

CITY OF RANCHO CORDOVA, CALIFORNIA

ADOPTED BUDGET

FISCAL YEAR 2006 – 2007





CITY OF RANCHO CORDOVA, CA

2006 – 2007 ADOPTED BUDGET

CITY COUNCIL

Robert J. McGarvey, Mayor
David M. Sander, Vice Mayor
Linda Budge, Council Member
Ken Cooley, Council Member
Dan Skoglund, Council Member

CITY MANAGER

Ted A. Gaebler

MANAGEMENT STAFF

Cyrus Abhar, Public Works Director/City Engineer
Lillian Hare, City Clerk/Human Resources Director
Curt Haven, Economic Development Director
Paul Junker, Planning Director
Adam Lindgren, Assistant City Attorney
Tom McMahon, Chief of Police
William J. Thomas, Chief Financial Officer
Tom Trimmerger, Chief Building Official

TABLE OF CONTENTS

Introduction

City Manager's Budget Message	1
Organizational Chart	5
Citywide Goals	6
Community Profile	7
Financial Policies	12
Accounting Structure and Principles	17
Budget Policies and Procedures	21
Budget Schedule	23
Diagram of Funds Used in the City	26
Fund Descriptions	27

Summaries

Budget Summary	30
Where the Money Comes From	31
Where the Money Goes	32
Sources and Uses of Funds	33
Fund Summaries	34
General Fund Revenue Detail	36
Special Revenue Funds – Revenue Summaries	38
Capital Projects Funds – Revenue Summaries	41
Debt Service Fund – Revenue Summaries	42
Internal Service Fund- Revenue Summaries	43
General Fund Expenditure Summary	44
Special Revenue Funds – Expenditure Summaries	45
Capital Projects Funds – Expenditure Summaries	48
Debt Service Funds – Expenditure Summaries	49
Internal Service Fund- Expenditure Summaries	50
General Fund Summary	51
General Fund Expenditure Summary	52

Operations

Legislative	53
City Council	54
Boards & Commissions	55
City Attorney	57
City Clerk	60
Elections	62
General Government	63
City Manager	64
Public Information, Education & Outreach	67
Human Resources	69
Administrative Support	71
Finance	72
Financial Services	74
Accounting	76
Information Technology	78
Risk Management	80

Public Safety	82
Police Department.....	83
Community Prosecutor	90
Community Development	91
Economic Development.....	92
Neighborhood Services	94
Code Enforcement	
Animal Services	
Planning	98
Building and Safety	103
Facilities Management	106
Public Works	108
Non-Departmental	112
Special Revenue Funds	
Gas Tax	113
Measure A.....	114
Proposition 42	115
Service Districts	116
Impact Fees	117
State and Federal Grants	122
Community Development Block Grant (CDBG)	123
Redevelopment Agency	124
Housing	
Capital Projects Funds.....	126
City Hall Capital Project Funds	
City Operations Facility Capital Project Fund	
Public Works Capital Projects Funds	
Debt Service Funds	128
Community Facilities Districts (CFDs)	
Internal Service Funds.....	130
Supporting Schedules	
Debt Schedules and Legal Debt Margin	131
Long Term Debt Detail 2005 Certificates of Participation City Hall	132
Long Term Debt Detail 2005 Certificates of Participation City Operations.....	133
Long Term Debt Detail Sunridge Anatolia Community Facilities District.....	134
Transfers In and Transfers Out	136
Full-Time Position Allocation – City Employees	138
Full-Time Equivalent – Contract Employees	139
City Budget Resolution	141
GANN Resolution	142
GANN Calculations – Schedules 1 through 8	143
Frequently Asked Questions	151
Glossary of Terms	154
Acronyms	159



City Manager's Budget Message

"Life is like riding a bicycle. To keep your balance, you must keep moving." Albert Einstein

Mr. Einstein, the City of Rancho Cordova couldn't agree more.

We have been moving at a fast pace and the FY 2006-07 Adopted Budget proposes that we continue that pace. We again have a balanced budget and it has a bit more leeway than last year's \$14. However, this budget represents the serious scrutiny to be expected in our fourth year of existence, and some belt-tightening so that we can maintain our "rainy day reserves" and keep moving forward building long term fiscal health.

Speed of movement and balance was most tangibly seen this year with the City's move into Rancho Cordova's New City Hall on Prospect Park Drive. In less than two years, from start to finish, we were able to acquire and create a citizens' building for both governance and building our sense of community. This is a visible fulfillment of one of the promises of cityhood.

We recently completed our first public opinion survey and the results show that the City is on the right track. Our citizens are quite satisfied with the quality of services and staff. Major areas of interest are, not surprisingly, public safety and transportation.

The City Council has approved a set of goals and objectives that acted as beacons for the City staff in building their budgets. This budget presents the organization's best plan for furthering the expressed goals with available resources for staff and operations. The City has finite resources but always a larger demand for services and support.

This budget reflects the following:

- It is balanced with a net balance of \$274,700
- General Fund revenues are projected to be up 17.9%
- Services continue to increase, especially in Code Enforcement, Housing, Animal Services, Information Technology, Economic Development, and Redevelopment

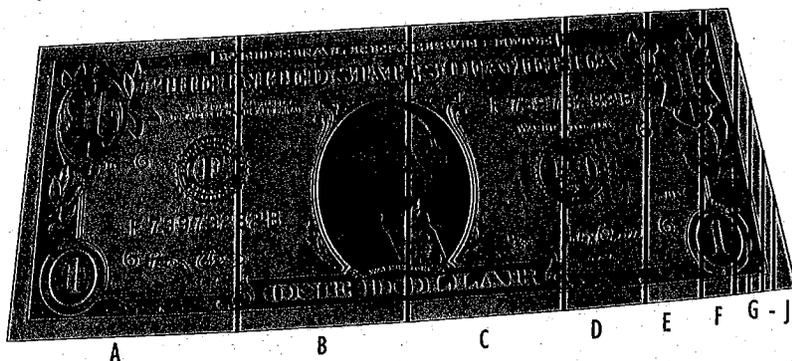
Fiscal Health

We are a fiscally solvent city. The speed of our rollout of services is tied directly to our revenues. We will not spend more than we take in. The challenge of budget development and adoption is making the difficult decisions on how we allocate those resources. Revenues are up, but they do not cover the entire list of City needs.

We have several factors that impact our revenues and expenditures:

- This budget reflects significant increases in the cost of Police services, due primarily to salary and benefit costs negotiated by Sacramento County with the Sheriff's Department officers with whom we contract for Police services.
- Our *pro forma* analysis shows the cost to provide police services is \$850 per home per year. We only charge \$450 for the new homes being built.
- This budget is built on an assumption of 1,200 single family dwelling building permits being processed next year.
- We are generating sufficient resources to provide the level of services deemed necessary and still have been able to establish a "rainy day" reserve of 29% of the General Fund Budget (50-75% is recommended) to carry us through economic slowdowns and any negative impacts of federal and state government actions.

"Revenue Neutrality" is an Unfortunate Reality



A. Sac Metro Fire	27.44%
B. County General	24.05%
C. Folsom-Cordova Unified School District	21.33%
D. City of Rancho Cordova	12.78%
E. Cordova Recreation and Park District	4.67%
F. Los Rios Community College	3.06%
G. Sac Water	1.84%
H. Other	1.76%
I. County Library	1.71%
J. County Service Area I	1.35%

Because of Proposition 13, passed in 1978, each property owner in Rancho Cordova pays 1% or less of their property's value each year for property taxes to support the listed services.

As you can see, Sacramento County gets 24% of all property taxes paid (to support countywide services) AND in addition, Sacramento County gets 92.5% of the City's "share" of 12% to pay for "revenue neutrality," which was part of the price paid to get Rancho Cordova incorporated (estimated this year at \$7,549,850).

This means that the City is transferring over \$7.5 million of resources generated in Rancho Cordova to Sacramento County, which is not obligated in any manner to provide \$7.5 million of enhanced services to the residents of Rancho Cordova.

Between revenue neutrality payments and the cost for our most critical service, public safety, our ability to further enhance the other vital services citizens demand is significantly impacted.

Budget Highlights

- We are growing at about 1,000 residents a year which is at a slower pace than predicted. We've had a steady increase in population and were certified by the State Department of Finance this year at 56,355, an increase of 2.4 % from last year.

- To fulfill the promises of cityhood, this budget increases Code Enforcement staffing by two more field positions, for a total of five, transitioning at least the administration of this important service “in-house” from a contract service.
- This budget year we will hire a Housing Administrator to handle housing issues and begin building our program.
- The April 3, 2006 launch of animal services included two animal services officers and one (contract) manager. Currently, the service is on track to surpass previous County-provided animal services by 1,000 calls in this year alone.
- Facilities management was added when we moved into a new City Hall, leased some of the space at Rancho Cordova Neighborhood Center and became stewards of the Mathew Kilgore Cemetery.
- We have begun a fleet of City vehicles (four for Building and Safety, two for Public Works, and two for Animal Services.) It is now prudent to save for replacements, and we are budgeting \$333,500 for a vehicle and equipment replacement fund.
- In addition, \$457,750 is budgeted to begin a technology enhancement and replacement fund for computer and related equipment.
- The budget also allows for equipment purchase and other resources to support the document management system, i.e. scanning documents in-house, continue having County documents scanned for record retention, and provide better search capabilities for both paper and electronic documents.
- The budget now includes the upkeep and maintenance of our new City Hall, including the Council directed subsidization of our community room rental spaces.

Infrastructure

Visible improvements throughout much of the City will be seen this year as our roads and medians get long overdue improvements.

- This budget shows \$11.9 million in construction funding
- Highlights of the capital outlay program are:
 - Rehabilitation of Existing Roads--\$3.0 million
 - Kilgore & Trade Center Drive repaving-- \$1.1 million
 - Mather Road Interchange-- \$2.1 million
 - Folsom Boulevard Beautification-- \$2.8 million

Investment in Community

What resources we do have beyond the cost of revenue neutrality and police, we use to invest as heavily as we can in building community. We leverage both our funds and our energies to help create opportunities and support for the things that make Rancho Cordova special:

- “Weed & Seed” grant from the federal government is budgeted for a third year.
- We are contributing to the establishment of a Rancho Cordova Leadership Program through the Chamber of Commerce, with an eye towards encouraging the “best of the best” to step up to community leadership positions and become energized as brokers/facilitators/catalysts for positive change.
- This budget includes \$75,000 for the City Council to designate for cash support of community outreach activities that strategically further Citywide goals.

- This budget also includes new funding of \$10,000 per Council member and \$15,000 for the Mayor (total \$55,000) to allow Council members to individually champion direct support to specific community activities.
- Redevelopment made great strides this year, setting the stage to create a project area which will enable us to raise \$1 billion over the 40 year life of the project for infrastructure improvements and redevelopment.
- The budget adds grant monies for the Cordova Community Council totaling \$288,800 to provide a professionally managed umbrella organization for the community's non-profit organizations, i.e. a "Chamber of Commerce" for non-profits. These grant funds allow the Cordova Community Council, serving the Rancho Cordova community since 1959, to move into a higher level of volunteer management, fund-raising and community event coordination to benefit the entire city. One-time costs to build out and furnish office space in City Hall are also included (\$120,000).

Unfunded Needs

The following are desired future needs that could not be accommodated in this budget:

- Funding for the Chamber of Commerce's program for Momentum 2010, estimated at \$100,000 per year for five years
- The cost for public safety services for some community events, such as the 4th of July celebration that cost the Police Department \$25,000 last year
- Increases in Police staffing projected to service new growth planned for the area south of Sunrise-Douglas.

Conclusion

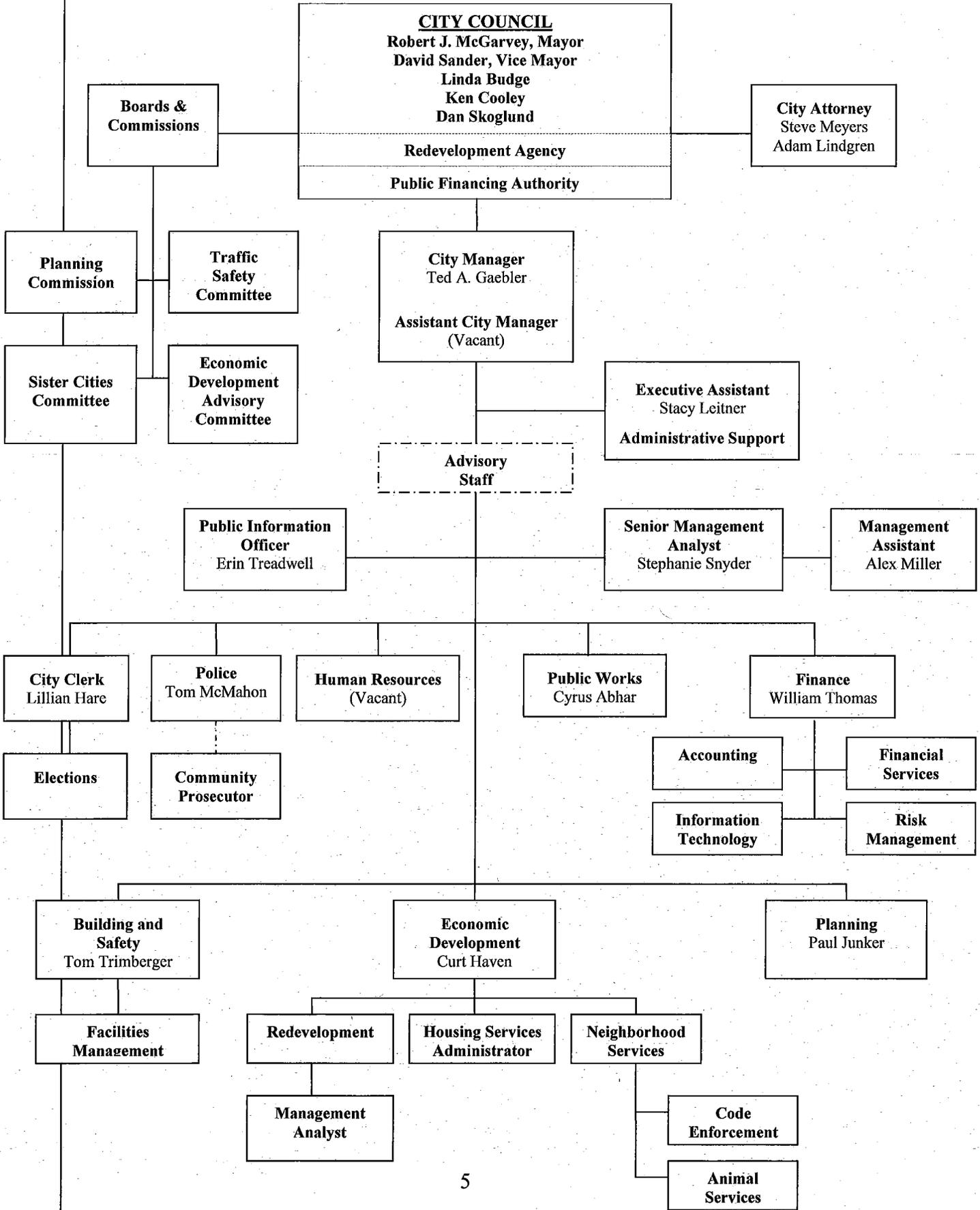
I want to acknowledge the dedicated work of the following individuals who prepared this document. Special thanks to Chief Financial Officer Bill Thomas, Senior Accountant Liisa Behrends, Senior Management Analyst Stephanie Snyder, Public Information Officer Erin Treadwell, Management Assistant Alexandra Miller, Executive Assistant Stacy Leitner, Administrative Secretary Maria Lopez, City Clerk Lillian Hare, Deputy City Clerk Brenda Lehr, Human Resources Technician Lisa Brown, and Human Resources Consultant Angie Ureta, and Administrative Support from Linda Wahlen and Tiffany Wahl. I especially appreciate the hard work and attention of the department heads in the challenge of producing this balanced budget.



Ted A. Gaebler
City Manager

Organizational Chart City of Rancho Cordova

July 1, 2006





Citywide Goals
(Adopted March 20, 2006)

1. Foster a Positive Image of Rancho Cordova
2. Improve Transportation & Connectivity
3. Ensure the Availability of the Best Public Services in the Region
4. Establish a Vibrant Downtown
5. Ensure a Safe Community
6. Improve the Quality of Housing in Rancho Cordova
7. Sustain a Livable Community
8. Drive Diverse Economic Opportunities
9. Foster Responsible Citizenship
10. Practice Sound Fiscal Management
11. Establish Logical (City) Boundaries
12. Continue to Provide Regional Leadership

COMMUNITY PROFILE

Introduction

This section of the FY 2006-07 budget document provides general information about the City of Rancho Cordova, its demographics, and its economic climate. The goal of this section is to inform the reader about the environment in which city leaders make decisions during the budget process. This section will also make it easier to examine and understand other sections of this budget document, highlighting the needs and desires of city residents and how city services can meet those needs.

Rancho Cordova's budget is a policy document that reflects the City's policies, goals, and priorities. It is also a communications tool, informing residents of the short and long-term issues and challenges confronting the City. The budget document reflects the goals of citizens and leaders alike, bearing in mind the resources the City has available.

Location and Climate

It is important to consider how location and weather conditions can affect City infrastructure, traffic, and safety. Rancho Cordova is part of the greater Sacramento Region and lies on the Highway 50 Corridor between the City of Sacramento and the City of Folsom. It is merely a two hour drive to the international destinations of San Francisco, Napa Valley, and Lake Tahoe. The City of Rancho Cordova borders the southern bank of the American River, and is close to Lake Natoma and the Folsom South Canal. The American River Parkway and Lake Natoma recreation areas have become an international destination for kayakers and other recreational enthusiasts. There are approximately six recreational access points to the American River along the city's northwestern boundary.

The Sacramento Region typically experiences warm, dry days, and cool nights during the summer months. The temperatures during the summer months average between the upper 50's to the low 90's. Winters are fairly mild, with average highs in the mid 50's and lows near 40 degrees. Most of the precipitation occurs during the winter months with the rainy season stretching from November through April. Though not typical, the Northern California region has experienced particularly heavy rainy seasons in the past few years. Because of the high mountains around the Sacramento Valley, winter storms generally are subdued before reaching the area. The region experiences times of fog in the winter, but rarely during other times of the year.

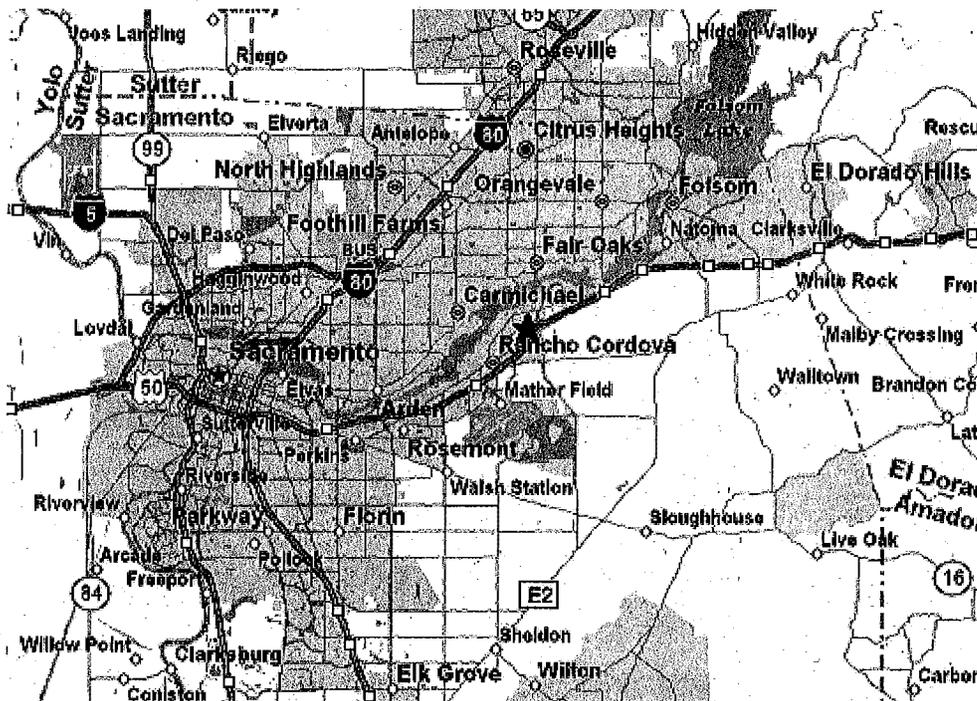


Figure 1: The Sacramento Region (Source: Mapquest.com)

History

The City of Rancho Cordova incorporated on July 1, 2003 with a desire to exercise decision-making power over local land use and services. In its three year history, the City has made strides in making this goal possible by drafting its first General Plan and by using contracts with Sacramento County and other outside agencies to provide quality services to its citizens.

Originating during California's gold rush era, Rancho Cordova was a crossroads for "forty-niners" traveling to foothill mining and gold panning locations, and eventually became a settling place for farmers and vintners. Rocket manufacturer Aerojet located its 22,000-man operations in the city in the 1950s, bringing about the development of thousands of houses. With the Vietnam War came increased activity at Mather Air Force Base, and the city quickly became a military town.

The closure of Mather Air Force Base in 1992 brought a downturn in economic activity in the area, but its seismic stability, elevation above the American River, and inexpensive land prices attracted insurance, financial, and other industries to locate their corporate headquarters in the city. Today, Rancho Cordova's job base is among the largest and strongest in the region. One of the long-term goals of the City is to encourage the development of adequate housing to match this large job population.

Demographics

Because Rancho Cordova is a new city, there are not many recent, accurate sources of demographic data. The most recent population estimate for the City of Rancho Cordova is 56,355, according to a March 2006 survey by the California State Department of Finance. This represents a 2.6% population increase from 2005. The estimated total household number is 22,301. These figures are expected to increase to 94,792 total population and 33,383 total households by 2010.¹

Economy and Jobs

Rancho Cordova has much in the way of business capital to attract economic development opportunities to the area, including affordable and seismically-stable land, a large business park, a strong workforce, access to infrastructure and air cargo services, and synergistic clusters of business industries such as home improvement and manufacturing. The City renovated and moved into a new City Hall facility in early 2006 in the heart of Rancho Cordova's major business park.

Approximately 62,000 employees work in the various office complexes in the area. The largest industry employers are in the professional and business services (14,000 employees), financial activities (13,000 employees) and wholesale and retail trade (11,000 employees). Combined with this diverse employment base, the City is gearing up for an increase in residents as it expands its residential home base, with an expectation of issuing 1,200 building permits during the 2006-2007 fiscal year. With an increase in residents, the City will become attractive for both new retail as well as for the renovation of the existing retail base. This translates into an increase in Rancho Cordova's already strong sales tax base.

Major Private Sector Employers in Rancho Cordova	
Company	Number of Employees
Catholic Health Care	6845
Bank of America	3118
Electronic Data Systems	1787
Vision Service Plan (VSP)	1586
Aerojet – General Corp.	1538
Delta Dental	1500
Franklin Templeton	1200
Cedar Valley Concrete	1154
EdFund	805

Figure 2: Major Private Sector Employers in Rancho Cordova (Source: Sacramento Business Journal and Reference USA)

The regional Sacramento County economy remains strong. There has been no appreciable change in overall employment levels and a slight decrease in unemployment due to population growth. The unemployment rate has declined from 5.3% in April 2004 to 4.5% in April 2005. This is lower than the state's unemployment rate of 6.2% in 2004 and 5.2% in 2005. Slight increases in total wage and salary employment are expected for the region for

¹ SACOG 2004 Projection Data, available at www.sacog.org/demographics/projections.

both the public and private sectors. Overall, the City's micro economy remains strong and is tracking with the overall strong Sacramento County economy.

In light of these positive outlooks, the City is constantly seeking ways to improve its economic opportunities. The Economic Development element of the General Plan sets forth a plan of action to attract more quality retail businesses, develop more executive-level housing, improve infrastructure, and revitalize the local economy through the renovation of Folsom Boulevard and creation of a downtown area.

Transportation and Land Use

Rancho Cordova is fortunate to have excellent transportation access along its major thoroughfares. Sacramento Regional Transit (RT) provides transit services to Sacramento County by light rail and bus. Light rail services traverse the Interstate 50 Corridor, and include four stations in Rancho Cordova. RT is responsible for maintaining this infrastructure. The City's Public Works department plans for future development and revitalizing of existing infrastructure, contracting with Sacramento County Municipal Services Agency to make routine repairs to existing streets.

As the City finalizes its land use and transportation elements of the General Plan, citizens should expect to see greater flexibility in both the modes and routes of transportation, and an increased focus on pedestrian and bicycle mobility. Future land use and transportation policies will reflect the City's desire to foster efficient movement of people and goods around the city and within the region, and to promote an integrated mix of land uses that create lively and livable neighborhoods.

The Region

The Sacramento Valley region consists of six contiguous counties, centered around Sacramento County. The area has seen rapid growth in housing and jobs in the past few years as both businesses and residents leave the high-priced San Francisco Bay Area in search of more affordable land and housing options. Increased growth has brought both prosperity and greater strain on infrastructure, agriculture and the environment in the region. Organizations such as the Sacramento Area Council of Governments (SACOG) and non-profit group Valley Vision were formed to create and implement guiding policies and goals region-wide to ensure responsible growth.

The City of Rancho Cordova is an active participant in regional organizations and maintains a commitment to continue to provide regional leadership.

The City is served by a number of different regional organizations, including:

- ◆ Sacramento Regional Transit – transportation services
- ◆ Sacramento Metropolitan Fire District – fire protection services
- ◆ Sacramento Municipal Utilities District – electricity provider
- ◆ Golden State Water Company, California American Water, Southern California Water, Sacramento City Water, Sacramento County Water—water purveyors
- ◆ Sacramento Regional Sanitation District – sewer services
- ◆ Allied Waste – garbage services
- ◆ Wells Sweeping – street sweeping services

- ◆ Cordova Recreation and Park District – parks, open space, recreation activities
- ◆ Folsom Cordova Unified School District, Elk Grove Unified School District, Sacramento City Unified School District--schools

Miscellaneous Statistics	
Date of Incorporation	July 1, 2003
Form of Government	General Law
Area in square miles	33
Government Facilities and Services	
Miles of Streets	220
Number of Street Lights	3,000
Number of signalized intersections	70
Police protection – number of stations	1
Facilities and services not included in the reporting entity	
Culture and Recreation	
Parks	11
Park acreage	282
Swimming pools	3
Tennis courts	21
Community centers	3
Senior centers	1
Ball and soccer fields	10
Fire Protection	
Number of stations	5
Education	
Number of districts	3
Number of elementary schools	10
Number of secondary schools	6
Number of community colleges	1
County Library	
City-serving branch	1

Figure 3: Miscellaneous Statistics (Source: City Finance Department)

FINANCIAL POLICIES

General Policies

- All current operating expenditures will be paid for with current revenues.
- Budgetary emphasis will focus on providing high quality municipal services, recognizing the fundamental importance to the citizens of public safety and properly maintained infrastructure.
- The budget will strive to provide sufficient funding for adequate maintenance and orderly replacement of capital plant and equipment.
- The budget will reflect a higher priority for maintenance of existing facilities than for acquisition of new facilities.
- Future maintenance needs for all new capital facilities will be identified with the inclusion of the capital project.
- Strong customer service and productivity improvements with a focus on cost savings remain important budgetary goals.

Revenue Policies

- A diversified and stable revenue system will be maintained to shelter the City from short-run fluctuations in any single revenue source.
- Revenues will be conservatively estimated and will be updated quarterly throughout the fiscal year.
- Intergovernmental assistance in the form of grants and loans will be used to finance only:
 - Those capital improvements which can be maintained and operated over time or
 - Operating programs that can either be sustained over time or have a limited horizon.
- In general, one-time revenues will be used only to support capital or other non-recurring expenditures. One-time revenues may be used for operating programs only after an examination determines if they are subsidizing an imbalance between operating revenues and expenditures; and then only if a long-term forecast shows that the operating deficit will not continue.
- Development process costs and related administrative expenses will be totally offset by development fees.
- The City will identify basic tax-provided services and will establish user fees and charges for services provided in excess of basic services and/or to non-taxpaying users.

Reserve Policies

- A minimum fund balance reserve in the General Fund will be maintained at all times. The minimal, optimal level required for this reserve will be 15% of the General Fund operating budget. The reserve will be drawn down as a funding source of last resort and used only after other reserve accounts have been accessed.
- For all other operating funds, there will be a reserve equal to 15% of the fund's annual operating budget for emergencies.
- The unappropriated fund balance in the General Fund will be maintained at a level sufficient to provide adequate working capital and to accommodate required adjustments to other reserve accounts, including the reserves for advances to other funds, deposits and prepaid items.
- Reserves for Encumbrances and Continuing Appropriations are established at the end of every fiscal year to reserve fund-balance in the amount equal to the City's unpaid obligations and unfinished projects at year-end.
- Funding levels of General Fund reserves will be reviewed during periods of economic stagnation to avoid reductions in operating service levels.
- Appropriations or use of funds from any designated reserves will require City Council action.

Cash Management

- Investments and cash management will be the responsibility of the Chief Financial Officer.
- In accordance with Section 53646 of the Government Code, the City Council will review and update annually an investment policy. The primary purpose of this policy is to set forth the City's investment philosophy and objectives. The City's investment objectives are, in order of priority: safety; compliance with Federal, State and local laws; liquidity; and yield. The policy also specifically outlines authorized investments, the maximum maturities allowed for each investment instrument, and the criteria used to determine qualified depositories and/or dealers.
- The City invests all idle cash as determined by analysis of anticipated cash flow needs. Specific emphasis will be placed on future cash requirements when selecting maturity dates to avoid forced liquidations and the potential corresponding loss of investment earnings.
- In order to maximize yields from the overall portfolio, the City will consolidate cash balances from all funds for investment purposes, and will allocate investment earnings to each fund that has a positive cash balance. Interest expense will be charged to those funds that maintain a negative cash balance.
- The City will maintain the investment portfolio under the "Prudent Person Standard." The "Prudent Person Standard" is as follows: Investments shall be made with

judgment and care – under circumstances then prevailing – which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived. The investment officer, acting in accordance with written procedures and the investment policy and exercising due diligence, shall be relieved of personal responsibility for the credit risk of an individual security or market price changes, provided deviations from expectations are reported within 30 days and appropriate action is taken to control adverse developments.

- To protect against potential losses by collapse of individual securities and/or dealers, and to enhance access to securities, interest payments and maturity proceeds, all securities owned by the City will be held in safekeeping by a third party bank trust department, acting as the City's agent.
- The Chief Financial Officer will generate a monthly report to the City Manager and a quarterly report to the City Council in accordance with all state laws and City investment policy requirements.
- The City's independent auditors, in conjunction with their annual audit, will audit the cash and investment balances in accordance with Generally Accepted Accounting Principles (GAAP). In addition, the Chief Financial Officer shall establish an annual process of independent review by an external auditor to assure compliance with internal controls. The City Council may at any time order an audit of the investment portfolio and/or Chief Financial Officer's investment practices.

Debt Policy

- It is the intent of the City of Rancho Cordova to issue debt in a manner that adheres to state and federal laws, existing bond covenants and prudent financial management.
- The General Fund currently does not have any general obligation bonds and does not anticipate issuing such debt.
- When the City finances capital projects by issuing bonds, it will pay back the bonds within a period that is consistent with the useful life of the project.
- The City will not use long-term debt financing for any recurring purpose such as current operating and maintenance expenditures. Short-term debt instruments such as revenue tax or bond anticipation notes shall be excluded from this limitation.
- The City will generally conduct debt financing on a competitive basis. However, negotiated issues may be used due to market volatility or the use of an unusual or complex financing or security structure.
- The City will diligently monitor its compliance with bond covenants and ensure its adherence to federal arbitrage regulations.
- The City will operate under the provisions of Proposition 13, the California Constitutional Amendment that limits the incurrence of "general obligation" debt. To

incur this debt, the City must receive a two-thirds (2/3) vote of the voters at a general election.

Cost Allocation

- The City will establish internal service funds. The cost allocation from its internal service funds is to charge the departments for City resources that are being used by the individual departments.
- The City may establish an insurance fund. The insurance fund is to be used to account for the cost of the City's insurance premiums (such as general liability, property, and automobile insurance), as well as claims adjuster services, and legal costs.
- Charges to each department are calculated based on the number of permanent staff in each department as well as any other method established by a cost allocation study.
- The City may establish a vehicle and equipment replacement fund. This fund is to be used to account for the acquisition, depreciation, and replacement of City vehicles and other equipment. Charges to each department are calculated based on the actual depreciation charge for vehicles used by each department.
- The City may establish a technology enhancement and replacement fund. This fund is to be used to account for the acquisition, depreciation, and replacement of computers and related equipment. Charges to each department are calculated based on the number of computer workstations, as well as any other method established by a cost allocation study.

Risk Management

- The City is self insured for the first \$250,000 on each general liability claim against the City.
- Third party coverage is currently maintained for general liability claims greater than \$250,000 up to a limit of \$15,000,000 and for all workers' compensation claims.
- The City will establish an internal Safety Committee to promote safe and healthy work practices. The objectives of the committee include:
 - Identifying, reviewing, and correcting unsafe conditions and practices, establishing employee safety training programs, and promoting a system of communications with employees regarding safety and health matters.
- The City maintains a comprehensive risk assessment program and annual hazard survey to identify areas that may pose liability issues.
- The City has a policy of vigorously defending claims filed against the City of Rancho Cordova and continues to maintain an excellent loss history.

Annual Audit

- Sound accounting practices suggest that an annual audit is a prudent business decision.
- The City requires an annual audit by a qualified independent accountant of the books of account, financial records, inventories and reports of all City officers and employees involved in the handling of financial matters.
- The independent auditing firm will be selected by the City based on a competitive proposal process. It is the policy of the City that the most qualified firm is selected and therefore the "lowest cost" approach is not the defining method of selecting an auditing firm.
- The City shall change auditors at least every five years.

ACCOUNTING STRUCTURE AND PRINCIPLES

City Government Reporting Entities and Services

The budget includes all of the funds and account groups of the City of Rancho Cordova. The City provides the following municipal services directly:

- Building Permit/Plan Approval
- Community Development
- Emergency Services
- Engineering
- Planning and Zoning
- Public Safety (Police with Fire being provided by a Special District)
- Street Maintenance

Accounting System and Budgetary Control

In developing and evaluating the City's accounting system, consideration is given to the adequacy of internal accounting controls. Internal accounting controls are designed to provide reasonable, but not absolute, assurance regarding the safeguarding of assets against loss from unauthorized use or disposition; and the reliability of financial records for preparing financial statements and maintaining accountability for assets. The concept of reasonable assurance recognizes that the cost of a specific control feature should not exceed the benefits likely to be derived and the evaluation of costs and benefits require estimates and judgments by management.

All evaluations of the City's internal control will continue to occur within the above framework. The City's internal accounting controls adequately safeguard assets and provide reasonable assurance of proper recording of financial transactions.

Basis of Accounting

The budgets of all governmental and fiduciary funds types are prepared on a modified accrual basis. Under the modified accrual basis, revenue is recognized when susceptible to accrual (e.g., when it becomes both measurable and available). "Measurable" means the amount can be determined and "available" means collectible within the current period or soon enough thereafter to pay current liabilities. This is generally within sixty-days (60) after the end of the fiscal year. Expenditures are recognized when the related fund liability is incurred.

The budgets of the proprietary funds (enterprise and internal service funds) are prepared on an accrual basis. Under this method, revenue is recognized when earned and expenses are recognized at the time the liability is incurred. Under this method, depreciation for fixed assets is budgeted.

Fund Descriptions

The City's accounting records are organized and operate on a "fund" basis, which is the basic financial accounting entity in governmental accounting. The accounting system is designed to enable the use of these types of funds, although not all fund types are currently being used by the City. Each fund is designed by fund type and classification:

- Governmental Funds: General, Special Revenue, Debt Service and Capital Projects
- Proprietary Funds: Enterprise and Internal Service
- Fiduciary Funds: Trust and Agency
- Account Groups: General Fixed Assets and General Long-Term Debt

Governmental Funds

Governmental funds are used to account for the City's expendable financial resources and related current liabilities, except for those accounted for in proprietary funds. The basic financial statements necessary to fairly present financial position and operating results for governmental funds are the balance sheet and the statement of revenues, expenditures and changes in fund balance. Governmental funds are maintained using the modified accrual basis of accounting.

- General Fund - accounts for all the general revenue of the City not specifically levied or collected for other City funds and for expenditures related to the rendering of general services by the City.
- Special Revenue Fund - accounts for the proceeds of specific revenue sources that are restricted by law or administrative action for specified purposes.
- Debt Service Fund - accounts for accumulation of resources for, and payment of, interest and principal on long-term debt.
- Capital Project Fund - accounts for financial resources used for the acquisition or construction of major capital facilities (other than those financed by proprietary funds).

Proprietary Funds

Generally Accepted Accounting Principles (GAAP) applicable to a private commercial business are applicable to proprietary funds of a governmental entity. The accrual basis of accounting is utilized. The measurement focus is based upon a determination of net income, financial position and cash flows. Accordingly, basic financial statements are required, such as the balance sheet, the statement of revenues, expenses and changes in retained earnings (deficit), and the statement of cash flows.

- Enterprise Fund - accounts for operations that are financed and operated in a manner similar to private enterprises, where the intent of the City Council is that

the cost and expense (including depreciation and amortization) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges, or where periodic determination of revenues earned, expenses incurred and/or net income is appropriate for capital maintenance, public policy, management control, accountability or other purposes.

- Internal Service Fund - accounts for activities involved in rendering services to departments within the City. Costs of materials and services used are accumulated in these funds and are charged to the user departments as such goods are delivered or services rendered.

Fiduciary Funds

Fiduciary Funds are maintained to account for assets held by the City in a trustee capacity for individuals, private organizations, other governments and other funds. Expendable trust funds are budgeted in accordance with their restrictions. The budget generally consists of a transfer of funds to another fund.

- Private Purpose Trust – used to report all trust arrangements, other than those properly reported in pension trust or investment trust funds, under which principal and income benefit individuals, private organizations or other governments.
- Permanent Trust – used to report resources that are legally restricted to the extent that only earnings, and not principal, may be used for purposes that support the reporting government's programs – that is, for the benefit of the government or its citizenry.
- Expendable Trust – used to report resources that are not legally restricted to expenditure of principal and restricted to a specific purpose in accordance with a trust agreement.
- Agency Funds – used to account for assets held by the City as an agent or in trust.

Account Groups

Account Groups are used to establish accounting control and accountability for the City's general fixed assets and general long-term debt.

- General Fixed Assets Account Group - accounts for long-term assets of the City, except for those accounted for in proprietary fund types.
- General Long-Term Debt Account Group - accounts for long-term debt of the City, except for debt accounted for in proprietary fund types.

GASB 34

Beginning with the fiscal year ending on June 30, 2004, the City implemented the provisions of GASB 34 with the publication of our Comprehensive Annual Financial Report (CAFR). The CAFR presents the status of the city's finances on the basis of Generally Accepted Accounting Principles (GAAP). In most cases, this conforms to the way the City prepares its budget with the following exceptions:

- Compensated absences liabilities that are expected to be liquidated with expendable available financial resources are accrued as earned by employees (GAAP) as opposed to being expended when paid (budget).
- Principal payments on long-term debt within the Enterprise Funds are applied to the outstanding liability on a GAAP basis as opposed to being expended on a budget basis.
- Capital outlays within the Enterprise Funds are recorded as assets on a GAAP basis and expended on a budget basis.
- Inventory is recorded as an expenditure at the time it is used.
- Depreciation expense is not budgeted as an expense.

The CAFR shows fund expenditures and revenues on both a GAAP basis and budget basis for comparison purposes.

BUDGET POLICIES AND PROCEDURES

Policy

The City Manager shall submit a preliminary budget to the City Council each year by May 31. The budget that is submitted is a balanced budget either through the matching of ongoing revenues with proposed expenditures or the use of existing reserves.

Budget Basis

The budgets of general government type funds (for example, the General Fund itself, and gas tax funds) are prepared on a modified accrual basis. Briefly, this means that obligations of the City are budgeted as expenses, but revenues are recognized only when measurable and available.

The Comprehensive Annual Financial Report (CAFR) shows the status of the City's finances on the basis of Generally Accepted Accounting Principles (GAAP). In most cases, this conforms to the way the City prepares the budget. One exception is the treatment of compensated absences. Compensated absences, including accrued but unused holiday, administrative leave, compensatory time and vacation leave, are treated slightly different in the budget than in the CAFR.

Responsibility

The department heads are responsible for preparing their budgets in accordance with the guidelines provided by the City Manager and Chief Financial Officer. The Finance Department provides cost experience data as required by City departments. The Chief Financial Officer prepares all revenue, debt service and reserve estimates.

Operating Budget

Ongoing operating costs should be supported by ongoing, stable revenue sources. This protects the City from fluctuating services levels and avoids crises when one-time revenues are reduced or removed. Listed below are some corollaries to this policy:

- Fund balances or contingency accounts should be used only for one-time expenditures, such as capital equipment and capital improvements.
- Ongoing maintenance costs, such as street resurfacing and trail maintenance, should be financed through recurring operating revenues rather than through bond issuance.
- In addition, at least \$1 million of transportation related funding should annually fund the annual overlay and slurry program.
- Fluctuating federal grants should not be used to fund ongoing programs.

Budget Review

During the budget review phase, the City Manager's Office, in conjunction with the Finance Department, analyzes new positions, operating and capital budget requests. This information is then compiled and the City Manager and the Chief Financial Officer hold meetings with each department to review their estimated expenditures for the current fiscal year and the proposed base line requests and enhancements for the proposed budget year. At the completion of these meetings, the Chief Financial Officer again compiles all the financial data and presents the Preliminary Budget to the City Manager for review.

Budget Adoption

The City Manager presents, via publicly noticed study sessions, the budget to the City Council. Public hearings are held and, after modifications and revisions, the budget is adopted by resolution (the "adopted budget").

Budget Implementation

A budgetary control system will be maintained to ensure compliance with the budget. The Finance Department is responsible for setting up the budget for tracking purposes and is charged with ensuring fund availability during the year to cover expenditures and appropriations. Reports comparing the budget with expenditures are generated and sent to departments on a monthly basis.

Budget Revision

The City Council approves total budgeted appropriations throughout the year. Actual expenditures may not exceed budgeted appropriations at the department level (e.g., Police, City Manager, etc.). The City Manager or his/her designee is authorized to transfer budgeted amounts at the category level (e.g. salaries and benefits, operating expenditures, capital outlay and transfers). The City has the following programs accounted for through its governmental funds: legislative, general government, public safety, community development, public works and non-departmental. Use of unappropriated reserves must be specifically approved by the City Council.

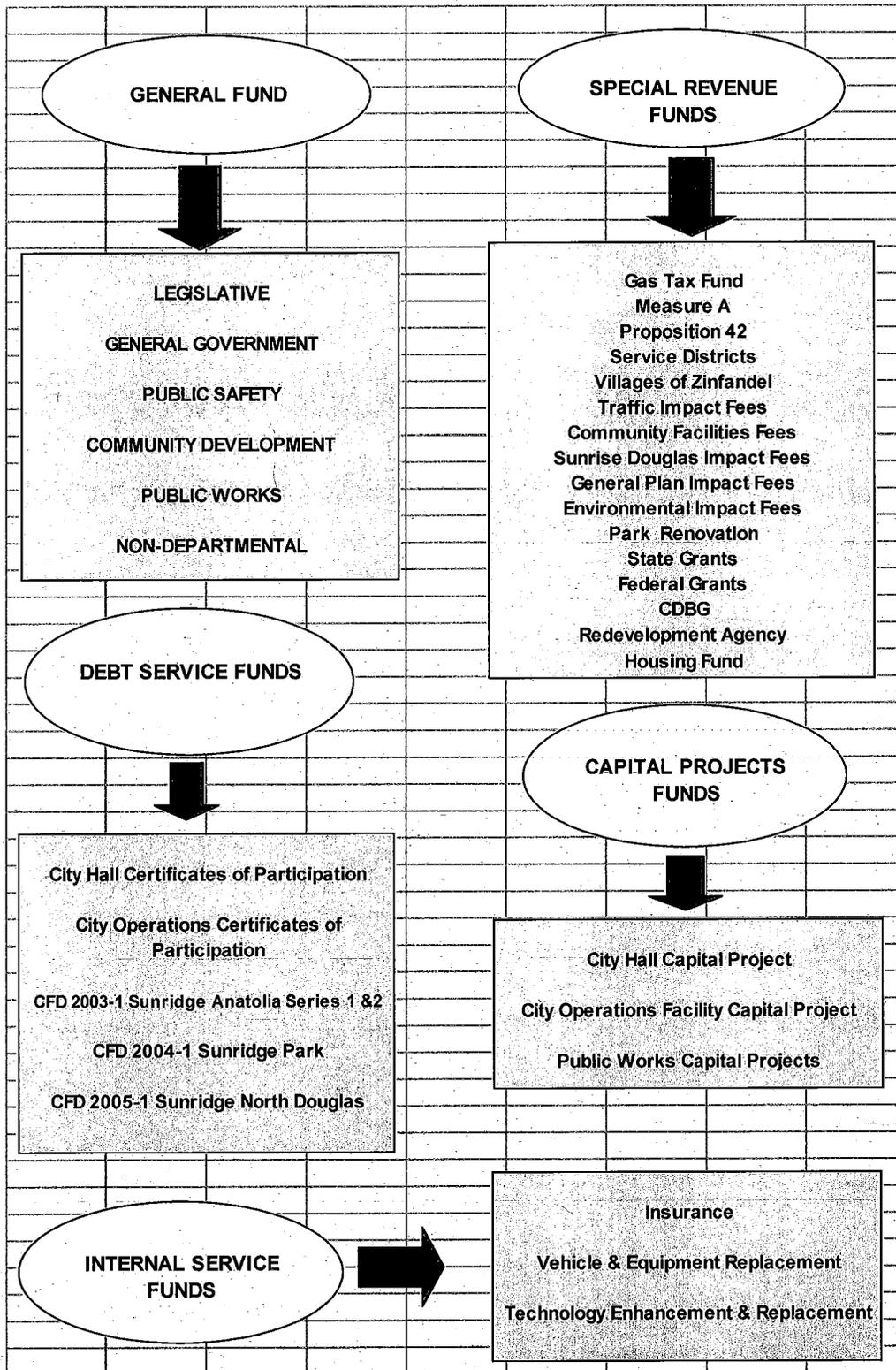
FY 2006-07 BUDGET SCHEDULE

Date	Activity	Participants
Feb. 27 (2 hour meeting - 11:00 a.m. to 1:00 p.m., including lunch)	Budget packet distribution and training/discussion on budget development	Departments/City Manager/CFO/Senior Management Analyst (SMA)
Feb. 27 - Mar. 9	All organizational studies and recommendations completed, and City Manager decisions made	City Manager & select organizational study teams
Mar. 1-31 (4+ weeks, concurrently developing revenue, expenditure & performance measures.)	Staffing discussions & cost estimates	Departments to meet with Human Resources/CFO only if changes desired to positions (new or reclassified—new positions generally require new revenue sources)
Mar. 1-31 (4+ weeks, concurrently developing HR requests, expenditure & performance measures.)	Revenue forecasting	CFO to meet with all departments individually to develop revenue estimates that are department-based
Mar. 1-31 (4+ weeks, concurrently developing HR requests, expenditure & revenues.)	Develop performance measures for FY 06-07 and report on accomplishments for FY 05-06	Departments with assistance from SMA as needed
Mar. 31	Submit preliminary budget requests , including report on FY 05-06 accomplishments and tying FY 06-07 performance measures to Citywide Goals & Objectives	Departments
Apr. 3-7 (1 week)	Final review of revenue estimates	CFO/City Manager/SMA
Apr. 3-14 (2 weeks)	Review of performance measures, resource allocation and determination of resources by department—negotiation with City Manager	Department Heads/CFO/City Manager/SMA

Date	Activity	Participants
Apr. 21 (1-2 weeks)	Submission of final budget requests including performance measures, factoring in feedback from meetings on preliminary requests	Department Heads
Apr. 24-28 (1 week)	Final review of budget requests and determination of individual department budgets	Departments/CFO/City Manager/SMA
May 1-5 (1 week)	Compile budget and check	Budget Team (City Manager/CFO/SMA plus additional staff such as Executive Assistant & Management Assistant)
May 8	Budget message completed	City Manager
May 9-12 (4 days)	Final proofreading and send out for copying	Budget Team
May 15	Final review of preliminary budget	All employees ("All Hands")
May 16	Changes made as result of discussion with employees, if needed	Budget Team
May 19	Preliminary budget distributed to Council and Departments	Budget Team
May 23 - 12:00 p.m.	Council Workshop	City Council—Presentation by City Manager/CFO/Departments
May 24	Changes to final preliminary budget based on workshop, if needed	Budget Team
May 25	Preliminary Budget distributed (10 day lead time required before public hearing)	CFO

Date	Activity	Participants
June 5	Public hearing on Preliminary Budget distributed May 25	City Council
June 6-18 (2+ weeks)	Prepare budget resolution, GANN Limitation calculations, and associated resolutions	CFO
June 26	Adoption of Final Budget & GANN Limitation	City Council
June 30	Distribution of Adopted Budget	CFO

DIAGRAM OF FUNDS USED IN THE CITY



FUND DESCRIPTIONS

The City of Rancho Cordova uses fund accounting to track revenues and expenditures. Some funds such as the Gas Tax Fund are required by state legislation. These are accounted for individually in separate "Special Revenue" funds.

Governmental Funds

Governmental funds typically include those activities which are financed through the use of tax-supported activities. The major categories within this fund type are the General Fund, Special Revenue Funds and Debt Service Funds. This category also includes Capital Project Funds and Permanent Funds. Permanent funds are not budgeted in the City.

General Fund - this fund is the general operating fund of the City. It is used to account for all financial resources except those required to be accounted for in another fund. All general operating revenues not restricted as to use are recorded in this fund.

Special Revenue Funds - used to account for activities supported by specific taxes or other designated revenue sources. These funds are generally required by statute, charter or ordinance to finance specific government functions and include:

- **Gas Tax Fund:** used to account for funds received from the State of California from the statewide tax on gasoline and other fuels. Used specifically for road related projects.
- **Measure A:** used to account for the one-half percent sales tax that is imposed in Sacramento County for transportation related projects.
- **Proposition 42:** used to account for funds received from the State of California as a result of a state constitutional referendum (Proposition 42). These funds are used for transportation related projects.
- **Service Districts:** used to account for funds received from assessments on property owners and are used for specific purposes based on their origin:
 - **Landscape & Lighting 2005** – public landscaping areas
 - **Road Maintenance** – public street maintenance
 - **Community Service District #10** – street and landscape maintenance
- **Villages of Zinfandel:** used to account for developer impact fees that are imposed on certain development. Includes both road impact and library impact fees that are to be spent in the specific development area.
- **Traffic Impact Fees:** used to account for funds received from development in all other areas of the City. The funds will be used to construct public transportation improvements that are necessitated by development.
- **Community Facilities Fees:** Imposed on new development to construct or obtain municipal facilities. The City collects fees for the following facilities:
 - **Library**
 - **City Hall**
 - **Community Center**
 - **Museum**
 - **Corporation Yard**
 - **Parking**
 - **Animal Services**
 - **Records Management**

- **Technology**
- **Police Facilities**
- **Sunrise Douglas Impact Fees:** used to account for funds received from the Sunrise Douglas area which are in addition to the other fees imposed. The fees relate specifically to improvements that will be required as a result of the development in that area.
- **General Plan Impact Fees:** used to account for funds received from development throughout the City to pay for the creation and ongoing maintenance of the City's General Plan.
- **Environmental Impact Fee:** used to account for funds received from development to mitigate the impact on the Swainson's Hawk.
- **Park Renovation:** used to account for funds received from developers for the impact of development on existing parks and the need to build additional parks. The City charges a 3.75% administrative fee and then passes through the remainder to the Cordova Recreation and Park District (a Special District).
- **State Grants:** used to account for revenues and expenditures related to funds received from the State of California.
- **Federal Grants:** used to account for revenues and expenditures related funds received from the federal government.
- **Community Development Block Grant (CDBG):** used to account for federal grants received under the Housing and Community Development Act of 1974.
- **Redevelopment Agency:** used to account for revenues and expenditures for the City's Redevelopment Agency. In FY 2005 and FY 2006, the City will be providing funds from its General Fund to fund activities in this area until tax increment is available in FY 2007.
- **Housing Fund:** used to account for funds that are to be used for very low income housing projects.

Capital Projects Funds - used to account for the accumulation of resources and payment of expenses related to specific capital projects. The City has, for Fiscal Year 2006-07, the following Capital Project Funds:

- **City Hall Capital Project Fund:** used to account for payments related to the acquisition and tenant improvements for the new City Hall.
- **City Operations Facility Capital Project Fund:** used to account for payments related to the acquisition and tenant improvements for the new Police facility and Corporation Yard.
- **Public Works Capital Project Fund:** used to account for the various Public Works capital projects.

Debt Service Funds – used to account for the accumulation of resources and payment of long-term debt principal and interest. The City maintains five (5) funds, as follows:

- **City Hall Certificates of Participation (COPs):** used to account for debt service payments on the \$21 million debt issuance that was completed in late FY 2005 to acquire the City Hall facility.
- **City Operations Facility Certificates of Participation (COPs):** used to account for debt service payments on the approximate \$7 million debt issuance that was completed in early FY 2006 to acquire a site for a future police facility and corporation yard.

- **CFD 2003-1 Sunridge Anatolia (Series 2003 and Series 2005):** used to account for debt service payments on an assessment district that issued debt in FY 2004 and FY 2006 to finance infrastructure improvements.
- **CFD 2004-1 Sunridge Park:** used to account for debt service payments on an assessment district that will issue debt in FY 2007 to finance infrastructure improvements. Payment of debt has already begun as a result of the formation of the district in FY 2005.
- **CFD 2005-1 Sunridge North Douglas:** used to account for debt service payments on an assessment district that will issue debt in FY 2007 to finance infrastructure improvements.

Internal Service Funds – used to account for the services that are provided to all departments and is used to accumulate reserves to fund future acquisition and expenses. The City maintains three (3) internal service funds.

- **Insurance Fund:** used to accumulate reserves to fund future litigation and insurance claims that the City may participate in.
- **Vehicle Equipment and Replacement Fund:** used to account for funds that are accumulated to replace vehicle and equipment as needed. Departments that either require vehicles and/or major equipment are charged a fee each year that will provide sufficient funds to replace the vehicle and/or equipment when needed.
- **Technology Enhancement & Replacement Fund:** used to account for funds that are accumulated to replace and/or enhance technology. All departments are charged a fee each year, depending on their level of technology, so that the fund will provide sufficient monies in the future to replace and/or enhance technology.

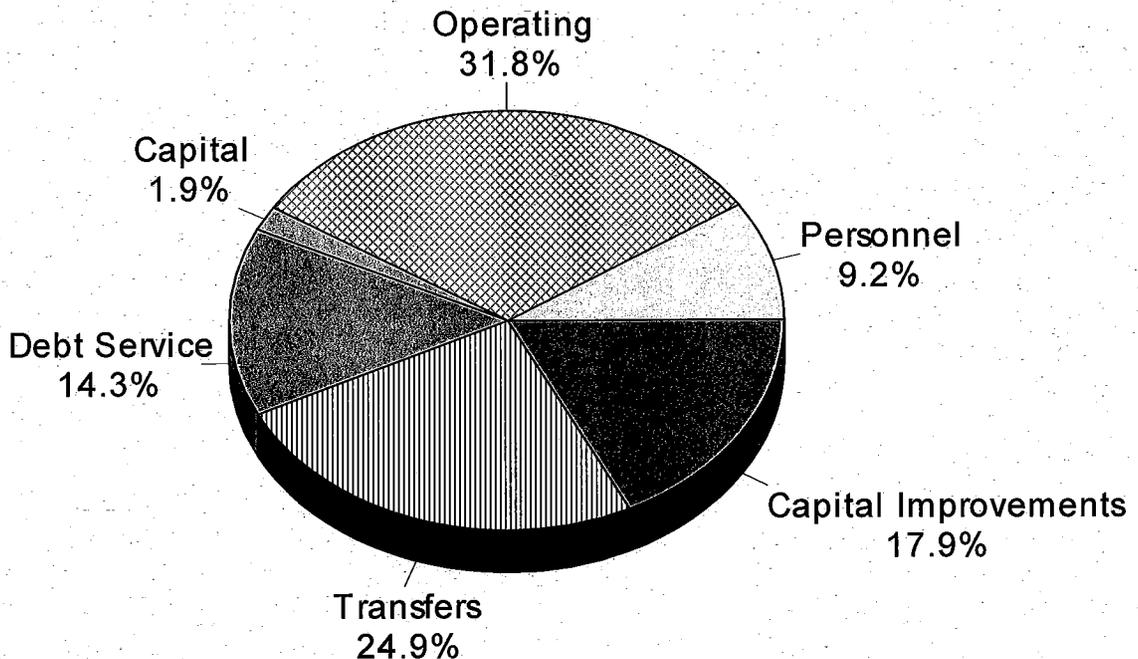
BUDGET SUMMARY

The annual budget for the City of Rancho Cordova is divided into five (5) major components which include all of the appropriations for the City. Those divisions are:

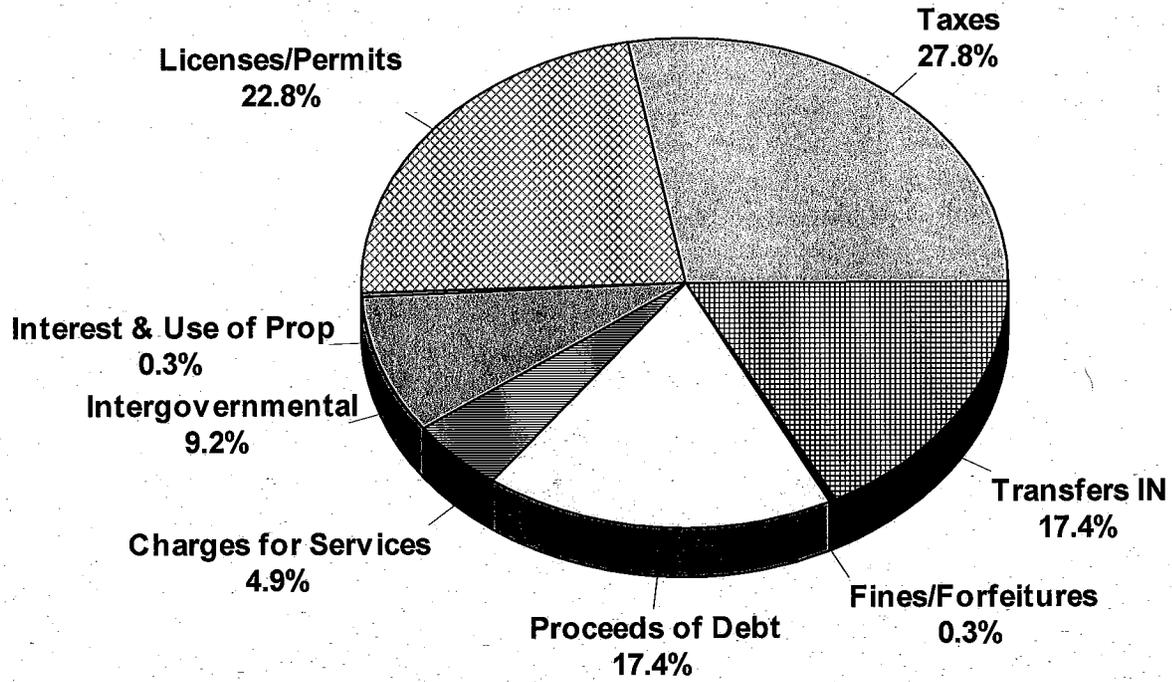
- Salaries and Benefits (Personnel);
- Operating Expenses;
- Capital Outlay;
- Debt Service and
- Transfers Out to other funds

The Personnel section provides salaries and benefits to all of the City's full-time employees. The Operating section finances the day-to-day expenses associated with operating a \$82.09 million dollar corporation. Included in this section are the large contracts that the City has with PMC (Planning), Sacramento County (Police) and Meyers Nave (Legal). The Debt Service component provides the resources to pay for the ongoing debt service of the City. In FY 2007 those debts include, besides Assessment District debt, the debt service on the new City Hall as well as the Kilgore properties. The Capital Project component finances the infrastructure projects that are proposed in this budget. Finally, the Transfers Out provides a means of moving funds between the various funds to finance the ongoing operations of the City. This is a self-balancing component as there is a like amount recognized in the City's revenue base.

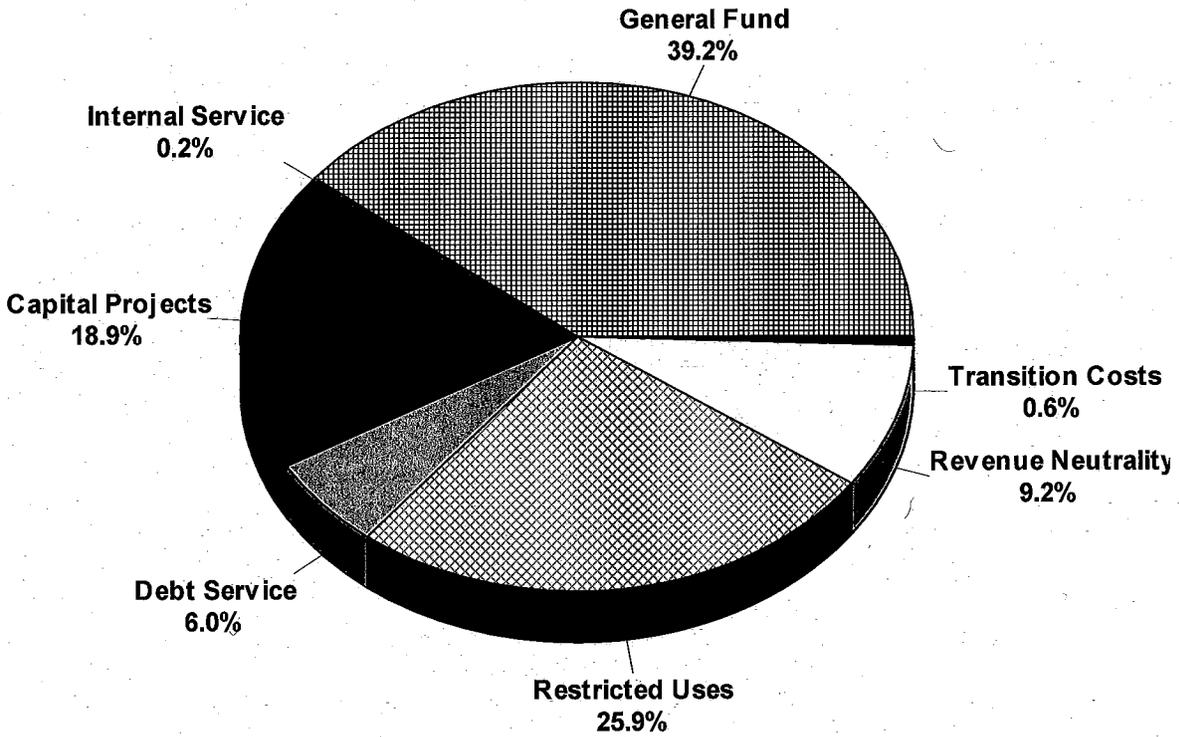
BUDGET SUMMARY



WHERE THE MONEY COMES FROM....



WHERE THE MONEY GOES...



SOURCES AND USES OF FUNDS

	General Fund	Special Revenue	Capital Projects	Debt Service	Internal Service	Total City Funds
Revenues:						
Taxes	\$ 29,916,850	\$ 1,625,000	\$ -	\$ 4,200,000	\$ -	\$ 35,741,850
Licenses & Permits	4,076,300	25,289,550	-	-	-	29,365,850
Fines and Forfeitures	441,000	7,500	-	-	-	448,500
Investment Earnings	279,500	23,250	26,500	40,000	-	369,250
Intergovernmental	1,302,050	10,495,900	-	-	-	11,797,950
Charges for Services/Other Revenues	3,793,700	-	2,550,000	-	-	6,343,700
Total Revenues	39,809,400	37,441,200	2,576,500	4,240,000	-	84,067,100
Other Sources:						
Transfers In	2,376,750	252,900	14,750,000	1,842,100	1,124,200	20,345,950
Proceeds from Debt	-	-	-	22,375,450	-	22,375,450
Total Other Sources	2,376,750	252,900	14,750,000	24,217,550	1,124,200	42,721,400
Total Revenues and Other Sources	42,186,150	37,694,100	17,326,500	28,457,550	1,124,200	126,788,500
Expenditures/Expenses:						
Salaries	4,906,900	250,000	-	-	-	5,156,900
Benefits	2,179,950	-	-	-	-	2,179,950
Operations	23,110,250	3,017,690	-	-	125,000	26,252,940
Capital Outlay	875,500	-	650,000	-	35,000	1,560,500
Capital Improvements	-	-	14,690,000	-	-	14,690,000
Total Expenditures/Expenses	31,072,600	3,267,690	15,340,000	-	160,000	49,840,290
Other Uses:						
Transfers Out	1,120,200	17,992,650	156,250	1,196,850	-	20,465,950
Debt Service Principal & Interest	8,012,850	-	-	3,750,553	-	11,763,403
Total Other Uses	9,133,050	17,992,650	156,250	4,947,403	-	32,229,353
Total Expenditures/Expenses and Other Uses	40,205,650	21,260,340	15,496,250	4,947,403	160,000	82,069,643
Difference	1,980,500	16,433,760	1,830,250	23,510,147	964,200	44,718,857
Beginning Fund Balance	14,846,075	31,055,093	2,728,210	17,950,317	175,000	66,754,695
Ending Fund Balance	\$ 16,826,575	\$ 47,488,853	\$ 4,558,460	\$ 41,460,464	\$ 1,139,200	\$ 111,473,552

FUND SUMMARIES

Fund Description	Beginning Balance July 1, 2005	Estimated Revenues	Estimated Expenditures	Transfers In/(Out) Net	Estimated Fund Balance June 30, 2006
General Fund	\$ 14,619,856	\$ 35,749,738	\$ 33,301,922	\$ (2,221,597)	14,846,075
Special Revenue Funds:					
Gas Tax	2,396,183	1,180,250	173,516	(129,000)	3,273,917
Measure A	-	2,737,137	1,300,000	(149,000)	1,288,137
Proposition 42	-	275,000	-	-	275,000
Housing Impact - Low & Moderate	149,820	95,000	-	-	244,820
CDBG	-	784,000	566,300	-	217,700
Asset Forfeiture	9,315	10,000	-	-	19,315
Abandoned Vehicles	-	-	-	-	-
Environmental Impact Fee	606,387	-	20,000	-	586,387
Landscape & Lighting 2005-1	(12,489)	424,400	21,000	-	390,911
Road Maintenance	-	43,700	-	-	43,700
Community Services District #10	-	-	-	-	-
General Plan Impact	(753,149)	175,000	720,000	-	(1,298,149)
Park Renovation Fees	633,487	684,500	-	(65,779)	1,252,208
Sunrise-Douglas Impact	11,142,505	576,000	45,000	(10,000)	11,663,505
Villages of Zinfandel Impact	216,862	283,500	250	(1,000)	499,112
Traffic Mitigation Impact	4,348,763	6,916,000	138,000	(120,000)	11,006,763
Community Facilities Fees	3,511,338	5,000	-	(1,498,450)	2,017,888
State Grants	64,151	294,367	19,917	(274,467)	64,134
Federal Grants	6,119	99,776	-	(99,776)	6,119
Housing Fund - 20% Set Aside	-	-	-	-	-
Redevelopment Agency	(46,374)	-	450,000	-	(496,374)
Total Special Revenue Funds	<u>22,272,918</u>	<u>14,583,630</u>	<u>3,453,983</u>	<u>(2,347,472)</u>	<u>31,055,093</u>
Capital Projects Funds					
City Hall Capital Project	-	230,760	7,000,000	6,800,000	30,760
Kilgore Capital Project	-	-	75,000	800,000	725,000
Public Works Capital Projects	-	-	-	1,972,450	1,972,450
Total Capital Projects Funds	<u>-</u>	<u>230,760</u>	<u>7,075,000</u>	<u>9,572,450</u>	<u>2,728,210</u>
Debt Service Funds:					
City Hall COP	8,079,750	627,511	1,279,500	(5,523,150)	1,904,611
City Operations Facility COP	-	6,349,070	6,171,600	371,600	549,070
CFD 2003-1 Sunridge Anatolia (Series 2003)	-	2,700,000	1,406,950	(112,261)	1,180,789
CFD 2003-1 Sunridge Anatolia (Series 2005)	-	14,355,417	-	(13,190)	14,342,227
CFD 2004-1 Sunridge Park	-	-	-	(26,380)	(26,380)
CFD 2005-1 Sunridge North Douglas	-	-	-	-	-
Total Debt Service Funds	<u>8,079,750</u>	<u>24,031,998</u>	<u>8,858,050</u>	<u>(5,303,381)</u>	<u>17,950,317</u>
Internal Service Funds:					
Insurance Fund	-	-	125,000	300,000	175,000
Vehicle & Equipment Replacement Fund	-	-	-	-	-
Technology Enhancement & Repl. Fund	-	-	-	-	-
Total Internal Service Funds	<u>-</u>	<u>-</u>	<u>125,000</u>	<u>300,000</u>	<u>175,000</u>
Total - All City Funds	<u>\$ 44,972,524</u>	<u>\$ 74,596,126</u>	<u>\$ 52,813,955</u>	<u>\$ -</u>	<u>\$ 66,754,695</u>

FISCAL YEAR 2005 - 2006

FUND SUMMARIES (Continued)

Fund Description	Beginning Balance July 1, 2006	Estimated Revenues	Estimated Expenditures	Transfers In/(Out) Net	Estimated Fund Balance June 30, 2007
General Fund	\$ 14,846,075	\$ 39,809,400	\$ 39,085,450	\$ 1,256,550	16,826,575
Special Revenue Funds:					
Gas Tax	3,273,917	1,300,250	-	(3,062,550)	1,511,617
Measure A	1,288,137	2,757,100	1,490,000	(2,701,100)	(145,863)
Proposition 42	275,000	235,000	-	(400,000)	-
Housing Impact - Low & Moderate	244,820	220,550	-	-	465,370
CDBG	217,700	704,250	563,390	(382,250)	(23,690)
Asset Forfeiture	19,315	5,000	-	-	24,315
Abandoned Vehicles	-	2,500	-	-	2,500
Environmental Impact Fee	586,387	-	20,000	-	566,387
Landscape & Lighting 2005-1	390,911	85,000	-	(130,000)	345,911
Road Maintenance	43,700	25,000	-	(30,000)	38,700
Community Services District #10	-	400,000	-	(85,100)	314,900
General Plan Impact	(1,298,149)	300,000	497,350	-	(1,495,499)
Park Renovation Fees	1,252,208	1,290,000	-	(71,600)	2,470,608
Sunrise-Douglas Impact	11,663,505	11,646,300	57,000	(10,000)	23,242,805
Villages of Zinfandel Impact	499,112	120,400	1,000	(1,000)	617,512
Traffic Mitigation Impact	11,006,763	8,921,000	18,000	(2,314,400)	17,595,363
Community Facilities Fees	2,017,888	4,079,300	-	(3,692,100)	2,405,088
State Grants	64,134	760,250	-	(760,250)	64,134
Federal Grants	6,119	4,589,300	-	(4,236,250)	359,169
Housing Fund - 20% Set Aside	-	-	151,400	151,400	-
Redevelopment Agency	(496,374)	-	469,550	(14,550)	(980,474)
Total Special Revenue Funds	31,055,093	37,441,200	3,267,690	(17,739,750)	47,488,853
Capital Projects Funds					
City Hall Capital Project	30,760	11,500	120,000	120,000	42,260
Kilgore Capital Project	725,000	15,000	650,000	1,800,000	1,890,000
Public Works Capital Projects	1,972,450	2,550,000	14,690,000	12,793,750	2,626,200
Total Capital Projects Funds	2,728,210	2,576,500	15,460,000	14,713,750	4,558,460
Debt Service Funds:					
City Hall COP	1,904,611	26,000	1,276,850	1,156,850	1,810,611
City Operations Facility COP	549,070	14,000	541,350	565,250	586,970
CFD 2003-1 Sunridge Anatolia (Series 2003)	1,180,789	2,700,000	1,406,950	(1,001,850)	1,471,989
CFD 2003-1 Sunridge Anatolia (Series 2005)	14,342,227	1,500,000	525,403	(15,000)	15,301,824
CFD 2004-1 Sunridge Park	(26,380)	13,873,600	-	(32,500)	13,814,720
CFD 2005-1 Sunridge North Douglas	-	8,501,850	-	(27,500)	8,474,350
Total Debt Service Funds	17,950,317	26,615,450	3,750,553	645,250	41,460,464
Internal Service Funds:					
Insurance Fund	175,000	-	125,000	332,950	382,950
Vehicle & Equipment Replacement Fund	-	-	-	333,500	333,500
Technology Enhancement & Repl. Fund	-	-	35,000	457,750	422,750
Total Internal Service Funds	175,000	-	160,000	1,124,200	1,139,200
Total - All City Funds	\$ 66,754,695	\$ 106,442,550	\$ 61,723,693	\$ -	\$ 111,473,552

FISCAL YEAR 2006 - 2007

GENERAL FUND REVENUE DETAIL

Description	2004 Actual	2005 Actual	2006 Budget	Total Estimated	FY 2007 Adopted
Property Taxes - Secured - Current	\$ 5,314,534	\$ 6,802,440	\$ 5,905,800	\$ 6,387,507	\$ 7,219,700
Property Taxes - Unsecured - Current	-	-	-	255,430	263,100
Property Taxes - Supplemental	-	-	-	546,011	562,400
Property Taxes - Secured/Unsecured - Prior	-	-	-	113,374	116,800
Property Taxes - Motor Vehicle In-Lieu	-	-	2,941,200	4,518,669	4,600,000
Sub-Total Property Taxes	5,314,534	6,802,440	8,847,000	11,820,991	12,762,000
Sales Tax	8,281,085	9,603,899	9,600,000	8,697,944	8,915,400
Sales Tax in Lieu	-	-	-	2,176,138	2,230,550
Sub-Total Sales Tax	8,281,085	9,603,899	9,600,000	10,874,082	11,145,950
Transient Occupancy Tax	2,070,645	2,697,012	2,200,000	2,353,105	2,423,700
Utility Users Taxes	1,312,445	1,389,613	1,585,000	1,736,677	1,750,000
Homeowners' Subventions	4,610	114,128	5,400	6,100	6,200
Police Tax	-	-	204,000	188,020	400,000
Property Transfer	278,694	459,334	500,000	650,000	400,000
Sub-Total Other Taxes	3,666,394	4,660,088	4,494,400	4,933,902	4,979,900
Sub-total All Taxes	17,262,013	21,066,427	22,941,400	27,628,975	28,887,850
Metro Cable Franchise Fee	358,158	253,506	233,226	220,000	220,000
Residential Waste Franchise Fee	-	486,598	249,496	307,016	315,000
Commercial Waste Franchise Fee	298,740	-	400,000	380,793	400,000
PG&E Franchise Fee	26,409	54,771	52,000	69,000	69,000
Other Franchise Fee	-	-	-	14,621	25,000
Sub-Total Franchise Fees	683,307	794,875	934,722	991,430	1,029,000
Animal Licenses	38,410	-	37,500	19,181	95,000
Alarm Permits	75,168	-	9,000	8,233	9,000
General Business License	3,107	45,399	85,000	76,142	80,000
Special Business License	-	16,050	-	14,328	15,000
Employee Permits	-	4,350	-	7,447	7,500
Special Events	-	1,196	-	1,000	1,000
Licenses - Other	-	-	-	7,394	8,000
Building Permits	1,321,018	3,498,063	4,826,205	3,103,245	3,705,800
Other Permits	-	-	-	3,581	-
Impact Fees	-	17,448	-	-	-
Planning Fees	49,918	120,119	97,750	2,900	-
City Hall Rental Fees	-	-	-	-	10,000
Street Sweeping Fees	-	59,989	146,858	135,500	145,000
Other Fees	-	60	-	721	-
Sub-total Licenses/Permits/Fees	1,487,621	3,762,673	5,202,313	3,379,673	4,076,300
Traffic Citations	29,391	183,455	177,392	216,750	200,000
Criminal Fines	12,921	0	2,500	10,450	5,000
Parking Fines	110,130	109,940	102,600	158,131	135,000
Commercial Vehicle Code Fines	-	-	90,000	-	46,000
False Alarm Fines	-	-	66,080	22,300	25,000
Code Enforcement Fines	-	9,176	10,000	7,000	10,000
Other Fines	-	-	-	-	20,000
Sub-total Fines & Forfeitures	152,442	302,571	448,572	414,631	441,000
Real Property Leases	-	-	1,112,646	-	229,500
LAIF Investment Earnings	7,384	37,925	20,000	20,000	15,000
CAMP Investment Earnings	-	-	10,000	10,000	-
MBIA Investment Earnings	-	-	-	-	35,000
Other Investment Earnings	-	8,278	-	-	-
Sub-total Use of Money	7,384	46,203	1,142,646	30,000	279,500

GENERAL FUND REVENUE DETAIL (Continued)

Description	2004 Actual	2005 Actual	2006 Budget	Total Estimated	FY 2007 Estimate
Mandated Cost Recovery	-	-	-	-	48,850
MVLF Direct Payments	3,863,040	4,606,840	1,292,000	286,020	320,250
MVLF Hardship	-	-	658,000	792,284	932,950
Intergovernmental Services	-	-	-	-	-
Sub-total Inter/Intra Governmental	3,873,720	4,606,840	2,045,423	1,078,305	1,302,050
CFD Administration Services Cost Recovery	-	-	-	-	-
Legal Cost Recovery	129,472	139,918	300,000	431,339	350,000
Planning Cost Recovery	548,835	2,004,828	1,181,500	1,138,610	2,483,300
Workers' Compensation Cost Recovery	-	17,771	7,500	22,060	23,000
Administrative Cost Recovery	-	-	305,075	272,992	475,100
Public Works Cost Recovery	-	51,894	552,336	250,000	299,000
Sub-total Cost Recovery	678,307	2,214,410	2,346,411	2,115,000	3,630,400
Police - Restitution	-	-	-	-	-
Police - Towing Administration	-	86,229	88,783	78,220	90,000
Police - Towing Rotational	-	1,660	8,900	-	8,900
Police - Towing Other	-	9,075	1,650	1,026	1,650
Other Charges for Services	42,229	396	250	1,640	250
Cash Short/Over	-	-	-	-	-
Debt Proceeds	-	-	-	-	-
Sub-total Other Revenues	47,920	176,199	131,567	111,724	163,300
Transfers In					
Annual Accounting Costs Reimbursements:					
CFF Administrative	-	-	-	50,000	50,000
Park Renovation	-	-	-	30,154	31,350
SD Fee Update	-	-	-	10,000	10,000
Traffic Mitigation Administrative	-	-	-	10,000	10,000
VOZ Administrative	-	-	-	1,000	1,000
Sub-total	-	-	-	101,154	102,350
Gas Tax	-	-	129,000	129,000	10,000
Measure A	-	53,377	149,000	149,000	10,000
Traffic Impact Fees	-	-	110,000	110,000	50,000
Federal Grant (Weed n Seed)	-	-	-	99,776	250,250
State Grant (OTS)	-	-	-	274,467	53,050
Park Development Fees	-	-	35,625	35,625	40,250
CFD Administration	-	-	59,500	59,500	25,000
CFD 2005-1 Administrative Fee	-	-	13,190	13,190	15,000
CFD 2003-1 (Series 1) Admin. Fee	131,306	170,622	52,761	52,761	20,000
CFD 2003 -1 (Series 2) Admin. Fee	-	-	-	-	15,000
CFD 2004-1 Administrative Fee	-	-	26,380	26,380	20,000
Sub-total	131,306	223,999	575,456	949,699	508,550
Gas Tax - CIP Salaries	-	-	-	-	52,550
Measure A - CIP Salaries	-	-	-	-	507,800
Traffic Impact - CIP Salaries	-	-	-	-	654,400
PW State & Federal Grants - CIP Salaries	-	-	-	-	44,200
Special Districts - CIP Salaries	-	-	-	-	95,100
CFD's - CIP Salaries	-	-	-	-	181,850
PW Capital Project - Planning Costs	-	-	-	-	156,250
CDBG for Code Enforcement	-	-	-	-	73,700
Sub-total	-	-	-	-	1,765,850
Sub-total Transfers In	131,306	223,999	575,456	1,050,853	2,376,750
TOTAL GENERAL FUND	\$ 24,324,020	\$ 33,194,196	\$ 35,768,510	\$ 36,800,591	\$ 42,186,150

SPECIAL REVENUE FUNDS – REVENUE SUMMARIES

	FY 2004 Actual	FY 2005 Actual	FY 2006 Budget	FY 2006 Estimated	FY 2007 Adopted
GAS TAX FUND					
Intergovernmental	\$ 1,219,435	\$ 1,340,863	\$ 1,350,000	\$ 1,180,000	\$ 1,300,000
Interest	6,790	13,286	250	250	250
Total	<u>\$ 1,226,225</u>	<u>\$ 1,354,149</u>	<u>\$ 1,350,250</u>	<u>\$ 1,180,250</u>	<u>\$ 1,300,250</u>
MEASURE A					
Intergovernmental	\$ 1,146,719	\$ 1,552,146	\$ 2,449,102	\$ 2,737,137	\$ 2,757,100
Interest	-	448	-	-	-
Transfer In	-	-	-	-	100,000
Total	<u>\$ 1,146,719</u>	<u>\$ 1,552,594</u>	<u>\$ 2,449,102</u>	<u>\$ 2,737,137</u>	<u>\$ 2,857,100</u>
Proposition 42					
Intergovernmental	\$ -	\$ -	\$ -	\$ 275,000	\$ 235,000
Interest	-	-	-	-	-
Total	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 275,000</u>	<u>\$ 235,000</u>
Housing Fund - Very Low Impact					
Licenses/Permits/Fees	\$ 81,069	\$ 67,077	\$ 95,000	\$ 95,000	\$ 220,550
Interest	361	1,313	-	-	-
Total	<u>\$ 81,430</u>	<u>\$ 68,390</u>	<u>\$ 95,000</u>	<u>\$ 95,000</u>	<u>\$ 220,550</u>
CDBG					
Intergovernmental	\$ 10,762	\$ 240,250	\$ 784,000	\$ 784,000	\$ 704,250
Interest	-	-	100	-	-
Total	<u>\$ 10,762</u>	<u>\$ 240,250</u>	<u>\$ 784,100</u>	<u>\$ 784,000</u>	<u>\$ 704,250</u>
Asset Forfeiture					
Fines and Forfeitures	\$ -	\$ 9,235	\$ -	\$ 10,000	\$ 5,000
Interest	-	80	-	-	-
Total	<u>\$ -</u>	<u>\$ 9,315</u>	<u>\$ -</u>	<u>\$ 10,000</u>	<u>\$ 5,000</u>
Abandoned Vehicles					
Fines and Forfeitures	\$ -	\$ -	\$ -	\$ -	\$ 2,500
Interest	-	-	-	-	-
Total	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,500</u>
Environmental Mitigation					
Taxes & Assessments	\$ 467,455	\$ 138,817	\$ 50,000	\$ -	\$ -
Interest	-	5,322	-	-	-
Total	<u>\$ 467,455</u>	<u>\$ 144,139</u>	<u>\$ 50,000</u>	<u>\$ -</u>	<u>\$ -</u>

SPECIAL REVENUE FUNDS – REVENUE SUMMARIES (Continued)

	FY 2004 Actual	FY 2005 Actual	FY 2006 Budget	FY 2006 Estimated	FY 2007 Budget
Landscape & Lighting 2005-1					
Taxes	\$ -	\$ -	\$ 110,000	\$ 83,900	\$ 85,000
Transfer from Sac County	-	-	-	330,000	-
Licenses/Permits/Fees	-	-	-	10,500	-
Interest	-	-	-	-	-
Total	\$ -	\$ -	\$ 110,000	\$ 424,400	\$ 85,000
Road Maintenance Fund					
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses/Permits/Fees	-	-	-	43,700	25,000
Interest	-	-	-	-	-
Total	\$ -	\$ -	\$ -	\$ 43,700	\$ 25,000
Community Service District #10					
Taxes	\$ -	\$ -	\$ -	\$ -	\$ 250,000
Transfer from Sac. County	-	-	-	-	150,000
Licenses/Permits/Fees	-	-	-	-	-
Interest	-	-	-	-	-
Total	\$ -	\$ -	\$ -	\$ -	\$ 400,000
General Plan Impact Fee					
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses/Permits/Fees	-	184,972	131,600	175,000	300,000
Interest	-	-	-	-	-
Total	\$ -	\$ 184,972	\$ 131,600	\$ 175,000	\$ 300,000
Park Renovation Fund					
Taxes	\$ -	\$ -	\$ 950,000	\$ 684,500	\$ 1,290,000
Licenses/Permits/Fees	-	650,338	-	-	-
Interest	-	4,797	-	-	-
Total	\$ -	\$ 655,135	\$ 950,000	\$ 684,500	\$ 1,290,000
Sunrise/Douglas Impact					
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses/Permits/Fees	-	11,087,708	4,142,000	575,000	11,638,800
Interest	-	58,460	3,500	1,000	7,500
Total	\$ -	\$ 11,146,168	\$ 4,145,500	\$ 576,000	\$ 11,646,300
Villages of Zinfandel Impact					
Licenses/Permits/Fees	\$ 37,168	\$ 177,800	\$ 3,145,500	\$ 282,500	\$ 119,400
Interest	-	1,894	2,500	1,000	1,000
Total	\$ 37,168	\$ 179,694	\$ 3,148,000	\$ 283,500	\$ 120,400
Traffic Mitigation Impact					
Licenses/Permits/Fees	\$ 722,694	\$ 3,700,356	\$ 2,200,000	\$ 6,910,000	\$ 8,914,000
Interest	1,493	21,939	1,000	6,000	7,000
Total	\$ 724,187	\$ 3,722,295	\$ 2,201,000	\$ 6,916,000	\$ 8,921,000
Community Fac. Fees					
Licenses/Permits/Fees	\$ -	\$ 3,522,420	\$ 1,501,000	\$ 3,935,850	\$ 4,071,800
Interest	-	27,944	2,500	5,000	7,500
Total	\$ -	\$ 3,550,364	\$ 1,503,500	\$ 3,940,850	\$ 4,079,300

SPECIAL REVENUE FUNDS – REVENUE SUMMARIES (Continued)

	FY 2004 Actual	FY 2005 Actual	FY 2006 Budget	FY 2006 Estimated	FY 2007 Budget
State Grants					
Intergovernmental	-	359,085	342,796	294,367	760,250
Interest	-	-	250	-	-
Total	\$ -	\$ 359,085	\$ 343,046	\$ 294,367	\$ 760,250
Federal Grants					
Intergovernmental	\$ -	\$ 586,795	\$ -	\$ 99,776	\$ 4,589,300
Interest	-	-	-	-	-
Total	\$ -	\$ 586,795	\$ -	\$ 99,776	\$ 4,589,300
Redevelopment Agency					
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-	-
Interest	-	-	-	-	-
Transfer in	-	-	458,141	-	-
Total	\$ -	\$ -	\$ 458,141	\$ -	\$ -
Housing Fund					
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-	-
Interest	-	-	-	-	-
Transfer in	-	-	-	-	152,900
Total	\$ -	\$ -	\$ -	\$ -	\$ 152,900
TOTAL SPECIAL REVENUES					
Taxes	\$ -	\$ -	\$ 1,060,000	\$ 768,400	\$ 1,625,000
Licenses/Permits/Fee	840,931	19,390,671	11,215,100	12,027,550	25,289,550
Intergovernmental	2,376,916	4,079,139	4,925,898	5,370,280	10,345,900
Fines and Forfeitures	-	9,235	-	10,000	7,500
Interest	8,644	135,483	10,100	13,250	23,250
Transfers from Sac. County	-	-	-	330,000	150,000
Transfers In	-	-	458,141	-	252,900
TOTAL	\$ 3,226,491	\$ 23,614,528	\$ 17,669,239	\$ 18,519,480	\$ 37,694,100

CAPITAL PROJECTS FUNDS – REVENUE SUMMARIES

	FY 2004 Actual	FY 2005 Actual	FY 2006 Budget	FY 2006 Estimated	FY 2007 Adopted
City Hall Capital Project					
Interest	\$ -	\$ -	\$ -	\$ 230,760	\$ 11,500
Lease Revenue	-	-	-	-	-
Other Revenues	-	-	-	-	-
Transfers In	-	-	-	6,800,000	120,000
Total	\$ -	\$ -	\$ -	\$ 7,030,760	\$ 131,500
City Operations Facility Capital Project					
Interest	\$ -	\$ -	\$ -	\$ -	\$ 15,000
Other Revenues	-	-	-	-	-
Transfers In	-	-	-	800,000	1,800,000
Total	\$ -	\$ -	\$ -	\$ 800,000	\$ 1,815,000
Public Works Capital Projects					
Other Revenues	\$ -	\$ -	\$ -	\$ -	\$ -
Developer Cost Recovery	-	-	-	-	2,550,000
Transfers In:	-	-	-	-	-
General Fund (FY 2006 Street)	-	-	-	1,972,450	-
Gas Tax	-	-	-	-	3,000,000
Measure A	-	-	-	-	2,283,300
Proposition 42	-	-	-	-	400,000
CDBG	-	-	-	-	167,700
CFD 2003-1	-	-	-	-	800,000
Traffic Impact	-	-	-	-	1,600,000
PW Federal Grants	-	-	-	-	4,139,000
PW State Grants	-	-	-	-	510,000
Special Districts	-	-	-	-	50,000
CFF - Police Facilities	-	-	-	-	1,800,000
Total Transfers In	-	-	-	1,972,450	14,750,000
Totals	\$ -	\$ -	\$ -	\$ 1,972,450	\$ 17,300,000

DEBT SERVICE FUND – REVENUE SUMMARIES

	FY 2004 Actual	FY 2005 Actual	FY 2006 Budget	FY 2006 Estimated	Fy 2007 Adopted
City Hall Certificates of Participation					
Interest	\$ -	\$ -	\$ -	\$ 24,511	\$ 26,000
Debt Proceeds	-	20,579,750	-	-	-
Lease Revenue	-	-	-	603,000	-
Other Revenue	-	-	-	-	-
Transfers In	-	-	1,664,396	1,276,850	1,276,850
Total	\$ -	\$ 20,579,750	\$ 1,664,396	\$ 1,904,361	\$ 1,302,850
City Operations Certificates of Participation					
Interest	\$ -	\$ -	\$ -	\$ 13,750	\$ 14,000
Debt Proceeds	-	-	5,800,000	6,335,320	-
Other Revenue	-	-	-	-	-
Transfers In	-	-	216,000	1,171,600	565,250
Total	\$ -	\$ -	\$ 6,016,000	\$ 7,520,670	\$ 579,250
CFD 2003-1 Sunridge Anatolia (Series 2003)					
Taxes	\$ -	\$ -	\$ 2,603,853	\$ 2,700,000	\$ 2,700,000
Debt Proceeds	23,006,620	-	-	-	-
Transfers In	-	-	-	-	-
Total	\$ 23,006,620	\$ -	\$ 2,603,853	\$ 2,700,000	\$ 2,700,000
CFD 2003-1 Sunridge Anatolia (Series 2005)					
Taxes	\$ -	\$ -	\$ 2,603,853	\$ -	\$ 1,500,000
Debt Proceeds	-	-	-	14,355,417	-
Transfers In	-	-	-	-	-
Total	\$ -	\$ -	\$ 2,603,853	\$ 14,355,417	\$ 1,500,000
CFD 2004-1 Sunridge Park					
Taxes	\$ -	\$ -	\$ 940,690	\$ -	\$ -
Debt Proceeds	-	-	-	-	13,873,600
Transfers In	-	-	-	-	-
Total	\$ -	\$ -	\$ 940,690	\$ -	\$ 13,873,600
CFD 2005-1 Sunridge North Douglas					
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Debt Proceeds	-	-	932,880	-	8,501,850
Transfers In	-	-	-	-	-
Total	\$ -	\$ -	\$ 932,880	\$ -	\$ 8,501,850
Total Debt Service					
Taxes	\$ -	\$ -	\$ 6,148,396	\$ 2,700,000	\$ 4,200,000
Interest	-	-	-	38,261	40,000
Lease Revenue	-	-	-	637,146	-
Other Revenue	-	-	-	-	-
Debt Proceeds	23,006,620	20,579,750	6,732,880	20,690,737	22,375,450
Transfers In	-	-	1,880,396	2,448,450	1,842,100
Total	\$ 23,006,620	\$ 20,579,750	\$ 14,761,672	\$ 26,514,594	\$ 28,457,550

INTERNAL SERVICE FUNDS – REVENUE SUMMARIES

	FY 2004 Actual	FY 2005 Actual	FY 2006 Budget	FY 2006 Estimated	FY 2007 Adopted
Insurance Fund					
Interest Earnings	\$ -	\$ -	\$ -	\$ -	\$ -
Refunds/Reimbursements	-	-	-	-	-
Transfers In	-	-	300,000	300,000	332,950
Total	\$ -	\$ -	\$ 300,000	\$ 300,000	\$ 332,950
Vehicle & Equipment Replacement Fund					
Interest Earnings	\$ -	\$ -	\$ -	\$ -	\$ -
Refunds/Reimbursements	-	-	-	-	-
Transfers In	-	-	-	-	333,500
Total	\$ -	\$ -	\$ -	\$ -	\$ 333,500
Technology Enhancement & Replacement Fund					
Interest Earnings	\$ -	\$ -	\$ -	\$ -	\$ -
Refunds/Reimbursements	-	-	-	-	-
Transfers In	-	-	-	-	457,750
Total	\$ -	\$ -	\$ -	\$ -	\$ 457,750
Total Internal Service Funds					
Interest Earnings	\$ -	\$ -	\$ -	\$ -	\$ -
Refunds/Reimbursements	-	-	-	-	-
Transfers In	-	-	300,000	300,000	1,124,200
Total	\$ -	\$ -	\$ 300,000	\$ 300,000	\$ 1,124,200

GENERAL FUND EXPENDITURE SUMMARY

	FY 2004 Actual	FY 2005 Actual	FY 2006 Budget	FY 2006 Est. Actual	FY 2007 Adopted
Legislative:					
City Council	\$ 70,221	\$ 75,375	\$ 133,802	\$ 112,308	\$ 302,000
Boards & Commissions	877	15,634	58,400	113,042	338,200
City Attorney	803,815	967,067	709,400	1,000,000	930,500
City Clerk	209,547	376,072	567,008	438,684	617,800
Elections	-	-	-	-	37,700
Total Legislative	1,084,460	1,434,148	1,468,610	1,664,034	2,226,200
General Government:					
City Manager	405,263	497,813	797,571	720,984	948,550
Administrative Support	-	-	335,473	313,065	391,600
Public Information Office	-	-	-	-	422,050
Human Resources	67,215	61,170	190,600	143,402	371,400
Financial Services	-	-	-	-	446,700
Accounting	148,260	433,972	779,151	577,659	650,800
Information Technology	-	195,000	1,291,750	977,070	749,200
Risk Management	-	-	110,750	123,976	167,500
Total General Government	620,738	1,187,955	3,505,295	2,856,157	4,147,800
Public Safety:					
Police	8,303,675	11,843,953	13,265,780	12,845,497	14,300,000
Community Prosecutor	-	96,000	125,000	96,000	107,000
Total Public Safety	8,303,675	11,939,953	13,390,780	12,941,497	14,407,000
Community Development:					
Planning	1,176,125	2,525,996	1,610,921	2,091,377	3,029,300
Building & Safety	1,108,917	1,596,617	2,299,150	2,216,454	2,055,200
Facilities Management	-	-	538,750	180,124	959,450
Economic Development	91,409	200,896	413,689	252,493	476,250
Animal Services	154,572	107,314	576,561	418,971	439,900
Code Enforcement	520,387	580,815	535,960	524,153	676,450
Total Community Development	3,051,410	5,011,638	5,975,031	5,683,572	7,636,550
Public Works	120,888	520,748	996,036	1,153,630	2,682,300
Non-Departmental	1,208,324	903,493	463,500	853,366	-
Total Expenditures	14,389,495	20,997,935	25,799,252	25,152,255	31,099,850
Other Uses:					
Transfers Out	-	397,992	974,896	3,272,450	1,120,200
Debt Service (Transition Costs)	-	423,012	463,012	463,012	435,750
Revenue Neutrality Payment	5,181,738	6,544,089	5,610,509	7,686,655	7,549,850
Total Other Sources	5,181,738	7,365,092	7,048,417	11,422,117	9,105,800
Total Expenditures & Other Uses	\$ 19,571,233	\$ 28,363,027	\$ 32,847,669	\$ 36,574,372	\$ 40,205,650

SPECIAL REVENUE FUNDS – EXPENDITURE SUMMARIES

	FY 2004 Actual	FY 2005 Actual	FY 2006 Budget	FY 2006 Estimated	FY 2007 Budget
GAS TAX FUND					
Salaries and Benefits	\$ -	\$ -	\$ 146,472	\$ 161,516	\$ -
Operating	224,608	85,466	45,044	12,000	-
Capital Outlay	-	-	1,250,000	-	-
Transfers Out	-	-	-	129,000	3,062,550
Total	\$ 224,608	\$ 85,466	\$ 1,441,516	\$ 302,516	\$ 3,062,550
MEASURE A					
Salaries and Benefits	\$ -	\$ -	\$ -	\$ -	\$ -
Operating	1,146,994	1,476,062	1,689,000	1,300,000	1,490,000
Capital Outlay	-	-	-	-	-
Transfers Out	-	-	1,949,000	149,000	2,801,100
Total	\$ 1,146,994	\$ 1,476,062	\$ 3,638,000	\$ 1,449,000	\$ 4,291,100
Proposition 42					
Salaries and Benefits	\$ -	\$ -	\$ -	\$ -	\$ -
Operating	-	-	-	-	-
Capital Outlay	-	-	-	-	-
Transfers Out	-	-	-	-	400,000
Total	\$ -	\$ -	\$ -	\$ -	\$ 400,000
CDBG					
Salaries and Benefits	\$ -	\$ -	\$ -	\$ -	\$ -
Operating	10,762	240,250	566,300	566,300	563,390
Capital Outlay	-	-	-	-	-
Transfers Out	-	-	217,700	-	333,550
Total	\$ 10,762	\$ 240,250	\$ 784,000	\$ 566,300	\$ 896,940
Environmental Mitigation					
Salaries and Benefits	\$ -	\$ -	\$ -	\$ -	\$ -
Operating	-	5,197	-	20,000	20,000
Capital Outlay	-	-	-	-	-
Transfers Out	-	-	-	-	-
Total	\$ -	\$ 5,197	\$ -	\$ 20,000	\$ 20,000
Landscape & Lighting 2005-1					
Salaries and Benefits	\$ -	\$ -	\$ -	\$ -	\$ -
Operating	-	12,489	-	21,000	-
Capital Outlay	-	-	-	-	-
Transfers Out	-	-	-	-	130,000
Total	\$ -	\$ 12,489	\$ -	\$ 21,000	\$ 130,000
Road Maintenance Fund					
Salaries and Benefits	\$ -	\$ -	\$ -	\$ -	\$ -
Operating	-	-	-	-	-
Capital Outlay	-	-	-	-	-
Transfers Out	-	-	-	-	30,000
Total	\$ -	\$ -	\$ -	\$ -	\$ 30,000
Community Service District #10					
Salaries and Benefits	\$ -	\$ -	\$ -	\$ -	\$ -
Operating	-	-	-	-	-
Capital Outlay	-	-	-	-	-
Transfers Out	-	-	-	-	85,100
Total	\$ -	\$ -	\$ -	\$ -	\$ 85,100

SPECIAL REVENUE FUNDS – EXPENDITURE SUMMARIES (Continued)

	FY 2004 Actual	FY 2005 Actual	FY 2006 Budget	FY 2006 Estimated	FY 2007 Budget
General Plan Impact Fee					
Salaries and Benefits	\$ 71,274	\$ -	\$ -	\$ -	\$ -
Operating	93	874,881	756,160	720,000	497,350
Capital Outlay	-	-	-	-	-
Transfers Out	-	-	-	-	-
Total	\$ 71,367	\$ 874,881	\$ 756,160	\$ 720,000	\$ 497,350
Park Renovation Fund					
Salaries and Benefits	\$ -	\$ -	\$ -	\$ -	\$ -
Operating	-	21,648	-	-	-
Capital Outlay	-	-	-	-	-
Transfers Out	-	-	35,625	65,779	71,600
Total	\$ -	\$ 21,648	\$ 35,625	\$ 65,779	\$ 71,600
Sunrise Douglas Impact Fees					
Salaries and Benefits	\$ -	\$ -	\$ -	\$ -	\$ -
Operating	-	10,741	300,000	45,000	57,000
Capital Outlay	-	-	-	-	-
Transfers Out	-	-	600,000	10,000	10,000
Total	\$ -	\$ 10,741	\$ 900,000	\$ 55,000	\$ 67,000
Villages of Zinfandel Impact Fees					
Salaries and Benefits	\$ -	\$ -	\$ -	\$ -	\$ -
Operating	-	-	-	250	1,000
Capital Outlay	-	-	-	-	-
Transfers Out	-	-	200,000	1,000	1,000
Total	\$ -	\$ -	\$ 200,000	\$ 1,250	\$ 2,000
Traffic Mitigation Impact					
Salaries and Benefits	\$ 111,099	\$ -	\$ -	\$ -	\$ -
Operating	-	75,006	75,000	138,000	18,000
Capital Outlay	-	-	-	-	-
Transfers Out	-	-	660,000	120,000	2,314,400
Total	\$ 111,099	\$ 75,006	\$ 735,000	\$ 258,000	\$ 2,332,400
Community Facilities Fees					
Salaries and Benefits	\$ 37,520	\$ -	\$ -	\$ -	\$ -
Operating	-	6,866	-	-	-
Capital Outlay	-	-	-	-	-
Transfers Out	-	-	1,265,000	1,498,450	3,692,100
Total	\$ 37,520	\$ -	\$ 1,265,000	\$ 1,498,450	\$ 3,692,100

SPECIAL REVENUE FUNDS – EXPENDITURE SUMMARIES (Continued)

	FY 2004 Actual	FY 2005 Actual	FY 2006 Budget	FY 2006 Estimated	FY 2007 Budget
Total CFD's					
Salaries and Benefits	\$ -	\$ -	\$ -	\$ -	\$ -
Operating	-	-	-	-	-
Capital Outlay	-	-	-	-	-
Transfers Out	-	-	-	151,831	1,076,850
Total	\$ -	\$ -	\$ -	\$ 151,831	\$ 1,076,850
State and Federal Grants					
Salaries and Benefits	\$ -	\$ 101,984	\$ 233,552	\$ -	\$ -
Operating	-	548,962	81,654	19,917	-
Capital Outlay	-	-	7,923	-	-
Transfers Out	-	-	-	374,243	4,996,500
Total	\$ -	\$ 650,946	\$ 323,129	\$ 394,160	\$ 4,996,500
Housing					
Salaries and Benefits	\$ -	\$ -	\$ 65,712	\$ -	\$ -
Operating	-	-	31,130	-	-
Capital Outlay	-	-	-	-	-
Transfers Out	-	-	-	-	1,500
Total	\$ -	\$ -	\$ 96,842	\$ -	\$ 1,500
Redevelopment Agency					
Salaries and Benefits	\$ -	\$ -	\$ 50,000	\$ -	\$ -
Operating	-	46,374	-	-	-
Capital Outlay	-	-	400,000	-	-
Transfers Out	-	-	-	-	2,500
Total	\$ -	\$ 46,374	\$ 450,000	\$ -	\$ 2,500
TOTAL SPECIAL REVENUES					
Salaries and Benefits	\$ 219,893	\$ 101,984	\$ 495,736	\$ 161,516	\$ -
Operating	1,382,457	3,403,942	3,544,288	2,842,467	2,646,740
Capital Outlay	-	-	1,657,923	-	-
Transfers Out	-	-	4,927,325	2,499,303	19,008,750
TOTAL	\$ 1,602,350	\$ 3,505,926	\$ 10,625,272	\$ 5,503,286	\$ 21,655,490

CAPITAL PROJECTS FUNDS – EXPENDITURE SUMMARIES

	FY 2004 Actual	FY 2005 Actual	FY 2006 Budget	FY 2006 Estimated	FY 2007 Adopted
City Hall Capital Project					
Salaries and Benefits	\$ -	\$ -	\$ -	\$ -	\$ -
Operating	-	152,882	-	-	-
Capital Outlay	-	245,110	-	7,000,000	120,000
Transfers Out	-	-	-	-	-
Total	\$ -	\$ 397,992	\$ -	\$ 7,000,000	\$ 120,000

	FY 2004 Actual	FY 2005 Actual	FY 2006 Budget	FY 2006 Estimated	FY 2007 Budget
City Operations Facility Capital Project					
Salaries and Benefits	\$ -	\$ -	\$ -	\$ -	\$ -
Operating	-	38,922	-	-	-
Capital Outlay	-	-	-	75,000	650,000
Transfers Out	-	-	-	-	-
Total	\$ -	\$ 38,922	\$ -	\$ 75,000	\$ 650,000

	FY 2004 Actual	FY 2005 Actual	FY 2006 Budget	FY 2006 Estimated	FY 2007 Budget
Public Works Capital Projects					
Capital Projects	\$ -	\$ -	\$ -	\$ -	\$ 14,690,000
Transfers Out	-	-	-	-	156,250
Total	\$ -	\$ -	\$ -	\$ -	\$ 14,846,250

	FY 2004 Actual	FY 2005 Actual	FY 2006 Budget	FY 2006 Estimated	FY 2007 Budget
Capital Projects Total					
Salaries and Benefits	\$ -	\$ -	\$ -	\$ -	\$ -
Operating	-	191,804	-	-	-
Capital Outlay	-	245,110	-	7,075,000	770,000
Capital Projects	-	-	-	-	14,690,000
Transfers Out	-	-	-	-	156,250
Total	\$ -	\$ 436,914	\$ -	\$ 7,075,000	\$ 15,616,250

DEBT SERVICE FUNDS – EXPENDITURE SUMMARIES

	FY 2004 Actual	FY 2005 Actual	FY 2006 Budget	FY 2006 Estimated	FY 2007 Adopted
City Hall Certificates of Participation					
Debt Service - Principal	\$ -	\$ -	\$ -	\$ 720,000	\$ 380,000
Debt Service - Interest	-	-	-	559,500	896,850
Capital	-	12,500,000	-	-	-
Transfers Out	-	-	1,664,396	6,800,000	120,000
Total	\$ -	\$ 12,500,000	\$ 1,664,396	\$ 8,079,500	\$ 1,396,850

	FY 2004 Actual	FY 2005 Actual	FY 2006 Budget	FY 2006 Estimated	FY 2007 Budget
City Operations Certificates of Participation					
Debt Service - Principal	\$ -	\$ -	\$ -	\$ -	\$ 240,000
Debt Service - Interest	-	-	-	171,600	301,350
Capital	-	-	5,800,000	6,000,000	-
Transfers Out	-	-	216,000	800,000	-
Total	\$ -	\$ -	\$ 6,016,000	\$ 6,971,600	\$ 541,350

	FY 2004 Actual	FY 2005 Actual	FY 2006 Budget	FY 2006 Estimated	FY 2007 Budget
CFD 2003-1 Sunridge Anatolia (Series 2003)					
Debt Service - Principal	\$ -	\$ -	\$ 2,603,853	\$ 1,406,950	\$ 1,406,950
Debt Service - Interest	-	-	-	-	-
Capital	-	-	-	-	-
Transfers Out	-	-	112,261	112,261	1,001,850
Total	\$ -	\$ -	\$ 2,716,114	\$ 1,519,211	\$ 2,408,800

	FY 2004 Actual	FY 2005 Actual	FY 2006 Budget	FY 2006 Estimated	FY 2007 Budget
CFD 2003-1 Sunridge Anatolia (Series 2005)					
Debt Service - Principal	\$ -	\$ -	\$ -	\$ -	\$ 525,403
Debt Service - Interest	-	-	-	-	-
Capital	-	-	-	-	-
Transfers Out	-	-	-	13,190	15,000
Total	\$ -	\$ -	\$ -	\$ 13,190	\$ 540,403

	FY 2004 Actual	FY 2005 Actual	FY 2006 Budget	FY 2006 Estimated	FY 2007 Budget
CFD 2004-1 Sunridge Park					
Debt Service - Principal	\$ -	\$ -	\$ 940,690	\$ -	\$ -
Debt Service - Interest	-	-	-	-	-
Capital	-	-	-	-	-
Transfers Out	-	-	-	26,380	32,500
Total	\$ -	\$ -	\$ 940,690	\$ 26,380	\$ 32,500

	FY 2004 Actual	FY 2005 Actual	FY 2006 Budget	FY 2006 Estimated	FY 2007 Budget
CFD 2005-1 Sunridge North Douglas					
Debt Service - Principal	\$ -	\$ -	\$ 932,880	\$ -	\$ -
Debt Service - Interest	-	-	-	-	-
Capital	-	-	-	-	-
Transfers Out	-	-	-	-	27,500
Total	\$ -	\$ -	\$ 932,880	\$ -	\$ 27,500

	FY 2004 Actual	FY 2005 Actual	FY 2006 Budget	FY 2006 Estimated	FY 2007 Budget
Total Debt Service					
Debt Service - Principal	\$ -	\$ -	\$ 4,477,423	\$ 2,126,950	\$ 2,552,353
Debt Service - Interest	-	-	-	731,100	1,198,200
Capital	-	12,500,000	5,800,000	6,000,000	-
Transfers Out	-	-	1,992,657	7,751,831	1,196,850
Total	\$ -	\$ 12,500,000	\$ 12,270,080	\$ 16,609,881	\$ 4,947,403

INTERNAL SERVICE FUNDS – EXPENDITURE SUMMARIES

	FY 2004 Actual	FY 2005 Actual	FY 2006 Budget	FY 2006 Estimated	FY 2007 Adopted
Insurance Fund					
Consultants - Other	\$ -	\$ -	\$ -	\$ -	\$ -
Legal	-	-	-	100,000	100,000
Claims	-	-	-	25,000	25,000
Insurance	-	-	-	-	-
Transfers Out	-	-	-	-	-
Total	\$ -	\$ -	\$ -	\$ 125,000	\$ 125,000
	FY 2004 Actual	FY 2005 Actual	FY 2006 Budget	FY 2006 Estimated	FY 2007 Budget
Vehicle & Equipment Replacement Fund					
Equipment	\$ -	\$ -	\$ -	\$ -	\$ -
Capital Outlay	-	-	-	-	-
Transfers Out	-	-	-	-	-
Total	\$ -	\$ -	\$ -	\$ -	\$ -
	FY 2004 Actual	FY 2005 Actual	FY 2006 Budget	FY 2006 Estimated	FY 2007 Budget
Technology Enhancement & Replacement Fund					
Equipment	\$ -	\$ -	\$ -	\$ -	\$ 35,000
Capital Outlay	-	-	-	-	-
Transfers Out	-	-	-	-	-
Total	\$ -	\$ -	\$ -	\$ -	\$ 35,000
Internal Service Funds - Total					
Consultants - Other	\$ -	\$ -	\$ -	\$ -	\$ -
Legal	-	-	-	100,000	100,000
Claims	-	-	-	25,000	25,000
Insurance	-	-	-	-	-
Equipment	-	-	-	-	35,000
Capital Outlay	-	-	-	-	-
Transfers Out	-	-	-	-	-
Total	\$ -	\$ -	\$ -	\$ 125,000	\$ 160,000

GENERAL FUND SUMMARY

	FY 2004 Actual	FY 2005 Actual	FY 2006 Budget	FY 2006 Est. Actual	FY 2007 Adopted
Revenues:					
Taxes	\$ 17,945,320	\$ 21,861,302	\$ 23,876,122	\$ 28,620,405	\$ 29,916,850
Licenses & Permits	1,487,621	3,762,673	5,202,313	3,379,673	4,076,300
Fines & Forfeitures	152,442	302,571	448,572	414,631	441,000
Investments/Use of Property	7,384	46,203	1,142,646	30,000	279,500
Intergovernmental	3,873,720	4,606,840	2,045,423	1,078,305	1,302,050
Charges for Services	678,307	2,214,410	2,346,411	2,115,000	3,630,400
Other Revenue	47,920	176,199	131,567	111,724	163,300
Total Revenues	24,192,714	32,970,198	35,193,054	35,749,738	39,809,400
Other Sources:					
Transfers In	131,306	223,999	575,456	1,050,853	2,376,750
Proceeds from Long-Term Debt	2,115,059	-	-	-	-
Total Revenues & Other Sources	26,439,079	33,194,196	35,768,510	36,800,591	42,186,150
Expenditures:					
Legislative:					
City Council	70,221	75,375	133,802	112,308	302,000
Boards & Commissions	877	15,634	58,400	113,042	338,200
City Attorney	803,815	967,067	709,400	1,000,000	930,500
City Clerk	209,547	376,072	567,008	438,684	617,800
Elections	-	-	-	-	37,700
Total Legislative	1,084,460	1,434,148	1,468,610	1,664,034	2,226,200
General Government:					
City Manager	405,263	497,813	797,571	720,984	948,550
Administrative Support	-	-	335,473	313,065	391,600
Public Information Office	-	-	-	-	422,050
Human Resources	67,215	61,170	190,600	143,402	371,400
Financial Services	-	-	-	-	446,700
Accounting	148,260	433,972	779,151	577,659	650,800
Information Technology	-	195,000	1,291,750	977,070	749,200
Risk Management	-	-	110,750	123,976	167,500
Total General Government	620,738	1,187,955	3,505,295	2,856,157	4,147,800
Public Safety:					
Police	8,303,675	11,843,953	13,265,780	12,845,497	14,300,000
Community Prosecutor	-	96,000	125,000	96,000	107,000
Total Public Safety	8,303,675	11,939,953	13,390,780	12,941,497	14,407,000
Community Development:					
Planning	1,176,125	2,525,996	1,610,921	2,091,377	3,029,300
Building & Safety	1,108,917	1,596,617	2,299,150	2,216,454	2,055,200
Facilities Management	-	-	538,750	180,124	959,450
Economic Development	91,409	200,896	413,689	252,493	476,250
Animal Services	154,572	107,314	576,561	418,971	439,900
Code Enforcement	520,387	580,815	535,960	524,153	676,450
Total Community Development	3,051,410	5,011,638	5,975,031	5,683,572	7,636,550
Public Works	120,888	520,748	996,036	1,153,630	2,682,300
Non-Departmental	1,208,324	903,493	463,500	853,366	-
Total Expenditures	14,389,495	20,997,935	25,799,252	25,152,255	31,099,850
Other Uses:					
Transfers Out	-	397,992	974,896	3,272,450	1,120,200
Debt Service (Transition Costs)	-	423,012	463,012	463,012	435,750
Revenue Neutrality Payment	5,181,738	6,544,089	5,610,509	7,686,655	7,549,850
Total Other Sources	5,181,738	7,365,092	7,048,417	11,422,117	9,105,800
Total Expenditures & Other Uses	19,571,233	28,363,027	32,847,669	36,574,372	40,205,650
Surplus/(Deficit)	6,867,846	4,831,169	2,920,841	226,219	1,980,500
Less Increase in Designated for Contingencies					1,705,800
Net Balance					274,700
Beginning Fund Balance	-	6,867,846	11,699,015	14,619,856	14,846,075
Ending Fund Balance	6,867,846	11,699,015	14,619,856	14,846,075	16,826,575
Reserves and Designations:					
Reserved for encumbrances	20,000	142,436	142,436	142,436	142,436
Reserved for prepaids	20,548	1,225,714	1,225,714	1,225,714	1,225,714
Reserved for Debt Service (Transition)	2,115,059	1,692,047	1,692,047	1,692,047	1,692,047
Advances to other funds	-	1,153,149	1,153,149	1,153,149	1,153,149
Designated for contingencies	4,000,000	4,000,000	6,920,828	6,920,828	8,626,628
Total Reserved & Designated	6,155,607	8,213,346	11,134,174	11,134,174	12,839,974
Unreserved Fund Balance	\$ 712,239	\$ 3,485,669	\$ 3,485,682	\$ 3,711,901	\$ 3,986,601

GENERAL FUND EXPENDITURE SUMMARY

The General Fund consists of six sub-units, as follows:

Legislative – Consisting of the City Council, Boards & Commissions, City Attorney, City Clerk and Elections

General Government – Consisting of the City Manager, Public Information Officer, Administrative Support, Human Resources and Finance

Public Safety – Consisting of Police Services and the Community Prosecutor

Community Development – Consisting of Economic Development, Neighborhood Services, Planning, Building and Safety, and Facilities Management

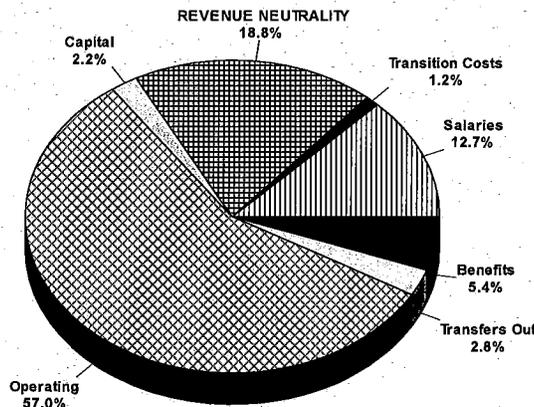
Public Works

Non-Departmental

EXPENDITURES:

	FY 2004 Actual	FY 2005 Actual	FY 2006 Budget	FY 2006 Estimated Actual	FY 2007 Adopted
Salaries	\$ 637,806	\$ 928,667	\$ 2,913,345	\$ 2,027,840	\$ 4,906,900
Benefits	109,176	402,800	1,482,506	875,674	2,179,950
Operating	13,611,380	19,370,362	19,856,900	21,589,980	23,110,250
Capital Outlay	31,133	260,296	1,546,500	658,761	875,500
Transition Costs	-	458,821	463,012	463,012	463,000
REVENUE NEUTRALITY	5,181,738	6,544,089	5,610,509	7,686,655	7,549,850
Transfers Out	-	397,992	974,896	3,272,450	1,120,200
TOTALS	\$ 19,571,233	\$ 28,363,027	\$ 32,847,668	\$ 36,574,372	\$ 40,205,650

General Fund Expenditures



LEGISLATIVE SUMMARY

DESCRIPTION

Through the Legislative function, the Mayor and City Council govern the City of Rancho Cordova by enacting and enforcing all laws and regulations concerning municipal affairs, subject to limitations and restrictions of the State constitution. The Council is supported by the City Attorney and the City Clerk and the following Boards and Commissions: Planning Commission, Neighborhood Traffic Safety Committee, and Economic Development Advisory Committee.

PRELIMINARY FISCAL YEAR 2006-2007 BUDGET

	FY 2004 Actual	FY 2005 Actual	FY 2006 Budget	FY 2006 Estimated Actual	FY 2007 Adopted
Salaries	\$ 160,010	\$ 226,512	\$ 258,607	\$ 251,436	\$ 319,050
Benefits	22,485	78,944	97,203	116,296	124,400
Operating	901,965	1,128,693	1,112,800	1,296,302	1,692,750
Capital Outlay	-	-	-	-	90,000
Transfers Out	-	-	-	-	-
TOTALS	\$ 1,084,460	\$ 1,434,148	\$ 1,468,610	\$ 1,664,034	\$ 2,226,200

FUNDING SOURCES:

General Fund -	
Discretionary	\$ 1,851,200
Other Revenues -	
Passports	25,000
Legal Cost	
Recovery	350,000
	\$ 2,226,200

CITY COUNCIL

DESCRIPTION

The City Council consists of five representatives elected at large to four-year overlapping terms. Council Members must be residents of the City. The positions of Mayor and Vice Mayor are chosen by the City Council through policy direction determined by the City Council. The Mayor conducts the Council meetings and represents the City on ceremonial occasions.

The Council is the policy and legislative body of the City and formulates policies in response to the needs, values and interest of the citizens of Rancho Cordova.

The Council hires the City Manager and City Attorney, makes appointments to boards and commissions, and acts to influence local, regional and state policies favorable to the City of Rancho Cordova through various action groups and organizations.

EXPENDITURES:

	FY 2004 Actual	FY 2005 Actual	FY 2006 Budget	FY 2006 Estimated Actual	FY 2007 Adopted
Salaries	\$ 30,000	\$ 30,000	\$ 30,000	\$ 30,000	\$ 30,000
Benefits	3,810	3,455	7,552	8,909	5,750
Operating	36,411	41,920	96,250	73,399	266,250
Capital Outlay	-	-	-	-	-
Transfers Out	-	-	-	-	-
TOTALS	\$ 70,221	\$ 75,375	\$ 133,802	\$ 112,308	\$ 302,000

FUNDING SOURCES:

General Fund -	
Discretionary	\$ 302,000
	<u>\$ 302,000</u>

BOARDS & COMMISSIONS

DESCRIPTION

Boards & Commissions (formerly known as Advisory Boards) provide advice to the City Council.

The Planning Commission was established by ordinance in FY 2003-04. Seven Planning Commissioners were appointed in January 2004. Planning Commissioners make land use decisions consistent with the policies and plans formally adopted by the City Council. They weigh the professional input given in staff reports, environmental impact reports and reports from consultants when making decisions. Planning Commissioners serve four year overlapping terms. The General Plan Advisory Commission (GPAC) served through June 30, 2006 and was disbanded after completion of the General Plan.

In addition, three citizen committees provide input on important issues:

- Neighborhood Traffic Safety (NTS) Committee – The NTS Committee reviews and prioritizes petitions received by residents who wish to have traffic calming measures installed on their street(s). The committee is comprised of three residents and one representative each from the Rancho Cordova Police Department and Sacramento Metropolitan Fire District.
- Economic Development Advisory Committee – This committee is made up of local business owners, commercial brokers, builders, Chamber of Commerce representatives and economic development consultants. The mission of the group is to give feedback on the Economic Development Strategic Plan and to be available for other items of interest such as the economic development element of the General Plan.
- Sister Cities Committee—This committee was formed in late FY 2005-06 to establish a non-profit organization and establish a Sister City relationship in another country. The committee is currently comprised of eight residents and a Council subcommittee.

This budget also includes funding for a grant to the Cordova Community Council to provide a professionally managed umbrella organization for Rancho Cordova non-profits that will include volunteer management, fund-raising and community event support.

EXPENDITURES:

	FY 2004 Actual	FY 2005 Actual	FY 2006 Budget	FY 2006 Estimated Actual	FY 2007 Adopted
Salaries	\$ -	\$ -	\$ 21,000	\$ 14,000	\$ 21,000
Benefits	-	-	-	-	-
Operating	877	15,634	37,400	99,042	317,200
Capital Outlay	-	-	-	-	-
Transfers Out	-	-	-	-	-
TOTALS	<u>\$ 877</u>	<u>\$ 15,634</u>	<u>\$ 58,400</u>	<u>\$ 113,042</u>	<u>\$ 338,200</u>

FUNDING SOURCES:

General Fund -	
Discretionary	\$ 338,200
	<u>\$ 338,200</u>

CITY ATTORNEY

DESCRIPTION

The City Attorney's Office provides legal service, advice, and representation to the Mayor, City Council, City Manager, City departments, and City boards and commissions. The City Attorney works closely with the City Manager and his staff to carry out the Council's goals.

Standard on-going responsibilities of the City Attorney's Office include:

- Serve as General Counsel for other agencies after being formed by the City
- Advocate the City's interest in lawsuits filed against or on behalf of the City, its officers, employees, and agencies in administrative venues, before boards and commissions, and in the state and federal court systems
- Assist in the investigation of claims for damages filed against the City and defends the City's interest when necessary
- Provide legal advice in the areas of finance, land use, personnel, elections, conflicts of interest, and economic development, among others
- Provide legal services such as drafting and reviewing contracts, ordinances, resolutions, and other documents
- Perform legal research
- Provide counsel to and attend meetings of the Council, Planning Commission (as required), and subcommittees (as required)

FISCAL YEAR 2005 – 2006 ACCOMPLISHMENTS

- Wrote agreements and other documents for the purchase and move to the new City Hall
- Provided legal advice to support the issuance of more than three thousand new building permits since incorporation of the City
- Negotiated agreement securing the seven acres/1,000 park standard, avoiding litigation, and improving the relationship of the City to the development community
- Negotiated and wrote agreement with the Park District that will provide over \$1,000,000 from park renovation fees to improve existing parks in the City
- Negotiated and wrote agreement with the Park District that will provide over \$1,000,000 in fees from Capital Village towards construction of the Mather Sports Complex
- Negotiated "5200 Group" agreement to obtain over \$11 million in additional park and traffic funding and allow for additional new development
- Prepared the first redevelopment plan for the City
- Reviewed, processed and prepared to defend the General Plan and General Plan EIR

- Reviewed, processed and prepared to defend the Redevelopment Plan and Redevelopment Plan EIR
- Helped the City adopt a new tobacco licensing program that will prevent the sale of tobacco products to minors
- Wrote ordinance establishing a daytime curfew
- Wrote ordinance prohibiting street racing
- Wrote ordinance maintaining moratorium on medical marijuana dispensaries and establishing zoning prohibition on illegal uses under state and federal law
- Prepared documents for a supplemental community facilities fee for animal control, technology and records retention costs
- Provided legal advice and wrote ordinances and resolutions to finance new City roads, parks and landscaping
- Instrumental in negotiations that increased the police tax by \$150 and the park renovation fee by over \$750 for new development, changes that will generate tens of millions of dollars of additional money for the City
- Improved the quality and readability of City Council agendas by working the City Clerk and recently starting to edit agendas
- Supported City Management Team by attending Council and Department Head retreats, Development Services Team, and Department Head meetings
- Assisted in processing the complex "Preserve" project
- Assisted in transforming the County CSA for landscaping into a new City district

FISCAL YEAR 2006 – 2007 GOALS

- Continue work to resolve revenue neutrality issues and tax transfer audit—Goals #10, 11 & 12
- Continue to prepare municipal code update—Goals #1, 3, 5, 6, 7 & 9
- Assist staff in securing additional funding for roads—Goals #1, 2, 3, 5, 7 & 10
- Complete review, processing and approval of park and open space improvement and maintenance fees—Goals #1, 3, 5 & 7
- Process land use permits, environmental documents and development agreements for over 20,000 new homes, including Rio Del Oro—Goals #1, 3 & 6
- Assist in the refinement of code enforcement ordinances—Goals #1, 3, 5 & 7

- Continue focus on ABC issues with a focus on preventing additional businesses that sell alcohol, and working to reduce the number and visibility of these businesses—Goals #1, 4, 5 & 7
- Continue to support the image of the City and help to connect staff to the residents, attending at least five major City events and speaking at two or more—Goals #1, 3 & 9
- Continue work to annex additional areas to the City—Goals #7, 8, 10, 11 & 12

EXPENDITURES:

	FY 2004 Actual	FY 2005 Actual	FY 2006 Budget	FY 2006 Estimated Actual	FY 2007 Adopted
Salaries	\$ -	\$ -	\$ -	\$ -	\$ -
Benefits	-	-	-	-	-
Operating	803,815	967,067	709,400	1,000,000	930,500
Capital Outlay	-	-	-	-	-
Transfers Out	-	-	-	-	-
TOTALS	<u>\$ 803,815</u>	<u>\$ 967,067</u>	<u>\$ 709,400</u>	<u>\$ 1,000,000</u>	<u>\$ 930,500</u>

FUNDING SOURCES:

General Fund -	
Discretionary	\$ 580,500
Legal Cost	
Recovery	350,000
	<u>\$ 930,500</u>

CITY CLERK

DESCRIPTION

The City Clerk's Office administers elections, verifies legal notice are posted and published, completes the necessary arrangements to ensure effective City Council meetings, and provides for the preservation and protection of the public record.

Standard on-going City Clerk's Office responsibilities include:

- Council Business Records - Manage the agenda process and public notification requirements for the City Council's business meetings. Prepare minutes of the Council meetings and provide opportunities for the public to access the minutes, agendas and Council meeting staff reports. Prepare staff reports, proclamations, notices, resolutions and other official documents. Develop a modern Municipal Code with timely amendments. As the manager of the Council's business records and actions, the City Clerk's Office is uniquely positioned to provide comprehensive information to the community and the internal organization.
- Elections - Manage the election process for the City Council and coordinate activities and requirements with the county elections staff. Notify candidates, City staff, and other officials of their financial and campaign disclosure statement filing requirements.
- Records Management – Oversee the development of a modern records management system for the City. Assist departments in converting all files to a consistent format and management system. Maintain a City-wide records retention schedule for the preservation of necessary, vital and historic documents.
- Claims Administration – Administer the claims process. Receive and process all claims against the City. Work with the Risk Manager in processing claims through investigation to recommended action and notification of the claimant.
- Bid Openings – Administer the bid opening process. Attend and record the opening of bids. Return bid bonds to the unsuccessful bidders.
- Contract Administration – Administer the processing of contracts and agreements. Maintain information on the status of contracts and their associated insurances and provide reports to the departments to aid in the management of active contracts.

FISCAL YEAR 2005 – 2006 ACCOMPLISHMENTS

- Deployed citywide filing classification system to all departments
- Continued the scanning of all vital City records
- Developed electronic offsite storage of vital records for disaster recovery purposes
- Created a Council Meeting procedures brochure for the public

- Assisted in the selection of audio-visual equipment for the Council Chambers in the new City Hall
- Created records storage centers in the new City Hall
- Created an emergency succession plan for Council Members

FISCAL YEAR 2006 – 2007 GOALS

- Implement an Electronic Document Management System — Goals #1 & 3
- Automate the agenda process and create paperless agendas for City staff — Goal #3
- Implement the transition of City records from the County to the City – Goal #3
- Complete codification of the Municipal Code – Goal #3

EXPENDITURES:

	FY 2004 Actual	FY 2005 Actual	FY 2006 Budget	FY 2006 Estimated Actual	FY 2007 Adopted
Salaries	\$ 130,010	\$ 196,512	\$ 207,607	\$ 207,436	\$ 268,050
Benefits	18,675	75,489	89,651	107,387	118,650
Operating	60,862	104,072	269,750	123,861	141,100
Capital Outlay	-	-	-	-	90,000
Transfers Out	-	-	-	-	-
TOTALS	\$ 209,547	\$ 376,072	\$ 567,008	\$ 438,684	\$ 617,800

FUNDING SOURCES:

General Fund -	
Discretionary	\$ 592,800
Other Revenues -	
Passports	25,000
	<u>\$ 617,800</u>

ELECTIONS

DESCRIPTION

Municipal elections are held for the purpose of electing city officers every two years in even numbered years. The city has five directly elected Council Members. The position of Mayor and Vice Mayor are selected from among the Council for one year terms. Full Council terms are four years. Terms are staggered so that two Council seats are voted on during an election year and three seats are voted on two years later. Two Council seats will be voted on in November 2006.

The City will consolidate its election with the statewide election to be held on November 7, 2006. Sacramento County Elections provides election services to the City but the City Clerk's Office is responsible for the overall administration of all municipal elections.

EXPENDITURES:

	FY 2004 Actual	FY 2005 Actual	FY 2006 Budget	FY 2006 Estimated Actual	FY 2007 Adopted
Salaries	\$ -	\$ -	\$ -	\$ -	\$ -
Benefits	-	-	-	-	-
Operating	-	-	-	-	37,700
Capital Outlay	-	-	-	-	-
Transfers Out	-	-	-	-	-
TOTALS	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 37,700</u>

FUNDING SOURCES:

General Fund -	
Discretionary	\$ 37,700
	<u>\$ 37,700</u>

GENERAL GOVERNMENT SUMMARY

DESCRIPTION

Through the General government function, the City Manager implements the policies that are set by the City Council. Additionally, the City Manager acts as the Chief Executive/Administrative Officer of the City and also serves as the Executive Director of the Redevelopment Agency. The City Manager's Office is responsible for the day-to-day administration of the City.

PRELIMINARY FISCAL YEAR 2006-2007 BUDGET

	FY 2004 Actual	FY 2005 Actual	FY 2006 Budget	FY 2006 Estimated Actual	FY 2007 Adopted
Salaries	\$ 367,173	\$ 563,888	\$ 1,055,450	\$ 928,748	\$ 1,730,250
Benefits	60,865	226,925	468,245	345,708	734,400
Operating	192,700	199,289	1,061,600	1,031,701	1,333,000
Capital Outlay	-	197,853	920,000	550,000	350,150
Transfers Out	-	-	300,000	300,000	-
TOTALS	\$ 620,738	\$ 1,187,955	\$ 3,805,295	\$ 3,156,157	\$ 4,147,800

FUNDING SOURCES:

General Fund -	
Discretionary	\$ 3,138,500
Mandated Cost	
Recovery	48,850
Real Property	
Leases	229,500
Interest Earnings	50,000
Business	
Licenses	103,500
Administrative	
Cost Recovery	475,100
Transfers In -	
Cost Recoveries	
from Other	
Funds	<u>102,350</u>
	<u>\$ 4,147,800</u>

CITY MANAGER

DESCRIPTION

The City Manager's role is to manage effectively the resources generated by the citizens and businesses of Rancho Cordova, provide strong administrative leadership and foster successful working relationships between the City Council, the public and the staff.

As the City's Chief Executive Officer, the City Manager and his staff provide leadership to and management for all departments and services. The City Manager is responsible for the enforcement of all laws and City ordinances; appointment of department heads; and submission of the annual budget to the City Council. In addition, the City Manager and his staff recommend policies and programs to the City Council and advocate Council policy and City interests. A significant portion of the City Manager's office time is spent representing the City in local, regional, and statewide venues.

Standard on-going responsibilities of the City Manager's Office include:

- Implements the policies and vision of the City Council
- Supports the Council's policy making role by ensuring that the Council is provided with timely, accurate, and complete information
- Raises the bar of expectations for Rancho Cordova's future
- Drives fiscal performance to exceed citizen expectations
- Provides support, guidance and inspiration to City departments
- Directs research and analysis aimed at increasing the responsiveness of government
- Directs the development of special programs that are aligned with the priorities established by the community and the City Council
- Hires and develops City department heads and staff and ensures work performance
- Provides leadership in solving regional issues and challenges
- Negotiates contracts for the City, such as: police services, street maintenance, solid waste, animal control, code enforcement, planning, building and legal services
- Provides legislative analysis, legislative relations, and coordination of National and California League of Cities events and information sharing
- Provides public education and communicates relevant information to the public, City Council and staff about goals, accomplishments, plans and activities
- Explores state of the art technology solutions for providing services and two-way communication with citizens and businesses within the community

FISCAL YEAR 2005 – 2006 ACCOMPLISHMENTS

- Secured the City's financial health through increased reserves
- Continued to develop close working relationships with Sacramento County, particularly the two new members of the County Board of Supervisors
- Continued to develop close working relationships with local schools, particularly the two new Superintendents of Schools for the Elk Grove Unified School District and the Folsom Cordova Unified School District
- Established a series of Town Hall meetings on various topics at various locations within the community throughout the year, i.e. American River Parkway update, downtown visioning, etc.
- Successfully moved to a new City Hall on January 13, 2006
- Finished the City's first General Plan in an unusually comprehensive manner by June 30, 2006
- Monitored contract services vs. in-house services and continued to off-load or fold-in services as appropriate on an ongoing basis
- Established a plan or proposal for achieving more logical city boundaries by initiating annexation of the SOI "finger" and continued building relationships with both school districts and the Cordova Parks & Recreation Department
- Implemented a Customer Relationship Management (CRM) module to manage and track internal requests and assignments by March 31, 2006
- Implemented a website portal for citizens to access the CRM system through the Internet by June 30, 2006
- Developed a comprehensive planning process for achieving quality growth, including completion of the General Plan Pro Forma
- Continued to identify capital infrastructure needs to build the City and help structure appropriate financing mechanisms such as the Road Fee, etc.
- Established the City's first Redevelopment Agency by March 31, 2006
- Opened the Rancho Cordova Neighborhood Center on April 3, 2006, bringing Code Enforcement and Animal Services into the community
- Adopted Citywide Goals and Objectives by March 31, 2006 for monitoring performance and guiding staff action plans

FISCAL YEAR 2006 – 2007 GOALS

- Increase capacity of the City Manager’s Office with the addition of an Assistant City Manager in order to assist with planning for growth and bring in new revenue—Goals # 7 & 10
- Determine new and entrepreneurial approaches and strategies that result in a re-opening of negotiations that will lead to the repair and restructure of the current revenue neutrality agreement with Sacramento County—Goals #10 & 11
- Actively work to resolve the issue of school district boundaries in order to have Rancho Cordova students attend schools identified as city schools—Goal #11
- Support the City Council in participation and relationship-building with regional agencies, commissions & committees—Goal #12
- Assist in the formation of a citizen’s committee with the goal of establishing ties to at least one Sister City—Goals #1, 7, 8 & 9
- Dedicate and reopen the Kilgore Cemetery restored to its 1800’s heritage—Goals #1 & 7
- Prepare the Kilgore building for use as headquarters of the Rancho Cordova Police Department—Goals #3, 4, 5 & 7

EXPENDITURES:

	FY 2004 Actual	FY 2005 Actual	FY 2006 Budget	FY 2006 Estimated Actual	FY 2007 Adopted
Salaries	\$ 254,511	\$ 280,572	\$ 340,484	\$ 321,734	\$ 509,700
Benefits	42,600	102,563	147,887	105,750	191,600
Operating	108,152	114,678	309,200	293,500	247,250
Capital Outlay	-	-	-	-	-
Transfers Out	-	-	-	-	-
TOTALS	\$ 405,263	\$ 497,813	\$ 797,571	\$ 720,984	\$ 948,550

FUNDING SOURCES:

General Fund -	
Discretionary	\$ 948,550
	<u>\$ 948,550</u>

PUBLIC INFORMATION, EDUCATION & OUTREACH

DESCRIPTION

The City Manager's office has the primary responsibility for public information, education and outreach. This role is fulfilled through written, oral and in-person media and events. It also provides outreach to community organizations, businesses, visitors, and partner agencies.

Standard on-going responsibilities of Public Information, Education and Outreach include:

- Council relations
- Media relations and media outreach
- Emergency response information dissemination
- Event planning, calendaring and execution
- Public education, image building and branding
- Maintenance and distribution of the City logo, promotional items, and portfolio of collateral materials (brochures, flyers)
- Creation and distribution of a City newsletter
- Website design, including functionality and content management
- Strategic communications planning and implementation
- Maintenance of correct information within regional directory listings and creation of directories and resource guides for City of Rancho Cordova contacts
- Coordination of awards nominations
- Preparation of written documents, speeches, reports, presentations, and graphical materials

FISCAL YEAR 2005 – 2006 ACCOMPLISHMENTS

- Communicated relevant information to the public, City Council, media and staff about goals, accomplishments, plans and activities
- Completed the City's first Public Opinion Poll Survey
- Launched the "My City Hall" marketing campaign to communicate information about the New City Hall
- Conducted three successful events announcing the new City Hall including the Grand Opening on April 22, 2006
- Began the process of branding the City to foster a positive image
- Began the implementation of the Customer Relationship Management tool, "My City Hall Online," to allow citizens to request assistance from the City via the web site and be able to track responses to their inquiry

- Sponsored several outreach activities for the benefit of the community and to get the City's message out to the public, 4th of July, Eppie's Great Race, California Capitol Air Show and Kid's Day

FISCAL YEAR 2006 – 2007 GOALS

- Continue development and implementation of branding process followed by consistent marketing effort to promote the brand—Goals #1, 3 & 8
- Increase the level of involvement in community activities which provide marketing opportunities to promote the City's goals and key messages—Goals #1, 5 & 7
- Implement technology solutions for providing better customer service and communications with the public—Goals #1 & 3
- Seek opportunities generated by City departments to promote services and information which are tangible benefits of cityhood. Create a communication priority list and calendar for specific services and programs we want to promote this year—Goals #1, 3, 5 & 7
- Create a crisis communication plan to increase emergency preparedness and information dissemination during a disaster—Goals #3, 5 & 7
- Measure the success of City services and communication efforts via public opinion polling—Goals #1, 3, 5 & 7

EXPENDITURES:

	FY 2004 Actual	FY 2005 Actual	FY 2006 Budget	FY 2006 Estimated Actual	FY 2007 Adopted
Salaries	\$ -	\$ -	\$ -	\$ -	\$ 83,500
Benefits	-	-	-	-	34,500
Operating	-	-	-	-	304,050
Capital Outlay	-	-	-	-	-
Transfers Out	-	-	-	-	-
TOTALS	\$ -	\$ -	\$ -	\$ -	\$ 422,050

FUNDING SOURCES:

General Fund -	
Discretionary	\$ 422,050
	<u>\$ 422,050</u>

HUMAN RESOURCES

DESCRIPTION

Under the management and direction of the City Manager's Office, the Human Resources division plays a major role in the creation of a united team of contract and City employees that provide high quality service to the community. Aside from recruiting, hiring, and retaining talented employees to oversee contract and program responsibilities, the division is also charged with encouraging "sharpening of the saw" by providing training and development opportunities for general and supervisory staff; and ensuring that performance is appropriately rewarded and that employees receive salary and benefits competitive with the marketplace. The mission of Human Resources is to develop a staff and workforce philosophy that embraces the City Council's mission, vision and core values in daily decision-making.

Standard on-going responsibilities include:

- Create job descriptions for City positions and recruit, hire and retain talented employees to oversee contract and program responsibilities
- Provide a "Review and Development" process for evaluating performance and ensuring performance is appropriately rewarded
- Administer the City's benefit program including the contract for the City's health insurance program and retirement program with the California Public Employees Retirement System
- Administer the annual "open enrollment" for health and associated benefits
- Administer the City's deferred compensation program
- Provide training and development opportunities for general and supervisory staff including: skill enhancement training; management and supervisory training, and mandated training (safety and sexual harassment)
- Conduct annual market surveys of City positions and salary ranges and ensure that employees receive salary and benefits competitive with the marketplace
- Administer mandated programs such as the Injury and Illness Prevention Program

FISCAL YEAR 2005 – 2006 ACCOMPLISHMENTS

- Administered recruitment and selection activities
- Administered benefit and retirement programs
- Implemented the Human Resources module of the Hansen software package
- Developed new job descriptions as needed

- Administered quarterly meeting schedule (All Hands meetings)
- Facilitated the Employee Advisory Team
- Developed an internship program
- Revised the Human Resources Manual

FISCAL YEAR 2006 – 2007 GOALS

- Determine if a flexible work schedule for employees would improve customer service for the staff and community – Goals #1 & 3
- Increase the wellness program options – Goal #3

EXPENDITURES:

	FY 2004 Actual	FY 2005 Actual	FY 2006 Budget	FY 2006 Estimated Actual	FY 2007 Adopted
Salaries	\$ -	\$ 4,976	\$ 47,474	\$ 43,585	\$ 127,600
Benefits	-	2,102	22,126	27,637	61,350
Operating	67,215	54,092	121,000	72,179	182,450
Capital Outlay	-	-	-	-	-
Transfers Out	-	-	-	-	-
TOTALS	\$ 67,215	\$ 61,170	\$ 190,600	\$ 143,402	\$ 371,400

FUNDING SOURCES:

General Fund -	
Discretionary	\$ 371,400
	<u>\$ 371,400</u>

ADMINISTRATIVE SUPPORT

DESCRIPTION

The Administrative Support Division provides general administrative and clerical assistance to City departments and the City Manager, including providing front counter receptionist coverage. Several focus areas for this division are coordination of the support staff group and providing general administrative assistance on a variety of projects.

FISCAL YEAR 2005 – 2006 ACCOMPLISHMENTS

- Enhanced the clerical support group skills through monthly meetings/training
- Implemented passport processing service for the City
- Handled the transition to two reception counters
- Managed the Heald Internship Program, which resulted in additional clerical resources for the City

FISCAL YEAR 2006 – 2007 GOALS

- Improve the technical skills of the Customer Service Specialists in the Administrative Support Division to the intermediate level in Word, Excel and PowerPoint—Goal #3
- Develop and reinforce customer service standards through training and goal setting—Goal #1

EXPENDITURES:

	FY 2004 Actual	FY 2005 Actual	FY 2006 Budget	FY 2006 Estimated Actual	FY 2007 Adopted
Salaries	\$ -	\$ -	\$ 215,310	\$ 199,672	\$ 242,300
Benefits	-	-	106,663	96,247	121,700
Operating	-	-	13,500	17,146	27,600
Capital Outlay	-	-	-	-	-
Transfers Out	-	-	-	-	-
TOTALS	\$ -	\$ -	\$ 335,473	\$ 313,065	\$ 391,600

FUNDING SOURCES:

General Fund -	
Discretionary	\$ 391,600
	<u>\$ 391,600</u>

FINANCE

DESCRIPTION

The Finance Department provides valuable and efficient professional financial services to internal and external customers.

On-going standard responsibilities of the Finance Department include:

- Provide financial data and information to the City Manager and the City Council
- Provide general accounting services
- Provide payroll services
- Responsibly invest City funds
- Provide contract administration
- Assist independent auditors in auditing of City accounts
- Collect various revenues on behalf of the City, including Utility Users' Taxes, Transient Occupancy Taxes, and business license fees

The department consists of four divisions – Financial Services, Accounting, Risk Management and Information Technology. The Animal Services function was incubated in the Finance Department and transferred to Neighborhood Services after implementation of the service. Additionally, Facilities Management function was transferred to Building and Safety with the move into the new City Hall.

FISCAL YEAR 2005 – 2006 ACCOMPLISHMENTS

- Completed implementation of city-wide software system for the City's financial reporting system
- Completed preliminary work to bring payroll in-house in early FY 2007
- Hired City cashier and began implementation of bringing cashing in-house that would provide additional cash flow to the City
- Integrated City's existing police tax into Mello-Roos bond financing with the issuance of the second series of Community Facilities District 2003-1 to avoid future erosion of this vital resource for the City
- Created an active investment strategy by establishing working relationships with two portfolio managers
- Completed long-term financial analysis of the City, including a pro-forma income statement that will determine the method in which a City will be built
- Provided quarterly financial reports to the City Council and City staff
- Issued \$6.8 million in Certificates of Participation to finance the acquisition of the Kilgore site which includes a building to house police services in the future, a historic cemetery and significant vacant land that will be used to enhance economic development in a strategic location in the City

- Issued \$14.66 million of Community Facilities District (CFD) bonds to finance infrastructure improvements in the Sunrise-Douglas area
- Hired an interim Assistant Finance Director and an additional Senior Accountant to provide expanded capabilities of the department
- Negotiated a contract with Sacramento County's Human Rights/Fair Housing Commission that will implement the collection of the "apartment door fee" as well as collect business license fees for that business segment
- Issued the City's second Comprehensive Annual Financial Report (FY 2005 CAFR) and received an "unqualified" opinion on the City's accounting structure
- Received an award from the California Society of Municipal Financial Officers for the FY 2005 CAFR
- Completed the FY 2007 Budget for the City and distributed on time in accordance with State law
- Completed a Cost of Service study that has added an additional \$2,513,250 in General Fund revenues in FY 2007
- Maintained the Standard & Poor's Bond Rating at BBB+ through the sound financial policies that are provided as indicated by the "unqualified" opinion that was issued on the City's financial statements

Total Expenditures - Finance Department

	FY 2004 Actual	FY 2005 Actual	FY 2006 Budget	FY 2006 Estimated Actual	FY 2007 Adopted
Salaries	\$ 112,662	\$ 278,340	\$ 452,182	\$ 363,756	\$ 767,150
Benefits	18,265	122,261	191,569	116,074	325,250
Operating	17,333	30,518	617,900	648,875	571,650
Capital Outlay	-	197,853	920,000	550,000	350,150
Transfers Out	-	-	300,000	300,000	-
TOTALS	\$ 148,260	\$ 628,972	\$ 2,481,651	\$ 1,978,706	\$ 2,014,200

FUNDING SOURCES:

General Fund -	
Discretionary	\$ 1,004,900
Mandated Cost	
Recovery	48,850
Real Property	
Leases	229,500
Interest Earnings	50,000
Business	
Licenses	103,500
Administrative	
Cost Recovery	475,100
Transfers In -	
Cost Recoveries	
from Other	
Funds	102,350
	\$ 2,014,200

FINANCIAL SERVICES

Although part of the overall Finance operation, this function will focus its resources on the following tasks:

- Providing high-level analysis of the City's financial position
- Providing timely reports to City management and the City Council
- Provide on-going management of the City's investment portfolio
- Act as the City's financial consultant in matters dealing with issues affecting the financial standing of the City
- Provide management level support to the Accounting, Information Technology and Risk Management

FISCAL YEAR 2006 – 2007 GOALS

- Integrate the General Plan Pro-Forma process into the City's financial analysis process and provide financial impact analysis of development plans for the City Council--Goal #8
- Research and present to the City Council alternative options for the Utility Users Tax--Goal 10
- Research and present to the City Council alternative options for the Business License program--Goal #10
- Research and present to the City Council an expanded Community Facilities District (CFD) policy--Goal #10
- Actively participate in Sacramento County issues affecting the long-term financial health of the City--Goal #11
- Complete a "nexus" study to determine the cost of creating and maintaining the City's General Plan and determine an updated fee to charge developers--Goal #10
- Begin process of relocating the Police Department administrative and operational offices to Kilgore--Goal #3
- Research and provide analysis to the City Manager whether it is financially feasible to re-finance the City Hall COPs--Goal #10
- Lease out the existing space in City buildings to maximize revenue--Goal #10
- Ensure that all goals and objectives of divisions reporting to the Chief Financial Officer are achieved--Goals #3 & 10

EXPENDITURES:

	FY 2004 Actual	FY 2005 Actual	FY 2006 Budget	FY 2006 Estimated Actual	FY 2007 Adopted
Salaries	\$ -	\$ -	\$ -	\$ -	\$ 204,300
Benefits	-	-	-	-	79,000
Operating	-	-	-	-	163,400
Capital Outlay	-	-	-	-	-
Transfers Out	-	-	-	-	-
TOTALS	\$ -	\$ -	\$ -	\$ -	\$ 446,700

FUNDING SOURCES:

General Fund -	
Discretionary	\$ 118,350
Mandated Cost	
Recovery	48,850
Real Property	
Leases	229,500
Interest Earnings	50,000
	<u>\$ 446,700</u>

ACCOUNTING

The Accounting function within the Finance Department provides day-to-day accounting functions for the City. Ongoing standard responsibilities of this function include:

- Payroll services
- Contract administration
- Auditing including the liaison with the outside independent auditors
- Collect various revenues on behalf of the City including Utility Users Taxes, Transient Occupancy Taxes and Business License Fees
- Provide cashiering services
- Provide cost recovery services for the operating departments

FISCAL YEAR 2006 – 2007 GOALS

- Bring payroll function in-house--Goal #10
- Provide a method of an on-line staff time reporting system that is linked to both the payroll and general ledger--Goal #10
- Provide internal, on-line, real-time access to financial information and issue monthly financial reports--Goal #10
- Issue a monthly Treasurer's Report--Goal #10
- Complete an Internal Control Policy--Goal #10
- Complete an Accounting Policies and Procedures Manual in conjunction with the City's financial accounting software system--Goal #10
- Implement a process of recovering all City expenses that are attributable to costs associated with recoverable services--Goal #10

EXPENDITURES:

	FY 2004 Actual	FY 2005 Actual	FY 2006 Budget	FY 2006 Estimated Actual	FY 2007 Adopted
Salaries	\$ 112,662	\$ 278,340	\$ 452,182	\$ 302,601	\$ 406,350
Benefits	18,265	122,261	191,569	101,102	179,700
Operating	17,333	30,518	135,400	173,956	64,750
Capital Outlay	-	2,853	-	-	-
Transfers Out	-	-	-	-	-
TOTALS	\$ 148,260	\$ 433,972	\$ 779,151	\$ 577,659	\$ 650,800

FUNDING SOURCES:

General Fund -	
Discretionary	\$ (30,150)
Business	
Licenses	103,500
Administrative	
Cost Recovery	475,100
Transfers In -	
Cost Recoveries	
from Other	
Funds	102,350
	\$ 650,800

INFORMATION TECHNOLOGY

DESCRIPTION

Information Technology (IT) provides support for the City's computing systems including desktop, network, and other information technology hardware, software, and services; and assists with monitoring and controlling telecommunications costs and configurations.

Standard on-going responsibilities of Information Technology include:

- Provide and manage all support and maintenance for computing resources, the wide area network, Internet connectivity, and all data security
- Provide telephone services on a City-wide basis
- Provide maintenance of computer equipment, networking and software applications and hosted services through contracts with outside vendors/consultants

FISCAL YEAR 2005 – 2006 ACCOMPLISHMENTS

- Completed implementation of city-wide finance software system and continued implementation of a city-wide software system for permitting, public works, and cashiering
- Completed new telephone system for a new City Hall
- Expanded the City's technology capabilities with the creation of an expanded hardware backbone system
- Successfully relocated the City's computer network to the new City Hall including connections with outside contractors

FISCAL YEAR 2006 – 2007 GOALS

- Create a City-wide Technology Strategic Plan to address the long-term planning for technology—Goals #3 & 10
- Establish a City-wide Technology Enhancement and Replacement Fund to provide for continued financial support of technology improvements—Goal #10
- Establish a City-wide policy for the replacement/enhancement of the computer network—Goal #10

EXPENDITURES:

	FY 2004 Actual	FY 2005 Actual	FY 2006 Budget	FY 2006 Estimated Actual	FY 2007 Adopted
Salaries	\$ -	\$ -	\$ -	\$ 61,155	\$ 156,500
Benefits	-	-	-	14,973	66,550
Operating	-	-	371,750	350,943	176,000
Capital Outlay	-	195,000	920,000	550,000	350,150
Transfers Out	-	-	-	-	-
TOTALS	\$ -	\$ 195,000	\$ 1,291,750	\$ 977,070	\$ 749,200

FUNDING SOURCES:

General Fund -	
Discretionary	\$ 749,200
	<u>\$ 749,200</u>

RISK MANAGEMENT

DESCRIPTION

Risk Management administers the City program to minimize harm to the physical, human, and fiscal resources of the City and to minimize the total cost of risk to the City of Rancho Cordova.

Risk Management provides the following services for the City:

- Management of all insurance operations for the City, and review of insurance contract language to ensure the best liability protection for the City
- Coordination of the information flow between the City's insurance adjusters and City personnel
- Advice on loss control and insurance for City management
- Management oversight on all open liability claims which are filed against the City
- Provide oversight of the City's Workers' Compensation program

FISCAL YEAR 2005 – 2006 ACCOMPLISHMENTS

- Maintained the Subrogation Program and recovered costs for the repair or replacement of City assets when a responsible party can be identified
- Explored alternatives to California State Association of Counties (CSAC) among other similar providers
- Establish a policies and procedures to provide comprehensive claim handling and coordination with the City's insurance carriers.

FISCAL YEAR 2006 – 2007 GOALS

- Research and determine the best solution to the City's long-term Workers' Compensation coverage—Goals #3 & 10
- Establish a formal contract for part-time Risk Management services—Goal #10
- Establish active participation in the CSAC users group—Goal #10

EXPENDITURES:

	FY 2004 Actual	FY 2005 Actual	FY 2006 Budget	FY 2006 Estimated Actual	FY 2007 Adopted
Salaries	\$ -	\$ -	\$ -	\$ -	\$ -
Benefits	-	-	-	-	-
Operating	-	-	110,750	123,976	167,500
Capital Outlay	-	-	-	-	-
Transfers Out	-	-	300,000	300,000	-
TOTALS	\$ -	\$ -	\$ 410,750	\$ 423,976	\$ 167,500

FUNDING SOURCES:

General Fund -

Discretionary	\$ 167,500
	<u>\$ 167,500</u>

PUBLIC SAFETY SUMMARY

DESCRIPTION

The Public Safety function is comprised of the budgets for the Rancho Cordova Police Department and the contract services of the Community Prosecutor.

PRELIMINARY FISCAL YEAR 2006-2007 BUDGET

EXPENDITURES:

	FY 2004 Actual	FY 2005 Actual	FY 2006 Budget	FY 2006 Estimated Actual	FY 2007 Adopted
Salaries	\$ -	\$ -	\$ -	\$ -	\$ -
Benefits	-	-	-	-	-
Operating	8,303,675	11,939,953	13,390,780	12,941,497	14,407,000
Capital Outlay	-	-	-	-	-
Transfers Out	-	-	-	-	-
TOTALS	\$ 8,303,675	\$ 11,939,953	\$ 13,390,780	\$ 12,941,497	\$ 14,407,000

FUNDING SOURCES:

General Fund -	
Discretionary	\$ 13,537,650
Alarm Permits	9,000
Traffic Citations	200,000
Criminal Fines	5,000
Parking Fines	135,000
Commercial	
Vehicle Code	
Fines	46,000
False Alarm	
Fines	25,000
Workers' Comp	
Recovery	23,000
Towing	100,550
Transfer In -	
OTS Grant	250,250
Transfer In-	
Weed n' Seed	
Grant	53,050
Police Reports	22,500
	\$ 14,407,000

POLICE DEPARTMENT

DESCRIPTION

The Rancho Cordova Police Department (RCPD) is a community based policing organization and subscribes to a Community Oriented Policing (C.O.P.) philosophy. This philosophy includes a management style and organizational strategy that promotes proactive problem solving and police-community partnerships. There are six major principles that are critical to the Community Oriented Policing philosophy:

- Partnerships
- Accountability
- Empowerment
- Problem Solving
- Service Orientation
- Risk Taking

The department is operated as a shared command police agency with the Sacramento Sheriff's Department and is responsive to the needs of the city residents and businesses. The personnel for the department are obtained through a contract with the Sacramento County Sheriff's Department.

The Rancho Cordova Police Department focuses efforts on producing the following desired outcomes:

- Order and civility in public places
- Reduction of crime and victimization
- Offenders held accountable
- Efficient and effective use of resources (operational and financial)
- Quality service and customer satisfaction

The above outcomes are produced through the following six functional areas:

- Office of the Chief of Police – responsible for effective management and coordination of police services in the community
- Administrative Services Bureau – responsible for training, finance and facility operations and provides the necessary support functions needed to carry out daily operations
- Field Operations Bureau – performs a wide variety of patrol functions, including: responding to life threatening emergencies and in-progress criminal activity, accident investigation and traffic enforcement, addressing quality of life issues in neighborhoods and business districts, and performing peacekeeping activities
- Investigations and Community Services Bureau – includes investigations, problem-oriented policing, school resource officers, volunteer services, traffic enforcement, crime prevention, crime and traffic analysis, and fingerprinting; this includes follow-up investigations on both criminal and traffic related cases; this division also provides traffic enforcement, accident investigation and takes crime reports from the public

- Communications and Records Services – provided by the Sheriff's Technical Services Division, this division is responsible for handling calls-for-service from the community and the dispatching of officers, and provides processing, routing, storage, and retrieval of police reports and citations
- Program Support Services – consists of a menu of fee-for-service support such as major crime investigation, helicopter patrol, canine units, crime scene investigation, SWAT Team, Homeland Security and hazardous material response

Additional standard on-going services provided by the Rancho Cordova Police Department's Rockingham Station include:

- Reports taken (telephone and walk-in)
- Applicant fingerprinting
- Access to the Megan's Law computer
- Crime analysis
- Neighborhood Watch
- Business Watch
- Business security survey
- Vacation house checks
- Crime prevention meetings
- Community meeting room

FISCAL YEAR 2005 – 2006 ACCOMPLISHMENTS

COMMUNITY POLICING

- Formed regional and local partnerships to combat neighborhood issues, including:
 - Homelessness and Vagrancy. Task Force (VTF) resulted in:
 - 172 subjects identified and interviewed
 - 53 camps cleaned and removed
 - 68 arrests for warrants or other criminal activity
 - 49 citations
 - Code violations
 - Vehicle Abatement issues
 - Extreme nuisance residences and commercial property (Nuisance Response Team)
 - Prostitution
 - Narcotic operations and gang activity ("Weed and Seed" Off-Duty Program)
 - Community Prosecutor Program
 - Nuisance letters
 - Legal advisement
 - Direct filing
 - Assist with probation terms
 - Liquor loft program
 - Massage parlors
 - Betty's Kitchen program
 - Hotels and motels
 - Illegal concessions investigations and enforcement

- Formed specialized teams (Patrol, detective, POP, traffic) to combat neighborhood criminal issues.
- Increased the number of Neighborhood Watch Groups to over 100.
- Partnered with the school district on the following programs:
 - Student attendance review boards
 - Truancy programs & home visits
 - Classroom presentations
 - Reading programs and the Ride-To-School Program
 - Innovative program of alternative sentencing ("Weed & Seed")
 - Traffic and safety issues
 - Fire drills
 - Lockdown drills
 - Parent parking issues
 - Critical incident training for the school district
 - Healthy Start Safety Forum
 - Village Project (Federal Grant Program)
- District Emergency Operations Plan Review Committee

CUSTOMER SERVICE

- Assigned POP personnel to the newly reopened RCNC, re-establishing a base in that neighborhood
- Solved long standing telecommunication issues at the Communications Center, nearly eliminating service complaints for this component
- Enhanced service to the public at the Rockingham Service Center:
 - Averaged 200-300 reports per month
 - Averaged up to 1,000 volunteer hours per month
 - Over 50 volunteers and VIPS working out of the Rockingham Station
 - Live Scan fingerprinting services
 - Megan's Law computer access

COMMUNITY OUTREACH

- Participated in numerous community events, including:
 - Kids Day in the Park
 - Annual Fourth of July events
 - California Capital Air Show
 - Safety fairs
 - Safety Town events
 - After school events and carnivals
 - Christmas Toy Project
 - 90-120 Families
 - School based (mostly)
 - Food baskets, computers, bikes
 - Christmas Tree lighting
 - City Hall events (Grand Opening, "Make Your Mark" event)
 - Annual Neighborhood Watch coordinator's picnic
 - National Night Out
 - Cal Expo safety & health fairs
 - Special Olympics Tip-A-Cop Program

- Homeowners and Neighborhood Associations
 - Lincoln Village Neighborhood Association
 - Gold River
 - Rosemont
 - Sunriver
 - Stone Creek
- Pardi-Gras (20-30 Club)
- One Day ABC Licenses

CRIME PREVENTION AND INVESTIGATION

- Decreased crime rate (9% overall, 14% violent crime) over previous year (Calendar years 2005 vs. 2006)
- Initial stages of developing a street gang enforcement team focused on validating known gang members, collection of intelligence and monitoring/enforcing criminal activity
- In the first 8 months of this fiscal year, detectives for Rancho Cordova were assigned 462 cases; 412 cases were cleared, representing a clearance rate of 89%; highest in the region
- Detectives conducted the largest, long-term narcotics operation in the history of Rancho Cordova. Narcotics detectives targeted the blatant drug dealing at the Mills Station Light Rail Station. This 4 month long operation resulted in the identification of 21 suspects. Most suspects have been arrested in the case which was totally funded by the Weed and Seed grant.
- Conducted focused patrol projects in high crime areas to reduce the incidence of property crime as well as gang and drug activity
- Provided input on development projects in regard to crime prevention (CPTED)
- Re-introduced the Business Watch Program to assist businesses related to property crime
- Expanded the Shoplifting Program to assist retailers in combating petty theft

TRAFFIC ENFORCEMENT AND SAFETY

- Continued to develop a robust traffic enforcement unit focusing on DUI, speed enforcement, street racing as well as neighborhood traffic issues
- Reduced fatal collisions in the city from average of six per year to only four since July 1, 2004
- Arrested over 250 DUI drivers
- Investigated over 1,300 collisions
- Issued over 10,000 citations
- Applied for and received \$435,606 in Office of Traffic Safety grant funds for one motor officer, 2 motorcycles, speed measuring equipment and overtime funds for operations
- Received the second year of an OTS grant for \$602,157 which provided two motor officers, two motorcycles, the DUI trailer, radar trailer and other speed measuring equipment (50% of officer's salaries being paid this year, 100% was paid last year)
- Added a Commercial Traffic Enforcement Officer to address traffic safety and enforcement issues related to heavy trucks within the city
- Conducted seven DUI Checkpoints and five DUI saturation patrols
- Participating in regional Avoid the Capital 12 DUI grant; allowed for maximum DUI enforcement over 4th of July holiday
- Participating in regional Dragnet Illegal Street Racing grant from OTS, which pays for

training of officers in illegal vehicle modifications and overtime to enforce illegal street racing

- Applied for and will receive \$50,000 in OTS grant money for "Click it or Ticket" campaign
- Traffic officers taught twice a year in CHS driver's education classes on traffic safety and traffic enforcement
- Participated in National Night Out activities and meet with local community groups

EMERGENCY PREPAREDNESS

- Developing Emergency Operations Plan as a guide to the City in handling emergency response to natural disaster or any large scale emergency
- Participated in the development of the Sacramento County All-Hazards Mitigation Plan as well as operational exercises to prepare for regional emergencies
- Management staff received Incident Management Training by FEMA and the National Fire Academy in preparation for a regional role in managing disasters

INTER-AGENCY COOPERATION AND REGIONAL PARTNERSHIPS

- Partnered with City and County Government on numerous projects:
 - ABC licensing
 - Nightclubs
 - Care homes
 - Ordinance development
 - Homeless and vagrancy
 - Narcotics activity
 - Gang issues
 - Traffic safety, engineering and calming projects
- Established partnerships with regional law enforcement and public service agencies, including:
 - Sacramento Housing and Redevelopment Agency (SHRA)
 - Sacramento Police Department
 - Sacramento Probation Department
 - California Dept of Corrections - Parole
 - Sacramento County and Rancho Cordova Code Enforcement
 - Alcohol Beverage Control
 - County Health
 - Business Licensing
 - County Welfare
 - Department of Human Assistance -DHA
 - Child Protective Services

FISCAL MANAGEMENT

- Came under budget each of the past two years (\$2.4 million)
- Current fiscal year will end well within budget
- Utilized federal and state grants (OTS and Weed and Seed) to offset costs
- Utilizing a shared command for efficiency and cost savings
- Overtime has been effectively managed

- Agreement was negotiated with Sheriff's Department to reduce the cost of specific support services

FISCAL YEAR 2006 – 2007 GOALS

- Complete the Rancho Cordova Emergency Response Plan in an effort to prepare the community for any natural or man-made disaster event –Goal #5
- Collaborate with the City Council and members of the community to continue to develop community-policing principles to be implemented within the city—Goals #1,3,5,7,9 & 12
- Sustain outreach activities to continually educate the public related to public safety issues—Goal #5
- Develop services delivery plan for the expansion of public safety services and activities to new development areas as well as existing areas—Goals #1,3 & 5
- Continue to provide effective traffic enforcement programs to address public safety issues related to the motoring public—Goals #1,3 & 5
- Work with other City departments to establish design standards to prevent public safety problems and issues related to criminal activity, access and traffic—Goals #1,3 & 5
- Relocate police services to the Kilgore building—Goals #1,3 & 5
- Further develop officers to enable them to become more resourceful in addressing neighborhood concerns—Goals #1,3 & 5
- Continue to improve the level of customer service through improved interactions with the community in person, by phone and through the department web site—Goals #1 & 3

EXPENDITURES:

	FY 2004 Actual	FY 2005 Actual	FY 2006 Budget	FY 2006 Estimated Actual	FY 2007 Adopted
Salaries	\$ -	\$ -	\$ -	\$ -	\$ -
Benefits	-	-	-	-	-
Operating	8,303,675	11,843,953	13,265,780	12,845,497	14,300,000
Capital Outlay	-	-	-	-	-
Transfers Out	-	-	-	-	-
TOTALS	\$ 8,303,675	\$ 11,843,953	\$ 13,265,780	\$ 12,845,497	\$ 14,300,000

FUNDING SOURCES:

General Fund -	
Discretionary	\$ 13,430,650
Alarm Permits	9,000
Traffic Citations	200,000
Criminal Fines	5,000
Parking Fines	135,000
Commercial	
Vehicle Code	
Fines	46,000
False Alarm	
Fines	25,000
Workers' Comp	
Recovery	23,000
Towing	100,550
Transfer In -	
OTS Grant	250,250
Transfer In-	
Weed n' Seed	
Grant	53,050
Police Reports	22,500
	\$ 14,300,000

COMMUNITY PROSECUTOR

DESCRIPTION

The Community Prosecutor is an arm of the Sacramento County District Attorney's Office acting as a liaison between the City and the court system. The Community Prosecutor is responsible for representing and ensuring the City's best interests in civil and criminal actions as well as special prosecutions. This individual works closely with City staff, including Code Enforcement staff and the Police Department—Patrol, Detectives, Traffic and Problem Oriented Policing (POP) officers.

EXPENDITURES:

	FY 2004 Actual	FY 2005 Actual	FY 2006 Budget	FY 2006 Estimated Actual	FY 2007 Adopted
Salaries	\$ -	\$ -	\$ -	\$ -	\$ -
Benefits	-	-	-	-	-
Operating	-	96,000	125,000	96,000	107,000
Capital Outlay	-	-	-	-	-
Transfers Out	-	-	-	-	-
TOTALS	<u>\$ -</u>	<u>\$ 96,000</u>	<u>\$ 125,000</u>	<u>\$ 96,000</u>	<u>\$ 107,000</u>

FUNDING SOURCES:

General Fund -	
Discretionary	\$ 107,000
	<u>\$ 107,000</u>

COMMUNITY DEVELOPMENT SUMMARY

DESCRIPTION

The Community Development function Economic Development/Redevelopment, Neighborhood Services (Code Enforcement and Animal Services), Planning, Building and Safety, and Facilities Management.

PRELIMINARY FISCAL YEAR 2006-2007 BUDGET

EXPENDITURES:

	FY 2004 Actual	FY 2005 Actual	FY 2006 Budget	FY 2006 Estimated Actual	FY 2007 Adopted
Salaries	\$ 77,639	\$ 138,268	\$ 1,370,126	\$ 266,159	\$ 1,446,800
Benefits	13,459	53,265	626,684	134,697	653,200
Operating	2,960,312	4,820,106	3,671,720	5,173,955	5,296,200
Capital Outlay	-	-	306,500	108,761	240,350
Transfers Out	-	-	50,000	-	-
TOTALS	\$ 3,051,410	\$ 5,011,638	\$ 6,025,030	\$ 5,683,572	\$ 7,636,550

FUNDING SOURCES:

General Fund -	
Discretionary	\$ 1,002,650
Planning Cost	
Recovery	2,483,300
Transfers In -	
Reimbursements	
from CIP	156,250
Building Permit	
Fees	3,705,800
Code	
Enforcement	
Fines	10,000
Transfer In -	
CDBG	73,700
Animal Licenses	95,000
Other Fines -	
Animals	20,000
City Hall Rental	10,000
	\$ 7,556,700

ECONOMIC DEVELOPMENT

DESCRIPTION

The Economic Development Department is committed to enhancing the economic vitality of Rancho Cordova. Working closely with the private sector and other City departments, Economic Development implements a broad range of strategies designed to strengthen local business and expand the City's economy through the creation and retention of quality jobs, generation of additional tax revenue and improvements to residential and commercial land values. The Economic Development Director also has responsibility for Redevelopment Agency responsibilities and staff and the Housing program (see Special Revenue Funds).

Standard on-going responsibilities of the Economic Development Department include:

- Participating in regional economic development activities and projects
- Identifying and monitoring progress of development projects that provide economic benefit to the City
- Retaining and attracting an appropriate mix of commercial businesses to produce quality jobs and generate tax revenue
- Establishing and maintaining community and prospective business relationships
- Ensuring quality services to the mature part of the City of Rancho Cordova
- Redevelopment of residential and commercial properties

FISCAL YEAR 2005 – 2006 ACCOMPLISHMENTS

- Implemented the City of Rancho Cordova's Economic Development Vision and strategic plan
- Assessed infill and redevelopment opportunities within one-quarter mile of the light rail line and citywide and developed a plan to market infill opportunities
- Developed and marketed real estate opportunities in order to increase sales tax base
- Aggressively sought development of new commercial and retail properties
- Implemented a business retention plan
- Implemented Buxton Community ID Retail Study
- Participated in the General Plan process
- Established integrated, interactive, informative components of the City's website
- Completed the preparatory work for the implementation of the Property Based Improved District (PBID) on Folsom Boulevard
- Attracted large building supplier to area

FISCAL YEAR 2006 – 2007 GOALS

- Create a Community Profile marketing piece--Goals #1 & 8
- Create a Community Data Book for business attraction (site selectors)-- Goals #1 & 8
- Create a Community Profile marketing piece—Goals # 1 & 8
- Install four community event and information signs—Goals #1 & 8
- Complete the City of Rancho Cordova's Economic Strategic Plan—Goals #1 & 8
- Continue to implement the business attraction and business retention programs—Goals #4 & 8
- Develop an infill policy for Folsom Blvd.—Goals #4 & 8
- Develop and market real estate opportunities to increase sales tax base goal—Goals #4, 8 & 10
- Participate in the Folsom Blvd. strategic plan—Goals #4, 7 & 8
- Establish an integrated, interactive, informative web page for the Economic Development Department and Redevelopment Agency—Goals #1 & 8
- Upgrade housing and senior housing for the City of Rancho Cordova--Goal #6

EXPENDITURES:

	FY 2004 Actual	FY 2005 Actual	FY 2006 Budget	FY 2006 Estimated Actual	FY 2007 Adopted
Salaries	\$ 77,639	\$ 92,673	\$ 179,541	\$ 101,067	\$ 189,750
Benefits	13,459	37,811	72,048	36,797	80,300
Operating	311	70,412	162,100	114,628	200,200
Capital Outlay	-	-	-	-	6,000
Transfers Out	-	-	-	-	-
TOTALS	\$ 91,409	\$ 200,896	\$ 413,689	\$ 252,493	\$ 476,250

FUNDING SOURCES:

General Fund -	
Discretionary	\$ 476,250
	<u>\$ 476,250</u>

NEIGHBORHOOD SERVICES

DESCRIPTION

The Neighborhood Services Department was organized in late FY 2005-06 by combining the two divisions of Code Enforcement and Animal Services. All services were physically moved to the Rancho Cordova Neighborhood Center (RCNC). The budget for FY 2006-07 enhances services by providing a single Neighborhood Services Supervisor for both functions, adding field officer resources to Code Enforcement, and converts remaining contract services to City staff.

Code Enforcement

The Code Enforcement Division's "IN-SHAPE" program plays a major role in improving Rancho Cordova's community image. The program includes elements for enforcing violations of the Zoning and Municipal Codes as well as public education and other proactive measures. The major issues addressed by this program are ensuring safe housing and eliminating nuisances that either present a danger to the community or are sources of significant blight.

The City believes that the most successful communities in terms of "quality of life" are those where the residents take an active part and enter into collaborative efforts with their City's programs. The IN-SHAPE program, therefore, emphasizes providing assistance to residents and businesses as well as seeking out the knowledge and creativity of the City's residents to reach new levels of success.

The Code Enforcement Division focuses efforts on producing the following desired outcomes:

- Improved overall community image
- Improved substandard housing conditions through education and abatement
- Abatement of abandoned vehicles
- Improved safety and enhanced visual effects in commercial/industrial districts

The above outcomes are produced through effective execution of the following on-going activities:

- Work collaboratively with the Rancho Cordova Police Department and the community in a Federal "Weed & Seed" grant program designed to improve distressed neighborhoods by moving from "Weeding" (elimination of crime and other threats) to "Seeding" (empowered residents working to improve their quality of life)
- Conduct public outreach and education efforts
- Review, revise and create needed City Codes and Ordinances
- Educate the public on codes and ordinances
- Effectively enforce code compliance

FISCAL YEAR 2005 – 2006 ACCOMPLISHMENTS

- Improved Rancho Cordova's community image by increasing enforcement of both interior and exterior housing conductions, through community meetings, proactive contacts and successful enforcement
- Eliminated visual blight and reduce havens for criminal activity by refining enforcement efforts for abandoned commercial or industrial properties, especially derelict buildings
- Identified and established relationships with community partners that partnered with the City by providing services to their neighborhoods including clean-ups, meeting opportunities, information sharing and other creative activities
- Continued ongoing efforts to improve coordination of response and services with the Rancho Cordova Police Department for more effective joint responses to vagrancy, dumping, business violations, and substandard housing
- Continued to work on reducing the time from opening to closing of a case
- Improved nuisance control by working closely with the City Attorney to revise the current Nuisance Abatement Ordinance (RCMC 16.18.401) including better clarification of violations, inclusion of problems not currently addressed, and streamlined enforcement procedures

FISCAL YEAR 2006 – 2007 GOALS

- Leverage the opportunity presented by our new office in the Rancho Cordova Neighborhood Center into increased one-on-one community contacts—Goals #1, 3, 5, 6, 7 & 9
- Continue community meetings and public awareness of code enforcement issues through interaction with local neighborhood associations—Goals #1, 3, 6 & 9
- Increase housing inspections 100 percent from 250 to 500 inspections—Goals #1, 3, 5 & 6
- Implement technological solutions to increase efficiency in caseload management and individual inspections through use of the City's customer relationship management (CRM) system--Goals #3 & 6
- Increase staffing by at least one code enforcement field officer--Goals #1, 3, 5, 6 & 7
- Promote and conduct at least three Neighborhood Cleanup Days with the assistance of the Weed and Seed Program volunteers--Goals #1, 5, 7 & 9
- Continue to work with the Community Prosecutor to implement solutions to long-standing nuisances and blights—Goals #1 & 5, 6 & 7
- Increase enforcement of all applicable municipal codes in commercial zones to create a safer and more comfortable environment for our citizens—Goals #1, 3, 5, 6 & 7
- Work with other departments and City entities to establish an effective and fair Administrative Hearing process to adjudicate serious Municipal Code violations—Goals #3, 5, 6, 7 & 10

EXPENDITURES:

	FY 2004 Actual	FY 2005 Actual	FY 2006 Budget	FY 2006 Estimated Actual	FY 2007 Adopted
Salaries	\$ -	\$ -	\$ -	\$ -	\$ 378,600
Benefits	-	-	-	-	158,000
Operating	520,387	580,815	460,960	524,153	64,850
Capital Outlay	-	-	75,000	-	75,000
Transfers Out	-	-	-	-	-
TOTALS	\$ 520,387	\$ 580,815	\$ 535,960	\$ 524,153	\$ 676,450

FUNDING SOURCES:

General Fund -	
Discretionary	\$ 512,900
Code	
Enforcement	
Fines	10,000
Transfer In -	
CDBG	73,700
	<u>\$ 596,600</u>

Animal Services

Animal Services ensures the protection, promotion of respect for, and the enhancement of, the well being of all animals in our community. Previous contract services have been brought in-house with City employees.

Standard on-going responsibilities of Animal Services include:

- Enforcing all animal-related local, state and federal laws
- Investigating animal cruelty and neglect
- Educating the community about humane care and treatment of animals

FISCAL YEAR 2005 – 2006 ACCOMPLISHMENTS

- Completed negotiations with the SPCA and the City of Elk Grove to collaborate on how best to address Animal Control issues
- Increased presence of animal control enforcement in Rancho Cordova with one full-time Animal Control Officer, for a total of two field officers
- Established an Animal Services Office within the Rancho Cordova Neighborhood Center and provided pet licenses

FISCAL YEAR 2006 – 2007 GOALS

- Animal Services will continue to ensure the protection and promotion of, respect for, and the enhancement of the well-being of all animals in our community—Goals #3, 5 & 9
- Animal Services will strive for community compliance of federal, state and local laws—Goal #9
- Animal Services will provide a professional level of service along with promoting responsible pet ownership—Goals #5, 7 & 9

EXPENDITURES:

	FY 2004 Actual	FY 2005 Actual	FY 2006 Budget	FY 2006 Estimated Actual	FY 2007 Adopted
Salaries	\$ -	\$ -	\$ 148,752	\$ 29,597	\$ 139,800
Benefits	-	-	92,320	6,041	71,500
Operating	154,572	107,314	230,489	274,572	221,100
Capital Outlay	-	-	105,000	108,761	7,500
Transfers Out	-	-	-	-	-
TOTALS	\$ 154,572	\$ 107,314	\$ 576,561	\$ 418,971	\$ 439,900

FUNDING SOURCES:

General Fund - Discretionary	\$ 324,900
Animal Licenses	95,000
Other Fines - Animals	20,000
	\$ 439,900

PLANNING

DESCRIPTION

To ensure a well planned, attractive and sustainable community and to respond to the needs of the community, the Planning Department provides a broad array of current planning, advance planning and environmental review services pursuant to City Council direction, development applications and state law. The department also supports the Planning Commission and provides technical support to other City departments.

The Planning Department focuses efforts on producing the following desired outcomes:

- Positive community image that promotes community investment and enhancement
- Clear policies, standards and guidelines for building a Destination City
- New neighborhoods that provide a positive sense of place
- Existing neighborhoods that are more attractive and desirable
- Balanced housing choices that serve the community and support economic development
- Thoughtful integration of residential, commercial and employment uses that creates a vibrant community
- Community design that promotes bicycle, pedestrian and transit circulation
- Recognition of City as a Regional Leader
- Protection of the environment, natural resources and wildlife

The above outcomes are produced through the following six major functions:

Advance Planning – Taking the lead in advance planning projects that guide development activities in Rancho Cordova toward the Council and citizen vision.

General Plan Implementation – Implementation of the General Plan. As the City nears adoption of its first General Plan, staff efforts will shift toward putting the provisions of the General Plan into action.

Current Planning – Providing Planning and Environmental expertise to effectively and efficiently process development applications and to implement the City Council's vision and policies for the physical form of urban development.

Environmental Review – Providing a full range of services related to complying with state and federal environmental laws. Environmental services have been integrated into the ongoing activities of the Planning Department. When warranted, additional consultant resources are obtained to augment staff resources.

Regional Coordination – Providing ongoing representation to numerous regional organizations to provide regional coordination and regional leadership support.

Support to City Departments – Providing technical support for various City efforts. Utilizing technical resources, including the City's GIS project files, graphic support capabilities and other resources, the Planning Department provides support to all City departments and department managers.

FISCAL YEAR 2005 – 2006 ACCOMPLISHMENTS

General Plan:

- General Plan EIR was completed and circulated for public review
- Draft General Plan is nearing completion and is moving forward to City Council adoption by June 2006

Design Guidelines:

- Completed Comprehensive Community Design Guidelines
- Presented Guidelines for City Council adoption in September 2005

Continued to Process Major Projects:

- The Preserve at Sunridge (Council action anticipated in 2005)
- East Properties of Sunridge Specific Plan (Council action anticipated in 2005-06)
- Rio del Oro (Council action anticipated in 2006)
- Suncreek Specific Plan (Council action anticipated in 2006)
- Westborough Specific Plan (Council action anticipated in 2007)

Annexation of City's Sphere of Influence:

- Completed Draft Master Services Element
- Completed Draft SPA document to establish zoning for areas to be annexed
- Determined CEQA approach – will tier off of the General Plan EIR
- Anticipate LAFCo application following certification of the General Plan EIR

Redevelopment Agency/District:

- Completed Redevelopment District EIR
- Provided technical support to formation of Redevelopment Agency/District

Folsom Boulevard:

- Initiated Folsom Boulevard Specific Plan
- Conducted variety of public outreach, economic analysis and design efforts

Provided Excellent Services to the Community and City Departments:

- Provided responsive and easily accessible service to the public
- Continued to refine City procedures for project reviews
- Provided timely and defensible CEQA reviews for projects within the City
- Provided timely and accurate technical support to City departments

Addressed Mitigation Issues Associated with Biological Resources:

- Continued to participate within the South Sacramento County HCP
- Initiated preparation of a City Swainson's Hawk Ordinance
- Coordinated environmental clearance and permitting issues at the both individual project level and citywide

Parks and Open Space Standards:

- Participated in City/CRPD/BIA Settlement Negotiation – established program to meet the City Council's stated goals for parks and open space
- Prepared Draft Open Space Performance Standards – document to be revised in response to Settlement Negotiations

Community Outreach:

- Conducted community workshops and focused interest group meetings for Planning efforts on the General Plan, Housing, Swainson's Hawk, Folsom Boulevard and American River Parkway
- UC Davis Presentation, November 2005; ULI Presentation, January 2006; NPR radio interview, March 2006; print coverage in Builder Magazine, Business Journal and Sacramento Bee

Supported Cordova Recreation and Park District (CRPD):

- Served as liaison department between City and CRPD
- Provided technical support to CRPD and prepared recommendations on parks issues for City Council
- Coordinated with CRPD on review and development of park designs within proposed development projects

Planning Commission/City Council Training:

- Conducted North Bay Area Downtown Tour with City Council and the Planning Commission
- Conducted informal study sessions on projects under review to consider major project issues and allow Council/Commission interaction
- Attended with League of Cities Planners Institute with the Planning Commission

Regional Participation:

- Continued to participate in regional forums, with emphasis on the American River Parkway Plan, the South Sacramento County HCP, the Folsom South Canal Trail, and the Elk Grove/Rancho Cordova/El Dorado Hills Connector Road

FISCAL YEAR 2006 – 2007 GOALS

General Plan Implementation:

- Initiate a Comprehensive Update of the Zoning Code – anticipate completion of this effort in late 2007
- Finalize the City's Open Space Performance Standards
- Update the City's Design Guidelines consistent with the new General Plan
- Support circulation planning efforts, including the Pedestrian and Bicycle Master Plan and the Transit Master Plan
- Goals #1, 2, 4, 6, 7, 8 & 11

Annexation/Sphere of Influence Expansion:

- Complete LAFCo Annexation Application (Summer 2006)
- Support City Manager in Annexation negotiations
- Provide technical support and process management for Annexation
- Goal #11

Support City Redevelopment Efforts:

- Complete and begin implementation of the Folsom Boulevard Specific Plan
- Develop Incentives Programs to support and encourage Redevelopment
- Begin preparation of the Rancho Cordova Downtown Specific Plan
- Provide technical support to the Economic Development Director as needed
- Goals #1, 4, 5, 6, 7 & 8

Provide Excellent Services to the Community and City Departments:

- Provided responsive and easily accessible service to the public
- Identify and implement strategies to reduce delays in processing applications
- Provide timely and defensible CEQA reviews for projects within the City
- Continue to provide responsive and accurate technical support to City departments
- Goals #1, 3 & 8

Continue to Process Major Development Projects:

- Rio del Oro (Council action anticipated in 2006)
- Suncreek Specific Plan (Council action anticipated in 2007)
- Westborough Specific Plan (Council action anticipated in 2007)
- Goals #1, 2, 5, 6, 7 & 8

Support Cordova Recreation and Park District (CRPD):

- Serve as liaison department between City and CRPD
- Adopt formal City standards for park land dedication and park improvements, including related park fee schedules
- Coordinate with CRPD on review and development of park designs within proposed development projects
- Goals #1 & 7

Address Mitigation Issues Associated with Biological Resources:

- Participate within the South Sacramento County HCP
- Prepare for adoption a Swainson's Hawk mitigation ordinance
- Facilitate responsive action on required permits with the federal, state and local permitting agencies
- Goals #7 & 12

Community Outreach:

- Conduct community outreach on key community issues, including public workshops and focused working sessions with the public, involved agencies and involved organizations
- Participate in at least three presentations within the region to highlight Rancho Cordova's accomplishments
- Goals #1, 3, 8, 9 & 12

Regional Participation:

- Continue to participate in regional forums, with emphasis on the American River Parkway Plan, the South Sacramento County HCP, the Folsom South Canal Trail, and the Elk Grove/Rancho Cordova/El Dorado Hills Connector Road
- Goals #1, 2, 7, 8 & 12

Planning Commission/City Council Training:

- Conduct at least one tour of innovative development projects with the City Council and the Planning Commission
- Conduct informal study sessions on projects under review to consider major project issues and allow Council/Commission interaction
- Attend with Commission at least one major training conference
- Goals #2, 4, 6, 7 & 8

EXPENDITURES:

	FY 2004 Actual	FY 2005 Actual	FY 2006 Budget	FY 2006 Estimated Actual	FY 2007 Adopted
Salaries	\$ -	\$ -	\$ 505,176	\$ -	\$ -
Benefits	-	-	221,595	-	-
Operating	1,176,125	2,525,996	884,150	2,091,377	3,029,300
Capital Outlay	-	-	-	-	-
Transfers Out	-	-	-	-	-
TOTALS	\$ 1,176,125	\$ 2,525,996	\$ 1,610,921	\$ 2,091,377	\$ 3,029,300

FUNDING SOURCES:

General Fund - Discretionary	\$ 389,750
Planning Cost	
Recovery	2,483,300
Transfers In - Reimbursements from CIP	156,250
	\$ 3,029,300

BUILDING AND SAFETY

DESCRIPTION

The Building and Safety Department ensures that private construction within the City of Rancho Cordova meets state and local standards for safety, accessibility, energy conservation and storm water pollution prevention.

Standard on-going responsibilities of the Building and Safety Department include:

- Issuing building permits
- Inspecting buildings to conformance with safety codes
- Public education on building code, building safety, energy conservation, and other relevant topics
- Investigating complaints of work without permits and non-compliant occupancy

FISCAL YEAR 2005 – 2006 ACCOMPLISHMENTS

- Provided City Hall project management and contract administration
- Maintained next-day inspections with increased workload
- Moved into a new City Hall, started up a new “one-stop” counter by January 17, 2006
- Performed residential inspections within two (2) hours of customer requested times for all but production homes
- Started up four residential subdivisions
- Hired additional city staff in office and field
- Added three contracts to provide flexibility and capacity
- Initiated electronic recordkeeping of Certificate of Occupancies by April 15, 2006
- Initiated a process of confirming inspection schedules and assignments with residential superintendents by e-mail every day to let them know the name and phone number of the inspector doing their inspections that day
- Moved the Fire Marshal's office into City Hall
- Enhanced enforcement of new Energy and Electrical codes through education and training
- Improved the quality of homes constructed through better communication, procedures and relationships with production homebuilders

- Moved Certificate of Occupancy and aperture card permit archives to City Hall from the County by October 1, 2005
- Initiated a requirement for the production home design engineers to walk through the two structural inspections on model homes and provide needed subsequent plan revisions
- Initiated a requirement for water pipe sizing and schematics to be plan reviewed to avoid field problems
- Revised the Partial Permit policy to allow an enlarged scope of work on partial permits

FISCAL YEAR 2006 – 2007 GOALS

- Finish upgrade and go live with a new Hansen Permit software solution by December 1, 2006--Goals #1, 3, 5, 10 & 12
- Implement a web-based solution to allow customers to apply for simple permits and pay for permits on-line by March 1, 2007--Goals #1, 3 & 10
- Implement a Hansen mobile solution to allow inspectors to record and document inspections in real-time by March 1, 2006--Goals #1, 3, 5, 6 & 10
- Perform plan reviews within an average turn-around time of target timelines--Goals #1 & 3
- Reduce unresolved violations cases by 50% by June 1, 2007--Goals #1, 6 & 9
- Establish and implement an electronic file storage and retrieval system by June 1, 2007--Goals #3 & 10

EXPENDITURES:

	FY 2004 Actual	FY 2005 Actual	FY 2006 Budget	FY 2006 Estimated Actual	FY 2007 Adopted
Salaries	\$ -	\$ 45,594	\$ 536,657	\$ 108,630	\$ 630,050
Benefits	-	15,454	240,721	77,867	291,100
Operating	1,108,917	1,535,569	1,395,271	2,029,958	1,134,050
Capital Outlay	-	-	126,500	-	-
Transfers Out	-	-	-	-	-
TOTALS	\$ 1,108,917	\$ 1,596,617	\$ 2,299,149	\$ 2,216,454	\$ 2,055,200

FUNDING SOURCES:

General Fund -	
Discretionary	\$ (1,650,600)
Building Permit	
Fees	3,705,800
	<u>\$ 2,055,200</u>

FACILITIES MANAGEMENT

DESCRIPTION

Facilities management is responsible for all mechanical, custodial and related repairs and maintenance to City facilities. The buildings served by Facilities Management include all buildings on the City Hall property and the Kilgore property, and to a limited extent, the City services housed at the Rancho Cordova Neighborhood Center (RCNC).

Facilities Management provides the following services for the City:

- Management of the maintenance of facilities and grounds through contract services
- Meets requests for maintenance and supplies

FISCAL YEAR 2005 – 2006 ACCOMPLISHMENTS

- Transitioned and facilitated the move to a new City Hall property by Jan 17, 2006
- Carried project management and contract administration for the new City Hall construction through April 1, 2006
- Coordinated all existing service contracts in the Prospect Park and Kilgore facilities
- Hired a Facilities Manager by Jan 15, 2006
- Established a policy on renting community rooms by June 30, 2006
- Leased office space to the Rancho Cordova Chamber of Commerce
- Negotiated a buy-out for Cingular Wireless, a lessee of the new City Hall
- Moved staff to the RCNC by April 2006

FISCAL YEAR 2006 – 2007 GOALS

- Transition contracts from Real Estate Management contracts to the City of Rancho Cordova --Goal #10
- Take over the Kilgore Cemetery after rehabilitation--Goals #1, 3 & 12
- Provide a system for taking and tracking requests for services at City facilities--Goals #3 & 10

EXPENDITURES:

	FY 2004 Actual	FY 2005 Actual	FY 2006 Budget	FY 2006 Estimated Actual	FY 2007 Adopted
Salaries	\$ -	\$ -	\$ -	\$ 26,866	\$ 108,600
Benefits	-	-	-	13,992	52,300
Operating	-	-	538,750	139,266	646,700
Capital Outlay	-	-	-	-	151,850
Transfers Out	-	-	50,000	-	-
TOTALS	\$ -	\$ -	\$ 588,750	\$ 180,124	\$ 959,450

FUNDING SOURCES:

General Fund -	
Discretionary	\$ 949,450
City Hall Rental	
Fees	10,000
	\$ 959,450

PUBLIC WORKS

DESCRIPTION

The Department of Public Works provides quality services that will safeguard public health, safety and welfare, and ensure a higher quality of life for our citizens by facilitating or providing plan review and development services, Capital Improvement Plan (CIP) development, construction management and inspection, infrastructure financing and special projects.

Standard on-going responsibilities of the Department of Public Works include:

- Construction, repair and maintenance of all City streets, sidewalks, street lights, traffic signals and landscaping
- Street sweeping
- Graffiti removal
- Engineering and project management services for Capital Improvement Projects and permits
- Issuance of street use and encroachment permits
- Regulating the work of utilities and contractors in the public right-of-way
- Construction and maintenance of City facilities
- Refuse collection
- Water and wastewater services
- Storm water and drainage management

FISCAL YEAR 2005 – 2006 ACCOMPLISHMENTS

- Secured Agreements with Sacramento County for transfer of Funds collected by the County prior to cityhood, such as:
 - Roadway Impact Fee: \$2.7 Million
 - Traffic Impact Fee for Villages of Zinfandel: \$350,000
 - Landscape Maintenance District: \$250,000
 - CSA10 (County Service Area for Transit Services): \$150,000
- Participated in the roundtable discussions and contributed to the team in negotiating the settlement of 5,200 unit final maps for Sunridge, which will result in \$5.6 Million for the City's Traffic Mitigation Fund

- Awarded construction contract for Road Rehabilitation Project: Lincoln Village Drive, Old Placerville Road, White Rock Road
- Secured construction funding for Mather Interchange Landscaping Project, with contract awarded on June 19, 2006
- Completed construction of sidewalk repair and ADA Compliance ramps at 30 locations throughout the city
- Implemented the first phase of the Neighborhood Traffic Management Program
- Awarded contract for installation of new street name signs for the entire city
- Completed the Circulation Element of General Plan
- Implemented a Comprehensive Citywide Traffic Impact Fee Program
- Initiated the LAFCO process for bringing CSA10 (County Service Area for Transit Services) under City control
- Brought County Landscape Maintenance District under City control
- Formed Citywide Lighting and Landscape District
- Completed forming Citywide Road Assessment Districts for new developments by June 19, 2006
- Implemented Community Financing Districts for new developments
- Completed design for the Folsom Boulevard Beautification Project
- Developed the City's long term Capital Improvement Plan (CIP)
- Implemented Improvement Plans consistent with the City's CIP
- Completed design and construction phasing strategy for road improvement projects associated with new developments
- Completed long term road maintenance priority and funding strategy
- Implemented computerized asset management and customer service programs
- Developed street design guidelines
- Continued active participation in design development for the Elk Grove/ El Dorado County connector road
- Implemented franchise agreements with commercial solid waste haulers

FISCAL YEAR 2006 – 2007 GOALS

- Transition development plan review services and construction management services from the County to the City—Goals #2, 3 & 10
- Implement franchise agreements with private water purveyors in the city—Goals #7 & 10
- Award construction contract for Folsom Boulevard Beautification Project (Phase I)—Goals #1, 2, 4, 7 & 8
- Develop agreement with Sacramento County for using portions of the Mather Financing District Funds for several City transportation projects—Goals #2, 10 & 12

- Initiate environmental and design work for Zinfandel Road Extension Project—Goals #1, 2 & 7
- Initiate environmental and design work for Douglas Road Extension Project—Goals #1, 2 & 7
- Initiate environmental and design work for the International Drive connection to Sunrise Boulevard—Goals #1, 2 & 7
- Initiate environmental and design work for Improvements at Sunrise and Jackson Road intersection—Goals #1, 2 & 7
- Bring CSA10 completely under City control—Goal #10
- Complete the Streetscape Master Plan for Folsom Boulevard—Goals #1, 2 & 7
- Continue active participation in design development for the Elk Grove/EI Dorado County connector road—Goal #2
- Complete the Transit Master Plan—Goal #2
- Complete the street design guidelines—Goals #1 & 2
- Complete the Pedestrian and Bicycle Master Plan—Goals #1, 2 & 7
- Complete the following Capital Improvement Projects—Goals #2 & 7
 - Sunrise Boulevard improvements from White Rock Road to Kiefer Boulevard
 - Installation of traffic signals at the intersection of Data and Zinfandel
 - Installation of traffic signals at the intersection of Cordova Lane and Coloma Road
 - Installation of traffic signals at the intersection of Prospect Park Drive and International Drive
 - Installation of traffic signals and associated road improvements at the intersection of Kilgore Road and Trade Center Drive
 - Landscape improvements at US 50 and Mather Road interchange

EXPENDITURES:

	FY 2004 Actual	FY 2005 Actual	FY 2006 Budget	FY 2006 Estimated Actual	FY 2007 Adopted
Salaries	\$ 32,984	\$ -	\$ 229,162	\$ 566,312	\$ 1,579,800
Benefits	11,593	39,883	90,374	251,411	667,950
Operating	76,311	415,568	356,500	335,906	239,550
Capital Outlay	-	62,443	320,000	-	195,000
Transfers Out	-	-	-	-	-
TOTALS	\$ 120,888	\$ 517,895	\$ 996,036	\$ 1,153,630	\$ 2,682,300

FUNDING SOURCES:

General Fund -	
Discretionary	\$ 302,400
Commercial	
Waste Franchise	
Fee	400,000
Street Sweeping	
Fees	145,000
Public Works	
Cost Recovery	299,000
Transfer In - CIP	
Reimbursement	
for Salaries	1,535,900
	<u>\$ 2,682,300</u>

NON DEPARTMENTAL

This activity accounted for the costs of support services needed to run the general City Hall operations. It also accounts for the cost of various items which are not directly attributable to a specific department. As the accounting system matures, this activity will be reduced significantly as the City's ability to track and account for costs by department increases. In FY 2007, the majority of the costs that are accounted for in this activity area as follows:

- REVENUE NEUTRALITY -- \$7,549,850
- TRANSITION COSTS -- \$463,000
- TRANSFERS OUT -- \$1,120,000

Revenue neutrality's cost is calculated at 92.5% of total estimated Property Tax revenue. As a result of revenue neutrality, the City of Rancho Cordova is transferring over \$7.5 million of local resources to Sacramento County who in turn are not obligated in any manner to provide \$7.5 million of enhanced services to the residents of Rancho Cordova.

Transition costs represent the repayment to Sacramento County for the services (Police, Street Maintenance and Animal Services) they provided to the City during the first year of operation. This is being paid back in five equal annual installments and FY 2007 represents the third year of payments.

Transfers Out is an accounting method to locate resources in the fund that actually is incurring the expense. Transfers out of the General Fund consist of the following:

- \$332,950 to the Insurance Fund
- \$333,500 to the Vehicle & Equipment Replacement Fund
- \$453,750 to the Technology Enhancement and Replacement Fund

EXPENDITURES:

	FY 2004 Actual	FY 2005 Actual	FY 2006 Budget	FY 2006 Estimated Actual	FY 2007 Adopted
Salaries	\$ -	\$ -	\$ -	\$ 15,185	\$ (169,000)
Benefits	774	3,783	200,000	27,562	-
Operating	1,176,417	866,753	263,500	810,619	141,750
Transition Costs	-	458,821	463,012	463,012	463,000
Revenue Neutrality	5,181,738	6,544,089	5,610,509	7,686,655	7,549,850
Capital Outlay	31,133	-	-	-	-
Transfers Out	-	397,992	624,896	2,972,450	1,120,200
TOTALS	<u>\$ 6,390,062</u>	<u>\$ 8,271,438</u>	<u>\$ 7,161,917</u>	<u>\$ 11,975,482</u>	<u>\$ 9,105,800</u>

FUNDING SOURCES:

General Fund -	
Discretionary	\$ 9,105,800
	<u>\$ 9,105,800</u>

GAS TAX

The Gas Tax fund is used to account for funds received from the State of California from the statewide tax on gasoline and other fuels. The amount that the City received is proportionate to the population. During the first seven years that a new City operates, the State provides additional funding in excess of the per capita funds.

PRELIMINARY FISCAL YEAR 2006-2007 BUDGET

	FY 2004 Actual	FY 2005 Actual	FY 2006 Budget	FY 2006 Estimated	FY 2007 Adopted
GAS TAX FUND					
Salaries and Benefits	\$ -	\$ -	\$ 146,472	\$ 161,516	\$ -
Operating	224,608	85,466	45,044	12,000	-
Capital Outlay	-	-	1,250,000	-	-
Transfers Out	-	-	-	129,000	3,062,550
Total	\$ 224,608	\$ 85,466	\$ 1,441,516	\$ 302,516	\$ 3,062,550

Transfers out of this fund will provide the following funding resources:

- \$3,000,000 to the Public Works Capital Improvement Program
- \$52,550 to reimburse salaries in the General Fund
- \$10,000 to support ongoing computer software associated with road maintenance

MEASURE A

Measure A is a program of transportation improvements in Sacramento County funded by a one-half percent sales tax. The voters of Sacramento County, in November 2004, approved a 20-year extension of this program. The method of apportioning Measure A funds among participating local jurisdictions each year is set forth in the "Measure A Transportation Expenditure Agreement" which lists various conditions which local entities must satisfy before they can claim Measure A funds.

PRELIMINARY FISCAL YEAR 2006-2007 BUDGET

	FY 2004 Actual	FY 2005 Actual	FY 2006 Budget	FY 2006 Estimated	FY 2007 Budget
MEASURE A					
Salaries and Benefits	\$ -	\$ -	\$ -	\$ -	\$ -
Operating	1,146,994	1,476,062	1,689,000	1,300,000	1,490,000
Capital Outlay	-	-	-	-	-
Transfers Out	-	-	1,949,000	149,000	2,801,100
Total	<u>\$ 1,146,994</u>	<u>\$ 1,476,062</u>	<u>\$ 3,638,000</u>	<u>\$ 1,449,000</u>	<u>\$ 4,291,100</u>

Operating costs in this fund represent the following:

- Street Maintenance -- \$1,300,000
- Signal Interconnect Program -- \$60,000
- RT instruments -- \$50,000
- Folsom South Canal -- \$30,000
- Traffic Calming Plan -- \$50,000

Transfers out in this fund represent:

- \$2,283,300 to the Public Works Capital Improvement Program
- \$407,800 to reimburse salaries in the General Fund
- \$100,000 to provide partial funding of the street sign replacement project
- \$10,000 to support ongoing computer software associated with road maintenance & improvements

PROPOSITION 42

Proposition 42 is a state funded program to provide funds to assist cities in maintaining public work infrastructure. The State suspended the payment of these funds for several years but are now required to provide these funds to cities based on a per-capita basis.

PRELIMINARY FISCAL YEAR 2006-2007 BUDGET

	FY 2004 Actual	FY 2005 Actual	FY 2006 Budget	FY 2006 Estimated	FY 2007 Budget
Proposition 42					
Salaries and Benefits	\$ -	\$ -	\$ -	\$ -	\$ -
Operating	-	-	-	-	-
Capital Outlay	-	-	-	-	-
Transfers Out	-	-	-	-	400,000
Total	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 400,000</u>

The budget for this fund provides a transfer of \$400,000 to the Public Works Capital Improvement Program to fund the Sunrise Reliever Interchange project.

SERVICE DISTRICTS

The City has taken over administration a landscaping services district from the County in FY 2006 with the formation of Landscape and Lighting District 2005-1 (LL&D 2005-1). The City will be taking over administration of Community Services District #10 (CSA #10). In addition, the City is establishing a citywide Road Maintenance Assessment District. New development, as part of the Development Agreement, is required to annex into this district. Ongoing funds will come from property assessments in the areas that are annexed into the districts. Residents of Rancho Cordova are only affected by these districts if they had either been annexed in through development agreements (new development) or voted to be annexed into a district in the past (LLD 2005-1 and CSA #10).

PRELIMINARY FISCAL YEAR 2006-2007 BUDGET

	FY 2004 Actual	FY 2005 Actual	FY 2006 Budget	FY 2006 Estimated	FY 2007 Budget
Landscape & Lighting 2005-1					
Salaries and Benefits	\$ -	\$ -	\$ -	\$ -	\$ -
Operating	-	12,489	-	21,000	-
Capital Outlay	-	-	-	-	-
Transfers Out	-	-	-	-	130,000
Total	\$ -	\$ 12,489	\$ -	\$ 21,000	\$ 130,000
Road Maintenance Fund					
Salaries and Benefits	\$ -	\$ -	\$ -	\$ -	\$ -
Operating	-	-	-	-	-
Capital Outlay	-	-	-	-	-
Transfers Out	-	-	-	-	30,000
Total	\$ -	\$ -	\$ -	\$ -	\$ 30,000
Community Service District #10					
Salaries and Benefits	\$ -	\$ -	\$ -	\$ -	\$ -
Operating	-	-	-	-	-
Capital Outlay	-	-	-	-	-
Transfers Out	-	-	-	-	85,100
Total	\$ -	\$ -	\$ -	\$ -	\$ 85,100

The budget for these funds consists of transfers out to other funds, as follows:

- \$95,100 to the General Fund to reimburse salaries of the Public Works Department
- \$100,000 to Measure A to partially pay for the Road Maintenance contract
- \$50,000 to the Public Works Capital Project Fund for the Transit Master Plan

IMPACT FEES

The Impact fees are fees imposed on new development to pay for new developments impact on service delivery, infrastructure needs and capital projects. The City has the following impact fees:

- Villages of Zinfandel
- Traffic
- Community Facilities
- Sunrise Douglas
- General Plan
- Environmental
- Park Development and Renovation

Villages of Zinfandel

The City imposes a Library impact fee on this development along with all of the fees that are imposed under the Community Facilities Fee program. All of these fees, including the traffic impact fee that is imposed, are segregated so that all funds collected in this development are spent on infrastructure that is specifically identified as needed as a result of the development.

PRELIMINARY FISCAL YEAR 2006-2007 BUDGET

	FY 2004 Actual	FY 2005 Actual	FY 2006 Budget	FY 2006 Estimated	FY 2007 Budget
Villages of Zinfandel Impact Fees					
Salaries and Benefits	\$ -	\$ -	\$ -	\$ -	\$ -
Operating	-	-	-	250	1,000
Capital Outlay	-	-	-	-	-
Transfers Out	-	-	200,000	1,000	1,000
Total	\$ -	\$ -	\$ 200,000	\$ 1,250	\$ 2,000

The budget includes \$1,000 for assessment district administration and a transfer out to the General fund of \$1,000 to cover costs of providing accounting services to this fund.

Traffic Mitigation Impact Fees

The City imposes an impact fee of \$17,500 per residential unit to pay for traffic impact resulting from development.

PRELIMINARY FISCAL YEAR 2006-2007 BUDGET

	FY 2004 Actual	FY 2005 Actual	FY 2006 Budget	FY 2006 Estimated	FY 2007 Budget
Traffic Mitigation Impact					
Salaries and Benefits	\$ 111,099	\$ -	\$ -	\$ -	\$ -
Operating	-	75,006	75,000	138,000	18,000
Capital Outlay	-	-	-	-	-
Transfers Out	-	-	660,000	120,000	2,314,400
Total	\$ 111,099	\$ 75,006	\$ 735,000	\$ 258,000	\$ 2,332,400

The budget includes \$18,000 for the assessment district administration and transfer out that provides the following resources:

- \$1,600,000 to the Public Works Capital Improvement Program
- \$654,400 to the General Fund to reimburse salary expense
- \$10,000 to the General Fund to reimburse ongoing accounting expense
- \$50,000 to the General Fund to provide ongoing computer software maintenance associated with asset management

Community Facilities Fees

The City imposes an impact fee on new residential development for the following facilities:

- City Hall - \$562.00
- Police Facility - \$738.00
- Community Center - \$679.00
- Corporation Yard - \$202.00
- Museum - \$230.00
- Parking Structure - \$236.00
- Administrative Overhead - \$119.00

The City also imposes these fees on commercial, office and industrial development with the fee based on square footage of the development.

PRELIMINARY FISCAL YEAR 2006-2007 BUDGET

	FY 2004 Actual	FY 2005 Actual	FY 2006 Budget	FY 2006 Estimated	FY 2007 Budget
Community Facilities Fees					
Salaries and Benefits	\$ 37,520	\$ -	\$ -	\$ -	\$ -
Operating	-	6,866	-	-	-
Capital Outlay	-	-	-	-	-
Transfers Out	-	-	1,265,000	1,498,450	3,692,100
Total	\$ 37,520	\$ -	\$ 1,265,000	\$ 1,498,450	\$ 3,692,100

The budget provides for a transfer from this fund to the following funds:

- \$578,400 from the City Hall CFF for debt service on the new City Hall
- \$698,450 from the Community Center CFF for debt service on the new City Hall
- \$565,250 from the Police Facilities CFF for debt service on the Kilgore property
- \$1,800,000 from the Police Facilities CFF to provide funds to begin renovation of the Kilgore office building for use by the Police Department (transferred to the Capital Projects Fund – City Operations Facility)
- \$50,000 to the General Fund to reimburse ongoing accounting expenses associated with this fund

Sunrise Douglas Impact Fee

This fee is imposed on development in the South Douglas development area. It includes additional fees for traffic impact, transit, offsite water, interim sewer, park, library and fee program updates. These funds can only be spent to mitigate impact as a result of development in the South Douglas area.

PRELIMINARY FISCAL YEAR 2006-2007 BUDGET

	FY 2004 Actual	FY 2005 Actual	FY 2006 Budget	FY 2006 Estimated	FY 2007 Budget
Sunrise Douglas Impact Fees					
Salaries and Benefits	\$ -	\$ -	\$ -	\$ -	\$ -
Operating	-	10,741	300,000	45,000	57,000
Capital Outlay	-	-	-	-	-
Transfers Out	-	-	600,000	10,000	10,000
Total	\$ -	\$ 10,741	\$ 900,000	\$ 55,000	\$ 67,000

The budget provides for the following resource uses:

- \$57,000 for program updates and ongoing maintenance of the assessment district
- \$10,000 transferred to the General Fund to reimburse accounting expenses associated with maintaining accounting records for this fund.

General Plan Impact Fee

This fee is imposed on all new development to defray the costs of completing the City's first General Plan and pay for the maintenance of that plan over the next ten years. A private company is completing the General Plan and expenditures reflect that cost. The City will need to revisit this fee in FY 2007 as there are not sufficient revenues being generated from the existing fee to cover current and anticipated costs.

PRELIMINARY FISCAL YEAR 2006-2007 BUDGET

	FY 2004 Actual	FY 2005 Actual	FY 2006 Budget	FY 2006 Estimated	FY 2007 Budget
General Plan Impact Fee					
Salaries and Benefits	\$ 71,274	\$ -	\$ -	\$ -	\$ -
Operating	93	874,881	756,160	720,000	497,350
Capital Outlay	-	-	-	-	-
Transfers Out	-	-	-	-	-
Total	\$ 71,367	\$ 874,881	\$ 756,160	\$ 720,000	\$ 497,350

The costs associated with this budget include:

- Planning costs associated with our contract with PMC -- \$377,350
- Legal costs associated with our contract with Meyers-Nave -- \$100,000
- Costs associated with updating the *Pro Forma* Development Plan -- \$20,000

Environmental Impact Fee

This fee is imposed on new development to mitigate the effect of development on the native Swainson's Hawk. The City stopped collecting this fee in FY 2006.

PRELIMINARY FISCAL YEAR 2006-2007 BUDGET

	FY 2004 Actual	FY 2005 Actual	FY 2006 Budget	FY 2006 Estimated	FY 2007 Budget
Environmental Mitigation					
Salaries and Benefits	\$ -	\$ -	\$ -	\$ -	\$ -
Operating	-	5,197	-	20,000	20,000
Capital Outlay	-	-	-	-	-
Transfers Out	-	-	-	-	-
Total	\$ -	\$ 5,197	\$ -	\$ 20,000	\$ 20,000

Although the City has stopped collecting this fee, the expenditures provide ongoing support for Planning and Legal issues associated with this issue.

Park Development and Renovation Fee

There are two different fees that are imposed. The first is an impact fee (development) and is collected for all new development. This fee is currently undergoing re-evaluation and an adjustment in this fee is expected in FY 2007. That fee is accounted for in the Sunrise-Impact Fee that was discussed above. The other part of the fee is a "renovation fee" that is charged to development through "development agreements". These fees are passed through to the Cordova Park and Recreation District after City expenses and a 3 ½% overhead charge is applied. The fee ranges from \$733 to \$1,500 per residential parcel.

PRELIMINARY FISCAL YEAR 2006-2007 BUDGET

	FY 2004 Actual	FY 2005 Actual	FY 2006 Budget	FY 2006 Estimated	FY 2007 Budget
Park Renovation Fund					
Salaries and Benefits	\$ -	\$ -	\$ -	\$ -	\$ -
Operating	-	21,648	-	-	-
Capital Outlay	-	-	-	-	-
Transfers Out	-	-	35,625	65,779	71,600
Total	\$ -	\$ 21,648	\$ 35,625	\$ 65,779	\$ 71,600

Transfers out in this budget provide the following resources:

- \$31,350 to provide the administrative overhead charge to the General Fund
- \$40,250 to reimburse planning and legal costs

STATE AND FEDERAL GRANTS

The City expects to receive the following state and federal funds for public works improvement projects:

- \$1,570,000 for Mather Interchange Landscape Improvements within the existing freeway interchange at US 50 at Mather Field Road;
- \$2,500,000 for Folsom Boulevard Enhancements to construct streetscape improvements on Folsom Boulevard between Rod Beaudry Drive and Sunrise Boulevard;
- \$501,000 to be used for road rehabilitation of various streets.

Public Works will also receive \$50,000 from Sacramento Regional Transit for Transit Planning.

The City currently has two active grants that were awarded by the State. They include the Office of Traffic Safety (OTS) that provides supplemental funding for traffic enforcement costs. These grants initially provide full funding for the enhanced program and over the course of three years, the funding is reduced. The City is expected to continue the program after the grant expires through contributions from local resources.

The Recycling Grant has expired and is shown for historical purposes only.

Additionally the City receives a Weed 'n Seed grant from the Federal government. Although this grant is not recorded in the City's financial records, a portion of this grant touches City operations in the form of reimbursement to the Police Department for overtime expenses. The City expects to receive \$53,050 in FY 2007. These funds will be transferred to the General Fund where the expense will be recorded.

PRELIMINARY FISCAL YEAR 2006-2007 BUDGET

	FY 2004 Actual	FY 2005 Actual	FY 2006 Budget	FY 2006 Estimated	FY 2007 Budget
State and Federal Grants					
Salaries and Benefits	\$ -	\$ 101,984	\$ 233,552	\$ -	\$ -
Operating	-	548,962	81,654	19,917	-
Capital Outlay	-	-	7,923	-	-
Transfers Out	-	-	-	374,243	4,996,500
Total	<u>\$ -</u>	<u>\$ 650,946</u>	<u>\$ 323,129</u>	<u>\$ 394,160</u>	<u>\$ 4,996,500</u>

COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG)

CDBG funds represent federal grants received under the Housing and Community Development Act of 1974. These grants are provided to local communities either through the "entitlement" program or passed through a county-wide agency. Prior to FY 2007, the City received pass-through funds from the Sacramento Housing and Redevelopment Agency (SHRA). In FY 2007 the City will become an "entitlement" city which will allow us to receive funds directly from the federal government. The preliminary budget does assume that \$167,700 in funds are still available from the FY 2006 allotment for funding Public Works capital works programs.

PRELIMINARY FISCAL YEAR 2006-2007 BUDGET

	FY 2004 Actual	FY 2005 Actual	FY 2006 Budget	FY 2006 Estimated	FY 2007 Budget
CDBG					
Salaries and Benefits	\$ -	\$ -	\$ -	\$ -	\$ -
Operating	10,762	240,250	566,300	566,300	563,390
Capital Outlay	-	-	-	-	-
Transfers Out	-	-	217,700	-	382,250
Total	<u>\$ 10,762</u>	<u>\$ 240,250</u>	<u>\$ 784,000</u>	<u>\$ 566,300</u>	<u>\$ 945,640</u>

REDEVELOPMENT AGENCY

The City Council approved the formation of the Rancho Cordova Redevelopment Agency in FY 2005. It is anticipated that the City will begin to collect tax increment revenues beginning in FY 2008. Until that time, this fund is being funded by advances from the General Fund. The City advanced this fund \$458,141 in FY 2005 which provided funds for both FY 2005 and FY 2006. Expenditures in FY 2006 concentrated on developing the boundaries of the redevelopment area and identifying project areas within the boundaries. In FY 2007 a staff position is added to assist the Economic Development Director in implementing redevelopment programs.

The City will advance sufficient amounts in FY 2007 to the fund to cover anticipated expenditures. The City Council has approved and will be required to approve all advances. It is not expected that the Redevelopment Agency will receive property taxes until 2010. The General Fund will continue to advance funds in anticipation and will need to be paid back from Redevelopment funds in the future.

FISCAL YEAR 2006 – 2007 GOALS

- Recommend adoption of a redevelopment survey area, a project area, a preliminary plan, a preliminary report, a redevelopment plan, and an Environmental Impact Report (EIR)—Goals #4, 5, 6, 7, 8 & 10
- Ensure City activities are consistent with Mather Air Force Base Redevelopment Area Plan—Goals #7, 8 & 12
- Adopt a project area for Folsom Boulevard—Goals #4, 5, 7 & 8

PRELIMINARY FISCAL YEAR 2006-2007 BUDGET

EXPENDITURES:

	FY 2004 Actual	FY 2005 Actual	FY 2006 Budget	FY 2006 Estimated Actual	FY 2007 Adopted
Salaries	\$ -	\$ -	\$ 50,000	\$ 50,000	\$ 79,400
Benefits	-	-	-	-	33,450
Operating	-	46,374	400,000	400,000	356,700
Capital Outlay	-	-	-	-	-
Transfers Out	-	-	-	-	14,550
TOTALS	\$ -	\$ 46,374	\$ 450,000	\$ 450,000	\$ 484,100

HOUSING

The Housing Fund provides funding for low income housing programs. The City received funds beginning in FY 2003-04 and has accumulated a fund balance. In FY 2007, a staff position of Housing Administrator is added to develop and carry out the housing program. The program is managed by the Economic Development Director.

FISCAL YEAR 2006 – 2007 GOALS

- Develop a plan for the community to utilize State and Federal grant resources for first-time home buyers—Goals #1, 3, 6 & 7
- Develop a plan to assist Rancho Cordova’s current and potential neighborhood associations, and identify City liaisons to participate in their meetings and activities—Goals #5, 6, 7 & 9

PRELIMINARY FISCAL YEAR 2006-2007 BUDGET

EXPENDITURES:

	FY 2004 Actual	FY 2005 Actual	FY 2006 Budget	FY 2006 Estimated Actual	FY 2007 Adopted
Salaries	\$ -	\$ -	\$ -	\$ -	\$ 98,450
Benefits	-	-	-	-	38,700
Operating	-	-	-	-	14,250
Capital Outlay	-	-	-	-	-
Transfers Out	-	-	-	-	1,500
TOTALS	\$ -	\$ -	\$ -	\$ -	\$ 152,900

FUNDING SOURCES:

General Fund -	
Discretionary	\$ -
Redevelopment	14,250
CDBG	138,650
	\$ 152,900

CAPITAL PROJECT FUNDS

City Hall Capital Project Fund

This fund accounts for improvements made to the Prospect Park property to provide City Hall facilities. While that project is completed in FY 2006, this fund will continued to be used as the primary accounting vehicle for improvements to the 2701-2729 Prospect Park Drive complex.

PRELIMINARY FISCAL YEAR 2006-2007 BUDGET

	FY 2004 Actual	FY 2005 Actual	FY 2006 Budget	FY 2006 Estimated	FY 2007 Adopted
City Hall Capital Project					
Salaries and Benefits	\$ -	\$ -	\$ -	\$ -	\$ -
Operating	-	152,882	-	-	-
Capital Outlay	-	245,110	-	7,000,000	120,000
Transfers Out	-	-	-	-	-
Total	<u>\$ -</u>	<u>\$ 397,992</u>	<u>\$ -</u>	<u>\$ 7,000,000</u>	<u>\$ 120,000</u>

City Operations Facility Capital Project Fund

This fund will be used to account for improvements to the City owned property on Kilgore, including the cemetery. The office building that is currently leased to private companies will be renovated to house the Police Department main administration building. It is anticipated that in FY 2007, the City will begin the process of redesigning the office building to accommodate the needs of an urban police department. It is also anticipated that the Police will begin to have a presence in this building in FY 2007, serving as a substation. The City also has \$800,000 in improvement funds from the bond proceeds to be used to improve the entire Kilgore site. This budget provides \$650,000 of these funds to be used in improving the site including both the office building and the cemetery.

PRELIMINARY FISCAL YEAR 2006-2007 BUDGET

	FY 2004 Actual	FY 2005 Actual	FY 2006 Budget	FY 2006 Estimated	FY 2007 Budget
City Operations Facility Capital Project					
Salaries and Benefits	\$ -	\$ -	\$ -	\$ -	\$ -
Operating	-	38,922	-	-	-
Capital Outlay	-	-	-	75,000	650,000
Transfers Out	-	-	-	-	-
Total	<u>\$ -</u>	<u>\$ 38,922</u>	<u>\$ -</u>	<u>\$ 75,000</u>	<u>\$ 650,000</u>

PUBLIC WORKS CAPITAL

Public Works Capital Project Fund

This fund will be used to account for expenditures relating to Public Work improvements for FY 2007. The projects that will be funded are as follows:

City Road Rehab Projects	\$	3,000,000
Folsom Blvd. Beautification		2,800,000
Mather Interchange Landscaping		2,100,000
Signal and Paving - Kilgore /Trade Center		1,150,000
Construction Management for CIP Projects		900,000
Sunrise Reliever Interchange Design		800,000
Plan Review for CIP Projects		800,000
General Engineering for CIP Projects		500,000
Signal - Coloma & Cordova		450,000
Signal - Data and Zinfandel		450,000
Signal - Prospect Park/International		450,000
Traffic Engineering for CIP Projects		400,000
Traffic Calming Implementation		200,000
City Center Project		150,000
ADA Compliance Control		150,000
Transit Master Plan		150,000
Sidewalk Projects		100,000
LaPlacita Street Lights		75,000
Signal - LED Installations		65,000
Total	<u>\$</u>	<u>14,690,000</u>

PRELIMINARY FISCAL YEAR 2006-2007 BUDGET

	FY 2004 Actual	FY 2005 Actual	FY 2006 Budget	FY 2006 Estimated	FY 2007 Budget
Public Works Capital Projects					
Capital Projects	\$ -	\$ -	\$ -	\$ -	\$ 14,690,000
Transfers Out	-	-	-	-	156,250
Total	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 14,846,250</u>

DEBT SERVICE FUND

City Hall Facility Certificates of Participation

This debt, in the amount of \$20,835,000, provided funds to purchase the 2701 – 2729 Prospect Park Drive campus. It also included funds to complete leasehold improvements that provided for the creation of the City's first City Hall. City operations relocated to this facility in January 2006. Debt service payments are due on August 1st and February 1st of each year. City Hall Community Facilities Fees and Community Center Facilities Fees are the source for repayment of this bond. However, if these sources are not sufficient to make the payment, the City's General Fund will be responsible. The City made its first debt service payment in February 2006. A debt service schedule is included in the "supporting schedules" section of this document.

PRELIMINARY FISCAL YEAR 2006-2007 BUDGET

	FY 2004 Actual	FY 2005 Actual	FY 2006 Budget	FY 2006 Estimated	FY 2007 Adopted
City Hall Certificates of Participation					
Debt Service - Principal	\$ -	\$ -	\$ -	\$ 720,000	\$ 380,000
Debt Service - Interest	-	-	-	559,500	896,850
Capital	-	12,500,000	-	-	-
Transfers Out	-	-	1,664,396	6,800,000	120,000
Total	\$ -	\$ 12,500,000	\$ 1,664,396	\$ 8,079,500	\$ 1,396,850

City Operations Facility Certificates of Participation

The City issued \$6.8 million in Certificates of Participation (COPs) in August 2006. These funds provided resources to purchase the Kilgore site. This site includes developable vacant land, a 30,000 square foot office building and a historic cemetery (Kilgore Family Cemetery). The purchase price for this acquisition was \$6,000,000 with the cemetery and approximately 3 ½ acres of vacant land donated as part of the acquisition. Although, the office building is partially leased, the City intends to relocate the Police Department operations there in the near future.

The debt service is due in September 1 and March 1 of each year. Police Facilities Community Facilities Fees are the source for repayment of this bond. However, if these sources are not sufficient to make the payment, the City's General Fund will be responsible. The City made its first debt service payment in March 2006. A debt service schedule is included in the "supporting schedules" section of this document.

PRELIMINARY FISCAL YEAR 2006-2007 BUDGET

	FY 2004 Actual	FY 2005 Actual	FY 2006 Budget	FY 2006 Estimated	FY 2007 Budget
City Operations Certificates of Participation					
Debt Service - Principal	\$ -	\$ -	\$ -	\$ -	\$ 240,000
Debt Service - Interest	-	-	-	171,600	301,350
Capital	-	-	5,800,000	6,000,000	-
Transfers Out	-	-	216,000	800,000	-
Total	\$ -	\$ -	\$ 6,016,000	\$ 6,971,600	\$ 541,350

COMMUNITY FACILITIES DISTRICTS (CFDs)

These funds account for debt service payments on Mello Roos bonds that are or will be used to fund development infrastructure including roads, sidewalks, street signals, etc. The City has issued two debt instrument – CFD 2003-1 (Sunridge Anatolia) – Series 1 and Series 2. The City has formed the Sunridge Park Community Facilities District (CFD 2004-1) but has not issued bonds. The City anticipates issuing bonds in FY 2007. The City also has formed the Sunridge North Douglas Community Facilities District (CFD 2005-1) and will issue bonds in FY 2007. The majority of the expenditures for these debt service funds are to pay debt service, however the City does charge 3 ½% of the debt service each year for debt service administration. This amount is transferred to the General Fund. Additionally the City uses a portion of these funds to pay for Capital Improvement Projects. In FY 2007, a total of \$1,001,850 will be transferred to the Public Works Capital Improvement Program.

PRELIMINARY FISCAL YEAR 2006-2007 BUDGET

	FY 2004 Actual	FY 2005 Actual	FY 2006 Budget	FY 2006 Estimated	FY 2007 Budget
CFD 2003-1 Sunridge Anatolia (Series 2003)					
Debt Service - Principal	\$ -	\$ -	\$ 2,603,853	\$ 1,406,950	\$ 1,406,950
Debt Service - Interest	-	-	-	-	-
Capital	-	-	-	-	-
Transfers Out	-	-	112,261	112,261	1,001,850
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,716,114</u>	<u>\$ 1,519,211</u>	<u>\$ 2,408,800</u>
CFD 2003-1 Sunridge Anatolia (Series 2005)					
Debt Service - Principal	\$ -	\$ -	\$ -	\$ -	\$ 525,403
Debt Service - Interest	-	-	-	-	-
Capital	-	-	-	-	-
Transfers Out	-	-	-	13,190	15,000
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 13,190</u>	<u>\$ 540,403</u>
CFD 2004-1 Sunridge Park					
Debt Service - Principal	\$ -	\$ -	\$ 940,690	\$ -	\$ -
Debt Service - Interest	-	-	-	-	-
Capital	-	-	-	-	-
Transfers Out	-	-	-	26,380	32,500
Total	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 940,690</u>	<u>\$ 26,380</u>	<u>\$ 32,500</u>
CFD 2005-1 Sunridge North Douglas					
Debt Service - Principal	\$ -	\$ -	\$ 932,880	\$ -	\$ -
Debt Service - Interest	-	-	-	-	-
Capital	-	-	-	-	-
Transfers Out	-	-	-	-	27,500
Total	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 932,880</u>	<u>\$ -</u>	<u>\$ 27,500</u>

INTERNAL SERVICE FUNDS

The City maintains three (3) Internal Service Funds to provide for long-term financing of potential litigation, insurance costs and claims. Additionally, these funds accumulate funds to pay for the replacement of vehicles, equipment and computer technology through the use of user charges to the various departments.

PRELIMINARY FISCAL YEAR 2006-2007 BUDGET

	FY 2004 Actual	FY 2005 Actual	FY 2006 Budget	FY 2006 Estimated	FY 2007 Adopted
Insurance Fund					
Consultants - Other	\$ -	\$ -	\$ -	\$ -	\$ -
Legal	-	-	-	100,000	100,000
Claims	-	-	-	25,000	25,000
Insurance	-	-	-	-	-
Transfers Out	-	-	-	-	-
Total	\$ -	\$ -	\$ -	\$ 125,000	\$ 125,000

The proposed appropriations are intended to cover potential litigation costs as well as provide a source to pay claims that may be filed against the City.

	FY 2004 Actual	FY 2005 Actual	FY 2006 Budget	FY 2006 Estimated	FY 2007 Budget
Vehicle & Equipment Replacement Fund					
Equipment	\$ -	\$ -	\$ -	\$ -	\$ -
Capital Outlay	-	-	-	-	-
Transfers Out	-	-	-	-	-
Total	\$ -	\$ -	\$ -	\$ -	\$ -

There are no proposed expenditures for this fund. This fund will accumulate resources to replace City vehicles and equipment as needed.

	FY 2004 Actual	FY 2005 Actual	FY 2006 Budget	FY 2006 Estimated	FY 2007 Budget
Technology Enhancement & Replacement Fund					
Equipment	\$ -	\$ -	\$ -	\$ -	\$ 35,000
Capital Outlay	-	-	-	-	-
Transfers Out	-	-	-	-	-
Total	\$ -	\$ -	\$ -	\$ -	\$ 35,000

This fund proposes expending \$35,000 to begin the Strategic Plan process for citywide technology.

DEBT SCHEDULES AND LEGAL DEBT MARGIN

Outstanding Debt Issues

The City of Rancho Cordova incorporated on July 1, 2003. During the first fiscal year (FY 2003 – 2004), the City issued one debt instrument. That instrument provided funds for the development of a large residential subdivision. In Fiscal Year 2004 – 2005 the City issued one Certificate of Participation (COP) to finance the acquisition of a City Hall. The City issued a COP in August 2006 to finance the acquisition of the Kilgore site. The City also issued another Special Assessment debt instrument in December 2006 to finance continued on-site improvements in the Sunrise-Douglas area. The City anticipates issuing two additional Special Assessment bonds in Fiscal Year 2006 – 2007. A summary of the City's debt follows:

General Obligation Bonds

None

Revenue Bonds

None

Certificates of Participation

- 2005 Certificates of Participation – City Hall Facility Acquisition Project
- 2005 Certificates of Participation – City Operations Facility Project

Special Assessment Bonds

- Sunridge Anatolia Community Facilities District No. 2003-1 (Series 1)
- Sunridge Anatolia Community Facilities District No. 2003-1 (Series 2)

Tax Allocation Bonds

None

Notes Payable:

The City has not issued any notes.

Proposition 13, and subsequent constitutional amendments, severely limits the type of debt the City can issue. General obligation debt requires 2/3-voter approval to increase taxes, which support this type of debt. Other debt options available to the City include those listed above. Debt issues such as revenue bonds, certificates of participation and notes do not require voter approval if there is a dedicated source for repayment. However, the City still maintains a legal debt limit, which is also governed by law. The calculation of that limit is as follows:

Assessed Value	\$ 4,412,652,564
Debt Limitation - 15% of Total Assessed Value	441,265,256
Debt Applicable to Limitation	
General Obligations Bonds Outstanding	-
Less Amounts Available for Repayment	-
Total Debt Applicable to Limitation	-
Available Legal Debt Margin	<u>\$ 441,265,256</u>

LONG TERM DEBT DETAIL 2005 CERTIFICATES OF PARTICIPATION CITY HALL FACILITY ACQUISITION PROJECT

Date	Principal	Interest	Period Total	Fiscal Total
2/1/2006	\$ 720,000	\$ 559,495	\$ 1,279,495	\$ 1,279,495
8/1/2006	-	448,409	448,409	
2/1/2007	380,000	448,409	828,409	1,276,818
8/1/2007	-	443,374	443,374	
2/1/2008	390,000	443,374	833,374	1,276,748
8/1/2008	-	438,011	438,011	
2/1/2009	400,000	438,011	838,011	1,276,023
8/1/2009	-	432,011	432,011	
2/1/2010	415,000	432,011	847,011	1,279,023
8/1/2010	-	425,786	425,786	
2/1/2011	425,000	425,786	850,786	1,276,573
8/1/2011	-	419,146	419,146	
2/1/2012	440,000	419,146	859,146	1,278,291
8/1/2012	-	411,996	411,996	
2/1/2013	455,000	411,996	866,996	1,278,991
8/1/2013	-	404,318	404,318	
2/1/2014	470,000	404,318	874,318	1,278,635
8/1/2014	-	396,093	396,093	
2/1/2015	485,000	396,093	881,093	1,277,185
8/1/2015	-	387,363	387,363	
2/1/2016	500,000	387,363	887,363	1,274,725
8/1/2016	-	377,113	377,113	
2/1/2017	525,000	377,113	902,113	1,279,225
8/1/2017	-	366,350	366,350	
2/1/2018	545,000	366,350	911,350	1,277,700
8/1/2018	-	355,178	355,178	
2/1/2019	565,000	355,178	920,178	1,275,355
8/1/2019	-	343,595	343,595	
2/1/2020	590,000	343,595	933,595	1,277,190
8/1/2020	-	331,500	331,500	
2/1/2021	615,000	331,500	946,500	1,278,000
8/1/2021	-	316,125	316,125	
2/1/2022	645,000	316,125	961,125	1,277,250
8/1/2022	-	300,000	300,000	
2/1/2023	675,000	300,000	975,000	1,275,000
8/1/2023	-	283,125	283,125	
2/1/2024	710,000	283,125	993,125	1,276,250
8/1/2024	-	265,375	265,375	
2/1/2025	745,000	265,375	1,010,375	1,275,750
8/1/2025	-	246,750	246,750	
2/1/2026	785,000	246,750	1,031,750	1,278,500
8/1/2026	-	227,125	227,125	
2/1/2027	825,000	227,125	1,052,125	1,279,250
8/1/2027	-	206,500	206,500	
2/1/2028	865,000	206,500	1,071,500	1,278,000
8/1/2028	-	184,875	184,875	
2/1/2029	910,000	184,875	1,094,875	1,279,750
8/1/2029	-	162,125	162,125	
2/1/2030	955,000	162,125	1,117,125	1,279,250
8/1/2030	-	138,250	138,250	
2/1/2031	1,000,000	138,250	1,138,250	1,276,500
8/1/2031	-	113,250	113,250	
2/1/2032	1,050,000	113,250	1,163,250	1,276,500
8/1/2032	-	87,000	87,000	
2/1/2033	1,105,000	87,000	1,192,000	1,279,000
8/1/2033	-	59,375	59,375	
2/1/2034	1,160,000	59,375	1,219,375	1,278,750
8/1/2034	-	30,375	30,375	
2/1/2035	1,215,000	30,375	1,245,375	1,275,750
Totals	\$ 20,565,000	\$ 17,760,475	\$ 38,325,475	\$ 38,325,475

LONG TERM DEBT DETAIL 2005 CERTIFICATES OF PARTICIPATION CITY OPERATIONS FACILITIES ACQUISITION PROJECT

Date	Principal	Interest	Period Total	Fiscal Total
3/1/2006	\$ -	\$ 171,580	\$ 171,580	\$ 171,580
9/1/2006	240,000	153,654	393,654	
3/1/2007	-	147,654	147,654	541,308
9/1/2007	250,000	147,654	397,654	
3/1/2008	-	141,404	141,404	539,058
9/1/2008	340,000	141,404	481,404	
3/1/2009	-	133,654	133,654	615,058
9/1/2009	355,000	133,654	488,654	
3/1/2010	-	125,435	125,435	614,089
9/1/2010	370,000	125,435	495,435	
3/1/2011	-	116,785	116,785	612,220
9/1/2011	390,000	116,785	506,785	
3/1/2012	-	107,726	107,726	614,511
9/1/2012	405,000	107,726	512,726	
3/1/2013	-	98,238	98,238	610,964
9/1/2013	425,000	98,238	523,238	
3/1/2014	-	88,243	88,243	611,481
9/1/2014	445,000	88,243	533,243	
3/1/2015	-	77,703	77,703	610,946
9/1/2015	465,000	77,703	542,703	
3/1/2016	-	66,624	66,624	609,328
9/1/2016	100,000	66,624	166,624	
3/1/2017	-	64,624	64,624	231,249
9/1/2017	100,000	64,624	164,624	
3/1/2018	-	62,624	62,624	227,249
9/1/2018	105,000	62,624	167,624	
3/1/2019	-	60,459	60,459	228,083
9/1/2019	110,000	60,459	170,459	
3/1/2020	-	58,190	58,190	228,649
9/1/2020	115,000	58,190	173,190	
3/1/2021	-	55,746	55,746	228,936
9/1/2021	120,000	55,746	175,746	
3/1/2022	-	53,166	53,166	228,913
9/1/2022	125,000	53,166	178,166	
3/1/2023	-	50,448	50,448	228,614
9/1/2023	130,000	50,448	180,448	
3/1/2024	-	47,588	47,588	228,035
9/1/2024	135,000	47,588	182,588	
3/1/2025	-	44,550	44,550	227,138
9/1/2025	145,000	44,550	189,550	
3/1/2026	-	41,288	41,288	230,838
9/1/2026	150,000	41,288	191,288	
3/1/2027	-	37,913	37,913	229,200
9/1/2027	155,000	37,913	192,913	
3/1/2028	-	34,425	34,425	227,338
9/1/2028	165,000	34,425	199,425	
3/1/2029	-	30,713	30,713	230,138
9/1/2029	170,000	30,713	200,713	
3/1/2030	-	26,888	26,888	227,600
9/1/2030	180,000	26,888	206,888	
3/1/2031	-	22,838	22,838	229,725
9/1/2031	185,000	22,838	207,838	
3/1/2032	-	18,675	18,675	226,513
9/1/2032	195,000	18,675	213,675	
3/1/2033	-	14,288	14,288	227,963
9/1/2033	205,000	14,288	219,288	
3/1/2034	-	9,675	9,675	228,963
9/1/2034	210,000	9,675	219,675	
3/1/2035	-	4,950	4,950	224,625
9/1/2035	220,000	4,950	224,950	
3/1/2036	-	-	-	224,950
	<u>\$ 6,705,000</u>	<u>\$ 4,010,255</u>	<u>\$ 10,715,255</u>	<u>\$ 10,715,255</u>

LONG TERM DEBT DETAIL SUNRIDGE ANATOLIA COMMUNITY FACILITIES DISTRICT (CFD) NO. 2003-1 (Series 1)

Fiscal Year	Principal	Interest	Fiscal Year Total
2005	\$ -	\$ 1,406,950	\$ 1,406,950
2006	-	1,406,950	1,406,950
2007	-	1,406,950	1,406,950
2008	-	1,406,950	1,406,950
2009	-	1,406,950	1,406,950
2010	-	1,406,950	1,406,950
2011	-	1,406,950	1,406,950
2012	-	1,406,950	1,406,950
2013	-	1,406,950	1,406,950
2014	40,000	1,406,950	1,446,950
2015	80,000	1,404,990	1,484,990
2016	130,000	1,400,990	1,530,990
2017	180,000	1,394,295	1,574,295
2018	235,000	1,384,845	1,619,845
2019	295,000	1,372,273	1,667,273
2020	355,000	1,356,195	1,711,195
2021	425,000	1,334,895	1,759,895
2022	500,000	1,309,395	1,809,395
2023	580,000	1,279,395	1,859,395
2024	665,000	1,244,595	1,909,595
2025	760,000	1,204,695	1,964,695
2026	860,000	1,159,095	2,019,095
2027	965,000	1,107,495	2,072,495
2028	1,075,000	1,049,595	2,124,595
2029	1,200,000	985,095	2,185,095
2030	1,325,000	913,095	2,238,095
2031	1,465,000	833,595	2,298,595
2032	1,615,000	745,695	2,360,695
2033	1,770,000	648,795	2,418,795
2034	1,940,000	542,595	2,482,595
2035	2,120,000	424,255	2,544,255
2036	2,315,000	294,935	2,609,935
2037	2,520,000	153,720	2,673,720
Total	\$ 23,415,000	\$ 37,614,028	\$ 61,029,028

LONG TERM DEBT DETAIL SUNRIDGE ANATOLIA COMMUNITY FACILITIES DISTRICT (CFD) NO. 2003-1 (Series 2)

Fiscal Year	Principal	Interest	Fiscal Year Total
2006	\$ -	\$ 525,403	\$ 525,403
2007	-	778,375	778,375
2008	-	778,375	778,375
2009	10,000	778,375	788,375
2010	55,000	777,975	832,975
2011	105,000	775,775	880,775
2012	155,000	771,313	926,313
2013	210,000	764,531	974,531
2014	230,000	755,081	985,081
2015	250,000	744,731	994,731
2016	270,000	732,981	1,002,981
2017	290,000	719,481	1,009,481
2018	315,000	704,981	1,019,981
2019	335,000	689,231	1,024,231
2020	365,000	672,481	1,037,481
2021	390,000	654,231	1,044,231
2022	420,000	633,756	1,053,756
2023	450,000	611,706	1,061,706
2024	485,000	588,081	1,073,081
2025	515,000	562,619	1,077,619
2026	550,000	535,581	1,085,581
2027	590,000	506,019	1,096,019
2028	635,000	474,306	1,109,306
2029	675,000	440,175	1,115,175
2030	725,000	403,894	1,128,894
2031	770,000	364,925	1,134,925
2032	825,000	322,575	1,147,575
2033	880,000	277,200	1,157,200
2034	940,000	228,800	1,168,800
2035	1,005,000	177,100	1,182,100
2036	1,070,000	121,825	1,191,825
2037	1,145,000	62,975	1,207,975
	<u>\$ 14,660,000</u>	<u>\$ 17,934,860</u>	<u>\$ 32,594,860</u>

TRANSFERS IN AND TRANSFERS OUT

Transfers in and out represent accounting methods to allocate the resource to the fund which will provide the mechanism to pay for the project. The majority of these transfers in the City relate to Capital Improvement projects which receive funds from a variety of sources to provide funding for the overall project. Transfers in represent funds being brought into the fund, whereas transfers out represent funds being taken from that fund.

TRANSFERS IN

General Fund		Capital Projects Funds	
From Gas Tax (Salaries)	\$ 52,550	PW Capital Projects	\$ 3,000,000
From Measure A (Salaries)	407,800	PW Capital Projects	510,000
From Measure A (Salaries)	100,000	PW Capital Projects	2,033,300
From Traffic Impact (Salaries)	654,400	PW Capital Projects	250,000
PW State & Federal Grants (Salaries)	44,200	PW Capital Projects	400,000
Special Districts (Salaries)	95,100	PW Capital Projects	167,700
CFD's (Salaries)	181,850	PW Capital Projects	800,000
Sub-total (Sp. Rev. Funds)	1,535,900	PW Capital Projects	1,250,000
CFF Administrative	50,000	PW Capital Projects	300,000
Park Renovation	31,350	PW Capital Projects	50,000
SD Fee Update	10,000	PW Capital Projects	4,139,000
Traffic Mitigation Administrative	10,000	PW Capital Projects	50,000
VOZ Administrative	1,000	Sub-total Sp. Rev. Funds	12,950,000
Sub-total Annual Acctg. Charges	102,350	City Operations Facility (from CFF)	1,800,000
Gas Tax (Hansen)	10,000	City Hall Capital Project (from Debt Svc)	120,000
Measure A	10,000	Total Capital Projects	\$ 14,870,000
Traffic Impact Fees (Hansen)	50,000	Debt Service Funds	
Park Renovation (Reimbursements)	40,250	City Hall COP's (from CFF)	\$ 578,400
CFD Administration	25,000	City Hall COP's (from CFF)	698,450
CFD 2005-1	15,000	City Operations (From CFF)	565,250
CFD 2003-1 (Series 1)	20,000	Total Debt Service	\$ 1,842,100
CFD 2003-1 (Series 2)	15,000	Internal Service Funds	
CFD 2004-1	20,000	Insurance Fund (From GF)	\$ 332,950
Sub-total (Other Funding Sources)	205,250	Vehicle Fund (From GF)	333,500
PW Capital Projects (Planning Fees)	156,250	Technology (From GF)	457,750
Sub-total PW Capital Projects	156,250	Total Internal Service Funds	\$ 1,124,200
OTS Grant for Police	250,250	TOTAL TRANSFERS IN	\$ 20,453,900
Weed n Seed Grant for Police	53,050		
CDBG	73,700		
Total General fund	\$ 2,376,750		
Special Revenue Funds			
Measure A (from Special Districts)	\$ 100,000		
Housing (from CDBG)	140,850		
Total Special Revenues	\$ 240,850		

TRANSFERS IN AND TRANSFERS OUT (Continued)

TRANSFERS OUT

General Fund

Insurance Fund	\$ 332,950
Vehicle & Equipment Replacement	333,500
Technology Enhancement	453,750
Total General Fund	\$ 1,120,200

Capital Projects Funds

PW Capital Projects (Planning Fees)	\$ 156,250
Total Capital Projects	\$ 156,250

Debt Service Funds

City Hall Certificates of Participation	120,000
Total Debt Service	\$ 120,000

Internal Service Funds

Total Internal Service	\$ -
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Special Revenue Funds

CDBG to PW Capital Projects	\$ 167,700
CDBG (to GF for Code Enf)	73,700
CDBG to Housing	140,850
	382,250
CFD 2003-1 (Series 1)	20,000
CFD 2003-1 (Series 2)	15,000
CFD 2004-1	20,000
CFD 2005-1	15,000
CFD Administration	25,000
CFD's	800,000
CFD's	181,850
	1,076,850
CFF - City Hall	578,400
CFF - Comm. Ctr.	698,450
CFF - Police	565,250
CFF - Police	1,800,000
CFF's	50,000
	3,692,100
Gas Tax	3,000,000
Gas Tax	52,550
Gas Tax	10,000
	3,062,550
Housing Fund	1,500
	1,500
Measure A	2,033,300
Measure A	407,800
Measure A	250,000
Measure A	100,000
Measure A	10,000
	2,801,100
OTS Grant for Police	250,250
	250,250
Park Renovation	31,350
Park Renovation	40,250
	71,600
Prop 42	400,000
	400,000
PW State & Federal Grants	4,139,000
PW State & Federal Grants	44,200
	4,183,200
Redevelopment Fund	2,500
	2,500
SD Fee Update	10,000
	10,000
Special Districts	95,100
Special Districts	100,000
Special Districts	50,000
	245,100
State Grants for PW	510,000
	510,000
Traffic Impact	1,250,000
Traffic Impact	654,400
Traffic Impact	300,000
Traffic Impact	50,000
Traffic Impact	50,000
Traffic Mitigation Administrative	10,000
	2,314,400
VOZ Administrative	1,000
	1,000
Weed n Seed Grant for Police	53,050
	53,050
Total Special Revenues	\$ 19,057,450

TOTAL TRANSFERS OUT **\$ 20,453,900**

FULL-TIME POSITION ALLOCATION - CITY EMPLOYEES

				Funding Source		
	FY 2005-06 Adopted	Mid-Year Adjustments	FY 2006-07 Adopted	Change from FY 2006	General Fund	Other Funding Sources
City Manager	3.00	2.00	4.00	1.00	4.00	-
Public Information	-	-	1.00	1.00	1.00	-
City Clerk	3.00	1.00	4.00	1.00	4.00	-
Human Resources	1.00	1.00	2.00	1.00	2.00	-
Administrative Support	4.00	-	5.00	1.00	5.00	-
Finance	6.00	4.00	8.00	2.00	7.00	1.00
Information Technology	-	1.00	2.00	2.00	2.00	-
Economic Development/Redevelopment	2.00	-	3.00	1.00	1.50	1.50
Housing Services	1.00	-	1.00	0	-	1.00
Neighborhood Services	3.00	-	9.00	6.00	9.00	-
Building and Safety	9.00	1.00	11.00	2.00	11.00	-
Facilities Management	-	1.00	2.00	2.00	2.00	-
Public Works	10.00	3.00	20.00	10.00	6.00	14.00
Total	42.00	14.00	72.00	30.00	54.50	17.50

DEPARTMENT EMPLOYEE POSITION DETAIL

	FY 2005-06 Adopted	Mid-Year Adjustments	FY 2006-07 Adopted		FY 2005-06 Adopted	Mid-Year Adjustments	FY 2006-07 Adopted
City Manager							
City Manager	1.00	-	1.00	Economic Development/Redevelopment			
Assistant City Manager	-	1.00	1.00	Economic Development Director	1.00	-	1.00
Sr. Management Analyst	1.00	-	1.00	ED. Mgmt. Analyst	-	-	1.00
Public Information Officer	1.00	-	-	Redevelopment Mgmt. Analyst	1.00	-	1.00
Management Assistant	-	1.00	1.00	Total	2.00	-	3.00
Total	3.00	2.00	4.00				
Public Information							
Public Information Officer	-	-	1.00	Housing Services			
Total	-	-	1.00	Housing Administrator	1.00	-	1.00
				Total	1.00	-	1.00
City Clerk							
City Clerk	1.00	-	1.00	Neighborhood Services			
Assistant City Clerk	1.00	-	1.00	Animal Svcs. Supervisor	1.00	-	-
Deputy City Clerk	1.00	-	1.00	Animal Svcs. Officer	2.00	-	2.00
Records Coordinator	-	1.00	1.00	Neighborhood Svcs. Supervisor	-	-	1.00
Total	3.00	1.00	4.00	Customer Svc. Specialist	-	-	1.00
				Code Enforcement Officer	-	-	5.00
				Total	3.00	-	9.00
Human Resources							
HR Analyst	-	1.00	1.00	Building and Safety			
HR Tech	1.00	-	1.00	Chief Building Official	1.00	-	1.00
Total	1.00	1.00	2.00	Supervising Building Inspector	1.00	-	1.00
				Building Inspector/Plans	1.00	-	-
Administrative Support							
Executive Assistant/Admin. Support Mgr.	1.00	-	1.00	Building Inspector II	4.00	-	4.00
Administrative Assistant-ACM	-	-	1.00	Sr. Bldg. Permit Tech.	1.00	-	-
Administrative Secretary	2.00	-	2.00	Building Permit Tech.	1.00	-	1.00
Cust. Svc. Specialist	1.00	-	1.00	Permit Svcs. Supervisor	-	-	1.00
Total	4.00	-	5.00	Principal Building Tech.	-	-	1.00
				Administrative Assistant	-	1.00	1.00
				Customer Svc. Specialist	-	-	1.00
				Total	9.00	1.00	11.00
Finance							
Chief Financial Officer	1.00	-	1.00	Facilities Management			
Finance Manager/ACFO	1.00	-	1.00	Facilities Services Manager	-	1.00	1.00
Sr. Accountant	-	2.00	2.00	Facilities Maintenance Worker	-	-	1.00
Accountant	2.00	-	1.00	Total	-	1.00	2.00
Sr. Accounting Tech.	1.00	-	1.00	Public Works			
Accounting Tech.	-	1.00	1.00	Public Works Director	1.00	-	1.00
Customer Svc. Specialist	1.00	1.00	1.00	Sr. Civil Engineer	2.00	-	6.00
Total	6.00	4.00	8.00	Associate Civil Engineer	3.00	-	2.00
				Assistant Civil Engineer	1.00	1.00	2.00
				Assistant Land Surveyor	-	1.00	1.00
				Street Operations/Maintenance Mgr.	1.00	-	1.00
Information Technology							
IT Manager	-	1.00	1.00	Solid Waste/Recycling	-	-	1.00
IT Tech.	-	-	1.00	Engineering Tech.	-	-	3.00
Total	-	1.00	2.00	Mgmt. Analyst	1.00	-	1.00
				Administrative Assistant	-	1.00	1.00
				Cust. Svc. Specialist	1.00	-	1.00
				Total	10.00	3.00	20.00

FULL-TIME EQUIVALENT -- CONTRACT EMPLOYEES

	FY 2005-06 Adopted	FY 2006-07 Adopted	Change from FY 2006	Funding Source	
				General Fund	Other Funding Sources
City Attorney	1.00	2.50	1.50	1.50	1.00
Human Resources	1.00	-	(1.00)	-	-
Police	80.90	82.90	2.00	80.90	2.00
Planning	13.00	14.68	1.68	2.68	12.00
Code Enforcement	4.00	-	(4.00)	-	-
Building and Safety	8.00	3.00	(5.00)	3.00	-
Total	107.90	103.08	(4.82)	88.08	15.00
Total					

DEPARTMENT EMPLOYEE POSITION DETAIL

	FY 2005-06 Adopted	FY 2006-07 Adopted		FY 2005-06 Adopted	FY 2006-07 Adopted
City Attorney			Police		
City Attorney	1.00	2.50	Sworn Officers	67.60	69.60
Total	1.00	2.50	Non-Sworn Positions	13.30	13.30
Human Resources			Total	80.90	82.90
HR Consultants	1.00	-	Planning		
Total	1.00	-	Planning Director	1.00	1.64
Building and Safety			Principal Planner	2.00	1.64
Building Inspector II	-	3.00	Senior Planner	2.00	2.59
Building Inspector I	8.00	-	Associate Planner	2.00	4.08
Total	8.00	3.00	Assistant Planner	3.00	2.84
			Planning Tech.	2.00	-
			Planning Clerk	1.00	1.89
			Total	13.00	14.68
			Code Enforcement		
			Program Manager	1.00	-
			Field Inspectors	3.00	-
			Administrative Assistant	-	-
			Total	4.00	-

**CITY BUDGET RESOLUTION AND
RESOLUTIONS TO ESTABLISH THE
CITY'S APPROPRIATION LIMIT FOR
FISCAL YEAR 2006-2007
INCLUDING CALCULATIONS**

CITY OF RANCHO CORDOVA

RESOLUTION NO. 98-2006

**A RESOLUTION OF THE CITY COUNCIL
OF THE CITY OF RANCHO CORDOVA ADOPTING AN OPERATING BUDGET FOR THE
CITY FOR THE FISCAL YEAR JULY 1, 2006 THROUGH JUNE 30, 2007, AND PROVIDING
FOR THE APPROPRIATIONS AND EXPENDITURES OF ALL SUMS SET FORTH IN SAID
BUDGET**

WHEREAS, the City Manager has submitted to the City Council of Rancho Cordova a Fiscal Year 2006 -- 2007 Preliminary Budget for the fiscal year July 1, 2006 through June 30, 2007; and

WHEREAS, after conducting a workshop and a public hearing on the preliminary budget, the City Council has approved the same; and

WHEREAS, it is the intention of the Council to adopt the final budget as submitted by the City Manager as modified and amended by the City Council at their June 19, 2006 meeting;

NOW, THEREFORE, BE IT RESOLVED, that the City Council of the City of Rancho Cordova as follows:

1. That certain document referred to as "The City of Rancho Cordova, California Fiscal Year 2006 -- 2007 Preliminary Budget" presented by the City Manager and subsequently amended by the City Council is hereby adopted and the appropriations for the annual budget of the City of Rancho Cordova for the fiscal year beginning on July 1, 2006 and ending on June 30, 2007, is hereby adopted.
2. That the several amounts stated in the preliminary budget, as amended, shall become and thereafter be appropriated to the offices, departments, activities, objects, and purposes stated therein and said monies are hereby authorized to be expended for the purposes and objects specified in said budget.
3. The City Manager is authorized to approve expenditure adjustments within individual funds so long as the total appropriated within each major fund is not exceeded.

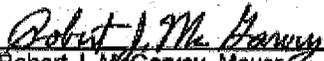
PASSED AND ADOPTED by the City Council of on the 26th day of June, 2006 by the following vote:

AYES: Budge, Cooley, Sander, Skoglund, McGarvey

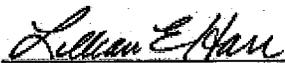
NOES: None

ABSENT: None

ABSTAIN: None


Robert J. McGarvey, Mayor

ATTEST:


Lillian E. Hare, City Clerk

CITY OF RANCHO CORDOVA

RESOLUTION NO. 99-2006

A RESOLUTION OF THE CITY COUNCIL ADOPTING THE APPROPRIATIONS LIMIT FOR FISCAL YEAR 2006 – 2007 AND MAKING THE ANNUAL ELECTION FOR ADJUSTMENT FACTORS

WHEREAS, the people of California on November 6, 1979, added Article XIII-B to the State Constitution placing various limitations on the appropriations of state and local governments; and

WHEREAS, the State Legislature adopted Chapters 1205 and 1342 of the 1960 Statutes which implemented Article XIII-B; and

WHEREAS, the people of California on June 5, 1990 amended Article XIII-B effective July 1, 1990; and

WHEREAS, the provisions of the amendments have been interpreted by a coalition of statewide organizations, and the organizations have issued through the League of California Cities revised guidelines to calculate the appropriations limit; and

WHEREAS, section 7910 of the Government Code requires cities to adopt a resolution setting the annual appropriations limit at a regularly scheduled meeting or a noticed special meeting; and

WHEREAS, the City of Rancho Cordova has complied with the provisions of Article XIII-B in calculating the Appropriations Limit for Fiscal Year 2006 -- 2007.

NOW, THEREFORE BE IT RESOLVED by the City Council of the City of Rancho Cordova and shown on Schedules No. 1 through 8 (Exhibit A), that:

1. The Fiscal Year 2006 -- 2007 Appropriations Limit shall be \$40,898,007
2. The Fiscal Year 2006 -- 2007 Appropriations subject to the Limit is \$21,198,659
3. The annual election for Adjustment Factors shall be to use the growth in City population and the increase in the per-capita personal income for the State of California.

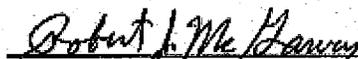
PASSED AND ADOPTED by the City Council of on the 26th day of June, 2006 by the following vote:

AYES: Cooley, Sander, McGarvey

NOES: None

ABSENT: Budge, Skoglund

ABSTAIN: None


Robert J. McGarvey, Mayor

ATTEST:


Lillian E. Hare, City Clerk

CITY OF RANCHO CORDOVA, CA
FISCAL YEAR 2007 GANN CALCULATIONS

SCHEDULE NO. 1

	USER FEES VERSUS COSTS				FY 2006 - 2007
	Planning Services	Building & Safety	Engineering Fees	Legal Fees	Fiscal Year
COSTS REASONABLY BORNE FEES	\$ 3,029,300 <u>2,639,550</u>	\$ 2,055,200 <u>3,705,800</u>	\$ 2,682,300 <u>1,834,900</u>	\$ 930,500 <u>350,000</u>	\$ 8,697,300 <u>8,530,250</u>
AMOUNT OF FEE REVENUE LESS THAN COST	\$ (389,750)	\$ 1,650,600	\$ (847,400)	\$ (580,500)	\$ (167,050)

**CITY OF RANCHO CORDOVA, CA
FISCAL YEAR 2007 GANN CALCULATIONS**

SCHEDULE NO. 2

	ALLOCATION OF TAXES					
	General Fund		Special Revenue Fund		Total	
	Subject	Not Subject	Subject	Not Subject	Subject	Not Subject
Property Taxes	\$ 8,162,000	\$ -	\$ -	\$ -	\$ 8,162,000	\$ -
Property Taxes in Lieu	4,600,000	-	-	-	4,600,000	-
Sales Taxes	11,145,950	-	-	-	11,145,950	-
Other Taxes:						
Garbage Franchise Fee	-	715,000	-	-	-	715,000
Cable Franchise Fee	-	220,000	-	-	-	220,000
PG&E Franchise Fee	-	60,000	-	-	-	60,000
Telephone Franchise	-	25,000	-	-	-	25,000
Property Transfer Tax	400,000	-	-	-	400,000	-
Police Tax	400,000	-	-	-	400,000	-
Utility User Tax	1,750,000	-	-	-	1,750,000	-
Transient Occupancy Tax	2,423,700	-	-	-	2,423,700	-
Traffic Mitigation Fees	-	-	-	-	-	-
TOTAL TAXES	28,981,650	1,029,000	-	-	28,981,650	1,029,000
From State:						
Motor Vehicle in Lieu	1,253,200	-	-	-	1,253,200	-
Gas Tax	-	-	-	1,300,000	-	1,300,000
Homeowners Relief	6,200	-	-	-	6,200	-
SB 90 Reimbursements	-	48,050	-	-	-	48,050
Sub-Total	1,259,400	48,050	-	1,300,000	1,259,400	1,348,050
Other Intergovernmental						
Measure A Sales Tax	-	-	-	2,857,100	-	2,857,100
Proposition 42	-	-	-	235,000	-	235,000
CDBG Block Grant	-	-	-	704,250	-	704,250
Grants	-	-	-	5,349,550	-	5,349,550
Sub-Total Other Intergov't	-	-	-	9,145,900	-	9,145,900
Locally Raised:						
Sp. Benefit - Assmt. Districts	-	-	-	510,000	-	510,000
Zinlandet Impact Fees	-	-	-	119,400	-	119,400
Comm. Fac. Fees	-	-	-	4,071,800	-	4,071,800
Traffic Impact Fees	-	-	-	8,914,000	-	8,914,000
Park Renovation Fees	-	-	-	1,290,000	-	1,290,000
Low Income Housing	-	-	-	220,550	-	220,550
Sunrise Douglas Impact	-	-	-	11,838,800	-	11,838,800
General Plan Impact	-	-	-	300,000	-	300,000
Environmental Impact	-	-	-	-	-	-
Housing Fund	-	-	-	140,850	-	140,850
Licenses Permits & Fees	-	370,500	-	7,500	-	378,000
Fines/Forfeitures & Penalties	-	441,000	-	-	-	441,000
Rents	-	220,500	-	-	-	220,500
Charges for Services	-	681,400	-	-	-	681,400
Transfers In	-	684,800	-	-	-	684,800
Other	-	-	-	-	-	-
Sub-Total Locally Raised	-	2,387,000	-	27,212,900	-	29,599,900
TOTAL ALL FUNDS	\$ 30,141,050	\$ 3,464,050	\$ -	\$ 37,659,800	\$ 30,141,050	\$ 41,122,850

**CITY OF RANCHO CORDOVA, CA
FISCAL YEAR 2007 GANN CALCULATIONS**

SCHEDULE NO. 3

INTEREST EARNINGS PRODUCED BY TAXES

	<u>Amount</u>	<u>Source</u>
A. Non-Interest Tax Proceeds	\$ 30,141,050	Worksheet # 2
B. Minus Exclusions	<u>8,968,936</u>	Worksheet # 7
C. Net Invested Taxes	<u>21,172,114</u>	(A-B)
D. Total Non-Interest Budget	<u>58,423,150</u>	Worksheet # 2
E. Tax Proceeds as % of Budget	36.24%	(C/D)
F. Interest Earnings	73,250	Budget
G. Amount of Interest Earned from Taxes	\$ <u>26,545</u>	(E*F)
H. Amount of Interest Earned from Non-Taxes	\$ <u>46,705</u>	(F-G)

**CITY OF RANCHO CORDOVA, CA
FISCAL YEAR 2007 GANN CALCULATIONS**

SCHEDULE NO. 4

APPROPRIATIONS SUBJECT TO LIMITATION

	Amount	Source
A. Proceeds of Taxes	\$ 30,167,595	Schedule No. 8
B. Exclusions	<u>8,968,936</u>	Schedule No. 7
C. Appropriations Subject to Limitation	<u>21,198,659</u>	(A-B)
D. Current Year Limitation	<u>40,698,007</u>	Schedule No. 6
E. Over/(Under) Limit	<u>\$ (19,499,347)</u>	(C-D)

**CITY OF RANCHO CORDOVA, CA
FISCAL YEAR 2007 GANN CALCULATIONS**

SCHEDULE NO. 5

APPROPRIATIONS LIMIT

	<u>Amount</u>	<u>Source</u>
A. Last Year's Limit	\$ 38,230,230	Voter Approved
B. Adjustment Factors		
1. Growth in Rancho Cordova Population	1.0396	State Finance
2. Growth in California Per Capita Income	1.0240	State Finance
Total Adjustment %	1.0646	(B1 * B2)
C. Annual Adjustment \$	<u>2,467,777</u>	(B*A)
D. Other Adjustments		
Lost Responsibility (-)	-	
Transfer to Private (-)	-	
Transfer to Fees (-)	-	
Assumed Responsibility (+)	-	
Subtotal	-	
E. Total Adjustments	<u>2,467,777</u>	(C+D)
F. This Year's Limit	<u>\$ 40,698,007</u>	(A+E)

**CITY OF RANCHO CORDOVA, CA
FISCAL YEAR 2007 GANN CALCULATIONS**

SCHEDULE NO. 6

APPROPRIATIONS LIMIT ANALYSIS

FY 2006-2007 Appropriations Limit		\$ 38,230,230
Adjustment Factors		
Change in Per Capita Personal Income (FY 2005-2006)		1.0396
Increase in Rancho Cordova Population		1.0240
Factor for Fiscal Year 2006-2007		1.0646
FY 2006-2007 Appropriations Limit		\$ 40,698,007
FY 2006-2007 Proceeds of Taxes	30,167,595	
Exclusion	<u>(8,968,936)</u>	
FY 2006-2007 Appropriations Subject to Limit		21,198,659
FY 2006-2007 Appropriations Under Limit		\$ 19,499,347

**CITY OF RANCHO CORDOVA, CA
FISCAL YEAR 2007**

SCHEDULE NO. 7

EXCLUSIONS TO APPROPRIATIONS LIMIT

COURT ORDERS	\$	-
FEDERAL MANDATES		
FLSA Payments		6,200
Medicare Payments		74,386
Landfill Closure Costs		-
Underground Tank Monitoring		-
Unemployment Payments		-
TOTAL FEDERAL MANDATES		<u>80,586</u>
QUALIFIED CAPITAL OUTLAYS		
Technology Enhancements		641,200
Building Improvements		151,800
Vehicles		75,000
Other Capital Equipment		7,500
		<u>875,500</u>
QUALIFIED DEBT SERVICE		
Transition Costs		463,000
Revenue Neutrality Payment		7,549,850
		<u>8,012,850</u>
TOTAL EXCLUDED APPROPRIATIONS	\$	<u>8,968,936</u>

**CITY OF RANCHO CORDOVA, CA
FISCAL YEAR 2007 GANN CALCULATIONS**

SCHEDULE NO. 8

CALCULATION OF PROCEEDS OF TAXES

REVENUE	Proceeds of Taxes	Non-Proceeds of Taxes	Total
Taxes	\$ 20,981,650	\$ 1,029,000	\$ 20,910,650
Subventions from State			-
Motor Vehicle In Lieu	1,263,200	-	1,263,200
Gas Tax	-	1,300,000	1,300,000
Homeowner's Relief	6,200	-	6,200
SB 90 Reimbursements	-	48,050	48,050
Other Intergovernmental	-	704,250	704,250
Locally Raised		9,146,900	9,146,900
Local Dedicated Sales Tax	-	2,857,100	2,857,100
Special Benefit-Landscape Assessments	-	510,000	510,000
Impact Fees	-	20,554,550	20,554,550
Grants	-	6,349,550	6,349,550
Licenses and Permits	-	378,000	378,000
Fines, Forfeiture and Penalties	-	441,000	441,000
Rents	-	229,500	229,500
Charges for Services	-	661,400	661,400
User Fees	-	6,530,250	6,530,250
Transfers In	-	884,800	884,800
Other	-	-	-
Subtotal	<u>30,141,050</u>	<u>58,423,150</u>	<u>68,564,200</u>
Interest Earnings	<u>26,545</u>	<u>46,705</u>	<u>73,250</u>
Total Revenue	<u>30,167,595</u>	<u>58,469,855</u>	<u>68,637,450</u>
Reserve Withdrawals	-	-	-
TOTAL BUDGET APPROPRIATIONS	<u>\$ 30,167,595</u>	<u>\$ 58,469,855</u>	<u>\$ 88,637,450</u>

FREQUENTLY ASKED QUESTIONS

The City of Rancho Cordova designed the Annual Budget to offer citizens an understandable and meaningful budget document. This guide, along with the Glossary of Terms, will provide assistance to those unfamiliar with Rancho Cordova's budgeting and financial processes.

WHAT IS A "FISCAL YEAR (FY)" AND WHEN DOES IT BEGIN AND END?

The City of Rancho Cordova follows a Fiscal Year (FY) that starts on July 1 and ends on June 30. A Fiscal Year is the period designated by the city for the beginning and ending of financial transactions or a budget cycle. The "2007 Annual Budget" or "Fiscal Year 2006 – 2007" refers to the period that begins on July 1, 2006 and concludes on June 30, 2007.

WHAT DOES IT MEAN TO "ADOPT THE BUDGET?"

Budget adoption is a formal action taken by the City Council that sets the city's priorities and spending limits for the next year. The FY 2006-07 budget was formally adopted by the passage of the "Appropriating Resolution," though city staff had been preparing the budget for months in advance.

WHAT IS AN "APPROPRIATING RESOLUTION"?

The City of Rancho Cordova adopts the annual budget with the "appropriating resolution". The resolution requires a majority of the Council to approve.

WHAT IS MEANT BY "BUDGET APPROPRIATIONS?"

Budget appropriations refer to authorizations made by the City Council that permit the city to incur obligations and expend resources. When the City Council appropriates funds, they are saying the community should, for example, spend its money on public safety, or make investments that improve the quality of life in Rancho Cordova. The city cannot collect or spend money unless it is appropriated, and this ensures the public's money is spent according to the public's needs as expressed by the democratically elected City Council.

WHAT IS DEBT SERVICE?

A family's debt service is the payments they make on loans, such as a mortgage or credit cards. Principal and interest payments on outstanding bonds are referred to as debt service. Just like a family cannot skip a mortgage payment or credit card payment, the city must keep up on its debt service, so this will always be part of the city's budget.

WHAT IS AN ENCUMBRANCE?

An encumbrance refers to the formal accounting recognition of commitments to expend resources in the future. For example, when a purchase order is issued for equipment, that fund is encumbered until delivery. Once the equipment arrives the invoice is paid and the encumbrance becomes an expenditure.

WHAT IS AN EXPENDITURE?

Expenditures represent a decrease in fund resources or, stated simply, a recorded expense.

WHAT IS A FULL-TIME EQUIVALENT POSITION (FTE)?

An FTE refers to one or more employees working a total of 40 hours per week, or 2,080 hours per year. For example, a part-time employee working 20 hours per week would be considered a 0.5 FTE.

WHAT IS THE DEFINITION OF A BUDGET FUND?

Rancho Cordova has numerous budget funds to help keep track of and focus resources. These include the General Fund, Gas Tax Fund and Debt Service Fund, to name just a few. A family might use several funds, too, in order to help manage their finances and determine how close they are to reaching certain goals. For instance, a family might have a children's college fund, a retirement fund, a vacation fund and household expenses fund. A budget fund, then, is a fiscal and accounting entity with a self-balancing set of accounts recording cash and other financial resources. Rancho Cordova uses separate funds in order to correctly and legally track revenues and expenditures by program.

WHAT IS A FUND BALANCE?

Fund balance refers to the remainder or carryover that occurs when actual revenues exceed budgeted revenues and/or when actual expenditures are less than budgeted expenditures at the end of the fiscal year (June 30). If the city budgets (plans to spend) \$3 million on roads next year, but only spends \$2 million, there is a \$1 million fund balance.

WHERE DOES THE CITY'S REVENUE COME FROM?

Rancho Cordova's revenue comes from a variety of sources, including sales taxes, property taxes, and user charges and from other units of governments such as the State of California. A visual depiction of all revenue sources as well as how the money is spent is shown in the Summary Section.

WHAT ARE "STATE SUBVENTIONS"?

The State of California shares a portion of its tax revenues (gas tax and motor vehicle in-lieu taxes) with California cities and towns. This funding is divided amongst the local governments by various formulas, generally population. State subventions enable local governments to continue to provide basic services, such as police and fire protection, without burdening the residents with additional local taxes.

WHAT IS A BUDGET TRANSFER?

A budget transfer moves budget appropriations between programs or funds. Transfers within funds may be done with the City Manager's authority as the City Manager position is appointed by the City Council to act as the city's chief executive officer. Transfer between funds requires City Council approval.

WHAT ARE USER CHARGES?

User charges are fees paid in direct receipt of a public service by the party who benefits from the service.

The above are some of the more frequently asked questions concerning the City of Rancho Cordova's budget. Additional definitions of terms used in the budget document are provided for in the Glossary of Terms and Acronyms. All questions concerning the City of Rancho Cordova's budget should be directed to:

City of Rancho Cordova
Finance Department
2729 Prospect Park Drive
Rancho Cordova, CA 95670
bthomas@cityofranchocordova.org
Phone: (916) 851-8731
Fax : (916) 851-8731

GLOSSARY OF TERMS

ADOPTED BUDGET	The City Council approved annual budget establishing the legal authority for the expenditure of funds as set forth in the Appropriation Resolution
ACCRUAL/ACCRUAL BASIS OF ACCOUNTING	A method of accounting that recognizes the financial effect of transactions, events, and inter-fund activities when they occur, regardless of the timing of related cash flows
ANNUAL FINANCIAL REPORT	A financial report applicable to a single fiscal year
APPROPRIATION	An authorization made by the City Council, which permits officials to incur obligations against and to make expenditures of resources. Appropriations are usually made to fixed amounts and are typically granted for a one-year period.
ASSESSED VALUATION	A valuation set upon real estate or other property by a government as a basis for a tax levy
AUDIT	A view of the City accounts by an independent auditing firm to substantiate year-end fund, salaries, reserves, and cash on hand
BEGINNING/ENDING FUND BALANCE	Appropriated resources available in a fund from the prior/current year after payment of the prior/current year's expenses. This is not necessarily cash on hand.
BOND	A City may raise capital by issuing a written promise to pay a specific sum of money, called the face value or principal amount, at a specified date or dates in the future, together with periodic interest at a specified rate.
BUDGET	A plan of financial operation embodying an estimate of proposed appropriations for a given period of time and the proposed means of financing them
BUDGETARY BASIS	The method of accounting applied to the budgetary accounts and process
BUDGETARY CONTROL	The control or management of a government or enterprise in accordance with an approved budget for the purpose of keeping expenditures within the limitations of appropriations and available resources
BUDGET MESSAGE OR BUDGET TRANSMITTAL LETTER	A general discussion of the proposed budget as presented in writing by the City Manager to the City Council. The message contains an explanation of principal budget items and summaries found in the prepared budget relative to the current year adopted budget.
BUDGETARY BASIS	The form of accounting utilized throughout the budget process
DEBT SERVICE	Payment of interest and repayment of principal to holders of the City's debt instruments (bonds)
DEBT SERVICE FUND	Governmental fund type used to account for the accumulation of resources for, and the payment of, general long-term debt principal and interest
DEFICIT	An excess of expenditures or expenses over resources

DEPARTMENT	An operational and budgetary unit designated by the City Council to define and organize City operations
DEPRECIATION	The portion of the cost of a fixed-asset charged as an expense prorated over the estimated life of the asset
ENCUMBRANCE	An amount of money committed for the payment of goods and services not yet received or paid for. A purchase order is a common encumbrance.
ESTIMATED REVENUES	The budgeted, projected revenues expected to be realized during the budget (fiscal) year to finance all or part of the planned expenditures
EXPENDITURE	The actual payment for goods and services
EXPENSES	The incurrence of liabilities or the consumption of assets arising from the delivery or production of goods, rendering services or carrying out other activities that constitute the entity's ongoing major or central operation. The term applies to the City's Enterprise and Internal Service Funds.
FISCAL YEAR (FY)	A 12-month period of time to which the budget applies. For the City of Rancho Cordova it is July 1 st through June 30 th
FIXED ASSET	A long-lived tangible asset obtained or controlled as a result of past transactions, events or circumstances. Fixed assets include land, buildings, equipment, improvements to other assets and infrastructure (i.e., streets, highways, bridges, etc.)
FULL TIME EQUIVALENT (FTE) POSITION	The amount of time a position has been budgeted for in terms of the amount of time a regular, full-time employee normally works in a year (2,080 hours)
FUND	An accounting entity with a self-balancing set of accounts in which cash and other financial resources, all related liabilities and residual equities, or balances and changes therein are recorded and segregated to carry on specific activities or attain certain objectives in accordance with special regulations, restrictions or limitations.
FUND BALANCE	The difference between the assets (revenues and other resources) and liabilities (expenditures incurred or committed to) for a particular fund. It also represents the accumulated net resources of a fund available for reservation, designation or for appropriation.
GANN	Refers to the last name of the individual who championed Proposition 13 and secured the passage of the constitutional amendment that led to the property tax rollback in the 1970's.
GASB 34	Governmental Accounting Standards Board
GENERALLY ACCEPTED ACCOUNTING PRINCIPLES (GAAP)	Uniform minimum standards and guidelines for accounting and reporting. These standards govern the form and content of the annual financial statements of an entity. The primary authoritative body on the application of GAAP to state and local governments is the Governmental Accounting Standards Board (GASB)

GENERAL FUND	The primary governmental fund used to account for all financial resources, except those required to be accounted for in another fund
GENERAL PLAN	A comprehensive, long-range policy guide intended to promote efficient and desirable growth in the community
GOVERNMENTAL FUNDS	Distinguished by their measurement focus on determining financial position and changes in financial position
GRANTS	Contributions of gifts or cash or other assets from another government to be used or expended for a specific purpose, activity or facility
INFRASTRUCTURE	Facilities that support the continuance and growth of a community. Examples include roads, water lines, sewers, public buildings, parks and airports.
INTERFUND TRANSFERS	Monies moved from one fund to another. The money is transferred to finance the operations of another fund or to reimburse the fund for expenses.
LINE ITEM	The description of an object of expenditure, i.e. salaries, supplies, professional services, and other operational costs
MAINTENANCE & OPERATION (M&O) COSTS	The day-to-day operating and maintenance costs of a municipality. These costs include personnel, gas, electric utility bills, telephone expense, reproduction costs, postage, and vehicle maintenance
MODIFIED ACCRUAL	An adaptation of the accrual basis of accounting for governmental funds types. Revenues and other financing resources are recognized when they become available to finance expenditures of the current period. Expenditures are recognized when the fund liability is incurred.
NOTES	A paper that acknowledges a debt and promises payment to a specified party of a specific sum, describing a time of maturity that is either definite or will become definite
OBJECT	An individual expenditure account
OBJECTIVE	A measurable output that an organization strives to achieve within a designated time frame. The achievement of the objective advances an organization toward a corresponding goal.
OPERATING BUDGET	Plans of current expenditures and the proposed means of financing them. The annual operating budget, as distinguished from the capital program budget, is the primary means by which most of the financing, acquisition, spending and service delivery activities of a government are controlled.
OPERATING DEFICIT	The deficiency of operating revenues under expenditures
OPERATING EXPENSES	Expenditures for materials, supplies, and services which are ordinarily consumed within a fiscal year and which are not included in the program inventories
OPERATING SURPLUS	The excess of operating revenues over operating expenditures
ORDINANCE	A formal legislative enactment by the City Council. It is the full force and effect of law within the City boundaries unless pre-empted by a higher form of law.

PERFORMANCE MEASURES	Measurement of service performance indicators that reflect the amount of money spent on services and the resulting outcomes at a specific level of services provided
PROGRAM	A group of related activities performed by one or more organizational units for the purpose of accomplishing a City responsibility
PROPOSED BUDGET	This refers to the status of an annual budget, which has been submitted to the City Council by the City Manager and is pending public review and City Council adoption. Also referred to as the "Preliminary Budget".
RESERVE	An account used to indicate that a portion of a fund's balance is legally restricted for a specific purpose and is, therefore, not available for general appropriations
RESOLUTION	A special order of the City Council, which has a lower legal standing than an ordinance
RESOURCES	Total amounts available for appropriation including estimated revenues, fund transfers and beginning fund balances
RETAINED EARNINGS	An equity account reflecting the accumulated earnings of an enterprise or internal service fund
REVENUE	Income received through such sources as taxes, fines, fees, grants or service charges that can be used to finance operations or capital assets
RISK MANAGEMENT	An organized attempt to protect an organization's assets against accidental loss in the most cost-effective manner
SELF INSURANCE	A term often used to describe the retention by an entity of a risk of loss arising out of the ownership of property or the activity of the agency. It is distinguished from the transfer of risk to a third party (insurance company).
SERVICE EFFORT	A measure of expected output by a budgetary program
SPECIAL REVENUE FUNDS	A governmental fund type used to account for the proceeds of specific revenue sources (other than for major capital projects) that are legally restricted to expenditure for specified purposes
SUBVENTIONS	Revenues collected by the State (or other level of government), which are allocated to the City on a formula basis. The major subventions received by the City come from the State of California and include motor vehicle in-lieu and gas tax.
TAX ALLOCATION BONDS	A bond issued that has a specific tax revenue source that backs the payment of the debt. In the City, these are not issued for General Fund purposes.
TRANSFER IN/OUT	Movement of resources between two funds. Example: An interfund transfer would include the transfer of operating resources from the General Fund to an Enterprise Fund.
TRANSIENT OCCUPANCY TAX (TOT)	This revenue source originates in a tax placed on lodging facilities for the occupancy of a room. Rancho Cordova has a 12% tax for such occupancies.
TRUST FUNDS	Funds held by the City that are subject to the terms of the trust that created the source of funding

USER CHARGES	The payment of a fee in direct receipt of a public service by the party who benefits from the service
WORKLOAD INDICATORS	Statistical information that indicates the demands for services within a given department or division. Workload indicators are a type of performance measure utilized by departments or divisions to assess its level of service.

ACRONYMS

Throughout the budget, acronyms are used that are familiar to those in government but are quite unfamiliar to those who do not work in that setting. Efforts were made to list as many of those that were used in the budget document and follow:

"CAD"	Computer Aided Dispatch
"CAD/RMS/MDC"	Computer Aided Dispatch/Records Management System/Mobile Data Computers
"CAFR"	Comprehensive Annual Financial Report or Annual Financial Report
"CDBG"	Community Development Block Grant
"COPPS"	Community Oriented Policing and Problem Solving
"CSR's"	Customer Service Representatives
"DARE"	Drug Abuse Resistance Education
"DBE"	Disadvantaged Business Enterprise
"EIR"	Environmental Impact Report
"FPPC"	Fair Political Practices Commission
"FTP"	File Transfer Protocol
"FEIR"	Final Environmental Impact Report
"FEMA"	Federal Emergency Management Administration
"GIS"	Geographic Information Services
"HVAC"	Heating Ventilation and Air Conditioning
"ISTEA"	Intermodal Surface Transportation Efficiency Act
"ISTEA-RTSOP"	ISTEA-Regional Traffic Signal Operations Program
"ISTEA-STP-5311"	ISTEA-Surface Transportation Program-5311
"LED"	Light Emitting Diode
"LLEBG"	Local Law Enforcement Block Grant
"LLESSF"	Law Enforcement Supplemental Services
"MDC"	Mobile Data Computing
"MOU"	Memorandum of Understanding
"OES"	Office of Emergency Services
"PG&E"	Pacific Gas & Electric
"POST"	Police Officers Standards and Training
"RIM"	Records and Information Management
"RMS"	Records Management System
"SEMS"	Standardized Emergency Management System
"SWAT"	Special Weapons and Tactics
"TDA"	Transportation Development Act
"TEA-21"	Transportation efficiency Act of the 21 st Century
"TED"	Training and Education Development
"TFCA"	Transportation Fund for Clean Air
"WC"	Worker's Compensation