

FY2010/11 Supplemental Budget Information

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6/1/2011

(Highlighted items have been delivered and/or will be added to the City Manager's Follow Up Log)

Item	Question	Meeting	District	Status
1	List of revenue options?	5/3	6	6/2 Budget Hearing
2	Can we develop a website where community can get budget information, ask questions, and make recommendations?	5/3	5	Delivered 5/12
3	Identify the components of the \$20m labor increase?	5/3	1	Delivered 5/17
4	What would the budget look like if we didn't cut public safety?	5/3	6	Delivered 5/17
5	What is the break out of the \$222.1m discretionary GF by department: \$ and %?	5/3	6	Delivered 5/17
6	Prior four year reductions by departments \$ and FTE?	5/3	6	Delivered 5/17
7	How many of 250 FTE are vacant?	5/3	8	Delivered 5/17
8	How to better describe how we get to \$222.1?	5/3	1	Delivered 5/17
9	How to show value of union concession over time?	5/3	1	Delivered 5/17
10	Economic development opportunities to grow our revenues?	5/3	Mayor	Delivered 5/24
11	How to and how long to get to beyond a 10% reserve?	5/3	Mayor	Delivered 5/17
12	Over last 4 years how much cut and how has that impacted jobs growth?	5/3	Mayor	Delivered 5/24
13	What is oversight and consequences on overspending?	5/3	Mayor	6/7 Budget Hearing
14	Are there efficiencies (Marina to Transportation, Parking to Police) and/or consolidations that could provide additional savings?	5/3 & 5/17	Mayor	6/2 Budget Hearing
15	Are there savings if we were to close the Public Safety Center on Freeport Blvd and consolidate staffing at other City facilities?	5/3 & 5/17	1, 6, 7	6/7 Budget Hearing
16	Why can't we change cost allocation to save Public Safety?	5/3	1	Delivered 5/17
17	Report back on the cost of utilities at the smaller clubhouses.	5/12	6	6/7 Budget Hearing
18	Provide solutions to restore \$1 million in funding for Parks and Recreation programs/services - all funds should be looked at.	5/12	6	6/7 Budget Hearing
19	Provide options to get to a minimal level of operations at community centers that are not scheduled to have alternate service providers, or already have alternative service providers.	5/12	3	6/7 Budget Hearing
20	Rightsizing has to be looked at. We need to look at management to employee ratios - provide a span of control report.	5/12	2	Delivered 5/24
21	How much does Transportation bring back to the General Fund?	5/17	1	6/2 Budget Hearing
22	Provide a break out of the reductions taken by office for the Mayor/Council and Charter Offices.	5/17	6	Delivered 5/24
23	Double check the cost of Fire Station 43 and the cost of the expired contract.	5/17	1	Delivered 5/24
24	Provide a breakdown of the \$9 million revenue reduction estimate?	5/17	6	6/2 Budget Hearing
25	Can Marina fees be used for General Fund purposes in a similar way as Parking Funds?	5/17	3	to be determined (TBD)
26	How does Transit Occupancy Tax (TOT) and the General Fund (GF) flow to the Arts Program? Would restoring the GF 1/2% and reducing the true GF fully fund the Sacramento Metropolitan Arts Commission (SMAC) program (at the reduced level).	5/17	3	6/7 Budget Hearing
27	How much is left in the Arts Stabilization designation?	5/17	3	6/7 Budget Hearing
28	How much would the City really save by contracting out Golf? Would we work with the contractor to pick up our staff if we do contract this out?	5/17	1	6/7 Budget Hearing
29	Is there a tie in between green waste pick-up and illegal dumping. Can we revisit Proposition 218 relative to illegal dumping?	5/17	3	TBD
30	What is the cost of all of the Gang Violence/Cease fire operations?	5/17	5	6/7 Budget Hearing
31	How many exempt staff currently in the Police Department's administrative services? Can some of the sworn exempt be moved out of administration and into patrol?	5/17	2	6/7 Budget Hearing
32	Will Police Department layoffs result in Police Officers replacing the reserve staff currently working in City Hall and/or as the Mayor's drivers, etc?	5/17	2	6/7 Budget Hearing
33	How much citation money does the City receive from commercial vehicle inspections and who gets this revenue?	5/17	2	6/7 Budget Hearing
34	Provide additional information/detail on Police Department positions, assignments/locations and associated costs.	5/17	1 & 5	6/7 Budget Hearing
35	If we could build back, what are the Police Department priorities/most important restorations?	5/17	5	6/7 Budget Hearing
36	What are the current vacancies for Police Officers and how many layoffs will happen with and without the grant restoration?	5/17	5	6/7 Budget Hearing
37	We need to re-look at our existing policy on covering costs - is there a way to bill the State for response to protests and/or for costs associated with large events that come to Sacramento?	5/17	6	6/7 Budget Hearing

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38	How much of the \$2.2 million in furlough savings is related to Police Department furloughs?	5/17	6	Delivered 5/24
39	What is the delinquency rate on Community Development fees/revenues?	5/24	8	
40	What is the value of a 10% reduction to Finance? 5 and 10% reductions in IT and HR? 15% in the City Manager's Office?	5/24	7	6/2 Budget Hearing
41	Provide an update at Midyear on the collection rates achieved by the two collection positions recommended in the Proposed Budget for Finance	5/24	2	FY2011/12 Midyear Report
43	Is a new Management position being added to IT to deal with Web Services?	5/24	7	TBD
44	With proposed cuts, what will effect be on City Attorney's Office ability to retain litigation in-house as much as possible? If there is a lawsuit as a result of department action, not covered by insurance policy, how is cost of defense paid for? What does a department's budget pay for?	5/24	4	TBD
45	Provide comparison staffing and workload information for the CAO with other comparable jurisdictions.	5/24	1	TBD
46	Is there a 218 issue related to depositing revenues received from wireless installations attached to Utility facilities into the General Fund.	5/24	public	TBD
47	Review the Wireless/Billboard Revenue Policy directing these revenues to the General Fund in 3 fiscal years (FY2013/14).	5/24	3	FY2013/14 Midyear
48	What changes need to be made in order to allow Council Members to fundraise for city programs and not have conflicts with election restrictions.	5/24	1	TBD
49	Historically have Fire Department year end results been used to balance the General Fund?	5/24	1, 2, 6	6/7 Budget Hearing
50	Do the revenues from the Fire District contracts fully support the City's cost of service?	5/24	5	6/7 Budget Hearing
51	Has 522 indicated to you that they feel our revenue estimate for ALS should be higher? We need to evaluate and see if there are options to increase our ALS revenue budget to restore brownouts.	5/24	2, 6	6/7 Budget Hearing
52	Bring back a discussion item addressing what policies are needed to address how new revenues are utilized.	5/24	5	After Budget Policy Discussion
53	Is ALS making money or not? Is it self sustainable?	5/24	7	6/7 Budget Hearing

Supplemental Budget Information – Item 15

Question/Issue:

Are there savings if we were to close the Public Safety Center on Freeport Blvd and consolidate staffing at other City facilities?

Response:

There are potential long-term savings associated with consolidating staff in existing City facilities. Typically savings from such consolidations come from one or more of the following areas: 1) building operations (utility costs, maintenance); 2) reduced lease costs at other facilities; and 3) staffing reductions associated with work efficiencies made possible by co-location of related functions.

With respect to the potential savings that could be achieved through changes in use to the current public safety headquarters on Freeport Boulevard, staff is in the process of evaluating what consolidations could be achieved. These consolidations could involve the temporary closure of the Public Safety headquarters or could involve elimination of some lease costs currently borne by the Fire Department and consolidation of Fire at the Public Safety building, along with consolidation of police staffing at 300 Richards Boulevard as well as the move of some functions from 300 Richards Boulevard back to City Hall. The evaluation may include any variation of the above scenarios as well.

It appears that the total savings from such a consolidation could be in excess of \$500,000 per year, with up-front costs of potentially \$1 million or more. No savings could be achieved, however, in FY2011/12 given the time needed for evaluation and implementation and the initial costs for moving.

Staff will complete a more detailed analysis and return to Council with further recommendations.

Supplemental Budget Information – Item 21

Question/Issue:

How much does Transportation bring back to the General Fund?

Response:

The Department of Transportation’s Net General Fund is -\$9.6 million (as reported in the SBI 5). The City does not currently include the transportation funds in the cost allocation plan. If the cost allocation plan charges recovered by Transportation were moved to the support departments the net benefit to the General Fund for the Transportation Department would be \$2.4 million as reflected below:

49,964,296	Operating Expenditures
(16,082,104)	Revenues
33,882,192	Subtotal
(43,510,264)	Reimbursements ¹
(9,628,072)	Net General Fund (excludes Cost Plan)
7,256,289	Cost Plan Charges ^{2, 3}
(2,371,783)	Benefit to the General Fund⁴

¹Reimbursements are received by charging labor, services and supplies, and other costs to CIPs, Grants, and Other Funds.

²The City’s Cost Allocation Plan (CAP) identifies and distributes the allowable General Fund costs of the operating departments, specifically the support departments such as Mayor/Council, Charter Offices, Finance, Human Resources, Information Technology and General Services, to the Enterprise and Internal Service Funds. See SBI #16.

³The Department of Transportation receives the benefit of support department costs because the City does not allocate the CAP across general fund departments. If the CAP was allocated across all department the Department of Transportation Net General Fund would be reduced by \$7.3 million as reflected above.

⁴The Transportation Department budget includes \$8.9 million for parking citation fines which are General Fund revenues. The \$2.4 million benefit to the General Fund is used to help offset the costs of traffic enforcement and collections.

Supplemental Budget Information – Item 40

Question:

What is the value of a 5% and 10% reduction to the Finance, Human Resources and Information Technology Departments and a 15% reduction to the City Manager's Office?

Response:

The table below reflects the value of 5% and 10% reductions to the FY2010/11 Net General Fund budgets for the Finance, Human Resources, Information Technology Departments and the City Manager's Office, as well as the value of a 15% reduction to the City Manager's current year Net General Fund budget.

Department	FY2011/12 Proposed \$ Reduction	FY2011/12 Proposed % Reduction	FY2010/11 Net GF	5%	10%	15%
Finance ¹	592,000	21%	2,834,547	141,727	283,455	
Human Resources	240,000	10%	2,405,128	120,256	240,513	
Information Technology	647,000	11%	6,050,470	302,524	605,047	
City Manager's Office	125,000	6%	2,119,413	105,971	211,941	317,912

¹ The Finance Department will be adding 2.0 FTE to increase revenue collections, reducing the net General Fund cost of the Department by \$592K.

Supplemental Budget Information – Item 43

Question/Issue:

Is a new Management position being added to IT to deal with Web Services?

Response:

No, a new management position is not proposed to be added to IT in order to deal with Web Services. All Web duties impacted as a result of budget reductions will be absorbed by existing staff, or potential hosted solutions.

Supplemental Budget Information – Item 49

Question:

Historically have Fire Department year end results been used to balance the General Fund?

Response:

The annual Fire Department budget includes budgeted revenues and expenditures for both operations as well as capital costs. As reflected in the table below, the Fire Department net General Fund cost to the city is well above the revenues collected to offset those costs.

Fire Department Budget	FY2006/07	FY2007/08	FY2008/09	FY2009/10
Expenditure Budget	90,687,749	91,943,711	98,638,428	97,750,881
Revenue Budget	19,486,559	18,843,559	20,692,352	21,404,454
Net General Fund Cost for Operations	71,201,190	73,100,152	77,946,076	76,346,427
Capital Appropriations	2,250,000	2,250,000	697,000	1,473,000
Total Net General Fund Cost	73,451,190	75,350,152	78,643,076	77,819,427

Fire Department Year End Results¹	FY2006/07	FY2007/08	FY2008/09	FY2009/10
Revenue Variance	(1,787,910)	(599,251)	4,813,197	1,910,569
Exenditure Variance	(67,188)	(1,442,934)	57,403	1,649,729
Fleet Carryover	(777,488)	(295,718)	(155,408)	(640,107)
Policy Adjustments ²	(36,021)	(67,438)	(119,924)	(1,145,297)
Operating Results	(2,668,607)	(2,405,341)	4,595,268	1,774,894

Discretionary General Fund Cost	76,119,797	77,755,493	74,047,808	76,044,533
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¹ Negative Values reflect shortfalls and Positive Values reflect savings

² Station funds and Brown-out buyback in FY2009/10 (\$1 million).

Because the annual variance in some cases is actually negative, and even in the case of the positive years never exceeds the discretionary General Funds used to finance department operations and capital costs, there are no true net positive results.