as a regulatory and land use planning agency, we have a potentially great impact on businesses that wish to expand or locate here. Furthermore, many of our regulatory plans e.g. General Plan, Development Code, development fees, etc. were developed when the City was experiencing huge growth.

As a result, the City would benefit from a top down assessment of our regulatory plans, our fee structure, our departmental performance and the underlying factors that support it, all with the goal of retooling our organization to support economic activity that will produce jobs without unduly harming the environment. We need to completely rethink our regulatory role and organizational performance including organizational culture all through the "New Normal" lens.

Again, notwithstanding our direct service delivery role, we should support the convening of the various stakeholders that impact our economy e.g. San Joaquin Partnership, Port of Stockton, San Joaquin County, Council of Governments, etc. in order to develop an actionable Economic Development Plan. This project should assess the economic trends, our strengths and weaknesses, and develop street level plans to accentuate the strengths and minimize our weaknesses all with the goal of enhancing economic investment that produces jobs for our citizenry.

#### **4. Increase Organizational Capacity.**

Besides the challenges associated with huge reductions in budget and layoffs, the City of Stockton organization has experienced a dramatic turnover rate at the City Council level and in the City Manager position. As a result, the direction of the City, in the eyes of staff has not been clear. The criteria for success, especially in mid and senior managers has been vague. The use of technology has been diminished. A high performing organization, even during lean times, still invests in its remaining staff to support the Council goals, continuous improvement, lifelong teaming, etc. We may be doing less, but what we do, we should do well. A high performing organization also knows that the Council goals and priorities are translated through the City Manager, to the department heads and ultimately to every City staff member, so that all are "rowing" in the same direction.

As a result, the City Manager is directed to propose and implement measures to improve the City of Stockton organizational capacity and wherewithal to effectuate the Council goals and further an organizational culture that ultimately puts the City organization as a top tier employer in the state.

#### **Next Steps ●●● Making Our Goals a Reality**

Given the above stated goals, the City Manager and staff have been directed to develop more specific business plans or strategic initiatives that are designed to further the four stated goals mentioned above.

City of Stockton  
2011 Business Plans

**Fiscal Sustainability--Getting Our Fiscal House In Order**

Summary of Strategic Initiatives

1. Implementing The Action Plan For Fiscal Sustainability (Labor Costs)
2. Audit of Third Party Administrators (Health, and Workers Compensation)
3. Maximize Local Allocation of County/City Sales Tax Receipts
4. Business License Ordinance
5. Business Analysis of City Funds and Programs
6. Budget Monitoring
7. General Ledger Quality Control and Reconciliations
8. Tax Revenue Tracking and Audit
9. Workers Compensation Audit
10. Retiree Health

City of Stockton  
2011 Business Plans

**Increase Public Safety--Both Real and Perceived**

Summary of Strategic Initiatives

1. Stockton's Marshall Plan On Crime
2. Force Multiplier-Using Field Staff as Neighborhood Watch
3. Code Enforcement Reorganization & Expansion
4. Peacekeeper's Outreach
5. Merlo Gym Collaboration Project
6. Junior Team Tennis
7. Stockton Swimming Pools
8. Home Fire Safety Inspections

City of Stockton  
2011 Business Plans

**Economic Development--Facilitate Investment and Job Creation**

Summary of Strategic Initiatives

1. Management Review of Community Development
2. Evaluation of City General Plan 2035
3. Review/Reduce Development Fees-Mitigation and Processing Fees
4. Regional Wastewater Control Facility Capital Improvement and Energy
5. Management Plan
6. Downtown Revitalization Plan
7. Small Business Development
8. Economic Development Strategic Plan
9. Complete Infrastructure Projects
  - a. Sperry Road Extension & French Camp/I-S Interchange
  - b. Delta Water Supply Project

City of Stockton  
2011 Business Plans

**Economic Development--Facilitate Investment and Job Creation**

Summary of Strategic Initiatives

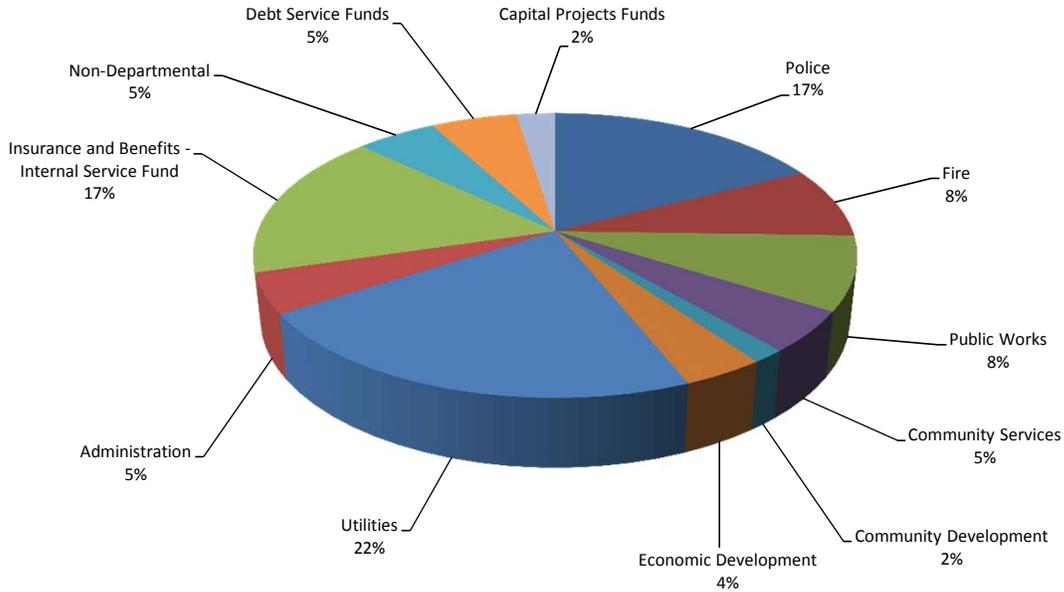
1. Emergency Medical Incident Response and Dispatching Criteria Review
2. Consolidation of Capital Project Management
3. Increase Workforce Diversity
4. Vendor Contract Request For Proposal System
5. Email Addresses
6. Social Media
7. Marketing and Communication Plan
8. Internal Control Risk Assessment
9. Management & Leadership Training
10. Boards and Commissions Handbook
11. Council Procedure Review

## TAB 2 CITYWIDE BUDGET



# City of Stockton Citywide Budget 2013-14 Proposed Budget

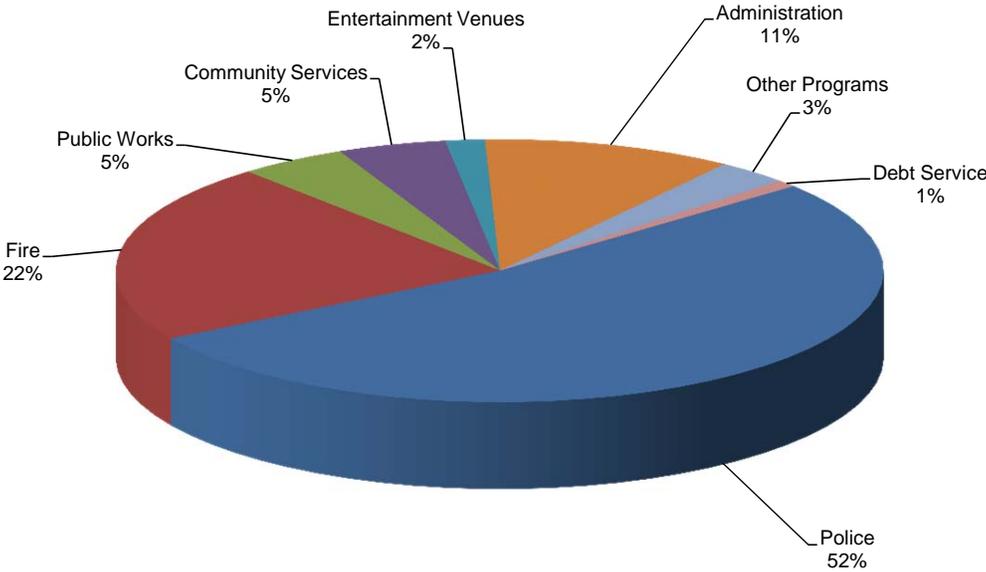
**\$521,254,012**



	<b>Operating Budget</b>	<b>Debt Service Budget</b>	<b>Capital Budget</b>	<b>Total</b>	
<b>Program Appropriations</b>					
Police	\$ 91,211,683			\$ 91,211,683	17%
Fire	41,576,464			41,576,464	8%
Public Works	40,057,313	1,260,463	2,520,286	43,838,062	8%
Community Services	24,434,136			24,434,136	5%
Community Development	7,917,602			7,917,602	2%
Economic Development	17,484,660	2,182,990		19,667,650	4%
Utilities	77,353,664	27,586,271	9,570,877	114,510,812	22%
Administration	20,280,200	325,000	3,177,490	23,782,690	5%
Insurance and Benefits - Internal	78,495,532	8,301,843		86,797,375	17%
<b>Non-Departmental Funds</b>					
Non-Departmental	26,334,218			26,334,218	5%
Debt Service Funds		28,350,320		28,350,320	5%
Capital Projects Funds			12,833,000	12,833,000	2%
	<u>\$ 425,145,472</u>	<u>\$ 68,006,887</u>	<u>\$ 28,101,653</u>	<u>\$ 521,254,012</u>	<u>100%</u>
<b>Net Budget</b>					
Internal Service Charges				\$ (110,789,195)	
Interfund Transfers				(23,971,232)	
				<u>\$ 386,493,585</u>	



# General Fund Budget 2013-14 Proposed Budget



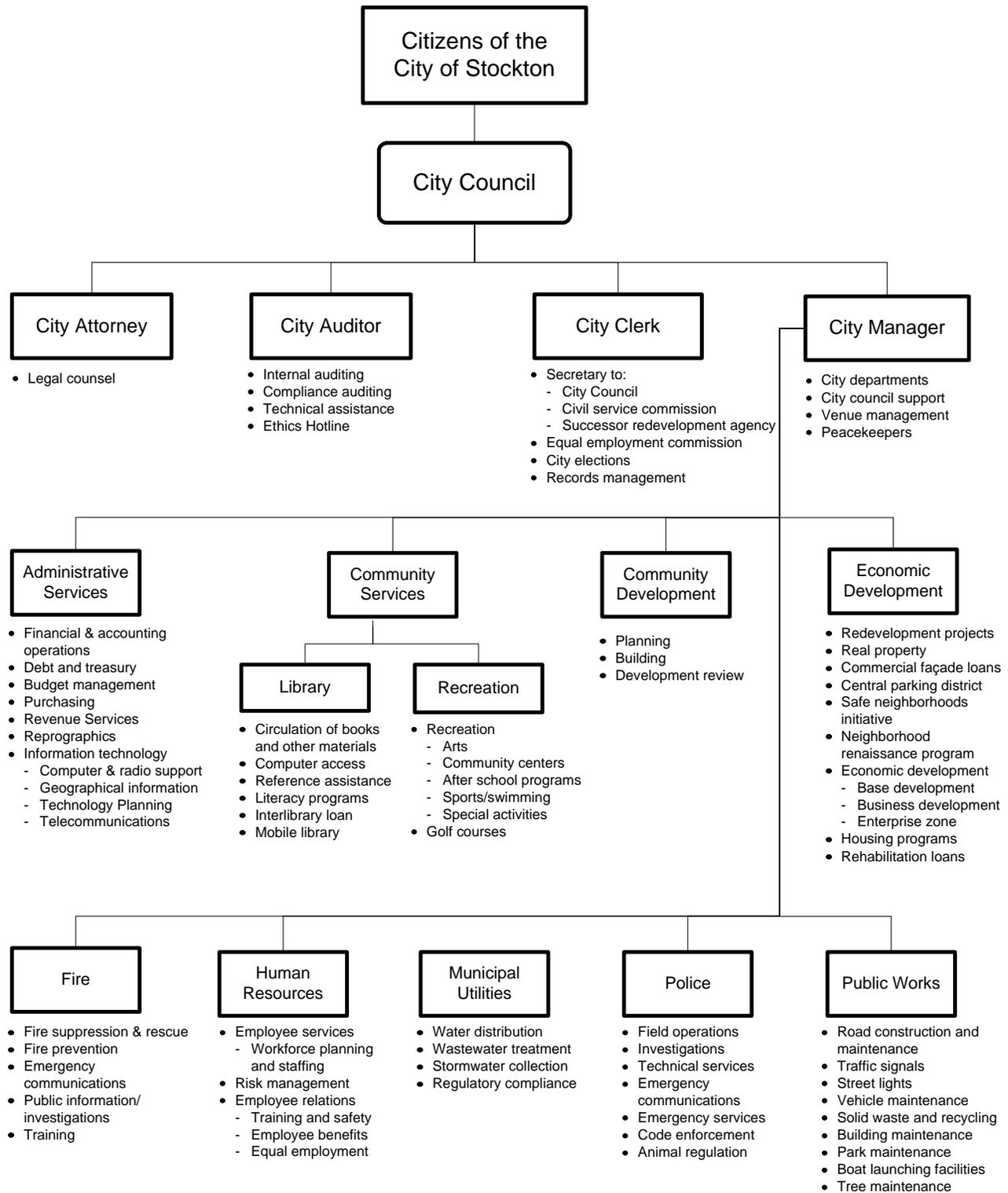
**Program Appropriations**

Police	\$ 83,698,594	52%
Fire	35,456,447	22%
Public Works	7,259,640	5%
Community Services	7,294,000	5%
Entertainment Venues	2,653,094	2%
Administration	16,880,183	11%
Other Programs	4,878,600	3%
Debt Service	1,397,973	1%
	\$ 159,518,531	



## TAB 3 ORGANIZATION CHART





# CITY OF STOCKTON

**PERSONNEL BY FUND**  
**2013-14 Proposed Budget**

	<u>2009-10</u>	<u>2010-11</u>	<u>2011-12</u>	<u>FY 2012-13</u> <u>Pendency</u>	<u>Staffing</u> <u>Modifications</u>	<u>FY 2013-14</u> <u>Proposed</u>
<b>General Fund and Tax-Supported Programs</b>						
Programs						
Police-Sworn	322	320	322	339	0	339
Police-Non Sworn	214	202	188	189	3	192
Fire	265	226	177	175	2	177
Public Works	78	59	62	56	4	60
Library	69	57	57	58	1	59
Recreation	32	27	26	25	(1)	24
Economic Development	1	2	2	6	1	7
	<b>981</b>	<b>893</b>	<b>834</b>	<b>848</b>	<b>10</b>	<b>858</b>
Administration						
City Council	8	8	8	8	0	8
City Manager	13	11	10	10	0	10
City Attorney	14	13	11	11	0	11
City Clerk	6	5	6	6	0	6
City Auditor	4	4	4	4	(4)	0
Admin Services	49	57	59	59	2	61
Human Resources	18	15	14	15	0	15
Non Departmental	10	10	10	10	0	10
	<b>122</b>	<b>123</b>	<b>122</b>	<b>123</b>	<b>(2)</b>	<b>121</b>
<b>Total General Fund</b>	<b>1,103</b>	<b>1,016</b>	<b>956</b>	<b>971</b>	<b>8</b>	<b>979</b>
<b>Enterprise Funds</b>						
Golf Course	2	2	2	0	0	0
Municipal Utilities	187	197	198	209	(1)	208
	<b>189</b>	<b>199</b>	<b>200</b>	<b>209</b>	<b>(1)</b>	<b>208</b>
<b>Special Revenue/District Funds</b>						
Central Parking District	3	3	3	3	0	3
Community Development Block Grant	12	11	9	7	(1)	6
Development Services	53	50	42	36	3	39
Maintenance District	2	4	2	2	1	3
Redevelopment Successor Agency	20	10	6	2	0	2
Safe Neighborhood Measure W	45	41	41	45	3	48
Solid Waste & Recycling	9	9	9	9	(2)	7
Street Maintenance/ Gas Tax Fund	65	66	64	71	(7)	64
	<b>209</b>	<b>194</b>	<b>176</b>	<b>175</b>	<b>(3)</b>	<b>172</b>
<b>Internal Service Funds</b>						
Fleet	26	27	27	27	0	27
General Liability Insurance	3	4	6	5	0	5
Workers' Compensation	4	4	3	1	0	1
Health Benefits	4	4	5	6	0	6
Information Technology	40	39	36	36	0	36
Radio	2	2	2	2	0	2
Telecommunications	1	1	1	1	0	1
Document Services	3	3	2	2	0	2
	<b>83</b>	<b>84</b>	<b>82</b>	<b>80</b>	<b>0</b>	<b>80</b>
<b>Total All Funds</b>	<b>1,584</b>	<b>1,493</b>	<b>1,414</b>	<b>1,435</b>	<b>4</b>	<b>1,439</b>

**Endnotes**

The personnel list reflects several changes that includes interfund and inter department transfers, new positions and elimination of vacant positions, with a net effect of zero. Following are the major changes. The details can be found in Appendix 2 - Personnel Listing by department footnotes.

Mid Year Council Approved new positions	1
Proposed CM approved new positions	10
Position Eliminations	-7
<b>Total Changes</b>	<b>4</b>

# TAB 4 GENERAL FUND SUMMARY



**General Fund - 010**  
**2013-14 Proposed Budget Summary**

	<u>FY 2010-2011</u>	<u>FY 2011-2012</u>	<u>FY 2012-2013</u>	<u>FY 2013-2014</u>
	<u>Actual</u>	<u>Unaudited</u>	<u>Current</u>	<u>Proposed</u>
		(a)	Budget	Budget
<b>Beginning Balance</b>	<b>\$ 1,101,000</b>	<b>\$ 5,358,000</b>	\$ -	\$ -
<b>Revenues</b>	184,642,426	160,267,669	155,987,713	159,518,531
	<u>184,642,426</u>	<u>160,267,669</u>	<u>155,987,713</u>	<u>159,518,531</u>
	-	-	-	-
<b>Expenditures</b>				
Employee Services	125,427,170	110,788,630	104,316,395	107,031,723
Other Services	25,159,702	28,226,642	33,814,719	30,899,274
Materials & Supplies	2,575,751	2,556,101	3,032,597	2,896,154
Other Expenses	1,299,966	714,184	3,367,591	3,742,313
Capital Outlay	21,698	51,405	253,933	4,000
Loan Repayment	2,152,648	3,195,959	978,560	1,397,973
Transfer Out	20,358,495	13,005,340	12,526,897	13,547,094
	<u>176,995,430</u>	<u>158,538,261</u>	<u>158,290,692</u>	<u>159,518,531</u>
	-	-	-	-
<b>Reserves</b>				
Prior Period Adjustments	(3,633,125)			
Change in Fund				
Balance restrictions	243,129	(1,434,859)	2,713,215	
Bankruptcy Reserve		(5,652,549)	(410,236)	
	<u>(3,389,996)</u>	<u>(7,087,408)</u>	<u>2,302,979</u>	<u>-</u>
<b>Net Annual Activity</b>	<u>4,257,000</u>	<u>(5,358,000)</u>	-	-
<b>Ending Balance</b>	<u>\$ 5,358,000</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Fiscal Stabilization Measures				-
<b>Ending Deficit Balance</b>				<u>\$ -</u>
<b>Available Balance Calculation</b>				
Cash		\$ 1,547,923		
Accounts Receivable		17,920,673		
Prepaid Items		272,992		
Accounts Payable		(9,002,820)		
Encumbrances		(1,605,189)		
Debt Reserves		(2,100,000)		
Bankruptcy Reserve		(5,652,549)		
Other Commitments		(1,381,030)		
Ending Available Balance		<u>\$ -</u>		

(a) FY 2011-12 is presented with the Unaudited Actual. The City Council authorized the ending balance in FY 2011-12 to be reserved for bankruptcy costs and settlement claims. Accordingly, no beginning balance has been projected for FY 2012-13. This presentation also assumes that any remaining balance at June 30, 2013 will be reserved for bankruptcy costs.

**General Fund - 010**  
**2013-14 Proposed Revenues**

	<b>FY 2010-2011</b>	<b>FY 2011-2012</b>	<b>FY 2012-2013</b>	<b>FY 2013-2014</b>
	<b>Actual</b>	<b>Unaudited Actual</b>	<b>Current Budget</b>	<b>Proposed Budget</b>
<b>General Tax Revenues</b>				
Property Taxes				
Property Taxes	\$ 28,318,428	\$ 26,375,894	\$ 25,587,100	\$ 26,385,000
In-Lieu of Motor Vehicle Fees	<u>18,534,224</u>	<u>17,582,487</u>	<u>17,299,000</u>	<u>17,515,000</u>
	<u>46,852,652</u>	<u>43,958,381</u>	<u>42,886,100</u>	<u>43,900,000</u>
Sales Tax				
75% Point of Sale	25,463,533	27,727,667	27,896,856	29,080,000
25% County ERAF Backfill	8,118,132	8,392,001	9,799,434	9,779,500
Proposition 172	<u>1,087,330</u>	<u>1,177,150</u>	<u>1,217,200</u>	<u>1,305,500</u>
	<u>34,668,995</u>	<u>37,296,818</u>	<u>38,913,490</u>	<u>40,165,000</u>
Utility Users Tax				
Water	2,704,758	3,161,006	3,121,400	3,255,000
Electric & Gas	16,519,884	17,108,465	17,296,500	17,600,000
Cable	1,985,307	1,945,475	1,887,000	2,358,000
Telecommunications	<u>9,784,048</u>	<u>9,289,408</u>	<u>9,182,100</u>	<u>8,977,000</u>
	<u>30,993,997</u>	<u>31,504,354</u>	<u>31,487,000</u>	<u>32,190,000</u>
Franchise Tax				
PG&E	1,799,027	1,864,105	1,871,700	1,909,000
Cable/Video	2,204,115	3,105,218	2,144,000	2,242,000
Waste Haulers	<u>7,499,593</u>	<u>7,495,513</u>	<u>7,245,000</u>	<u>7,520,000</u>
	<u>11,502,735</u>	<u>12,464,836</u>	<u>11,260,700</u>	<u>11,671,000</u>
Business License Tax	9,249,774	8,915,457	9,235,000	8,989,000
Hotel/Motel Tax	1,798,741	1,932,631	1,811,000	1,950,000
Document Transfer Tax	583,418	603,313	530,000	500,000
Motor Vehicle License	1,479,303	151,585	-	150,000
Interest	<u>(169,909)</u>	<u>49,618</u>	<u>(10,423)</u>	<u>20,250</u>
	<u>12,941,327</u>	<u>11,652,604</u>	<u>11,565,577</u>	<u>11,609,250</u>
<b>Program Revenues</b>				
Fire Contracts	4,106,670	4,792,062	3,923,678	3,325,921
Code Enforcement	3,844,959	4,036,131	3,176,300	2,947,600
Charges for Services	2,221,824	1,907,657	1,963,786	1,826,179
Fines & Forfeitures	2,505,060	1,729,835	1,480,600	1,300,300
Revenues from Other Agencies	832,932	780,976	758,000	679,800
Licenses & Permits	339,636	395,962	371,825	369,773
Misc Other Revenues	<u>(5,763,965)</u>	<u>(376,239)</u>	<u>(168,000)</u>	<u>(141,320)</u>
	<u>8,087,116</u>	<u>13,266,384</u>	<u>11,506,189</u>	<u>10,308,253</u>
<b>Interfund Reimbursements</b>				
Indirect Cost Allocation	6,005,969	5,114,302	4,850,000	4,724,490
Workers Comp Reimbursement	1,492,517	-	-	-
Refunds & Reimbursements	7,230,591	872,486	173,383	1,334,633
Rents/Leases/Concessions	<u>2,544,647</u>	<u>2,559,577</u>	<u>2,508,746</u>	<u>2,706,711</u>
	<u>17,273,724</u>	<u>8,546,365</u>	<u>7,532,129</u>	<u>8,765,834</u>
<b>Transfers In</b>				
Transfers In	20,512,570	-	-	-
From Technology Fund - 502	1,200,000	-	-	-
From Parking for Debt Service - 417	609,310	1,577,927	836,528	909,194
	<u>22,321,880</u>	<u>1,577,927</u>	<u>836,528</u>	<u>909,194</u>
<b>Total Revenues</b>	<b><u>\$ 184,642,426</u></b>	<b><u>\$ 160,267,669</u></b>	<b><u>\$ 155,987,713</u></b>	<b><u>\$ 159,518,531</u></b>
	-	-	-	-

**General Fund - 010**  
**2013-14 Proposed Revenues by Department**

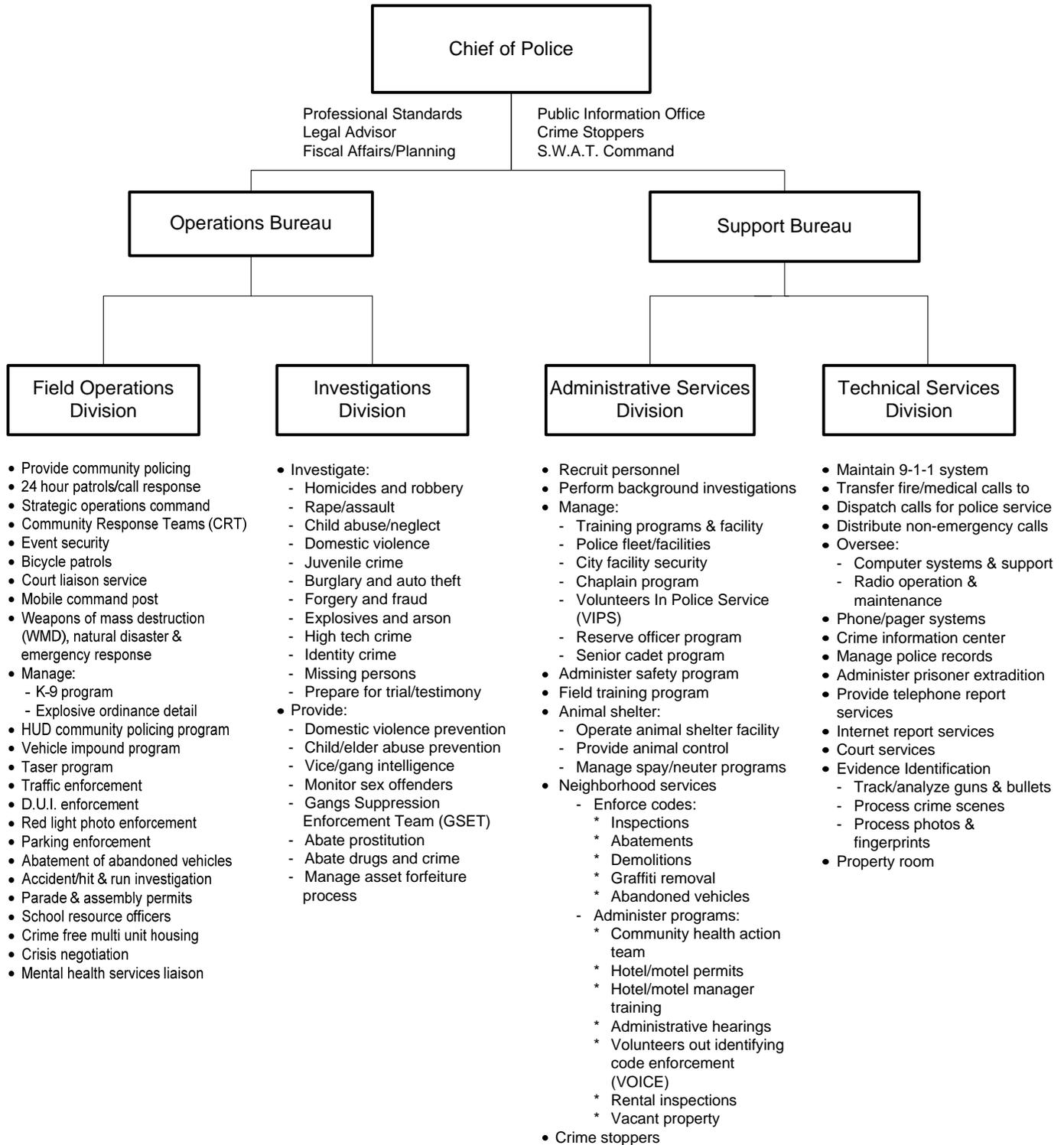
	<b>FY 2010-2011</b>	<b>FY 2011-2012</b>	<b>FY 2012-2013</b>	<b>FY 2013-2014</b>
	<b>Actual</b>	<b>Unaudited Actual</b>	<b>Current Budget</b>	<b>Proposed Budget</b>
<b>General Tax Revenues</b>				
Taxes	\$ 117,116,086	\$ 119,093,304	\$ 119,156,190	\$ 121,850,000
Licenses & Permits	172,973	50,169	38,000	38,000
Intergovernmental Revenue	20,746,978	18,426,826	17,619,900	18,268,000
Charges for Services	585,831	565,056	565,056	565,056
Uses of Money & Property	2,254,723	2,489,633	2,381,048	2,411,036
Reimbursements/Other Revenues	7,514,960	4,710,769	4,650,000	4,724,490
	<u>148,391,551</u>	<u>145,335,757</u>	<u>144,410,194</u>	<u>147,856,582</u>
<b>Police Department</b>				
Licenses & Permits	188,296	345,792	333,825	331,773
Intergovernmental Revenue	44,867	88,223	105,200	76,800
Charges for Services	3,852,017	3,667,434	3,109,952	2,830,975
Fines & Forfeitures	3,381,572	2,712,343	2,249,422	1,956,500
Uses of Money & Property	73,860	87,250	65,250	60,250
Reimbursements/Other Revenues	1,594,430	1,129,616	420,700	1,647,300
Sale of Fixed Assets	1,730	616	-	-
	<u>9,136,772</u>	<u>8,031,274</u>	<u>6,284,349</u>	<u>6,903,598</u>
<b>Fire Department</b>				
Licenses & Permits	(22,008)	-	-	-
Intergovernmental Revenue	54,614	-	-	-
Charges for Services	4,363,882	5,041,335	4,212,056	3,625,294
Fines & Forfeitures	13,546	-	-	-
Reimbursements/Other Revenues	42,482	74,490	43,183	42,683
	<u>4,452,516</u>	<u>5,115,825</u>	<u>4,255,239</u>	<u>3,667,977</u>
<b>Public Works</b>				
Licenses & Permits	376	-	-	-
Uses of Money & Property	114,619	109,131	105,800	105,100
Reimbursements/Other Revenues	25,883	20,584	20,000	22,680
	<u>140,878</u>	<u>129,715</u>	<u>125,800</u>	<u>127,780</u>
<b>Administrative Services</b>				
Charges for Services	59,203	40,550	38,050	27,100
Fines & Forfeitures	57,376	5,813	-	2,700
Uses of Money & Property	-	-	650	-
Reimbursements/Other Revenues	17,848	7,825	1,500	650
	<u>134,427</u>	<u>54,188</u>	<u>40,200</u>	<u>30,450</u>
<b>Charter Offices</b>				
Charges for Services	7,129	12,198	24,828	12,275
Fines & Forfeitures	-	-	-	100
Reimbursements/Other Revenues	44,324	-	-	-
	<u>51,453</u>	<u>12,198</u>	<u>24,828</u>	<u>12,375</u>
<b>Human Resources</b>				
Charges for Services	2,485	190	-	-
Reimbursements/Other Revenues	8,188	-	-	-
	<u>10,673</u>	<u>190</u>	<u>-</u>	<u>-</u>
<b>Economic Development</b>				
Charges for Services	(1,869)	-	-	-
Uses of Money & Property	4,100	10,575	10,575	10,575
	<u>2,231</u>	<u>10,575</u>	<u>10,575</u>	<u>10,575</u>
<b>Community Services - Arts</b>				
Uses of Money & Property	45	20	-	-
	<u>45</u>	<u>20</u>	<u>-</u>	<u>-</u>
<b>Transfers In</b>				
Central Parking	609,310	1,577,927	836,528	909,194
Information Technology	1,200,000			
Feb. 28, 2012 Transfers	12,096,000			
Loans	8,416,570			
	<u>22,321,880</u>	<u>1,577,927</u>	<u>836,528</u>	<u>909,194</u>
<b>Total Revenues</b>	<b><u>\$ 184,642,426</u></b>	<b><u>\$ 160,267,669</u></b>	<b><u>\$ 155,987,713</u></b>	<b><u>\$ 159,518,531</u></b>

**General Fund - 010**  
**2013-14 Proposed Budget by Program**

	<u>FY 2010-2011</u>	<u>FY 2011-2012</u>	<u>FY 2012-2013</u>	<u>FY 2013-2014</u>
	<u>Actual</u>	<u>Unaudited Actual</u>	<u>Current Budget</u>	<u>Proposed Budget</u>
<b>Expenditures</b>				
<u>Programs</u>				
Police	\$ 86,855,958	\$ 80,872,465	\$ 82,593,751	\$ 83,698,594
Fire	47,618,852	41,520,860	36,343,178	35,456,447
Public Works	7,135,215	6,783,778	6,829,011	7,259,640
Economic Development	318,981	355,286	682,744	967,358
Peacekeeper Program	61,759	193,658	214,065	311,242
Arts Commission	40,025	35,982	33,327	-
	<u>142,030,790</u>	<u>129,762,029</u>	<u>126,696,076</u>	<u>127,693,281</u>
<u>Program Support for Other Funds</u>				
Library	4,111,205	3,977,759	3,907,000	3,999,000
Recreation	2,941,711	2,757,263	2,340,000	2,845,000
Entertainment Venues	2,191,299	2,441,299	2,637,350	2,653,094
RDA Successor Agency	4,603,933	1,810,933	1,069,248	750,000
Compensated Absences	3,697,917	-	-	-
Gas Tax Transfer				
Downtown Marina	966,000	732,000	47,299	160,000
Capital Improvement	480,000	620,000	600,000	1,290,000
Administration Building		480,538	162,000	-
Golf Courses			502,000	450,000
Grant Match	854,112	35,548	262,000	400,000
Development Services	512,318	150,000	1,000,000	1,000,000
	<u>20,358,495</u>	<u>13,005,340</u>	<u>12,526,897</u>	<u>13,547,094</u>
<u>Administration</u>				
City Council	506,449	501,695	465,512	461,707
City Manager	894,304	738,086	1,012,241	1,016,374
City Attorney	886,204	735,990	933,639	987,363
City Clerk	760,661	709,679	716,199	696,971
City Auditor	441,772	448,923	451,382	768,100
Administrative Services	2,894,593	3,316,746	3,537,232	3,753,524
Human Resources	1,468,742	1,242,134	1,919,124	2,025,587
Tax Collection & Election	3,247,483	2,043,667	2,198,755	2,457,000
Other Administration	(477,487)	(721,655)	(1,348,830)	713,557
Labor Litigation	1,830,776	3,559,668	6,203,905	2,000,000
	<u>12,453,497</u>	<u>12,574,933</u>	<u>16,089,159</u>	<u>14,880,183</u>
Debt Service	<u>2,152,648</u>	<u>3,195,959</u>	<u>978,560</u>	<u>1,397,973</u>
Contingency		-	2,000,000	2,000,000
<b>Baseline Subtotal</b>				<u><b>159,518,531</b></u>
Fiscal Stabilization Measures				-
<b>Subtotal with Fiscal Stabilization</b>				<u><b>159,518,531</b></u>
<b>Total</b>	<u><b>\$ 176,995,430</b></u>	<u><b>\$ 158,538,261</b></u>	<u><b>\$ 158,290,692</b></u>	<u><b>\$ 159,518,531</b></u>

# TAB 5 POLICE





# POLICE DEPARTMENT



# POLICE DEPARTMENT

## MISSION STATEMENT

To work in partnership with the people of Stockton to build a safe and secure community.

## Budget at a Glance: Proposed

Total Expenditures	\$91,211,683
Total Revenues	\$12,417,952
Total Net Cost	\$78,793,731
Total Staff	554

## DEPARTMENTAL DESCRIPTION

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

- Field Services Division, including Patrol, Traffic and Special Events;
- Investigations Division;
- Technical Services Division, including Telecommunications, the Records Section, the Evidence/Identification Section, Property Room and the Crime Information Center;
- Administrative Services Division, including the Personnel and Training, Neighborhood Services/Code Enforcement, and Animal Services Section;
- Professional Standards Section;
- Public Information Office; and
- Fiscal Affairs and Planning Section.

Other special services include those performed by the Special Weapons and Tactics (SWAT) Team, Crisis Negotiations Team, Community Response Teams (CRT), Explosive Ordnance Disposal Team, Canine Unit, and Narcotics Hazardous Materials Team.

## KEY ISSUES

Retention of currently trained staff will continue to be a key issue in Fiscal Year 2013-14. The Police Department's focus has been retooled to focus primarily on violent crime by emphasizing enforcement operations, technology, crime prevention, and partnerships; or what we refer to as the four "P's" – Pursuit, Predict, Prevent, and Partner.

- **Recruitment of Police Officers** to replace those who plan to retire near the end of Fiscal Year 2012-13 and those who leave Stockton for other employment, is a big challenge for the Police Department. The hiring of a new Police Officer can take up to eighteen months from the time of the employee selection, through the background investigation process, formal hiring, and probationary status to the end of field training when a new officer can take on a regular assignment. Sworn officer staffing levels are at the lowest in more than 20 years, therefore it is critical to the mission of the Department to maximize the recruitment effort. The 2011 federal hiring grant will allow the hiring of 17 new police officers to achieve full staffing at 362 sworn officers.
- **As public safety needs change, the demands for innovative strategies** such as evidence-based and community policing are critical to meeting the challenges facing the Stockton Police Department. By leveraging the latest information available from local and

## POLICE DEPARTMENT

national resources, the Department is able to develop plans and partnerships necessary to keep the public safe. Examples of these strategies include multi-agency task forces, such as the San Joaquin County Multi-Agency Gang Task Force and Community Corrections Partnership Task Force as well as specific missions to target firearms or fugitives like partnering with the United States Marshals, California Highway Patrol, and Alcohol Tobacco Firearms unit.

- **City Council** approved the Violence Reduction Initiative in May 2012, a comprehensive and focused approach to addressing the City's on-going increase in violent crime. This initiative includes the establishment of the Community Response Teams (CRT), the re-opening of the security camera monitoring room by part-time staff, the Chief's Community Advisory Board (CAB) and a variety of other efforts to support a very focused approach to reducing violent crime. To further support this initiative, two additional Crime Analyst positions and a Property Clerk position are included with the Police Department's 2013-14 Budget. This additional support for the Department's Crime Information Center will help focus enforcement efforts where they can make the most impact, given continued limitations on resources and staff.
- **One of the Marshall Plan deliverables**, Project Ceasefire, was re-established during the year, holding its first call-in during April, 2013. Additional funding to support continued efforts under this program is included in the Police Department's 2013-14 Budget. These funds will pay for a part-time program manager and additional consulting assistance as the call-ins and enforcement efforts continue. The Department is also seeking grant funding to expand the Project Ceasefire effort.
- **New funding sources**, such as grants and new federal or state programs, continue to be a key component of maintaining Police Department staffing levels as well as funding new equipment and initiatives. At the federal level, we are actively seeking funds from the Office of Community Oriented Policing (COPS), Department of Homeland Security, National Institute of Justice, and Department of Justice. At the state level, the Police Department continues to rely on funds from Vehicle License Fees (VLF), fines, fees, forfeitures, and other fluctuating revenues. In addition, the Police Department will work with all public safety partners to optimize our funding and reimbursement opportunities through statewide associations like the California Police Chiefs Association and California Emergency Management Agency.
- **Relationships with community partners**, such as other local law enforcement agencies, have become more critical over the past five years of economic downturn. As fewer public safety dollars are available, consolidation of resources is often the key element when applying for new dollars from federal and state programs. From the law enforcement side, recent partnerships including the Multi-Agency County-wide Gang Task Force, Firearms Reduction Consortium, and Community Corrections Partnership Taskforce are key examples of combining resources for targeted enforcement efforts that have had great success. Other community partnerships include local agencies such as the Women's Center of San Joaquin County, the San Joaquin County District Attorney's Office, including the Victim-Witness Program, and the San Joaquin County Probation Department.
- **The Police Department General Fund** baseline was increased to fund three additional full-time positions, existing part-time positions, training costs for new hires, and to cover the cost of enhanced recruiting strategies. The Proposed Budget is \$1.1 million (1.3%) higher than the 2012-13 Current Budget.

## POLICE DEPARTMENT

- Salary and benefit costs increased to fund two Crime Analysts positions needed to produce criminal intelligence analysis and statistical reports vital to the success of Project Ceasefire and the Violence Reduction Initiative. A Property Room Clerk position has been reinstated from prior year staffing reductions to improve handling, storage, and disposition of property and evidence.
- Part-time costs added mid-year in 2012-13 have been retained to enhance Police Services, improve revenue collections, and increase hiring capacity.
- Overtime costs have been analyzed and increased by \$485,000 to include investigations, hire back, and non-grant funded special enforcement missions.
- The increase in the proposed Employee Services budget also reflects the elimination of furloughs for civilian employees effective July 1, 2013.
- Police Service Contracts for full-time officers have been transitioned back to the general fund resulting in an increase of approximately \$1,000,000 in both revenues and employee services expenses. The department has contracts with two school districts, Housing Authority of San Joaquin, San Joaquin Regional Transit District, and Downtown Stockton Alliance.
- Other Services have been increased to reflect higher rates for hazardous material disposal (\$15,000), expiring service contracts (\$37,000), to fund costs related to hiring and training new Police Officers (\$80,000), and more particularly, the equipment needed to provide adequate protection to ensure officer safety (\$62,000). The Professional Services budget also includes \$125,000 for continuation of the Project Ceasefire program previously funded with one time monies from the AB109 Community Corrections Partnership.

**Police Department  
2013-14 Proposed Budget**

	<b>General Fund 010</b>	<b>Measure W 081</b>	<b>Asset Forfeiture 023</b>	<b>State COPS 024</b>
	<i>See Page E-8</i>	<i>See Page E-11</i>	<i>See Page E-13</i>	<i>See Page E-15</i>
<b>Beginning Available Balance</b>		\$ -	\$ 149,211	\$ 198,932
<b>Revenues</b>				
Grants				400,000
Program Revenue	6,903,598	4,584,500	50,000	
Other Revenue			2,200	1,000
	<b>6,903,598</b>	<b>4,584,500</b>	<b>52,200</b>	<b>401,000</b>
<b>Expenditures</b>				
Salary & Benefits	66,509,350	3,407,378		577,561
Services & Supplies	17,189,244	692,021	189,521	
Administration Overhead		89,000		
	<b>83,698,594</b>	<b>4,188,399</b>	<b>189,521</b>	<b>577,561</b>
<b>Transfers</b>				
Transfer In - General Fund				
CHP and Other Grant Match				
Transfer Out				
	-	-	-	-
<b>Net Annual Activity</b>	<b>\$ (76,794,996)</b>	<b>\$ 396,101</b>	<b>(137,321)</b>	<b>(176,561)</b>
<b>Ending Available Balance</b>	<b>\$ (76,794,996)</b>	<b>\$ 396,101</b>	<b>\$ 11,890</b>	<b>\$ 22,371</b>
	-	-	-	-

**Police Department, Continued**  
**2013-14 Proposed Budget**

	<b>Law Enforcement Block Grants 025</b>	<b>Trusts 645</b>	<b>Police Total</b>
	<i>See Page E-18</i>	<i>See Page E-21</i>	
<b>Beginning Available Balance</b>	<b>\$ 7,908,716</b>	<b>\$ 642,287</b>	
<b>Revenues</b>			
Grants	110,000		\$ 510,000
Program Revenue		182,192	11,720,290
Other Revenue	81,962	2,500	87,662
	<u>191,962</u>	<u>184,692</u>	<u>12,317,952</u>
<b>Expenditures</b>			
Salary & Benefits	2,378,608		72,872,897
Services & Supplies		179,000	18,249,786
Administration Overhead			89,000
	<u>2,378,608</u>	<u>179,000</u>	<u>91,211,683</u>
<b>Transfers</b>			
Transfer In - General Fund			-
CHP and Other Grant Match	100,000		100,000
Transfer Out			-
	<u>100,000</u>	<u>-</u>	<u>100,000</u>
<b>Net Annual Activity</b>	<b>(2,086,646)</b>	<b>5,692</b>	<b>\$ (78,793,731)</b>
<b>Ending Available Balance</b>	<b>\$ 5,822,070</b>	<b>\$ 647,979</b>	
	-	-	-
		Revenues	\$ 12,317,952
		Transfers	100,000
		Total Sources	<u>\$ 12,417,952</u>
		Expenditures	\$ 91,211,683
		Transfers	
		Total Appropriations	<u>\$ 91,211,683</u>
			-

**Police Department  
General Fund - 010  
2013-14 Proposed Budget**

	<u>FY 2010-2011</u> <u>Actual</u>	<u>FY 2011-2012</u> <u>Unaudited</u> <u>Actual</u>	<u>FY 2012-2013</u> <u>Current</u> <u>Budget</u>	<u>FY 2013-2014</u> <u>Proposed</u> <u>Budget</u>
<b>Total Police Department</b>				
Employee Services	\$ 73,922,472	\$ 66,431,349	\$ 65,461,371	\$ 66,509,350
Other Services	11,475,152	12,671,480	14,819,507	15,196,038
Materials and Supplies	1,251,457	1,423,624	1,759,184	1,446,842
Other Expenses	202,179	344,612	549,689	542,364
Capital Outlay	4,698	1,400	4,000	4,000
Total	<u>\$ 86,855,958</u>	<u>\$ 80,872,465</u>	<u>\$ 82,593,751</u>	<u>\$ 83,698,594</u>
<b>Administration</b>				
Employee Services	4,307,595	4,928,331	4,426,058	4,868,835
Other Services	1,484,862	1,766,539	2,130,388	2,881,361
Materials and Supplies	171,664	224,665	455,226	252,112
Other Expenses	71,411	312,342	412,989	405,489
Total	<u>6,035,532</u>	<u>7,231,877</u>	<u>7,424,661</u>	<u>8,407,797</u>
<b>Field Services</b>				
Employee Services	43,297,158	38,061,222	38,904,417	38,683,471
Other Services	4,597,692	4,672,297	5,307,554	4,968,479
Materials and Supplies	760,348	914,216	955,576	847,243
Other Expenses	131,235	30,524	126,320	126,320
Capital Outlay	4,698	1,400	4,000	4,000
Total	<u>48,791,131</u>	<u>43,679,659</u>	<u>45,297,867</u>	<u>44,629,513</u>
<b>Investigations</b>				
Employee Services	16,704,859	14,334,420	12,746,365	13,316,395
Other Services	643,766	623,732	1,151,682	1,322,735
Materials and Supplies	155,372	119,428	145,908	151,803
Other Expenses	2,389	1,274	6,500	6,500
Total	<u>17,506,386</u>	<u>15,078,854</u>	<u>14,050,455</u>	<u>14,797,433</u>
<b>Support Services</b>				
Employee Services	4,224,979	3,721,342	3,735,979	3,830,832
Other Services	345,898	359,856	413,185	529,625
Materials and Supplies	145,387	134,305	134,771	136,434
Other Expenses	(3,516)	197	300	475
Total	<u>4,712,748</u>	<u>4,215,700</u>	<u>4,284,235</u>	<u>4,497,366</u>
<b>Telecommunications</b>				
Employee Services	5,387,881	5,386,034	5,648,552	5,809,817
Other Services	4,402,934	5,249,056	5,816,698	5,493,838
Materials and Supplies	18,686	31,010	67,703	59,250
Other Expenses	660	275	3,580	3,580
Total	<u>9,810,161</u>	<u>10,666,375</u>	<u>11,536,533</u>	<u>11,366,485</u>



## **POLICE DEPARTMENT**

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

#### **History**

- The people of the City approved Measure W on November 2, 2004, which authorized Ordinance No. 038-04 CS that added a new Part to Chapter 8 of the Stockton Municipal Code.
- This Ordinance provided authorization for an additional one-quarter of one percent transaction and use tax, the proceeds of which shall be used for police and fire protection services and to contract with the State Board of Equalization to perform all functions incident to the administration and operation thereof.
- The Police Department receives 50% of the Measure W tax proceeds. These funds primarily pay for Police Officer salaries and benefits but have also been used to purchase equipment, vehicles, and radios for Police Officers.

#### **2012-13 Events**

- The adopted Pendency Plan budget increased the number of funded Police Officers from 21 to 22.
- Year-end revenues are projected to be 6% higher than the adopted budget.
- Revenues continue to be monitored closely to ensure they are sufficient to cover expenditures and maintain an adequate fund balance.
- The overall budget projection reflects an ending balance of approximately \$400,000 at the end of the current fiscal year for the Police Department. This balance will add to the Measure W's Economic Uncertainty Fund so that any future drop in sales tax revenue does not impact the number of sworn positions.

#### **2013-14 Budget Issues and Changes**

- Fiscal Year 2013-14 Measure W sales tax revenues are projected to be approximately 3% higher than Fiscal Year 2012-13 based on improved sales tax receipts primarily due to improved auto sales and tourism.
- Measure W will pay for salaries, benefits, equipment and supplies for 23 Police Officer positions in Fiscal Year 2013-14.
- Administration & Overhead - The State Board of Equalization charges a quarterly administration fee for services associated with the Measure W Public Safety Sales Tax. A sales tax audit contract provides auditing/compliance services to ensure sales tax is properly collected and distributed. Costs for the above mentioned services are projected to increase due to the increase in revenues.
- Staff is developing an equipment needs list that complies with Measure W guidelines to purchase radios, mobile data computers, vests, firearms, ammunition and other essential safety equipment for Police Officers in the field which will reduce the fund's ending available balance.

**Police and Fire Departments  
Measure W - 081(a)  
2013-14 Proposed Budget**

	<u>FY 2010-2011</u>	<u>FY 2011-2012</u>	<u>FY 2012-2013</u>	<u>FY 2013-2014</u>
	<u>Actual</u>	<u>Unaudited Actual</u>	<u>Projected</u>	<u>Proposed Budget</u>
<b>Beginning Available Balance</b>	<b>\$ 814,768</b>	<b>\$ 268,499</b>	<b>\$ 949,785</b>	<b>\$ 1,763,110</b>
<b>Revenues</b>				
<b>Police</b>				
Measure W Sales Tax	3,937,713	4,288,212	4,452,000	4,584,500
Reimbursements - Workers Comp	127,155	-	-	
Interest	(1,063)	-	-	
	<u>4,063,805</u>	<u>4,288,212</u>	<u>4,452,000</u>	<u>4,584,500</u>
<b>Fire</b>				
Measure W Sales Tax	3,937,714	4,288,212	4,452,000	4,584,500
Reimbursements - Workers Comp	54,420	-	-	
Interest	(1,709)	1,396	-	
	<u>3,990,425</u>	<u>4,289,608</u>	<u>4,452,000</u>	<u>4,584,500</u>
	<b><u>8,054,230</u></b>	<b><u>8,577,820</u></b>	<b><u>8,904,000</u></b>	<b><u>9,169,000</u></b>
<b>Expenditures</b>				
<b>Police</b>				
Salary & Benefits	3,684,294	3,488,636	3,299,379	3,407,378
Services & Supplies	575,936	587,428	658,041	692,021
Administration Overhead	134,582	81,493	87,000	89,000
	<u>4,394,812</u>	<u>4,157,557</u>	<u>4,044,420</u>	<u>4,188,399</u>
<b>Fire</b>				
Salary & Benefits	3,993,639	3,588,648	3,881,749	3,902,008
Services & Supplies	67,324	68,836	76,646	223,638
Administration Overhead	144,724	81,493	87,860	197,074
	<u>4,205,687</u>	<u>3,738,977</u>	<u>4,046,255</u>	<u>4,322,720</u>
	<b><u>8,600,499</u></b>	<b><u>7,896,534</u></b>	<b><u>8,090,675</u></b>	<b><u>8,511,119</u></b>
<b>Transfers</b>				
Transfer In				
Transfer Out				
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Net Annual Activity</b>				
Police	(331,007)	130,655	407,580	396,101
Fire	(215,262)	550,631	405,745	261,780
	<u>(546,269)</u>	<u>681,286</u>	<u>813,325</u>	<u>657,881</u>
<b>Ending Available Balance</b>	<b><u>\$ 268,499</u></b>	<b><u>\$ 949,785</u></b>	<b><u>\$ 1,763,110</u></b>	<b><u>\$ 2,420,991</u></b>
<b>Available Balance Calculation</b>				
Current assets		\$ 992,215		
Current liabilities		<u>(42,430)</u>		
Ending Available Balance		<u>949,785</u>		

(a) The portion of Measure W Fund - 081 relating to Fire is also presented in Fire on page F-12

## **POLICE DEPARTMENT**

### **POLICE ASSET SEIZURE FUND (023)**

#### **History**

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

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

#### **2012-13 Events**

- Revenues continue to drop due to a decrease in seized property and the delay between seizure and court-approved disposition.
- Funds were used to match a Cal Emergency Management Agency Violence Against Women Act (Cal EMA VAWA) grant.

#### **2013-14 Budget Issues and Changes**

- Revenue estimates are conservative because this funding source can be unpredictable as it is dependent on seizure activities and court cases.
- Normal levels of safety equipment and supply purchases are planned subject to the availability of cash in the fund.

**Police Department  
Asset Forfeiture - 023  
2013-14 Proposed Budget**

	<u>FY 2010-2011</u> <u>Actual</u>	<u>FY 2011-2012</u> <u>Unaudited</u> <u>Actual</u>	<u>FY 2012-2013</u> <u>Projected</u>	<u>FY 2013-2014</u> <u>Proposed</u> <u>Budget</u>
<b>Beginning Available Balance</b>	<b>\$ 592,181</b>	<b>\$ 628,385</b>	<b>\$ 260,387</b>	<b>\$ 149,211</b>
<b>Revenues</b>				
Interest	12,227	10,021	2,200	2,000
State/local seizures	54,440	96,136	15,000	30,000
Federal DOJ seizures	66,824		5,000	15,000
Federal Treasury seizures	18,219		500	5,000
	<u>151,710</u>	<u>106,157</u>	<u>22,700</u>	<u>52,000</u>
<b>Expenditures</b>				
State/local seizures	77,317	189,698	50,000	159,521
Federal DOJ seizures	31,714	181,820	14,835	25,000
Federal Treasury seizures	6,475	43,902		5,000
	<u>115,506</u>	<u>415,420</u>	<u>64,835</u>	<u>189,521</u>
<b>Transfers</b>				
Transfer In				
Transfer Out - 025	-	(58,735)	(69,041)	-
	<u>-</u>	<u>(58,735)</u>	<u>(69,041)</u>	<u>-</u>
<b>Net Annual Activity</b>	<b>36,204</b>	<b>(367,998)</b>	<b>(111,176)</b>	<b>(137,521)</b>
<b>Ending Available Balance</b>	<b>\$ 628,385</b>	<b>\$ 260,387</b>	<b>\$ 149,211</b>	<b>\$ 11,690</b>
<b>Available Balance Calculation</b>				
Cash and interest receivable		\$ 286,210		
Vouchers payable		(25,823)		
Ending Available Balance		<u>\$ 260,387</u>		

## **POLICE DEPARTMENT**

### **POLICE STATE COPS FUND (024)**

#### **History**

- The Citizens Options for Public Safety (COPS) fund was established by the State of California to assist in funding front line law enforcement activities.
- Most past expenditures were for equipment and programs not funded by the General Fund.
- Beginning in FY 2009-10 the Police Department began funding Community Service Officers with State COPS funds to avoid Police Officer layoffs.

#### **2012-13 Events**

- The adopted budget of \$400,000 was an estimate based on anticipated funding from the State at the time of budget adoption. Actual revenues will be higher, reflecting a prior year check received in Fiscal Year 2012-13
- Two additional Community Service Officer positions were shifted mid-year to this account as a result of the increased funding and compensation changes.
- Management of the State COPS fund shifted to California Department of Corrections and Rehabilitation, Local Law Enforcement Services Account (CDCR - LLESA).

#### **2013-14 Budget Issues and Changes**

- Decrease in revenue anticipated from State due to decrease in VLF funds available.
- Fund will continue pay salaries and benefits for seven Community Service Officers.

**Police Department  
COPS - 024  
2013-14 Proposed Adopted Budget**

	FY 2010-2011 <u>Actual</u>	FY 2011-2012 Unaudited <u>Actual</u>	FY 2012-2013 <u>Projected</u>	FY 2013-2014 <u>Proposed Budget</u>
<b>Beginning Available Balance</b>	<b>\$ 64,195</b>	<b>\$ 15,540</b>	<b>\$ -</b>	<b>\$ 198,932</b>
<b>Revenues</b>				
State COPS Grant	207,000	433,758	690,270	400,000
Interest	6,234	3,861	2,076	1,000
Reimbursements				
	<u>213,234</u>	<u>437,619</u>	<u>692,346</u>	<u>401,000</u>
<b>Expenditures</b>				
State COPS Grant	261,889	453,158	493,414	577,561
	<u>261,889</u>	<u>453,158</u>	<u>493,414</u>	<u>577,561</u>
<b>Transfers</b>				
Transfer In				
Transfer Out				
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Net Annual Activity</b>	<u>(48,655)</u>	<u>(15,539)</u>	<u>198,932</u>	<u>(176,561)</u>
<b>Ending Available Balance</b>	<b>\$ 15,540</b>	<b>\$ 1</b>	<b>\$ 198,932</b>	<b>\$ 22,371</b>
<b>Available Balance Calculation</b>				
Cash and interest receivable		\$ 165,666		
Due from Other Governments				
Due to Other Governments		(165,666)		
Ending Available Balance		<u>\$ -</u>		

# POLICE DEPARTMENT

## SPECIAL REVENUE GRANT FUND (025)

### History

- This fund maintains and finances Police Department activities through special revenues including Federal and State Grants and Supplemental Police Services contracts.
- Recently created, this fund is intended to provide accountability for additional sources of revenue to fund Police Department operations.

### 2012-13 Events

- New State grants awarded include:
  - California Emergency Management Agency's (CalEMA) Violence Against Women Act (VAWA)– funding for one Domestic Violence Investigator, 52% of a Community Service Officer and a contract with the Women's Center Youth & Family Services of San Joaquin for Victim Advocate services.
  - Byrne Memorial Justice Assistance – joint funding with San Joaquin County for creation of a Firearms Reduction Consortium, including upgrades for the Integrated Ballistics Identification System (IBIS), a full-time Firearms Examiner position, training, and overtime for Police, Sheriff, and Probation to conduct firearms missions.
  - Office of Traffic Safety's AVOID, DUI Enforcement, Distracted Driving and Checkpoints – funded various overtime missions to improve traffic safety.
- Police Supplemental Services Contracts provide businesses and organizations with the opportunity to pay for enhanced Police Services. During 2012-13 an estimated \$1,000,000 and nine organizations participated in this program.
- New State awards through California Assembly Bill 109 include:
  - Community Corrections Partnership – joint funding for Taskforce operations with San Joaquin County to proactively address violent crimes and offenders. Funds cover salaries, overtime and equipment for Task Force participants.
  - Operation Ceasefire – funding for activities related to the Ceasefire project, a proven violence reduction strategy. "Call In" sessions are used to communicate anti-violent messages to high risk individuals.
- Two grants previously held in the General Government Grant Fund – CRACNET and Housing Authority – were included in this fund for Fiscal Year 2012-13, completing the transition process for this fund to house all grants and contracts for the Police Department.

### 2013-14 Budget Issues and Changes

- The Federal COPS Hiring Grant for 17 entry-level Police Officers is budgeted to begin this year. Once the Police Department reaches 345 filled positions, it will begin filling the additional 17 to bring the total authorized and filled strength to 362.
- It has been determined by the Department that the Police Service Contracts for full-time officers be transitioned back to the general fund until it can be proven that said service contracts require services in excess of the Council adopted budget. This will result in a decrease of approximately \$1,000,000 in both revenues and expenses in this fund.

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## POLICE DEPARTMENT

- Police Supplemental Service Contracts for part-time assistance will continue to be accounted for in this fund. Current contracts include:
  - Stockton Ports – Thursday, Friday, and Saturday home baseball games
  - Downtown Alliance – Weekend and special event Bike Patrol
  - High School Football – Bear Creek, Lincoln, and McNair
  - Stone Brothers – Holiday mall shopping
  - SMG Stockton Arena & the Bob Hope Theater – Hockey, concerts, and other events as needed.

**Police Department  
Special Revenue Grant Funds - 025  
2013-14 Proposed Budget**

	FY 2010-2011 <u>Actual</u>	FY 2011-2012 Unaudited <u>Actual</u>	FY 2012-2013 <u>Projected</u>	FY 2013-2014 <u>Proposed Budget</u>
<b>Beginning Available Balance</b>	<b>\$ 31,509</b>	<b>\$ 57,036</b>	<b>\$ 57,035</b>	<b>\$ 7,908,716</b>
<b>Revenues</b>				
Federal Grants	2,835,114	3,699,233	9,430,426	110,000
State Grants	883,668	603,316	1,795,276	
Other Grants	19,915	-	-	
Contract Reimbursements	6,357	87,077	1,103,982	81,962
Reimbursements	25,515	-	-	
	<u><b>3,770,569</b></u>	<u><b>4,389,626</b></u>	<u><b>12,329,684</b></u>	<u><b>191,962</b></u>
<b>Expenditures</b>				
Federal Grants	2,835,113	3,545,344	1,647,786	2,296,646
State Grants	950,929	847,527	1,795,276	
Other Grants	19,915	-	-	
Contract Reimbursements	6,357	91,039	1,103,982	81,962
	<u><b>3,812,314</b></u>	<u><b>4,483,910</b></u>	<u><b>4,547,044</b></u>	<u><b>2,378,608</b></u>
<b>Transfers</b>				
Transfer In - Grant Match				
JAG Match		2,878		
COPS Hiring Grant Match				100,000
Cal EMA SAG Match	37,237			
DBAW Abandoned Watercraft		2,635		
VAWA Match	30,035	88,770	69,041	
	<u><b>67,272</b></u>	<u><b>94,283</b></u>	<u><b>69,041</b></u>	<u><b>100,000</b></u>
<b>Net Annual Activity</b>	<u><b>25,527</b></u>	<u><b>(1)</b></u>	<u><b>7,851,681</b></u>	<u><b>(2,086,646)</b></u>
<b>Ending Available Balance</b>	<u><b>\$ 57,036</b></u>	<u><b>\$ 57,035</b></u>	<u><b>\$ 7,908,716</b></u>	<u><b>\$ 5,822,070</b></u>
<b>Available Balance Calculation</b>				
Cash and interest receivable		\$ (650,807)		
Due from Other Governments		794,799		
Accounts Payable		(86,957)		
Ending Available Balance		<u><b>\$ 57,035</b></u>		



# POLICE DEPARTMENT

## POLICE SPECIAL REVENUE FUND (645)

### History

- The Police Department maintains a variety of special revenue programs in this fund. These programs have historically provided accounting and management support for programs which are specific to the funding sources but do not require the same level of oversight as a grant or contract.
- Funds for these accounts are provided as donations or special purpose money from programs.
- The Geraldine Schmidt Trust was established to provide a direct benefit to the Stockton Animal Shelter and has an estimated balance of \$434,000.

### 2012-13 Events

- Donations to the Cadet program, miscellaneous equipment and Community Events were down from previous years.
- As the Pet Overpopulation Program continues its operations, it appears to maintain a steady amount of income for managing the overpopulation programs.
- There were no additional donations into the Schmidt Shelter Trust, which was established to benefit the Animal Shelter. The program continues to accrue interest.

### 2013-14 Budget Issues and Changes

- There were no changes made to the accounts in this fund.
- The Geraldine Schmidt Trust will continue to be held while a long-term plan is developed for the overall Animal Shelter replacement.
- The Stockton Police Foundation will be an additional resource for the Police Department. This 501(c)(3) organization was established in early 2013 with the intent to fund specific activities and services for the Police Department so that Officers can be deployed to crimes in progress to better serve the community. Funds will be received in this fund from the Foundation for specific approved items and services. At this time the estimated budget for Fiscal Year 2013-14 is \$100,000.

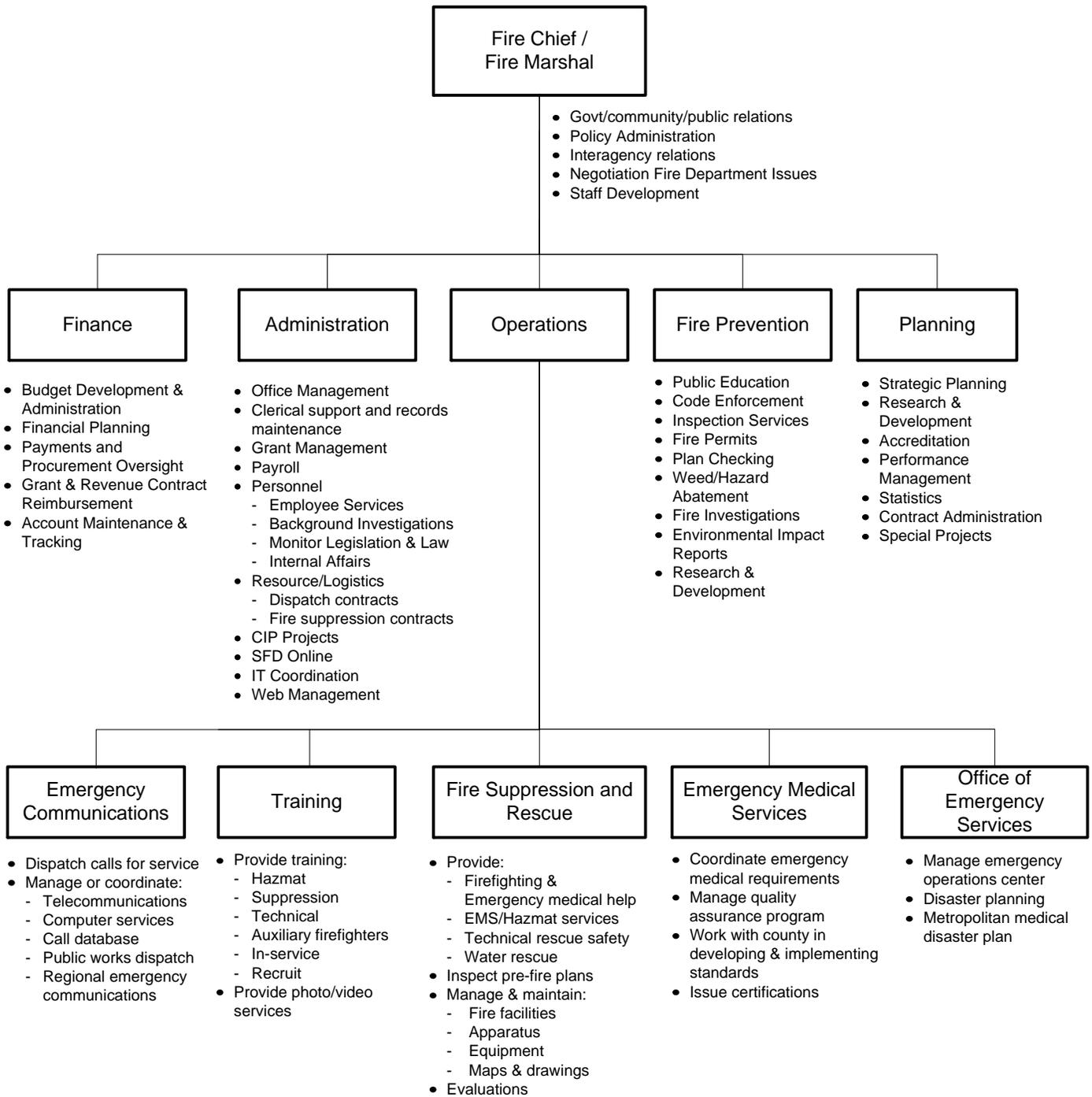
**Police Department  
Police Trusts - 645  
2013-14 Proposed Budget**

	FY 2010-2011 <u>Actual</u>	FY 2011-2012 Unaudited <u>Actual</u>	FY 2012-2013 <u>Projected</u>	FY 2013-2014 <u>Proposed Budget</u>
<b>Beginning Available Balance</b>	<b>\$ 544,630</b>	<b>\$ 557,773</b>	<b>\$ 618,337</b>	<b>\$ 642,287</b>
<b>Revenues</b>				
Interest	(14,165)			
Animal Pound Trust	26,316	7,241	2,000	2,000
Pet Overpopulation Program	196,536	187,023	175,000	180,192
Other Revenue		13,064	12,100	2,500
	<u>208,687</u>	<u>207,328</u>	<u>189,100</u>	<u>184,692</u>
<b>Expenditures</b>				
Pet Overpopulation Program	195,544	145,807	150,000	175,000
Miscellaneous Expense		957	15,150	4,000
	<u>195,544</u>	<u>146,764</u>	<u>165,150</u>	<u>179,000</u>
<b>Transfers</b>				
Transfer In				
Transfer Out				
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Net Annual Activity</b>	<u>13,143</u>	<u>60,564</u>	<u>23,950</u>	<u>5,692</u>
<b>Ending Available Balance</b>	<b><u>\$ 557,773</u></b>	<b><u>\$ 618,337</u></b>	<b><u>\$ 642,287</u></b>	<b><u>\$ 647,979</u></b>
<b>Available Balance Calculation</b>				
Cash		\$ 622,691		
Interest Receivable				
Accounts Receivable		125		
Vouchers Payable		(4,479)		
Ending Available Balance		<u>\$ 618,337</u>		



# TAB 6 FIRE





# FIRE DEPARTMENT



# FIRE DEPARTMENT

## MISSION STATEMENT

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

## Budget at a Glance: Proposed

Total Expenditures	\$41,576,464
Total Revenues	\$9,991,076
Total Net Cost	\$31,585,388
Total Staff	209

## DEPARTMENTAL DESCRIPTION

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

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

The Administrative Division provides overall policy direction and management support for the department, which includes: office administration, finance, and planning.

The Suppression Division is responsible for emergency and non-emergency services to the community that, in addition to fire suppression and EMS responses include: mitigation of hazardous materials incidents, technical rescue/ Urban Search and Rescue (USAR), water/ dive rescue, routine fire prevention inspections, and arson investigations.

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

The Training Division maintains technical and operational proficiency in the suppression division through ongoing prescriptive training that ensures compliance with all statutory mandates and adjusts its programs to assure the department adapts to a constantly changing work environment.

The Emergency Communications Division processes fire and emergency medical calls to dispatch Fire Department resources for the Stockton area and the City of Manteca.

The Stockton Fire Department (SFD) responded to more than 40,000 incidents in 2012 which includes 1,486 fires, 522 hazardous condition incidents, over 21,000 rescue and emergency medical incidents and the remaining responses for other emergency service calls. The Fire Prevention Division processed 250 operational fire permits and completed 291 plan checks. The Emergency Communications Division processes an average of 170 calls for service each day and also provides after hours dispatch coverage for the Public Works Department.

Fiscal challenges during the past years prompted in a massive transition in the Stockton Fire Department resulting in the reduction of staffing to minimal levels in all divisions. As part of the plan to revive the City's premier fire and emergency services, the Fire Chief has evaluated the department's needs and developed an organizational plan which initially involves staffing changes in SFD's Administrative Division.

The department operated with seven chief officer positions in Administration until FY 2008-09. With retirements and subsequent eliminations of these positions due to fiscal constraints, SFD currently operates with one Deputy Fire Chief for Operations. The duties of the vacant Deputy Fire Chief for Administration have been assumed by existing staff who report directly to the Fire Chief. FY 2013-14 organizational changes involve elimination of the vacant Deputy Fire Chief

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## FIRE DEPARTMENT

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for Administration position and using the salary savings to provide funding for three new civilian positions. These changes in Fire Administration, which includes a new Planning Manager, a Project Manager and an Office Specialist, will improve efficiency in operations as well as be more cost effective. Positions increased by one due to these improvements.

Under the leadership of a new Fire Chief, the Stockton Fire Department has re-established relationships with various agencies and will work together towards enhancement and advancing overall City and County fire protection services. These partnerships include neighboring Cities, SJ County Emergency Management Services Agency, American Medical Response, SJ County Sheriff's Office and the Port of Stockton Authority. Fire Prevention Division's system is currently being studied to streamline processes and to determine a possibility of reducing underlying costs. This study includes a review of the Department's fee related revenues. A comprehensive review of the Fire Prevention Division and its inspection program is currently in process. Emergency Communications Division is also undergoing a similar study to streamline its processes.

The Fire Department continues to improve its internal processes and maximize its resources to meet the expectations of the Stockton community. Various training and certification programs are going to be available for continued education and professional development of staff. The department is currently evaluating various data and performance management systems to replace and improve its existing Fire Report Management System. The Fire Department Public Information Program is also being redeveloped to enhance services to the community.

### KEY ISSUES

The Fire Department remains impacted by the reduction in discretionary City General Fund revenues in past years. Staffing levels have decreased over the years creating a gap in the relief pool to call upon when employees are on leave, worker's compensation, or training. Ladder Truck No. 4 and Fire Engine No. 1 remain closed. Daily staffing for trucks remain at 4 from the previous 5 per truck and fire engines remain at 3 from 4 per engine. Past years budget reductions continue to limit fire protection and emergency services available to the community as evidenced by increased response times in areas previously served by Fire Station No. 1, including the Port of Stockton, and limited resources at major incidents. However, thus far, these reductions have produced substantial savings without significantly reducing service effectiveness.

The department continues to experience staff turnover due to retirements and resignations. Filling vacancies involve a complex hiring process requiring training and development of newly hired staff. Loss of qualified and experienced personnel increases costs due to hiring and training costs and the loss of institutional knowledge reduces efficiency in operations. Changes in labor agreements, specifically the suspension of vacation sell back and the implementation of annual vacation caps, force staff to take vacation on a regular basis. These cause delays in the completion of each individual's duties and responsibilities as a result of the reduced number of days worked.

In the past year, the Fire Department required replacement of eight fire engines that are beyond the twenty year useful life. Replacement of four of these eight fire engines was completed in March 2013 through a lease financing agreement. In addition, the department successfully received a grant award of \$800,000 from the Federal Emergency Management Agency in March 2013 for the procurement of two fire engines. The department will continue to work with Fleet Division to complete the necessary replacement of the two remaining fire engines and ladder truck that are beyond their twenty year useful life. Funding sources need to be identified for

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## FIRE DEPARTMENT

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these two remaining vehicles in this fiscal year to expedite acquisition of new apparatus. Meanwhile, the old fire engines will stay in service.

Operational levels remain unchanged in FY 2013-14 from past fiscal year. Twelve fire engines and three ladder trucks will remain open, and will continue to provide fire and emergency services to the community. Funding for the Fire Department will maintain staffing levels at 3 personnel for fire engines and 4 personnel on ladder trucks.

**Fire Department  
2013-14 Proposed Budget**

	<u>General Fund 010</u> <i>See Page F-7</i>	<u>Development Services 048</u> <i>See Page F-9</i>	<u>Measure W 081</u> <i>See Page F-12</i>	<u>Special Revenue 646</u> <i>See Page F-15</i>	<u>Fire Total</u>
<b>Beginning Available Balance</b>				<b>\$ 131,281</b>	
<b>Revenues</b>					
Program Revenue	\$ 3,667,977	\$ 1,722,099	4,584,500	14,000	\$ 9,988,576
Donations				1,500	1,500
Other Revenue				1,000	1,000
	<u>3,667,977</u>	<u>1,722,099</u>	<u>4,584,500</u>	<u>16,500</u>	<u>9,991,076</u>
<b>Expenditures</b>					
Salary & Benefits	29,742,334	1,713,010	\$ 3,902,008		35,357,352
Services & Supplies	5,714,113	24,990	223,638	59,297	6,022,038
Administration Overhead			197,074		197,074
	<u>35,456,447</u>	<u>1,738,000</u>	<u>4,322,720</u>	<u>59,297</u>	<u>41,576,464</u>
<b>Transfers</b>					
Transfer In					-
Transfer Out					-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Net Annual Activity</b>	<u>\$ (31,788,470)</u>	<u>\$ (15,901)</u>	<u>\$ 261,780</u>	<u>(42,797)</u>	<u>\$ (31,585,388)</u>
<b>Ending Available Balance</b>				<u>\$ 88,484</u>	
	-	-	-	-	-
				Revenues	\$ 9,991,076
				Transfers	
				Total Sources	<u>\$ 9,991,076</u>
				Expenditures	\$ 41,576,464
				Transfers	
				Total Appropriations	<u>\$ 41,576,464</u>
					-

**Fire Department  
General Fund - 010  
2013-14 Proposed Budget**

	<u>FY 2010-2011</u> <u>Actual</u>	<u>FY 2011-2012</u> <u>Unaudited</u> <u>Actual</u>	<u>FY 2012-2013</u> <u>Current</u> <u>Budget</u>	<u>FY 2013-2014</u> <u>Proposed</u> <u>Budget</u>
<b>Total Fire Department</b>				
Employee Services	\$ 41,615,013	\$ 35,178,943	\$ 29,735,688	\$ 29,742,334
Other Services	3,729,062	3,833,125	4,390,077	3,483,230
Materials and Supplies	641,104	629,458	815,896	807,059
Other Expenses	1,633,673	1,829,329	1,401,584	1,423,824
Capital Outlay		50,005	(67)	
Total	<u>\$ 47,618,852</u>	<u>\$ 41,520,860</u>	<u>\$ 36,343,178</u>	<u>\$ 35,456,447</u>

**Administration**

Employee Services	1,932,867	1,878,413	1,635,159	1,427,796
Other Services	438,230	648,351	645,314	444,273
Materials and Supplies	18,757	16,977	18,717	19,631
Other Expenses	1,611,276	1,798,113	1,359,769	1,369,759
Total	<u>4,001,130</u>	<u>4,341,854</u>	<u>3,658,959</u>	<u>3,261,459</u>

**Fire Suppression**

Employee Services	37,224,980	30,949,299	25,993,091	26,265,211
Other Services	2,382,281	2,480,151	3,119,414	2,338,072
Materials and Supplies	606,412	581,431	744,427	739,610
Other Expenses	(200)	1,171	-	-
Capital Outlay		50,005	(67)	-
Total	<u>40,213,473</u>	<u>34,062,057</u>	<u>29,856,865</u>	<u>29,342,893</u>

**Training/Emergency Services**

Employee Services	449,769	466,526	360,896	372,330
Other Services	82,076	85,034	121,751	133,036
Materials and Supplies	12,646	11,478	22,625	25,618
Other Expenses	21,868	30,045	40,365	52,615
Total	<u>566,359</u>	<u>593,083</u>	<u>545,637</u>	<u>583,599</u>

**Dispatch**

Employee Services	2,007,397	1,884,705	1,746,542	1,676,997
Other Services	826,475	619,589	503,598	567,849
Materials and Supplies	3,289	19,572	30,127	22,200
Other Expenses	729	-	1,450	1,450
Total	<u>2,837,890</u>	<u>2,523,866</u>	<u>2,281,717</u>	<u>2,268,496</u>

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## FIRE DEPARTMENT

### DEVELOPMENT SERVICES FUND FIRE PREVENTION (048)

#### **History**

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

#### **2012-13 Events**

- In conjunction with Community Development Department, a fee study had been initiated by an outside consultant to evaluate the Division's current fee structure to determine if appropriate fees are charged for services.
- Completed the City Council initiative Home Safety Walkthrough Survey Pilot Program.
- Streamlined the Safe and Sane Fireworks Program policies and procedures.
- Outstanding receivables over 90 days amounted to approximately \$475,000 as of April 1, 2013. Fire Prevention continues to work closely with Administrative Services to improve their collection efforts to reduce the current level of outstanding receivables. Fire Prevention staff are assisting with the collection of the more current receivables (less than 90 days) and are making phone calls to businesses.

#### **2013-14 Budget Issues and Changes**

- The department is partnering with Community Development Department to evaluate the overall workflow and processes at the Permit Center to reduce operating costs. The division will be restructured based on the outcome of this evaluation.
- Revenue projections for FY 2013-14 are based on the current fee structure. Staff anticipates a similar level of collection on fees and outstanding receivables as FY 2012-13 for the upcoming fiscal year.
- ISF Rental Rates and Fuel
  - Combined rental rates and fuel increased by 27% or approximately \$44,000.
- Annual Activity and Ending Balance
  - Projected revenues cannot provide sufficient funding for the division's operating expenses. The shortfall will be absorbed by available fund balance in the Development Services Fund (048).

**Fire Department  
Development Services - 048 (a)  
2013-14 Proposed Budget**

	FY 2010-2011	FY 2011-2012	FY 2012-2013	FY 2013-2014
	<u>Actual</u>	<u>Unaudited Actual</u>	<u>Projected</u>	<u>Proposed Budget</u>
<b>Revenues</b>				
Fire Prevention				
User Fees	\$ 1,565,079	\$ 1,726,286	\$ 1,646,066	\$ 1,642,975
Safe & Sane Fireworks Program	24,872	26,715	26,435	26,435
Fines & Penalties	82,804	72,280	42,152	52,689
	<u>1,672,755</u>	<u>1,825,281</u>	<u>1,714,653</u>	<u>1,722,099</u>
<b>Expenditures</b>				
Fire Prevention				
Fire Prevention	1,634,020	1,475,566	1,527,833	1,713,010
Fire Public Education	18,814	20,518	-	-
Safe & Sane Fireworks Program	26,113	26,263	6,426	24,990
	<u>1,678,947</u>	<u>1,522,347</u>	<u>1,534,259</u>	<u>1,738,000</u>
<b>Transfers</b>				
Transfer In				
Transfer Out	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Net Annual Activity</b>	<u>\$ (6,192)</u>	<u>\$ 302,934</u>	<u>\$ 180,394</u>	<u>\$ (15,901)</u>

(a) The total Development Services Fund - 048 is presented with the Community Development Department budget on page I-7.

# FIRE DEPARTMENT

## MEASURE W FUND (081)

### History

- City of Stockton voters approved Measure W in November, 2004 adding Ordinance No. 038-04 CS as a part of Chapter 8 of the Stockton Municipal Code authorizing an additional one-quarter of one percent transactions and use tax.
- Funds collected provide public safety services in the City of Stockton.
- The Fire Department receives 50% of the Measure W tax proceeds. Funds are currently used mainly to provide staffing at Fire Station No. 13 (Northeast Stockton), Ladder Truck 3 (Southeast Stockton) and Ladder Truck 7 (Hammer Lane).
- Revenues provided funding for an average of 20 to 23 firefighter positions for the past three-year period.

### 2012-13 Events

- Modifications to Fire labor agreements decreased payroll costs allowing funding for one additional firefighter, increasing the number of positions from 22 to 23 in this fund.
- Year-end revenues are projected to be 6% higher than the adopted budget.
- The overall budget projection reflects an ending balance of approximately \$400,000 at the end of the current fiscal year for the Fire Department. This balance will add to the Measure W's Economic Uncertainty Fund so that any future drop in sales tax revenue does not impact the number of sworn positions.

### 2013-14 Budget Issues and Changes

- FY2013-14 Measure W sales tax revenues are projected to be approximately 3% higher than Fiscal Year 2012-13 based on improved sales tax receipts primarily due to improved auto sales and tourism.
- The Stockton Fire Department (SFD) is implementing an Alternative Response Program (ARP) as a new service to provide a smaller vehicle and a two-person crew to respond to increased lower priority medical and small fire calls. Staffing for this unit will be based on daily peak call load hours during specific days of the week. This program will lower overall cost of vehicle operations by lowering the cost of operating emergency response units, reducing the cost of acquiring fire and medical response vehicles and reducing the wear and tear on the larger fire engines and trucks. The ARP will increase efficiency of response to lower level medical calls by using smaller crews and vehicles while at the same time increasing fire engine and ladder truck efficiency for higher priority incidents. An evaluation of the SFD's emergency medical response operations will be conducted upon implementation of the ARP. A report will be prepared on the outcome of this evaluation after one year of ARP's implementation.
- Full-time Employee Costs
  - Measure W Fund will continue to provide funding for 23 firefighter positions.
  - The new Alternative Response Program will require two new firefighter positions which will increase the total number of positions to 25.
- Additional Costs of the Alternative Response Program - In addition to two new firefighter positions, new funding is provided for the initial purchase of one 1-Ton rescue vehicle and other equipment needed to initiate the program.
- ISF Rental Rates and Fuel
  - Funding is also provided for automotive equipment and fuel which decreased by approximately 11%.
- Costs for Other Services
  - The State Board of Equalization charges a quarterly administration fee for services associated with the Measure W Public Safety Sales Tax. A sales tax audit contract provides auditing/ compliance services to ensure sales tax is properly collected and

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## FIRE DEPARTMENT

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distributed. Costs for the above mentioned services are projected to increase due to the increase in revenues.

- Annual Activity and Ending Balance
  - Projected revenues will provide sufficient funding for expenses budgeted in this Fund.

**Fire Department  
Measure W - 081 (a)  
2013-14 Proposed Budget**

	<b>FY 2010-2011</b>	<b>FY 2011-2012</b>	<b>FY 2012-2013</b>	<b>FY 2013-2014</b>
	<b>Actual</b>	<b>Unaudited Actual</b>	<b>Projected</b>	<b>Proposed Budget</b>
<b>Revenues</b>				
Measure W Sales Tax	\$ 3,937,714	\$ 4,288,212	\$ 4,452,000	\$ 4,584,500
Reimbursements - Workers Comp	54,420			
Interest	(1,709)	1,396		
	<b>3,990,425</b>	<b>4,289,608</b>	<b>4,452,000</b>	<b>4,584,500</b>
<b>Expenditures</b>				
Salary & Benefits	3,993,639	3,523,746	3,781,190	3,902,008
Services & Supplies	67,327	68,836	76,646	223,638
Administration Overhead	144,721	146,395	188,419	197,074
	<b>4,205,687</b>	<b>3,738,977</b>	<b>4,046,255</b>	<b>4,322,720</b>
<b>Transfers</b>				
Transfer In				
Transfer Out	-	-	-	-
	<b>\$ (215,262)</b>	<b>\$ 550,631</b>	<b>\$ 405,745</b>	<b>\$ 261,780</b>

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



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## FIRE DEPARTMENT

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### SPECIAL REVENUE FUND (646)

#### **History**

- Fire Department receives donations and conducts special programs and activities to provide funding for materials, supplies, equipment and training expenses that are not funded in its General Fund operating budget.
  - Fire General (646-0221) – Provides funds through donations to buy fire equipment and materials and to send staff to specialized training.
  - Paramedic (646-0222) – Provides funds through field training fees to buy paramedic related materials and to provide paramedic training for staff.
  - Hazardous Materials (646-0223) – Provides funds through class fees to buy materials and training for response to hazardous materials incidents.
  - Water Rescue (646-0224) – Provides funds through fees and donations to buy water rescue equipment, supplies and to provide training for staff.
  - Fire Clothing (646-0227) – Provides funds through proceeds from clothing sales to buy clothing items with Stockton Fire Department emblem.
  - Fire Heavy Rescue (646-0228) – Provides funds through fees from Technical Rescue Training classes to buy rescue equipment, supplies and to provide training for staff.
  - Fire Training (646-0229) – Provides funds through donations and academy fees to support the Stockton Fire Department's training program.
  - Public Education (646-0230) - Provides funds through donations to promote fire safety awareness throughout the community.
  - Arson Investigation (646-0291) - Provides funds through donations to improve arson investigation capabilities.
  - Fire Prevention (646-0294) - Provides funds through donations to support hazardous materials safety awareness in the community.
  - Emergency Preparedness (646-0297) - Provides funds through donations to support the City's Emergency Preparedness programs and public awareness.
  
- Fire Department's Special Revenue funds maintained an average overall annual balance of \$120,000 over the past three years.

#### **2012-13 Events**

- The overall budget projection reflects a positive balance of approximately \$130,000 at the end of the fiscal year.

#### **2013-14 Budget Issues and Changes**

- The sum of the total revenue and approximately one-third of the estimated beginning balance is being requested for appropriation to ensure a gradual drawdown of funds available in Fire's Special Revenue Fund.
- Funds are mostly appropriated for materials, supplies and training expenditures.

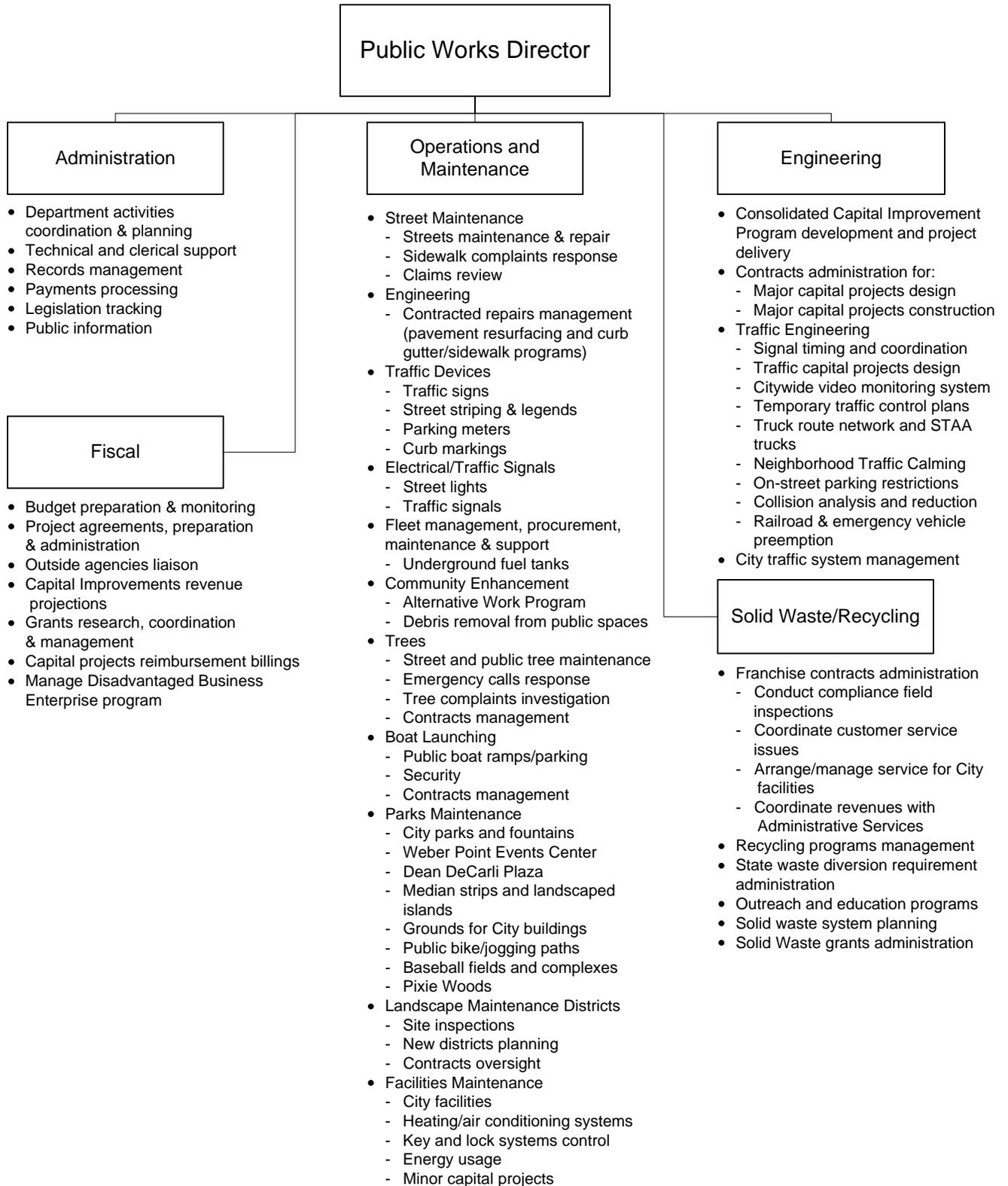
**Fire Department  
Special Revenue - 646  
2013-14 Proposed Budget**

	FY 2010-2011 <u>Actual</u>	FY 2011-2012 Unaudited <u>Actual</u>	FY 2012-2013 <u>Projected</u>	FY 2013-2014 <u>Proposed Budget</u>
<b>Beginning Available Balance</b>	<b>\$ 122,312</b>	<b>\$ 123,477</b>	<b>\$ 127,619</b>	<b>\$ 131,281</b>
<b>Revenues</b>				
Program Revenue	2,805	6,703	12,447	14,000
Donations	101,500	1,001	1,000	1,500
Other Revenue	24,467	19,720	581	1,000
	<u>128,772</u>	<u>27,424</u>	<u>14,028</u>	<u>16,500</u>
<b>Expenditures</b>				
Program Expenses	27,607	23,282	10,366	59,297
	<u>27,607</u>	<u>23,282</u>	<u>10,366</u>	<u>59,297</u>
<b>Transfers</b>				
Transfer In				
Transfer Out - Grant Fund - 020	(100,000)			
	<u>(100,000)</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Net Annual Activity</b>	<u>1,165</u>	<u>4,142</u>	<u>3,662</u>	<u>(42,797)</u>
<b>Ending Available Balance</b>	<b>\$ 123,477</b>	<b>\$ 127,619</b>	<b>\$ 131,281</b>	<b>\$ 88,484</b>
<b>Available Balance Calculation</b>				
Current assets		\$ 127,627		
Current liabilities		(8)		
Ending Available Balance		<u>\$ 127,619</u>		



# TAB 7 PUBLIC WORKS





# PUBLIC WORKS DEPARTMENT



# PUBLIC WORKS DEPARTMENT

## MISSION STATEMENT

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

## Budget at a Glance: Proposed

Total Expenditures	\$43,838,062
Total Revenues	\$34,079,643
Total Net Cost	\$9,758,419
Total Staff	161

## DEPARTMENTAL DESCRIPTION

Public Works is located in two different facilities. Operations and Maintenance, located at the Municipal Service Center, is responsible for maintaining the transportation system, Parks (including Landscape Maintenance Districts), Trees, Facilities, City Fleet, and Boat Launching Facilities. Remaining functions consisting of Engineering, Capital Program Management, Solid Waste and Recycling, and Administration are housed in the Stewart-Eberhardt Building.

The budget consists mainly of restricted funding sources augmented by General Fund monies. The General Fund is now used exclusively for Parks, Trees, Facilities, and minor administrative expenses. This pays for 1) maintenance, minor repairs, and capital replacements for 800,000 square feet of City buildings at 60 sites, including janitorial, grounds maintenance, roof maintenance, HVAC, plumbing, carpentry, and key/alarm control services, 2) contracted maintenance services at 50 parks, including janitorial, landscape, vandalism repair, and irrigation work, 3) responsibility for over 100,000 trees along streets and in parks, with services limited to safety trimming and emergency response using a combination of City and contracted personnel, and 4) management, fiscal, and administrative support.

Transportation operations are funded by State Gas Tax and Measure K Maintenance. Responsibilities include maintenance, repair and replacement of 763 miles of roads, over 1,200 miles of sidewalk, pavement striping and markings such as crosswalks, and more than 16,000 traffic control signs. Public Works also maintains and pays the electrical power costs for over 20,000 street lights and 305 traffic signals. The Community Enhancement Section removes weeds, debris, and graffiti from public spaces. The Parks Section manages contracts for over 2 million square feet of median and streetscape landscape maintenance, alley maintenance, and weed spraying.

Gas Tax and Measure K Maintenance also help fund our Engineering Section. Work consists of traffic engineering, traffic system management, and Capital Improvement Program (CIP) design, delivery, and contract administration. The budget for the Public Works capital function is separate from, and in addition to, the operating budget noted above. The FY 2013-14 transportation and facility capital budget is \$14,980,000 million. Of this amount, only \$1,290,000 or 9% comes from the General Fund. This means there is constant pressure to seek out, apply for, and secure various capital grants, without which needed capital improvements could not be completed. Measure K Maintenance and developer fee revenues provide important matching funds for capital projects grants.

The Solid Waste and Recycling Division manage the solid waste franchise agreements and participate in, oversee, or directly provide 48 waste reduction and recycling programs. These include programs for 1) recycling education and outreach, 2) 3-cart residential trash, recycling, and green/food waste composting, 3) neighborhood "Clean Sweep", 4) construction and demolition recycling, 5) multi-family housing recycling, 6) business recycling, and 7) food waste composting. The Division also oversees contracted street sweeping services and funds the

## PUBLIC WORKS DEPARTMENT

Community Enhancement Program. The Division is funded by fees based on 3.5% of franchised hauler gross rate revenues.

The Fleet Section is responsible for maintaining and replacing the City's mixed fleet of approximately 1,000 vehicles and equipment. Fleet operates as an Internal Service Fund that receives revenue from rental rates charged to user departments. Maintenance activities range from preventive maintenance inspections to full engine rebuilds to specialized auto body repairs and vehicle setups, and are performed either by an in-house team of mechanics and specialists or by outside vendors.

The Boat Launching function is responsible for facilities at Louis Park and Buckley Cove. Parking fees are collected from vehicles that launch boats at the Buckley Cove facility. This revenue is used to fund boat launch infrastructure maintenance and to provide security services.

The Landscape Maintenance Assessment District function provides maintenance services to 27 separate zones where fees are collected from benefiting properties. Services include landscaping and irrigation work for streetscapes and medians, painting and repair of walls, landscape/janitorial services at 12 parks, and street lighting repair and electricity costs.

### KEY ISSUES

Maintenance of the City's infrastructure is increasingly difficult as our assets age and long term replacement is deferred due to funding limitations. The demand for routine and emergency maintenance increases annually as infrastructure that is overdue for replacement is kept in service. Preventative maintenance has been reduced due to the increased demand for breakdown maintenance, further exacerbating this issue. This is the case in all Public Works categories - transportation, buildings, parks, and the urban forest. In addition, the cost of utilities and contracted services are increasing rapidly. This is a particular problem for the park maintenance budget, where water for irrigation is a significant expense and all of the maintenance is performed by contractors. Vandalism and wire theft is also continuing at high levels and expenditures in these areas drain resources that could otherwise be used to replace outdated or damaged equipment.

In the transportation maintenance area, the loss of General Fund dollars has reduced standards and forced diversion of Measure K Maintenance funds from capital projects to day to day maintenance activities. Significant reductions in maintenance staff due to retirements and staffing changes have been addressed by reorganization and use of temporary staff. The department has made several changes to the staffing to accomplish department and City goals. These changes include, elimination of six vacant positions, reallocating five to other funding areas, and reclassifying ten vacant positions. Detailed information on the changes can be found in the Appendix 2 of the budget document. Maintenance activities are focused on high priority safety and pavement preservation tasks.

In recent years, the City has benefited from one-time funding sources (Federal American Recovery and Reinvestment Act, Redevelopment bonds, and State Proposition 1B) to fund maintenance and improvements of the transportation system, masking the loss of sustainable funding. These one-time funding sources are now essentially exhausted, and deterioration of the transportation system will accelerate.

A General Fund contribution to transportation maintenance is normally required in order to receive Measure K Local Street Repair funds from the San Joaquin Council of Government (SJCOG). This "maintenance-of-effort" (MOE) contribution has currently been suspended, but reinstatement may commence as early as FY 2014-15. The required total MOE contribution is identified by SJCOG as the amount in their FY 2008 MOE audit - \$4,691,545. The reinstated

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## PUBLIC WORKS DEPARTMENT

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MOE will be phased in over a three year period – 33% in year 1, 66% in year 2, and 100% in year 3. These contributions will be necessary in order to receive our annual allocation of Local Street repair funds, estimated to be \$4,111,000 in FY 2013-14.

The lack of a comprehensive maintenance management system has been identified as an obstacle to making further improvements in the efficiency of our maintenance operations. Public Works is partnering with the Municipal Utilities Department to identify and acquire a new system that will meet each department's needs. A request for proposals has been issued, and it is anticipated that a system will be purchased, installed, and staff trained over the next 12 to 18 months. This system will improve cost effectiveness and accountability, and help to balance available funding between operations and capital needs.

Finally, Public Works has lost and will continue to lose key staff because of budget reductions and retirements. Staff development will be essential to compensate for the skills and institutional knowledge that will be lost.

**Public Works Department  
2013-14 Proposed Budget**

	<b>General Fund</b>	<b>Street Maintenance Gas Tax</b>	<b>Measure K Street Maintenance</b>	<b>Boat Launching</b>	<b>Solid Waste Recycling</b>
	<b>010</b>	<b>030</b>	<b>082</b>	<b>045</b>	<b>047</b>
	<i>See Page G-8</i>	<i>See Page G-12</i>	<i>See Page G-16</i>	<i>See Page G-19</i>	<i>See Page G-21</i>
<b>Beginning Available Balance</b>		<b>\$ 1,108,026</b>	<b>\$ 2,799,464</b>	<b>\$ 333,452</b>	<b>\$ 1,857,186</b>
<b>Revenues</b>					
State Gas Tax		7,975,000			
Measure K Sales Tax			\$ 4,111,000		
User Fees				160,000	1,334,152
Interfund Project Charges					
Other Revenue	\$ 127,780	25,000	-	2,500	16,400
	<b>127,780</b>	<b>8,000,000</b>	<b>4,111,000</b>	<b>162,500</b>	<b>1,350,552</b>
<b>Expenditures</b>					
Salary and benefits	2,656,019	4,654,618		1,897	1,021,072
Operating expenses	4,603,621	5,965,191		156,936	481,709
Debt service			958,708		
Capital projects			2,147,000		159,000
	<b>7,259,640</b>	<b>10,619,809</b>	<b>3,105,708</b>	<b>158,833</b>	<b>1,661,781</b>
<b>Transfers</b>					
Transfer In - Measure K		2,000,000			
Transfer Out - Gas Tax - 030			(2,000,000)		
	<b>-</b>	<b>2,000,000</b>	<b>(2,000,000)</b>	<b>-</b>	<b>-</b>
<b>Net Annual Activity</b>	<b>\$ (7,131,860)</b>	<b>(619,809)</b>	<b>(994,708)</b>	<b>3,667</b>	<b>(311,229)</b>
<b>Ending Available Balance</b>		<b>\$ 488,217</b>	<b>\$ 1,804,756</b>	<b>\$ 337,119</b>	<b>\$ 1,545,957</b>



**Public Works Department  
General Fund - 010  
2013-14 Proposed Budget**

	<u>FY 2010-2011</u> <u>Actual</u>	<u>FY 2011-2012</u> <u>Unaudited</u> <u>Actual</u>	<u>FY 2012-2013</u> <u>Current</u> <u>Budget</u>	<u>FY 2013-2014</u> <u>Proposed</u> <u>Budget</u>
<b>Total Public Works Department</b>				
Employee Services	\$ 3,430,377	\$ 2,819,015	\$ 2,710,873	\$ 2,656,019
Other Services	3,409,660	3,342,052	3,788,875	4,083,478
Materials and Supplies	529,414	394,543	298,791	500,343
Other Expenses	(251,236)	228,168	30,472	19,800
Capital Outlay	17,000	-	-	-
Total	<u>\$ 7,135,215</u>	<u>\$ 6,783,778</u>	<u>\$ 6,829,011</u>	<u>\$ 7,259,640</u>
<b>Administration</b>				
Employee Services	197,301	272,576	140,280	264,988
Other Services	66,138	57,082	91,952	153,626
Materials and Supplies	812	1,533	2,000	2,000
Other Expenses				1,300
Total	<u>264,251</u>	<u>331,191</u>	<u>234,232</u>	<u>421,914</u>
<b>Operations &amp; Maintenance</b>				
Employee Services	405,485	190,698	224,630	139,363
Other Services	329,183	211,846	222,272	236,089
Materials and Supplies	11,921	5,047	10,425	7,000
Other Expenses	5,214	4,496	5,000	5,000
Total	<u>751,803</u>	<u>412,087</u>	<u>462,327</u>	<u>387,452</u>
<b>Parks &amp; Street Trees</b>				
Employee Services	1,211,067	885,461	876,286	821,920
Other Services	2,501,811	2,512,467	2,777,086	3,029,975
Materials and Supplies	148,684	134,996	116,081	242,086
Other Expenses	(259,352)	229,406	22,572	10,600
Capital Outlay	17,000			
Total	<u>3,619,210</u>	<u>3,762,330</u>	<u>3,792,025</u>	<u>4,104,581</u>
<b>Facilities Maintenance</b>				
Employee Services	1,616,524	1,470,280	1,469,677	1,429,748
Other Services	512,528	560,657	697,565	663,788
Materials and Supplies	367,997	252,967	170,285	249,257
Other Expenses	2,902	(5,734)	2,900	2,900
Total	<u>2,499,951</u>	<u>2,278,170</u>	<u>2,340,427</u>	<u>2,345,693</u>



# PUBLIC WORKS DEPARTMENT

## GAS TAX FUND (030)

### History

- Revenue for the Gas Tax Fund is from the State based on an allocation formula to distribute taxes collected on fuel sales, and from a transfer from Measure K Maintenance (082).
- The City maintains a transportation asset inventory that includes 763 miles of roads, 305 traffic signals, 20,000 street lights, 16,000 regulatory signs, and 88,000 street trees.
- Expenditures from the Fund are used to fund maintenance of signals, street lights, traffic devices, streets and sidewalks, bridges, ditches, graffiti abatement, and street trees throughout the City of Stockton.

### 2012-13 Events

- Completed crack filling and patching repairs in preparation for the Proposition 1B funded overlay and cape-seal resurfacing projects.
- Replaced all large overhead street name signs on El Dorado and Center Streets.
- Restriped 60 miles of collector and arterial streets throughout the city.
- Commenced area based maintenance program to crack fill and patch failing streets, starting in area between Eight Mile Road and Hammer Lane.
- Converted all pedestrian crossing displays at signalized intersections to the new “count down” style.
- Completed annual preventative maintenance inspections of all 305 traffic signals.
- Replaced 170 street lights with high efficiency Light Emitting Diode (LED) fixtures on Pacific Avenue between the Calaveras River and Edan Avenue, and on Martin Luther King Jr. Boulevard from Grant Street to I-5.
- Completed reflectivity upgrades on all regulatory and warning signs in the area between March Lane and Eight Mile Road.

### 2013-14 Budget Issues and Changes

- Complete the maintenance program to crack fill and patch streets between Eight Mile Road and Hammer Lane, as part of our 6 year cyclical program to address failing streets. Assess newly collected pavement management system data to determine next area to be addressed. This work is in addition to city wide responsive maintenance to address potholes, major pavement failures, and sidewalk issues.
- Eliminate 7 positions in the Operations and Maintenance Division that have been vacant as a result of retirements and other personnel movements. Reorganization to combine the streets and traffic devices maintenance sections has reduced the impact of these vacant positions. Eliminating the vacant positions will reduce costs without affecting current service levels. An additional four positions are being retitled and shifted to other funding sources to address needs in those areas.
- Continue re-striping program on arterial and collector streets to address deteriorated pavement markings that have not been maintained for several years (50 miles). Work will be done by contract and city staff.

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- Continue program of replacing large overhead arterial street name signs. Signs on Pacific Avenue will be replaced.
- Continue reflectivity upgrades of all regulatory and warning signs as required by Federal mandate. Signs between Harding Way and March Lane will be replaced. This will bring all signs into compliance prior to the 2017 deadline.
- Complete annual traffic signal controller preventative maintenance inspections for 305 controllers.
- Upgrade 13 traffic signal controllers in Weston Ranch area to complete multi-year program to upgrade 138 intersections.
- Continue partnership with MUD to implement new Comprehensive Maintenance Management System (CMMS) in accordance with recommendation of the Strategic Technology Plan. Intent is for new system to be selected and implemented within 12 to 18 months.
- Projected expenditures will exceed revenue by approximately \$620,000 which will reduce the projected fund balance to approximately \$488,000. However, the total fund balance for the transportation system includes the fund balance from the Measure K Maintenance Fund which is projected to be \$1.8 million at the end of FY 2013-14.

**Public Works Department  
Street Maintenance/Gas Tax - 030  
2013-14 Proposed Budget**

	<u>FY 2010-2011</u>	<u>FY 2011-2012</u>	<u>FY 2012-2013</u>	<u>FY 2013-2014</u>
	<u>Actual</u>	<u>Unaudited Actual</u>	<u>Projected</u>	<u>Proposed Budget</u>
<b>Beginning Available Balance</b>	<b>\$ 786,410</b>	<b>\$ 1,409,114</b>	<b>\$ 1,557,435</b>	<b>\$ 1,108,026</b>
Prior Period Adjustments	(417,767)			
Adjusted Available Balance	<u>319,519</u>			
<b>Revenues</b>				
State Gas Tax	4,842,991	4,174,116	4,181,042	4,075,000
Prop 42 Replacement Gas Tax	2,767,906	3,950,450	3,215,644	3,900,000
Refunds and reimbursements	69,340	58,633	6,166	
Interest	1,142	14,859	14,576	25,000
	<u>7,681,379</u>	<u>8,198,058</u>	<u>7,417,428</u>	<u>8,000,000</u>
<b>Expenditures</b>				
Salary and benefits	4,004,054	4,558,490	4,209,000	4,654,618
Electricity	1,751,783	1,903,240	1,800,000	2,000,000
Maintenance and repair services	165,698	192,784	396,000	969,522
Insurance premiums	65,876	89,162	118,000	142,988
Auto equipment rental	653,599	725,959	1,017,360	720,552
Computer/Tech/Operating support	219,194	279,442	215,537	234,233
Engineering services	20,285	6,583	69,000	96,000
Construction services	50,242	133,189	157,000	90,000
Materials and supplies	777,851	1,117,719	1,325,000	1,417,000
Fuels - gas/oil/propane	126,056	124,242	119,000	140,557
All other expenses	(15,883)	202,229	346,000	154,339
	<u>7,818,755</u>	<u>9,333,039</u>	<u>9,771,897</u>	<u>10,619,809</u>
<b>Transfers</b>				
Transfer In - General Fund - 010				
Transfer in - Measure K - 082	1,740,000	1,584,752	1,905,060	2,000,000
Transfer Out - Grants - 020	(60,000)			
Transfer Out - SAFETEA - 038	(919,920)			
	<u>760,080</u>	<u>1,584,752</u>	<u>1,905,060</u>	<u>2,000,000</u>
<b>Net Annual Activity</b>	<u>622,704</u>	<u>449,771</u>	<u>(449,409)</u>	<u>(619,809)</u>
<b>Ending Available Balance</b>	<u>\$ 1,409,114</u>	<u>\$ 1,858,885</u>	<u>\$ 1,108,026</u>	<u>\$ 488,217</u>
<b>Available Balance Calculation</b>				
Cash and Interest Receivable		\$ 2,287,509		
Accounts Receivable		(428,624)		
Encumbrances		(274,169)		
Capital Appropriations		(27,281)		
Ending Available Balance		<u>\$ 1,557,435</u>		



**MEASURE K MAINTENANCE FUND (082)**

**History**

- In 1990, voters in San Joaquin County passed a ½ cent sales tax increase dedicated to transportation projects. This original sales tax increase was to expire in 2011; however, in 2006, voters passed a 30 year extension of the sales tax increase.
- In 2010-11, a one-time reclassification of prior year actual costs to the new fund 080 (Measure K – Capital) was done to separate capital costs from maintenance costs fund 082. Because of this new treatment, a \$4.3 million fund balance adjustment was necessary to adjust prior year expenditures.
- Of the funds collected, 35% are dedicated to maintenance activities and are divided among the jurisdictions in the County. The program is administered by the San Joaquin Council of Governments, and they distribute Measure K maintenance funds on a quarterly basis to each jurisdiction.
- The City of Stockton has used this funding for both maintenance activities and to provide matching funds to leverage state and federal grant programs.
- In 2002, the City borrowed \$6.5 million from future Measure K maintenance revenues for street resurfacing. To pay back the loan, \$1.2 million from the City's annual allocation has been retained by SJCOG. This loan will be paid off in FY 2013-14, with a final payment of \$959,000.

**2012-13 Events**

- Due to the slowly improving economy, the budgeted revenue projections were increased 5.8% over FY 11-12 actuals, based on improving sales tax receipts.
- Of the funding received, \$1,171,000 was budgeted for several capital projects including the Traffic Calming Program, the required matching funds for the Wilson Way Corridor Adaptive Traffic Control System, and the required matching funds for federal Regional Surface Transportation Program (RSTP) funds used in the Street Resurfacing Program.
- In addition, \$1,905,000 was transferred to the Gas Tax fund to provide maintenance resources for pavement, street lighting, traffic signals, pavement markings, and signs.

**2013-14 Budget Issues and Changes**

- Based upon information provided by the San Joaquin Council of Governments (SJCOG), projected revenues are budgeted to increase by 5%.
- Of the funding projected, \$2,147,000 is budgeted for several capital projects including the required matches for federal grants (\$330,000 for Center/El Dorado Street bridges, \$251,000 for street resurfacing, and \$335,000 for various traffic signal and safety improvements), as well as stand-alone improvements for Neighborhood Traffic Calming (\$750,000), and the Wilson Way underpass sidewalk improvements for ADA compliance (\$281,000).
- The transfer to Gas Tax has been budgeted to increase slightly to \$2,000,000 to account for additional electrical costs for street lighting and traffic signals and for maintenance costs for the Traffic Control System.

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## PUBLIC WORKS DEPARTMENT

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- The transfers to the Capital Improvement Fund and the Gas Tax Fund will require the use of \$995,000 from fund balance. This amount is needed to provide enough funding for both maintenance and capital needs. This transfer is sustainable since the starting fund balance is \$2.8 million and the Measure K Maintenance loan will be paid off in FY2013-14 freeing up \$959,000 in additional funds per year.

**Public Works Department  
Measure K - Maintenance - 082  
2013-14 Proposed Budget**

	FY 2010-2011 <u>Actual</u>	FY 2011-2012 Unaudited <u>Actual</u>	FY 2012-2013 <u>Projected</u>	FY 2013-2014 Proposed <u>Budget</u>
<b>Beginning Available Balance</b>	<b>\$ 1,065,812</b>	<b>\$ 7,268,592</b>	<b>\$ 2,698,590</b>	<b>\$ 2,799,464</b>
Fund balance adjustment	(4,279,385)			
<b>Actual Available Balance</b>	<b><u>(3,213,573)</u></b>			
<b>Revenues</b>				
Sales Tax	3,509,936	3,698,851	3,915,000	4,111,000
Interest	29,055	23,931		
Other Revenues		195		
	<b><u>3,538,991</u></b>	<b><u>3,722,977</u></b>	<b><u>3,915,000</u></b>	<b><u>4,111,000</u></b>
<b>Expenditures</b>				
Capital projects	(1,482,706)	1,629,545	631,819	2,147,000
Debt service	1,137,216	1,277,157	1,277,247	958,708
	<b><u>(345,490)</u></b>	<b><u>2,906,702</u></b>	<b><u>1,909,066</u></b>	<b><u>3,105,708</u></b>
<b>Transfers</b>				
Transfer In - Capital - 080	8,484,768			
Transfer Out - Capital - 039	(147,084)			
Transfer Out - Capital - 080				
Transfer Out - Gas Tax - 030	(1,740,000)	(1,584,752)	(1,905,060)	(2,000,000)
	<b><u>6,597,684</u></b>	<b><u>(1,584,752)</u></b>	<b><u>(1,905,060)</u></b>	<b><u>(2,000,000)</u></b>
<b>Net Annual Activity</b>	<b><u>10,482,165</u></b>	<b><u>(768,477)</u></b>	<b><u>100,874</u></b>	<b><u>(994,708)</u></b>
<b>Ending Available Balance</b>	<b><u>\$ 7,268,592</u></b>	<b><u>\$ 6,500,115</u></b>	<b><u>\$ 2,799,464</u></b>	<b><u>\$ 1,804,756</u></b>
<b>Available Balance Calculation</b>				
Cash & interest receivable		\$ 6,782,152		
Accrued Revenue				
Current liabilities		(282,037)		
Capital Appropriations		(3,738,846)		
Encumbrances		(62,679)		
Ending Available Balance		<b><u>\$ 2,698,590</u></b>		



**BOAT LAUNCHING FACILITIES FUND (045)**

**History**

- The City maintains boat launching facilities at Louis Park and Buckley Cove. The Marina operator is responsible for operation of the Morelli Park facility. Public Works is responsible for the Louis Park and Buckley Cove facilities.
- The Boat Launching Facilities Fund is funded from parking fees collected from vehicles that launch boats at Buckley Cove.
- Expenditures from the Fund are used to fund dock and landscape maintenance at the Louis Park and Buckley Cove facilities, and to fund security services at Buckley Cove.
- The Fund has historically carried an available balance of approximately \$330,000. Funds are retained in the fund balance and will eventually be required for long term renewal of the dock infrastructure.

**2012-13 Events**

- Security service hours were reduced from previous years, to match needs during low use periods.
- Removal of hyacinth to prevent blocking of the docks and launch area became a major drain on Community Enhancement Section resources.
- Revenues are projected to exceed expenditures by approximately \$25,000.

**2013-14 Budget Issues and Changes**

- Expenditures for security services budgeted to increase due to increased use and new contract for this service.
- Maintenance and repair services budgeted to increase due to contracted services expenditures for hyacinth removal.
- Fees will not be changed from the current rates.
- With the above assumptions, the revenues are projected to exceed expenditures by slightly under \$4,000.

**Public Works Department  
Boat Launching Facilities - 045  
2013-14 Proposed Budget**

	FY 2010-2011 <u>Actual</u>	FY 2011-2012 Unaudited <u>Actual</u>	FY 2012-2013 <u>Projected</u>	FY 2013-2014 Proposed <u>Budget</u>
<b>Beginning Available Balance</b>	<b>\$ 299,875</b>	<b>\$ 332,154</b>	<b>\$ 307,881</b>	<b>\$ 333,452</b>
<b>Revenues</b>				
Boat Launching Fees	174,976	145,864	160,000	160,000
Other Reimbursements	2,554	9,336	2,500	2,500
	<u>177,530</u>	<u>155,200</u>	<u>162,500</u>	<u>162,500</u>
<b>Expenditures</b>				
Salaries & Benefits	10,524	11,406	9,000	1,897
Electricity	1,240	3,822	5,500	5,500
Stormwater	10,212	6,127	6,127	7,000
Maintenance & Repair	2,204	32,201	3,000	15,000
Security Contractor	111,903	111,429	100,000	115,000
Materials & Supplies	228	4,129	2,000	3,000
Indirect Costs	6,403	8,289	9,000	9,000
Other Expenses	2,537	2,070	2,302	2,436
	<u>145,251</u>	<u>179,473</u>	<u>136,929</u>	<u>158,833</u>
<b>Transfers</b>				
Transfer In				
Transfer Out	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Net Annual Activity</b>	<b>32,279</b>	<b>(24,273)</b>	<b>25,571</b>	<b>3,667</b>
<b>Ending Available Balance</b>	<b>\$ 332,154</b>	<b>\$ 307,881</b>	<b>\$ 333,452</b>	<b>\$ 337,119</b>
<b>Available Balance Calculation</b>				
Cash		\$ 315,830		
Accounts Receivable		(7,949)		
Vouchers Payable				
Ending Available Balance		<u>\$ 307,881</u>		

# PUBLIC WORKS DEPARTMENT

## SOLID WASTE FUND (047)

### History

- This fund was established to finance the management of solid waste services for the City residents, businesses, industries, and institutions, and to comply with state required solid waste management programs.
- Revenues for this fund come from the 3.5% surcharge on gross revenues paid by the franchise haulers (Waste Management and Allied Waste) as a component of their franchise fees. This results in approximately \$1,350,000 per year for the operating budget.
- The franchise fees are the primary revenue source for the Division with the exception of a small state grant to promote beverage container recycling.

### 2012-13 Events

- Salary savings have resulted from position vacancies.
- A Solid Waste & Recycling Division work plan was developed for FY 2012-13 that includes a status report on each program area, identifies areas in need of improvement, makes recommendations for improvement, and lists performance measures to track progress.
- Revenue was projected to remain flat which is in line with the solid waste industry trend.

### 2013-14 Budget Issues and Changes

- Projected revenues include a 1.59% rate increase for residential and commercial service. This increase is in accordance with the franchise contract which provides for an annual increase calculated at 50% of the annual Consumer Price Index (CPI). Overall revenues are down due to a decline in the commercial sector revenues.
- Two positions providing support functions to Solid Waste were moved into the Administration division to reflect staff reporting relationships. The positions will be partially funded by Solid Waste revenues.
- An increase in program expenses is included which will provide funds for:
  - Tree trimming related to street sweeping
  - Financial consultant for franchise agreement analysis
  - Translation services for printed outreach material
  - A capital improvement project to build a storage facility for existing solid waste and recycling containers at Louis Park.

**Public Works Department  
Solid Waste & Recycling - 047  
2013-14 Proposed Budget**

	<b>FY 2010-2011</b>	<b>FY 2011-2012</b>	<b>FY 2012-2013</b>	<b>FY 2013-2014</b>
	<b>Actual</b>	<b>Unaudited Actual</b>	<b>Projected</b>	<b>Proposed Budget</b>
<b>Beginning Available Balance</b>	<b>\$ 2,138,165</b>	<b>\$ 1,854,985</b>	<b>\$ 1,888,239</b>	<b>\$ 1,857,186</b>
<b>Revenues</b>				
Franchise Fees				
Allied Waste/Residential	337,982	340,593	342,425	342,970
Waste Management/Residential	384,997	391,781	396,582	397,213
Waste Management/Commercial	307,760	288,251	294,605	295,073
Allied Waste/Commercial	251,785	235,350	233,076	233,447
California Waste Recovery	5,186	6,607	4,914	4,921
Waste Management/Industrial	15,868	20,837	20,821	20,854
Allied Waste/Industrial	15,015	35,872	39,611	39,674
	<u>1,318,593</u>	<u>1,319,291</u>	<u>1,332,034</u>	<u>1,334,152</u>
Interest	51,927	32,532	16,400	16,400
Refunds and reimbursements	9,404			
Other Revenues				
	<u><b>1,379,924</b></u>	<u><b>1,351,823</b></u>	<u><b>1,348,434</b></u>	<u><b>1,350,552</b></u>
<b>Expenditures</b>				
Salaries and Benefits	1,363,458	979,993	1,035,067	1,021,072
Maintenance & Repair Services	5,715	4,001	5,529	4,320
Duplication/Copy Costs	4,441	6,744	5,158	7,500
Insurance Premiums	6,757	20,224	28,558	32,480
Automotive Equipment Rental	31,600	35,061	34,392	30,223
Computer/Tech/Oper Support	14,267	18,290	23,436	20,697
Professional & Special Services	5,352		42,785	119,626
Materials and Supplies	5,563	7,662	5,753	42,450
Fuels-Gas/Oil/Propane	6,358	6,400	6,094	7,831
Indirect Costs	47,174	153,964	156,885	153,964
All Other Expenses	25,168	41,996	35,830	62,618
Capital Projects				159,000
	<u><b>1,515,853</b></u>	<u><b>1,274,335</b></u>	<u><b>1,379,487</b></u>	<u><b>1,661,781</b></u>
<b>Transfers</b>				
Transfer In				
Transfer Out - Fund 455	(147,251)			
	<u><b>(147,251)</b></u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Net Annual Activity</b>	<u><b>(283,180)</b></u>	<u><b>77,488</b></u>	<u><b>(31,053)</b></u>	<u><b>(311,229)</b></u>
<b>Ending Available Balance</b>	<u><b>\$ 1,854,985</b></u>	<u><b>\$ 1,932,473</b></u>	<u><b>\$ 1,857,186</b></u>	<u><b>\$ 1,545,957</b></u>
<b>Available Balance Calculation</b>				
Cash/Interest Rec		\$ 1,932,473		
Accounts Receivable				
Vouchers Payable				
Encumbrances		(44,234)		
Ending Available Balance		<u><u>\$ 1,888,239</u></u>		

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

**History**

- The fund finances the Central Stockton Lighting Maintenance Assessment District (CSLMD) formed under the Landscape and Lighting Act of 1972 and collects assessments for the “Special Lighting Benefit” received.
- The CSLMD is a reformation of the original Lighting & Maintenance Districts 74 & 75 formed under the Street Light Acts of 1927 and 1931. There were originally 5 zones between these 2 Districts.
- The CLSMD contains only one of the original 5 zones: Zone 4-Oxford Manor which contains 274 street lights.

**2012-13 Events**

- The CSLMD Engineer’s Report for 2012-13 set the total annual estimated budget for energy and maintenance of lighting in the district.
- There were no incidents or required replacements in FY 2012-13.

**2013-14 Budget Issues and Changes**

- Additional service, such as replacement of fixtures in Oxford Circle, is planned to improve lighting levels, as well as increased pole maintenance.
- Assessments for FY 2013-14 will be at the same rate as the current fiscal year.

**Public Works Department  
Lighting Maintenance - 071  
2013-14 Proposed Budget**

	FY 2010-2011 <u>Actual</u>	FY 2011-2012 Unaudited <u>Actual</u>	FY 2012-2013 <u>Projected</u>	FY 2013-2014 Proposed <u>Budget</u>
<b>Beginning Available Balance</b>	<b>\$ 154,411</b>	<b>\$ 208,302</b>	<b>\$ 157,989</b>	<b>\$ 163,083</b>
<b>Revenues</b>				
Charges for services	54,632	22,996	23,128	23,128
Investment earnings	3,129	3,241	1,400	1,400
	<u>57,761</u>	<u>26,237</u>	<u>24,528</u>	<u>24,528</u>
<b>Expenditures</b>				
Operations	3,870	76,550	19,434	24,130
	<u>3,870</u>	<u>76,550</u>	<u>19,434</u>	<u>24,130</u>
<b>Transfers</b>				
Transfer In				
Transfer Out	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Net Annual Activity</b>	<u>53,891</u>	<u>(50,313)</u>	<u>5,094</u>	<u>398</u>
<b>Ending Available Balance</b>	<u>\$ 208,302</u>	<u>\$ 157,989</u>	<u>\$ 163,083</u>	<u>\$ 163,481</u>
<b>Available Balance Calculation</b>				
Cash & interest receivable		\$ 164,614		
Accounts receivable		(6,625)		
Accounts payable				
Ending Available Balance		<u>\$ 157,989</u>		

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

**History**

- Most accounts in this fund are managed by Public Works. Some of the 072 accounts are for storm drain maintenance assessment districts which are under Municipal Utilities Department purview (072-6901 to -6905 and -6950 and up.)
- On February 26, 1996, Council adopted Resolution No. 96-0084 that consolidated the eight Landscape Maintenance Districts that existed at the time into the new Consolidated Landscape District 96-2.
- There are 34 separate zones in the Consolidated Landscape District. Assessments are levied in 27 zones. Assessments are not levied in the remaining 7 zones as no improvements have been constructed and maintenance is not required.
- The fund carries a significant balance which is the aggregate of the separate fund balances for the 27 zones. Funds from one zone cannot be used in a different zone. The fund balances for each zone will eventually be used for replacement of infrastructure, such as irrigation systems, back up walls, street lights, and playground equipment, and for replacement of plant material.
- Improvements maintained include, but are not limited to, street and median landscaping, fountains, ornamental structures, public lighting (such as street lights and traffic signals), walls, irrigation, parks, and park equipment. Maintenance typically includes mowing, edging, trash collection, irrigation system operation and repairs, and replanting of landscape.
- All maintenance services are provided by contract with the exception that lighting work is typically performed by City staff with time charged to the District.
- Also included are the Consolidated Storm Drain Maintenance and Storm Drainage Basin Districts. These special districts were formed under the Municipal Improvement Act of 1913, Division 12 of the California Streets and Highways Code, and the Stockton Improvement Procedure Code: and are managed by the Municipal Utilities Department.

**2012-13 Events**

- The maintenance contract with Odyssey Landscape Companies was extended for calendar year 2013. The contract provides for the option to extend up to 2 additional years.
- Siegfried Engineering is developing a long term capital replacement plan for District improvements.
- Lighting was restored along the PG&E easement/greenbelt pathways in Weston Ranch, following theft of a significant amount of copper wire. Anti-theft electrical pull boxes, including reinforced concrete collars, were installed to help prevent future theft.

**2013-14 Budget Issues and Changes**

- The assessments for FY 2013-14 will not be increased from FY 2012-13. Existing assessments and fund balance will be sufficient to provide maintenance through the end of the fiscal year.
- Maintenance activities will be consistent with the previous fiscal year.

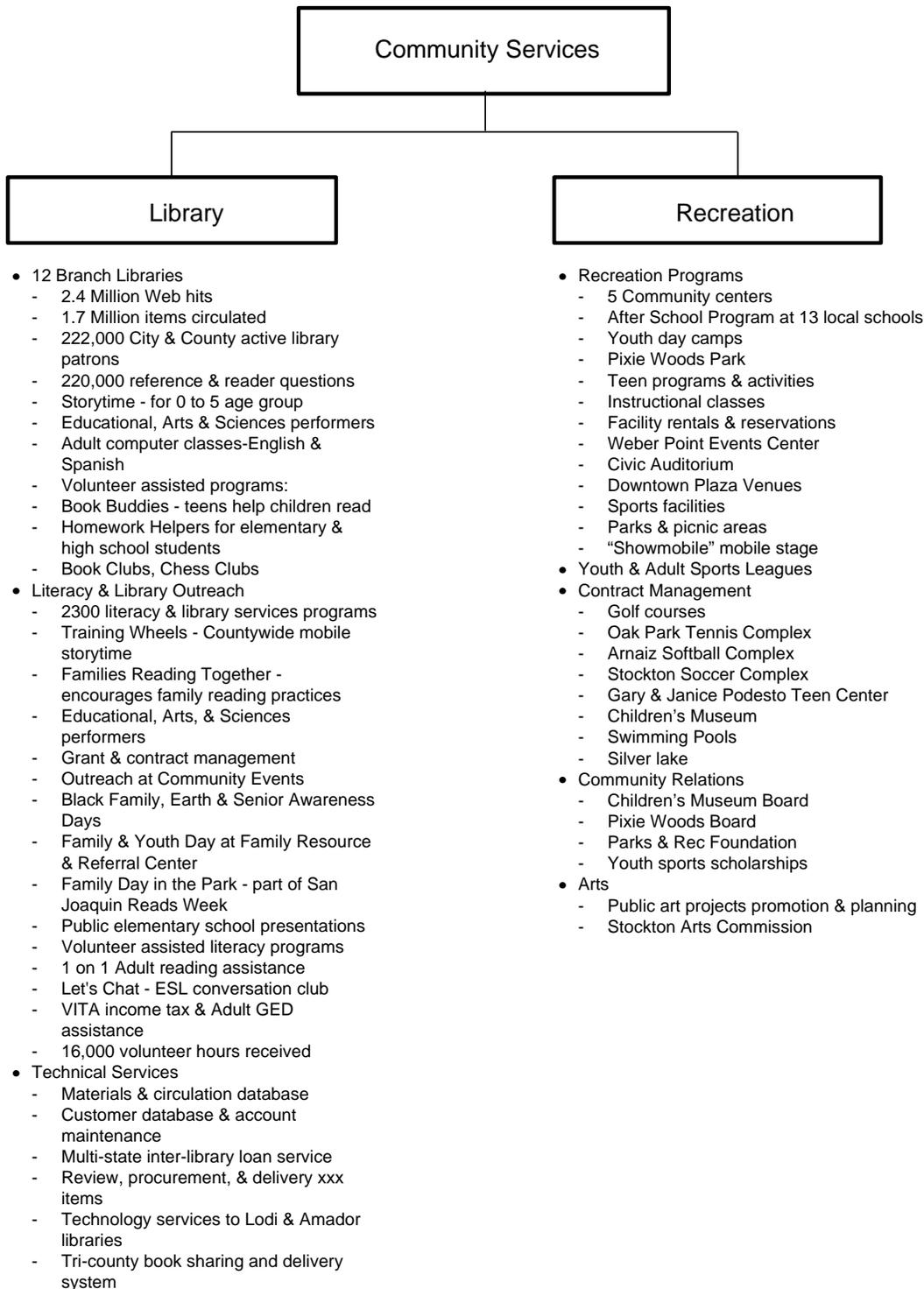
**Public Works Department  
Assessment District Maintenance - 072  
2013-14 Proposed Budget**

	FY 2010-2011 <u>Actual</u>	FY 2011-2012 Unaudited <u>Actual</u>	FY 2012-2013 <u>Projected</u>	FY 2013-2014 Proposed <u>Budget</u>
<b>Beginning Available Balance</b>	<b>\$ 10,179,477</b>	<b>\$ 11,415,025</b>	<b>\$ 11,847,041</b>	<b>\$ 12,525,489</b>
<b>Revenues</b>				
Charges for services	3,317,013	3,121,551	3,428,448	3,157,059
Investment earnings	274,165	124,173	150,000	150,000
	<u>3,591,178</u>	<u>3,245,724</u>	<u>3,578,448</u>	<u>3,307,059</u>
<b>Expenditures</b>				
Miscellaneous expenditures	2,355,630	2,100,000	2,900,000	4,049,227
Capital projects				
	<u>2,355,630</u>	<u>2,100,000</u>	<u>2,900,000</u>	<u>4,049,227</u>
<b>Transfers</b>				
Transfer In		31,180		30,957
Transfer Out				
	<u>-</u>	<u>31,180</u>	<u>-</u>	<u>30,957</u>
<b>Net Annual Activity</b>	<u>1,235,548</u>	<u>1,176,904</u>	<u>678,448</u>	<u>(711,211)</u>
<b>Ending Available Balance</b>	<b>\$ 11,415,025</b>	<b>\$ 12,591,929</b>	<b>\$ 12,525,489</b>	<b>\$ 11,814,278</b>
<b>Available Balance Calculation</b>				
Cash & interest receivable		\$ 12,501,704		
Accounts payable		(95,325)		
Encumbrances		(559,338)		
Ending Available Balance		<u>\$ 11,847,041</u>		



# TAB 8 COMMUNITY SERVICES





# COMMUNITY SERVICES DEPARTMENT



# COMMUNITY SERVICES

## MISSION STATEMENT

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

## Budget at a Glance:

Total Expenditures	\$24,434,136
Total Revenues	\$16,892,270
Total Net Cost	\$7,541,866
Total Staff	83

## DEPARTMENTAL DESCRIPTION

Community Services has three primary programs: Library (Fund 041), Recreation (Fund 044) and Golf (Fund 481).

The Library creates an environment for connecting people and ideas by providing not only books, but music, movies, computers, literacy programs, and a myriad of hard copy and electronic resources. The Library boasts a broad menu of digital download options, shared access to other public and academic libraries, electronic checkout, eReader lending, on-line material reservations, and special literacy tutoring opportunities. Staff is the heart of the system. Other than their many operational responsibilities, they help patrons from job seekers to test takers, researchers to recreational readers. They revel in matching readers with perfect books or piquing literary interests with a vibrant Storytime performance.

The Library is a County-wide system, made up of four branches within City limits, and eight branches throughout San Joaquin County. Pursuant to an agreement that has been in effect for over 100 years, San Joaquin County provides funding for outlying branches. A centralized and unified system, allows all twelve sites to circulate materials together and combine administrative and management costs. Also known as the Stockton-San Joaquin County Public Library (SSJCPL), the Library will receive over one million visitors, manage over 200,000 library card accounts, and circulate over 1.7 million items in the coming fiscal year.

For budgetary purposes, the Library is divided into two functional areas: branch operations and shared services. Shared services include administration, literacy programming, community outreach, grant administration, mobile libraries, procurement, and delivery. The Library has shared in the years long fiscal burden by reducing staff, closing a City branch, and decreasing hours to the public. Staffing decreased 45% between the 2008-09 and 2013-14 fiscal years.

Recreation is made up of facilities and programs to benefit City of Stockton residents and visitors. Recreation opportunities are known to produce healthier communities, environmental stewardship, professionalism and integrity by promoting social, recreational and cultural opportunities. To this end, the department also partners with non-profit organizations and community groups with a focus to reduce juvenile crime, establish community facilities, and enhance social wellbeing of children and families.

Recreation in Stockton involves 25 facilities: 5 community centers, 4 SUSD joint use facilities, 4 community swimming pools, 3 softball complexes, the Janice and Gary Podesta Teen Center, Silver Lake Family Camp, Billy Hebert Baseball Stadium, Stockton Soccer Complex, Oak Park Tennis Center, Pixie Woods Children's Theme Park, Children's Museum, Weber Point Events Center and the Stockton Memorial Civic Auditorium. Fees are collected for services and registrations, but traditionally do not cover the operating costs of the centers and facilities made available within the community.

## COMMUNITY SERVICES

A Golf program operation and management contract was entered into between the City of Stockton and Kemper Sports, Inc. in July 2011 to manage the municipal golf courses, Swenson Park and Van Buskirk, in central and south Stockton respectively. Several other courses have opened to the public within a 25 mile radius in recent decades that offer more contemporary level of appeal to the golf community. As a result, competition has driven down pricing and volume of municipal play to the point where the courses have required a significant subsidy for several years.

The department also provides oversight to the Stockton Arts Commission and the Public Art Program. The Arts Commission was established by ordinance to promote and encourage programs to further the development and public awareness of an interest in the fine and performing arts and to act in advisory capacity to the Stockton City Council in connection with the artistic and cultural development of the City. The Public Art Program was established by ordinance to foster creative expression of the arts in public places by funding public art projects and requiring a public art component on capital improvement projects.

### KEY ISSUES

Funding for Library services from the City General Fund has decreased by almost 40% or \$2.6 million from its original budget in 2008-09. As a consequence, library hours of operation were reduced 48% in City of Stockton branches, and resources for books and materials were at an all time low. Wage and benefit reductions affected during the declared state of fiscal emergency and bankruptcy process, and savings from vacant positions, allowed for slight increases to material purchases in 2012-13.

The greatest challenges facing the Library are providing a public operating schedule that satisfies the demand of the citizens in the service area, maintaining the collection size relevant to the population, meeting the literacy needs, and locating partners to advance the library mission. The last library to open within the City of Stockton was the Maya Angelou Branch on Pock Lane, in 1996. The Fair Oaks Branch located on East Main Street, was closed in 2010, a direct result of reduced General Fund availability.

SSJCPL is among California's 21 largest library systems, and within that group, has the lowest level of staffing on a per capita basis while near the median for circulation and other metrics. These facts are an indication that SSJCPL staff is carrying workloads at a much higher level than statewide counterparts.

Although many Recreation programs are funded by registration and rental fees, historically the fee structure was developed to maximize recreational opportunities for the community, and has not traditionally been solely based on full cost recovery for facilities, administration and overhead. While staffing and facility costs for community centers account for more than half of the General Fund subsidy to Recreation, passing those costs on to users would be counter-productive as pricing would exceed the ability within the market to pay. Stockton's youth, art, dance, after school, and cultural class registrants are not be able to afford full absorption cost pricing, and the very members of the community, the centers were meant to serve, would be excluded.

For illustrative purposes, the table below, derived from current year operating results, shows 60% of the current year-to-date revised General Fund subsidy being used to support youth sports, community centers and the teen center; and 32% spent of the subsidy paying for department administration, city-wide services and support. Other facilities receive the other 8% of the General Fund subsidy, including staffing for the Civic Auditorium and Weber Point Events Center, and repair and maintenance costs for pools, tennis center, and Sierra campsite.

## COMMUNITY SERVICES

The 2012-13 General Fund subsidy to Recreation will be used to support the following aspects of Recreation programs:

<u>Program</u>	<u>% of Subsidy</u>
Youth Sports & Community Centers	54.6%
Administration	32.2%
Teen Center contract	5.5%
Civic/Weber Point facilities	5.1%
Pool utilities & maintenance	2.3%
Sierra Camp & Tennis Center	0.3%
	<u>100%</u>

Recreation management was tasked with maintaining a 32% reduction in General Fund subsidy or \$1.3 million per year, since fiscal year 2008-09. As a result, many programs are now under contract with individuals, non-profit organizations and private firms. As overall City wage and benefit costs decrease, care must be taken to adequately evaluate whether ongoing contracts, or City operation of programs can provide the greatest value to the community, and maintain City assets.

In connection with budget constraints, funding for some aspects of facility maintenance has been deferred in recent years that must be addressed. To illustrate, in order to protect assets, minimize wear and maintain safe environments, gymnasium floors require resurfacing, HVAC systems require service, tables and chairs must be replaced, swimming pool pumps must be maintained, and theme park features require care. These costs, per occurrence, are generally not capital in nature and are relative to programs and facilities, so are properly characterized as part of normal operations.

Vandalism is playing a significant role in facility costs throughout both departments. Three air conditioning units were either stolen or destroyed at one community center alone in one vandalism raid, copper wire has been severed from ball park lighting standards at multiple sports fields, theft of irrigation components have rendered the vacant library without the means to water shrubs. Estimated standard preventive maintenance and vandalism costs are a component of the increase in both Library and Recreation program budgets for 2013-14.

The Golf program is plagued by market saturation and the age of the facilities. Revenue levels are not expected to improve to allow for a break even position, and therefore subsidy levels are not expected to decrease in the next five years.

**Community Services Department  
2013-14 Proposed Budget**

	<u>General Fund</u>	<u>Library</u>	<u>Recreation</u>	<u>Total</u>
	<i>See Page H-7</i>	<i>See Page H-8</i>	<i>See Page H-18</i>	
<b>Beginning Available Balance</b>		<b>\$ 1,518,947</b>	<b>\$ 776,149</b>	<b>\$ 2,295,096</b>
<b>Revenues</b>				
San Joaquin County Contract		5,184,000		5,184,000
Additional Hours Contracts		148,700		148,700
Fines		247,000		247,000
Other Revenues		276,350	1,450	277,800
Recreation Programs			3,131,103	3,131,103
Facility Admission and Rentals			311,000	311,000
Community Centers			210,000	210,000
	<u>-</u>	<u>5,856,050</u>	<u>3,653,553</u>	<u>9,509,603</u>
<b>Expenditures</b>				
Salary and benefits	-			-
Services & Supplies	-			-
Library Operations		8,541,475		8,541,475
Administration		1,428,644	1,008,811	2,437,455
Children's Museum			5,000	5,000
Civic Auditorium			315,257	315,257
Community Centers			1,709,174	1,709,174
Program Expenses			4,043,108	4,043,108
	<u>-</u>	<u>9,970,119</u>	<u>7,081,350</u>	<u>17,051,469</u>
<b>Transfers</b>				
Transfer In - General Fund		3,999,000	3,295,000	7,294,000
Transfer In - Other Funds		88,667	-	88,667
Transfer Out - Other Funds	(7,294,000)	(88,667)	-	(7,382,667)
	<u>(7,294,000)</u>	<u>3,999,000</u>	<u>3,295,000</u>	<u>-</u>
<b>Net Annual Activity</b>	<u>(7,294,000)</u>	<u>(115,069)</u>	<u>(132,797)</u>	<u>(7,541,866)</u>
<b>Ending Available Balance</b>		<b>\$ 1,403,878</b>	<b>\$ 643,352</b>	<b>\$ (5,246,770)</b>
			Revenues	\$ 9,509,603
			Transfers	7,382,667
			Total Sources	<u>\$ 16,892,270</u>
			Expenditures	\$ 17,051,469
			Transfers	7,382,667
			Total Appropriations	<u>\$ 24,434,136</u>

**Community Services Department  
General Fund - 010  
2013-14 Proposed Budget**

	FY 2010-2011 <u>Actual</u>	FY 2011-2012 Unaudited <u>Actual</u>	FY 2012-2013 Current <u>Budget</u>	FY 2013-2014 Proposed <u>Budget</u>
<b>Total Community Services Department</b>				
Employee Services	\$ 37,193	\$ 35,304	\$ 32,347	\$ -
Other Services	2,832	678	980	-
Materials and Supplies	-	-	-	-
Other Expenses	-	-	-	-
Transfers	7,052,916	6,735,022	6,749,000	7,294,000
Total	<u>\$ 7,092,941</u>	<u>\$ 6,771,004</u>	<u>\$ 6,782,327</u>	<u>\$ 7,294,000</u>

**Arts Commission**

Employee Services	37,193	35,304	32,347	
Other Services	2,832	678	980	
Materials and Supplies				
Other Expenses				
Total	<u>40,025</u>	<u>35,982</u>	<u>33,327</u>	<u>-</u>

**Library**

Employee Services				
Other Services				
Materials and Supplies				
Other Expenses				
Transfer - Library	4,111,205	3,977,759	3,907,000	3,999,000
Total	<u>4,111,205</u>	<u>3,977,759</u>	<u>3,907,000</u>	<u>3,999,000</u>

**Recreation**

Employee Services				
Other Services				
Materials and Supplies				
Other Expenses				
Transfer - Recreation	2,941,711	2,757,263	2,340,000	2,845,000
Total	<u>2,941,711</u>	<u>2,757,263</u>	<u>2,340,000</u>	<u>2,845,000</u>

**Golf**

Employee Services				
Other Services				
Materials and Supplies				
Other Expenses				
Transfer - Golf Fund			502,000	450,000
Total	<u>-</u>	<u>-</u>	<u>502,000</u>	<u>450,000</u>

**Community Services Department  
Library Programs  
2013-14 Proposed Budget**

	<b>Library 041</b>	<b>Special Revenue 644</b>	<b>Kolak Trust 614</b>	<b>Bess Larsen Trust 621</b>
	<i>See Page H-11</i>	<i>See Page H-12</i>	<i>See Page H-13</i>	<i>See Page H-14</i>
<b>Beginning Available Balance</b>	\$ 1,114,838	\$ 225,249	\$ 177,481	\$ 1,361
<b>Revenues</b>				
San Joaquin County	5,184,000			
Additional Hours Contracts	148,700			
Fines	247,000			
Other Revenues	257,700	17,000	1,500	-
	<b>5,837,400</b>	<b>17,000</b>	<b>1,500</b>	<b>-</b>
<b>Expenditures</b>				
Branch operations	6,955,471	35,000	-	-
Technical services	1,203,203			
Programming and outreach	347,751			
Administration and delivery	1,428,644			
Capital projects	-			
	<b>9,935,069</b>	<b>35,000</b>	<b>-</b>	<b>-</b>
<b>Transfers</b>				
Transfer In - General Fund	3,999,000			
Transfer In - Other	88,667			
Transfer Out		(80,306)	(7,000)	(1,361)
	<b>4,087,667</b>	<b>(80,306)</b>	<b>(7,000)</b>	<b>(1,361)</b>
<b>Net Annual Activity</b>	<b>(10,002)</b>	<b>(98,306)</b>	<b>(5,500)</b>	<b>(1,361)</b>
<b>Ending Available Balance</b>	<b>\$ 1,104,836</b>	<b>\$ 126,943</b>	<b>\$ 171,981</b>	<b>\$ -</b>

**Community Services Department  
Library Programs, Continued  
2012-13 Adopted Budget**

	<b>G. Cady Trust 622</b>	<b>Kiersch Memorial 628</b>	<b>Library Programs Total</b>
	<i>See Page H-15</i>	<i>See Page H-16</i>	
<b>Beginning Available Balance</b>	\$ 11	\$ 7	\$ 1,518,947
<b>Revenues</b>			
San Joaquin County			5,184,000
Additional Hours Contract			148,700
Fines			247,000
Other Revenues	100	50	276,350
	<u>100</u>	<u>50</u>	<u>5,856,050</u>
<b>Expenditures</b>			
Branch operations	50	-	6,990,521
Technical services			1,203,203
Programming and outreach			347,751
Administration and delivery			1,428,644
Capital projects			-
	<u>50</u>	<u>-</u>	<u>9,970,119</u>
<b>Transfers</b>			
Transfer In - General Fund - 010			3,999,000
Transfer In - Other			88,667
Transfer Out			(88,667)
	<u>-</u>	<u>-</u>	<u>3,999,000</u>
<b>Net Annual Activity</b>	<u>50</u>	<u>50</u>	<u>(115,069)</u>
<b>Ending Available Balance</b>	<u>\$ 61</u>	<u>\$ 57</u>	<u>\$ 1,403,878</u>
	-	-	-

## COMMUNITY SERVICES

### LIBRARY FUND (041)

#### **History**

- This fund captures the financial transactions for the Stockton-San Joaquin County Public Library.
- Under City of Stockton operation, library services have been made available County-wide since 1910.
- Currently four City and eight County branches are open to the public between 25 and 42 hours per week.
- Resources to sustain operations are provided from the City of Stockton General Fund (40%); San Joaquin County General Fund (52%); contracts for automation and delivery services (2%), support from outlying cities (2%); donations from individuals and charitable organizations (2%), and by fine and fee revenues (2%).
- City branches are open to the public 28% fewer hours than in the 2008-09 fiscal year.
- Collection items per capita in City branches are 1.8, while industry standard is 2.5.

#### **2012-13 Update**

- City branches are projected to lend more than 880,000 items.
- A minor shift in operating hours allowed each branch to be open one evening each week.
- Over 480,000 visitors will be received in City branch libraries.
- Over 650 programs will be offered to over 25,000 patrons in City branches
- Donations and grants received in excess of \$200,000

#### **2013-14 Budget Issues and Changes**

- A grant application has been filed and provisionally accepted that would provide funding for a Library Strategic Management Plan. The objective is to secure a consultant and develop a strategic plan in the fiscal year.
- Library staff will be visiting Community Recreation Centers this summer to offer story time in conjunction with Summer Camps. This addition to programming at the centers is designed to not only be fun and entertaining but to provide access to Library Programs for children that may not have ready access to libraries.

**Community Services Department  
Library - 041  
2013-14 Proposed Budget**

	FY 2010-2011 <u>Actual</u>	FY 2011-2012 Unaudited <u>Actual</u>	FY 2012-2013 <u>Projected</u>	FY 2013-2014 Proposed <u>Budget</u>
<b>Beginning Available Balance</b>	<b>\$ 3,747,079</b>	<b>\$ 3,206,359</b>	<b>\$ 1,042,169</b>	<b>\$ 1,114,838</b>
<b>Revenues</b>				
San Joaquin County	5,202,986	5,086,478	4,835,323	5,184,000
\Material Match Program	76,100	60,099	105,300	142,000
Additional Hours Contracts	142,107	168,761	146,796	148,700
State of California Grant	103,896			
Fines & Fees	206,106	250,265	120,000	247,000
Other Revenues	343,020	126,255	142,000	115,700
	<u><b>6,074,215</b></u>	<u><b>5,691,858</b></u>	<u><b>5,349,419</b></u>	<u><b>5,837,400</b></u>
<b>Expenditures</b>				
Administration	1,071,178	1,174,336	1,100,000	1,220,723
Programming and Outreach	441,051	311,743	290,000	347,751
Technical Services	1,505,010	994,333	1,150,000	1,203,203
Branch Operations				
Branch Operations - County	3,436,887	3,157,324	3,250,000	3,595,848
Branch Operations - City	3,417,930	3,203,601	3,250,000	3,359,623
Delivery Services	72,382	152,741	150,000	207,921
Capital projects	44,942	217,345	-	-
	<u><b>9,989,380</b></u>	<u><b>9,211,423</b></u>	<u><b>9,190,000</b></u>	<u><b>9,935,069</b></u>
<b>Transfers</b>				
Transfer In - General Fund	4,111,205	3,977,759	3,907,000	3,999,000
Transfer In - Other			6,250	88,667
Transfer Out	(736,760)			
	<u><b>3,374,445</b></u>	<u><b>3,977,759</b></u>	<u><b>3,913,250</b></u>	<u><b>4,087,667</b></u>
<b>Net Annual Activity</b>	<u><b>(540,720)</b></u>	<u><b>458,194</b></u>	<u><b>72,669</b></u>	<u><b>(10,002)</b></u>
<b>Ending Available Balance</b>	<u><b>\$ 3,206,359</b></u>	<u><b>\$ 3,664,553</b></u>	<u><b>\$ 1,114,838</b></u>	<u><b>\$ 1,104,836</b></u>
<b>Available Balance Calculation</b>				
Cash		\$ 3,775,467		
Accounts Receivable		128,249		
Accounts Payable		(239,163)		
Encumbrances		(71,406)		
Capital Projects		(2,550,978)		
Ending Available Balance		<u><u><b>\$ 1,042,169</b></u></u>		

**Community Services Department  
Library Special Revenue Fund - 644  
2013-14 Proposed Budget**

	FY 2010-2011 <u>Actual</u>	FY 2011-2012 Unaudited <u>Actual</u>	FY 2012-2013 <u>Projected</u>	FY 2013-2014 Proposed <u>Budget</u>
<b>Beginning Available Balance</b>	<b>\$ 473,914</b>	<b>\$ 471,350</b>	<b>\$ 246,601</b>	<b>\$ 225,249</b>
<b>Revenues</b>				
Program Revenue	125,977	3,055	50,750	15,000
Other Revenue	105,545	95,934	22,948	2,000
	<u>231,522</u>	<u>98,989</u>	<u>73,698</u>	<u>17,000</u>
<b>Expenditures</b>				
Program Expenditures	234,086	323,738	95,050	35,000
	<u>234,086</u>	<u>323,738</u>	<u>95,050</u>	<u>35,000</u>
<b>Transfers</b>				
Transfer In				
Transfer Out				(80,306)
	<u>-</u>	<u>-</u>	<u>-</u>	<u>(80,306)</u>
<b>Net Annual Activity</b>	<u>(2,564)</u>	<u>(224,749)</u>	<u>(21,352)</u>	<u>(98,306)</u>
<b>Ending Available Balance</b>	<u>\$ 471,350</u>	<u>\$ 246,601</u>	<u>\$ 225,249</u>	<u>\$ 126,943</u>
<b>Available Balance Calculation</b>				
Cash		\$ 276,237		
Accounts Receivable		10		
Accounts Payable		(29,646)		
Ending Available Balance		<u>\$ 246,601</u>		

**Community Services Department  
Kolak Trust - 614  
2013-14 Proposed Budget**

	FY 2010-2011 <u>Actual</u>	FY 2011-2012 Unaudited <u>Actual</u>	FY 2012-2013 <u>Projected</u>	FY 2013-2014 Proposed <u>Budget</u>
<b>Beginning Available Balance</b>	<b>\$ 207,038</b>	<b>\$ 191,741</b>	<b>\$ 190,623</b>	<b>\$ 177,481</b>
<b>Revenues</b>				
Interest	4,725	3,252	1,858	1,500
	<u>4,725</u>	<u>3,252</u>	<u>1,858</u>	<u>1,500</u>
<b>Expenditures</b>				
Operating Expenditures	20,022	4,370	8,750	
	<u>20,022</u>	<u>4,370</u>	<u>8,750</u>	<u>-</u>
<b>Transfers</b>				
Transfer In				
Transfer Out			(6,250)	(7,000)
	<u>-</u>	<u>-</u>	<u>(6,250)</u>	<u>(7,000)</u>
<b>Net Annual Activity</b>	<b>(15,297)</b>	<b>(1,118)</b>	<b>(13,142)</b>	<b>(5,500)</b>
<b>Ending Available Balance</b>	<b>\$ 191,741</b>	<b>\$ 190,623</b>	<b>\$ 177,481</b>	<b>\$ 171,981</b>
<b>Available Balance Calculation</b>				
Cash		\$ 190,812		
Accounts Payable		(189)		
Ending Available Balance		<u>\$ 190,623</u>		

**Community Services Department  
Bess Larson Trust - 621  
2013-14 Proposed Budget**

	FY 2010-2011 <u>Actual</u>	FY 2011-2012 Unaudited <u>Actual</u>	FY 2012-2013 <u>Projected</u>	FY 2013-2014 Proposed <u>Budget</u>
<b>Beginning Available Balance</b>	\$ 1,751	\$ 1,561	\$ 1,348	\$ 1,361
<b>Revenues</b>				
Interest	46	25	13	
	<u>46</u>	<u>25</u>	<u>13</u>	<u>-</u>
<b>Expenditures</b>				
Operating Expenditures	236	238		
	<u>236</u>	<u>238</u>	<u>-</u>	<u>-</u>
<b>Transfers</b>				
Transfer In				
Transfer Out				(1,361)
	<u>-</u>	<u>-</u>	<u>-</u>	<u>(1,361)</u>
<b>Net Annual Activity</b>	<u>(190)</u>	<u>(213)</u>	<u>13</u>	<u>(1,361)</u>
<b>Ending Available Balance</b>	<u>\$ 1,561</u>	<u>\$ 1,348</u>	<u>\$ 1,361</u>	<u>\$ -</u>
<b>Available Balance Calculation</b>				
Cash		\$ 1,387		
Accounts Payable		\$ (39)		
Principal endowment				
Ending Available Balance		<u>\$ 1,348</u>		

**Community Services Department  
Cady Endowment - 622  
2013-14 Proposed Budget**

	FY 2010-2011 <u>Actual</u>	FY 2011-2012 Unaudited <u>Actual</u>	FY 2012-2013 <u>Projected</u>	FY 2013-2014 Proposed <u>Budget</u>
<b>Beginning Available Balance</b>	<b>\$ 10,733</b>	<b>\$ 11,014</b>	<b>\$ 2,711</b>	<b>\$ 11</b>
<b>Revenues</b>				
Interest	281	188	100	100
	<u>281</u>	<u>188</u>	<u>100</u>	<u>100</u>
<b>Expenditures</b>				
Library Materials		1,308	2,800	50
	<u>-</u>	<u>1,308</u>	<u>2,800</u>	<u>50</u>
<b>Transfers</b>				
Transfer In				
Transfer Out				
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Net Annual Activity</b>	<u>281</u>	<u>(1,120)</u>	<u>(2,700)</u>	<u>50</u>
<b>Ending Available Balance</b>	<b>\$ 11,014</b>	<b>\$ 9,894</b>	<b>\$ 11</b>	<b>\$ 61</b>
<b>Available Balance Calculation</b>				
Cash		\$ 11,202		
Accounts Payable		(1,308)		
Principal endowment		(7,183)		
Ending Available Balance		<u>\$ 2,711</u>		

**Community Services Department  
Kiersch Memorial Trust - 628  
2013-14 Proposed Budget**

	FY 2010-2011 <u>Actual</u>	FY 2011-2012 Unaudited <u>Actual</u>	FY 2012-2013 <u>Projected</u>	FY 2013-2014 Proposed <u>Budget</u>
<b>Beginning Available Balance</b>	<b>\$ 4,571</b>	<b>\$ 4,691</b>	<b>\$ 463</b>	<b>\$ 7</b>
<b>Revenues</b>				
Interest	120	80	44	50
	<u>120</u>	<u>80</u>	<u>44</u>	<u>50</u>
<b>Expenditures</b>				
Books & media	-	358	500	-
	<u>-</u>	<u>358</u>	<u>500</u>	<u>-</u>
<b>Transfers</b>				
Transfer In	-	-	-	-
Transfer Out	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Net Annual Activity</b>	<b>120</b>	<b>(278)</b>	<b>(456)</b>	<b>50</b>
<b>Ending Available Balance</b>	<b>\$ 4,691</b>	<b>\$ 4,413</b>	<b>\$ 7</b>	<b>\$ 57</b>
<b>Available Balance Calculation</b>				
Cash		\$ 4,771		
Accounts Payable		\$ (358)		
Principal endowment		(3,950)		
Ending Available Balance		<u>\$ 463</u>		



**Community Services Department  
Recreation Division  
2013-14 Proposed Budget**

	<b>Recreation 044</b>	<b>Golf 481</b>	<b>Arts Endowment 613</b>	<b>E. Blum Recreation Trust 623</b>	<b>Blum Trust Pixie Woods 624</b>
	<i>See Page H-21</i>	<i>See Page H-23</i>	<i>See Page H-24</i>	<i>See Page H-25</i>	<i>See Page H-26</i>
<b>Beginning Available Balance</b>	<b>\$ 498,864</b>	<b>\$ 33,806</b>	<b>\$ 74,657</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Revenues</b>					
Recreation Programs	1,427,325	1,693,778			
Facility Admission and Rentals	311,000				
Community Centers	210,000				
Other Revenue			1,000		-
Donations					-
	<b>1,948,325</b>	<b>1,693,778</b>	<b>1,000</b>	<b>-</b>	<b>-</b>
<b>Expenditures</b>					
Administration	1,008,811				
Children's Museum	5,000				
Civic Auditorium	315,257				
Community Centers	1,709,174				
Pixie Woods	113,128				
Programs - After School	876,019				
Programs - Instructional	73,860				
Programs - Sports	640,612				
Silver Lake Camp	4,600				
Special Events	11,033				
Sports Commission	-				
Swimming Facilities	43,969				
Tennis Facilities	14,609				
Grants Awarded			50,000		
Materials & Supplies			-		
Program Costs		2,143,778			
	<b>4,816,072</b>	<b>2,143,778</b>	<b>50,000</b>	<b>-</b>	<b>-</b>
<b>Transfers</b>					
Transfer In - General Fund	2,845,000	450,000			
Transfer In - Other	-		-		-
Transfer Out	-		-	-	-
	<b>2,845,000</b>	<b>450,000</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net Annual Activity</b>	<b>(22,747)</b>	<b>-</b>	<b>(49,000)</b>	<b>-</b>	<b>-</b>
<b>Ending Available Balance</b>	<b>\$ 476,117</b>	<b>\$ 33,806</b>	<b>\$ 25,657</b>	<b>\$ -</b>	<b>\$ -</b>

**Community Services Department  
Recreation Division, Continued  
2013-14 Proposed Budget**

<b>Blum Trust Red Feather 625</b>	<b>A Cross 626</b>	<b>Arts Commission Special 641</b>	<b>Parks &amp; Recreation Trust 643</b>	<b>Special Revenue 683</b>	<b>Recreation Total</b>
<i>See Page H-27</i>	<i>See Page H-28</i>	<i>See Page H-29</i>	<i>See Page H-30</i>	<i>See Page H-31</i>	
\$ -	\$ 58,788	\$ -	\$ 67,555	\$ 42,479	\$ 776,149
			10,000		3,131,103
					311,000
					210,000
-			-	450	1,450
					-
-	-	-	10,000	450	3,653,553
					1,008,811
					5,000
					315,257
	41,500				1,709,174
					154,628
					876,019
					73,860
					640,612
					4,600
					11,033
					-
					43,969
					14,609
					50,000
					-
			30,000	-	2,173,778
-	41,500	-	30,000	-	7,081,350
					3,295,000
					-
-	-	-	-	-	-
-	-	-	-	-	3,295,000
-	(41,500)	-	(20,000)	450	(132,797)
\$ -	\$ 17,288	\$ -	\$ 47,555	\$ 42,929	\$ 643,352

## COMMUNITY SERVICES

### RECREATION FUND (044)

#### History

- This fund captures the financial transactions related to the system of recreational facilities and programs enjoyed by thousands of City residents and visitors.
- Resources used to support these programs include registration and facility rental fees, contract revenue, donations, admissions, and a General Fund subsidy.

#### 2012-13 Update

- Youth sports and recreational programming resumed at Seifert Community Center when Stockton Unified School District reduced its presence in the facility.
- Free Summer Lunch Program in Weston Ranch developed in collaboration with Manteca Unified School District.
- Efforts to secure a contractor to operate and manage the Stockton Soccer Complex were unsuccessful. The Department has begun managing the facility. Staff is working to improve the quality of the facility with limited resources. The first weekend of the City operation welcomed over 6,000 soccer enthusiasts.
- Participated in the *Concerts in the Park* downtown summer music series.
- Established social media presence on facebook\cosrecreation as a means to promote awareness of events and programs.
- Recreation is expected to end Fiscal Year 2012-13 with an available fund balance close to \$500,000, which is approximately 10% of annual operating expenditures. The components of that available fund balance are a \$61,000 projected fund balance for 2012-13, a \$269,000 lower than expected 2011-12 operating loss, and approximately \$169,000 from accumulated annual fund balances from years prior to 2008-09.

#### 2013-14 Budget Issues and Changes

- Open Pixie Woods children's theme park three additional hours each week and expand programming.
- Collaborate with the Library to establish Summer Reading and Summer Storytime programs.
- Develop new marketing strategies to increase community awareness of recreational opportunities.
- Resume summer programming for youth, and expand other programs at Seifert Community Center.
- Develop, and make available, an on-line, comprehensive, and easy to follow Special Event Permit fact sheet and application form.
- Research replacement options for reservation, league & registration software. Existing application service and support will not be available after 2014.
- Develop an annual program and facility management plan for the 8 field Stockton Soccer Complex.

**Community Services Department  
Recreation Services - 044  
2013-14 Proposed Budget**

	FY 2010-2011 <u>Actual</u>	FY 2011-2012 Unaudited <u>Actual</u>	FY 2012-2013 <u>Projected</u>	FY 2013-2014 Proposed <u>Budget</u>
<b>Beginning Available Balance</b>	<b>\$ 950,267</b>	<b>\$ 619,484</b>	<b>\$ 457,903</b>	<b>\$ 498,864</b>
<b>Revenues</b>				
Entertainment Venues (a)				
Recreation Programs	1,223,598	1,327,661	1,200,000	1,427,325
Facility Admission and Rentals	256,853	343,724	315,000	311,000
Community Centers	302,588	283,152	230,000	210,000
Other Revenue				
	<u>1,783,039</u>	<u>1,954,537</u>	<u>1,745,000</u>	<u>1,948,325</u>
<b>Expenditures</b>				
Administration	837,184	797,683	829,000	1,008,811
Children's Museum	94,120	5,495	2,000	5,000
Civic Auditorium	199,800	280,650	250,000	315,257
Community Centers	1,782,621	1,684,363	1,775,000	1,709,174
Pixie Woods	124,788	106,096	100,000	113,128
Programs - After School	684,584	880,678	828,000	876,019
Programs - Instructional	52,674	51,441	55,000	73,860
Programs - Sports	346,798	369,136	360,000	640,612
Silver Lake Camp	4,151	6,005	4,000	4,600
Special Events	97,078	120,758	130,000	11,033
Sports Commission	55,363	4,881		
Swimming Facilities	80,161	46,771	50,000	43,969
Tennis Facilities	18,589	19,424	16,000	14,609
	<u>4,377,911</u>	<u>4,373,381</u>	<u>4,399,000</u>	<u>4,816,072</u>
<b>Transfers</b>				
Transfer In - General Fund	2,941,711	2,757,263	2,340,000	2,845,000
Transfer In - Other			354,961	
Transfer Out - Golf Course	(677,622)	(500,000)		
	<u>2,264,089</u>	<u>2,257,263</u>	<u>2,694,961</u>	<u>2,845,000</u>
<b>Net Annual Activity</b>	<u>(330,783)</u>	<u>(161,581)</u>	<u>40,961</u>	<u>(22,747)</u>
<b>Ending Available Balance</b>	<b>\$ 619,484</b>	<b>\$ 457,903</b>	<b>\$ 498,864</b>	<b>\$ 476,117</b>
<b>Available Balance Calculation</b>				
Cash		\$ 291,472		
Accounts Receivable		443,946		
Current Liabilities		(277,515)		
Encumbrances				
Ending Available Balance		<u>\$ 457,903</u>		

(a) Entertainment Venues activity has been moved to a separate fund (086).

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## COMMUNITY SERVICES

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### GOLF FUND (481)

#### **History**

- This fund captures the financial transactions related to the operation and maintenance of two municipal golf courses.
- Swenson and Van Buskirk Golf Courses offer twenty seven and eighteen holes of play, respectively.
- Resources for this Enterprise Fund include fees, and a General Fund subsidy.
- The Golf courses have not been profitable for several years, and are not expected to return to a profitable position in the near future due to market saturation.

#### **2012-13 Update**

- The golf course management company, Kemper Sports, Inc. is nearing its second year of operation.
- A new and unexpected competitor entered the local golf market when a nearby private golf course opened to the public.
- Despite aggressive promotional pricing and cost cutting measures, revenue expectations will not be met, and significant irrigation and conveyance system repairs are needed at the VanBuskirk course, that required an increase to the 2012-13 General Fund subsidy.

#### **2013-14 Budget Issues and Changes**

- Current expectations indicate a \$450,000 General Fund subsidy will be required to continue existing service levels and hours of operation.
- No change in the market is expected for 2013-14. Kemper will continue efforts to attract business

**Community Services Department  
Golf - 481  
2013-14 Proposed Budget**

	FY 2010-2011 <u>Actual</u>	FY 2011-2012 Unaudited <u>Actual</u>	FY 2012-2013 <u>Projected</u>	FY 2013-2014 Proposed <u>Budget</u>
<b>Beginning Available Balance</b>	<b>\$ (334,504)</b>	<b>\$ 3,899</b>	<b>\$ 4,794</b>	<b>\$ 33,806</b>
<b>Revenues</b>				
Swenson Golf Course	1,126,374	1,260,192	1,073,415	1,145,333
Van Buskirk Golf Course	532,091	597,066	495,366	548,045
Other Revenues		(21,033)	20,963	400
	<u>1,658,465</u>	<u>1,836,225</u>	<u>1,589,744</u>	<u>1,693,778</u>
<b>Expenditures</b>				
Swenson Golf Course	1,195,093	1,390,097	1,289,120	1,271,623
Van Buskirk Golf Course	802,591	816,755	702,248	763,339
City Costs Contingency		128,478	71,364	108,816
	<u>1,997,684</u>	<u>2,335,330</u>	<u>2,062,732</u>	<u>2,143,778</u>
<b>Transfers</b>				
Transfer In - General Fund	677,622	500,000	502,000	450,000
	<u>677,622</u>	<u>500,000</u>	<u>502,000</u>	<u>450,000</u>
<b>Net Annual Activity</b>	<u>338,403</u>	<u>- 895</u>	<u>29,012</u>	<u>-</u>
<b>Ending Available Balance</b>	<b>\$ 3,899</b>	<b>\$ 4,794</b>	<b>\$ 33,806</b>	<b>\$ 33,806</b>
<b>Available Balance Calculation</b>				
Current assets		\$ 64,871		
Current liabilities		(60,077)		
Ending Available Balance		<u>\$ 4,794</u>		

**Community Services Department  
Arts Endowment - 613  
2013-14 Proposed Budget**

	FY 2010-2011 <u>Actual</u>	FY 2011-2012 Unaudited <u>Actual</u>	FY 2012-2013 <u>Projected</u>	FY 2013-2013 Proposed <u>Budget</u>
<b>Beginning Available Balance</b>	<b>\$ 1,501,362</b>	<b>\$ 136,959</b>	<b>\$ 93,258</b>	<b>\$ 74,657</b>
<b>Revenues</b>				
Interest	36,818	16,129	1,256	1,000
Grant	2,000			
	<u>38,818</u>	<u>16,129</u>	<u>1,256</u>	<u>1,000</u>
<b>Expenditures</b>				
Grants Awarded	103,221	58,500	50,000	50,000
Materials & Supplies		1,330		
	<u>103,221</u>	<u>59,830</u>	<u>50,000</u>	<u>50,000</u>
<b>Transfers</b>				
Transfer In - 641 Fund			30,143	
Transfer Out	(1,300,000)			
	<u>(1,300,000)</u>	<u>-</u>	<u>30,143</u>	<u>-</u>
<b>Net Annual Activity</b>	<u>(1,364,403)</u>	<u>(43,701)</u>	<u>(18,601)</u>	<u>(49,000)</u>
<b>Ending Available Balance</b>	<b>\$ 136,959</b>	<b>\$ 93,258</b>	<b>\$ 74,657</b>	<b>\$ 25,657</b>
<b>Available Balance Calculation</b>				
Cash		\$ 103,258		
Accounts Receivable				
Accounts Payable		(10,000)		
Principal endowment				
Ending Available Balance		<u>\$ 93,258</u>		

**Community Services Department  
Blum - General Recreation - 623  
2013-14 Proposed Budget**

	FY 2010-2011 <u>Actual</u>	FY 2011-2012 Unaudited <u>Actual</u>	FY 2012-2013 <u>Projected</u>	FY 2013-2014 Proposed <u>Budget</u>
<b>Beginning Available Balance</b>	\$ 2,000	\$ 2,000	\$ 2,034	\$ -
<b>Revenues</b>				
Interest	-	34	1	-
	<u>-</u>	<u>34</u>	<u>1</u>	<u>-</u>
<b>Expenditures</b>				
Library materials	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Transfers</b>				
Transfer In				
Transfer Out - Recreation Fund	-	-	(2,035)	-
	<u>-</u>	<u>-</u>	<u>(2,035)</u>	<u>-</u>
<b>Net Annual Activity</b>	<u>-</u>	<u>34</u>	<u>(2,034)</u>	<u>-</u>
<b>Ending Available Balance</b>	<u>\$ 2,000</u>	<u>\$ 2,034</u>	<u>\$ -</u>	<u>\$ -</u>
<b>Available Balance Calculation</b>				
Cash		\$ 2,034		
Ending Available Balance		<u>\$ 2,034</u>		

**Community Services Department  
Blum - Pixie Woods - 624  
2013-14 Proposed Budget**

	FY 2010-2011 <u>Actual</u>	FY 2011-2012 Unaudited <u>Actual</u>	FY 2012-2013 <u>Projected</u>	FY 2013-2014 Proposed <u>Budget</u>
<b>Beginning Available Balance</b>	<b>\$ 9,296</b>	<b>\$ 9,540</b>	<b>\$ 9,703</b>	<b>\$ -</b>
<b>Revenues</b>				
Interest	244	163	(18)	
	<u>244</u>	<u>163</u>	<u>(18)</u>	<u>-</u>
<b>Expenditures</b>				
Materials & Supplies		-	4,419	-
	<u>-</u>	<u>-</u>	<u>4,419</u>	<u>-</u>
<b>Transfers</b>				
Transfer In				
Transfer Out - Recreation Fund			(5,266)	
	<u>-</u>	<u>-</u>	<u>(5,266)</u>	<u>-</u>
<b>Net Annual Activity</b>	<u>244</u>	<u>163</u>	<u>(9,703)</u>	<u>-</u>
<b>Ending Available Balance</b>	<b>\$ 9,540</b>	<b>\$ 9,703</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Available Balance Calculation</b>				
Cash		\$ 9,703		
Ending Available Balance		<u>\$ 9,703</u>		

**Community Services Department  
Blum Red Feather - 625  
2013-14 Proposed Budget**

	FY 2010-2011 <u>Actual</u>	FY 2011-2012 Unaudited <u>Actual</u>	FY 2012-2013 <u>Projected</u>	FY 2013-2014 Proposed <u>Budget</u>
<b>Beginning Available Balance</b>	\$ 12,786	\$ 13,121	\$ 13,346	\$ -
<b>Revenues</b>				
Interest	335	225	(3)	-
	<u>335</u>	<u>225</u>	<u>(3)</u>	<u>-</u>
<b>Expenditures</b>				
Materials & Supplies	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Transfers</b>				
Transfer In				
Transfer Out - Ent. Venues Fund	-	-	(13,343)	-
	<u>-</u>	<u>-</u>	<u>(13,343)</u>	<u>-</u>
<b>Net Annual Activity</b>	<u>335</u>	<u>225</u>	<u>(13,346)</u>	<u>-</u>
<b>Ending Available Balance</b>	<u>\$ 13,121</u>	<u>\$ 13,346</u>	<u>\$ -</u>	<u>\$ -</u>
<b>Available Balance Calculation</b>				
Cash		\$ 13,346		
Ending Available Balance		<u>\$ 13,346</u>		

**Community Services Department  
Arlo Cross - 626  
2013-14 Proposed Budget**

	FY 2010-2011 <u>Actual</u>	FY 2011-2012 Unaudited <u>Actual</u>	FY 2012-2013 <u>Projected</u>	FY 2013-2014 Proposed <u>Budget</u>
<b>Beginning Available Balance</b>	<b>\$ 46,911</b>	<b>\$ 56,131</b>	<b>\$ 56,931</b>	<b>\$ 58,788</b>
<b>Revenues</b>				
Interest	9,416	800	1,857	-
	<u>9,416</u>	<u>800</u>	<u>1,857</u>	<u>-</u>
<b>Expenditures</b>				
Operating Expenditures	196	-	-	-
Capital Outlay				41,500
	<u>196</u>	<u>-</u>	<u>-</u>	<u>41,500</u>
<b>Transfers</b>				
Transfer In				
Transfer Out - Library Fund				
Transfer Out - Recreation Fund				
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Net Annual Activity</b>	<b>9,220</b>	<b>800</b>	<b>1,857</b>	<b>(41,500)</b>
<b>Ending Available Balance</b>	<b>\$ 56,131</b>	<b>\$ 56,931</b>	<b>\$ 58,788</b>	<b>\$ 17,288</b>
<b>Available Balance Calculation</b>				
Cash		\$ 56,931		
Ending Available Balance		<u>\$ 56,931</u>		

**Community Services Department  
Stockton Arts Commission Special Revenue - 641  
2013-14 Proposed Budget**

	FY 2010-2011 <u>Actual</u>	FY 2011-2012 Unaudited <u>Actual</u>	FY 2012-2013 <u>Projected</u>	FY 2013-2014 Proposed <u>Budget</u>
<b>Beginning Available Balance</b>	<b>\$ 37,612</b>	<b>\$ 29,553</b>	<b>\$ 29,499</b>	<b>\$ -</b>
<b>Revenues</b>				
Program Revenues				
Donations				
Interest	780	498	(3)	
	<u>780</u>	<u>498</u>	<u>(3)</u>	<u>-</u>
<b>Expenditures</b>				
Program costs	8,839	239	1	
Art awards		314		
Publicity & marketing				
	<u>8,839</u>	<u>553</u>	<u>1</u>	<u>-</u>
<b>Transfers</b>				
Transfer In				
Transfer Out - 613 Fund			(29,495)	
	<u>-</u>	<u>-</u>	<u>(29,495)</u>	<u>-</u>
<b>Net Annual Activity</b>	<b>(8,059)</b>	<b>(55)</b>	<b>(29,499)</b>	<b>-</b>
<b>Ending Available Balance</b>	<b>\$ 29,553</b>	<b>\$ 29,498</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Available Balance Calculation</b>				
Cash		\$ 29,499		
Accounts Receivable				
Ending Available Balance		<u>\$ 29,499</u>		

**Community Services Department  
Parks & Recreation Trust - 643  
2013-14 Proposed Budget**

	FY 2010-2011 <u>Actual</u>	FY 2011-2012 Unaudited <u>Actual</u>	FY 2012-2013 <u>Projected</u>	FY 2013-2014 Proposed <u>Budget</u>
<b>Beginning Available Balance</b>	<b>\$ 270,429</b>	<b>\$ 278,429</b>	<b>\$ 233,064</b>	<b>\$ 67,555</b>
<b>Revenues</b>				
Donations	10,789	11,840		
Program revenue	16,467	16,025	10,000	10,000
Interest income	5,591	4,014	300	
Fundraisers			-	
	<u>32,847</u>	<u>31,879</u>	<u>10,300</u>	<u>10,000</u>
<b>Expenditures</b>				
Program costs	24,847	77,246	30,000	30,000
	<u>24,847</u>	<u>77,246</u>	<u>30,000</u>	<u>30,000</u>
<b>Transfers</b>				
Transfer In - General Fund				
Transfer Out - Recreation Fund			(145,809)	
	<u>-</u>	<u>-</u>	<u>(145,809)</u>	<u>-</u>
<b>Net Annual Activity</b>	<u>8,000</u>	<u>(45,367)</u>	<u>(165,509)</u>	<u>(20,000)</u>
<b>Ending Available Balance</b>	<b>\$ 278,429</b>	<b>\$ 233,062</b>	<b>\$ 67,555</b>	<b>\$ 47,555</b>
<b>Available Balance Calculation</b>				
Cash		\$ 230,064		
Accounts Receivable		3,000		
Accounts Payable				
Ending Available Balance		<u>\$ 233,064</u>		

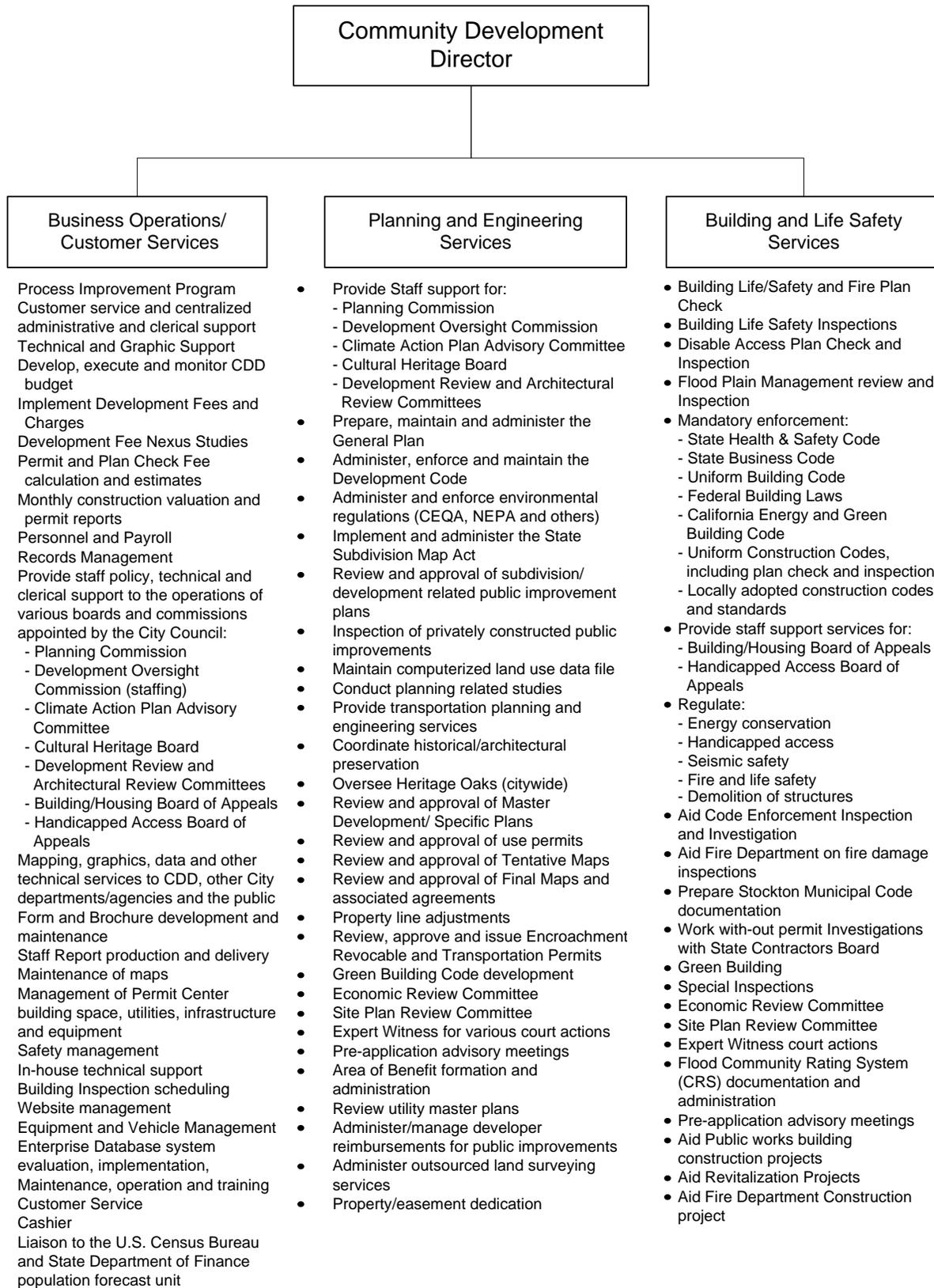
**Community Services Department  
Recreation Special Revenue - 683  
2013-14 Proposed Budget**

	FY 2010-2011 <u>Actual</u>	FY 2011-2012 Unaudited <u>Actual</u>	FY 2012-2013 <u>Projected</u>	FY 2013-2014 Proposed <u>Budget</u>
<b>Beginning Available Balance</b>	<b>\$ 307,140</b>	<b>\$ 281,631</b>	<b>\$ 302,044</b>	<b>\$ 42,479</b>
<b>Revenues</b>				
Donations		16,103		
Interest income	15,798	4,321	450	450
	<u>15,798</u>	<u>20,424</u>	<u>450</u>	<u>450</u>
<b>Expenditures</b>				
Program costs	41,307	11	63,015	
	<u>41,307</u>	<u>11</u>	<u>63,015</u>	<u>-</u>
<b>Transfers</b>				
Transfer In				
Transfer Out - Recreation Fund			(197,000)	
	<u>-</u>	<u>-</u>	<u>(197,000)</u>	<u>-</u>
<b>Net Annual Activity</b>	<b>(25,509)</b>	<b>20,413</b>	<b>(259,565)</b>	<b>450</b>
<b>Ending Available Balance</b>	<b>\$ 281,631</b>	<b>\$ 302,044</b>	<b>\$ 42,479</b>	<b>\$ 42,929</b>
<b>Available Balance Calculation</b>				
Cash		\$ 302,044		
Accounts Payable				
Ending Available Balance		<u>\$ 302,044</u>		



# TAB 9 COMMUNITY DEVELOPMENT





# COMMUNITY DEVELOPMENT DEPARTMENT



# COMMUNITY DEVELOPMENT DEPARTMENT

## MISSION STATEMENT

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

## Budget at a Glance: Proposed

Total Expenditures	\$7,917,602
Total Revenues	\$6,860,706
Total Net Cost	\$1,056,896
Total Staff	32

## DEPARTMENTAL DESCRIPTION

The Community Development Department is composed of the Building & Life Safety and Planning & Engineering Services divisions with departmental and Permit Center support provided by Administration/Business Operations. The purpose of the Department is to assure applicable codes and laws are implemented to meet basic health and safety standards consistent with Federal, State and City policy direction. The Department implements these policies under the goal of encouraging the City's long term economic sustainability. Community Development supports the Planning Commission, Development Oversight Commission, Climate Action Plan Advisory Committee, Cultural Heritage Board, Building and Housing Board of Appeals, and Handicap Access Board of Appeals. All divisions are located at the Permit Center. Funding is derived primarily from user fees with a smaller portion from federal grants and the General Fund.

## KEY ISSUES

Construction Industry Weakness Continues: As we conclude FY 2012-13, the City expects continuance of historically low new single family unit counts of less than 100 - the lowest rates of new single family home growth in over fifty years. For perspective, in FY1991-92, a year where California's economy began early recovery from the last severe recession, Stockton issued 1,299 new single family construction permits. At the height of the recent construction boom, FY 2002-03 through FY 2004-05, nearly 3,000 annual new units were produced. Even the deep recession of the early 1980s saw production of over 500 single family units each year. After extensive analysis of a forecasting model, staff expects to see a moderate increase in development activities with a new average ultimately reaching 700 units per year. Conservatively, that leveling off will occur by 2017, however, early signs indicate better than expected growth beginning in FY 2013-14, both in terms of new residential construction and non-residential tenant improvements.

In addition to the ongoing process and infrastructure improvements underway, FY 2013-14 will mark the start of several resource-intensive projects. The emergence of several critical policy actions and regulatory mandates sets the framework for the Department's work program in FY 2013-14 and beyond, including the City's planned adoption and incorporation of a Climate Action Plan into the General Plan; the need to adjust the General Plan Circulation Element, Housing Element, Capital Improvement Plan, and Fee Schedule; the Regional Housing Needs Assessment update plan; a downtown specific plan with a focus on transit-oriented, mixed use development opportunities, the LAFCo Municipal Services Review update plan; the Delta Bay Conservation Plan and accompanying State regulations; SB5 floodplain mapping; SB375 Regional Sustainable Transportation Plan; and the implications of the County General Plan update process. These matters are occurring at the same time as the reengineering of the structure, staffing and workflow processes at the City's Permit Center.

## COMMUNITY DEVELOPMENT DEPARTMENT

Management Partners, Inc. and the Urban Land Institute made over 60 recommendations in their 2012 reports that are now well underway. The resulting reorganization plan flattens and consolidates various functions so as to more efficiently and timely serve customers of the City Permit Center. For example, the plan calls for a consolidation of some building and fire prevention functions, namely application intake, permit review, plans examination, field inspection and records management pertaining to new construction and tenant improvements. The Fire Chief would maintain full authority over fire prevention aspects while delegating the operational tasks to the Building Official. A consolidated building – fire prevention process would cut down on multiple plan reviews and inspections, resulting in time and cost savings for the customer. This and other streamlining efforts under the reorganization plan will require assistance from Human Resources. The proposed reorganization plan first year cost implications include: 4 new positions (\$420,000); 5 modified positions (\$18,000); and consolidation of function costs (\$30,000). In addition, the staff reorganization plan has been developed to include new and/or reclassification of positions to provide process improvements and capacity to accomplish and maintain the projects mentioned above. The Management Partners study recommends 4 new positions with the possibility of 2 additional positions pending further analysis. Following the recommendations, additional positions include one Assistant Director - to backfill internal duties currently performed by the Director as the Director takes on a greater external role in representing the city and meeting the customer service needs of stakeholders, 2 new technicians positions to directly assist customer needs and one new program manager position in support of business system improvements.

An ongoing General Fund subsidy of \$1 million that began in FY 2012-13 is helping to fund these projects with additional implementation components to take place in FY 2013-14. In addition to working through bankruptcy related issues, the department experienced a dramatic vacancy rate, for much of the year, among management positions including two Deputy Director positions. While that void has now been filled, it did temporarily delay the implementation of the first set of process improvements. Those improvements are now set to resume alongside the next set of items. This will make for a busy but transformative year. The large process list will be funded by pairing the FY 2013-14 general fund subsidy with the FY 2012-13 subsidy; \$180,000 plus unspent carryover balance of \$820,000. The combined funding source will provide \$855,000 in one-time expenses related to the projects identified above, \$468,000 in ongoing costs related to the new staffing model, and \$677,000 for one-time transition-related costs (e.g. development code updates, specific plan for downtown revitalization, etc.). The model, as identified in the Management Partners analysis, front loads staff in the near term with no anticipated additions in the out years. Funding for these ongoing costs is anticipated to be offset by the increase in development activity rather than a general fund subsidy in the out years. Conservative estimates predict this funding transition to happen no later than 2017; however, current data indicates major improvements as early as FY 2013-14.

As recommended in the comprehensive review of 2012, a web-based permit tracking and fee management system will be procured and brought on-line shortly. Contracts will be negotiated and presented to the Council for authorization to procure software licenses, implementation and training services, and regular system updates. Funding stems from a combination of the Administrative Services – Information Technology Fund and some development fee reserves. The procurement, implementation and training costs are estimated at \$500,000 with on-going estimated costs for annual licensing of \$110,000.

Lastly, available fund balance has been drawn down in recent years to support the operations of the City Permit Center. Additional funds will be needed in future years to support major, mandated undertakings, such as a complete overhaul of the General Plan and its 11 Elements, plus the associated Capital Improvement Plan and Fee Schedule.

**Community Development Department  
2013-14 Proposed Budget**

	<b>Development Services 048</b>	<b>Public Facilities Fee Administration 999</b>	<b>Total</b>
	<i>See Page I-7 (excludes Fire portion of fund)</i>	<i>See Page I-8</i>	
<b>Beginning Available Balance</b>		<b>\$ 140,486</b>	
<b>Revenues</b>			
Fees	\$ 5,609,706	200,000	\$ 5,809,706
Grants	50,000	1,000	51,000
	<b>5,659,706</b>	<b>201,000</b>	<b>5,860,706</b>
<b>Expenditures</b>			
Operating Expense	7,720,204	197,398	7,917,602
	<b>7,720,204</b>	<b>197,398</b>	<b>7,917,602</b>
<b>Transfers</b>			
Transfer In - General Fund	1,000,000	-	1,000,000
Transfer Out	-	-	-
	<b>1,000,000</b>	<b>-</b>	<b>1,000,000</b>
<b>Net Annual Activity</b>	<b>\$ (1,060,498)</b>	<b>3,602</b>	<b>\$ (1,056,896)</b>
<b>Ending Available Balance</b>		<b>\$ 144,088</b>	
		-	
		Revenues	\$ 5,860,706
		Transfers	1,000,000
		Total Sources	<b>\$ 6,860,706</b>
		Expenditures	\$ 7,917,602
		Transfers	-
		Total Appropriations	<b>\$ 7,917,602</b>

**DEVELOPMENT SERVICES FUND (048)**

**History**

- This fund includes both the Community Development Department and Fire Prevention.
- The Development Services fund is a special revenue fund.
- Operating costs borne primarily by permit revenues.

**2012-13 Events**

- Vacant management positions were successfully recruited and filled during the fiscal year
- Evaluation and selection of a Permit Tracking system has begun with funding from the City-wide Technology System Plan of \$750,000.

**2013-14 Budget Issues and Changes**

- Implementation Action Plan underway and continuing through FY 2013-14
  - The contribution from the General Fund is to implement service improvements and to reflect support for those department costs appropriately funded by the community that have previously been supported by development related revenues.
  - There are a number of services and initiatives in this department that are more appropriately charged to the General Fund rather than recovered through development fees. The General Fund (\$1 million) will be used to cover these general government costs each year going forward.
  - Continue to implement recommended staffing, process and workflow efficiencies as part of the Implementation Action Plan.
- Fee Study
  - The second phase of a comprehensive Fee Study will be conducted to right-size Permit Center fees for the provision of customer services, municipal services across the City, as well as the development of capital improvements. This may impact overall revenue balances going forward.
- Technology Projects
  - A web-based permit tracking and fee management system will be funded through Information Technology Fund, and a small increment of fee reserves.

**Community Development and Fire Departments - Combined  
Development Services - 048  
2013-14 Proposed Budget**

	<u>FY 2010-2011</u> <u>Actual</u>	<u>FY 2011-2012</u> <u>Unaudited</u> <u>Actual</u>	<u>FY 2012-2013</u> <u>Projected</u>	<u>FY 2013-2014</u> <u>Proposed</u> <u>Budget</u>
<b>Beginning Available Balance</b>	<b>\$ 1,116,789</b>	<b>\$ 80,750</b>	<b>\$ 1,219,982</b>	<b>\$ 2,596,801</b>
Prior Period Adjustment	(633,638)	(80,750)		
Adjusted Beginning Fund Balance	<u>483,151</u>	<u>-</u>		
<b>Revenues</b>				
Community Development				
User Fees	5,440,122	4,437,132	4,276,485	4,276,485
Development Oversight	112,154	174,489	134,333	134,333
Technology Fee	276,974	305,463	281,353	281,353
CRS Administrative Fee		60,776	60,757	60,757
General Plan Maint & Impl		522,802	392,244	392,244
Development Code Maintenance		174,068	133,292	133,292
Climate Action Plan		174,067	130,677	130,677
Housing Element Prep/Impl/Main		87,040	66,585	66,585
Capital Preservation		173,796	133,480	133,480
Grants		50,000	50,000	50,000
Fines & Penalties		1,865	500	500
Refunds & Reimbursements				
	<u>5,829,250</u>	<u>6,161,498</u>	<u>5,659,706</u>	<u>5,659,706</u>
Fire Prevention				
User Fees	1,565,079	1,726,286	1,646,066	1,642,975
Safe & Sane Fireworks Program	24,872	26,715	26,435	26,435
Fines & Penalties	82,804	72,280	42,152	52,689
	<u>1,672,755</u>	<u>1,825,281</u>	<u>1,714,653</u>	<u>1,722,099</u>
Other Revenue	77,453			
	<u>7,579,458</u>	<u>7,986,779</u>	<u>7,374,359</u>	<u>7,381,805</u>
<b>Expenditures</b>				
Community Development				
Business Ops and Customer Svc	2,320,233	1,973,712	1,953,554	2,303,857
Planning & Engineering Services	2,376,754	1,845,325	1,694,058	1,701,449
Building and Life Safety	2,118,243	1,575,413	1,635,669	1,894,898
Dept. restructuring			180,000	1,820,000
	<u>6,815,230</u>	<u>5,394,450</u>	<u>5,463,281</u>	<u>7,720,204</u>
Fire Prevention				
Fire Prevention	1,634,020	1,475,566	1,527,833	1,713,010
Fire Public Education	18,814	20,518		
Safe & Sane Fireworks Program	26,113	26,263	6,426	24,990
	<u>1,678,947</u>	<u>1,522,347</u>	<u>1,534,259</u>	<u>1,738,000</u>
	<u>8,494,177</u>	<u>6,916,797</u>	<u>6,997,540</u>	<u>9,458,204</u>
<b>Transfers</b>				
Transfer In - General Fund				
Business Plans	512,318	150,000	1,000,000	1,000,000
Transfer Out				
	<u>512,318</u>	<u>150,000</u>	<u>1,000,000</u>	<u>1,000,000</u>
<b>Net Annual Activity</b>				
Community Development	(473,662)	767,048	1,196,425	(1,060,498)
Fire	(6,192)	302,934	180,394	(15,901)
Other	77,453	150,000	-	-
	<u>(402,401)</u>	<u>1,219,982</u>	<u>1,376,819</u>	<u>(1,076,399)</u>
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Ending Available Balance</b>	<b>\$ 80,750</b>	<b>\$ 1,219,982</b>	<b>\$ 2,596,801</b>	<b>\$ 1,520,402</b>
<b>Available Balance Calculation</b>				
Current Assets		\$ 2,227,311		
Current Liabilities		(922,847)		
Encumbrances		(84,482)		
Ending Available Balance		<u>\$ 1,219,982</u>		

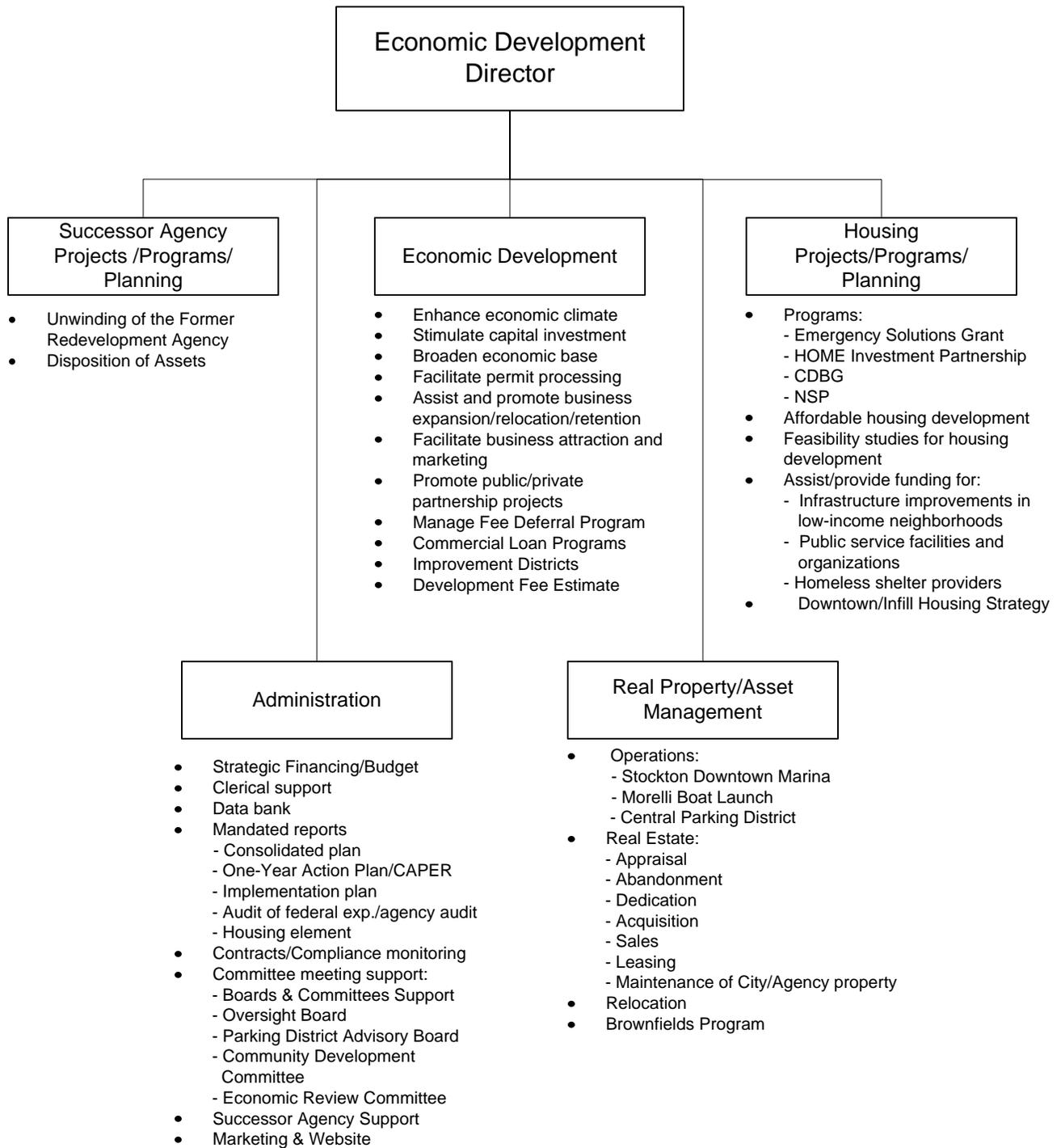
(a) The total Development Services Fund - 048 is presented with the Community Development Department budget. The portion relating to Fire has also been included on page F-9.

**Community Development  
Public Facilities Fee Administration - 999  
2013-14 Proposed Budget**

	<u>FY 2010-2011</u> <u>Actual</u>	<u>FY 2011-2012</u> <u>Unaudited</u> <u>Actual</u>	<u>FY 2012-2013</u> <u>Projected</u>	<u>FY 2013-2014</u> <u>Proposed</u> <u>Budget</u>
<b>Beginning Available Balance</b>	<b>\$ (87,899)</b>	<b>\$ 110,206</b>	<b>\$ 126,586</b>	<b>\$ 140,486</b>
<b>Revenues</b>				
Public Facilities Fee	135,520	159,853	200,000	200,000
Interest	(12,931)	2,236	1,000	1,000
	<u>122,589</u>	<u>162,089</u>	<u>201,000</u>	<u>201,000</u>
<b>Expenditures</b>				
Operating Expenses	404,484	145,709	212,100	197,398
	<u>404,484</u>	<u>145,709</u>	<u>212,100</u>	<u>197,398</u>
<b>Transfers</b>				
Transfer In - General Fund	480,000		25,000	
Transfer Out				
	<u>480,000</u>	<u>-</u>	<u>25,000</u>	<u>-</u>
<b>Net Annual Activity</b>	<u>198,105</u>	<u>16,380</u>	<u>13,900</u>	<u>3,602</u>
<b>Ending Available Balance</b>	<b>\$ 110,206</b>	<b>\$ 126,586</b>	<b>\$ 140,486</b>	<b>\$ 144,088</b>
<b>Available Balance Calculation</b>				
Cash		\$ 126,794		
Encumbrances		(208)		
Ending Available Balance		<u>\$ 126,586</u>		

**TAB 10      ECONOMIC DEVELOPMENT**





# ECONOMIC DEVELOPMENT DEPARTMENT



# ECONOMIC DEVELOPMENT DEPARTMENT

## MISSION STATEMENT

To expand and diversify the City of Stockton's economic base; to aid in the elimination of slums and blight; to provide real property services to City and Agency staff; to provide adequate parking facilities downtown; and to facilitate the preservation and production of affordable housing.

## Budget at a Glance: Proposed

Total Expenditures	\$19,667,650
Total Revenues	\$12,838,628
Total Net Cost	\$6,829,022
Total Staff	18

## DEPARTMENTAL DESCRIPTION

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

The Economic Development Division engages in activities that expand and diversify the City of Stockton's economic base to attract, retain, and assist with the creation of quality jobs in an effort to establish an economically sustainable community. The division works directly with businesses to facilitate start-up or expansion within Stockton and interacts with resource providers, such as the San Joaquin Partnership, San Joaquin County WorkNet, San Joaquin County Enterprise Zone, and San Joaquin Delta College Small Business Development Center to connect those resources to business. The division also supports the Miracle Mile and Downtown Stockton improvement districts. The division manages a micro loan program, commercial facade improvement forgivable loan program, commercial emergency grant program, and non-residential fee deferral program.

The Successor Agency Division is responsible for winding down the activities of the former Stockton Redevelopment Agency (SRDA). The Redevelopment Agency financed development activities in four targeted geographic "project areas," adopted between 1961 and 2009. Activities were financed through incremental property taxes earned on property value appreciation over and above the baseline valuations at the time of project area formation. Through the passage of Assembly Bill x1 26, which was amended by Assembly Bill 1484, redevelopment agencies were dissolved and replaced with successor agencies effective February 1, 2012. An Oversight Board directs and/or approves actions of the Successor Agency.

The Housing Division is responsible for administering a number of Federal and State Grant Programs. The division uses these funds to preserve and produce affordable and workforce housing, fund non-profit organizations that provide public services for low-income residents of the community, to rehabilitate or construct public facilities, and to assist the homeless.

The Property Management Division manages City facilities, such as the Marina, and provides real estate related services to City departments. The division also manages the Central Parking District (CPD).

**KEY ISSUES**

For the Economic Development Division, the state and national economy continue to be the key issues restraining overall economic development activities throughout the nation. The division continues to meet with retail, logistics, and manufacturing companies. Although those efforts resulted in eight companies announcing a Stockton location this year, that number is significantly lower than pre-recession years. The ongoing state budget crisis threatens to drastically reduce the benefits of the Enterprise Zone program upon which Stockton and San Joaquin County rely to attract new companies.

Budget for the Division increased, due in part to the reallocation of staff costs from the dissolved Redevelopment Agency and charges to the Federal Housing programs to reflect current staffing assignments and program delivery. In addition, there is a one-time cost included in the FY 2013-14 budget to fund an economic development strategic plan.

Successor Agency Division annual tax increment revenues continue to decline. Funding from the working capital conversion of available bond proceeds were depleted in FY 2012-13, and projected tax increment in FY 2013-14, along with proceeds from the sale of an agency property, will not be sufficient to meet all of the Agency's enforceable obligations. The Agency will continue to work with San Joaquin County Auditor-Controller and the State Department of Finance to provide coverage of its bond and other enforceable obligations to the best of its ability. It will be necessary for the City's General Fund to continue to support the administrative and overhead costs of the Successor Agency at a reduced level. The lower subsidy has been determined now that the City has experience with the level of Successor Agency activities.

Housing Division annual Federal entitlement funds are expected to be reduced by 8% in the Community Development Block Grant, HOME Investment Partnerships, and Emergency Solutions Grant Programs for FY 2013-14. For CDBG, this represents a 37% reduction since FY 2010-11 and for HOME it is a 53% reduction. With debt repayments from prior HUD Section 108 loans obligated through 2024, these entitlement reductions directly affect the housing programs and services provided to the community. The decrease in staff that has resulted from the reduction in allocations will also continue to affect the implementation of programs during FY 2013-14.

The Neighborhood Stabilization Program grants (NSP), awarded in 2009 and 2011, continue to fund acquisition and rehabilitation of foreclosed homes through the use of program income received from the sale of those homes to low and moderate income buyers. Acquisition and rehabilitation of foreclosed apartment complexes which will provide housing for persons with incomes at or below 50% of Area Median Income (AMI) will also continue.

Property Management Division provides shared support staffing to all departments throughout the City in addition to oversight of projects planned for this fiscal year within the department. Some of the projects for other departments include the Newcastle Water Transmission Project, sewer and water easements for the proposed Veterans complex, and completion of acquisitions for the Sperry Road extension project and El Dorado Project. Projects within the department that are overseen include: continued property management of City and Successor Agency assets, developing programs for the sale of City and Successor Agency assets, Brownfields projects, and development of an asset management program for City-wide properties. Budget in the new fiscal year increased due to the reallocation of some staff costs from the dissolved Redevelopment Agency and the Federal Housing programs to align the budget with staffing assignments and responsibilities. Budget was also increased to cover maintenance costs of City-owned properties. Central Parking budget has been impacted by Chapter 9 Bankruptcy costs allocated to the fund, and necessary major maintenance projects.

**Economic Development Department  
2013-14 Proposed Budget**

	<b>General Fund</b>		<b>HUD/ Housing</b>	<b>Property Management</b>	<b>Low/Mod Housing</b>	<b>Economic Development Total</b>
	<u>010</u>		<u>See Page J-8</u>	<u>See Page J-28</u>	<u>See Page J-36</u>	
	<i>See Page J-6</i>					
<b>Beginning Available Balance</b>		<b>\$ 5,902,691</b>		<b>\$ 1,152,672</b>		<b>\$ 37,429</b>
<b>Revenues</b>						
Tax Increment						-
Grants & Entitlements		5,495,109				5,495,109
Assessment & Use Fees				4,950,597		4,950,597
Interest						-
Other Revenue	10,575					10,575
	<u>10,575</u>	<u>5,495,109</u>		<u>4,950,597</u>	<u>-</u>	<u>10,456,281</u>
<b>Expenditures</b>						
Employee Services	510,363					510,363
Other Services	426,395					426,395
Materials and Supplies	6,420					6,420
Other Expenses	24,180					24,180
Loan Programs		4,482,453				4,482,453
Program Expense		2,619,899		4,284,636		6,904,535
Operating Expense		976,117				976,117
Economic Development		490,000				490,000
Debt Service		2,182,990		-		2,182,990
Capital Projects				-		-
Other Expenses		157,656				157,656
	<u>967,358</u>	<u>10,909,115</u>		<u>4,284,636</u>	<u>-</u>	<u>16,161,109</u>
<b>Transfers</b>						
Transfer In - General Fund				160,000		160,000
Transfer In - Other Funds					2,222,347	2,222,347
Transfer Out				(1,284,194)	(2,222,347)	(3,506,541)
	<u>-</u>	<u>-</u>		<u>(1,124,194)</u>	<u>-</u>	<u>(1,124,194)</u>
<b>Net Annual Activity</b>	<u>\$ (956,783)</u>	<u>(5,414,006)</u>		<u>(458,233)</u>	<u>-</u>	<u>\$ (6,829,022)</u>
<b>Ending Available Balance</b>		<u>\$ 488,685</u>		<u>\$ 694,439</u>	<u>\$ 37,429</u>	
						-
						\$ 10,456,281
						2,382,347
						<u>\$ 12,838,628</u>
						-
						\$ 16,161,109
						3,506,541
						<u>\$ 19,667,650</u>

**Economic Development Department  
General Fund - 010  
2013-14 Proposed Budget**

	<b>FY 2010-2011</b>	<b>FY 2011-2012</b>	<b>FY 2012-2013</b>	<b>FY 2013-2014</b>
	<b>Actual</b>	<b>Unaudited Actual</b>	<b>Current Budget</b>	<b>Proposed Budget</b>
<b>Total Economic Development Department</b>				
Employee Services	150,852	165,903	320,431	510,363
Other Services	166,582	180,167	321,779	426,395
Materials and Supplies	662	2,405	17,104	6,420
Other Expenses	885	6,811	23,430	24,180
Total	<u>318,981</u>	<u>355,286</u>	<u>682,744</u>	<u>967,358</u>
<b>Economic Development</b>				
Employee Services	130,010	121,337	260,620	398,885
Other Services	163,358	171,216	308,294	399,044
Materials and Supplies	334	1,100	3,984	5,300
Other Expenses	137	6,166	23,000	23,000
Total	<u>293,839</u>	<u>299,819</u>	<u>595,898</u>	<u>826,229</u>
<b>Real Property</b>				
Employee Services	20,842	44,566	59,811	111,478
Other Services	3,224	8,951	13,485	27,351
Materials and Supplies	328	1,305	13,120	1,120
Other Expenses	748	645	430	1,180
Total	<u>25,142</u>	<u>55,467</u>	<u>86,846</u>	<u>141,129</u>



**Economic Development Department  
Housing Division  
2013-14 Proposed Budget**

	<b>Community Development Block Grants 052/054/062</b> <i>See Page J-11</i>	<b>Emergency Shelter Grant 057</b> <i>See Page J-13</i>	<b>HOME 058/059</b> <i>See Page J-15</i>	<b>Special Grant and Loans 053</b> <i>See Page J-17</i>
<b>Beginning Available Balance</b>	<b>\$ 3,480,291</b>	<b>\$ -</b>	<b>\$ 1,146,634</b>	<b>\$ 21,347</b>
<b>Revenues</b>				
Entitlements	2,848,684	300,276	1,051,039	
Loan Repayments				
Other Revenue	165,000		120,000	
	<b>3,013,684</b>	<b>300,276</b>	<b>1,171,039</b>	<b>-</b>
<b>Expenditures</b>				
Program Expenses	769,982	300,276	222,208	
Operating Expenses	976,117			
Debt Service - Section 108	2,182,990			
CHDO Set-aside loan pool			157,656	
Economic Development Loan programs	490,000			
	2,074,886		1,937,809	
	<b>6,493,975</b>	<b>300,276</b>	<b>2,317,673</b>	<b>-</b>
<b>Transfers</b>				
Transfer In - Other Funds				-
Transfer Out - Waterfront 343				-
	-	-	-	-
<b>Net Annual Activity</b>	<b>(3,480,291)</b>	<b>-</b>	<b>(1,146,634)</b>	<b>-</b>
<b>Ending Available Balance</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 21,347</b>

**Economic Development Department  
Housing Division, Continued  
2013-14 Proposed Budget**

	<b>FACADE Rehab Loan 056</b>	<b>CALHOME Loan 060</b>	<b>State Housing Loan 061</b>	<b>Neighborhood Stabilization Program 063/064</b>	<b>Housing Total</b>
	<i>See Page J-18</i>	<i>See Page J-21</i>	<i>See Page J-22</i>	<i>See Page J-25</i>	
<b>Beginning Available Balance</b>	<b>\$ -</b>	<b>\$ 37,330</b>	<b>\$ 419,898</b>	<b>\$ 797,191</b>	<b>\$ 5,902,691</b>
<b>Revenues</b>					
Entitlements				1,000,000	5,199,999
Loan Repayments		-	6,110		6,110
Other Revenue			4,000		289,000
	<u>-</u>	<u>-</u>	<u>10,110</u>	<u>1,000,000</u>	<u>5,495,109</u>
<b>Expenditures</b>					
Program Expenses			-	1,327,433	2,619,899
Operating Expenses					976,117
Debt Service - Section 108					2,182,990
CHDO Set-aside loan pool					157,656
Economic Development Loan programs		-		469,758	4,482,453
	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,797,191</u>	<u>10,909,115</u>
<b>Transfers</b>					
Transfer In - Other Funds					-
Transfer Out - Waterfront 343					-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Net Annual Activity</b>	<u>-</u>	<u>-</u>	<u>10,110</u>	<u>(797,191)</u>	<u>(5,414,006)</u>
<b>Ending Available Balance</b>	<b>\$ -</b>	<b>\$ 37,330</b>	<b>\$ 430,008</b>	<b>\$ -</b>	<b>\$ 488,685</b>

## **COMMUNITY DEVELOPMENT BLOCK GRANTS (CDBG) (052, 054, & 054)**

### **History**

- The Community Development Block Grant (CDBG) Program is authorized under Title I of the Housing and Community Development Act of 1974, as amended.
- The program must primarily benefit low and moderate income persons.
- The primary objective of the Act is the development of viable communities by providing:
  - Decent Housing
  - Suitable living environment
  - Expanded economic opportunities
- These funds manage the annual federal entitlement funding for CDBG activities.
- Entitlement, program income, and revolving loan funds are separated for ease of federal financial reporting.
- 20% of entitlement plus program income received during the current fiscal year can be used for administrative costs.
- The CDBG budget includes the following components:
  - Program Delivery costs
  - Housing Loan Pool
  - Sub-Recipient Assistance
  - Economic Development Program
  - Debt Service (Section 108 Loan)

### **2012-13 Events**

- Annual Entitlement of CDBG decreased 18% in FY 2012-13 from the prior fiscal year.
- Elimination of the Redevelopment Agency has resulted in moving eligible staffing costs to CDBG Administration and Program Delivery where appropriate.
- Short term funding from CalHome relieved the CDBG fund to allow additional funding for the Housing Loan Pool.

### **2013-14 Budget Issues and Changes**

- HUD has estimated a reduction of the CDBG annual entitlement grant by an additional 8% resulting in reductions to the Housing Loan Pool, Economic Development Programs, and available budget for Administration and Program Delivery.
- Unused and uncommitted funds expire at the end of the fiscal year. Remaining funds are reallocated annually as reprogrammed funds.

**Housing Division**  
**Community Development Block Grants - 052 - 054 - 062**  
**2013-14 Proposed Budget**

	FY 2010-2011	FY 2011-2012	FY 2012-2013	FY 2013-2014
	Actual	Unaudited Actual	Projected	Proposed Budget
<b>Beginning Available Balance</b>	<b>\$ 27,666,916</b>	<b>\$ 889,153</b>	<b>\$ 3,869,118</b>	<b>\$ 3,480,291</b>
Prior Period Adjustment	(27,013,723)			
Adjusted Beginning Fund Balance	<u>653,193</u>			
<b>Revenues</b>				
CDBG Entitlement	3,835,222	3,967,399	3,690,450	2,848,684
Interest earned	(137,473)	(10,568)	31,095	
Loan Repayments	14,428,151	82,663	305,395	165,000
Other Revenue	3,669	153,373	1,924	
Reimbursements	5,454	2,226		
	<u>18,135,023</u>	<u>4,195,093</u>	<u>4,028,864</u>	<u>3,013,684</u>
<b>Expenditures</b>				
Administration	467,577	470,407	529,702	599,737
Program Delivery	513,189	337,682	305,206	376,380
Debt Service - Section 108	2,272,543	2,237,493	2,207,670	2,182,990
Subrecipient Assistance	257,244	422,639	284,795	365,000
Housing Loan Pool	14,402,701	82,855	415,624	2,074,886
Economic Dev Program			123,218	490,000
Code Enforcement	579,196	514,467	458,802	389,982
Emergency Repair			48,873	15,000
Infrastructure	184			
Other expenditures			20,156	
Interest Paid to HUD			23,645	
	<u>18,492,634</u>	<u>4,065,543</u>	<u>4,417,691</u>	<u>6,493,975</u>
<b>Transfers</b>				
Transfer In	88,000			
Transfer In - Funds	505,571			
Transfer Out				
	<u>593,571</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Net Annual Activity</b>	<u>235,960</u>	<u>129,550</u>	<u>(388,827)</u>	<u>(3,480,291)</u>
<b>Ending Available Balance</b>	<u>\$ 889,153</u>	<u>\$ 1,018,703</u>	<u>\$ 3,480,291</u>	<u>\$ -</u>
<b>Available Balance Calculation</b>				
Current assets		\$ 1,100,293		
Current liabilities		(81,591)		
Encumbrances		(156,099)		
Loan commitments		(1,174,674)		
Due from HUD		4,181,189		
Ending Available Balance		<u>\$ 3,869,118</u>		

## **EMERGENCY SOLUTIONS GRANT (ESG) HOMELESS PREVENTION & RAPID RE-HOUSING (HPRP) (057)**

### **History**

- This fund was established primarily to manage the annual federal entitlement for the Emergency Shelter Grant (ESG).
- In 2009, we received an additional one-time grant of \$1.7 million for Homeless Prevention & Rapid Re-Housing (HPRP) through the American Recovery and Reinvestment Act of 2009.
- HPRP funds are used to assist individuals and families who are homeless or at risk of becoming homeless.
- In 2011, the Emergency Shelter Grant became the Emergency Solutions Grant, and the parameters were expanded.
- Use of ESG funds has a requirement that they be matched 100% with other funding.
- ESG funds are used to assist homeless shelters and service providers with maintenance and operation expenses, to provide homeless prevention, and to re-house those who have become homeless.

### **2012-13 Events**

- HPRP funds were fully expended in 2012-13.
- Annual Entitlement of ESG increased 14% in FY 2012-13 from the prior fiscal year.
- Requirements for administration of the revised ESG fund were significantly increased, so for the first time ESG funds were allocated for Administration costs.

### **2013-14 Budget Issues and Changes**

- HUD has estimated a reduction of the ESG annual entitlement grant by 8% resulting in a reduction of funding for sub-recipients and administrative costs.
- ESG funding is fully committed each year to local homeless shelters, homeless service providers and program administration.

**Housing Division  
Emergency Shelter Grant - 057  
2013-14 Proposed Budget**

	<b>FY 2010-2011</b>	<b>FY 2011-2012</b>	<b>FY 2012-2013</b>	<b>FY 2013-2014</b>
	<b>Actual</b>	<b>Unaudited Actual</b>	<b>Projected</b>	<b>Proposed Budget</b>
<b>Beginning Available Balance</b>	<b>\$ (5,914)</b>	<b>\$ (78,508)</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Revenues</b>				
ESG Entitlement	185,475	188,224	187,084	300,276
HPRP Grant	617,873	527,965	182,805	
Interest Earned	(1,979)			
	<b>801,369</b>	<b>716,189</b>	<b>369,889</b>	<b>300,276</b>
<b>Expenditures</b>				
ESG Community Program Services	198,805	184,832	315,098	289,260
HPRP Employee Services	11,383	6,687	747	
HPRP Community Program Services	670,378	568,688	42,044	
Administration			12,000	11,016
	<b>880,566</b>	<b>760,207</b>	<b>369,889</b>	<b>300,276</b>
<b>Transfers</b>				
Transfer In - Facade Fund - 056	6,603			
Transfer Out				
	<b>6,603</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net Annual Activity</b>	<b>(72,594)</b>	<b>(44,018)</b>	<b>-</b>	<b>-</b>
<b>Ending Available Balance</b>	<b>(78,508)</b>	<b>(122,526)</b>	<b>-</b>	<b>-</b>
<b>Available Balance Calculation</b>				
Cash		\$ (30,599)		
Accounts payable		(91,927)		
Encumbrances		(58,495)		
HPRP commitments				
ESG commitments		(249,327)		
Due from HUD - HPRP		122,588		
Due from HUD - ESG		307,760		
Ending Available Balance		<b>\$ -</b>		

## **HOME INVESTMENT PARTNERSHIP PROGRAM (HOME) (058 & 059)**

### **History**

- The HOME program was created by the National Housing Act of 1990, as amended. The objectives of the HOME Program are to:
  - Provide decent affordable housing to lower-income households;
  - Strengthen the ability of state and local governments to provide housing;
  - Leverage private-sector participation.
- These funds manage the annual federal entitlement funding for HOME activities.
- Entitlement and program income are separated for ease of federal financial reporting.
- 10% of entitlement plus program income received during the current fiscal year can be used toward administrative costs.
- The HOME budget includes the following components:
  - HOME Administration
  - Program Delivery
  - Loan Fund
  - CHDO Set-Aside

### **2012-13 Events**

- Annual Entitlement of HOME funds decreased 42% in FY 2012-13 from the prior fiscal year.
- Elimination of the Redevelopment Agency has resulted in moving eligible staffing costs to HOME Administration and Program Delivery where appropriate.
- An excess of unused funds in the loan pool has resulted in a need to commit at least \$3.1 million to eligible projects by June 30, 2013.
- San Joaquin Apartments were completed in September 2012, providing 16 units for low income households. The project utilized HOME and NSP funds.

### **2013-14 Budget Issues and Changes**

- HUD has reduced the annual 2012-13 HOME entitlement grant by an additional 8%, impacting the budget for administration and program delivery.
- The required commitment of \$3.1 million in FY 2012-13 significantly reduced funding available for the housing loan pool in FY 2013-14
- Unused funds in the loan pool roll over to the next fiscal year, but administrative and program delivery budgets expire at the end of the fiscal year.

**Housing Division  
HOME - 058/059  
2013-14 Proposed Budget**

	<u>FY 2010-2011</u> <u>Actual</u>	<u>FY 2011-2012</u> <u>Unaudited</u> <u>Actual</u>	<u>FY 2012-2013</u> <u>Projected</u>	<u>FY 2013-2014</u> <u>Proposed</u> <u>Budget</u>
<b>Beginning Available Balance</b>	<b>\$ 316,113</b>	<b>\$ 77,494</b>	<b>\$ 4,156,281</b>	<b>\$ 1,146,634</b>
<b>Revenues</b>				
HOME Program Income	2,402,285	1,022,641	1,205,768	1,051,039
HOME Recaptured Funds	877,830	789,167	112,995	120,000
Interest	8,855	5,184	14,585	
Other Revenue	1,189			
	<u>3,290,159</u>	<u>1,816,992</u>	<u>1,333,348</u>	<u>1,171,039</u>
<b>Expenditures</b>				
Administration	163,055	179,781	89,491	117,104
CHDO Set-aside loan pool		129,344		157,656
Loan programs	3,285,427	581,371	4,155,314	1,937,809
Program Delivery	80,296	71,644	98,190	105,104
Loan Forgiveness				
Prior Period Correction				
	<u>3,528,778</u>	<u>962,140</u>	<u>4,342,995</u>	<u>2,317,673</u>
<b>Transfers</b>				
Transfer In				
Transfer Out	-	-	-	-
<b>Net Annual Activity</b>	<u>(238,619)</u>	<u>854,852</u>	<u>(3,009,647)</u>	<u>(1,146,634)</u>
<b>Ending Available Balance</b>	<u>\$ 77,494</u>	<u>\$ 932,346</u>	<u>\$ 1,146,634</u>	<u>\$ -</u>
<b>Available Balance Calculation</b>				
Current assets		\$ 985,806		
Current liabilities		(53,460)		
Loan commitments		(3,275,436)		
Due from HUD		6,499,371		
Ending Available Balance		<u>\$ 4,156,281</u>		

**SPECIAL PURPOSE CDBG FUND (053)****History**

- This fund was established to manage one-time Community Development Block Grant (CDBG) special purpose grants and loans.
- Entitlements such as EDI and BEDI have moved through this fund.
- This fund is currently being used for the CDBG-R disaster recovery grant awarded in 2009 in the amount of \$1,128,456, authorized under the American Recovery and Reinvestment Act of 2009.
- 10% of total grant funds can be used for administration costs.
- The purpose of the CDBG-R grant is for communities to carry out, on an expedited basis, activities eligible under the CDBG Program, in particular:
  - Economic Development
  - Housing
  - Infrastructure
  - Other public facility activities that will further economic development

**2012-13 Events**

- Four commercial façade loans and one micro-business loan were completed.
- Funding was given to the Stockton Shelter for the Homeless to expand their refrigeration unit and funding was provided to the Emergency Food Bank to purchase a new cooler.
- Demolition of the Land Hotel was completed.
- Funding was provided to the Downtown Stockton Alliance for repairs to one of the City-owned downtown hotels.
- CDBG-R funds were fully expended in FY 2012-13.

**2013-14 Budget Issues and Changes**

- No additional funding will be awarded for the CDBG-R grant.

**Housing Division  
Special Grant & Loan Programs - 053  
2013-14 Proposed Budget**

	<u>FY 2010-2011</u>	<u>FY 2011-2012</u>	<u>FY 2012-2013</u>	<u>FY 2013-2014</u>
	<u>Actual</u>	<u>Unaudited Actual</u>	<u>Projected</u>	<u>Proposed Budget</u>
<b>Beginning Available Balance</b>	<b>\$ 1,490,763</b>	<b>\$ 2,602,779</b>	<b>\$ (56,010)</b>	<b>\$ 21,347</b>
Prior Year Correction	(39,998)			
<b>Actual Available Balance</b>	<b><u>1,450,765</u></b>			
<b>Revenues</b>				
EDI Grant Funds (8601)				
BEDI Grant Funds (8602)	1,212,806	259,462	621,320	
CDBG-R Grant 2009-10 (8229)	247,674	1,176	1,373	
Interest Earnings	2,140			
	<b><u>1,462,620</u></b>	<b><u>260,638</u></b>	<b><u>622,693</u></b>	<b><u>-</u></b>
<b>Expenditures</b>				
CDBG-R Expenditures	7,419	218,254	545,336	
CIP399 for Morelli				
	<b><u>7,419</u></b>	<b><u>218,254</u></b>	<b><u>545,336</u></b>	<b><u>-</u></b>
<b>Transfers</b>				
Transfer In - Facade Fund - 056	16,659			
Transfer Out - CDBG - 054	(319,846)			
	<b><u>(303,187)</u></b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>-</u></b>
<b>Net Annual Activity</b>	<b><u>1,152,014</u></b>	<b><u>42,384</u></b>	<b><u>77,357</u></b>	<b><u>-</u></b>
<b>Ending Available Balance</b>	<b><u>\$ 2,602,779</u></b>	<b><u>\$ 2,645,163</u></b>	<b><u>\$ 21,347</u></b>	<b><u>\$ 21,347</u></b>
<b>Available Balance Calculation</b>				
Cash		\$ 2,668,928		
Accounts Receivable		\$ (23,766)		
Loan Commitments		(160,380)		
Encumbrances		(356,824)		
BEDI		(1,212,806)		
Section 108		(1,514,389)		
Due from HUD		543,227		
Ending Available Balance		<b><u>\$ (56,010)</u></b>		

**Housing Division  
Facade Rehab Loan - 056  
2013-14 Proposed Budget**

	<u>FY 2010-2011</u>	<u>FY 2011-2012</u>	<u>FY 2012-2013</u>	<u>FY 2013-2014</u>
	<u>Actual</u>	<u>Unaudited Actual</u>	<u>Projected</u>	<u>Proposed Budget</u>
<b>Beginning Available Balance</b>	<b>\$ 238,457</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Revenues</b>				
Revenue Source				
Interest Earned	5,240			
	<u>5,240</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Expenditures</b>				
Administration				
Loan Expenditures				
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Transfers</b>				
Transfer In				
Transfer Out - CDBG - 052	(189,528)			
Transfer Out - Special Grant & Loan - 053	(17,000)			
Transfer Out - Emergency Shelter - 057	(6,738)			
Transfer Out - CALHOME - 060	(30,431)			
	<u>(243,697)</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Net Annual Activity</b>	<u>(238,457)</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Ending Available Balance</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Available Balance Calculation</b>				
Cash				
Ending Available Balance		<u>\$ -</u>		



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

- HELP funding was received in prior fiscal years in amounts totaling \$1,050,000.
- HELP fund has been fully expended and the debt to the State of California was paid in full in FY 2010-11.
- CalHOME funding was received in prior fiscal years in amounts totaling \$1,500,000.
- CalHOME fourth round funding was awarded in 2009 for \$900,000.
- HELP and CalHOME funding is used for single-family and multi-family rehabilitation and down payment assistance to benefit low and moderate income persons and families.
- Program income under both HELP and CalHOME has been recycled back into loans.

**2012-13 Events**

- Through April 2013, two rehabilitation loans and twelve down payment assistance loans had been provided in FY 2012-13 totaling \$236,974.

**2013-14 Budget Issues and Changes**

- CalHOME funding expires in September 2013; a request to extend the grant one additional year has been submitted.
- Due to the difficulty of meeting income and loan to value requirements, the entire amount of this grant might not be fully expended before the grant expires.

**Housing Division  
CALHOME Loan - 060  
2013-14 Proposed Budget**

	<u>FY 2010-2011</u>	<u>FY 2011-2012</u>	<u>FY 2012-2013</u>	<u>FY 2013-2014</u>
	<u>Actual</u>	<u>Unaudited Actual</u>	<u>Projected</u>	<u>Proposed Budget</u>
<b>Beginning Available Balance</b>	<b>\$ 2,073,803</b>	<b>\$ (4,313)</b>	<b>\$ 31,704</b>	<b>\$ 37,330</b>
Prior Year Correction	(2,107,507)			
<b>Actual Available Balance</b>	<b>(33,704)</b>			
<b>Revenues</b>				
CalHome Loan Program 2005				
CalHome Loan Program 2007				
CalHome Loan Program 2009				
Loan Repayments	4,928	7,524	8,000	
Interest Earnings	(1,507)	(144)	(2,374)	
	<u>3,421</u>	<u>7,380</u>	<u>5,626</u>	<u>-</u>
<b>Expenditures</b>				
Prior Period Adjustment	3,850			
Loans to Property Owners		899,788		
	<u>3,850</u>	<u>899,788</u>	<u>-</u>	<u>-</u>
<b>Transfers</b>				
Transfer In - Facade Fund - 056	29,820			
Transfer Out				
	<u>29,820</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Net Annual Activity</b>	<u>29,391</u>	<u>(892,408)</u>	<u>5,626</u>	<u>-</u>
<b>Ending Available Balance</b>	<b>\$ (4,313)</b>	<b>\$ (896,721)</b>	<b>\$ 37,330</b>	<b>\$ 37,330</b>
<b>Available Balance Calculation</b>				
Cash		\$ (217,215)		
Loan Commitments		\$ (651,081)		
Due from State		\$ 900,000		
Ending Available Balance		<u>\$ 31,704</u>		

**Housing Division  
State Housing Loan (HELP) - 061  
2013-14 Proposed Budget**

	<b>FY 2010-2011</b>	<b>FY 2011-2012</b>	<b>FY 2012-2013</b>	<b>FY 2013-2014</b>
	<b>Actual</b>	<b>Unaudited Actual</b>	<b>Projected</b>	<b>Proposed Budget</b>
<b>Beginning Available Balance</b>	<b>\$ 1,182,352</b>	<b>\$ 395,573</b>	<b>\$ 408,253</b>	<b>\$ 419,898</b>
Prior Year Correction	(792,607)			
<b>Actual Available Balance</b>	<b>389,745</b>			
<b>Revenues</b>				
Loan Repayments	37,618	5,890	7,517	6,110
Interest	10,579	6,790	4,128	4,000
	<b>48,197</b>	<b>12,680</b>	<b>11,645</b>	<b>10,110</b>
<b>Expenditures</b>				
Prior Yr Expenditure Correction	42,369			
Loans to Property Owners				
	<b>42,369</b>	-	-	-
<b>Transfers</b>				
Transfer In				
Transfer Out				
	-	-	-	-
<b>Net Annual Activity</b>	<b>5,828</b>	<b>12,680</b>	<b>11,645</b>	<b>10,110</b>
<b>Ending Available Balance</b>	<b>\$ 395,573</b>	<b>\$ 408,253</b>	<b>\$ 419,898</b>	<b>\$ 430,008</b>
<b>Available Balance Calculation</b>				
Cash		\$ 408,253		
Receivable				
Ending Available Balance		<b>\$ 408,253</b>		



**NEIGHBORHOOD STABILIZATION GRANT  
(NSP1-063, NSP3-064)****History**

- Neighborhood Stabilization Program (NSP) Grant funding was awarded in 2009 in the amount of \$12.1 million.
- NSP third round funding was awarded in 2011 in the amount of \$4.2 million.
- NSP funds are used to acquire foreclosed homes and rehabilitate them, then sell them to qualified low and moderate income buyers.
- A portion of the funding is also used to acquire foreclosed apartments, rehabilitate them, and rent them to households with incomes below 50% of AMI.
- Program income received from the sale of those homes is recycled back into additional loans.
- 10% of the grant award plus program income is allowed for administrative costs.

**2012-13 Events**

- A total of 89 foreclosed homes have been acquired for rehabilitation and resale to low and moderate income households with funding from NSP 1 and NSP 3.
- Of the homes acquired, 73 have been rehabilitated and sold to qualified home buyers.
- A full time Housing Finance Advisor has been assigned to handle NSP.
- Marketing continues to be done to promote the program.
- San Joaquin Apartments were completed in September 2012, providing 16 units for low income households. The project utilized HOME and NSP funds.
- Sutter Street Apartments is underway and expected to complete in 2013-14.

**2013-14 Budget Issues and Changes**

- NSP 3 funding will continue marketing and be used to acquire, rehabilitate, and fund low to moderate income buyers.
- Program income generated from NSP 1 and NSP 3 continue to be used for qualified activities. No additional grants are expected for this program.

**Housing Division  
Neighborhood Stabilization Program - 063  
2013-14 Proposed Budget**

	FY 2010-2011	FY 2011-2012	FY 2012-2013	FY 2013-2014
	<u>Actual</u>	<u>Unaudited Actual</u>	<u>Projected</u>	<u>Proposed Budget</u>
<b>Beginning Available Balance</b>	\$ 7,842,831	\$ 2,095,245	\$ (692,127)	\$ 797,191
Prior Year Adjustments	(4,671,441)			
<b>Actual Available Balance</b>	<u>3,171,390</u>			
<b>Revenues</b>				
NSP Entitlement				
Interest Earned	47,765	39,604	8,129	
Other	105			
Loan Repayments	1,150,712	1,780,187	2,123,095	
Fannie Mae Grant	75,000			
	<u>1,273,582</u>	<u>1,819,791</u>	<u>2,131,224</u>	<u>-</u>
<b>Expenditures</b>				
Administration	381,531	281,996	107,511	277,433
Program Delivery	39,786	50,750	50,000	50,000
Loan Forgiveness				
Program Loans	1,928,410	2,293,553	484,395	469,758
	<u>2,349,727</u>	<u>2,626,299</u>	<u>641,906</u>	<u>797,191</u>
<b>Transfers</b>				
Transfer In				
Transfer Out				
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Net Annual Activity</b>	<u>(1,076,145)</u>	<u>(806,508)</u>	<u>1,489,318</u>	<u>(797,191)</u>
<b>Ending Available Balance</b>	<u>\$ 2,095,245</u>	<u>\$ 1,288,737</u>	<u>\$ 797,191</u>	<u>\$ -</u>
<b>Available Balance Calculation</b>				
Cash		\$ 1,353,887		
Accounts Payable		(65,150)		
Encumbrances		(22,151)		
Loan commitments		(1,958,713)		
Due from HUD				
Ending Available Balance		<u>\$ (692,127)</u>		

**Economic Development Department  
Neighborhood Stabilization Program #3 - 064 Fund  
2013-14 Proposed Budget**

	<u>FY 2010-2011</u>	<u>FY 2011-2012</u>	<u>FY 2012-2013</u>	<u>FY 2013-2014</u>
	<u>Actual</u>	<u>Unaudited Actual</u>	<u>Projected</u>	<u>Proposed Budget</u>
<b>Beginning Available Balance</b>	\$ -	\$ -	\$ -	\$ -
<b>Revenues</b>				
NSP Entitlement		422,655	700,000	1,000,000
Interest Earned				
Other				
Loan Repayments				
Fannie Mae Grant				
	<u>-</u>	<u>422,655</u>	<u>700,000</u>	<u>1,000,000</u>
<b>Expenditures</b>				
Administration		8,762	70,000	100,000
Program Delivery				50,000
Loan Forgiveness				
Program Loans		413,893	630,000	850,000
	<u>-</u>	<u>422,655</u>	<u>700,000</u>	<u>1,000,000</u>
<b>Transfers</b>				
Transfer In				
Transfer Out				
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Net Annual Activity</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Ending Available Balance</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<b>Available Balance Calculation</b>				
Cash		\$ 413,893		
Accounts Payable		(413,893)		
Encumbrances				
Loan commitments		(3,858,339)		
Due from HUD		3,858,339		
Ending Available Balance		<u>\$ -</u>		



**Economic Development Department  
Property Management  
2013-14 Proposed Budget**

	<b>Parking &amp; Business Improvement Districts 073</b>	<b>City Administration Building 085</b>	<b>Central Pkng 416/417</b>	<b>Marina 460</b>	<b>Property Management Total</b>
	<i>See Page J-29</i>	<i>See Page J-31</i>	<i>See Page J-33</i>	<i>See Page J-35</i>	
<b>Beginning Available Balance</b>	<b>\$ 90,573</b>	<b>\$ 146,127</b>	<b>\$ 888,900</b>	<b>\$ 27,072</b>	<b>\$ 1,152,672</b>
<b>Revenues</b>					
Taxes	960,000				960,000
Fees			3,780,597	210,000	3,990,597
Rent		-			-
Other Revenue	-			-	-
	<b>960,000</b>	<b>-</b>	<b>3,780,597</b>	<b>210,000</b>	<b>4,950,597</b>
<b>Expenditures</b>					
Operating Expenses	960,000	6,254	2,933,455	384,927	4,284,636
Debt Service			-		-
Capital Improvement		-			-
	<b>960,000</b>	<b>6,254</b>	<b>2,933,455</b>	<b>384,927</b>	<b>4,284,636</b>
<b>Transfers</b>					
Transfer In - General Fund		-		160,000	160,000
Transfer Out		-	(1,284,194)		(1,284,194)
	<b>-</b>	<b>-</b>	<b>(1,284,194)</b>	<b>160,000</b>	<b>(1,124,194)</b>
<b>Net Annual Activity</b>	<b>-</b>	<b>(6,254)</b>	<b>(437,052)</b>	<b>(14,927)</b>	<b>(458,233)</b>
<b>Ending Available Balance</b>	<b>\$ 90,573</b>	<b>\$ 139,873</b>	<b>\$ 451,848</b>	<b>\$ 12,145</b>	<b>\$ 694,439</b>

**Property Management  
Parking & Business Improvement Districts - 073  
2013-14 Proposed Budget**

	FY 2010-2011 <u>Actual</u>	FY 2011-2012 Unaudited <u>Actual</u>	FY 2012-2013 <u>Projected</u>	FY 2013-2014 <u>Proposed Budget</u>
<b>Beginning Available Balance</b>	<b>\$ 100,869</b>	<b>\$ 118,463</b> (29,000) <b>89,463</b>	<b>\$ 89,773</b>	<b>\$ 90,573</b>
<b>Revenues</b>				
Taxes				
Tourism Business Improvement Downtown Hospitality District	605,257	957,498	982,146	960,000
Interest	3,277	2,906	800	
	<u>608,534</u>	<u>960,404</u>	<u>982,946</u>	<u>960,000</u>
<b>Expenditures</b>				
Pass-Thru				
TBID - Chamber of Commerce	163,290			
TBID - Sports Commission	208,704	62		
TBID - Convention & Visitors Downtown Hospitality District	193,425	960,032	952,682	931,200
Administration	25,521		29,464	28,800
	<u>590,940</u>	<u>960,094</u>	<u>982,146</u>	<u>960,000</u>
<b>Transfers</b>				
Transfer In				
Transfer Out	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Net Annual Activity</b>	<u>17,594</u>	<u>310</u>	<u>800</u>	<u>-</u>
<b>Ending Available Balance</b>	<b>\$ 118,463</b>	<b>\$ 89,773</b>	<b>\$ 90,573</b>	<b>\$ 90,573</b>
<b>Available Balance Calculation</b>				
Cash		\$ 89,773		
Accounts Payable				
Ending Available Balance		<u>\$ 89,773</u>		

**CITY ADMINISTRATION BUILDING (085)****History**

- The fund was established to operate and maintain the City office building located at 400 East Main Street.
- Approximately 40% of the building is occupied.
- Major tenants are JP Morgan Chase, State of California, and Corval.
- The City's IT Department is also located in the building on the 4<sup>th</sup> floor.
- On April 26, 2012, the City failed to make a lease payment and the Trustee immediately commenced actions to gain possession of the building.
- On June 1, 2012, the Trustee assumed building control on behalf of Assured Guaranty Trust.
- At that point all building revenues and expenses became the property and responsibility of Assured Guaranty.

**2012-13 Events**

- Debt payments were not made in FY 2012-13 expenditures.

**2013-14 Budget Issues and Changes**

- Budget in this fund is for administrative costs, and tracking of any related City expenses for the building.

**Property Management  
City Administration Building - 085  
2013-14 Proposed Budget**

	FY 2010-2011	FY 2011-2012	FY 2012-2013	FY 2013-2014
	<u>Actual</u>	<u>Unaudited Actual</u>	<u>Projected</u>	<u>Proposed Budget</u>
<b>Beginning Available Balance</b>	<b>\$ 1,815,060</b>	<b>\$ 1,253,931</b>	<b>\$ 115,925</b>	<b>\$ 146,127</b>
<b>Revenues</b>				
Outside Agency Rent	1,801,848	1,952,075	39,656	
City Rent	617,520			
Interest	2,523	(8,419)	(37)	
	<u>2,421,891</u>	<u>1,943,656</u>	<u>39,619</u>	<u>-</u>
<b>Expenditures</b>				
Administration & Overhead	1,878,959	1,795,134	9,417	6,254
Capital Improvements	15,019	42,239		
	<u>1,893,978</u>	<u>1,837,373</u>	<u>9,417</u>	<u>6,254</u>
<b>Transfers</b>				
Transfer In - General Fund		235,000		
Transfer Out - General Fund	(590,000)			
Transfer Out - Debt Service	(499,042)	(1,479,289)		
	<u>(1,089,042)</u>	<u>(1,244,289)</u>	<u>-</u>	<u>-</u>
<b>Net Annual Activity</b>	<u>(561,129)</u>	<u>(1,138,006)</u>	<u>30,202</u>	<u>(6,254)</u>
<b>Ending Available Balance</b>	<b>\$ 1,253,931</b>	<b>\$ 115,925</b>	<b>\$ 146,127</b>	<b>\$ 139,873</b>
<b>Available Balance Calculation</b>				
Cash		\$ (7,664)		
Cash with Property Manager Acct		301,016		
Other Current Assets		96,213		
Accounts Payable		(273,640)		
Ending Available Balance		<u>\$ 115,925</u>		

**CENTRAL PARKING DISTRICT (416/417)****History**

- This fund maintains and operates the downtown parking garages, parking lots, and parking meters.
- Possession of the Market Street, Coy, and Arena garages by Wells Fargo, Indenture Trustee on behalf of National Public Finance Guaranty, at the end of FY 2011-12 reduced total revenue.
- Parking Meter mechanisms were replaced and hourly rate change went into effect in January 2012.
- All downtown event parking is provided through this fund.

**2012-13 Events**

- Arena and Bob Hope sites have increased the number of events, thus increasing the revenue with some increase to the operating expenses.
- Monthly parking rates were established for surface lots that did not previously offer monthly parking.
- In November 2012, modifications to the fee schedule were approved to give more flexibility to support the downtown area economy.
- The City entered in an agreement to lease the State Lot at 31 Channel Street to expand parking options for downtown patrons. The Lot is free to the public evenings and weekends. Event parking will be charged.

**2013-14 Budget Issues and Changes**

- No increases to monthly or hourly fees are planned for this fiscal year.
- In FY 2012-13 the City experienced a high rate of vandalism and theft of parking meters. The new budget includes additional staff costs to repair and/or replace meter heads and poles.
- Net annual activity is negative due to Chapter 9 Bankruptcy costs allocation and increased budget for major maintenance and projects.
- Major maintenance of lots and garages has been deferred for several years. Projects budgeted in FY 2013-14 include the following:
  - The Channel Street Garage is the only non-gated City Garage. Establishing a gated system will increase revenue by preventing non-paying parkers from entering. In addition, surface repairs and painting of the interior and exterior are overdue and needed to retain and attract customers.
  - Parking lots are old and worn. Asphalt is deteriorated, cracked, and has holes in many of the lots. Repairs are not sufficient; new asphalt is required in several lots.
- During FY 2013-14 staff will review and prepare a request for proposals for the automation of the surface lots as well as the SEB and Channel Street garages.

**Property Management  
Central Parking - 416/417  
2013-14 Proposed Budget**

	FY 2010-2011 <u>Actual</u>	FY 2011-2012 Unaudited <u>Actual</u>	FY 2012-2013 <u>Projected</u>	FY 2013-2014 Proposed <u>Budget</u>
<b>Beginning Available Balance</b>		<b>\$ 2,157,635</b>	<b>\$ 605,662</b>	<b>\$ 888,900</b>
<b>Revenues</b>				
Assessments	1,152,042	1,205,280	1,200,000	1,224,000
Monthly Parking	1,801,396	1,701,761	1,070,345	1,094,050
Hourly Parking	671,598	630,697	440,642	486,700
Parking Meters	498,156	505,912	634,074	650,000
Events	476,439	523,744	287,835	223,000
Other agencies	99,421	72,262	88,735	89,136
Validations / Lot Envelopes	38,162	50,148	19,858	13,711
Other	87,180	27,999	2,736	
Uncollectible A/R	71,053			
	<u><b>4,895,447</b></u>	<u><b>4,717,803</b></u>	<u><b>3,744,225</b></u>	<u><b>3,780,597</b></u>
<b>Expenditures</b>				
Administration & Overhead	951,003	924,843	920,727	1,098,768
Utilities	217,830	225,431	121,981	142,240
Rentals	266,170	243,060	303,578	415,982
Maintenance	131,172	274,319	254,914	526,000
Materials & Supplies	66,908	56,480	32,357	55,367
Taxes/Indirect costs	239,756	298,618	326,032	289,145
Other services	41,638	71,837	314,870	405,953
Compensated Absences	(46,096)	9,936		
Debt Service - Arena & Coy	2,376,449	2,336,666		
	<u><b>4,244,830</b></u>	<u><b>4,441,190</b></u>	<u><b>2,274,459</b></u>	<u><b>2,933,455</b></u>
<b>Transfers</b>				
Transfer In				
Transfer Out - General Fund	(609,311)	(1,577,927)	(836,528)	(909,194)
Transfer Out - Air Quality PFF 990			(350,000)	(250,000)
Transfer Out - Insurance - 541				(125,000)
	<u><b>(609,311)</b></u>	<u><b>(1,577,927)</b></u>	<u><b>(1,186,528)</b></u>	<u><b>(1,284,194)</b></u>
<b>Net Annual Activity</b>	<u><b>41,306</b></u>	<u><b>(1,301,314)</b></u>	<u><b>283,238</b></u>	<u><b>(437,052)</b></u>
<b>Ending Available Balance</b>		<u><b>\$ 856,321</b></u>	<u><b>\$ 888,900</b></u>	<u><b>\$ 451,848</b></u>
<b>Available Balance Calculation</b>				
Cash		\$ 987,277		
Accounts receivable		63,931		
Accounts Payable		(194,887)		
Capital Projects		(100,000)		
Encumbrances		(150,659)		
Ending Available Balance		<u><u><b>\$ 605,662</b></u></u>		

**DOWNTOWN MARINA COMPLEX (460)****History**

- This fund operates, maintains, and services the debt for the Downtown Marina
- The Marina has been in operation for 2 1/2 years providing permanent slips and short term berthing as well as management of the Morelli boat ramp.
- Occupancy at the permanent slips has grown over time to a present level of approximately 55%.

**2012-13 Events**

- Revenue increased for all sources, but will still be below estimates.
- Marina changed staff and increased marketing efforts in order to increase both events and slip rental.
- Marina staff continues to plan events and activities to generate revenues and draw prospective customers to the Marina.

**2013-14 Budget Issues and Changes**

- Revenue from all sources does not cover operational expenses and will need additional funding to maintain the Marina Complex for the fiscal year. As revenues are expected to fall by 14% compared to FY 2012-13 budget and the fund balance is almost depleted, the required subsidy amount from the General Fund will need to be increased from \$47,000 to \$160,000 this fiscal year.
- Marina Staff will increase marketing for new events in an attempt to increase the short term berthing and boat launching revenue.
- The increase in events planned at Weber Point and the Arena have increased revenues in the transient/guest docks.
- Slip rentals fell below expectations in FY 2012-13 due, in part, to the loss of the Casino Royale and the slow economic recovery. The reduction in slip rental budget in FY 2013-14 is based on actual revenues received in the prior year.

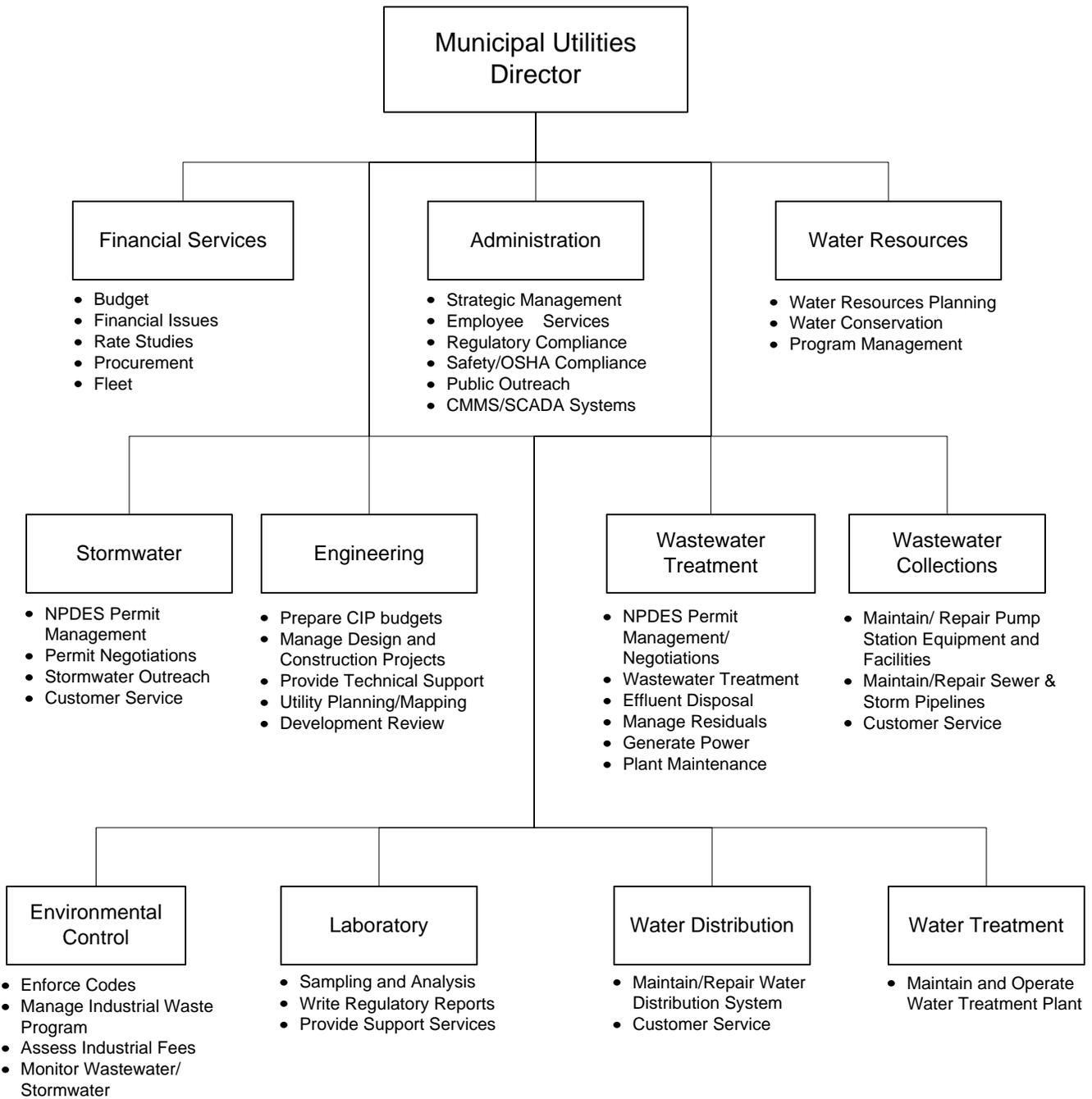
**Property Management  
Downtown Marina Complex - 460  
2013-14 Proposed Budget**

	FY 2010-2011	FY 2011-2012	FY 2012-2013	FY 2013-2014
	<u>Actual</u>	<u>Unaudited Actual</u>	<u>Projected</u>	<u>Proposed Budget</u>
<b>Beginning Available Balance</b>	<b>\$ 196,989</b>	<b>\$ 428,336</b>	<b>\$ 153,228</b>	<b>\$ 27,072</b>
<b>Revenues</b>				
Slip Rental	193,195	211,973	197,325	195,000
Morelli Boat Launch			12,864	15,000
Interest Earned	(18,834)	(9,437)	1,500	
	<u>174,361</u>	<u>202,536</u>	<u>211,689</u>	<u>210,000</u>
<b>Expenditures</b>				
Administration and Overhead	32,245	10,219	25,723	12,464
Utilities	46,036	61,764	66,765	67,963
Lease Expense	25,575	23,276	31,433	30,000
Publicity & Advertising		367		
Repairs and Maintenance	51,735	48,318	30,000	36,000
Management Contract	318,276	210,493	231,223	238,500
Water Quality Monitoring				
Debt Service				
Dept of Boating & Waterways	435,147	750,251		
	<u>909,014</u>	<u>1,104,688</u>	<u>385,144</u>	<u>384,927</u>
<b>Transfers</b>				
Transfer In - General Fund	966,000	732,000	47,299	160,000
Transfer Out				
	<u>966,000</u>	<u>732,000</u>	<u>47,299</u>	<u>160,000</u>
<b>Net Annual Activity</b>	<u>231,347</u>	<u>(170,152)</u>	<u>(126,156)</u>	<u>(14,927)</u>
<b>Ending Available Balance</b>	<b>\$ 428,336</b>	<b>\$ 258,184</b>	<b>\$ 27,072</b>	<b>\$ 12,145</b>
<b>Available Balance Calculation</b>				
Cash		\$ 310,278		
Receivable and Other Assets		10,007		
Current Liabilities		(62,101)		
Encumbrances		(104,956)		
Ending Available Balance		<u>\$ 153,228</u>		



TAB 11 UTILITIES





# MUNICIPAL UTILITIES



# MUNICIPAL UTILITIES DEPARTMENT

## MISSION STATEMENT

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

## Budget at a Glance: Proposed

Total Expenditures	\$114,510,812
Total Revenues	\$113,156,083
Total Net Cost	\$1,354,729
Total Staff	208

## DEPARTMENTAL DESCRIPTION

The Municipal Utilities Department (MUD) is comprised of Water, Wastewater and Stormwater Enterprises regulated and supported by user fees restricted to the specific utility. For purposes of operational efficiency, the organization is comprised of 11 divisions to operate, maintain and support the Enterprises. The Enterprises are managed to recognize the independent financial structure and regulatory requirements unique to each.

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

The Wastewater Utility is comprised of a network of nearly 1,000 miles of pipeline and 23 pump stations that route wastewater (sewage) to the Regional Wastewater Control Facility (RWCF). The system collects from many connections within the City, special districts outside the City, and certain areas within San Joaquin County. The wastewater treatment plant is a 55-million gallon per day capacity advanced treatment facility located on nearly 700-acres in the southwestern portion of the City adjacent to the San Joaquin River. On average, 30 million gallons of wastewater is treated daily and discharged into the San Joaquin River.

The Stormwater Utility consists of 77 pump stations, over 600 miles of pipeline, and 22,500 drain inlets, which route stormwater from City streets into local basins and waterways. Regular maintenance of the system is necessary to prevent flooding from storm runoff. The Stormwater Utility is also responsible for oversight and compliance with the City's National Pollutant Discharge Elimination System (NPDES) permit, which requires an extensive water quality monitoring and public outreach programs.

## KEY ISSUES

More stringent Federal and State drinking water standards will require the Water Utility to change the method of disinfection in the North Distribution System from chlorine to chloramines, which will prevent the formation of disinfection by-products in the system. Facilities to accomplish this will be constructed in FY 2013-14. FY 2012-13 saw an increase in expenditures primarily due to the first year's debt service payment due on the 2010 variable rate bonds issued for the Delta Water Supply Project. However, an accumulation of fund balance and use of the Rate Stabilization Fund offsets any exceedance of expenditures over revenues and is anticipated to

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## MUNICIPAL UTILITIES DEPARTMENT

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continue in FY 2013-14. Reliance on existing fund balance and the Rate Stabilization Fund will decline over time with an increase in revenues. Use of the Rate Stabilization Fund is anticipated to decrease from \$3.4 million in FY 2013-14 to \$1.6 million in FY 2014-15 and \$1.0 million in FY 2015-16.

In 2010, the Wastewater customers and Council approved a 5-year tiered rate increase that would provide funding to ensure compliance with bond covenants and support scheduled capital improvement projects. In 2012, Council approved the Capital Improvement and Energy Management Plan (CIEMP) and authorized staff to move ahead with a phased upgrade plan for the RWCF. The CIEMP projects were grouped into five packages for planning, design, and construction. In FY 2013-14, engineering design and environmental analysis efforts will move forward in order to rehabilitate and/or replace the outdated wastewater treatment systems to improve output and to better meet anticipated new wastewater discharge permit requirements.

The Fats, Oils, and Grease (FOG) program was developed to monitor, check, and reduce deposits into the sewer system. FOG accumulating in the sewer system causes clogs that lead to sanitary sewer overflows. Efforts continue to reduce sanitary sewer overflows under the Consent Decree with additional resources being added in the FY 2013-14 to address lower lateral source issues. The City is on track to meet the final year requirements, which necessitates not more than five sanitary sewer overflows per 100 miles of pipeline.

The Stormwater Utility has been operating with a fee that was implemented in 1992 and has never changed. As a result, the Stormwater Enterprise Fund has been under-funded for many years. In 2010, the Stormwater Utility attempted a Proposition 218 ballot measure to approve a new Clean Water fee that would supplement the current fee. The rate study prepared for the Proposition 218 ballot determined the utility was under-funded by approximately \$9 million a year. The ballot measure failed, and the new fee was not imposed.

The current fee is insufficient to properly fund the operations and maintenance needs of the City's aging system along with new National Pollutant Discharge Elimination System (NPDES) permit requirements to be issued in FY 2013-14, which may impose additional conditions that would strain the budget. Significant cuts in operation and maintenance activities have been implemented to stay within the available budget. Failing to adequately maintain the aged infrastructure will result in increased system failures, pipeline collapse, and possible City flooding. Failing to meet new permit requirements will increase the City's risk of permit non-compliance. Significant infrastructure improvement projects continue to be on hold pending additional funding. Emergency infrastructure repairs when needed will further reduce funding for operations and maintenance activities.

**Utilities  
2013-14 Proposed Budget**

	<u>Water Fund</u> <i>See Page K-8</i>	<u>Wastewater</u> <i>See Page K-9</i>	<u>Stormwater 441</u> <i>See Page K-10</i>	<u>Utilities Total</u>
<b>Beginning Available Balance</b>	<b>\$ 39,606,901</b>	<b>\$ 18,623,776</b>	<b>\$ 3,473,604</b>	<b>\$ 61,704,281</b>
<b>Revenues</b>				
User Services	36,091,603	59,124,681	5,085,217	100,301,501
Connection Fees	1,534,291	718,350		2,252,641
Storm Drain Districts			82,500	82,500
Fines and Penalties	859,747	760,600		1,620,347
Interest	1,132,823	251,400	21,700	1,405,923
Build America Bond Interest Rebate	3,882,756			3,882,756
Rate Stabilization Deposit	3,400,000			3,400,000
Other Revenue	2,675	99,150	108,590	210,415
	<u><b>46,903,895</b></u>	<u><b>60,954,181</b></u>	<u><b>5,298,007</b></u>	<u><b>113,156,083</b></u>
<b>Expenditures</b>				
Administration	2,652,237	6,381,822	2,998,237	12,032,296
Customer Service	946,623	1,958,534	359,065	3,264,222
Operations and Maintenance	7,436,275	36,036,012	2,021,705	45,493,992
Water Treatment	4,877,498			4,877,498
Water Conservation	404,663			404,663
Purchased Water	7,850,036			7,850,036
Debt Service	20,213,132	7,373,139		27,586,271
Capital Projects	1,823,376	7,560,501	187,000	9,570,877
	<u><b>46,203,840</b></u>	<u><b>59,310,008</b></u>	<u><b>5,566,007</b></u>	<u><b>111,079,855</b></u>
<b>Transfers</b>				
Transfer In				-
Transfer Out	(3,400,000)		(30,957)	(3,430,957)
	<u><b>(3,400,000)</b></u>	<u><b>-</b></u>	<u><b>(30,957)</b></u>	<u><b>(3,430,957)</b></u>
<b>Net Annual Activity</b>	<u><b>(2,699,945)</b></u>	<u><b>1,644,173</b></u>	<u><b>(298,957)</b></u>	<u><b>(1,354,729)</b></u>
<b>Ending Available Balance</b>	<u><b>\$ 36,906,956</b></u>	<u><b>\$ 20,267,949</b></u>	<u><b>\$ 3,174,647</b></u>	<u><b>\$ 60,349,552</b></u>
	-	-	-	-
			Revenues	\$ 113,156,083
			Transfers	-
			Total Sources	<u>\$ 113,156,083</u>
			Expenditures	\$ 111,079,855
			Transfers	3,430,957
			Total Appropriations	<u>\$ 114,510,812</u>

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## MUNICIPAL UTILITIES DEPARTMENT

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

#### History

- The City's Municipal Utilities Enterprise Funds provide funding for the operation and maintenance of the City's Water utility.
- The Water utility is supported by user fees which are restricted for Water utility use only.
- The annual operating budget is approximately \$49 million.

#### 2012-13 Events

- Completed Delta Water Supply Project and commenced operations.
- Implementation of Large Landscape Pilot Program to reduce water use by customers.
- Completed Feasibility Study for Advanced Metering Infrastructure Project.
- Completed design and approved a construction contract for the Ammonia Facilities Project.
- Completed Hospital Jail Loop Project with installation of 18" water line to provide additional water supply to the County Hospital area.
- Completed installation of a 24" water line to serve the future growth area in the southeastern part of the City which includes the State Prison Hospital.

#### 2013-14 Events

- Construct the Ammonia Facilities Project.
- Continue implementation of water conservation programs to meet the State's mandate to reduce water use by 20% by the year 2020.
- Abandon four water wells due to age, water quality or mechanical reasons.
- Construct the Feather River Drive at 14 Mile Slough Project to improve water reliability.
- Complete extension of a 24" water line from Newcastle Road to Airport Road.
- Convert gas engines to electric motors at two water well sites to improve air quality.

#### 2013-14 Budget Issues and Changes

- The Water fund is expected to end the fiscal year with a deficit primarily due to the construction of Delta Water Supply Project. This fiscal year a projected annual result is a deficit due to the operations and maintenance cost increase.
- Delta Water Supply Project has completed a full year of project startup and will move to normal operations as staffing levels and operational needs have been evaluated based on current and future anticipated workload.
- Water user rates and connection fees will be increased by the Consumer Price Index (CPI) of 1.7%, per Council Resolution 09-0266. Hopefully, the deficit will stabilize in the next five years or so. City staff will continue to monitor the funds closely and recommend a change or fee study, if needed. Water connection fees remain low due to minimal new growth and development.
- Construction of the Ammonia Facilities Project will be the primary focus of facilities development with project completion in June 2014.

**Utilities**  
**Water - 421/423/424/425/426/427**  
**2013-14 Proposed Budget**

	FY 2010-2011	FY 2011-2012	FY 2012-2013	FY 2013-2014
	Actual	Unaudited Actual	Projected	Proposed Budget
<b>Beginning Available Balance</b>			<b>\$ 40,986,633</b>	<b>\$ 39,606,901</b>
<b>Revenues</b>				
User Services	29,336,427	34,118,985	35,274,121	36,091,603
% increase	16%	16%	3%	2%
Connection Fees	837,063	1,314,232	2,440,890	1,534,291
Fines and Penalties	603,473	665,301	842,890	859,747
Interest	2,314,627	1,593,401	989,460	1,132,823
Bond Proceeds				
Federal Build America Bond Grant	4,175,006	4,175,006	4,175,006	3,882,756
Rate Stabilization Deposit			2,500,000	3,400,000
Other Revenue	8,618,860	23,938	2,622	2,675
	<b>45,885,456</b>	<b>41,890,863</b>	<b>46,224,989</b>	<b>46,903,895</b>
<b>Expenditures</b>				
Administration	1,659,587	1,372,592	2,237,488	2,652,237
Customer Service	793,472	850,112	906,089	946,623
Operations and Maintenance	6,705,144	3,973,451	6,696,286	7,436,275
Water Treatment		456,126	4,524,941	4,877,498
Water Conservation	298,933	180,407	397,179	404,663
Purchased Water	9,863,289	9,682,662	7,657,417	7,850,036
Debt Service	14,864,522	15,313,917	19,784,321	20,213,132
Capital Projects	107,162,199	40,496,415	2,901,000	1,823,376
	<b>141,347,146</b>	<b>72,325,682</b>	<b>45,104,721</b>	<b>46,203,840</b>
<b>Transfers</b>				
Transfer In				
Transfer Out			(2,500,000)	(3,400,000)
	-	-	<b>(2,500,000)</b>	<b>(3,400,000)</b>
<b>Net Annual Activity</b>	<b>(95,461,690)</b>	<b>(30,434,819)</b>	<b>(1,379,732)</b>	<b>(2,699,945)</b>
<b>Ending Available Balance</b>			<b>\$ 39,606,901</b>	<b>\$ 36,906,956</b>
<b>Debt Service Calculation</b>				
Senior Debt Coverage			5.88	5.23
Subordinate Debt Coverage			1.26	1.20
Bond Coverage Requirement			1.15	1.15
<b>Available Balance Calculation</b>				
Cash		\$ 59,119,215		
Encumbrances		(572,012)		
Capital Appropriations		(17,560,570)		
Ending Available Balance		<b>\$ 40,986,633</b>		

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## MUNICIPAL UTILITIES DEPARTMENT

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### WASTEWATER ENTERPRISE FUND (431, 433, 434, 437)

#### History

- The City's Municipal Utilities Enterprise Funds provide funding for the operation and maintenance of the City's Wastewater utility.
- The Wastewater utility is supported by user fees which are restricted for Wastewater utility use only.
- The annual operating budget is approximately \$59 million.

#### 2012-13 Events

- Capital Improvement and Energy Management Plan (CIEMP) Phase 1 Cold Weather Supply System Project completed.
- CIEMP Phase 2 approved by Council with Environmental Impact Report preparation underway by Robertson Bryant, Inc.
- CIEMP Phase 2 Engineering and Design RFP for the Headworks Project released in April 2013.
- Completion of the Arch Road Sewer Pump Station.
- Sanitary sewer design for increased capacity at the Calaveras River along Crown Avenue is underway with construction anticipated in late 2013.
- Wastewater Report of Waste Discharge submitted to the State Water Resources Control Board with a new National Pollutant Discharge Elimination System (NPDES) permit expected in 2014.

#### 2013-14 Events

- Finalize design of the Headworks Project as the first of the CIEMP Phase 2 projects and bid the project for construction.
- Prepare and solicit bids for the second package of CIEMP Phase 2 projects, the design and rehabilitation of the Secondary Biotowers and the Nitrifying Biotowers.
- Begin construction of the Arch Road Sanitary Sewer Trunk Mainline, which is a 30" sewer line to serve the industrial area in southeast Stockton.
- Re-evaluate the connection fee rates and schedule for the Wastewater Utility.
- Continue to meet the requirements of the Consent Decree in its final year.
- Negotiate new Wastewater NPDES permit with the State Water Resources Control Board.

#### 2013-14 Budget Issues and Changes

- The fourth year increase, 9%, of the approved 5-year tiered rate increase, will go into effect this year.
- The tiered rate structure was designed to ensure adequate coverage required by the bond covenants and to fund the Capital Improvement and Energy Management Plan.
- The Phase 2 projects identified in the CIEMP have been separated into five packages with three RFPs to be released this year beginning with the Headworks Project.

**Utilities**  
**Wastewater - 431/433/434/435/437**  
**2013-14 Proposed Budget**

	FY 2010-2011 <u>Actual</u>	FY 2011-2012 Unaudited <u>Actual</u>	FY 2012-2013 <u>Projected</u>	FY 2013-2014 Proposed <u>Budget</u>
<b>Beginning Available Balance</b>			<b>\$ 18,376,336</b>	<b>\$ 18,623,776</b>
<b>Revenues</b>				
User Services	41,123,268	49,371,534	52,922,338	59,124,681
% increase	13%	20%	7%	12%
Connection Fees	990,749	843,622	751,500	718,350
Fines and Penalties	715,161	854,969	633,036	760,600
Interest	2,666,177	1,006,099	209,032	251,400
Other Revenue	759,393	93,593	146,932	99,150
	<u>46,254,748</u>	<u>52,169,817</u>	<u>54,662,838</u>	<u>60,954,181</u>
<b>Expenditures</b>				
Administration	5,102,509	4,286,305	5,178,746	6,381,822
Customer Service	1,641,667	1,758,852	1,874,666	1,958,534
Operations and Maintenance	26,833,481	27,286,904	32,132,846	36,036,012
Debt Service	6,768,998	4,717,113	7,389,588	7,373,139
Capital Projects	9,035,533	5,632,799	7,839,552	7,560,501
	<u>49,382,188</u>	<u>43,681,973</u>	<u>54,415,398</u>	<u>59,310,008</u>
<b>Transfers</b>				
Transfer In				
Transfer Out	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Net Annual Activity</b>	<u>(3,127,440)</u>	<u>8,487,844</u>	<u>247,440</u>	<u>1,644,173</u>
<b>Ending Available Balance</b>			<b>\$ 18,623,776</b>	<b>\$ 20,267,949</b>
<b>Debt Service Coverage Calculation</b>				
Bond Coverage Requirement			2.09	2.37
Bond Coverage Requirement			1.25	1.25
			1.00	1.00
<b>Available Balance Calculation</b>				
Cash and Interest receivable		\$ 38,029,360		
Current Liabilities		(6,682,060)		
Encumbrances		(3,856,004)		
Capital Appropriations		(9,114,960)		
Ending Available Balance		<u>\$ 18,376,336</u>		

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## MUNICIPAL UTILITIES DEPARTMENT

### STORMWATER ENTERPRISE FUND (441, 447)

#### History

- The City's Municipal Utilities Enterprise Funds provide funding for the operation and maintenance of the City's Stormwater utility.
- The Stormwater utility is supported by user fees which are restricted for Stormwater utility use only.
- The annual operating budget is approximately \$5 million.

#### 2012-13 Events

- Stormwater Report of Waste Discharge was submitted to the State Water Resources Control Board with a new National Pollutant Discharge Elimination System (NPDES) permit expected in October 2013.

#### 2013-14 Events

- Required NPDES program elements have been reduced due to limited resources.
- Infrastructure repair projects were not part of the CIP Plan this year. Limited funding was restricted to emergency repairs only.

#### 2013-14 Budget Issues and Changes

- The new permit, which is anticipated to be released by October 2013, may include additional requirements with costs that will further strain the Stormwater budget and operations.
- Urgent infrastructure repairs will further strain the limited operating budget.
- The Stormwater utility has had to reduce some required NPDES program elements in order to keep expenditures within the operating revenues of \$5.3 million.
- The Stormwater fund is projected to end this fiscal year with a deficit of \$298K due primarily on the decline in revenue and increase in operating costs.
- Plans to attempt another Proposition 218 ballot to increase revenue are under review to close the budget gap in the near future

**Utilities**  
**Stormwater - 441**  
**2013-14 Proposed Budget**

	FY 2010-2011	FY 2011-2012	FY 2012-2013	FY 2013-2014
	Actual	Unaudited Actual	Projected	Proposed Budget
<b>Beginning Available Balance</b>			<b>\$ 2,796,980</b>	<b>\$ 3,473,604</b>
<b>Revenues</b>				
User Services	5,344,750	5,577,653	5,142,913	5,085,217
<i>% increase</i>	-1%	4%	-8%	-1%
Admin Fee Storm Drains	82,500	84,500	82,500	82,500
Agency Reimbursements	452,134	172,826	126,621	108,590
Interest	50,414	38,271	31,257	21,700
	<b>5,929,798</b>	<b>5,873,250</b>	<b>5,383,291</b>	<b>5,298,007</b>
<b>Expenditures</b>				
Administration	3,218,745	3,023,451	2,429,799	2,998,237
Customer Service	300,972	322,456	343,689	359,065
Operations and Maintenance	1,872,389	1,398,487	1,633,179	2,021,705
Water Treatment				
Capital Projects	86,041	79,741	300,000	187,000
Debt Service	406,730	331,180		
	<b>5,884,877</b>	<b>5,155,315</b>	<b>4,706,667</b>	<b>5,566,007</b>
<b>Transfers</b>				
Transfer In				
Transfer Out				(30,957)
	-	-	-	<b>(30,957)</b>
<b>Net Annual Activity</b>	<b>44,921</b>	<b>717,935</b>	<b>676,624</b>	<b>(298,957)</b>
<b>Ending Available Balance</b>			<b>\$ 3,473,604</b>	<b>\$ 3,174,647</b>
<b>Available Balance Calculation</b>				
Current Assets		\$ 3,029,068		
Accounts Payable		(232,088)		
Capital Projects				
Encumbrances				
Ending Available Balance		<b>\$ 2,796,980</b>		



# TAB 12 ADMIN & SUPPORT





**Administration and Support  
2013-14 Proposed Budget**

	<b>Charter Offices</b>	<b>Administrative Services</b>		<b>Human Resources</b>	
	<b>City Council, Manager, Clerk, Attorney, Auditor</b>	<b>General Fund</b>	<b>Technology Internal Service</b>	<b>General Fund</b>	<b>Insurance and Benefits Internal Service</b>
	<b>010</b>	<b>010</b>	<b>502-508</b>	<b>010</b>	<b>541-562</b>
	<i>See Page L-14</i>	<i>See Page L-20</i>	<i>See Page O-12</i>	<i>See Page L-25</i>	<i>See Page O-21</i>
<b>Beginning Available Balance</b>			<b>\$ 4,941,208</b>		<b>\$ (38,465,663)</b>
<b>Revenues</b>					
Operating Revenues			12,552,009		64,569,412
Other Revenue	\$ 12,375	\$ 30,450		\$ -	26,010,997
	<b>12,375</b>	<b>30,450</b>	<b>12,552,009</b>	<b>-</b>	<b>90,580,409</b>
<b>Expenditures</b>					
Employee Services	2,655,799	2,796,117		\$ 1,149,690	
Other Services	1,159,909	888,820		699,850	
Materials and Supplies	51,517	45,787		19,301	
Capital Projects			3,177,490		
Debt Service			325,000		8,301,843
Other Expenses	63,290	22,800	10,570,574	156,746	78,495,532
	<b>3,930,515</b>	<b>3,753,524</b>	<b>14,073,064</b>	<b>2,025,587</b>	<b>86,797,375</b>
<b>Transfers</b>					
Transfer In - General Fund					
Transfer In - Other Funds					125,000
Transfer Out - Other Funds					
	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>125,000</b>
<b>Net Annual Activity</b>	<b>\$ (3,918,140)</b>	<b>\$ (3,723,074)</b>	<b>(1,521,055)</b>	<b>\$ (2,025,587)</b>	<b>3,908,034</b>
<b>Ending Available Balance</b>			<b>\$ 3,420,153</b>		<b>\$ (34,557,629)</b>

**Administration and Support, Continued  
2013-14 Proposed Budget**

	Non-Department						Administration & Support Total
	General Fund	Bankruptcy	Entertainment Venues	Other Special Programs	Debt	Capital	
	010	12	086	020/642/627			
	<i>See Page L-27</i>	<i>See Page L-31</i>	<i>See Page L-34</i>	<i>See Page L-35</i>	<i>See Page M-7</i>	<i>See Page N-16</i>	
<b>Beginning Available Balance</b>		<b>\$ 10,326,958</b>	<b>\$ 148,365</b>	<b>\$ 129,996</b>			
<b>Revenues</b>							
Operating Revenues			4,416,393	776,754			\$ 82,314,568
Other Revenue				100,329	\$ 7,737,122	\$ 12,508,183	46,399,456
	-	-	<b>4,416,393</b>	<b>877,083</b>	<b>7,737,122</b>	<b>12,508,183</b>	<b>128,714,024</b>
<b>Expenditures</b>							
Employee Services	1,012,051			671,508			8,285,165
Other Services	4,961,554	3,292,500	259,252	105,246			11,367,131
Materials and Supplies	18,885						135,490
Capital Projects						12,833,000	16,010,490
Debt Service					9,440,545	-	18,067,388
Other Expenses	1,489,309		6,748,521	124,325	807,732	-	98,478,829
	<b>7,481,799</b>	<b>3,292,500</b>	<b>7,007,773</b>	<b>901,079</b>	<b>10,248,277</b>	<b>12,833,000</b>	<b>152,344,493</b>
<b>Transfers</b>							
Transfer In - General Fund			2,653,094		1,397,973	1,290,000	5,341,067
Transfer In - Other Funds			-		781,682	250,000	1,156,682
Transfer Out - Other Funds	(7,651,067)					-	(7,651,067)
	<b>(7,651,067)</b>	<b>-</b>	<b>2,653,094</b>	<b>-</b>	<b>2,179,655</b>	<b>1,540,000</b>	<b>(1,153,318)</b>
<b>Net Annual Activity</b>	<b>\$(15,132,866)</b>	<b>(3,292,500)</b>	<b>61,714</b>	<b>(23,996)</b>	<b>\$ (331,500)</b>	<b>\$ 1,215,183</b>	<b>\$ (24,783,787)</b>
<b>Ending Available Balance</b>		<b>\$ 7,034,458</b>	<b>\$ 210,079</b>	<b>\$ 106,000</b>			

Expenditures	\$ 152,344,493
Transfers	7,651,067
<b>Total Appropriations</b>	<b>\$ 159,995,560</b>
<b>Appropriation by Function</b>	
Administration	\$ 23,782,690
Insurance and Benefits	86,797,375
Non-Departmental	26,334,218
Debt Service	10,248,277
Capital	12,833,000
	<b>\$ 159,995,560</b>



# CITY COUNCIL

## MISSION STATEMENT

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

## Budget at a Glance: Proposed

Total Expenditures	\$461,707
Total Revenues	\$0
Total Net Cost	\$461,707
Total Staff	8

## DEPARTMENTAL DESCRIPTION

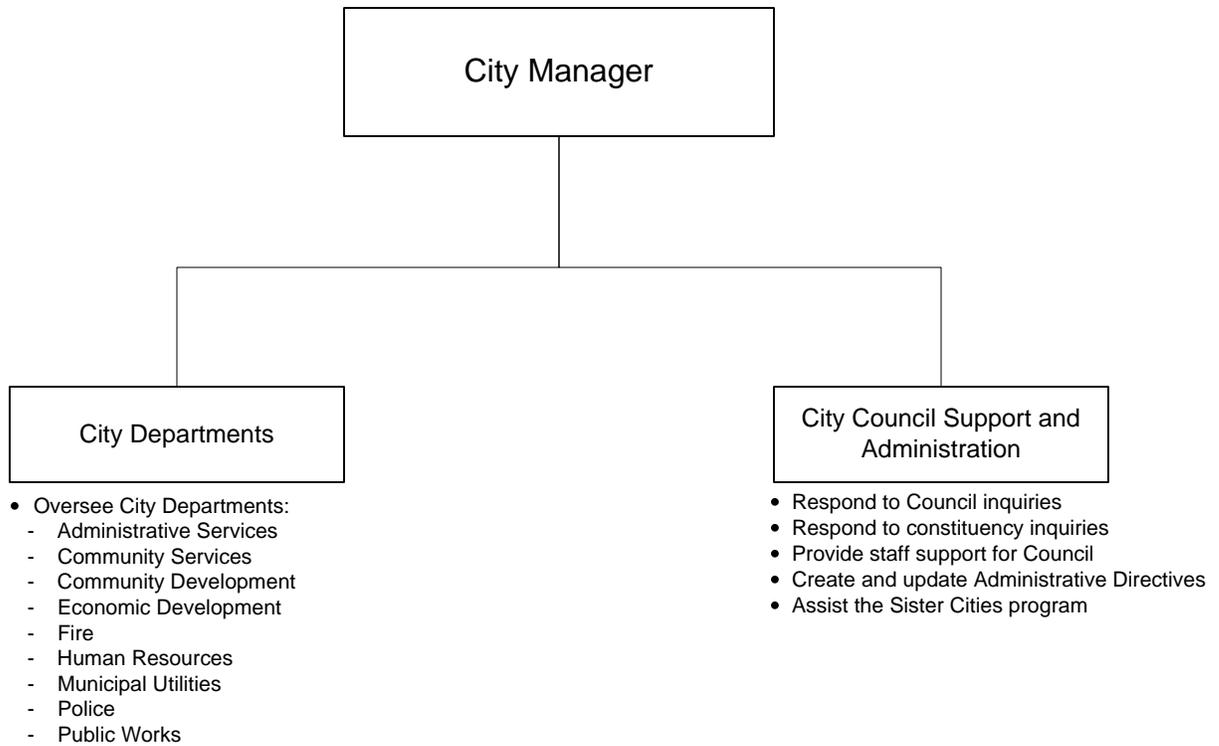
The City Council is the policy-setting body that initiates, studies, discusses, holds public hearings on, and decides various civic issues affecting the citizens of Stockton, based on facts gathered, represented, and citizen input. The Council hires and supervises four officers: City Attorney, City Auditor,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

## KEY ISSUES

Immediate and long-term challenges face the City of Stockton. Stockton's revenues have been impacted by the housing crisis and lower property taxes, reduced development and associated fees, significantly reduced taxes and fees in recent years, and an economy that continues to struggle with high unemployment. Numerous factors have accumulated from 20 years of past decisions that have contributed to an imbalance between the City's revenue base and its cost structure. These factors included an unsustainable retiree health insurance program, unsustainable large debt obligations and unsustainable labor contracts. Other causes for our financial crisis included State raids on City finances and poor fiscal management practices. Significant progress has been made in recent years in aligning the City's labor costs with the market and addressing poor City fiscal management, but the imbalance has remained to the degree that the City could no longer address it through program and service reductions and eliminations. The fiscal crisis of the City requires permanent and structural change. As a result, the City Council initiated, in the spring of 2012, a process to pursue a restructuring of its finances. The City pursued a mediation process in Fiscal Year 2011-12 and subsequently sought protection under Chapter 9 of the federal bankruptcy code during Fiscal Year 2012-13. The City was successful in obtaining eligibility under chapter 9 and is currently negotiating with creditors in order to forward a plan of adjustment and exit strategy from the chapter 9 process. If the City does not restructure its finances through a plan of adjustment, the imbalance between revenues and expenditures will remain, requiring further service cuts each year that the City and the community cannot afford.

The safety and well-being of our citizens is paramount. A reduced City workforce and antiquated technology has restricted and limited effective service delivery. Reductions in the Police and Fire Departments have resulted in both real and perceived public safety issues. The level of crime in Stockton is unacceptable. Restructuring our finances is critical for pursuing the Marshall Plan Project on Public Safety. Reducing crime is essential to a quality of life that will encourage economic development and result in job growth and a revitalized Stockton.

The Council has stayed focused through these inherited challenges, pursued an aggressive work plan over the past two years, focused on the four Council goals and achieved significant progress. The Council will continue to pursue these goals and initiatives through completion in order to address current challenges and be poised for future growth and development.



# CITY MANAGER

# OFFICE OF THE CITY MANAGER

## MISSION STATEMENT

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

## Budget at a Glance: Proposed

Total Expenditures	\$1,016,374
Total Revenues	\$0
Total Net Cost	\$1,016,374
Total Staff	10

## DEPARTMENTAL DESCRIPTION

The Office of the City Manager provides direction and administration of City departments and general oversight of City operations under the policy direction of the City Council. Other functions within the City Manager's Office include: Operation Peacekeeper, Grants, Legislative Advocacy, Public Information Office and Channel 97 Government Access Cable Channel. In addition, the Office of the City Manager provides oversight of the operation and maintenance of the four City-owned entertainment venues: Stockton Arena, Stockton Ballpark, Bob Hope Theatre and Oak Park Ice Arena.

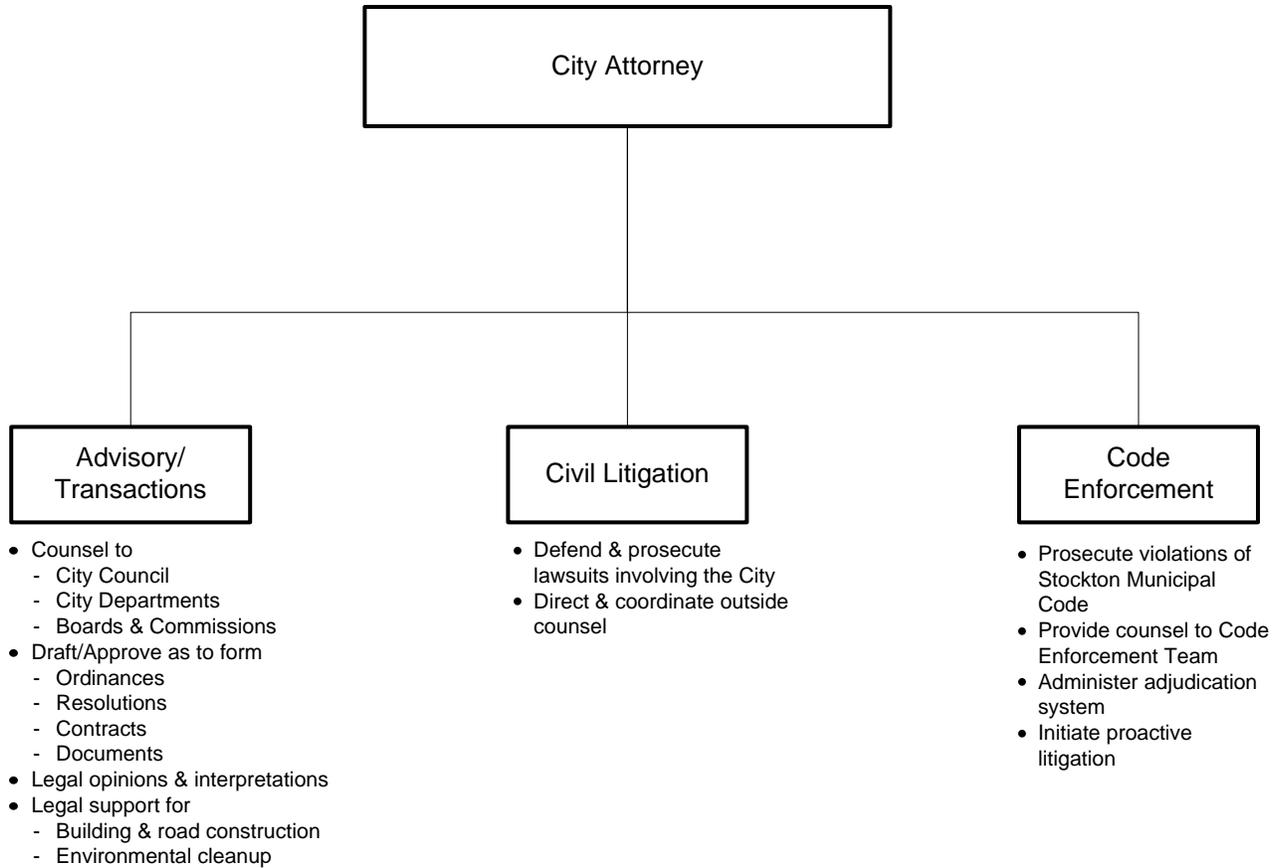
## KEY ISSUES

Stockton's revenues have significantly declined due to the housing crisis and economic recession. In addition, numerous factors that have accumulated from past decisions have also contributed to an imbalance between the City's revenue base and its cost structure including unsustainable retiree health insurance, large debt obligations, unsustainable labor contracts, state raids on City finances, and poor fiscal management practices.

The City Manager's Office has provided the direction and oversight to City departments in addressing these factors and pursuing the restructuring of the City's finances. Significant progress has been made in recent years in aligning the City's labor costs with the market and addressing the history of poor fiscal management. The City Manager's Office has provided oversight in managing the pre-bankruptcy mediation process and pursuit of eligibility under the federal bankruptcy code. The City has been declared eligible for bankruptcy protection. The goal during the 2013-14 fiscal year is to negotiate agreements with our creditors and finalize a plan of adjustment for exiting bankruptcy. These critical efforts are necessary for restructuring the City's finances to avoid an on-going imbalance between revenues and expenditures that will require further service cuts each year that the City and the community cannot afford.

These efforts have taken place at the same time that the City Manager's Office has been engaged in directing the efforts for pursuing the City Council goals through the Strategic Initiative work plans. Over the past two years significant progress has been accomplished for priority initiatives and additional progress has been made for the majority of the remaining initiatives. Of particular importance is the progress made toward the Marshall Plan Project on Crime with the completion of the planning phase. A key effort for 2013-14 will be assisting the City Council in soliciting community input and support for implementation of the plan.

The City Manager's Office will continue to pursue the accomplishment of the strategic initiatives as well as address the numerous challenges that the City is facing in establishing a path to fiscal sustainability, addressing crime, and creating the capacity to support economic development and deliver services to the community.



# CITY ATTORNEY

# OFFICE OF THE CITY ATTORNEY

## MISSION STATEMENT

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

## Budget at a Glance: Proposed

Total Expenditures	\$987,363
Total Revenues	\$0
Total Net Cost	\$987,363
Total Staff	11

## DEPARTMENTAL DESCRIPTION

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

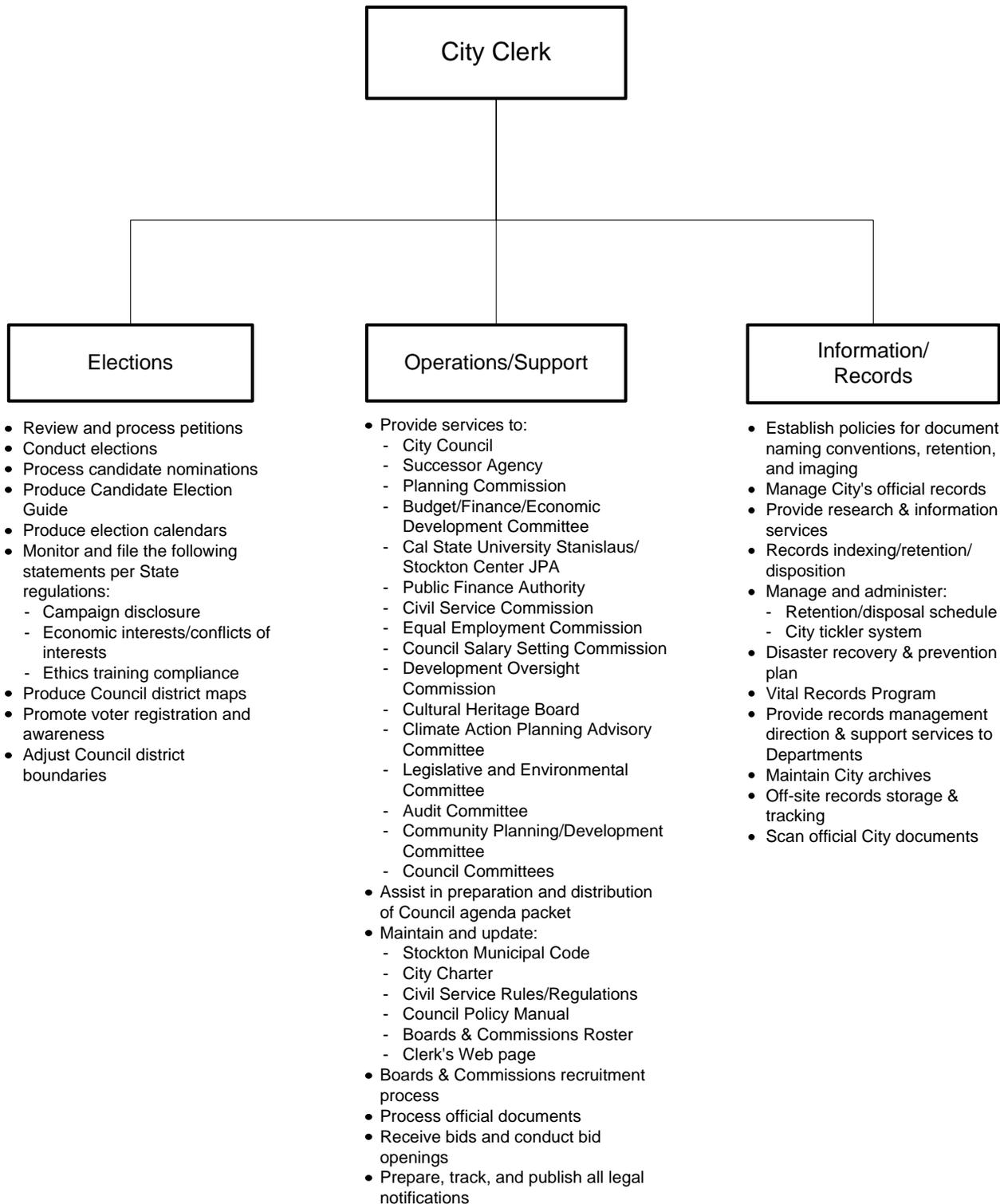
## KEY ISSUES

The City, due to its size and complexity, suffers a significant amount of litigation filed against it annually, both by members of the public and the City's employees. Managing this litigation in a cost-effective manner, without sacrificing the quality of representation, is a constant challenge that is best met through an emphasis on handling matters with in-house resources to the extent practicable. While resorting to outside litigation resources is necessary at times, the maximization of the City's in-house litigation capabilities is reflected in the choices presented.

Reductions made due to funding constraints have been confined to the advisory functions of the department. While this has and will continue to cause narrowing of the range of services provided and some delays in the delivery of services to the City's departments, the delays have proven to be manageable given present circumstances and are preferable to reductions in the City's in-house litigation capacity, which would cause more matters to be assigned to outside firms at a greater overall cost.

The Office of the City Attorney consists of one city attorney, one assistant city attorney, six deputy city attorneys (with two positions vacant), one executive assistant, and two legal secretaries. This department is comprised of two divisions. One division, comprised of three deputy city attorneys and one legal secretary, is focused on litigation and labor matters. The second division, consisting of three deputy city attorneys (with two positions vacant) and one legal secretary, is focused on advisory matters and code enforcement.

The department is less able to deliver advisory projects on a timely basis than it would be if fully staffed and faces a myriad of liability challenges and exposures. These exposures are a result of the temporary reduction of staff dedicated to that function. However, the litigation capacity of the department has been and will be maintained and it is expected that at least one advisory attorney position will be filled during the course of the FY 2013-14.



# CITY CLERK

# OFFICE OF THE CITY CLERK

## MISSION STATEMENT

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

## Budget at a Glance: Proposed

Total Expenditures	\$696,971
Total Revenues	\$12,375
Total Net Cost	\$684,596
Total Staff	6

## DEPARTMENTAL DESCRIPTION

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

The Office of the City Clerk is responsible for the following functions:

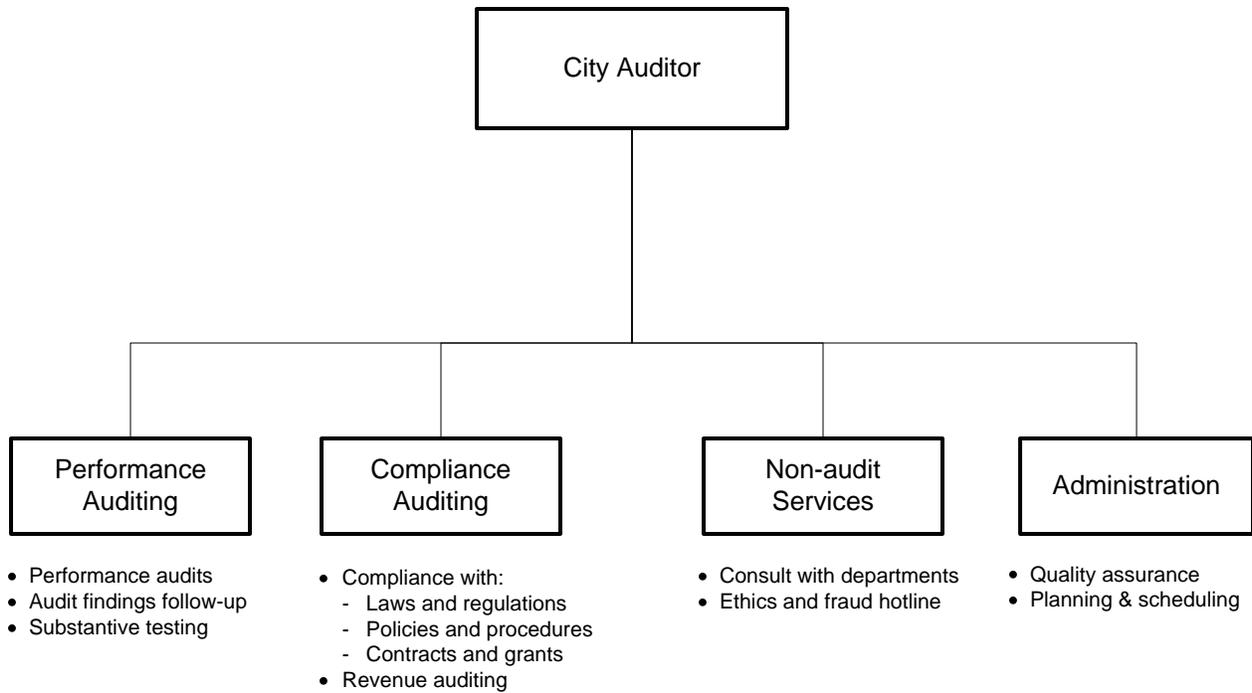
Elections: manages the nominations for Council office and performs prima facie review of any petitions that are filed with the City and serves as the Elections Official for the City. Additional duties include: adjusting Council District boundaries; preparation of the Council Candidate Guide; receiving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

Operations: provides support services, ensuring agenda posting and public hearing notification requirements are met. Support services include meeting attendance and minute preparation for various City meeting bodies including, but not limited to: City Council/Successor Agency to the Redevelopment Agency, Planning Commission, Civil Service and Equal Employment Commissions, Salary Setting Commission, Mayor's Climate Action Task Force, Development Oversight Commission, Cultural Heritage Board and various committees of the City Council.

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

## KEY ISSUES

The City has not invested resources in records management technology, systems or training. As a result, fragmented record keeping systems make timely retrieval of documents for reference and research or to respond to public information requests difficult and can result in delays or even in the inability to find records. The current situation has a big impact on efficiency in the Office of the City Clerk and throughout the City. The City Clerk's Office will focus on working with departments and the Information Technology steering group to develop a plan to make improvements in this area. This effort has to be a collaborative effort partly because the resources devoted to the City Clerk function are not adequate to address the change that is needed.



# CITY AUDITOR

# OFFICE OF THE CITY AUDITOR

## MISSION STATEMENT

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

## Budget at a Glance: Proposed

Total Expenditures	\$768,100
Total Revenues	\$0
Total Net Cost	\$768,100
Total Staff	0

## DEPARTMENTAL DESCRIPTION

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

This department is funded through the General Fund with nearly half the costs being allocated to other funds, based on planned audits. The Office of the City Auditor prepares a proposed annual audit plan listing potential projects. The City Council through the Council Audit Committee selects those audit projects to be included in the final annual audit plan.

## KEY ISSUES

Due to the retirement of the long tenured City Auditor in 2012, as well as a major internal control audit that was immediately necessary, the City Council explored a variety of options for staffing the City Audit function. The City Council determined to move forward with a contract for services to complete the internal control audit as well as to appoint the contractor to fulfill the role of the City Auditor.

The FY 2013-14 budget assumes continuation of the contract model. If the City Council wishes to change, we would change the budget to reflect Council's will. In FY 2013-14, there are no positions budgeted for the department and funding for salaries has been reallocated to professional services to fund any audit projects that the City Council authorizes the contract City Auditor to complete. The initial six month contract includes the completion of an annual audit plan that the Council will use to select audit projects for FY 2013-14.

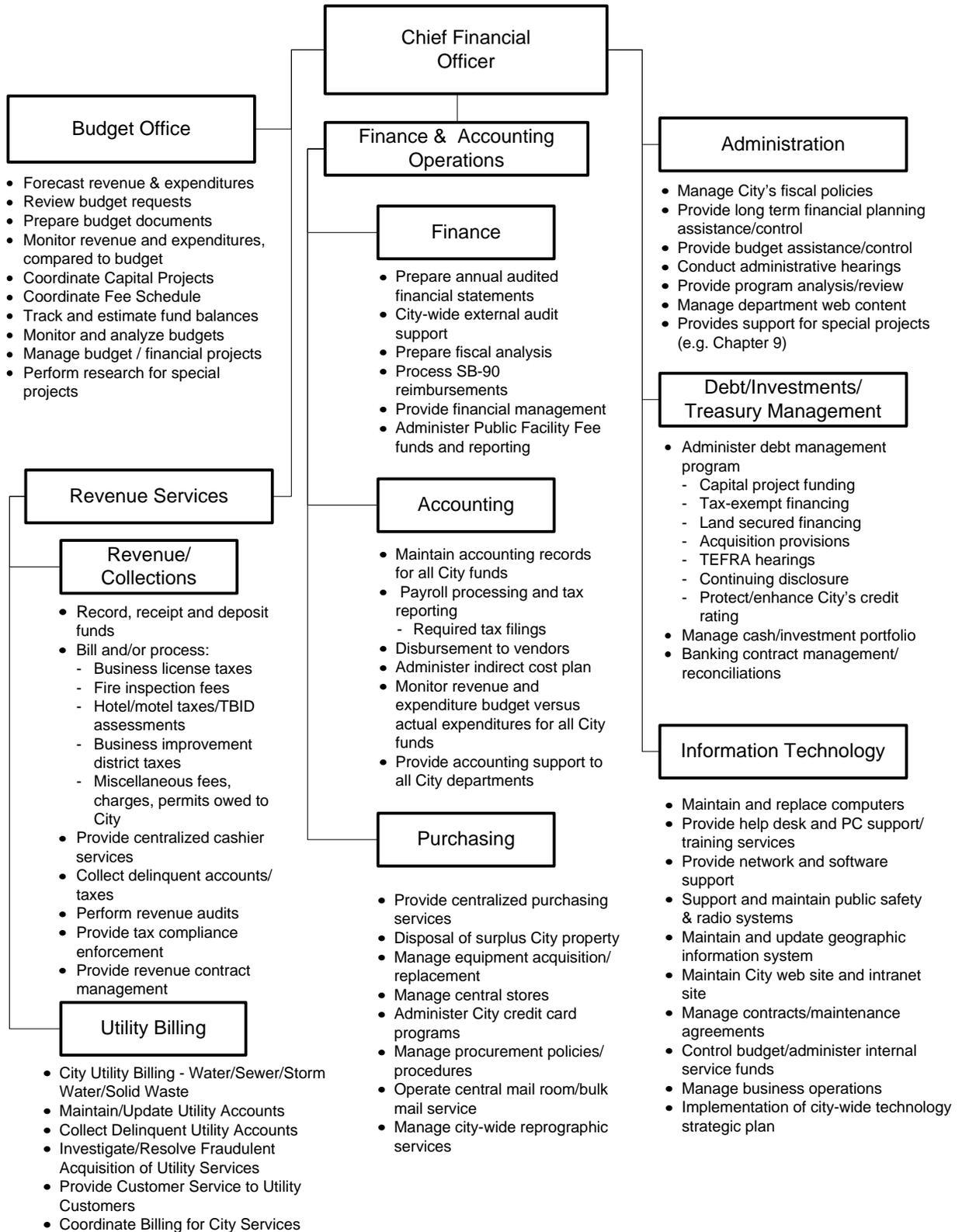
The Office of the City Auditor was staffed with four full time employees in FY 2012-13. When the City Council made the initial decision in the fall of 2012 to staff the City Auditor function by contract, all four employees had separated from the department through retirements or transfers. The vacancy savings realized in the department were reallocated to fund the contract for internal control audit services, from April to September, 2013. Following this initial period, the City Council will make a determination whether to continue staffing the Office of the City Auditor by continuing the existing contract or by hiring permanent employees.

Another component of the budget addresses City Council's focus on putting the fiscal house in order. Due to bankruptcy status and past accounting errors recently uncovered, the City is considered a high risk audit. To achieve the above mentioned Council goal, additional resources are being allocated to the external audit contract that provides an in depth analysis of the City's financial reporting. In order to complete this analysis, the external audit budget is expected to increase by \$225,000 in FY 2012-13 and to \$450,000 in FY 2013-14 to continue to support detailed financial auditing efforts.

**Charter Officers  
General Fund - 010  
2013-14 Proposed Budget**

	<b>FY 2010-2011</b>	<b>FY 2011-2012</b>	<b>FY 2012-2013</b>	<b>FY 2013-2014</b>
	<b>Actual</b>	<b>Unaudited Actual</b>	<b>Current Budget</b>	<b>Proposed Budget</b>
<b>Total Charter Officers</b>				
Employee Services	\$ 2,659,027	\$ 2,481,504	\$ 2,767,677	\$ 2,655,799
Other Services	735,716	578,666	709,289	1,159,909
Materials and Supplies	55,062	37,784	52,017	51,517
Other Expenses	39,585	36,419	49,990	63,290
Total	<u>\$ 3,489,390</u>	<u>\$ 3,134,373</u>	<u>\$ 3,578,973</u>	<u>\$ 3,930,515</u>
<b>City Council</b>				
Employee Services	460,502	448,535	392,152	405,033
Other Services	31,147	45,041	61,860	43,174
Materials and Supplies	5,324	2,504	4,000	4,000
Other Expenses	9,476	5,615	7,500	9,500
Total	<u>506,449</u>	<u>501,695</u>	<u>465,512</u>	<u>461,707</u>
<b>City Manager</b>				
Employee Services	699,505	617,862	835,963	869,064
Other Services	170,659	104,075	144,896	115,928
Materials and Supplies	9,417	8,710	10,782	10,782
Other Expenses	14,723	7,439	20,600	20,600
Total	<u>894,304</u>	<u>738,086</u>	<u>1,012,241</u>	<u>1,016,374</u>
<b>City Attorney</b>				
Employee Services	600,328	554,212	731,920	792,820
Other Services	256,344	156,190	169,719	153,043
Materials and Supplies	21,489	14,645	22,000	23,500
Other Expenses	8,043	10,943	10,000	18,000
Total	<u>886,204</u>	<u>735,990</u>	<u>933,639</u>	<u>987,363</u>
<b>City Clerk</b>				
Employee Services	640,738	577,290	561,894	588,882
Other Services	110,186	116,282	138,570	91,054
Materials and Supplies	7,609	9,781	12,035	10,035
Other Expenses	2,128	6,326	3,700	7,000
Total	<u>760,661</u>	<u>709,679</u>	<u>716,199</u>	<u>696,971</u>
<b>City Auditor</b>				
Employee Services	257,954	283,605	245,748	-
Other Services	167,380	157,078	194,244	756,710
Materials and Supplies	11,223	2,144	3,200	3,200
Other Expenses	5,215	6,096	8,190	8,190
Total	<u>441,772</u>	<u>448,923</u>	<u>451,382</u>	<u>768,100</u>





# ADMINISTRATIVE SERVICES

# ADMINISTRATIVE SERVICES DEPARTMENT

## MISSION STATEMENT

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

## Budget at a Glance: Proposed

Total Expenditures	
General Fund	\$3,753,524
Internal Service Fund	\$14,073,064
Revenue	\$12,582,459
Total Net Cost	\$5,244,129
Total Staff	102

## DEPARTMENTAL DESCRIPTION

The Administrative Services Department is responsible for providing quantitative financial information that allows the City Council and all City departments to make informed decisions as to allocation of available resources. The fiscal condition of the City is monitored in order to develop and maintain a balanced budget. Reports on the City's financial condition and results of its operations are periodically provided to the City Manager and City Council. Annually, the department publishes the City's overall financial results in the Comprehensive Annual Financial Report (CAFR).

The Administrative Services Department is administered through six divisions: Administration, Budget, Financial and Accounting Operations, Treasury, Revenue and Collection Services (including Utility Billing), and Information Technology.

The Administration Division directs the activities of the Administrative Services Department, including monitoring revenue, billing, collection, investments, audits, disbursement of funds; reporting on accounting and financial activities; processing City payroll; coordinating purchasing activities; and managing long-term debt.

The Budget Division is responsible for the compilation, presentation, and monitoring of the City's annual budget. Throughout the fiscal year, the Division provides assistance to City departments by analyzing and evaluating financial performance and budget projections. The Division also coordinates financial planning and management.

The Financial and Accounting Operations Division is responsible for City-wide Purchasing, Finance, and Accounting Operations. The Division also includes a unit that provides centralized printing and high volume reprographic service to departments and maintains a centralized mail room where City mail is sorted and metered.

Purchasing is responsible for the procurement of all supplies and services necessary for the operation of City departments.

Finance provides financial services to all City departments and stakeholders. They are responsible for the recording and reporting of financial transactions; reporting financial position in accordance with generally accepted accounting principles, and preparation of the Comprehensive Annual Financial Report (CAFR). Finance also manages the City's investment portfolio and bonded indebtedness.

## ADMINISTRATIVE SERVICES DEPARTMENT

Accounting Operation services include the processing of payroll for the City's employee salaries and benefits to over 1,400 employees, payroll tax compliance, and employee benefit reporting for retirement systems. This division is also responsible for the City's accounts payable function.

The Treasury Division supports the City's pooled investment portfolio and forty-eight bond issues which total in excess of \$1.0 billion. Services include investment management of the cash and investment portfolio of over \$300 million and investor relations, market disclosures, and financing/refinancing programs.

The Revenue and Collection Services Division is responsible for collection, enforcement and audit of business tax, hotel/motel tax, utility users tax, improvement district assessments, and other fees and charges owed to the City. The Division is responsible for the accurate recording, receipting, control, and deposit of all monies received by City departments. Utility Billing is responsible for providing customer service and performing billing for water, sewer, storm water, and solid waste charges for the City's 55,000 utility customers. The Division also administers the billing of City services and solid waste services for the 39,000 customers of California Water Service. The Utility Billing Division is funded by the Utilities Funds.

The Information Technology Division is responsible for three Internal Service Funds (ISF's) which are managed by a total of 39 full time employees. Employees are organized into three units: Computer Services, Radio Services and Telecommunications, that comprise the majority of technology support for City of Stockton. These services are provided on a cost-reimbursement basis to the other departments and funds.

Computer Services provides funding for the vast majority of business related technology equipment. This unit manages computer deliveries, repairs, replacements and services to departments and provides support City-wide for hardware, software and other technology solutions. This unit also supports a help desk, provides training services, network and software support, maintains internet access and supports the City's web page. A section in Computer Services manages the geographic information systems in support of the business needs for mapping data throughout the city, for public safety and for citizens accessing City service via the web. Most of business systems utilized by the City are also managed and administered by this unit.

Radio Services manages the radio system for all departments including Public Safety. This section maintains, repairs, and replaces radio systems and equipment, coordinates major and minor radio system changes, and identifies future equipment and standardization requirements.

Telecommunication manages work office tools such as the Voice over Internet Protocol (VoIP) phone system, cellular phones and data lines used for City business throughout Stockton. This unit issues and maintains cellular phones, negotiates contracts with vendors, and monitors usage.

### KEY ISSUES

In September 2011, the department began reorganization efforts and significant accomplishments were achieved. Management positions that remained vacant for a period of time are now filled.

- The City's Comprehensive Audited Financial Report (CAFR) for the year ended June 30, 2011 was issued 18 months after year end (one year late). This was due to a number of

## ADMINISTRATIVE SERVICES DEPARTMENT

factors that included the City's efforts to meet Council's priority to get its "fiscal house in order" and a number of material restatements to the June 30, 2010 audited balances. Administrative Services has developed an audit plan that will bring its external audit requirements for both June 30, 2012 and 2013 current by September 30 and December 31, 2013, respectively.

- As a reorganized department with new management, there is continued effort to meet the Council initiatives. However, the auditors reported that due to external factors such as Chapter 9 bankruptcy, State Controller's Office Audits, and other scrutiny, the department remains under intense strain and pressure. They recommended that additional permanent finance management staff be added to provide the level of review required in an organization our size. Significant staffing cuts in prior years appear to have been made too deep. To deal with the back log of work, reporting and audits, the budget for FY 2013-14 proposes to add an Accounting Supervisor position.
- This department provided significant support for the AB 506 mediation process and successful filing of its Chapter 9 bankruptcy relief. Chapter 9 support will continue into Fiscal Year 2013-14.
- In June 2012, the department received approval of its Citywide Technology Strategic Plan. Substantial efforts and progress have been made on projects outlined in that plan. These efforts will continue in Fiscal Year 2013-14 and will remain constrained due to limited resources.

**Administrative Services  
General Fund - 010  
2013-14 Proposed Budget**

	<b>FY 2010-2011</b>	<b>FY 2011-2012</b>	<b>FY 2012-2013</b>	<b>FY 2013-2014</b>
	<b>Actual</b>	<b>Unaudited Actual</b>	<b>Current Budget</b>	<b>Proposed Budget</b>
<b>Total Administrative Services Department</b>				
Employee Services	\$ 2,103,361	\$ 2,217,234	\$ 2,618,931	\$ 2,796,117
Other Services	739,799	1,049,687	839,661	888,820
Materials and Supplies	42,001	39,892	50,540	45,787
Other Expenses	9,432	9,933	28,100	22,800
<b>Total</b>	<b>\$ 2,894,593</b>	<b>\$ 3,316,746</b>	<b>\$ 3,537,232</b>	<b>\$ 3,753,524</b>

**Administration**

Employee Services	160,040	168,829	507,311	419,162
Other Services	236,912	367,296	203,690	240,882
Materials and Supplies	5,556	5,277	9,500	6,700
Other Expenses	1,182	2,625	4,800	5,000
<b>Total</b>	<b>403,690</b>	<b>544,027</b>	<b>725,301</b>	<b>671,744</b>

**Budget**

Employee Services	153,870	191,196	270,597	307,986
Other Services	30,782	58,340	75,683	103,111
Materials and Supplies	315	913	4,433	4,000
Other Expenses		784	1,000	6,000
<b>Total</b>	<b>184,967</b>	<b>251,233</b>	<b>351,713</b>	<b>421,097</b>

**Financial Services**

Employee Services	572,562	613,523	731,811	831,697
Other Services	178,714	356,099	254,369	235,162
Materials and Supplies	17,510	13,482	14,860	13,800
Other Expenses	5,435	2,885	6,200	5,300
<b>Total</b>	<b>774,221</b>	<b>985,989</b>	<b>1,007,240</b>	<b>1,085,959</b>

**Treasury**

Employee Services	1,005,822	1,050,388	923,311	1,046,611
Other Services	212,236	188,887	218,862	211,713
Materials and Supplies	14,354	13,995	16,725	16,250
Other Expenses	1,264	684	12,700	3,200
<b>Total</b>	<b>1,233,676</b>	<b>1,253,954</b>	<b>1,171,598</b>	<b>1,277,774</b>

**Purchasing**

Employee Services	211,067	193,298	185,901	190,661
Other Services	81,155	79,065	87,057	97,952
Materials and Supplies	4,266	6,225	5,022	5,037
Other Expenses	1,551	2,955	3,400	3,300
<b>Total</b>	<b>298,039</b>	<b>281,543</b>	<b>281,380</b>	<b>296,950</b>



Human Resources  
Director

- Labor negotiations
- Organizational development
- Citywide policy development

Benefits

- Benefits Administration
  - Health benefits
  - Retirement
  - Long-term disability
  - Employee leave entitlements
  - Unemployment
  - COBRA administration
  - Section 125 administration
  - Deferred compensation
  - Medicare coordination

Risk Services

- Administer City Property Insurance Program
- Administer City Workers' Compensation Program
- Administer Self-insurance Tort Liability Program
- Administer Third Party Recovery Program
- Administer Safety/OSHA Program
- Manage Insurance Certificates
- ADA Coordinator
- City Driving Program/DOT
- Conduct City Onsite Safety Inspections
- Record and Analyze Risk Data Statistics
- Manage City Insurance Policies
- Manage Risk Policies and Procedures
- Special Events Advisory
- OES Program Advisory

Workforce Planning

- Civil Service Commission
  - Agenda preparation
  - Rules formulation
- Training & Organizational Development
  - Staff development
  - Needs assessment
- Workforce Planning
  - Recruitment/Promotions
  - Classification of eligible employees
  - Pre-employment processing
  - New employee orientation
  - Student employment/ internship program
  - Job Fairs
- Employee Services
  - Maintenance of classification plan
  - Classification and equity studies
  - Employee performance evaluations
  - Employee file maintenance
  - Establish and maintain seniority lists
  - Maintenance of layoff/ reemployment list
  - Placement assistance
- Position Control
- Equal Employment Commission
  - Equal Employment Plan
- Employee Transportation
  - Ride-Share Program
  - Spare-the-Air Program
- Temporary Agency Contracts

Employee/Labor Relations

- Employee Relations
  - Negotiations support
  - MOU administration
  - Grievance resolution
  - Disciplinary action
  - EEO/ DFEH complaints
  - Employee investigations
- Civil Service Commission
  - Agenda preparation
  - Rules formulation
  - Policy advice
  - Disciplinary appeals

# HUMAN RESOURCES DEPARTMENT

# HUMAN RESOURCES DEPARTMENT

## MISSION STATEMENT

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

## Budget at a Glance: Proposed

Total Expenditures	
General Fund	\$2,025,587
Benefit Programs	\$86,767,375
Total Revenues	\$90,705,409
Total Net Revenues	\$1,882,447
Total Staff	27

## DEPARTMENTAL DESCRIPTION

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

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

The Employee/Labor Relations Division develops, negotiates, implements, and administers policies, procedures and labor agreements that support and promote workplace diversity, fairness and equality for City employees. We counsel and advise on labor relations and human resources issues, provide assistance in the timely resolution of grievances, complaints and other personnel related matters.

The Risk Management Services Division protects the City's resources by working proactively to limit liability exposures and providing cost effective risk management programs, such as safety and workers' compensation, and by recovering general fund monies from third party damages to City property.

The Benefits Administration Division assists in providing and coordinating all aspects of our employees' benefit compensation package. This includes, but is not limited to, health insurance, retirement services, leave entitlements, employee assistance program, section 125 flexible spending accounts, life insurance, and long term disability. In addition to assisting current employees, staff also provides comprehensive services to retirees and dependents.

## KEY ISSUES

In an effort to improve the City's fiscal condition Human Resources has implemented benefit modifications, improved risk management, and renegotiated labor contracts. The continuing fiscal emergency requires ongoing labor negotiations for concessions to reduce labor costs. In addition, City departments require assistance in organizational restructuring due to reduced staffing levels and to implement operating efficiencies.

The City's health plans must be redesigned to provide benefit levels that attract and retain a quality workforce, protect and promote healthy living, and fall within fiscally sustainable parameters. The City's self-funded medical plan rates continue to increase as a result of

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## HUMAN RESOURCES DEPARTMENT

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medical and prescription trend, the effects of anti-selection of the self-funded plan as enrollment declines, and mandated benefit increases and fee requirements due to the Affordable Care Act. Human Resources will form a labor/management group to evaluate fully insured healthcare plan options. Health plan strategies must be developed to ensure compliance with the Affordable Care Act provisions mandated for January 1, 2014.

Workers' Compensation costs continue to be above industry average. Human Resources has developed an action plan based on a comprehensive audit of the program to address this issue. Several elements of the plan have already been implemented.

Proper funding and reserve levels need to be established for the General Liability and Workers' Compensation funds. The Department has formulated recommendations based on best practices for allocating premium rates to achieve appropriate funding levels. Elements of these recommendations will be phased in as the fiscal situation becomes more stable.

**Human Resources  
General Fund - 010  
2013-14 Proposed Budget**

	<b>FY 2010-2011</b>	<b>FY 2011-2012</b>	<b>FY 2012-2013</b>	<b>FY 2013-2014</b>
	<b>Actual</b>	<b>Unaudited Actual</b>	<b>Current Budget</b>	<b>Proposed Budget</b>
<b>Total Human Resources Department</b>				
Employee Services	\$ 1,066,548	\$ 880,798	\$ 1,094,145	\$ 1,149,690
Other Services	338,610	303,896	633,099	699,850
Materials and Supplies	11,291	11,443	19,700	19,301
Other Expenses	52,293	45,997	172,180	156,746
Total	<u>\$ 1,468,742</u>	<u>\$ 1,242,134</u>	<u>\$ 1,919,124</u>	<u>\$ 2,025,587</u>
<b>Workforce Planning</b>				
Employee Services	479,006	429,536	533,335	466,712
Other Services	193,200	163,723	413,135	447,269
Materials and Supplies	6,877	7,248	11,700	11,301
Other Expenses	2,796	1,637	6,630	12,506
Total	<u>681,879</u>	<u>602,144</u>	<u>964,800</u>	<u>937,788</u>
<b>Employee Relations</b>				
Employee Services	587,542	451,262	560,810	682,978
Other Services	145,410	140,173	219,964	252,581
Materials and Supplies	4,414	4,195	8,000	8,000
Other Expenses	49,497	44,360	165,550	144,240
Total	<u>786,863</u>	<u>639,990</u>	<u>954,324</u>	<u>1,087,799</u>

## NON-DEPARTMENTAL

### MISSION STATEMENT

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

### Budget at a Glance: Proposed

Total Expenditures	\$26,334,218
Total Revenues	\$7,946,570
Total Net Cost	\$18,387,648
Total Staff	10

### DEPARTMENTAL DESCRIPTION

Non-Departmental is a funding source for functions within the City Manager's Office that have city-wide impact and are not directly attributable to any single department. Positions funded, in whole or part, through Non-Departmental, include: Channel 97, Grants Manager, Peacekeepers, and Public Information Officer. Non-Departmental funds are also used to pay for expenses and costs related to receipt of tax revenues from other agencies, general elections costs, advertising and outreach for the City of Stockton, Channel 97, coordination and oversight of Operation Peacekeeper youth outreach and gang prevention programs, contracts for legislative advocacy, and dues to the California League of Cities. Oversight of the Entertainment Venues Fund is also provided as part of the function of positions funded in this category.

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

### KEY ISSUES

The economic recession, which has resulted in high foreclosure rates, high-unemployment, increased crime, reduced community resources, fewer grant and funding opportunities, reduced revenues and increased costs and the City's Fiscal Emergency Declaration, have significantly increased the need for all of the functions provided by Non-Departmental funding. Grant funding opportunities are scarce and available grants have more stringent requirements and qualifications, requiring additional time and resources for research and the application process. The need for Operation Peacekeeper gang prevention and intervention services and measures are at an all-time high, as gang violence has increased and unemployment has created stress in the community. Community and employee engagement has increased significantly due to the City's Fiscal Emergency Declaration and reduction of City services and employees, resulting in a considerable increase in the number of requests for public records, public information and media inquiries, and the need to maximize the use of all outreach mediums to improve and expand channels of communication.

We have been accounting for pre and post bankruptcy costs in this budget, but are now accounting for these costs in a separate Bankruptcy Fund.

**Non-Departmental  
General Fund - 010  
2013-14 Proposed Budget**

	<u>FY 2010-2011</u> <u>Actual</u>	<u>FY 2011-2012</u> <u>Unaudited</u> <u>Actual</u>	<u>FY 2012-2013</u> <u>Current</u> <u>Budget</u>	<u>FY 2013-2014</u> <u>Proposed</u> <u>Budget</u>
<b>Total Non-Departmental</b>				
Employee Services	\$ 442,327	\$ 578,580	\$ (425,068)	\$ 1,012,051
Other Services	4,562,289	6,266,891	8,311,452	4,961,554
Materials and Supplies	44,760	16,952	19,365	18,885
Other Expenses	(386,845)	(1,787,085)	1,112,146	1,489,309
Capital Outlay			250,000	
Transfers	<u>15,458,227</u>	<u>9,466,277</u>	<u>6,756,457</u>	<u>7,651,067</u>
Total	<u>\$ 20,120,758</u>	<u>\$ 14,541,615</u>	<u>\$ 16,024,352</u>	<u>\$ 15,132,866</u>
<b>Peacekeeper Program</b>				
Employee Services	34,642	150,999	138,936	186,345
Other Services	21,100	28,830	55,623	105,437
Materials and Supplies	6,017	13,825	18,240	17,760
Other Expenses		4	1,266	1,700
Total	<u>61,759</u>	<u>193,658</u>	<u>214,065</u>	<u>311,242</u>
<b>Tax Collection &amp; Election</b>				
Employee Services				
Other Services	2,179,810	2,117,639	1,786,755	2,047,000
Materials and Supplies				
Other Expenses	<u>1,067,673</u>	<u>(73,972)</u>	<u>412,000</u>	<u>410,000</u>
Total	<u>3,247,483</u>	<u>2,043,667</u>	<u>2,198,755</u>	<u>2,457,000</u>
<b>Labor Litigation/AB506/Chapter 9 Legal*</b>				
Employee Services			5,770	
Other Services	1,830,776	3,559,668	5,946,635	2,000,000
Materials and Supplies				
Other Expenses			1,500	
Capital Outlay			250,000	
Total	<u>1,830,776</u>	<u>3,559,668</u>	<u>6,203,905</u>	<u>2,000,000</u>
<b>Other Administration</b>				
Employee Services	407,685	427,581	(569,774)	825,706
Other Services	530,603	560,754	522,439	809,117
Materials and Supplies	38,743	3,127	1,125	1,125
Other Expenses	(1,454,518)	(1,713,117)	(1,302,620)	(922,391)
Capital Outlay				
Transfer				
Total	<u>(477,487)</u>	<u>(721,655)</u>	<u>(1,348,830)</u>	<u>713,557</u>

\* 2013-14 Budget accounts for Chapter 9 costs in a separate fund. See page L - 31.

**Non-Departmental  
General Fund - 010  
2013-14 Proposed Budget**

	<u>FY 2010-2011</u> <u>Actual</u>	<u>FY 2011-2012</u> <u>Unaudited</u> <u>Actual</u>	<u>FY 2012-2013</u> <u>Current</u> <u>Budget</u>	<u>FY 2013-2014</u> <u>Proposed</u> <u>Budget</u>
<b>Debt Service</b>				
Transfer Out - Debt Service - 201				
MUD Jarvis Settlement				
General Fund	1,117,337	1,127,032	-	
Parking Bond (SEB)	785,311	773,927	836,527	909,194
Pension Obligation Bond		876,000		
PFF 2009 Bond			-	
Marina Towers Settlement			-	
Main Hotel Loan Payment			-	
Civic Aud. HVAC Lease				248,779
Debt Administration	250,000	419,000	142,033	240,000
Total	<u>2,152,648</u>	<u>3,195,959</u>	<u>978,560</u>	<u>1,397,973</u>
<b>Program Support for Other Funds</b>				
Transfers				
Entertainment Venues - 086	2,191,299	2,441,299	2,637,350	2,653,094
Redevelopment - 633	4,603,933	1,810,933	1,069,248	750,000
Compensated Absences ISF	3,697,917			
Downtown Marina - 460	966,000	732,000	47,299	160,000
Administration Building - 085		480,538	162,000	
Capital Improvement - 301		620,000	575,000	1,290,000
Grant Match - 025	854,112	35,548	262,000	400,000
PFF Administration - 999	480,000		25,000	-
Development Services - 048	512,318	150,000	1,000,000	1,000,000
Total	<u>13,305,579</u>	<u>6,270,318</u>	<u>5,777,897</u>	<u>6,253,094</u>
<b>Contingency</b>				
Employee Services				
Other Services				
Materials and Supplies				
Other Expenses			2,000,000	2,000,000
Transfer				
Total	<u>-</u>	<u>-</u>	<u>2,000,000</u>	<u>2,000,000</u>



**BANKRUPTCY FUND (012)****History**

- This fund has been created as of Fiscal Year 2013-14 to pay for costs associated with City's bankruptcy, including legal fees and bankruptcy project management.
- The Proposed Budget for Fiscal Year 2013-14 separates the resources and costs of bankruptcy activities from other funds so that tracking of bankruptcy expenditures is more transparent.
- The new Bankruptcy Fund begins with the available general fund balance (unaudited) that the Council has committed towards for bankruptcy costs.
- The bankruptcy fund began with the initial Council commitment of \$5.6 million at the beginning of Fiscal Year 2012-13 and is increased by additional projected general fund balance ending June 30, 2013.
- These resources are dedicated to negotiating a consensual Plan of Adjustment (or bankruptcy exit plan). The Plan of Adjustment is intended to bring the City's debts in line with our resources, both now and over time.

**2013-14 Budget Issues and Changes**

- The limited resources in this Bankruptcy Fund will be used to cover costs for Chapter 9 project management, litigation and negotiations with our creditors, with remaining money available to pay our creditors as settlements for claims.

**Administration and Support  
Bankruptcy Fund - 012  
2013-14 Proposed Budget**

	<b>FY 2010-2011</b>	<b>FY 2011-2012</b>	<b>FY 2012-2013</b>	<b>FY 2013-2014</b>
	<b>Actual</b>	<b>Unaudited Actual</b>	<b>Projected</b>	<b>Proposed Budget</b>
		<i>General Fund</i>	<i>General Fund</i>	
<b>Beginning Available Balance</b>	\$ -	\$ -	\$ 6,783,838	\$ 10,326,958
<b>Revenues</b>				
AB506 Funding		3,500,000		
Chapter 9 Funding			3,688,453	
	<u>-</u>	<u>3,500,000</u>	<u>3,688,453</u>	<u>-</u>
<b>Expenditures</b>				
AB506 Administration & Legal		2,308,453		
Chapter 9 Administration & Legal			7,158,000	5,200,000
Cost Reimbursed from Other Funds			(2,278,000)	(1,907,500)
	<u>-</u>	<u>2,308,453</u>	<u>4,880,000</u>	<u>3,292,500</u>
<b>Transfers</b>				
Transfer In - General Fund		5,592,291	4,734,667	
Transfer In - Other				
Transfer Out				
	<u>-</u>	<u>5,592,291</u>	<u>4,734,667</u>	<u>-</u>
<b>Net Annual Activity</b>	<u>-</u>	<u>6,783,838</u>	<u>3,543,120</u>	<u>(3,292,500)</u>
<b>Ending Available Balance</b>	<u>\$ -</u>	<u>\$ 6,783,838</u>	<u>\$ 10,326,958</u>	<u>\$ 7,034,458</u>
AB506 Carryover		\$ 1,108,026	\$ -	\$ -
Encumbrances		83,521	-	-
Bankruptcy Reserve		5,592,291	10,326,958	7,034,458
		<u>\$ 6,783,838</u>	<u>\$ 10,326,958</u>	<u>\$ 7,034,458</u>

**Administration and Support  
Peacekeeper Program  
2013-14 Proposed Budget**

	<b>FY 2010-2011</b>	<b>FY 2011-2012</b>	<b>FY 2012-2013</b>	<b>FY 2013-2014</b>
	<b>Actual</b>	<b>Unaudited Actual</b>	<b>Projected</b>	<b>Proposed Budget</b>
<b>Revenues</b>				
Grant funding secured	\$ 634,715	\$ 418,973	\$ 368,320	\$ 244,750
Grant funding expected				100,000
Contribution from General Fund	61,759	196,537	216,458	311,242
	<b>696,474</b>	<b>615,510</b>	<b>584,778</b>	<b>655,992</b>
<b>Expenditures</b>				
Salaries & benefits - program	523,487	523,487	480,822	505,484
Salaries & benefits - administrative	83,070	22,534	23,610	25,611
Supplies & services	89,917	69,489	80,346	124,897
	<b>696,474</b>	<b>615,510</b>	<b>584,778</b>	<b>655,992</b>
<b>Transfers</b>				
Transfer In - General Fund				
Transfer Out	-	-	-	-
	-	-	-	-
<b>Net Annual Activity</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>



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## ENTERTAINMENT VENUES

### ENTERTAINMENT VENUES FUND (086)

#### History

- This fund maintains and finances the four facilities managed by SMG: Arena, Ballpark, Oak Park Ice Arena, and Bob Hope Theatre.
- This fund also includes Administrative overhead for Budget support and payment of Possessory Interest Tax for 7<sup>th</sup> Inning Stretch according to Contract.
- SMG provides both an annual operating budget and capital budget in the Annual Business Plan.
- Entertainment Venues have historically required a high level of subsidy. SMG business practices are reducing annual subsidy requirements, but a significant subsidy is still required.

#### 2012-13 Events

- Through March 2012, there were more than 300 events with direct impacts to hotel occupancy rates, local tax revenue, and downtown restaurants and bars.
- SMG provides 22 full time jobs, 300 part time jobs, and 400 jobs through contractors and teams who directly support the venues.

#### 2013-14 Budget Issues and Changes

- SMG is committed to being a strong community partner through no cost and cost effective community engagement projects in the venues. SMG continues to develop community related events and projects
- A challenging economy continues to affect venue attendance and attendance based revenue. Pollstar reports annual attendance at venues nationwide is trending at a 3% decrease. Out of the top 50 tours, only 11 averaged more than 10,000 tickets per show and 38 tours averaged 2,087 tickets per show.

**Administration and Support  
Entertainment Venues - 086  
2013-14 Proposed Budget**

	<b>FY 2010-2011</b>	<b>FY 2011-2012</b>	<b>FY 2012-2013</b>	<b>FY 2013-2014</b>
	<b>Actual</b>	<b>Unaudited Actual</b>	<b>Projected</b>	<b>Proposed Budget</b>
<b>Beginning Available Balance</b>	<b>\$ 1,635,754</b>	<b>\$ (908,799)</b>	<b>\$ -</b>	<b>\$ 148,365</b>
<b>Revenues</b>				
Operations:				
Stockton Arena	2,982,433	2,234,239	2,912,995	3,257,759
Bob Hope Theatre	490,108	428,333	339,877	468,120
Oak Park Ice Arena	363,596	358,926	406,262	408,800
Ballpark	200,180	251,148	178,933	220,000
Other Revenue	(44,309)	360,353	61,714	61,714
	<b>3,992,008</b>	<b>3,632,999</b>	<b>3,899,781</b>	<b>4,416,393</b>
<b>Expenditures</b>				
Operations:				
Stockton Arena	4,824,339	3,676,087	4,253,824	4,568,205
Bob Hope Theatre	765,967	824,012	722,271	876,810
Oak Park Ice Arena	422,547	582,169	639,302	637,836
Ballpark	653,483	639,155	590,963	665,670
Administration	41,796	129,294	196,368	259,252
Buy-out of operator/transition costs	2,449,728	26,948		
	<b>9,157,860</b>	<b>5,877,665</b>	<b>6,402,728</b>	<b>7,007,773</b>
<b>Transfers</b>				
Transfer In - General Fund	2,191,299	2,441,299	2,637,350	2,653,094
Transfer In - Other	1,000,000		13,962	
Transfer Out	(570,000)			
	<b>2,621,299</b>	<b>2,441,299</b>	<b>2,651,312</b>	<b>2,653,094</b>
<b>Net Annual Activity</b>	<b>(2,544,553)</b>	<b>196,633</b>	<b>148,365</b>	<b>61,714</b>
<b>Ending Available Balance</b>	<b>\$ (908,799)</b>	<b>\$ (712,166)</b>	<b>\$ 148,365</b>	<b>\$ 210,079</b>
<b>Available Balance Calculation</b>				
Current Assets		\$ 2,589,519		
Current Liabilities		(2,589,519)		
Ending Available Balance		<b>\$ -</b>		

**Administration and Support**  
**San Joaquin Area Flood Control Agency - 020**  
**2013-14 Proposed Budget**

	FY 2010-2011	FY 2011-2012	FY 2012-2013	FY 2013-2014
	Actual	Unaudited Actual	Projected	Proposed Budget
<b>Beginning Available Balance</b>	\$ -	\$ -	\$ -	\$ -
<b>Revenues</b>				
Flood Agency Reimbursement	865,702	838,567	763,262	776,754
	<u>865,702</u>	<u>838,567</u>	<u>763,262</u>	<u>776,754</u>
<b>Expenditures</b>				
Employee Services	762,741	745,283	675,159	671,508
Insurance premiums	12,741	15,682	20,737	22,220
Internal Service Fund Charges	46,635	35,428	24,291	35,596
Maintenance and Repair	4,315	4,001	4,500	5,300
Materials and supplies	4,094	2,109	3,000	5,000
Indirect Cost Allocation	32,009	33,330	33,330	33,330
All other expenses	3,167	2,734	2,245	3,800
	<u>865,702</u>	<u>838,567</u>	<u>763,262</u>	<u>776,754</u>
<b>Transfers</b>				
Transfer In - General Fund				
Transfer In - Technology 502				
Transfer Out				
	-	-	-	-
<b>Net Annual Activity</b>	-	-	-	-
<b>Ending Available Balance</b>	\$ -	\$ -	\$ -	\$ -
<b>Available Balance Calculation</b>				
Current Assets				
Current Liabilities				
Ending Available Balance		<u>\$ -</u>		

**Other Special Programs  
Wagner - General Special Revenue - 627  
2013-14 Proposed Budget**

	FY 2010-2011 <u>Actual</u>	FY 2011-2012 Unaudited <u>Actual</u>	FY 2012-2013 <u>Projected</u>	FY 2013-2014 <u>Proposed Budget</u>
<b>Beginning Available Balance</b>	<b>\$ 69,631</b>	<b>\$ 69,894</b>	<b>\$ 52,890</b>	<b>\$ 50,568</b>
<b>Revenues</b>				
Program Revenue				
Donations				
Other Revenue	1,763	1,171	678	650
	<u>1,763</u>	<u>1,171</u>	<u>678</u>	<u>650</u>
<b>Expenditures</b>				
Program Expenses	1,500	3,000	3,000	3,000
	<u>1,500</u>	<u>3,000</u>	<u>3,000</u>	<u>3,000</u>
<b>Transfers</b>				
Transfer In				
Transfer Out - Grant Fund - 020	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Net Annual Activity</b>	<u>263</u>	<u>(1,829)</u>	<u>(2,322)</u>	<u>(2,350)</u>
<b>Ending Available Balance</b>	<b>\$ 69,894</b>	<b>\$ 68,065</b>	<b>\$ 50,568</b>	<b>\$ 48,218</b>
<b>Available Balance Calculation</b>				
Current assets		\$ 68,065		
Principal endowment		(15,175)		
Ending Available Balance		<u>\$ 52,890</u>		

**Other Special Programs  
General Special Revenue - 642  
2013-14 Proposed Budget**

	FY 2010-2011 <u>Actual</u>	FY 2011-2012 Unaudited <u>Actual</u>	FY 2012-2013 <u>Projected</u>	FY 2013-2014 <u>Proposed Budget</u>
<b>Beginning Available Balance</b>	<b>\$ 27,609</b>	<b>\$ 38,647</b>	<b>\$ 26,837</b>	<b>\$ 79,428</b>
<b>Revenues</b>				
Program Revenue				
Donations	5,603	6,775	3,800	3,000
Other Revenue	96,679	293,003	221,954	96,679
	<u>102,282</u>	<u>299,778</u>	<u>225,754</u>	<u>99,679</u>
<b>Expenditures</b>				
Program Expenses	91,244	311,588	173,163	121,325
	<u>91,244</u>	<u>311,588</u>	<u>173,163</u>	<u>121,325</u>
<b>Transfers</b>				
Transfer In				
Transfer Out - Grant Fund - 020	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Net Annual Activity</b>	<u>11,038</u>	<u>(11,810)</u>	<u>52,591</u>	<u>(21,646)</u>
<b>Ending Available Balance</b>	<u>\$ 38,647</u>	<u>\$ 26,837</u>	<u>\$ 79,428</u>	<u>\$ 57,782</u>
<b>Available Balance Calculation</b>				
Current assets		\$ 77,001		
Current liabilities		(50,164)		
Ending Available Balance		<u>\$ 26,837</u>		

TAB 13 DEBT



## DEBT

### CITY DEBT SERVICE FUNDS

Debt Service Funds are used to administer the City's General Government and Assessment District debt obligations.

#### Budget at a Glance: Proposed

City Debt Service Fund	\$10,008,277
CFD & Assessment Districts	\$18,102,043
Administration	<u>\$240,000</u>
Total Expenditures	\$28,350,320
Total Revenues	\$28,018,820
Total Net Cost	\$331,500

### GENERAL FUND OBLIGATIONS

The City's General Fund secures the following series of bonds and other debt obligations that are administered in the City's Debt Service Fund:

#### Certificates of Participation 2003 A & B – Redevelopment Housing Program

Certificates of Participation (COP) Series 2003 A & B were issued in the amount of \$13,300,000 in June, 2003. The COPs were issued to finance redevelopment housing projects. Repayment of the COPs is financed by a transfer from the Successor Agency housing set-aside funds after the payment of certain redevelopment bonds that are senior to the COPs. The annual debt service payment budget for the COPs is \$989,682 for fiscal year 2013-14. It is anticipated that debt service reserves will be used to cover shortfalls from the housing set aside funds in fiscal year 2013-14. Under an agreement reached with the insurer in April of 2013, the General fund backstop will not be required to fund any shortfall during the fiscal year.

#### Lease Revenue Bonds 2006 Series A – Stewart/Eberhardt Building

The 2006 Lease Revenue Refunding Bonds Series A were issued in the amount of \$13,965,000 in March, 2006. The Bonds were issued to finance the acquisition and construction of the Essential Services Building (the Stewart/Eberhardt Building) and an adjacent parking facility. The sources for repayment are the Central Parking District Fund and the Public Facilities Fee Fund (Police Stations). The annual debt service payment budget for the bonds is \$909,194.

#### Lease Revenue Bonds 2007 Series A & B – City Administration Building

The 2007 Variable Rate Demand Lease Revenue Bonds, Series A & B were issued in the amount of \$40,770,000 in November, 2007. The bonds were issued to provide funds to finance the acquisition of an office building and parking garage located at 400 E. Main in downtown Stockton, which was planned to be converted into the City Administration Building. Pursuant to a default on March 1, 2012, the Indenture Trustee Wells Fargo Corporate Trust, took possessory interest of the building and is operating for the benefit of the bond insurer. Under default the bonds are subject to debt service acceleration and annual debt service payment for the bonds is projected to be \$7,735,622 for the fiscal year. It is anticipated that the payments will be made to the sole bondholder (Dexia) by the bond insurer. The General Fund appropriation for this debt service payment was eliminated in the Pendency Plan and any future payments are subject to the outcome of the Chapter 9 case.

## DEBT

### 2009 Lease Revenue Bonds Series A – (Public Facilities Fees)

The 2009 Lease Revenue Bonds Series A were issued in the amount of \$35,080,000 in September, 2009. The Bonds were issued to finance various capital improvements located throughout the City. The internal sources for repayment are development impact fees collected to finance the construction of Fire Stations, Police Stations, Parklands and Street Improvements. The impact fees are not pledged to the repayment of the obligations. The annual scheduled debt service payment for the bonds is \$3,056,369. The City defaulted in March 2013 and the cash reserve funds have been drawn to make the debt service payments. It is anticipated that the only funds available to pay ongoing debt service costs are the cash funded reserve fund, which holds insufficient funds to make a full payment. The General Fund appropriation for this debt service payment was eliminated in the Pendency Plan and any future payments are subject to the outcome of the Chapter 9 case.

### Howard-Jarvis Settlement

In October, 2006 a lawsuit (*Howard Jarvis Taxpayers Assoc., et al. v. City of Stockton*) was filed contending that transfers of fees levied on water, wastewater and stormwater utilities violated Proposition 218 on the grounds that the transfers caused utility fees to be used for purposes other than providing the utility services for which the fees were charged. A settlement agreement reached in March, 2009 required the City's General Fund and Capital Improvement Fund to repay over a thirty year period \$15,798,000 in principal plus \$3,580,000 in accrued interest, for a total estimate of \$19,378,000. Annual payments are \$1,127,032 based on the settlement documents, however, the City has ceased making payments pending the outcome of the Chapter 9 case. The General Fund appropriation for this payment was eliminated in the Pendency Plan and any future payments are subject to the outcome of the Chapter 9 case.

### Marina Towers Settlement

In February, 2009 a decision by the Court of Appeals of the State of California, Third Appellate District, reversed the Judgment in Condemnation related to the eminent domain proceedings commenced on properties used in the construction of a portion of the City's Ball Park. Subsequently, in August of 2009 there was a complaint filed against the City related to the actions previously taken to acquire the properties. In April 2010, an agreement was reached through mediation and that settlement required the City to make Annual payments of \$312,500 through July 1, 2017 based on the settlement documents, however, the City has ceased making payments pending the outcome of the Chapter 9 case. The General Fund appropriation for this payment was eliminated in the Pendency Plan and any future payments are subject to the outcome of the Chapter 9 case.

### Capital Lease - Civic Auditorium HVAC

On December 15, 2009 the City Council approved the execution of a Lease Purchase Agreement with Wells Fargo Securities, LLC to provide financing for the replacement of the Heating, Ventilation and Air Conditioning (HVAC) system for the Stockton Memorial Civic Auditorium. The lease is in the amount of \$1,930,000 and the sources for repayment are savings from reductions in utility costs to operate the HVAC system and from the City's General Fund. The annual debt service payment budget for the lease is \$248,779.

The following obligations are reported as "Memorandum Only" in this Debt Service section of the Budget and are presented for informational purposes. Debt Service related to these obligations is reported within the appropriate programs as applicable.

## DEBT

### **Internal Service Funds Debt Service (\*NOT INCLUDED IN THE BUDGET AT A GLANCE)**

#### Pension Obligation Bonds 2007 Series A & B (see page O-33)

The 2007 Taxable Pension Obligation Bonds (POB), Series A & B were issued in the amount of \$125,310,000 in March, 2007. The POBs were issued to refinance a portion of the City's unfunded actuarial liability with respect to retirement benefits accruing to its members of the California Public Employees' Retirement System. The annual debt service payment budget for the bonds is \$8,301,843. The City defaulted on this obligation in July 2012 and payments are currently being made by the bond insurer. The General Fund appropriation for this debt service payment was eliminated in the Pendency Plan and any future payments from the City are dependent upon the outcome of the Chapter 9 case.

#### Capital Lease - Fire Vehicles (see page O-8)

On April 17, 2007 The City Council approved the execution of a Master Equipment/Lease Agreement with Banc of America Leasing and Capital, LLC to provide a tax-exempt financing mechanism and established the underlying financing tool for designated capital projects. The City authorized the purchase of an aerial fire truck and water rescue vehicle for the Fire Department amounting to \$1,000,000. The annual debt service payment budget for the lease is \$88,455.

#### Capital Lease – Information Technology Equipment (see page O-15)

On June 24, 2008 The City Council approved the execution of a tax exempt lease through Key Government Finance in the amount of \$2,430,632 to implement a Citywide Unified Communication Environment. The sources for repayment are Internal Service fund charges made on departments using the phone system. The annual debt service payment budget for the lease is \$325,000.

#### Capital Lease - Fire Vehicles (see page O-8)

On January 24, 2012 The City Council approved the execution of a Tax Exempt Lease Purchase Agreement with Oshkosh Capital for the acquisition of four Pierce Fire Pumper vehicles. Subsequently, the City filed for Chapter 9 bankruptcy protection. On January 30, 2013, the US Bankruptcy Court approved an amended Agreement with a cost of \$1,871,404 and delivery of the trucks occurred later in the Spring of 2013. The annual debt service payment budget for the lease is \$213,300.

### **Other Debt Service Backed by General Fund (\*NOT INCLUDED IN THE BUDGET AT A GLANCE)**

#### 2004 Lease Revenue Bonds (Stockton Events Center - Arena Project) (see page M-10)

The 2004 Revenue Bonds were issued by the Redevelopment Agency of the City of Stockton in the amount of \$47,000,000 March of 2004. The Bonds were issued to finance a portion of the Events Center project. Repayment of the Bonds is financed by a pledge of tax increment from the former West End Redevelopment Project area. Under the State's dissolution of Redevelopment Agencies, there is an anticipated shortfall of revenues expected for FY 2013-14. The annual debt service payment budget for the Bonds is \$2,621,346 for fiscal year 2013-14, and it is anticipated that debt service reserves will be used to cover shortfalls. Under the City's Pendency Plan there is no General Fund appropriation for this debt service payment in FY 2013-14 and any future payments made from the City's General Funds are dependent upon the outcome of the Chapter 9 case. While this debt issuance is included in the debt section of the City budget to improve transparency, the debt paid with tax increment is approved separately as part of the annual Successor Agency Budget.

## DEBT

### 2004 Lease Revenue Bonds (Parking and Capital Projects)

The 2004 Revenue Bonds were issued in the amount of \$32,785,000 June of 2004. The Bonds were issued to finance the construction of two parking garages and to make roughly \$7.3 million other capital improvements in the City. Repayment of the Bonds is financed by a payments made from the City's Parking utility. Pursuant to a default on March 1, 2012, the Trustee, Wells Fargo Corporate Trust, took possessory interest of the two parking garages constructed with bond proceeds and a third that was pledged as collateral. They are being operated for the benefit of the bond insurer. Under default, debt service on the bonds is now being made by payments from the bond insurer. Annual debt service for the bonds is projected to be \$1,997,216 for the fiscal year and it is anticipated that the payments will continue being paid by the bond insurer. The General Fund appropriation for this debt service payment was eliminated in the Pendency Plan and any future payments are subject to the outcome of the Chapter 9 case.

### **COMMUNITY FACILITIES DISTRICTS AND ASSESSMENT DISTRICTS**

Approximately 23 Special Districts have been formed to facilitate the issuance of bonds to finance improvements throughout the City. The types of improvements that have been financed include subdivision improvements, street lights, and parks. Assessments are levied and added to the tax rolls on properties within the Districts. These assessments provide the source of payment on the bonds. The annual debt service payment budget for the bonds is \$17,662,311.

## DEBT

### **OTHER FUNDS (\*NOT INCLUDED IN THE GENERAL FUND BUDGET AT A GLANCE)**

The following obligations are reported as "Memorandum Only" in this Debt Service section of the Budget and are presented for informational purposes. Debt Service related to these obligations is reported within the appropriate programs.

#### **Successor Agency (Non General Fund Backed Debt) (see page M-10)**

##### 2006 Revenue Bonds Series A, B, and C (Strong Neighborhoods Initiative)

The 2006 Bonds were issued in the amounts of \$75,755,000 (A series), \$8,445,000 (B series), and \$25,985,000 (C series) in July 2006 to finance certain redevelopment projects within or of benefit to respective project areas which have pledged their tax increment toward the repayment of the bonds. Under the State's dissolution of Redevelopment Agencies, there is an anticipated shortfall of revenues expected for FY 2013-14. The annual debt service payment budget for the Bonds is \$6,670,030 for fiscal year 2013-14 and it is anticipated that debt service reserves will be used to cover shortfalls. While this debt issuance is included in the debt section of the City budget to improve transparency, the debt paid with tax increment is approved separately as part of the annual Successor Agency Budget.

#### **Water Debt Service (see page K-7)**

##### Federal Drought Relief Act Loan

In August 1977, the City accepted a Federal Drought Relief Act Loan in the amount of \$1,834,000 to finance drought relief projects for the Water Utility Enterprise Fund. Repayment of the loan is financed from net revenues pledged by the Water Utility Fund. The annual budget for the loan is \$95,342.

##### Revenue Bonds, Series 2002A

The 2002 Series A Bonds were issued in the amount of \$14,280,000 in April, 2002, as part of the City's participation in the California Statewide Community Development Authority (CSCDA) Water and Wastewater Revenue Bond (Pooled Financing Program). The bonds were issued to refinance prior water system expansion bonds. Repayment of the bonds is financed from net revenues pledged by the Water Utility Fund. The annual debt service payment budget for the bonds is \$1,112,038.

##### Revenue Bonds, Series 2005 A

The 2005 Water Revenue Bonds were issued in the amount of \$24,230,000 in November, 2005. The bonds were issued to finance various water system capital improvement projects. Repayment of the bonds is financed from net revenues pledged by the Water Utility Fund. The annual debt service payment budget for the bonds is \$1,150,813.

##### Revenue Bonds, 2009 Series A & B

The 2009 Water Revenue Bonds Series A & B were issued in the amount of \$173,125,000 in August, 2009. The bonds were issued for the design and construction of the first phase of the Delta Water Supply Project. Repayment of the bonds is financed from net revenues pledged by the Water Utility Fund. The annual debt service payment budget for the bonds is \$15,737,939.

## DEBT

### Revenue Bonds, 2010 Variable Rate

The 2010 Revenue Bonds were issued in the amount of \$55,000,000 in October, 2010. The bonds were issued to provide financing to complete the Delta water Supply Project. Repayment of the bonds is financed from net revenues pledged by the Water Utility Fund. The annual debt service payment budget for the bonds is \$2,117,500.

### **Wastewater Debt Service (see page K-9)**

#### Certificates of Participation, Series 1998 Series A

The 1998 Certificates of Participation (COPs) were issued in the amount of \$101,650,000 in February 1998. They COPs were issued to finance the design and construction of a sewer interceptor, to make improvements and modifications to the southern industrial sewer trunk line, and to refund the 1995 COP issue that financed the design, improvements and modifications to the regional wastewater control facilities. Repayment of the COPs is financed from net revenues pledged by the Wastewater Utility Fund. The annual debt service payment budget for the COPs is \$6,373,899.

#### Certificates of Participation, Refunding 2003 Series A

The 2003 Certificates of Participation (COPs) were issued in the amount of \$14,135,000 in May, 2003. The COPs were issued to advance refund the 1993 COPs which had financed various Wastewater System Improvements. Repayment of the COPs is financed from net revenues pledged by the Wastewater Utility Fund. The annual debt service payment budget for the COPs is \$999,240.

### **Other Debt Service**

#### Department of Boating and Waterways Loan – Marina Planning and Construction (see page J-35)

On March 17, 1997, the Redevelopment Agency entered into an agreement with the California Department of Boating and Waterways (DBAW) for financing related to the planning of a small craft harbor facility. Once planning was complete, in May of 2000, an application was made for a construction loan to develop the facility. Overall indebtedness for both loans is \$11,056,641 and the source for repayment was the net revenues from Harbor facility operations. The annual debt service for both loans is \$719,665, however, default occurred in July of 2012 and the General Fund appropriation for this debt service payment was eliminated in the Pendency Plan and any future payments are subject to the outcome of the Chapter 9 case.

#### Loan Payable San Joaquin Council Governments Loan #1 and 2 (see page G-16)

In 2009 the City entered into a loan agreement with the San Joaquin Council of Governments (SJCOG) for an advance of future Measure K maintenance funds in the amount of \$6,543,238 to expand the City's street maintenance program and to complete preliminary design work on a freeway interchange at I-5 and Otto Drive. The sources for repayments are the Measure K Revenues. The annual debt service payment budget for the loans is \$958,708.

#### Section 108 Loans (see page J-1)

The City has entered into four Section 108 loan guarantee agreements with the U.S. Department of Housing and Urban Development (HUD) to complete redevelopment projects. Repayment of the loans will be financed from Community Development Block Grant entitlement funds. The annual debt service payment budget for the loans is \$2,182,990.

**City Debt Service Fund - 201  
2013-14 Proposed Budget**

	<u>FY 2010-2011</u>	<u>FY 2011-2012</u>	<u>FY 2012-2013</u>	<u>FY 2013-2014</u>
	<u>Actual</u>	<u>Unaudited Actual</u>	<u>Projected</u>	<u>Proposed Budget</u>
<b>Beginning Available Balance</b>	<b>\$ 2,965,247</b>	<b>\$ 4,124,541</b>	<b>\$ 4,404</b>	<b>\$ 22,677</b>
Release of Cash with Fiscal Agent			2,174,855	331,500
Adjusted Fund Balance			<u>2,179,259</u>	<u>354,177</u>
 <b>Revenues</b>				
Interest	80,410	65,037	18,274	1,500
Insurance Proceeds		414,160	8,092,444	7,735,622
	<u>80,410</u>	<u>479,197</u>	<u>8,110,718</u>	<u>7,737,122</u>
 <b>Expenditures</b>				
Principal Payments	1,560,000	1,221,384	6,400,000	6,712,099
Interest Expense	4,060,957	6,150,590	4,798,028	3,168,178
Operating Expenses	124,550	148,121	322,675	128,000
Administration & Overhead	591,774	959,278	592,517	679,732
Cost Reimbursed	(334,724)	(540,746)	(382,517)	(439,732)
	<u>6,002,557</u>	<u>7,938,627</u>	<u>11,730,703</u>	<u>10,248,277</u>
 <b>Transfers</b>				
Transfer In - General Fund	1,503,311	1,666,859	1,045,909	1,397,973
Transfer In - Other	5,578,130	5,585,551	417,494	781,682
Transfer Out	-	-	-	-
	<u>7,081,441</u>	<u>7,252,410</u>	<u>1,463,403</u>	<u>2,179,655</u>
 <b>Net Annual Activity</b>	<u>1,159,294</u>	<u>(207,020)</u>	<u>(2,156,582)</u>	<u>(331,500)</u>
 <b>Ending Available Balance</b>	<u><b>\$ 4,124,541</b></u>	<u><b>\$ 3,917,521</b></u>	<u><b>\$ 22,677</b></u>	<u><b>\$ 22,677</b></u>
 <b>Available Balance Calculation</b>				
Cash		\$ 91,337		
Accounts Receivable		3,482		
Current Liabilities		(90,415)		
Ending Available Balance		<u>\$ 4,404</u>		

**City Debt Service Funds  
2013-14 Proposed Budget**

	<u>Debt and Cash Administration 201</u>	<u>Certificates of Participation Series 2003 A &amp; B 201 6/27/2003</u>	<u>Lease Revenue 2006 Series A 201 4/6/2006</u>	<u>Lease Revenue 2007 Series A &amp; B 201 3/26/2007</u>
Date Issued				
Purpose		<u>Affordable Housing Program</u>	<u>Parking and Stewart/Eberhardt Building</u>	<u>City Administration Building 400 Main</u>
<b>Beginning Available Balance</b>		\$ -		
Release of Cash with Fiscal Agent		207,250		
Adjusted Fund Balance		<u>207,250</u>		
<b>Revenues</b>				
Charges for Services				
Sales Tax				
Build America Bonds				
Tax Increment				
Interfund Charges				
Interest		750		
Insurance Proceeds				7,735,622
Assessments				
	<u>-</u>	<u>750</u>	<u>-</u>	<u>7,735,622</u>
<b>Expenditures</b>				
Principal		\$ 360,000	\$ 415,000	\$ 5,760,000
Interest		629,682	491,194	1,975,622
Operating Expenses				
Administrative Costs	679,732		3,000	
Cash Reimburse	(439,732)			
Capital Projects				
	<u>240,000</u>	<u>989,682</u>	<u>909,194</u>	<u>7,735,622</u>
<b>Transfers</b>				
Transfer In				
General Fund	240,000		909,194	
Other Funds		781,682		
Transfer Out				
General Fund				
Other Funds				
	<u>240,000</u>	<u>781,682</u>	<u>909,194</u>	<u>-</u>
<b>Net Annual Activity</b>	<u>\$ -</u>	<u>(207,250)</u>	<u>\$ -</u>	<u>\$ -</u>
<b>Ending Available Balance</b>		<u>\$ -</u>		

**City Debt Service Funds  
2013-14 Proposed Budget**

<u>Lease Revenue SPFA A 2009 Series A 201 8/20/2009</u>	<u>Civic HVAC Lease 201</u>	<u>Howard-Jarvis Settlement Water/ Wastewater 201</u>	<u>City Debt Service Fund 201 Subtotal</u>	<u>CFD and 1915 Act Debt Service 250/701 Subtotal Various</u>	<u>Total</u>
	<u>Civic Auditorium HVAC System</u>	<u>General Fund Obligation to Utility Funds</u>		<u>Assessment Districts</u>	
\$ -			\$ -		\$ -
124,250			331,500		331,500
<u>124,250</u>			<u>331,500</u>		<u>331,500</u>
750			750		750
			750		750
			7,735,622		7,735,622
			-	18,102,043	18,102,043
<u>750</u>	<u>-</u>	<u>-</u>	<u>7,737,122</u>	<u>18,102,043</u>	<u>25,839,165</u>
			-		-
	177,099		6,712,099	11,830,000	18,542,099
	71,680		3,168,178	5,832,311	9,000,489
			-		-
125,000			807,732	439,732	1,247,464
			(439,732)		(439,732)
			-		-
<u>125,000</u>	<u>248,779</u>	<u>-</u>	<u>10,248,277</u>	<u>18,102,043</u>	<u>28,350,320</u>
					-
	248,779		1,397,973		1,397,973
			781,682		781,682
			-		-
			-		-
<u>-</u>	<u>248,779</u>	<u>-</u>	<u>2,179,655</u>	<u>-</u>	<u>2,179,655</u>
			-		-
<u>(124,250)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>(331,500)</u>	<u>\$ -</u>	<u>(331,500)</u>
<u>\$ -</u>			<u>\$ -</u>		<u>\$ -</u>
					-
				Revenues	\$ 25,839,165
				Transfers	2,179,655
				Total Sources	<u>\$ 28,018,820</u>
				Expenditures	\$ 28,350,320
				Transfers	-
				Total Appropriations	<u>\$ 28,350,320</u>

**Redevelopment Debt Service Fund - 231  
2013-14 Proposed Budget**

	Revenue Bonds Series 2004 <u>231</u>	Revenue Bonds 2006 Series A <u>231</u>	Revenue Bonds 2006 Series B <u>231</u>	Revenue Bonds 2006 Series C <u>231</u>	Total Debt Service <u>231</u>
Date Issued	<u>3/26/2004</u>	<u>7/12/2006</u>	<u>7/12/2006</u>	<u>7/12/2006</u>	
Purpose	<u>Stockton Events Center - Arena</u>	<u>RDA Projects</u>	<u>RDA Projects</u>	<u>Housing RDA Projects</u>	
<b>Expenditures</b>					
Principal	\$ 520,000	\$ 890,000	\$ 980,000	\$ 500,000	\$ 2,890,000
Interest	2,101,346	\$ 2,660,763	29,890	1,609,377	6,401,376
Administration					
	<u>2,621,346</u>	<u>3,550,763</u>	<u>1,009,890</u>	<u>2,109,377</u>	<u>9,291,376</u>
					-
<b>Transfers</b>					
Transfer In from Successor Agency:	<u>2,621,346</u>	<u>3,550,763</u>	<u>1,009,890</u>	<u>2,109,377</u>	<u>9,291,376</u>
	<u>2,621,346</u>	<u>3,550,763</u>	<u>1,009,890</u>	<u>2,109,377</u>	<u>9,291,376</u>
<b>Net Annual Activity</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**Water Debt Service Funds - 421/423  
2013-14 Proposed Budget**

	California Statewide					Total Water Debt Service
	Federal Drought Relief Act Loan 421	Community Development Authority Revenue Bonds Series 2002 A 423	Stockton Public Financing Authority Revenue Bonds Series 2005A 423	Stockton Public Financing Authority Revenue Bond 2009 Series A & B 423	Stockton Public Financing Authority Revenue Bond 2010 VR	
Date Issued	<u>7/1/1977</u>	<u>5/7/2002</u>	<u>11/17/2005</u>	<u>8/11/2009</u>	<u>10/20/2010</u>	
Purpose	<u>Water System Capital Improvements</u>	<u>Water System Capital Improvements</u>	<u>Water System Capital Improvements</u>	<u>Delta Water Project</u>	<u>Delta Water Project</u>	
<b>Revenues</b>						
Charges for Services						\$ -
Build America Bonds		\$ 1,112,038	1150313		1,620,405	3,882,756
Other Revenue	95,342				409,871	505,213
	<u>95,342</u>	<u>1,112,038</u>	<u>1,150,313</u>	<u>-</u>	<u>2,030,276</u>	<u>4,387,969</u>
<b>Expenditures</b>						
Principal	78,789	700,000		3,160,000		3,938,789
Interest	16,553	412,038	1,150,313	12,577,939	550,000	14,706,843
Operating Expenses					1,567,500	1,567,500
Capital Projects						-
	<u>95,342</u>	<u>1,112,038</u>	<u>1,150,313</u>	<u>15,737,939</u>	<u>2,117,500</u>	<u>20,213,132</u>
<b>Transfers</b>						
Transfer In						
Water User Fees - 421				13,369,503		13,369,503
Water Connections Fees - 424				1,304,711	87224	1,391,935
Delta Water Surface Fee - 425				1,063,725		1,063,725
Transfer Out						
Water Debt Service - 423						-
Water Capital Projects - 427						-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>15,737,939</u>	<u>87,224</u>	<u>15,825,163</u>
<b>Net Annual Activity</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**Wastewater Debt Service Funds  
2013-14 Proposed Budget**

	<b>Stockton Public Financing Authority Certificates of Participation 1998 Series A 433</b>	<b>Stockton Public Financing Authority Certificates of Participation Refunding 2003 Series A 433</b>	<b>Total Wastewater Debt Service</b>
<b>Date Issued</b>	<u>2/25/1998</u>	<u>6/3/2003</u>	
<b>Purpose</b>	<u>Wastewater Projects</u>	<u>Wastewater Projects</u>	
<b>Expenditures</b>			
Principal	\$ 2,565,000	\$ 665,000	\$ 3,230,000
Interest	<u>3,808,899</u>	<u>334,240</u>	<u>4,143,139</u>
	<b>6,373,899</b>	<b>999,240</b>	<b>7,373,139</b>
			-
<b>Transfers</b>			
Transfer In			
Wastewater User Fees - 431	3,009,118	471,654	3,480,772
Wastewater Connection Fees Capital Projects - 434	<u>3,364,781</u>	<u>527,586</u>	<u>3,892,367</u>
	<b>6,373,899</b>	<b>999,240</b>	<b>7,373,139</b>
			-
<b>Net Annual Activity</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
			-

**City Debt Service Fund - 201  
2013-14 Proposed Budget**

	<u>FY 2010-2011</u>	<u>FY 2011-2012</u>	<u>FY 2012-2013</u>	<u>FY 2013-2014</u>
	<u>Actual</u>	<u>Unaudited Actual</u>	<u>Projected</u>	<u>Proposed Budget</u>
<b>Beginning Available Balance</b>	<b>\$ 2,965,247</b>	<b>\$ 4,124,541</b>	<b>\$ 4,404</b>	<b>\$ 22,677</b>
Release of Cash with Fiscal Agent			2,174,855	331,500
Adjusted Fund Balance			<u>2,179,259</u>	<u>354,177</u>
 <b>Revenues</b>				
Interest	80,410	65,037	18,274	1,500
Insurance Proceeds		414,160	8,092,444	7,735,622
	<u>80,410</u>	<u>479,197</u>	<u>8,110,718</u>	<u>7,737,122</u>
 <b>Expenditures</b>				
Principal Payments	1,560,000	1,221,384	6,400,000	6,712,099
Interest Expense	4,060,957	6,150,590	4,798,028	3,168,178
Operating Expenses	124,550	148,121	322,675	128,000
Administration & Overhead	591,774	959,278	592,517	679,732
Cost Reimbursed	(334,724)	(540,746)	(382,517)	(439,732)
	<u>6,002,557</u>	<u>7,938,627</u>	<u>11,730,703</u>	<u>10,248,277</u>
 <b>Transfers</b>				
Transfer In - General Fund	1,503,311	1,666,859	1,045,909	1,397,973
Transfer In - Other	5,578,130	5,585,551	417,494	781,682
Transfer Out	-	-	-	-
	<u>7,081,441</u>	<u>7,252,410</u>	<u>1,463,403</u>	<u>2,179,655</u>
 <b>Net Annual Activity</b>	<u>1,159,294</u>	<u>(207,020)</u>	<u>(2,156,582)</u>	<u>(331,500)</u>
 <b>Ending Available Balance</b>	<u><b>\$ 4,124,541</b></u>	<u><b>\$ 3,917,521</b></u>	<u><b>\$ 22,677</b></u>	<u><b>\$ 22,677</b></u>
 <b>Available Balance Calculation</b>				
Cash		\$ 91,337		
Accounts Receivable		3,482		
Current Liabilities		<u>(90,415)</u>		
Ending Available Balance		<u><u>\$ 4,404</u></u>		

**City Debt Service Funds  
2013-14 Proposed Budget**

	<u>Debt and Cash Administration 201</u>	<u>Certificates of Participation Series 2003 A &amp; B 201 6/27/2003</u>	<u>Lease Revenue 2006 Series A 201 4/6/2006</u>	<u>Lease Revenue 2007 Series A &amp; B 201 3/26/2007</u>
Date Issued				
Purpose		<u>Affordable Housing Program</u>	<u>Parking and Stewart/Eberhardt Building</u>	<u>City Administration Building 400 Main</u>
<b>Beginning Available Balance</b>		\$ -		
Release of Cash with Fiscal Agent		207,250		
Adjusted Fund Balance		<u>207,250</u>		
<b>Revenues</b>				
Charges for Services				
Sales Tax				
Build America Bonds				
Tax Increment				
Interfund Charges				
Interest		750		
Insurance Proceeds				7,735,622
Assessments				
	<u>-</u>	<u>750</u>	<u>-</u>	<u>7,735,622</u>
<b>Expenditures</b>				
Principal		\$ 360,000	\$ 415,000	\$ 5,760,000
Interest		629,682	491,194	1,975,622
Operating Expenses				
Administrative Costs	679,732		3,000	
Cash Reimburse	(439,732)			
Capital Projects				
	<u>240,000</u>	<u>989,682</u>	<u>909,194</u>	<u>7,735,622</u>
<b>Transfers</b>				
Transfer In				
General Fund	240,000		909,194	
Other Funds		781,682		
Transfer Out				
General Fund				
Other Funds				
	<u>240,000</u>	<u>781,682</u>	<u>909,194</u>	<u>-</u>
<b>Net Annual Activity</b>	<u>\$ -</u>	<u>(207,250)</u>	<u>\$ -</u>	<u>\$ -</u>
<b>Ending Available Balance</b>		<u>\$ -</u>		

**City Debt Service Funds  
2013-14 Proposed Budget**

<u>Lease Revenue SPFA A 2009 Series A 201 8/20/2009</u>	<u>Civic HVAC Lease 201</u>	<u>Howard-Jarvis Settlement Water/ Wastewater 201</u>	<u>City Debt Service Fund 201 Subtotal</u>	<u>CFD and 1915 Act Debt Service 250/701 Subtotal Various</u>	<u>Total</u>
	<u>Civic Auditorium HVAC System</u>	<u>General Fund Obligation to Utility Funds</u>		<u>Assessment Districts</u>	
\$ -			\$ -		\$ -
124,250			331,500		331,500
<u>124,250</u>			<u>331,500</u>		<u>331,500</u>
750			750		750
			750		750
			7,735,622		7,735,622
			-	18,102,043	18,102,043
<u>750</u>	<u>-</u>	<u>-</u>	<u>7,737,122</u>	<u>18,102,043</u>	<u>25,839,165</u>
			-		-
	177,099		6,712,099	11,830,000	18,542,099
	71,680		3,168,178	5,832,311	9,000,489
			-		-
125,000			807,732	439,732	1,247,464
			(439,732)		(439,732)
			-		-
<u>125,000</u>	<u>248,779</u>	<u>-</u>	<u>10,248,277</u>	<u>18,102,043</u>	<u>28,350,320</u>
					-
	248,779		1,397,973		1,397,973
			781,682		781,682
			-		-
			-		-
<u>-</u>	<u>248,779</u>	<u>-</u>	<u>2,179,655</u>	<u>-</u>	<u>2,179,655</u>
			-		-
<u>(124,250)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>(331,500)</u>	<u>\$ -</u>	<u>(331,500)</u>
<u>\$ -</u>			<u>\$ -</u>		<u>\$ -</u>
					-
				Revenues	\$ 25,839,165
				Transfers	2,179,655
				Total Sources	<u>\$ 28,018,820</u>
				Expenditures	\$ 28,350,320
				Transfers	-
				Total Appropriations	<u>\$ 28,350,320</u>

**Redevelopment Debt Service Fund - 231  
2013-14 Proposed Budget**

	<u>Revenue Bonds Series 2004 231 3/26/2004</u>	<u>Revenue Bonds 2006 Series A 231 7/12/2006</u>	<u>Revenue Bonds 2006 Series B 231 7/12/2006</u>	<u>Revenue Bonds 2006 Series C 231 7/12/2006</u>	<u>Total Debt Service 231</u>
<b>Date Issued</b>					
<b>Purpose</b>	<u>Stockton Events Center - Arena</u>	<u>RDA Projects</u>	<u>RDA Projects</u>	<u>Housing RDA Projects</u>	
<b>Expenditures</b>					
Principal	\$ 520,000	\$ 890,000	\$ 980,000	\$ 500,000	\$ 2,890,000
Interest	2,101,346	\$ 2,660,763	29,890	1,609,377	6,401,376
Administration					
	<u>2,621,346</u>	<u>3,550,763</u>	<u>1,009,890</u>	<u>2,109,377</u>	<u>9,291,376</u>
					-
<b>Transfers</b>					
Transfer In from Successor Agency:	<u>2,621,346</u>	<u>3,550,763</u>	<u>1,009,890</u>	<u>2,109,377</u>	<u>9,291,376</u>
	<u>2,621,346</u>	<u>3,550,763</u>	<u>1,009,890</u>	<u>2,109,377</u>	<u>9,291,376</u>
<b>Net Annual Activity</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**Water Debt Service Funds - 421/423  
2013-14 Proposed Budget**

	California Statewide					Total Water Debt Service
	Federal Drought Relief Act Loan 421	Community Development Authority Revenue Bonds Series 2002 A 423	Stockton Public Financing Authority Revenue Bonds Series 2005A 423	Stockton Public Financing Authority Revenue Bond 2009 Series A & B 423	Stockton Public Financing Authority Revenue Bond 2010 VR	
Date Issued	<u>7/1/1977</u>	<u>5/7/2002</u>	<u>11/17/2005</u>	<u>8/11/2009</u>	<u>10/20/2010</u>	
Purpose	<u>Water System Capital Improvements</u>	<u>Water System Capital Improvements</u>	<u>Water System Capital Improvements</u>	<u>Delta Water Project</u>	<u>Delta Water Project</u>	
<b>Revenues</b>						
Charges for Services						\$ -
Build America Bonds		\$ 1,112,038	1150313		1,620,405	3,882,756
Other Revenue	95,342				409,871	505,213
	<u>95,342</u>	<u>1,112,038</u>	<u>1,150,313</u>	<u>-</u>	<u>2,030,276</u>	<u>4,387,969</u>
<b>Expenditures</b>						
Principal	78,789	700,000		3,160,000		3,938,789
Interest	16,553	412,038	1,150,313	12,577,939	550,000	14,706,843
Operating Expenses					1,567,500	1,567,500
Capital Projects						-
	<u>95,342</u>	<u>1,112,038</u>	<u>1,150,313</u>	<u>15,737,939</u>	<u>2,117,500</u>	<u>20,213,132</u>
<b>Transfers</b>						
Transfer In						
Water User Fees - 421				13,369,503		13,369,503
Water Connections Fees - 424				1,304,711	87224	1,391,935
Delta Water Surface Fee - 425				1,063,725		1,063,725
Transfer Out						
Water Debt Service - 423						-
Water Capital Projects - 427						-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>15,737,939</u>	<u>87,224</u>	<u>15,825,163</u>
<b>Net Annual Activity</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**Wastewater Debt Service Funds  
2013-14 Proposed Budget**

	<b>Stockton Public Financing Authority Certificates of Participation 1998 Series A 433</b>	<b>Stockton Public Financing Authority Certificates of Participation Refunding 2003 Series A 433</b>	<b>Total Wastewater Debt Service</b>
<b>Date Issued</b>	<u>2/25/1998</u>	<u>6/3/2003</u>	
<b>Purpose</b>	<u>Wastewater Projects</u>	<u>Wastewater Projects</u>	
<b>Expenditures</b>			
Principal	\$ 2,565,000	\$ 665,000	\$ 3,230,000
Interest	<u>3,808,899</u>	<u>334,240</u>	<u>4,143,139</u>
	<b>6,373,899</b>	<b>999,240</b>	<b>7,373,139</b>
			-
<b>Transfers</b>			
Transfer In			
Wastewater User Fees - 431	3,009,118	471,654	3,480,772
Wastewater Connection Fees Capital Projects - 434	<u>3,364,781</u>	<u>527,586</u>	<u>3,892,367</u>
	<b>6,373,899</b>	<b>999,240</b>	<b>7,373,139</b>
			-
<b>Net Annual Activity</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
			-

# TAB 14 CAPITAL



# CAPITAL IMPROVEMENT PROGRAM

## MISSION STATEMENT

The Capital Improvement Program (CIP) is a five-year plan of the public projects necessary to maintain and improve the public works of the City and the orderly implementation of the Stockton General Plan. The public works include buildings, parks, golf courses, utilities, and transportation system.

## Budget at a Glance:

Total Expenditures	\$12,833,000
Total Revenues	\$14,048,183
Total Net Revenue	\$1,215,183

## PROGRAM DESCRIPTION

The projects listed in the accompanying five-year CIP project list have an estimated individual cost of over \$50,000 and provide long-term assets to the community. Budgeted costs include design, construction, equipment and land purchases, and project administration of new, improved or replacement infrastructure. The costs identified in the first year of the program are appropriated as a part of the operating and capital budget process. Each year, the five-year plan is reviewed considering the City's needs, priorities, and available funds, and revised as necessary.

## KEY ISSUES

### Capital Improvement Highlights

The Capital Improvement Program (CIP) is a five-year plan of the public projects necessary to maintain and improve the public works of the City and implement the Stockton General Plan. The public works include buildings, parks, golf courses, utilities, and the transportation system. The projects listed in the CIP have an estimated cost over \$50,000 and provide long-term assets to the community. Budgeted costs are broken into the following categories: design, construction, equipment and land purchases, and project administration. The costs identified in the first year of the program are appropriated as a part of the annual operating and capital budget process. A summary of revenues, expenditures and fund balances for the various City funds that contain the individual capital projects included in the proposed FY 2013-14 Capital Budget (first year of the CIP) is provided in this document. The projects and costs identified in years 2 through 5 of the program are intended to illustrate priorities and the magnitude of funding needed. For these outer year projects to be constructed, however, funding sources will have to be identified.

Each year, the five-year program is reviewed considering the City's needs, priorities, and available funds, and revised as necessary. A long-term Capital Improvement Program provides a number of benefits:

- It focuses attention on community goals, needs and capabilities for the best use of public expenditures, and establishes a long-term plan for future needs.
- It prioritizes needs and establishes an orderly basis for sound budget decisions.
- It improves the City's chances of obtaining State and Federal financing assistance.
- It encourages coordination of projects among City staff and other public agencies and reduces scheduling problems. In addition, it permits private enterprise to relate their projects to the City's program.

# CAPITAL IMPROVEMENT PROGRAM

## Capital Improvement Program Process

To identify capital program needs, Public Works staff works with other city departments and external agencies (such as the Council of Governments and the Regional Transit District) and members of the community to identify potential projects. Based on this input, Public Works staff, with assistance from the Department of Municipal Utilities, develops a list of proposed projects, along with cost estimates and priorities. In addition, Public Works staff works with Administrative Services staff to identify revenue projections for funding capital projects in the first year of the Program. These funding sources include the General Fund, Public Facilities Fees, Measure K, Utility Fees, Enterprise Funds, and various State and Federal grants.

The City Manager's Office reviews the proposed projects in terms of Council and City priorities, and available funding in the first year. The recommended Capital Improvement Program is submitted to the City Planning Commission to review for conformance with the General Plan, and to the City Council for review and possible adoption. The City Council reviews the capital projects, makes revisions if applicable, and adopts a resolution appropriating the first year funding of the approved five-year plan.

## FY 2013-14 through FY 2017-18 Capital Improvement Program Highlights

The FY 2013-14 through FY 2017-18 CIP proposes a list of projects with a total value of \$705,776,000. However, of this amount, only \$1,290,000 or 0.18% is funded from the General Fund and \$487,724,000 is for projects with no funding source. This later amount represents improvements that are needed but cannot be funded at this time.

Of the five years in the CIP, the only financially constrained year is the first year, FY 2013-14, which means that there is funding available for the \$24,550,000 in proposed improvements. However, \$23,260,000 or 95% of the funding available is from restricted sources dedicated to transportation, utilities, solid waste, and library.

For the final four years of the CIP, FY 2014-15 through FY 2017-18, the total project value is \$681,226,000. The majority of these projects are unfunded. They constitute a list of high priority improvements that are planned but cannot be constructed until a funding source(s) has been identified.

The proposed CIP projects are grouped into three categories: General Government, Transportation, and Utilities. The following provides highlights of the proposed projects in each of these categories. In addition, this program includes a listing of unfunded projects. This information is being provided to more fully detail the improvements that are needed but cannot be built because of ongoing financial constraints. The list of unfunded projects is not comprehensive and does not capture the extent of all the deferred maintenance for City facilities and infrastructure. While not a complete list of additional deferred maintenance projects, the following list is provided to put this significant issue into context and illustrate the magnitude of the cost.

Urban Forest: \$2.1 million is needed to bring the street and park trees up to an acceptable standard. An additional \$2.5 million is needed annually to provide proper maintenance, including regular trimming and a removal/replacement program. The proposed program allocates no funding for this area.

Roadway pavement: \$10 million per year is needed to resurface pavement to keep the pavement network in its current condition. This cost would significantly increase if streets that warrant reconstruction due to severe distress, high roadway center, or extensive curb damage are included. The proposed program allocates only \$2 million per year.

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## CAPITAL IMPROVEMENT PROGRAM

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Parks: \$12 million is needed for play areas, park furnishings, irrigation systems, buildings, courts, ball fields, and flatwork. The proposed program allocates only \$50,000 for drinking fountain repair in FY 2013-14.

Facilities: more than \$6 million is needed to catch up on maintenance of City facilities other than City Hall; however, only minor repair funding is allocated in the proposed program.

Roofs: \$7 million is needed to catch up on necessary repairs and replacements, however only \$227,000 is allocated in the proposed program.

### General Government

This category includes improvements associated with Police, Fire, Parks, Golf Courses, Libraries, and City buildings. Improvements are funded through the General Fund as well as dedicated funding sources such as Public Facility Fees.

The proposed General Fund allocation for capital projects in FY 2013-14 is \$1,290,000. Funding is allocated to miscellaneous emergency maintenance including specific Library repairs, roof repairs and replacements including Fire Station No. 10, HVAC upgrades/replacements which will likely include City Hall heating system, safety renovations including repairs in City Attorney and City Clerk offices, repairs to SMG managed properties (boiler #2, signage and lighting at Arena, water pump #2 and sprinkler system at Theatre, and lighting at Ballpark and Oak Park Ice Arena), Fire Station No. 2 electric gate repair, Fire Station No. 2, 10 and 11 parking lot repairs. Due to funding constraints, this level of funding is again very low level compared to the immediate needs and is far from sufficient to fund a robust program. To give an idea of needed funding, for the projects listed in FY 2014-15 through FY 2017-18 (which are not comprehensive), the average expenditure on projects that would typically be funded from the General Fund is over \$5 million per year.

### Transportation

Improvements to the transportation system are funded from non-General Fund sources that are dedicated to transportation projects. These sources include State and Federal grants, Public Facilities Fees, and Measure K tax proceeds.

The transportation projects included in the CIP represent a continuing effort to improve traffic flow, safety, and personal mobility, reduce air pollution, accommodate growth, foster economic development, promote use of alternate transportation modes, and preserve the transportation infrastructure. Projects are drawn from many sources, including the Stockton Street Improvement Plan, the Circulation Element of the General Plan, and various planning documents of the San Joaquin Council of Governments.

The transportation portion of the program has been able to consistently generate significant amounts of grant funds (\$10 million budgeted for FY 2013-14). In fact, Public Works is currently actively managing projects with a combined value of \$348 million, of which over \$180 million is from competitive grant sources. This total does not include transportation projects that have been planned, sponsored or designed by the City but are being managed by other agencies, primarily Caltrans. Including these projects expands the total project value to over \$900 million. Based on the past and current success, the proposed five-year program includes an aggressive list of transportation projects that either have grant funding, or for which grant funds will be sought, to facilitate design and construction of the needed improvements.

In general, the transportation projects in the CIP include modifications and installation of traffic

## CAPITAL IMPROVEMENT PROGRAM

signals, expansion of Bus Rapid Transit, safety upgrades at existing at-grade railroad crossings, maintenance of bridges and pavement throughout the city, expansion of the emergency vehicle signal pre-emption system, enhancement of the Traffic Calming Program, construction of ADA accessibility improvements, and installation of an adaptive traffic control system on March Lane that will monitor traffic volumes and automatically adjust signal timing.

### Utilities

Improvements to the City's Water, Wastewater and Stormwater utilities are funded from non-General Fund sources that are dedicated to utility operations, maintenance and improvements. These sources include utility user fees, connection fees, and Public Facilities Fees.

The Department of Municipal Utilities is proposing to allocate new project funds from the Water Enterprise to the well abandonment and rehabilitation projects and the North Stockton chloramine conversion project for water supply system disinfection.

The Wastewater Enterprise is currently in the planning stages of Phase II of the Capital Improvement and Energy Management Plan (CIEMP). This is a multi-year \$150 million project to repair, replace and upgrade the treatment processes and infrastructure at the Regional Wastewater Treatment Facility. Some of the treatment processes are 60 years old and are running past their effective operating life. For FY 2013-14, the CIEMP requests are predominantly for engineering design and environmental work. In addition, the Wastewater Enterprise is proposing funds be budgeted for pump station and pipeline rehabilitation and replacements in areas with undersized or aged infrastructure.

The Stormwater Enterprise user fee rate has remained unchanged since 1992, and the utility is insufficiently funded for permit compliance activities and needed capital improvements. For FY 2013-14 \$200,000 has been proposed for improvement and repair of projects primarily resulting from infrastructure failure. All other identified Stormwater capital improvement projects have been moved to later years. Without an approved increase to the Stormwater revenues, implementing the necessary projects identified in this program, which are needed to address pipeline and pump station deficiencies and to minimize the amount of localized flooding, will likely not be possible.

### **Basis of Capital Revenue Projections**

To determine the funds available for Capital Projects in the FY 2013-14 Capital Budget, the City considers the following:

- Analysis of all funds and adjustment for historical and year-to-date trends.
- Calculation of the interest on project and account balances where appropriate.
- Projection of user fee revenues in the Wastewater, Water, and Stormwater funds based on current approved user rates.
- Projection of Public Facilities Fees revenues based on current fees and development projections.

# CAPITAL IMPROVEMENT PROGRAM

## Capital Improvement Program Funding Sources

### City Funds

Capital Improvement Fund: The Capital Improvement Fund is unrestricted and can be used for any project designated by the City Council. The resources in this fund come from transfers from the City's General Fund, reimbursements for specific projects, and interest earnings.

### Federal/State Funds

Federal/State Grants: These funds are made available through an extensive application process that is usually initiated by City staff. Most grants require some kind of fund match from the city. Grant funds are appropriated when grant agreements are executed.

Transportation Development Act (TDA): These funds are derived from the statewide sales tax and are returned to each County for public transit and bicycle/pedestrian purposes. TDA funds may also be used for roads and streets. However, Stockton's allocation is currently limited to transit operations and pedestrian/bike path projects included in the Sidewalk and Wheelchair Ramp Repair project.

### Sales Tax Measure K

Measure K: In 2006, voters approved a 30 year extension of the ½ cent transportation sales tax. These funds are earmarked for; Local Street Repairs and Roadway Safety (35%), Congestion Relief projects (32.5%), Railroad Crossing Safety projects (2.5%), and Passenger Rail, Bus and Bicycles (30%) which include dedicated funding for bus rapid transit and safe routes to schools.

### City Enterprise Funds

Wastewater Revenue: These funds are generated from user fees and connection fees for sewer service provided by the Municipal Utilities Department.

Water Revenue: These funds are generated from user fees and connection fees for water services provided by the Municipal Utilities Department.

Stormwater Revenue: These funds are generated from user fees for storm water services provided by the Municipal Utilities Department.

Golf Fund: These funds are generated from user fees for the Swenson Park Golf Course and the Van Buskirk Golf Course.

### Public Facility Fees

Public Facilities Fees: These fees are collected through the building permit process from new development projects. This provides funds for new or expanded facilities necessary as a result of growth and development. Public Facility Fees include street improvements, community recreation centers, city office space, fire stations, libraries, police stations, traffic signals, park site, street tree, air quality, water connection, and wastewater connection.

### Other Revenue

Landscape Maintenance District: These funds come from the Stockton Consolidated Landscape Maintenance Assessment District No. 96-2.

Summary by Program  
 Five Year Capital Improvement Program  
 2013-2018  
 (Dollars in thousands)

	Carryover Balance June 2012	2012-13 Adopted	Canceled/ Adjusted Projects	2013-14 Proposed Budget	2014-15 Projected	2015-16 Projected	2016-17 Projected	2017-18 Projected
<b>Summary by Program</b>								
<b>General Government and Grants</b>								
Buildings	1,355	575	-	1,063	1,656	1,938	1,590	1,590
Central Parking	-	-	-	-	555	755	520	-
Community Development	-	-	-	-	93	-	-	-
Police	25	-	-	54	290	-	-	-
Fire	-	-	-	63	50	212	453	-
Parks	3,141	-	-	60	655	108	73	334
Public Works - Parks & Trees	-	-	-	209	1,400	427	2,152	19,850
Golf	-	-	-	-	-	-	661	2,896
Library	4,987	250	-	250	-	413	-	9,979
	<u>9,508</u>	<u>825</u>	<u>-</u>	<u>1,699</u>	<u>4,699</u>	<u>3,853</u>	<u>5,449</u>	<u>34,649</u>
<b>Transportation</b>	136,552	8,796	(540)	13,281	42,829	47,256	112,910	251,073
<b>Utilities</b>	33,158	10,740	-	9,570	24,821	24,651	94,493	34,543
<b>Total CIP Program</b>	<u>179,218</u>	<u>20,361</u>	<u>(540)</u>	<u>24,550</u>	<u>72,349</u>	<u>75,760</u>	<u>212,852</u>	<u>320,265</u>
Funded	179,218	20,361	(540)	24,550	30,536	25,516	91,722	44,428
Unfunded	-	-	-	-	41,813	50,244	121,130	275,837
<b>Total</b>	<u>179,218</u>	<u>20,361</u>	<u>(540)</u>	<u>24,550</u>	<u>72,349</u>	<u>75,760</u>	<u>212,852</u>	<u>320,265</u>

Project Totals by Fund  
 Five Year Capital Improvement Program  
 2013-2018  
 (Dollars in thousands)

Fund	Carryover Balance June 2012	2012-13 Adopted	Canceled/ Adjusted Projects	2013-14 Proposed Budget	2014-15 Projected	2015-16 Projected	2016-17 Projected	2017-18 Projected
<b>Summary by Fund</b>								
<b>General Government and Grants</b>								
Capital Fund	301	962	575	-	1,290	-	-	-
Public Art Fund	306	198	-	-	-	-	-	-
Grant Funding/Other Reimbursements	304	41,795	3,227	-	159	523	-	-
Measure K Renewal	80	58,477	383	-	-	-	-	-
Measure K Maintenance	82	3,738	1,028	(540)	2,147	251	251	251
Federal	38	11,689	3,747	-	10,149	6,340	1,930	1,930
Transportation Development Act	34	158	184	-	185	-	-	-
		<u>117,017</u>	<u>9,144</u>	<u>(540)</u>	<u>13,930</u>	<u>7,114</u>	<u>2,181</u>	<u>2,181</u>
<b>Public Facilities Fees</b>								
Air Quality	990	1,390	-	-	33	123	-	-
Library	950	4,987	250	-	250	-	-	8,650
Parkland	970	2,924	-	-	-	-	-	-
Office Space	930	28	-	-	-	-	-	-
Police	960	54	-	-	-	-	-	-
Regional Streets	917	1,219	-	-	-	-	-	-
Street Fees	910-915	17,483	-	-	767	-	-	-
Street Trees	978	292	-	-	-	-	-	-
Street Signs	979	58	-	-	-	-	-	-
Street Lights	980-985	400	-	-	-	-	-	-
Traffic Signals	900-904	208	227	-	-	-	-	-
		<u>29,043</u>	<u>477</u>	<u>-</u>	<u>1,050</u>	<u>123</u>	<u>-</u>	<u>8,650</u>
<b>Utilities</b>								
Water	423-427	22,415	2,901	-	1,823	4,506	5,443	3,845
Wastewater	434-437	10,340	7,840	-	7,560	18,793	17,892	85,696
Stromwater	441	403	-	-	187	-	-	-
		<u>33,158</u>	<u>10,740</u>	<u>-</u>	<u>9,570</u>	<u>23,299</u>	<u>23,335</u>	<u>89,541</u>
<b>Unfunded</b>								
Buildings / City Property / Others	Unfunded	-	-	-	-	1,656	1,938	1,590
Central Parking	Unfunded	-	-	-	-	555	755	520
Community Development	Unfunded	-	-	-	-	93	-	-
Fire	Unfunded	-	-	-	-	50	212	453
Parks	Unfunded	-	-	-	-	655	108	73
Police	Unfunded	-	-	-	-	290	-	-
Public Works - Parks & Trees	Unfunded	-	-	-	-	1,400	427	2,152
Golf	Unfunded	-	-	-	-	-	-	661
Library	Unfunded	-	-	-	-	-	413	-
Transportation	Unfunded	-	-	-	-	35,592	45,075	110,729
Utilities	Unfunded	-	-	-	-	1,522	1,316	4,952
		<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>41,813</u>	<u>50,244</u>	<u>121,130</u>
<b>Total CIP Program</b>		<u>179,218</u>	<u>20,361</u>	<u>(540)</u>	<u>24,550</u>	<u>72,349</u>	<u>75,760</u>	<u>212,852</u>
Funded		179,218	20,361	(540)	24,550	30,536	25,516	91,722
Unfunded		-	-	-	-	41,813	50,244	121,130
<b>Total</b>		<u>179,218</u>	<u>20,361</u>	<u>(540)</u>	<u>24,550</u>	<u>72,349</u>	<u>75,760</u>	<u>320,265</u>

Project Listing  
 Five Year Capital Improvement Program  
 2013-2018  
 (Dollars in thousands)

Project Number	Fund	Carryover Balance June 2012	2012-13 Adopted	Canceled/ Adjusted Projects	2013-14 Proposed Budget	2014-15 Projected	2015-16 Projected	2016-17 Projected	2017-18 Projected
<b>General Government Program</b>									
<b>Buildings /City Property / Others</b>									
<u>Capital Fund</u>									
Radio Towers	5205	301	14						
Hazardous Materials Abatement and Monitoring	7002	301	18	50					
General Emergency Maintenance Citywide	7011	301	86	50	100				
ADA Compliance Program	7022	301	70	50					
Fox Theater Renovation	7027	301	2						
HVAC Upgrades and Replacements	7036	301	20	75	75				
Green Lease Main PD Equip.	7057	301	273						
Roof Management Program	7087	301	334	82	280				
Downtown Acquisitions/Demo	7102	301	57						
Fire Station Repairs	7103	301	13						
Miracle Mile Parking Lots	7909	301	11						
Event Center	9811	301	39						
Wilson Way Underpass ADA Ramp Installation	7064	301		268					
City Offices Minor Safety Renovations	0000	301			54				
Roof Replacement and Construction Program	0000	301			227				
Repairs and Improvements - Arena, Ballpark, Theater, etc...	0000								
					327				
			937	575	-	1,063	-	-	-
<u>Federal American Recovery and Reinvestment Act (ARRA)</u>									
EECBG-Energy Efficient Buildings	8608	304	236						
EECBG-Recycle Multi-Family	8609	304	44						
EECBG-Recycle Multi-Family	8610	304	56						
			336	-	-	-	-	-	-
<u>Public Facilities Fees - City Office Space</u>									
SEB 4th Floor Police Expansion	9832	930	28						
			28	-	-	-	-	-	-
<u>Public Facilities Fees - Police Stations</u>									
SEB 4th Floor Police Expansion	9832	960	54						
			54	-	-	-	-	-	-
<u>Unidentified Funding</u>									
Bob Hope Theater Electrical Service Separation	0000	Unfunded					137		
City Offices Minor Safety Renovations	0000	Unfunded				66	211		
General Emergency Maintenance Citywide	7011	Unfunded				150	150	150	150
Hazardous Materials Abatement and Monitoring	7002	Unfunded				75	75	75	75
ADA Compliance Program	7022	Unfunded				250	250	250	250
HVAC Upgrades and Replacements	7036	Unfunded				75	75	75	75
Roof Maintenance and Leak Management Program	7087	Unfunded				250	250	250	250
Roof Replacement and Construction Program	0000	Unfunded				790	790	790	790
			-	-	-	-	1,656	1,938	1,590
Subtotal, Buildings / City Property / Other			1,355	575	-	1,063	1,656	1,938	1,590
<b>Community Development</b>									
<u>Unidentified Funding</u>									
Permit Center Renovation	0000	Unfunded					93		
			-	-	-	-	93	-	-
Subtotal, Community Development			-	-	-	-	93	-	-
<b>Police</b>									
<u>Capital Fund</u>									
Animal Shelter Renovation	0000	301			54				
Police Gun Range Improvements	7108	301	25						
			25	-	-	54	-	-	-
<u>Unidentified Funding</u>									
Field Operations Expansion	0000	Unfunded					290		
			-	-	-	-	290	-	-
Subtotal, Police			25	-	-	54	290	-	-
<b>Fire</b>									
<u>Capital Fund</u>									
Fire Station Repairs and Improvements	0000	301			63				
			-	-	-	63	-	-	-
<u>Unidentified Funding</u>									
Fire Station Repairs and Improvements	0000	Unfunded					50	212	453
			-	-	-	-	50	212	453
Subtotal, Fire			-	-	-	63	50	212	453
<b>Parks</b>									

Project Listing  
 Five Year Capital Improvement Program  
 2013-2018  
 (Dollars in thousands)

	Project Number	Fund	Carryover Balance June 2012	2012-13 Adopted	Canceled/ Adjusted Projects	2013-14 Proposed Budget	2014-15 Projected	2015-16 Projected	2016-17 Projected	2017-18 Projected
<b>Capital Fund</b>										
Louis Park Softball Complex Improvements	0000	301				60				
Public Art Program	7032	306	196							
Public Art Maintenance	7046	306	2							
			198	-	-	60	-	-	-	-
<b>Grant Fund</b>										
Laughlin Park Playground	7890	304	19							
			19	-	-	-	-	-	-	-
<b>Public Facilities Fees - Parkland Citywide</b>										
Juliet Terrace Neighborhood Park	9131	970	2							
La Morada Neighborhood Park	9173	970	1,765							
William Long Park PF-II	9184	970	3							
John Peri Neighborhood Park	9204	970	60							
Fong Park (Blossom Ranch)	9207	970	772							
Oakmore Montego 6 Acre	9254	970	90							
Feather River Drive Dog Park	9259	970	13							
North Stockton III Reimb	9268	970	30							
Westlake Villages Park	9269	970	1							
Cannery Park 7.48 Acre Neighborhood Park	9270	970	14							
New Park Fencing	9273	970	35							
Detention Basin Soccer Complex	9815	970	139							
			2,924	-	-	-	-	-	-	-
<b>Unidentified Funding</b>										
Civic Auditorium Stage Controls/Rigging	0000	Unfunded					102			
Louis Park Softball Complex Improvements	0000	Unfunded					519			
McNair Softball Complex - Office and Storage Area Expansion	0000	Unfunded								222
McNair Softball Complex - Scoreboards and Foul Poles	0000	Unfunded								112
Panella Park - Baseball Diamond Replacement	0000	Unfunded							73	
Park Sport Field Lighting Rehabilitation	0000	Unfunded				34	56			
Stribley and Van Buskirk Community Center Improvement	0000	Unfunded						52		
			-	-	-	-	655	108	73	334
Subtotal, Parks			3,141	-	-	60	655	108	73	334
<b>Public Works - Parks &amp; Trees</b>										
<b>Capital Fund</b>										
Drinking Water Fountain Repairs & Replacement	0000	301				50				
Waste and Recycling Bin Enclosure at Louis Park	0000	304				159				
			-	-	-	209	-	-	-	-
<b>Unidentified Funding</b>										
Drinking Water Fountain Repairs & Replacement	0000	Unfunded					50			
Fall Surfacing Replacement at Playgrounds	0000	Unfunded					115			
Game Court Rehabilitation	0000	Unfunded					286	274	339	316
Irrigation Controller Upgrade/Replacement	0000	Unfunded					159	153	162	159
Oregone Ranch 6 Acre Park Site	0000	Unfunded							222	2,753
Oregone Ranch 7 Acre Neighborhood Park Site	0000	Unfunded							264	3,292
Weber Point Shade Structure Fabric Replacement	0000	Unfunded				790				
Juliet Terrace Neighborhood Park	9131	Unfunded								2,217
Oakmore Montego 6 Acre Neighborhood Park	9254	Unfunded							334	2,213
Westlake Villages Park	9269	Unfunded							473	4,846
Cannery Park 2.7 Acre Neighborhood Park	9270	Unfunded							107	900
Cannery Park 7.48 Acre Neighborhood Park	9271	Unfunded							251	3,154
			-	-	-	-	1,400	427	2,152	19,850
Subtotal, Public Works - Parks & Trees			-	-	-	209	1,400	427	2,152	19,850
<b>Golf</b>										
<b>Unidentified Funding</b>										
Swenson Golf Course Perimeter Fence Renovation	0000	Unfunded							337	
Van Buskirk Golf Course Irrigation Replacement	0000	Unfunded							324	2,530
Van Buskirk Golf Course Perimeter Fence Renovation	0000	Unfunded								366
			-	-	-	-	-	-	661	2,896
Subtotal, Golf			-	-	-	-	-	-	661	2,896

Project Listing  
Five Year Capital Improvement Program  
2013-2018  
(Dollars in thousands)

	Project Number	Fund	Carryover Balance June 2012	2012-13 Adopted	Canceled/ Adjusted Projects	2013-14 Proposed Budget	2014-15 Projected	2015-16 Projected	2016-17 Projected	2017-18 Projected
<b>Library</b>										
<u>Public Facilities Fees - Library</u>										
	Northwest Branch Library	9112	950	527						8,650
	Library Book Collector Aumentation	9202	950	16	250	250				
	Express Check-out Machines	9238	950	206						
	New Library Facility Study	9262	950	472						
	Northwest Stockton Multi-Purpose	9737	950	3,003						
	Northeast Branch Library	9953	950	763						
				4,987	250	-	250	-	-	8,650
<u>Unidentified Funding</u>										
	Cesar Chavez Liabrary Renovation	0000	Unfunded					413		
	Northwest Branch Library	9112	Unfunded							1,329
				-	-	-	-	413	-	1,329
	Subtotal, Library			4,987	250	-	250	-	413	9,979
<b>Central Parking</b>										
<u>Unidentified Funding</u>										
	Automate Garages and Parking lots	0000	Unfunded				555			
	Garage Lighting Retrofit	0000	Unfunded					319		
	Miracle Mile Parking Lot Resurfacing	0000	Unfunded					202	384	
	Parking Lot Resurfacing	0000	Unfunded					234	136	
				-	-	-	-	555	755	520
	Subtotal, Central Parking			-	-	-	-	555	755	520
	<b>Total, General Government</b>			<b>9,508</b>	<b>825</b>	<b>-</b>	<b>1,699</b>	<b>4,699</b>	<b>3,853</b>	<b>5,449</b>
<b>Transporation Program</b>										
<b>Federal Grants</b>										
<u>Congestion Mitigation Air Quality (CMAQ)</u>										
	Fiber Optic Network Expansion	9741	038	382						
	Benjamin Holt Drive/Cumberland Place Traffic Signal	9743	038	47	357					
	Benjamin Holt Drive/Inglewood Avenue Traffic Signal	9744	038	49	360					
	Davis Road/Wagner Heights Drive Traffic Signal	9746	038	39	296					
	Wilson Way Corridor Adaptive Traffic Control System	9747	038	149	1,064					
	Bus Rapid Transit Phase III (Hammer Lane)	9745	038	1,870						
	Bus Rapid Transit Phase IV (MLK Jr. Blvd and Mariposa)	0000	038			279	1,469			
				2,536	2,077	-	279	1,469	-	-
<u>Safe Accountable Flexible Efficient Equality Act: A Legacy for Users (SAFETEA-LU)</u>										
	Emergency Vehicle Pre-emption (EVP) System	0000	038			601				
	Filbert Street/Miner Avenue Traffic Signal	0000	038			140	469			
	March Lane Adaptive Traffic Control System	0000	038			150	1,022			
	Montauban Avenue and Swain Road Roundabout	0000	038			116	476			
	Pershing Avenue Corridor Adaptive Traffic Control System	0000	038			143	974			
	Rectangular Rapid Flashing Beacons	0000	038			149				
	Traffic Signal Modifications (California St at Washington)	0000	038			602				
	Traffic Signal Modifications (Harding Way at El Dorado)	0000	038			649				
	Montezuma Elementary Sidewalk	6718	038	17						
	Safe Routes to School	6719	038	117						
	Traffic Signal Controller Rtiming	6721	038	67						
	McKinley Bridge Scour RPR	6722	038		552	60				
	Airport Way Beautification PH 4	6724	038	10	1,100					
	Pacific Avenue Median Improvement	7233	038	833						
	Aurora Street/BNSF	7235	038	267						
	Univ Miracle Mile Improvement	7238	038	610						
	March Ln/Pershing Interchange	9702	038	1						
	Bridge Maintenance Program	9715	038	61						
	Airport Way Beautification PH-II ARRA	9728	038	122						
	Bus Rapid Transit PH-II Airport Way	9729	038	904						
	2007-08 Street Overlay	9730	038	35						
	RSTP 2008-09 Street Overlay	9732	038	146						
	Rubberized Cape Seal	9734	038	390						
	Airport @ Park/Oak & Fremont	9736	038	1						
	El Dorado/MLK Blvd Signal	9738	038	209						
	Tamoshtnr/Hometown Traffic Signal	9739	038	7						

Project Listing  
Five Year Capital Improvement Program  
2013-2018  
(Dollars in thousands)

Project Number	Fund	Carryover Balance June 2012	2012-13 Adopted	Canceled/ Adjusted Projects	2013-14 Proposed Budget	2014-15 Projected	2015-16 Projected	2016-17 Projected	2017-18 Projected
2010-11 Street Overlay RSTP	9740 038	219							
2011-12 Street Overlay RSTP	9751 038	1,580							
Thornton Road Widening	9828 038		215						
Street Resurfacing /Bridge Repair	9928 038		1,880		1,930	1,930	1,930	1,930	1,930
		5,596	3,747	-	4,540	4,871	1,930	1,930	1,930
<b>Federal Highway Administration (FHWA)</b>									
Hazleton and UPRR Railroad Crossing Improvement	7061 038	464			403				
Industrial/McKinley and UPRR Crossing Improvements	7062 038	2,679			2,383				
		3,143	-	-	2,786	-	-	-	-
<b>Federal American Recovery and Reinvestment Act (ARRA)</b>									
EECBG-Climate Action Plan	8606 304	164							
		164	-	-	-	-	-	-	-
<b>Highway Bridge Program</b>									
Center St. and El Dorado St. Overpass Rehabilitation	9748 038	73			2,544				
McKinley Avenue/French Camp Slough Bridge	9749 304	139							
		212	-	-	2,544	-	-	-	-
<b>Highway Safety Improvement Program</b>									
Radar Speed Feedback Signs (HSIP)	9750 038	341							
		341	-	-	-	-	-	-	-
Subtotal, Federal Grants		11,992	5,824	-	10,149	6,340	1,930	1,930	1,930
<b>State Grants</b>									
<b>California Highway Railroad Crossing Safety</b>									
Eight Mile Rd/UPRR West Sep.	9716 304	4,797							
Lower Sacramento Rd. widening/UPRR	9718 304	8,506							
Eight Mile Rd/UPPR (East) Grade	9829 304	5,237							
Street Resurfacing	9928 304	98							
		18,638	-	-	-	-	-	-	-
<b>Safe Route to School Grant</b>									
Harrison Elementary Safety Improvements	0000 304		687						
Safe Routes to School Pilot Program Expansion SR2S	0000 304		463						
Fillmore SR2S	7232 304	49							
	9725 304	133							
		182	1,150	-	-	-	-	-	-
<b>Transportation Development Act (TDA)</b>									
Wheelchair Ramp Repair Program	0000 034				185				
Curb Ramp Repair Program	0000 034								
Sidewalk, Curbs, Gutters	9969 034	158	184						
		158	184	-	185	-	-	-	-
<b>Urban Greening Grant</b>									
EBMUD - March Lane Bicycle and	7063 304	568							
		568	-	-	-	-	-	-	-
<b>Prop 1B</b>									
2011 Streetscape P1B 10-18	9279 304	1,550							
2012 Street Overlay P1B 10-15	9280 304	2,379							
		3,929	-	-	-	-	-	-	-
<b>Other State</b>									
Pershing Avenue Corridor Adaptive Traffic Control System	0000 304					145			
March Lane Adaptive Traffic Control System	0000 304					152			
Bus Rapid Transit Phase IV (MLK Jr. Blvd and Mariposa)	0000 304					226			
Street Improvement Project	8614 304	499							
Bus Rapid Transit PH-II Airport Way	9729 304	50							
		549	-	-	-	523	-	-	-
Subtotal, State Grants		24,024	1,334	-	185	523	-	-	-
<b>Local Grants</b>									
<b>Measure K Renewal</b>									
Sutter St. Ped & Bike, Bridge	6717 080	23							
March Lane EBMUD Bike Phase II	6723 080	52							
8 Mile Road/UPRR West Separation	9716 080	4,659							
Lower Sacramento Road Widening/UPPR	9718 080	8,680							
N Stockton I-5 Widening	9723 080	184							
Weber Avenue Beautification Phase II	9727 080	38							
Davis Road/Wagner Heights Drive Traffic Signal	9746 080		5						
Wilson Way Corridor Adaptive Traffic Control System	9747 080		138						
Eight Mile Rd/UPPR (East) Grade	9829 080	3,476							
Sperry Road Extension	9837 080	2,468							

Project Listing  
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	Project Number	Fund	Carryover Balance June 2012	2012-13 Adopted	Canceled/ Adjusted Projects	2013-14 Proposed Budget	2014-15 Projected	2015-16 Projected	2016-17 Projected	2017-18 Projected
Hammer Ln/SR99 Interchange	9942	080	1,540							
French Camp Road/I-5 Interchange	9945	080	36,501							
Hammer Lane Widening Phase 3B	9995	080	856	240						
			58,477	383	-	-	-	-	-	-
<u>Measure K Maintenance</u>										
Rectangular Rapid Flashing Beacons	0000	082				17				
Pedestrian Bridge over Calaveras River Rehabilitation	0000	082				50				
Neighborhood Traffic Calming	6653	082	20	600		750				
Emergency Vehicle Pre-emption (EVP) System	0000	082				179				
Wilson Way Underpass ADA Ramp Installation	0000	082				281				
Traffic Signal Modifications (Harding Way at El Dorado)	0000	082				72				
Traffic Signal Modifications (California St at Washington)	0000	082				67				
Pershing Ave Rule 20A 2	6678	082	33							
Street Lighting Upgrade	6689	082	147							
CW Median Landscaping Maintenance	7870	082	11							
March Lane/Pershing Ave Intersection	9702	082	2							
El Dorado Street Widening Phase II	9706	082	1,050		(540)					
Weber Av. Beautification	9727	082	38							
2007-08 Street Overlay	9730	082	293							
RSTP 2008-09 Street Overlay	9732	082	115							
Rubberized Cape Seal	9734	082	5							
Airport Way Beautification Phase II	9735	082	63							
El Dorado /MLK Blvd Signal	9738	082	25							
Tamoshntr/Hometown Traffic Signal	9739	082	3							
2010-11 Street Overlay RSTP	9740	082	16							
Center St. and El Dorado St. Overpass Rehabilitation	9748	082	10			330				
Radar Speed Feedback Signs	9750	082	38							
2011-12 RSTP Street Overlay	9751	082	39							
Traffic Signal Control System	9906	082	302	184						
Street Resurfacing/Bridge Repair Program	9928	082	879	244		251	251	251	251	251
Traffic Signal Modifications	9934	082				150				
Sidewalk, Curbs, Gutters	9969	082	649							
			3,738	1,028	(540)	2,147	251	251	251	251
Subtotal, Local Grants			62,215	1,411	(540)	2,147	251	251	251	251
<u>Public Facilities Fees</u>										
<u>Air Quality Citywide</u>										
Filbert Street/Miner Avenue Traffic Signal	0000	990				18	61			
Montauban Avenue and Swain Road Rundabout	0000	990				15	62			
Green Initiatives	9276	990	408							
Farmington Rd (8th)/Mariposa	9701	990	5							
Fiber Optic Network Expansion	9741	990	177							
Benjamin Holt Drive/Cumberland Place Traffic Signal	9743	990	6							
Benjamin Holt Drive/Inglewood Avenue Traffic Signal	9744	990	6							
Bus Rapid Transit Phase III (Hammer Lane)	9745	990	244							
Davis Road/Wagner Heights Drive Traffic Signal	9746	990	19							
Wilson Way Corridor Adaptive Traffic Control System	9747	990	19							
Traffic Signal Control System	9906	990	316							
Modification - Zone CW	9934	990	190							
			1,390	-	-	33	123	-	-	-
<u>Regional Street Improvements</u>										
Eight Mile/SR 99 Interchange	9719	917	129							
Morada Lane/SR 99 Interchange	9720	917								
Eight Mile Rd/Uppr (East) Grade	9829	917	1,090							
			1,219	-	-	-	-	-	-	-
<u>Street Improvement Fees</u>										
Otto Drive/I-5 Interchange	0000	910				767				
Little John Creek Reimb. Agreem.	9165	910	165							
Eight Mile/Thornton Rd Imp.	9209	910	202							
West Ln./Morada Ln Imp.	9240	910	700							
Lower Sac. Rd Reimb Agreem.	9261	910	227							

Project Listing  
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	Project Number	Fund	Carryover Balance June 2012	2012-13 Adopted	Canceled/ Adjusted Projects	2013-14 Proposed Budget	2014-15 Projected	2015-16 Projected	2016-17 Projected	2017-18 Projected
Arch Rd/B St Reimb Agreem.	9277	910	2							
Manthey Road Relocation COS	9281	910	2,204							
El Dorado St. Widening	9706	910	524							
Developers Reimbursements	9711	910	5,853							
8 Mile Road/UPRR West Separation	9716	910	1,055							
Lower Sacramento Rd. widening/UPRR	9718	910	342							
Eight Mile/SR 99 Interchange	9719	910	279							
Morada Lane/SR 99 Interchange	9720	910	446							
Thornton Road Widening	9828	910	112							
Eight Mile Rd/UPPR (East) Grade	9829	910	2							
Sperry Road Extension	9837	910	3,184							
French Camp/Sperry Rd-Perform.	9945	910	2,167							
	9972	910	5							
Davis Rd/Pixley Slough Bridge	9988	910	14							
			17,483	-	-	767	-	-	-	-
<u>Street Trees Citywide</u>										
Street Tree Planting	9118	978	292							
			292	-	-	-	-	-	-	-
<u>Street Signs Citywide</u>										
Street Name Sign Installation	9176	979	58							
			58	-	-	-	-	-	-	-
<u>Street Lights Citywide</u>										
Installation	9191	980	127							
Installation	9191	983	39							
Installation	9191	985	195							
FA 3 & 4	9241	983	39							
			400	-	-	-	-	-	-	-
<u>Traffic Signals</u>										
Tamoshtn/Hometown Traffic Signal	9739	902	20							
Benjamin Holt Drive/Cumberland Place Traffic Signal	9743	900		46						
Benjamin Holt Drive/Inglewood Avenue Traffic Signal	9744	900/901		47						
Davis Road/Wagner Heights Drive Traffic Signal	9746	901		134						
Modification - Zone CW	9934	901	66							
Modification - Zone 2	9934	902	117							
Modification - Zone 4	9934	904	5							
Modification - Zone 1	9937	901								
			208	227	-	-	-	-	-	-
Subtotal, Public Facilities Fees			21,050	227	-	800	123	-	-	-
<u>Other Reimbursements</u>										
Pacific Avenue Median Improvements	7233	304	-							
Sperry Road Extension	9837	304	17,271							
			17,271	-	-	-	-	-	-	-
<u>Unidentified Funding</u>										
San Joaquin Trail Improvements	0000	Unfunded					1,264			
Rule 20A Streetlighting Projects	0000	Unfunded						236	236	236
Pedestrian Bridge over Calaveras River Rehabilitation	0000	Unfunded					184			
Otto Drive/I-5 Interchange	0000	Unfunded							5,061	11,137
Miracle Mile Street Lighting Replacement	0000	Unfunded						63	505	
Miner Avenue Streetscape, Phase 1	0000	Unfunded						638	1,109	9,903
Lower Sacramento Road Widening - Marlette Road	0000	Unfunded						860	522	5,361
Lower Sacramento Road and Pixley Slough Bridge Replacement	0000	Unfunded						360	1,030	7,175
Lower Sacramento Road and Bear Creek Bridge Replacement	0000	Unfunded						248	142	9,718
Hammer Lane/I-5 Interchange Reconstruction	0000	Unfunded					2,253	1,495		20,141
French Camp Road/I-5 Interchange Landscaping	0000	Unfunded					2,662			
El Dorado Street Improvements, Phase 3	0000	Unfunded					3,050			
EBMUD - March Ln Greenscape, Phase 2 (Pacific Ave to Hillsboro Dr)	0000	Unfunded						1,409	704	
Davis Road Widening (Bear Creek to Waterbury Drive)	0000	Unfunded						540		3,075
Curb Ramp Repair Program	0000	Unfunded					185	185	185	185
City Bridges Rehabilitation Project	0000	Unfunded					353		2,824	
Charter Way/I-5 Interchange Reconstruction	0000	Unfunded								3,744
California Street Gap Closure Improvements, Phase 2	0000	Unfunded					159			
Arch Road Widening - Austin Road to Performance Drive	0000	Unfunded						4,423		33,699
Alpine Avenue Grade Separation	0000	Unfunded					2,933	1,713	25,211	

Project Listing  
Five Year Capital Improvement Program  
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(Dollars in thousands)

	Project Number	Fund	Carryover Balance June 2012	2012-13 Adopted	Canceled/ Adjusted Projects	2013-14 Proposed Budget	2014-15 Projected	2015-16 Projected	2016-17 Projected	2017-18 Projected
West Lane Widening, Hammer Lane to Morada Lane	0000	Unfunded						2,040	1,660	13,955
West Lane Grade Separation	0000	Unfunded						4,316	2,866	36,907
Neighborhood Traffic Calming (16 Neighborhoods)	6653	Unfunded					750	750	750	750
Sutter Street Bicycle/Pedestrian Bridge	6717	Unfunded					860			
McKinley Bridge Scour RPR	6722	Unfunded					471			
Eight Mile Road/SR 99 Interchange	9719	Unfunded						6,777	17,840	
Morada Lane/SR 99 Interchange Reconstruction	9720	Unfunded						9,272	38,295	
North Stockton I-5 Widening, Phase II - Hammer Lane to Eight Mile Rd	9723	Unfunded						1,380		92,320
Weber Avenue Streetscape Beautification Phase 2	9727	Unfunded					3,500			
Thornton Road Widening	9828	Unfunded					15,524			
Traffic Signal Control System	9906	Unfunded					372			
Traffic Signal Installations (New)	9933	Unfunded					618	564	564	
Traffic Signal Modifications	9934	Unfunded					454	586	586	586
Eight Mile Road/I-5 Interchange Reconstruction	9972	Unfunded						7,220	1,738	
Hammer Lane Widening Phase 3B	9995	Unfunded							8,901	
			-	-	-	-	35,592	45,075	110,729	248,892
<b>Total, Transportation Program</b>			<b>136,552</b>	<b>8,796</b>	<b>(540)</b>	<b>13,281</b>	<b>42,829</b>	<b>47,256</b>	<b>112,910</b>	<b>251,073</b>
<b>Municipal Utilities</b>										
<b>Water</b>										
Water System Expansion	7601	421	645							
Water System Expansion	7601	423				11				
Water System Expansion	7601	427						1,080		
Service System Additions	7602	421	112							
Service System Additions	7602	424	40				75	100	115	130
Service System Additions	7602	427				514	327	2,793	2,793	2,793
Lodi Recycled	7604	421	7							
Central Control System	7615	421	616							
Water Supply - Old Wells	7617	421	155	482		360	817	83		
Water Treatment Equipment	7619	421	1,391							
Water Treatment Equipment	7619	427	4,584	1,995		250	3,100	1,200	750	750
Reservoir Site Improvements	7620	421	50							
Reservoir Site Improvements	7620	427		415		131	76	76	76	76
Transmission Mains	7623	421	170							
Transmission Mains	7623	423	3,082			487				
Transmission Mains	7623	424	2,270							
Water Field Office Remodel	7625	427				70				
Existing Well Replacement	7632	421	15							
Existing Well Replacement	7632	427	53							
Mokelumne River Project	7637	424								
Water Telemetry	7641	421	516							
Water System Upgrades	7796	421	87							
Water System Upgrades	7796	427		10			111	111	111	111
Lower Sacramento Rd Widening/UPRR	9718	423	100							
2010-11 Street Overlay RSTP	9740	427	14							
Cashier Station Remodel	9830	421								
Delta Diversion Water Project	9922	423	6,508							
Delta Diversion Water Project	9922	424	2,000							
			22,415	2,901	-	1,823	4,506	5,443	3,845	3,860
<b>Wastewater</b>										
Sanitary System Improvements	7702	437	1,513	1,549				580		
Sanitary System Expansion	7703	434	696				673			
RWCF-Modification & Replacement	7709	437	216	5,521		532	7,483	12,400	81,020	27,464
Oversize Collection Lines	7713	434	4,537				350			347
Infiltration and Inflow Sanitation	7714	437	281	31						
Storm Drain Pump Station Rehab	7756	437								
Industrial Local Limit Study	7757	437								
Buena Vista/Smith Storm Improve	7780	437	87							
Storm Pump Modification	7783	437	46							
Sanitary Telemetry	7784	437	427							
Sanitary Pump Station Rehabilitation	7785	437	331			2,144	5,168	118	689	114
Sanitary System Deficit Improvement	7787	437	587	639		2,624	1,645	1,946	1,639	1,464
Storm Drain Improvements	7788	437	396							
Storm System Rehabilitation	7789	437								
Sanitary System Upgrade	7790	437	72	100			24	98	98	98
Capital Asset Replacements	7792	437	1,129			2,260	3,450	2,750	2,250	250
2010-11 Street Overlay RSTP	9740	437	22							
			10,340	7,840	-	7,560	18,793	17,892	85,696	29,737

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	Project Number	Fund	Carryover Balance June 2012	2012-13 Adopted	Canceled/ Adjusted Projects	2013-14 Proposed Budget	2014-15 Projected	2015-16 Projected	2016-17 Projected	2017-18 Projected
<b>Stormwater</b>										
	7776	441	403							
	9830	441								
	7783	441				137				
	7788	441				50				
			403	-	-	187	-	-	-	-
<b>Unidentified Funding</b>										
	7780	Unfunded							4,372	
	7783	Unfunded					344	35	114	252
	7788	Unfunded					135	533	83	393
	7789	Unfunded					111	111	111	111
	7794	Unfunded					160	115		
	7776	Unfunded					272	272	272	190
	7625	Unfunded					500	250		
			-	-	-	-	1,522	1,316	4,952	946
<b>Total, Municipal Utilities</b>			<b>33,158</b>	<b>10,740</b>	<b>-</b>	<b>9,570</b>	<b>24,821</b>	<b>24,651</b>	<b>94,493</b>	<b>34,543</b>
<b>Total, CIP Program</b>			<b>\$179,218</b>	<b>20,361</b>	<b>(\$540)</b>	<b>24,550</b>	<b>\$72,349</b>	<b>\$75,760</b>	<b>\$212,852</b>	<b>\$320,265</b>

**Capital Project Funds  
2013-14 Proposed Budget**

	<u>General Government</u>	<u>Transportation Programs</u>	<u>Public Facilities Fees</u>	<u>Capital Improvement Total</u>
	<i>See Page N-17</i>	<i>See Page N-18</i>	<i>See Page N-19</i>	
<b>Beginning Available Balance</b>	<b>\$ 415,871</b>	<b>\$ 7,901</b>	<b>\$ 2,706,328</b>	<b>\$ 3,130,100</b>
<b>Revenues</b>				
Grants	159,000	10,334,000		10,493,000
Fees	300		1,904,255	1,904,555
Interest Earned	4,000	-	106,628	110,628
Other Revenue			-	-
	<u>163,300</u>	<u>10,334,000</u>	<u>2,010,883</u>	<u>12,508,183</u>
<b>Expenditures</b>				
Capital Projects	1,449,000	10,334,000	1,050,000	12,833,000
Debt Service	-			-
Other		-	-	-
	<u>1,449,000</u>	<u>10,334,000</u>	<u>1,050,000</u>	<u>12,833,000</u>
<b>Transfers</b>				
Transfer In - General Fund	1,290,000		-	1,290,000
Transfer In - Parking Fund			250,000	250,000
Transfer Out - Debt 201	-	-	-	-
	<u>1,290,000</u>	<u>-</u>	<u>250,000</u>	<u>1,540,000</u>
<b>Net Annual Activity</b>	<u>4,300</u>	<u>-</u>	<u>1,210,883</u>	<u>1,215,183</u>
<b>Ending Available Balance</b>	<u>\$ 420,171</u>	<u>\$ 7,901</u>	<u>\$ 3,917,211</u>	<u>\$ 4,345,283</u>
			Revenues	\$ 12,508,183
			Transfers	1,540,000
			Total Sources	<u>\$ 14,048,183</u>
<b>Reconciliation of Capital Funds</b>			Expenditures	\$ 12,833,000
Capital Projects	12,833,000		Transfers	-
Public Works (pg. G - 16)	2,147,000		Total Capital Project Funds	<u>\$ 12,833,000</u>
Utilities (pg. K - 5)	9,570,877			
Total Appropriations	<u>\$ 24,550,877</u>		Utilities Projects	<u>\$ 9,570,877</u>
Project Total by Category (pg. N - 7)	<u>\$ 24,550,877</u>			

**Capital Project Funds  
General Government  
2013-14 Proposed Budget**

	<u>General Capital 301</u>	<u>Capital Grants 304</u>	<u>Public Art 306</u>	<u>General Government Total</u>
<b>Beginning Available Balance</b>	<b>\$ 192,669</b>	<b>\$ -</b>	<b>\$ 223,202</b>	<b>\$ 415,871</b>
<b>Revenues</b>				
Grants		159,000		159,000
Fees	300			300
Interest	2,000		2,000	4,000
	<u>2,300</u>	<u>159,000</u>	<u>2,000</u>	<u>163,300</u>
<b>Expenditures</b>				
Capital Projects	1,290,000	159,000		1,449,000
Debt Service				-
	<u>1,290,000</u>	<u>159,000</u>	<u>-</u>	<u>1,449,000</u>
<b>Transfers</b>				
Transfer In - General Fund	1,290,000			1,290,000
Transfer Out				-
	<u>1,290,000</u>	<u>-</u>	<u>-</u>	<u>1,290,000</u>
<b>Net Annual Activity</b>	<u>2,300</u>	<u>-</u>	<u>2,000</u>	<u>4,300</u>
<b>Ending Available Balance</b>	<u><b>\$ 194,969</b></u>	<u><b>\$ -</b></u>	<u><b>\$ 225,202</b></u>	<u><b>\$ 420,171</b></u>

**Capital Project Funds  
Transportation Programs  
2013-14 Proposed Budget**

	<u>TDA 034</u>	<u>SAFETEA 038</u>	<u>Traffic Congestion Relief 039</u> <i>State Program Discontinued</i>	<u>Measure K Capital 080/082</u>	<u>Transportation Total</u>
<b>Beginning Available Balance</b>	<b>\$ 7,901</b>	<b>\$ -</b>	<b>\$ -</b>		<b>\$ 7,901</b>
<b>Revenues</b>					
Grants	185,000	10,149,000			10,334,000
Interest					-
	<u>185,000</u>	<u>10,149,000</u>	<u>-</u>	<u>-</u>	<u>10,334,000</u>
<b>Expenditures</b>					
Capital Projects	185,000	10,149,000			10,334,000
Other					-
	<u>185,000</u>	<u>10,149,000</u>	<u>-</u>	<u>-</u>	<u>10,334,000</u>
<b>Transfers</b>					
Transfer In					-
Transfer Out					-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Net Annual Activity</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Ending Available Balance</b>	<u><b>\$ 7,901</b></u>	<u><b>\$ -</b></u>	<u><b>\$ -</b></u>	<u><b>\$ -</b></u>	<u><b>\$ 7,901</b></u>

**Capital Project Funds  
Public Facilities Fee  
2013-14 Proposed Budget**

	<u>Traffic Signals City Wide 900</u>	<u>Traffic Signals Zone 1 901</u>	<u>Traffic Signals Zone 2 902</u>	<u>Traffic Signals Zone 3 903</u>	<u>Traffic Signals Zone 4 904</u>
<b>Beginning Available Balance</b>	<b>\$ 13,867</b>	<b>\$ -</b>	<b>\$ 112,323</b>	<b>\$ 131,960</b>	<b>\$ 2,183</b>
<b>Revenues</b>					
Fees	24,000		8,000	4,720	950
Interest	140		1,100		22
Other Revenue					
	<u>24,140</u>	<u>-</u>	<u>9,100</u>	<u>4,720</u>	<u>972</u>
<b>Expenditures</b>					
Capital Projects					
Other					
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Transfers</b>					
Transfer In					
Transfer Out - Debt 201					
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Net Annual Activity</b>	<u>24,140</u>	<u>-</u>	<u>9,100</u>	<u>4,720</u>	<u>972</u>
<b>Ending Available Balance</b>	<b>\$ 38,007</b>	<b>\$ -</b>	<b>\$ 121,423</b>	<b>\$ 136,680</b>	<b>\$ 3,155</b>

**Capital Project Funds  
Public Facilities Fee, Continued  
2013-14 Proposed Budget**

	<u>Street Improvements City Wide 910 - 915</u>	<u>Street Improvements Reg Traffic 917</u>	<u>Community Recreation Centers -City Wide 920</u>	<u>City Office Space 930</u>	<u>Fire Station City Wide 940</u>
<b>Beginning Available Balance</b>	<b>\$ 2,931,994</b>	<b>\$ 582,784</b>	<b>\$ (3,717,653)</b>	<b>\$ 792,857</b>	<b>\$ (2,445,382)</b>
<b>Revenues</b>					
Fees	1,025,000	318,000	31,000	30,000	90,000
Interest	29,000	6,000	700	8,000	900
Other Revenue					
	<u><b>1,054,000</b></u>	<u><b>324,000</b></u>	<u><b>31,700</b></u>	<u><b>38,000</b></u>	<u><b>90,900</b></u>
<b>Expenditures</b>					
Capital Projects	767,000				
Other					
	<u><b>767,000</b></u>	<u><b>-</b></u>	<u><b>-</b></u>	<u><b>-</b></u>	<u><b>-</b></u>
<b>Transfers</b>					
Transfer In					
Transfer Out - Debt 201					
	<u><b>-</b></u>	<u><b>-</b></u>	<u><b>-</b></u>	<u><b>-</b></u>	<u><b>-</b></u>
<b>Net Annual Activity</b>	<u><b>287,000</b></u>	<u><b>324,000</b></u>	<u><b>31,700</b></u>	<u><b>38,000</b></u>	<u><b>90,900</b></u>
<b>Ending Available Balance</b>	<u><b>\$ 3,218,994</b></u>	<u><b>\$ 906,784</b></u>	<u><b>\$ (3,685,953)</b></u>	<u><b>\$ 830,857</b></u>	<u><b>\$ (2,354,482)</b></u>
			(a)		(a)

(a) These fee programs have been over leveraged with spending outpacing available revenues. Plans are under development to reduce these deficits.

**Capital Project Funds  
Public Facilities Fee, Continued  
2013-14 Proposed Budget**

	<u>Library City Wide 950</u>	<u>Police Station Expansion 960</u>	<u>Parkland City Wide 970</u>	<u>Street Trees 978</u>	<u>Street Signs 979</u>
<b>Beginning Available Balance</b>	<b>\$ 3,994,826</b>	<b>\$ (1,293,011)</b>	<b>\$ 1,455,073</b>	<b>\$ 55,910</b>	<b>\$ 83,835</b>
<b>Revenues</b>					
Fees	60,000	73,585	207,000		
Interest	40,000		15,000	559	800
Other Revenue					
	<u>100,000</u>	<u>73,585</u>	<u>222,000</u>	<u>559</u>	<u>800</u>
<b>Expenditures</b>					
Capital Projects	250,000				
Other					
	<u>250,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Transfers</b>					
Transfer In					
Transfer Out - Debt 201					
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Net Annual Activity</b>	<b>(150,000)</b>	<b>73,585</b>	<b>222,000</b>	<b>559</b>	<b>800</b>
<b>Ending Available Balance</b>	<b>\$ 3,844,826</b>	<b>\$ (1,219,426)</b>	<b>\$ 1,677,073</b>	<b>\$ 56,469</b>	<b>\$ 84,635</b>

(a)

(a) These fee programs have been over leveraged with spending outpacing available revenues. Plans are under development to reduce these deficits.

**Capital Project Funds  
Public Facilities Fee, Continued  
2013-14 Proposed Budget**

	<u>Street Lights City Wide 980</u>	<u>Street Lights Zone 1 981</u>	<u>Street Lights Zone 3 &amp; 4 983</u>	<u>Street Signs Zone 5 985</u>	<u>Air Quality 990</u>	<u>Public Facilities Total</u>
<b>Beginning Available Balance</b>	<b>\$ 3,487</b>	<b>\$ 33,542</b>	<b>\$ 2,142</b>	<b>\$ 5,322</b>	<b>\$ (39,731)</b>	<b>\$ 2,706,328</b>
<b>Revenues</b>						
Fees					32,000	1,904,255
Interest	1,300	330	795	1,982		106,628
Other Revenue						-
	<u>1,300</u>	<u>330</u>	<u>795</u>	<u>1,982</u>	<u>32,000</u>	<u>2,010,883</u>
<b>Expenditures</b>						
Capital Projects					33,000	1,050,000
Other						-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>33,000</u>	<u>1,050,000</u>
<b>Transfers</b>						
Transfer In - Parking Fund					250,000	250,000
Transfer Out - Debt 201						-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>250,000</u>	<u>250,000</u>
<b>Net Annual Activity</b>	<u>1,300</u>	<u>330</u>	<u>795</u>	<u>1,982</u>	<u>249,000</u>	<u>1,210,883</u>
<b>Ending Available Balance</b>	<u><b>\$ 4,787</b></u>	<u><b>\$ 33,872</b></u>	<u><b>\$ 2,937</b></u>	<u><b>\$ 7,304</b></u>	<u><b>\$ 209,269</b></u>	<u><b>\$ 3,917,211</b></u>

# TAB 15 INTERNAL SERVICE FUNDS



# INTERNAL SERVICE FUNDS

## MISSION STATEMENT

Internal Service Funds are used to report the centralized financing of goods and services provided by one department on a cost reimbursement basis. The City of Stockton uses internal service funds for the central administration of insurance, equipment replacement, and computer services.

## Budget at a Glance: Proposed

Total Expenditures	\$110,789,195
Total Revenues	\$113,182,507
Total Net Cost	\$2,393,312
Total Staff	80

## DEPARTMENTAL DESCRIPTION

The City has internal service funds for equipment, risk management, and employee benefits funding. City departments pay into these funds as part of their annual budgets and receive services from the funds. Equipment services account for \$21.4 million or 20% of the total internal service fund expenditures. The remaining \$85.8 million or 80% funds the City's insurance and other benefits costs. The City's internal service funds are as follows:

- Equipment:** Fleet Services, Computer Equipment, Radio Equipment, Telephone Equipment, and Office Equipment.
- Insurance Benefits:** General Insurance, Workers Compensation, Health Insurance, Unemployment, LTD and Life Insurance, Retirement, Compensated Absence

## KEY ISSUES

The internal service funds do not have sufficient reserves to fund all costs incurred and were drained up to three years ago to mitigate the City's financial downturn. At the same time, labor, retirement and healthcare costs had been escalating. The City had also delayed equipment purchases to reduce costs, and as a result City vehicles aged and technology is out of date.

In recent years, funding has been made available for annual costs and gradual increase of Equipment replacement funds. The outcome of the prior funding restrictions has caused a delay in the replacements of portable radios, Police Department motorcycles, office computers and copiers, vehicles, and the City's Financial System that is more than 20 years old. Staff is developing plans to correct the aging equipment inventory over time.

A Citywide Strategic Technology Plan is two years into a five year plan which begins to address computer equipment and system needs. Available balances in the Computer Equipment internal service fund will be used for the implementation of the technology recommendations. Though the first two years of projects programmed in the Citywide Technology Strategic Plan were funded, there are projects in the plan that will require additional funding including a new financial system. Some projects have shifted into future years beyond their initial planning but within the five year model. These planning changes will be reported to Council through a separate Citywide Technology Strategic Plan update report.

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## INTERNAL SERVICE FUNDS

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The City's General Liability and Workers Compensation funds have been underfunded for years and collectively have accumulated approximately \$49 million in unfunded liabilities. Workers' Compensation costs are above industry average and an action plan has been implemented to address program and funding elements.

Healthcare insurance costs continue to increase as a result of medical and prescription trends and mandated benefit increases and fees due to the Affordable Care Act. Projected rates for Fiscal Year 2013-14 will increase based on higher claim expenses than previously expected and premium revenue decreases due to enrollment shifts. In an effort to provide benefit levels that attract and retain a quality workforce, protect and promote healthy living, and fall within fiscally sustainable parameters, the City offered an additional medical plan option through Kaiser Permanente for active employees and retirees. Effective July 1, 2013, the City will no longer provide a stipend to retirees to assist in subsidizing their medical care costs.

Unemployment costs have leveled off in the past fiscal year. Staff closely and aggressively monitors all unemployment claims, challenging any potentially non-eligible claim.

The Compensated Absence fund pays for employee cash outs of annual leave at separation. Exodus of long time employees during retirement incentive programs and years of fiscal emergency took a toll on the fund causing it to go negative in 2010-11. Additional infusion of funds from the General Fund and all other City sources was needed to address the negative balance. The fund ended FY 2011-12 with a minimal fund balance, primarily due to the City Council decision in February, 2012, limiting separation pay outs for the remainder of the fiscal year. The FY 2012-13 Adopted Pendency Plan eliminated all sick leave payouts. Labor agreements were approved in late 2012 that eliminated sick leave payouts and tiered annual leave pay offs over \$10,000. This has discouraged a mass exodus unlike other cities that have filed bankruptcy or are under distress.

**Internal Service Funds  
2013-14 Proposed Budget**

	<b>Fleet Services 501</b>	<b>Computer Equipment 502</b>	<b>Radio Equipment 503</b>	<b>Telephone Equipment 504</b>	<b>Office Equipment Printing/Mailing 505/508</b>
	<i>See Page O-8</i>	<i>See Page O-1G</i>	<i>See Page O-1H</i>	<i>See Page O-1I</i>	<i>See Page O-17</i>
<b>Beginning Available Balance</b>	<b>\$ 2,627,889</b>	<b>\$ 4,098,332</b>	<b>\$ 95,368</b>	<b>\$ 259,173</b>	<b>\$ 488,335</b>
<b>Revenues</b>					
Charge for Services					
Police	4,731,186	4,969,854	666,719	449,624	91,502
Fire	1,110,870	615,991	380,138	53,551	32,059
Other General Fund	470,555	868,509	-	259,405	139,478
Other Funds	3,612,478	3,011,846	47,242	575,649	368,643
Contingency for staff reductions		21,799			
	<u>9,925,089</u>	<u>9,487,999</u>	<u>1,094,099</u>	<u>1,338,229</u>	<u>631,682</u>
Refunds & Reimbursements	-				
Interest					
	<u><b>9,925,089</b></u>	<u><b>9,487,999</b></u>	<u><b>1,094,099</b></u>	<u><b>1,338,229</b></u>	<u><b>631,682</b></u>
<b>Expenditures</b>					
General & Administrative	1,673,555	1,759,341			
Operations & Maintenance	3,671,711	6,348,468	836,649	1,018,230	607,886
Equipment Replacements	4,271,735	2,877,490	270,000		30,000
Debt Service	301,755			325,000	
Claims					
Excess Insurance Premium					
Third Party Administrator					
Pension contributions to CalPERS					
Employee leave balance payoffs					
	<u><b>9,918,756</b></u>	<u><b>10,985,299</b></u>	<u><b>1,106,649</b></u>	<u><b>1,343,230</b></u>	<u><b>637,886</b></u>
<b>Transfers</b>					
Transfer In	-	-	-	-	-
Transfer Out	-	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Net Annual Activity</b>	<u><b>6,333</b></u>	<u><b>(1,497,300)</b></u>	<u><b>(12,550)</b></u>	<u><b>(5,001)</b></u>	<u><b>(6,204)</b></u>
<b>Ending Available Balance</b>	<u><b>\$ 2,634,222</b></u>	<u><b>\$ 2,601,032</b></u>	<u><b>\$ 82,818</b></u>	<u><b>\$ 254,172</b></u>	<u><b>\$ 482,131</b></u>

**Internal Service Funds, Continued  
2013-14 Proposed Budget**

	<b>General Insurance 541</b>	<b>Workers Compensation 551</b>	<b>Health Insurance 552</b>	<b>Unemployment 556</b>
	<i>See Page O-21</i>	<i>See Page O-22</i>	<i>See Page O-26</i>	<i>See Page O-29</i>
<b>Beginning Available Balance</b>	<b>\$ (4,922,551)</b>	<b>\$ (43,996,400)</b>	<b>\$ 3,272,307</b>	<b>\$ 444,768</b>
<b>Revenues</b>				
Charge for Services				
Police	1,962,400	4,168,800	6,216,922	112,300
Fire	875,500	2,185,500	2,184,892	50,300
Other General Fund	330,800	376,000	1,198,411	19,200
Other Funds	2,175,100	3,625,000	7,992,729	124,200
Contingency for staff reductions				
	<u>5,343,800</u>	<u>10,355,300</u>	<u>17,592,954</u>	<u>306,000</u>
Refunds & Reimbursements		745,000	7,786,614	
Interest	30,000	145,000	-	
	<u><b>5,373,800</b></u>	<u><b>11,245,300</b></u>	<u><b>25,379,568</b></u>	<u><b>306,000</b></u>
<b>Expenditures</b>				
General & Administrative	1,509,310	618,098	1,209,148	
Operations & Maintenance	634,471	532,185		
Equipment Replacements				
Debt Service				
Claims	2,316,320	7,787,520	22,181,346	300,000
Excess Insurance Premium	900,000	701,000		
Third Party Administrator		1,169,000	653,461	
Pension contributions to CalPERS:				
Employee leave balance payoffs				
	<u><b>5,360,101</b></u>	<u><b>10,807,803</b></u>	<u><b>24,043,955</b></u>	<u><b>300,000</b></u>
<b>Transfers</b>				
Transfer In	125,000	-	-	-
Transfer Out	-	-	-	-
	<u><b>125,000</b></u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Net Annual Activity</b>	<u><b>138,699</b></u>	<u><b>437,497</b></u>	<u><b>1,335,613</b></u>	<u><b>6,000</b></u>
<b>Ending Available Balance</b>	<u><b>\$ (4,783,852)</b></u>	<u><b>\$ (43,558,903)</b></u>	<u><b>\$ 4,607,920</b></u>	<u><b>\$ 450,768</b></u>

**Internal Service Funds, Continued  
2013-14 Proposed Budget**

	<b>Long Term Disability &amp; Life 557</b>	<b>Retirement 561</b>	<b>Compensated Absences 562</b>	<b>Internal Service Total</b>
	<i>See Page O-31</i>	<i>See Page O-33</i>	<i>See Page O-34</i>	
<b>Beginning Available Balance</b>	<b>\$ 189,149</b>	<b>\$ 4,951,394</b>	<b>\$ 1,595,670</b>	<b>\$ (30,896,566)</b>
<b>Revenues</b>				
Charge for Services				
Police	230,360	11,582,570	470,264	35,652,501
Fire	33,622	5,115,710	198,673	12,836,806
Other General Fund	71,980	1,233,630	103,819	5,071,787
Other Funds	437,106	10,922,380	571,244	33,463,617
Contingency for staff reductions				21,799
	<u>773,068</u>	<u>28,854,290</u>	<u>1,344,000</u>	<u>87,046,510</u>
Refunds & Reimbursements		17,284,383		25,815,997
Investment Interest		20,000		195,000
	<u><b>773,068</b></u>	<u><b>46,158,673</b></u>	<u><b>1,344,000</b></u>	<u><b>113,057,507</b></u>
<b>Expenditures</b>				
General & Administrative		31,755		6,801,207
Operations & Maintenance				13,649,600
Equipment Replacements				7,449,225
Debt Service		8,301,843		8,928,598
Claims				32,585,186
Excess Insurance Premium	773,068			2,374,068
Third Party Administrator				1,822,461
CalPERS pension contributions		35,834,850		35,834,850
Employee leave balance payoffs			1,344,000	1,344,000
	<u><b>773,068</b></u>	<u><b>44,168,448</b></u>	<u><b>1,344,000</b></u>	<u><b>110,789,195</b></u>
				-
<b>Transfers</b>				
Transfer In	-	-	-	125,000
Transfer Out	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u><b>125,000</b></u>
<b>Net Annual Activity</b>	<u>-</u>	<u><b>1,990,225</b></u>	<u>-</u>	<u><b>2,393,312</b></u>
<b>Ending Available Balance</b>	<u><b>\$ 189,149</b></u>	<u><b>\$ 6,941,619</b></u>	<u><b>\$ 1,595,670</b></u>	<u><b>\$ (28,503,254)</b></u>

Revenues	\$ 113,057,507
Transfers	125,000
<b>Total Sources</b>	<u><b>\$ 113,182,507</b></u>
Expenditures	\$ 110,789,195
Transfers	-
<b>Total Appropriations</b>	<u><b>\$ 110,789,195</b></u>

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## INTERNAL SERVICE FUNDS

### FLEET SERVICES FUND (501)

#### History

- The Fleet Internal Service Fund is managed by Public Works and is responsible for maintaining and replacing the City's fleet of vehicles and major equipment.
- City departments are charged monthly rental rates to finance operations and replacements.
- Maintenance activities range from preventive maintenance inspections to full engine rebuilds to specialized auto body repairs and vehicle setups, performed either by staff technicians or by outside vendors.
- Cash replacement reserves have ranged from \$1 to \$5 million over the past ten years, and were \$2.6 million as of July 2012.

#### 2012-13 Events

- Council authorized lease financing of four fire pumpers, which relieved \$1 million from the FY 2012-13 replacement requirements. The lease will be paid off over a ten year period.
- Issued a Request for Proposals to replace our outdated fuel management system; submissions are currently being reviewed.
- Worked extensively with audit and Management Partners staff to develop plans to improve efficiency and utilization of equipment.
- Partnered with Municipal Utilities Department staff to analyze potential computerized maintenance management systems to replace the HTE fleet module.
- Coordinated with Police Department staff on extensive analysis of potential police interceptors to replace the Crown Victoria model that is no longer available.
- Replacement backlog continues to be evaluated and corrective actions taken as possible such as replacement of four Fire Pumpers through an operating lease, reduction or reassignment of underutilized vehicles, and pursuit of grants for Fire equipment and hybrid sedans.

#### 2013-14 Budget Issues and Changes

- Replacement Schedule
  - Replacement of an additional 4 fire engines is anticipated in FY 2013-14. Two (2) engines will be purchased using a grant that requires a 20% match (funded from the replacement budget), and 2 are proposed to be purchased via a long term buyback agreement with 2 local fire districts. These actions will further decrease the dollar value of the backlog.
  - The proposed Budget provides for equipment replacement at the funding level recommended by the Public Works Department, with lease and buyback payments for fire apparatus being made out of a separate line item in the Fleet budget.
- Operations and Utilization Analysis
  - With the assistance of Fleet staff, Management Partners completed an extensive review of fleet operations and equipment utilization in FY 2012-13. Recommendations that will be acted on in FY 2013-14 include:
    - Removing 39 low use vehicles from fleet inventory, and assisting Purchasing section of Administrative Services with sale of all surplus equipment,
    - Issuing a request for proposals and awarding contract(s) to provide parts with set prices and delivery criteria,

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## INTERNAL SERVICE FUNDS

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- Issuing a request for proposals and awarding contract(s) to provide common fleet repair services with set prices and turnaround criteria, and
- Developing redesign plan for shop and administrative areas to support better workflow by centralizing currently disparate functions.
  
- Technology Projects
  - The Citywide Technology Strategic Plan identified the replacement of the Computerized Maintenance Management System Fleet Module and the Fuel Management System as priorities. Work on these projects are proceeding.
  
- Program contribution rates
  - Vehicle replacement rates have been determined by amortizing each vehicle's estimated replacement cost over its estimated replacement life.
  
  - Fleet operations and maintenance rates are based on the mileage odometer reading for each assigned vehicle. These are then used to recover fleet annual budgeted expenditures by determining reimbursement cost rates for departments using vehicles assigned to them. Departments will be charged an annual rate instead of being charged for each repair/maintenance of the assigned vehicle or for any pooled vehicle needed during repair/maintenance.
  
  - Pooled vehicles used for occasional special purposes and not associated with assigned vehicles will be charged at the time of use.
  
  - Fuel costs are charged directly to the user based on actual use. The budgets are developed based on prior year actual gallon usage multiplied by the price per gallon projected by U.S. Energy Information Administration which currently is Gasoline (\$3.39) and Diesel (\$3.82). The resulting budgets for fuel are not included in the ISF fleet rates, but instead are charged to departments at the time of use. The actual charges are expected to cover the ISF fuel budget by the end of the fiscal year.
  
  - General Administration is distributed using an overhead rate calculated to reasonably spread the general administration costs based on a percentage of the calculated rate using total costs of operations and maintenance and fuel costs as a basis.
  
- Annual Activity and ending balance
  - Replacement expenditures include approximately \$1 million for the purchase of additional police units. The remaining budget for replacements will be used to replace vehicles past their replacement life.
  
  - Revenue from users has increased slightly, and the fund is budgeted to match operating revenues and expenditures, and essentially break even for the year.

**Internal Service Funds  
Fleet Services - 501  
2013-14 Proposed Budget**

	<b>FY 2010-2011</b>	<b>FY 2011-2012</b>	<b>FY 2012-2013</b>	<b>FY 2013-2014</b>
	<b>Actual</b>	<b>Unaudited Actual</b>	<b>Projected</b>	<b>Proposed Budget</b>
<b>Beginning Available Balance</b>	<b>\$ 3,448,079</b>	<b>\$ 1,967,128</b>	<b>\$ 2,675,906</b>	<b>\$ 2,627,889</b>
<b>Revenues</b>				
Charge for Services				
Police	3,524,855	3,839,954	3,979,010	4,731,186
Fire	1,411,179	1,617,296	1,902,758	1,110,870
Other General Fund	456,088	360,616	369,732	470,555
Other Funds	2,763,395	2,927,948	3,499,551	3,612,478
	<u>8,155,517</u>	<u>8,745,814</u>	<u>9,751,051</u>	<u>9,925,089</u>
Refunds & Reimbursements	33,437			
Sale of Assets	32,651	118,816		
Interest	535	71,200	134	
	<u>8,222,140</u>	<u>8,935,830</u>	<u>9,751,185</u>	<u>9,925,089</u>
<b>Expenditures</b>				
Operations & Maintenance	3,906,619	3,882,005	3,680,839	3,671,711
Fuel	1,809,716	1,800,055	2,124,487	2,164,599
General & Administrative	909,403	1,082,425	1,478,579	1,459,269
Debt Service	90,227	90,297	302,247	301,755
Replacements (a)	701,126	1,100,687	1,713,050	2,107,136
CTSP Technology Projects			500,000	214,286
	<u>7,417,091</u>	<u>7,955,469</u>	<u>9,799,202</u>	<u>9,918,756</u>
<b>Transfers</b>				
Transfer In				
Transfer Out	(2,286,000)			
	<u>(2,286,000)</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Net Annual Activity</b>	<b>(1,480,951)</b>	<b>980,361</b>	<b>(48,017)</b>	<b>6,333</b>
<b>Ending Available Balance</b>	<b>\$ 1,967,128</b>	<b>\$ 2,947,489</b>	<b>\$ 2,627,889</b>	<b>\$ 2,634,222</b>
<b>Available Balance Calculation</b>				
Cash & Accounts Receivable		\$ 3,407,005		
Accounts Payable		(459,516)		
Encumbrances		(271,583)		
Ending Available Balance		<u>\$ 2,675,906</u>		

(a) A five year replacement schedule will identify funding requirements and prioritize equipment replacements. Actual purchase contracts are approved by City Council, along with financing options.



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## INTERNAL SERVICE FUNDS

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### Information Technology (502 - 504)

#### History

- Responsible for maintaining City computers, application systems, and infrastructure connectivity.
- Provides information technology consulting services to City departments.
- Manages the implementation of the Citywide Technology Strategic Plan.
- The Radio Equipment fund supports mission critical radio, information and hardware systems for Fire, Municipal Utilities, Public Works and the Police Department.
- Supports telephones and telecommunication systems

#### 2012-13 Events

- Presented and received approval for Citywide Technology Strategic Plan (CTSP).
- Activated public accessible WiFi services for most City of Stockton buildings.
- Converted the Library Web Site to a content management-based system for improved organization and content.
- Converted local government radio channels to meet the FCC P25 compliant mandate.
- Recruited Technology Officer to fill vacant senior management position for the IT Division.
- Supported the process for selecting Enterprise Permitting System.
- Assisted in the selection process for Computerized Maintenance Management System for Municipal Utilities and Public Works.
- Assisted in the selection for fuel management system for Public Works.
- Initiated activities for the replacement of finance and payroll system.
- Developed contract for full maintenance of the City-wide traffic and security cameras.
- Assisted in the selection and installation of the Granicus Agenda Management System.
- Supported successful build out of the Fusion Center in the Police Communications Center.
- Developed RFP, selected vendor, initiated project for GIS Technology Roadmap.
- Upgraded Microsoft Office for City of Stockton computer users.

#### 2013-14 Budget Issues and Changes

- Overall the most significant efforts currently managed by Information Technology are related to the Citywide Technology Strategic Plan (CTSP). In 2010, the City released a Request for Proposal (RFP) for the development of a Citywide Technology Strategic Plan. During FY 2012-13 many of the CTSP projects were delivered on-time and within the estimated budget. Many of the projects are on-going with discernible timelines while some projects are either being. Major projects and the current status are:
  - Mobile/WiFi Access – Public access to WiFi access points currently installed in City Hall, PD, SEB & IT was established in February 2013. As part of the project IT plans to add hardware to the network to allow for greater management of the systems as well as increased security and functionality.
  - Training on Core Software Applications. – During FY 2012-13 IT provided for or assisted with various Police training programs and other core software and hardware system classes. Focused training will continue in FY 2013-14.

## INTERNAL SERVICE FUNDS

- Permitting and Inspection System –This new application is currently in system configuration and contract development stage. The selected system may also be leveraged to add Code Enforcement Programs, Business Licensing System, Fire Alarm Permits and Fines and Police Burglar Alarm Permits and Fines. All these systems would feature the ability for citizens to enter information and make payments on-line.
  - Centralized Maintenance Management System CMMS – The RFP was released in early December 2012 and responses are currently being reviewed by staff. As of today, the Fuel Management system upgrade is being delayed pending a potential combining of these two project.
  - Agenda Management – A contract was awarded to Granicus and a successful go-live took place early in April, 2013.
  - Advantage Stockton software – Implemented in early 2013 and is currently available to citizens and business today. This system was presented to City Council in April 2013.
  - Projects planned for fiscal year 13/14 include the Public Safety Technology Roadmap, researching the possible implementation of the Telestaff scheduling software, time keeping software, network equipment refresh, network vulnerability testing, possible integration of CAD/RMS systems for Fire and Police, improvements to the web enabled systems available to City staff and the public and the continuation of the projects initiated in FY 2012-13.
- Support implementation of the selected Enterprise Permitting System.
  - Work with the City financial system vendor to maximize investment in the programs.
  - Initiate the use of Microsoft SharePoint collaboration software for financial monitoring and reporting.
  - Assist the selected GIS Technology Roadmap Vendor in order to maximize the City's investment in GIS technologies.
  - Develop an RFP and manage for a Public Safety Technology Roadmap.
  - Re-establish the oversight committee for Stockton Information Technology.
  - The Radio Equipment fund supports mission critical radio, information and hardware systems for Fire, Municipal Utilities, Public Works and the Police Department. Included in the support structure are portable radios, radios installed into vehicles, mobile data computers, information systems and most of the hardware required to support these divisions. Over the past five years funding for radio equipment was drastically reduced as part of budget cutting measures. These cuts have resulted in radio and mobile computer equipment and infrastructure needing upgrades and modernization. Administrative Services Staff is currently working with the four departments to develop priorities and strategies as part of short and long-term plans to rebuild these City-wide, mission critical programs.
  - Telephone Equipment funds support the Voice over Internet Protocol (VoIP) phone system for the entire city. This is a 7-year lease program which will expire in fiscal year 2014-15. The City will begin to look at options for out-sourcing phone services or continuing to support the system with in-house staff or a combination of both.

**Internal Service Funds  
Computer Equipment Internal Service - 502  
2013-14 Proposed Budget**

	<u>FY 2010-2011</u>	<u>FY 2011-2012</u>	<u>FY 2012-2013</u>	<u>FY 2013-2014</u>
	<u>Actual</u>	<u>Unaudited Actual</u>	<u>Projected</u>	<u>Proposed Budget</u>
<b>Beginning Available Balance</b>	<b>\$ 4,163,009</b>	<b>\$ 3,484,438</b>	<b>\$ 4,738,937</b>	<b>\$ 4,098,332</b>
<b>Revenues</b>				
Charges for services				
Police	3,763,930	4,348,621	4,953,456	4,969,854
Fire	807,491	620,110	507,424	615,991
Other General Fund	862,318	834,589	993,474	868,509
Other Funds	2,555,023	3,055,930	2,811,950	3,011,846
Refunds & Reimbursements	2,956	81,639	28,580	21,799
	<u>7,991,718</u>	<u>8,940,889</u>	<u>9,294,884</u>	<u>9,487,999</u>
<b>Expenditures</b>				
Computer Maintenance (5101)	3,616,073	3,355,098	4,291,793	4,389,990
IT Administration (5111)	1,505,616	1,212,986	1,768,194	1,759,341
GIS Administration (5112)	665,608	515,138	450,864	478,118
Public Safety (5113)	975,707	885,544	1,095,024	1,083,882
Web Development (5114)	57,459	59,976	74,637	93,106
Tech Development (5115)	7,004	75,620	78,326	80,688
EDMS (7450)	235,249	211,827	239,000	222,684
Replacements	250,537	302,406	180,200	282,401
New equipment	487,036	671,269	119,004	370,599
Capital Projects			1,638,447	2,224,490
	<u>7,800,289</u>	<u>7,289,864</u>	<u>9,935,489</u>	<u>10,985,299</u>
<b>Transfers</b>				
Transfer In				
Transfer In - Telephone 504	330,000	245,538		
Transfer Out - Entertainment Venues - 086				
Transfer Out - General Fund (Adopted 2010-11 budget)	(1,200,000)			
	<u>(870,000)</u>	<u>245,538</u>	<u>-</u>	<u>-</u>
<b>Net Annual Activity</b>	<b>\$ (678,571)</b>	<b>\$ 1,896,563</b>	<b>\$ (640,605)</b>	<b>\$ (1,497,300)</b>
<b>Ending Available Balance</b>	<b>\$ 3,484,438</b>	<b>\$ 5,381,001</b>	<b>\$ 4,098,332</b>	<b>\$ 2,601,032</b>
<b>Available Balance Calculation</b>				
Cash and Current Assets		\$ 5,705,409		
Accounts Payable		(321,408)		
Encumbrances		(143,814)		
Capital Projects		(501,250)		
Ending Available Balance		<u>\$ 4,738,937</u>		

**Internal Service Funds**  
**Radio Equipment Internal Service - 503**  
**2013-14 Proposed Budget**

	<u>FY 2010-2011</u>	<u>FY 2011-2012</u>	<u>FY 2012-2013</u>	<u>FY 2013-2014</u>
	<u>Actual</u>	<u>Unaudited Actual</u>	<u>Projected</u>	<u>Proposed Budget</u>
<b>Beginning Available Balance</b>	<b>\$ 1,329,862</b>	<b>\$ 614,198</b>	<b>\$ 302,487</b>	<b>\$ 95,368</b>
<b>Revenues</b>				
Charges for services				
Police	225,480	518,226	750,968	666,719
Fire	237,380	255,486	294,677	380,138
Other General Fund	120	113	165	
Other Funds	72,797	71,939	22,635	47,242
	<u>535,777</u>	<u>845,764</u>	<u>1,068,445</u>	<u>1,094,099</u>
<b>Expenditures</b>				
Operations & Maintenance	866,580	739,911	870,160	836,649
Replacements	384,861	67,418	185,289	270,000
	<u>1,251,441</u>	<u>807,329</u>	<u>1,055,449</u>	<u>1,106,649</u>
<b>New Projects</b>				
Equipment Replacement			220,115	-
			<u>1,275,564</u>	<u>1,106,649</u>
<b>Transfers</b>				
Transfer In				
Transfer Out				
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Net Annual Activity</b>	<u>(715,664)</u>	<u>38,435</u>	<u>(207,119)</u>	<u>(12,550)</u>
<b>Ending Available Balance</b>	<u><u>\$ 614,198</u></u>	<u><u>\$ 652,633</u></u>	<u><u>\$ 95,368</u></u>	<u><u>\$ 82,818</u></u>
<b>Available Balance Calculation</b>				
Cash and Investments		\$ 334,136		
Encumbrances		<u>(31,649)</u>		
Ending Available Balance		<u><u>\$ 302,487</u></u>		

**Internal Service Funds  
Telephone Equipment Internal Service - 504  
2013-14 Proposed Budget**

	FY 2010-2011 <u>Actual</u>	FY 2011-2012 Unaudited <u>Actual</u>	FY 2012-2013 <u>Projected</u>	FY 2013-2014 Proposed <u>Budget</u>
<b>Beginning Available Balance</b>	<b>\$ 343,150</b>	<b>\$ 206,526</b>	<b>\$ 301,053</b>	<b>\$ 259,173</b>
<b>Revenues</b>				
Charge for Services				
Police	465,720	503,945	421,638	449,624
Fire	55,305	46,847	49,312	53,551
Other General Fund	217,968	195,645	211,055	259,405
Other Funds	650,226	627,866	577,879	575,649
Interest				
	<u>1,389,219</u>	<u>1,374,303</u>	<u>1,259,884</u>	<u>1,338,229</u>
<b>Expenditures</b>				
Operations & Maintenance	870,843	582,101	976,764	1,018,230
Replacements	-			
Principal	271,338	607,623	283,860	283,860
Interest Expense	54,679	42,203	41,140	41,140
	<u>1,196,860</u>	<u>1,231,927</u>	<u>1,301,764</u>	<u>1,343,230</u>
<b>Transfers</b>				
Transfer In				
Transfer Out - Technology 502	(330,000)			
	<u>(330,000)</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Net Annual Activity</b>	<u>(137,641)</u>	<u>142,376</u>	<u>(41,880)</u>	<u>(5,001)</u>
<b>Ending Available Balance</b>	<b>\$ 205,509</b>	<b>\$ 348,902</b>	<b>\$ 259,173</b>	<b>\$ 254,172</b>
<b>Available Balance Calculation</b>				
Cash and Current Assets		\$ 709,823		
Accounts Payable		(360,712)		
Encumbrances		(48,058)		
Ending Available Balance		<u>\$ 301,053</u>		



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## INTERNAL SERVICE FUNDS

### Office Equipment (Duplicating, Printing& Mailing) (505)

#### **History**

- Responsible for maintaining and financing the City's office equipment, duplicating/printing, and mailroom functions.
- Program departments are charged monthly rental rates to finance operations and replacements.

#### **2012-13 Events**

- Printing technology continued to improve with high speed print on demand technology for black and white and color printing using digital technology.
- Purchased an envelope delivery system for the digital envelope press.
- Began using electronic return receipt certified mailing at a 30% savings.
- Implemented variable data printing, enabling the use of mail merge technology.

#### **2013-14 Budget Issues and Changes**

- Continue replacing the old analog copier system with new multi-functional devices that contain new and current print technology.
- Work with Finance Department (Revenue Services) to redirect printing from local laser printer to high speed digital printer in Duplicating.

**Internal Service Funds**  
**Office Equipment Internal Service - 505**  
**2013-14 Proposed Budget**

	FY 2010-2011	FY 2011-2012	FY 2012-2013	FY 2013-2014
	<u>Actual</u>	<u>Unaudited Actual</u>	<u>Projected</u>	<u>Proposed Budget</u>
<b>Beginning Available Balance</b>	<b>\$ 634,232</b>	<b>\$ 417,529</b>	<b>\$ 411,523</b>	<b>\$ 488,335</b>
		<i>Merged with 508</i>	<i>Merged with 508</i>	<i>Merged with 508</i>
<b>Revenues</b>				
Charges for Services				
Police	55,003	103,601	76,014	91,502
Fire	12,098	71,061	42,457	32,059
Other General Fund	67,563	136,068	102,049	139,478
Other Funds	134,079	309,795	265,254	363,493
Investment Income		7,025	3,055	5,150
	<u>268,743</u>	<u>627,550</u>	<u>488,829</u>	<u>631,682</u>
<b>Expenditures</b>				
Operations & Maintenance	262,607	557,042	382,017	607,886
Replacements	38,675	29,045	30,000	30,000
	<u>301,282</u>	<u>586,087</u>	<u>412,017</u>	<u>637,886</u>
<b>Transfers</b>				
Transfer In				
Transfer Out - Printing Fund	(184,164)			
	<u>(184,164)</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Net Annual Activity</b>	<u>(216,703)</u>	<u>41,463</u>	<u>76,812</u>	<u>(6,204)</u>
<b>Ending Available Balance</b>	<u>\$ 417,529</u>	<u>\$ 458,992</u>	<u>\$ 488,335</u>	<u>\$ 482,131</u>
<b>Available Balance Calculation</b>				
Cash and Current Assets		\$ 459,674		
Accounts Payable		-		
Encumbrances		(48,151)		
Ending Available Balance		<u>\$ 411,523</u>		

**Internal Service Funds  
Printing & Mailing - 508  
2013-14 Proposed Budget**

	FY 2010-2011 <u>Actual</u>	FY 2011-2012 Unaudited <u>Actual</u> <i>Merged into 505</i>	FY 2012-2013 <u>Projected</u> <i>Merged into 505</i>	FY 2013-2014 <u>Proposed Budget</u> <i>Merged into 505</i>
<b>Beginning Available Balance</b>	\$ -	\$ 75,096	\$ -	\$ -
<b>Revenues</b>				
Charge for services				
Police	21,253			
Fire	2,854			
Other General Fund	47,588			
Other Funds	267,036			
	<u>338,731</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Expenditures</b>				
Operations & Maintenance	446,594			
	<u>446,594</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Transfers</b>				
Transfer In - Equipment 505	182,959			
Transfer Out				
	<u>182,959</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Net Annual Activity</b>	<u>75,096</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Ending Available Balance</b>	<u>\$ 75,096</u>	<u>\$ 75,096</u>	<u>\$ -</u>	<u>\$ -</u>
<b>Available Balance Calculation</b>				
Cash and Current Assets				
Current Liabilities				
Ending Available Balance		<u>\$ -</u>		



### **RISK SERVICES AND WORKER'S COMPENSATION (541 & 551)**

#### **History**

- The Risk Services Division is responsible for protecting the City's resources and limiting its liability exposures by providing stable, cost-effective, and quality customer service to our employees and the citizens. Contract monitoring and review is also a vital part of ensuring that exposure is limited and the risk is transferred in an appropriate manner.
- Risk Services also includes the Worker's Compensation and Safety Program components working to reduce the costs associated with illness and injury sustained by City employees.

#### **2012-13 Events**

- A new Deputy Director was hired to oversee Risk Services and the Benefits program.
- An action plan to address past audit findings was completed and actions to begin stabilizing and reducing costs were implemented, to include the implementation of a Medical Provider Network (MPN) for the workers' compensation program.
- The new position of Human Resources Manager/Safety Officer was filled in May of 2013, which will provide a more focused effort on targeted prevention activities in the workers' compensation program
- A new Risk Analyst was hired to assist in oversight of the workers' compensation program claim activities to effectuate mitigation of claims costs when injuries occur.

#### **2013-14 Budget Issues and Changes**

- Proposed rates to departments reflect a continuing upward trend of claim costs, increased excess insurance premiums, and an increasing State self-insured plan assessment.
- The unfunded liability in the program continues to grow, however a funding plan to amortize the deficit over time is being formulated to facilitate a stabilization of the program funding.
- Human Resources staff worked with the Budget Office to evaluate and refine the allocation methodology used to calculate the Workers Compensation rates for each group. Rates were based of seven years of claim experience history and projected payroll expenditures.

**Internal Service Funds  
General Insurance - 541  
2013-14 Proposed Budget**

	<u>FY 2010-2011</u>	<u>FY 2011-2012</u>	<u>FY 2012-2013</u>	<u>FY 2013-2014</u>
	<u>Actual</u>	<u>Unaudited Actual</u>	<u>Projected</u>	<u>Proposed Budget</u>
<b>Beginning Available Balance</b>	\$ (3,525,553)	\$ (3,766,244)	\$ (5,519,408)	\$ (4,922,551)
Prior Period Adjustment to Fund Balance	979,065			
Adjusted Fund Balance	<u>(2,546,488)</u>			
<b>Revenues</b>				
Charge for Services				
Police	1,229,916	1,374,375	1,889,200	1,962,400
Fire	704,234	669,616	833,800	875,500
Other General Fund	170,369	194,756	273,500	330,800
Other Funds	1,409,471	1,468,690	1,888,500	2,152,100
Reimbursement	818,748	65,110	45,000	23,000
Investment Interest	54,135	39,856	24,000	30,000
	<u>4,386,873</u>	<u>3,812,403</u>	<u>4,954,000</u>	<u>5,373,800</u>
<b>Expenditures</b>				
Claims				
Paid	1,223,276	639,553	2,277,000	2,316,320
Actuarial Adjustment	811,689	1,883,849		
	2,034,965	2,523,402	2,277,000	2,316,320
Excess Insurance Premium	917,651	770,835	700,000	900,000
City staff costs	2,313,207	1,274,157	1,311,857	1,509,310
Operating expenditures	340,806	484,284	243,286	634,471
	<u>5,606,629</u>	<u>5,052,678</u>	<u>4,532,143</u>	<u>5,360,101</u>
<b>Transfers</b>				
Transfer In - Central Parking			175,000	125,000
Transfer Out				
	<u>-</u>	<u>-</u>	<u>175,000</u>	<u>125,000</u>
<b>Net Annual Activity</b>	<u>(1,219,756)</u>	<u>(1,240,275)</u>	<u>596,857</u>	<u>138,699</u>
<b>Ending Available Balance</b>	<u>\$ (3,766,244)</u>	<u>\$ (5,006,519)</u>	<u>\$ (4,922,551)</u>	<u>\$ (4,783,852)</u>

**Available Balance Calculation**

Cash and Current Assets	\$ 2,914,183
Current Liabilities	(62,179)
Claims Payable	<u>(8,371,412)</u>
Net Assets	(5,519,408)
Encumbrances	
Ending Available Balance	<u>\$ (5,519,408)</u>

**Rates (percentage of payroll)**

All employees	2.75%	3.36%	4.50%	4.78%
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**Note**

Program revenues are estimated based upon percentage of baseline payroll.  
Actual revenues and the cash flow to settle claims will fluctuate based on Pendency Plan payroll reductions.

**Internal Service Funds  
Workers Compensation - 551  
2013-14 Proposed Budget**

	FY 2010-2011 <u>Actual</u>	FY 2011-2012 Unaudited <u>Actual</u>	FY 2012-2013 <u>Projected</u>	FY 2013-2014 Proposed <u>Budget</u>
<b>Beginning Available Balance</b>	<b>\$ (32,510,133)</b>	<b>\$ (40,308,334)</b>	<b>\$ (43,998,340)</b>	<b>\$ (43,996,400)</b>
<b>Revenues</b>				
Charge for Services				
Police	2,322,568	3,188,549	3,647,491	4,168,800
Fire	2,088,559	3,834,313	2,363,475	2,185,500
Other General Fund	115,042	141,906	151,810	376,000
Other Funds	2,499,215	2,329,817	2,147,454	3,625,000
	<u>7,025,384</u>	<u>9,494,585</u>	<u>8,310,230</u>	<u>10,355,300</u>
Refunds & Reimbursements	622	1,313,739	646,000	745,000
Interest	346,558	212,565	143,102	145,000
	<u>7,372,564</u>	<u>11,020,889</u>	<u>9,099,332</u>	<u>11,245,300</u>
<b>Expenditures</b>				
Claims Expense - Cash	7,421,233	7,785,814	6,972,000	7,787,520
Reimbursement to Other Funds		(a)	(a)	(a)
Fire Hireback OT- (5650)	815,712	82,748	(a)	(a)
Actuarial accrued claims liability	3,604,253	4,707,064		
Insurance Administration	1,454,962	586,425	423,000	618,098
TPA Administration	678,063	763,244	759,015	1,169,000
Excess Insurance Premium	504,263	517,489	516,113	701,000
State CA Assessment	108,169	186,189	359,177	440,000
Safety Program	84,110	81,922	68,087	92,185
	<u>14,670,765</u>	<u>14,710,895</u>	<u>9,097,392</u>	<u>10,807,803</u>
		(a) Discontinued to stabilize fund	(a) Discontinued to stabilize fund	(a) Discontinued to stabilize fund
<b>Transfers</b>				
Transfer In				
Transfer Out	(500,000)			
	<u>(500,000)</u>	-	-	-
<b>Net Annual Activity</b>	<b><u>(7,298,201)</u></b>	<b><u>(3,690,006)</u></b>	<b><u>1,940</u></b>	<b><u>437,497</u></b>
<b>Ending Available Balance</b>	<b><u>\$ (40,308,334)</u></b>	<b><u>\$ (43,998,340)</u></b>	<b><u>\$ (43,996,400)</u></b>	<b><u>\$ (43,558,903)</u></b>
<b>Available Balance Calculation</b>				
Cash and Current Assets		\$ 14,664,209		
Accounts Payable		(135,023)		
Due to Other Funds		(500,000)		
Claims Payable		(58,015,972)		
Compensated Absences		(11,554)		
Ending Available Balance		<u>\$ (43,998,340)</u>		
<b>Rates (percent of payroll)</b>				
Police	6.41%	8.18%	10.41%	11.67%
Fire	9.37%	13.02%	13.32%	12.63%
Manual	4.45%	5.90%	7.68%	10.69%
Non-Manual	2.58%	5.66%	5.62%	7.39%
Office/Clerical	0.88%	0.82%	1.00%	4.17%
Library	0.38%	1.69%	2.12%	5.48%

**Note**

Program revenues are estimated based upon percentage of baseline payroll.  
Actual revenues will fluctuate based on Pendency Plan payroll reductions.



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## INTERNAL SERVICE FUNDS

### HEALTH BENEFITS FUND (552)

#### History

- The Health Benefits Fund is responsible for the management of the health benefit plans offered to eligible employees and retirees, and their eligible dependents.
- Revenue is collected from departments and employees, for purposes of funding health benefits.
- City-sponsored health benefit plans currently offered include self-funded medical, dental and vision plan options, a fully-insured high-deductible plan through a Health Maintenance Organization (HMO), and a fully insured dental Maintenance Organization (DMO).

#### 2012-13 Events

- As part of the Council's Action Plan for Fiscal Sustainability, staff worked with an outside benefits consultant to review the City's employee benefits and insurance programs and make recommendations for changes.
- City staff worked with its third party administrator to conduct a dependent eligibility audit of dependents currently enrolled in the health benefit plans, to ensure coverage is extended only to dependents who meet the plans' eligibility requirements. This audit ran in conjunction with the health plan's open enrollment period.
- An audit of the City's Third Party Administrator (TPA) was conducted by the City's healthcare consultant, to ensure accurate claims processing.
- Effective July 1, 2012, retirees were required to pay all or a portion of their retiree medical costs. A City-provided stipend was provided to eligible retirees, based on the amount of City years of service to offset the premium expense.
- A maximum City contribution toward the monthly cost of benefits for active employees is still in place.
- A second medical plan, a Kaiser High-Deductible Health Plan option, is now an available option for all employees. Offering employees a less expensive alternative to the City's self-funded medical plan was also part of the City Council's Action Plan of Fiscal Sustainability.
- Retirees currently enrolled in the Modified or Original plans were also offered the Kaiser High-Deductible plan option. The two plans options were for early retirees (under 65) and a Medicare supplemental plan for retirees age 65 and over.
- In an effort to have the City's medical plan deductible year in-sync with its fiscal year, the City changed its open enrollment period from November (for a January 1 effective date) to May (for a July 1, effective date).
- Fully fund Incurred But Not Reported (IBNR) insurance claims and begin establishing recommended reserve funds.
- The following informational meetings were held for retirees and employees:
  - Kaiser plan option
  - Healthcare reform – Affordable Care Act (ACA)

#### 2013-14 Budget Issues and Changes

- The City's premium contribution cost associated with City-sponsored Retiree medical benefits is being eliminated effective July 1, 2013. Retirees will no longer receive a City stipend to help offset their premium costs. Retirees who wish to continue on the City's self-funded plan may do so if they pay the full premium. Retirees on the City-sponsored Kaiser plan will have the option of changing to an individual Kaiser plan.

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## INTERNAL SERVICE FUNDS

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- Training will be provided to City staff in connection with the privacy and security rules mandated by the Health Insurance Portability and Accountability Act (HIPAA). Staff will also work with an outside consultant to update its HIPAA policies/procedures and ensure compliance with this federal mandate.
- The Affordable Care Act (ACA) will go in effect January 1, 2014; however, most changes will not affect the City's Modified Plan until July 1, 2014 since this plan is on a fiscal year cycle. Staff will work closely with our healthcare consultant to ensure compliance with all required notifications, reporting, including W-2 reporting, taxes/fees, benefit offerings, etc.
- The self-funded medical plan rates continue to increase as a result of medical and prescription trend, the effects of anti-selection of the self-funded plan as enrollment declines, and mandated benefit increases and fee requirements due to the Affordable Care Act. Human Resources will work to form a labor/management group to evaluate fully insured healthcare plan options.

**Internal Service Funds  
Health Insurance - 552  
2013-14 Proposed Budget**

	FY 2010-2011	FY 2011-2012	FY 2012-2013	FY 2013-2014
	Actual	Unaudited Actual	Projected	Proposed Budget
<b>Beginning Available Balance</b>	<b>\$ (6,026,396)</b>	<b>\$ (3,539,441)</b>	<b>\$ (1,436,735)</b>	<b>\$ 3,272,307</b>
<i>Excludes Unfunded Retiree Health Obligation</i>				<i>Assume baseline staffing of 1,429 employees</i>
<b>Revenues</b>				
Charge for Services				
Police	12,334,199	10,274,815	6,750,417	6,216,922
Fire	5,810,371	4,568,070	2,384,997	2,184,892
Other General Fund	1,977,449	1,903,944	1,174,657	1,198,411
Other Funds	15,704,609	14,631,667	8,764,595	7,992,729
	<u>35,826,628</u>	<u>31,378,496</u>	<u>19,074,666</u>	<u>17,592,954</u>
Participant Contributions				
Employees (current MOUs)	846,338	2,142,755	2,917,115	4,574,388
Retirees	331,046	148,789	3,296,211	2,220,136
Continuation	142,933	102,027	44,000	92,090
Reimbursements		1,234,215	673,005	
Stop loss coverage	2,175,773	2,248,116	1,128,546	750,000
Medicare	260,130	318,145	351,715	150,000
Federal Grant	870,693			
Interest	(40,569)	(5,588)	12,346	
	<u>40,412,972</u>	<u>37,566,955</u>	<u>27,497,604</u>	<u>25,379,568</u>
<b>Expenditures</b>				
Medical Plans	32,545,600	28,437,931	16,270,444	11,647,212
Kaiser		1,222,283	3,987,842	6,814,967
IBNR Adjustments	(116,600)	4,100	(2,049,500)	
Operating Engineers	516,312	761,647	876,616	951,192
Vision (5540)	192,679	185,401	170,928	220,793
Dental (5550/5560)	1,485,922	1,760,687	1,315,340	1,955,373
Health & Wellness Program	895	2,843		4,000
General & Administrative	945,066	1,027,697	839,586	1,209,148
Stop Loss Premium	1,284,045	1,056,867	652,802	587,809
Vendor Administration Fee	1,072,098	1,004,793	724,504	653,461
	<u>\$ 37,926,017</u>	<u>\$ 35,464,249</u>	<u>\$ 22,788,562</u>	<u>\$ 24,043,955</u>
<b>Net Annual Activity</b>	<u>2,486,955</u>	<u>2,102,706</u>	<u>4,709,042</u>	<u>1,335,613</u>
<b>Ending Available Balance</b>	<u>\$ (3,539,441)</u>	<u>\$ (1,436,735)</u>	<u>\$ 3,272,307</u>	<u>\$ 4,607,920</u>
<i>Excludes Unfunded Retiree Health Obligation</i>				
<b>Available Balance Calculation</b>				
Cash and Interest Receivable		\$ 2,744,954		
Accounts Receivable and deposits		110,053		
Accounts Payable		(208,242)		
Claims Payable - IBNR		(4,083,500)		
Ending Available Balance		<u>\$ (1,436,735)</u>		

**Note**

Program revenues are estimated based upon percentage of baseline payroll.  
Actual revenues will fluctuate based on Pendency Plan payroll reductions.



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## INTERNAL SERVICE FUNDS

### UNEMPLOYMENT FUND (556)

#### **History**

- This fund maintains the City's unemployment benefit to former City of Stockton employees.
- Benefits are paid by the State of California and the State is then reimbursed by the City. The funding is in compliance with State law.
- Unemployment benefits are funded by charging each City department. The funding is based on a percentage of payroll.
- Benefits staff closely and aggressively monitors all unemployment claims received to ensure timely and accurate claim payments.
- Benefits staff also challenges any potential non-eligible claim. Staff works directly with each City Department to investigate any such claims and attends Unemployment hearings when necessary.

#### **2012-13 Events**

- Adopted budget projects ending FY 2012-13 under budget.
- FY 2012-13 claim experience has declined because of aggressive monitoring and less layoffs than in prior years.

#### **2013-14 Budget Issues and Changes**

- No anticipated issues. Budgeting for FY 2013-14 was based on historical claims costs.
- The ending balance projected in the Unemployment Fund will cover any future claims fluctuation so that annual rates can be stabilized.

**Internal Service Funds  
Unemployment - 556  
2013-14 Proposed Budget**

	<u>FY 2010-2011</u> <u>Actual</u>	<u>FY 2011-2012</u> <u>Unaudited</u> <u>Actual</u>	<u>FY 2012-2013</u> <u>Projected</u>	<u>FY 2013-2014</u> <u>Proposed</u> <u>Budget</u>
<b>Beginning Available Balance</b>	<b>\$ 364,344</b>	<b>\$ 490,758</b>	<b>\$ 203,026</b>	<b>\$ 444,768</b>
<b>Revenues</b>				
Charge for Services				
Police	254,687	69,066	172,929	112,300
Fire	157,524	33,747	79,046	50,300
Other General Fund	8,849	9,976	28,244	19,200
Other Funds	276,693	74,970	200,413	124,200
Investment Income		7,367	3,238	
Refunds & Reimbursements		2,453	495	
	<u>697,753</u>	<u>197,579</u>	<u>484,365</u>	<u>306,000</u>
<b>Expenditures</b>				
Claims	571,339	485,311	242,623	300,000
	<u>571,339</u>	<u>485,311</u>	<u>242,623</u>	<u>300,000</u>
<b>Transfers</b>				
Transfer In				
Transfer Out				
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Net Annual Activity</b>	<u>126,414</u>	<u>(287,732)</u>	<u>241,742</u>	<u>6,000</u>
<b>Ending Available Balance</b>	<b>\$ 490,758</b>	<b>\$ 203,026</b>	<b>\$ 444,768</b>	<b>\$ 450,768</b>
<b>Available Balance Calculation</b>				
Cash and Interest Receivable		\$ 275,713		
Current Liabilities		<u>(72,687)</u>		
Cash and Interest Receivable		<u>\$ 203,026</u>		
<b>Rates (percentage of payroll)</b>	0.55%	0.17%	0.45%	0.28%

**Note**

Program revenues are estimated based upon percentage of baseline payroll.  
Actual revenues will fluctuate based on Pendency Plan payroll reductions.

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## INTERNAL SERVICE FUNDS

### LONG TERM DISABILITY, LIFE INSURANCE & ACCIDENTAL DEATH AND DISMEMBERMENT (AD&D) FUND (557)

#### History

- This fund provides long-term disability, life insurance, and accidental death and dismemberment benefits, as part of the total compensation package provided to eligible City of Stockton employees.
- Revenue to fund these programs is collected from each department.
- The Long Term Disability benefit provides eligible employees with:
  - 66 2/3% of their salary while disabled.
- The Life Insurance benefit provides eligible employees with:
  - Life insurance coverage while a full-time City employee.
  - A portability option to continue the life insurance coverage when leaving City employment (at the member's expense) is available.

#### 2012-13 Events

- Contract Negotiations – As part of the continuing effort to decrease benefit costs, benefits were changed as follows:
  - Life insurance benefit reduced to a flat \$50,000 per employee.
  - LTD benefit waiting period changed from 30 to 90 days with the exception of Safety bargaining units who have their own policies.
- Stockton City Council adopted an Action Plan for Increasing Organizational Capacity. Part of this plan was to review current contracts and start the Request for Proposal (or Bid) process for long-standing contracts, ensuring the most appropriate vendor and services are being provided to the City in the most cost effective manner. In April 2013, the bid process commenced for a new LTD, Life, and AD&D contract. City staff is working with its health consultant, Segal Co., in this process.

#### 2013-14 Budget Issues and Changes

- Life/AD&D and LTD provider RFP was issued and at the completion of the process, a new contract will be in place by the beginning of the new fiscal year.

**Internal Service Funds  
LTD and Life Insurance - 557  
2013-14 Proposed Budget**

	FY 2010-2011 <u>Actual</u>	FY 2011-2012 Unaudited <u>Actual</u>	FY 2012-2013 <u>Projected</u>	FY 2013-2014 Proposed <u>Budget</u>
<b>Beginning Available Balance</b>	<b>\$ 116,433</b>	<b>\$ 145,199</b>	<b>\$ 114,003</b>	<b>\$ 189,149</b>
<b>Revenues</b>				
Charge for Services				
Police	241,334	217,725	205,263	230,360
Fire	116,014	31,205	63,714	33,622
Other General Fund	88,948	215,156	55,901	71,980
Other Funds	626,720	497,947	361,268	437,106
	<b>1,073,016</b>	<b>962,033</b>	<b>686,146</b>	<b>773,068</b>
<b>Expenditures</b>				
Insurance Premiums	1,044,250	993,229	611,000	773,068
	<b>1,044,250</b>	<b>993,229</b>	<b>611,000</b>	<b>773,068</b>
<b>Transfers</b>				
Transfer In				
Transfer Out				
	-	-	-	-
<b>Net Annual Activity</b>	<b>28,766</b>	<b>(31,196)</b>	<b>75,146</b>	<b>-</b>
<b>Ending Available Balance</b>	<b>\$ 145,199</b>	<b>\$ 114,003</b>	<b>\$ 189,149</b>	<b>\$ 189,149</b>
<b>Available Balance Calculation</b>				
Cash and Interest Receivable		\$ 114,449		
		\$ (446)		
Ending Available Balance		<u>\$ 114,003</u>		
<b>Rates (percentage of payroll)</b>				
Long Term Disability				
Non-safety	1.05%	1.35%	0.86%	0.86%
Police	NA	NA	\$240/yr	\$240/yr
Fire	NA	NA	NA	NA
Police Mgmt	\$234/yr	\$234/yr	\$294/yr	\$294/yr
Life Insurance (per \$1,000 of annual pay x benefit)				
with Accidental Death & Disability	0.32%	0.25%	0.25%	0.25%
without Accidental Death & Disability	0.28%	0.22%	0.22%	0.22%

**Note**

Program revenues are estimated based upon percentage of baseline payroll.  
Actual revenues will fluctuate based on Pendency Plan payroll reductions.

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## INTERNAL SERVICE FUNDS

### RETIREMENT (561)

#### **History**

- This fund is utilized to collect revenue and make contributions to CalPERS for the defined benefit retirement program.
- The City of Stockton contracts with the California Public Employees' Retirement System (CalPERS) for defined retirement benefits
- Employer contributions for CalPERS retirement benefits are collected from departments and are a percentage of pay and other compensation considered reportable for retirement purposes.
- The City offers a deferred compensation (Section 457) plan for supplemental retirement benefits. Employees may participate in this program on a voluntary basis.
- A Pension Obligation Bond (POB) was issued by the City in 2007. The payment on this debt service is made by collecting funds from all City sources through rates.
- The City does not participate in Social Security.

#### **2012-13 Events**

- The City successfully negotiated with most bargaining units a second tier retirement benefit formula for new hires. The City's contract with CalPERS was amended for bargaining units where agreement was reached for a second tier retirement.
- During FY 2012-13, the Public Employees' Pension Reform Act (PEPRA) was enacted, mandating lower retirement benefits for new members of CalPERS effective 1/1/13.
- Retirement benefit changes are based on employee's date of hire and whether they have prior service under a public retirement system.
- As a result of PEPRA and the collective bargaining with the City's employee bargaining groups, there are multiple retirement tiers for City employees.
- Staff established a new process/procedure with standard forms to determine appropriate retirement benefits for new employees and ensure employees are enrolled in the correct retirement tier.
- The Pendency Plan, as adopted by Council on June 26, 2012, stopped debt service payments on the Pension Obligation Bond. Insurance proceeds are paying debt until a plan of adjustment is implemented through the bankruptcy process.

#### **2013-14 Budget Issues and Changes**

- Implement a negotiated CalPERS contract amendment for Police Safety employees, to establish a second tier benefit, eliminating some retirement benefit enhancement options for new hires with prior service under a public retirement system.

**Internal Service Funds  
Retirement - 561  
2013-14 Proposed Budget**

	FY 2010-2011 <u>Actual</u>	FY 2011-2012 Unaudited <u>Actual</u>	FY 2012-2013 <u>Projected</u>	FY 2013-2014 Proposed <u>Budget</u>
<b>Beginning Available Balance</b>	<b>\$ 10,844,660</b>	<b>\$ 4,212,860</b>	<b>\$ 1,347,443</b>	<b>\$ 4,951,394</b>
<b>Revenues</b>				
Charge for Services				
Police	14,822,659	11,577,418	9,452,821	11,582,570
Fire	9,148,507	6,200,695	4,336,919	5,115,710
Other General Fund	1,290,614	1,101,085	937,806	1,233,630
Other Funds	10,413,404	8,982,135	8,574,642	10,922,380
Employee Paid		7,491,008	7,561,944	8,977,540
Insurance Proceeds			7,712,550	8,301,843
Investment Income	(78,928)	5,629	10,634	20,000
Refunds & Reimbursements	9,969	7,450	7,500	5,000
	<u><b>35,606,225</b></u>	<u><b>35,365,420</b></u>	<u><b>38,594,816</b></u>	<u><b>46,158,673</b></u>
<b>Expenditures</b>				
CalPERS payments	28,927,612	29,219,878	27,249,315	35,834,850
Contingency/staff reductions	2,564,364	7,318,542		
Debt Service on Pension Bonds	6,882,295	6,865,377	7,712,550	8,301,843
Other Operating Costs	132,754	73,687	29,000	31,755
	<u><b>38,507,025</b></u>	<u><b>43,477,484</b></u>	<u><b>34,990,865</b></u>	<u><b>44,168,448</b></u>
<b>Transfers</b>				
Transfer In		876,000		
Transfer Out	(3,731,000)			
	<u><b>(3,731,000)</b></u>	<u><b>876,000</b></u>	<u><b>-</b></u>	<u><b>-</b></u>
<b>Net Annual Activity</b>	<u><b>(6,631,800)</b></u>	<u><b>(7,236,064)</b></u>	<u><b>3,603,951</b></u>	<u><b>1,990,225</b></u>
<b>Ending Available Balance</b>	<u><b>\$ 4,212,860</b></u>	<u><b>\$ (3,023,204)</b></u>	<u><b>\$ 4,951,394</b></u>	<u><b>\$ 6,941,619</b></u>

**Available Balance Calculation**

Cash and Interest Receivable	\$ 1,348,943
Current Liabilities	<u>\$ (1,500)</u>
Ending Available Balance	<u><u>\$ 1,347,443</u></u>

**PERs Employer Retirement Rates excluding Pension Obligation Bond (percentages of payroll)**

Safety	23.270%	29.100%	31.790%	34.605%
Miscellaneous	14.090%	16.940%	16.880%	17.939%

**Pension Obligation Bond - Estimated Retirement Rates PERS plus POB (percentages of payroll)**

Safety	32.321%	38.845%	43.110%	47.145%
Miscellaneous	18.076%	20.226%	20.660%	21.949%

**Notes**

Program revenues are estimated based upon percentage of baseline payroll.

Payments to CalPERS will fluctuate with staffing levels. However, the pension obligation bond payment is fixed.

\* The 2012-13 Pendency Plan adopted by Council on June 26, 2012 eliminated the appropriation for the General Fund share of debt service on the Pension Obligation Bond.

**Internal Service Funds  
Compensated Absence - 562  
2013-14 Proposed Budget**

	FY 2010-2011 <u>Actual</u>	FY 2011-2012 <u>Unaudited Actual</u>	FY 2012-2013 <u>Projection</u>	FY 2013-2014 <u>Proposed Budget</u>
<b>Beginning Available Balance</b>	<b>\$ (4,023,160)</b>	<b>\$ -</b>	<b>\$ 71,304</b>	<b>\$ 1,595,670</b>
<b>Revenues</b>				
Charge for Services				
Police	437,795	782,888	806,436	470,264
Fire	462,409	808,803	330,876	198,673
Other General Fund	119,285	138,890	168,838	103,819
Other Funds	2,607,474	1,450,052	1,517,624	571,244
Interest				
	<u><b>3,626,963</b></u>	<u><b>3,180,633</b></u>	<u><b>2,823,774</b></u>	<u><b>1,344,000</b></u>
<b>Expenditures</b>				
Employee Separation Pay	5,176,720	3,109,329	937,922	1,344,000
Liability Adjustments	(1,875,000)		361,486	
	<u><b>3,301,720</b></u>	<u><b>3,109,329</b></u>	<u><b>1,299,408</b></u>	<u><b>1,344,000</b></u>
<b>Transfers</b>				
Transfer In - General Fund	3,697,917			
Transfer Out				
	<u><b>3,697,917</b></u>	<u><b>-</b></u>	<u><b>-</b></u>	<u><b>-</b></u>
<b>Net Annual Activity</b>	<u><b>4,023,160</b></u>	<u><b>71,304</b></u>	<u><b>1,524,366</b></u>	<u><b>-</b></u>
<b>Ending Available Balance</b>	<u><b>\$ -</b></u>	<u><b>\$ 71,304</b></u>	<u><b>\$ 1,595,670</b></u>	<u><b>\$ 1,595,670</b></u>
<b>Available Balance Calculation</b>				
Cash and Interest Receivable		\$ 71,304		
Due to Worker's Comp Fund				
Ending Available Balance		<u><u><b>\$ 71,304</b></u></u>		
Program Contribution Rate	3.57%	3.10%	2.90%	1.37%

TAB 16 APPENDIX



## Local Government Glossary and Acronyms

**ACCRUAL BASIS OF ACCOUNTING:** A basis of accounting in which transactions are recognized at the time they are incurred, as opposed to when cash is received or spent.

**ACTUAL:** Actual level of revenues or expenditures in the fiscal year noted.

**APPROPRIATION:** An authorization by the City Council to make expenditures and to incur obligations for a specific purpose.

**APPROVED BUDGET:** The approved budget is the annual City budget approved by the City Council for expenditures on or before June 30.

**ASSESSED VALUATION (AV):** The dollar value of real or other property set as a basis for levying property taxes by the County assessor.

**ASSESSMENT:** Revenue collected for City services which benefit properties in specific areas or districts.

**ASSETS:** Property owned by the City for which a monetary value has been established.

**AVAILABLE BALANCE:** The unreserved, undesignated portion of fund balance available for future operations. For Enterprise funds, fund balance represents the current working capital portion of the fund's equity, which excludes capital assets, long-term debt, and other non-current items.

**AUTHORIZED POSITIONS:** Positions approved by the City Council which may or may not have funding (see Budgeted Positions).

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

**BASELINE:** An estimate of spending, revenue, the deficit or surplus, and the debt expected during a fiscal year under current laws, current labor agreements and current policy. The baseline is a benchmark for measuring the budgetary effects of proposed changes in revenues and spending.

**BASIS OF ACCOUNTING:** Refers to when revenues, expenses, expenditures and transfers are recognized and reported. The budgetary basis of accounting for all the funds is modified accrual, with a focus on current financial resources.

**BEGINNING/ENDING FUND BALANCE:** Resources available in a fund after payment of prior/current year expenses.

**BOND:** A certificate of debt issued by an entity, guaranteeing payment of the original investment plus interest, by a specified future date. Bonds are typically used for long-term debt to pay for specific capital expenditures.

**BROWN ACT:** This Act governs the conduct of public meetings (California Government Code 54953).

## Local Government Glossary and Acronyms

**BUDGET:** An annual plan of financial operation embodying an estimate of proposed expenditures and the estimated mean of financing them. The approved budget is authorized by City Council action and thus specifies the legal spending limits for the fiscal year.

**BUDGET HEARING:** A public meeting to allow citizens to comment of a proposed budget.

**BUDGETED POSITIONS:** The number of full-time equivalent positions to be funded in the budget.

**CALTRANS:** California Department of Transportation

**CAPITAL BUDGET:** A budget that appropriates the first year of the Capital Improvement Program.

**CAPITAL IMPROVEMENT PROGRAM (CIP):** An on-going five year plan of single and multiple year capital expenditures which is updated annually.

**CAPITAL OUTLAY:** Expenditures for tangible property of relatively permanent nature

**CC:** City Council

**CDBG:** Community Development Block Grant Department of Housing and Urban Development (HUD) provides programs for general community development to eliminate blight and provide to low and moderate income persons.

**CEQA:** California Environmental Quality Act

**COPs:** Certificates of Participation – This financing technique provides long-term financing through a lease installment sale agreement or loan agreement. Certificates of Participation (COPs) allow the public to purchase participation relating to the acquisition or construction of specific equipment, land, or facilities.

**COPS:** Citizen's Option for Public Safety – AB 3229 funds allocated to California counties for public safety.

**CONTINGENCY:** A budgetary reserve set aside for emergencies or unforeseen expenditures.

**CPI:** Consumer Price Index, measure of inflation in area of consumer products.

**CRWQCB:** California Regional Water Quality Control Board

**CUPA:** Certified Unified Permit Agency (Haz-Mat).

**CWEA:** California Water Environment Association

**DBW or DBAW:** State of California Department of Boating and Waterways

**DEBT SERVICE:** Payment of interest and principal on an obligation resulting from the issuance of bonds and notes.

**DOJ:** Department of Justice

**DEIR:** Draft Environmental Impact Report

## Local Government Glossary and Acronyms

**DEPARTMENT:** A major organizational unity of the City that has management responsibility for related operations.

**DISTRICT FUND:** A fund used to account for the resources, revenues and expenditures of separate special districts formed to provide certain public services.

**DIVISION:** A sub-unit of a department which encompasses more specific functions of that department and may consist of several activities.

**EEOC:** Equal Employment Opportunity Commission

**EIR:** Environmental Impact Report. A detailed document describing and analyzing the significant environmental effects of a project and ways to mitigate or avoid the effects.

**ENCUMBRANCE:** Financial commitments related to unperformed contracts for goods or services for which part of an appropriation is reserved. They cease to be encumbrances when the obligations are paid or otherwise terminated.

**ENTERPRISE FUND:** A governmental facility or service which operates like a private business and is intended to be self supporting, i.e. revenues will cover all expenses of the operations including capital costs. These funds operate on a full accrual basis recognizing revenues or expenses when the event occurs.

**EPA:** Environmental Protection Agency

**ERAF:** Educational Revenue Augmentation Fund. ERAF is a mechanism; enacted in July of 1992 by the State Legislature to shift local tax revenues from cities, counties, and special districts to a State controlled Education Revenue Augmentation Fund. The state uses this fund to reduce its obligation to the schools. ERAF funds have been used by the State to help school and community college districts meet minimum funding requirements.

**EXPENDITURE:** The actual spending of funds authorized by an appropriation.

**FEIR:** Final Environmental Impact Report

**FEMA:** Federal Emergency Management Agency

**FESG:** Federal Emergency Shelter Grant

**FHA:** Federal Housing Authority

**FINAL BUDGET:** The approved revenue and expenditure budget as appropriated.

**FISCAL YEAR:** The 12-month period designated as the budget year from July 1 through June 30.

**FLSA:** Fair Labor Standards Act

**FPPC:** Fair Political Practices Commission

**FULL TIME EQUIVALENT:** The decimal equivalent of a part-time position converted to a full time basis, i.e. one person working half-time would count as 0.5 FTE.

## Local Government Glossary and Acronyms

**FUND:** A set of inter-related accounts to record revenues and expenditures associated with a specific purpose.

**FUND BALANCE:** In the governmental fund types, the unreserved fund balance is the excess of current sources of funds over current uses of funds. This amount does not include amount designated for future uses as specified by management.

**GAAP:** Generally Accepted Accounting Principles. The guidelines established for financial accounting and reporting. They govern the form and content of the financial statements of an entity. GAAP encompass the conventions, rules and procedures necessary to defines accepted accounting practice at a particular time.

**GASB:** Governmental Accounting Standards Board

**GENERAL FUND:** The primary operating fund of the City. It is used to account for all revenues and expenditures of the City not legally restricted in use.

**GENERAL OBLIGATION BOND:** A bond backed by the full faith and credit of the issuing government. In California, local governments can only issue such bonds with voter approval subject to a legal debt limit.

**GOVERNMENTAL FUNDS:** Funds, such as the General Fund, which recognizes events when they affect current financial resources. Reductions are called expenditures. These funds operate on a modified accrual basis.

**GRANTS:** Contributions from another governmental agency to be used for a specified purpose.

**HCD:** Housing and Community Development

**HOME:** Home Investment Partnership Program

**HUD:** Housing and Urban Development. The Federal department which provides various housing and community direct loans, guarantees, and grants.

**INDIRECT COSTS:** Elements of cost necessary in the production of a good or service that are not directly traceable to the product or service. These are sometimes referred to as overhead costs.

**INTEREST:** Income earned on the investment of available cash balances.

**INTERNAL SERVICE FUNDS (ISF):** Internal service funds are used to account for the centralized financing of goods or services provided by one department, on a cost-reimbursement basis.

**LOCC:** League of California Cities

**LIEN:** A document recorded with the County Recorder placing a debt against a parcel of land.

**LONG-TERM DEBT:** Debt with a maturity of more than one year after the date of issuance.

**MBE:** Minority Business Enterprise

**MOE:** Maintenance of Effort

## Local Government Glossary and Acronyms

**MUNICIPAL CODE:** Codification of ordinances (laws) of a municipality.

**NON-DEPARTMENTAL:** Program costs that do not relate to any one department, but represent costs of a general city-wide nature.

**NPDES:** National Pollutant Discharge Elimination System

**OPERATING BUDGET:** Annual appropriation of funds for on-going program costs, including personnel, operations, capital outlay and debt service.

**OPERATING TRANSFERS:** Transfers from a fund receiving revenue to a fund which will expend the resources.

**ORDINANCE:** A formal legislative enactment by the City Council. It has the full force and effect of law with the City boundaries unless it is in conflict with any higher form of law such as a State statute or constitutional provision. An ordinance has higher legal standing than a resolution.

**PERMANENT FUND:** A fund in which the principal remains permanently restricted, while the interest earnings may be spent for the specific purpose for which the money was given.

**PERS:** Public Employees Retirement System

**PERSONNEL COSTS:** The cost of a City department, including wage/salary, direct and indirect benefits such as health insurance, retirement contribution, workers' compensation, unemployment insurance, etc.

**POST:** Police Officers Standards and Training

**PROCLAMATION:** An official announcement or public declaration.

**PSAF:** Public Safety Augmentation Fund

**RESERVE:** Amount of fund balance designated for a specific purpose.

**RDA:** Redevelopment Agency. An entity created by a legislative body in accordance with state statutes which has elected to exercise the powers granted to it for planning, development, replanning, redesign, clearance, reconstruction, or rehabilitation of an area.

**RFP:** Request for Proposal

**RWQCB:** Regional Water Quality Control Board. Issues the wastewater treatment plant discharge permit and regulates its programs.

**RESOLUTION:** A document confirming City Council administrative action.

**RESOURCES:** Total amounts available for appropriation during the fiscal year, including revenues, fund transfers and beginning fund balances.

**REVENUE:** Money received from taxes, fees, permits, licenses, interest, inter-governmental sources, and other sources.

**SPFA:** Stockton Public Financing Authority

## Local Government Glossary and Acronyms

**SRF:** State Revolving Fund

**SWRCB:** State Water Regional Control Board

**SECTION 8:** Federal subsidized low income housing.

**SECTION 108:** Section 108 is the loan guarantee provision of the Community Development Block Grant (CDBG) program. Section 108 provides communities with a source of financing for economic development, housing rehabilitation, public facilities, and large-scale physical development projects

**SPECIAL ASSESSMENTS:** Compulsory charges levied by a government to finance current or permanent public services or facilities to a particular group or persons or property.

**SPECIAL REVENUE FUND:** A fund which collects revenues that are restricted by the City, State or Federal Government as to the purpose of spending.

**TFCA:** Transportation Fund for Clean Air

**UAAL:** Unfunded Actuarial Accrued Liability. The excess of the Actuarial Accrued Liability over the Actuarial Value of Assets.

**UBC:** Uniform Building Code

**UEC:** Uniform Electrical Code

**UFC:** Uniform Fire Code

**USGS:** United States Geological Survey

**TAXES:** Compulsory charges levied by a government to finance services performed.

**USER FEE:** Charges for services provided only to those benefiting from the service.

**PERSONNEL BY FUND - POLICE DEPARTMENT**  
**2013-14 Proposed Budget**

	<u>2009-10</u>	<u>2010-11</u>	<u>2011-12</u>	<u>FY 2012-13</u> <u>Adopted</u>	<u>Staffing</u> <u>Modifications</u>	<u>FY 2013-14</u> <u>Proposed</u>	
<b>GENERAL FUND</b>							
<b>010-2410 Police Administration</b>							
Admin Analyst I/II/Sr/Prog Mgr I/II	2	3	2	1	0	1	
Code Enforcement Officer	2	2	0	0	0	0	
Executive Assistant	1	1	1	1	0	1	
Finance Assistant I/II	2	2	2	2	0	2	
Mail Courier	1	0	0	0	0	0	
Office Asst I/II/ Office Specialist/ Secretary	4	4	4	4	0	4	
Program Manager III	2	1	1	2	(1)	1	(1)
Sr Finance Assistant	1	1	1	1	1	2	(2)
Sworn: Chief of Police	1	1	1	1	0	1	
Sworn: Deputy Chief of Police I/II	0	1	1	2	0	2	
Sworn: Police Captain	0	0	0	1	0	1	
Sworn: Police Lieutenant	2	2	2	2	0	2	
Sworn: Police Officer/Trainee	5	4	6	5	0	5	
Sworn: Police Sergeant	4	4	4	4	1	5	(3)
	<b>27</b>	<b>26</b>	<b>25</b>	<b>26</b>	<b>1</b>	<b>27</b>	
<b>010-2420 Police Field Services</b>							
Administrative Analyst I/II/Sr/Principal	2	2	3	3	(1)	2	(4)
Code Enforcement Field Manager	1	1	1	1	0	1	
Code Enforcement Officer I/II	12	11	13	13	(1)	12	(5)
Code Enforcement Supervisor	0	0	0	0	1	1	(6)
Community Service Officer I/II	25	29	23	20	0	20	
Graffiti Abatement Technician	4	4	4	4	0	4	
Maintenance Worker III	0	0	0	0	0	0	
Office Asst I/II/ Office Specialist/ Secretary	10	9	6	7	(1)	6	(7)
Police Court Coordinator	1	1	1	1	0	1	
Police Records Assistant I/II	1	1	1	0	1	1	(8)
Program Manager III	1	1	1	1	0	1	
Sr Code Enforcement Officer	2	2	2	2	0	2	
Sr Community Service Officer	4	2	2	2	(1)	1	(9)
Supervising Office Assistant	1	0	0	0	1	1	(10)
Sworn: Deputy Chief of Police I	2	0	0	0	0	0	
Sworn: Police Captain	2	3	2	1	0	1	
Sworn: Police Lieutenant	13	9	11	11	0	11	
Sworn: Police Officer/Trainee	166	168	170	201	(1)	200	(11)
Sworn: Police Sergeant	40	30	28	28	0	28	
	<b>287</b>	<b>273</b>	<b>268</b>	<b>295</b>	<b>(2)</b>	<b>293</b>	

**PERSONNEL BY FUND - POLICE DEPARTMENT**  
**2013-14 Proposed Budget**

	<u>2009-10</u>	<u>2010-11</u>	<u>2011-12</u>	<u>FY 2012-13</u> <u>Adopted</u>	<u>Staffing</u> <u>Modifications</u>	<u>FY 2013-14</u> <u>Proposed</u>	
<b>010-2430 Investigations</b>							
Crime Analyst	5	4	0	0	0	0	
Community Service Officer I/II	0	0	2	2	0	2	
Evidence Technician	14	14	14	14	0	14	
Office Asst I/II/ Office Specialist/ Secretary	2	0	1	1	0	1	
Police Records Assistant I/II	5	5	3	3	0	3	
Sr Evidence Technician	5	4	4	4	0	4	
Supervising Evidence Technician	1	1	1	1	0	1	
Sworn: Deputy Chief of Police I	1	0	0	0	0	0	
Sworn: Police Captain	1	1	1	1	0	1	
Sworn: Police Lieutenant	2	2	2	2	0	2	
Sworn: Police Officer/Trainee	61	56	61	50	0	50	
Sworn: Police Sergeant	11	10	9	9	1	10	(12)
	<b>108</b>	<b>97</b>	<b>98</b>	<b>87</b>	<b>1</b>	<b>88</b>	
<b>010-2462-63 Support Services</b>							
Office Asst I/II/ Office Specialist/ Secretary	1	1	1	1	0	1	
Police Records Assistant I/II/III/Sr	27	25	25	25	(1)	24	(13)
Property Clerk	2	2	2	2	1	3	(14)
Property Room Supervisor	1	1	1	1	0	1	
Supervising Police Records Assistant	2	2	2	2	0	2	
Sworn: Police Captain	1	1	1	1	0	1	
	<b>34</b>	<b>32</b>	<b>32</b>	<b>32</b>	<b>0</b>	<b>32</b>	
<b>010-2466-67 Animal Control</b>							
Animal Services Assistant I/II	8	8	8	8	0	8	
Animal Services Officer	6	6	4	4	0	4	
Animal Services Supervisor	1	1	1	1	0	1	
Office Asst I/II/ Office Specialist/ Secretary	1	1	1	1	0	1	
Sr Animal Services Officer	1	1	1	1	0	1	
	<b>17</b>	<b>17</b>	<b>15</b>	<b>15</b>	<b>0</b>	<b>15</b>	
<b>010-2470 Telecommunications</b>							
Crime Analyst	0	0	1	1	3	4	(15)
Police Records Asst I/II/III	0	0	1	1	0	1	
Program Manager II	0	0	0	1	0	1	
Sworn: Police Sergeant	0	0	1	1	0	1	
Police Telecommunicator I/II	39	39	37	36	1	37	(16)
Police Telecommunications Supervisor	6	6	6	6	0	6	
Sr Telecommunications Supervisor	1	1	1	1	(1)	0	(17)
	<b>46</b>	<b>46</b>	<b>47</b>	<b>47</b>	<b>3</b>	<b>50</b>	

**PERSONNEL BY FUND - POLICE DEPARTMENT**  
**2013-14 Proposed Budget**

	<u>2009-10</u>	<u>2010-11</u>	<u>2011-12</u>	<u>FY 2012-13</u> <u>Adopted</u>	<u>Staffing</u> <u>Modifications</u>	<u>FY 2013-14</u> <u>Proposed</u>	
<b>Police Grant-Funded</b>							
020-6078 Crac-net: Police Sergeant	1	1	1	0	0	0	
020-6173 Transit District: Police Officer	2	2	1	0	0	0	
020-6278 Special Grant Police Officer	0	0	0	1	(1)	0	(18)
024-6426 CA COPS Grant: CSO	7	3	3	6	1	7	(19)
025-6429 CA JAG: Police Officer	6	0	0	0	0	0	
025-6429 CA JAG: Police Sergeant	1	0	0	0	0	0	
025-6430 CHRP: Police Officer	0	20	20	0	0	0	
025-6434 JAG 2010-11: Police Officer	0	5	0	0	0	0	
025-6471 VAWA Grant: Police Officer	0	0	0	1	0	1	
025-6465 CHP 2012-13: Police Officer	0	0	0	17	0	17	
025-6468 Firearms Examiner	0	0	0	1	0	1	
	<b>17</b>	<b>31</b>	<b>25</b>	<b>26</b>	<b>0</b>	<b>26</b>	
<b>Total General Fund</b>	<b>536</b>	<b>522</b>	<b>510</b>	<b>528</b>	<b>3</b>	<b>531</b>	
<b><u>SPECIAL REVENUE FUNDS</u></b>							
<b>081-2436 Police Safe Neighborhood Measure W</b>							
Sworn: Police Officer/Trainee	22	21	21	22	1	23	(20)
Total	<b>22</b>	<b>21</b>	<b>21</b>	<b>22</b>	<b>1</b>	<b>23</b>	
<b>Total Special Revenue Funds</b>	<b>22</b>	<b>21</b>	<b>21</b>	<b>22</b>	<b>1</b>	<b>23</b>	
<b>Total Police</b>	<b>558</b>	<b>543</b>	<b>531</b>	<b>550</b>	<b>4</b>	<b>554</b>	

**PERSONNEL BY FUND - FIRE DEPARTMENT**  
**2013-14 Proposed Budget**

	<u>2009-10</u>	<u>2010-11</u>	<u>2011-12</u>	<u>FY 2012-13</u> <u>Adopted</u>	<u>Staffing</u> <u>Modifications</u>	<u>FY 2013-14</u> <u>Proposed</u>	
<b><u>GENERAL FUND</u></b>							
<b>010-2610 Fire-Administration</b>							
Administrative Assistant/Sr	1	0	0	0	0	0	
Deputy Fire Chief I/II	3	2	2	2	-1	1	(20)
Quality Improvement Coordinator	1	0	0	0	0	0	
Executive Assistant	1	1	1	1	0	1	
Fire Battalion Chief	0	0	0	0	0	0	
Fire Captain	3	2	3	2	1	3	(21)
Fire Chief	1	1	1	1	0	1	
Office Asst. I/II/ Office Specialist/ Secretary	1	1	1	2	1	3	(22)
Project Manager I/II/III	0	0	0	0	1	1	(23)
Program Manager I/II	0	0	0	2	0	2	
Program Manager III	1	1	1	0	1	1	(24)
Supervising Office Assistant	0	1	1	1	0	1	
	<b>12</b>	<b>9</b>	<b>10</b>	<b>11</b>	<b>3</b>	<b>14</b>	
<b>010-2620 Fire-Suppression/Rescue</b>							
Fire Battalion Chief	6	6	6	6	1	7	(25)
Fire Captain	57	54	46	46	-1	45	(26)
Fire Fighter	114	92	51	47	0	47	
Fire Fighter Engineer	60	49	48	49	0	49	
	<b>237</b>	<b>201</b>	<b>151</b>	<b>148</b>	<b>0</b>	<b>148</b>	
<b>010-2650 Fire-Training</b>							
Fire Battalion Chief	1	1	1	1	-1	0	(27)
Fire Captain	1	1	1	1	0	1	
Supervising Office Assistant	1	0	0	0	0	0	
	<b>3</b>	<b>2</b>	<b>2</b>	<b>2</b>	<b>-1</b>	<b>1</b>	
<b>010-2660 Fire-Dispatch</b>							
Fire Captain	1	0	0	0	0	0	
Fire Telecommunicator I/II	9	10	10	10	0	10	
Fire Telecommunications Supervisor	3	3	3	3	0	3	
Program Manager I/II	0	0	0	0	1	1	(28)
Sr Telecommunications Supervisor	0	1	1	1	-1	0	(29)
	<b>13</b>	<b>14</b>	<b>14</b>	<b>14</b>	<b>0</b>	<b>14</b>	
<b>Total General Fund</b>	<b>265</b>	<b>177</b>	<b>177</b>	<b>175</b>	<b>2</b>	<b>177</b>	

**PERSONNEL BY FUND - FIRE DEPARTMENT  
2013-14 Proposed Budget**

	<u>2009-10</u>	<u>2010-11</u>	<u>2011-12</u>	<u>FY 2012-13</u> <u>Adopted</u>	<u>Staffing</u> <u>Modifications</u>	<u>FY 2013-14</u> <u>Proposed</u>
<b><u>SPECIAL REVENUE FUNDS</u></b>						
<b>048-2631/2633 DEVELOPMENT SERVICES-FIRE PREVENTION</b>						
Fire Battalion Chief	1	1	1	1	0	1
Fire Captain	1	1	1	1	0	1
Fire Prevention Inspector I/II	1	1	1	1	0	1
Fire Protection Specialist	1	1	1	1	0	1
Office Asst. I/II/ Office Specialist/ Secretary	3	2	2	2	0	2
Office Technician	0	1	1	0	0	0
Plan Checker I/II	1	1	1	1	0	1
	<b>8</b>	<b>8</b>	<b>8</b>	<b>7</b>	<b>0</b>	<b>7</b>
<b>081-2636 FIRE SAFE NEIGHBORHOOD MEASURE W</b>						
Fire Captain	5	5	5	6	0	6
Fire Fighter	13	10	10	12	2	14
Fire Fighter Engineer	5	5	5	5	0	5
	<b>23</b>	<b>20</b>	<b>20</b>	<b>23</b>	<b>2</b>	<b>25</b>
<b>Total Special Revenue Funds</b>	<b>31</b>	<b>28</b>	<b>28</b>	<b>30</b>	<b>2</b>	<b>32</b>
<b>Total Fire Department</b>	<b>296</b>	<b>205</b>	<b>205</b>	<b>205</b>	<b>4</b>	<b>209</b>

(30)

**PERSONNEL BY FUND - PUBLIC WORKS DEPARTMENT**  
**2013-14 Proposed Budget**

	<u>2009-10</u>	<u>2010-11</u>	<u>2011-12</u>	<u>FY 2012-13</u> <u>Adopted</u>	<u>Staffing</u> <u>Modifications</u>	<u>FY 2013-14</u> <u>Proposed</u>	
<b><u>GENERAL FUND</u></b>							
<b>010-3010 Public Works-Administration</b>							
Administrative Analyst I/II/Sr/Principal	1	1	1	2	0	2	
Executive Assistant	1	1	1	1	0	1	
Finance Assistant I/II/Sr	0	0	0	0	1	1	(31)
Office Assist I/II/ Office Spec/ Secretary	3	1	1	1	2	3	(32)
Program Manager I/II	0	0	0	0	1	1	(33)
Program Manager III	1	1	1	1	0	1	
Project Manager I/II	1	1	1	0	0	0	
Public Works Director	1	1	1	1	0	1	
Records Specialist	1	1	1	1	0	1	
Supervising Office Assistant	1	1	1	1	0	1	
	<b>10</b>	<b>8</b>	<b>8</b>	<b>8</b>	<b>4</b>	<b>12</b>	
<b>010-3060 Public Works-Operations &amp; Maintenance</b>							
Administrative Aide I/II	1	1	1	1	(1)	0	(34)
Civil Engineer Assoc./Sr.	1	1	2	1	0	1	
Deputy Public Works Dir/Ops & Maint	1	1	1	1	0	1	
Eng Aide/Traffic Eng Aide/ Eng Tech I/II/Sr	3	3	3	1	0	1	
Office Assist I/II/ Office Spec/ Secretary	2	2	2	2	0	2	
Program Manager III	1	0	0	0	0	0	
Project Manager I/II/III	3	0	1	1	0	1	
Public Works Equipment Training Officer	1	0	0	0	0	0	
Public Works Supervisor	0	0	1	0	0	0	
Sr Civil Engineer	0	0	0	1	0	1	
Sr Facilities Maintenance Supervisor	0	1	0	0	0	0	
Sr Public Works Supervisor	0	0	0	1	0	1	
Sr Public Works Supv Electrical-Traffic	1	1	1	0	0	0	
Supv Office Assistant	0	0	0	0	1	1	(35)
	<b>14</b>	<b>10</b>	<b>12</b>	<b>9</b>	<b>0</b>	<b>9</b>	
<b>010-3070 Public Works-Parks &amp; Street Trees</b>							
Arborist	1	1	0	0	0	0	
Office Assist I/II/ Office Spec/ Secretary	1	1	1	1	0	1	
Park Facility Planner	0	0	0	0	1	1	(37)
Parks Superintendent	1	1	1	1	0	1	
Parks Supervisor	2	0	1	0	0	0	
Parks Worker I/II/Aide	14	3	4	0	0	0	
Project Manager I/II/III	0	0	1	1	(1)	0	(38)
Public Works Field Specialist	0	0	0	0	3	3	(39)
Public Works Maintenance Worker I/II/Sr	0	0	0	4	0	4	
Public Works Supervisor	0	0	1	0	0	0	
Sr Facilities Maintenance Supervisor	0	0	0	1	0	1	
Sr Parks Supervisor	1	1	0	1	0	1	
Sr Parks Worker I/II	3	2	2	2	(2)	0	(40)
Sr Tree Surgeon	1	0	1	1	0	1	
Tree Surgeon	4	2	4	2	0	2	
Tree Worker	0	2	0	2	(1)	1	(41)
	<b>28</b>	<b>13</b>	<b>16</b>	<b>16</b>	<b>0</b>	<b>16</b>	

**PERSONNEL BY FUND - PUBLIC WORKS DEPARTMENT  
2013-14 Proposed Budget**

	<u>2009-10</u>	<u>2010-11</u>	<u>2011-12</u>	<u>FY 2012-13</u> <u>Adopted</u>	<u>Staffing</u> <u>Modifications</u>	<u>FY 2013-14</u> <u>Proposed</u>	
<b>010-3090 Public Works-Facilities Maintenance</b>							
Craft Maintenance Worker I/II	7	7	6	6	(1)	5	(42)
Electrician I/II	2	2	2	2	0	2	
Facilities Maint Worker I/II/ Facility Aide	5	5	5	3	0	3	
Fleet & Facilities Manager	1	0	0	0	0	0	
Heating, Ventilation and Air Mechanic	2	2	2	2	1	3	(43)
Office Assist I/II/ Office Spec/ Secretary	1	0	0	0	0	0	
Program Manager III	0	1	1	1	0	1	
Project Manager I/II/III	0	3	2	1	0	1	
Public Works Safety Training Officer	0	1	1	1	0	1	
Sr Electrician	1	1	1	1	0	1	
Public Works/Sr Facilities Maint Supervisor	2	1	1	1	0	1	
	<b>21</b>	<b>23</b>	<b>21</b>	<b>18</b>	<b>0</b>	<b>18</b>	
<b>020-0137 San Joaquin Area Flood Control Agency</b>							
Administrative Analyst I/II/Sr/Principal	1	0	0	0	0	0	
Deputy Public Works Director/City Engineer	0	0	0	1	0	1	
Engineering Services Manager	1	1	1	0	0	0	
Jr/Asst/Assoc Engineer/Traffic Engineer	2	1	1	1	0	1	
Office Assist I/II/ Office Spec/ Secretary	1	1	1	1	0	1	
Project Manager I/II/III	0	1	1	1	0	1	
Sr Civil Engineer	0	1	1	1	0	1	
	<b>5</b>	<b>5</b>	<b>5</b>	<b>5</b>	<b>0</b>	<b>5</b>	
<b>Total General Fund</b>	<b>78</b>	<b>59</b>	<b>62</b>	<b>56</b>	<b>4</b>	<b>60</b>	

**PERSONNEL BY FUND - PUBLIC WORKS DEPARTMENT  
2013-14 Proposed Budget**

	<u>2009-10</u>	<u>2010-11</u>	<u>2011-12</u>	<u>FY 2012-13</u> <u>Adopted</u>	<u>Staffing</u> <u>Modifications</u>	<u>FY 2013-14</u> <u>Proposed</u>	
<b><u>SPECIAL REVENUE FUNDS</u></b>							
<b>030-3020 STREET MAINTENANCE - Engineering</b>							
Assistant City Traffic Engineer	1	1	1	1	0	1	
City Traffic Engineer	1	1	1	1	0	1	
Deputy Public Works Director/Engineering	0	1	1	1	0	1	
Engineering Aide/Eng Technician I/II/Sr	1	1	1	2	0	2	
Engineering Services Manager	2	2	2	2	0	2	
Jr/Asst/Assoc Engineer/Traffic Engineer	11	12	11	11	2	13	(44)
Office Assist. I/II/ Office Spec/Secretary	0	0	0	0	0	0	
Parks Facility Planner	0	0	0	1	(1)	0	(45)
Project Manager I/II/III (CIP-funded)	2	2	2	3	0	3	
Public Works Inspector	0	0	0	2	1	3	(46)
Supv Public Works Inspector	0	0	0	1	0	1	
Sr Civil Engineer	2	1	1	1	0	1	
	<b>20</b>	<b>21</b>	<b>20</b>	<b>26</b>	<b>2</b>	<b>28</b>	
<b>030-3060 STREET MAINTENANCE - Operations and Maintenance</b>							
Engineering Aide/Technician I/II/Sr	0	0	0	2	0	2	
Maintenance Repair Technician I/II	27	25	24	21	(9)	12	(47)
Public Works Heavy Equipment Operator	3	3	3	3	0	3	
Public Works Maint Worker	0	0	0	1	1	2	(48)
Parks Supervisor	0	0	0	1	0	1	
Public Works Supervisor	3	3	3	3	(1)	2	(49)
Public Works Supervisor/Electrical	0	0	0	0	1	1	(50)
Sr Maintenance Repair Technician	4	6	6	6	(1)	5	(51)
Sr Traffic Signal Electrician	1	1	1	1	0	1	
Traffic Signal Electrician/Trainee	7	7	7	7	0	7	
	<b>45</b>	<b>45</b>	<b>44</b>	<b>45</b>	<b>(9)</b>	<b>36</b>	
<b>Total Gas Tax Fund</b>	<b>65</b>	<b>66</b>	<b>64</b>	<b>71</b>	<b>(7)</b>	<b>64</b>	

**PERSONNEL BY FUND - PUBLIC WORKS DEPARTMENT  
2013-14 Proposed Budget**

	<u>2009-10</u>	<u>2010-11</u>	<u>2011-12</u>	<u>FY 2012-13</u> <u>Adopted</u>	<u>Staffing</u> <u>Modifications</u>	<u>FY 2013-14</u> <u>Proposed</u>	
<b>072-6900 MAINTENANCE ASSESSMENT DISTRICT</b>							
Administrative Aide I/II	0	0	0	0	1	1	(52)
Assessment District Maint Coordinator	1	1	1	1	0	1	
Parks Supervisor	0	2	0	0	0	0	
Project Manager I/II/III	1	1	1	1	0	1	
	<b>2</b>	<b>4</b>	<b>2</b>	<b>2</b>	<b>1</b>	<b>3</b>	
<b>047-3080 SOLID WASTE &amp; RECYCLING</b>							
Office Assist I/II/ Office Spec/ Secretary	1	1	1	1	(1)	0	(53)
Program Manager I/II	1	1	1	0	0	0	
Project Manager I/II/III	3	3	3	4	(2)	2	(54)
Public Works Field Specialist	0	0	0	0	1	1	(55)
Recycling Specialist	1	1	1	1	0	1	
Solid Waste Manager	1	1	1	1	0	1	
Sr Maintenance Repair Technician	2	2	2	2	0	2	
	<b>9</b>	<b>9</b>	<b>9</b>	<b>9</b>	<b>(2)</b>	<b>7</b>	
<b>Total Special Revenue Funds</b>	<b>76</b>	<b>79</b>	<b>75</b>	<b>82</b>	<b>(8)</b>	<b>74</b>	
<b><u>INTERNAL SERVICE FUNDS</u></b>							
<b>FLEET</b>							
<b>501-5021 Fleet-Administration</b>							
Fleet Manager	1	1	1	1	0	1	
Office Assist I/II/ Office Spec/ Secretary	1	2	2	2	0	2	
Project Manager I/II	1	1	1	1	0	1	
Supervising Mechanic	0	0	0	1	0	1	
	<b>3</b>	<b>4</b>	<b>4</b>	<b>5</b>	<b>0</b>	<b>5</b>	
<b>501-5023 Fleet-Equipment Maintenance</b>							
Auto Painter/Repair Worker	1	1	1	1	0	1	
Facilities Maint Worker I/II/ Facility Aide	2	2	2	2	0	2	
Facilities Maint Worker III	1	1	1	1	0	1	
Mechanic I/II/III	17	17	17	17	0	17	
Supervising Mechanic	1	1	1	0	0	0	
Welder/Fabricator Specialist	1	1	1	1	0	1	
	<b>23</b>	<b>23</b>	<b>23</b>	<b>22</b>	<b>0</b>	<b>22</b>	
<b>Total Internal Service Funds</b>	<b>26</b>	<b>27</b>	<b>27</b>	<b>27</b>	<b>0</b>	<b>27</b>	
<b>Total Public Works</b>	<b>180</b>	<b>165</b>	<b>164</b>	<b>165</b>	<b>(4)</b>	<b>161</b>	

**PERSONNEL BY FUND - COMMUNITY SERVICES DEPARTMENT**  
**2013-14 Proposed Budget**

	<u>2009-10</u>	<u>2010-11</u>	<u>2011-12</u>	<u>FY 2012-13</u> <u>Adopted</u>	<u>Staffing</u> <u>Modifications</u>	<u>FY 2013-14</u> <u>Proposed</u>	
<b><u>GENERAL FUND</u></b>							
<b>010-3610/3643 Arts Commission</b>							
Arts Commission Director	1	0	0	0	0	0	
<b>Total General Fund</b>	<b>1</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	
<b><u>SPECIAL REVENUE FUNDS</u></b>							
<b>Library</b>							
<b>041-3510 Administration</b>							
Administrative Analyst I/II/Sr/Principal	1	1	1	1	0	1	
Deputy Dir. of Comm. Svcs/City Librarian	1	1	1	1	0	1	
Director of Library Services	0	0	0	0	0	0	
Executive Assistant	1	0	0	0	0	0	
Library Driver/Clerk	1	1	1	1	-1	0	(56)
Office Asst I/II/ Office Spec./ Secretary	4	2	2	3	-1	2	(56)
Program Manager III	0	0	0	0	1	1	(57)
	<b>8</b>	<b>5</b>	<b>5</b>	<b>6</b>	<b>(1)</b>	<b>5</b>	
<b>041-3524-30 Technical/Reader Services</b>							
Bookmobile Driver/Circulation Assistant	0	0	0	0	1	1	(58)
Librarian Trainee/I/II	1	2	2	3	0	3	
Library Aide I/II	0	0	0	0	0	0	
Library Assistant I/II	1	1	1	2	0	2	
Library Division Manager	1	0	0	0	0	0	
Library Driver/Clerk	0	0	0	0	1	1	(59)
Office Asst I/II/ Office Spec./ Secretary	1	1	1	1	1	2	(60)
Sr Library Assistant	0	0	0	0	0	0	
Supervising Librarian	1	1	1	1	0	1	
	<b>5</b>	<b>5</b>	<b>5</b>	<b>7</b>	<b>3</b>	<b>10</b>	
<b>041-3550 City Branches</b>							
Bookmobile Driver/Circulation Assistant	1	1	1	1	-1	0	(61)
Circulation Assistant I/II	15	6	6	6	0	6	
Librarian Trainee /I/II	16	7	7	7	0	7	
Library Aide I/II	6	3	3	2	-1	1	(62)
Library Assistant I/II	13	7	7	6	-1	5	(63)
Library Division Manager	1	0	0	0	0	0	
Office Asst I/II/ Office Spec./ Secretary	0	0	0	0	0	0	
Supervising Librarian	4	1	1	1	0	1	
	<b>56</b>	<b>25</b>	<b>25</b>	<b>23</b>	<b>(3)</b>	<b>20</b>	
<b>041-3540 County Branches</b>							
Circulation Assistant I/II	0	6	6	6	0	6	
Librarian Trainee/I/II	0	8	8	8	1	9	(64)
Library Aide I/II	0	1	1	1	1	2	(65)
Library Assistant I/II	0	6	6	6	0	6	
Supervising Librarian	0	1	1	1	0	1	
	<b>0</b>	<b>22</b>	<b>22</b>	<b>22</b>	<b>2</b>	<b>24</b>	
<b>Total Library Fund</b>	<b>69</b>	<b>57</b>	<b>57</b>	<b>58</b>	<b>1</b>	<b>59</b>	

**PERSONNEL BY FUND - COMMUNITY SERVICES DEPARTMENT**  
**2013-14 Proposed Budget**

	<u>2009-10</u>	<u>2010-11</u>	<u>2011-12</u>	<u>FY 2012-13</u> <u>Adopted</u>	<u>Staffing</u> <u>Modifications</u>	<u>FY 2013-14</u> <u>Proposed</u>
<b>Recreation</b>						
<b>044-3610 Recreation-Administration</b>						
Administrative Aide I/II	1	0	0	0	0	0
Administrative Assistant/Sr	1	0	0	0	0	0
Community-Cultural Svcs Superintendent	1	0	0	0	0	0
Deputy Director of Community Services	0	1	1	1	0	1
Director of Community Services	1	1	1	1	0	1
Executive Assistant	0	1	1	1	0	1
Office Assistant I/II/ Office Specialist	2	3	5	4	0	4
Parks and Recreation Director	0	0	0	0	0	0
Program Manager I/II	1	1	1	1	-1	0
Recreation Superintendent	1	0	0	0	0	0
Supervising Office Assistant	1	0	0	0	0	0
	<b>9</b>	<b>7</b>	<b>9</b>	<b>8</b>	<b>(1)</b>	<b>7</b>
<b>044-3623-46 Recreation Services</b>						
Office Assistant I/II/ Office Specialist	2	2	0	0	0	0
Recreation Assistant I/II/Sr	12	12	12	11	0	11
Recreation Program Coordinator	4	2	2	2	0	2
Recreation Supervisor	3	3	3	4	0	4
Sports Commission Director	1	1	0	0	0	0
	<b>22</b>	<b>20</b>	<b>17</b>	<b>17</b>	<b>0</b>	<b>17</b>
<b>Total Recreation Fund</b>	<b>31</b>	<b>27</b>	<b>26</b>	<b>25</b>	<b>(1)</b>	<b>24</b>
<b>Total Special Revenue Funds</b>	<b>100</b>	<b>84</b>	<b>83</b>	<b>83</b>	<b>0</b>	<b>83</b>
<b><u>ENTERPRISE FUNDS</u></b>						
<b>481-3650 GOLF COURSES</b>						
Golf Manager	1	1	1	0		0
Golf Professional	1	1	1	0		0
	<b>2</b>	<b>2</b>	<b>2</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total Community Services</b>	<b>103</b>	<b>86</b>	<b>85</b>	<b>83</b>	<b>0</b>	<b>83</b>

(66)

**PERSONNEL BY FUND - COMMUNITY DEVELOPMENT DEPARTMENT**  
**2013-14 Proposed Budget**

	<u>2009-10</u>	<u>2010-11</u>	<u>2011-12</u>	<u>FY 2012-13</u> <u>Adopted</u>	<u>Staffing</u> <u>Modifications</u>	<u>FY 2013-14</u> <u>Proposed</u>	
<b><u>DEVELOPMENT SERVICES FUND</u></b>							
<b>048-1810 Development Services-Administration</b>							
Administrative Analyst I/II/Sr/Principal	1	1	1	0	0	0	
Community Development Director	1	1	1	1	0	1	(67)
Community Development Assistant Director	0	0	0	0	1	1	
Community Development Tech I/II	0	0	0	0	2	2	(68)
Executive Assistant	1	1	1	1	0	1	
Office Asst I/II/ Office Specialist/ Secretary	6	5	1	1	(1)	0	(69)
Planning Technician I/II	1	1	1	1	(1)	0	(69)
Program Manager I/II	0	0	0	1	1	2	(70)
Program Manager III	1	1	1	1	0	1	
Revenue Assistant I/II	1	1	1	1	0	1	
Sr Plan Technician	1	1	0	0	0	0	
	<b>13</b>	<b>12</b>	<b>7</b>	<b>7</b>	<b>2</b>	<b>9</b>	
<b>048-1820 Development Services-Planning/ETP</b>							
Assistant/Associate Planner	3	3	0	0	0	0	
Community Development Tech I/II	0	0	0	0	2	2	(71)
Deputy Dir - Engineering & Transportation	1	1	1	1	0	1	
Deputy Director - Planning	0	0	0	0		0	
Eng Aide/Engineering Technician I/II/Sr	2	2	2	1	(1)	0	(72)
Junior/Assistant/Associate Civil Engineer	1	2	2	2	(1)	1	(73)
Park Facility Planner	1	1	1	0	0	0	
Planning Manager	3	3	3	3	0	3	
Public Works Inspector	2	2	2	0	0	0	
Sr Civil Engineer	1	0	0	0	0	0	
Sr Planner	2	2	2	2	0	2	
Supervising Public Works Inspector	1	1	1	0	0	0	
	<b>17</b>	<b>17</b>	<b>14</b>	<b>9</b>	<b>0</b>	<b>9</b>	
<b>048-1830 Development Services-Building</b>							
Building Permit Technician	2	2	2	2	(2)	0	(69)
Community Development Tech I/II	0	0	0	0	3	3	(74)
Combination Inspector I/II	5	5	5	6	0	6	
Deputy Director - Building	1	1	1	1	0	1	
Office Asst I/II/ Office Specialist/ Secretary	0	0	0	0		0	
Plan Check Engineer	1	1	1	1	(1)	0	(75)
Plan Checker I/II/Sr	3	2	2	2	0	2	
Supervising Combination Inspector	3	2	2	1	0	1	
Supervising Plan Checker/Structural Engineer	0	0	0	0	1	1	(76)
	<b>15</b>	<b>13</b>	<b>13</b>	<b>13</b>	<b>1</b>	<b>14</b>	
<b>Total Community Development</b>	<b>45</b>	<b>42</b>	<b>34</b>	<b>29</b>	<b>3</b>	<b>32</b>	

**PERSONNEL BY FUND - ECONOMIC DEVELOPMENT DEPARTMENT**  
**2013-14 Proposed Budget**

	<u>2009-10</u>	<u>2010-11</u>	<u>2011-12</u>	<u>FY 2012-13</u> <u>Adopted</u>	<u>Staffing</u> <u>Modifications</u>	<u>FY 2013-14</u> <u>Proposed</u>	
<b><u>GENERAL FUND</u></b>							
<b>010-1700 Economic Development</b>							
Deputy Economic Development Director	1	1	1	0	1	1	(77)
Director of Economic Development	0	0	0	1	0	1	
Economic Development Analyst I/II/Sr/Princ	0	0	0	2	0	2	
Executive Assistant	0	0	0	0	1	1	(78)
Office Asst I/II/ Office Specialist/ Secretary	0	0	0	1	0	1	
Program Manager I/II	0	1	1	1	(1)	0	(79)
Supervising Real Property Agent	0	0	0	1	0	1	
<b>Total General Fund</b>	<b>1</b>	<b>2</b>	<b>2</b>	<b>6</b>	<b>1</b>	<b>7</b>	
<b><u>SPECIAL REVENUE FUND</u></b>							
<b>052-8120 Housing - Community Development Block Grant</b>							
Administrative Analyst I/II/Sr	2	2	1	1	0	1	
Assistant/Associate Planner	0	1	0	0	0	0	
Deputy Housing Director	1	1	1	0	1	1	(80)
Economic Development Analyst I/II/Sr/Princ	0	0	0	0	1	1	(81)
Executive Assistant	1	1	1	1	(1)	0	(82)
Housing Director	0	0	0	0	0	0	
Housing Financial Advisor I/II/Sr	2	2	2	2	(1)	1	(83)
Housing Rehabilitation Counselor I/II/Sr	1	1	2	0	0	0	
Office Asst I/II/ Office Specialist/ Secretary	2	2	0	1	0	1	
Program Manager I/II	1	0	1	0	0	0	
Program Manager III	2	1	1	1	(1)	0	(84)
Project Manager I/II/III	0	0	0	1	0	1	
	<b>12</b>	<b>11</b>	<b>9</b>	<b>7</b>	<b>(1)</b>	<b>6</b>	
<b><u>CAPITAL PROJECTS FUND</u></b>							
<b>330-7310 Redevelopment Agency (RDA)</b>							
Administrative Analyst I/II/Sr/Principal	2	2	1	0	0	0	
Assistant/Associate Planner	2	0	0	0	0	0	
Deputy Redevelopment Director	1	0	0	0	0	0	
Director of Economic Development	1	1	1	0	0	0	
Office Asst I/II/ Office Specialist/ Secretary	2	2	1	0	0	0	
Program Manager I/II	1	1	0	1	0	1	
Program Manager III	5	1	1	0	0	0	
Project Manager I/II/III	1	1	0	0	0	0	
Public Works Inspector	1	0	0	0	0	0	
Real Property Agent I/II/Sr	3	1	1	1	0	1	
Redevelopment Director	0	0	0	0	0	0	
Sr GIS Specialist	0	0	0	0	0	0	
Supervising Real Property Agent	1	1	1	0	0	0	
	<b>20</b>	<b>10</b>	<b>6</b>	<b>2</b>	<b>0</b>	<b>2</b>	

**PERSONNEL BY FUND - ECONOMIC DEVELOPMENT DEPARTMENT**  
**2013-14 Proposed Budget**

	<u>2009-10</u>	<u>2010-11</u>	<u>2011-12</u>	<u>FY 2012-13</u> <u>Adopted</u>	<u>Staffing</u> <u>Modifications</u>	<u>FY 2013-14</u> <u>Proposed</u>
<b><u>ENTERPRISE FUND</u></b>						
<b>416-4020 Central Parking District</b>						
Office Asst I/II/ Office Specialist/ Secretary	1	1	1	1	0	1
Parking District Supervisor	1	1	1	1	0	1
Supervising Parking Attendant	1	1	1	1	0	1
	<b>3</b>	<b>3</b>	<b>3</b>	<b>3</b>	<b>0</b>	<b>3</b>
<b>Total Special Revenue Funds</b>	<b>35</b>	<b>24</b>	<b>18</b>	<b>12</b>	<b>(1)</b>	<b>11</b>
<b>Total Economic Development Department</b>	<b>36</b>	<b>26</b>	<b>20</b>	<b>18</b>	<b>0</b>	<b>18</b>

**PERSONNEL BY FUND - MUNICIPAL UTILITIES DEPARTMENT**  
**2013-14 Proposed Budget**

	<u>2009-10</u>	<u>2010-11</u>	<u>2011-12</u>	<u>FY 2012-13</u> <u>Adopted</u>	<u>Staffing</u> <u>Modifications</u>	<u>FY 2013-14</u> <u>Proposed</u>	
<b><u>WATER FUND</u></b>							
<b>421-4210 Water Administration</b>							
Junior/Assistant/Associate Civil Engineer	1	1	1	1	(1)	0	(85)
Deputy Director Water Resource Planning	1	0	1	1	0	1	
Sr. Civil Engineer	1	1	1	1	0	1	
Office Asst I/II/ Office Specialist/ Secretary	2	2	2	1	0	1	
Program Manager I/II	2	1	0	0	0	0	
Program Manager III	0	1	1	1	0	1	
Project Manager I/II	0	0	0	1	0	1	
Public Works Inspector	1	1	1	0	0	0	
	<b>8</b>	<b>7</b>	<b>7</b>	<b>6</b>	<b>(1)</b>	<b>5</b>	
<b>421-4223 Hydrant Maintenance</b>							
Hydrant Worker/Sr	2	2	2	2	0	2	
	<b>2</b>	<b>2</b>	<b>2</b>	<b>2</b>	<b>0</b>	<b>2</b>	
<b>421-4231 Water Distribution</b>							
Electrical Technician I/II	1	1	1	1	0	1	
Office Asst I/II/ Office Specialist/ Secretary	1	1	1	2	0	2	
Sr Plant Maintenance Supervisor	0	1	1	0	0	0	
Water Field Technician	5	5	5	5	0	5	
Water Operations Superintended	0	0	0	0	1	1	(86)
Water Operations Supervisor	1	1	1	1	(1)	0	(87)
Water Systems Operator I/II/Sr	22	22	22	22	(4)	18	(88)
Water/Sewer Equipment Operator	0	1	1	1	0	1	
	<b>30</b>	<b>32</b>	<b>32</b>	<b>32</b>	<b>(4)</b>	<b>28</b>	
<b>421-4234 Water Operations &amp; Maintenance (DWSP)</b>							
Chief Plant Operator	0	0	0	1	0	1	
Electrical Technician I/II	0	0	0	1	0	1	
Sr Plant Maintenance Mechanic	0	0	0	1	0	1	
Plant Operator I/II/Sr	0	0	0	7	1	8	(89)
Water Systems Operator I/II/Sr	0	0	0	0	3	3	(90)
	<b>0</b>	<b>0</b>	<b>0</b>	<b>10</b>	<b>4</b>	<b>14</b>	
<b>Total Water</b>	<b>40</b>	<b>41</b>	<b>41</b>	<b>50</b>	<b>(1)</b>	<b>49</b>	

**PERSONNEL BY FUND - MUNICIPAL UTILITIES DEPARTMENT**  
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	<u>2009-10</u>	<u>2010-11</u>	<u>2011-12</u>	<u>FY 2012-13</u> <u>Adopted</u>	<u>Staffing</u> <u>Modifications</u>	<u>FY 2013-14</u> <u>Proposed</u>	
<b><u>WASTEWATER FUND</u></b>							
<b>431-4311 Wastewater Policy, Planning, Management</b>							
Assistant MUD Director	0	1	1	1	0	1	
Buyer I/II/Sr	1	1	1	1	0	1	
Deputy Director Maintenance & Collections	1	1	1	1	0	1	
Deputy Director Wastewater	1	1	1	1	0	1	
Deputy Director Water Resource Planning	0	1	1	0	0	0	
Director of Municipal Utilities	1	1	1	1	0	1	
Executive Assistant	1	1	1	1	0	1	
MUD Finance Officer	0	0	0	1	0	1	
Materials Specialist	2	2	2	2	0	2	
Occup Health & Safety Compliance Officer	1	1	1	1	0	1	
Office Asst I/II/Sr. Office Specialist/ Secretary	4	3	3	4	0	4	
Program Manager I/II/III	2	2	2	2	0	2	
Program Manager III	0	0	0	1	0	1	
Regulatory Compliance Officer	1	1	1	1	0	1	
SCADA/CMMS Manager	0	1	1	1	0	1	
Supervising Office Assistant	0	0	0	0	0	0	
Technology Support Specialist I/II	1	1	1	1	0	1	
	<b>16</b>	<b>18</b>	<b>18</b>	<b>20</b>	<b>0</b>	<b>20</b>	
<b>431-4312 Engineering CIP</b>							
SCADA/CMMS Manager	1	0	0	0	0	0	
Engineering Aide/ Tech I/II/Sr	0	0	0	0	0	0	
Engineering Manager	1	0	0	1	0	1	
GIS Specialist I/II	1	1	1	1	0	1	
Junior/Assistant/Associate Civil Engineer	6	6	6	6	1	7	(91)
Office Asst I/II/ Office Specialist/ Secretary	1	1	1	2	0	2	(92)
Program Manager III	0	0	0	0	1	1	(93)
Public Works Inspector	2	2	2	2	(1)	1	
Sr Civil Engineer	3	3	3	1	0	1	
Principal Civil Engineer	0	0	0	1	0	1	
Sr Office Assistant	1	1	1	0	0	0	
Sr Plant Maintenance Supervisor	1	0	0	0	0	0	
	<b>17</b>	<b>14</b>	<b>14</b>	<b>14</b>	<b>1</b>	<b>15</b>	
<b>431-4331 Operations</b>							
Chief Plant Operator	0	0	0	1	0	1	
Office Asst I/II/ Office Specialist/ Secretary	0	1	1	1	0	1	
Plant Maintenance Worker I/II	0	0	0	0	1	1	(94)
Plant Operator I/II/Sr	26	26	26	26	0	26	
Plant Operations Supervisor	2	2	2	2	0	2	
Sr Plant Operations Supervisor	1	1	1	0	0	0	
	<b>29</b>	<b>30</b>	<b>30</b>	<b>30</b>	<b>1</b>	<b>31</b>	

**PERSONNEL BY FUND - MUNICIPAL UTILITIES DEPARTMENT**  
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	<u>2009-10</u>	<u>2010-11</u>	<u>2011-12</u>	<u>FY 2012-13</u> <u>Adopted</u>	<u>Staffing</u> <u>Modifications</u>	<u>FY 2013-14</u> <u>Proposed</u>	
<b>431-4331 Maintenance</b>							
Electrical Technician I/II	4	4	4	3	0	3	
Office Asst I/II/ Office Specialist/ Secretary	1	1	1	0	0	0	
Plant Maintenance Machinist	1	1	1	1	(1)	0	(95)
Plant Maintenance Mechanic	15	16	16	8	1	9	(96)
Plant Maintenance Worker I/II	8	8	8	5	(3)	2	(97)
Plant Maintenance Supervisor	2	2	2	1	0	1	
Sr Plant Maintenance Mechanic	5	4	4	3	(1)	2	(98)
Sr Plant Maintenance Supervisor	1	1	1	0	0	0	
	<b>37</b>	<b>37</b>	<b>37</b>	<b>21</b>	<b>(4)</b>	<b>17</b>	
<b>431-4332 Sanitary Sewers/Collections</b>							
Collection Systems Operator I/II/Sr	23	32	32	32	(1)	31	(99)
Collection Systems Supervisor	1	2	2	2	0	2	
Plant Maintenance Worker I/II	0	0	0	0	1	1	(100)
Office Asst I/II/ Office Specialist/ Secretary	0	1	1	1	0	1	
Water/Sewer Equipment Operator	2	2	2	2	0	2	
	<b>26</b>	<b>37</b>	<b>37</b>	<b>37</b>	<b>0</b>	<b>37</b>	
<b>431-4333 Sanitary Pump Stations</b>							
Electrical Technician I/II	0	0	0	1	1	2	
Office Asst I/II/ Office Specialist/ Secretary	0	0	0	1	0	1	
Plant Maintenance Machinist	0	0	0	0	1	1	(101)
Plant Maintenance Mechanic	0	0	0	9	(1)	8	(102)
Plant Maintenance Worker I/II	0	0	0	2	1	3	(103)
Plant Maintenance Supervisor	0	0	0	1	0	1	
Sr Plant Maintenance Mechanic	0	0	0	1	1	2	(104)
Sr Plant Maintenance Supervisor	0	0	0	1	0	1	
	<b>0</b>	<b>0</b>	<b>0</b>	<b>16</b>	<b>3</b>	<b>19</b>	
<b>431-4341 Environmental Control</b>							
Environmental Control Officer	4	4	4	4	0	4	
Office Asst I/II/ Office Specialist/ Secretary	0	1	1	1	0	1	
Sr Environmental Control Officer	1	1	1	1	0	1	
Technical Services Supervisor	1	1	1	1	0	1	
	<b>6</b>	<b>7</b>	<b>7</b>	<b>7</b>	<b>0</b>	<b>7</b>	
<b>Total Wastewater</b>	<b>131</b>	<b>143</b>	<b>143</b>	<b>145</b>	<b>1</b>	<b>146</b>	

**PERSONNEL BY FUND - MUNICIPAL UTILITIES DEPARTMENT**  
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	<u>2009-10</u>	<u>2010-11</u>	<u>2011-12</u>	<u>FY 2012-13</u> <u>Adopted</u>	<u>Staffing</u> <u>Modifications</u>	<u>FY 2013-14</u> <u>Proposed</u>
<b><u>STORMWATER FUND</u></b>						
<b>441-4410 Stormwater-Policy, Planning, Management</b>						
Office Asst I/II/ Office Specialist/ Secretary	1	1	1	1	0	1
Program Manager I/II	1	1	1	1	0	1
Program Manager III	1	1	1	1	(1)	0
Public Works Inspector	1	1	1	1	0	1
Stormwater Outreach Coordinator	1	0	0	0	0	0
	<b>5</b>	<b>4</b>	<b>4</b>	<b>4</b>	<b>(1)</b>	<b>3</b>
<b>441-4431 Stormwater Collections</b>						
Collections Systems Operator I/II/Sr	4	2	3	3	0	3
	<b>4</b>	<b>2</b>	<b>3</b>	<b>3</b>	<b>0</b>	<b>3</b>
<b>Total Stormwater</b>	<b>9</b>	<b>6</b>	<b>7</b>	<b>7</b>	<b>(1)</b>	<b>6</b>
<b><u>LABORATORY</u></b>						
Chemist	2	2	2	2	0	2
Laboratory Technician	3	3	3	3	0	3
Laboratory Supervisor	1	1	1	1	0	1
Microbiologist	1	1	1	1	0	1
	<b>7</b>	<b>7</b>	<b>7</b>	<b>7</b>	<b>0</b>	<b>7</b>
<b>Total Municipal Utilities</b>	<b>187</b>	<b>197</b>	<b>198</b>	<b>209</b>	<b>(1)</b>	<b>208</b>

**PERSONNEL BY FUND - ADMINISTRATIVE AND SUPPORT DEPARTMENTS**  
**2013-14 Proposed Budget**

	<u>2009-10</u>	<u>2010-11</u>	<u>2011-12</u>	<u>FY 2012-13</u> <u>Adopted</u>	<u>Staffing</u> <u>Modifications</u>	<u>FY 2013-14</u> <u>Proposed</u>	
<b>CITY COUNCIL</b>							
Admin Aide I/II	0	0	0	0	0	0	
Councilmember	6	6	6	6	0	6	
Executive Assistant to the Mayor	1	1	1	1	0	1	
Mayor	1	1	1	1	0	1	
	<b>8</b>	<b>8</b>	<b>8</b>	<b>8</b>	<b>0</b>	<b>8</b>	
<b>CITY MANAGER</b>							
Administrative Aide I/II	3	3	3	3	(1)	2	(106)
Assistant to the City Manager	1	1	1	1	0	1	
City Manager	1	1	1	1	0	1	
Community Relations Officer	1	0	0	0	0	0	
Deputy City Manager I/II	2	2	2	2	0	2	
Executive Assistant to City Manager	1	1	1	1	0	1	
Office Asst I/II/ Office Specialist/ Secretary	1	1	0	0	1	1	(107)
Program Manager III	3	2	2	2	0	2	
Supervising Office Assistant	0	0	0	0	0	0	
	<b>13</b>	<b>11</b>	<b>10</b>	<b>10</b>	<b>0</b>	<b>10</b>	
<b>CITY ATTORNEY</b>							
Assistant City Attorney	1	1	1	1	0	1	
City Attorney	1	1	1	1	0	1	
Deputy City Attorney	6	6	6	6	0	6	
Executive Assistant (Legal)	0	0	0	0	0	0	
Executive Assistant to City Attorney	1	1	1	1	0	1	
Legal Secretary I/II	2	1	2	2	0	2	
Liability Claims Investigator I/II	1	1	0	0	0	0	
Office Asst I/II/ Office Specialist/ Secretary	2	2	0	0	0	0	
	<b>14</b>	<b>13</b>	<b>11</b>	<b>11</b>	<b>0</b>	<b>11</b>	
<b>CITY AUDITOR</b>							
Admin Analyst I/II/Sr	0	0	1	1	(1)	0	(108)
Assistant City Auditor	1	1	1	1	(1)	0	(109)
Audit Assistant I/II	0	0	0	0	0	0	
City Auditor	1	1	1	1	(1)	0	(110)
Deputy City Auditor I/II/Sr	2	2	1	1	(1)	0	(111)
	<b>4</b>	<b>4</b>	<b>4</b>	<b>4</b>	<b>(4)</b>	<b>0</b>	
<b>CITY CLERK</b>							
Assistant City Clerk I/II	1	1	1	1	0	1	
City Clerk	1	1	1	1	0	1	
Office Specialist	0	0	1	1	0	1	
Records Research Specialist	2	1	1	1	0	1	
Sr Deputy City Clerk	1	1	1	1	0	1	
Supervising Deputy City Clerk	1	1	1	1	0	1	
	<b>6</b>	<b>5</b>	<b>6</b>	<b>6</b>	<b>0</b>	<b>6</b>	

**PERSONNEL BY FUND - ADMINISTRATIVE AND SUPPORT DEPARTMENTS**  
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	<u>2009-10</u>	<u>2010-11</u>	<u>2011-12</u>	<u>FY 2012-13</u> <u>Adopted</u>	<u>Staffing</u> <u>Modifications</u>	<u>FY 2013-14</u> <u>Proposed</u>
<b>NON-DEPARTMENTAL</b>						
Administrative Aide I/II	2	2	2	2	0	2
Program Manager III	2	2	2	2	0	2
	<b>4</b>	<b>4</b>	<b>4</b>	<b>4</b>	<b>0</b>	<b>4</b>
<b>OPERATION PEACEKEEPER PROGRAM</b>						
010-0138 Youth Outreach Coordinator	1	1	1	1	0	1
010-0138 Youth Outreach Worker	5	5	5	5	0	5
	<b>6</b>	<b>6</b>	<b>6</b>	<b>6</b>	<b>0</b>	<b>6</b>
<b>Total Non-Departmental</b>	<b>10</b>	<b>10</b>	<b>10</b>	<b>10</b>	<b>0</b>	<b>10</b>

**PERSONNEL BY FUND - ADMINISTRATIVE AND SUPPORT DEPARTMENTS**  
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	<u>2009-10</u>	<u>2010-11</u>	<u>2011-12</u>	<u>FY 2012-13</u> <u>Adopted</u>	<u>Staffing</u> <u>Modifications</u>	<u>FY 2013-14</u> <u>Proposed</u>	
<b>HUMAN RESOURCES</b>							
<b><u>GENERAL FUND</u></b>							
<b>010-1610 Human Resources-Recruitment &amp; Workforce Planning</b>							
Deputy Director of Human Resources	1	0	0	0	0	0	
Human Resources Analyst I/II/Sr	4	3	3	2	0	2	
Human Resources Asst I/II /Specialist	4	3	3	1	0	1	
Human Resources Technician	1	1	1	0	0	0	
Supervising Human Resource Analyst	1	1	1	1	0	1	
	<b>11</b>	<b>8</b>	<b>8</b>	<b>4</b>	<b>0</b>	<b>4</b>	
<b>010-1620, 1621 Human Resources - Administration &amp; Employee/Labor Relations</b>							
Administrative Aide I/II	1	1	1	1	0	1	
Assistant Director of Human Resources	1	1	1	1	0	1	
Deputy Director of Human Resources	0	1	0	0	0	0	
Director of Human Resources	1	1	1	1	0	1	
Executive Assistant (Confidential)	1	1	1	1	0	1	
Human Resources Analyst I/II/Sr	1	1	1	2	0	2	
Human Resources Asst I/II /Specialist	1	1	1	2	(1)	1	(111)
Human Resources Program Assistant	0	0	0	1	0	1	
Human Resources Technician	0	0	0	1	1	2	(112)
Human Resources Manager	1	0	0	0	0	0	
Supervising Human Resource Analyst	0	0	0	1	0	1	
	<b>7</b>	<b>7</b>	<b>6</b>	<b>11</b>	<b>0</b>	<b>11</b>	
<b>Total General Fund-Human Resources</b>	<b>18</b>	<b>15</b>	<b>14</b>	<b>15</b>	<b>0</b>	<b>15</b>	
<b><u>INTERNAL SERVICE FUNDS</u></b>							
<b>551-5600 WORKERS' COMPENSATION</b>							
Human Resources Asst I/II /Specialist	1	2	1	0	0	0	
Human Resources Program Assistant	1	1	1	1	0	1	
Human Resources Technician	2	1	1	0	0	0	
Workers' Comp/Safety Coordinator	0	0	0	0	0	0	
	<b>4</b>	<b>4</b>	<b>3</b>	<b>1</b>	<b>0</b>	<b>1</b>	
<b>552-5510 HEALTH BENEFITS</b>							
Benefits Analyst	1	1	1	1	0	1	
Deputy Director of Human Resources	0	0	0	1	0	1	
Human Resources Asst I/II /Specialist	1	0	1	1	0	1	
Human Resources Program Manager	1	1	1	0	0	0	
Human Resources Technician	1	2	2	2	0	2	
Supervising Human Resources Analyst	0	0	0	1	0	1	
	<b>4</b>	<b>4</b>	<b>5</b>	<b>6</b>	<b>0</b>	<b>6</b>	

**PERSONNEL BY FUND - ADMINISTRATIVE AND SUPPORT DEPARTMENTS**  
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	<u>2009-10</u>	<u>2010-11</u>	<u>2011-12</u>	<u>FY 2012-13</u> <u>Adopted</u>	<u>Staffing</u> <u>Modifications</u>	<u>FY 2013-14</u> <u>Proposed</u>
<b>541-5700 GENERAL LIABILITY INSURANCE</b>						
Human Resources Program Assistant	0	0	0	1	0	1
Human Resources Manager/Safety Officer	0	0	0	1	0	1
Liability Claims Investigator I/II	1	0	1	1	0	1
Risk Analyst I/II (Formerly Claims Analyst I)	0	1	1	1	0	1
Risk/Loss Control Specialist	0	2	2	1	0	1
Risk/Loss Control Analyst	1	0	1	0	0	0
Risk Manager	1	1	1	0	0	0
	<b>3</b>	<b>4</b>	<b>6</b>	<b>5</b>	<b>0</b>	<b>5</b>
<b>Total Internal Service Funds</b>	<b>11</b>	<b>12</b>	<b>14</b>	<b>12</b>	<b>0</b>	<b>12</b>
<b>Total Human Resources</b>	<b>29</b>	<b>27</b>	<b>28</b>	<b>27</b>	<b>0</b>	<b>27</b>

**PERSONNEL BY FUND - ADMINISTRATIVE AND SUPPORT DEPARTMENTS**  
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	<u>2009-10</u>	<u>2010-11</u>	<u>2011-12</u>	<u>FY 2012-13</u> <u>Adopted</u>	<u>Staffing</u> <u>Modifications</u>	<u>FY 2013-14</u> <u>Proposed</u>
<b>ADMINISTRATIVE SERVICES DEPARTMENT</b>						
<b><u>GENERAL FUND</u></b>						
<b>010-1310 Administration</b>						
Accountant I/II/Sr	0	1	1	0	0	0
Administrative Analyst I/II/Sr/Principal	1	0	0	0	0	0
Assistant Director of Administrative Services	1	0	0	1	0	1
Auditor/Internal Auditor I/II/Sr	0	0	0	0	0	0
Chief Financial Officer	1	1	1	1	0	1
Executive Assistant	1	0	0	1	0	1
Finance Officer	1	1	1	0	0	0
Office Asst I/II/ Office Specialist/ Secretary	0	3	3	1	0	1
Program Manager I/II	1	0	1	0	0	0
Program Manager III	0	1	1	1	0	1
	<b>6</b>	<b>7</b>	<b>8</b>	<b>5</b>	<b>0</b>	<b>5</b>
<b>010-1320 Financial Services</b>						
Accounting Office Assistant I/II/Sr	0	0	0	0	0	0
Accountant I/II/Sr	5	6	6	7	0	7
Accounting Manager	1	0	1	1	0	1
Audit Assistant I/II	0	0	0	0	0	0
Deferred Compensation Specialist	0	0	0	0	0	0
Deputy City Auditor I/II/Sr	0	0	0	0	1	1
Finance Assistant I/II/Sr	5	6	6	7	0	7
Financial Services Supervisor	1	1	1	1	0	1
Program Manager I/II	0	1	1	1	0	1
Program Manager III	0	1	0	0	0	0
Supervising Accountant	1	0	0	0	1	1
Supervising Accounting Office Assistant	0	0	0	0	0	0
	<b>13</b>	<b>15</b>	<b>15</b>	<b>17</b>	<b>2</b>	<b>19</b>
<b>010-1322 Budget</b>						
Budget Officer	1	1	1	1	0	1
Program Manager I/II	1	2	2	3	0	3
Administrative Analyst I/II/Sr/Principal	1	1	1	0	0	0
	<b>3</b>	<b>4</b>	<b>4</b>	<b>4</b>	<b>0</b>	<b>4</b>
<b>010-1331 Treasury</b>						
Office Asst I/II/ Office Specialist/ Secretary	1	1	1	1	0	1
Revenue Assistant I/II/Sr	5	9	9	9	1	10
Revenue Collector	1	2	2	2	0	2
Revenue Officer	1	0	0	1	0	1
Supervising Revenue Assistant	1	1	1	1	0	1
	<b>9</b>	<b>13</b>	<b>13</b>	<b>14</b>	<b>1</b>	<b>15</b>
<b>010-1340 Purchasing</b>						
Buyer I/II/Sr	2	2	2	2	0	2
Materials Specialist	1	0	1	1	0	1
Materials Supervisor	0	0	0	0	0	0
Office Asst I/II/ Office Specialist/ Secretary	0	0	0	0	0	0
Purchasing Agent	1	1	1	1	0	1
	<b>4</b>	<b>3</b>	<b>4</b>	<b>4</b>	<b>0</b>	<b>4</b>

**PERSONNEL BY FUND - ADMINISTRATIVE AND SUPPORT DEPARTMENTS**  
**2013-14 Proposed Budget**

	<u>2009-10</u>	<u>2010-11</u>	<u>2011-12</u>	<u>FY 2012-13</u> <u>Adopted</u>	<u>Staffing</u> <u>Modifications</u>	<u>FY 2013-14</u> <u>Proposed</u>	
<b>010-1350 Utility Billing/Customer Service</b>							
Customer Service Assistant	2	2	2	2	0	2	
Revenue Assistant I/II/Sr	8	9	9	9	(1)	8	(116)
Revenue Collector	3	3	3	3	0	3	
Supervising Revenue Assistant	1	1	1	1	0	1	
	<b>14</b>	<b>15</b>	<b>15</b>	<b>15</b>	<b>(1)</b>	<b>14</b>	
<b>Total General Fund</b>	<b>49</b>	<b>57</b>	<b>59</b>	<b>59</b>	<b>2</b>	<b>61</b>	
<b><u>INTERNAL SERVICE FUNDS</u></b>							
<b>502-5100 Information Technology</b>							
Assistant/Deputy IT Director	1	1	1	0	0	0	
GIS Analyst I/II/Sr	3	3	2	2	0	2	
GIS Specialist I/II/Sr	3	3	1	1	0	1	
GIS Supervisor	1	1	1	1	0	1	
Network Support Analyst I/II/Sr	4	4	4	4	0	4	
Network Support Services Supervisor	1	1	1	1	0	1	
Office Asst I/II/ Office Specialist/ Secretary	2	2	2	2	0	2	
Program Manager I/II	1	1	1	1	(1)	0	(117)
Program Manager III	0	0	0	0	1	1	(118)
Systems Analyst I/II/Sr	9	10	10	9	0	9	
Technology Officer	0	0	0	1	0	1	
Technology Project Coordinator	1	1	1	1	0	1	
Technology Support Specialist I/II	11	9	9	10	0	10	
Technology Systems Supervisor	3	3	3	3	0	3	
	<b>40</b>	<b>39</b>	<b>36</b>	<b>36</b>	<b>0</b>	<b>36</b>	
<b>502-5400 Document Services</b>							
Reprographics/Mailroom Supervisor	1	1	1	1	0	1	
Reprographics/Mailroom Technician I/II	2	2	1	1	0	1	
	<b>3</b>	<b>3</b>	<b>2</b>	<b>2</b>	<b>0</b>	<b>2</b>	
<b>503-5200 Radio</b>							
Technology Project Coordinator	0	1	1	0	0	0	
Technology Support Specialist I/II	1	1	1	1	0	1	
Project Manager I/II	1	0	0	1	0	1	
	<b>2</b>	<b>2</b>	<b>2</b>	<b>2</b>	<b>0</b>	<b>2</b>	
<b>504-5300 Telecommunications</b>							
Technology Support Specialist I/II	1	1	1	1	0	1	
	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>0</b>	<b>1</b>	
<b>Total Internal Service Funds</b>	<b>46</b>	<b>45</b>	<b>41</b>	<b>41</b>	<b>0</b>	<b>41</b>	
<b>Total Administrative Services</b>	<b>95</b>	<b>102</b>	<b>100</b>	<b>100</b>	<b>2</b>	<b>102</b>	
<b>Total Administration and Support</b>	<b>179</b>	<b>180</b>	<b>177</b>	<b>176</b>	<b>(2)</b>	<b>174</b>	
<b>City-wide Total</b>	<b>1,584</b>	<b>1,444</b>	<b>1,414</b>	<b>1,435</b>	<b>4</b>	<b>1,439</b>	

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**Footnotes**

**Police Department**

- (1) Reclassified 1 Program Manager III to Program Manager II
- (2) Reclassified from Senior Admin Analyst to Sr Finance Assistant
- (3) Added 1 Sergeant Mid-Year under AB109
- (4) Reclassified Sr. Administrative Analyst to Supervising Office Assistant
- (5) Reclassified 1 Code Enforcement Officer to Code Enforcement Supervisor
- (6) Reclassified from Code Enforcement Officer to Code Enforcement Supervisor
- (7) Reclassified 1 Office Assistant to Records Assistant
- (8) Reclassified from Office Assistant to Records Assistant
- (9) Reclassified to Community Services Officer and moved to CA COPs grant (6426)
- (10) Reclassified from Sr. Administrative Analyst to Supervising Office Assistant
- (11) Moved 1 Police Officer to Measure W (2436)
- (12) Moved grant funded (Cracnet) Police Officer and reclassified to Sergeant
- (13) Reclassified to Crime Analyst and moved to Telecommunications (2470)
- (14) City Manager approved new position
- (15) Reclassified 1 Records Assistant to Crime Analyst and moved from Telecommunications (2470); 2 City Manager approved new positions
- (16) Reclassified from Sr Telecommunications Supervisor
- (17) Reclassified to Telecommunicator I/II
- (18) Reclassified to Sergeant and moved to Investigations (2430)
- (19) Reclassified from Sr. Community Services Officer and moved from Field Services(2420)
- (20) Moved 1 Police Officer from Field Services (2420)

**Fire Department**

- (20) Position eliminated under department re-organization
- (21) Moved from Fire-Suppression/Rescue (2620)
- (22) City Manager approved new position under department re-organization
- (23) City Manager approved new position under department re-organization
- (24) City Manager approved new position under department re-organization
- (25) Moved from Fire-Training (2650)
- (26) Moved to Fire-Administration (2610)
- (27) Moved to Fire-Suppression/Rescue (2620)
- (28) Reclassified from Sr. Telecommunications Supervisor
- (29) Reclassified to Program Manager III
- (30) 2 new City Manager approved positions for Alternate response program

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**2013-14 Proposed Budget**  
**Footnotes**

**Public Works Department**

- (31) Reclassified from Vacant Maintenance Repair Technician in Street Maintenance (3060)
- (32) Reclassified vacant Maintenance Repair Technician in Street Maintenance (3060), 1 moved from Solid Waste & Recycling
- (33) Reclassified from Vacant Maintenance Repair Technician in Street Maintenance (3060)
- (34) Moved to Maintenance Assessment District (6900)
- (35) Reclassified from Office Assistant and moved from Solid Waste & Recycling (3080)
- (37) Moved from Street Maintenance - Engineering (3020)
- (38) Reclassified to PW Field Specialist
- (39) Reclassified 1 from Project Manager, 2 From Sr. Parks Worker
- (40) Reclassified to PW Field Specialist
- (41) Vacant position eliminated
- (42) Reclassified 1 Craft Maintenance Worker as Heating, Ventilation and Air Mechanic
- (43) Reclassified from Craft Maintenance Worker I/II
- (44) 1 Mid Year transfer from Community Development Department, 1 reclassified
- (45) Moved to Public Works-Parks & Street Trees (3070)
- (46) Mid Year transfer from Municipal Utilities Department
- (47) Eliminated 6, reclassified 3 to: 1 Office Specialist, 1 Finance Assistant, 1 Program Manager, moved all 3 positions to Administration (3010); reclassified one to PW Maint Worker
- (48) Reclassified from Maintenance Repair Technician
- (49) Reclassified to Public Works Supervisor/Electrical
- (50) Reclassified from Public Works Supervisor
- (51) Vacant position eliminated
- (52) Moved from Public Works-Operations & Maintenance (3060)
- (53) Reclassified to Supervising Office Assistant and moved to Operations and Maintenance (3060)
- (54) Reclassified to PW Field Specialist
- (55) Reclassified from Project Manager

**Community Services Department**

- (56) Moved to Technical/Reader Services (3524-30)
- (57) Reclassified from Program Manager II and moved from Recreation Administration (044-3610)
- (58) Moved from City Branches (3550)
- (59) Moved from Library Administration (3510)
- (60) Moved from Library Administration (3510)
- (61) Moved to Technical/Reader Services (3524-30)
- (62) Moved to County Branches (3540)
- (63) Reclassified to Library Trainee and moved to County Branches (3550)
- (64) Moved from City Branches (3550)
- (65) Moved from City Branches (3550)
- (66) Reclassified from Program Manager II and moved to Library Administration (041-3510)

**PERSONNEL BY FUND - ADMINISTRATIVE AND SUPPORT DEPARTMENTS**  
**2013-14 Proposed Budget**  
**Footnotes**

**Community Development Department**

- (67) New position based on department reorganization
- (68) 1 reclassified from Planning Technician, 1 reclassified from Office Assistant
- (69) Reclassified to Community Development Technician
- (70) New position based on department reorganization
- (71) 1 reclassified from Engineering Technician, 1 new position based on department reorganization
- (72) Reclassified to Community Development Technician
- (73) 1 Mid Year transfer to Public Works
- (74) 1 reclassified from Building Permit Technician, 1 new position based on department reorganization
- (75) Reclassified to Supervising Plan Checker/Structural Engineer
- (76) Reclassified from Plan Check Engineer

**Economic Development Department**

- (77) Reclassified from Program Manager
- (78) Moved from Housing - Community Development Block Grant (8120)
- (79) Reclassified to Deputy Economic Development Director
- (80) Reclassified from Program Manager
- (81) Reclassified from Housing Financial Advisor
- (82) Moved to Economic Development General Fund (1700)
- (83) Reclassified to Economic Development Analyst
- (84) Reclassified to Deputy Director Housing

**Municipal Utilities Department**

- (85) Moved to Engineering CIP 431-4312
- (86) Reclassified from Water Operations Supervisor
- (87) Reclassified to Water Operations Superintended
- (88) Moved to Water Operations & Maintenance (421-4234)
- (89) Reclassified from Water Systems Operator and moved from Water Distribution (421-4231)
- (90) Moved from Water Distribution (421-4231)
- (91) Moved from Water Administration (421-4210)
- (92) Moved from Stormwater-Policy, Planning, Management (441-4410)
- (93) Mid Year transfer to Public Works
- (94) Moved from Maintenance (431-4331)
- (95) Moved to Sanitary Pump Stations (431-4333)
- (96) Reclassified from Sr Plant Maintenance Mechanic
- (97) 1 moved to Operations (431-4331), 2 to Sanitary Pump Stations (431-4333)
- (98) Reclassified to Plant Maintenance Mechanic
- (99) Reclassified to Plant Maintenance Mechanic
- (100) Reclassified from Collections System Operator
- (101) Moved from Maintenance (431-4331)
- (102) Reclassified to Sr Plant Maintenance Mechanic
- (103) Moved from Maintenance (431-4331)
- (104) Reclassified from Plant Maintenance Mechanic
- (105) Moved to Engineering CIP (431-4312)

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**Footnotes**

**Administration & Support**

<sup>(113)</sup> Transferred to Administrative Services

<sup>(114)</sup> CM approved new position

<sup>(115)</sup> Moved from Utility Billing/Customer Services (1350)

<sup>(116)</sup> Moved to Treasury (1331)

<sup>(117)</sup> Reclassified to Program Manager III

<sup>(118)</sup> Reclassified from Program Manager II

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**Endnotes**

- (A) Grant funded positions are authorized to be added as grant funding requires; positions are eliminated when grant funding ends. Positions correspond to the grant period, and do not necessarily correspond to the City's fiscal year.
- (B) The City Manager is authorized to fill additional Library positions if funding is provided for additional Library Services by the County, other cities, and other organizations
- (C) The City Manager is authorized to fill additional Measure W Police and Fire positions if additional Measure W revenue is available.
- (D) When retirements are imminent, but have not yet occurred, the City Manager is authorized to fill unfunded positions, as necessary, subject to availability, for the effective conduct of training and transition, and to avoid excessive overtime.
- (E) The City Manager is authorized to fill Police Officers as Trainees or Officers, and with recommendation of the Human Resources Director, reclassify trainees as Police Officers.
- (F) Persons employed by the City who are later defined by the State of California PERS, the Internal Revenue Service, the City Attorney, or other rulings, to be City employees performing on-going City activities may be converted to City positions and added to the City's position list during the fiscal year.
- (I) Fire Captains and Firefighters in Fire Prevention may be designated Deputy Fire Marshals.
- (K) All unfunded positions have been eliminated from the Fiscal Year 2013-14 Budget Personnel Listing.
- (L) Grouping of job classifications does not indicate a "deep classification" or other form of alternative staffing.