Budget Wrap-Up

• Finance Committee has tentatively approved all but the following parking lot items:
  – General Fund: Library Department
  – General Fund: Public Works Department (Urban Forest Master Plan)
  – Vehicle Replacement and Maintenance Fund (Electric Vehicles, 5 year Replacement List)

• $4 Million in ongoing General Fund reductions (from $5M in options)

• **Goal:** Finance Committee Recommendation to full City Council concerning the FY 2019 Proposed Operating and Capital Budgets
Citywide Strategies to Reduce Expenses

• Citywide strategic initiatives are complex and difficult to implement; often requires negotiations with external stakeholders and/or meet and confer

• Reduce Expenses:
  – Public Safety – Regionalization, Civilianization, Consolidation
  – Cubberley/cost-sharing with PAUSD
  – Public-private partnerships (Project Safety-Net)
  – Operational Changes (Vehicle Maintenance and Replacement)

• Increase Revenues:
  – Recover full cost of services through fees, etc.
  – Sales Tax (future)
Departmental Strategies to Reduce Expenses

• Issued reduction goals to departments

• Examples of cuts necessary to reach the $5 M include:
  • Community Services: Special events, summer concerts, library hours
  • Public Safety: Reduced fire station staffing and/or crossing guards
  • Government Operations: Extended timelines for city projects and reviews

• Reductions would have significant impacts on service and staffing levels
• Varying levels of magnitude; need more time to analyze full and secondary impacts/benefits
What are we trying to achieve?

• Preemptively addressing unfunded pension liability challenges facing the state of CA in the near and long term
• Put the organization on a path for greater fiscal stability in the future
• Balancing fiscal responsibility with operational needs and community priorities

Core Mission
Municipal Services Mandates

Values
Public Policy informed by Community & Organizational Values

Cost Effectiveness
Fiscal Responsibility Efficient Results
Strategic Prioritization

Achieve all 3 criteria =
Highest Priorities

Achieve 2 of 3 criteria =
Medium Priorities

Single criterion =
Lower Priorities
Path Forward

• More time required to fully analyze and articulate impacts/benefits of reductions
• All funds issue; not confined to the General Fund
• Establish a decision criteria and framework for addressing concerns and direction
• Projects, programs, and services not contemplated in this Proposed FY 2019 Budget (infrastructure, human capital, grade separation)
• Navigate obstacles and leverage opportunities