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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.

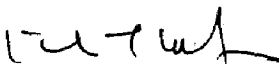
5-YEAR OUTLOOK

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

All Districts
February 23, 1988

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

	1982/83	1983/84	ACTUAL			1987/1988		FORECAST					
			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	\$27,014	\$30,512	\$34,840	\$39,046	\$37,969	\$41,702	\$46,155	\$52,485	\$61,160	\$70,698	
		10.8%	9.1%	12.9%	14.2%	12.1%	9.0%	9.8%	10.7%	13.7%	16.5%	15.6%	
Sales and Use Taxes	20,436	24,125	27,149	29,532	30,243	31,159	32,424	33,373	35,102	37,232	39,362	41,330	
		18.1%	12.5%	8.8%	2.4%	3.0%	7.2%	2.9%	5.2%	6.1%	5.7%	5.0%	
Utility Users Taxes	8,981	16,298	19,531	21,916	23,564	26,011	26,563	28,477	30,843	33,066	33,379	33,712	
		81.5%	19.8%	12.2%	7.5%	10.4%	12.7%	7.2%	8.3%	7.2%	0.9%	1.0%	
Business Operations Taxes	2,041	2,280	2,587	2,824	2,879	3,302	3,109	3,268	3,485	3,693	3,954	4,230	
		11.7%	13.5%	9.2%	1.9%	14.7%	8.0%	5.1%	6.6%	6.0%	7.1%	7.0%	
Real Property Transfer Taxes	1,626	2,654	2,534	3,010	3,753	2,981	3,647	3,789	4,216	4,521	4,795	5,083	
		63.2%	-4.5%	18.8%	24.7%	-20.6%	-2.8%	3.9%	11.3%	7.2%	6.1%	6.0%	
Residential Construction Taxes	798	1,687	1,400	1,850	1,220	1,471	1,133	892	1,655	1,720	1,787	1,856	
		111.4%	-17.0%	32.1%	-34.1%	20.6%	-7.1%	-21.3%	85.5%	3.9%	3.9%	3.9%	
Licenses and Permits	2,410	3,451	3,145	3,329	3,473	3,877	3,216	3,453	3,891	3,870	3,944	4,177	
		43.2%	-8.9%	5.9%	4.3%	11.8%	-7.4%	7.4%	12.7%	-0.5%	1.9%	5.9%	
Fines and Forefeits	1,140	1,071	1,165	1,386	1,250	1,742	1,358	1,471	1,403	1,418	1,436	1,451	
		-6.1%	8.8%	19.0%	-9.8%	39.4%	8.6%	8.3%	-4.6%	1.1%	1.3%	1.0%	
Use of Money	2,912	5,013	3,916	4,051	5,120	3,099	3,186	2,850	2,855	2,875	2,889	2,886	
		72.1%	-21.9%	3.4%	26.4%	-39.5%	-37.8%	-10.5%	0.2%	0.7%	0.5%	-0.1%	
Interdepartmental	5,597	10,060	13,102	15,526	19,239	19,896	17,828	18,170	19,277	20,504	21,959	23,305	
		79.7%	30.2%	18.5%	23.9%	3.4%	-7.3%	1.9%	6.1%	6.4%	7.1%	6.1%	
Charges, Fees and Services	3,826	6,898	7,288	8,710	8,343	8,851	9,030	9,352	9,751	9,873	9,926	10,147	
		80.3%	5.7%	19.5%	-4.2%	6.1%	8.2%	3.6%	4.3%	1.3%	0.5%	2.2%	
Other Revenues	3,728	877	1,159	1,285	847	1,780	822	842	865	859	872	886	
		-76.5%	32.2%	10.9%	-34.1%	110.2%	-3.0%	2.4%	2.7%	-0.7%	1.5%	1.6%	
Total: GENERAL FUND	\$75,828	\$99,166	\$109,990	\$123,931	\$134,771	\$143,215	\$140,285	\$147,639	\$159,498	\$172,116	\$185,463	\$199,761	
		30.8%	10.9%	12.7%	8.7%	6.3%	4.1%	5.2%	8.0%	7.9%	7.8%	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 GOVERN- MENTAL 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	1983/84	ACTUAL			1987/1988		FORECAST				
			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	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%