



MEMORANDUM

Date: May 11, 2010

TO: Honorable Mayor Bjerke and Members of the City Council

FROM: Daniel E. Keen, City Manager

SUBJECT: Chart of Additional Program Reductions/Fee Increases Necessary to Resolve the Remaining Structural Budget Deficit

During Council's budget discussion at their April 13, 2010 meeting, Mayor Bjerke asked staff to provide information on what additional program reductions would be necessary to resolve the remaining budget deficit in one year. The recommended budget for Fiscal Year (FY) 2010-11 which has been submitted to Council, represents the second year of the City's three-year "Living Within Our Means" budget strategy, and does not fully resolve the budget deficit until FY 2011-12. The recommended FY 2010-11 budget proposes \$6.4 million dollars of program cuts, new revenue, and employee concessions. Notably, it does not include lay-offs for regular employees. A deficit of \$6.8 million dollars remains to be resolved in FY 2011-12. Council will be evaluating its options for resolving the remaining deficit over the next year. Clearly, the solution lies in a combination wage and benefit concessions, program and service reductions and new revenue—the exact balance between the three is what needs to be resolved.

The attached table represents a truly bleak picture and includes the elimination of 35 full time filled positions and almost \$1.4 million in part-time employees and other direct program support. I am not recommending these cuts as part of the Fiscal Year 2010-2011 budget; they are provided to the Council for the purpose of clarifying the level of impact that would occur if we attempted to resolve the entirety of the budget deficit through cuts alone.

In preparing the attached list, the executive team took great pains to be realistic. However, given the short time frame available to prepare this list, the proposals have not been fully vetted as would be necessary for a formal budget proposal.

CITY OF CONCORD
 ADDITIONAL REDUCTIONS NECESSARY
 TO RESOLVE REMAINING BUDGET DEFICIT
 SOLELY THROUGH EXPENDITURE REDUCTIONS

**Est'd General Fund
 Deficit Reduction
 (000's)**

Police

1	Eliminate District Commander Program	The level of services will be reduced with the elimination of all District Commands and the Field Office concept, as well as the dedicated downtown officer. Staff reduced would include one lieutenant, two sergeants, one officer and one community services officer.	992
2	Reduce size of Special Enforcement Team (SET)	The elimination of two officers from the SET team will lower the level of service by slowing down the response to major crimes and by providing less backup for staffing shortages.	276
3	Reduce administrative support in the Records Unit and the Investigations Unit.	With the elimination of two Administrative Clerk II's, the level of service will decrease as these support functions will be spread among remaining staff including sworn personnel and dispatchers.	157
4	Reduce School Resource Officer (SRO) program.	The level of service to the schools will decrease as two less officers provide support to the schools in the district.	274
5	Reduce Traffic Enforcement	The level of traffic safety enforcement in the City will decrease with the elimination of two traffic officers.	739
6	Elimination of Crossing Guard services	No crossing guards would be provided for schools.	98
7	Reduce staffing in Financial Crimes Unit	The level of service provided by the financial crimes unit will decrease because there will be one less officer to respond.	168
8	Reduce staffing in Special Victims Unit.	The level of service provided by the Special Victims Unit will decrease because there will be one less officer to provide support for the program.	177

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Public Works and Engineering

9	Reorganize and shrink management of various programs	The Senior Administrative Analyst position and fleet management will be eliminated; service levels would decrease.	181
10	Reduce engineering services in the Permit Center.	The Assistant Engineer will be eliminated and customer service levels would decrease.	132
11	Reduce maintenance of the traffic signals.	The elimination of the Traffic Signal Technician will result in a reduction in the level of service in the maintenance of traffic signals.	108
12	Reduce maintenance for parks and medians.	The maintenance level of service in the City's parks and medians will be reduced by the elimination of positions (4 landscape gardeners, 3 general laborers), part-time support and annual plants.	934
13	Reassign costs to other Funds	General Fund resources can be saved by assigning costs to more restrictive, though eligible, funding sources. However, there would be impacts to the programs and services funded by the other funds.	298
14	Tree trimming reduction	The level of tree trimming service will decrease to reflect only emergency tree trimming work.	100
15	Reorganize Facility Maintenance positions and reduce service levels	Eliminate vacant Carpenter position and upgrade a Maintenance Worker II to a Maintenance Facilities Technician. Reduce consultant contracts. The level of service will decrease as less specialized experts will be responsible for the workload.	180
16	Defer Maintenance on Buildings	The level of service provided in the maintenance of city buildings will decrease as maintenance will be deferred unless a safety issue is discovered or viable energy projects will be included in the ESCO program.	214
17	Reduce frequency of office custodial service	The level of service in providing custodial service to city offices will decrease by cleaning only 1-2 days per week.	100

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Community & Recreation Services

18	Reduce staff at Senior Center	The level of service provided at the Senior Center will decrease based upon the elimination of a program aide.	67
19	Reduce classes and summer programs for children.	The level of service provided for classes and summer programs will decrease with the elimination of a recreation program coordinator.	107

Community Development

20	Suspend and reorganize the Multi-Family Inspection Program.	Multi-family rental properties would not be inspected until the program was reorganized. One permit technician position would be eliminated.	74
21	Reduce Neighborhood Services	The level of service provided by Neighborhood Services for proactive code compliance will be decreased with the elimination of two neighborhood services specialists.	213
22	Reorganize and reduce the Planning Division	The level of service provided in the Permit Center will be decreased with the elimination of a senior planner.	141
23	Assign staff to work on the Concord Naval Weapons Station General Plan amendment.	This work is appropriately charged to the Reuse Project either to be grant funded or paid for by the Redevelopment Agency.	82
26	Increase Various Fees	Implement or increase planning fees for a variety of activities in the Planning Division	\$ 219

Information Technology

27	Decrease IT systems support	Selected mission critical systems maintenance will decrease.	78
28	Reduce implementation of system improvements and upgrades	Reduce funds available to implement required mission critical system upgrades and implement system improvements and fixes.	30
29	Decrease IT equipment available to employees	Eliminate hardware and software where feasible. Will likely result in a minor degradation of efficiency.	15

Finance

30	Pay City invoices on a bi-weekly basis.	The level of service in providing payment to City vendors will decrease, with the reduction of an Accounts Payable employee	93
31	Reduce business license revenue generation efforts	The level of service provided to business license customers and others paying bills to the City will decrease, and less revenue will be generated	30
32	Reduce purchasing support	Downgrade position and provide less purchasing support	11

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Human Resources

33	Discontinue Employee Anniversary Gifts	The employees will not receive financial recognition for their service tenure	10
34	Eliminate Employee Assistance Program	Employees will no longer have access to crisis and life counseling through this program	37

Office of the City Manager

35	Reduce support for Records Retention Program	The level of service managing the records retention program, which is required by law, will decrease with the elimination of an Administrative Clerk II.	82
36	Eliminate lobbyist contract	The level of service to the City will decrease with the cancellation of this contract which provides up-to-date information on the activities of the State Government in Sacramento.	36
37	Reduce intercity Mail Services.	The level of service will decrease as mail management will be decentralized with the elimination of the part-time mail clerk.	38
38	Reorganize the management of printing services.	The level of service will decrease as printing management will be decentralized with the elimination of the printing services supervisor. Additionally, revenue will be lost.	48
39	Reduce Council, City Manager, and Assistant City Manager administrative support	Customer service levels would decrease with the elimination of an administrative support position	93

Citywide

40	Reduce Operating Expenditures (supplies, staff development, etc.)	Various reductions to operating supplies throughout the organization will result in decreased efficiency.	234
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TOTAL DEFICIT REDUCTION MEASURES \$7 Million