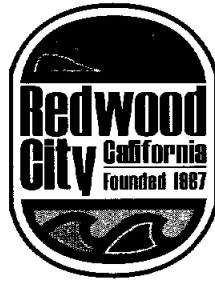


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City Manager



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June 3, 2004

To: Honorable Mayor and Members of the City Council

From: Ed Everett, City Manager

A handwritten signature in black ink, appearing to be "E. Everett", written over the "From:" line.

cc: Department Heads

Re: City Manager's Budget Recommendations and Possible Budget Options for City Council Consideration

The budget situation for Redwood City is painfully clear our expenditures exceed our revenues. This occurred in FY 2002/2003 and 2003/2004, and will continue into the future until this "structural gap" is permanently eliminated. There are only two ways to permanently close the gap, and it is not complicated - cut expenditures or increase revenues. The use of reserves is only useful to allow us time to close the gap. Relying solely on reserves to fund a desired program or service level just delays the ultimate day of reckoning (i.e., cutting programs/services or raising the revenues).

In approaching this year's budget deficit, I asked the Police and Fire departments to provide me with cuts of 4% and all other departments to provide me with cuts of 15%. The different goals were based on Council priorities. Each department was also asked to provide me, in order of importance, those programs or services they would want to add back to their budgets if I didn't take their entire cuts of 4% or 15%, respectively.

The departments' proposed cuts of 4% and 15% yielded expenditure reductions of approximately \$6.1 million. I am recommending expenditure reductions of \$5.1 million. The City Manager's Recommended Budget eliminates 41 full time equivalent (FTE) positions and 6.8 FTEs in casual hours/contracts.

Chart 1 is a summary of all departments' budget reductions: It shows the percent of their reduction and the equivalent dollar amount; the percent and dollar amount of the cuts I have accepted, and hence are not included in the City Manager's Recommended Budget. It also shows the percent and dollar amount I have "added back" and hence are included in the City Manager's Recommended Budget. Chart 2 provides the Council with a summary of the options and/or alternatives (totaling \$1.2 million) for making further cuts to the City Manager's Recommended Budget. Chart 3 provides options/alternatives (totaling \$1.5 million) for items, that are not funded, which the Council could add back to the City Manager's Recommended Budget.

It is very important to note that if the Council adds programs and/or services to the City Manager's Recommended Budget, then the Council should also designate an equivalent amount of programs and/or services to cut. If the Council does not make cuts to offset the "add backs" then the budget gap gets bigger and we are only delaying the need to make tough decisions. Such action would also draw down reserves at a more rapid rate.

The Budget Committee composed of Brian Ponty, Finance Director; Corinne Centeno, Assistant City Manager; Magda Gonzalez, Assistant to the City Manager; and myself met with each department to make sure we understood what they were cutting and the service level impact of those cuts. After meeting with each department, it was the unanimous consensus of the Budget Committee to accept most of the proposed cuts for four very crucial reasons:

1. We want to stay focused on eliminating our significant expenditure/revenue gap.
2. We believe we have made significant cuts without endangering public health or safety.
3. We feel that the community, although they might not like the service level reductions, can tolerate the recommended reductions.
4. Every department head feels that they would rather cut more this year, and deal with reorganizations this year, in order to potentially have fewer cuts next year.

The departments did a brilliant job in thinking through the proposed cuts. No department did an “across the board” cut (i.e. cutting every division by 15%). All cuts being proposed are based on the following Council criteria:

1. Having the least impact on services to citizens
2. Council’s listed priorities
3. Trying to prevent, if possible, lay-offs
4. Paying attention to collaborating between departments and with outside agencies wherever possible

Redwood City government is getting smaller, and consequently we are reducing the services to our community. A summary of service level reductions that Council made FY 2003/04 are included in Attachment II. The table below provides the perspective of how our workforce has been reduced since July 2001. Total full time equivalent positions in the general fund and related funds:

- FY 2001/02 489 FTEs
- FY 2002/03 496 FTEs
- FY 2003/04 485 FTEs
- FY 2004/05 444 FTEs

Even with the reduction in FTEs listed above, Redwood City is facing an estimated deficit of \$5.7 million in FY 2005/06, based on the City Manager’s Recommended Budget.

This year, the City Manager’s Recommended Budget causes the layoff of three (3) people, cuts back one person to half-time, and reduces hours of several people by approximately 25%. We met Council’s desires regarding layoffs as most of the positions were reduced by using: A) existing vacancies, B) retirements, C) separation incentive program, D) voluntary time off (VTO), E) cutting contract positions, and F) cutting casual hours.

Attachment I (following the charts) is a summary presentation for each department. The format, with four sections, is the same for each department. The first section will summarize the 4% or 15% reductions, what the City Manager “accepted,” and what was “added back” to the City Manager’s Recommended Budget. This section explains the departments’ proposed cuts. The second section explains the City Manager’s Recommended Budget and what it entails. The third section contains options for further reductions to the City Manager’s Recommended Budget. The fourth section contains options for “add-backs” to the City Manager’s Recommended Budget. All of these figures are rounded to the nearest thousand for simplicity. Pending Council action, actual precise figures will be entered into the budget.

The staff has done its best to portray an enormous amount of data in a manner that is helpful and useful to Council, and hopefully provides you with a clear picture without being mired in too much detail. We have tried to clearly provide the Council with options and alternatives to the City Manager’s Recommended Budget. Staff respects and understands the tough choices that the Council will have to make. I encourage you to call any of the department heads, or anyone on the budget committee (Brian, Corinne, Magda, or myself) and we will respond to your questions. We wish you well in your decision making and stand ready to fully support your decisions.

“Attachment I”

City Attorney
City Clerk
City Council
City Manager
Finance
Human Resources
Community Development Services
Fire
Library
Parks, Recreation and Community Services
Police
Public Works Services

City Attorney

Department's 15% reduction = \$108K

City Manager accepted 15% = \$108K

City Manager added back = \$0

Department Proposed Reductions

Stan was able to achieve their 15% reduction in the general fund by charging some of the City Attorney's time to the Redevelopment Agency budget and some of the Assistant City Attorney's time to the CIP budget. Both of these are appropriate charges as they reflect actual time which both positions are spending in these programs. The legal administrator position is taking voluntary time off (VTO) of 20%. The budget for contracting with outside attorneys has been cut based on the last two years' actual experience. If Redwood City were to need additional outside legal services for matters such as legal transactions or litigations, then the Council would need to augment this line item.

City Manager's Recommended Budget

The City Manager recommends that the entire 15% or \$108K be cut for the department's budget.

Options for Council to Make Additional Cuts to the City Manager's Recommended Budget

The City Manager is not proposing any options for additional cuts to this budget.

Options for Council to Add Additional Items Back to the City Manager's Recommended Budget

The City Manager is not proposing any optional add backs to the recommended budget.

City Clerk

Department's 15% reduction = \$72K

City Manager accepted 5% = \$24K

City Manager added back = \$48K

Department Proposed Reductions

To achieve the 15% reduction, Patricia eliminated an administrative secretary position completely. This in effect cuts the staff by 30% and could cause significant delays and loss of service to Council and to the public. (i.e., no front counter or 100% telephone coverage; delay in responding to citizen requests, disruption of City's record retention program.)

City Manager's Recommended Budget

The City Manager is recommending a reduction of \$24K which is a combination of reclassifying the administrative secretary position to a secretary and reducing legal advertising to the basic legal minimum required as well as cuts to supplies and services. The City Manager's Recommended Budget keeps the full-time secretary position.

Options for Council to Make Additional Cuts to the City Manager's Recommended Budget

If the Council wants to make the additional cuts you would have to eliminate the full-time secretary position. This would require the City Clerk's office to do only a few basic functions: Council agenda, minutes, and legal advertising, and transfer to other departments (who are also being cut) certain functions the City Clerk is now doing (i.e., management of Citywide records retention system or overseeing the audio/visual presentations at Council meetings); or eliminate these functions. Time available to handle City Council, Department Head or citizen request would be very minimal.

Options for Council to Add Additional Items Back to the City Manager's Recommended Budget

The City Manager is not proposing any optional add backs to the recommended budget.

City Council

Department's 15% reduction = \$28K

City Manager accepted 13% = \$24K

City Manager added back = \$4K

Department Proposed Reductions

Short of cutting "employees" (Council members) from seven to five, which I didn't think would be good for my own career status, there was not much to cut. All cuts came from supplies and services. The City will no longer reimburse Council members to attend League of California Cities or other very important conferences and seminars. The City's contribution to Redwood City International was eliminated.

City Manager's Recommended Budget

The City Manager's Recommended Budget keeps \$2K for a significantly downsized recognition event for members of your Boards, Committees and Commissions, and \$2K for some professional facilitation services (i.e., recycled water task force or other type of activities).

Options for Council to Make Additional Cuts to the City Manager's Recommended Budget

If the Council wants to make further cuts, the City Manager would recommend that they remove the \$4K stated above in the recommended budget. The impact is pretty clear there will be no recognition event for Boards, Committees and Commissions, and no ability to provide professional facilitation for any Citywide issues, such as that provided for the recycled water task force.

Options for Council to Add Additional Items Back to the City Manager's Recommended Budget

The Council could restore conferences and travel reimbursement (\$6K) or contributions to Redwood City International approximately (\$4K).

City Manager's Department

Department's 15% reduction: \$158K

City Manager accepted 10% = \$106K

City Manager added back = \$53K

Department Proposed Reductions

In order to achieve this level of reduction, the department will make the following cuts:

- .50 FTE Management Analyst cut to .15 FTE
- FTE Public Communication Manager (PCM) cut to .80 FTE (selling 20% of Public Communication Manager's time to Public Works Services department to assist in public information for water conservation efforts)
- Reduction of data management hours by 15%
- Reduction in casual hours by 33%

Temporarily suspend the following contracts:

- Chamber of Commerce – (\$27K)
- Peninsula Policy Partnership (P3) – (\$11K)
- Peninsula Celebration Association (PCA) – (\$5K)

Contracts Reduction:

- Redwood City Family Centers – \$13.5K
- Peninsula Conflict Resolution Center (PCRC) – \$11.5K
- Redwood City 2020 (RC2020) – \$3.3K
- Citizen Survey – \$3.3K
- Chamber Leadership – .5K

We will also:

- Significantly reduce the conference budget
- Eliminate the Mayor's Beautification Awards
- Reduce the Pride and Beautification Committee budget
- Eliminate funding for consultants for department head retreats

The reduction for the Management Analyst from .50 to .15 means barely keeping ICMA performance measures alive (which it still may not do). The reduction of the Public Communication Manager's time will mean less time for general community and media outreach, and legislative activities, less time available for community programs, such as PACT and Community Builders, and fewer special media/community outreach projects for all City departments.

It is tough to suspend or reduce the community contracts, but unfortunately much of this budget is all about tough choices. The Chamber of Commerce has been able to expand membership the last few years and has ended up with reserves so we believe they can handle a suspension for a couple of years. Peninsula Policy Partnership (P3) as you all know is a countywide group, but I believe there are other county groups that are working on similar issues.

City Manager's Recommended Budget

The City Manager's Recommended Budget adds back the Management Analyst position up to a .30 FTE level (\$16K) as this will assure that we do not lose the performance measurement effort, and provide analysis and full utilization of the neighborhood survey. This person can also assist in monitoring legislative bills since the Public Communications Manager will have less time to do so. I recommend adding back the Public Communications Manager to a funding level of .85 FTE (\$6K). Finally, I added back casual hours (\$9.6), so we can provide minimal clerical support to the Public Communications Manager and the Management Analyst. Redwood City has one of the smallest, if not the smallest City Manager staff on the Peninsula.

The City Manager's Recommended Budget adds back small amounts totaling (\$18K) to several community contracts, including PCRC, RC 2020, and Redwood City Family Centers, and additional money (\$2K) for consultant and miscellaneous services.

I am also recommending that half of the Chambers contract be reinstated in the Redevelopment budget and that the Chamber focus its efforts in the Redevelopment/ downtown area.

Options for Council to Make Additional Cuts to the City Manager's Recommended Budget

If the Council wants to make additional cuts, it could eliminate the .30 FTE Management Analyst position completely (\$33K). We would then drop out the ICMA Performance Measure Program. Council can also cut Redwood City Family Centers by an additional (\$9K). This program is jointly funded by the Redwood City School District, San Mateo County, and the Sequoia High School District, and a cut here would likely cause the others to follow suit and make the impact three times greater than our individual cut. Council may also elect to eliminate the PCRC contract (\$13K).

Options for Council to Add Additional Items Back to the City Manager's Recommended Budget

The Council could add back more money to the Management Analyst position to bring it back to a half-time position (\$22K). The Council could add back all or some of the community contracts: Chamber of Commerce (\$13.5K), Peninsula Policy Partnership (P3) (\$11K), Peninsula Celebration Association (\$5K), Peninsula Conflict Resolution Center (\$7.7K), Redwood City Family Centers (\$4.5K).

Finance Department

Department's 15% reduction = \$139K

City Manager accepted 11.5% = \$107K

City Manager added back = \$32K

Department Proposed Reductions

The Financial Services Division is the section of the Finance Department that we are addressing here, because it's in the general fund. Brian proposed cutting one account clerk position by 33% (accounts payable function), one account clerk position by 17% (payroll benefits function), and one account technician position by 15% (general accounting bank reconciliation). The department also eliminated all casual hours and almost all of the overtime hours. They also shifted 25% of the senior accountant to the Capital Improvement Plan (CIP), where that accountant is presently spending his time to track CIP costs and to meet numerous grant requirements. These cuts will affect the accounts payable, payroll benefits, and the general bank reconciliation. Brian believes with these cuts the department can still meet minimal financial checking and auditing requirements.

Service level impacts are: 1) eliminate employee drop-ins regarding payroll questions and requests, 2) eliminate our ability to "cost out" a long list of union proposals during negotiations with the City's five unions, 3) eliminate the processing of "special checks" to speed payment to small businesses and vendors, 4) eliminate the review of accounts payable items submitted by departments, and 5) eliminate the weekly check listing report to Council, converting this to an electronic report.

City Manager's Recommended Budget

The City Manager's Recommended Budget is the following: return the accounts payable account clerk return to full-time (\$22K). The City needs to provide more than a "cursory review" of account payable items. I am also recommending adding back approximately \$10K in overtime, to provide sufficient flexibility to deal with staff absences and still meet numerous mandated financial deadlines.

Options for Council to Make Additional Cuts to the City Manager's Recommended Budget

The Council could eliminate the two items discussed above that I have "added back" to the budget.

Options for Council to Add Additional Items Back to the City Manager's Recommended Budget

The Council could add back the 17% account clerk position (payroll benefits function at \$11K) and/or the casual hours (\$4K).

Human Resources

Department's 15% reduction = \$212K

City Manager accepted 15% = \$212K

City Manager added back = \$0K

Department Proposed Reductions

Maria eliminated two human resources technician positions to reach her 15% goal. This will lead to one lay off. Recruitments have been reduced during these economic times. Human Resources will focus existing resources on managing the ever-expanding and very expensive workers compensation program.

The department will eliminate the annual benefit statement and several classroom trainings. They will cut back on the service awards program for employees, employee giving program, and background checks.

The department is working with IT to rely more on technology and remove some of their paperwork load.

City Manager's Recommended Budget

The City Manager's Recommended Budget does not add anything back to this department and accepts all the proposed cuts.

Options for Council to Make Additional Cuts to the City Manager's Recommended Budget

There are no options presented for additional cuts to this budget.

Options for Council to Add Additional Items Back to the City Manager's Recommended Budget

The highest priority for the department will be to add back one administrative clerk (\$68K). The department will lose two human resources technicians, and has already reduced their casual clerical support hours; hence, with some reorganization and increased use of technology, the most important asset to the department would be to provide clerical support to the professionals. This would ensure the remaining professional staff's efficiency.

Community Development Services

Department's 16.7% reduction = \$777K

City Manager accepted 15.5% = \$724K

City Manager added back = \$53K

Department Proposed Reductions

The department cut 16.7% vs. the required 15%. In order to achieve their reductions, the department made the following cuts:

- They reorganized the clerical function and eliminated several positions (\$110K)
- They moved one position to redevelopment and eliminated a planning position (\$150K)
- They shifted some engineering positions to recycled water, CIP project (\$250K)
- They significantly reduced code enforcement efforts (\$173K)
- Other miscellaneous reductions (\$94K)

What are the service level impacts of the above cuts? The department has already reorganized the clerical function and is learning to work with less. One position has in fact been devoting almost 100% of its time to redevelopment, so we are just properly coding that person's time to redevelopment. The Public Works Services Director, Peter Ingram is working with the Community Development Services Director, Joel Patterson so that he will have the appropriate engineering resources to undertake the large recycled water construction processes that will soon be moving forward.

The reduction of one planner in the "current projects" area means that we will not be processing violations of the signs amortization program (i.e., time limits for removal of illegal signs), and will be limiting the times that planners are available at the front counter to help people understand permit requirements.

The department reduced code enforcement by two positions. Code enforcement would no longer process animal, noise, fence, news racks, signs, and private property parking complaints. They would move some functions to the Fire department (i.e., weed abatement) and to the Police department (i.e., graffiti and inoperable cars, vehicles, etc).

City Manager's Recommended Budget

The City Manager's Recommended Budget keeps the code enforcement function intact and at the present level.

I am doing this with some reorganization; reclassifying one position downward and eliminating a senior building inspector. The net effect of this (\$53K) is to keep the function operating at its present level.

Options for Council to Make Additional Cuts to the City Manager's Recommended Budget

The Council could decide to reduce code enforcement by eliminating one CSO (\$75K), and one building inspector (\$98K), and transferring some of the appropriate functions to both the fire department and the police department as appropriate.

Options for Council to Add Additional Items Back to the City Manager's Recommended Budget

The Council could add back the vacant planner position (\$95K), and or the senior building inspector (\$120K).

Fire Department

Department's 4% reduction = \$516K

City Manager accepted 1.2% = \$156K

City Manager added back = \$360K

Department Proposed Reductions

In order to achieve a \$516K reduction Gerry proposes expanding the number of shifts that Engine 9 (E9) will be out of service (OOS). We presently have E9 OOS for 60 shifts out of 365 days of the year. This proposal would take E9 OOS for 206 shifts.

When E9 is OOS, Truck 9 (T9, at the same location) will then respond first-due to all medical calls with the truck company instead of the engine company. T9 has been upgraded to Paramedic Status 100% of the time in order to assist with this issue. Taking E9 OOS will mean a slightly longer response time for an engine to respond into the downtown, and it will also mean fewer inspections by the engine company, and more "move ups" by Redwood City's other engine companies if there were to be a fire call involving E9. This "moving up" can disrupt training and the fire prevention inspection work of other engine companies. Taking E9 OOS for additional shifts will mean that our neighboring fire agencies may respond to Redwood City somewhat more frequently.

City Manager's Recommended Budget

The City Manager's Recommended Budget expands E9's time OOS from 60 shifts to 104 shifts (instead of 206 shifts) or from approximately 1.25 days a week OOS to approximately 2 days a week OOS. This recommendation is based on an analysis of the departments' calls per service work load by day of week. That data indicates that two days out of a week the department has lower call volumes than the remaining five days of the week. The department will continue to use its existing criteria to determine the best day to take E9 OOS.

This recommended service level also takes into account the existing/proposed cuts by our neighboring fire departments. Why is this important to consider? San Mateo County dispatch dropped the concept of using city boundaries for the dispatching of fire and medical emergency calls. The closest engine is always dispatched regardless of city boundaries. If city "A" was to close a station, the neighboring city would respond as necessary. In order to keep a level of equity or balance, all neighboring cities need to either keep their levels of service the same or cities should make service level cuts similar to one another. If cities A and C both close a station and saved money, and City B (situated between A & C) did not, then City B would be subsidizing cities A and C reductions.

South County (our fire agency to the north) has already eliminated their engine company in downtown San Carlos (completely OOS), and their truck company is running on medical calls similar to Redwood City's. South County Fire has downgraded their Alameda engine company to basic life support vs. paramedic life support about 30% of the time. Menlo Park has determined that they will remove E1 (Middlefield Road) from service 180 times (during the nighttime hours) in FY 04-05. As Redwood City, South County Fire, and Menlo Park Fire Protection District take engines OOS then we will each be responding into the other agencies' jurisdictions more frequently.

The City Manager's Recommended Budget is based on two rationales:

1. Redwood City has two days a week with lower calls for service. Redwood City Fire will have to manage the removal of E9 from service an average of two days per week, based on our present criteria for removing an engine.
2. The City Manager's recommendation attempts to maintain parity or equity with the actions of our neighboring agencies.

Options for Council to Make Additional Cuts to the City Manager's Recommended Budget

The Council could decide to more accurately match the actions of our two neighboring fire jurisdictions and take E9 OOS for 206 shifts or for approximately 4.3 days a week (\$360K).

Options for Council to Add Additional items Back to the City Manager's Recommended Budget

The Council could decide not to expand E9's OOS time from 60 shifts to 104 shifts (\$156K). This action however, in essence, means that Redwood City will be subsidizing our neighbor's fire department agencies budget cuts to some degree, as we would be responding out of jurisdiction more frequently.

Library

Department's 15% reduction = \$808K

City Manager accepted 13.5% = \$731K

City Manager added back = \$77K

Department Proposed Reductions

In order to reach their 15% target, Dave proposes to close Schaberg branch library on Friday and the Fair Oaks branch library on Saturday. He is eliminating a library outreach specialist, the school media specialist, a senior library assistant, a librarian, and a division manager. All positions will be vacant next fiscal year. The library will also cut \$200,000 from the casual budget which will result in the elimination of on-call staff to help cover for youth services visiting school classrooms, some delays for checkouts and for help by reference librarians, new materials will take longer to process and get out on the shelf, and it will take longer to reshell the existing collection. All staff will be asked to work more public desk hours.

The library will be unable to replace any of their PCs - even the constantly-used public computers. The department is also losing their electronic services librarian which is important to them in keeping the library technologically up-to-date, and maintaining their various software/hardware systems, and to continue to automate processes that will free up staff resources.

The library is, however, continuing to staff the four homework centers, including the very popular teen homework center. They will not reduce any hours at the main library, and they will continue to fund the Project Read programs. They will also maintain the funds devoted to the purchasing of new materials (i.e., books, magazines, audio-visual materials, etc.). The remaining casual budget will continue to employ teens and other community members as library pages.

City Manager's Recommended Budget

The City Manager's Recommended Budget adds back one-half school media specialist (\$42K) as staff reached an agreement with the Redwood City School District that they will fund the other half of this position. This is very important as it will keep the new collections at all the schools current, and continue to train volunteers and school staff to professionally operate and keep open the new library/media centers at every school. This position also has the flexibility to assist the library's youth service librarians in outreach efforts to schools.

The City Manager's Recommended Budget adds back some of the casual hours (\$35K) so the library can move forward with training library staff in preparing for self-checkout at all our libraries. This will allow the library to absorb staff reductions with less impact. Through the Capital Improvement Program's budget, the Library Director is planning to purchase self-checkout machines, and make necessary physical changes to fully automate the entire checkout function and other self-service strategies. The spending of some casual money will save us greater money in the long run.

Options for Council to Make Additional Cuts to the City Manager's Recommended Budget

The Council could eliminate the one-half media specialist (\$42K). If that happens the Redwood City School District would likely not fund the other half. Council could also eliminate the casual hours, but that would be counter to implementing the automated checkout system which saves staff time and money.

Options for Council to Add Additional Items Back to the City Manager's Recommended Budget

The first priority of the library would be to add back the electronic services librarian (\$84K). This would assure that the library maintains its important software and hardware systems and it will allow them to aggressively pursue using technology for customer empowerment and streamlining of operations. The Council may wish to add back the one day closure at Schaberg and Fair Oaks libraries (\$32K). It is important to note that the library was very careful when they cut the days at both Schaberg and Fair Oaks libraries. The department recommends closing each branch on the day with their lowest volume. They did not close both branches the same day. They made sure that they did not cut the hours to the main library. Hence, if one particular branch library is closed there will be another branch library to go to, and the main library would be available as an alternative.

Parks, Recreation and Community Services

Department's 15% reduction = \$1.7M

City Manager accepted 13.5% = \$1.5M

City Manager added back = \$169K

Department Proposed Reductions

In order to achieve a 15% reduction, Corinne had to eliminate approximately 19 full time equivalent (FTE) positions. The 15% reduction will cause the lay off of 1 employee. Listed below are the reductions that the department is making.

Landscape Maintenance Division

There is a reduction of 5.3 positions or a 16% loss of total labor dedicated to landscape maintenance. It will be important for the City to aggressively pursue artificial turf fields (recommended by the recycled water task force), remove turf in medians and replace with low maintenance plantings, and shift ball-field preparation to the sports leagues as soon as possible in order to mitigate the impacts of fewer landscape maintenance workers. This level of reduction would eliminate the special downtown planter program. There will be a lower level of maintenance at all parks and medians.

Building Maintenance Division

A reduction of two FTEs – The department believes that we can handle basic preventative maintenance (to protect our investment in buildings) at this level, but no special projects or emergency repairs can be handled.

Custodial Services Division

A reduction of two FTEs means there will be less cleaning in the office areas of most City facilities, and they will be focusing the remaining resources in highly used public areas. However, the public areas are going to look less well taken care of even with this re-focusing of effort.

Human Services Division

Both the Human Services Financial Assistance (HSFA) and the Civic Cultural Commission were cut by 15%.

Youth and Teen Services

Eliminate the Kid's Klub daycare, reduce the childcare coordinator position to half time, and eliminate the summer drop-in free program at Stulsaft, Stafford, and Mezes Parks. Impact: Dropping the Kids' Klub may have more pluses than minuses for Redwood City, as we are currently losing money on this particular program; and, our closure may actually help some other childcare providers which are having difficulty filling their programs. The department believes that at half time, the childcare coordinator can remain highly effective for Redwood City. It would, however, eliminate the amount of time this position spends on Countywide childcare issues. Although we are cutting free drop-in recreation programs at three of the parks, two of the parks are in areas where many parents can afford alternatives. We are keeping the programs at our after school sites open during the summer. Those sites are: Taft, Hoover, Fair Oaks, Selby Lane, John Gill, and Hawes. It is still not clear whether space will be available to continue the program on the Kennedy site. The program operating hours will remain the same; however we are reducing the hours of the coordinators from 40 to 30 hours (i.e. cutting back on preparation and planning time).

City Manager's Recommended Budget

The City Manager's Recommended Budget adds back one landscape position (\$74 + \$10K in supplies), and one custodian (\$65K + \$20K supplies). It is important to add back one landscape position to assure that the planting and the maintenance of downtown is continued at the present service level. I also added back the custodian position, as I am very concerned about allowing our exceedingly high-use buildings (CAB, Red Morton, Veterans Memorial Senior Center, Fair Oaks Community Center, and the Libraries) from becoming dirty and significantly unattractive. We are providing fewer services throughout the City-however, we are keeping all of our public buildings open, and it is important to assure that the public areas are kept clean and inviting.

Options for Council to Make Additional Cuts to the City Manager's Recommended Budget

The Council could cut the landscape gardener position and supplies at \$84K, and/or the custodial position and supplies at \$85K that I have recommended in the budget.

Options for Council to Add Additional Items Back to the City Manager's Recommended Budget

If the Council wanted to add additional services to the Recommended Budget, the department recommends the following priorities for add backs:

- One landscape gardener, (\$74K)
- Bring the after school/park coordinators back from 30 hours back to 40 hours, (\$93K)
- Childcare coordinator from .5 to .75 FTE, (\$20K)
- HHCC back to 03-04 levels, (\$24K)
- Civic Cultural Commission back to the 03-04 level, (\$11K)
- 3/4 facility aide, (\$43K)

Police Department

Department's 4% reduction = \$923K

City Manager accepted 3.4% = \$768K

City Manager added back = \$155K

Department Proposed Reductions

The department proposes the following actions to meet its 4% cut:

- One sergeant – \$204K
- Two secretaries – \$150K
- Two patrol officers – \$304K
- Two community services officers (CSOs) – \$150K
- One dispatcher – \$98K
- Miscellaneous supplies and services – \$17K

Total of \$923K

City Manager's Recommended Budget

The City Manager is recommending the following reductions:

- One sergeant – \$203K
- Two secretaries – \$150K
- One patrol officer – \$150K
- Two community service officers (CSOs) – \$150K
- One dispatcher – \$98K
- Miscellaneous supplies and services – \$17K

Total of \$768K

The City Manager's Recommended Budget is based on the following reasons: the department will transfer either the Juvenile Services Sergeant or the CCAT Sergeant and their responsibilities to patrol to make up for the loss of the patrol supervisor. This will leave the same number of sergeants providing supervision on the patrol shifts.

The loss of the two secretaries will mean a redistribution of administrative workload throughout the department. It will take longer to get some reports out, some phones will be answered by voice mail and there will likely be administrative backlogs. It will put the department below the minimum in terms of secretarial staffing for a department of its size. The plan is to utilize records personnel to mitigate some of the increased workload. The miscellaneous supplies and services reductions will be absorbed throughout the department.

The loss of two CSOs will leave the department with nine CSOs and will reduce investigations and patrol by one CSO. It will reduce flexibility in scheduling, allowing time-off, working special events and details. (i.e. 4th of July, 'Tis the Season, etc.) Patrol CSOs currently respond to calls that don't require a police officer, allowing officers to focus on community oriented policing activities. A reduction of community service officers in patrol will reduce the amount of time that patrol officers have available for community oriented policing activities. Investigation CSOs handle fraud, hit-and-run and other investigations of a less serious nature.

The original staffing study did not recommend an additional dispatcher but the Council at that time added one dispatcher anyway. The loss of one dispatcher will bring the department to minimum recommended level of the original staffing study. By using a combination of casual hours and overtime, the department will be able to maintain minimum staffing in the communications center.

The original staffing study also recommended that four patrol officers be hired, which the Council approved. This recommendation was based on two criteria: 1) all patrol officers should have 35% of their time available for other than calls for service, so that they can be involved in proactive community policing activities and 2) the recommendation for hiring four officers was based on the fact that all officers were working a 4/10 schedule (10 hours a day - four days a week). The report stated that the

4/10 schedule was the most inefficient work schedule. The report noted that if the department went to 12 hour shifts there would be no reason to hire additional patrol officers (i.e. the department would be appropriately staffed).

Since the study was done, the department has gone to the more efficient 12 hour shifts (three days a week), 43% of the time. Carlos and I believe that we can cut one officer from the CCAT Unit without any affect on response times or health and safety concerns.

Options for Council to Make Additional Cuts to the City Manager’s Recommended Budget

If the Council wanted to make further cuts, they could reduce one additional dispatcher position (\$98K). This would take us below the recommended level and could cause more overtime than presently budgeted in order to maintain proper staffing. This would also cause the department to look at a different schedule than the current one. The Council could also decide to cut an additional CSO (\$75K), from within the department which would further restrict the flexibility and scheduling of these people and further reduce the amount of time available for officers to participate in community oriented policing activities.

Options for Council to Add Additional Items Back to the City Manager’s Recommended Budget

If the Council wanted to add additional resources to the Police Department budget, they could add, in the following order:

One patrol officer	\$150K
One dispatcher	\$98K
Two community service officers	\$150K

Public Works Services

Department's 15% reduction = \$691K

City Manager accepted 13.2% = \$606K

City Manager added back = \$85K

Department Proposed Reductions

Peter achieved the 15% target in the general fund by proposing the following cuts, (since there were quite a few, I will list only the most significant cuts).

- A 25% reduction in scheduled crew availability for pavement repair.
- Impact: In the short term there will be more potholes and small pavement failures, and a longer response time for repairs. In the long term there would be a gradual lowering of quality standards and the citywide pavement condition index
- A 50% reduction in the street tree leaf pickup.
- Impact: The likely clogging of catch basins during wet weather and the possibility that our street sweepers could not complete their routes on any particular day, due to the amount of leaves that may accumulate in the gutter. There would be an increase in complaints from the public.
- Eliminate the downtown festoon tree lighting.
- Impact: Would degrade the image of the downtown, especially at night, and there would most likely be complaints both from citizens and business owners.
- A 25% reduction in crew availability for street drainage/siphon cleaning.
- Impact: There could be some increased odor, and possibly some increase in mosquitoes, and consequently an increase in general neighborhood complaints. Redwood City has this siphon system in two major parts of the city, Woodside Plaza and Friendly Acres.
- A 25% reduction in budgeted contract services for street tree pruning.
- Impact: There would be a longer time between pruning cycles, and when we do provide this service, we would reduce the amount of pruning we will do on most trees.
- Reduction in field inspection staffing for the sidewalk project.
- Impact: Delayed responses to sidewalk repair requests, and possible citizen frustration and/or complaints. Aesthetics will diminish slightly over time.
- A 20% reduction in traffic sign maintenance, and street curb painting.
- Impact: Would be mainly aesthetics in the short term, but may affect parking enforcement in the long term.
- A 50% reduction in street legend painting.
- Impact: Fewer legends painted on a preventative maintenance basis.
- A 35% reduction in the scheduled crew availability for cleaning lined creeks.
- Impact: Would be mostly aesthetics.
- Only replace traffic signal loops when there is full failure.
- Impact: Would be less signal efficiency, more complaints and some commuter frustration.

City Manager's Recommended Budget

The City Manager has reinstated the first three reductions listed above. The pavement repair/street crack sealing, and pothole repair programs (\$27K) - maintaining our valuable street infrastructure is crucial, and of great importance to our citizens. The street tree leaf pickup program, (\$40K) - this will minimize clogging of catch basins during wet weather, and reduce customer complaints. In addition, the downtown festoon lighting was added back. I do not think that we should reduce the aesthetics of our downtown just before we open the retail-cinema project (\$18K).

Options for Council to Make Additional Cuts to the City Manager's Recommended Budget

The Council could cut any or all of the items that the City Manager has added back into the Recommended Budget (\$85K for all).

Options for Council to Add Additional Items Back to the City Manager's Recommended Budget

If the Council wants to add additional services to the City Manager's Recommended Budget, the following are the priorities which have been listed by the department for selection:

- Traffic signal loop replacement, \$15K
- 25% reduction in scheduled maintenance of street drainage and siphon, \$9K
- 50% reduction of street legend painting, \$19K
- 35% reduction of cleaning of lined creeks, \$28K
- 25% reduction of contract tree pruning service, \$61K

Chart One

DEPARTMENT	4% / 15% REDUCTION		% / \$ AMOUNT TAKEN		% / \$ AMOUNT INCLUDED IN RECOMMENDED BUDGET	
City Attorney	15%	\$108,000	15%	\$108,000	0%	\$0
City Clerk	15%	\$72,000	5%	\$24,000	10%	\$48,000
City Council	15%	\$28,000	13%	\$24,000	2%	\$4,000
City Manager	15%	\$158,000	10%	\$106,000	5%	\$53,000
Finance	15%	\$139,000	11.5%	\$107,000	3.4%	\$32,000
Human Resources	15%	\$212,000	15%	\$212,000	0%	\$0
Community Development Services	16.7%	\$777,000	15.5%	\$724,000	1.2%	\$53,000
Fire	4%	\$516,000	1.2%	\$156,000	2.8%	\$360,000
Library	15%	\$808,000	13.5%	\$731,000	1.5%	\$77,000
Parks, Recreation & Community Services	15%	\$1,706,000	13.5%	\$1,537,000	1.4%	\$169,000
Police	4%	\$923,000	3.4%	\$768,000	0.6%	\$155,000
Public Works Services	15%	\$691,000	13.2%	\$606,000	1.8%	\$85,000
Totals:		\$6,138,000		\$5,103,000		\$1,036,000

Chart Two

DEPARTMENT	ADDITIONAL CUTS	AMOUNT (Thousands)
City Attorney	None	\$0
City Clerk	Secretary position	\$86
City Council	BCC reception	\$2
	Facilitation services	\$2
City Manager	Remainder of .30 of Management Analyst position	\$33
	Community Contracts: PCRC	\$13
	Redwood City Family Centers	\$9
Finance	Take .30 of Account Clerk position	\$22
	Overtime	\$10
Human Resources	None	\$0
Community Development Services	1 CSO	\$75
	1 Building Inspector	\$99
Fire	Take full 4%, takes E-9 from 104 shifts recommended, to 206 shifts out of service	\$360
Library	1/2 Media Specialist position	\$42
	Take all casual hours proposed from cuts	\$35
Parks, Recreation & Community Services	1 Landscape Gardner	\$84
	1 Janitor	\$85
Police	1 Dispatcher position	\$98
	1 CSO	\$75
Public Works Services	Pavement repainting	\$27
	Eliminate leaf pick up	\$40
	Festoon lights downtown	\$18
	Total:	\$1,215

Chart Three

DEPARTMENT	POTENTIAL ADD BACK	AMOUNT (Thousands)
City Attorney	None	\$0
City Clerk	None	\$0
City Council	Conference/Travel (presently removed from budget)	\$6
	Redwood City International	\$4
City Manager	Bring Management Analyst back to .50	\$22
	Refund Community Contracts: Chamber	\$27
	P3	\$11
	PCA	\$5
	PCRC (back to 03/04)	\$13
	Redwood City Family Centers (back to 03/04)	\$4
Finance	.17 of Account Clerk position	\$11
	Casual hours	\$4
Human Resources	1 Administrative Clerk	\$68
Community Development Services	Senior Building Inspector	\$121
	Planner	\$95
Fire	Add back E-9 to 03/04 service levels	\$156
Library	Fill vacant Electronic Services Librarian	\$32
	Restore 6th day at Fair Oaks/Schaberg libraries	\$84
Parks, Recreation & Community Services	1 Landscape Gardner	\$75
	After School Coordinators from 30 hours to 40 hours	\$93
	Child Care Coordinator from .50 to .75	\$20
	HHCC (back to 03-04)	\$24
	Civic Cultural Commission (back to 03-04)	\$11
	1/2 Facility Aide	\$43
Police	1 Police Officer position	\$150
	1 CSO	\$75
	1 Dispatcher position	\$98
	1 CSO	\$75
Public Works Services	Traffic Signal Maintenance	\$15
	25% reduction in scheduled maintenance of street drainage and siphons	\$9
	50% reduction of street legend painting	\$18
	Crew availability to (03-04)-creek cleaning	\$28
	25% reduction in street tree pruning	\$61
	Total:	\$1,458