

### **Description of Proposal**

- (A) Decentralize (close) warehouse services. Freeze one central store specialist position and eliminate all associated costs – continue mail services only (same as 2% & 4.5% reductions).
- (B) Freeze one vacant public works maintenance worker I/II position in the streets and parking lots maintenance section and freeze one vacant public works maintenance worker I/II position in the traffic operations section (same as 2% & 4.5% reductions).
- (C) Decrease the dollar value of the annual street tree maintenance contract by 17% (additional cut).
- (D) Transfer inspector communication supplies and services to the capital improvement program - tree preservation and sidewalk project (same as 4.5% reductions).
- (E) Freeze one position in the street cleaning section and reduce associated make up and overtime hours, supplies and services, and equipment costs. Transfer existing operator to right-of-way division, fill additional vacancy (additional cut).
- (F) Reduce various supplies associated with reduced staffing and less productive work (additional cut).
- (G) Reduce the quarterly cleaning of the downtown pavers by one cleaning – from four to three times per year (additional cut).

### **Service Level Impact – What specifically will happen or not happen if this reduction is made?**

- (A) All City departments will have to purchase and stock their own materials and supplies.
- (B) 12.5% reduction in the street section's labor force and 33% reduction in traffic section's labor force – decrease leave time coverage and staffing flexibility. The freezing of the street section position will reduce street crack sealing by 10% and create delays in temporary sidewalk repairs by two to three days. The freezing of the traffic section position will reduce the amount of pavement legends and red curbs painted each year by 15%. Staff will replace missing or illegible street signs only, and eliminate preventative maintenance street sign program.
- (C) Fewer street trees (ranging from 140 to 280 trees) pruned during fiscal year. Delay response to pruning service requests. Over time, the condition of the urban forest will decline and may become an increasing liability.
- (D) Reduce the number of sidewalk repair sites by one or two.
- (E) Reduction in the level of street cleaning services from twice to once per month to the residential districts and once every other week for some commercial and industrial districts. Eliminate holiday make up schedule.
- (F) Eliminate street light pole painting. Reduce purchase of asphalt material (~4%). Staff will not replace aging trash receptacles that are still functional.
- (G) The appearance of downtown pavers will deteriorate.

### **How does this reduction affect the City Council's goals and priorities?**

- (A) No effect.
- (B) Over time, the street conditions will deteriorate. For the short-term, there will be minimal affect on the goal of quality streets and clean parking lots.
- (C) Over time, reduced preventative maintenance of the urban forest will become a neighborhood concern and liability will increase. For the short-term, the condition of the trees will not be significantly impacted.
- (D) No effect.
- (E) No effect.
- (F) No effect.
- (G) Downtown paver sidewalks will not be as clean as they have been.

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

**RECOMMENDED  
BUDGET AMENDMENTS  
2003/04**

**CITY COUNCIL**

Richard S. Claire, Mayor  
Jeff Ira, Vice Mayor  
Jim Hartnett, Council Member  
Diane Howard, Council Member  
Colleen Jordan, Council Member  
Barbara Pierce, Council Member  
Ira Ruskin, Council Member

**CITY MANAGER**

Edward P. Everett

**DIRECTOR OF FINANCE and FINANCIAL PLANNING**

Brian J. Ponty

**COMPILED BY**

Alison Freeman, Financial Services Manager  
Irv Weinstock, Gloria del Rosario, Kyi Khin, Senior Accountants  
Jill Greenhorn, Accountant  
Sandy Jennings, Administrative Assistant

# CITY OF REDWOOD CITY

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## DEPARTMENT DIRECTORS

City Manager..... Edward Everett

City Attorney ..... Stan Yamamoto

City Clerk..... Patricia Howe

Community Development Services ..... Bruce Liedstrand

Finance and Financial Planning ..... Brian Ponty

Fire..... Carlos Bolanos (Acting Fire Chief)

Human Resources ..... Maria Rivera-Peña

Library..... Yvonne Chen

Parks, Recreation and Community Services ..... Corinne Centeno

Police ..... Carlos Bolanos

Public Works Services..... Peter Ingram

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City Manager

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June 30, 2003

Honorable Mayor Claire and Members of the City Council:

*City of  
Redwood City's  
values*

### Introduction

During the 1992 Presidential election campaign the operative phrase was "it's the economy, stupid"! Eleven years later, in Redwood City, California the same refrain rings true. The City is in its worst financial straits since the passage of Proposition 13 in 1978 and arguably the situation today may even be worse than it was at that time. To shed some light on the local economy, consider the following statistics:

- From December 2000 to December 2002, the number of jobs in the bay area has declined by over 5.5% from 3,635,800 to 3,435,400 – a loss of over 200,000 jobs.
- The unemployment rate in San Mateo County has increased from 1.9% in April 2001 to 5.1% in April 2003.
- In Redwood City the amount of vacant commercial office space has increased from 591,941 square feet as of the first quarter of 2001 to over 3.5 million square feet as of the first quarter 2003.

*"Rules will not  
override our  
values of  
flexibility,  
accountability  
and innovation."*

An ugly confluence of economic events has produced this situation – a recession in the local economy, substantially higher retirement system costs, and the permanent loss of a large portion of our sales tax due to changes in product delivery. The sum total of these factors is that we now have a projected deficit of \$7.8 million in FY03/04, or 13% of anticipated revenues prior to enacting our budget reduction strategy. This deficit is \$1.5 million worse than what we reported just three months ago. To put this projected deficit in some perspective, if the entire Library Department were eliminated we would still have a \$2 million dollar deficit, or almost two-thirds of the Fire Department would need to be eliminated to balance the FY03/04 budget. Obviously, such actions would never occur, but these examples serve to reflect the magnitude of the City's financial problem. After departments reduced their FY03/04 budgets in accordance with the Council direction provided in March, this deficit was reduced to \$3.7 million, or 6% of revenues.

*"Our purpose is  
to serve the  
people who live,  
work in, and visit  
Redwood City."*

Unfortunately, the news gets worse. As bad as we project the financial situation for FY03/04, the \$3.7 million deficit increases about 2½ times to over \$9.1 million (15% of revenues) in FY04/05. At this level, the entire Library Department could be eliminated and a \$3.1 million deficit would remain, or three-fourths of the Fire Department would need to be eliminated to erase this projected deficit.

The public policy implication of this size deficit is that difficult times equal difficult decisions. Absent some unforeseen change in the City's financial situation, the City Council's budget decisions in the next several years will go from tough to ugly. Worthwhile ideas, programs, services, and requests will need to be shelved or eliminated. Labor negotiations will have to become a major part of the solution (i.e., employee cost increases are simply outstripping revenue increases). The quantity and quality of service levels will slip. Redwood City will have to become a smaller organization. Citizens, Council, and staff will have to lower our collective expectations about what the City can do.

I am an optimistic person who always believes that through creativity and intelligence we can overcome tough challenges. I want you to know this financial situation has rocked my optimism. The challenge is to ensure there is a unified team effort to solve our financial problem. The Council, management, the employees, and their unions must all be part of the solution. If this team begins to split apart, our ability to resolve the problem will become more difficult. We all have more in common than potential areas of conflict. We all want to minimize service level reduction, maximize the quality of service we do provide, and try to minimize the potential loss of quality employees.

## General Fund

The recommended FY03/04 budget cuts lean heavily on non-public safety operations. All departments, except for Police and Fire, will reduce their budgets by 7%; Police and Fire will each reduce their budgets by 4.5%. Service levels will be impacted. Department heads and staff have been very diligent and creative in their approach to developing their budget reductions.

In March the Council adopted a policy that directed staff to split the projected FY03/04 deficit equally between expenditure cuts and the use of reserves. The recommended FY03/04 budget contains \$3.7 million dollars in expenditure cuts and will consume \$3.7 million of reserves. We anticipate general fund reserves of about \$10.6 million (17.8% of FY03/04 revenues) as of June 30, 2004.

A total of 24 full time equivalent positions (regular positions with benefits) from the general fund have been eliminated. The vast majority of these positions are vacant while others are the result of employees electing to work fewer hours (voluntary time off or VTO). Three regular part-time employees will be laid off due to these required reductions. Also, over 29,851 casual labor hours (the equivalent of 14.35 full time positions) are being eliminated. The reductions in personnel amount to \$2.9 million, or about 78% of the total \$3.7 million reduction in expenditures.

## Revenues

General fund revenues are expected to increase 1.6% to \$59.5 million in FY03/04 from our estimate of \$58.5 million in FY02/03. This increase is predicated on the assumption that we have hit the bottom of the business cycle trough and will begin to experience very slow growth in FY03/04. These revenue estimates include a negative \$500,000 impact to the general fund because of the State's budget problems. Should the State take action that substantially increases this amount, staff will present the Council with additional options at a later date.

Property tax revenue, the single largest source of general fund revenue, will increase less than 1% overall as the "secured" roll (land and buildings) is expected to increase 1.4% while the "unsecured" roll is forecast to decline by 5%. Sales tax, the second largest single source of general fund revenue, is expected to increase 3.5%. There is, however, still a downside risk for sales tax to decline due to increased electronic delivery of software. Staff will continue to monitor this. We are forecasting a 2% growth in base transient occupancy tax (TOT) revenues and have factored in an assumption that the voters will approve an increase in the TOT tax rate from 8% to 10% in November 2003. On an annual basis, the increase in the TOT tax rate should generate about \$350,000 annually based on current TOT tax revenues. For FY03/04, we have projected an increase of only \$175,000 since the higher tax rate will be implemented around mid-year.

Given the size of the future estimated deficit (i.e., FY04/05), staff recommends that the Council give staff strong direction to analyze all revenues and develop recommendations for appropriate increases for your consideration. Staff plans to bring to you a recommendation to increase our TOT rate from 8% to 10%, which you previously authorized. Staff also believes Council should consider a significant increase in our fire inspection fees. A fire inspection fee program, similar to that employed by the City of San Mateo, might generate between \$500,000 and \$750,000 per year. Unless directed otherwise, staff will bring a detailed analysis back to Council at a later date.

*"Redwood City is committed to continuous improvement and constant learning."*

*"Authority to act is vested in those closest to the service delivered. We are committed to delivering quality service and quality products to customers based on their differing needs."*

Given the substantial deficit forecast in FY04/05, the Council may want to have staff analyze the pros and cons of a public safety parcel tax. Several cities have begun looking at this as a way of preventing further reductions in Police and Fire, given future deficits.

### Expenditures

Expenditures are projected to increase 3.8%, or \$2.3 million in FY03/04 despite over \$3.7 million in reductions from the original FY03/04 budget, which was presented to you in July 2002. This increase is due primarily to salary increases required under existing labor contracts and increased benefits costs including retirement contributions and health insurance. Employee costs, at 71% of projected general fund expenditures, continue to be the single largest object category of expenditures. Police and Fire continue to be the two single largest functional expenditures representing 50% of the general fund budget.

Descriptions of the recommended general fund expenditure reductions may be found in two sections of this document. Beginning on page 1 are summaries of the reductions for each department. On page 95 you will find copies of the detailed reduction packages each department submitted to the City Manager.

### Reserves

We began FY02/03 with \$17.7 million in general fund reserves and expect to end this year with \$14.3 million in reserves. In terms of the Council's policy to maintain no more than 20% of anticipated revenues in reserves, the expected reserve balance as of June 30, 2003 will equal 24.4% of projected FY02/03 revenues.

The recommended FY03/04 budget projects reserves as of June 30, 2004 at \$10.6 million, or 17.8% of FY03/04 revenues.

### **Special Revenue Funds**

Since the gas tax operations fund and traffic safety fund are supported by the general fund, the activities of these funds were included in the budget reduction process. Accordingly the transfer from the general fund to the gas tax operation fund is being reduced by \$19,000 to \$179,000 and the transfer from the general fund to the traffic safety fund is being reduced by \$60,000 to \$986,000.

### **Capital Projects**

#### Capital Projects Fund

The transfer from the general fund (utility users' tax) to capital projects will be \$4.7 million. This is about \$400,000 less than what was forecast when the FY03/04 budget was presented to the Council in July 2002. The decline is attributable to an expected decrease in utility users' tax revenues.

Due to the reduction in utility users' tax revenues (the primary funding source for general governmental capital improvements), a number of capital projects are being scaled back, eliminated, or being deferred to future years. None of the changes are expected to adversely impact mission critical infrastructure, facilities, or equipment needs. Alternatively, several important projects have been increased or added to the proposed fund budget. The net change from what was presented in July 2002 is a reduction of \$242,000 in recommended capital expenditures.

#### Water Fund Capital

Almost \$19 million of projects are being reduced or deferred within the water fund capital projects budget in FY03/04. Most of this (\$17 million) is attributable to the potential recycled water project, which due to Council's desire for additional public input to extend public discussions, is being moved to FY04/05 and held in abeyance until the Council makes a decision.

*"We are proud of our achievements and acknowledge our mistakes. We celebrate our successes and build on them."*

*"We depend on each other to achieve excellence. We work as a team."*

*"We take our work seriously but ourselves lightly."*

*"We are directly responsible for our individual behaviors and accountable for being fully committed to the success of the teams in which we participate."*

*"We value diversity. Cultural, economic and environmental diversity strengthens our organization."*

*"Wander where there is no path."*

### Grants and Assessment Districts

Appropriations from various funding sources totaling \$18.1 million have been added to provide necessary fund for the Ralston Avenue/U.S. Highway 101 interchange project. This represents the second and final phase of the Redwood Shores Transportation District project. The funding includes \$5.6 million in assessment bonds (community facilities district) which were approved by property owners in July 1999, and which are expected to be issued in August 2003. The remainder of the money comes from the City of Belmont and state grants and property owner contributions.

### **Redevelopment Agency**

The Redevelopment Agency budget will be presented to you under separate cover at a later date.

### **Enterprise Funds**

#### Water Fund Operations

The water enterprise fund is in sound fiscal condition, with a \$2 million emergency reserve. The continued use of unappropriated fund balance for additional future water supply actions and increased conservation initiatives is proposed in the 2003/04 water fund capital improvement program.

In October 2002 the City Council approved a 3.5% increase in the fixed monthly basic service charge from \$10.44 to \$10.80, driven primarily by increases in salaries and benefit costs. The monthly basic service charge provides the financial support for the operations and maintenance of the City's water system. For FY02/03, there was no change in the San Francisco Public Utilities Commission (SFPUC) wholesale rate charged to Redwood City, and therefore the City's "lifeline" water rate remained at \$0.88 per unit for a second year, continuing the established practice of setting the Redwood City "lifeline" rate (first ten units) at wholesale cost.

#### Huge Future Increases in Water Rates

Since July 2002, many actions have been taken by the SFPUC and the voters of San Francisco to address the deteriorating condition of the regional water system. In addition, three legislative bills were signed into law by the governor which enabled the formation of two new regional entities for the purpose of ensuring that funds are raised for and work completed on the repair of the regional system. As a result, the cost of water at the wholesale level will increase over the next 13-15 years by 180 to 250%. This will have a dramatic effect on all water customers in Redwood City. In FY03/04, the wholesale rate is set to rise 25%.

#### Sewer Fund Operations

The sewer enterprise fund is in sound fiscal condition, with a \$1 million emergency reserve. Work continues on a variety of regulations-driven plans as well as annual replacement of the City's collection system.

In October 2002, the City Council approved a 4% increase in the fixed monthly sewer service charge, to \$20.35. This increase to City customers covered a 5% increase in the South Bayside System Authority's (SBSA) charges to Redwood City for waste water treatment services as well as deferred cost recovery for energy cost increases dating back to the state's energy crisis of 2000/2001. For FY03/04, the City's share of SBSA costs will be slightly less than estimated in June 2002. However, state regulatory agencies have begun to adopt fees for compliance monitoring of the National Pollutant Discharge Elimination System (NPDES) storm water program permit, and as such the sewer fund will incur a new \$15,000 cost.

### **Appropriations Limit**

Article XIII B of the California Constitution defines and establishes the City's appropriation limit. No city in California may spend from its "proceeds of taxes" more than the amount of its "appropriation limit." The appropriations limit is determined by a formula contained within Article XIII B. Redwood City's appropriation limit for FY03/04 is estimated to be \$108,416,196. The

FY03/04 appropriations subject to limitations are \$48,698,362. We are well within our legal limit.

*"The quality of our organization is directly related to the quality and well-being of individuals in the organization. We respect and care about each other."*

### **Acknowledgements**

There is a very wise saying, "It takes an entire village to raise a child." Likewise, it takes an entire City team to deal with such daunting financial challenges. All levels of the organization have been involved in developing the budget cuts. Special thanks for the department heads that have provided the leadership and caring necessary for good public policy.

The entire Finance Department, especially Alison Freeman, Sandy Jennings, and Jill Greenhorn who, along with Kyi Khin and Irv Weinstock, have provided exceptional support throughout the entire process by ensuring that we have all enjoyed the benefit of accurate and timely information, the foundation upon which the budget has been assembled. This is truly a remarkable group of professionals.

Very special thanks to Brian Ponty. It can be said that you don't really know how good and skilled a person is until you see them work during a crisis. I and all of Redwood City are so fortunate to have a person with Brian's skills. He combines skills of seeing the big picture with the necessary accounting details. His thoughtful and detailed analysis and projections have been invaluable to me. I would rather not be in this financial storm, but the Council, staff, and citizens are fortunate to have Brian to help us navigate through this.

*"Just do it."*



Ed Everett  
City Manager

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# FIVE-YEAR FINANCIAL PROJECTIONS

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## SPECIFIC ASSUMPTIONS

- Property taxes increase between 4% and 5% per year for FY04/05 through FY06/07.
- Sales taxes increase 3% in FY04/05 and 4% per year in FY05/06 and FY06/07.
- A slow recovery from the recent recession.
- Development fees for all known future projects.
- No general fund support for capital projects other than transfers of utility users' taxes.
- The electorate approves an increase in the transient occupancy tax rate from 8% to 10% in November 2004.
- Salaries and benefits increases capped at no more than the same annual percentage increase as total revenues increase.
- Vehicle license fees will continue to be remitted from the State without any reductions.

## General Fund - Five Year Projection 2002/03 Through 2006/07 (000's)

	1997-98 ACTUAL	1998-99 ACTUAL	1999-2000 ACTUAL	2000-01 ACTUAL	2001-02 ACTUAL
<b>REVENUES</b>					
Property Taxes	11,169	12,423	13,947	15,404	18,674
Sales Tax	13,531	15,333	18,254	20,842	14,938
Other Taxes	4,030	4,502	5,076	5,221	4,272
Licenses and Permits	2,076	1,669	1,659	2,546	1,107
Fines and Forfeitures	191	266	244	320	441
Interest Earnings/Rentals	1,542	1,625	2,231	2,958	2,860
Revenue from Other Agencies	4,215	5,051	6,277	7,625	7,394
Charges for Services	3,099	3,351	3,960	4,466	4,044
Other Revenues	4,058	6,868	4,670	4,696	4,722
Library	769	918	1,048	1,004	1,049
Recreation Revenues	927	791	1,128	1,119	1,185
<b>Total Revenues</b>	<b>45,607</b>	<b>52,797</b>	<b>58,494</b>	<b>66,201</b>	<b>60,686</b>
Transfers-In:					
Others	377	345	545	670	731
Sandpiper Community Center		131	138	148	156
GID 1-64 Maintenance District	150	200	200	70	150
<b>Total revenues and transfers-in</b>	<b>46,134</b>	<b>53,473</b>	<b>59,377</b>	<b>67,089</b>	<b>61,723</b>
<b>EXPENDITURES</b>					
City Council	172	149	160	176	192
City Manager	583	709	790	837	945
City Attorney	400	398	397	400	504
City Clerk	319	313	353	380	428
Human Resources	963	1,027	1,010	1,071	1,289
Finance	1,796	2,170	2,040	2,406	1,841
Police	12,945	14,665	15,206	16,681	17,260
Fire	8,532	9,423	9,420	9,821	10,319
Community Development Services	3,193	3,574	3,994	4,732	4,818
Parks & Recreation	6,722	7,173	8,096	9,094	10,333
Library	4,513	4,685	4,920	5,293	5,681
Public Works Services	508	634	766	1,247	1,206
Budget Adjustments					
<b>Total Expenditures</b>	<b>40,646</b>	<b>44,920</b>	<b>47,152</b>	<b>52,138</b>	<b>54,816</b>
Transfers-Out	2,435	8,288	5,924	6,108	14,678
<b>Total expenditures and transfers-out</b>	<b>43,081</b>	<b>53,208</b>	<b>53,076</b>	<b>58,246</b>	<b>69,494</b>
<b>Net surplus (deficit)</b>	<b>2,875</b>	<b>265</b>	<b>6,301</b>	<b>8,843</b>	<b>-7,771</b>
Net surplus (deficit) as a percentage of general fund revenues and transfers-in:	<b>6.23%</b>	<b>0.50%</b>	<b>10.61%</b>	<b>13.18%</b>	<b>-12.59%</b>
Detail of transfers-out:					
gas tax operations	472	237	40	4	
gas tax construction	686	245	1,133	368	982
traffic safety	1,007	830	770	778	1,045
capital projects	176	3,582	3,415	4,300	10,775
others	94	3,394	566	658	1,876
<b>TOTAL</b>	<b>2,435</b>	<b>8,288</b>	<b>5,924</b>	<b>6,108</b>	<b>14,678</b>

2002-03 ESTIMATE	2003-04 BUDGET	2004-05 ESTIMATE	2005-06 ESTIMATE	2006-07 ESTIMATE
18,477	18,619	19,363	20,235	21,246
13,906	14,404	14,836	15,429	16,046
4,187	4,389	4,543	4,724	4,913
856	1,116	1,416	1,516	1,916
482	622	622	622	622
2,556	2,152	2,147	2,147	2,147
7,112	7,060	7,307	7,563	7,828
3,676	3,866	4,138	4,515	5,015
4,969	5,030	5,206	5,388	5,577
739	621	643	665	688
1,554	1,583	1,639	1,696	1,755
<b>58,514</b>	<b>59,461</b>	<b>61,859</b>	<b>64,500</b>	<b>67,754</b>
685	685	685	685	685
165	174	183	183	183
64	140	150	150	150
<b>59,428</b>	<b>60,460</b>	<b>62,878</b>	<b>65,518</b>	<b>68,772</b>
226	210	218	228	239
1,051	1,010	1,050	1,094	1,148
768	707	735	766	804
499	526	547	570	598
1,365	1,378	1,433	1,493	1,567
3,031	3,107	3,231	3,367	3,534
19,243	20,052	20,854	21,730	22,809
11,178	12,269	12,927	13,624	14,301
4,923	4,830	5,023	5,234	5,494
11,402	11,256	11,706	12,198	12,804
5,806	5,777	6,008	6,260	6,571
1,272	1,212	1,260	1,313	1,379
-741		5,078	5,291	5,554
60,023	62,334	70,072	73,169	76,803
2,724	1,860	1,921	1,991	2,090
<b>62,746</b>	<b>64,194</b>	<b>71,993</b>	<b>75,160</b>	<b>78,893</b>
<b>-3,319</b>	<b>-3,734</b>	<b>-9,115</b>	<b>-9,642</b>	<b>-10,121</b>
<b>-5.58%</b>	<b>-6.18%</b>	<b>-14.50%</b>	<b>-14.72%</b>	<b>-14.72%</b>
143	179	194	213	247
1,033	987	1,028	1,073	1,132
851				
697	694	699	705	711
2,724	1,860	1,921	1,991	2,090

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The City Attorney’s Office will meet their 7% reduction target by:

- Allocating 5% of city attorney and assistant city attorney salaries to capital improvement;
- Allocating 25% of legal administrator’s salary to the Redevelopment budget for services provided for supervising Community Development administration staff; and
- Reducing outside legal services by 19% thereby impacting response time for requests for legal services.

	<u>Original 03/04 Budget</u>	<u>With Updated Sal/Ben Chngs</u>	<u>Program Changes</u>	<u>Revised 03/04 Budget</u>	<u>% of Change</u>
<b>CITY ATTORNEY</b>					
Legal Services (61510) - p. City Attorney-4	<u>772,603</u>	<u>775,194</u>	<u>(68,287)</u>	<u>706,907</u>	
<b>Total</b>	<b>772,603</b>	<b>775,194</b>	<b>(68,287)</b>	<b>706,907</b>	<b>-8.81%</b>

The City Clerk target reduction will be met by reducing various accounts. The largest reduction will occur in the professional services account, which may impact the printed version of the 2004 Roster. The balance of the reduction in that account is due to anticipated savings from the installation of permanent cameras and less video technician hours.

The overtime account is the other account with the most significant reduction and impact. This account allows for support necessary for coverage due to staff vacation or illness and any extra department needs or activities beyond the regular work hours.

The remainder of the reduction applies to casual labor, office expenses, and training and conferences, which could result in delays in responding to information requests and community proclamations and less departmental training and exposure in technical and legal areas.

	<u>Original 03/04 Budget</u>	<u>With Updated Sal/Ben Chngs</u>	<u>Program Changes</u>	<u>Revised 03/04 Budget</u>	<u>% of Change</u>
<b>CITY CLERK</b>					
Legisl. Svcs./Records Mgmt. (61310) - p. <b>City Clerk-5</b>	473,750	482,420	(42,646)	439,774	-8.84%
Elections (61320) - p. <b>City Clerk-6</b>	75,036	76,766	(918)	75,848	-1.20%
Council Support (61330) - p. <b>City Clerk-7</b>	10,985	10,985	(1,000)	9,985	-9.10%
<b>Total</b>	<b>559,771</b>	<b>570,171</b>	<b>(44,564)</b>	<b>525,607</b>	<b>-7.82%</b>

The City Council will meet its reduction target by reducing:

- The budget for the Mayor’s annual holiday recognition for the boards, committees, and commissions;
- The allocation to Redwood City International;
- Facilitator services;
- The conferences budget, and
- The budget used to support unexpected projects or requests by citizen groups.

	<u>Original 03/04 Budget</u>	<u>With Updated Sal/Ben Chngs</u>	<u>Program Changes</u>	<u>Revised 03/04 Budget</u>	<u>% of Change</u>
<b>CITY COUNCIL</b>					
City Council (61110) - p. City Council-4	233,775	226,372	(16,247)	210,125	
<b>Total</b>	<b>233,775</b>	<b>226,372</b>	<b>(16,247)</b>	<b>210,125</b>	-7.18%

The City Manager’s Department will meet its target reduction by:

- Allocating 5% of the city manager’s salary to the capital improvement program budget;
- Eliminating the casual facility aide position;
- Reducing the professional services, training, and membership and meetings budgets; and
- Reducing the City contracts with several community organizations.

	<u>Original 03/04 Budget</u>	<u>With Updated Sal/Ben Chngs</u>	<u>Program Changes</u>	<u>Revised 03/04 Budget</u>	<u>% of Change</u>
<b>CITY MANAGER</b>					
Management/Policy Execution (61210) - <b>p. City Manager-6</b>	721,403	729,992	(32,721)	697,271	-4.48%
Community Promotion (61220-222) - <b>p. City Manager-7</b>	360,588	362,305	(49,421)	312,884	-13.64%
<b>Total</b>	<b>1,081,991</b>	<b>1,092,297</b>	<b>(82,142)</b>	<b>1,010,155</b>	<b>-7.52%</b>

## Community Development Services

## Summary of 7.0% Reduction

One contract building inspector position will be eliminated. Due to the downturn in construction activity, this reduction should not pose problems.

One vacant community services officer position in Code Enforcement is proposed to be eliminated. This will result in minor nuisance complaints (weeds, animals, fences, and signs) not being processed.

One assistant engineer II position will be eliminated, which will delay responses to traffic complaints. This reduction will not delay investigations of and responses to dangerous traffic conditions.

	<u>Original 03/04 Budget</u>	<u>With Updated Sal/Ben Chngs</u>	<u>Program Changes</u>	<u>Revised 03/04 Budget</u>	<u>% of Change</u>
<b>COMMUNITY DEVELOPMENT SERVICES</b>					
Administration (63010) - <b>p. CDS-12</b>	185,449	186,927	(2,277)	184,650	-1.22%
Building Regulations (63110) - <b>p. CDS-15</b>	1,517,006	1,548,567	(143,162)	1,405,405	-9.24%
Planning and Redevelopment (63210) - <b>p. CDS-22</b>	971,079	954,961	(4,097)	950,864	-0.43%
Code Enforcement (63310) - <b>p. CDS-16</b>	868,921	875,406	(74,069)	801,337	-8.46%
General Engineering (65121) - <b>p. CDS-19</b>	1,199,754	1,207,947	(182,238)	1,025,709	-15.09%
Subdivision Engineering (65122) - <b>p. CDS-20</b>	463,717	462,093	(103)	461,990	-0.02%
<b>Total</b>	<b>5,205,926</b>	<b>5,235,901</b>	<b>(405,946)</b>	<b>4,829,955</b>	<b>-7.75%</b>

**Financial Services**

Financial Services will continue the arrangement with the City of Half Moon Bay in which Redwood City “sells” Half Moon Bay one senior accountant for at least one day per week. Also, the payroll accounting technician will voluntarily reduce her scheduled hours by 20% from 40 hours per week to 32 hours per week. Printing of the budget and annual financial reports will be performed in-house.

**Information Technology**

Overtime in the Information Technology Division has been reduced from \$55,000 to \$26,000. Due to internal audits of the City’s telephone bills, we expect to be able to reduce the City’s telephone service charges by 22% from \$160,000 to \$124,000 per year.

**Administrative Support Services**

The elimination of the department head bonus program will save the City \$25,000 per year while \$15,000 will be saved as a result of the engagement of new independent auditors who will charge the City less than the previous auditors. Moreover, the animal control contract will be \$54,000 less than originally forecast for FY03/04.

	<u>Original 03/04 Budget</u>	<u>With Updated Sal/Ben Chngs</u>	<u>Program Changes</u>	<u>Revised 03/04 Budget</u>	<u>% of Change</u>
<b>FINANCE</b>					
Financial Services (61430) - <b>p. Finance-9</b>	1,011,920	1,022,372	(46,413)	975,959	-4.54% <sup>1</sup>
Admin. Supp. Svcs. (61710) - <b>p. Finance-10</b>	2,307,483	2,271,903	(140,931)	2,130,972	-6.20% <sup>2</sup>
Public Financing Authority Lease Payments (61710) - <b>p. Finance-19</b>	2,357,742	2,399,042		2,399,042	<sup>3</sup>
<b>Total</b>	<b>5,677,145</b>	<b>5,693,317</b>	<b>(187,344)</b>	<b>5,505,973</b>	<b>-3.29%</b>

- 1 Finance will also generate \$24,000 in revenue by "selling" 20% of a senior account to Half Moon Bay and will save \$5,000 by converting the City's purchase card program from Wells Fargo to U.S. Bank.
- 2 A portion of the Administrative Support budget includes the salaries and benefits of the C/CAG staff who are on the City's payroll and for whom the City is completely reimbursed. This amount was not subject to the budget reduction process.
- 3 This amount was not subject to the budget reduction process.

The Fire Department has made numerous small cuts to achieve a 2% budget reduction, and focused on overtime staffing to achieve a 4.5% reduction in their budget.

A summary of the major impacts of the many smaller cuts follows:

- There will be no attendance to conferences, i.e., Western Fire Chiefs' Conference or the Uniform Code Conference, resulting in a loss of new information and knowledge obtained at such conferences.
- New software upgrades and associated professional work will be limited to emergencies only resulting in slightly less efficiencies. Replacement of older computers will be extended possibly resulting in more down time.
- The life span of personal protective equipment will be extended but stay within the OSHA standards.
- The vacant half-time plan checker will be eliminated, resulting in longer turnaround time on plans and reduced time available for actual field inspections.
- Twenty-five percent of requests for outside schooling/training will be denied, which will affect company officers' development classes.

Reducing the assigned staffing by one firefighter per shift will have the following service level impacts:

- Staffing on the fire truck will drop from the present five to four.
- On days when more than three firefighters are off duty, one engine company will be placed out of service. The truck company will continue to respond to that engine company's medical emergencies, which represents 70% of all emergency responses. It is anticipated that this condition could occur approximately 60 days during the entire year.
- An engine company out of service will cause some delays in responding to some areas of the City, and will cause some delays in obtaining the total number of firefighters at a fire scene. Neither of these delays are seen as life threatening at this time.
- This situation will also affect automatic aide agreements with other cities. Assuming other fire departments might take similar action, Redwood City and other cities will experience a greater usage of automatic aide between cities.

	<u>Original 03/04 Budget</u>	<u>With Updated Sal/Ben Chngs</u>	<u>Program Changes</u>	<u>Revised 03/04 Budget</u>	<u>% of Change</u>
<b>FIRE</b>					
Administration (62210) - <b>p. Fire-9</b>	1,012,077	1,019,674	(97,014)	922,660	-9.51%
Operations (62220) - <b>p. Fire-10</b>	10,983,142	10,764,908	(362,365)	10,402,543	-3.37%
Prevention (62230) - <b>p. Fire-11</b>	666,380	665,820	(66,711)	599,109	-10.02%
Training (62240) - <b>p. Fire-12</b>	258,508	260,004	(17,447)	242,557	-6.71%
Emergency Medical Services (62245) - <b>p. Fire-14</b>	127,682	127,242	(29,291)	97,951	-23.02%
Emergency Operations (62260) - <b>p. Fire-16</b>	8,422	8,422	(4,000)	4,422	-47.49%
<b>Total</b>	<b>13,056,211</b>	<b>12,846,070</b>	<b>(576,828)</b>	<b>12,269,242</b>	<b>-4.49%</b>

The Human Resources Department will meet its target reduction with the following measures:

- Reduction in recruitment expenditures including advertisement, testing, and assessment centers;
- Elimination of two citywide employee events; and
- Reductions in employee development staff time and program budget.

The impact of those reductions will mean more selective outreach and selection techniques, and an employee development program that will focus on meeting critical organizational needs, which are leadership development, technology, and succession planning.

	<u>Original 03/04 Budget</u>	<u>With Updated Sal/Ben Chngs</u>	<u>Program Changes</u>	<u>Revised 03/04 Budget</u>	<u>% of Change</u>
<b>HUMAN RESOURCES</b>					
Human Resources (61610) - p. <b>Human Resources-9</b>	1,448,023	1,464,886	(86,504)	1,378,382	-5.91% <sup>4</sup>
<b>Total</b>	<b>1,448,023</b>	<b>1,464,886</b>	<b>(86,504)</b>	<b>1,378,382</b>	<b>-5.91%</b>

4 Human Resources will also generate \$22,000 in revenue for services provided to other agencies.

## Library

## Summary of 7.0% Reduction

The Library will meet its reduction by drastically reducing casual staff hours. This will eliminate flexibility in staffing seven service desks at Main, Schaberg, and Fair Oaks libraries seven days and four evenings a week.

The library will also be freezing the senior specialist librarian position.

A one-time savings will occur when the Schaberg Community Library is closed for remodeling from July to October 2003.

The balance of the target reduction will be met by delaying or not replacing computers and furnishings for the public and staff and reductions from the supplies, repair, and maintenance budgets of all units.

	<u>Original 03/04 Budget</u>	<u>With Updated Sal/Ben Chngs</u>	<u>Program Changes</u>	<u>Revised 03/04 Budget</u>	<u>% of Change</u>
<b>LIBRARY</b>					
Administrative Svcs. Unit (66251) - <b>p. Library-12</b>	657,178	667,601	(26,980)	640,621	-4.04%
Resource Development Unit (66252) - <b>p. Library-13</b>	202,370	213,775	(10,423)	203,352	-4.88%
Collection Development Unit (66261) - <b>p. Library-15</b>	1,207,818	1,210,684	(43,288)	1,167,396	-3.58%
Collection Maintenance Unit (66262) - <b>p. Library-16</b>	798,104	809,587	(79,234)	730,353	-9.79%
Electronic Resources Unit (66271) - <b>p. Library-17</b>	626,790	634,855	(51,621)	583,234	-8.13%
Information Services Unit (66272) - <b>p. Library-18</b>	710,383	721,401	(94,373)	627,028	-13.08%
Literacy Services Unit (66281) - <b>p. Library-19</b>	469,172	468,957	(10,179)	458,778	-2.17%
Youth Services Unit (66282) - <b>p. Library-20</b>	645,913	659,383	(30,092)	629,291	-4.56%
Community Libraries Unit (66290) - <b>p. Library-21</b>	817,048	825,545	(88,589)	736,956	-10.73%
<b>Total</b>	<b>6,134,776</b>	<b>6,211,788</b>	<b>(434,779)</b>	<b>5,777,009</b>	<b>-7.00%</b>

The department's reductions include:

- A workforce reduction of two (2) FTE child care leaders in Kids Klub After School Child Care to bring costs in line with program revenues;
- One day per week voluntary time off by administrative support staff at Sandpiper Community Center;
- A shift of contract painter costs to larger capital improvement program projects; and
- The freezing of existing vacancies for three (3) landscape gardeners and one (1) administrative clerk III at Fair Oaks Community Center, as well as freezes in two (2) expected vacancies from retirements in FY03/04 to achieve a savings of \$327,427, or 39% of the reduction needed.

An additional 21% of the needed cuts come from reductions in casual work hours across all subprograms totaling \$185,894. These reductions will reduce the maximum capacity for the after school child care program to 30 from 60. Not filling vacancies in the landscape maintenance area, combined with cuts of casual staff support, will result in a total workforce reduction of approximately 10%. Other impacts of the reduction in casual staff will result in the elimination of some special events programming, higher youth to staff ratios, and minimal evening staffing levels at department facilities.

Other reductions include recommendations to reduce allocations for Human Services Financial Assistance (\$22,820) and the Civic Cultural Commission (\$4,800) at the same 7% level experienced by the department as a whole and reductions in supplies and materials across all subprograms. Lastly, capital expenses have been deferred wherever possible for \$42,000 in cost savings.

# Parks, Recreation and Community Services

# Summary of 7.0% Reduction

	<u>Original 03/04 Budget</u>	<u>With Updated Sal/Ben Chngs</u>	<u>Program Changes</u>	<u>Revised 03/04 Budget</u>	<u>% of Change</u>
<b>PARKS, RECREATION AND COMMUNITY SERVICES</b>					
Human Services Programs (64211) - p. PRCS-23	703,006	708,670	(72,069)	636,601	-10.17%
Information/Referral (64212) - p. PRCS-23	186,263	186,092	(41)	186,051	-0.02%
Human Svcs. Assistance (64213) - p. PRCS-13	326,000	326,000	(22,820)	303,180	-7.00%
Fair Oaks Senior Services (64218) - p. PRCS-23	74,998	74,998	(3,875)	71,123	-5.17%
Fair Oaks Room Rental (64219) - p. PRCS-23	11,965	12,070	(3)	12,067	-0.02%
Administration (66110) - p. PRCS-11	698,789	718,856	(58,575)	660,281	-8.15%
Civic Cultural Commission (66111) - p. PRCS-12	80,630	80,630	(4,800)	75,830	-5.95%
Landscape Maintenance-City (66121) - p. PRCS-17	2,374,876	2,425,252	(119,941)	2,305,311	-4.95%
Landscape Mtc.-Redwood Shores (66122) - p. PRCS-17	1,243,967	1,274,699	(86,960)	1,187,739	-6.82%
Youth and Teen Services (66131) - p. PRCS-25	291,436	315,217	(5,777)	309,440	-1.83%
Elementary Activities (66133) - p. PRCS-25	333,883	336,796	(47,587)	289,209	-14.13%
Kids Club Program (66134) - p. PRCS-25	411,868	417,373		287,859	
Teen Activities (66135) - p. PRCS-25	188,453	191,366	(45)	191,321	-0.02%
After School Program Grant (66137) - p. PRCS-25	698,903	676,533	(75)	676,458	-0.01%
After School Program Grant-21st Cent. (66138) - p. PRCS-25	501,613	482,957	(63)	482,894	-0.01%
Red Morton Community Center (66142) - p. PRCS-26	844,533	860,350	(22,547)	837,803	-2.62%
Community Activities Building (66143) - p. PRCS-26	217,457	217,996	(15,569)	202,427	-7.14%
Pool Operations (66144) - p. PRCS-26	173,383	173,383	(49,409)	123,974	-28.50%
Aquatics Program (66145) - p. PRCS-26	106,168	106,168	(22)	106,146	-0.02%
Youth Sports (66146) - p. PRCS-26	20,657	20,657	(6,001)	14,656	-29.05%
Adult Sports (66147) - p. PRCS-26	150,245	150,245	(19,585)	130,660	-13.04%
Middle School Sports (66148) - p. PRCS-26	152,884	153,517	(13,544)	139,973	-8.82%
Special Interest Classes (66161) - p. PRCS-27	464,538	465,796	(65)	465,731	-0.01%
Sandpiper Community Center (66162) - p. PRCS-27	401,144	412,337	(43,294)	369,043	-10.50%
Adult Sports (66163) - p. PRCS-27	61,925	61,925	(3,501)	58,424	-5.65%
Senior Services (66171) - p. PRCS-29	737,556	753,544	(12,922)	740,622	-1.71%
Senior Nutrition (66173) - p. PRCS-29	292,809	259,362	(58)	259,304	-0.02%
Special Needs Program (66176) - p. PRCS-29	95,091	93,970	(2,998)	90,972	-3.19%
Special Needs Classes/Trips (66178) - p. PRCS-29	44,190	42,869	(2,006)	40,863	-4.68%
<b>Total</b>	<b>11,889,230</b>	<b>11,999,628</b>	<b>(614,152)</b>	<b>11,255,962</b>	<b>-5.12%</b> <sup>5</sup>

5 The Parks, Recreation and Community Services department will be generating additional revenue. Also, a portion of the department's general fund budget is funded by grants from outside agencies. This portion of the budget is not subject to the budget reduction process.

A 4.5% reduction in Police will cause the following service level reductions:

- The freezing of three over-hire positions means that it will take significantly longer to replace a vacancy. The result of this will be a reduced level of services in community policing, traffic or non-emergency investigation functions, but this action will not affect our emergency response times.
- The department will not operate at full staffing as it consistently has in the past.
- There will no longer be middle school resource officers thus eliminating the intervention/prevention services. However, Patrol Officers will respond to report of incidents at the Middle Schools.
- The School Gang Education and DARE programs will be eliminated. Although these programs are very popular, national research has suggested they do not have any long term impacts on drug usage.
- The department will no longer staff community events if it requires overtime (i.e., Public Safety Day, 'Tis the Season, Police canine demonstrations).
- The department will only operate at minimum required patrol staffing on all holidays except for 4<sup>th</sup> of July, and no additional personnel will work on holidays.
- The Citizen's Academy will be eliminated removing a connection between the department and our citizen's.
- A vacant part-time clerk position will be eliminated causing periods of backlogs in that function.
- A decrease in investigative overtime will mean the Patrol Officers will have to handle some of these activities causing a longer time spent on some of the calls and less availability for Community Policing activities.

	<u>Original 03/04 Budget</u>	<u>With Updated Sal/Ben Chngs</u>	<u>Program Changes</u>	<u>Revised 03/04 Budget</u>	<u>% of Change</u>
<b>POLICE</b>					
Administration (62111) - p. <b>Police-11</b>	4,025,497	4,044,634	(27,098)	4,017,536	-0.67%
Records (62112) - p. <b>Police-12</b>	943,629	949,678	(27,064)	922,614	-2.85%
Training (62113) - p. <b>Police-13</b>	444,123	452,155	(62,541)	389,614	-13.83%
Property/Evidence (62114) - p. <b>Police-14</b>	211,631	206,077	(65)	206,012	-0.03%
Patrol Services (62131) - p. <b>Police-16</b>	11,634,346	12,014,322	(654,735)	11,359,587	-5.45%
Criminal Investigation (62134) - p. <b>Police-17</b>	3,285,803	3,326,404	(170,322)	3,156,082	-5.12%
<b>Total</b>	<b>20,545,029</b>	<b>20,993,270</b>	<b>(941,825)</b>	<b>20,051,445</b>	<b>-4.49%</b>

## Public Works Services

## Summary of 7.0% Reduction

Public Works Services proposed budget contains the following reductions:

- Elimination of the central warehouse;
- Reduction in residential street cleaning from twice per month to once per month;
- Decrease in the number of trees pruned;
- 10% reduction in street crack sealing;
- 15% reduction in street signs and pavement markings;
- Elimination of street light pole painting; and
- Less cleaning in the downtown area.

	<u>Original 03/04 Budget</u>	<u>With Updated Sal/Ben Chngs</u>	<u>Program Changes</u>	<u>Revised 03/04 Budget</u>	<u>% of Change</u>
<b>PUBLIC WORKS SERVICES</b>					
Street System Maintenance (65132) - p. PWS-17	183,182	183,182		183,182	
Street Cleaning (65133) - p. PWS-23	117,759	117,759	(32,749)	85,010	-27.81%
Sidewalk Maintenance/Replacement (65134) - p. PWS-18	5,395	5,395		5,395	
Street Tree Maintenance (65135) - p. PWS-19	806,647	811,180	(58,951)	752,229	-7.27%
Downtown/Entry Feature Maintenance (65136) - p. PWS-20	66,100	66,100	(4,627)	61,473	-7.00%
Storm Water Collection/Disposal (65161) - p. PWS-29	124,781	124,781		124,781	
<b>Total</b>	<b>1,303,864</b>	<b>1,308,397</b>	<b>(96,327)</b>	<b>1,212,070</b>	<b>-7.36%</b>
<b>TRAFFIC SAFETY FUND</b>					
<b>Public Works</b>					
Traffic Control Maint. (65131) - p. PWS-15	1,425,622	1,433,965	(107,389)	1,326,576	
<b>Fund Total</b>	<b>1,425,622</b>	<b>1,433,965</b>	<b>(107,389)</b>	<b>1,326,576</b>	<b>-7.49%</b>
<b>SPECIAL GAS TAX STREET IMPROVEMENT FUND</b>					
<b>Public Works</b>					
Street System Maint. (65132) - p. PWS-17	1,053,273	1,070,467	(92,160)	978,307	-8.61%
Street Cleaning (65133) - p. PWS-23	233,100	235,643	(49,935)	185,708	-21.19%
Sidewalk Maint. & Replacement (65134) - p. PWS-18	180,850	182,026	(7,452)	174,574	-4.09%
Storm Water Coll. & Disposal (65161) - p. PWS-29	336,899	340,815	(4,384)	336,431	-1.29%
<b>Fund Total</b>	<b>1,804,122</b>	<b>1,828,951</b>	<b>(153,931)</b>	<b>1,675,020</b>	<b>-8.42%</b>
<b>GID 1-64 MAINTENANCE &amp; OPERATION</b>					
<b>Public Works</b>					
Storm Water Coll. & Disposal (65161) - p. PWS-29	394,363	395,758	190	395,948	
<b>Fund Total</b>	<b>394,363</b>	<b>395,758</b>	<b>190</b>	<b>395,948</b>	<b>0.05%</b>

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## Recommended Changes to 2003/04 Operating Budget

<b>GENERAL FUNDS</b>	<b>Original 03/04 Budget</b>	<b>With Updated Sal/Ben Chngs</b>	<b>Programmatic Changes</b>	<b>Revised 03/04 Budget</b>	<b>% of Change</b>
<b>Refer to 2002-2004 Adopted Budget as noted</b>					
<b>CITY COUNCIL</b>					
City Council (61110) - p. City Council-4	233,775	226,372	(16,247)	210,125	
<b>Total</b>	<b>233,775</b>	<b>226,372</b>	<b>(16,247)</b>	<b>210,125</b>	-7.18%
<b>CITY MANAGER</b>					
Management/Policy Execution (61210) - p. City Manager-6	721,403	729,992	(32,721)	697,271	-4.48%
Community Promotion (61220-222) - p. City Manager-7	360,588	362,305	(49,421)	312,884	-13.64%
<b>Total</b>	<b>1,081,991</b>	<b>1,092,297</b>	<b>(82,142)</b>	<b>1,010,155</b>	-7.52%
<b>CITY ATTORNEY</b>					
Legal Services (61510) - p. City Attorney-4	772,603	775,194	(68,287)	706,907	
<b>Total</b>	<b>772,603</b>	<b>775,194</b>	<b>(68,287)</b>	<b>706,907</b>	-8.81%
<b>CITY CLERK</b>					
Legisl. Svcs./Records Mgmt. (61310) - p. City Clerk-5	473,750	482,420	(42,646)	439,774	-8.84%
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<b>COMMUNITY DEVELOPMENT SERVICES</b>					
Administration (63010) - p. CDS-12	185,449	186,927	(2,277)	184,650	-1.22%
Building Regulations (63110) - p. CDS-15	1,517,006	1,548,567	(143,162)	1,405,405	-9.24%
Planning and Redevelopment (63210) - p. CDS-22	971,079	954,961	(4,097)	950,864	-0.43%
Code Enforcement (63310) - p. CDS-16	868,921	875,406	(74,069)	801,337	-8.46%
General Engineering (65121) - p. CDS-19	1,199,754	1,207,947	(182,238)	1,025,709	-15.09%
Subdivision Engineering (65122) - p. CDS-20	463,717	462,093	(103)	461,990	-0.02%
<b>Total</b>	<b>5,205,926</b>	<b>5,235,901</b>	<b>(405,946)</b>	<b>4,829,955</b>	-7.75%
<b>FINANCE</b>					
Financial Services (61430) - p. Finance-9	1,011,920	1,022,372	(46,413)	975,959	-4.54%
Admin. Supp. Svcs. (61710) - p. Finance-10	2,307,483	2,271,903	(140,931)	2,130,972	-6.20%
Public Financing Authority Lease Payments (61710) - p. Finance-19	2,357,742	2,399,042		2,399,042	
<b>Total</b>	<b>5,677,145</b>	<b>5,693,317</b>	<b>(187,344)</b>	<b>5,505,973</b>	-3.29%
<b>FIRE</b>					
Administration (62210) - p. Fire-9	1,012,077	1,019,674	(97,014)	922,660	-9.51%
Operations (62220) - p. Fire-10	10,983,142	10,764,908	(362,365)	10,402,543	-3.37%
Prevention (62230) - p. Fire-11	666,380	665,820	(66,711)	599,109	-10.02%
Training (62240) - p. Fire-12	258,508	260,004	(17,447)	242,557	-6.71%
Emergency Medical Services (62245) - p. Fire-14	127,682	127,242	(29,291)	97,951	-23.02%
Emergency Operations (62260) - p. Fire-16	8,422	8,422	(4,000)	4,422	-47.49%
<b>Total</b>	<b>13,056,211</b>	<b>12,846,070</b>	<b>(576,828)</b>	<b>12,269,242</b>	-4.49%
<b>HUMAN RESOURCES</b>					
Human Resources (61610) - p. Human Resources-9	1,448,023	1,464,886	(86,504)	1,378,382	-5.91%
<b>Total</b>	<b>1,448,023</b>	<b>1,464,886</b>	<b>(86,504)</b>	<b>1,378,382</b>	-5.91%

As part of the process of preparing the second year of the two year budget, the Finance Department reviews the original salary and benefit assumptions with the appropriate staff and updates these assumptions as necessary. The difference between the "original 2003/04 budget" and the "budget with updated salary and benefit changes" reflects the effect of a variety of factors including staff turnover, labor agreement changes, and the changes in cost of certain benefits.

- Finance will also generate \$24,000 in revenue by "selling" 20% of a senior account to Half Moon Bay and will save \$5,000 by converting the City's purchase card program from Wells Fargo to U.S. Bank.
- A portion of the Administrative Support budget includes the salaries and benefits of the C/CAG staff who are on the City's payroll and for whom the City is completely reimbursed. This amount was not subject to the budget reduction process.
- This amount was not subject to the budget reduction process.
- Human Resources will also generate \$22,000 in revenue for services provided to other agencies.

## Recommended Changes to 2003/04 Operating Budget

GENERAL FUNDS (Cont'd)	Original 03/04 Budget	With Updated Sal/Ben Chngs	Programmatic Changes	Revised 03/04 Budget	% of Change
Refer to 2002-2004 Adopted Budget as noted					
<b>LIBRARY</b>					
Administrative Svcs. Unit (66251) - p. Library-12	657,178	667,601	(26,980)	640,621	-4.04%
Resource Development Unit (66252) - p. Library-13	202,370	213,775	(10,423)	203,352	-4.88%
Collection Development Unit (66261) - p. Library-15	1,207,818	1,210,684	(43,288)	1,167,396	-3.58%
Collection Maintenance Unit (66262) - p. Library-16	798,104	809,587	(79,234)	730,353	-9.79%
Electronic Resources Unit (66271) - p. Library-17	626,790	634,855	(51,621)	583,234	-8.13%
Information Services Unit (66272) - p. Library-18	710,383	721,401	(94,373)	627,028	-13.08%
Literacy Services Unit (66281) - p. Library-19	469,172	468,957	(10,179)	458,778	-2.17%
Youth Services Unit (66282) - p. Library-20	645,913	659,383	(30,092)	629,291	-4.56%
Community Libraries Unit (66290) - p. Library-21	817,048	825,545	(88,589)	736,956	-10.73%
<b>Total</b>	<b>6,134,776</b>	<b>6,211,788</b>	<b>(434,779)</b>	<b>5,777,009</b>	<b>-7.00%</b>
<b>PARKS, RECREATION AND COMMUNITY SERVICES</b>					
Human Services Programs (64211) - p. PRCS-23	703,006	708,670	(72,069)	636,601	-10.17%
Information/Referral (64212) - p. PRCS-23	186,263	186,092	(41)	186,051	-0.02%
Human Svcs. Assistance (64213) - p. PRCS-13	326,000	326,000	(22,820)	303,180	-7.00%
Fair Oaks Senior Services (64218) - p. PRCS-23	74,998	74,998	(3,875)	71,123	-5.17%
Fair Oaks Room Rental (64219) - p. PRCS-23	11,965	12,070	(3)	12,067	-0.02%
Administration (66110) - p. PRCS-11	698,789	718,856	(58,575)	660,281	-8.15%
Civic Cultural Commission (66111) - p. PRCS-12	80,630	80,630	(4,800)	75,830	-5.95%
Landscape Maintenance-City (66121) - p. PRCS-17	2,374,876	2,425,252	(119,941)	2,305,311	-4.95%
Landscape Mtc.-Redwood Shores (66122) - p. PRCS-17	1,243,967	1,274,699	(86,960)	1,187,739	-6.82%
Youth and Teen Services (66131) - p. PRCS-25	291,436	315,217	(5,777)	309,440	-1.83%
Elementary Activities (66133) - p. PRCS-25	333,883	336,796	(47,587)	289,209	-14.13%
Kids Club Program (66134) - p. PRCS-25	411,868	417,373	(129,514)	287,859	-31.03%
Teen Activities (66135) - p. PRCS-25	188,453	191,366	(45)	191,321	-0.02%
After School Program Grant (66137) - p. PRCS-25	698,903	676,533	(75)	676,458	-0.01%
After School Program Grant-21st Cent. (66138) - p. PRCS-25	501,613	482,957	(63)	482,894	-0.01%
Red Morton Community Center (66142) - p. PRCS-26	844,533	860,350	(22,547)	837,803	-2.62%
Community Activities Building (66143) - p. PRCS-26	217,457	217,996	(15,569)	202,427	-7.14%
Pool Operations (66144) - p. PRCS-26	173,383	173,383	(49,409)	123,974	-28.50%
Aquatics Program (66145) - p. PRCS-26	106,168	106,168	(22)	106,146	-0.02%
Youth Sports (66146) - p. PRCS-26	20,657	20,657	(6,001)	14,656	-29.05%
Adult Sports (66147) - p. PRCS-26	150,245	150,245	(19,585)	130,660	-13.04%
Middle School Sports (66148) - p. PRCS-26	152,884	153,517	(13,544)	139,973	-8.82%
Special Interest Classes (66161) - p. PRCS-27	464,538	465,796	(65)	465,731	-0.01%
Sandpiper Community Center (66162) - p. PRCS-27	401,144	412,337	(43,294)	369,043	-10.50%
Sandpiper Youth Club (66163) - p. PRCS-27	61,925	61,925	(3,501)	58,424	-5.65%
Senior Services (66171) - p. PRCS-29	737,556	753,544	(12,922)	740,622	-1.71%
Senior Nutrition (66173) - p. PRCS-29	292,809	259,362	(58)	259,304	-0.02%
Special Needs Program (66176) - p. PRCS-29	95,091	93,970	(2,998)	90,972	-3.19%
Special Needs Classes/Trips (66178) - p. PRCS-29	44,190	42,869	(2,006)	40,863	-4.68%
<b>Total</b>	<b>11,889,230</b>	<b>11,999,628</b>	<b>(743,666)</b>	<b>11,255,962</b>	<b>-6.20%</b>
<b>POLICE</b>					
Administration (62111) - p. Police-11	4,025,497	4,044,634	(27,098)	4,017,536	-0.67%
Records (62112) - p. Police-12	943,629	949,678	(27,064)	922,614	-2.85%
Training (62113) - p. Police-13	444,123	452,155	(62,541)	389,614	-13.83%
Property/Evidence (62114) - p. Police-14	211,631	206,077	(65)	206,012	-0.03%
Patrol Services (62131) - p. Police-16	11,634,346	12,014,322	(654,735)	11,359,587	-5.45%
Criminal Investigation (62134) - p. Police-17	3,285,803	3,326,404	(170,322)	3,156,082	-5.12%
<b>Total</b>	<b>20,545,029</b>	<b>20,993,270</b>	<b>(941,825)</b>	<b>20,051,445</b>	<b>-4.49%</b>

5 The Parks, Recreation and Community Services department will be generating additional revenue. Also, a portion of the department's general fund budget is funded by grants from outside agencies. This portion of the budget is not subject to the budget reduction process.

## Recommended Changes to 2003/04 Operating Budget

GENERAL FUNDS (Cont'd)	Original 03/04 Budget	With Updated Sal/Ben Chngs	Programmatic Changes	Revised 03/04 Budget	% of Change
<b>Refer to 2002-2004 Adopted Budget as noted</b>					
<b>PUBLIC WORKS SERVICES</b>					
Street System Maintenance (65132) - p. PWS-17	183,182	183,182		183,182	
Street Cleaning (65133) - p. PWS-23	117,759	117,759	(32,749)	85,010	-27.81%
Sidewalk Maintenance/Replacement (65134) - p. PWS-18	5,395	5,395		5,395	
Street Tree Maintenance (65135) - p. PWS-19	806,647	811,180	(58,951)	752,229	-7.27%
Downtown/Entry Feature Maintenance (65136) - p. PWS-20	66,100	66,100	(4,627)	61,473	-7.00%
Storm Water Collection/Disposal (65161) - p. PWS-29	124,781	124,781		124,781	
<b>Total</b>	<b>1,303,864</b>	<b>1,308,397</b>	<b>(96,327)</b>	<b>1,212,070</b>	<b>-7.36%</b>
<b>TOTAL GENERAL FUNDS</b>	<b>67,908,344</b>	<b>68,417,291</b>	<b>(3,684,459)</b>	<b>64,732,832</b>	<b>-5.39%</b>
<b>SPECIAL REVENUE FUNDS</b>					
<b>TRAFFIC SAFETY FUND</b>					
<b>Public Works</b>					
Traffic Control Maint. (65131) - p. PWS-15	1,425,622	1,433,965	(107,389)	1,326,576	
<b>Fund Total</b>	<b>1,425,622</b>	<b>1,433,965</b>	<b>(107,389)</b>	<b>1,326,576</b>	<b>-7.49%</b>
<b>SPECIAL GAS TAX STREET IMPROVEMENT FUND</b>					
<b>Public Works</b>					
Street System Maint. (65132) - p. PWS-17	1,053,273	1,070,467	(92,160)	978,307	-8.61%
Street Cleaning (65133) - p. PWS-23	233,100	235,643	(49,935)	185,708	-21.19%
Sidewalk Maint. & Replacement (65134) - p. PWS-18	180,850	182,026	(7,452)	174,574	-4.09%
Storm Water Coll. & Disposal (65161) - p. PWS-29	336,899	340,815	(4,384)	336,431	-1.29%
<b>Fund Total</b>	<b>1,804,122</b>	<b>1,828,951</b>	<b>(153,931)</b>	<b>1,675,020</b>	<b>-8.42%</b>
<b>GID 1-64 MAINTENANCE &amp; OPERATION</b>					
<b>Public Works</b>					
Storm Water Coll. & Disposal (65161) - p. PWS-29	394,363	395,758	190	395,948	
<b>Fund Total</b>	<b>394,363</b>	<b>395,758</b>	<b>190</b>	<b>395,948</b>	<b>0.05%</b>
<b>SEAPORT CENTRE MAINTENANCE DISTRICT</b>					
<b>Public Works</b>					
Water Supply & Distr. (65144)	6,906	6,906	(70)	6,836	
Sewer System Maint. (65152)	23,596	23,596	(108)	23,488	
Storm Water Coll. & Disposal (65161)	29,492	29,893	159	30,052	
<b>Fund Total</b>	<b>59,994</b>	<b>60,395</b>	<b>(19)</b>	<b>60,376</b>	
<b>SEAPORT LANDSCAPING MAINTENANCE DISTRICT</b>					
<b>Parks/Recreation</b>					
Seaport Blvd. Landscape Maint. (65184)	118,661	121,496	(289)	121,207	
<b>Public Works</b>					
Seaport Blvd. Landscape Maint. (65161)	13,812	13,812		13,756	
<b>Fund Total</b>	<b>132,473</b>	<b>135,308</b>	<b>(289)</b>	<b>134,963</b>	
<b>REDWOOD SHORES LANDSCAPE MAINTENANCE DISTRICT</b>					
<b>Parks/Recreation</b>					
Lido Landscape Maint. (66123)	208,992	214,161	679	214,840	
<b>Fund Total</b>	<b>208,992</b>	<b>214,161</b>	<b>679</b>	<b>214,840</b>	

## Recommended Changes to 2003/04 Operating Budget

<b>SPECIAL REVENUE FUNDS (Cont'd)</b>	<b>Original 03/04 Budget</b>	<b>With Updated Sal/Ben Chngs</b>	<b>Programmatic Changes</b>	<b>Revised 03/04 Budget</b>
<b>CATEGORICAL GRANTS FUND</b>				
<b>Federal Grants Program</b>				
Community Development				
Admin - Housing Employees (66310)	974,907	986,872	(14,864)	972,008
Housing Rehabilitation (66320)	107,697	117,074		117,074
HOME Administration (66354)	443,431	443,912	14,863	458,775
	<u>1,526,035</u>	<u>1,547,858</u>	<u>(1)</u>	<u>1,547,857</u>
<b>Rental Income Program</b>				
Rental Income (66306)				
Rental Rehabilitation Administration (66380)	81,840	87,094		87,094
	<u>81,840</u>	<u>87,094</u>		<u>87,094</u>
<b>Categorical Grants Total</b>	<b>1,607,875</b>	<b>1,634,952</b>	<b>(1)</b>	<b>1,634,951</b>
<b>REDEVELOPMENT AGENCY</b>				
<b>Housing Fund</b>				
Housing Relocation (66321)	50,000	50,000		50,000
Administration (66410)	1,251,035	1,264,889	2,374	1,267,263
First Time Homebuyer Program (66455)	500,000	500,000		500,000
Rehabilitation (66471)	300,000	300,000		300,000
	<u>2,101,035</u>	<u>2,114,889</u>	<u>2,374</u>	<u>2,117,263</u>
<b>General Fund</b>				
Administration (66410)	1,391,649	1,415,158	18,164	1,433,322
Tax Revenue Apportionment (66411)	900,000	900,000		900,000
RWC Sch. Dist. Prop. Exch. Loan (66418)	42,321	42,321		42,321
Economic Development Plan (66429)	286,862	286,698		286,698
Sequoia Station (66454)	300,000	300,000		300,000
Store Front Improvements (66464)	60,000	60,000		60,000
	<u>2,980,832</u>	<u>3,004,177</u>	<u>18,164</u>	<u>3,022,341</u>
<b>Redevelopment Agency Total</b>	<b>5,081,867</b>	<b>5,119,066</b>	<b>20,538</b>	<b>5,139,604</b>
<b>TRANSPORTATION FUND</b>				
<b>Finance</b>				
Admin. Supp. Svcs. (61710)	200,117	200,117		200,117
Engineering (65121)	95,601	96,654		96,654
<b>Fund Total</b>	<b>295,718</b>	<b>296,771</b>		<b>296,771</b>
<b>LAW ENFORCEMENT GRANTS</b>				
<b>Police</b>				
Citizens' Option for Public Safety (COPS) (62131)	153,127	157,209	(8,069)	149,140
<b>Fund Total</b>	<b>153,127</b>	<b>157,209</b>	<b>(8,069)</b>	<b>149,140</b>
<b>TOTAL SPECIAL REVENUE FUNDS</b>	<b>11,164,153</b>	<b>11,276,536</b>	<b>(248,291)</b>	<b>11,028,189</b>

## Recommended Changes to 2003/04 Operating Budget

<b>DEBT SERVICE FUNDS</b>	<b>Original 03/04 Budget</b>	<b>With Updated Sal/Ben Chngs</b>	<b>Programmatic Changes</b>	<b>Revised 03/04 Budget</b>
<b>GID 1-64 RECLAMATION &amp; FACILITIES BOND DEBT SERVICES FUND</b>				
<b>Finance</b>				
Reclamation - Debt Service (61422-423)	683,221	683,825	(15,949)	667,876
Facilities - Debt Service (61422-423)	1,393,884	1,394,488	(31,974)	1,362,514
<b>Fund Total</b>	<b>2,077,105</b>	<b>2,078,313</b>	<b>(47,923)</b>	<b>2,030,390</b>
<b>ASSESSMENT DISTRICTS</b>				
<b>Finance</b>				
Seaport Consolidated Assessment District Debt Service Fund (61423)	1,307,620	1,307,620		1,307,620
Redwood Shores Traffic Improvement District Bonds Administrative Expense Fund (61421)	8,111	8,111		8,111
Redwood Shores Traffic Improvement District Bonds Debt Service Fund (61423)	374,502	374,502	19,605	394,107 <sup>6</sup>
Pacific Shores Bonds Debt Service Fund (61423)	2,050,667	2,050,667	18,355	2,069,022 <sup>7</sup>
Pacific Shores Bonds Administrative Expense Fund (61423)	9,361	9,361		9,361
<b>Assessment Districts Total</b>	<b>3,750,261</b>	<b>3,750,261</b>	<b>37,960</b>	<b>3,788,221</b>
<b>PUBLIC FINANCING AUTHORITY</b>				
<b>Finance</b>				
PFA Series A Bonds (61423)	1,137,429	1,137,429		1,137,429
1998 PFA Lease Revenue Bonds (61423)	1,220,313	1,220,313		1,220,313
1997 RDA Tax Allocation Bonds (61423)	1,525,800	1,525,800		1,525,800
<b>Fund Total</b>	<b>3,883,542</b>	<b>3,883,542</b>		<b>3,883,542</b>
<b>CITY HALL BONDS DEBT SERVICE FUND</b>				
Debt Service (61423)	920,722	920,722		920,722
<b>Fund Total</b>	<b>920,722</b>	<b>920,722</b>		<b>920,722</b>
<b>TOTAL DEBT SERVICE FUNDS</b>	<b>10,631,630</b>	<b>10,632,838</b>	<b>(9,963)</b>	<b>10,622,875</b>

Explanations for all reductions are contained within the reduction forms that are presented beginning on page 95 of this document. There are, however, several other recommended budget increases in funds not affecting the general fund. The following are the explanations of these recommended changes:

- 6 Redwood Shores Traffic Improvement District Bonds Redemption Fund - Increase the appropriation for administrative costs by \$19,605 as provided by the terms of the district's governing documents to cover all administrative expenses.
- 7 Pacific Shores Bonds Redemption Fund - Increase the appropriation for administrative costs by \$18,355 as provided by the district's governing documents to cover all administrative costs.

## Recommended Changes to 2003/04 Operating Budget

<b>ENTERPRISE FUNDS</b>	<b>Original 03/04 Budget</b>	<b>With Updated Sal/Ben Chngs</b>	<b>Programmatic Changes</b>	<b>Revised 03/04 Budget</b>
<b>PARKING DISTRICT FUND</b>				
<b>Finance</b>				
Revenue Services (61410)	34,570	35,719	119	35,838
Debt Service (61423)	74,100	74,100		74,100
Admin. Support Svcs. (61710)	2,514	2,514		2,514
	<u>111,184</u>	<u>112,333</u>	<u>119</u>	<u>112,452</u>
<b>Public Works</b>				
Street System Maint. (65132)	352,544	356,231	(7,229)	349,002
<b>Fund Total</b>	<b>463,728</b>	<b>468,564</b>	<b>(7,110)</b>	<b>461,454</b>
<b>WATER FUND</b>				
<b>Finance</b>				
Revenue Services (61410)	1,041,486	1,058,378	(15,628)	1,042,750
Admin. Support Svcs. (61710)	98,582	98,582		98,582
	<u>1,140,068</u>	<u>1,156,960</u>	<u>(15,628)</u>	<u>1,141,332</u>
<b>Public Works</b>				
Water Customer Services (65142)	1,557,044	1,578,444	(44,456)	1,533,988
Water Supply & Distribution (65144)	4,536,738	4,586,661	(52,779)	4,533,882
SFWD Water Purchases (65145)	5,891,786	5,891,786	888,602	6,780,388 <sup>8</sup>
	<u>11,985,568</u>	<u>12,056,891</u>	<u>791,367</u>	<u>12,848,258</u>
<b>Fund Total</b>	<b>13,125,636</b>	<b>13,213,851</b>	<b>775,739</b>	<b>13,989,590</b>
<b>SEWER FUND</b>				
<b>Finance</b>				
Admin. Support Svcs. (61710)	51,502	51,502		51,502
<b>Public Works</b>				
Sewer System Maint. (65152)	3,609,302	3,650,362	(87,388)	3,562,974 <sup>9</sup>
Waste Water Treat. & Disposal (65154)	5,150,000	5,150,000		5,060,549
Storm Water Coll. & Disposal (65161)	590,695	601,197	13,585	614,782 <sup>10</sup>
	<u>9,349,997</u>	<u>9,401,559</u>	<u>(73,803)</u>	<u>9,238,305</u>
<b>Fund Total</b>	<b>9,401,499</b>	<b>9,453,061</b>	<b>(73,803)</b>	<b>9,289,807</b>
<b>TOTAL ENTERPRISE FUNDS</b>	<b>22,990,863</b>	<b>23,135,476</b>	<b>694,826</b>	<b>23,740,851</b>

Explanations for all reductions are contained within the reduction forms that are presented beginning on page 95 of this document. There are, however, several other recommended budget changes in funds not affecting the general fund. The following are the explanations of these recommended changes:

- 8 Water Fund - Increased costs of wholesale water purchases from the San Francisco Public Utilities Commission.
- 9 Sewer Fund - Charges for sewage treatment from the South Bayside Systems Authority will be less than originally expected.
- 10 Sewer Fund - Increased fees for the storm water discharge permit.

## Recommended Changes to 2003/04 Operating Budget

<b>INTERNAL SERVICE FUNDS</b>	<b>Original 03/04 Budget</b>	<b>With Updated Sal/Ben Chngs</b>	<b>Programmatic Changes</b>	<b>Revised 03/04 Budget</b>
<b>EQUIPMENT SERVICES FUND</b>				
<b>Public Works</b>				
Equipment Services (67230)	3,394,570	3,424,052	(1,004)	3,423,048
<b>Fund Total</b>	<b>3,394,570</b>	<b>3,424,052</b>	<b>(1,004)</b>	<b>3,423,048</b>
<b>INTERNAL SERVICES FUND</b>				
<b>Finance</b>				
Information Technology (67110)	1,631,210	1,676,509	(58,210)	1,618,299
Telephone Services (67211)	455,089	457,476	(47,626)	409,850
Total	2,086,299	2,133,985	(105,836)	2,028,149
<b>Police</b>				
Central Dispatching Svcs. (67310)	1,886,690	1,891,815	1,138	1,892,953
<b>Parks/Recreation</b>				
Custodial Services (67241)	1,246,683	1,257,861	(105,899)	1,151,962
Bldg. Maint. & Repair Svcs. (67242)	1,441,486	1,464,042	(56,002)	1,408,040
Total	2,688,169	2,721,903	(161,901)	2,560,002
<b>Public Works Services</b>				
Warehouse Services (67222)	303,772	312,534	(110,499)	202,035
<b>Fund Total</b>	<b>6,964,930</b>	<b>7,060,237</b>	<b>(377,098)</b>	<b>6,683,139</b>
<b>WORKERS' COMPENSATION FUND</b>				
<b>Human Resources</b>				
Risk Mgmt. - Workers' Comp (67713)	1,119,537	1,125,766	(548)	1,125,218
<b>Fund Total</b>	<b>1,119,537</b>	<b>1,125,766</b>	<b>(548)</b>	<b>1,125,218</b>
<b>GENERAL LIABILITY INSURANCE FUND</b>				
<b>Finance</b>				
Risk Management (67711-715)	1,090,261	1,092,676	40	1,092,716
<b>Fund Total</b>	<b>1,090,261</b>	<b>1,092,676</b>	<b>40</b>	<b>1,092,716</b>
<b>EMPLOYMENT LIABILITY FUND</b>				
<b>Human Resources</b>				
Employment Liability Claims (67716)	147,700	147,700	(7,700)	140,000
<b>Fund Total</b>	<b>147,700</b>	<b>147,700</b>	<b>(7,700)</b>	<b>140,000</b>
<b>TOTAL INTERNAL SERVICE FUNDS</b>	<b>12,716,998</b>	<b>12,850,431</b>	<b>(386,310)</b>	<b>12,464,121</b>
<b>TOTAL ALL FUNDS</b>	<b>125,411,988</b>	<b>126,312,572</b>	<b>(3,634,197)</b>	<b>122,588,868</b>

## 2003/04 Analysis of Budget By Fund

	BEGINNING BALANCE	ESTIMATED REVENUES	TRANSFER IN/(OUT)	TOTAL AVAILABLE
<b>GENERAL OPERATING FUNDS</b>				
General Fund	14,364,932	57,256,871	(5,869,697)	65,752,106
Library Fund		620,803	5,156,206	5,777,009
Recreation Program Fund		1,583,300	(321,385)	1,261,915
Sandiper Park Reserve				
Subtotal	14,364,932	59,460,974	(1,034,876)	72,791,030
<b>SPECIAL REVENUE FUNDS</b>				
Traffic Safety Fund		340,000	986,576	1,326,576
Special Gas Tax Fund		1,540,920	179,020	1,719,940
GID-64 Maintenance District	529,188	507,911	(140,000)	897,099
Seaport Centre Maintenance	187,359	271,034		458,393
Seaport Blvd.Landscape Maintenance	43,189	157,682		200,871
Lido Maintenance District	377,725	162,480		540,205
Categorical Grants	130,055	1,504,896		1,634,951
Redevelopment Agency	2,361,120	6,979,585	(1,421,450)	7,919,255
S.L.E.S.F. Grant	8,963	150,000		158,963
Subtotal	3,637,599	11,614,508	(395,854)	14,856,253
<b>CAPITAL IMPROVEMENT FUNDS</b>				
Utility Users Tax		7,681,422	(5,282,380)	2,399,042
Gas Tax Construction			621,500	621,500
Transportation Fund	403,064	1,090,900		1,493,964
Capital Projects Fund	5,006,789		4,049,458	9,056,247
GID Facilities Fees Fund	3,008,749	100,000		3,108,749
Water Fund Capital Projects			5,400,000	5,400,000
Sewer Fund Capital Projects			1,000,000	1,000,000
Grants & Bond Proceeds	3,900,000	14,200,000		18,100,000
Traffic Impact Fees	5,238,147	359,000		5,597,147
Traffic Mitigation Funds	2,247,557	134,800		2,382,357
Subtotal	19,804,306	23,566,122	5,788,578	49,159,006
<b>DEBT SERVICE FUNDS</b>				
General Improvement District 1 - 64	1,364,404	2,070,885		3,435,289
Assessment Districts	6,892,150	4,434,064		11,326,214
City Hall Certificates of Participation	316,222	33,500	571,000	920,722
Public Financing Authority	80,000	2,542,902	1,421,450	4,044,352
Subtotal	8,652,776	9,081,351	1,992,450	19,726,577
<b>ENTERPRISE FUNDS</b>				
Parking Fund	692,831	529,378		1,222,209
Water Fund	5,003,037	16,548,296	(4,906,615)	16,644,718
Sewer Fund	894,920	9,818,274	(1,369,681)	9,343,513
Subtotal	6,590,788	26,895,948	(6,276,296)	27,210,440
<b>TOTAL ALL FUNDS</b>				
(excluding Internal Service)	53,050,401	130,618,902	74,002	183,743,306
<b>INTERNAL SERVICE FUNDS</b>				
Equipment Services Fund	5,114,905	2,689,445		7,804,350
Internal Services Fund	1,684,452	6,687,410	(74,002)	8,297,860
Workers' Comp. Emp. Liab. Ins. Fund	1,441,205	1,196,245		2,637,450
General Liability Insurance Fund	719,697	1,053,076		1,772,773
Subtotal	8,960,259	11,626,176	(74,002)	20,512,433
<b>TOTAL ALL FUNDS</b>				
	62,010,661	142,245,078	(0)	204,255,739

## 2003/04 Analysis of Budget By Fund

OPERATIONS DEBT SERVICE	CAPITAL IMPROVEMENTS	TOTAL EXPENDITURE	ENDING BALANCE
55,294,866		55,294,866	10,457,240
5,777,009		5,777,009	
1,261,915		1,261,915	
			173,760
62,333,790		62,333,790	10,631,000
1,326,576		1,326,576	
1,675,020		1,675,020	44,920
395,948		395,948	501,151
60,376	192,681	253,057	205,336
134,963	15,424	150,387	50,484
214,840		214,840	325,365
1,634,951		1,634,951	
5,139,604		5,139,604	2,779,651
149,140		149,140	9,823
10,731,418	208,105	10,939,523	3,916,730
2,399,042		2,399,042	
	621,500	621,500	
296,771	1,100,000	1,396,771	97,193
	4,293,500	4,293,500	4,762,747
	130,000	130,000	2,978,749
	5,400,000	5,400,000	
	1,000,000	1,000,000	
	18,100,000	18,100,000	
	3,892,500	3,892,500	1,704,647
	2,000,000	2,000,000	382,357
2,695,813	36,537,500	39,233,313	9,925,693
2,030,390		2,030,390	1,404,899
3,788,221		3,788,221	7,537,993
920,722		920,722	
3,883,542		3,883,542	160,810
10,622,875		10,622,875	9,103,702
461,454		461,454	760,755
13,989,590		13,989,590	2,655,128
9,289,807		9,289,807	53,706
23,740,851		23,740,851	3,469,589
110,124,747	36,745,605	146,870,352	37,046,714
3,423,048		3,423,048	4,381,302
6,683,139		6,683,139	1,614,721
1,265,218		1,265,218	1,372,232
1,092,716		1,092,716	680,057
12,464,121		12,464,121	8,048,312
122,588,868	36,745,605	159,334,473	45,095,026

## Revenue Estimates 2002/03 and 2003/04

### GENERAL FUND

#### **A** PROPERTY TAXES

1	Current Year Secured Tax	13,925,263	15,319,187	16,934,827	16,836,076	16,863,383	17,093,025
2	Current Year Unsecured	1,471,019	1,504,500	1,640,962	1,579,313	1,588,426	1,500,577
3	Prior Year Taxes	7,381	25,000	97,735	25,000	25,000	25,000
	<b>Subtotal Property Taxes</b>	<b>15,403,663</b>	<b>16,848,687</b>	<b>18,673,524</b>	<b>18,440,389</b>	<b>18,476,809</b>	<b>18,618,602</b>

#### **B** OTHER TAXES

1	Sales and Use Tax	20,842,721	20,106,369	14,937,621	17,588,864	13,905,989	14,403,636
2	Franchises	1,034,270	1,012,840	1,227,900	1,145,280	1,145,280	1,195,291
3	Transient Occupancy Tax	2,603,350	3,360,000	1,498,249	1,768,000	1,392,000	1,593,840
4	Property Transfer Tax	541,649	500,000	502,735	420,000	600,000	550,000
5	Business Licenses	1,041,410	1,100,000	1,043,245	1,100,000	1,050,000	1,050,000
	<b>Subtotal Other Taxes</b>	<b>26,063,400</b>	<b>26,079,209</b>	<b>19,209,750</b>	<b>22,022,144</b>	<b>18,093,269</b>	<b>18,792,767</b>

#### **C** LICENSES AND PERMITS

1	Building Permits	2,476,417	1,485,000	1,044,612	750,000	750,000	1,000,000
2	Other Licenses and Permits	8,299	5,000	8,812	5,000	5,500	5,500
3	Fire Permits	62,071	70,000	53,523	65,000	100,000	110,000
	<b>Subtotal Licenses and Permits</b>	<b>2,546,787</b>	<b>1,560,000</b>	<b>1,106,947</b>	<b>820,000</b>	<b>855,500</b>	<b>1,115,500</b>

#### **D** FINES AND FORFEITURES

1	Parking Fines	299,612	278,000	430,926	600,000	460,000	600,000
2	Administrative Citation Fines	19,938	30,000	10,558	22,000	22,000	22,000
	<b>Subtotal Fines and Forfeitures</b>	<b>319,550</b>	<b>308,000</b>	<b>441,484</b>	<b>622,000</b>	<b>482,000</b>	<b>622,000</b>

#### **E** USE OF MONEY AND PROPERTY

1	Interest Income	2,753,712	2,071,000	2,616,042	2,704,880	2,313,900	1,883,675
2	Rents and Concessions	204,733	149,000	244,217	263,500	242,400	268,000
	<b>Subtotal Uses of Money and Property</b>	<b>2,958,445</b>	<b>2,220,000</b>	<b>2,860,259</b>	<b>2,968,380</b>	<b>2,556,300</b>	<b>2,151,675</b>

#### **F** REVENUE FROM OTHER AGENCIES

1.1	Motor Vehicle In-Lieu Fee	4,040,090	4,192,891	4,212,755	4,407,831	4,407,830	4,584,143
1.2	Enhanced MV Collections	68,350	68,000	68,365	68,000	68,000	68,000
2	Proposition 172 Sales Tax	640,242	607,966	643,344	662,400	607,000	619,140
3	Police Officer Training	50,152	35,000	51,508	50,000		
4	Police Athletic League	362,574		11,231		8,234	
5	Homeowner Property Tax Relief	202,528	198,000	215,640	205,000	205,000	207,000
6	Off Highway License Fee	1,525	1,400	748	1,400	2,000	2,000
7	State-Mandated Program Reimbursement	405,920	32,000	246,986			
8	Recreation Program Grants	269,060	1,123,555	760,638	1,137,466	661,695	660,000
9	State Booking Fee Reimbursements	358,120	210,000	284,417		284,317	
10	State "ERAF" Return	356,352					
11	Contribution for Streets		7,500	23,000	31,900	31,900	31,900
12	Fair Oaks Information and Referral	55,943	54,000	75,690	60,600	60,689	27,917
13	Fair Oaks Center Contribution/Grants	263,210	327,014	296,381	297,000	297,081	270,881
14	Paramedic Program Contribution	191,640	195,000	195,818	220,498	200,000	200,000
15	Port of Redwood City Contribution	359,055	374,000	307,739	320,000	278,000	389,000
	<b>Subtotal Revenue from Other Agencies</b>	<b>7,624,761</b>	<b>7,426,326</b>	<b>7,394,260</b>	<b>7,462,095</b>	<b>7,111,746</b>	<b>7,059,981</b>

## Revenue Estimates 2002/03 and 2003/04

### G CHARGES FOR CURRENT SERVICES

1	Zoning Fees	103,799	100,000	96,179	70,000	65,000	110,000
2	Sale of Maps and Publications	5,720	6,000	2,088	5,000	5,000	5,000
3	Fire Services	224,342	308,532	351,612	333,000	326,325	337,000
4	Fire Inspection Fees		3,000	5,362	5,000	1,500	1,500
5	Police Services	420,507	396,500	313,642	375,000	316,000	316,000
6	Plan Checking Fees	734,040	525,000	342,383	250,000	260,000	300,000
7	Garbage Collection Franchise Fees	1,511,789	1,478,069	1,573,591	1,644,706	1,644,706	1,676,780
8	Engineering and Subdivision Fees	983,916	815,000	449,659	315,000	255,000	360,000
9	SBSA Financial Services	54,474	56,816	57,633	59,361	59,361	61,736
10	Miscellaneous Revenue-Center Copier	8,663	1,000	2,930	1,000	6,200	27,000
11	Senior Advisory Council Reimbursement	127,632	211,067	175,947	295,822	274,874	259,362
12	E.I.R. Fees	138,807	65,000	523,027	180,000	300,000	250,000
13	SBSA Landscape Maintenance Services	62,821	62,821	68,648	70,125	71,880	71,880
14	Shopping Cart Collection Fees	89,869	85,000	81,797	90,000	90,000	90,000
	<b>Subtotal Charges for Current Services</b>	<b>4,466,379</b>	<b>4,113,805</b>	<b>4,044,498</b>	<b>3,694,014</b>	<b>3,675,846</b>	<b>3,866,258</b>

### H OTHER REVENUE

1	Sale of Property	2,270					
2	Water Fund	1,154,670	1,209,352	1,209,352	1,265,062	1,265,062	1,264,292
3	Sewer Fund	835,696	852,671	852,671	898,187	898,187	920,833
4	Parking Fund	43,582	44,454	44,454	43,846	43,846	42,703
5	Interdepartmental Operating Transfers	1,620,834	1,680,129	1,680,129	1,925,922	1,925,922	2,011,843
6	Other Revenues	1,039,011	626,616	935,608	666,699	836,287	790,417
	<b>Total Other Revenue</b>	<b>4,696,063</b>	<b>4,413,222</b>	<b>4,722,214</b>	<b>4,799,716</b>	<b>4,969,304</b>	<b>5,030,088</b>

### I LIBRARY REVENUE

1	Library Grants	715,432	273,809	740,206	241,796	434,951	302,122
2	Fair Oaks Library Contribution	127,503	127,503	142,456	156,702	167,400	167,400
3	Library Services	161,121	154,100	166,351	135,750	137,000	151,281
	<b>Total Library Revenue</b>	<b>1,004,056</b>	<b>555,412</b>	<b>1,049,013</b>	<b>534,248</b>	<b>739,351</b>	<b>620,803</b>

### J RECREATION REVENUES

1	<b>Recreation Program Fees</b>	1,119,015	1,041,261	1,185,303	1,307,400	1,553,745	1,583,300
	<b>Total General Fund Revenues</b>	<b>66,202,119</b>	<b>64,565,922</b>	<b>60,687,252</b>	<b>62,670,386</b>	<b>58,513,870</b>	<b>59,460,974</b>

## Revenue Estimates 2002/03 and 2003/04

### **SPECIAL REVENUE FUNDS**

#### **A TRAFFIC SAFETY FUND**

1	<b>Total Traffic Fines</b>	387,303	338,500	369,275	340,000	340,000	340,000
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#### **B GAS TAX OPERATING FUNDS**

1	Gas Tax Section 2107 and 2017.5	637,476	636,797	640,393	587,622	646,000	658,920
2	Gas Tax Section 2105	476,925	497,709	481,181	485,520	481,000	490,620
3	Gas Tax Section 2106	407,354	426,216	379,698	440,130	369,000	376,380
4	Gas Tax Interest Income	3,524		6,211			
5	Hauling Fees and Miscellaneous	11,745	25,000	40,035	16,000		15,000
6	Capital Contributions	482,346					
	<b>Total Gas Tax Funds</b>	<b>2,019,370</b>	<b>1,585,722</b>	<b>1,547,518</b>	<b>1,529,272</b>	<b>1,496,000</b>	<b>1,540,920</b>

#### **C MAINTENANCE DISTRICTS**

1	GID 1-64	484,053	489,316	542,057	517,700	507,090	507,911
2	Seaport Centre	66,797	268,228	275,562	302,899	302,899	271,034
3	Seaport Boulevard	80,154	139,984	140,965	151,184	151,184	157,682
4	Lido Area	172,411	172,355	170,610	156,986	156,986	162,480
	<b>Total Maintenance District Funds</b>	<b>803,415</b>	<b>1,069,883</b>	<b>1,129,194</b>	<b>1,128,769</b>	<b>1,118,159</b>	<b>1,099,107</b>

#### **D FEDERAL LAW ENFORCEMENT GRANTS**

1	Federal Law Enforcement Grants	86,696				149,268	
2	Interest Income	5,507		8,954		4,122	
	<b>Total Federal Law Enforcement Grants</b>	<b>92,203</b>		<b>8,954</b>		<b>153,390</b>	

#### **E CATEGORICAL GRANTS**

1	Community Development Block Grant	1,345,000	1,422,000	1,422,000	1,399,000	1,399,000	1,372,873
2	Program Income	62,670	78,709	78,709	77,044	77,044	132,023
3	Other Grants	581,976		209,007		30,781	
	<b>Total Grants</b>	<b>1,989,646</b>	<b>1,500,709</b>	<b>1,709,716</b>	<b>1,476,044</b>	<b>1,506,825</b>	<b>1,504,896</b>

#### **F REDEVELOPMENT HOUSING FUND**

1	Property Tax Increment	1,720,737	1,831,599	2,615,900	2,172,709	2,479,383	2,422,285
2	Interest Income	201,898	79,084	128,955	117,763	118,354	71,588
3	Miscellaneous Revenue	43,124		62,829			
	<b>Total Redevelopment Housing Fund</b>	<b>1,965,759</b>	<b>1,910,683</b>	<b>2,807,684</b>	<b>2,290,472</b>	<b>2,597,737</b>	<b>2,493,873</b>

#### **G REDEVELOPMENT GENERAL FUND**

1	Property Tax Increment	3,781,485	4,064,563	5,315,058	4,756,259	5,070,121	4,185,712
2	Interest Income	180,483	51,213	204,620	154,182	403,764	300,000
	<b>Total Redevelopment General Fund</b>	<b>3,961,968</b>	<b>4,115,776</b>	<b>5,519,678</b>	<b>4,910,441</b>	<b>5,473,885</b>	<b>4,485,712</b>

#### **Subtotal Redevelopment Agency Funds**

		5,927,727	6,026,459	8,327,362	7,200,913	8,071,622	6,979,585
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#### **H S.L.E.S.F. GRANT**

1	S.L.E.S.F. Grant	169,234	168,500	153,398	153,000	151,555	150,000
2	Interest Income	37,001	10,000	14,971			
	<b>Total S.L.E.S.F. Grant</b>	<b>206,235</b>	<b>178,500</b>	<b>168,369</b>	<b>153,000</b>	<b>151,555</b>	<b>150,000</b>

#### **Total Special Revenue Funds**

		11,425,899	10,699,773	13,260,388	11,827,998	12,837,551	11,614,508
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## Revenue Estimates 2002/03 and 2003/04

### CAPITAL PROJECT FUNDS

#### **A CAPITAL PROJECTS FUND**

1	Utility Users Tax	7,368,062	6,600,000	6,924,217	7,725,000	7,000,000	7,070,000
2	Other Revenues		800,000	62,375		1,690,171	
3	Interest Income			606,374		500,000	611,422
	<b>Total Capital Projects Fund</b>	<b>7,368,062</b>	<b>7,400,000</b>	<b>7,592,966</b>	<b>7,725,000</b>	<b>9,190,171</b>	<b>7,681,422</b>

#### **B TRANSPORTATION FUND**

1	Measure 'A' Funds	1,348,191	1,309,718	1,118,635	1,144,000	1,045,000	1,065,900
2	Interest Income	144,799	20,000	96,595	100,000	60,000	25,000
	<b>Total Measure 'A' Funds</b>	<b>1,492,990</b>	<b>1,329,718</b>	<b>1,215,230</b>	<b>1,244,000</b>	<b>1,105,000</b>	<b>1,090,900</b>

#### **C PUBLIC FINANCE AUTHORITY CONSTRUCTION FUND**

1	Series -B- Interest Income	8,234		3,570		1,000	
	<b>Total Public Finance Auth. Const. Fund</b>	<b>8,234</b>		<b>3,570</b>		<b>1,000</b>	

#### **D GID 1-64 FACILITIES FEES FUND**

1	Facility Fees	3,122,415		2,566,195			
2	Interest Income	677,146	300,000	522,365	200,000	372,000	100,000
	<b>Total GID 1-64 Facilities Fees Fund</b>	<b>3,799,561</b>	<b>300,000</b>	<b>3,088,560</b>	<b>200,000</b>	<b>372,000</b>	<b>100,000</b>

#### **E CONSTRUCTION GRANTS FUND**

1	Transportation Grants	696,972		416,157			7,600,000
2	Other Grants	726,969	345,800	551,465	640,000	537,620	1,000,000
	<b>Total Construction Grants Fund</b>	<b>1,423,941</b>	<b>345,800</b>	<b>967,622</b>	<b>640,000</b>	<b>537,620</b>	<b>8,600,000</b>

#### **F TRAFFIC MITIGATION FEES FUND**

1	Developer Contributions			411,633			
2	Interest Income	220,729	160,000	166,812	160,000	160,757	134,800
	<b>Total Traffic Mitigation Fees Fund</b>	<b>220,729</b>	<b>160,000</b>	<b>578,445</b>	<b>160,000</b>	<b>160,757</b>	<b>134,800</b>

#### **G TRAFFIC IMPACT FEES FUND**

1	Traffic Impact Fees	5,970,056	3,117,667	208,551	645,000	55,000	55,000
2	Interest Income	275,663	200,000	294,707	288,000	325,000	304,000
	<b>Total Traffic Impact Fees Fund</b>	<b>6,245,719</b>	<b>3,317,667</b>	<b>503,258</b>	<b>933,000</b>	<b>380,000</b>	<b>359,000</b>

#### **H ASSESSMENT DISTRICT BOND PROCEEDS AND INTEREST INCOME**

1	Redwood Shores Traffic Improvement	8,592,127		212,095		90,000	5,600,000
2	Pacific Shores Traffic Improvement	21,000,000		350,762		20,000	
	<b>Total Assessment District Fund</b>	<b>29,592,127</b>		<b>562,857</b>		<b>110,000</b>	<b>5,600,000</b>

<b>Total Capital Project Funds</b>	<b>50,151,363</b>	<b>12,853,185</b>	<b>14,512,508</b>	<b>10,902,000</b>	<b>11,856,548</b>	<b>23,566,122</b>
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## Revenue Estimates 2002/03 and 2003/04

### DEBT SERVICE FUNDS

<b>A</b> <b>GID 1-64 FACILITIES BONDS</b>							
1	Assessments	1,367,210	1,395,641	1,362,692	1,397,834	1,397,834	1,390,775
2	Interest Income	16,983	7,500	6,991			
	<b>Total GID 1-64 Facilities Fund</b>	<b>1,384,193</b>	<b>1,403,141</b>	<b>1,369,683</b>	<b>1,397,834</b>	<b>1,397,834</b>	<b>1,390,775</b>
<b>B</b> <b>GID 1-64 RECLAMATION BONDS</b>							
1	Assessments	660,802	688,498	677,546	676,210	676,210	670,110
2	Interest Income	22,757	12,000	13,806	10,000	10,000	10,000
	<b>Total GID 1-64 Reclamation Fund</b>	<b>683,559</b>	<b>700,498</b>	<b>691,352</b>	<b>686,210</b>	<b>686,210</b>	<b>680,110</b>
<b>C</b> <b>PUBLIC FINANCE AUTHORITY</b>							
1	Rental Income	2,311,299	2,283,885	1,733,801	2,367,567	2,367,567	2,362,902
2	Interest Income	204,379	80,000	151,119	80,000	80,000	80,000
	<b>Total Public Finance Authority</b>	<b>2,515,678</b>	<b>2,363,885</b>	<b>1,884,920</b>	<b>2,447,567</b>	<b>2,447,567</b>	<b>2,442,902</b>
<b>D</b> <b>1997 TAX ALLOCATION BONDS</b>							
1	<b>Interest Income</b>	96,183	100,000	95,297	100,000	100,000	100,000
<b>E</b> <b>CITY HALL C.O.P.S.</b>							
1	<b>Interest Income</b>	63,303	33,500	52,565	33,500	33,500	33,500
<b>F</b> <b>SEAPORT CONSOLIDATED ASSESMENT DISTRICT</b>							
1	Assessments	1,334,073	1,328,543	1,324,919	1,333,800	1,333,800	1,307,639
2	Interest Income	112,309		56,625	20,000		
	<b>Total Seaport Cons. Assess. Dist. Fund</b>	<b>1,446,382</b>	<b>1,328,543</b>	<b>1,381,544</b>	<b>1,353,800</b>	<b>1,333,800</b>	<b>1,307,639</b>
<b>G</b> <b>PACIFIC SHORES ASSESSMENT DISTRICT</b>							
1	Assessments				2,082,521	2,082,521	2,083,397
2	Interest Income	2,244		121,871			
	<b>Total Pacific Shores Assess. Dist. Fund</b>	<b>2,244</b>		<b>121,871</b>	<b>2,082,521</b>	<b>2,082,521</b>	<b>2,083,397</b>
<b>H</b> <b>REDWOOD SHORES TRANSPORTATION ASSESSMENT DISTRICT</b>							
1	Assessments				250,441	250,441	1,043,028
2	Interest Income			17,407			
	<b>Total Pacific Shores Assess. Dist. Fund</b>			<b>17,407</b>	<b>250,441</b>	<b>250,441</b>	<b>1,043,028</b>
	<b>Total Debt Service Funds</b>	<b>6,191,542</b>	<b>5,929,567</b>	<b>5,614,639</b>	<b>8,351,873</b>	<b>8,331,873</b>	<b>9,081,351</b>

## Revenue Estimates 2002/03 and 2003/04

### ENTERPRISE FUNDS

#### **A PARKING**

1	Property Tax	25,818	25,064	32,332	25,087	25,087	22,700
2	Parking Fees	507,082	493,930	470,197	487,182	474,474	483,964
3	Interest Income	25,686	21,617	25,588	28,179	24,508	22,714
	<b>Total Parking Fund</b>	<b>558,586</b>	<b>540,611</b>	<b>528,117</b>	<b>540,448</b>	<b>524,069</b>	<b>529,378</b>

#### **B WATER UTILITY**

1	Interest Income	913,683	772,654	747,242	602,851	399,985	129,430
2	Facility Fees	475,699	317,840	267,446	300,000	250,000	260,000
3	Connection Fees	206,528	200,000	110,130	120,000	60,000	60,000
4	Basic Service Charges	4,478,267	4,450,467	4,623,136	4,823,054	4,804,380	5,350,946
5	Water Sales	8,940,994	8,768,188	8,891,209	8,768,188	8,300,000	10,685,812
6	Miscellaneous Revenues	85,656	35,000	92,035	45,000	65,000	62,108
7	Capital Grants/Loans				5,000,000		
	<b>Total Water Utility Fund</b>	<b>15,100,827</b>	<b>14,544,149</b>	<b>14,731,198</b>	<b>19,659,093</b>	<b>13,879,365</b>	<b>16,548,296</b>

#### **C SEWER UTILITY**

1	Interest Income	217,527	176,933	194,754	154,341	114,230	26,394
2	Facility Fees	155,301	245,091	48,049	50,000	40,000	25,000
3	Sewer Connection Fees	23,800	24,000	17,800	45,000	22,500	11,500
4	Sewer Service Charges	8,727,331	7,917,369	8,850,588	8,255,825	8,255,825	7,924,000
5	Fair Oaks District	450,059	1,236,361	31,367	1,335,270	1,335,270	1,430,000
6	Emerald Lakes Area	3,050	202,000	313,847	218,160	218,160	320,000
7	Oak Knoll Area	62,797	36,000	21,171	38,880	38,880	44,000
8	Woodside Sewer Service	23,500	19,000	19,029	20,520	20,520	20,613
9	Miscellaneous Revenues	34,538	15,000	53,488	16,200	(149,800)	16,767
	<b>Total Sewer Utility Fund</b>	<b>9,697,903</b>	<b>9,871,754</b>	<b>9,550,093</b>	<b>10,134,196</b>	<b>9,895,585</b>	<b>9,818,274</b>

#### **Total Enterprise Funds**

<b>25,357,316</b>	<b>24,956,514</b>	<b>24,809,408</b>	<b>30,333,737</b>	<b>24,299,019</b>	<b>26,895,948</b>
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## Revenue Estimates 2002/03 and 2003/04

### INTERNAL SERVICE FUNDS

#### **A EQUIPMENT SERVICES FUND**

1	Internal Service Charges	2,358,654	2,297,533	2,342,158	2,491,978	2,491,978	2,491,414
2	Interest Income	343,199	225,000	268,769	245,017	205,939	159,071
3	Miscellaneous	98,710	50,000	64,932	64,279	38,960	38,960
	<b>Total Equipment Services Fund</b>	<b>2,800,563</b>	<b>2,572,533</b>	<b>2,675,859</b>	<b>2,801,274</b>	<b>2,736,877</b>	<b>2,689,445</b>

#### **B INTERNAL SERVICES FUND**

1	Facility Maintenance Services	1,119,945	1,143,451	1,146,211	1,411,841	1,411,841	1,400,266
2	Facility Custodial Services	1,050,745	1,089,800	1,093,853	1,179,959	1,179,959	1,153,564
3	Central Services	240,171	249,770	249,770	260,048	260,048	179,984
4	Information Technology (IT) Services	950,951	947,946	949,596	1,076,260	1,076,260	1,088,271
5	IT Services - Other Agencies	451,221	453,223	434,331	414,630	414,630	447,184
6	Telephone Services	390,169	401,873	401,873	428,380	428,380	396,775
7	Communication Services	1,450,185	1,530,121	1,530,121	1,760,260	1,760,260	1,858,593
8	Fire Equipment Replacement	73,883	88,771	88,771	88,771	88,771	88,771
9	Gain (loss) on sale of equipment	(28,346)		(3,937)			
10	Interest Income	150,866		120,599	125,000	75,000	74,002
	<b>Total Internal Services Fund</b>	<b>5,849,790</b>	<b>5,904,955</b>	<b>6,011,188</b>	<b>6,745,149</b>	<b>6,695,149</b>	<b>6,687,410</b>

#### **C WORKERS' COMPENSATION INSURANCE FUND**

1	Workers' Comp. Insurance Charges	785,256	793,407	794,166	972,669	972,669	977,995
2	Charges to Port	14,249	10,000	16,241	15,000	15,000	15,000
3	Interest Income	225,231	207,160	163,656	191,250	191,250	203,250
	<b>Total Worker's Compensation Ins. Fund</b>	<b>1,024,736</b>	<b>1,010,567</b>	<b>974,063</b>	<b>1,178,919</b>	<b>1,178,919</b>	<b>1,196,245</b>

#### **D GENERAL LIABILITY INSURANCE FUND**

1	General Liability Insurance Charges	1,002,147	1,003,673	1,004,578	957,790	957,790	915,296
2	Insurance Pool Dividends	199,335		214,099			
3	Interest Income	182,084	142,052	156,615	129,169	129,169	137,780
	<b>Total General Liability Insurance Fund</b>	<b>1,383,566</b>	<b>1,145,725</b>	<b>1,375,292</b>	<b>1,086,959</b>	<b>1,086,959</b>	<b>1,053,076</b>

#### **Total Internal Service Funds**

#### **TOTAL REVENUES ALL FUNDS**

11,058,655	10,633,780	11,036,402	11,812,301	11,697,904	11,626,176
<b>170,386,894</b>	<b>129,638,741</b>	<b>129,920,597</b>	<b>135,898,295</b>	<b>127,536,765</b>	<b>142,245,078</b>

# BUDGET REDUCTION

## Proposal Form for 2003/04

### 7.0 % Scenario

**Date:** May 15, 2003

**Department:** City Attorney  
**Program:** Legal Services

Reductions will occur in **Account Number**

<u>150 61510 01 (1)</u>
<u>150 61510 01 (2)</u>
<u>150 61510 61 (3)</u>

**Amount**

<u>\$ 18,450</u>	<u>4.5%</u>
<u>\$ 21,663</u>	<u>2%</u>
<u>\$ 24,561</u>	

**Amount of Reduction:** \$64,674

**by June 30, 2004**

#### Description of Proposal

1. 5% of city attorney and assistant city attorney time charged to capital improvement program (CIP) budget.  
During the next fiscal year, it is anticipated that the City Attorney's Office will be engaged in providing legal services to identified capital improvement projects. To date, costs of legal services provided to capital improvement projects have been charged to the City's general fund. Consistent with other departments, services of a specialized nature provided to capital projects are charged to the CIP and not the general fund. This proposal will conform with the practices of the City Attorney's Office to other departments of the City.
2. 25% of legal administrator time allocated to Redevelopment Division, Community Development Department budget.  
During the current fiscal year, the City Attorney's Office has been providing administrative support services to the Community Development Department, and Redevelopment in particular. Costs of said services have not been charged to the Community Development Department budget. For the ensuing fiscal year, 25% of the legal administrator's time will be devoted to administrative support services for the Community Development Department.
3. Approximately 18.9% of outside legal services allocation to be reduced.  
In 2001, the City Council determined to establish an internal City Attorney's Office initially comprised of three attorneys, a paralegal, and a legal secretary. It was anticipated that some basic legal services would be contracted to outside counsel. For FY02/03, funds were allocated to create a baseline allocation. To date, the City Attorney's Office has not fully expended those allocated dollars and elects to reduce said amount by 18.9%.

#### Service Level Impact – What specifically will happen or not happen if this reduction is made?

1. 5% allocation to CIP - Legal costs will be appropriately charged to CIP projects.
2. 25% of legal administrator's time - In order to accommodate this proposal, some assignments necessarily performed by the legal administrator will be assigned to the administrative clerk of the City Attorney's Department. Duties of the administrative clerk shall be re-prioritized to reasonably extend completion time of non-priority tasks.

3. Approximately 18.9% of outside legal services allocation to be reduced – The dollar value of said reduction equates to approximately 20% of an assistant city attorney. A reduction of this magnitude will result in extending response times of requests for legal services. In addition, it is unlikely that the part-time legal services currently being provided on a shared cost basis with a private law firm can be maintained.

**How does this reduction affect the City Council's goals and priorities?**

1. 5% allocation to CIP - Reduces general fund liability for CIP projects.
2. 25% of legal administrator's time - By shifting a percentage of administrative support services to Community Development, greater emphasis is being placed on timely completion of administrative tasks that further Council's Community Development goals and priorities.
3. Approximately 18.9% of outside legal services allocation – This reduction will not affect specific and identifiable council goals and priorities. However, response time for requests for other legal services will necessarily be extended.

**Will this proposed reduction impact mandated activities? If so, please describe consequences of not complying with mandate.**

N/A

# BUDGET REDUCTION

## Proposal Form for 2003/04

### 7.0% Scenario

**Date:** April 25, 2003

**Department:** City Clerk  
**Programs:** Legislative Services/  
Records Management  
Elections  
City Council

Reductions will occur in <b>Account Number</b>	<b>Amount</b>		
<u>150.61310.12 Casual Labor</u>	<u>\$ 1,937.00</u>		
<u>150.61310.15 Overtime</u>	<u>\$ 10,000.00</u>	<u>4.5%</u>	<u>(\$5,000)</u>
<u>150.61310.34 Office Expense</u>	<u>\$ 1,000.00</u>		
<u>150.61310.40 Operational Supplies/Expense</u>	<u>\$ 4,000.00</u>	<u>4.5%</u>	
<u>150.61310.50 Professional Services</u>	<u>\$ 13,000.00</u>	<u>2%</u>	<u>(\$11,012)</u>
		<u>4.5%</u>	<u>(\$10,777)</u>
<u>150.61310.55 Training Expense</u>	<u>\$ 500.00</u>		
<u>150.61310.57 Conferences</u>	<u>\$ 1,200.00</u>		
<u>150.61310.95 Furniture and Equipment</u>	<u>\$ 5,000.00</u>	<u>4.5%</u>	
<u>150.61320.15 Overtime</u>	<u>\$ 905.00</u>		
<u>150.61330.40 Operational Supplies/Expense</u>	<u>\$ 1,000.00</u>		

**Amount of Reduction:** \$38,542.00

**by June 30, 2004**

#### **Description of Proposal:**

Reductions are from various accounts with the bulk coming out of overtime and professional services. Because the Clerk Department has no programs that can be eliminated, it is only possible to reduce in several areas in order to meet this goal.

#### **Service Level Impact – What specifically will happen or not happen if this reduction is made?**

The overtime reduction places the department at risk for accomplishing any activities that are not mandated. Overtime reduction will also come out of the elections account that covers extra time necessary during the election. No overtime budget equates to flexing staff work hours to accommodate after hours support and lowers the regular day staffing levels. In this very small department, overtime hours are needed to cover impacts of staff vacations, illnesses, and any extra needs or activities that demand time beyond regular work hours. Casual hours are used to support these same mandated activities.

The reduction to furniture and equipment nearly depletes the account and could eliminate the upgrade of office equipment such as the copier and computer upgrades with negative impacts such as delays, downtime or error.

The professional services account is being decreased in anticipation that the video technician costs will be lower due to the permanent equipment in the council chamber, but the exact costs are not certain. Professional services account reduction also includes elimination of approximately half the cost of the

printing and distribution of the 2004 Roster document. This is a service that the community, staff, and council are accustomed to receiving on an annual basis.

The council account is being reduced with the potential of impacting closed session meal service.

Much of our actual work is accomplished with the use of volunteer assistance and if our staffing level and other accounts are affected to this degree there is a high potential for error or delay in accomplishing mandated activities.

**How does this reduction affect the City Council's goals and priorities?**

This budget reduction could affect the priority of "Doing Business Effectively/Efficiently". As most activities are legally mandated, reduction in staff support hours, equipment, supplies and updates on new law could have serious legal impacts.

**Will this proposed reduction impact mandated activities? If so, please describe consequences of not complying with mandate.**

The Clerk Department work is mostly composed of mandated activities. Casual hours are used to support those activities so that permanent staff can accurately and timely attend to the preparation for and records of the City Council action. Processing and recordation of documents, filing of FPPC forms, election and records management are not optional.

# BUDGET REDUCTION

Proposal Form for 2003/04

## 7.0% Scenario

**Date:** April 23, 2003

**Department:** City Council  
**Program:** Legislative/ Policy Determination

Reductions will occur in **Account Number**

**Amount**

150-61110-40 \_\_\_\_\_

\$ 4,015 \_\_\_\_\_

**Amount of Reduction:** \$4,015

**by June 30, 2004**

### Description of Proposal

Reduction in budget for the Mayor's annual holiday recognition celebration for the boards, committees and commissions. Currently budgeted at \$10,000.

### Service Level Impact – What specifically will happen or not happen if this reduction is made?

The type of celebration will be scaled back significantly. Will not serve dinner at the celebration.

### How does this reduction affect the City Council's goals and priorities?

Reduction does not affect council's goals and priorities.

### Will this proposed reduction impact mandated activities? If so, please describe consequences of not complying with mandate.

No.

# BUDGET REDUCTION

## Proposal Form for 2003/04

### 7.0% Scenario

**Date:** April 23, 2003

**Department:** City Council  
**Program:** Legislative/ Policy Determination

Reductions will occur in **Account Number**

**Amount**

150-61110-40 \_\_\_\_\_

\$ 2,000 \_\_\_\_\_

**Amount of Reduction:** \$2,000

**by June 30, 2004**

#### **Description of Proposal**

Reduction in budget allocated to Redwood City International, which is our sister city organization. Currently budgeted at \$6,000.

#### **Service Level Impact – What specifically will happen or not happen if this reduction is made?**

The reduction will significantly impact services and programs that Redwood City International can offer to the community and to our sister cities. Reduction will limit the educational, cultural and business exchanges of ideas and information that this program offers.

#### **How does this reduction affect the City Council's goals and priorities?**

Reduction does not affect council's goals and priorities.

#### **Will this proposed reduction impact mandated activities? If so, please describe consequences of not complying with mandate.**

No.

# BUDGET REDUCTION

## Proposal Form for 2003/04

### 7.0% Scenario

**Date:** April 23, 2003

**Department:** City Council  
**Program:** Legislative/ Policy Determination

Reductions will occur in **Account Number**

**Amount**

150-61110-50 \_\_\_\_\_

\$ 2,500 \_\_\_\_\_

**Amount of Reduction:** \$2,500

**by June 30, 2004**

#### **Description of Proposal**

Reduction in budget for facilitation services for the City Council's priority setting sessions, council appointees, and other council study sessions. Currently budgeted at \$6,000.

#### **Service Level Impact – What specifically will happen or not happen if this reduction is made?**

The reduction will directly impact the City Council's priority setting sessions and other study sessions when an outside facilitator has been used, which has proven to improve the quality and effectiveness of these important study sessions.

#### **How does this reduction affect the City Council's goals and priorities?**

This reduction will impact council's priority of "Doing Business Effectively and Efficiently". It will also impact the setting and carrying out of all of the priorities in general.

#### **Will this proposed reduction impact mandated activities? If so, please describe consequences of not complying with mandate.**

No.

# BUDGET REDUCTION

## Proposal Form for 2003/04

### 7.0% Scenario

**Date:** April 23, 2003

**Department:** City Council  
**Program:** Legislative/ Policy Determination

Reductions will occur in **Account Number**

**Amount**

150-61110-57 \_\_\_\_\_

\$ 3,000 \_\_\_\_\_

**Amount of Reduction:** \$3,000

**by June 30, 2004**

#### **Description of Proposal**

Reduction in budget for conferences that the City Council can attend. Currently budgeted at \$10,500.

#### **Service Level Impact – What specifically will happen or not happen if this reduction is made?**

The reduction will significantly limit the number of conferences the City Council is able to attend throughout the year.

#### **How does this reduction affect the City Council's goals and priorities?**

The reduction does not affect council's goals or priorities.

#### **Will this proposed reduction impact mandated activities? If so, please describe consequences of not complying with mandate.**

No.

# BUDGET REDUCTION

## Proposal Form for 2003/04

### 7.0% Scenario

**Date:** April 23, 2003

**Department:** City Council  
**Program:** Legislative/ Policy Determination

Reductions will occur in **Account Number**

**Amount**

150-61110-59 \_\_\_\_\_

\$ 1,300 \_\_\_\_\_

**Amount of Reduction:** \$1,300

**by June 30, 2004**

#### **Description of Proposal**

Reduction of miscellaneous services budget. Currently budgeted at \$3,800.

#### **Service Level Impact – What specifically will happen or not happen if this reduction is made?**

The reduction will significantly limit council's ability to support unique and unexpected projects. There will be no one time funding available to support special and interesting one-time requests that council can support.

#### **How does this reduction affect the City Council's goals and priorities?**

The reduction does not affect council's goals or priorities.

#### **Will this proposed reduction impact mandated activities? If so, please describe consequences of not complying with mandate.**

No.

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# BUDGET REDUCTION

## Proposal Form for 2003/04

### 7.0% Scenario

**Date:** April 24, 2003

**Department:** City Manager  
**Program:** Management/Policy Execution

Reductions will occur in <b>Account Number</b>	<b>Amount</b>
1. 150-61210-01 City Manager's Salary	\$ 10,715 (2.0% scenario)
2. 150-61210-12 Facility Aide	\$ 9,094
3. 150-61210-50 Professional Services	\$ 2,200
4. 150-61210-55 Training	\$ 1,500
5. 150-61210-56 Membership/Meetings	\$ 1,000
6. 150-61220-59 Neighborhood Grants Program Outreach	\$ 844

**Amount of Reduction:** \$25,353

**by June 30, 2004**

#### Description of Proposal:

1. Shift 5% of City Manager's salary to the capital improvement program (CIP) budget.
2. Reduce casual facility aide position.
3. Reduce the amount allocated for professional services, specifically for the use of consultants for department head related projects.
4. Reduce training budget.
5. Reduce budget for membership and meetings.
6. Reduce neighborhood grants program outreach budget.

#### Service Level Impact – What specifically will happen or not happen if this reduction is made?

1. Service level will not be impacted as the city manager has been allocating his time to the CIP as part of his responsibilities. The shift more accurately reflects the accurate time allocation.
2. Casual facility aide position was budgeted to assist all of City Hall. Unlike other City facilities, there is no facility staff at City Hall. Without the facility aide position, other staff will be pulled away from their other responsibilities to set up a room for a meeting, load and unload equipment, and transport equipment and materials to and from City Hall and other buildings. This will impact the work load of other positions in City Hall.
3. Reduction will limit the ability to use consultants to carry out citywide projects that are spearheaded by the department head team.
4. Reduction will limit the ability of the city manager to attend certain meetings/functions where there is an associated cost. These meetings are often with other governmental agencies and associations.
5. Reduction will limit the ability of the city manager to attend certain meetings/functions where there is an associated cost. These meetings are often with other governmental agencies and associations.
6. Reduction will limit the amount of outreach for the neighborhood grants program, possibly not reaching all individuals or communities who could benefit from the program.

#### How does this reduction affect the City Council's goals and priorities?

This reduction will have an impact on council's priority of "Doing Business Effectively and Efficiently." The responsibilities of the facility aide will be performed by several in the organization taking them away from their "regular" responsibilities. This priority will also be impacted as the use of consultants for

department head projects will be limited. In the past, the consultants have been used to implant citywide projects that allow the organization to conduct business more effectively and efficiently.

**Will this proposed reduction impact mandated activities? If so, please describe consequences of not complying with mandate.**

No.

# BUDGET REDUCTION

## Proposal Form for 2003/04

### 7.0 % Scenario

**Date:** April 24, 2003

**Department:** City Manager  
**Program:** Community Promotions

Reductions will occur in **Account Number**

The following will occur in 150-61220-50:

Chamber of Commerce
Joint Ventures Silicon Valley
Peninsula Celebration Association
Peninsula Conflict Resolution Center
Peninsula Policy Partnership (P3)
Redwood City 2020
Redwood City Family Centers
Total

**Amount**

\$ 11,475	(currently @\$38,250)
\$ 7,500	(currently @ \$7,500) (4.5% scenario)
\$ 5,000	(currently @ \$10,000)
\$ 6,825	(currently @ \$27,300)
\$ 4,000	(currently @ \$15,000)
\$ 3,750	(currently @ \$25,000) (4.5% scenario)
\$ 10,000	(currently @ \$100,000) (4.5% scenario)
\$ 48,550	

**Amount of Reduction:** \$48,550

**by June 30, 2004**

#### Description of Proposal

Reduce the amount of several contracts the City has with several community groups providing services and programs to the Redwood City community. Currently budgeted at \$246,308.

#### Service Level Impact – What specifically will happen or not happen if this reduction is made?

Reduction will have a wide and varied impact on the community, from services to low income children and conflict resolution services for the community to economic development programs and the 4th of July celebration.

#### How does this reduction affect the City Council's goals and priorities?

Yes, overarching guideline of "Quality of Life." Also impacts "Youth and Education," "Transportation and Traffic," "Housing," "Doing Business Effectively and Efficiently," and "Cultural Activities" all to a varied degree depending on the various contracts.

#### Will this proposed reduction impact mandated activities? If so, please describe consequences of not complying with mandate.

No.

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# BUDGET REDUCTION

## Proposal Form for 2003/04

### 7.0% Scenario

Date: 4/18/03

Department: Community Development  
Program: Building Inspection  
Code Enforcement  
Engineering

Reductions will occur in Account Number	Amount
<u>150-63110-13</u>	<u>\$ 92,225 (2% scenario)</u>
<u>150-63110-40</u>	<u>\$ 4,000 (2% scenario)</u>
<u>150-63110-13</u>	<u>\$ 40,742 (4.5% scenario)</u>
<u>150-63310-01</u>	<u>\$ 69,772 (4.5% scenario)</u>
<u>150-65121-13</u>	<u>\$ 73,130 (4.5% scenario)</u>
<u>150-65121-01</u>	<u>\$ 96,317 (7% scenario)</u>

Amount of Reduction: \$376,186

by June 30, 2004

#### Description of Proposal:

##### 2% Scenario:

Eliminate contract building inspector - \$92,225  
Reduce microfilm expenses - \$4,000

##### 4.5% Scenario (includes 2% reduction items):

Reduce contract plan checker by 0.40 FTE - \$40,742  
Eliminate 1.0 FTE community service officer (Code Enforcement) - \$69,772  
Eliminate 0.40 FTE contract traffic engineer - \$73,130

##### 7% Scenario (includes 2% and 4.5% reduction items):

Eliminate 1.0 FTE assistant engineer II.

#### Service Level Impact – What specifically will happen or not happen if this reduction is made?

##### 2% Scenario:

Building Inspection: No impact due to the downturn in construction activity; significant impact if the construction economy were to rebound. Project specifications will no longer be microfilmed (provided as a service for our customers, not as a mandate).

##### 4.5% Scenario:

Building Inspection: Structural review of building permit plans will be postponed for two days.  
Code Enforcement: Minor nuisance complaints (weeds, animals, fences, signs) will not be processed, removal and disposal of abandoned vehicles will be handled by the Police Department and will take longer.

Engineering: Investigation and response to traffic complaints will be delayed and handled as time permits. Dangerous traffic conditions (verified by traffic accident or other objective data) will still be handled quickly.

7% Scenario:

Most of the traffic studies and investigations based on complaints will not be done unless there is an obvious dangerous situation. Neighborhood traffic calming requests may require hiring an outside consultant to prepare the necessary studies and meet with neighborhood groups.

**How does this reduction affect the City Council's goals and priorities?**

Minor effect on aesthetics (code enforcement), transportation and traffic, and doing business effectively and efficiently (increase plan review permit processing time).

**Will this proposed reduction impact mandated activities? If so, please describe consequences of not complying with mandate.**

No.

<b>DEPARTMENT:</b>	<b>Community Development Services</b>
<b>PROGRAM:</b>	<b>Planning and Redevelopment</b>
<b>SUBPROGRAM:</b>	<b>Community Development Block Grant (CDBG) and HOME Investment Partnership Program</b>

<b>SOURCES OF FUNDS</b>	<b>2000/01 (\$)</b>	<b>2001/02 (\$)</b>	<b>2002/03 (\$)</b>	<b>2003/04 (\$)</b>
Entitlement Grant	946,000	979,000	957,000	910,000
Estimated Housing Rehabilitation (Single Family) Income	200,000	200,000	265,000	300,000
Estimated RRP Program Income	35,000	60,000	35,000	50,000
HOME Investment Partnership Grant	399,000	443,000	442,000	462,873
<b>Total Estimated Funds</b>	<b>1,580,000</b>	<b>1,682,000</b>	<b>1,699,000</b>	<b>1,722,873</b>

<b>USES OF FUNDS</b>	<b>(\$)</b>	<b>(\$)</b>	<b>(\$)</b>	<b>(\$)</b>
General Administration	150,885	154,800	157,050	129,500
Home Improvement Program Support	100,000	100,000	100,000	50,000
Funding to Subrecipients	352,515	724,200	699,950	630,500
HOME Investment Partnership Program Expenditures	399,000	443,000	442,000	462,873
Capital Projects	342,600			100,000
<b>Total</b>	<b>1,345,000</b>	<b>1,422,000</b>	<b>1,399,000</b>	<b>1,372,873</b>
Home Improvement Program Support Amount available for loans	62,670 172,330	66,209 193,791	77,044 222,956	132,023 217,977
<b>Total Use Of Funds</b>	<b>1,580,000</b>	<b>1,682,000</b>	<b>1,699,000</b>	<b>1,722,873</b>

## **Community Development Block Grant (CDBG)**

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### **FY 2003/2004 Annual Action Plan**

<b><u>258-66310 Administration and Program Support</u></b>	<b><u>Amount (\$)</u></b>
Housing and Redevelopment - General Administration	129,500
Fair Housing Counseling - Mid-Peninsula Citizens for Fair Housing	<u>35,000</u>
<b>Total Administration Program Support</b>	<b><u>164,500</u></b>

### **Miscellaneous Funding for Non-Profit Organizations – Object 59**

Adult and Family Wing - Clara Mateo Emergency Shelter	15,000
AIDS Case Management Program - Ellipse Peninsula AIDS Services	7,500
Caminor Kitchen Renovation - Caminor, Inc.	55,457
Casa de Redwood Air Conditioning Project - Casa de Redwood Foundation, Inc.	35,296
Children's Center Affordable Childcare Program - Kidango Children's Center	5,000
Computer Learning Center Installation - Heron Court Cooperative	30,000
Elsa Segovia Center - Clara Mateo Emergency Shelter	7,000
Family Service Agency Senior Case Management/Outreach Family Service Agency of San Mateo County	12,000
First Stop Program - Legal Aid Society of San Mateo County	25,000
Greer Gardens Job Creation Program - Greer Gardens	45,168
Home Improvement Program Support - City of Redwood City	50,000
Home Sharing Help and Information Program - Human Investment Project, Inc.	18,000
Homeless Prevention and Eviction Defense Project - La Raza Centro Legal, Inc.	25,000
Hope House I Fire Safety Project - Service League of San Mateo County	50,000
Hope House III Fire Safety Project - Service League of San Mateo County	20,000
Housing Accessibility Modification Program - Center for the Independence of the Disabled	30,000
Maple Street Shelter - Shelter Network of San Mateo County	15,000
Micro business Enterprise Technical Assistance - Canada College Small Business Center	103,079

**Community Development Block Grant (CDBG)**

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Neighborhood Network Center - Heron Court Cooperative, Inc.	6,000
Ombudsman Program of San Mateo County - Ombudsman Program	7,000
Operation Brown Bag - Second Harvest Food Bank	5,000
Playground Safety Project - Redwood Parents Nursery School	20,000
Redwood Family House - Shelter Network of San Mateo County	10,000
Rosenor House Adult Day Support Services – Peninsula Volunteers Adult Day Care Support	10,000
Samaritan House Safe Harbor Shelter - Samaritan House	7,000
San Carlos Adult Day Program for Elderly and Disabled Catholic Charities of the Archdiocese of San Francisco	5,000
Spring Street Shelter - Mental Health Association of San Mateo County	12,000
Youth and Family Assistance - Daybreak Shelter for Homeless Youth	<u>15,000</u>
<b>Total Miscellaneous Funding for Non-Profit Organizations Object 59</b>	<b><u>645,500</u></b>

**Capital Improvements Object 93**

PAL Youth Activities League - Redwood City Police Activities League	100,000
<b>Total Capital Improvements Object 93</b>	<b><u>100,000</u></b>
<b>Total Community Development Block Grant</b>	<b><u>910,000</u></b>

**HOME Investment Partnership Funds  
FY 2003/2004  
Annual Action Plan**

<b><u>HOME Funds</u></b>	<b><u>Amount (\$)</u></b>
HOME Administration	46,287
CHDO Setaside	69,431
Landbanking Program - City of Redwood City	200,155
Kainos Triplex Renovation - Kainos Home & Training Center	147,000
<b>Total HOME Investment Partnership Fund</b>	<b><u>462,873</u></b>
<b>GRAND TOTAL</b>	<b><u>1,372,873</u></b>

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# BUDGET REDUCTION

## Proposal Form for 2003/04

### 7.0% Scenario

**Date:** April 24, 2003

**Department:** Finance  
**Program:** Administrative Support Services

Reductions will occur in **Account Number**

**Amount**

<u>150-61750-50 (Reduction in Audit Fee)</u>	<u>\$ 15,481 (2% scenario)</u>
<u>150-61750-19 (Exec. Bonus Program)</u>	<u>\$ 25,000 (4.5% scenario)</u>
<u>150-61750-59 (Animal Control)</u>	<u>\$ 54,000 (4.5% scenario)</u>
<u>150-61710-50 (Peninsula TV)</u>	<u>\$ 2,900</u>
<u>150-61710-58 (LAFCO)</u>	<u>\$ 1,200</u>
<u>150-61710-58 (Property Tax Admin)</u>	<u>\$ 14,000</u>
<u>150-61710-50 (Sales Tax Audit Fee)</u>	<u>\$ 28,000</u>

**Amount of Reduction:** \$140,581

**by June 30, 2004**

#### Description of Proposal

New audit contract derived from request for proposal process has resulted in lower audit fees.

Freeze executive bonus program.

Current estimate for FY03/04 animal control received from the County is less than what was anticipated when the budget was prepared in March 2002.

Estimates have been revised for LAFCO, animal control, and Peninsula TV along with anticipated decrease in County property tax administration fee.

Reduction in sales tax audit program, with corresponding decrease in revenues.

#### Service Level Impact – What specifically will happen or not happen if this reduction is made?

Reduction in sales tax audit may impact ability to capture non-reported or misreported sales tax generators.

#### How does this reduction affect the City Council's goals and priorities?

No Impact.

#### Will this proposed reduction impact mandated activities? If so, please describe consequences of not complying with mandate.

No.

# BUDGET REDUCTION

## Proposal Form for 2003/04

### 7.0% Scenario

**Date:** April 24, 2003

**Department:** Finance  
**Program:** Financial Services

Reductions will occur in **Account Number**

**Amount**

<u>150-34825-00-1301 (Increased Revenues)</u>	<u>\$ 24,960</u>	<u>(2% scenario)</u>
<u>150-33601 (Reduce Debit Card Fees)</u>	<u>\$ 5,653</u>	<u>(4.5% scenario)</u>
<u>150-61430-01 (19) (Acct. Tech VTO)</u>	<u>\$ 11,766</u>	<u>(4.5% scenario)</u>
<u>150-61430-50 (Delete Cal Svcs. Tax ID Program)</u>	<u>\$ 2,000</u>	<u>(4.5% scenario)</u>
<u>150-61430-12 (Sr. Accountant Casual Hours)</u>	<u>\$ 7,183</u>	<u>(7% scenario)</u>
<u>150-61430-34 (Budget and CAFR printing)</u>	<u>\$ 6,000</u>	<u>(7% scenario)</u>
<u>150-61430-57 (Reduce Conference Budget)</u>	<u>\$ 1,000</u>	<u>(7% scenario)</u>
<u>150-61430-50 (Preparation of Controller &amp; Str. Rep)</u>	<u>\$ 7,351</u>	<u>(7% scenario)</u>

**Amount of Reduction:** \$65,913

**by June 30, 2004**

#### Description of Proposal

Sell eight hours per week of senior accountant time to City of Half Moon Bay. Implementation of new debit card system, payroll accounting technician voluntary time off (VTO) of 20%. Delete Cal Services Tax ID program. Delete 63% senior accountant casual hours. Print budget and Comprehensive Annual Financial Report (CAFR) in-house. Reduce conference budget. Prepare state controller's and gas tax street report in-house (previously prepared by City's auditors).

#### Service Level Impact – What specifically will happen or not happen if this reduction is made?

Sale of senior accountant hours to City of Half Moon Bay will result in delayed responses to departments requesting information and less review of transactions before they are processed, resulting in poorer quality financial information being recorded and published. (Included in 2% and 4.5% scenarios)

Implementation of new debit card system to be administered by Financial Services staff requiring additional hours to coordinate, thereby impacting response time by administrative assistant. (Included in 4.5% scenario)

In addition to delayed responses to payroll questions and reduced quality control, VTO for the payroll accounting technician will result in a reduction in completion of special projects, possible delay in dismissal checks (if after 3:00), delay in Parks, Recreation and Community Services' deposit account reconciliation, delay in cross-training, delay in personnel action forms, salary changes, and retro pay processing. (Included in 4.5% scenario)

Elimination of the tax ID program will result in no receipt of information on income tax paying businesses located in Redwood City that may not be paying business licenses. (Included in 4.5% scenario)

Deletion of senior accountant casual hours will result in us not being able to backfill the accounts payable clerk position while she is on extended leave due to her medical condition. This will result in the division being 1.4 FTE's understaffed (16% of staff) and will create significant problems.

Printing of budget and CAFR in-house may delay response by administrative assistant to other duties along with a reduction in the number of copies available to interested parties.

The proposed reduction in one-half of the conference budget will reduce the training opportunities provided by organizations such as California Society of Municipal Finance Officers and League of California Cities.

In-house preparation of the mandated state controller's and gas tax street reports will cause a delay in responding to City departments, completing special projects and other non-mandated activities.

**How does this reduction affect the City Council's goals and priorities?**

No effect.

**Will this proposed reduction impact mandated activities? If so, please describe consequences of not complying with mandate.**

As most of the Finance Department's responsibilities are mandated, these reductions may result in these responsibilities being performed less accurately.

# BUDGET REDUCTION

## Proposal Form for 2003/04

### 7.0% Scenario

**Date:** April 24, 2003

**Department:** Finance  
**Program:** Information Technology (IT)

Reductions will occur in **Account Number**

**Amount**

<u>780-67110-15 (19) Data Budget</u>	<u>\$ 29,000</u>	<u>Included in 4.5% reduction</u>
<u>780-67110-40 Data Budget</u>	<u>\$ 7,000</u>	<u>Included in 4.5% reduction</u>
<u>780-67110-41 Data Budget</u>	<u>\$ 2,500</u>	<u>Included in 2% &amp; 4.5% reduction</u>
<u>780-67110-50 Data Budget</u>	<u>\$ 8,000</u>	<u>Included in 2% &amp; 4.5% reduction</u>
<u>780-67110-55 Data Budget</u>	<u>\$ 8,500</u>	<u>Included in 4.5% reduction</u>
<u>780-67110-57 Data Budget</u>	<u>\$ 1,500</u>	
<u>780-67110-95 Data Budget</u>	<u>\$ 1,348</u>	<u>Included in 4.5% reduction</u>
<u>780-67211-15 (19) Voice Budget</u>	<u>\$ 1,000</u>	
<u>780-67211-35 Voice Budget</u>	<u>\$ 36,459</u>	<u>Included in 2% &amp; 4.5% reduction</u>
<u>780-67211-41 Voice Budget</u>	<u>\$ 2,000</u>	<u>Included in 4.5% reduction</u>
<u>780-67211-50 Voice Budget</u>	<u>\$ 2,000</u>	<u>Included in 2% &amp; 4.5% reduction</u>
<u>780-67211-95 Voice Budget</u>	<u>\$ 3,000</u>	<u>Included in 4.5% reduction</u>

**Amount of Reduction:** \$102,307

**by June 30, 2004**

#### Description of Proposal

The following decreases will need to occur in the **data** budget to achieve the 7% reduction: 1) overtime 53% (\$29,000), 2) operating supplies and expenses 19% (\$7,000), 3) repair and maintenance supplies and expenses 9% (\$2,500), 4) professional services 32% (\$8,000), 5) training expenses 71% (\$8,500), 6) conferences 60% (\$1,500), and 7) furniture and equipment 100% (\$1,348).

The following cuts will need to occur in the **voice** budget to achieve the 7% reduction: 1) overtime 47% (\$1,000), 2) communication and supplies and service 23% (\$36,459), 3) repair and maintenance supplies and expenses 5% (\$2,000), 4) professional services 40% (\$2,000), and 5) furniture and equipment 100% (\$3,000).

#### Service Level Impact – What specifically will happen or not happen if this reduction is made?

Data Budget (67110):

- 1) A new IT overtime policy will be developed limiting overtime to mission critical applications only. Computer maintenance may occur during normal working hours or during lunch break instead of off-peak time; or, staff hours may need to be adjusted to accommodate the off-peak computer maintenance. More downtime for the users, less innovation, slower response time or no response to system problems (such as W-2 errors discovered this year), longer time required to implement memorandum of understanding changes. We may need to live with system and programming errors for longer period of time. Included in the 4.5% budget reduction proposal plus an additional reduction of approximately \$24,000.

- 2) The operating supplies and expenses will be reduced by limiting the purchasing of IT-related software, which will cause IT to use our labor less efficiently. Included in the 4.5% budget reduction proposal.
- 3) The repair and maintenance supplies and expenses object costs savings will occur by moving the financial system from the HP UNIX operating system to Microsoft Window 2000 operating system, which is the City's de facto standard. The result of the migration will eliminate the annual UNIX hardware maintenance support contract. Included in both the 2% and 4.5% budget reduction proposal.
- 4) IT division will be replacing the technical research firm of the Gartner Group with Public Technology, Incorporated (PTI). PTI is the research arm of International City Managers' Association (ICMA). The City participates in the ICMA annual performance measures. Included in both the 2% and 4.5% budget reduction proposal.
- 5) The division will reduce training by investing in a library of technical manuals that can be shared among the staff. Training will only be offered for mission critical applications. Reduction in the training will result in less innovation, and may impair our ability to maintain and troubleshoot system problems. Included in the 4.5% budget reduction proposal plus an additional reduction of approximately \$4,000.
- 6) The IT division will only attend bay area conferences; no overnight stays. The reduction in the conferences will result in less innovation.
- 7) Postpone the purchase of a new PC until funding can be restored. The staff will use older, slower equipment and in the event of a failure we will be forced to find money elsewhere (included in the 4.5% budget reduction proposal).

Voice Budget (67211):

- 1) A new IT overtime policy will be developed limiting overtime to mission critical applications only. Computer maintenance may occur during normal working hours or during lunch break instead of off peak time; or, staff hours may need to be adjusted to accommodate the off-peak computer maintenance. The reduction will cause more downtime for the users, less innovation and slower response time.
- 2) IT division has achieved the reduction in phone charges through many initiatives (removing modem lines, standardizing long-distance carriers, etc.). Also, IT is projecting additional savings from the new phone system. The new phone system will combine the voice and data communications over the RCN and/or City-owned fiber infrastructure, thus reducing the costs of data and voice communications. The new phone system will also introduce new features which will vastly improve the City's telecommunication. Included in both the 2% and 4.5% budget reduction proposal.
- 3) IT is projecting a cost savings with the implementation of the new phone system for the repair and maintenance supplies and expenses object. Included in the 4.5% budget reduction proposal.
- 4) IT division will be replacing the technical research firm of the Gartner Group with Public Technology, Incorporated (PTI). PTI is the research arm of International City Managers' Association (ICMA). The City participates in the ICMA annual performance measures. Included in the 4.5% budget reduction proposal.
- 5) The capital improvement program will supply the equipment needed for the new phone system for the FY03/04. The funding will need to be restored in the FY04/05 budget. Included in the 4.5% budget reduction proposal.

**How does this reduction affect the City Council's goals and priorities?**

We will operate less efficiently and very likely with system and programming errors remaining for longer durations of time.

**Will this proposed reduction impact mandated activities? If so, please describe consequences of not complying with mandate.**

If the overtime budget is reduced errors in mandated activities such as payroll and general accounting will take longer to be corrected if overtime is reduced. The City organization may need to live with

system and programming errors for longer duration of time. Implementing changes such as memorandum of understanding, user requests, projects, upgrade, equipment installation, etc. will take longer and IT will have less time to review our work product before it is delivered to the end-user. City department have not requested any reduction in service level.

# BUDGET REDUCTION

## Proposal Form for 2003/04

### 7.0% Scenario

**Date:** April 24, 2003

**Department:** Finance

**Program:** General Liability Risk Management

Reductions will occur in **Account Number**

**Amount**

741-39001 \_\_\_\_\_

\$ 43,365 \_\_\_\_\_

**Amount of Reduction:** \$43,365

**by June 30, 2004**

#### **Description of Proposal**

Reduce charges (Object 76) to general fund and general fund-supported departments by 7% in FY03/04.

#### **Service Level Impact – What specifically will happen or not happen if this reduction is made?**

None immediately. Eventually, if expenditures exceed self-insurance fund revenues, the reserve funding confidence level will decrease. The overwhelming majority of the expenditures in this program are driven by the City loss experience and costs of insurance premiums. Reducing the appropriations will not result in decreased expenditures. Expenditures are a function of the number and types of claims and lawsuits filed against the City. Presently, reserves are set at the 95% confidence level, which is fairly conservative. We are in the process of having a new actuarial study performed which may result in a change in the recommended level of our reserves.

#### **How does this reduction affect the City Council's goals and priorities?**

No effect.

#### **Will this proposed reduction impact mandated activities? If so, please describe consequences of not complying with mandate.**

No.

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# BUDGET REDUCTION

## Proposal Form for 2003/04

### 4.5% Scenario

**Date:** April 18, 2003

**Department:** Fire  
**Program:** Operations

Reductions will occur in **Account Number**

**Amount**

1. 2% Reduction  
2. 150-62220-01 & 15 Productive Work Time

\$ 246,766  
\$ 302,260

**Amount of Reduction:** \$549,026

**by June 30, 2004**

#### **Description of Proposal**

1. Refer to the 2% reduction document.
2. Freeze three firefighter positions and implement a cap on daily overtime expenditures.

#### **Service Level Impact – What specifically will happen or not happen if this reduction is made?**

See attached budget reduction 2.0 and 4.5% proposals.

#### **How does this reduction affect the City Council's goals and priorities?**

During closure of an engine company, activities such as residential fire inspections, public education, and day-to-day dealing with the public will be compromised.

#### **Will this proposed reduction impact mandated activities? If so, please describe consequences of not complying with mandate.**

Response times to emergencies will increase, potentially not meeting the San Mateo County's mandate of "on scene" time of six minutes, 59 seconds causing greater fire losses and increasing the risk of injury and fatality. We may also incur fines for not meeting the County's response time mandate.

**Redwood City Fire Department  
Budget Reduction Proposal  
FY 2003/04  
4.5% Scenario**

**Service Level Impact**

1. Refer to the budget reduction 2.0% proposal.
2. Reduce available staffing by one firefighter per shift. Maximum staffing on fire truck 9 will drop from five personnel to four. Vacancy relief without utilizing overtime will be eliminated. Overtime spending will accelerate because of the three frozen firefighter positions.

Capping overtime at three positions per day insures the Fire Department will remain within the overtime budget for the fiscal year. On days when more than three firefighters are off duty, one engine company will be placed out-of-service. The truck company will continue to respond to medical emergencies which represent approximately 70% of all emergency responses.

The Fire Department Staff will closely monitor the Overtime Budget in an effort to minimize the number of times an Engine Company will need to be placed out-of-service. We anticipate that an engine company will be out of service approximately 60 days during the fiscal year.

One engine company out-of-service will cause unknown delays in responses to some areas of the city depending on the location of the responding unit. An out-of-service engine company could also cause a delay in getting the appropriate number of firefighters to the scene of a structure fire. An out-of-service company may affect automatic aid agreements, and may cause neighboring fire jurisdictions to respond into Redwood City leaving their jurisdictions uncovered. This situation will be compounded if other jurisdictions place engine companies out-of-service due to fiscal constraints and Redwood City must respond to other jurisdictions on a more frequent basis.