The Elk Grove City Council unanimously adopted a healthy, balanced budget for the 2014-15 fiscal year.

**THE CITY OF ELK GROVE’S BUDGET:**

1) **Maintains public services**
   The City of Elk Grove’s budget maintains current service levels to residents of Elk Grove, with a continued focus on job creation and public safety.

2) **Builds on a history of strong financial stewardship**
   The current budget avoids the use of fund balance to fund operations or one-time special projects and initiatives, resulting in a reserve balance of $18.5 million, a healthy savings for a rainy day.

3) **Implements a cautiously optimistic approach**
   While sales tax and property tax revenue levels have returned to pre-recession highs, the City’s spending plan implements a cautiously optimistic approach to economic recovery. The City’s budget allows for significant investments in the Economic Development Incentive Fund to support future business attraction and retention, and strategic planning for the 1,200-acre Southeast Planning Area, an employment-oriented development.

4) **Invests in infrastructure**
   Residents can expect to see a $252 million investment in the City’s infrastructure over the next five years, including a citywide LED streetlight retrofit, Grant Line Road widening, an aquatic complex, land acquisition for a destination sports complex, and the construction of new parks in the Laguna Ridge Specific Plan Area. All anticipated to begin FY 14-15.

**Where does the money come from?**

**GENERAL FUND REVENUE: $59,019,450**

Sales tax is the single largest source of revenue to the General Fund. For every dollar you spend on taxable sales in Elk Grove, 1¢ of your purchase supports critical services like public safety.

**FUND BALANCE RESERVE POLICY**

The City Council has a policy that requires 15% to 20% of the annual General Fund operating expenditures to be kept on hand in a reserve, or rainy day fund. The industry standard is eight percent. The current reserve is set at 31.5%.

**Where does the money go?**

**GENERAL FUND EXPENDITURES: $59,019,450**

- Compensation: 13.4%
- Operating: 13.1%
- Revenue Neutrality: 9.1%
- Debt Service: 9.1%
- Transfers Out: 9.1%
- Internal Services: 3.7%
- Transit: 3.0%
- Code Enforcement: 2.1%
- Special Events and Grants: 1.4%
- Police: 1.4%
- Non Departmental: 1.3%
- Revenue Neutrality: 1.0%
- Administration: 1.0%
- Governance: 1.0%

- Sales Tax: 35.5%
- Property Tax: 17.5%
- Intergovernmental: 13.6%
- Other Taxes: 4.2%
- Operating: 7.6%
- Other Funds: 1.5%

- Capital Outlay: 69.1%
- Revenue Neutral: 3.0%
- Other Funds: 1.5%
- Planning Special Projects: 1.5%
- Transit: 1.5%
- Code Enforcement: 1.5%
How are other services in the City provided?

The City has many funding sources to provide services to its residents, including property taxes. Your property tax dollars are allocated to many different agencies that also provide services within city limits.

<table>
<thead>
<tr>
<th>Service Area</th>
<th>Revenue Neutrality - City of Elk Grove to Sacramento County</th>
<th>*Elk Grove Unified School District</th>
<th>*Los Rios Community College</th>
<th>Library Authority 24¢</th>
<th>Other Agencies 28¢</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sacramento County</td>
<td>19.2¢</td>
<td>1.5¢</td>
<td>20¢</td>
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<tr>
<td>Cosumnes Community Services District</td>
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<tr>
<td>Revenue Neutrality - City of Elk Grove</td>
<td>4.3¢</td>
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</tbody>
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*The dollar bill chart includes the Educational Revenue Augmentation Fund (ERAF) distribution.

**Capital Improvement Plan Highlights**

The City’s five-year Capital Improvement Plan is a short-range plan which outlines the City’s transportation and infrastructure projects, and provides a schedule and financing options. Highlights include:

**CIVIC CENTER**

The city is planning an aquatic complex as part of the future Civic Center, located at Civic Center Drive and Big Horn Blvd. The Olympic-quality pool and ten-meter diving platform will host tournaments and draw competitors from the entire region and beyond. These competitive facilities will complement a commercial outdoor recreation park. The Capital Improvement Plan also includes a Senior Center and Veterans Hall at the Civic Center site.

**SPORTS COMPLEX**

The FY 2014-15 budget includes appropriations for purchasing land for a destination tournament sports complex and stadium. Once constructed, the resulting fields will host tournaments and draw both youth and adult sports teams from the entire Sacramento region and beyond.

**WHITELOCK INTERCHANGE**

A project study is underway for a new interchange at Whitelock Parkway and State Route 99 which will reduce traffic congestion on Elk Grove Boulevard and improve pedestrian/bicycle mobility. The new Whitelock Interchange would provide vehicular access to and from the west side of SR99 only, as well as incorporate a pedestrian and bicycle crossing over SR99 into Elk Grove Regional Park.

**GRANT LINE ROAD WIDENING**

Grant Line Road, from E. Stockton Blvd. Waterman Road, will be widened from two lanes to four. The project includes a four-lane overcrossing at the Union Pacific Railroad tracks.

**NEW PARKS**

The City is planning four new parks in Laguna Ridge area, including Island Park, Horseshoe Park, Madeira East Park and Oasis Park. Island Park will open in fall 2014 and Horseshoe Park will open by fall 2015.

**CITYWIDE LED STREETLIGHT RETROFIT**

The City will conduct a citywide streetlight retrofit with 12,000 new energy-efficient LEDs. The project is scheduled for construction this year and completion by spring 2015, and will deliver a long-term cost savings of more than $400,000 annually.

**SHELDON ROAD TRAFFIC RELIEF**

A new roundabout at the Sheldon Road and Waterman Road Intersection and traffic signal or roundabout at the Sheldon Road and Bradshaw Road intersection will improve safety and traffic flow, while maintaining the City’s rural road standards.

**BICYCLE AND PEDESTRIAN IMPROVEMENTS**

The City is developing an exemplary multi-use trail system that provides connectivity throughout the City and wider Sacramento region in order to offer recreational opportunities and an alternative, safe method for transportation for Elk Grove residents.

The budget is available in its entirety at www.elkgrovecity.org/finance.