

COMMUNITY BUDGET PRESENTATION MAY 22, 2015

A Community Budget meeting was held on May 22nd. The CEO, Department heads, staff and 25 members of the public attended. The CEO and Interim Finance Director presented an overview of the FY 15-16 Preliminary Operating and Capital Budget. This presentation was followed by a lengthy question and answer period with a good dialogue on many issues. This report summarizes the general discussion topics and questions raised during the session.

1. General and City-wide comments
 - a. City Council vision, policy and priorities
 - b. Filled positions should be indicated as well as authorized positions. A report on filled and vacant positions is being developed and will be issued monthly.
 - c. More funds should be allocated toward paying down the unfunded pension liability.
 - d. Need to have a balance between capital projects and services provided
 - e. Capital Improvement Program:
 - i. discretionary vs. mandatory projects;
 - ii. number of capital projects for the City's west side;
 - iii. various comments on individual projects
 - iv. It would be helpful to indicate on the project detail pages which projects were funded.
 - f. Timeline on achieving goals
 - g. Reasons for the 17% increase in consulting costs: see Table 1 below.
 - h. Revenue
 - i. New Park Development Fee proposal
 - ii. Licenses and Permits are \$2,481,500 or 2% of the total General Fund revenue. Of this amount, \$98,400 is for Dog Licenses.
 - iii. Business licenses are \$952,100; consider small business vs. large business license fees. Should be benchmarked with other cities e.g. as a percentage of general fund revenue.
 - i. Reserve levels before and after economic downturn; preparedness for another recession; acceleration of rebuilding reserves while economy is good; how capital project budgets can supplement reserves in an emergency. General Fund Reserves (including fund balance) in the last 10 years reached a high of \$73,384,067 at June 30, 2007 and dipped to a low point of \$41,520,065 three years later (2010). As of June 30, 2014 they were \$50,200,326. The City's Comprehensive Annual Financial Report contains a ten-year history of these amounts.
2. Parks & Community Services
 - a. Senior center costs
 - b. Benchmark against other cities' revenues
3. IT Replacement Fund budgeted for an additional \$150,000 bringing the total to \$250,000 by June 30, 2016
4. Police Department
 - a. Filled active sworn positions and how many on leave
 - b. Emergency power generator replacement should be funded
5. Fire Department
 - a. Potential new cost recovery fees
 - b. Level of salaries and benefits
 - c. Staffing of Paramedic teams and Station 4
 - d. Staffing of fire engines
 - e. Level of calls vs. population

- f. Station 1 needs to be rebuilt
- 6. Development Services
 - a. Increase in employees for apartment stabilization efforts
 - b. Number of Code Enforcement Officers: total will be 11 including the recommended new positions.
- 7. Public Services
 - a. Traffic signal preemption projects
 - b. Level of spending on street medians and irrigation

Table 1 Analysis of Changes in Consulting Budget

	101	101	Difference between	% Change
	14/15 Adopted	15/16	FY 14/15 - 15/16	Fund 101
City Council	-	-	-	0.00%
CEO	453,700	414,030	(39,670)	-8.74%
City Attorney	650,000	800,000	150,000	23.08%
Development Services	160,295	386,795	226,500	141.30%
Finance	-	10,000	10,000	0.00%
Police	1,126,500	1,125,160	(1,340)	-0.12%
Fire	122,950	129,012	6,062	4.93%
Public Services	306,000	292,500	(13,500)	-4.41%
Non-Departmental	-	-	-	0.00%
Parks	300,000	30,000	(270,000)	-90.00%
IT	150,000	650,885	500,885	333.92%
Total	3,269,445	3,838,382	568,937	17.40%

Notes to Table 1:

1. City Attorney: Align budget amount with current cost.
2. Development Services: assistance with the Apartment Stabilization Program, write documents, create graphics; and PT Planning Contract position (that may be converted to a part-time position)
3. Finance: Increase support on COIN fiscal analysis: \$10,000
4. IT:
 - a. Added \$152,885 for consulting support on network, server, and application issues.
 - b. Added \$25,000 for enhanced system security monitoring & training
 - c. Added \$323,000 for consulting assistance with GIS (daily support, on-line viewer and improvements in on-line access as well as other assistance (e.g. financial system, permits system and ERP planning)