

Budget Study Session

Closing the Gap for
Fiscal Year 2016-17



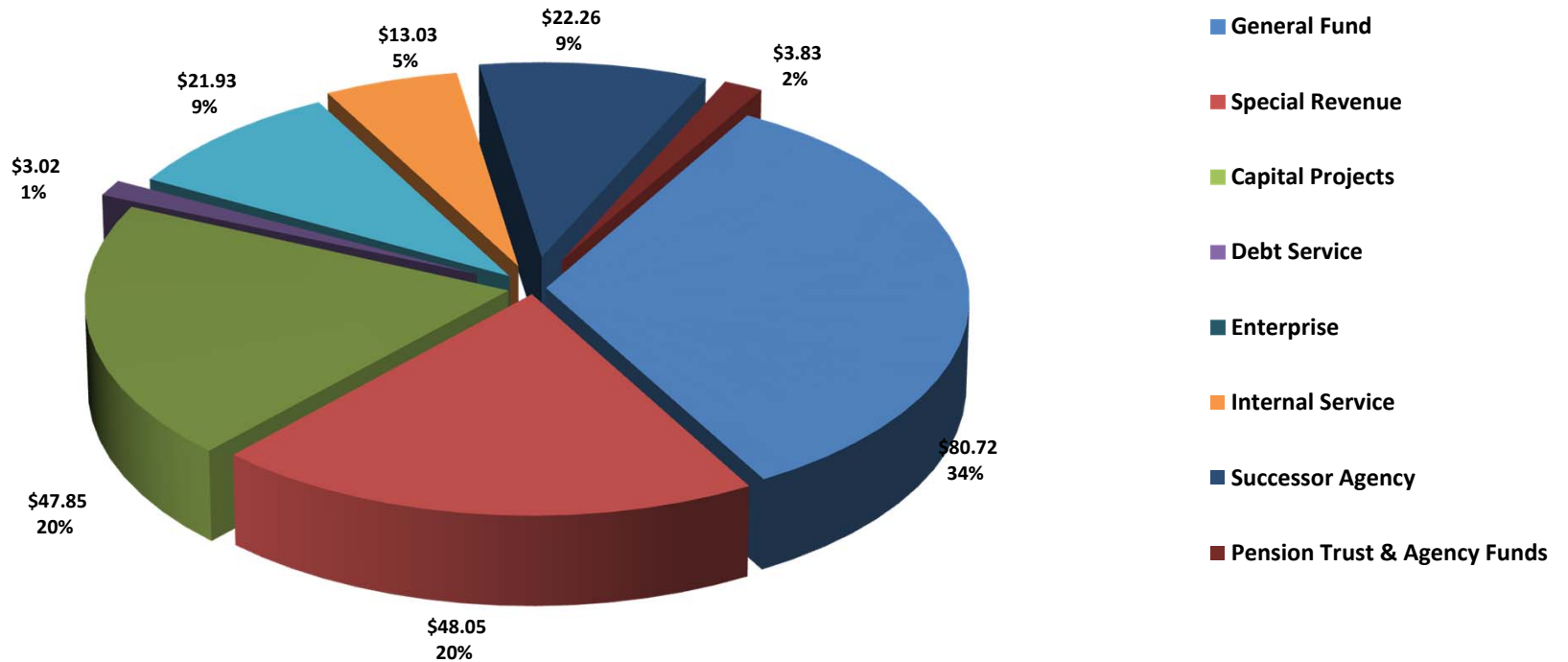
Slide 1

LW1

Liz Warmerdam, 5/6/2015

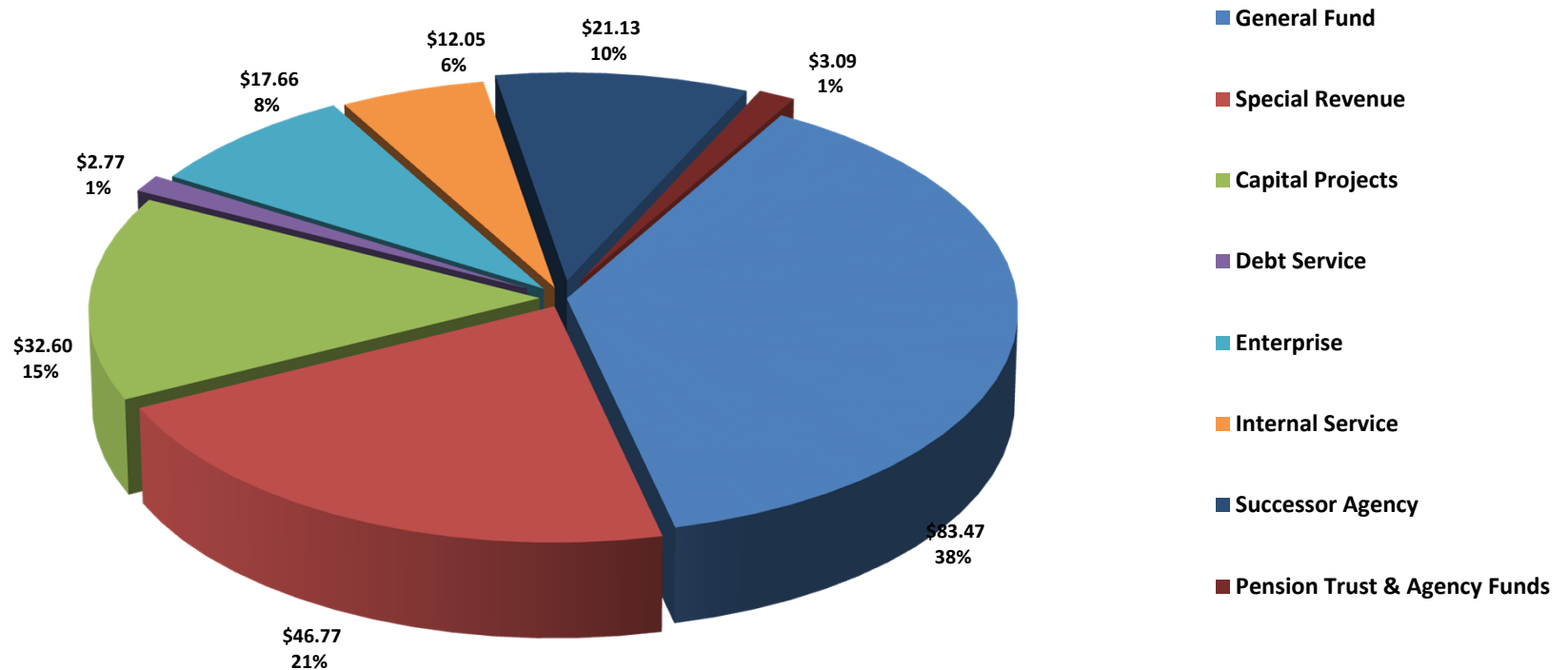
General Fund as a Percentage of All Funds

FY 2015-16

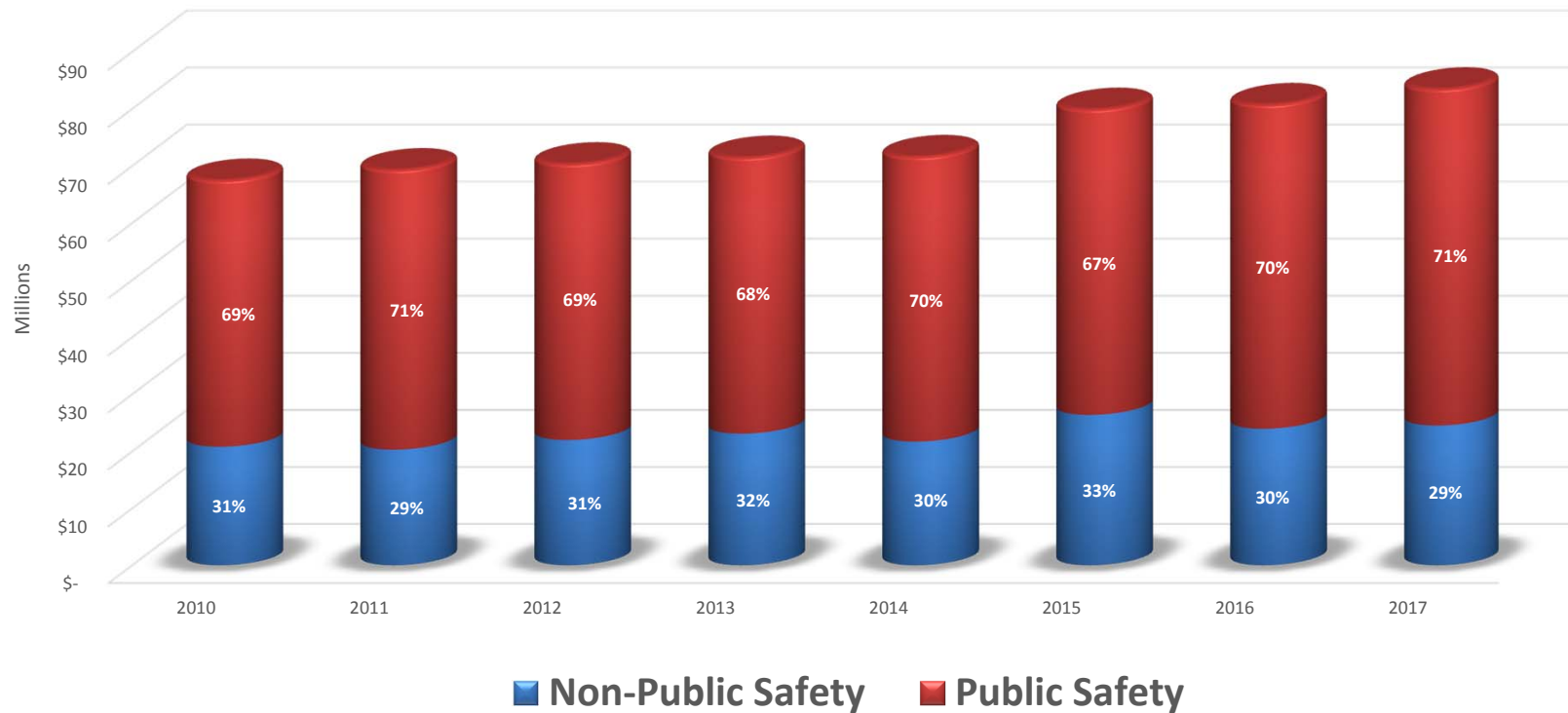


General Fund as a Percentage of All Funds

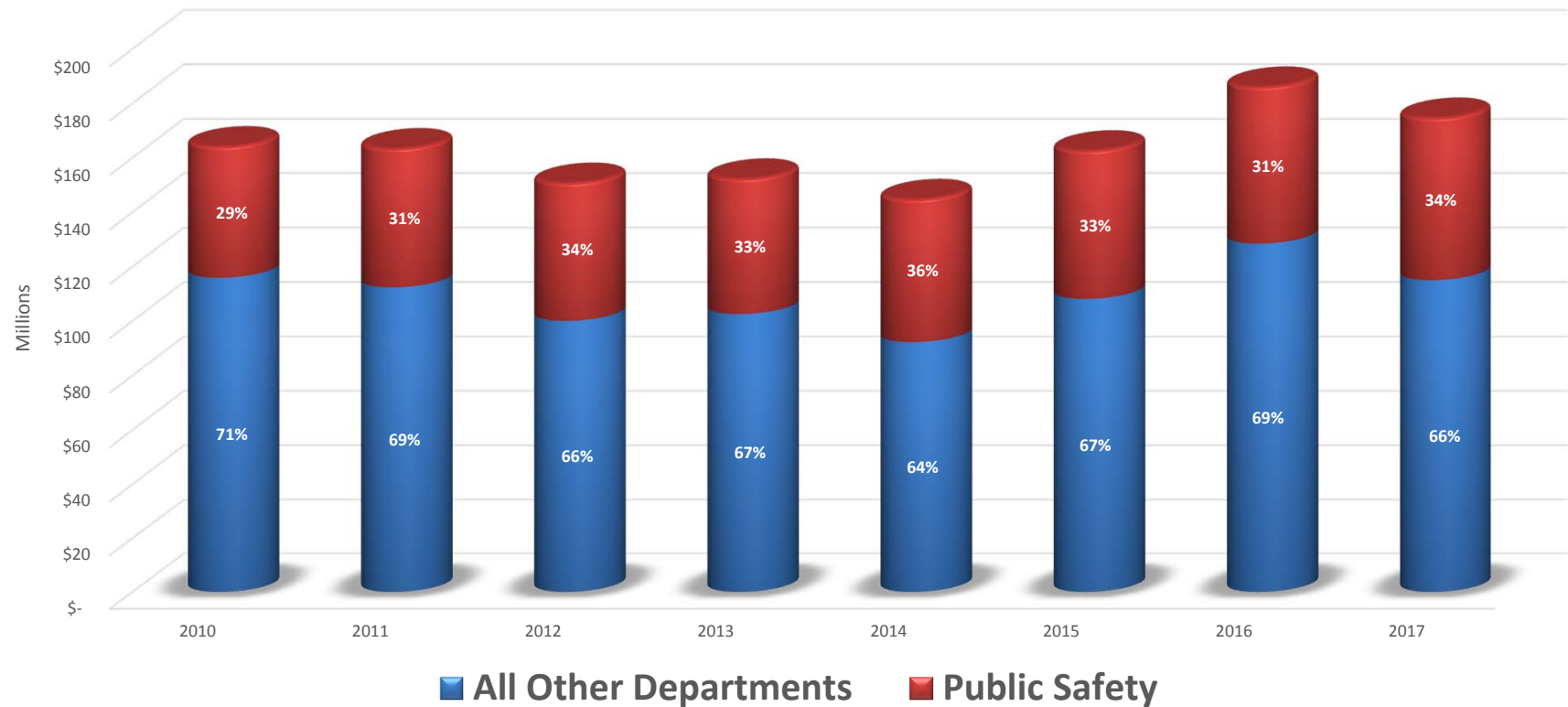
FY 2016-17



History of Public Safety as a Percentage of General Fund



History of Public Safety as a Percentage of All Funds



General Fund Budget Overview with Revised Safety Contracts

5-Year Forecast for FY 15-16 through FY 19-20
(in millions)

	<u>15-16</u>	<u>16-17</u>	<u>17-18</u>	<u>18-19</u>	<u>19-20</u>
Beginning Fund Balance	\$ 29.6	\$ 30.8	\$ 29.3	\$ 26.3	\$ 22.0
Revenues	81.4	81.6	82.8	84.0	85.2
Transfers In	0.5	0.5	0.5	0.5	0.5
Expenditures & Transfers Out	(80.7)	(83.5)	(86.3)	(88.8)	(91.1)
Annual Operating Results	1.2	(1.4)	(3.1)	(4.3)	(5.4)
Ending Fund Balance	<u>\$ 30.8</u>	<u>\$ 29.3</u>	<u>\$ 26.3</u>	<u>\$ 22.0</u>	<u>\$ 16.5</u>
% of annual expenditures and transfers out	38%	35%	30%	25%	18%

Ending Available Fund Balance assumes **no** cost-saving measures are taken after 15-16.



Closing the Gap for FY16-17 Proposed Solutions from April 16, 2015

- Use a portion of the General Fund balance reserve over 25% to assist with funding of PERS 5-year projected smoothing
- Increase/expand outdated Utility User Tax (UUT) in 2016 election
- Reduce General Fund contributions to Equipment Replacement Fund
- Request departments to cut 1.4% of the budget
- Delay hiring and use vacancy savings to reduce annual deficit
- Potential savings of \$0.25 million in Fire Department overtime budget upon approval of SAFER grant



General Fund Reductions – OPTIONS

Across the Board Cut 1.4%

Department	FY 15-16	FY 16-17	Description
City Attorney		14,800	Part-time Positions
City Clerk		6,700	Part-time Positions
City Manager	84,815	122,379	Eliminate Disaster Preparedness Position
Finance		32,000	Part-time Positions & Services & Supplies
Human Resources		20,000	Reduce Funding for Investigations and Employee Training
Recreation and Parks		55,000	Reduce Park and Swim Center Maintenance & Delay Playground Replacement
Fire		408,000	Elimination of (1) Ambulance/Return to Suppression & Reduce Over-time
Police		360,000	Eliminate (2) School Resource Officer Pos./Return to Patrol
Public Works		29,200	Reduce number of arborist reports & P/T staffing for graffiti removal
Fleet & Facility Maintenance		28,800	Reduce janitorial contract & P/T staff vehicle repairs
Library Transfer		28,000	Materials
TOTAL	\$84,815	\$1,104,879	



General Fund Reductions – Current Vacancies Delay Hiring For 12 Months¹

POSITION	Months Vacant	FY 15-16	FY 16-17
FLEET MECHANIC	15	98,978	24,743
INFORMATION TECHNOLOGY DIRECTOR (50/50) ²	16	112,721	37,574
TECHNOLOGY SVCS COORD (50/50) ²	18	59,643	29,822
ACCOUNTANT II	14	120,112	20,019
DIVISION CHIEF (FIRE)	13	247,171	20,598
FIREFIGHTER x (3)	12	406,224	0
POLICE OFFICER x (4)	18	641,384	320,692
CRIME SCENE SPECIALIST	16	104,746	34,915
PUBLIC INFORMATION OFFICER (50/50) ³	15	69,518	17,380
INTERMEDIATE CLERK (POLICE)	12	65,952	0
PARK EQUIPMENT OPERATOR	16	81,325	27,108
TOTAL SAVINGS		2,007,774	\$532,851
TOTAL SAVINGS LESS PREVIOUSLY ACCOUNTED FOR VACANCIES		\$1,507,774	\$32,851

¹ From expected hire date

² Shared Positions with AMP

³ Shared Position with Economic Development



General Fund Reductions – Current Vacancies Delay Hiring For 18 Months¹

POSITION	Months Vacant	FY 15-16	FY 16-17
FLEET MECHANIC	21	98,978	74,233
INFORMATION TECHNOLOGY DIRECTOR (50/50) ²	22	112,721	93,934
TECHNOLOGY SVCS COORD (50/50) ²	24	59,643	59,643
ACCOUNTANT II (FINANCE)	20	120,112	80,075
DIVISION CHIEF (FIRE)	19	247,171	144,183
FIREFIGHTER x (3)	18	406,224	203,112
POLICE OFFICER X (4)	24	641,384	641,384
CRIME SCENE SPLST	22	104,746	87,288
PUBLIC INFORMATION OFFICER (50/50) ³	21	69,518	52,139
INTERMEDIATE CLERK (POLICE)	18	65,952	32,976
PARK EQUIPMENT OPERATOR	22	81,325	67,771
TOTAL SAVINGS		\$2,007,774	\$1,536,738
TOTAL SAVINGS LESS PREVIOUSLY ACCOUNTED FOR VACANCIES		\$1,507,774	\$1,036,738

¹ From expected hire date

² Shared Positions with AMP

³ Shared Position with Economic Development



Closing the Gap – OTHER OPTIONS

OPTIONS	FY 15-16	FY 16-17	
Reduce contributions to Equipment (Fleet) Replacement Fund (Police)	N/A	\$75,000	Delay the purchase of vehicles in future years
Reduce contributions to Equipment (Fleet) Replacement Fund (Fire)	N/A	\$25,000	Delay the purchase of vehicles in future years
Increase/expand outdated Utility User Tax (UUT) in 2016 election	N/A	N/A	Staff will return with this analysis at a later date
Reduce Vacation Payout Contribution		\$75,000	GF made contribution of \$367,000 last year
Use portion of the General Fund Available Fund Balance (Reserve)	\$0.00	\$1,422,000	Reserves in FY 16-17 is estimated at 36%



SUMMARY

Closing the Gap for FY 16-17

Target \$1.4 million

OPTIONS	FY 15-16	FY 16-17
Across the Board Cut 1.4%	\$84,815	\$1,104,879
Reduce Equipment (Fleet) Replacement Contribution (Police & Fire)	N/A	\$100,000
Reduce Vacation Payout Contribution		\$75,000
Hold Vacancies for 12 months	\$1,507,774	\$32,851
Hold Vacancies for 18 months	\$1,507,774	\$1,036,738
Use portion of the General Fund Available Fund Balance (Reserve)	\$0.00	\$1,422,000
TOTAL (with vacancies for 12 months)	\$1,592,589	\$2,734,730
TOTAL (with vacancies for 18 months)	\$1,592,589	\$3,738,617

OR



QUESTIONS

