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DEPARTMENT OF
FINANCE

REVENUE DIVISION

CITY OF SACRAMENTO
CALIFORNIA

CITY HALL
ROOM 104
915 I STREET
SACRAMENTO, CA
95814-2696

February 19, 1990
RA90041:LM:ldm

916-449-5454

Budget and Finance Committee
Sacramento, California

Honorable Members in Session:

SUBJECT: FIVE-YEAR REVENUE PROJECTION - ALL FUNDS

SUMMARY

This report transmits to the Budget and Finance Committee staff's five-year revenue projections for all City funds.

BACKGROUND

The five-year revenue projections provide data essential to long range planning as well as current fund balance projections. Together, these projections provide early indications of potential program expansions, the need for revenue increases and/or expenditure reductions.

Long range revenue projection is at best an art. The economic and policy assumptions are speculative. These projections should be viewed as an indication of the direction in which the various revenue sources will be moving rather than as exact prediction of the City's financial future.

DISCUSSION

Staff assumes that the fee and charge rates and current law will remain the same throughout the span of the five year projected period. Staff did not incorporate any speculative or uncertain growth assumptions in the forecast.

This report does not include growth assumptions for North and South Natomas areas. The Sales and Use Tax projections do not include the positive impact of the remodeled Arden Fair, Downtown Plaza or additional sales outlets throughout the City.

The five-year revenue projections for all City funds for FY 1990/91 through FY 1994/95 are summarized in Exhibit I. The General Fund growth rate is up from last year's 4.1% to 8.5%. The current growth rate prediction is a respectable

5.9% to 9.0%. However, long range forecasts should be viewed only as a planning tool. The forecasts are based on fixed assumptions that will vary in the future.

POLICY CONSIDERATIONS

The financial policy implications of the 1990 five year Revenue Projections are discussed in an accompanying report.

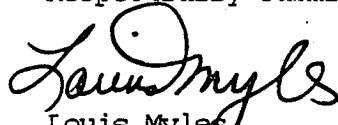
MBE/WBE EFFORTS

Not Applicable

RECOMMENDATION

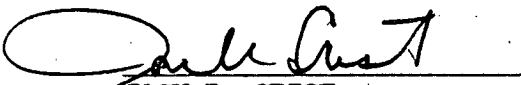
It is recommended that the Budget and Finance Committee direct staff to transmit the attached five-year revenue projections to the City Council for its information.

Respectfully submitted,



Louis Myles
Acting Revenue Manager

RECOMMENDATION APPROVED:



JACK R. CRIST
Deputy City Manager

Attachment

CONTACT PERSON: Louis Myles, Acting Revenue Manager, 449-5724

84

City of Sacramento
5 - YEAR REVENUE FORECAST 1990/95
\$ in thousands

	ACTUAL					1989/1990		FORECAST				
	1984/85	1985/86	1986/87	1987/88	1988/89	APPROVED	MIDYEAR	1990/91	1991/92	1992/93	1993/94	1994/95
GENERAL FUND												
Property Taxes	\$27,014	\$30,512	\$34,843	\$38,314	\$40,792	\$46,093	\$44,598	\$51,877	\$59,139	\$65,407	\$72,227	\$79,797
		12.9%	14.2%	10.0%	6.5%	13.0%	9.3%	16.3%	14.0%	10.6%	10.4%	10.5%
Sales and Use Taxes	27,149	29,532	30,243	32,565	35,810	35,446	37,841	40,860	43,785	46,863	49,408	52,372
		8.8%	2.4%	7.7%	10.0%	-1.0%	5.7%	8.0%	7.2%	7.0%	5.4%	6.0%
Utility Users Taxes	19,531	21,916	23,564	25,287	24,986	27,408	27,317	28,953	28,961	28,677	26,852	26,923
		12.2%	7.5%	7.3%	-1.2%	9.7%	9.3%	6.0%	0.0%	-1.0%	-8.4%	0.3%
Utility Users Taxes - Public Safety						1,443	1,514	3,858	6,545	9,605	12,495	13,462
								154.8%	69.6%	48.8%	30.1%	7.7%
Business Operations Taxes	2,587	2,824	2,824	2,933	3,154	3,549	3,405	3,587	3,766	3,997	4,287	4,544
		9.2%	0.0%	3.9%	7.5%	12.5%	8.0%	5.3%	5.0%	6.1%	7.3%	6.0%
Real Property Transfer Taxes	2,534	3,010	3,302	2,839	3,560	3,351	3,989	4,173	4,479	4,860	5,265	5,686
		18.8%	9.7%	-14.0%	25.4%	-5.9%	12.1%	4.6%	7.3%	8.5%	8.3%	8.0%
Residential Construc- tion Taxes	1,400	1,850	1,220	929	624	900	914	846	950	950	950	950
		32.1%	-34.1%	-23.9%	-32.8%	44.2%	46.5%	-7.4%	12.3%	0.0%	0.0%	0.0%
Transient Occupancy Tax 1.5%								1,066	1,173	1,240	1,419	1,561
									10.0%	5.7%	14.4%	10.0%
Licenses and Permits	3,145	3,329	3,476	3,227	3,684	8,371	8,519	9,078	9,470	9,804	10,194	10,963
		5.9%	4.4%	-7.2%	14.2%	127.2%	131.2%	6.6%	4.3%	3.5%	4.0%	7.5%
Fines and Forefeits	1,165	1,386	1,250	1,668	1,775	2,300	1,796	1,825	1,844	1,862	1,880	1,951
		19.0%	-9.8%	33.4%	6.4%	29.6%	1.2%	1.6%	1.0%	1.0%	1.0%	3.8%
Use of Money	3,916	4,051	5,119	2,742	3,917	1,580	2,831	2,755	2,891	2,886	2,754	2,746
		3.4%	26.4%	-46.4%	42.9%	-59.7%	-27.7%	-2.7%	4.9%	-0.2%	-4.6%	-0.3%
Intergovernmental	13,102	15,526	19,312	17,322	18,324	18,815	18,884	18,902	19,273	19,704	20,151	20,614
		18.5%	24.4%	-10.3%	5.8%	2.7%	3.1%	0.1%	2.0%	2.2%	2.3%	2.3%
Charges, Fees and Services	7,288	8,710	8,207	10,741	13,439	17,990	14,427	14,281	14,916	15,483	16,033	16,643
		19.5%	-5.8%	30.9%	25.1%	33.9%	7.4%	-1.0%	4.4%	3.8%	3.6%	3.8%
Other Revenues	1,159	1,285	848	3,134	3,828	1,603	1,725	868	846	861	873	888
		10.9%	-34.0%	269.6%	22.1%	-58.1%	-54.9%	-49.7%	-2.5%	1.8%	1.4%	1.7%
Total: GENERAL FUND	\$109,990	\$123,931	\$134,208	\$141,701	\$153,893	\$168,849	\$167,760	\$182,929	\$198,038	\$212,199	\$224,788	\$239,100
		12.7%	8.3%	5.6%	8.6%	9.7%	9.0%	9.0%	8.3%	7.2%	5.9%	6.4%

85

	ACTUAL					1989/1990		FORECAST				
	1984/85	1985/86	1986/87	1987/88	1988/89	APPROVED	MIDYEAR	1990/91	1991/92	1992/93	1993/94	1994/95
OTHER GOVERNMENTAL FUNDS												
Sales Tax - Measure A					\$1,297	\$9,356	\$8,311	\$10,378	\$11,317	\$12,276	\$12,911	\$13,686
						621.4%	540.8%	24.9%	9.0%	8.5%	5.2%	6.0%
Gas Taxes	\$4,532	\$6,903	\$5,849	\$4,950	5,086	4,987	5,060	5,152	5,244	5,334	5,426	5,521
		52.3%	-15.3%	-15.4%	2.7%	-1.9%	-0.5%	1.8%	1.8%	1.7%	1.7%	1.8%
CDBG	2,403	2,461	196	1,353	211	876	1,008	132	132	132	132	132
		2.4%	-92.0%	590.3%	-84.4%	315.2%	377.7%	-86.9%	0.0%	0.0%	0.0%	0.0%
SHRA	1,507	506	(194)	3,617	198	225	225	0	0	0	0	0
		-66.4%	-138.3%	-1964.4%	-94.5%	13.6%	13.6%	-100.0%				
Traffic Safety	1,281	1,064	1,036	1,209	1,191	1,224	1,183	936	955	974	993	1,012
		-16.9%	-2.6%	16.7%	-1.5%	2.8%	-0.7%	-20.9%	2.0%	2.0%	2.0%	1.9%
Major Street Construction	2,985	3,214	2,900	2,284	3,184	3,000	3,134	3,279	3,476	3,684	3,905	4,140
		7.7%	-9.8%	-21.2%	39.4%	-5.8%	-1.6%	4.6%	6.0%	6.0%	6.0%	6.0%
Revenue Sharing	4,926	5,396	1,058	0	0	0	0	0	0	0	0	0
		9.5%	-80.4%	-100.0%								
Truxal Interchange							3	3	3	3	2	3
								0.0%				
Old Sac Sta Hist Park							13	0	0	0	0	0
								-100.0%				
Downtown District Maintenance		47	49	46	41	51	44	44	44	44	44	44
			4.3%	-6.1%	-10.9%	24.4%	7.3%	0.0%	0.0%	0.0%	0.0%	0.0%
Old Sacramento Dist. Maintenance		47	64	56	59	64	75	75	75	75	75	75
			36.2%	-12.5%	5.4%	8.5%	27.1%	0.0%	0.0%	0.0%	0.0%	0.0%
Assessment Bond Registration	76	52	27	59	256	54	67	67	67	67	67	67
		-31.6%	-48.1%	118.5%	333.9%	-78.9%	-73.8%	0.0%	0.0%	0.0%	0.0%	0.0%
Transportation Development	183	180	208	192	222	202	219	247	227	230	233	237
		-1.6%	15.6%	-7.7%	15.6%	-9.0%	-1.4%	12.8%	-8.1%	1.3%	1.3%	1.7%
Pocket Area Trunk Sewer	248	115	85	87	102	87	97	98	99	99	99	99
		-53.6%	-26.1%	2.4%	17.2%	-14.7%	-4.9%	1.0%	1.0%	0.0%	0.0%	0.0%
Capitol Grants	938	2,430	1,203	2,167	(95)	6,093	6,093	0	0	0	0	0
		159.1%	-50.5%	80.1%	-104.4%	-6513.7%	-6513.7%					
Bridge Construction	53	135	115	96	80	61	57	58	58	58	58	58
		154.7%	-14.8%	-16.5%	-16.7%	-23.8%	-28.8%	1.8%	0.0%	0.0%	0.0%	0.0%
Operating Grants	866	965	1,661	1,980	2,979	2,746	2,746	2,501	331	0	0	0
		11.4%	72.1%	19.2%	50.5%	-7.8%	-7.8%	-8.9%	-86.8%	-100.0%		
Animal Acquisition		15	15	15	16	10	10	10	10	10	10	10
			0.0%	0.0%	7%	-37.5%	-37.5%	0.0%	0.0%	0.0%	0.0%	0.0%

	ACTUAL					1989/1990		FORECAST					
	1984/85	1985/86	1986/87	1987/88	1988/89	APPROVED	MIDYEAR	1990/91	1991/92	1992/93	1993/94	1994/95	
OTHER GOVERNMENTAL FUNDS (Continued)													
Cable Fund		66	67 1.5%	74 10.4%	1 -98.6%	0 -100.0%	0	0	0	0	0	1,765 N/A	2,603 47.5%
SDIRS					191	54 -71.7%	54 -71.7%	54 0.0%	54 0.0%	54 0.0%	54 0.0%	54 0.0%	54 0.0%
Lighting/Landscaping							2,867	2,910 1.5%	2,954 1.5%	2,998 1.5%	3,043 1.5%	3,089 1.5%	
Citation I-5 Maintenance			40	15 -62.5%	132 780.0%	56 -57.6%	73 -44.7%	79 8.2%	85 7.6%	91 7.1%	98 7.7%	105 7.1%	
Special Recreation	870	1,130 29.9%	1,384 22.5%	1,682 21.5%	911 -45.8%	805 -11.6%	803 -11.9%	816 1.6%	826 1.2%	833 0.8%	837 0.5%	842 0.6%	
Sports Complex				217	246 13.4%	292 18.7%	253 2.8%	263 4.0%	272 3.4%	284 4.4%	296 4.2%	308 4.1%	
Narcotics Task Force			9	296 3188.9%	381 28.7%	318 -16.5%	590 54.9%	722 22.4%	822 13.9%	897 9.1%	980 9.3%	1,071 9.3%	
ZOO					18		347 1827.8%	365 5.2%	400 9.6%	400 0.0%	444 11.0%	470 5.9%	
PARK					21	86 309.5%	43 104.8%	337 683.7%	89 -73.6%	89 0.0%	89 0.0%	89 0.0%	
Fariytale Town	205	237 15.6%	377 59.1%	404 7.2%	420 4.0%	560 33.3%	479 14.0%	496 3.5%	531 7.1%	549 3.4%	571 4.0%	595 4.2%	
Florin Road Storm and Sanitation			5	5 0.0%	6 20.0%	5 -16.7%	6 0.0%	6 0.0%	6 0.0%	6 0.0%	6 0.0%	6 0.0%	
Quimby Act	1,199	1,279 6.7%	935 -26.9%	1,717 83.6%	823 -52.1%	630 -23.5%	701 -14.8%	711 1.4%	490 -31.1%	490 0.0%	490 0.0%	490 0.0%	
Flood and Drainage	300	167 -44.3%	182 -3.0%	694 328.4%	147 -78.8%	118 -19.7%	135 -8.2%	138 2.2%	138 0.0%	138 0.0%	138 0.0%	138 0.0%	
Citation I-5 Improvement		41	44 7.3%	13 -70.5%	153 1076.9%	57 -62.7%	76 -50.3%	83 9.2%	90 8.4%	97 7.8%	105 8.2%	114	
S. Natomas Community Improvement	469	397 -15.4%	288 -27.5%	65 -77.4%	1,044 1506.2%	314 -69.9%	425 -59.3%	427 0.5%	428 0.2%	50 -88.3%	20 -60.0%	0	
South Natomas Facility Benefit			5	4 -20.0%	4 0.0%	4 0.0%	3 -25.0%	3 0.0%	3 0.0%	3 0.0%	3 0.0%	3 0.0%	
Sacramento History Center	366	104 -71.6%	22 -78.8%	23 4.5%	0 -100.0%	24 N/A	25 N/A	25 0.0%	26 4.0%	26 0.0%	26 0.0%	26 0.0%	
S. Natomas I-5 Dev. Improvement			59	23 -61.0%	172 647.8%	92 -46.5%	87 -49.4%	94 8.0%	103 9.6%	111 7.8%	120 8.1%	131	
Total: OTHER GOVERN- MENTAL FUNDS	\$23,407	\$26,951 15.1%	\$17,669 -34.4%	\$23,343 32.1%	\$19,497 -16.5%	\$32,451 66.4%	\$35,312 81.1%	\$30,509 -13.6%	\$29,355 -3.8%	\$30,102 2.5%	\$33,040 9.8%	\$35,218 6.6%	

56

87

	ACTUAL					1989/1990		FORECAST				
	1984/85	1985/86	1986/87	1987/88	1988/89	APPROVED	MIDYEAR	1990/91	1991/92	1992/93	1993/94	1994/95
ENTERPRISE FUNDS												
Parking	6,525	7,355 12.7%	7,984 8.6%	8,424 5.5%	9,435 12.0%	10,346 9.7%	10,369 9.9%	11,184 7.9%	11,871 6.1%	12,793 7.8%	13,516 5.7%	13,713 1.5%
Water	13,930	15,278 9.7%	15,907 4.1%	18,074 13.6%	19,696 9.0%	23,092 17.2%	23,491 19.3%	23,834 1.5%	24,146 1.3%	24,476 1.4%	24,820 1.4%	25,965 4.6%
Sewer	7,981	5,562 -30.3%	5,966 7.3%	6,313 5.8%	6,838 8.3%	7,311 6.9%	7,191 5.2%	7,251 0.8%	7,302 0.7%	7,358 0.8%	7,426 0.9%	7,489 0.8%
Solid Waste	14,744	18,593 26.1%	20,769 11.7%	21,840 5.2%	21,359 -2.2%	22,519 5.4%	21,813 2.1%	22,014 0.9%	22,189 0.8%	22,358 0.8%	22,506 0.7%	22,675 0.8%
Sacramento Marina	462	506 9.5%	550 8.7%	643 16.9%	1,268 97.2%	1,270 0.2%	1,313 3.5%	1,401 6.7%	1,490 6.4%	1,582 6.2%	1,674 5.8%	1,770 5.7%
Golf	2,383	2,478 4.0%	2,994 20.8%	3,246 8.4%	3,366 3.7%	3,625 7.7%	3,824 13.6%	3,851 0.7%	3,880 0.8%	3,909 0.7%	3,939 0.8%	3,969 0.8%
Community Center	5,518	5,488 -0.5%	6,523 18.9%	7,420 13.8%	8,127 9.5%	8,296 2.1%	8,699 7.0%	9,356 7.6%	10,292 10.0%	11,275 9.6%	12,371 9.7%	13,470 8.9%
Camp Sacramento	452	180 -60.2%	224 24.4%	222 -0.9%	0 -100.0%	0	0	0	0	0	0	0
Storm Drainage		4,441	9,014 103.0%	10,697 18.7%	13,024 21.8%	15,805 21.4%	16,195 24.3%	16,513 2.0%	16,837 2.0%	17,159 1.9%	17,488 1.9%	17,823 1.9%
Total: ENTERPRISE FUNDS	\$51,995	\$59,881 15.2%	\$69,931 16.8%	\$76,879 9.9%	\$83,113 8.1%	\$92,264 11.0%	\$92,895 11.8%	\$95,404 2.7%	\$98,007 2.7%	\$100,910 3.0%	\$103,740 2.8%	\$106,874 3.0%
INTERNAL SERVICE FUNDS												
Fleet Management	599	1,196 99.7%	704 -41.1%	1,009 43.3%	1,502 48.9%	935 -37.7%	956 -36.4%	836 -12.6%	858 2.6%	875 2.0%	897 2.5%	914 1.9%
Risk Management	2,495	1,131 -54.7%	1,130 -0.1%	1,369 21.2%	2,554 86.6%	1,733 -32.1%	2,621 2.6%	2,647 1.0%	2,700 2.0%	2,754 2.0%	2,809 2.0%	2,866 2.0%
Total: INTERNAL SERVICE FUNDS	\$3,094	\$2,327 -24.8%	\$1,834 -21.2%	\$2,378 29.7%	\$4,056 70.6%	\$2,668 -34.2%	\$3,577 -11.8%	\$3,483 -2.6%	\$3,558 2.2%	\$3,629 2.0%	\$3,706 2.1%	\$3,780 2.0%
TOTAL: ALL CITY REVENUE	\$188,486	\$213,090 13.1%	\$223,642 5.0%	\$244,301 9.2%	\$260,559 6.7%	\$296,232 13.7%	\$299,544 15.0%	\$312,325 4.3%	\$328,958 5.3%	\$346,840 5.4%	\$365,274 5.3%	\$384,972 5.4%