

# FY 2019 Proposed Budget Wrap-up

Finance Committee  
May 23, 2018

# 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

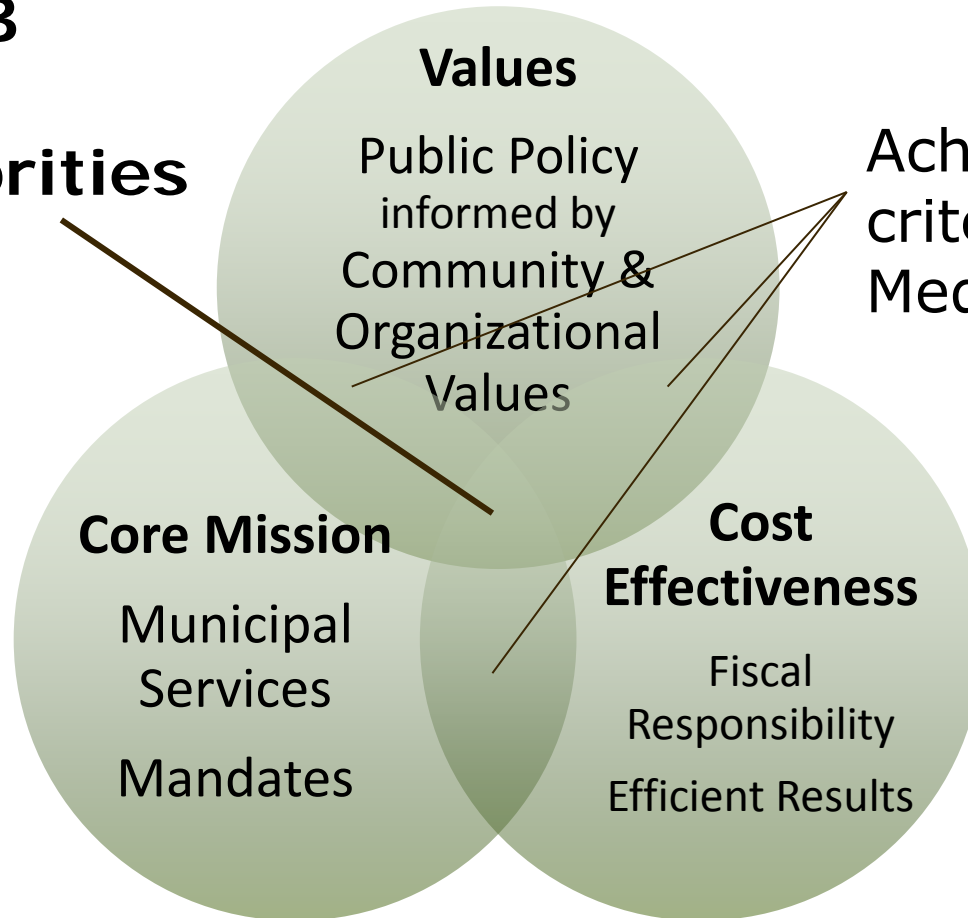
## **Cost Effectiveness**

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