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DEPARTMENT OF
FINANCE

REVENUE DIVISION

CITY OF SACRAMENTO
CALIFORNIA

CITY HALL
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SACRAMENTO, CA
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February 17, 1988
RD:881035-ADM:MLM:lv

Budget and Finance Committee
Sacramento, California

Honorable Members in Session:

SUBJECT: 5-YEAR REVENUE PROJECTION - ALL FUNDS

SUMMARY

This report transmits to the Budget and Finance Committee staff's 5-year revenue projections for all City funds.

BACKGROUND

The 5-year revenue projections provide data essential to long range planning. The revenue projections are necessary to provide 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, especially beyond one or two years. These projections should be viewed as an indication of the direction in which the various revenue sources will be moving rather than an exact prediction.

DISCUSSION

For each revenue, staff assumes the continuation of the current tax or rate structure as well as the continuance of current law. For example, staff has assumed that the current and future City Councils will continue to reduce the utility users tax by .5% each October 1, until the tax is reduced to 5.0%. The projections for the enterprise funds are based upon current rates. The 5-year revenue projections for all City funds for FY 1988/89 through FY 1992/93 are summarized in Exhibit I.

February 17, 1988

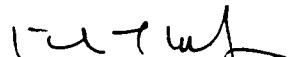
5-YEAR OUTLOOK

The 5-year revenue forecast projects total City revenue growth in the 6% range and the General Fund revenue growth in the 5% to 8% range. This is lower than the growth experienced in the previous five years but represents a very healthy growth picture. An informal poll of other major California cities indicates that the City of Sacramento's growth is well above the average.

RECOMMENDATION

It is recommended that the Budget and Finance Committee direct staff to transmit the attached 5-year revenue projections to the City Council for its information.

Respectfully submitted,


Michael L. Medema
Revenue Manager

RECOMMENDATION APPROVED:


JACK R. CRIST
Deputy City Manager

Attachment

March 1, 1988
All Districts

City of Sacramento
5 - YEAR REVENUE FORECAST 1988/93
\$ in thousands

	1982/83	ACTUAL				1987/1988		FORECAST				
		1983/84	1984/85	1985/86	1986/87	APPROVED	MIDYEAR	1988/89	1989/90	1990/91	1991/92	1992/93
GENERAL FUND												
Property Taxes	\$22,333	\$24,752 10.8%	\$27,014 9.1%	\$30,512 12.9%	\$34,840 14.2%	\$39,046 12.1%	\$37,969 9.0%	\$41,702 9.8%	\$46,155 10.7%	\$52,485 13.7%	\$61,160 16.5%	\$70,698 15.6%
Sales and Use Taxes	20,436	24,125 18.1%	27,149 12.5%	29,532 8.8%	30,243 2.4%	31,159 3.0%	32,424 7.2%	33,373 2.9%	35,102 5.2%	37,232 6.1%	39,362 5.7%	41,330 5.0%
Utility Users Taxes	8,981	16,298 81.5%	19,531 19.8%	21,916 12.2%	23,564 7.5%	26,011 10.4%	26,563 12.7%	28,477 7.2%	30,843 8.3%	33,066 7.2%	33,379 0.9%	33,712 1.0%
Business Operations Taxes	2,041	2,280 11.7%	2,587 13.5%	2,824 9.2%	2,879 1.9%	3,302 14.7%	3,109 8.0%	3,268 5.1%	3,485 6.6%	3,693 6.0%	3,954 7.1%	4,230 7.0%
Real Property Transfer Taxes	1,626	2,654 63.2%	2,534 -4.5%	3,010 18.8%	3,753 24.7%	2,981 -20.6%	3,647 -2.8%	3,789 3.9%	4,216 11.3%	4,521 7.2%	4,795 6.1%	5,083 6.0%
Residential Construction Taxes	798	1,687 111.4%	1,400 -17.0%	1,850 32.1%	1,220 -34.1%	1,471 20.6%	1,133 -7.1%	892 -21.3%	1,655 85.5%	1,720 3.9%	1,787 3.9%	1,856 3.9%
Licenses and Permits	2,410	3,451 43.2%	3,145 -8.9%	3,329 5.9%	3,473 4.3%	3,877 11.6%	3,216 -7.4%	3,453 7.4%	3,891 12.7%	3,870 -0.5%	3,944 1.9%	4,177 5.9%
Fines and Forefeits	1,140	1,071 -6.1%	1,165 8.8%	1,386 19.0%	1,250 -9.8%	1,742 39.4%	1,358 8.6%	1,471 8.3%	1,403 -4.6%	1,418 1.1%	1,436 1.3%	1,451 1.0%
Use of Money	2,912	5,013 72.1%	3,916 -21.9%	4,051 3.4%	5,120 26.4%	3,099 -39.5%	3,186 -37.8%	2,850 -10.5%	2,855 0.2%	2,875 0.7%	2,889 0.5%	2,886 -0.1%
Interdepartmental	5,597	10,060 79.7%	13,102 30.2%	15,526 18.5%	19,239 23.9%	19,896 3.4%	17,828 -7.3%	18,170 1.9%	19,277 6.1%	20,504 6.4%	21,959 7.1%	23,305 6.1%
Charges, Fees and Services	3,826	6,898 80.3%	7,288 5.7%	8,710 19.5%	8,343 -4.2%	8,851 6.1%	9,030 8.2%	9,352 3.6%	9,751 4.3%	9,873 1.3%	9,926 0.5%	10,147 2.2%
Other Revenues	3,728	877 -76.5%	1,159 32.2%	1,285 10.9%	847 -34.1%	1,780 110.2%	822 -3.0%	842 2.4%	865 2.7%	859 -0.7%	872 1.5%	886 1.6%
Total: GENERAL FUND	\$75,828	\$99,166 30.8%	\$109,990 10.9%	\$123,931 12.7%	\$134,771 8.7%	\$143,215 6.3%	\$140,285 4.1%	\$147,639 5.2%	\$159,498 8.0%	\$172,116 7.9%	\$185,463 7.8%	\$199,761 7.7%

	1982/83	ACTUAL				1987/1988		FORECAST				
		1983/84	1984/85	1985/86	1986/87	APPROVED	MIDYEAR	1988/89	1989/90	1990/91	1991/92	1992/93
OTHER GOVERNMENTAL FUNDS												
Gas Taxes	\$3,869	\$4,805 24.2%	\$4,532 -5.7%	\$6,903 52.3%	\$5,850 -15.3%	\$4,926 -15.8%	\$4,914 -16.0%	\$4,947 0.7%	\$5,020 1.5%	\$5,096 1.5%	\$5,172 1.5%	\$5,250 1.5%
COBG	2,505	1,690 -32.5%	2,403 42.2%	2,461 2.4%	1,955 -20.6%	851 -56.5%	851 -56.5%	137 -83.9%	143 4.4%	148 3.5%	154 4.1%	161 4.5%
SHRA	1,932	2,051 6.2%	1,507 -26.5%	506 -66.4%	2,168 328.5%	2,800 29.2%	2,800 29.2%	2,800 0.0%	2,800 0.0%	2,800 0.0%	2,800 0.0%	2,800 0.0%
Traffic Safety	1,337	1,360 1.7%	1,281 -5.8%	1,064 -16.9%	1,081 1.6%	1,053 -2.6%	1,053 -2.6%	1,053 0.0%	1,053 0.0%	1,053 0.0%	1,053 0.0%	1,053 0.0%
Major Street Construction	1,637	2,644 61.5%	2,985 12.9%	3,214 7.7%	2,900 -9.8%	3,212 10.8%	2,271 -21.7%	2,137 -5.9%	3,127 46.3%	3,249 3.9%	3,376 3.9%	3,507 3.9%
Revenue Sharing	5,733	5,204 -9.2%	4,926 -5.3%	5,396 9.5%	1,058 -80.4%	0 N/A	0 N/A	0 N/A	0 N/A	0 N/A	0 N/A	0 N/A
Truxal Interchange	N/A	N/A N/A	N/A N/A	N/A N/A	227 N/A	0 N/A	0 N/A	0 N/A	0 N/A	0 N/A	0 N/A	0 N/A
Sacramento Theater	N/A	N/A N/A	N/A N/A	N/A N/A	274 N/A	12 -95.6%	0 N/A	0 N/A	0 N/A	0 N/A	0 N/A	0 N/A
Downtown District Maintenance	N/A	N/A N/A	N/A N/A	47 N/A	49 4.3%	47 -4.1%	47 -4.1%	49 4.3%	51 4.1%	53 3.9%	55 3.8%	57 3.6%
Old Sacramento Dist. Maintenance	N/A	N/A N/A	N/A N/A	47 N/A	64 36.2%	60 -6.3%	60 -6.3%	62 3.3%	65 4.8%	67 3.1%	70 4.5%	73 4.3%
Assessment Bond Registration	N/A	58 N/A	76 31.0%	52 -31.6%	27 -48.1%	56 107.4%	55 103.7%	55 0.0%	55 0.0%	55 0.0%	55 0.0%	55 0.0%
Transportation Development	168	153 -8.9%	183 19.6%	180 -1.6%	208 15.6%	194 -6.7%	237 13.9%	239 0.8%	239 0.0%	240 0.4%	240 0.0%	240 0.0%
Pocket Area Trunk Sewer	0	67 N/A	248 270.1%	115 -53.6%	85 -26.1%	42 -50.6%	78 -8.2%	80 2.6%	80 0.0%	81 1.3%	81 0.0%	81 0.0%
Capitol Grants	996	926 -7.0%	938 1.3%	2,430 159.1%	1,203 -50.5%	6,020 N/A	6,020 N/A	0 -100.0%	0 N/A	0 N/A	0 N/A	0 N/A
Bridge Construction	48	123 156.3%	53 -56.9%	135 154.7%	115 -14.8%	53 -53.9%	43 -62.6%	43 0.0%	43 0.0%	43 0.0%	43 0.0%	43 0.0%

	1982/83	ACTUAL				1987/1988		FORECAST				
		1983/84	1984/85	1985/86	1986/87	APPROVED	MIDYEAR	1988/89	1989/90	1990/91	1991/92	1992/93
OTHER GOVERNMENTAL FUNDS												
(Continued)												
Operating Grants	340	615 80.9%	866 40.8%	965 11.4%	1,661 72.1%	995 N/A	970 N/A	482 -50.3%	489 1.5%	428 -12.5%	433 1.2%	438 1.2%
Animal Acquisition	N/A	N/A N/A	N/A N/A	15 N/A	16 6.7%	10 -37.5%	10 -37.5%	10 0.0%	10 0.0%	10 0.0%	10 0.0%	10 0.0%
Cable Fund	N/A	N/A N/A	N/A N/A	66 N/A	67 1.5%	76 13.4%	64 -4.5%	0 -100.0%	0 N/A	0 N/A	0 N/A	0 N/A
Citation I-5 Maintenance	N/A	N/A N/A	N/A N/A	N/A N/A	40 N/A	115 187.5%	43 7.5%	73 69.8%	73 0.0%	73 0.0%	73 0.0%	73 0.0%
Special Recreation	637	833 30.8%	870 4.4%	1,130 29.9%	1,379 22.0%	1,911 38.6%	1,541 11.7%	2,262 46.8%	2,247 -0.7%	2,328 3.6%	2,411 3.6%	2,500 3.7%
Sports Complex	N/A	N/A N/A	N/A N/A	N/A N/A	N/A N/A	0 N/A	246 N/A	260 5.7%	260 0.0%	260 0.0%	260 0.0%	260 0.0%
Narcotics Task Force	N/A	N/A N/A	N/A N/A	N/A N/A	N/A N/A	0 N/A	70 N/A	100 42.9%	110 10.0%	121 10.0%	133 9.9%	146 9.8%
Fariytale Town	145	178 22.8%	205 15.2%	237 15.6%	377 59.1%	405 7.4%	398 5.6%	424 6.5%	450 6.1%	480 6.7%	511 6.5%	545 6.7%
Florin Road Storm and Sanitation	N/A	N/A N/A	N/A N/A	N/A N/A	5 N/A	4 -20.0%	5 0.0%	5 0.0%	5 0.0%	5 0.0%	5 0.0%	5 0.0%
Quimby Act	225	1,307 480.9%	1,199 -8.3%	1,279 6.7%	1,038 -18.8%	1,024 -1.3%	1,024 -1.3%	1,169 14.2%	1,321 13.0%	1,479 12.0%	1,642 11.0%	1,817 10.7%
Flood and Drainage	332	290 -12.7%	300 3.4%	167 -44.3%	162 -3.0%	130 -19.8%	149 -8.0%	119 -20.1%	90 -24.4%	60 -33.3%	30 -50.0%	15 -50.0%
Citation I-5 Improvement	N/A	N/A N/A	N/A N/A	41 N/A	44 7.3%	59 34.1%	34 -22.7%	59 73.5%	69 16.9%	69 0.0%	69 0.0%	69 0.0%
S. Natomas Community Improvement	N/A	350 N/A	469 34.0%	397 -15.4%	288 -27.5%	460 59.7%	272 -5.6%	230 -15.4%	335 45.7%	420 25.4%	420 0.0%	420 0.0%
Sacramento History Center	775	0 N/A	366 N/A	104 -71.6%	22 -78.8%	7 -68.2%	21 -4.5%	21 0.0%	21 0.0%	21 0.0%	21 0.0%	21 0.0%
S. Natomas I-5 Dev. Improvement	N/A	N/A N/A	N/A N/A	N/A N/A	59 N/A	20 -66.1%	65 10.2%	105 61.5%	105 0.0%	105 0.0%	105 0.0%	105 0.0%
Total: OTHER GOVERNMENTAL FUNDS	\$20,679	\$22,654 9.6%	\$23,407 3.3%	\$26,951 15.1%	\$22,422 -16.8%	\$24,542 9.5%	\$23,341 4.1%	\$16,921 -27.5%	\$18,261 7.9%	\$18,744 2.6%	\$19,222 2.6%	\$19,744 2.7%

	1982/83	ACTUAL				1987/1988		FORECAST				
		1983/84	1984/85	1985/86	1986/87	APPROVED	MIDYEAR	1988/89	1989/90	1990/91	1991/92	1992/93
ENTERPRISE FUNDS												
Parking	4,539	6,721 48.1%	6,525 -2.9%	7,355 12.7%	8,019 9.0%	8,692 8.4%	8,361 4.3%	8,399 0.5%	9,150 8.9%	9,142 -0.1%	9,697 6.1%	10,421 7.5%
Water	10,190	13,060 28.2%	13,930 6.7%	15,278 9.7%	16,300 6.7%	19,721 21.0%	18,554 13.8%	19,690 6.1%	20,076 2.0%	20,472 2.0%	20,877 2.0%	21,292 2.0%
Sewer	7,707	8,452 9.7%	7,981 -5.6%	5,562 -30.3%	5,898 6.0%	6,616 12.2%	6,221 5.5%	6,626 6.5%	6,740 1.7%	6,812 1.1%	6,879 1.0%	6,949 1.0%
Solid Waste	12,082	14,403 19.2%	14,744 2.4%	18,593 26.1%	20,768 11.7%	21,444 3.3%	22,265 7.2%	22,145 -0.5%	21,955 -0.9%	22,118 0.7%	22,359 1.1%	22,602 1.1%
Boat Harbor	391	419 7.2%	462 10.3%	506 9.5%	1,588 213.8%	1,089 -31.4%	804 -49.4%	1,162 44.5%	1,265 8.9%	1,346 6.4%	1,406 4.5%	1,459 3.8%
Golf	1,843	2,245 21.8%	2,383 6.1%	2,478 4.0%	2,994 20.8%	2,872 -4.1%	3,146 5.1%	3,230 2.7%	3,476 7.6%	3,474 -0.1%	3,761 8.3%	3,776 0.4%
Community Center	4,213	5,073 20.4%	5,518 8.8%	5,488 -0.5%	6,021 9.7%	6,502 8.0%	6,899 14.6%	7,550 9.4%	8,146 7.9%	8,935 9.7%	9,925 11.1%	11,140 12.2%
Camp Sacramento	207	1,407 579.7%	452 -67.9%	180 -60.2%	224 24.4%	223 -0.4%	211 -5.8%	225 6.6%	238 5.8%	254 6.7%	270 6.3%	288 6.7%
Storm Drainage	N/A	N/A N/A	N/A N/A	4,441 N/A	9,014 103.0%	9,253 2.7%	9,706 7.7%	10,083 3.9%	10,258 1.7%	10,423 1.6%	10,588 1.6%	10,735 1.4%
Total: ENTERPRISE FUNDS	\$41,172	\$51,780 25.8%	\$51,995 0.4%	\$59,881 15.2%	\$70,826 18.3%	\$76,412 7.9%	\$76,167 7.5%	\$79,110 3.9%	\$81,304 2.8%	\$82,976 2.1%	\$85,762 3.4%	\$88,662 3.4%
INTERNAL SERVICE FUNDS												
Fleet Management	N/A	386 N/A	599 55.2%	1,196 99.7%	707 -40.9%	566 -19.9%	636 -10.0%	608 -4.4%	577 -5.1%	599 3.8%	621 3.7%	628 1.1%
Risk Management	N/A	787 N/A	2,495 217.0%	1,131 -54.7%	1,074 -5.0%	1,596 48.6%	1,543 43.7%	1,001 -35.1%	1,026 2.5%	1,031 0.5%	1,041 1.0%	1,051 1.0%
Total: INTERNAL SERVICE FUNDS	\$0	\$1,173 N/A	\$3,094 163.8%	\$2,327 -24.8%	\$1,781 -23.5%	\$2,162 21.4%	\$2,179 22.3%	\$1,609 -26.2%	\$1,603 -0.4%	\$1,630 1.7%	\$1,662 2.0%	\$1,679 1.0%
TOTAL: ALL CITY REVENUE	\$137,679	\$174,773 26.9%	\$188,486 7.8%	\$213,090 13.1%	\$229,800 7.8%	\$246,331 7.2%	\$241,972 5.3%	\$245,279 1.4%	\$260,666 6.3%	\$275,466 5.7%	\$292,109 6.0%	\$309,846 6.1%