

**CITY OF REDWOOD CITY
REDWOOD CITY, CALIFORNIA**

**ADOPTED
BUDGET AMENDMENTS
FY 2009-2010**

CITY COUNCIL

Rosanne Foust, Mayor
Diane Howard, Vice Mayor
Alicia Aguirre, Council Member
Ian Bain, Council Member
Jim Hartnett, Council Member
Jeff Ira, Council Member
Barbara Pierce, Council Member

CITY MANAGER

Peter Ingram

DIRECTOR OF FINANCE

Brian J. Ponty

COMPILED BY

Alison Freeman, Financial Services Manager
Kyi Khin, Rajesh Sewak, and Cecilia Lucas, Senior Accountants
Sylvia Bravo Gomez, Administrative Assistant/Deputy Treasurer

CITY OF REDWOOD CITY

DEPARTMENT DIRECTORS

Deputy City ManagerMagda Gonzàlez

City AttorneyStan Yamamoto

City ClerkSilvia Vonderlinden

Community Development Services.....Chu Chang

FinanceBrian Ponty

FireJim Skinner

Human ResourcesBob Bell

LibraryDavid Genesy

Parks, Recreation and Community ServicesCorinne Centeno

PoliceLouis Cobarruviaz

Public Works ServicesLarry Barwacz

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Preface

The staff report that follows was submitted to Council on July 13, 2009 along with the resolution that, upon approval by the City Council, adopted the FY 2009-2010 budget.

REPORT

**To the Honorable Mayor and City Council
From the City Manager**

July 13, 2009

SUBJECT

Fiscal Year 2009-10 Budget

RECOMMENDATION

By resolution, adopt the Fiscal Year 2009-10 budget.

BACKGROUND

On June 15th and 22nd the City Council held budget study sessions at which times the Council reviewed the recommended FY 2009-10 budget as submitted by the City Manager and directed staff to bring this budget to the Council on July 13, 2009 for adoption.

Given the uncertainty surrounding the general fund revenues, particularly with respect to potential actions by the State which could result in severe reductions in property tax revenues or gas tax revenues, staff will return to Council on September 14, 2009 and present an update on the general fund's financial situation. Should significant reductions in revenues materialize staff will also present further options – reduced expenditures or increased revenues – at that time.

Attached is a summary of Council's direction and expectations for the September 14th budget study session (attachment 2).

ALTERNATIVES

Council may elect to make changes to the budget as submitted or direct staff to explore certain options and bring those options back to Council for consideration. Deferring the adoption of this budget will delay the organization's ability to pursue objectives which are dependent upon the funding provided by this budget.

FISCAL IMPACT

There are sufficient resources available – in projected opening fund balances and anticipated revenues – to support the expenditure appropriations contained within this budget.



Brian Ponty
Director of Finance



Peter Ingram
City Manager

ATTACHMENTS

1. Resolution Adopting the Final Budget for FY 2009-10
2. Council Direction – Summary of June 15, 2009 City Council Study Session #1

RELATED DOCUMENTS IN CITY CLERK'S OFFICE

1. City of Redwood City FY 2009-10 Recommended Budget Amendments

ORIGINAL

RESOLUTION NO. 14955

A RESOLUTION OF THE CITY OF REDWOOD CITY ADOPTING THE FINAL BUDGET OF THE CITY OF REDWOOD CITY FOR FISCAL YEAR JULY 1, 2009 - JUNE 30, 2010; PROVIDING FOR THE APPROPRIATION AND EXPENDITURE OF ALL SUMS SET FORTH IN SAID BUDGET; PROVIDING FOR EMERGENCY EXPENDITURES, TRANSFERS, ADDITIONAL APPROPRIATIONS, CANCELLATIONS AND REAPPROPRIATIONS OF EXISTING APPROPRIATIONS; ADOPTING THE BUDGET FOR GENERAL IMPROVEMENT DISTRICT NO. 1-64 FOR FISCAL YEAR JULY 1, 2009 - JUNE 30, 2010; AND MAKING PROVISION FOR INTERIM EXPENDITURES AS OF JULY 1, 2009.

WHEREAS, in accordance with the Charter of the City of Redwood City, the City Manager has submitted to the Council of Redwood City a proposed annual budget for Fiscal Year July 1, 2009 - June 30, 2010; and

WHEREAS, pursuant to Section 51.5 of the Charter of the City of Redwood City, after duly noticed public hearing, the Council of Redwood City has approved said budget and said budget has been certified by the City Clerk and City Manager as the Final Budget of the City for Fiscal Year 2009-2010; and

WHEREAS, it is the intention of the Council of Redwood City to adopt the certified copy of the Budget, as amended, presently on file in the office of the City Clerk;

NOW THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF REDWOOD CITY AS FOLLOWS:

SECTION 1. Adoption of Budget. The Budget for the Fiscal Year July 1, 2009 - June 30, 2010, approved by the Council of Redwood City and certified by the City Clerk and City Manager, presently on file in the office of the City Clerk, included in that document entitled "City of Redwood City - Recommended Budget Amendments FY 2009-2010," is hereby referred to and incorporated herein as if fully set forth herein

verbatim, and that portion of said document relating to Fiscal Year 2009-10 is hereby adopted as the Annual Budget of the City of Redwood City for the Fiscal Year July 1, 2009 - June 30, 2010.

SECTION 2. Appropriations. From and after the operative date of this resolution, the several amounts stated in the Annual Budget referenced in Section 1 hereof as Resources Allocated for the Fiscal Year July 1, 2009 - June 30, 2010 shall become and thereafter be appropriated to the offices, departments (therein referred to as "programs" and "subprograms"), objects and purposes therein stated for said Fiscal Year, and said monies are hereby authorized to be expended for said offices, departments, objects and purposes by the offices and departments specified in the Budget. The Budget Transmittal Letter and Budget Message, Explanation of the Budget Process, the Program Summaries, notations, memoranda and information contained in the Operating Programs consisting of the portions thereof designated program financing, goals, subprogram goals, objectives, comments, subprogram changes, priorities, personnel, performance indicators and financing; the Capital Improvement Summary and project listings; the financial summaries, and personnel allocations are for informational purposes only and shall not be construed to limit or affect in any manner any appropriation item. To the extent otherwise permissible, actions affecting such information items may be taken from time to time without amendment hereto, or to the Budget adopted hereby. The annual budgets of the Redevelopment Agency, the Redwood City Public Financing Authority and special assessment districts, are likewise set forth in said document for informational purposes only.

SECTION 3. Transfers, Additional Appropriations, Cancellations. From time to time during the Fiscal Year, the Council may transfer sums from any appropriated

item to any other appropriated item by resolution. Additional appropriations may be made and authorized in accordance with the procedure referenced in Section 51.5 of the Charter of the City of Redwood City. No appropriation set forth in the Budget, or in any subsequent resolution, shall be cancelled in whole or in part except by resolution adopted by the affirmative vote of 5/7ths of all members of the Council; provided, however, that transfers of sums from one appropriated item to any other appropriated item may be accomplished by resolution.

SECTION 4. Expenditures. The City Manager and Director of Finance are hereby authorized to expend all sums set forth in the Budget for the purposes and objects specified therein.

Expenditures made, liabilities incurred, or warrants issued in excess of any of the budget appropriations as originally approved or as thereafter increased or decreased shall not constitute an obligation or liability of the City. Any official making or incurring such expenditures in an amount known to him or her to be in excess of the available balance of the appropriation against which it is drawn, shall be liable therefore upon his or her official bond. The City Manager and the City Council shall approve no claims and the Director of Finance shall issue no warrant or check for any expenditure in excess of existing appropriations except on an order of a Court of competent jurisdiction or for an emergency as herein provided.

SECTION 5. Emergency Expenditures. Upon the happening of any emergency caused by fire, flood, explosion, storm, earthquake, epidemic, riot or insurrection, or for the immediate preservation of public order, peace, health or safety, or for the restoration to a condition of usefulness of any public property, the usefulness of which has been destroyed by accident or Act of God, or for the relief of an area

stricken by calamity, or to meet monetary expenditure required by law, the Council may, upon 2/3rds vote of the members present at any regular, adjourned or special meeting, adopt a resolution stating the facts constituting the emergency, thereby making the expenditure necessary to meet such emergency. All emergency expenditures shall be paid by warrant or check from any fund properly chargeable therewith and the Director of Finance is hereby authorized and directed to pay such warrants.

SECTION 6. Budget for General Improvement District No. 1-64. The budget designated as the budget for General Improvement District No. 1-64, for the Fiscal Year July 1, 2009 - June 30, 2010, in the Annual Budget referenced in Section 1 hereof, is hereby adopted.

SECTION 7. Provision for Interim Expenditures as of July 1, 2009; Reappropriations. All unencumbered General Fund balances remaining at the close of the Fiscal Year June 30, 2009, except for those amounts otherwise legally disposed of, are hereby appropriated to the General Fund program "Resources Held in Reserve." The Director of Finance is hereby authorized to transfer monies hereby appropriated to the program resources held in reserve from said program to any other program or budget item established by Annual Budget referenced in Section 1 hereof, or by this 2009-10 Fiscal Year Budget resolution, for expenditure from such other program or budget item, without further Council approval for such transfer; provided, however, that the sum of all expenditures of General Fund monies during Fiscal Year July 1, 2009 - June 30, 2010, plus expenditures during the interim period between the close of Fiscal Year June 30, 2009, and the date of adoption of the 2009-10 Fiscal Year budget shall not exceed the total amount appropriated by this 2009-10 Fiscal Year Budget Resolution.

All unencumbered balances remaining in all funds other than the General Fund at the close of Fiscal Year June 30, 2009, are hereby appropriated to those same funds for purposes of expenditure during the interim period as previously specified in this section. Any fund(s) which has or have no unencumbered balances as of June 30, 2009, shall receive no additional appropriation during said interim period, and no expenditure of monies shall be authorized during said interim period except as transferred from the General Fund by the Finance Director.

All encumbered balances remaining in all funds at the close of Fiscal Year June 30, 2009, are hereby reappropriated to the same funds and for the same purposes and objects for Fiscal Year July 1, 2009 - June 30, 2010, and all unexpended appropriations for capital projects for Fiscal Year ending June 30, 2009, are hereby reappropriated for expenditure for the same purposes and objects during Fiscal Year July 1, 2009 - June 30, 2010, unless otherwise provided in this resolution or in the Annual Budget referenced in Section 1 hereof.

SECTION 8. Effective Date and Operative Date. In accordance with Section 51.5 of the Charter of the City of Redwood City, this resolution shall be effective immediately upon adoption.

* * *

Passed and adopted by the Council of the City of Redwood City at a Joint City Council and Redevelopment Agency Board Meeting thereof held on the 13th day of July, 2009 by the following votes:

A YES, and in favor of the passage and adoption of the foregoing resolution,

Council members: Aguirre, Bain, Hartnett, Howard, Ira, Pierce and Mayor Foust

NOES: None

ABSTAIN: None

ABSENT: None



ROSANNE S. FOUST
Mayor of the City of Redwood City

Attest:



Silvia Vonderlinden
City Clerk of Redwood City

I hereby approve the foregoing resolution this 15th day of July, 2009.



ROSANNE S. FOUST
Mayor of the City of Redwood City

Redwood City - Building a Great Community Together

CITY COUNCIL DIRECTION

DEVELOPING A BALANCED BUDGET

Summary of June 15 & 22, 2009 City Council Study Sessions

Affirmed by City Council June 22, 2009

GOAL STATEMENT

We must balance the City's General Fund revenues and expenditures by Fiscal Year 2012/13 to achieve long-term sustainability.

DIRECTION FROM CITY COUNCIL

- I. Council accepts City Manager's recommended Fiscal Year 2009/10 General Fund and related funds budget as presented June 15, 2009. Return to Council for formal adoption on July 13, 2009.
- II. Identify core services, what we do best and potential impacts on those services due to diminishing resources.
- III. Council anticipates that additional expenditure reductions and/or revenue enhancements may be required to the Fiscal Year 2009/10 budget, depending on the decisions and actions by the State over the next weeks and months. Therefore, a third City Council budget study session has been scheduled for Sept. 14, 2009. Specific information and expectations requested by the Council are as follows:
 - a. Human Services Financial Assistance Program: Accepted the recommended budget and funding allocations as presented for Fiscal Year 2009/10. However, Council requests additional information on how city dollars are leveraged and the implications of potential future reductions.
 - b. Civic Cultural Commission: Accepted the recommended budget and funding allocations as presented for Fiscal Year 2009/10. However, Council requests additional information on implications of potential future reductions and potential revenue enhancements, including sponsorships and donations.
 - c. Threat of the State invoking Proposition 1A "borrowing" of property tax revenues and/or a take of gas tax revenues: Should this happen, Council requests that staff bring matching expenditure reduction recommendations with some options for Council to consider.
 - d. General Fund Revenues: Bring back information and refined long-term projections
 1. Proposed business license tax increase
 2. Sales tax – updated quarterly report data
 3. Sales tax – auto dealers and downtown businesses
 4. Parking Fund revenues

- b. General Fund Expenditures: More information is desired on the following services and programs
 - 1. Within the recommended Fire Department budget reductions, Council understands that a Union proposal to change minimum staffing requirements on Truck 9 will come back for Council consideration via a side letter amendment to the contract with the Union. This proposed operational change will not alter the budget; rather it will provide the Fire Chief with more flexibility in staffing of Station 9. The Council has indicated their conceptual approval and appreciation for this new proposal.
 - 2. Staff time and associated costs to support pilot tree board, and implications of continuation or termination
 - 3. Staff time and associated costs to support Police Athletic League (PAL), along with alternative ways to share and leverage resources.
 - 4. Staff time and associated costs to support Community Emergency Response Team (CERT), along with alternative ways to share and leverage resources.
 - 5. Parking Fund – can costs be decreased?
 - 6. Communications – can electronic outreach and information offset printing and mailing costs?
 - 7. Have staff liaisons of Boards, Commissions, and Committees (BCC's) bring back costs associated with BCC's, including staff time and resources. How do the BCC's work towards supporting our strategic initiatives?
- c. Staffing: Council would like an update on the City Manager's vacancy management program
 - 1. Number of vacant positions
 - 2. Short-term cost savings
 - 3. Long-term implications of vacancies
 - 4. Volunteers – what are we currently doing, and what is possible/manageable (capacity building)
- d. Employee and retiree costs:
 - 1. Council discussed the Grand Jury report entitled "Reversing the Upward Trajectory of Employee Costs in the Cities of San Mateo County". Responses to the report are due by Sept. 3, 2009; therefore staff will coordinate with other organizations (such as the San Mateo County City Managers' Association) and come back to Council via the Council Personnel Committee with a suggested response.
 - 2. Council will provide broad direction to the City Manager and Human Resources Director in July, such that the labor/management collaboration on alternative benefits program design can continue.



June 4, 2009

TRANSMITTAL OF RECOMMENDED CHANGES TO THE FISCAL YEAR 2009-10 OPERATING BUDGET

Honorable Mayor Foust and City Council Members:

On behalf of the Redwood City Executive Team I am transmitting herein the "City Manager Recommends" budget changes for Fiscal Year 2009-10. This document relies on the FY 2008-10 budget adopted on July 21, 2008 and is formatted as a summary, focused primarily on expenditure reductions across the entire organization. Within the nine tabs you will find information tied to the current economic circumstances of the City and our recommended policy actions. To assist you in preparing for the June 15th, 22nd and 24th (if needed) budget study sessions, we offer the following executive summary as well. As you engage in this important Council decision-making please let us know if you require any additional information.

ECONOMIC OVERVIEW

"Difficult times, challenging solutions."

As of this writing the nationwide recession is in its eighteenth consecutive month. Although the peninsula is faring somewhat better than other parts of the Bay Area and the State, the impacts of the recession on the City nonetheless represent a severe change from what was contemplated a year ago. While optimists are beginning to say that the economy will come out of the recession sometime late this year and grow modestly in 2010, your executive team (city attorney, city clerk, department heads, and city manager) is prepared to engage the organization in a comprehensive cost reduction and revenue enhancement process through the next three fiscal years, as we believe that financial sustainability is not yet within our grasp.

The City's two largest general fund revenue streams – property taxes and sales taxes – are severely reflecting the affects of the recession. This comes as no surprise since both sources of revenue are highly dependent upon a healthy economy and active consumers. With mounting job losses and tighter credit conditions consumers have pulled back. The question before us is how soon and to what extent will home purchases and consumer activity rebound? We do not think that property taxes, which account for about 40% of general fund revenue, will return to the days of 5% to 7% annual increases. Our revised projections are predicated on a profound shift in real estate lending activities to more conservative underwriting standards. If the days of less stringent underwriting standards ever return, we do not expect to see them reappear within the foreseeable future. This will pose serious challenges to how the City conducts business in the coming years.

When monitoring city revenues we always try to differentiate between cyclical trends and structural changes. Often sales tax revenue will decline during a recession and then increase once the economy regains its footing. And then there are times like these, when cyclical shifts behave differently and run the risk of becoming structural changes. An example is the current decline in new

**Build a
Great
Community
Together**

**Excellence:
Passion
to do our
Best in Each
Moment**

car sales. Normally this is viewed as a cyclical trend. Now we are learning that this is bringing about a structural change, as we have lost four dealerships within the last 18 months – Jaguar, Dodge, Kia, and Jeep/Chrysler – with the risk of losing others, and with no indication that vacant facilities will be filled with replacements. Losing these dealerships will have a long-term impact on our sales tax revenue base.

California voters resoundingly defeated propositions 1A-1E in the special election on May 19, 2009. In combination, these propositions were intended to help reduce the State’s budget deficit. How and when the State now deals with an estimated deficit of \$21.3 billion is unknown. For cities it is important to understand that the budget that Governor Schwarzenegger proposed on May 14 – that assumed the ballot measures would not pass – contained a proposal to “borrow” \$2 billion from local governments. This proposed borrowing, which would take place in FY 2009-10, would take the equivalent of 8% of property taxes received by cities, counties, and special districts in FY 2008-09. For Redwood City this would translate into a “loan” or “loss” (depending upon how likely one believes that the State will repay this loan) of about \$2.9 million in FY 2009-10. While this is still a proposal that it is already facing intense opposition from affected parties, prudence would suggest that we have a contingency plan in place to offset a loss of this size.

Locally, evidence of the recession has been confirmed by a decrease in the number of San Mateo County residents holding jobs and increasing commercial office vacancy rates. As of April 2009, (the most recent data available) there were an estimated 354,300 jobs in the County, a decrease of 14,900 jobs from a year earlier. The unemployment rate in San Mateo County has more than doubled from 4.0% in April 2008 to 8.1% in April 2009. As of April 2009, 795,200 jobs were reported in Santa Clara County, an area to which our economic fortunes are closely linked. This represents a decrease of 24,800 jobs from one year earlier. Santa Clara County’s unemployment rate has also more than doubled from 5.1% in April 2008 to 10.8% in April 2009.

According to a report released by BT Commercial Real Estate for the first quarter of 2009, the Redwood City and Redwood Shores commercial office real estate markets had 1.4 million square feet of vacant office space with a vacancy factor of 15.3%. This is compared to 1.2 million vacant square feet and a 13.6% vacancy factor in the first quarter of 2008.

PREPARATION OF THE FY 2009-10 RECOMMENDED BUDGET

City Council Direction

“We must balance the City’s General Fund revenues and expenditures by Fiscal Year 2012/13 to achieve long-term sustainability.”
- *City Council goal statement, March 2009*

The City Council has been receiving frequent updates on the economy and the City’s revenue forecasts since the adoption of the FY 2008-09 budget in July 2008. On February 23rd and again on March 9, 2009, the Council discussed a range of approaches to the preparation of the FY 2009-10 budget and provided staff with consensus direction. The Council’s specific assumptions, direction, and decision criteria are delineated in Tab 3 of this budget document. Note that several of the Council’s basic fiscal assumptions have been adjusted downward in these budget recommendations.

In February 2009 the general fund deficit for FY 2009-10 was projected at \$6.9 million.

Executive Team Process – Crafting Budget Recommendations

The “City Manager Recommends” budget for FY 2009-10 is targeted on a revised, projected fiscal gap of \$8.2 million. It includes:

- \$1.3 million in general fund savings from the citywide salary freeze (a total of \$4.5 million will be saved over the next two fiscal years, in all City funds)
- \$4.2 million in permanent programmatic cuts across all departments, including a reduction of workforce of 16.2 vacant and 9.3 filled positions (layoffs)
- \$2.9 million estimated remaining deficit, to be filled with reserves (33% of total deficit)

The process that led to the recommended budget began with Council's direction over a year ago, as the first clear trend lines of structural imbalance were confirmed with a range of data and tracking reports. In December of 2008 the executive team developed and implemented a vacancy management plan, to begin banking vacant positions for the long term, while creating short-term cost savings. This has allowed departments to plan more carefully for service level changes and/or explore efficiency and streamlining measures.

***Integrity:
Do the
Right Thing,
Not the Easy
Thing***

In January 2009, the team launched a "building a balanced budget together" process that began with an in-depth discussion of the over-arching problem, what had worked in past times of budget reductions, a menu of potential solutions, options and decision criteria, timeline, organizational communications plan, and the need for frequent and detailed financial updates.

By mid-January, the city manager issued the second in a series of monthly citywide budget updates and scheduled a first round of informational sessions open to all employees. In February the team held a retreat work session that focused on decision-making process and criteria, and fine-tuned the planning for two Council study sessions. Budget directions were issued that asked each department to develop expenditure reduction scenarios of 4, 6, 8, and 12 percent, which helped the executive team reach a deep understanding of the impacts and implications of these levels of cuts across all departments.

Immediately following the Council's February 23rd study session a second set of information sessions were held – again open to all employees – and a much more refined and detailed presentation of the City's financial status was given. By mid-March the Council had affirmed their directions and assumptions, and the city manager had issued a refined set of core reductions criteria for completion of the recommended reductions.

By late March the Council validated the momentum for reaching an understanding with all of the City's labor groups on a salary freeze, and by the April 27th Council meeting, agreements were in place as the Council approved side letters and received an update on the financial implications of the freeze (\$4.5 million in total savings over a two-year period) and the most recent sales tax data (\$900,000 drop in the 4th quarter 2008 over the 4th quarter 2007).

As of May 1st the executive team had invested over 40 hours in budget work sessions together, in addition to the work each department was engaged in to produce budget deliverables and keep the workforce informed. The team completed its work by finalizing and vetting the recommended reductions and a list of budget options.

GENERAL FUND

Revenues

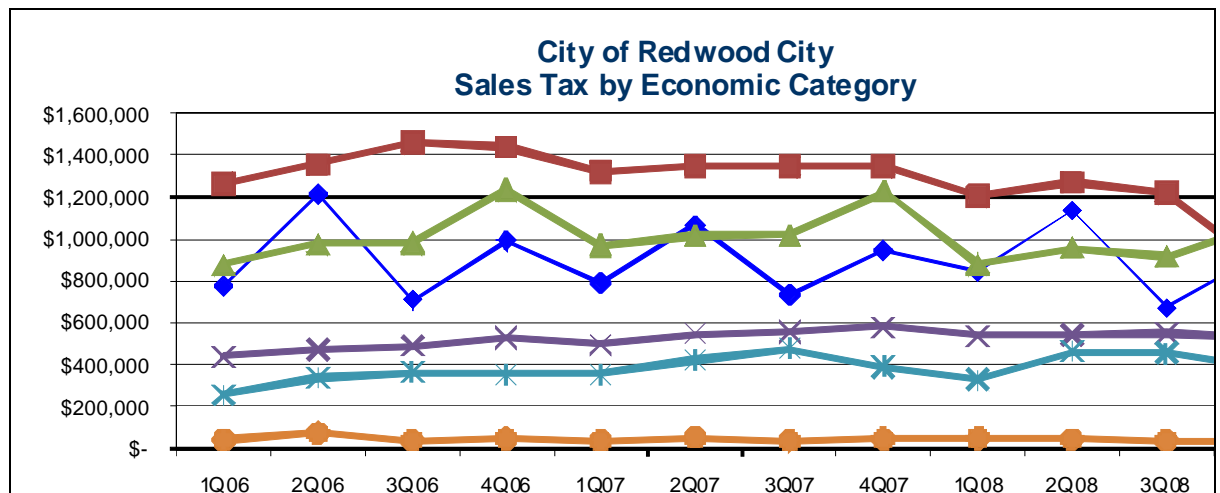
Although general fund revenues (including transfers into the general fund) are expected to increase slightly to \$79.7 million (up 1.1%) in FY 2009-10 from an estimated \$78.9 million in FY 2008-09, it should be noted that this current estimate is \$6.8 million lower than the FY 2009-10 estimate that was presented to Council in June 2008. Highlights of the FY 2009-10 revenue projections are:

- Secured property taxes are expected to increase 1.5% to \$24 million – this is down from the 3% increase that was anticipated by Council in February 2009 and the 5% that was forecast as of July 2008.
- Sales tax will decrease 1% to \$15.8 million, as opposed to remaining flat.
- Transient occupancy tax will remain flat at \$2.8 million.
- Building permits are expected to increase from \$900,000 to \$1.4 million.
- Interest income is expected to decline by \$250,000 from the FY 2008-09 estimate prior to the one-time loss of \$807,000 from the County of San Mateo Investment Pool.

While the estimated decrease in sales tax may not seem particular problematic – only a 1% decrease – it should be noted that the original estimate for FY 2008-09 was \$19.3 million while the current FY 2008-09 estimate is off by \$3.4 million or almost 18% lower than this initial projection. Our hope is that we now have a realistic base from which to project future sales tax revenue.

**Service:
We Care and
it Makes a
Difference**

The following graph illustrates the performance of locally-generated sales tax revenues (which accounts for about 95% of total sales tax revenues) for the past 12 quarters.



The City's sales tax is highly dependent on the health of the transportation and general retail categories. The transportation category which is comprised primarily of new vehicle sales accounts for 29% of sales tax revenue while the general retail category, which includes department stores (Target, K-Mart, and Costco), produces about 24% of sales tax revenue. We continue to experience a decline in sales tax revenue from software businesses and have assumed that this decline will continue and have adjusted our sales tax forecast accordingly.

The recommended budget assumes that the City will receive \$2.5 million of ERAF refunds in FY 2009-10. While this is a bit more optimistic than prior budgeting, we continue to be concerned about the long-term prospects for the continued receipt of these funds, due to the complexity and number of factors involved in determining these amounts, along with the risk that the State could redirect these revenues.

Included in this budget is a recommendation to increase all parking citations by \$5.00 to recover the \$4.50 surcharge from the State that was effective on January 1, 2009. Without passing along this surcharge the City will lose about \$74,000 in annual revenues.

In addition, at the direction of the Council Finance Committee, a preferred plan for taking an equitable and meaningful business license tax increase to Redwood City voters was taken out to a range of stakeholder groups and organizations including several Chamber of Commerce committees, the Downtown Business Group, and the San Mateo County Association of Realtors. On May 28, 2009 the Chamber of Commerce Board of Directors voted to support the proposed increase, should the City Council decide to put this proposal on the November 2009 ballot. Increasing the business license tax is considered a general tax increase before the voters of Redwood City and would require a

simple majority affirmative vote in order for increases to be implemented in 2010. No changes in this revenue stream are included in the recommended FY 2009-10 budget.

Expenditures

The proposed FY 2009-10 budget reduces spending by \$2.1 million or 2.5% compared to estimated FY 2008-09 expenditures.

The recommended budget contains \$4.2 million of expenditure reductions attributable to citywide programmatic cuts and another \$1.3 million in savings owing to the across-the-board salary freeze agreed to by each of the City's bargaining units. Accordingly, the recommended expenditures are \$5.5 million lower than forecasted in February 2009.

Given that employee costs account for 81% of all general expenditures, the grim reality is that this category of costs must be reduced to bring long-term financial sustainability to the general fund. This is certainly an unwelcome solution for our employees and members of the community who depend on our employees for services. Despite advances in technology, the delivery of many municipal services remains "high touch" and requires people to meet the community's needs and achieve desired outcomes.

In September 2006 the Council approved a plan to finance the City's retiree medical benefits in accordance with new requirements adopted by the Governmental Accounting Standards Board. Based on the updated actuarial report that was received in January of this year the Council will be able to reach its goal of fully funding the actuarially required contribution (\$2.5 million) in FY 2009-10 provided that the assets set aside to fund these benefits are placed in an irrevocable trust before June 30, 2010. Finance Department staff will be working with the Council Finance Committee to bring a recommendation to the full Council to select and secure a trustee during FY 2009-10.

The FY 2009-10 budget includes a one-time-only reduction in expenditures in the amount of \$300,000 as the result of the City prepaying its annual retirement obligation to the California Public Employees Retirement System (PERS). When the interest rate the City earns on its investment portfolio declines it becomes advantageous for the City to prepay its retirement obligation as interest income the City forgoes on the prepayment amount is more than offset by the interest savings generated by making this payment at the beginning of the fiscal year.

Transfers

Included in the recommended budget are the usual transfers from the general fund to the traffic safety fund (\$1 million), the gas tax operations fund (\$789,000), and the water fund (\$162,000) in FY 2009-10.

This budget also includes a recommendation to transfer \$1 million from the general fund to support the parking fund as projected parking revenues remain below budgeted operating expenses. As of this summer the Century 20 Theatres will have been open for three years. Our initial goal was to bring the parking fund revenues and expenses into balance within five years of the theatres opening. At this point in time staff does not see any indicators that revenues will increase sufficiently in the near future to match expenses and we are now projecting that this subsidy will need to continue indefinitely.

General Fund Reserves

The Council's policy on general fund reserves is to maintain reserves of not less than 15% and not more than 20% of anticipated revenues. If current FY 2009-10 projections hold true and no changes are made to the recommended budget, the general fund reserves will be \$15.2 million as of June 30, 2010, or about \$700,000 under the 20% ceiling called for in the Council's reserve policy. If the

*Creativity:
Freedom to
Imagine and
Courage to
Act*

Council continues their plan for use of diminishing levels of reserves through the end of FY 2011-12, and again if no other changes occur, we forecast that the City's reserves will stand at 16.7% on June 30, 2012.

Budget Options

We believe that we have responded effectively to Council's direction in arriving at the recommended budget, and that we have held true to our professional values and decision criteria in crafting the proposal put forward for consideration. We also set out to honor Council's expressed desire to have some options to work with as part of their deliberative process.

In addition to the \$4.2 million of programmatic reductions included in the recommended FY 2009-10 budget – and on top of the salary freeze cost adjustments – the Executive Team compiled a list of additional programmatic cuts and revenue enhancements that could be substituted if the Council were to decide to reject specific recommended budget reductions. In aggregate, the total beneficial impact of these options to the general fund is \$2.85 to \$3.02 million. See Tab 7 (Budget Options) for additional information.

Recommended Next Steps

Subsequent to the completion of the options list, the voters of California defeated propositions 1A-1E in the May 19th special election, and thus the likelihood of the state enacting its borrowing authority under existing State law has dramatically increased. Because we do not know if or when the State may take such action, and due to the magnitude of the amount of revenues at risk, we recommend that the Council accept the budget changes as presented, and consider directing staff to return as early as August 2009 with a set of further recommendations and options from the list in response to State actions.

At this juncture the executive team regards the State's pending action as a loss that will not be repaid, and we remain highly skeptical of the State's ability to correct its fiscal course. Therefore, we would recommend reducing City costs quickly and preserving the City's reserves if the State triggers the borrowing process. Further cuts are deemed as the best long-term strategy toward sustainability.

Should the State decide not to borrow local revenues we recommend that the City Council direct staff to present additional expenditure reductions throughout FY 2009-10 if updated information indicates continuing erosion of revenues.

Future Years

Current projections show annual general fund operating deficits between \$2.9 million and \$7.9 million over each of the next four years. It is clear that reducing these deficits will need to be one of the Council's top priorities and will command staff's attention as well.

As of May 6, 2009 the PERS investment portfolio had lost 25% of its value since July 1, 2008. Should PERS losses remain at this level as of June 30, 2009, the City along with all other agencies that belong to PERS will see their employer contribution rates increase dramatically in the future. As of this date PERS is exploring different methods of amortizing the expected FY 2008-09 investment losses. Absent any changes in amortizing these losses, the general fund's retirement contributions will increase by about \$2.4 million in FY 2011-12. Finance department staff is diligently following PERS actions on this and will update the general fund five year projection at the June 15th study session should any changes be known by that date.

Given the stagnant residential real estate market and warnings that a wave of reductions in assessed values may be forthcoming on commercial properties we are estimating a 0% increase in secured

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Passion
to do our
Best in Each
Moment**

property taxes in FY 2010-11. Calendar year-to-date property transfer taxes support this forecast as this indicator of future property is running about 45% behind 2008 property transfer tax revenues. The calendar year measurement is appropriate as the lien date for property values is January 1 of each year.

ASSESSMENT AND IMPROVEMENT DISTRICTS

Three special financing districts had their final principal payments made in FY 2008-09: The 1999 Seaport Refunding bonds, the GID 1-64 Facilities bonds, and the GID 1-64 Reclamation bonds. Sufficient resources will be raised from the special taxes levied on properties in the Redwood Shores Transportation Improvement District and the Pacific Shores Community Facilities District to finance the debt service expenditures required for FY 2009-10.

The assessments for the Seaport Centre Maintenance District and Seaport Boulevard Maintenance District expire in FY 2009-10. A majority of the property owners in each of these districts must vote to extend the assessments before June 30, 2010. Staff from the Community Development Services Department will be in communication with the affected property owners and will arrange for this election to be held.

CAPITAL PROJECTS

The proposed total for the FY 2009-10 Capital Improvement Program (CIP) budget for the capital project fund, gas tax construction fund, transportation fund, grants and fees fund, water improvement fund, sewer improvement fund, GID 1-64, and the Redevelopment Agency is \$18,505,455.

In FY 2009-10 major CIP projects and programs focus on City Council's strategic initiatives, with additional emphasis on securing American Recovery and Reinvestment Act grant funds for transportation and "complete streets" projects. Other opportunity-driven projects were pursued such as the timely partial dredging of the Redwood Shores lagoon so that dredge materials could be deposited at a wetland reclamation site rather than incur the cost of disposal.

Levee maintenance and certification issues continue to receive assertive address. Funds from both the GID 1-64 and the Capital Project Fund are proposed in support of these efforts. This project requires successful conclusion prior to the effective date of the new FEMA Flood Insurance Rate Maps.

The Facility Fees Committee of the GID 1-64 expires September 2009 pursuant to the original master development plan for Redwood Shores. Existing fund balances for completed or extraneous projects are proposed for consolidation into five current projects, namely, Exterior Levee Certification, Belmont Slough Pump Station, Lagoon Maintenance Boat Ramp, Levee Improvement Segment III (South Bayside System Authority), and Shoreline Park. The City Council will become the sole policy making body for Redwood Shores.

The Utility Users Tax (UUT) is the major funding source for the Capital Project Fund (CPF) and the Gas Tax Construction Fund (GTCTF).

Traffic Impact Fees have steadily increased providing resources to effect positive changes in our traffic infrastructure. This trend should continue for the next two years given the level of infill development and redevelopment activity in the community.

REDEVELOPMENT AGENCY

Downtown

The very successful “Summer in the City” program, which premiered in the summer of 2007, was repeated in the summer of 2008 (renamed “Downtown WOW!”) as part of the downtown revitalization efforts sponsored by the Redevelopment Agency and coordinated by the City’s Park, Recreation, and Community Services Department. The free concerts, movies, dance lessons, art walks and displays, Shakespearean plays, and noon time events were again the basis of the program, and this past year, four cultural concerts, the Opening Games Olympic Telecast, and the Zoppe Italian Family Circus were added to provide a wider range of attractions downtown. Four Target Family Days attracted many Redwood City and neighboring families, and staff is pursuing additional sponsored events.

Numerous other events including the Agency sponsored Salsa Festival (formerly Our Town Downtown), and the Latino Film Festival and Hometown Holidays, both sponsored by non-profit agencies were held in the downtown bringing tens of thousands of people to Redwood City’s Courthouse Square to celebrate, enjoy the beauty of the surroundings, and build community together.

The Redevelopment Agency assisted in the promotion and marketing of these events by providing hundreds of banners throughout the downtown for many activities (Farmer’s Market, Library, etc.) and every main event. The Agency also provided printed marketing materials along with radio and print media ads. The Agency General Fund for 2009-10 reflects continued funding for the “Downtown WOW!” 2009 series and the other activities, including art installations in vacant storefronts in the downtown.

Additionally, two Courthouse Square tenants opened in the vendor spaces provided in the two pavilions on the Square. This has helped to activate the Square as well. Two more tenants are expected to open in the coming months in response to a request for proposals issued earlier this year. This will complete the tenanting of the Square with food and retail vendors as originally anticipated.

Housing

This year the Agency’s Housing fund was used to acquire a future housing site on Heller Street. The site has been cleared and is prepared to receive new construction pending decision of the Agency Board following neighborhood outreach, and receipt of development proposals. The Habitat for Humanity construction project referred to as Lincoln Townhomes was completed and is ready for eight low income families to move in this year.

Additionally, the Agency continues to work on and provide funding for projects in the pipeline including the Cedar Street apartments (15 studio units for extremely low income individuals) which will break ground this year and the Bradford Street senior housing/child care center project. This project will be ready to issue requests for proposals this year following completion of the site preparation work.

It is anticipated that there will be numerous opportunities to acquire additional sites for future housing projects given the present economic condition of the housing market. Any remaining set-aside funds for land banking will be needed to carry out this function.

The Agency’s Housing fund will continue to provide low interest revolving fund loans to low income households for home improvements. This has been a significant program for maintaining the existing housing stock in clean and livable condition for residents.

*Integrity:
Do the
Right Thing,
Not the Easy
Thing*

*Service:
We Care and it
Makes a
Difference*

The Agency's Capital fund will fund opportunities to improve areas as needed. One such opportunity will likely result from the Hoover Mobility Study completed this year. This study was funded by a CalTrans Environmental Justice Transportation Planning Grant with a matching RDA grant. The purpose is to determine how to improve the mobility of the neighborhood residents. With the recommendations, the City has subsequently applied for funding to construct some improvements in the area through the State Safe Routes to School program. If successful, the City/RDA will plan to construct the improvements.

ENTERPRISE FUNDS

Water Fund

The water enterprise fund is in sound fiscal condition with \$8.8 million of reserves estimated to be available as of June 30, 2009. On April 28, 2008 the City Council approved a water rate revision that increased the monthly Water Basic Service Charge from \$15.60 to \$16.05 and the consumption rates rose by 9%. The increase was driven primarily by an 11% increase in the cost of wholesale water from the San Francisco Public Utilities Commission.

On June 1, 2009 the City Council approved a recommendation from the Council's Utilities Committee and City staff to increase the monthly Water Basic Service Charge by an additional 3% and increase consumption rates by 12%. This increase is also driven primarily by a 16% increase in the cost of wholesale water from the San Francisco Public Utilities Commission.

Sewer Fund

On June 1, 2009 the City Council approved an increase in the Sewer Service Charge from \$41.01 to \$44.70 per month. Increases continue to be driven primarily by the South Bayside System Authority (SBSA) capital replacement program for its wastewater treatment facilities. The SBSA estimates the capital facilities replacement program will cost \$400 million over the next 10 years. Redwood City's share of the SBSA cost is approximately \$175 million within this 10-year period. The City has prepared a multi-year financial plan that allows the City to meet the revenue demands for system operation, maintenance, and replacement for both collection and treatment of the City's wastewater. Through the financial plan, the City expects to meet the costs of providing sewer service through sewer service rate increases that will average 9 - 10% over the next 10 years.

Municipal Regional Stormwater Permit

The regulatory burden of the National Pollutant Discharge Elimination System (NPDES) permit will soon change for San Francisco Bay Area governmental agencies, including the City of Redwood City. On February 11, 2009 the San Francisco Bay Regional Water Quality Control Board issued a revised draft Municipal Regional Stormwater Permit (MRP), which will impose new regulations as unfunded mandates on local governments. The Regional Board anticipates a final decision or approval of the MRP at its July 13, 2009 meeting. Once approved the additional cost of compliance with MRP could burden the City's General Fund by as much as \$500,000 per year over the next five years.

APPROPRIATIONS LIMITS

Article XIII B of the California Constitution defines and establishes the City's appropriations limit. No city in California may spend from its "proceeds of taxes" more than the amount of its "appropriations limit." The appropriations limit is determined by a formula contained within Article XIII B of the State Constitution. Redwood City's appropriations limit for FY 2009-10 is estimated to be \$312 million. The FY 2009-10 appropriations subject to limitations are \$58 million. We are well within our legal limit.


ACKNOWLEDGMENTS

The recommendations set forth in this document are the result of continued fine teamwork by the Redwood City Executive Team. In a year of significant changes within the team, we stayed focused and leveraged the collaborative, respectful dialogue that has served us so well in past years. One couldn't ask for a brighter group of professionals who are sensitive to the whole City's needs and challenges.

My sincere appreciation and thanks to the talented and capable Finance Department team for the support, research and production of this document: Brian Ponty, Director of Finance; Alison Freeman, Financial Services Manager; Sylvia Bravo Gomez, Administrative Assistant/Deputy Treasurer; Senior Accountants Cecilia Lucas, Kyi Khin, and Rajesh Sewak; Information Technology Manager Tony Gelpman, Senior Information Technology Analyst Debbie Matsuura; and Supervisor of Software Development Services Laure Hansen. Their consistent analysis and attention to details has made this a high-integrity budget process.

And a special thanks to Deanna La Croix, Executive Assistant to the City Manager, who took on the roles of information coordinator throughout the budget process and editor-in-chief for portions of this document. Without her able help, I would not have been able to focus on the task at hand.

Respectfully submitted on behalf of the Executive Team,



Peter Ingram
City Manager

***Creativity:
Freedom to
Imagine and
Courage to
Act***

City of Redwood City
FY 2009-2010 Budget Amendments
City Council Strategic Plan

The City Council reviewed and adjusted its priorities in March 2008 and included a new goal under the Government Operations initiative, "Create an overarching strategic plan". On January 26, 2009 the Council adopted the framework of a new Strategic Plan and directed staff to fully implement the Strategic Plan over a two-year, phase-in period.

As the Council considers the FY 2009-10 budget, staff requests further direction be provided for refinement and implementation of the Strategic Plan (copy of staff report follows this page). Minimally, Council direction on the proposed goals statements and the objectives changes is requested, such that staff can develop the specific objectives necessary to achieve those goals and support Council's strategic initiatives. Staff will then update the Strategic Plan documents for inclusion in the final FY 2009-10 budget, due for adoption in July 2009.

Council discussion of the vision and mission statements may occur at a later time, perhaps within the context of adoption of the City's new general plan.

The City Manager's recommended FY 2009-10 budget includes the operational and capital improvement resources required to at least minimally support Strategic Plan initiatives and goals. However, the status of specific objectives will require review following the Council's consideration of the Strategic Plan refinements and then the recommended budget. Should the Council decide to adopt optional reductions and/or additional budget cuts are required due to State actions, at that juncture some objectives may need to be suspended or sun-setted due to budget constraints and reallocated resources. In some cases the work required to complete objectives may be occurring within a different initiative or various objectives, or execution and completion of associated tasks may not be possible in this budget period. In any event a reconciliation process will be required based on Council's decisions and direction.

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REPORT

To the Honorable Mayor and City Council
From the City Manager

June 1, 2009

SUBJECT

Redwood City Strategic Plan

RECOMMENDATION

Provide direction to staff for refinement and implementation of Redwood City Strategic Plan.

BACKGROUND

At the priority setting session in February of 2008, the City Council expressed an interest in creating a citywide strategic plan that would better align council priorities with financial resources and allow for a more informed and in depth annual discussion of how best to achieve desired results. The City Manager appointed a subcommittee of the City's executive team that brought back a draft strategic planning framework, which was approved by Council on January 26, 2009.

With Council's approval of the framework, the subcommittee, comprised of Bob Bell, Human Resources Director/Assistant City Manager, Corinne Centeno, Parks, Recreation and Community Services Director, Larry Barwacz, Public Works Services Director, Jim Skinner, Fire Chief, and Magda González, Deputy City Manager, used the following "touchstones" to guide the development of the draft Strategic Plan presented to Council this evening for approval (included as Attachment 1).

- Council priorities - now called "Strategic Initiatives" - should be recognized as the long-term direction of the City and should not be revisited or re-written every year;
- The Strategic Plan process should involve a variety of stakeholders and include annual updates;
- The process should allow for the recognition of the day-to-day work being done by staff in addition to work on the initiatives, so Council and other stakeholders have better information when directing staff;
- Initiatives, goals and objectives should be better aligned so Council and the public can see the relationship between Council direction, key activities being performed by operating departments and expected results, thus allowing the Strategic Plan to provide a framework to align all planning processes;
- Honor and incorporate existing strategic planning activities already being carried out that will inform and add value to the citywide Strategic Plan.

In developing the proposed vision and mission statements, staff particularly looked to Council's "Overarching Guidelines", and "General Plan Principles." Staff also used the Council-approved definitions or "Glossary of Terms" (see Attachment 2) to guide the development of each component of the plan.

The Strategic Plan is intended to be a living document and as such will be modified and improved over time. Given that this is also a new document for Redwood City, the

Strategic Plan will be rolled out, refined, and implemented in phases. Therefore - respectful of Council's work in the past - staff has taken the initiative to convert the former "Council Priorities" into goal statements. A few former Council priorities initiatives are best defined as objectives, and given the new Strategic Plan framework, staff recommends that they be listed as objectives (see Attachment 3). Staff expects that at the next Council Strategic Initiative Update session, Council will want to take time to reflect on, review, and potentially amend these goal statements.

Once Council adopts the goal statements included in the updated draft Strategic Plan, staff will then develop the specific objectives necessary to achieve those goals and support Council's Strategic Initiatives. These objectives will then be reported out to Council on a quarterly basis by way of the Strategic Initiatives Quarterly Tracking Report.

The Subcommittee also reviewed Council's "Guidelines", dated January 5, 2009 and incorporated them under "Council Guidelines and Protocols" of the Strategic Plan. While the guidelines notes were very robust, staff has abbreviated the remarks and would welcome Council comments if the essence of the dialogue is not accurately reflected.

One new activity that will result from the strategic plan is the preparation of an "Annual Report." The purpose of the annual report will be to inform the Council and the public as to the measured progress the City has made on strategic initiatives and goals, as well as inform stakeholders on the operations of the City. The report will be transmitted to Council in January of each year and will include an update on the various objectives that support Council goals and strategic initiatives, and will also include performance measures that monitor program success and effectiveness. Each department's report will include information on achievements; workload statistics for the previous fiscal year; and a section that describes any concerns or challenges the department foresees in the short and/or long term. While likely to be an abbreviated version (mid-implementation), Council will receive the first citywide annual report in January 2010.

As further background information, staff has included the Strategic Planning Process Timeline (Attachment 4), and Next Steps and Implementation Timeline (Attachment 5), which were all adopted by Council on January 26, 2009. Finally, staff has also included the previously titled "Council Priorities" (Attachment 6) for reference.

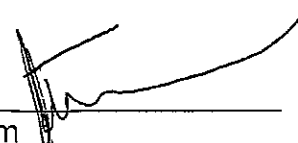
ALTERNATIVES

Council may modify language in the Strategic Plan or elect not to implement the proposed, updated Strategic Plan. Council could also determine that some initiatives should be suspended or allowed to sunset, in the context of budget reductions and/or higher ranked, more urgent initiatives.

FISCAL IMPACT

There is not a direct fiscal impact associated with the implementation of the Strategic Plan per se. There will be costs associated with the development of the new citywide Annual Report that will be absorbed by various departments. However, staff and Council should consider the implication of pending budget reductions on the Strategic Plan and determine what the most important objectives are, and which can be executed with reduced resources.


Magda González
Deputy City Manager


Peter Ingram
City Manager

ATTACHMENTS

1. Redwood City Strategic Plan - Draft
2. Glossary of Terms
3. Draft Objectives
4. Strategic Planning Process Timeline
5. Next Steps and Implementation Timeline
6. Former Council Priorities

RELATED DOCUMENTS IN CITY CLERK'S OFFICE

None

CITY OF REDWOOD CITY

STRATEGIC PLAN

DRAFT

June 1, 2009

VISION

Redwood City is a vibrant community, we are proud to call home.

MISSION

Mission Statement

We achieve our community vision by creating welcoming public places, maintaining a strong economic climate, connecting our neighbors, and celebrating the value of our richly diverse community.

Council Guidelines and Protocol

The City Council of Redwood City is committed to building relationships with each other, staff and the public through communication, and thus is committed to the following team expectations:

- Integrity, respect and trust
- Responsibility, ownership and accountability
- Focus and Strategic alignment
- “Doing it right” to create a win/win situation

Organizational Core Purpose and Core Values

Our Core Purpose is best described as the reason for the organization’s existence. Our Core Values are those basic values which make Redwood City the service organization that it is today.

The Core Purpose of the organization is to ***Build a Great Community Together!***

This simple statement contains a great deal of meaning: it points to the need for engaging our citizens in an effort to create a true community; a community where there is a "sense of belonging," a place where there is trust and relationships among our citizens, and where people know their neighbors. A community is a place where citizens take the responsibility and accountability to partner with the City to achieve our mutual vision of a great community.

To carry out our Core Purpose, the following four Core Values guide the organization's day-to-day work, and help us focus on our Core Purpose:

<i>Excellence:</i>	Passion to Do Our Best in Each Moment
<i>Integrity:</i>	Do the Right Thing, Not the Easy Thing
<i>Service:</i>	We Care and It Makes a Difference
<i>Creativity:</i>	Freedom to Imagine and Courage to Act

STRATEGIC INITIATIVES

The City's Strategic Initiatives are established by Council, and represent the areas of focus for the organization. The Strategic Initiatives are high level policy areas, and generally reviewed every five years. The Strategic Initiatives serve as a guidance to help focus the City Council, Boards, Committees, and Commissions, and staff. The current initiatives are:

- ***Economic Development***
- ***Public Safety***
- ***Transportation and Traffic***
- ***Government Operations***
- ***Community/Civic Support***
- ***Youth***

STRATEGIC GOALS

City Council Strategic Goals support each of Council's Strategic Initiatives, and describe success. Strategic goals will provide the basis for each departments' work plan and objectives over the course of the following 3-5 years. The goals may be revisited and/or confirmed at the Council's Strategic Initiatives Update meeting.

Strategic Initiative: Economic Development

Strategic Goals:

- Retain and Promote businesses Citywide
- Encourage smart growth
- Preserve historic resources and identity
- Continue downtown redevelopment
- Foster housing development

Strategic Initiative: Public Safety

Strategic Goals:

- Maintain and ensure public safety
- Sustain disaster preparedness, including the Port
- Maintain gang suppression efforts

Strategic Initiative: Transportation and Traffic

Strategic Goals:

- Support alternative transportation
- Maintain and promote neighborhood traffic solving system/program
- Promote pedestrian and bike friendly transportation community wide
- Coordinate regional transportation

Strategic Initiative: Government Operations

Strategic Goals:

- Encourage climate protection programs
- Sustain code enforcement efforts throughout the community
- Maintain staff development and succession planning programs
- Be in a state of readiness for funding opportunities
- Take long term planning approach

Strategic Initiative: Community/Civic Support

Strategic Goals:

- Build community and leverage community partnerships
- Foster Civic engagement
- Raise public awareness and increase communications
- Develop welcoming public spaces

Strategic Initiative: Youth

Strategic Goals:

- Support and continue after-school enrichment programs
- Provide child care programs (services for ages 0-5)

OBJECTIVES

The organizational objectives are one to five year outcome-based results that the staff will develop and pursue in support of Council's strategic initiatives and strategic goals. Objectives will be measurable results that can be evaluated, and will be reported back through the Strategic Initiatives Quarterly Tracking Report and will be communicated through the various departmental business plans and annual departmental reports.

EVALUATION

Staff will evaluate programmatic effectiveness and efficiency on a regular basis. Evaluation results will be reported out through a variety of means, including the use of performance measures (that are yet to be determined depending on future developed objectives), citywide Annual Report, and Council's quarterly Strategic Initiatives Tracking Report.

Glossary of Terms

Vision ~ Vision or description of what community will be; vivid, guiding image of community's success

Mission ~ What organization will do to make vision a reality; what organization intends to pursue

Core Purpose and Core Values ~ How the operation operates; how organization implements Council policy and direction

Strategic Initiatives ~ Long terms initiatives. They should be revisited every five years. They will replace what we now refer to as council priorities (big headings)

Objectives; Long Term and Short Term ~ Based on Council direction; should include resource allocation if needed; these items may come up at Strategic Initiatives Review Session (every five years) or Strategic Initiatives Progress Report/Update Sessions (annually); may include some items currently listed under the Council Priority headings

Action Plans ~ Developed at departmental level; may include short term objectives; plans to implement items above; can take the place of objectives formally in budget document

Evaluation ~ includes reporting on action plans and use of performance measures

SWOT Analysis/Environmental Scan ~ Assesses strengths, weaknesses, opportunities and threats to the organization and community; Is provided every two years, with annual updates; Information would be provided to Council in January, and may include:

- Organizational Input
 - City Wide Annual Report (new document)
 - Performance Measures
 - Trends
 - Future opportunities and challenges
 - External forces that impact our work i.e. state budget, new legislation
 - General plan
 - Departmental reports
 - Departmental presentations
 - Consolidated plan

- Community Input
 - Neighborhood survey
 - Community Input Session

- Financial Information
 - Budget
 - Financial Update
 - CIP
 - CAFR

Allocation of Resources ~ Two year budget, with allocation of resources consistent with Council directed Strategic Initiatives and Long/Short term Objectives.

Note:

Staff will attempt to incorporate all of the work that Council and staff have been producing to date. Staff will also look at Council's Overarching Guidelines and General Plan Guiding Principles in developing a recommendation for Mission and/or Vision statements.

Redwood City's Strategic Plan

Draft Objectives

The following draft objectives have been reworked from previous council initiatives, and are shown in italics. As they are specific in nature, staff recommends they become objectives under goals statements instead of individual goal statements. Other objectives will be filled in by the various departments once Council adopts the strategic goal statements.

Strategic Initiative: Transportation and Traffic

Strategic Goals:

- Coordinate regional transportation initiatives

Objectives:

- *Facilitate Highway 101 / 84 interchange improvements*
- *Maintain regional transportation representation*

- Support alternative transportation

Objectives:

- *Maintain commuter and community shuttle service*

Strategic Initiative: Government Operations

Strategic Goals:

- Take long term planning approach

Objectives:

- *Adopt new general plan by September 2009*
- *Create an overarching strategic plan*

Strategic Initiative: Community/Civic Support

Strategic Goals:

- Develop welcoming public spaces

Objectives:

- *Develop new parks*

Strategic Planning Process Timeline

- July Start to prepare City wide annual report

- Late Aug to Mid Dec. Neighborhood survey conducted; gather community “perceptions” (timing may depend on whether it is an election year; hot election issues)

- December Complete City Wide Annual Report – based on past fiscal year, and will be looking forward (may include: performances measures, future challenges)

- Late January SWOT / Environmental Scan information provided to Council; Neighborhood Survey results presented

- Mid to late Feb. Strategic Initiatives Progress Sessions with Council, annually; Every 5 years will also include Strategic Initiatives Review Session

- March Council confirms what changes (options or reductions) to be brought back in June budget hearings

- June Budget Hearings (annual updates)

- July Action Plan Developed (annual updates); Evaluation / Performance Measures (annual updates)

**Strategic Plan
Next Steps and Implementation Timeline**

<u>Item</u>	<u>Completion</u>
City Council's Creation of a Vision Statement to Guide the Plan 2009	September
Evaluate Strategic Initiatives to ensure alignment with vision 2009	September
Update goal statements so that they describe desired state/success 2009	September
Align objectives with revised initiatives and goals 2009	October
Final Plan Written and Submitted to Council 2009	October
Completion of First Annual Report 2010	January

Council Priorities
(Original Language)

Strategic Initiative: Economic Development

- Business retention business promotion citywide
- Smart growth (green building / urban design)
- Historic preservation / identity
- Downtown redevelopment
- Housing development

Strategic Initiative: Public Safety

- Maintain / ensure public safety
- Disaster preparedness (including the Port)
- Anti gang activities

Strategic Initiative: Transportation and Traffic

- Commuter and community shuttle service
- Neighborhood traffic problem solving system/liaison
- Pedestrian / bike friendly Citywide
- Highway 101 / 84 interchange improvements
- Maintain regional transportation representation

Strategic Initiative: Government Operations

- New general plan by September 2009
- Be attentive to environmental concerns - climate protection and conversation
- Code enforcement
- Staff development and succession planning
- Be in a state of readiness for funding opportunities
- Create an overarching strategic plan (process to be determined)

Strategic Initiative: Community/Civic Support

- Community building and community partnerships
- Civic engagement
- Public awareness and communications
- New Parks and public spaces

Strategic Initiative: Youth Agenda

- Redwood City collaborative youth initiative
- After-school enrichment programs
- Child care programs (services for ages 0-5)

Redwood City - Building a Great Community Together

CITY COUNCIL DIRECTION

DEVELOPING A BALANCED BUDGET

Summary of Feb. 23, 2009 City Council Study Session

Affirmed by City Council March 9, 2009

GOAL STATEMENT

We must balance the City's General Fund revenues and expenditures by Fiscal Year 2012/13 to achieve long-term sustainability.

COUNCIL'S BASIC FISCAL ASSUMPTIONS FOR FY 2009/10

1. The City's General Fund budget has an increasing structural deficit, which is being exacerbated by the current recession. Annual deficits are projected to range from \$4.3 to \$6.9 million through Fiscal Year 2011/2012 or 4.8% to 7.9% of annual revenues.
2. Property Tax growth: Adjusted down to 3% annually.
3. Sales Tax growth: Negative from FY 07/08 to FY 08/09, flat in FY 2009/10.
4. Hotel Tax growth: 10% decline in FY 08/09, and overall growth is expected to be flat in FY 09/10.
5. Development revenues: Updated to reflect current anticipated projects.
6. No effects of resolution of State budget or Federal stimulus on GF.
7. These assumptions are subject to change and refinement.

DIRECTION FROM CITY COUNCIL

1. Use reserves over four years to arrive at a sustainable, balanced GF budget, beginning with covering 100% of the deficit in FY 2008/09.
2. As a starting point, use reserves to cover 33%, 25%, and 10% of shortfalls in subsequent three fiscal years, and plan for no further use of reserves by 2012/13.
3. Retain flexibility in the level of reserves used, for response to opportunities.
4. Given the uncertainties ahead, Council would be most comfortable not going below 18% of annual GF revenues as the minimum reserve level.
5. Discuss amount of subvention with Port Commission.
6. Bring Council Finance Committee recommendation(s) for revenue enhancements forward with recommended budget: Start with proposed business license tax increase.
7. Explore modification of existing funding plan for retiree health benefits.
8. Provide sufficient expenditure (reduction) options and information for Council consideration.
9. Make recommendations for reductions with room for flexibility and further discussion.
10. Provide report on Parking Fund expenditures and operational modifications / efficiencies (via the Council Downtown Committee).
11. Explore long-term opportunities for shared services / resources with other cities.
12. Consider enterprise fund budgets in same light as General Fund: Remember that city utility bills will be affected by rising costs of regional water supply and waste water treatment.
13. Communicate potential impacts to services to the community – ask for help. "We are all in it together."
14. Continue to utilize the City Manager's vacancy management program in anticipation of workforce reductions. Provide the City Council with periodic updates, beginning in April 2009.
15. Circulate the Council's directions for developing a balanced budget and the Council's current strategic initiatives to all City boards, commissions, and committees, as well as all employee groups, for the purpose of coordinating work plans and resources.

DECISION-MAKING CRITERIA / INTERESTS - COUNCIL

1. Shared, fair, and equitable sacrifices across the organization.
2. As strategic plan is fully implemented, consider expenditure / service reductions in alignment with strategic initiatives.
3. Consider sun-setting initiatives as needed to meet top priorities and respond to resource limitations.
4. Attention to service reductions that affect the “front line” relationships with residents.
5. Minimize cuts to services and programs that are preventive: Short-term cuts that will create long-term problems.
6. Alignment of resources (or re-alignments) should keep neighborhood satisfaction levels as high as possible.
7. Leverage as much as we can with partner organizations.
8. Seek out consolidation of services and/or shared services internally and externally (Opportunities may take several years to provide budget benefits).

MAJOR ASSUMPTIONS

COUNCIL'S MARCH 9, 2009 BASIC FISCAL ASSUMPTIONS & STAFF'S RECOMMENDED REFINEMENTS AS OF MAY 28, 2009

1. The City's General Fund budget has an increasing structural deficit, which is being exacerbated by the current recession. Annual deficits are projected to range from \$4.3 to \$6.9 million through Fiscal Year 2011-12 or 4.8% to 7.9% of annual revenues.
Updated: Annual deficits are projected to range from \$ 2.9 million (after salary freeze savings captured for FY 2009-10, and including pending programmatic reductions) to \$ 7.6 million through Fiscal Year 2011-2012 or 3.6 % to 9.3 % of annual revenues.
2. Property Tax growth: Adjusted down to 3% annually.
Updated: Secured property taxes will increase 1.5% in FY 2009-10, 0% in FY 2010-11, and 3% per year through FY 2011-12 and thereafter.
3. Sales Tax growth: Negative from FY 2007-08 to FY 2008-09, flat in FY 2009-10.
Updated: Down 1% in FY 2009-10.
4. Hotel Tax growth: 10% decline in FY 2008-09, and overall growth is expected to be flat in FY 2009-10.
Updated: 15% decline expected in FY 2008-09 and 0% growth in FY 2009-10.
5. Development revenues: Updated to reflect current anticipated projects.
No change anticipated.
6. No effects of resolution of State budget or Federal stimulus on the general fund.
Updated: Although the Governor's proposed State budget calls for "borrowing" property taxes from cities, counties, and special districts (Redwood City's share is about \$2.8 million) we have not reflected this in our projections.
7. These assumptions are subject to change and refinement.
...And will continue to be subject to changes.

OTHER ASSUMPTIONS

1. Excess ERAF rebates will continue \$2.5 million per year through FY 2012-13.
2. Costco closed in April 2009, new store opening by November 2009.
3. No general fund support for capital projects other than transfers of utility users' taxes.
4. General Fund support for the Parking Fund will continue indefinitely.
5. \$2.4 million in increased employer retirement contributions in FY 2011-12 due to investment losses incurred by the California Public Employees Retirement System in FY 2008-09

City of Redwood City
 FY 2009-2010 Budget Amendments

General Fund – Five Year Projection 2008-09 through 2012-13 ('000s)

	2003-04 ACTUAL	2004-05 ACTUAL	2005-06 ACTUAL	2006-07 ACTUAL	2007-08 ACTUAL
REVENUES					
Property Taxes	20,436	21,571	27,882	30,370	32,426
Sales Tax	15,745	16,476	17,903	19,209	18,136
Other Taxes	4,923	5,778	6,368	6,622	6,721
Licenses and Permits	960	1,126	1,168	1,523	1,558
Fines and Forfeitures	582	660	610	626	655
Interest Earnings/Rentals	1,466	1,096	1,823	1,409	1,741
Revenue from Other Agencies	6,406	7,721	4,973	3,641	3,203
Charges for Services	3,930	3,834	3,791	5,208	5,365
Other Revenues	5,588	6,447	6,691	6,950	7,203
Library	809	691	853	931	875
Recreation Revenues	1,583	1,565	1,686	1,706	1,726
Total Revenues	62,428	66,965	73,748	78,195	79,609
Transfers-In:					
Interest from other funds	652	466	870	1,101	1,078
Others	173	182	339	329	356
GID 1-64 Maintenance District	140	150	250	250	250
Total revenues and transfers-in	63,393	67,763	75,207	79,875	81,293
EXPENDITURES					
City Council	208	196	217	249	290
City Manager	975	866	955	1,111	1,381
City Attorney	626	566	609	686	760
City Clerk	477	490	532	522	672
Human Resources	1,344	1,274	1,364	1,308	1,314
Finance & Administrative Support	2,830	3,222	3,299	3,870	2,301
Police	20,567	23,706	25,227	25,639	27,909
Fire	12,420	14,072	15,017	15,081	16,246
Community Development Services	4,580	4,292	4,276	5,100	5,596
Parks & Recreation	10,743	10,772	11,274	11,842	12,820
Library	5,949	5,393	5,761	6,167	6,563
Public Works Services	1,178	1,158	1,173	1,218	1,277
Budget Adjustments					
Total Expenditures	61,897	66,007	69,704	72,793	77,129
Transfers-Out	1,166	1,172	1,793	5,254	2,540
Total expenditures and transfers-out	63,063	67,179	71,497	78,047	79,669
Net surplus (deficit)	330	584	3,710	1,828	1,624
Net surplus (deficit) as a percentage of general fund revenues and transfers-in:	0.52%	0.86%	4.93%	2.29%	2.00%
Detail of transfers-out:					
gas tax operations				124	225
gas tax construction	21		421		
traffic safety	1,010	842	914	973	1,045
lido landscape district					
capital projects		200		2,564	466
others	135	130	458	1,593	804
TOTAL	1,166	1,172	1,793	5,254	2,540

City of Redwood City
 FY 2009-2010 Budget Amendments

General Fund – Five Year Projection 2008-09 through 2012-13 ('000s)

2008-09 ESTIMATE	2009-10 BUDGET	2010-11 ESTIMATE	2011-12 ESTIMATE	2012-13 ESTIMATE
34,705	34,614	34,649	35,689	36,760
15,905	15,778	16,177	16,582	17,079
6,045	6,049	6,224	6,348	6,475
1,051	1,601	1,701	1,551	1,651
385	433	433	433	433
353	897	905	905	905
2,901	2,906	2,796	2,880	2,966
4,852	5,290	5,436	5,599	5,767
7,983	8,117	8,413	8,665	8,925
1,457	640	505	520	536
1,764	1,766	1,799	1,853	1,908
77,400	78,091	79,037	81,024	83,404
691	518	508	508	508
633	820	996	464	407
250	250	250	250	250
78,974	79,679	80,791	82,246	84,569
316	319	333	343	353
1,581	1,465	1,502	1,545	1,590
958	903	930	956	982
622	632	650	666	682
1,400	1,346	1,387	1,423	1,461
2,520	2,523	2,582	2,635	2,690
29,244	28,270	29,327	30,226	31,156
17,267	16,660	17,060	17,611	18,180
5,790	5,498	5,658	5,808	5,963
13,792	13,325	13,692	14,038	14,396
7,237	7,155	7,365	7,563	7,768
1,368	1,462	1,492	1,522	1,553
			2,359	2,430
82,095	79,558	81,978	86,696	89,204
2,629	3,020	3,093	3,182	3,274
84,724	82,578	85,071	89,878	92,478
(5,750)	(2,898)	(4,280)	(7,632)	(7,909)
-7.28%	-3.64%	-5.30%	-9.28%	-9.35%
571	789	835	871	908
1,031	1,027	1,046	1,090	1,135
	24	25	25	26
1,027	1,179	1,187	1,196	1,205
2,629	3,020	3,093	3,182	3,274

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**City of Redwood City
FY 2009-2010 Budget Amendments
Budget Summary**

CHANGES TO 2009/10 OPERATING BUDGET

GENERAL FUNDS	Original 09/10 Budget	Updated 09/10 Budget	Savings from Freeze	Programmatic Changes	Revised 09/10 Budget
<i>Refer to 2008-2010 Adopted Budget as noted</i>					
CITY COUNCIL					
City Council (61110) - p. City Council-2	343,594	332,599		(13,919)	318,680
Total	343,594	332,599		(13,919)	318,680
CITY MANAGER					
Management/Policy Execution (61210) - p. City Manager-3	1,017,281	995,099	(19,483)	(11,917)	963,699
Community Promotion (61220-222) - p. City Manager-4	541,908	547,735	(4,103)	(42,181)	501,451
Total	1,559,189	1,542,834	(23,586)	(54,098)	1,465,150
CITY ATTORNEY					
Legal Services (61510) - p. City Attorney-2	1,008,696	985,058	(15,492)	(66,599)	902,967
Total	1,008,696	985,058	(15,492)	(66,599)	902,967
CITY CLERK					
Legisl. Svcs./Records Mgmt. (61310) - p. City Clerk-3	564,459	540,567	(7,919)	(38,501)	494,147
Elections (61320) - p. City Clerk-4	127,855	123,045	(1,147)		121,898
Council Support (61330) - p. City Clerk-5	23,349	23,349		(6,764)	16,585
Total	715,663	686,961	(9,066)	(45,265)	632,630
COMMUNITY DEVELOPMENT SERVICES					
Administration (63010) - p. CDS-4	215,440	198,289	(2,707)	(14,444)	181,138
Building Regulation (63110) - p. CDS-8	1,907,165	1,859,533	(26,280)	(1,798)	1,831,455
Code Enforcement (63310) - p. CDS-9	942,085	926,029	(8,848)	(684)	916,497
General Engineering (65121) - p. CDS-12	1,036,278	994,281	(11,256)	(332,456)	650,569
Subdivision Engineering (65122) - p. CDS-13	282,655	273,757	(3,207)		270,550
Planning (63210) - p. CDS-17	1,459,387	1,416,617	(12,243)	8,833	1,413,207
Strategic Planning (63220) - p. CDS-18	246,636	238,812	(4,230)		234,582
Redevelopment Agency - Housing Fund (66410) - p. CDS-22	1,006,281	982,909	(9,232)	(27,927)	945,750
Redevelopment Agency - General Fund (66410) - p. CDS-23	2,798,683	2,710,280	(39,015)	(52,158)	2,619,107
Total	9,894,610	9,600,507	(117,018)	(420,634)	9,062,855
FINANCE					
Financial Services (61430) - p. Finance-4	1,305,590	1,286,589	(20,573)	(36,646)	1,229,370
Admin. Supp. Svcs. (61710) - p. Finance-5	1,560,127	1,283,612	(8,480)	18,004	1,293,136
Public Financing Authority Lease Payments (61710) - p. Finance-5	2,322,291	2,322,291			2,322,291
Total	5,188,008	4,892,492	(29,053)	(18,642)	4,844,797
FIRE					
Administration (62210) - p. Fire-3	1,360,089	1,249,897	(13,827)	(225,642)	1,010,428
Operations (62220) - p. Fire-4	15,550,499	15,312,906	(253,932)	(517,352)	14,541,622
Prevention (62230) - p. Fire-5	777,934	757,745	(9,308)	(12,489)	735,948
Training (62240) - p. Fire-6	268,892	271,384	(4,763)		266,621
Emergency Medical Services (62245) - p. Fire-7	86,903	86,903			86,903
Emergency Operations (62260) - p. Fire-8	18,147	18,147			18,147
Total	18,062,464	17,696,982	(281,830)	(755,483)	16,659,669
HUMAN RESOURCES					
Human Resources (61610) - p. HR-11	1,479,254	1,456,607	(2,781)	(107,321)	1,346,505
Total	1,479,254	1,456,607	(2,781)	(107,321)	1,346,505

**City of Redwood City
FY 2009-2010 Budget Amendments
Budget Summary**

CHANGES TO 2009/10 OPERATING BUDGET

GENERAL FUNDS (Cont'd)	Original 09/10 Budget	Updated 09/10 Budget	Savings from Freeze	Programmatic Changes	Revised 09/10 Budget
<i>Refer to 2008-2010 Adopted Budget as noted</i>					
LIBRARY					
Administrative Svcs. Unit (66251) - p. Library-3	1,426,558	1,389,881	(14,588)	(2,470)	1,372,823
Downtown Library (66261) - p. Library-4	3,443,607	3,427,087	(22,061)	(96,535)	3,308,491
Literacy Services Unit (66281) - p. Library-5	790,979	769,087	(8,416)	(1,235)	759,436
Neighborhood Libraries and Outreach (66290) - p. Library-6	1,982,657	1,953,269	(19,781)	(218,480)	1,715,008
Total	7,643,801	7,539,324	(64,846)	(318,720)	7,155,758
PARKS, RECREATION AND COMMUNITY SERVICES					
Fair Oaks Community Center (64211) - p. PRCS-15	925,878	916,103	(6,464)	(20,130)	889,509
Information/Referral (64212) - p. PRCS-15	283,943	277,900	(2,596)		275,304
Fair Oaks Senior Services (64218) - p. PRCS-15	3,293	3,290	(41)		3,249
Human Svcs. Assistance (64213) - p. PRCS-6	249,038	249,038		(17,444)	231,594
Administration (66110) - p. PRCS-4	1,054,921	1,029,691	(19,478)	43,175	1,053,388
Civic Cultural Commission (66111) - p. PRCS-5	67,387	67,387		(3,370)	64,017
Landscape Maintenance-City (66121) - p. PRCS-9	2,510,755	2,381,132	(16,261)	(43,859)	2,321,012
Landscape Mtc.-Redwood Shores (66122) - p. PRCS-9	1,488,415	1,442,801	(10,006)	(141,307)	1,291,488
Landscape Maintenance - Downtown (66124) - p. PRCS-9	838,277	877,637	(4,147)	(153,466)	720,024
Youth and Teen Services (66131) - p. PRCS-16	264,522	254,711	(4,333)	(1,528)	248,850
Elementary Activities (66133) - p. PRCS-16	468,701	483,878	(3,555)		480,323
Teen Activities (66135) - p. PRCS-16	271,269	273,187	(3,168)		270,019
After School Program Grant (66137) - p. PRCS-16	1,275,501	1,287,404	(10,595)	(59,500)	1,217,309
Red Morton Community Center (66142) - p. PRCS-17	1,226,707	1,218,801	(4,979)	(151,319)	1,062,503
Aquatics Program (66145) - p. PRCS-17	193,278	200,088	293	(34,067)	166,314
Adult Sports (66147) - p. PRCS-17	157,129	160,463	(396)		160,067
Middle School Sports (66148) - p. PRCS-17	167,840	172,560	(589)		171,971
Special Interest Classes (66161) - p. PRCS-18	898,264	895,295	(2,275)	(12,000)	881,020
Sandpiper Community Center (66162) - p. PRCS-18	392,589	382,853	(1,566)	(3,052)	378,235
Sandpiper Youth Club (66163) - p. PRCS-18	155,256	168,766	(1,649)		167,117
Community Services (66172) - p. PRCS-19	1,180,846	1,154,421	(8,600)	(161,140)	984,681
Senior Nutrition (66173) - p. PRCS-19	430,040	435,879	(3,179)	(145,107)	287,593
Total	14,503,849	14,333,285	(103,584)	(904,114)	13,325,587
POLICE					
Administration (62111) - p. Police-3	5,488,631	5,478,235	(68,257)	(147,165)	5,262,813
Records (62112) - p. Police-4	1,249,864	1,230,502	(13,107)	(159,535)	1,057,860
Training (62113) - p. Police-5	512,440	506,033	(8,717)		497,316
Property/Evidence (62114) - p. Police-6	299,666	296,410	(3,342)		293,068
Police Activities League (62115) - p. Police-7	78,646	81,013	(527)		80,486
Patrol Services (62131) - p. Police-8	18,590,589	18,020,229	(486,505)	(979,403)	16,554,321
Criminal Investigation (62134) - p. Police-9	4,724,558	4,644,387	(120,305)		4,524,082
Total	30,944,394	30,256,809	(700,760)	(1,286,103)	28,269,946
PUBLIC WORKS SERVICES					
Street System Maintenance (65132) - p. PWS-7	243,685	244,820	(920)		243,900
Street Cleaning (65133) - p. PWS-14	108,650	118,840	(475)		118,365
Sidewalk Maintenance/Replacement (65134) - p. PWS-8	15,528	15,354	(62)		15,292
Street Tree Maintenance (65135) - p. PWS-9	828,667	810,188	(5,608)	(503)	804,077
Downtown/Entry Feature Maintenance (65136) - p. PWS-10	31,889	31,889			31,889
Storm Water Collection/Disposal (65161) - p. PWS-17	198,408	249,654	(999)		248,655
Total	1,426,827	1,470,745	(8,064)	(503)	1,462,178
TOTAL GENERAL FUNDS	92,770,349	90,794,203	(1,356,080)	(3,991,401)	85,446,722

**City of Redwood City
 FY 2009-2010 Budget Amendments
 Budget Summary**

CHANGES TO 2009/10 OPERATING BUDGET

<u>SPECIAL REVENUE FUNDS</u>	<u>Original 09/10 Budget</u>	<u>Updated 09/10 Budget</u>	<u>Savings from Freeze</u>	<u>Programmatic Changes</u>	<u>Revised 09/10 Budget</u>
<i>Refer to 2008-2010 Adopted Budget as noted</i>					
TRAFFIC SAFETY FUND					
Police					
Police Patrol Services (62131)				124,413	124,413
Public Works					
Traffic Control Maint. (65131) - p. PWS-6	1,101,358	1,090,241	(4,329)	(77,924)	1,007,988
Paint and Sign Maint. (65137) - p. PWS-11	371,101	377,069	(3,033)	(321)	373,715
Fund Total	1,472,459	1,467,310	(7,362)	46,168	1,506,116
SPECIAL GAS TAX STREET IMPROVEMENT FUND					
Public Works					
Street System Maint. (65132) - p. PWS-7	1,204,699	1,480,262	(15,792)	(192,254)	1,272,216
Street Cleaning (65133) - p. PWS-14	169,507	169,824	(2,030)		167,794
Sidewalk Maint. & Replacement (65134) - p. PWS-8	201,699	242,762	(4,450)		238,312
Storm Water Coll. & Disposal (65161) - p. PWS-17	347,566	379,617	(4,051)	(29,037)	346,529
Fund Total	1,923,471	2,272,465	(26,323)	(221,291)	2,024,851
GID 1-64 MAINTENANCE & OPERATION					
Public Works					
Storm Water Coll. & Disposal (65161) - p. PWS-17	472,782	470,186	(1,512)		468,674
Fund Total	472,782	470,186	(1,512)		468,674
SEAPORT CENTRE MAINTENANCE DISTRICT					
Community Development Services					
General Engineering (65121) - p. CDS-12	3,770	3,700	(70)		3,630
Public Works					
Water Supply & Distr. (65144) - p. PWS-21	6,910	6,812			6,812
Sewer System Maint. (65152) - p. PWS-15	49,247	48,631	(194)		48,437
Storm Water Coll. & Disposal (65161) - p. PWS-17	48,659	48,347	(228)		48,119
Fund Total	108,586	107,490	(492)		106,998
SEAPORT LANDSCAPING MAINTENANCE DISTRICT					
Community Development Services					
General Engineering (65121) - p. CDS-12	3,770	3,700	(70)		3,630
Parks/Recreation					
Seaport Blvd. Landscape Maint. (65184) - p. PRCS-11	164,365	163,692	(1,278)		162,414
Public Works					
Storm Water Collection and Disposal (65161) - p. PWS-17	24,679	24,466	(87)		24,379
Fund Total	192,814	191,858	(1,435)		190,423
REDWOOD SHORES LANDSCAPE MAINTENANCE DISTRICT					
Parks/Recreation					
Lido Landscape Maint. (66123) - p. PRCS-10	285,808	285,200	(2,326)	(62,424)	220,450
Fund Total	285,808	285,200	(2,326)	(62,424)	220,450
CATEGORICAL GRANTS FUND					
Federal Grants Program					
Community Development					
Admin - Housing Employees (66310) - p. CDS-27	735,678	732,670	(2,377)	(80,863)	649,430
Housing Rehabilitation (66320) - p. CDS-28	79,381	78,880	(604)	(3,276)	75,000
HOME Administration (66354) - p. CDS-30	405,605	405,333	(930)	47,986	452,389
ARRA 2009 Site Acquisition (68383)				194,887	194,887
	1,220,664	1,216,883	(3,911)	158,734	1,371,706

**City of Redwood City
 FY 2009-2010 Budget Amendments
 Budget Summary**

CHANGES TO 2009/10 OPERATING BUDGET

<u>SPECIAL REVENUE FUNDS (Cont'd)</u>	<u>Original 09/10 Budget</u>	<u>Updated 09/10 Budget</u>	<u>Savings from Freeze</u>	<u>Programmatic Changes</u>	<u>Revised 09/10 Budget</u>
<i>Refer to 2008-2010 Adopted Budget as noted</i>					
Rental Income Program					
Rental Rehabilitation Administration (66380) - p. CDS-29	303,540	306,555	(798)	(5,757)	300,000
Categorical Grants Total	1,524,204	1,523,438	(4,709)	152,977	1,671,706
REDEVELOPMENT AGENCY					
Housing Fund					
Administration (66410) - p. CDS-20	1,006,281	982,909		(37,159)	945,750
Rehabilitation (66471) - p. CDS-20	306,000	306,000			306,000
	1,312,281	1,288,909		(37,159)	1,251,750
General Fund					
Administration (66410) - p. CDS-21	2,798,683	2,710,280		(91,173)	2,619,107
Tax Revenue Apportionment (66411) - p. CDS-21	1,520,255	1,520,255		223,745	1,744,000
RWC Sch. Dist. Prop. Exch. Loan (66418) - p. CDS-21	42,321	42,321			42,321
Downtown Development Programs (66429) - p. CDS-21	336,366	335,719	(874)		334,845
Store Front Improvements (66464) - p. CDS-21	102,000	102,000			102,000
RDA Interest on City Loan (66491) - p. CDS-21	354,844	354,844			354,844
	5,154,469	5,065,419	(874)	132,572	5,197,117
Redevelopment Agency Fund Total	6,466,750	6,354,328	(874)	95,413	6,448,867
TRANSPORTATION FUND					
Finance					
Admin. Supp. Svcs. (61710) - p. Finance-5	266,968	275,415		5,000	280,415
Engineering (65121) - p. CDS-12	148,125	147,506	(2,316)		145,190
Fund Total	415,093	422,921	(2,316)	5,000	425,605
LAW ENFORCEMENT GRANTS					
Police					
Citizens' Option for Public Safety (62131) - p. Police-8	115,000	114,067	(2,289)	(11,778)	100,000
Fund Total	115,000	114,067	(2,289)	(11,778)	100,000
TOTAL SPECIAL REVENUE FUNDS	12,976,967	13,209,263	(49,638)	4,065	13,163,690

**City of Redwood City
 FY 2009-2010 Budget Amendments
 Budget Summary**

CHANGES TO 2009/10 OPERATING BUDGET

<u>DEBT SERVICE FUNDS</u>	<u>Original 09/10 Budget</u>	<u>Updated 09/10 Budget</u>	<u>Savings from Freeze</u>	<u>Programmatic Changes</u>	<u>Revised 09/10 Budget</u>
<i>Refer to 2008-2010 Adopted Budget as noted</i>					
ASSESSMENT DISTRICTS					
Finance					
Redwood Shores Traffic Improvement District Bonds Administrative Expense Fund (61421) - p. Finance 16	29,826	29,826			29,826
Redwood Shores Traffic Improvement District Bonds Debt Service Fund (61423) - p. Finance 16	878,441	878,441			878,441
Pacific Shores Bonds Debt Service Fund (61423) - p. Finance 15	2,039,440	1,980,445			1,980,445
Pacific Shores Bonds Administrative Expense Fund (61421) - p. Finance 15	25,578	25,578			25,578
Fund Total	2,973,285	2,914,290			2,914,290
PUBLIC FINANCING AUTHORITY					
Finance					
1998 PFA Lease Revenue Bonds (61423) - p. Finance 14	1,207,016	1,207,016			1,207,016
2003 PFA Refunding Bonds (61423) - p. Finance 16	1,074,787	1,074,787			1,074,787
Fund Total	2,281,803	2,281,803			2,281,803
REDEVELOPMENT AGENCY					
1997 RDA Tax Allocation Bonds (61423) - p. Finance 13	1,515,071	1,515,071			1,515,071
2003 RDA Tax Allocation Bonds (61423) - p. Finance 17	657,483	657,483			657,483
Fund Total	2,172,554	2,172,554			2,172,554
CITY HALL BONDS DEBT SERVICE FUND					
Debt Service (61423) - p. Finance 14	878,913	878,913			878,913
Fund Total	878,913	878,913			878,913
TOTAL DEBT SERVICE FUNDS	8,306,555	8,247,560			8,247,560

**City of Redwood City
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CHANGES TO 2009/10 OPERATING BUDGET

ENTERPRISE FUNDS	Original 09/10 Budget	Updated 09/10 Budget	Savings from Freeze	Programmatic Changes	Revised 09/10 Budget
<i>Refer to 2008-2010 Adopted Budget as noted</i>					
PARKING DISTRICT FUND					
Community Development Services					
Downtown Facilities Operations (65175) - p. CDS-6	594,788	592,702	(551)	262,957	855,108
Finance					
Revenue Services (61410) - p. Finance-3	73,156	69,646	(883)		68,763
Debt Service (61423)- p. Finance-17	42,250	42,250			42,250
Admin. Support Svcs. (61710) - p. Finance-5	2,055	2,055			2,055
	117,461	113,951	(883)		113,068
Police					
Patrol Services (62131) - p. Police-8	724,559	710,035	(19,662)		690,373
Public Works					
Street System Maint. (65132) - p. PWS-7	398,191	394,042	(2,751)	(182)	391,109
Fund Total	1,834,999	1,810,730	(23,847)	262,775	2,049,658
WATER FUND					
Finance					
Revenue Services (61410) - p. Finance-3	1,609,282	1,549,581	(18,714)	(2,447)	1,528,420
Admin. Support Svcs. (61710) - p. Finance-5	8,097	8,097			8,097
	1,617,379	1,557,678	(18,714)	(2,447)	1,536,517
Public Works					
Water Customer Services (65142) - p. PWS-20	1,961,100	1,893,534	(16,376)	(1,082)	1,876,076
Water Supply & Distribution (65144) - p. PWS-21	6,208,881	6,052,067	(25,331)	(159,147)	5,867,589
SFWD Water Purchases (65145) - p. PWS-22	7,440,718	7,440,718		1,581,000	9,021,718
Water Resources Management (65146) - p. PWS-23	1,028,447	995,690	(11,033)	15,101	999,758
Recycled Water (65147) - p. PWS-24	5,525,034	5,537,567	(6,013)	(363)	5,531,191
	22,164,180	21,919,576	(58,753)	1,435,509	23,296,332
Fund Total	23,781,559	23,477,254	(77,467)	1,433,062	24,832,849
SEWER FUND					
Finance					
Admin. Support Svcs. (61710) - p. Finance-5	8,097	8,097			8,097
Public Works					
Sewer System Maint. (65152) - p. PWS-15	6,292,198	6,228,529	(32,724)	509,137	6,704,942
Waste Water Treat. & Disposal (65154) - p. PWS-16	12,059,000	12,059,000		(1,759,000)	10,300,000
Storm Water Coll. & Disposal (65161) - p. PWS-17	800,235	779,312	(5,105)	(407)	773,800
	19,151,433	19,066,841	(37,829)	(1,250,270)	17,778,742
Fund Total	19,159,530	19,074,938	(37,829)	(1,250,270)	17,786,839
TOTAL ENTERPRISE FUNDS	44,776,088	44,362,922	(139,143)	445,567	44,669,346

**City of Redwood City
 FY 2009-2010 Budget Amendments
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CHANGES TO 2009/10 OPERATING BUDGET

	<u>Original 09/10 Budget</u>	<u>Updated 09/10 Budget</u>	<u>Savings from Freeze</u>	<u>Programmatic Changes</u>	<u>Revised 09/10 Budget</u>
INTERNAL SERVICE FUNDS					
<i>Refer to 2008-2010 Adopted Budget as noted</i>					
EQUIPMENT SERVICES FUND					
Public Works					
Equipment Services (67230) - p. PWS-3	3,649,645	3,651,792	(15,819)	(687)	3,635,286
Fund Total	3,649,645	3,651,792	(15,819)	(687)	3,635,286
INTERNAL SERVICES FUND					
City Clerk					
Interoffice Mail (67222) - p. City Clerk-6	159,424	162,983	(1,755)		161,228
Finance					
Information Technology (67110) - p. Finance-9	2,763,641	2,690,092	(46,933)	(1,039)	2,642,120
Telephone Services (67211) - p. Finance-10	465,506	456,393	(4,904)	(25,164)	426,325
Total	3,229,147	3,146,485	(51,837)	(26,203)	3,068,445
Fire					
Fire Operations (62220) - p. Fire-4	88,771	88,771			88,771
Police					
Central Dispatching Svcs. (67310) - p. Police-10	2,590,416	2,599,654	(26,116)	(108,045)	2,465,493
Parks/Recreation					
Custodial Services (67241) - p. PRCS-12	1,707,600	1,700,395	(14,781)	(50,437)	1,635,177
Bldg. Maint. & Repair Svcs. (67242) - p. PRCS-13	1,584,680	1,593,014	(11,550)	(7,962)	1,573,502
Total	3,292,280	3,293,409	(26,331)	(58,399)	3,208,679
Fund Total	9,360,038	9,291,302	(106,039)	(192,647)	8,992,616
EMPLOYEE BENEFITS FUND					
Finance					
Employee Benefits (67810) - p. Finance-6	3,545,115	3,111,269			3,111,269
Fund Total	3,545,115	3,111,269			3,111,269
WORKERS' COMPENSATION FUND					
Human Resources					
Risk Mgmt. - Workers' Comp (67713) - p. HR-4	2,404,028	2,365,356	(5,912)	(203)	2,359,241
Fund Total	2,404,028	2,365,356	(5,912)	(203)	2,359,241
GENERAL LIABILITY INSURANCE FUND					
Finance					
Risk Management (67711-715) - p. Finance-7	1,432,439	1,410,296	(3,702)	(111)	1,406,483
Fund Total	1,432,439	1,410,296	(3,702)	(111)	1,406,483
TOTAL INTERNAL SERVICE FUNDS	20,391,265	19,830,015	(131,472)	(193,648)	19,504,895
TOTAL ALL FUNDS	179,221,224	176,443,963	(1,676,333)	(3,735,417)	171,032,213

City of Redwood City
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ANALYSIS OF BUDGET BY FUND – 2009/10

	BEGINNING BALANCE	ESTIMATED REVENUES	TRANSFER IN/(OUT)
GENERAL OPERATING FUNDS			
General Fund	18,128,887	75,685,310	(8,658,528)
Library Fund		639,667	6,516,091
Recreation Program Fund		1,766,375	(108,451)
Sandpiper Park and Shores Childcare Reserves			
<i>Subtotal</i>	18,128,887	78,091,352	(2,250,888)
SPECIAL REVENUE FUNDS			
Traffic Safety Fund	13,726	478,866	1,027,250
Special Gas Tax Fund	33,873	1,235,589	789,262
GID-64 Maintenance District	1,096,299	701,566	(250,000)
Seaport Centre Maintenance	983,377	239,090	
Seaport Blvd.Landscape Maintenance	270,773	217,502	
Lido Maintenance District	15,288	196,831	23,619
Grants		1,671,706	
Redevelopment Agency	(1,148,219)	12,674,320	(2,077,554)
S.L.E.S.F. Grant		100,000	
<i>Subtotal</i>	1,265,117	17,515,470	(487,423)
CAPITAL IMPROVEMENT FUNDS			
Utility Users Tax		10,200,000	(7,877,709)
Gas Tax Construction			979,000
Transportation Fund	268,565	1,236,864	
Capital Projects Fund	3,863,345	500,405	6,418,304
GID Facilities Fees Fund	3,039,475		
Water Capital Projects Fund	4,405,663		2,000,000
Sewer Capital Projects Fund	331,278		2,000,000
Grants & Bond Proceeds	1,902,306	3,302,435	
Traffic Impact Fees	2,122,441	427,750	
Traffic Mitigation Funds	3,056,608	95,000	
Parks Impact Fees Fund	90,000		
<i>Subtotal</i>	19,079,681	15,762,454	3,519,595
DEBT SERVICE FUNDS			
Assessment Districts	2,961,838	2,799,071	
City Hall Certificates of Participation	9,306,781	363,913	
Public Financing Authority	4,188,521	2,498,803	2,077,554
<i>Subtotal</i>	16,457,140	5,661,787	2,077,554
ENTERPRISE FUNDS			
Parking Fund	64,511	1,033,261	1,016,397
Water Fund	8,765,282	25,247,237	(1,350,820)
Sewer Fund	951,637	20,882,741	(2,486,415)
<i>Subtotal</i>	9,781,430	47,163,240	(2,820,838)
TOTAL ALL FUNDS	64,712,255	164,194,303	38,000
<i>(excluding Internal Service)</i>			
INTERNAL SERVICE FUNDS			
Equipment Services Fund	5,047,535	4,221,812	
Internal Services Fund	1,073,453	8,944,260	(38,000)
Workers' Compensation Ins. Fund	(457,752)	2,447,881	
General Liability Insurance Fund	1,450,629	1,429,531	
Employee Benefits Fund	2,694,747	4,992,435	
<i>Subtotal</i>	9,808,612	22,035,919	(38,000)
TOTAL ALL FUNDS	74,520,867	186,230,221	

(1) General expenditures are shown net of expenditures that are reimbursed by the Redevelopment Agency

**City of Redwood City
FY 2009-2010 Budget Amendments**

Budget Summary

ANALYSIS OF BUDGET BY FUND – 2009/10

TOTAL AVAILABLE	OPERATIONS DEBT SERVICE	CAPITAL IMPROVEMENTS	TOTAL EXPENDITURE	ENDING BALANCE
85,155,669	70,745,894 (1)		70,745,893	14,409,776
7,155,758	7,155,758		7,155,758	
1,657,924	1,657,924		1,657,924	
				820,796
93,969,351	79,559,576		79,559,576	15,230,572
1,519,842	1,506,116		1,506,116	13,726
2,058,724	2,024,851		2,024,851	33,873
1,547,865	468,674		468,674	1,079,191
1,222,467	106,998		106,998	1,115,469
488,275	190,423		190,423	297,852
235,738	220,450		220,450	15,288
1,671,706	1,671,706		1,671,706	
9,448,547	6,448,867	1,650,000	8,098,867	1,349,680
100,000	100,000		100,000	
18,293,164	12,738,085	1,650,000	14,388,085	3,905,079
2,322,291	2,322,291		2,322,291	
979,000		979,000	979,000	
1,505,429	425,605	950,000	1,375,605	129,824
10,782,054		6,716,020	6,716,020	4,066,034
3,039,475		350,000	350,000	2,689,475
6,405,663		2,000,000	2,000,000	4,405,663
2,331,278		2,000,000	2,000,000	331,278
5,204,741		3,302,435	3,302,435	1,902,306
2,550,191		558,000	558,000	1,992,191
3,151,608				3,151,608
90,000				90,000
38,361,730	2,747,896	16,855,455	19,603,351	18,758,379
5,760,909	2,914,290		2,914,290	2,846,619
9,670,694	878,913		878,913	8,791,781
8,764,878	4,454,357		4,454,357	4,310,521
24,196,481	8,247,560		8,247,560	15,948,921
2,114,169	2,049,658		2,049,658	64,511
32,661,699	24,832,848		24,832,848	7,828,851
19,347,963	17,786,839		17,786,839	1,561,124
54,123,832	44,669,345		44,669,345	9,454,487
228,944,558	147,962,462	18,505,455	166,467,917	63,297,438
9,269,346	3,635,286		3,635,286	5,634,060
9,979,713	8,992,617		8,992,617	987,096
1,990,129	2,359,241		2,359,241	(369,112)
2,880,160	1,406,483		1,406,483	1,473,677
7,687,182	3,111,269		3,111,269	4,575,913
31,806,530	19,504,896		19,504,896	12,301,634
260,751,088	167,467,358	18,505,455	185,972,813	75,599,072

**City of Redwood City
FY 2009-2010 Budget Amendments
Budget Summary**

REVENUE ESTIMATES

	2005-06 ACTUAL	2006-07 ACTUAL	2007-08 ACTUAL	2008-09 BUDGET	2008-09 ESTIMATE	2009-10 BUDGET
GENERAL FUND						
A PROPERTY TAXES						
1 Current Year Secured Taxes	19,795,113	21,813,748	23,196,780	24,750,393	24,433,074	24,788,020
2 Current Year Unsecured Taxes	1,237,116	1,081,947	1,146,914	1,265,985	1,527,804	1,497,348
3 Prior Year Taxes	40,759	(56,605)	11,655	5,000	5,000	25,000
4 Teeter Plan/ERAF Return from County	3,437,022	2,613,447	2,745,317	1,400,000	3,008,754	2,500,000
5 Property Tax In-Lieu of VLF	4,823,530	4,917,828	5,325,590	5,645,729	5,730,537	5,804,002
6 State Take-Aways	(1,451,374)					
Total Property Taxes	27,882,166	30,370,365	32,426,256	33,067,107	34,705,169	34,614,370
B OTHER TAXES & FEES						
1 Sales and Use Taxes	17,902,816	19,208,709	18,136,670	19,345,930	15,904,702	15,777,628
2 Franchises Fees	1,327,402	1,439,358	1,480,112	1,547,545	1,544,819	1,604,212
3 Transient Occupancy Taxes	2,649,605	2,976,694	3,323,638	3,572,946	2,814,000	2,814,000
4 Property Transfer Taxes	1,034,745	766,602	508,267	600,000	260,000	260,000
5 Business License Taxes	1,355,933	1,439,147	1,408,970	1,352,000	1,425,900	1,370,900
Total Other Taxes	24,270,501	25,830,510	24,857,657	26,418,421	21,949,421	21,826,740
C LICENSES AND PERMITS						
1 Building Permits	1,053,978	1,394,253	1,427,431	1,300,000	900,000	1,450,000
2 Other Licenses and Permits	18,021	29,997	31,860	12,330	30,530	30,530
3 Fire Permits	95,782	99,034	99,066	105,000	120,000	120,000
Total Licenses and Permits	1,167,781	1,523,284	1,558,357	1,417,330	1,050,530	1,600,530
D FINES AND FORFEITURES						
1 Parking Fines	605,746	591,235	656,958	600,000	400,000	430,000
2 Administrative Citation Fines	3,825	35,073	(1,745)	3,000	(15,000)	3,000
Total Fines and Forfeitures	609,571	626,308	655,213	603,000	385,000	433,000
E USE OF MONEY AND PROPERTY						
1 Interest Income	1,382,027	1,003,137	1,352,350	874,750	(43,701)	499,750
2 Rents and Concessions	440,818	405,649	388,982	397,000	397,000	397,000
Total Uses of Money and Property	1,822,845	1,408,786	1,741,332	1,271,750	353,299	896,750
F REVENUE FROM OTHER AGENCIES						
1.1 Motor Vehicle In-Lieu Fee	468,955	474,021	341,448	400,000	200,000	200,000
1.2 Motor Vehicle In-Lieu Loan Repayment	1,300,641					
2 Proposition 172 Sales Tax	607,278	603,065	591,413	623,323	567,000	567,000
3 Police Officer Training Reimbursement	26,922	17,343	45,428	25,000	45,000	45,000
4 Police Athletic League	69,558	119,390	109,364	135,000	45,000	52,500
5 Homeowner Property Tax Relief	192,799	190,224	187,112	192,000	190,000	190,000
6 Off Highway License Fee	2,884					
7 State-Mandated Program Reimbursement	160,859	530,071	38,670		21,000	
8 Recreation Program Grants	928,414	770,237	1,044,568	757,816	1,038,000	1,056,983
9 State Booking Fee Reimbursements		106,912				
10 State Contribution for Streets	36,300	34,300	38,300	36,300	36,000	36,300
11 County Fair Oaks Info. and Referral Contributions	67,865	74,196	69,290	71,369	69,290	69,290
12 Fair Oaks Center Contribution/Grants	257,791	276,269	287,369	287,369	287,369	287,369
13 Paramedic Program Contribution	242,388	114,180	115,035	112,000	102,000	102,000
14 Contribution from Port of Redwood City	610,152	330,681	334,911	323,000	300,000	300,000
Total Revenue from Other Agencies	4,972,806	3,640,889	3,202,908	2,963,177	2,900,659	2,906,442

**City of Redwood City
 FY 2009-2010 Budget Amendments
 Budget Summary**

REVENUE ESTIMATES

	2005-06 ACTUAL	2006-07 ACTUAL	2007-08 ACTUAL	2008-09 BUDGET	2008-09 ESTIMATE	2009-10 BUDGET
G CHARGES FOR CURRENT SERVICES						
1 Planning Fees	24,477	182,350	179,799	175,000	114,000	200,000
2 Sale of Maps and Publications	7,382	5,376	6,006	4,000	2,000	6,000
3 Fire Services	272,197	323,516	395,004	431,550	773,000	353,000
4 Fire Inspection Fees	4,638	7,442	8,478	8,000	16,000	15,000
5 Police Services	335,041	320,825	326,116	246,000	155,000	150,000
6 Plan Checking Fees	444,442	724,714	629,172	604,000	426,000	656,000
8 Garbage Collection Franchise Fees	1,545,802	1,674,137	1,899,134	1,994,999	1,977,311	2,025,618
9 Engineering Services	211,249	238,758	412,492	315,000	315,000	455,000
10 Accounting Services	84,845	84,978	65,505	67,338	67,338	68,136
11 Miscellaneous Fees and Charges	23,250	5,576	8,753	4,500	6,000	6,000
12 Senior Advisory Council Reimbursement	212,020	230,674	216,967	293,094	201,477	201,477
13 Reimbursable Planning Contracts	304,525	750,620	602,517	500,000	300,000	500,000
14 SBSA Landscape Maintenance Services	83,178	104,344	102,006	103,319	103,319	107,988
15 Shopping Cart Collection Fees	66,294	64,551	51,742	65,000	65,000	65,000
16 Planning Cost Recovery	171,464	342,237	354,517	450,000	250,000	400,000
17 Courthouse Square Rental Income		710	70	11,000	1,000	1,000
18 After School Program Fees		147,488	106,797	75,000	80,000	80,000
Total Charges for Current Services	3,790,804	5,208,296	5,365,075	5,347,800	4,852,445	5,290,219
H OTHER REVENUE						
1 Sale of Property	5,100					
2 Water Fund Right of Way Comp.	1,739,160	1,925,550	2,118,105	2,249,010	2,249,010	2,250,000
3 Sewer Fund Right of Way Comp.	1,122,008	1,178,334	1,236,900	1,600,101	1,600,100	1,871,542
4 Parking Fund Right of Way Comp.	40,732	40,732	42,000	42,000	42,000	42,000
5 Interdepartmental Operating Transfers	2,288,117	2,124,920	2,206,311	2,547,971	2,547,971	2,192,784
6 Other Revenues	1,496,350	1,680,654	1,599,627	1,530,970	1,543,510	1,760,933
Total Other Revenue	6,691,467	6,950,190	7,202,943	7,970,052	7,982,591	8,117,259
I LIBRARY REVENUE						
1 Library Grants	542,531	545,518	420,360	150,000	1,101,619	150,000
2 County Contribution to Fair Oaks Library	205,572	222,136	234,727	245,000	245,000	245,000
3 Library Services	105,042	163,736	219,701	241,588	110,000	244,667
Total Library Revenue	853,145	931,390	874,788	636,588	1,456,619	639,667
J RECREATION REVENUES						
1 Recreation Program Fees	1,686,046	1,705,759	1,725,546	1,685,024	1,764,170	1,766,375
Total Recreation Revenues	1,686,046	1,705,759	1,725,546	1,685,024	1,764,170	1,766,375
K ANTICIPATED STATE REDUCTIONS						
1 Anticipated State Reductions				(500,000)		
Total Anticipated State Reductions				(500,000)		
Total General Fund Revenues	73,747,132	78,195,777	79,610,075	80,880,249	77,399,903	78,091,352

**City of Redwood City
FY 2009-2010 Budget Amendments
Budget Summary**

REVENUE ESTIMATES

	2005-06 ACTUAL	2006-07 ACTUAL	2007-08 ACTUAL	2008-09 BUDGET	2008-09 ESTIMATE	2009-10 BUDGET
<u>SPECIAL REVENUE FUNDS</u>						
A TRAFFIC SAFETY FUND						
1 Traffic Fines	348,069	368,970	308,770	545,910	399,755	478,866
Total Traffic Safety Fund	348,069	368,970	308,770	545,910	399,755	478,866
B GAS TAX OPERATING FUNDS						
1 Gas Tax Section 2107 and 2017.5	631,531	629,636	616,421	623,500	539,994	539,994
2 Gas Tax Section 2105	467,895	465,412	455,040	459,000	403,151	403,151
3 Gas Tax Section 2106	347,692	343,945	332,534	332,800	292,444	292,444
4 Gas Tax Interest Income	(5,355)	(4,542)	(22,283)			
5 Hauling Fees and Miscellaneous	713	11,809	248,941		23,255	
Total Gas Tax Funds	1,442,476	1,446,260	1,630,653	1,415,300	1,258,844	1,235,589
C MAINTENANCE DISTRICTS						
1 GID 1-64	619,955	642,361	697,095	666,137	704,031	701,566
2 Seaport Centre	210,218	212,282	236,721	217,370	173,800	239,090
3 Seaport Boulevard	217,029	218,668	225,561	219,804	212,500	217,502
4 Lido Area	178,767	182,104	188,250	191,696	192,976	196,831
Total Maintenance District Funds	1,225,969	1,255,415	1,347,627	1,295,007	1,283,307	1,354,989
D GRANTS						
1 Federal Law Enforcement Grants	445					
2 Interest Income	37,762	48,874	56,260			
3 Community Development Block Grant			1,160,020	1,206,677	1,206,677	1,176,819
4 Program Income			400,000	300,000	300,000	300,000
5 Other Grants						194,887
6 Vehicle License Fee Surcharge	60,297	185,790	133,843	65,000		
Total Grants	98,504	234,664	1,750,123	1,571,677	1,506,677	1,671,706
E REDEVELOPMENT HOUSING FUND						
1 Property Tax Increment	1,864,096	2,079,365	2,386,828	4,241,981	4,241,981	4,641,276
2 Interest Income	110,980	178,493	291,106	154,944	154,944	112,528
3 Miscellaneous Revenue	164,489	52,199	24,161			
Total Redevelopment Housing Fund	2,139,565	2,310,057	2,702,095	4,396,925	4,396,925	4,753,804
F REDEVELOPMENT GENERAL FUND						
1 Property Tax Increment	6,510,190	7,449,981	8,516,791	6,993,333	6,993,333	7,878,703
2 Interest Income	278,938	84,591	159,969	89,825	89,825	35,813
3 Other Revenues	205,867	96,859	103,606		6,000	6,000
Total Redevelopment General Fund	6,994,995	7,631,431	8,780,366	7,083,158	7,089,158	7,920,516
Total All Redevelopment Agency Funds	9,134,560	9,941,488	11,482,461	11,480,083	11,486,083	12,674,320
G SUPPLEMENTAL LAW ENFORCEMENT SERVICES FUND GRANT						
1 S.L.E.S.F. Grant	109,639	148,093	148,112	115,000	100,000	100,000
2 Interest Income	2,292	2,422	3,576			
Total S.L.E.S.F Grant	111,931	150,515	151,688	115,000	100,000	100,000
Total Special Revenue Funds	12,361,509	13,397,312	16,671,322	16,422,977	16,034,666	17,515,470

City of Redwood City
FY 2009-2010 Budget Amendments
Budget Summary

REVENUE ESTIMATES

	2005-06 ACTUAL	2006-07 ACTUAL	2007-08 ACTUAL	2008-09 BUDGET	2008-09 ESTIMATE	2009-10 BUDGET
CAPITAL PROJECT FUNDS						
A CAPITAL PROJECTS FUND						
1 Utility Users Taxes	8,684,378	8,403,518	9,709,394	8,470,855	10,000,000	10,200,000
2 Other Revenues	416,771	1,544,975	5,453,334	14,000	264,000	20,000
3 Interest Income	837,458	1,067,953	1,004,751	643,600	483,095	480,405
Total Capital Projects Fund	9,938,607	11,016,446	16,167,479	9,128,455	10,747,095	10,700,405
B TRANSPORTATION FUND						
1 Measure 'A' Funds	1,278,604	1,315,217	1,351,269	1,426,940	1,252,918	1,227,859
2 Interest Income	28,517	19,066	24,129	9,910	22,897	9,005
Total Measure 'A' Funds	1,307,121	1,334,283	1,375,398	1,436,850	1,275,815	1,236,864
C PUBLIC FINANCE AUTHORITY CONSTRUCTION FUND						
1 Series -B- Interest Income	6,477	3,549				
Total Public Finance Authority Construction Fund	6,477	3,549				
D GID 1-64 FACILITIES FEES FUND						
1 Facility Fees					1,340,000	
2 Interest Income	307,823	235,170	283,509	80,000	91,562	
3 Other Revenues			5,775			
Total GID-64 Facilities Fees Fund	307,823	235,170	289,284	80,000	1,431,562	
E CONSTRUCTION GRANTS FUND						
1 Transportation Grants	2,666,583	589,123			1,902,306	3,302,435
2 Transportation Grants			1,112,964			
3 Other Grants		152,036				
4 Interest Income	4,848	12,999	(210)			
Total Construction Grants Fund	2,671,431	754,158	1,112,754		1,902,306	3,302,435
F TRAFFIC MITIGATION FEES FUND						
1 Interest Income	137,870	125,188	211,345	169,000	137,641	95,000
Total Traffic Mitigation Fees Fund	137,870	125,188	211,345	169,000	137,641	95,000
G TRAFFIC IMPACT FEES FUND						
1 Traffic Impact Fees	149,513	692,084	417,894	550,000	140,000	217,750
2 Interest Income	252,863	341,376	281,309	230,000	(13,766)	210,000
Total Traffic Impact Fees Fund	402,376	1,033,460	699,203	780,000	126,234	427,750
H ASSESSMENT DISTRICT BOND PROCEEDS AND INTEREST INCOME						
1 Redwood Shores Traffic Improvement	302,715	30,643	30,114			
2 Pacific Shores Traffic Improvement	47,315	64,162	38,383			
Total Assessment District Fund	350,030	94,805	68,497			
J PARKS IMPACT FEES FUND						
1 Developer Contributions			29,994		90,000	
2 Interest Income			88			
Total Parks Impact Fees Fund			30,082		90,000	
Total Capital Project Funds	15,121,735	14,597,059	19,954,042	11,594,305	15,710,653	15,762,454

**City of Redwood City
 FY 2009-2010 Budget Amendments
 Budget Summary**

REVENUE ESTIMATES

	2005-06 ACTUAL	2006-07 ACTUAL	2007-08 ACTUAL	2008-09 BUDGET	2008-09 ESTIMATE	2009-10 BUDGET
DEBT SERVICE FUNDS						
A GID 1-64 FACILITIES BONDS						
1 Assessments	1,339,444	1,400,778				
2 Interest Income	6,246	4,206	16,062			
Total GID 1-64 Facilities Fund	1,345,690	1,404,984	16,062			
B GID 1-64 RECLAMATION BONDS						
1 Assessments	636,038					
2 Interest Income	10,669	10,616	12,257			
Total GID 1-64 Reclamation Fund	646,707	10,616	12,257			
C PUBLIC FINANCE AUTHORITY						
1 Rental Income	2,224,641	2,155,940	2,172,938	2,283,370	2,283,370	2,281,803
2 Interest Income	69,776	118,718	110,331	97,000	97,000	97,000
Total Public Finance Authority	2,294,417	2,274,658	2,283,269	2,380,370	2,380,370	2,378,803
D 1997 TAX ALLOCATION BONDS						
1 Interest Income	126,608	142,730	124,274	120,000	120,000	120,000
Total 1997 Tax Allocation Bonds	126,608	142,730	124,274	120,000	120,000	120,000
E CITY HALL FINANCING						
1 Interest Income	387,936	490,343	480,008	383,176	383,176	363,913
Total Interest Income	387,936	490,343	480,008	383,176	383,176	363,913
F SEAPORT CONSOLIDATED ASSESSMENT DISTRICT						
1 Assessments	973,049	970,779	831,144			
2 Interest Income	45,760	71,843	73,288			
Total Seaport Consolidated Assess. District Fund	1,018,809	1,042,622	904,432			
G PACIFIC SHORES ASSESSMENT DISTRICT						
1 Assessments	2,058,460	2,009,446	2,219,662	2,005,690	2,005,690	1,787,706
2 Interest Income	80,448	142,443	149,884	122,000	122,000	122,000
Total Pacific Shores Assessment District Fund	2,138,908	2,151,889	2,369,546	2,127,690	2,127,690	1,909,706
H REDWOOD SHORES TRANSPORTATION ASSESSMENT DISTRICT						
1 Assessments	912,733	778,295	845,644	853,721	853,721	837,365
2 Interest Income	43,425	58,568	51,271	52,000	52,000	52,000
Total Redwood Shores Assessment District Fund	956,158	836,863	896,915	905,721	905,721	889,365
Total Debt Service Funds	8,915,233	8,354,705	7,086,763	5,916,957	5,916,957	5,661,787

City of Redwood City
FY 2009-2010 Budget Amendments
Budget Summary

REVENUE ESTIMATES

	2005-06 ACTUAL	2006-07 ACTUAL	2007-08 ACTUAL	2008-09 BUDGET	2008-09 ESTIMATE	2009-10 BUDGET
ENTERPRISE FUNDS						
A PARKING						
1 Property Taxes	50,584	60,689	27,358	25,000	25,000	25,000
2 Parking Fees	438,284	822,328	1,017,708	909,999	941,000	1,008,261
3 Interest Income	34,391	13,978	(4,863)			
4 Miscellaneous Revenues		40,660	84,607			
Total Parking Fund	523,259	937,655	1,124,810	934,999	966,000	1,033,261
B WATER UTILITY						
1 Interest Income	1,713,772	1,491,045	2,190,368	1,281,490	478,804	247,237
2 Facility Fees	237,054	203,887	63,293	250,000	250,000	106,573
3 Connection Fees	92,578	76,966	424,260	120,000	120,000	93,427
4 Water Capacity Fees	19,752	11,843				
5 Basic Service Charges	5,688,687	6,789,301	7,444,202	8,001,000	8,001,000	7,915,000
6 Water Sales	12,576,993	13,709,598	14,381,209	16,573,000	16,573,000	16,835,000
7 Miscellaneous Revenues	89,402	88,088	227,070	45,000	48,000	50,000
8 Capital Grants/Loans			778,597			
Total Water Utility Fund	20,418,238	22,370,728	25,508,999	26,270,490	25,470,804	25,247,237
C SEWER UTILITY						
1 Interest Income	33,622	9,431	120,678	163,977	76,803	87,821
2 Facility Fees	218,075	167,487	63,371	52,000	52,000	50,000
3 Sewer Connection Fees	45,378	44,718	2,776	48,000	48,000	
4 Sewer Service Charges	9,896,592	11,965,466	13,546,819	15,520,000	15,520,000	16,950,000
5 Fair Oaks District	1,819,827	2,202,509	2,396,182	2,469,380	2,469,380	2,904,331
6 Emerald Lakes Area	430,088	528,302	605,654	691,324	691,324	753,526
7 Oak Knoll Area	27,040	29,823	17,679	56,645	56,645	
8 Woodside Sewer Service	26,167	37,943	29,302	44,520	44,520	37,063
9 Miscellaneous Revenues	70,512	69,796	754,930	59,334	59,334	100,000
Total Sewer Utility Fund	12,567,301	15,055,475	17,537,391	19,105,180	19,018,006	20,882,741
Total Enterprise Funds	33,508,798	38,363,858	44,171,200	46,310,669	45,454,810	47,163,240

**City of Redwood City
 FY 2009-2010 Budget Amendments
 Budget Summary**

REVENUE ESTIMATES

	2005-06 ACTUAL	2006-07 ACTUAL	2007-08 ACTUAL	2008-09 BUDGET	2008-09 ESTIMATE	2009-10 BUDGET
INTERNAL SERVICE FUNDS						
A EQUIPMENT SERVICES FUND						
1 Internal Service Charges	2,465,099	2,994,724	3,214,871	3,587,001	3,587,001	3,846,578
2 Interest Income	186,436	172,745	300,271	241,029	116,948	127,828
3 Miscellaneous	210,584	259,253	286,650	274,205	274,895	247,406
Total Equipment Services Fund	2,862,119	3,426,722	3,801,792	4,102,235	3,978,844	4,221,812
B INTERNAL SERVICES FUND						
1 Facility Maintenance Services	1,213,655	1,233,384	1,427,091	1,501,306	1,501,306	1,573,508
2 Facility Custodial Services	1,321,342	1,381,497	1,422,334	1,651,953	1,658,953	1,642,172
3 Central Services	126,504	137,593	192,798	151,674	151,674	161,341
4 Information Technology (IT) Services	1,192,675	1,606,579	1,614,989	1,682,881	1,682,881	1,636,414
5 IT Services - Other Agencies	624,790	584,101	973,534	893,240	917,825	912,077
6 Telephone Services	372,730	380,277	408,487	429,470	429,470	426,485
7 Communication Services	2,119,066	2,218,004	2,297,724	2,451,416	2,451,416	2,465,492
8 Fire Equipment Replacement	88,771	88,771	88,771	88,771	88,771	88,771
9 Miscellaneous	9,235	131,782	122,818			
10 Interest Income	32,515	33,209	72,670	57,000	57,000	38,000
Total Internal Services Fund	7,101,283	7,795,197	8,621,216	8,907,711	8,939,296	8,944,260
C WORKERS' COMPENSATION INSURANCE FUND						
1 Workers' Comp. Insurance Charges	2,401,672	2,250,124	2,149,523	2,128,560	2,128,560	2,194,825
2 Charges to Port	37,628	53,826	38,221	24,134	24,134	25,133
3 Interest Income	167,167	175,006	351,655	262,988		227,923
Total Worker's Compensation Ins. Fund	2,606,467	2,478,956	2,539,399	2,415,682	2,152,694	2,447,881
D GENERAL LIABILITY INSURANCE FUND						
1 General Liability Insurance Charges	1,274,507	1,278,661	1,378,083	1,324,226	1,324,226	1,349,370
2 Insurance Pool Dividends	2,643	(139)	69,966			
3 Interest Income	67,875	68,635	116,327	92,493		80,161
Total General Liability Insurance Fund	1,345,025	1,347,157	1,564,376	1,416,719	1,324,226	1,429,531
E EMPLOYEE BENEFITS FUND						
1 Charges and Interest	958,689	964,545	3,191,939	4,149,406	4,149,406	4,992,435
Total Employee Benefits Fund	958,689	964,545	3,191,939	4,149,406	4,149,406	4,992,435
Total Internal Services Funds	14,873,583	16,012,577	19,718,722	20,991,753	20,544,466	22,035,919
TOTAL REVENUES ALL FUNDS	158,527,990	168,921,288	187,212,124	182,116,910	181,061,455	186,230,221

**COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG)
HOME INVESTMENT PARTNERSHIP FUNDS (HOME)
AMERICAN RECOVERY & REINVESTMENT ACT OF 2009 (ARRA) CDBG
REVENUE AND EXPENDITURE RECAP FOR FY 2009/10**

Sources of Funds

Entitlement Grant	724,430
Estimated Single Family Rehab Income	225,000
Estimated Multifamily (RRP) Income	75,000
HOME Investment Partnership Grant	452,389
ARRA of 2009 CDBG Grant	194,887
Total Estimated Funds	1,671,706

Uses of Funds

General Administration	150,000
Grant Funding to Subrecipients & Housing Activities	574,430
Program Income Funding to Housing & Administrative Support	75,000
Program Income to Subrecipients & Housing Activities	225,000
HOME Investment Partnership Program Expenditures	452,389
ARRA Funds to Housing Activities	194,887
Total Use of Funds	1,671,706

**Community Development Block Grant (CDBG)
 HOME Investment Partnership Program (HOME)
 American Recovery & Reinvestment Act of 2009 (CDBG) ARRA
 Annual Action Plan FY 2009/10**

CDBG Funds	Amount
	\$
General Administration (258-66310-1702)	150,000
Project Sentinel Fair Housing Services	45,000
Total Administration & Support	195,000
Miscellaneous Funding for Non-Profit Organizations	
Housing Activities	
Center for Independence of the Disabled - Housing Accessibility Modification	30,000
Home Improvement Program Support	75,000
Housing First Site Acquisition Project	149,430
Rebuilding Together - Rebuild Day for Very Low Income	20,000
Housing Subtotal	274,430
Non-Housing Public Facility Activities	
Casa de Redwood - Building Improvements and Replacements	74,075
Talk of Broadway Job Creation & Expansion	34,675
Non-Housing Public Facility Activities Subtotal	108,750
Public Service Activities	
CORA - Emergency Shelter for Domestic Violence Survivors	15,000
HIP Housing (Human Investment Project) - Home Sharing Program	15,000
Interfaith Hospitality Network - Rotating Shelter Support	16,250
Mental Health Association - Spring Street Shelter	13,000
Samaritan House - Safe Harbor Shelter	12,000
Shelter Network - Maple Street Shelter	20,000
Shelter Network – Redwood Family House	40,000
Youth and Family Enrichment Services - Daybreak Shelter for Homeless Youth	15,000
Public Services Subtotal	146,250
Total CDBG Funding	724,430
CDBG Program Income	
Home Improvement Loan Program Support	100,000
MultiFamily Rehabilitation Loans	75,000
Single Family Loans	125,000
Total CDBG Program Income Funding	300,000
HOME Funds	
HOME Administration (258-66354)	45,239
CHDO 15% Setaside	67,858
Housing First Site Acquisition Project	339,292
Total HOME Funding	452,389
American Recovery & Reinvestment Act of 2009	
General Administration	19,887
Housing First Site Acquisition Project	175,000
Total CDBG Recovery Act of 2009 Funds	194,887
TOTAL ALL FUND SOURCES	1,671,706

HUMAN SERVICES FINANCIAL ASSISTANCE

HSFA Application Received	City Council Approved FY 2008/09	HSFA Requested FY 2009/10	HHCC Recommendation FY 2009/10	City Council Approved FY 2009/10
	\$	\$	\$	\$
Bay Area Legal Aid	8,000	15,000	8,015	
Center for Independence of the Disabled (CID) - Housing Advocate		10,000		
CORA - 24 Hour Crisis Hotline and Support Services	15,000	25,000	15,000	
Family Service Agency of San Mateo County (FSA) - Senior Dining and Supportive Services	18,000	25,000	19,879	
Fresh Lifelines for Youth, Inc (FLY)	10,000	25,000	9,000	
Friends for Youth, Inc. - Mentoring for Redwood City Youth	5,038	7,500		
International Institute of San Francisco (IISF) - San Mateo County Immigration and Citizenship Program	10,000	25,000	5,000	
International Institute of the Bay Area - Deportation Defense for Immigrant Families	4,000	5,000	5,000	
Kainos Home and Training Center - Medical Care Access and Healthy Solutions (did not apply in FY 08-09)		14,000	8,000	
Legal Aid Society of San Mateo County - HomeSavers Program	10,000	20,000	10,000	
Ombudsman Services of San Mateo County	10,000	10,000	10,000	
Peninsula Volunteers, Inc - Meals on Wheels	12,000	25,000	12,000	
Rape Trauma Services (RTS) - Rape & Sexual Abuse Prevention Program	8,000	10,000	8,000	
Rape Trauma Services (RTS) - Sexual Assault Services Program	10,000	10,000	8,000	
Samaritan House - Free Clinic of Redwood City	17,000	20,000	18,000	
Second Harvest Food Bank of Santa Clara & San Mateo Counties Senior Brown Bag Program	8,000	10,000	8,000	
Service League of San Mateo County - Emergency Material Assistance Program	15,000	20,000	13,000	
Service League of San Mateo County - Hope House	7,000	10,000	7,700	
Teen Pregnancy Coalition of San Mateo County - Teen Talk	13,000	30,000	8,000	
The Salvation Army - Emergency Assistance Program	15,000	25,000	14,000	
Youth and Family Enrichment Services (YFES) - Crisis Intervention and Suicide Prevention Center	9,000	10,000	5,000	
Totals	204,038	351,500	191,594	

**City of Redwood City
FY 2009-2010 Budget Amendments**

Budget Summary

PERSONNEL ALLOCATIONS BY DEPARTMENT¹

Department/Title	Monthly Salary Ranges (\$)	Adopted 2008/09	Recommended 2009/10
City Council			
Mayor	750 - 750	1.00	1.00
Vice Mayor	750 - 750	1.00	1.00
City Council Member	750 - 750	5.00	5.00
Total		7.00	7.00
City Manager			
Administrative Clerk I	3,272 - 3,977	0.39	0.39
Administrative Clerk III	3,957 - 4,810	1.00	0.00
Administrative Secty	4,919 - 5,903	0.00	1.00
Assistant City Manager	7,799 - 9,359	0.25	0.25
City Manager	17,117 - 18,020	0.65	0.65
Community Communications Specialist	7,421 - 8,905	1.00	0.90
Deputy City Manager	12,688 - 15,315	1.00	1.00
Executive Assistant	5,402 - 6,485	0.75	0.75
Office Clerical	1,387 - 3,467	0.69	0.00
Paraprofessional	2,600 - 5,200	0.00	0.43
Rec. & Comm. Svcs Prog. Coord. I	4,599 - 5,589	0.00	0.25
Total		5.73	5.62
City Attorney			
Administrative Assistant	5,145 - 6,178	1.00	1.00
Administrative Clerk III	3,957 - 4,810	1.00	0.00
Assistant City Attorney	10,077 - 13,236	0.75	0.75
City Attorney	15,796 - 15,796	0.80	0.80
Managerial / Professional Level I	3,467 - 6,065	0.63	0.63
Secretary	4,372 - 5,315	0.00	1.00
Total		4.18	4.18
City Clerk			
Administrative Clerk III	3,957 - 4,810	0.50	0.50
City Clerk	8,429 - 8,429	1.00	0.90
Del Driver Stock Clk	3,781 - 4,596	1.00	1.00
Deputy City Clerk	5,145 - 6,178	1.00	0.90
Secretary	4,372 - 5,315	1.00	1.00
Total		4.50	4.30
Community Development Services			
Accounting Technician II	4,518 - 5,491	0.10	0.10
Administrative Secty	4,919 - 5,903	1.00	2.00
Assistant City Attorney	10,077 - 13,236	0.25	0.25
Assistant Engineer II	6,348 - 7,716	6.00	6.00
Assistant Planner	5,704 - 6,934	1.00	1.00

Budget Summary

PERSONNEL ALLOCATIONS BY DEPARTMENT¹

Department/Title	Monthly Salary Ranges (\$)	Adopted 2008/09	Recommended 2009/10
Community Development Services (continued)			
Associate Engineer	6,985 - 8,491	3.00	3.00
Associate Planner	6,275 - 7,628	2.00	2.00
Bldg Maint Worker	4,750 - 5,776	0.22	0.22
Building Inspector	5,870 - 7,135	5.80	5.80
City Attorney	15,796 - 15,796	0.20	0.20
City Clerk	8,429 - 8,429	0.00	0.10
City Manager	17,117 - 18,020	0.35	0.35
Code Enforcement Officer I	5,336 - 6,488	1.00	1.00
Comm. Dev. Services Manager	9,468 - 13,236	4.00	3.00
Community Development Director	11,890 - 15,315	1.00	2.00
Community Development Svcs. Supervisor	7,979 - 9,575	4.00	4.00
Community Development Specialist	5,775 - 7,020	1.00	1.00
Community Service Officer	4,439 - 5,399	2.00	2.00
Contract Fire Plan Checker	5,547 - 5,547	0.60	0.60
Deputy City Clerk	5,145 - 6,178	0.00	0.10
Engineering Tech II	4,711 - 5,729	0.00	0.75
Executive Assistant	5,402 - 6,485	0.15	0.15
Finance Director	12,972 - 16,219	0.15	0.15
Financial Services Manager	9,904 - 11,123	0.05	0.05
Housing & Econ. Develop. Spec. II	5,870 - 7,135	2.00	2.00
Landscape Gardener	4,322 - 5,250	1.00	1.00
Management Analyst II	6,795 - 8,152	2.00	1.00
Paraprofessional	2,600 - 5,200	1.00	1.00
Parks, Rec. & Comm. Svcs. Manager	6,917 - 8,300	0.50	0.50
Permits Technician	4,888 - 5,942	3.00	3.00
Plan Check Engineer	7,979 - 9,575	1.00	1.00
Plan Checker	6,458 - 7,851	1.00	1.00
Public Works Supv	6,912 - 8,293	0.80	0.80
Rec. & Comm. Svcs Prog. Coord. II	5,058 - 6,147	1.00	1.00
Redevelopment Project Manager	7,172 - 8,607	2.00	2.00
Secretary	4,372 - 5,315	4.80	3.80
Senior Accountant	6,777 - 8,130	1.05	1.05
Senior Building Coordinator	6,458 - 7,851	1.00	1.00
Senior Building Inspector	6,791 - 8,257	2.46	2.46
Senior Civil Engineer	8,456 - 10,147	6.00	5.00
Senior Construction Technician	6,577 - 7,994	0.00	1.00
Senior Engineering Technician	5,870 - 7,135	4.00	4.00
Senior Planner	7,253 - 8,704	2.00	2.00
Supv Civil Engineer	8,880 - 10,653	2.00	2.00
Technical Level I	3,467 - 6,065	1.00	1.00
Total		73.48	73.43

Budget Summary

PERSONNEL ALLOCATIONS BY DEPARTMENT¹

Department/Title	Monthly Salary Ranges (\$)	Adopted 2008/09	Recommended 2009/10
Finance			
Account Clerk II	3,930 - 4,778	8.00	7.83
Accounting Technician II	4,518 - 5,491	2.90	2.78
Administrative Assistant	5,145 - 6,178	1.00	1.00
Administrative Clerk I	3,272 - 3,977	0.13	0.13
Administrative Clerk III	3,957 - 4,810	1.00	1.00
Executive Assistant	5,402 - 6,485	0.10	0.10
Finance Director	12,972 - 16,219	0.85	0.85
Financial Services Manager	9,904 - 11,123	0.95	0.95
Funded Executive Director C/CAG	12,281 - 12,281	1.00	1.00
Information Tech Analyst I	5,980 - 7,178	1.00	1.00
Information Tech Analyst II	6,581 - 7,897	1.00	1.00
Information Technology Manager	9,735 - 11,682	1.00	1.00
Managerial / Professional Level I	3,467 - 6,065	1.00	1.00
Parking Meter Collector	3,398 - 4,130	0.90	0.90
Senior Accountant	6,777 - 8,130	2.95	2.95
Senior Information Tech Analyst	7,238 - 8,685	9.00	9.00
Supervising Information Tech Analyst	8,453 - 10,144	2.00	2.00
Webmaster	7,238 - 8,685	1.00	1.00
Total		35.78	35.49
Fire			
Admin Chief / Fire Marshal	9,863 - 11,988	1.00	1.00
Administrative Assistant	5,145 - 6,178	1.00	1.00
Administrative Clerk II	3,600 - 4,374	1.00	1.00
Administrative Secty	4,919 - 5,903	1.00	1.00
Battalion Chief	9,863 - 11,988	4.00	4.00
Fire Captain	8,014 - 9,738	18.00	18.00
Fire Chief	14,395 - 15,690	1.00	1.00
Fire Fighter/engineer	6,274 - 8,009	39.00	39.00
Fire Prev Officer	6,625 - 8,056	3.00	3.00
Secretary	4,372 - 5,315	1.00	1.00
Total		70.00	70.00
Human Resources			
Administrative Clerk III	3,957 - 4,810	2.00	1.00
Human Resources Director	12,688 - 15,315	1.00	1.00
Human Resources Representative	6,035 - 7,248	2.00	2.00
Human Resources Technician	4,589 - 5,504	1.00	1.00
Management Analyst I	6,177 - 7,411	1.00	1.00
Management Analyst II	6,795 - 8,152	1.00	1.00
Sr. Human Resources Representative	6,743 - 8,087	1.00	1.00
Total		9.00	8.00

Budget Summary

PERSONNEL ALLOCATIONS BY DEPARTMENT¹

Department/Title	Monthly Salary Ranges (\$)	Adopted 2008/09	Recommended 2009/10
Library			
Administrative Assistant	5,145 - 6,178	1.00	1.00
Administrative Clerk II	3,600 - 4,374	1.00	1.00
Administrative Clerk III	3,957 - 4,810	1.00	1.00
Building Attendant III	2,317 - 2,815	0.00	0.50
Facility Aide	3,275 - 3,979	1.00	1.00
Librarian II	5,054 - 6,146	8.90	8.55
Library Asst II	3,810 - 4,628	9.79	8.83
Library Director	12,688 - 15,315	1.00	1.00
Library Division Manager	7,452 - 8,940	2.00	1.00
Library Information Tech. Technician	4,956 - 6,024	0.00	1.00
Library Page	1,499 - 1,822	0.50	0.50
Library Services Supervisor	6,485 - 7,781	4.00	4.00
Literacy Tutor - Student Coord	5,054 - 6,146	4.00	4.00
Managerial / Professional Level II	6,067 - 8,667	1.00	0.50
Senior Library Asst	4,187 - 5,089	6.66	6.66
Senior Library Page	1,796 - 2,184	2.17	2.17
Specialist Librarian	5,308 - 6,454	1.00	1.00
Total		45.02	43.71
Parks, Recreation and Community Services			
Administrative Assistant	5,145 - 6,178	1.00	1.00
Administrative Clerk I	3,272 - 3,977	0.00	0.53
Administrative Clerk II	3,600 - 4,374	1.00	1.00
Administrative Clerk III	3,957 - 4,810	3.00	3.00
Bldg Maint Worker	4,750 - 5,776	4.08	4.00
Building Attendant I	1,876 - 2,281	1.41	0.00
Building Attendant II	2,085 - 2,534	2.16	0.00
Building Attendant III	2,317 - 2,815	0.72	0.72
Custodial Services Supervisor	5,345 - 6,415	1.00	1.00
Facility Aide	3,275 - 3,979	3.50	3.50
Facility Leader	3,780 - 4,594	4.00	4.00
Food Service Assistant	1,387 - 2,600	1.00	0.00
Food Service Worker I	1,499 - 1,822	0.56	0.56
Food Service Worker II	1,650 - 2,006	0.75	0.75
Head Chef	2,600 - 4,853	1.00	0.00
Human Services Specialist II	3,598 - 4,374	2.00	2.00
Human Services Specialist III	3,957 - 4,810	1.00	1.00
Landscape Equipment Operator	4,703 - 5,714	1.00	1.00
Landscape Gardener	4,322 - 5,250	20.00	17.50
Lead Landscape Gardener	4,750 - 5,776	5.00	4.00
Lead Maintenance Custodian	3,958 - 4,812	5.00	5.00
Maintenance Custodian	3,603 - 4,375	9.62	9.00
Office Clerical	1,387 - 3,467	2.20	1.67
Paraprofessional	2,600 - 5,200	7.00	7.00

Budget Summary

PERSONNEL ALLOCATIONS BY DEPARTMENT¹

Department/Title	Monthly Salary Ranges (\$)	Adopted 2008/09	Recommended 2009/10
Parks, Recreation and Community Services (continued)			
Parks, Rec. & Comm. Svcs. Manager	6,917 - 8,300	7.50	7.50
Parks, Rec. & Comm. Svcs. Supt.	8,300 - 9,960	2.00	2.00
Parks, Rec. & Comm. Svcs. Director	12,688 - 15,965	1.00	1.00
Rec. & Comm. Svcs Prog. Coord. I	4,599 - 5,589	1.77	0.77
Rec. & Comm. Svcs Prog. Coord. II	5,058 - 6,147	1.50	1.50
Recreation Leader II	1,550 - 1,794	0.55	0.55
Recreation Leader III	1,782 - 2,062	0.52	0.52
Recreation Specialist I	1,969 - 2,364	3.21	3.21
Recreation Specialist II	2,437 - 2,686	6.77	6.77
Recreation Specialist III	2,765 - 3,048	2.88	2.18
Recreation Supervisor	5,998 - 7,196	3.00	3.00
Secretary	4,372 - 5,315	2.00	2.00
Senior Building Maint Worker	5,225 - 6,352	3.00	3.00
Senior Crafts Specialist	4,750 - 5,776	2.00	2.00
Technical Level I	3,467 - 6,065	0.56	0.56
Total		116.26	104.79
Police			
Administrative Assistant	5,145 - 6,178	1.00	1.00
Administrative Secty	4,919 - 5,903	2.00	2.00
Communications Dispatcher	5,680 - 6,906	11.00	11.00
Communications Supervisor	6,520 - 7,823	1.00	1.00
Community Service Officer	4,439 - 5,399	9.00	6.00
Juvenile Specialist	5,208 - 6,249	1.00	1.00
Lead Police Clerk	4,464 - 5,425	1.00	1.00
Lead Public Safety Dispatcher	6,249 - 7,595	1.00	1.00
Parking Enforcement Officer	2,994 - 3,639	0.57	0.57
Police Captain	13,322 - 14,840	3.00	3.00
Police Chief	14,293 - 16,248	1.00	1.00
Police Clerk	4,061 - 4,932	9.00	7.00
Police Officer	7,375 - 8,964	80.00	77.00
Police Sergeant	9,638 - 11,712	15.00	15.00
Records Supervisor	5,940 - 7,212	1.00	1.00
Recreation Specialist III	2,765 - 3,048	0.75	0.75
Total		137.32	129.32
Public Works Services			
Administrative Assistant	4,813 - 5,779	1.00	1.00
Administrative Clerk I	3,272 - 3,977	1.00	1.00
Assistant Engineer II	6,348 - 7,716	1.00	1.00
Community Communications Specialist	7,421 - 8,905	0.00	0.10
Consumer Serv Tech	4,476 - 5,439	8.00	8.00
Customer Support Service Specialist	5,700 - 6,928	1.00	1.00
Equipment Mechanic II	5,027 - 6,110	5.00	5.00

Budget Summary

PERSONNEL ALLOCATIONS BY DEPARTMENT¹

Department/Title	Monthly Salary Ranges (\$)	Adopted 2008/09	Recommended 2009/10
Public Works Services (continued)			
Equipment Service Worker	3,975 - 4,832	1.00	1.00
Fleet Manager	7,286 - 9,137	1.00	1.00
Fleet Supervisor	6,209 - 7,544	1.00	1.00
Lead Equipment Mechanic	6,310 - 7,913	1.00	1.00
Lead Maintenance Electrician	5,628 - 6,838	1.00	0.00
Lead Public Wks Maint Worker	4,939 - 5,999	10.00	10.00
Maint Electrician	5,531 - 6,720	2.00	1.00
Management Analyst II	6,795 - 8,152	1.00	1.00
Public Works Maint Wrkr II	4,476 - 5,439	26.00	23.70
Public Works Maint Wrkr III/Equip Oper	4,703 - 5,714	3.00	3.00
Public Works Services Director	13,323 - 15,965	1.00	1.00
Public Works Superintendent	8,300 - 9,960	4.00	4.00
Public Works Supv	6,912 - 8,293	5.20	5.20
Recycled Water Specialist	5,700 - 6,928	1.00	1.00
Secretary	4,372 - 5,315	3.20	3.20
Tree Maint Worker II	4,524 - 5,500	1.00	1.00
Tree Maintenance Leader	4,974 - 6,047	1.00	1.00
Urban Forestry Specialist	4,599 - 5,590	1.00	1.00
Utilities Specialist	5,700 - 6,928	3.00	3.00
Utility Locator	4,939 - 5,999	1.00	1.00
Water Conservation Specialist	5,700 - 6,928	1.00	1.00
Water Quality Specialist	5,700 - 6,928	2.00	2.00
Total		88.40	84.20
RECAP		Adopted 2008/09	Recommended 2009/10
City Clerk		4.50	4.30
City Council		7.00	7.00
City Manager		5.73	5.62
City Attorney		4.18	4.18
Community Development Services		73.48	73.43
Finance		35.78	35.49
Fire		70.00	70.00
Human Resources		9.00	8.00
Library		45.02	43.71
Parks, Recreation and Community Services		116.26	104.79
Police		137.32	129.32
Public Works		88.40	84.20
Grand Total		596.67	570.04

¹ Personnel under the management control of each department. Salary and benefits (in certain situations) may be distributed to other departments. Excludes casual employees and overtime hours.

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GENERAL FUND

City Council

Employee Costs	
Supplies and Services	(13,000)
Internal Services	(919)
Capital Allocations	
Total	(13,919)

Percentage of Reductions -4.2%

Employee Reductions in FTE	
Vacant	0.00
<u>Filled</u>	<u>0.00</u>
Total	0.00

Description of Proposed Reduction

The reduction in the City Council budget includes \$3,000 in operating supplies and expenses and \$10,000 for conference expenses.

Service Level Impacts

The service level impacts in the Office of the City Clerk for the operating supplies and expenses include the elimination of the weekly newspaper clipping service, elimination of the City Council brochure, and elimination of recording and streaming joint meetings of the City Council and other bodies that take place beyond regular Council meetings.

The reduction in conference expenses will further reduce the ability of the Council to distribute tokens of appreciation, allow attendance at only one Council of Cities dinner per fiscal year, suspend funds available for Council reorganization and recognition events and reduce funding for special facilitated Council meetings.

The reduction in the conference budget will create less availability for Council to attend various conferences and other events that elected officials attend in the performance of their regular duties.

Detail of Programmatic Changes

GENERAL FUND AND RELATED FUNDS

City Manager

Employee Costs	(9,881)	*Shift from General Fund to Water Fund
Supplies and Services	(32,300)	
Internal Services	(11,917)	
Capital Allocations		
Total	<u>(54,098)</u>	

Percentage of Reductions -3.6%*

Employee Reductions in FTE

Vacant	0.00
<u>Filled</u>	<u>0.10</u>
Total	0.10

Description of Proposed Reduction

The reduction to the City Manager’s department budget includes reducing the newly added citywide newsletter from six to four issues annually. A small amount of funding will be redirected to provide more outreach to partially address the communication gap resulting from fewer newsletters. Additionally, the proposed reduction will redirect 0.10 of the of Public Communications Manager position to Public Works Services water division. Information Technology Services hours are also reduced.

Service Level Impacts

The reduction in newsletter frequency, from six to four issues annually, will have an impact on how the City is communicating with the community. With lower newsletter frequency there will be reduced opportunities to reach the community, thus a reduction in communications effectiveness. To partially compensate for the reduction in the newsletter frequency, the advertising portion of this program is retained, and some funds are redirected to other communication and outreach efforts, such as direct mail, paid advertisements, flyers, and outside translation. Reducing or “selling” 0.10 of the Public Communications Manager position to the water division will mean that some Public Communications Manager services, such as the level of assistance to other departments in their communications projects, will be reduced or curtailed.

The reduction in Information Technology (IT) hours will similarly impact the ability to communicate with the community. The reduction will limit certain special projects/efforts for which the City Manager’s Office utilizes IT services, such as surveys, registrations, specialized forms, assistance with web/database/listserv issues, updates to web pages, and assistance with cable TV broadcast issues. This will reduce effectiveness and timeliness of overall general outreach, and may include similar impacts to programs such as Environmental Initiatives/VERDE, Neighborhood Liaison, and Community Building activities, as the department relies heavily on the City website and other electronic forms of communication.

Detail of Programmatic Changes

GENERAL FUND AND RELATED FUNDS

City Attorney

Employee Costs		
Supplies and Services	(64,693)	
Internal Services	(1,906)	
Capital Allocations		
	Total	<u>(66,599)</u>

Percentage of Reductions -6.9%

Employee Reductions in FTE		
	Vacant	0.00
	<u>Filled</u>	<u>0.00</u>
	Total	0.00

Description of Proposed Reduction

The reduction to the City Attorney’s department budget includes \$64,693 from Supplies and Services and \$1,906 from the Internal Services account. Of the \$64,693, \$49,493 in reductions includes reducing office supplies, reference materials, professional services, and conferences and training budgets. Included within this reduction is \$15,000 for outside attorney services allocated to the Human Resources department for employment, labor and negotiations issues.

Additionally, \$50,000 of funding for outside legal services resides in the City Attorney’s budget, which are used as needed by the Human Resources Department for employment related legal matters and outside counsel on employment, labor and negotiations issues, which is part of the Human Resources operating expenses. For FY 2009-2010, Human Resources proposes to reduce this allocation by \$15,000. For the last few years, less funding for outside legal services has been needed and the Human Resources Department has determined that a budgeted amount of \$35,000 should be sufficient to cover such potential expenses.

Service Level Impacts

The primary mission of the City Attorney’s office is to provide expeditious and effective legal advice. From time to time unique legal issues may transpire requiring particular knowledge and experience, and in those instances, the services of special outside legal counsel will be called upon to supplement the legal services of the City Attorney’s staff. The primary adverse impact resulting from the proposed budget reductions would be to reduce access to outside legal counsel thereby extending the response time for providing legal services.

Detail of Programmatic Changes

GENERAL FUND AND RELATED FUNDS

City Clerk

Employee Costs	(27,906)	*Shift from General Fund to C.I.P Fund
Supplies and Services	(16,726)	
Internal Services	(633)	
Capital Allocations		
Total	<u>(45,265)</u>	

Percentage of Reductions -6.7%*

Employee Reductions in FTE	
Vacant	0.00
<u>Filled</u>	<u>0.20</u>
Total	0.20

Description of Proposed Reduction

The reduction to the City Clerk’s department budget includes employee costs reduced by \$27,906, and operating supplies and expenses and professional services reduced in the amount of \$16,726. The employee cost reductions result from a shift to the Capital Improvement Project (CIP) which offset the City Clerk Department budget by that amount. This is justified in that at least two City Clerk department positions provide support to projects in the CIP. Such support is offered by way of reviewing and publishing public notices, providing bid opening services, processing staff reports, recording agreements, and other records management services.

Service Level Impacts

The reductions to operating supplies and expenses and professional services could have adverse impacts on the mostly mandated activities of the City Clerk’s Department, and in the areas of promoting civic engagement for the Council, community, and staff. Impacts on mandated activities include a reduction in adequate staff development in order to be well-trained to accurately and timely attend to the preparation of and records of the City Council, and the processing and recordation of meetings and legal documents. Impacts on non-mandated activities include cuts to office equipment maintenance and upgrades (such as photocopier, scanner and computers) with negative effects such as possible delays, downtime or errors in agenda packet preparation, reduction or delay of the frequency of Municipal Code updates, and delay in the maintenance of document archives technology (Laser Fiche), and reduction in availability of notary services to the public.

Detail of Programmatic Changes

GENERAL FUND AND RELATED FUNDS

Community Development Services

	General Fund	Redevelopment Agency Administration
Employee Costs	(330,191)	(78,903)
Supplies and Services	(4,000)	-
Internal Services	(6,358)	(1,182)
Capital Allocations		
Total	(340,549)	(80,085)
Percentage of reductions	-5.83%*	-2.20%
Employee Reductions in FTE		
Vacant	1.00	1.00
<u>Filled</u>	<u>0.00</u>	<u>0.00</u>
Total	1.00	1.00

*Partial shift from General Fund to C.I.P. Fund

Description of Proposed Reduction

In the General Fund, one Senior Engineer position is eliminated and .20 Supervising Civil Engineer and 1.0 Senior Engineering Technician are shifted to the Capital Improvement Program for a General Fund savings of approximately \$330,000. The administration training budget is transferred to the Planning subprogram and reduced by \$4,000.

The City provides administrative support to the Redevelopment Agency with the Redevelopment Agency then reimbursing the General Fund for these expenditures. One Management Analyst II position was eliminated from the Redevelopment Agency administrative program.

Service Level Impacts

The position of City Engineer, made vacant by a retirement, is currently filled by the temporary upgrade of a Senior Civil Engineer. The vacant Senior Civil Engineer position remains unfilled and will be eliminated. Some long term impact to service levels is anticipated as a result of this action. For the short term, work load can be redistributed to senior staff and junior staff can be trained to absorb tasks at some risk of delay and quality of project reviews. No appreciable impact on service levels is anticipated as result of the transfers to the Capital Improvement Program.

Detail of Programmatic Changes

GENERAL FUND AND RELATED FUNDS

Finance

Employee Costs	(31,791)
Supplies and Services	18,004
Internal Services	(4,855)
Capital Allocations	
Total	<u>(18,642)</u>

Percentage of Reductions -0.4%

Employee Reductions in FTE	
Vacant	0.00
<u>Filled</u>	<u>0.29</u>
Total	0.29

Description of Proposed Reduction

The Finance department is reducing the equivalent of .29 position through voluntary time off and 219 hours of budgeted overtime in the financial services division. This division is also shifting about 30 hours (\$3,684) of IT support to the Capital Projects fund.

The Administrative Services program budget, which contains appropriations of citywide programs and items such as postage, the animal control contract, and citywide memberships, is included in the Finance Department’s budget. Without the increases in the Administrative Support budget, the most significant being the amount budgeted for animal control charges that increased by \$42,000, or 7.7% higher than FY 2008-09, the Finance Department’s budget decreased by \$36,646 or 2.9%.

Service Level Impacts

With less labor resources and increasing regulatory demands, the Financial Services Division will be in a position where there will be delays in responding to requests for support or service. There may also be delays in the month-end close and year-end close due to the reduction in overtime. With less staff available, less time will be allocated to review work products before being released, which may lead to more frequent quality control problems.

Detail of Programmatic Changes

GENERAL FUND AND RELATED FUNDS

Fire

Employee Costs	(525,670)
Supplies and Services	(225,184)
Internal Services	(4,629)
Capital Allocations	
Total	(755,483)

Percentage of Reductions -4.3%

Employee Reductions in FTE	
Vacant	0.00
<u>Filled</u>	<u>0.00</u>
Total	0.00

Description of Proposed Reduction

The department will reduce the supplies and services budget by \$222,734 in order to balance the cost savings of holding a vacant Admin Chief/Fire Marshal position. This vacancy will also allow the Fire Department to save \$2,450 by eliminating the need for a vehicle allowance. Overtime in the Fire Prevention Bureau will be reduced by \$10,000. Holiday overtime (\$48,385) and FLSA overtime (\$7,212) will each be reduced by 10% to reflect average yearly departmental usage. The Department will no longer provide overtime backfill for staff to attend outside school or training (\$60,000). The reduction of \$400,000 in overtime results from taking Engine 9 out of service for approximately 90 shifts out of 365, or a “brown-out” resulting in 25% reductions throughout the course of one year.

Service Level Impacts

The elimination of the Administrative Chief/Fire Marshal position for fiscal year 09/10 will require the Fire Chief to continue to serve as Fire Marshal. The scope of duties and workload of the Fire Marshal position will be evaluated over the next fiscal.

The elimination of relief overtime coverage for fire personnel to attend training and classes during their normal work hours will reduce some training opportunities for personnel.

The “brown-out” of Engine 9 (E9) still allows Station 9 to remain open due to Truck Company 9 (T9) being housed at Station 9; therefore, no stations in Redwood City will be closed. Based on past experience with E9 shift reductions, multiple impacts both to emergency response and administrative activities have resulted. In general, the shift reductions of E9 over the past few years have negatively impacted services as follows:

- One less Fire Company available for response 90 shifts per year (E9)
- Longer response times into the Downtown for an Engine Company carrying hose and water for suppression activities
- Longer response times for the second arriving Engine Company when the first or second arriving company should have been E9

Detail of Programmatic Changes

GENERAL FUND AND RELATED FUNDS

- Greater reliance on Menlo Park Fire to respond directly into Station 11's area (Friendly Acres & CSA-8) and indirectly to fill positions on multi-company responses that E9 would have filled
- Impact to other RCFD companies that are diverted from administrative, training and community education activities
- Community Education will be eliminated at Station 9 on days that E9 is out-of-service because Truck 9 cannot be relied upon to be in quarters
- Increased administrative workload on T9 when E9 is out-of-service, which also limits the ability of the on-duty BC and Training Officer to delegate certain administrative and training duties
- The continuation of the CERT training program at its current activity level may be in jeopardy because of a lack of funding for off-duty participation time

Detail of Programmatic Changes

GENERAL FUND AND RELATED FUNDS

Human Resources

Employee Costs	(87,789)
Supplies and Services	(18,292)
Internal Services	(1,240)
Capital Allocations	
Total	<u>(107,321)</u>

Percentage of Reductions -7.4%

Employee Reductions in FTE

Vacant	0.00
<u>Filled</u>	<u>1.00</u>
Total	1.00

Description of Proposed Reduction

The department's reductions include eliminating one position of Administrative Clerk III, reducing advertising expense by \$11,600 from \$36,600 to \$25,000; and a reduction in training expenses by \$6,699 from \$51,933 to \$45,234.

Service Level Impacts

The Administrative Clerk III is assigned to the training and recruitment function of the department. With the reductions in recruitment and a reduced training schedule for City employees, the position can be eliminated without causing severe workload issues in Human Resources. Also, the HR Director is working with the county and a neighboring city to explore shared service options on training and centralized recruitment functions. In the future, when the volume of recruitment and training increases, these new structures and systems should be in place; if not, staff will need to re-evaluate resources and priorities.

The reduction in the advertising budget will result in decreased recruitment activity in the next fiscal year. However, retirements in key positions are anticipated, which will require funding for adequate recruitment outreach and marketing.

The reduction in the training budget will result in less academy and leadership training being done for City employees. As retirements are anticipated in the future resulting in key leadership positions being vacant, the City will be required to develop its workforce. However, graduates from the academies the City has conducted can be asked to do some of the training and the HR staff can also do more in-house training in the future. This will create more of a workload demand on staff and HR.

Detail of Programmatic Changes

GENERAL FUND AND RELATED FUNDS

Library

Employee Costs	(248,611)
Supplies and Services	(50,000)
Internal Services	(20,109)
Capital Allocations	
Total	(318,720)

Percentage of Reductions -4.3%

Employee Reductions in FTE	
Vacant	1.35
<u>Filled</u>	<u>0.00</u>
Total	1.35

Description of Proposed Reduction

The reductions to the Library include eliminating the following positions: a part-time (.35) vacant Librarian position at the Downtown Library responsible for customer service and supervising after school children; a contract (.50) District Librarian, which is one half of a shared contract with the Redwood City School District (they will not be renewing their half of the contract); a vacant full time (1.0) Division Manager, responsible for IT needs and staff supervision; \$50,000 reduction for print, and on-line reference materials.

Service Level Impacts

The most severe impact is the elimination of the vacant Division Manager. This position has been responsible for direct management of 300 computers, library technology, and two library networks. To mitigate this support, library management has been working to coordinate more closely with City IT for support. The other duty of this position is to supervise staff. The library management staff has been reduced over the years from 13 to 5, with the Division Managers reduced from 3 to 1. With fewer managers, personnel oversight is diminished and staff development will be affected, with some degree of degradation in the quality of library services. A vacant management position is also an opportunity for organizational succession planning and sustainability. As these vacancies are eliminated, the opportunity to hire and retain the next generation of leaders will be lost.

The elimination of the part time Librarian will stretch remaining staff thinner resulting in a degradation of customer service and the safety of the building. This position has been used to fund the after school monitor to ensure the library remains a safe and welcoming environment for all. Because the school district will not be funding their half of the District Librarian’s shared contract, it is not feasible for the library to fund it completely. This will decrease support of the 18 school libraries, including staff training and support. The \$50,000 reduction in reference materials will reduce the sources reference librarians use to help adult customers.

Detail of Programmatic Changes

GENERAL FUND AND RELATED FUNDS

Parks, Recreation and Community Services

Employee Costs	(753,801)
Supplies and Services	(121,878)
Internal Services	(28,435)
Capital Allocations	
Total	(904,114)

Percentage of Reductions -6.4%

Employee Reductions in FTE

Vacant	3.10
<u>Filled</u>	<u>4.33</u>
Total	7.43

Description of Proposed Reduction

The reduction in the Parks, Recreation and Community Services (PRCS) department includes the elimination of 7.43 positions and 3,006 hours (equivalent of 1.44 positions) of casual support or a total workforce reduction of 9.47 positions. Casual support eliminated includes 2080 hours of lifeguard time and 926 hours of casual building attendant hours. In addition, 3.10 currently vacant positions (.40 Lead Landscape Gardener; 1.00 Landscape Gardener, 1.00 Recreation & Community Services Supervisor, and .70 Recreation Specialist) and 4.33 currently filled positions (1.41 Building Attendant I, 1.42 Building Attendant II, and 1.50 Landscape Gardeners) are included in the proposed workforce reduction.

Supplies and services reductions reflect a 6% cut in overall spending in the Human Services Financial Assistance Program, the shift of \$5,000 in support for Shelter Network to federal funding and a 5% reduction in funding available for Civic Cultural Commission grants. In addition, funding to support Downtown landscape and cleaning is reduced by approximately \$60,000, based on one year of actual experience.

Service Level Impacts

The reduction in lifeguard hours reflects the closure of Hoover Pool, with program reductions at Herkner Pool only. Staff will explore the potential rental of the Hoover pool site with other providers. Overall PRCS facility operating hours will be reduced by 12%. Specific reductions include the elimination of morning hours at Sandpiper Community Center, elimination of Sunday hours at Red Morton Center and early closure of most facilities on Monday and Friday evenings. The reduction in landscape staff is offset by artificial turf field installations completed at Marlin and Sandpiper Park and the pending installation at Hawes Field, along with the elimination of the County maintenance contract for Garfield School and a proposal to contract out El Camino Real and Woodside Road landscape median maintenance work.

Detail of Programmatic Changes

GENERAL FUND AND RELATED FUNDS

Police

Employee Costs	(1,138,938)
Supplies and Services	(36,400)
Internal Services	(110,765)
Capital Allocations	
Total	<u>(1,286,103)</u>

Percentage of Reductions -4.5%

Employee Reductions in FTE	
Vacant	4.00
<u>Filled</u>	<u>4.00</u>
Total	8.00

Description of Proposed Reduction

The reduction in the Police Department budget includes eliminating two Police Clerks, three Community Service Officers (CSO's), three Police Officers and the Management Analyst/Police Activities League Director of Development & Operations, which was not budgeted in the FY 2008-09 budgets. Additionally, \$20,000 will be eliminated from casual labor dedicated to parking enforcement, and \$36,400 will be eliminated from memberships and meetings.

Service Level Impacts

The elimination of two Police Clerk positions will create backlogs in data entry, quality control checks and the processing of cases for prosecution. Delays in assisting citizens at the front counter of the Police Department and on the phone will also likely result. The hours that Records will be open to the public will be adjusted from current hours of 8 a.m. to 7 p.m., to 9 a.m. to 6 p.m., to allow Clerks additional time to focus on data entry, quality control checks, and the processing of cases for prosecution.

The elimination of two Patrol CSOs would require police officers to respond to calls for service that would have otherwise been attended to by a CSO. This will reduce the amount of uncommitted time officers presently use for proactive enforcement to serve arrest warrants, contact suspicious persons, and conduct traffic enforcement. Additionally, response times will likely increase for some non-emergency calls.

The elimination of one CSO in the Fraud Investigator position will result in only the most serious cases of fraud being assigned to a police detective, and increased delays will occur from the time of report to actual investigation.

Reducing the pool of available parking enforcement casual labor hours will not significantly impact enforcement efforts, given staffing trends. Current staffing is sufficient to maintain enforcement in the core downtown area. Some parking complaint calls for service may experience increased response times, and some parking citation revenue could be lost.

The elimination of three Police Officer positions will reduce staffing below the levels recommended in the 1997 staffing study, which recommended that the department maintain fifty-five filled and deployable patrol officers. Presently the department has forty-five filled and deployable patrol officers available for duty, with four officers on workers compensation leave or other injuries/medical leaves, two officers in training and three unfilled, vacant positions. The staffing reduction will impact the department's ability to staff behind illnesses, injuries, medical leaves, or resignations. The time it takes to hire a police officer is approximately one year from the date of application to the date on which the officer has completed training and is able to perform as a solo officer.

Reduced Police Officer staffing will increase response times to calls for service. To help minimize the impact on staffing and response times, citizens seeking to report low-level crime such as vandalism, auto burglary, identity theft, petty theft, where little or no significant suspect information exists would be directed to the Police web site. There, they would be directed to print and complete a citizen's crime report, which they would then mail or fax to the Police Department. Or, a citizen crime report would be mailed to the citizen. Those reports would be reviewed upon receipt for follow-up as appropriate.

The elimination of the Management Analyst/PAL Director of Development & Operations (if not funded directly by the PAL Board) would substantially alter PAL's ability to continue to provide services.

The department will end financial support to organizations such as CORA (\$10,000) which provides domestic violence intervention and support, the Chaplaincy Program (\$8,000) which provides members of the clergy to support those in crisis typically due to the loss of a family member, Juvenile Probation (\$10,000) which provides probation officer support at Sequoia High School and Youth and Family Enrichment Services (\$8,400) which provides youth counseling services.

Additionally, the department provides staffing for a number of events throughout the year through a combination of on-duty personnel and overtime. A dedicated police presence will likely not be possible at some of these events, or greatly reduced staffing will take place for: Public Safety Day, Hometown Holidays, 4th of July parade, and other events and various carnivals. Staffing for each event will be reviewed and assigned on a case-by-case basis.

Detail of Programmatic Changes

GENERAL FUND AND RELATED FUNDS

Public Works Services

Employee Costs	
Supplies and Services	
Internal Services	(503)
Capital Allocations	
Total	<u>(503)</u>

Reduction in internal service charges is due to programmatic budget reductions made by internal service providers.

TOTAL CHANGES IN GENERAL FUND \$ (3,991,401)

Detail of Programmatic Changes

GENERAL FUND AND RELATED FUNDS

TRAFFIC SAFETY FUND

Police

Employee Costs	50,013
Supplies and Services	74,400
Internal Services	
Capital Allocations	
Total	<u>124,413</u>

Description of Proposed Additions

This additional funding will support the operation of the Police Department’s Photo Red-light Program to provide for casual labor and equipment leases.

Service Level Impacts

This program enhances traffic safety through the use of photo and video camera enforcement of red-light violations at intersections which are highly trafficked, dangerous, or which are difficult to conduct traffic enforcement through traditional means.

Public Works Services

Employee Costs	(227,193)
Supplies and Services	149,890
Internal Services	(942)
Capital Allocations	
Total	<u>(78,245)</u>

Percentage of Reductions -7.3%

Employee Reductions in FTE	
Vacant	2.00
Filled	<u>0.00</u>
Total	2.00

Description of Proposed Reduction

The reduction in the Public Works Services department includes eliminating 1 vacant Lead Maintenance Electrician position, 1 vacant Maintenance Electrician position, 100% of Electrical Maintenance Office Expense, 100% of Electrical Maintenance Repair & Maintenance Supplies, 100% of Electrical Maintenance Small Tools & Minor Equipment, and 91% of Electrical Maintenance Training Expense.

The department will add back \$316,150 to Professional Services in the Electrical Maintenance Section. \$292,349 of this money will be used to enter into an electrical maintenance contract with a private company to maintain Redwood City’s street lights, traffic signals, and other electrical components. The remaining \$23,801.50 will be used to pay 25% of an Engineering Tech position. The Engineering Tech will assist with Geographic Information System (GIS) related duties in the Right of Way division

including the creation of street light, tree, and electrical GIS data. Currently there is no staff allocated to GIS for the Right of Way division, unlike the Water and Sewer divisions, where staff resources are in place for GIS.

Service Level Impacts

Although Redwood City will lose its in-house electrical maintenance staff, the contract specifications for outside electrical maintenance services will ensure the same level of service.

Detail of Programmatic Changes

GENERAL FUND AND RELATED FUNDS

SPECIAL GAS TAX STREET IMPROVEMENT FUND

Public Works Services

Employee Costs	(220,309)
Supplies and Services	
Internal Services	(982)
Capital Allocations	
Total	(221,291)
Percentage of Reductions	-9.9%

Employee Reductions in FTE	
Vacant	2.30
<u>Filled</u>	<u>0.00</u>
Total	2.30

Description of Proposed Reduction

The reduction in the Public Works Services department include eliminating two vacant Public Works Maintenance Worker I/II positions in the Street System Maintenance Section and 30% of a vacant Public Works Maintenance Worker I/II position allocated to the Storm Water Collection & Disposal Section.

Service Level Impacts

Staffing in the Street System Maintenance Section is reduced from seven to five positions. In contrast, there were 11 full time positions in the Street System Maintenance Section prior to cuts made in fiscal year 2004-2005. The loss of staff will result in a realignment of staffing resources during different seasons of the year (leaf vacuum season vs. storm season). Fewer staff means reduced paving assignments, reduced leaf pick-up services, pothole repair, and sidewalk offset repair. In addition, Sheriff Work Program (SWP) members may be used to help complete work. This reallocation of SWP resources will result in decreased city services such as large debris removal, litter removal, weed abatement, and a general reduction of city cleanliness.

TOTAL CHANGES IN GENERAL FUND & RELATED FUNDS \$ (4,166,524)

SPECIAL REVENUE FUNDS

REDWOOD SHORES LANDSCAPE MAINTENANCE DISTRICT

Parks, Recreation and Community Services

Employee Costs	(60,724)
Supplies and Services	(1,700)
Internal Services	
Capital Allocations	
Total	<u>(62,424)</u>

Percentage of Reductions -22.0%

Employee Reductions in FTE	
Vacant	0.00
<u>Filled</u>	<u>0.60</u>
Total	0.60

Description of Proposed Reduction

Reduces staff allocation to the fund from 1.00 to .60 Lead Landscape Worker.

Service Level Impacts

Adjusts staff allocations and supplies such that costs do not exceed revenues from the district, along with the City's pro-rated share.

CATEGORICAL GRANTS FUND

Federal Grants Program- Community Development Services

Employee Costs	
Supplies and Services	158,734
Internal Services	
Capital Allocations	
Total	<u>158,734</u>

Description of Proposed Reduction

\$31,915 was added to the miscellaneous services to reflect the latest funding amount that is anticipated. The previous number was an estimate and the increase represents the actual entitlement amount received.

Service Level Impacts

The receipt of an increased entitlement allows programs to be funded at a higher amount than previously shown.

Rental Income Program - Community Development Services

Employee Costs	
Supplies and Services	(5,757)
Internal Services	
Capital Allocations	
Total	<u>(5,757)</u>

Description of Proposed Reduction

This account is funded from Program Income to supplement grant funds awarded. The budgeted expense must equal budgeted revenue. Prior to the \$5,757 reduction, budgeted expenses were \$305,757. However, there was only \$300,000 budgeted on the revenue side. Therefore the expenses budgeted in Miscellaneous Services were reduced by \$5,757 so that the bottom line expense budget matched the bottom line total budget on the revenue side.

Service Level Impacts

This reduction removed funding allocated for advertising and marketing of the Housing Rehabilitation and Minor Home Repair Programs. The Housing Division will seek innovative ways to combine housing marketing efforts for federally funded programs in order to advertise the rehabilitation loan and minor repair programs at the same level as in prior years.

REDEVELOPMENT AGENCY

Housing Fund - Community Development Services

Employee Costs	
Supplies and Services	(37,159)
Internal Services	
Capital Allocations	
Total	<u>(37,159)</u>

Description of Proposed Reduction

The \$37,159 is a combination of savings from the salary freeze (\$9,232) and programmatic changes (\$27,927 of employee and internal services costs).

Service Level Impacts

Service levels will not be impacted.

RDA General Fund - Community Development Services

Employee Costs	
Supplies and Services	132,572
Internal Services	
Capital Allocations	
Total	<u>132,572</u>

Description of Proposed Reduction

The \$132,572 is a combination of savings from the salary freeze (\$39,015) and programmatic changes (\$52,158 of employee and internal services costs), offset by anticipated increases in pass-through payments to agencies in the amount of \$223,745.

Service Level Impacts

Service levels will not be impacted.

TRANSPORTATION FUND

Finance

Employee Costs	
Supplies and Services	5,000
Internal Services	
Capital Allocations	
Total	<u>5,000</u>

Description of Proposed Reduction

The increased appropriation is to increase funding for the commuter incentives program which provides discounts on public transportation tickets and rewards to City employees who utilize public transportation. The increase in this budget responds to the increased participation by City employees.

Service Level Impacts

Service levels will not be impacted.

Detail of Programmatic Changes

SPECIAL REVENUE FUNDS

LAW ENFORCEMENT GRANTS

Police

Employee Costs	
Supplies and Services	(11,778)
Internal Services	
Capital Allocations	
Total	<u>(11,778)</u>

Description of Proposed Reduction

Projections for grant funding have been revised to better align with updated state grant revenue forecasts.

Service Level Impacts

Service levels will not be impacted.

TOTAL CHANGES IN SPECIAL REVENUE FUNDS \$ 179,188

ENTERPRISE FUNDS

PARKING DISTRICT FUND

Community Development Services

Employee Costs	
Supplies and Services	263,302
Internal Services	(345)
Capital Allocations	
Total	<u>262,957</u>

Describe What Was Added

We now have two years of historical parking fund expenditure data which are available to more accurately project anticipated expenditures in each supplies and services budget. The total supplies and services portion of the FY 2009-2010 Parking Facilities Operation budget, including the \$263,302, is \$725,500.

Service Level Impacts

Service levels will not be impacted.

Public Works Services

Employee Costs	
Supplies and Services	
Internal Services	(182)
Capital Allocations	
Total	<u>(182)</u>

Reduction in internal service charges is due to programmatic budget reductions made by internal service providers.

WATER FUND

Finance

Employee Costs	
Supplies and Services	
Internal Services	(2,447)
Capital Allocations	
Total	<u>(2,447)</u>

Reduction in internal service charges is due to programmatic budget reductions made by internal service providers.

Public Works Services

Employee Costs	15,782
Supplies and Services	1,581,000
Internal Services	(161,273)
Capital Allocations	
Total	<u>1,435,509</u>

Describe What Was Added

Employee Costs increased in the Water Resources Management Section. Supplies and Services increased by \$1,581,000 in the SFWD Water Purchases Section because the San Francisco Public Utilities Commission (SFPUC) increased the wholesale cost of water by 16%.

Service Level Impacts

The Water Fund had anticipated the \$1,581,000 increase in Supplies and Services. To offset this expenditure, the Water Fund had built in the \$1,581,000 to their proposed water rate increase. The proposed water rate increase will increase water service charges and consumption rates by 9% in FY09-10 and has been presented to City Council on June 1, 2009 for approval.

SEWER FUND

Public Works Services

Employee Costs	
Supplies and Services	(1,342,333)
Internal Services	92,063
Capital Allocations	
Total	<u>(1,250,270)</u>

Describe What Was Added

Supplies and Services increased by \$416,667 in the Sewer System Maintenance Section because of the inter-fund loan agreement between the Water and Sewer Fund. The inter-fund loan agreement requires two semi-annual payments of \$416,667 from the Sewer Fund to the Water Fund during FY09-10 for a total of \$833,334. Supplies and Services was budgeted \$416,667 during FY09-10, therefore an additional \$416,667 was added for a total of \$833,334.

Supplies and Services decreased by \$1,759,000 in the Waste Water Treatment and Disposal Section due to SBSA releasing a revised budget (approved by the SBSA Commission). The revised SBSA budget was lower than the previously estimated SBSA budget; therefore, an adjustment was made to reflect this change.

Service Level Impacts

The Sewer Fund had anticipated the \$416,667 increase in Supplies and Services. To offset this expenditure, the Sewer Fund had built in the \$416,667 to their proposed sewer rate increase. The proposed sewer rate increase will increase the basic sewer service charge by 9% in FY09-10 and has been presented to City Council on June 1, 2009 for approval. The \$1,759,000 decrease in the Waste Water Treatment and Disposal Section (65154) will not cause any service level impacts.

TOTAL CHANGES IN ENTERPRISE FUNDS

\$ 445,567

Detail of Programmatic Changes

INTERNAL SERVICES FUNDS

INTERNAL SERVICE FUNDS

EQUIPMENT SERVICES FUND

Public Works Services

Employee Costs	
Supplies and Services	
Internal Services	(687)
Capital Allocations	
Total	<u>(687)</u>

Reduction in internal service charges is due to programmatic budget reductions made by internal service providers.

INTERNAL SERVICES FUND

Finance

Employee Costs	
Supplies and Services	(25,000)
Internal Services	(1,203)
Capital Allocations	
Total	<u>(26,203)</u>

Description of Proposed Reduction

The Telephone Services Division is reducing the amount budgeted to pay for telecommunication charges by \$25,000.

Service Level Impacts

Anticipating that the City would experience a need to reduce expenditures, the IT staff embarked on a goal to move much of the City’s voice and data network from lines leased from AT&T to City owned lines, and lines provided to the City free of charge from Comcast and Astound under the provisions of the City’s franchise agreements with these two cable operators. If the need for additional telecommunications lines does not increase there should be no adverse affects from reducing the appropriation for telecommunications charges.

Police

Employee Costs	(108,045)
Supplies and Services	
Internal Services	
Capital Allocations	
Total	<u>(108,045)</u>

Description of Proposed Reduction

Both regular and holiday overtime for Police Dispatchers will be reduced.

Service Level Impacts

Regular overtime will be reduced without impacting normal operations. Staffing levels will be managed to ensure that sufficient funding will remain to provide for the overtime staffing needs of the Dispatch Unit through a year of normal operations.

Holiday overtime will be reduced without impacting normal operations. Sufficient funding will remain to address holiday overtime staffing as necessary to support the Dispatch Unit through a year of normal operations.

Parks, Recreation and Community Services

Employee Costs	(58,394)
Supplies and Services	
Internal Services	(5)
Capital Allocations	
Total	<u>(58,399)</u>

Employee Reductions in FTE	
Vacant	0.00
<u>Filled</u>	<u>0.70</u>
Total	0.70

Description of Proposed Reduction

Employee costs are reduced by .70 FTE (.62 Maintenance Custodian and .08 Building Maintenance Worker). These partial positions were allocated to support the new Redwood Shores Library Facility.

Service Level Impacts

PRCS is responsible for building maintenance and custodial services for all City facilities. The elimination will lessen our ability to bring in any support for any normal or extended leaves.

While, the specific loss of .08 Building Maintenance staff will have no visible service impact, this budget subprogram has consistently over expended its allocation by approximately \$150,000, which has been made up for by under expenditures in the PRCS general fund. These over expenditures are a reflection of our ongoing Capital expenditure which has added upgraded parks, water features, restrooms and new building such as the RWS library without a corresponding increase in the maintenance staff and services budget.

WORKERS' COMPENSATION FUND

Human Resources

Employee Costs	
Supplies and Services	
Internal Services	(203)
Capital Allocations	
Total	<u>(203)</u>

Reduction in internal service charges is due to programmatic budget reductions made by internal service providers.

Detail of Programmatic Changes

INTERNAL SERVICES FUNDS

GENERAL LIABILITY INSURANCE FUND

Finance

Employee Costs	
Supplies and Services	
Internal Services	(111)
Capital Allocations	
Total	<u>(111)</u>

Reduction in internal service charges is due to programmatic budget reductions made by internal service providers.

TOTAL CHANGES IN INTERNAL SERVICE FUNDS \$ (193,648)

TOTAL CHANGES IN ALL FUNDS \$ (3,735,417)

City of Redwood City
FY 2009-2010 Budget Amendments
Budget Options

In addition to the \$4.2 million of programmatic reductions included in the recommended budget the Executive Team compiled a list of additional programmatic cuts that could be substituted if the Council decides to reject specific recommended reductions. There are 15 discreet reduction options on the list which total nearly \$2.4 million:

- 13 of the 15 options would result in additional lay-offs, up to 15.1 positions (\$2 million)
- One option would further reduce or eliminate the city newsletter (range of choices - \$15,000 to \$129,000)
- One option would eliminate the entire proposed CCC and HSFA funding (\$256,000)

Also, the team agreed that the best additional revenue option is to halve the Parking Fund deficit (that is subsidized by the general fund) by doubling parking meter and gated facilities rates. Additional revenues of \$480,000 to \$650,000 would be generated annually as a result of this change.

In aggregate, the total beneficial impact of these options to the general fund is \$2.85 to \$3.02 million.

Recommended Next Steps

Subsequent to the completion of the options list the voters of California defeated propositions 1A-1E in the May 19th special election and thus the likelihood of the State enacting its borrowing authority under existing State law has dramatically increased. Because we do not know if or when the State may take such action, and due to the magnitude of the amount of revenues at risk, we recommend that the Council accept the budget changes as presented and consider directing staff to return as early as August 2009 with a set of further recommendations and options from the list in response to State actions.

At this juncture the executive team regards the State's pending action as a loss that will not be repaid and we remain highly skeptical of the State's ability to correct its fiscal course. Therefore, we would recommend reducing City costs quickly and preserving the City's reserves if the State triggers the borrowing process. Further cuts are deemed as the best long-term strategy toward sustainability.

Should the State decide not to borrow local revenues we recommend that the City Council direct staff to present additional expenditure reductions throughout FY 2009-10 if updated information indicates continuing erosion of revenues.

Future Years

Current projections show annual general fund operating deficits between \$2.9 million and \$7.9 million over each of the next four years. It is clear that reducing these deficits will need to be one of the Council's top priorities and will command staff's attention as well.

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City of Redwood City
 FY 2009-2010 Budget Amendments
Interfund Transfers

	FY 2009-2010	
	Transfer	
	In	Out
GENERAL FUND		
GID 1-64 Maintenance Fund	250,000	
Lido Landscape		(23,619)
Gas Tax Capital Projects Fund		(789,262)
Water Fund		(162,765)
Capital Projects Fund Interest Income	480,405	
Parking Fund		(1,016,397)
Internal Services Fund Interest Income	38,000	
Traffic Safety Fund		(1,027,250)
	<u>768,405</u>	<u>(3,019,293)</u>
CAPITAL PROJECTS FUND		
Utility Users Tax Fund	7,877,709	
Gas Tax Capital Fund		(979,000)
General Income Fund		(480,405)
	<u>7,877,709</u>	<u>(1,459,405)</u>
GAS TAX CAPITAL FUND		
Capital Projects Fund	979,000	
GAS TAX OPERATIONS FUND		
General Fund	789,262	
GID 1-64 FUND		
General Fund		(250,000)
INTERNAL SERVICE FUND		
General Fund		(38,000)
LIDO LANDSCAPE MAINT. DISTRICT		
General Fund	23,619	
PARKING FUND		
General Fund	1,016,397	
PUBLIC FINANCING AUTHORITY FUND	2,077,554	
REDEVELOPMENT AGENCY FUND		(2,077,554)
SEWER FUND		
Sewer Capital Fund		(2,000,000)
Water Fund		(486,415)
		<u>(2,486,415)</u>
SEWER CAPITAL FUND		
Sewer Operations Fund	2,000,000	
TRAFFIC SAFETY FUND		
General Fund	1,027,250	
UTILITY USERS TAX FUND		
Capital Projects Fund		(7,877,709)
WATER FUND		
General Fund	162,765	
Water Capital Fund		(2,000,000)
Sewer Fund	486,415	
	<u>649,180</u>	<u>(2,000,000)</u>
WATER CAPITAL FUND		
Water Operations Fund	2,000,000	
TOTAL	<u>19,208,376</u>	<u>(19,208,376)</u>

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CAPITAL IMPROVEMENT PROJECTS

2009-2010

City of Redwood City
 FY 2009-2010 Budget Amendments
Capital Improvement Projects by Funding Source

	<u>Original</u> <u>2009/10</u> \$	<u>+/-</u> <u>2009/10</u> \$	<u>Amended</u> <u>2009/10</u> \$
Capital Projects Fund			
On Going Programs			
1. Carpet Replacement Program	100,000		100,000
2. City Parking Lots Resurfacing Program	100,000		100,000
3. Civic Facilities Miscellaneous Replacement Program	25,000		25,000
4. Civic Facilities Painting Program	95,000		95,000
5. Civic Facilities Re-lamping Program	35,000	42,000	77,000
6. Communication and Technology Program	25,000		25,000
7. Island and Median Renovation Program	100,000		100,000
8. Geographic Information (GIS) System Development	100,000		100,000
9. Information Technology Servers Replacement Program	85,000	(8,000)	77,000
10. Neighborhood/Community Builders Program	15,000		15,000
11. Park Playground Equipment Replacement Program	250,000		250,000
12. Parkway Fence Replacement (Redwood Shores)	40,000		40,000
13. Restroom Replacement Program	120,000		120,000
14. Roof and Heating, Ventilating, Air Conditioning Program	115,000		115,000
15. Tree Planting and Establishment Program	90,000		90,000
16. Tree Preservation/Sidewalk Repair Program	950,000		950,000
17. Tenant Improvement Program	20,000	(20,000)	
Building/Facilities/Systems			
1. Fire Training Tower/Water Drafting Pit	300,000	(300,000)	
2. Library Public Computer System Upgrade	75,000		75,000
3. County wide Mutual Aid Radio System (Local Share)	29,200		29,200
Parks, Play Fields and Public Spaces			
1. Hawes Park Bleacher Project	600,000		600,000
Storm Drainage System			
1. Collection System Upgrade Program	400,000	(200,000)	200,000
2. Creeks and Lagoons Improvement Program	200,000		200,000
3. Pump Station Equipment Replacement Program	50,000		50,000
4. Redwood Shores Lagoon Dredging	250,000	150,000	400,000
5. Redwood Shores Lagoon Dewatering Structure	100,000	(100,000)	
Flood Protection			
1. Federal Emergency Management Agency Levee Compliance Start-up	150,000	265,000	415,000
<i>Subtotal Capital Projects Fund</i>	<u>4,419,200</u>	<u>(171,000)</u>	<u>4,248,200</u>
Other Appropriations			
1. Contingency (10% of subtotals)	441,920	(9,100)	432,820
2. Capital Improvement Project Staff and Administration	810,000	175,000	985,000
3. Debt Service		1,050,000	1,050,000
Total Capital Projects Fund	<u>5,671,120</u>	<u>1,044,900</u>	<u>6,716,020</u>

City of Redwood City
 FY 2009-2010 Budget Amendments
Capital Improvement Projects by Funding Source

	<u>Original 2009/10</u>	<u>+/- 2009/10</u>	<u>Amended 2009/10</u>
	\$	\$	\$
Gas Tax Construction Fund			
1. Neighborhood Traffic Calming Program	100,000	100,000	200,000
2. Pedestrian Crosswalk Warning Lights Program	50,000		50,000
3. Pedestrian Time-Display Signal Program	25,000		25,000
4. Bridge Rehabilitation Program	100,000	(100,000)	
5. Street Light Installation Program	100,000	(100,000)	
6. Thermoplastic Pavement Markings	65,000		65,000
7. Veterans Boulevard Widening (Chestnut-Woodside)	250,000	(250,000)	
8. Emergency Vehicle Traffic Signal Pre-Emption	95,000	(95,000)	
9. Traffic Signal Replacement/Upgrade Program	100,000	(100,000)	
10. Transportation Planning		250,000	250,000
11. Roadway Management Program		300,000	300,000
<i>Subtotal Gas Tax Construction Fund</i>	885,000	5,000	890,000
Contingency			
1. Gas Tax Construction Fund Contingency (10% Subtotal)	88,500	500	89,000
Total Gas Tax Construction Fund	973,500	5,500	979,000
Transportation Fund - Measure A			
1. Street Pavement Management Program	1,070,000	(120,000)	950,000
Total Transportation Fund - Measure A	1,070,000	(120,000)	950,000
Traffic Impact Fees			
1. Traffic Impact Fees			
2. Americans with Disabilities Act Ramp Program	50,000		50,000
3. Neighborhood Traffic Calming Program	100,000		100,000
4. Pedestrian Crosswalk Warning Lights Program	50,000		50,000
5. Shuttle Bus Services	75,000		75,000
6. Bicycle/Pedestrian Enhancement Program	50,000		50,000
7. Veterans Boulevard Widening (Chestnut to Woodside)	500,000	(500,000)	
8. Program Administration		233,000	233,000
Total Traffic Impact Fees	825,000	(267,000)	558,000
Water Fund			
System Replacement			
1. Water Pumps and Controls Replacement Program	50,000	(50,000)	
2. Distribution System Replacement Program	2,000,000	(620,000)	1,380,000
3. Water System Facility Replacement	50,000	(50,000)	
4. Port of Redwood City System Review/ Rehabilitation	50,000	(50,000)	
System Upgrade Projects			
1. Water System Seismic Upgrade - (Seismic Improvement Program)	200,000	(200,000)	
2. Cathodic Protection Program	20,000	180,000	200,000
3. Master Meter/ Backflow Preventer	250,000	(250,000)	
4. New Water Meter Technology Pilot Program	60,000	(60,000)	
5. Water Tank Feasibility Study	100,000	(100,000)	
6. California Pump House and Generator	100,000		100,000
7. Water Capital Improvement Strategic Plan		200,000	200,000

City of Redwood City
 FY 2009-2010 Budget Amendments
Capital Improvement Projects by Funding Source

	Original 2009/10 \$	+/- 2009/10 \$	Amended 2009/10 \$
Support Facilities/Equipment			
1. Water Geographic Information System Development and Update	100,000		100,000
2. Water Quality Monitoring and System Modeling	20,000	(20,000)	
3. Asset Management Software		20,000	20,000
Special Policy/Regulatory/Demand Management Initiatives			
1. Water Conservation Program	100,000	(100,000)	
2. Irrigation Well at City Parks	100,000	(100,000)	
Total Water Fund	3,200,000	(1,200,000)	2,000,000
Sewer Fund			
Sanitary Sewer System Replacement			
1. Collection System Replacement Program	1,780,000	(410,000)	1,370,000
2. Pump Station and Control Replacement Program	50,000		50,000
3. Pump Station #12 Renovation		200,000	200,000
4. Pump Station #25 Rehabilitation Project		150,000	150,000
Sanitary Sewer System Upgrade Projects			
1. Sewer Inflow and Infiltration Program	30,000	10,000	40,000
2. Closed Circuit Television Program	100,000	20,000	120,000
Support Facilities/Equipment			
1. Sewer GIS System Development/Update	30,000		30,000
2. Sewer Block Book Update		10,000	10,000
3. Asset Management Software		20,000	20,000
4. Capacity Assessment/Master Planning	10,000		10,000
Special Policy/Regulatory/Capacity Initiatives			
1. El Camino Real Groundwater Mitigation			
Total Sewer Fund	2,000,000		2,000,000
General Improvements District 1-64			
Storm Drainage/Lagoon			
1. Lagoon Rock Rip-Rap		(174,870)	(174,870)
2. Lagoon circulation Study II		(11,054)	(11,054)
3. Lagoon Circulation Enhancement		(11,796)	(11,796)
Levee System			
1. Wetland Mitigation Improvement		(48,705)	(48,705)
2. Permits & Entitlements		(12,358)	(12,358)
3. Predator Mng't/Environmental Compliance		(131,910)	(131,910)
4. Exterior Levee Certification		1,685,865	1,685,865
Traffic Signals			
1. Redwood Shores/Bridge Parkway		(213,000)	(213,000)
Parks, Play Fields and Public Spaces			
1. Davit Lane Parcel 1.70 Acre		(50,000)	(50,000)
2. Shoreline Park Restroom		(200,000)	(200,000)

City of Redwood City
 FY 2009-2010 Budget Amendments

Capital Improvement Projects by Funding Source

	Original 2009/10 \$	+/- 2009/10 \$	Amended 2009/10 \$
Building/General Administration			
1. Redwood Shores Library		(369,367)	(369,367)
2. City of Redwood City GID Administration		(52,379)	(52,379)
3. Redwood Shores Inc. GID Administration		(24,430)	(24,430)
4. Update Current CIP Manual		(10,996)	(10,996)
5. GID Redbook Update		(25,000)	(25,000)
Total General Improvement District 1-64		350,000	350,000
Redevelopment Agency (RDA)			
RDA Housing:			
1. Housing Project - General / Landbanking	1,700,000	(1,700,000)	
2. Capital Budget - Housing - Bradford	1,000,000		1,000,000
RDA General:			
1. Marina Area Planning Study		100,000	100,000
2. Hoover Mobility Project		500,000	500,000
3. Contingency (Additional Funding)	300,000	(300,000)	
4. Downtown Seasonal Banners & Decorations	50,000		50,000
Total Redevelopment Agency	3,050,000	(1,400,000)	1,650,000
Transportation and Other Grants (Parks, Transportation, etc.)			
1. Proposition 42, Transportation Congestion Improvement Act		730,873	730,873
2. American Recovery and Reinvestment Act of 2009		1,056,000	1,056,000
3. California Integrated Waste Management Grant		165,612	165,612
4. Transportation Development Act		141,263	141,263
5. SB 286 Prop. 1 B - Roadway Management	1,208,687		1,208,687
Total Transportation and Other Grants	1,208,687	2,093,748	3,302,435
TOTAL CIP FOR 2009/10	13,579,107	4,926,348	18,505,455

City of Redwood City
 FY 2009-2010 Budget Amendments
Capital Improvement Projects Summary

SUMMARY FY 2009-2010

PROJECTS	Original 2009/10	+/- 2009/10	Amended 2009/10
	<u>\$</u>	<u>\$</u>	<u>\$</u>
Capital Projects Fund	5,671,120	1,044,900	6,716,020
Gas Tax Construction Fund	973,500	5,500	979,000
Transportation Fund - Measure A	1,070,000	(120,000)	950,000
Traffic Impact Fees	825,000	(267,000)	558,000
Water Fund	3,200,000	(1,200,000)	2,000,000
Sewer Fund	2,000,000		2,000,000
General Improvement District 1-64		350,000	350,000
Redevelopment Agency	3,050,000	(1,400,000)	1,650,000
Grants	1,208,687	2,093,748	3,302,435
TOTAL	17,998,307	507,148	18,505,455

NOTE: For purposes of transferring existing appropriations throughout the fiscal year, all projects within a fund are considered to be a single sub-program.