
File ID: 2026-00943

5/12/2026

Update on Application of Budget Equity Tool (BET) on the Community Development Department (CDD) and the Finance Department Budget Reductions

File ID: 2026-00943

Location: Citywide

Recommendation: Review, comment, and provide direction.

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Presenter: Aimée Zenzele Barnes, Diversity & Equity Manager (916) 808-1174,
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Attachments:

- 1-Description/Analysis
- 2-Budget Equity Tool (BET) and Instructions
- 3-BET Council Presentation 5.12.26
- 4-GFOA-Cutting the Operating Budget Resource-April 2021
- 5-BERG T Council Presentation 5.14.24
- 6-CDD Budget Equity Tool Submission
- 7-Finance Budget Equity Tool Submission

Description/Analysis

Issue Detail: The Human Resources Office of Diversity & Equity (ODE) staff will provide an update on the continued refinement and expanded application of the Budget Equity Tool (BET) [renamed from the Budget Equity Resource Guide and Tool (BERG/T)]. The BET was adapted from the April 2021 Cutting the Operating Budget and Instituting An Equitable Decision-Marking Report (Attachment 4). It provides a standardized approach to understand the local and geographic impacts of potential budget cuts, specifically using data to identify unintentional adverse impacts on underserved groups or neighborhoods.

BET from August 2024 to present and implementation of the BET for Fiscal Year (FY) 2026/27:

The BET was applied to parts of the Office of Innovation & Economic Development (OIED), Convention & Cultural Services (CCS), and the Fire Department (FD) and was presented at the Racial Equity Committee on April 30, 2024, and City Council on May 14, 2024 (Attachment 5).

The City of Sacramento has taken intentional steps to continue to build capacity and embed equity into its budget process as part of the budget development process through the continued implementation of the BET. This effort began almost immediately after adoption of the FY2024/25 budget on August 6, 2024, when ODE, the City Manager's Office (CMO) (Assistant City Manager, Leyne Milstein), and the Finance Department's Budget Office convened to strategize integration of the BET in the budget cycle.

By September 11, 2024, the team refined the BET to be compatible with the City's budget software (Hyperion). Integration of the BET into the automated process is an important step in the intentional efforts to normalize this type of analysis within the budget development process. On October 31, 2024, ODE and Finance reviewed the functionality and reporting capabilities to ensure the departments applying the BET would have functional access.

The FY2025/26 budget kick-off took place on November 6, 2024, followed by the creation of a shared workspace (Teams) to centralize BET submissions. Additionally, the HR Department hosted a workshop on November 13, 2024, to strengthen workforce equity considerations.

On December 11, 2024, the Diversity & Equity Manager engaged in a diversity, equity, and inclusion exercise with the Police Department (Sac PD), broadening the tool's application. As the new year began, consultations with the Department of Utilities (DOU) on January 2 and 6, 2025, explored the application of the BET on the proposed Sacramento Utilities Rate Advisory Commission Program Reduction. By January 17, 2025, the following number of BET submissions were received: Sac PD (44), Sac FD (14), DOU (1), CMO (10), and CCS (1). ODE initiated the review and department consultation process on February 7, 2025.

For FY2026/27 Citywide budget development kick-off took place on October 7, 2025.

To effectively guide and broaden the tool's application, the ODE Team consulted with City staff from:

- Administrative Services in Community Development Department (CDD) on December 12, 2025.
- Animal Care Services in CDD on December 22, 2025.
- Finance Department on December 17, 2025.

In January 2026, Administrative Services in CDD provided ODE further review and feedback on draft BET submissions for:

- Spay/Neuter Clinic augmentation
- Code Technology Fee reduction
- Rental Housing Inspection Program (RHIP) augmentation
- Residential Development Impact Fees for Affordable Dwelling Units Program (Zero Impact) reduction
- Planning Division Fee Adjustment reduction

By late April the following number of BET submissions were received: CDD (4) Finance (1), SacFD (7), and SacPD (39).

Overview of 5-Year Plan to Implement an Equity Lens Citywide

At the April 30, 2024, Racial Equity Committee meeting, City staff were directed to develop a workplan on embedding an equity lens into the budget over the next three to five years. This phased approach to implementing the BET involves simultaneous actions to update the BET, gradually introduce the BET across departments, and provide capacity building and training. By doing so, the City can continue to work to understand the equitable distribution of resources without overextending its budget during challenging fiscal periods and understanding and implementing realistic timelines for staff to implement change.

The phased implementation has prioritized departments based on factors such as their readiness, potential impact on equity outcomes, and the availability of resources for training and capacity building. This approach ensures that the integration and adaptation of the BET is both effective and sustainable.

Key Considerations for Implementation:

- 1. Phased Rollout by Department:** Given the \$66.2 million funding gap addressed in the FY2026/27 Proposed Budget, a gradual department by department integration of the BET continues to ensure equity-focused budget allocation while maintaining financial stability and sustained effort by City staff to implement changes.
- 2. Capacity Building and Training:** Departments require structured training on applying the BET to ensure alignment with equity principles. Capacity building ensures City staff understand historical disparities, use data-driven decision-making, and engage impacted or underserved communities meaningfully.
- 3. Long-Term Challenges:** Aside from the future year deficits, the City faces \$3.5 billion in unfunded capital needs and pension liabilities. This cost does not include the impact if there was a recession. Any budget equity implementation must be resilient enough to withstand

these financial pressures while addressing the needs of historically vulnerable communities.

Proposed Strategy:

- **Year 1-2:** Pilot and refine the BET in selected departments with high-impact equity initiatives.
- **Year 3-4:** Expand implementation, integrating feedback and addressing training gaps
- **Year 5:** Further refine the BET. Full adoption across departments, ensuring that equity-driven budgeting is fully embedded in decision-making processes.

This plan positions the City to be proactive in identifying future cost measures and/or partnership opportunities to address community needs in planning for future budget cycles.

The BET provides guidance on how the City can apply an equity lens to budget reductions and revenue opportunities, while understanding the impact to vulnerable communities.

Policy Considerations: This report is consistent with the Racial Equity Committee's direction to keep informed on the application of an equity lens on the City budget over the next three to five years.

Economic Impacts: Not applicable.

Environmental Considerations: Not applicable.

Sustainability: Not applicable.

Commission/Committee Action: Implementation of the BET is consistent with the Racial Equity Committee's direction.

Rationale for Recommendation: Not applicable.

Financial Considerations: The BET is being used to inform closing the \$66.2 million budget gap and help balance the FY2026/27 Proposed Budget.

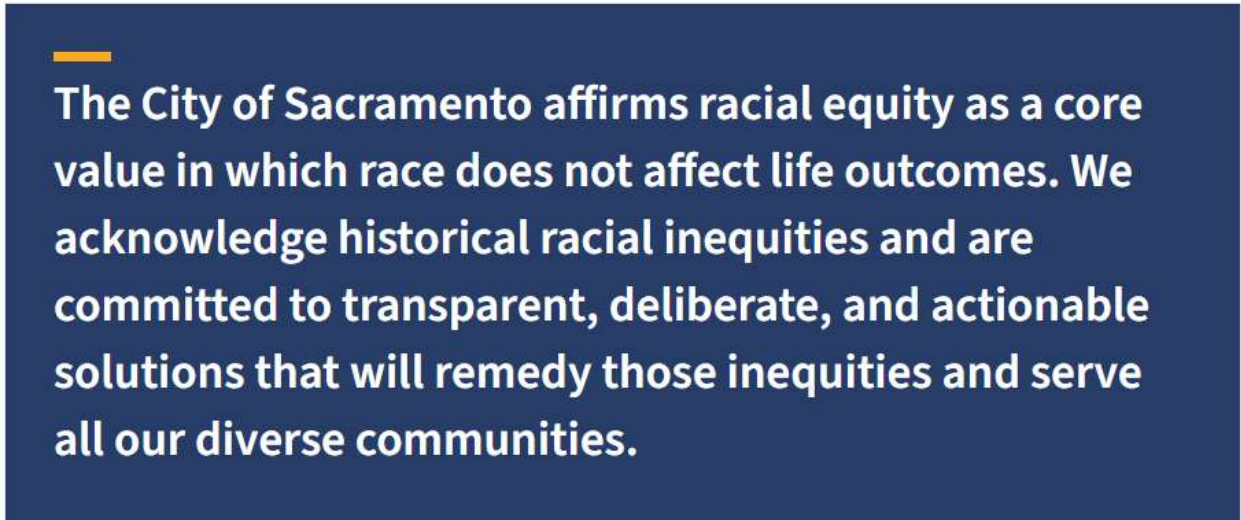
Local Business Enterprise (LBE): No goods or services are being purchased under this report.

FY 2025/2026 - BUDGET EQUITY TOOL

Welcome to the City of Sacramento Budget Equity Tool. The Budget Equity Tool (BET) was developed at the direction of the Racial Equity Committee on January 30, 2024. Adapted from the [Government Finance Officers Association \(GFOA\) April 2021 Cutting the Operating Budget and Instituting an Equitable Decision-Making Report](#), the BET is a decision support approach to understand the local and geographic impacts of potential budget reductions. The strategic direction from the [Racial Equity Committee at the April 30, 2024](#), meeting calls for applying a racial equity lens in budget decisions over the next 3-5 years. This tool is helping to initiate that work by assisting personnel, teams, and departments understand any potential impacts of budget reductions.

Equity work benefits all Sacramento residents in several crucial ways. By addressing and dismantling systemic discrimination in whatever form it takes and for whomever it affects, we create a fairer and more inclusive society where everyone has an opportunity to thrive. When marginalized communities are empowered and provided with equal access to resources and opportunities, the overall economy and social fabric improve. Additionally, racial equity fosters greater understanding and empathy between diverse groups, leading to stronger social cohesion and reduced conflicts. Ultimately, this work enhances the well-being and quality of life of every individual, creating a more just and harmonious society for everyone.

The City of Sacramento racial equity statement from the Feb 2019 GARE Cohort



The City of Sacramento affirms racial equity as a core value in which race does not affect life outcomes. We acknowledge historical racial inequities and are committed to transparent, deliberate, and actionable solutions that will remedy those inequities and serve all our diverse communities.

Both a process and an outcome. For City of Sacramento, this is accomplished by acknowledging and eliminating past and current barriers and addressing the unique needs of each community while creating access for all."

Instructions:

Complete the three sections, which contain narrative questions. Developing full answers to the open prompt questions will benefit you as you move and continue your budget development work. You can use this as a worksheet to cut and paste your responses into Hyperion.

Upon completing the questions and submitting your responses in Hyperion, please download the Equity responses and put the PDF report in the Equity Responses and Instructions folder in Teams and let the Office of Diversity & Equity team know it's there. There is a separate folder for your department. The Office of Diversity & Equity team will have access to all department folders. This will allow the team to provide individuals and teams capacity building support, feedback, and resources.

For immediate help and additional support please contact Aimée Zenzele Barnes, Diversity & Equity Manager at (916)808-1174 or abarnes@cityofsacramento.org.

Background:

The City of Sacramento joined the [Government Alliance on Racial Equity \(GARE\)](#) in 2019. GARE has identified using tools such as this one as a best practice. This tool is built upon their racial equity tool worksheet. "Racial equity tools are designed to integrate explicit consideration of racial equity in decisions, including policies, practices, programs, and budgets. It is both a product and a process. Use of a racial equity tool can help to develop strategies and actions that reduce racial inequities and improve success for all groups." ~ [Racial Equity Toolkit: An Opportunity to Operationalize Equity | Government Alliance on Race and Equity \(racialequityalliance.org\)](#) [Note: requires registration. For City of Sacramento personnel, use your cityofsacramento.org email address and choose the jurisdiction. Please see for additional information or contact Office of Diversity Equity for support in registering.

Data Use:

Content that is submitted to the Budget Equity Tool supports internal City work to develop skills and understanding in applying a racial equity lens in all decision-making. Content is expected to be under development and, therefore, not final or necessarily representative of the final decisions by the submitter. The Office of Diversity & Equity may use contact information to follow up to improve the tool continuously or to inquire about further support that may be valuable to the submitter. Further, the Office of Diversity & Equity may periodically review data patterns in submissions to identify any needs and recommendations that might be addressed through other relevant City offices and departments.

Section 1: Goal Setting, Budget Classification, & Project Outcomes

To get started, identify goals and project outcomes of the service or project being reduced or cut. Consider explaining how your service or project connects to the City's goals and helps to define the potential reduction/cut's impact on different communities.

Purpose of Budget Reductions

1. Is this reduction tied to other BCPs? If so, which ones? If grouped, please share which BCPs and why they are grouped together:
2. What are/were the desired program or service outcomes?
3. How did you approach the equity analysis:

Section 2: Service Impacts

A spending cut could reduce the quality of service that the City delivers. Collecting data allows you to identify synergies with existing work and unearth opportunities to reduce the perpetuation of historical and present injustice faced by certain communities. Explore the potential impacts of spending cuts by identifying demographics of community members.

What is the potential for reduced access to services? Will the quality be measurably lower?

Ex: This includes fewer places to receive service, fewer hours of service delivered, fewer employees to provide a service or longer response times existing programs or policies are working to achieve the same outcomes of this project?

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Impacts By Demographics

Identify the demographics of residents who may be impacted by the service or program reduction.

Race/Ethnicity

- ☐ Asian
- ☐ Black or African American
- ☐ Filipino
- ☐ Hispanic or Latino/a/e/x
- ☐ Middle Eastern or North African
- ☐ Native American or Alaska Native
- ☐ Native Hawaiian or other Pacific Islander
- ☐ White
- ☐ Other:
- ☐ All
- ☐ No impact in this area

Level of Vulnerability (based on [Sacramento County Social Vulnerability Index](#))

Percentile ranking values range from 0 to 1, with higher values indicating greater vulnerability.

- ☐ 0.00-0.24
- ☐ 0.25-0.49
- ☐ 0.50-0.74
- ☐ 0.75-1.00

Other Indicators

- ☐
- ☐

Section 3: Location Impacts

This section is designed to help understand the geographic character of budget cuts and their potential impacts on vulnerable and already underserved neighborhoods and communities. Utilize the [Sacramento Equity Explore Design GIS Tool](#) to help identify.

Location Impacts (Please be sure to describe each geographic character)

Definition:

Citywide – Programs or services that are “geography neutral” usually pose the least risk to equity but could still serve a vulnerable population.

Central Location - Programs or services delivered at locations distributed throughout the city with a service population local to the site.

Mobile Program or Service - These are services where the staff are mobile.

Citywide: Yes/No

Central Location: Yes/No

Mobile Program or Service: Yes/No

List any specific geographic areas the program or service impacts below

Examples: Districts, Opportunity/Promise Zones, Neighborhoods, Service Districts

Utilize the [Sacramento Equity Explore Design GIS Tool](#) to help identify

Examples: Downtown Sacramento, Natomas, South Sacramento, East Sacramento, etc...

Program or Service Geography: Citywide

Services that are “geography neutral” usually pose the least risk to equity but could still serve a vulnerable population. If this is a program or service provided to the entire city with little variance by neighborhood, could vulnerable populations be hurt by the cut?

Program or Service from a Central Location

These are programs or services delivered at locations distributed throughout the city with a service population local to the site. Program examples include community and recreations centers, public parks, fire stations. Service examples include building permits and licensing. If the program or service is delivered from a central location and available to the community at-large, but is more commonly used by specific segments of the community, are those segments a vulnerable population? Would a decreased level of service adversely impact any of the equity considerations from our definition of equity?

Mobile Program or Service

These are services where the staff are mobile. Examples include EMS units, code enforcement, road patching crews, and litter abatement teams. Cuts in these services could also pose greater risks of inequitable impact. If this is a mobile program or service that serves a specific community or specific neighborhoods, are those neighborhoods vulnerable?

GLOSSARY OF TERMS

As you reflect on and respond to the questions relating to the Budgeting for Equity Tool, please refer to the definitions provided below.

[Additional Terms & Definitions](#)

Accessibility: The design, construction, development, and maintenance of facilities, information and communication technology, programs, and services so that all people, including people with disabilities, can fully and independently use them. Accessibility includes the provision of accommodations and modifications to ensure equal access to employment and participation in activities for people with disabilities, the reduction or elimination of physical and attitudinal barriers to equitable opportunities, a commitment to ensuring that people with disabilities can independently access every outward-facing and internal activity or electronic space, and the pursuit of best practices such as universal design. ([Source](#))

Anti-racist: An anti-racist is someone who is supporting an antiracist policy through their actions or expressing antiracist ideas. This includes the expression of ideas that racial groups are equals and do not need developing, and supporting policies that reduce racial inequity.

Benefit: An advantage or profit gained from the implementation of a service policy, program, or initiative.

Black, Indigenous, People of Color (BIPOC): ‘Black, Indigenous, People of Color,’ is meant to unite all people of color in the work for liberation while intentionally acknowledging that not all people of color face the same levels of injustice. By specifically naming Black and Indigenous people we are recognizing that Black and Indigenous people face the worst consequences of systemic white supremacy, classism and settler colonialism ([Source](#))

Burden: To give someone an unequal, overwhelming share of an undesirable, unpleasant or difficult factor; typically associated with causing inequitable outcomes.

Disparities: A measure that indicates a difference between specific groups or population; the difference is usually unfair. ([Source](#))

Diversity: Each person has layers of diversity that make his/her/their perspective unique. The City of Sacramento defines diversity as the variety of human differences and similarities among people, such as: age, belief system, class/caste, culture, disability, education, ethnicity, gender, gender identity, generation, geography, job role and function, language, marital status, mental health, nationality, native or indigenous origins, parental status, personality type, race, religion, sexual orientation, thinking style, work experience, and work style.

Equality: Everyone is treated the same exact way, regardless of need or any other individual difference. ([Source](#))

Equity: Regardless of one's identity, equity is when all people have just treatment, access to opportunities necessary to satisfy their essential needs, advance their well-being, and achieve their full potential while identifying and eliminating barriers that have prevented the full participation of some groups. Although both promote fairness, equality achieves this through treating everyone the same, regardless of need and circumstances. Equity achieves this through treating people differently dependent on need, circumstance and consideration of historical and systemic inequities. (Adapted from the Government Alliance on Race & Equity definition of racial equality)

Equity Lens/Framework: A way of analyzing policies, practice, and procedures by assessing disparities as well as the needs and assets of underserved communities/populations. ([Source](#))

Implicit Bias: Also known as unconscious or hidden bias, biases people are usually unaware of and that operate at the subconscious level. Implicit bias is usually expressed indirectly. ([Source](#))

Inclusion: A dynamic state of feeling, belonging, and operating in which diversity is leveraged and valued to create a fair, healthy, and high-performing organization or community. An inclusive culture and environment ensure equitable access to resources and opportunities for all. It also enables individuals and groups to feel safe, respected, heard, engaged, motivated, and valued for who they are. ([Source](#))

Intersectionality: Per Kimberlé Williams Crenshaw, intersectionality is simply a prism to see the interactive effects of various forms of discrimination and disempowerment. It looks at the way that racism, many times, interacts with patriarchy, heterosexism, classism, xenophobia — seeing that the overlapping vulnerabilities created by these systems actually create specific kinds of challenges. “Intersectionality 102,” then, is to say that these distinct problems create challenges for movements that are only organized around these problems as separate and individual. So, when racial justice doesn't have a critique of patriarchy and homophobia, the particular way that racism is experienced and exacerbated by heterosexism, classism etc., falls outside of our political organizing. It means that significant numbers of people in our communities aren't being served by social justice frames because they don't address the particular ways that they're experiencing discrimination.

Privilege: Unearned social power accorded by the formal and informal institutions of society to ALL members of a dominant group (e.g. white privilege, male privilege, etc.). Privilege is usually invisible to those who have it because we're taught not to see it, but nevertheless it puts them at an advantage over those who do not have it. A systemic valuing, favoring or enhancing that only certain populations benefit from based on the group of which they are a part. (Adapted from [source](#) and [source](#))

Race: A social construct that categorizes individuals based on their physical characteristics, particularly skin and hair texture, and not an actual biological fact. ([Source](#))

Racial Equity: A situation that is achieved when people are thriving and race no longer statistically dictates, determines or predicts one's social outcomes or ability to thrive. ([Source](#)) *The City of Sacramento affirms racial equity as a core value in which race does not affect life outcomes. We acknowledge historical racial inequities and are committed to transparent, deliberate, and actionable solutions that will remedy those inequities and serve all our diverse communities.* ([Source](#))

Racial Equity Accountability: In the context of racial equity work, accountability refers to the ways in which individuals and communities hold themselves to their goals and actions and acknowledge the values and groups to which they are responsible. To be accountable, one must be visible, with a transparent agenda and process. Accountability demands commitment. From a relational point of view, accountability is not always doing it right. Sometimes it's really about what happens after it's done wrong. ([Source](#))

Social Vulnerability Index (SVI) Map: SVI - developed by the Center for Disease Control and Prevention's Agency for Toxic Substance and Disease Registry (ATSDR) - uses U.S. Census data to determine the social vulnerability of every Census tract to help public health officials and emergency response partners identify and map the communities that will most likely need support before, during, and after a hazardous event. The SVI ranks each tract on 16 social factors, four related themes, and provides an overall ranking. This map provides information related to the 16 social factors, maps the four SVI themes and overall ranking. ([Source](#))

Update on Refinement and Expansion of the Application of Budget Equity Tool (BET)

City of
SACRAMENTO

A dark blue silhouette of the Sacramento skyline is positioned at the bottom of the slide. It includes various building shapes and two prominent towers on the right side that resemble the Gateway Arch.

Office of Diversity & Equity
Department of Human Resources

City Council
May 12, 2026



How did we develop the BET?

The BET¹ was designed with the following considerations:

- An equity lens during a budget reduction cycle
- Applicable to a portion of the over 250 reduction proposals that departments submitted to the City Manager's Office (CMO)
- Affirm and align with the CMO budget instructions and expense reductions impact analysis (1 = low impact to 4=severe impact) on City services and staffing positions
- Affirm and align with Council's priorities
- Provide guidance to Council in decision making



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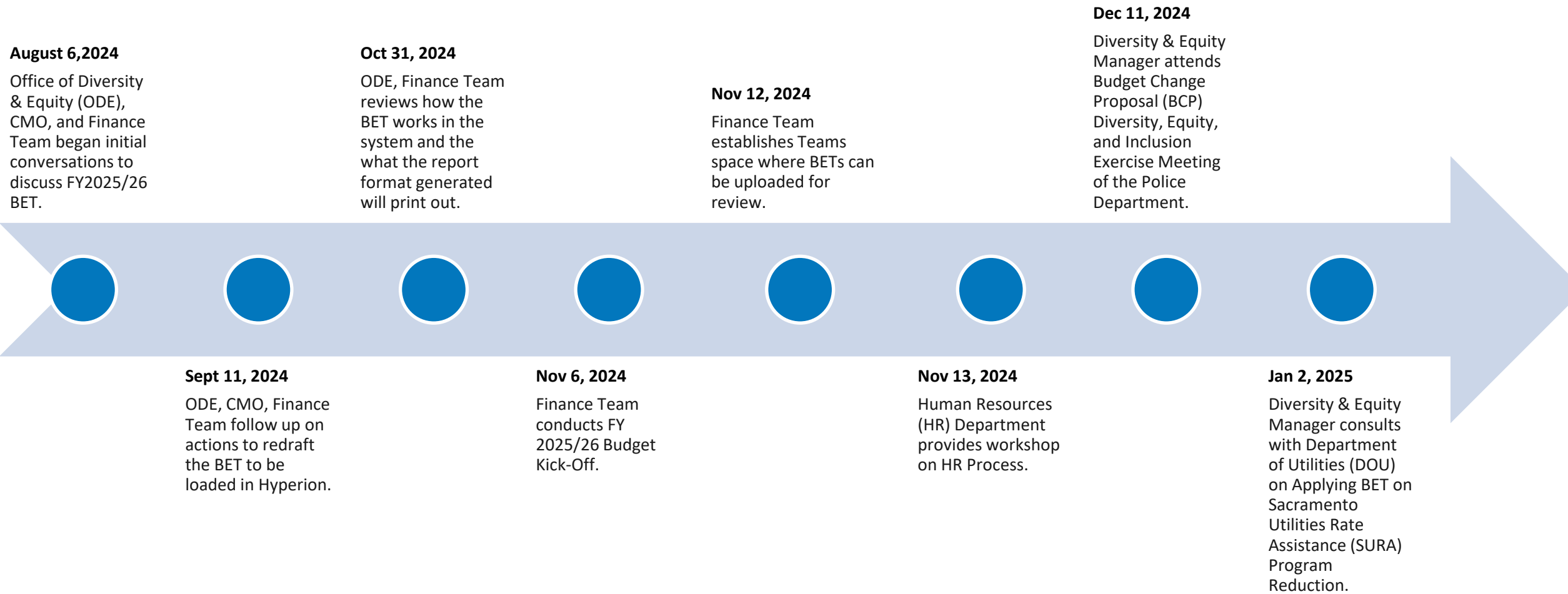


Adapting from the April 2021 Resource Report that provides guidance on ***how cities can apply the equity lens to budget cuts through two perspectives: 1) Service impacts and 2) Location impacts***

¹ Previously called Budget Equity Resource Guide and Tool (BERT/G)



Background - Our Capacity Building Efforts 2025-2027





Background - Our Capacity Building Efforts 2025-2027 (continued)

Jan 6, 2025

Diversity & Equity Manager consults with DOU on application of Sacramento Equity Explorer Design (SEED) GIS Tool and SURA Budget Analysis.

Feb 2025

ODE begins to review submitted BETs.

April 15, 2025

ODE meets with Police Department to review analysis and offer guidance in further refining of BET and identify next steps.

Jan 17, 2025

Police Department submits 44 BETs, Fire Department submits 14 BETs, DOU submits 1 BET, Office of Innovation and Economic Development (OIED) submits 10 BETs, and Department of Convention and Cultural Services (CCS) submits 1 BET.

Feb 7, 2025

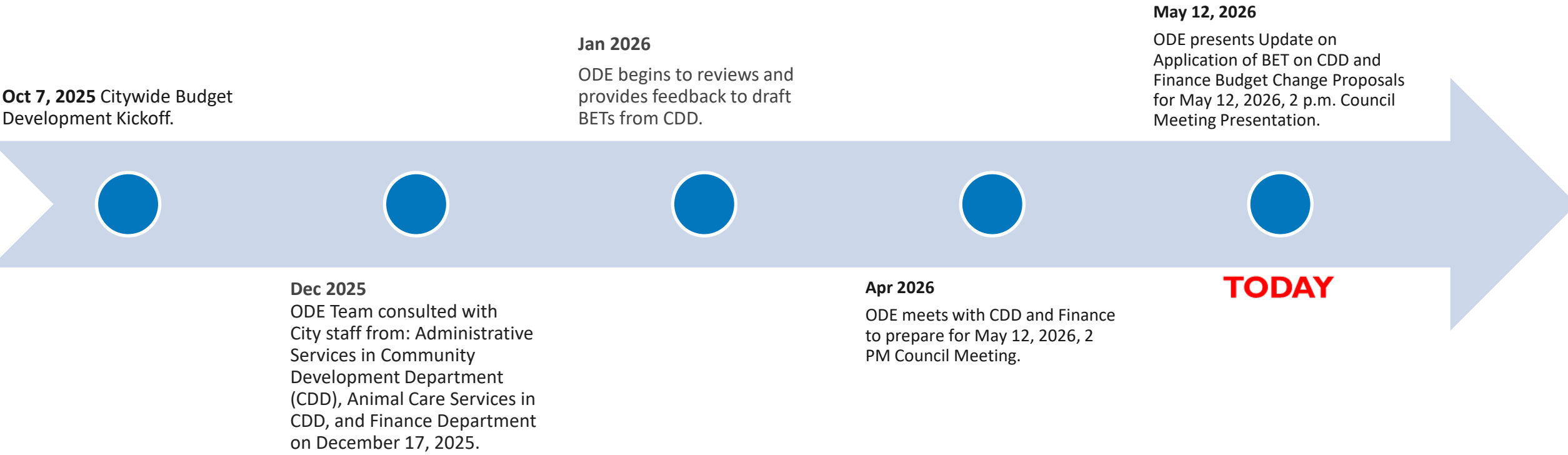
ODE continues to review BET and prepare and finalize presentation for March 18, 2025, Racial Equity Committee Meeting.

May 9, 2025

ODE meets with Interim City Manager, HR Director, and Finance Director to Prepare for 2 p.m. Council Meeting Presentation



Background - Our Capacity Building Efforts 2025-2027 (continued)





What is the Budget Equity Tool?



What the BET *IS*

A Guide for Thoughtful, Inclusive Analysis

- **Ask critical questions:** Prompts consideration of who benefits or is burdened by a decision, identifying disparities early.
- **Analyze potential impacts:** Helps detect if decisions might worsen existing racial disparities or create new ones.
- **Consider different perspectives:** Encourages engaging people of diverse racial backgrounds to ground the analysis in lived experience.
- **Identify equity opportunities:** Facilitates the creation of strategies to advance fairness and inclusion in decision-making.
- **Promote transparency and accountability:** Encourages documentation of decisions to clarify how equity was considered.



What the BET ***IS NOT***

Clarifying Misconceptions and Limitations

- **Not a magic bullet:** It is a support mechanism, not a fix-all; effective use requires sustained effort and accountability.
- **Not a scoring tool:** It does not provide a numerical equity rating; it is about process and reflection.
- **Not a prescriptive manual:** There are no exact steps for every scenario—judgment and creativity are needed.
- **Not a substitute for lived experience:** Analytical tools must be complemented by direct voices from impacted communities.
- **Not a one-size-fits-all:** Different tools exist for different contexts—choosing the right one is key.

Understanding Community Impacts

An Overview of the BET



Goal Setting & Project Outcomes

Establish government-community mechanisms using the BET for Equitable Table Design.



Location Impacts

Highlight how geographic areas, especially vulnerable communities, are affected by proposed budget changes.



Service Impacts & Available Data

Use demographic and service data to reveal impact disparities across racial and economic lines.



Understanding Impacts

Explicitly consider impacts to avoid contributing to inequities and maintain relationships for future collaboration and implementation.

Learning while Applying the BET

“Experience Teaches”

FY2026/27



Application of the BET

Key Insights This Year

- Discussed the value of the equity tool in shifting perspective from purely financial to considering community impact, especially among vulnerable groups (e.g., renters, animal care, affordable housing).
- Shared difficulties applying the tool to augmentations versus reductions as well applying to personnel decisions, noting that equity considerations are also relevant for program expansions, not just cuts.
- Recommend integrating an equity question into all BCPs, making equity analysis a standard part of both reductions and augmentations.

Key Point: Even when services have to be cut or augmented - understanding the impact to communities and careholders better positions the City to respond and anticipate for the future.



How We Are Applying the BET Community Development Department

The BET was applied to an augmentation, not a reduction. Expanding access to low-cost or no-cost spay and neuter services citywide.



Mobile and distributed clinic models reduce barriers faced by careholders who experience financial, geographic, and transportation barriers.



Supports animal welfare, reduces shelter intake, and improves community health. Aligns with recommendations from the Animal Wellbeing Commission and community priorities.



Lack of services could lead to increased unintended litters, higher shelter intake, and reduced ability for careholders to responsibly care for pets.



The approach considers careholders citywide, including those in neighborhoods with high vulnerability levels, ensuring equitable access regardless of location.

How We Are Applying the BET Finance Department

Finance was the first primarily internal service department to utilize the tool.



There were some difficulties as Finance typically supports other service delivery departments versus delivering direct services to residents.



A reduction strategy that the BET applied to was the strategy of eliminating 3.0 FTE Customer Service Representatives in Revenue Division.



Cuts may impact vulnerable groups/careholders: older adults, individuals experiencing English proficiency, and people with limited technology skills, but there is less of a geographical risk as it is in a central location.



Reduced staffing may cause: longer wait times and delays, slower processing of residential parking permits and payments, potential negative impact on revenue collection and customer support quality.



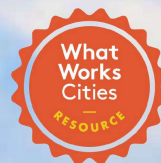
Ongoing Learning So Far in Applying the BET - Future Practice

- Importance of involving division managers earlier and providing education on using tools like vulnerability indices and GIS mapping for better equity analysis.
- Suggestion to facilitate peer learning across departments, sharing approaches to equity tool application.
- Highlighted the need for future iterations of the tool to address both reductions and augmentations, and to be applicable outside of budget reduction cycles.
- Plan early engagement and cross-department training in future cycles.
- Begin to generate templates and resources in addition to one-on-one consultations made available to departments while working on the process of completing the tool.
- Continue incorporating through a phased approach an equity lens into existing forms, processes, and workflow.

Thanks!

City of
SACRAMENTO





**CUTTING THE
OPERATING BUDGET**

**AND INSTITUTING AN
EQUITABLE DECISION-MAKING
ENVIRONMENT AMIDST A
FISCAL CRISIS**



What Works Cities

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CITY BUDGETING FOR EQUITY & RECOVERY



This What Works Cities City Budgeting for Equity and Recovery resource is a collaboration among the following organizations and institutions:



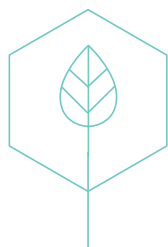
Launched by Bloomberg Philanthropies in 2015, What Works Cities helps local governments across the country drive progress in their cities through the effective use of data and evidence to tackle pressing challenges that affect their communities. The City Budgeting for Equity and Recovery program is a new effort that helps U.S. cities confront budget crises while strengthening their commitment to equity in the wake of COVID-19.

What Works Cities | Bloomberg
Philanthropies

CITY BUDGETING FOR EQUITY & RECOVERY

The Problem

The COVID-19 pandemic has had an undeniable financial impact on local governments. According to surveys conducted by the Government Finance Officers Association (GFOA), in mid-2020 about 70 percent of cities expected to experience a shortfall in their budget despite state and/or federal aid. Larger local governments were more likely to expect a shortfall than smaller local governments. While recent infusions of funding from the Federal government provides some welcome relief, it does not mean local governments can go back to “business as usual”. This is because federal funding is temporary but financial challenges wrought by the pandemic may be further reaching for many governments. Further, federal funding may not necessarily be a dollar-for-dollar replacement for everything a government has lost. Federal funding does, however, provide some breathing room to think more strategically about finances, including the equity impact of budget decisions.



The often unavoidable response to budget shortfalls is to cut back on spending. The conventional approach to cutting back spending has been the “across-the-board” cut, which applies cuts equally to all areas of service. This approach has been popular because it is simple and is perceived as “fair” to those that have to implement the cuts – oftentimes department managers.

EXAMPLE IN ACTION

Toledo has found that using data to assess the community’s and organization’s needs can be an effective way to home in on the City’s highest priorities when identifying potential budget cuts. After identifying its highest priorities, the City used data to identify unintentional adverse impacts on certain groups or underserved neighborhoods. This has allowed the City to be proactive in identifying cost saving measures or partnership opportunities to address community needs.

This resource provides guidance on how cities can apply the equity lens to budget cuts.¹

Across the board cuts, however, might have an inequitable impact on the different communities that local governments serve. Often, those that feel the consequences of the cuts the most are a city’s most vulnerable, under-represented groups and communities of color. Some people and neighborhoods have the means to weather the impact of a cutback in government services, while others don’t.

The City of Toledo, Ohio, has recognized the risks posed by across the board cuts. To take a simple example, the City recognized that reducing the resources spent on cutting the grass in public areas would contribute to blight – and that the neighborhoods most vulnerable to blight would be the City’s lower-income areas. Another example might be cutting summer camps, the effect of which would be felt more acutely in a working class neighborhood where replacing the service that such a program provides might be harder for some parents.

Cities need a more nuanced view of how to cut budgets fairly. Applying an equity lens to budget cuts can help cities reduce budgets to an affordable amount for the city while minimizing

harm to vulnerable members of the community. In fact, severe financial difficulties often present an opportunity to rethink traditional approaches to public finance. Applying an equity lens can be just such an opportunity.

1

The ideas that appear in this article were inspired by the many different people and organizations that are working on bringing an equity perspective to budgeting, including: Government Alliance on Race and Equity (GARE – see “Advancing Racial Equity and Transforming Government Action”), local governments that are working on this issue, and other experts on local government budgeting, notably PFM.



Grass cutting can be an expensive operation depending on the weather. A few years ago, Toledo had a record amount of rain that made it difficult for the City to maintain their grass cutting operation within budget. The City's response was to use micro-enterprise vendors and create bid packages by geography and type of property. The packages included thoroughfares as well as nuisance residential and commercial properties. The City saved money by having a vendor regularly cutting properties before the grass was too high and was able to increase minority-owned business participation.

This year, the City is monitoring the warmer temperatures that may lead to increased rain. If the City has to consider scaling back grass operations, it will take into consideration that neighborhoods with high vacancy and crime rates may need to be prioritized to deter dumping and other illegal activity in those communities.

Recognize Where Inequity Exists

The first step is to recognize where inequity exists. There will be differences in access to opportunity and well-being between different groups of people and between different neighborhoods. Budget cuts could exacerbate these disparities. For example, in many communities, race is predictive of public health outcomes like infant mortality, life expectancy, and incidence of chronic illness (e.g., diabetes). A city government should identify specific population segmentations (e.g., low income, historically disadvantaged groups, etc.) for analyzing equity.

Even if a local government cannot perform a rigorous statistical analysis on inequities, trends can be seen in data collected by outside entities (e.g., US Census Bureau or a state health department). And, statistical cases should be complemented by stories. Narratives, not numbers, are often more influential in decision-making, so the numbers should be brought to life with stories.

Finally, it should be noted that low-income communities historically have had reason to mistrust the government. As a result, they may not always call in for service. Hence, when considering equity and using data, cities should assess the geography of complaints and feedback. If there is under-representation in certain communities, particularly those that lack investment from the City, the local government may want to reach out to those communities, listen to their concerns, ensure their needs are being met and be more proactive in providing services to those areas (rather than reactive).



Defining “Equity”

Next, a city should define what “equity” means. To illustrate, the City of Charlotte, North Carolina has defined equity as “the fair treatment, access, opportunity and advancement for all people, while at the same time striving to identify and eliminate barriers that have prevented the full participation of some groups.” Groups that Charlotte has identified as the focus for its equity lens include people of color and low-income communities.

Defining equity will help local governments evaluate potential budget cuts from the perspective of which cuts could work against equity. There are two perspectives on impact to the public that a potential budget cut could be evaluated from. Let’s explore each perspective below. Each perspective comes with a series of questions that a city can ask about any given proposed budget cut in order to help evaluate equity impacts.²

Perspective #1: Service Impact

A spending cut could reduce the quality of service that a government delivers. Cities might consider the following questions:

What is the potential for reduced access to services?

This includes fewer places to receive service, fewer hours of service delivered, fewer employees to provide a service or longer response times.

Examples: Closing a fire station results in higher response times...reducing branch library hours makes it harder for residents to use it after hours...closing one recreation facility causes residents to have to walk or drive farther to use another facility...reducing customer service representatives increases the wait time for service at walk-up counters.

What is the potential for reduced quality of service?

Residents can still access service, but the quality of service is measurably lower or does not meet resident expectations.

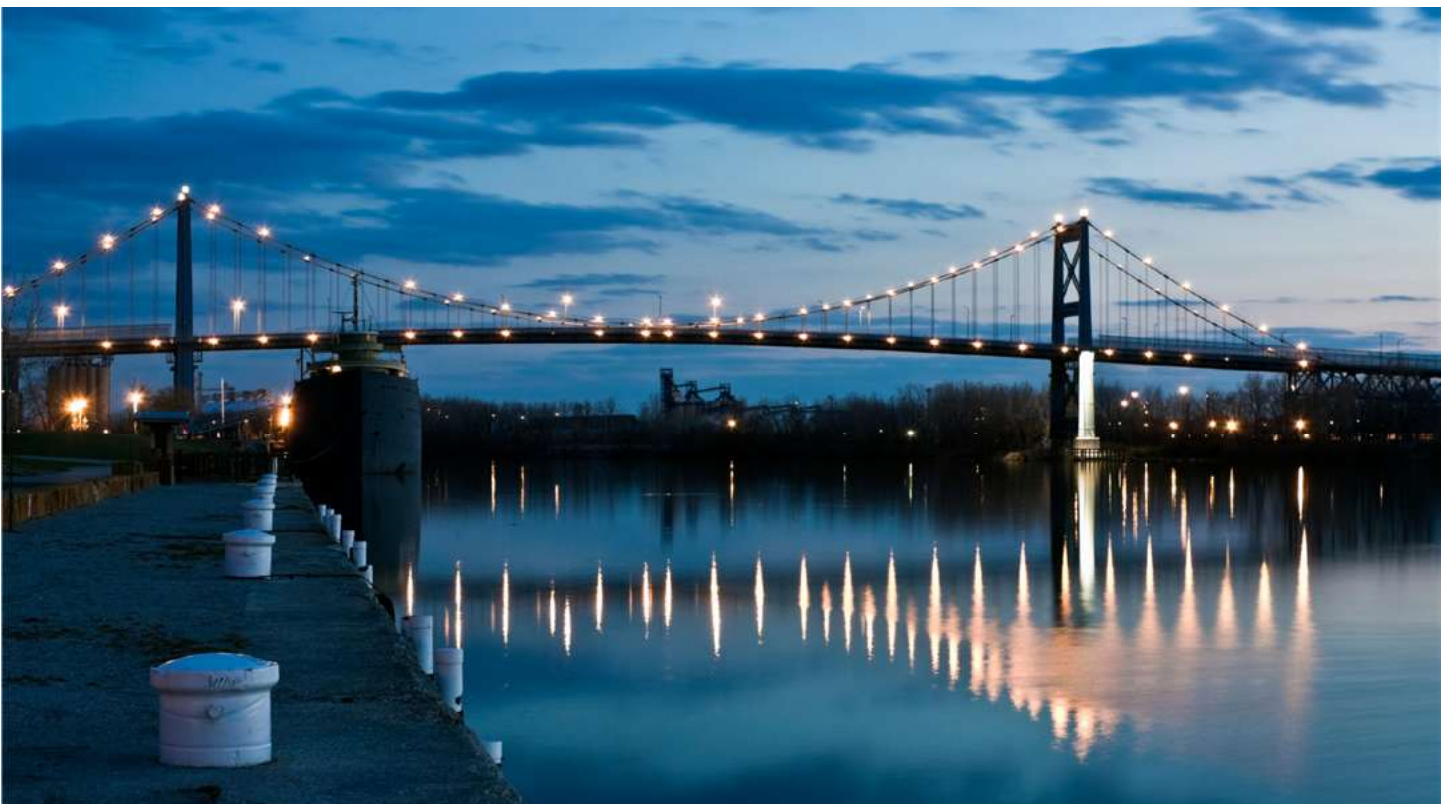
Examples: A city purchases cheaper vehicles that have shorter useful lives, are less energy efficient or are more susceptible to breakdown...city uses pothole patching instead of street repaving...city uses staff with less experience or training to perform a service.

For these service impacts, the local government can ask if the impact affects equity. For example, certain library branches might be used more by lower income people, so closing those branches would have important equity impacts. On the other hand, perhaps certain types of permits or licenses are not disproportionately used by vulnerable populations, so to reduce office hours would not have equity impacts.

Earlier, we saw Toledo's example around grass cutting and how cuts would have resulted in unacceptable losses in quality (i.e., more blight). The City has also been mindful of how its cut back strategies impact access to community assets, like parks and recreation, in low income neighborhoods.

Perspective #2: Location Impact

Many of the inequities that a local government would be focused on have geographic character. For example, some neighborhoods might have more low income residents or people of color than other neighborhoods. Cities might consider the following questions about location:



Is the service geography neutral?

These are services that are distributed across the entire municipality with little variance by neighborhood. Examples include internal services like information technology, human resources and fleet management (for smaller communities) and citywide elected officials. Services that are “geography neutral” usually pose the least risk to equity, but could still serve a vulnerable population.

Does the service have a fixed geography with specific customers?

These are services that are delivered from a central location and available to the community at-large, but used by specific segments of the community. Examples include building construction plan review and many kinds of licensing. In this case, equity impact would depend on who the customers of this service are. For example, for a given type of license, would a decreased level of service adversely impact any of the equity considerations from your definition of equity?

Is the service delivered from a fixed site to a specific community?

These are services delivered at locations distributed throughout the city with a service population local to the site. Examples include recreation centers, public parks, health clinics, and fire stations. These services pose greater risk of inequitable impact.



In Toledo, leaf collection and grass were major frustrations for residents. The City used resident complaint data to develop a strategy to more efficiently deliver services. With leaf collection specifically, the City recognized that certain neighborhoods had trees that produce more leaves. The City determined that those neighborhoods needed two passes and rerouted crews to pick up leaves in those neighborhoods first and last.

Is it a mobile service that serves a specific community?

These are services where the staff are mobile and focused on particular neighborhoods. Examples include EMS units; code enforcement; road patching crews; and litter abatement teams. Cuts in these services could also pose greater risk of inequitable impact.

Toledo has been thoughtful about the impact of location. For example, the City is installing LED street lighting throughout the community. However, because it has limited resources, it can't install LED light throughout the entire community at once. Therefore, the installation program is driven by crime data: neighborhoods with the most violent crime get lights first because better lighting may help deter crime. This is an example of a service with a fixed geography and specific customers.

An example in Toledo of a mobile service that aids a specific community is leaf collection. Similar to grass cutting, leaf collection helps keep up quality of life and prevent blight. However, some neighborhoods produce more leaves than others

due to the types of trees. Toledo has tuned its leaf collection strategy to concentrate more resources in areas that produce more leaves.

The table below recaps the two perspectives and questions cities might ask under each:

TWO PERSPECTIVES TO CONSIDER ON THE EQUITY IMPACT OF BUDGET CUTS	
Perspective #1: Service Impact	Perspective #2: Location Impact
What is the potential for reduced access to services? <i>Fewer places to receive service?</i> <i>Fewer hours of service delivered?</i> <i>Fewer employees to provide a service?</i> <i>Longer response times?</i>	Is the service provided to the entire municipality with little variance by neighborhood? <i>Could vulnerable populations be hurt by the cut?</i>
What is the potential for reduced quality of service? <i>Will the quality be measurably lower?</i> <i>Will the quality meet citizen expectations/needs?</i>	Is the service delivered from a central location and available to the community at-large, but which is used by specific segments of the community? <i>If so, are those segments a vulnerable population?</i>
	Is the service delivered at locations distributed throughout the city with a service population local to the site? <i>Are the populations served vulnerable?</i>
	Is the service one where staff are mobile, but focus on particular neighborhoods? <i>Are those neighborhoods vulnerable?</i>



A Word about Time Horizons

Budget cuts are, by their nature, focused on the short-term. However, the City of Toledo views the move toward a more equitable budget as a marathon, not a sprint. For that reason, Toledo has found great value in complementing its budget deliberations with a long-term financial plan and ten-year forecast. This helps the City keep an eye on its long-term objectives and ensure that decisions made today don't unfairly burden future generations of citizens.

Conclusions

In a time of budget cuts it is almost inevitable that services will suffer. By taking into account equity, a local government can reduce the pain experienced by disadvantaged parts of the community and reduce the pain experienced by the community as a whole. For any given budget cut, a city can ask the following to guard against disproportionate impact on its most vulnerable residents:

- What is the service impact? Could this cut reduce access to services or reduce the quality of services for vulnerable groups?
- What location within the city will be impacted? Does the service or program being cut serve a particular community or neighborhood? Those types of program cuts have the biggest risk of inequitable impacts.

With the answers to these questions, cities can consider alternative cutback strategies. The Government Finance Officers Association has catalogued a large number of cut-back strategies and other tools for dealing with budget deficits at its [Fiscal First Aid website](https://www.gfoa.org/ffa).³ Cities can use these resources to find alternatives to strategies with inequitable impact.

Update on the Pilot Budget Equity Resource Guide & Tool (BERG/T)

A dark blue silhouette of the Sacramento skyline is positioned at the bottom of the slide. It includes various building shapes and two prominent towers on the right side that resemble the Transamerica Pyramid.

City Council Meeting
May 14, 2024

Background - Goals & Team

Goals

- ✓ Provide deeper analysis for select budget requests from a racial equity lens.
- ✓ Help departments critically think about their role in advancing racial equity.
- ✓ Support City leadership's decision-making process to ensure equitable outcomes.
- ✓ Create a tool, guide, Power Point to communicate, and glossary of terms.
- ✓ Seamlessly align with where the current budget decision cycle is and support/guide staff.

City and Council Staff Who Have Helped Guide this work:

- Aimée Zenzele Barnes, Human Resources Department
- Anne Iturraran, Fire Department (Fire)
- Asialyn Lee, Office of Councilmember Mai Vang (CM Vang)
- Denise Malvetti, Office of Innovation & Economic Development (OIED)
- Larissa Wohl, Human Resources Department
- Kelly Fong Rivas, Office of the Mayor Darrell Steinberg (Mayor)
- Leyne Milstein, City Manager's Office (CMO)
- Megan Van Voorhis, Convention & Cultural Services Department (CCS)
- Michael Jasso, City Manager's Office (CMO)
- Robert Bell, Human Resources Department



Background - Our Collective Efforts Since January 30, 2024

Jan 30, 2024 Racial Equity Committee (REC) motioned and approved direction to City staff to develop a racial equity tool to be used as during the Fiscal Year (FY) 2024/25 budget development process

Feb 5-14, 2024 All Day In-Person FY 2024/25 Budget Meeting with City Departments

Feb 15, 2024 ODE Team presented to CMO, Racial Equity Advisor to Mayor and Chief of Staff, CM Vang on the draft BERG/T for questions and feedback

Feb 16, 2024 ODE Team, Racial Equity Advisor to Mayor and Chief of Staff, CM Vang met with ACMs to review draft BERG/T

Feb 1, 2024 Racial Equity City Team established every Thursday to develop budget equity guide and tool

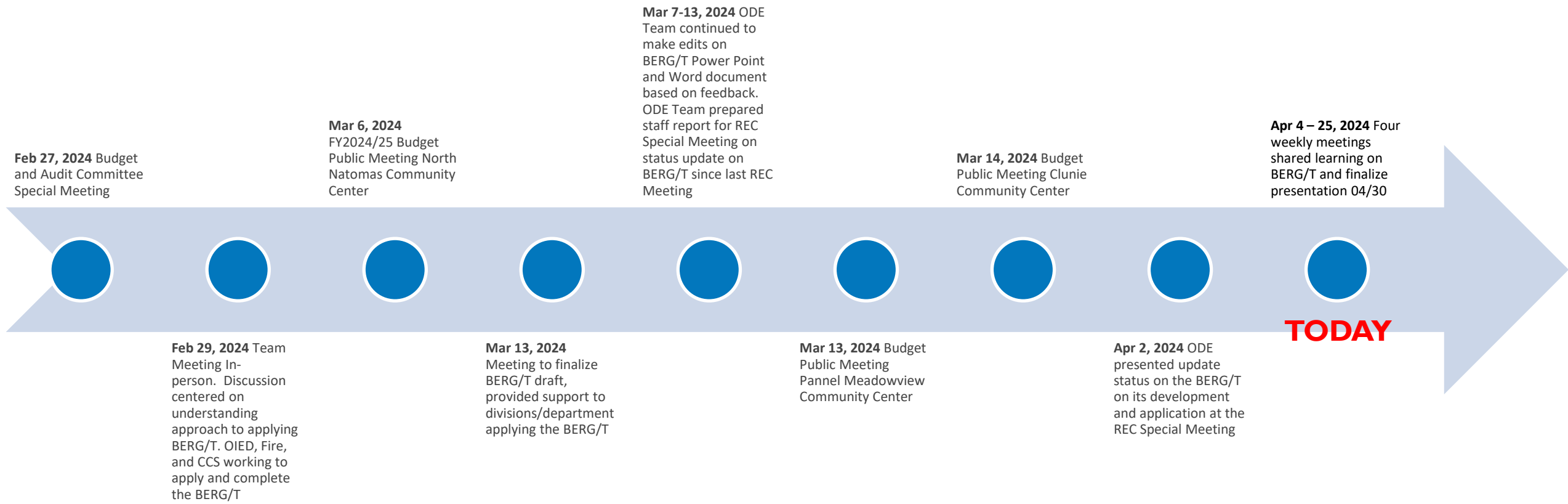
Feb 1-14, 2024 Diversity & Equity Manager researched and developed draft of the Budget Equity Resource Guide (BERG) and Budget Equity Resource Tool (BERT) for deeper consultation with Human Resources Office of Diversity and Equity (ODE) Team. ODE Team committed 8-10 hours of working sessions and editing

Feb 15 -16, 2024 In-person meetings – Budget Decisions with City Manager, Assistant City Managers (ACMs), and Department staff

Feb 22, 2024 ODE Team introduced background and draft of the BERG/T to Finance, CCS, Fire, and OIED for feedback, questions, and discussed considerations of implications



Background - Our Collective Efforts Since January 30, 2024 (cont'd)





How did we develop the Pilot Budget Equity Resource Guide and Tool?

Given where we are in the budget cycle on January 30th our Pilot Budget Equity Resource Guide and Tool was designed with the following considerations:

- An equity lens during a budget reduction cycle
- Applicable to a portion of the over 250 reduction proposals departments submitted to the City Manager's Office (CMO)
- Affirm and align with the CMO budget instructions and expense reductions impact analysis (1 = low impact to 4=severe impact) on City services and staffing positions
- Affirm and align with Council 9 priorities
- Provide guidance to Council in decision making



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CITY BUDGETING FOR EQUITY & RECOVERY



Adapting from the April 2021 Resource Report that provides guidance on ***how cities can apply the equity lens to budget cuts through two perspectives: 1) Service impacts and 2) Location impacts***

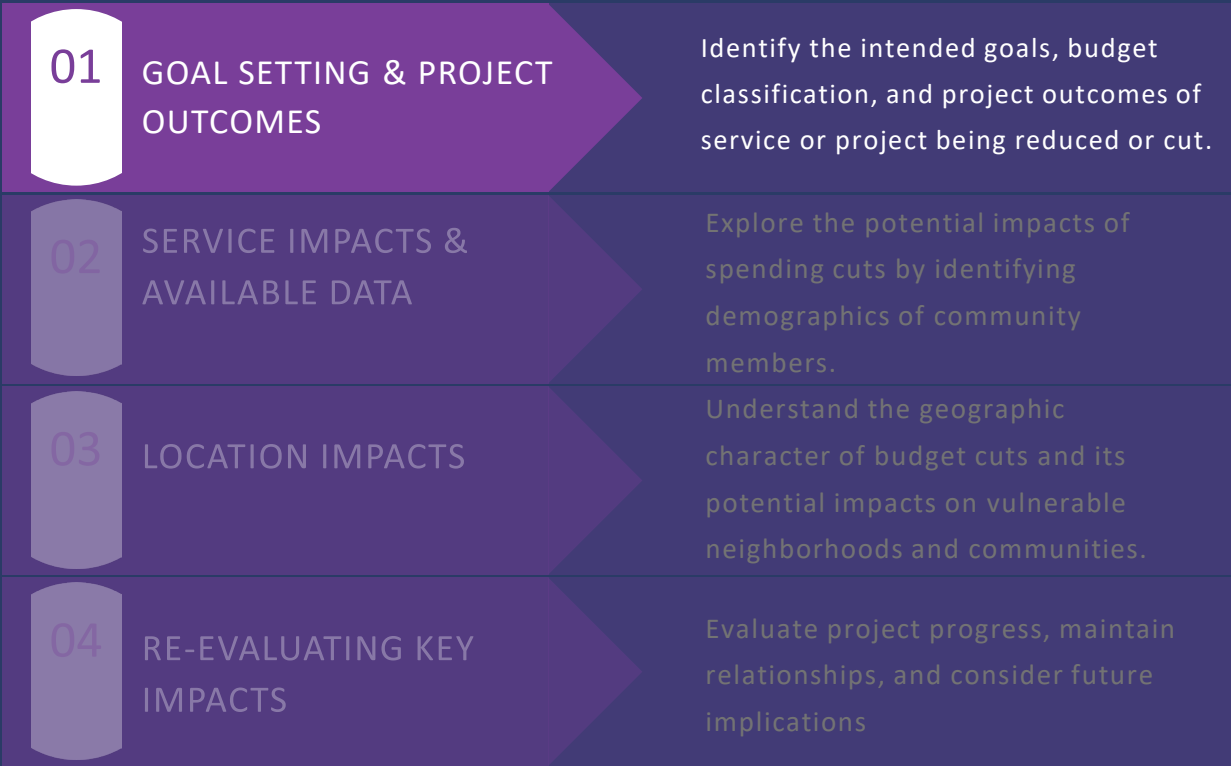


Overview of Pilot Budget Equity Resource Guide & Tool (BERG/T)



Section 1: Goal Setting, Budget Classification, and Project Outcomes

To get started, identify goals and project outcomes of the service or project being reduced or cut. Use your budget classification and impact levels work for this section. Consider explaining how your service or project connects to the City’s goals and helps to define the potential reduction/cut’s impact on different communities.





Section 2: Service Impacts

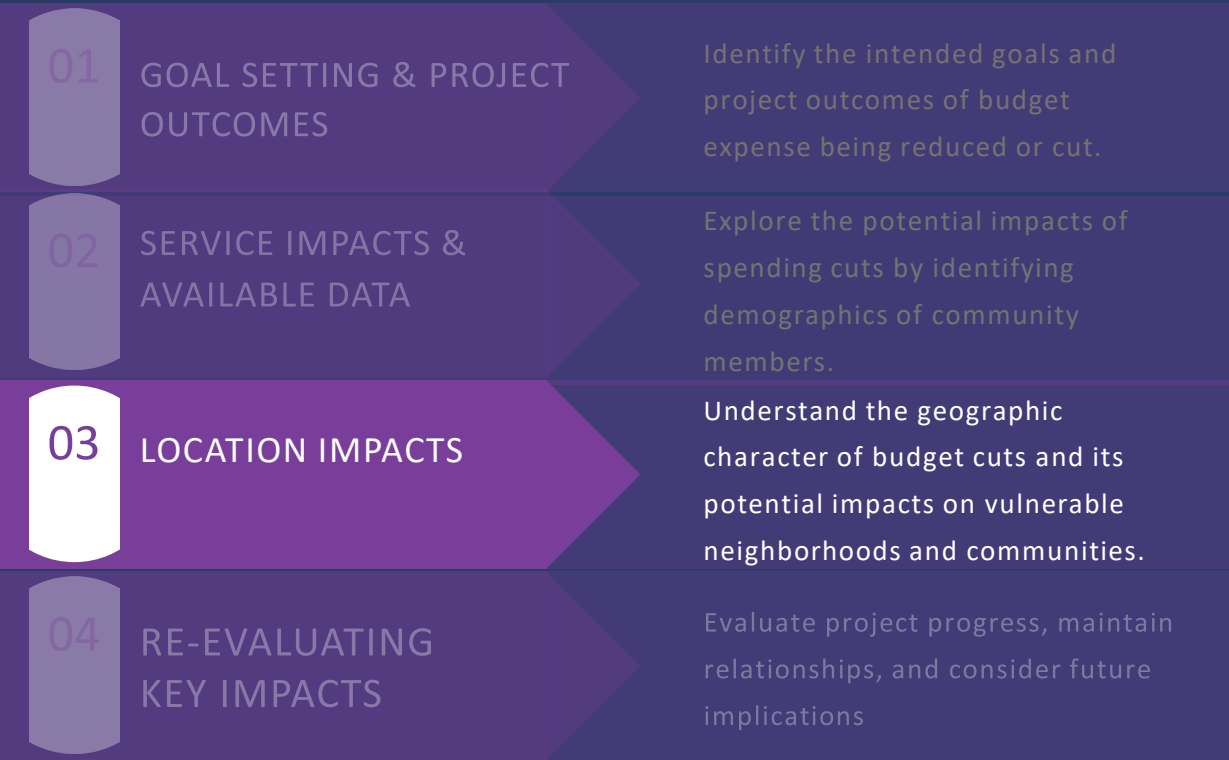
A spending cut could reduce the quality of service that the City delivers. Collecting data allows you to identify synergies with existing work and unearth opportunities to reduce the perpetuation of historical and present inequities faced by certain communities. Explore the potential impacts of spending cuts by identifying demographics of community members.





Section 3: Location Impacts

This section is designed to help understand the geographic character of budget cuts and their potential impacts on vulnerable and already underserved neighborhoods and communities.





Section 4: Re-Evaluating & Key Impacts

Document impacts of budget cuts and reductions to mitigate unintended consequences and intend benefits for future action. To explicitly consider impacts to avoid contributing to inequities and maintain relationships for future collaboration and implementation.





Today's Presentation – Overview & Highlights

- Overview of 2 completed BERG/T from Office of Innovation & Economic Development (OIED).
- Overview of 1 completed BERG/T from Conventional & Cultural Services (CCS).
- Update of Integration of Heatmaps on SEED GIS Tool.



Today's Presentation - Supplemental Materials

As part of today's presentation, we included the following supplemental materials:

- The BERG/T template.
- April 2021 Report Used to create the pilot BERG/T.
- 2 completed BERG/T from Office of Innovation & Economic Development (OIED).
- 1 completed BERG/T from Conventional & Cultural Services (CCS) Department.
- 3 completed BERG/T from Fire Department.

NOTE: Given that the Fire Department proposed reductions are no longer being cut from the budget, this presentation will be focused on OIED and CCS.

Today's Presentation – Best Position to Apply BERG/T + Short Time Frame to Apply BERG/T = Equity Already in the Work

Office of Innovation and Economic Development

- Following the City Council policy direction, City staff with careholders outlined a framework that defines several components to create equitable outcomes, including establishing set of key inclusive guiding principles, quality of life indicators, and performance metrics system (October 2018).
- City Council Adopted *Inclusive Economic Development Investment Funding Guidelines* (Resolution 2018-0312, September 2019).
- [ScaleUp Sacramento Inclusive Economic Action Agenda](#) (January 2021).

Today's Presentation – Best Position to Apply BERG/T + Short Time Frame to Apply BERG/T = Equity Already in the Work

Convention & Cultural Services

- Cultural Equity Statement presented to City Council (April 23, 2018).
- The newly formed Arts, Culture, and Creative Economy Commission met and adopted the [Race and Cultural Equity Statement](#) (June 2020).



How We Are Applying the Budget Equity Resource Guide & Tool (BERG/T)

- Applied to budget reductions in OIED, Fire, and CCS.
 - Some may be grouped reductions if they are related.
- Given where we are in the budget decision cycle:
 - Approach to propose reductions had already been developed.
 - Proposed reductions had already been identified.
- Due to short timeline, City staff will adjust the tool to fit narrative/nature of service delivery, and discretionary vs. fixed/mandated funding.



Application of BERG/T to Parts of City Budget

Economic Development

Economic Development

How did you approach this process?

What methodology did you use while considering budget?

- General Fund/Measure U Budget is approximately \$5,900,000, approximately 88% is staffing.
- Priority to retain staff because we value the team, and they are delivering the impactful programs funded by grants and special funds.
- Given that majority of budget is personnel, looked at cuts that would minimize impacts to programs that help us achieve our inclusive economic development goals by using the Inclusive Economic Development Funding Strategy as a guide.

The City of Sacramento is committed to growing a strong, inclusive, and vibrant economy.

The Office of Innovation & Economic Development encourages job growth and investment in the City of Sacramento by retaining, attracting, growing, and scaling new and innovative businesses.

The Office is focused on *better connecting residents in underserved communities with critical resources and housing, so all residents participate in Sacramento's economic growth.*

Economic Development

Section 1 - Goal Setting, Budget Classification, and Project Outcomes

Proposed Reductions

- Eliminate two vacant FTEs.
 - Principal Planner (Railyards & Riverfront)
 - Administrative Technician (Innovation & Entrepreneurship)

Budget Classification

- Discretionary
- Level of Impact: 1

Goals and Project Outcomes

- Develop a vision for the Railyards and Waterfront in hopes of accelerating the redevelopment of the areas.
- Develop and implement innovation and entrepreneurship programs to assist Sacramento's small businesses and innovators.
- Central city as a regional destination, generate jobs, create housing, and therefore generate additional tax revenues for the City.

Economic Development

Section 2 - Service Impacts

- The Office of Innovation and Economic Development is focused on growing a strong, inclusive, and vibrant economy. Any changes in our staff levels impact that work.
- The service impacts expand beyond the two specific areas/programs (Railyards/Waterfront and Innovation & Entrepreneurship) because we adjust staff to address needs in real time. These areas could include:
 - Workforce Development
 - Small Business Assistance
 - Housing
 - Community Engagement
 - Community Investment
- Services may be slowed down, yet the impact does not mean things will stop.



Economic Development

Section 3 - Location Impacts

Principal Planner Position

- Railyards & Riverfront
 - HUD Qualified Census Tract
 - Promise Zone Designation
 - Opportunity Zone
 - Regional given it's a destination

Administrative Technician (Innovation & Entrepreneurship)

- Citywide
 - Inclusion and equity impacts

Economic Development

Section 4 - Re-Evaluating & Key Impacts

Economic Considerations (Primary Equity Opportunity Area)

- Loss of Jobs/Unemployment
- Economic Recovery
- Economic Stability
- Access to Workforce Development and Employment Opportunities

Other Equity Opportunity Areas

- Food Access
- Community Access
- Mobility
- Housing

Economic Development

Learned So Far in Applying the BERG/T - Future Practice

Inclusive Economic Development Funding Strategy & ScaleUp

- Helpful to have adopted Guidelines.

Data and Metrics

- Capacity (External and Internal)
- Consistency
- Timing

Application of BERG/T To Parts of City Budget

Convention & Cultural Services

Convention & Cultural Services

How did you approach this process?

What methodology did you use while considering budget?

- Considered overall Convention & Cultural Services (CCS) budget of \$27,863,209 in FY 2023/24 and proportion of funding from Measure U/General Fund/Innovation & Growth Fund.
- Considered what options were available after excluding funding for employee services and other services and supplies.
 - The remaining \$1,114,000 supports multi-year operating projects – the Cultural Arts Awards program and Creative Edge.
- Because the multi-year operating projects (MYOPs) support CCS' reach throughout Sacramento and includes direct financial support of communities of color, we ruled out cuts to those areas.
- Proposed eligible expenses be transitioned to Transient Occupancy Tax (TOT) funds to maintain service delivery to the public, then looked at discretionary funding items, such as arts stabilization and contracts with partners where they have other capacity to secure revenues to support their work.

Convention & Cultural Services

Section 1 - Goal Setting, Budget Classification, and Project Outcomes

Proposed Reductions

- Reduction in Funding for Old Sacramento Visitor Center Support and Sacramento History Alliance Operations and Services.
- Reduction in Funding for SMUD Museum of Science and Curiosity (MOSAC).
- Total Reduction \$174,000 between both museums.

Budget Classification

- Discretionary
- Level of Impact: 2

Goals and Project Outcomes

- Delivery of educational and cultural experiences to the public.
- Primarily helping people understand history and science through fun and engaging exhibitions and programming. Secondly addressing issues of social isolation, educational achievement, and civic engagement.
- Museums are key drivers of community health and wellbeing.
- Expand participant understanding of arts, culture, history, science, and the world around them.
 - Contribute to economic vibrancy, offering a unique feature to attract people (and their related spending) into the City's core.
 - Improve educational experiences for young people, leading to student growth and achievement.

Convention & Cultural Services

Section 2 - Service Impacts

- Closure of the Old Sacramento Visitor's Center, which serves 20,000-30,000 annually.
 - Would likely have to consolidate some of the functions to the museum site and have museum staff absorb responsibilities.
- Closing for one day a week may be a necessity, which will result in reduced access to exhibits and programs by community.
- Staffing cuts are inevitable at both institutions, which could affect the number of school groups that can be served by remaining staff as well as the student experience.
- In general, cuts to operating funding create pressure on free programming offered to community members. Such programming is likely to be reduced and in general that's likely to have a greater effect on Sacramento's most vulnerable populations.

Convention & Cultural Services

Section 3 - Location Impacts

- Both museums serve visitors from throughout the region and far beyond.
- Both museums have education partnerships with schools for field trips and other education programs.
- Twin Rivers Unified School District is a major partner of MOSAC, ensuring every 3rd grader gets access to a field trip to MOSAC.
- Cuts to free programming is most likely to affect the most vulnerable populations.
- Reduction in staffing could affect the experience of students from schools who may not have the luxury of sending chaperones on field trips.

Convention & Cultural Services

Section 4 - Re-Evaluating & Key Impacts

Arts and cultural infrastructure and programming holds great promise for advancing better outcomes for our community economically, educationally and socially – and particularly our most vulnerable populations.

- In the case of these two museums, it's clear that redefining historical narratives and providing access to STEAM education are critical to achieving social and economic justice. Both museums contribute to that and the overall health, wellbeing and enjoyment of the people who participate in their programming and visit their exhibitions.

It's important to acknowledge the historic systems of power and privilege that have shaped the arts and cultural infrastructure as we know it (both here in Sacramento and across the country).

- The strength and connections of a nonprofit board can significantly influence where arts and cultural infrastructure investments are made – and the level of those investments can have longstanding implications.
- Organizations led by, accountable to, and predominately serving communities of color often face barriers in philanthropy, lack access to the connections to high-net-worth individuals, and lack knowledge of funding tools, policies and processes that may come easier to larger institutions.
- CCS shaped our budget reduction recommendations to limit the impact on those that have not traditionally benefited from those systems of power and privilege.

All communities should benefit from the public infrastructure investments we've made.

- Whether it's our own facilities, or our partners, we're looking at new ways to work to advance the cause (through contract negotiations and other means).

Convention & Cultural Services

Learned So Far in Applying the BERG/T - Future Practice

- CCS considered racial equity impacts ahead of submitting budget reduction plans.
- Even so, the budget reduction tool helped me gain a more detailed understanding of the racial equity impacts of some of the proposed cuts.
- Having better information from our partners on their services to marginalized communities would be helpful.
 - Finding out about the Museums for All program and the people served by that program after reductions was proposed was challenging, knowing that ahead of time might have changed how I looked at things.
- Departments and their staff are all at different places along the racial equity journey and it's hard to get one tool to meet people where they are. For example, the questions someone might ask at the beginning part of their journey, may look different than what we ask someone further along on their journey.
 - How can we use existing tools (e.g. staff reports, BCPs) to help ignite some conversation around racial equity impacts, while still keeping a more efficient process and meeting people where they are.
 - There have been some amazing tools developed by the Finance Team as working through this process, how can we model based on some of what they have done, like defining levels of impact from a racial equity perspective (think 1-4 as was done for budget reduction classifications); or perhaps having the methodology for order of operations consider racial equity at the start.

What Have We Learned So Far



Learned So Far in Applying the BERG/T - Emergent Practice

- Initially the BERG/T is easier to apply to discretionary funding.
- Understand how applying the BERG/T to historical legacy funding when decisions were made without an equitable lens.
- Having a Citywide commitment and leadership mandate helps ground shared understanding, approach, and real success.
- Understand how applying a racial equity lens to future parts of the budget and implementing mitigating strategies to change and shift funding when expenses/monies are:
 - Fixed/mandated or tied to bond/debt services
 - Fixed/mandated by prior Council decisions
 - Obligated due to compliance and contracts
 - Obligated due to historical legacy funding
- Consistency of data collection and analysis across city and with partners.



Learned So Far in Applying the BERG/T - Future Practice

- Start early with phased roll-outs.
- Training and input on the tool and process before starting a process is necessary.
- How-to manual providing with supplementary resources including glossary of terms, and data and engagement resources is necessary.
- Possible racial equity team (multi-departmental) providing support to departments:
 - Training and input on the tool and process before starting is necessary
 - How-to manual providing with supplementary resources including glossary of terms, and data and engagement resources is necessary
 - One-on-one consultations made available to departments while working on the process of completing the tool
 - Train the Trainer approach
- Incorporating through a phased approach a racial equity lens into existing forms, processes, and workflow.



Update of Integration of Heatmaps on SEED GIS Tool

Links to GIS Resources:

[SEED Application w/ Heat Maps](#)

[311 Incident Maps](#)

[City of Sacramento's Open Data Portal](#)

Thanks!

City of
SACRAMENTO



FY2026/27 Budget Equity Tool - Community Development

BCP Request A	Type: Augmentation	Categorization:
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Section 1: Goal Setting, Budget Classification, & Project Outcomes

To get started, identify goals and project outcomes of the service or project being reduced or cut. Consider explaining how the service or project connects to the City's goals and helps to define the potential reduction/cut's impact on different communities.

Purpose of Budget Reductions

1. Is this reduction tied to other BCPs? If so, which ones? If grouped, please share which BCPs (tie to BCP numbers) and why they are grouped together.

No. Although not a reduction, CDD applied the Budget Equity Tool to this augmentation to assess and document the equity benefits of expanding access to preventative animal care services citywide.

2. What are/were the desired program or service outcomes?

The desired outcome of this augmentation is to expand equitable access to affordable spay and neuter services across the city in order to improve animal welfare, reduce shelter intake, and support healthier, more stable communities.

- Increase access to low-cost or no-cost spay and neuter services for residents who face financial, geographic, or transportation barriers
- Reduce unintended pet litters and overall pet overpopulation within the community
- Decrease animal shelter intake, overcrowding, and euthanasia risk over time
- Improve public health and neighborhood livability by reducing stray and unaltered animal populations
- Provide a preventative, upstream investment that lowers long-term operational and enforcement impacts for Animal Care Services.

3. How did you approach the equity analysis?

CDD applied the equity analysis by aligning this augmentation with identified community priorities and policy direction from the City of Sacramento's Animal Wellbeing Commission. The analysis considered how expanding spay and neuter services supports equitable access to preventative animal care citywide, particularly for residents who face cost or access barriers. Coordination with Animal Balance informed a community-based service delivery approach consistent with equity-focused outcomes.

Section 2: Service Impacts

A spending cut could reduce the quality and quantity of service that the City delivers. Collecting data allows to identify synergies with existing work and unearth opportunities to reduce the perpetuation of historical and present injustice faced by certain communities. Explore the potential impacts of spending cuts by identifying demographics of community members.

What is the potential for reduced access to services? Will the quality be measurably lower?

Ex: This includes fewer places to receive service, fewer hours of service delivered, fewer employees to provide a service or longer response times existing programs or policies are working to achieve the same outcomes of this project?

Without this augmentation, access to spay and neuter services would remain limited for community members who cannot afford private veterinary care or who face barriers related to transportation, scheduling, or availability of services. The absence of community-based clinics reduces the City's ability to provide preventative animal care options citywide. This limitation may contribute to increased unintended litters, higher shelter intake, and reduced opportunities for residents to responsibly care for their pets.

Impacts By Demographics

Identify the demographics of residents who may be impacted by the service or program reduction.

Race/Ethnicity

All : Yes

Level of Vulnerability (based on Sacramento County Social Vulnerability Index)

Percentile ranking values range from 0 to 1, with higher values indicating greater vulnerability.

Section 3: Location Impacts

This section is designed to help understand the geographic character of budget cuts and their potential impacts on vulnerable and already underserved neighborhoods and communities. Utilize the Sacramento Equity Explore Design GIS Tool to help identify.

Location Impacts (Please be sure to describe each geographic character)

Definition:

Citywide – Programs or services that are “geography neutral” usually pose the least risk to equity but could still serve a vulnerable population.

Central Location - Programs or services delivered at locations distributed throughout the city with a service population local to the site.

Mobile Program or Service - These are services where the staff are mobile.

Citywide : Yes

Mobile Program or Service : Yes

List any specific geographic areas the program or service impacts below

Examples: Districts, Opportunity/Promise Zones, Neighborhoods, Service Districts

FY2026/27 Budget Equity Tool - Community Development

Program or Service Geography: Citywide

Services that are “geography neutral” usually pose the least risk to equity but could still serve a vulnerable population.

If this is a program or service provided to the entire city with little variance by neighborhood, could vulnerable populations be hurt by the cut?

This program provides citywide benefit by expanding access to spay and neuter services for Sacramento residents regardless of neighborhood. While services are available to all residents, the investment supports equitable access by reducing cost and access barriers that exist across the city, particularly for households that may not otherwise be able to obtain preventative veterinary care.

Program or Service from a Central Location

These are programs or services delivered at locations distributed throughout the city with a service population local to the site. Program examples include community and recreations centers, public parks, fire stations. Service examples include building permits and licensing. If the program or service is delivered from a central location and available to the community at-large, but is more commonly used by specific segments of the community, are those segments a vulnerable population? Would a decreased level of service adversely impact any of the equity considerations from our definition of equity?

Mobile Program or Service

These are services where the staff are mobile. Examples include EMS units, code enforcement, road patching crews, and litter abatement teams. Cuts in these services could also pose greater risks of inequitable impact.

If this is a mobile program or service that serves a specific community or specific neighborhoods, are those neighborhoods vulnerable?

Services would be delivered through mobile or distributed clinic locations, allowing Animal Care Services and its partner to bring spay and neuter services directly into communities. This approach reduces transportation and geographic barriers and supports equitable service delivery by reaching neighborhoods where access to affordable veterinary services is limited.

Primary Fiscal Contact: Allison Narramore	Date
Department Director	Date
ACM	Date

FY2026/27 Budget Equity Tool - Community Development

BCP Request E

Type: Augmentation

Categorization:

Section 1: Goal Setting, Budget Classification, & Project Outcomes

To get started, identify goals and project outcomes of the service or project being reduced or cut. Consider explaining how the service or project connects to the City's goals and helps to define the potential reduction/cut's impact on different communities.

Purpose of Budget Reductions

1. Is this reduction tied to other BCPs? If so, which ones? If grouped, please share which BCPs (tie to BCP numbers) and why they are grouped together.

No.

2. What are/were the desired program or service outcomes?

The desired outcome of this request is to increase service capacity within the Rental Housing Inspection Program (RHIP) by expanding administrative and customer service support while remaining cost neutral to the General Fund/Measure U through a revenue-supported augmentation. This investment improves service delivery for more than 66,000 rental units citywide.

- Increase inspection scheduling, case processing, and customer response capacity.
- Reduce administrative backlogs that delay inspections and compliance resolution.
- Improve service timeliness and accuracy for rental housing owners and tenants.
- Strengthen coordination between administrative staff and inspection teams to support efficient field operations.
- Maintain and enhance RHIP service levels while remaining cost neutral to the General Fund/Measure U.

3. How did you approach the equity analysis?

CDD applied the equity lens by examining RHIP workload trends, customer service demand, and existing staffing capacity relative to the size and persistence of scheduling, case processing and customer response backlogs. Staff evaluated how limited administrative capacity affects the program's ability to complete timely inspections and verify compliance for more than 66,000 rental units. The review focused on how delayed inspections can extend the length of time tenants remain in potentially unsafe or substandard housing conditions, which may disproportionately impact renters in vulnerable communities. Increasing administrative staffing was identified as a key strategy to improve timeliness, reduce backlogs, and support equitable access to RHIP services citywide.

Section 2: Service Impacts

A spending cut could reduce the quality and quantity of service that the City delivers. Collecting data allows to identify synergies with existing work and unearth opportunities to reduce the perpetuation of historical and present injustice faced by certain communities. Explore the potential impacts of spending cuts by identifying demographics of community members.

What is the potential for reduced access to services? Will the quality be measurably lower?

Ex: This includes fewer places to receive service, fewer hours of service delivered, fewer employees to provide a service or longer response times existing programs or policies are working to achieve the same outcomes of this project?

The desired outcome of this request is to increase service capacity within RHIP by expanding administrative and customer service support while remaining cost neutral to the General Fund/Measure U through a revenue-supported augmentation. This investment improves service delivery for more than 66,000 rental units citywide.

- Increase inspection scheduling, case processing, and customer response capacity.
- Reduce administrative backlogs that delay inspections and compliance resolution.
- Improve service timeliness and accuracy for rental housing owners and tenants.
- Strengthen coordination between administrative staff and inspection teams to support efficient field operations.
- Maintain and enhance RHIP service levels while remaining cost neutral to the General Fund/Measure U.

Impacts By Demographics

Identify the demographics of residents who may be impacted by the service or program reduction.

Race/Ethnicity

All : Yes

Level of Vulnerability (based on Sacramento County Social Vulnerability Index)

Percentile ranking values range from 0 to 1, with higher values indicating greater vulnerability.

Section 3: Location Impacts

This section is designed to help understand the geographic character of budget cuts and their potential impacts on vulnerable and already underserved neighborhoods and communities. Utilize the Sacramento Equity Explore Design GIS Tool to help identify.

Location Impacts (Please be sure to describe each geographic character)

Definition:

FY2026/27 Budget Equity Tool - Community Development

Citywide – Programs or services that are “geography neutral” usually pose the least risk to equity but could still serve a vulnerable population.

Central Location - Programs or services delivered at locations distributed throughout the city with a service population local to the site.

Mobile Program or Service - These are services where the staff are mobile.

Citywide : Yes

List any specific geographic areas the program or service impacts below

Examples: Districts, Opportunity/Promise Zones, Neighborhoods, Service Districts

Citywide – all Council Districts and neighborhoods within the City of Sacramento.

Program or Service Geography: Citywide

Services that are “geography neutral” usually pose the least risk to equity but could still serve a vulnerable population.

If this is a program or service provided to the entire city with little variance by neighborhood, could vulnerable populations be hurt by the cut?

RHIP is a citywide program that serves rental housing owners and tenants across all Council Districts and neighborhoods. The program oversees more than 66,000 rental units throughout Sacramento and provides services that are not limited to a specific geographic area. Increasing administrative capacity supports consistent service delivery citywide and helps ensure all residents have equitable access to timely inspections, case processing, and compliance support regardless of location.

Program or Service from a Central Location

These are programs or services delivered at locations distributed throughout the city with a service population local to the site. Program examples include community and recreations centers, public parks, fire stations. Service examples include building permits and licensing. If the program or service is delivered from a central location and available to the community at-large, but is more commonly used by specific segments of the community, are those segments a vulnerable population? Would a decreased level of service adversely impact any of the equity considerations from our definition of equity?

Mobile Program or Service

These are services where the staff are mobile. Examples include EMS units, code enforcement, road patching crews, and litter abatement teams. Cuts in these services could also pose greater risks of inequitable impact.

If this is a mobile program or service that serves a specific community or specific neighborhoods, are those neighborhoods vulnerable?

Primary Fiscal Contact: Allison Narramore	Date
Department Director	Date
ACM	Date

FY2026/27 Budget Equity Tool - Community Development

BCP Request K	Type: Reduction	Categorization:
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Section 1: Goal Setting, Budget Classification, & Project Outcomes

To get started, identify goals and project outcomes of the service or project being reduced or cut. Consider explaining how the service or project connects to the City's goals and helps to define the potential reduction/cut's impact on different communities.

Purpose of Budget Reductions

1. Is this reduction tied to other BCPs? If so, which ones? If grouped, please share which BCPs (tie to BCP numbers) and why they are grouped together.

No. This reduction is not tied to other BCPs.

2. What are/were the desired program or service outcomes?

The desired outcome of this reduction is to achieve required budgetary savings while maintaining the Residential Development Impact Fees for Affordable Dwelling Units Program at a reduced funding level to continue supporting affordable housing development and minimizing impacts to housing affordability goals.

- Maintain the program's core function of reducing development impact fee burdens for qualifying affordable housing projects.
- Continue providing financial incentives that support affordable housing production, though at a reduced funding level.
- Balance Citywide budget reduction requirements while avoiding full elimination of a discretionary affordable housing program.
- Minimize disruption to affordable housing development efforts and project feasibility.

3. How did you approach the equity analysis?

CDD applied the equity lens by evaluating how a reduction to the Residential Development Impact Fees for Affordable Dwelling Units Program would affect the City's ability to support affordable housing development and the communities that benefit from those projects. The analysis considered the program's role in reducing development impact fee burdens for qualifying affordable housing projects and how changes in funding levels may influence project feasibility and timing.

In applying the equity lens, staff followed City Manager and Budget Division direction to first review Program Oriented Development (POD) adjustments and revenue increases before identifying discretionary program reductions necessary to meet the required 15% General Fund/Measure U reduction targets. After available revenue increases were applied, it was necessary to reduce this program by 16.7% (\$500,000) to meet the budget reduction target.

To minimize equity impacts, staff evaluated options that would reduce funding while preserving the program's core function. Rather than eliminating the Residential Development Impact Fees for Affordable Dwelling Units Program, the proposed adjustment maintains continued support for affordable housing development at a reduced level, balancing fiscal responsibility with the City's housing affordability objectives and limiting adverse impacts to vulnerable populations that rely on affordable housing opportunities.

Section 2: Service Impacts

A spending cut could reduce the quality and quantity of service that the City delivers. Collecting data allows to identify synergies with existing work and unearth opportunities to reduce the perpetuation of historical and present injustice faced by certain communities. Explore the potential impacts of spending cuts by identifying demographics of community members.

What is the potential for reduced access to services? Will the quality be measurably lower?

Ex: This includes fewer places to receive service, fewer hours of service delivered, fewer employees to provide a service or longer response times existing programs or policies are working to achieve the same outcomes of this project?

This reduction may limit the number of affordable housing developments that can fully benefit from reduced development impact fees through the Residential Development Impact Fees for Affordable Dwelling Units Program in a given fiscal year. Developers rely on the program to offset project costs, and reduced funding could result in fewer projects receiving assistance, reduced fee offsets, or delays in project advancement. For the past two years there have been more qualifying projects than available funding.

However, the program will continue to operate at a reduced funding level, allowing essential functions to remain in place and minimizing disruption to affordable housing development compared to a full elimination of funding. By preserving the program's core structure, the City reduces the potential for significant loss of access to affordable housing opportunities for low- and moderate-income households.

Impacts By Demographics

Identify the demographics of residents who may be impacted by the service or program reduction.

Race/Ethnicity

All : Yes

Level of Vulnerability (based on Sacramento County Social Vulnerability Index)

Percentile ranking values range from 0 to 1, with higher values indicating greater vulnerability.

FY2026/27 Budget Equity Tool - Community Development

Section 3: Location Impacts

This section is designed to help understand the geographic character of budget cuts and their potential impacts on vulnerable and already underserved neighborhoods and communities. Utilize the Sacramento Equity Explore Design GIS Tool to help identify.

Location Impacts (Please be sure to describe each geographic character)

Definition:

Citywide – Programs or services that are “geography neutral” usually pose the least risk to equity but could still serve a vulnerable population.
Central Location - Programs or services delivered at locations distributed throughout the city with a service population local to the site.
Mobile Program or Service - These are services where the staff are mobile.

Citywide : Yes

List any specific geographic areas the program or service impacts below

Examples: Districts, Opportunity/Promise Zones, Neighborhoods, Service Districts

Citywide – all Council Districts and neighborhoods within the City of Sacramento.

Program or Service Geography: Citywide

Services that are “geography neutral” usually pose the least risk to equity but could still serve a vulnerable population.

If this is a program or service provided to the entire city with little variance by neighborhood, could vulnerable populations be hurt by the cut?

The Residential Development Impact Fees for Affordable Dwelling Units Program is a citywide incentive program that supports affordable housing developments throughout the City of Sacramento. The program is not limited to specific neighborhoods or Council Districts and may be utilized by qualifying affordable housing projects wherever they are developed. While the proposed funding reduction will likely limit the number or scale of projects assisted in a given year, maintaining the program at a reduced level preserves continued citywide access to this incentive and supports affordable housing development across all areas of the city.

Program or Service from a Central Location

These are programs or services delivered at locations distributed throughout the city with a service population local to the site. Program examples include community and recreations centers, public parks, fire stations. Service examples include building permits and licensing. If the program or service is delivered from a central location and available to the community at-large, but is more commonly used by specific segments of the community, are those segments a vulnerable population? Would a decreased level of service adversely impact any of the equity considerations from our definition of equity?

Mobile Program or Service

These are services where the staff are mobile. Examples include EMS units, code enforcement, road patching crews, and litter abatement teams. Cuts in these services could also pose greater risks of inequitable impact.

If this is a mobile program or service that serves a specific community or specific neighborhoods, are those neighborhoods vulnerable?

Primary Fiscal Contact: Allison Narramore	Date
Department Director	Date
ACM	Date

FY2026/27 Budget Equity Tool - Community Development

BCP Request L	Type: Reduction	Categorization:
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Section 1: Goal Setting, Budget Classification, & Project Outcomes

To get started, identify goals and project outcomes of the service or project being reduced or cut. Consider explaining how the service or project connects to the City's goals and helps to define the potential reduction/cut's impact on different communities.

Purpose of Budget Reductions

1. Is this reduction tied to other BCPs? If so, which ones? If grouped, please share which BCPs (tie to BCP numbers) and why they are grouped together.

No. This request is not tied to other BCPs.

2. What are/were the desired program or service outcomes?

The desired outcome of this request is to improve cost recovery and long-term financial sustainability within the Planning Division by aligning fees more closely with the actual cost of services, while maintaining current service levels and reducing reliance on General Fund/Measure U resources.

- Align Planning fees with the true cost of providing development-related services.
- Improve cost recovery and financial sustainability within the Planning Division.
- Ensure development-related services are funded by service users rather than limited General Fund resources.
- Maintain existing Planning service levels without service reductions.
- Reduce General Fund/Measure U subsidy while supporting consistent service delivery.

3. How did you approach the equity analysis?

CDD applied the equity lens by evaluating how Planning fee adjustments support sustainable service delivery while minimizing impacts to the broader community. The department participated in the Citywide 2025 GCP Fee Study, where an independent consultant reviewed Planning Division costs, workloads, and cost recovery levels and developed recommended fee adjustments based on actual service costs.

As part of this process, staff considered the importance of maintaining reasonable fees while ensuring that development-related services are appropriately funded by those who use them, rather than shifting costs to the General Fund/Measure U. The analysis focused on balancing financial sustainability with continued access to Planning services and avoiding service reductions that could disproportionately impact communities relying on timely land use and development review.

Section 2: Service Impacts

A spending cut could reduce the quality and quantity of service that the City delivers. Collecting data allows to identify synergies with existing work and unearth opportunities to reduce the perpetuation of historical and present injustice faced by certain communities. Explore the potential impacts of spending cuts by identifying demographics of community members.

What is the potential for reduced access to services? Will the quality be measurably lower?

Ex: This includes fewer places to receive service, fewer hours of service delivered, fewer employees to provide a service or longer response times existing programs or policies are working to achieve the same outcomes of this project?

There is no anticipated reduction in Planning services as a result of this revenue enhancement. The proposed fee adjustments are intended to sustain current service levels by closing cost recovery gaps and reducing reliance on General Fund/Measure U subsidies. Without improved cost recovery, the Planning Division could face long-term funding challenges that may result in service constraints or delays.

Impacts By Demographics

Identify the demographics of residents who may be impacted by the service or program reduction.

Race/Ethnicity

All : Yes

Level of Vulnerability (based on Sacramento County Social Vulnerability Index)

Percentile ranking values range from 0 to 1, with higher values indicating greater vulnerability.

Section 3: Location Impacts

This section is designed to help understand the geographic character of budget cuts and their potential impacts on vulnerable and already underserved neighborhoods and communities. Utilize the Sacramento Equity Explore Design GIS Tool to help identify.

Location Impacts (Please be sure to describe each geographic character)

Definition:

Citywide – Programs or services that are “geography neutral” usually pose the least risk to equity but could still serve a vulnerable population.

Central Location - Programs or services delivered at locations distributed throughout the city with a service population local to the site.

Mobile Program or Service - These are services where the staff are mobile.

Citywide : Yes

FY2026/27 Budget Equity Tool - Community Development

List any specific geographic areas the program or service impacts below

Examples: Districts, Opportunity/Promise Zones, Neighborhoods, Service Districts

Citywide – all Council Districts and neighborhoods within the City of Sacramento.

Program or Service Geography: Citywide

Services that are “geography neutral” usually pose the least risk to equity but could still serve a vulnerable population.

If this is a program or service provided to the entire city with little variance by neighborhood, could vulnerable populations be hurt by the cut?

Planning services are provided citywide and support development activity throughout all Council Districts. The proposed fee adjustments apply uniformly to Planning services and are not geographically targeted. By improving cost recovery and sustaining Planning operations, the revenue enhancement supports consistent service delivery across all neighborhoods and helps prevent service reductions that could affect citywide development activity. While the planning fee adjustments apply citywide, staff recognize that cost changes may be more noticeable for smaller property owners or small businesses, particularly in areas with limited financial flexibility. The proposed fee increases are based on a comprehensive cost of service and are intended to support sustainable service delivery while maintaining reasonable fees and minimizing potential impacts.

Program or Service from a Central Location

These are programs or services delivered at locations distributed throughout the city with a service population local to the site. Program examples include community and recreations centers, public parks, fire stations. Service examples include building permits and licensing. If the program or service is delivered from a central location and available to the community at-large, but is more commonly used by specific segments of the community, are those segments a vulnerable population? Would a decreased level of service adversely impact any of the equity considerations from our definition of equity?

Mobile Program or Service

These are services where the staff are mobile. Examples include EMS units, code enforcement, road patching crews, and litter abatement teams. Cuts in these services could also pose greater risks of inequitable impact.

If this is a mobile program or service that serves a specific community or specific neighborhoods, are those neighborhoods vulnerable?

Primary Fiscal Contact: Allison Narramore	Date
Department Director	Date
ACM	Date

FY2026/27 Budget Equity Tool - Finance

BCP Request : C, D, E	Type: Reduction	Categorization:
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Section 1: Goal Setting, Budget Classification, & Project Outcomes

To get started, identify goals and project outcomes of the service or project being reduced or cut. Consider explaining how the service or project connects to the City's goals and helps to define the potential reduction/cut's impact on different communities.

Purpose of Budget Reductions

The City utilizes balancing strategies to close the General Fund budget deficits. To address the structural imbalance, this request is part of the reduction plan of 15 percent of our departments net General Fund to meet the 15% reduction target plan. To meet these target goals Finance had to eliminate (3.0 FTE - Customer Service Reps) in the Revenue Division.

Section 2: Service Impacts

These cuts would reduce the quality and quantity of service that the City delivers. This will reduce the Division's capacity, result in workload delays, and negatively affect the City's ability to provide customer services and efficiently collect revenue. Specific impacts include:

- Increased wait times and a noticeable decline in service quality. Phone lines would experience longer hold times, public counters would see extended queues, and email correspondence would take significantly longer to respond.
- Residential Parking Permits will no longer be issued in a timely manner which will impact Parking Enforcement's ability to monitor the parking areas effectively which may potentially impact the budgetary relation between the Revenue Services unit and Parking Services.
- Back-office payment processing, cashiering administration and balancing, and account and revenue program reconciliations will be delayed and items will no longer be recorded to the general ledger in a timely manner which would prove detrimental to the City's cash flow and ability to earn interest.
- Increased workload on remaining staff.

Section 3: Location Impacts

This section is designed to help understand the geographic character of budget cuts and their potential impacts on vulnerable and already undeserved neighborhoods and communities. Utilize the Sacramento Equity Explore Design GIS Tool to help identify.

Location Impacts (Please be sure to describe each geographic character)

Definition:

Citywide – Programs or services that are "geography neutral" usually pose the least risk to equity but could still serve a vulnerable population.

Central Location - Programs or services delivered at locations distributed throughout the city with a service population local to the site.

Mobile Program or Service - These are services where the staff are mobile.

List any specific geographic areas the program or service impacts below

This is a Citywide service provided to the entire City that post the least risk to equity but could still serve a vulnerable population. This will impact those who come in and many of them may lack technology skills, be older, lack English proficiency or otherwise need additional help.

Services that are "geography neutral" usually pose the least risk to equity but could still serve a vulnerable population.

If this is a program or service provided to the entire city with little variance by neighborhood, could vulnerable populations be hurt by the cut?

Program or Service from a Central Location

These are programs or services delivered at locations distributed throughout the city with a service population local to the site. Program examples include community and recreations centers, public parks, fire stations. Service examples include building permits and licensing. If the program or service is delivered from a central location and available to the community at-large, but is more commonly used by specific segments of the community, are those segments a vulnerable population? Would a decreased level of service adversely impact any of the equity considerations from our definition of equity?

Primary Fiscal Contact: Markette Walker	Date
Department Director  Peter Coletto (Apr 24, 2026 09:55:22 PDT)	Date 04/24/2026
ACM  Leyne Milstein (Apr 27, 2026 13:48:03 PDT)	Date 04/27/2026