




City of Sierra Madre Agenda Report

John Capoccia, Mayor
Gene Goss, Mayor Pro Tem
Rachelle Arizmendi, Council Member
Denise Delmar, Council Member
John Harabedian, Council Member

Nancy Shollenberger, City Clerk
Richard Mays, City Treasurer

TO: Honorable Mayor and Members of the City Council

FROM: Elaine I. Aguilar, City Manager 

DATE: February 9, 2016

SUBJECT: **Elections Code 9212 Report – Report Analyzing the impact of the “Stop the Utility Users’ Tax”**

SUMMARY

Two Sierra Madre residents, Mr. Earl Richey and Mr. David McMonigle (Proponents) have circulated a petition to have an initiative measure entitled, “*Stop the Utility Users’ Tax*” placed on the ballot in an upcoming election. On January 12, 2016, the Sierra Madre City Clerk presented her certification to the City Council that a sufficient number of valid voter signatures had been collected in order to place the initiative measure on the ballot.

At the January 12, 2016 meeting, the City Council referred the initiative to staff for preparation of a “30-day report” as outlined in Elections Code Section 9212 for an analysis on the impacts and effects of the initiative ordinance. The Council deferred the decision on the date the initiative would go before the voters.

The 30-day report has been prepared by City staff and reviewed by the City Attorney. The analysis discusses the impacts and effects of the initiative pursuant to Elections Code Section 9212. The 30-day report is hereby presented on February 9, 2016, within the 30-day time frame.

ANALYSIS

The attached analysis discusses the impacts and effects of the initiative. The financial impact is estimated at a \$2.5 million loss in General Funds. The analysis discusses the City’s funding sources and the City’s budget. There were three basic options to address the revenue loss, the Council could decide to:

1. Take No Action – This requires the use of General Fund Reserves to balance the City’s budget. This option is not sustainable and was not recommended.
2. Reduce Operating Costs – This requires the reduction of General Fund expenditures by \$2.5 million. This is the option that Staff used in preparing the report, and two alternatives were examined. Alternative A represents a 25% reduction in General Fund expenditures for all Departments. Alternative B

attempts to restore some funding to the Fire Department (but assumes the City-operated Paramedic program was discontinued) and restores some funding to Public Works and the Planning Departments. Under both alternatives, it was not possible to continue in-house Police services while still maintaining other non-public safety services.

3. Generate Additional Revenue – This alternative required that new revenue enhancement measures be implemented, and because most revenue enhancement measures of the magnitude needed to generate \$2.5 million would require voter approval, this alternative option was not evaluated.

Both alternatives in the report result in a significant reduction in staff. City staff provide City services and to achieve a reduction in General Fund expenditures of \$2.5 million is the equivalent of a 52% reduction in total full-time staffing, and more than a 71% reduction in General Fund staffing.

There are some variations in service under the two alternatives. Depending on the alternative, City Hall hours (open to the public) are reduced to approximately 4 hours a day, four days a week; the Planning Counter is open approximately 2 hours per day, four days a week; City special events are significantly reduced or eliminated, Police services are contracted to another agency, the Fire Department is staffed entirely with part-time staff, and under Alternative B, the City would no longer provide Paramedic services. (Paramedic services would be returned to the County.) Depending upon the alternative, Public Works staffing is reduced such that there would be reduced sidewalk and street repairs and little to no staffing for community events. Lastly, the Library would be open to the public for as much as 50% fewer hours, and Library programming would be significantly reduced.

FINANCIAL REVIEW

The estimated reduction in FY 2015-2016 General Fund revenues is approximately \$1,996,000, and an additional \$529,527 is needed to balance this fiscal year's budget. The General Fund reduction target is \$2,525,527 to balance the budget. The analysis presents two alternatives that reach a \$2.5 million reduction in expenditures.

PUBLIC NOTICE

This item has been noticed through the regular agenda notification process. Copies of the report are available via the City's website at www.cityofsierramadre.com, at the City public counter, and the Sierra Madre Public Library. Notice of this item was also made by Eblast, and press releases to the local papers.

ALTERNATIVES

1. The City Council may approve the Elections Code 9212 report, and direct that the initiative be placed on the April 10, 2018 ballot, unless the Council takes action to schedule a Special Election.
2. The City Council may modify the Elections Code 9212 report, approve the report, and direct that the initiative be placed on the April 10, 2018 ballot, unless the Council takes action to schedule a Special Election.

STAFF RECOMMENDATION

Staff recommends the City Council approve the Elections Code 9212 report, and direct that the initiative be placed on the April 10, 2018 ballot, unless the Council takes action to schedule a Special Election.

Attachment: *Impartial Analysis of the Utility Users Tax Initiative*

Impartial Analysis of Utility Users' Tax Initiative

Title of Initiative: "Stop the Utility Users' Tax ("UUT")"

Analysis Prepared by:

Elaine Aguilar, City Manager

Elisa Cox, Assistant City Manager

Marcie Medina, Finance Director

Toni Buckner, Interim Director of Library Services

Larry Giannone, Director of Public Safety, Chief of Police

Vincent Gonzalez, Director of Planning and Community Preservation

Steve Heydorff, Fire Chief

Bruce Inman, Director of Public Works

Teresa Highsmith, City Attorney

February 9, 2016

Introduction

Two Sierra Madre residents, Mr. Earl Richey and Mr. David McMonigle (Proponents) have circulated a petition to have an initiative measure entitled, "*Stop the Utility Users' Tax*" placed on the ballot in an upcoming election. On January 12, 2016, the Sierra Madre City Clerk presented her certification to the City Council that a sufficient number of valid voter signatures had been collected in order to place the initiative measure on the ballot.

At that time, the City Council had two options:

- 1) Pursuant to Elections Code (EC) Section 9212, order a report analyzing the impact of the ordinance on municipal operations. Staff must present the report no later than 30 days after it is ordered by the City Council. When the report is submitted to the City Council, the City Council shall order an election.
- 2) Pursuant to EC Section 1405(b), submit the ordinance, without alteration, to the voters at the General Municipal Election to be held April 10, 2018, direct the City Clerk to cause publication of the entire text of the proposed ordinance in the sample ballot.
- 3) Should the Council decide to forgo the ordering of a report analyzing the impact of the ordinance on municipal operations (Pursuant to EC 9212), the Council had the option of scheduling a special meeting, prior to January 15, 2016 to adopt the necessary resolutions to place the matter on the April 12, 2016 ballot and direct the City Clerk to cause publication of the entire text of the proposed ordinance in the sample ballot. The City Clerk would need to establish deadlines for preparation of ballot arguments and rebuttal arguments.

On January 12, 2016, the City Council selected Option 1, and referred the initiative to staff for preparation of a "30-day report" as outlined in Elections Code Section 9212 for an analysis on the impacts and effects of the initiative ordinance and deferred the decision on the date the initiative would go before the voters. If the Council had not referred the initiative for preparation of the 30-day report, per the City Clerk, there was inadequate time to place the matter on the April 12, 2016 ballot. Additionally, the Proponents did not request a Special Election and pursuant to the Elections Code, the Initiative would be placed on the April 2018 municipal election, unless the Council calls for a special election.

This 30-day report has been prepared by City staff and the City Attorney, and discusses the impacts and effects of the initiative pursuant to Elections Code Section 9212. The 30-day report is hereby presented on February 9, 2016, within the 30-day time frame.

Full Text of the Initiative

“Stop the Utility Users’ Tax (“UUT”)” initiative, referred to herein as the “The Initiative”

Stop the Utility Users’ Tax (“UUT”)

THE PEOPLE OF THE CITY OF Sierra Madre DO ORDAIN AS FOLLOWS:

Section 1. Findings and Declarations

WHEREAS, the people of the City of Sierra Madre find and declare that federal, state and local taxation has reached confiscatory levels; that unrestrained spending and regulation at all levels of government, are excessive, improvident, contrary to our rights as a free people and are thereby destructive of Life, Liberty and the pursuit of Happiness; and

WHEREAS, it is the intent and purpose of this initiative that the current City of Sierra Madre utility taxes be repealed.

Section 2. Name of Measure and Effective Date

This measure shall be known as the Stop the Utility Users’ Tax and shall become effective as provided by law.

Section 3. Repeal of Utility Tax

The existing Utility Users Tax as set forth in Chapter 3.36 of the Sierra Madre Municipal Code is repealed in its entirety.

Section 4. Severability

The provisions of this initiative are severable. If any provision of this measure or application thereof is held invalid, that invalidity shall not affect other provisions or applications if they can be given effect without the invalid provision or application.

What the Initiative Does – From the Impartial Analysis

The City Attorney's Impartial Analysis of the Initiative states:

The current rate for utility users' tax is 8%, which will step down to 6% on July 1, 2016. If approved by a majority of Sierra Madre voters, this initiative would repeal all current City utility users taxes, including those imposed on charges for telephone, electricity, gas, water and video services.

The City's existing utility users' taxes fund general City services, including police, paramedics, parks, libraries, streets and other public services and facilities. If voters approve the initiative, the City must either reduce funding for these programs and services or find some other funding source for them, if possible.

Financial Impact

Total UUT Revenue Loss

At the current UUT rate of 8%, the City's Fiscal Year 2015-2016 Budget estimates a total of \$1,996,000 will be collected, resulting in a projected General Fund deficit of \$529,527. Using the current fiscal year as an example, if the voters approve *Stop the Utility Users' Tax*, the \$1,996,000 in revenue will not be received, and it will be necessary to reduce expenditures by an additional \$529,527 to achieve a balanced General Fund budget. This is because the current fiscal year budget is not balanced, meaning expenses are greater than revenues by \$529,527. The total financial impact to balance this year's budget without a UUT is \$2,525,500.

Figure A

Current Fiscal Year 2015-2016

| | |
|---|-------------|
| UUT Revenue | \$1,996,000 |
| Current Fiscal Year Deficit (with 8% UUT) | + \$529,527 |
| Amount needed to balance the budget | \$2,525,527 |

* Financial Information from FY 2015-2016 Annual Budget

Addressing the Financial Impact

As explained beginning on page 7 of this report, the financial impact on the City's overall General Fund budget is significant. This fiscal year, the UUT is projected to provide 22% of General Fund Revenues as the second largest General Fund revenue source. However, the loss of this revenue is equal to a 25% reduction in all General Fund funded Departments when the deficit is included. This equates to slightly more than a 50% reduction in full-time staffing. A 50% reduction in full-time staffing requires service level reductions, along with the contracting out of some City services. The following options may be available to the City to address the financial impact.

No Action Option

The option to take no action would require that the City fund the \$2.525 million revenue loss by using General Fund Reserves. The actual 2013-2014 Fiscal Year-end balance in the General Fund (General Fund Reserves) including committed, unassigned and assigned reserves is \$6,446,334. If no action is taken to reduce expenditures or to find a replacement revenue, reserves would be used in the amount of approximately \$2,525,500 annually. At this amount, the City's reserves would be fully depleted in two and one half years. This would impact the City's ability to pay its expenses, as General Fund reserves are utilized throughout the fiscal year to "normalize" revenues with expenditures. Additionally, there would be no funding for emergencies, such as natural disasters. "No action" is not a sustainable option.

Reduce Operating Costs Option

The City could reduce General Fund costs, either by a straight percentage across the board, or in a more selective, priority-based approach. The magnitude of a \$2.5 million reduction is significant; and the options for reducing costs are limited and result in major service level reductions, or changes in how services are provided, such as contracting or outsourcing City operations. Alternative cost reductions and associated impacts are discussed beginning on page 12.

Generate Additional Revenue Option

A third option of addressing the revenue loss resulting from the passage of the Initiative would be to enact new revenue enhancement measures. These options are likewise limited, with most revenue sources requiring voter approval prior to implementation.

Should expenditure reductions, revenue enhancements, or some combination of the two not, at a minimum, equal the loss in financial resources (\$2,525,500), the inevitable result will be the eventual depletion of General Fund reserves, potentially leading to disincorporation or bankruptcy.

Potential Impact on City Operations (Reduction of Expenses)

General Fund-Restricted Funds

The City's fiscal year begins on July 1st and ends on June 30th. The current fiscal year began on July 1, 2015 and ends on June 30, 2016. The current fiscal year budget numbers are used throughout this report because they reflect the most accurate financial information available at this time and they reflect the City Council's current, approved financial direction, programs and policies.

It may be helpful to explain what is meant by the "General Fund", since the term is used frequently in this report. There are General Funds and Restricted Funds. Any services that cannot be funded with Restricted Funds must be funded with General Funds.

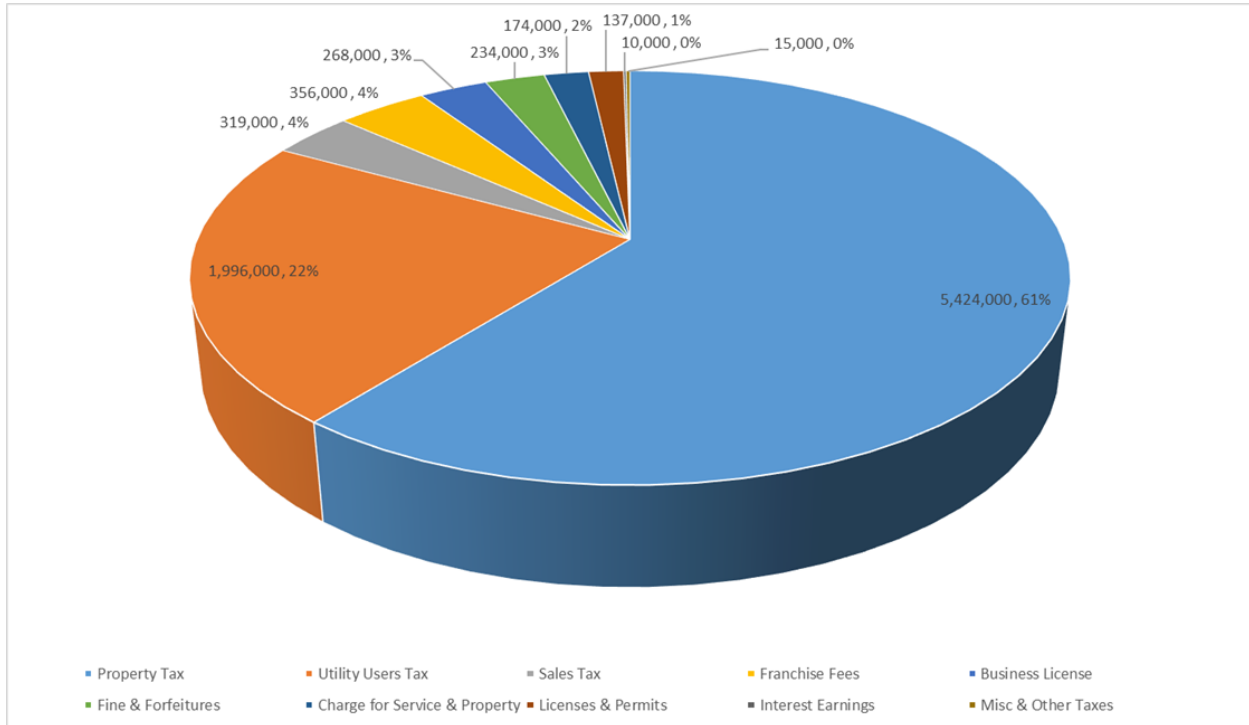
Restricted Funds, as the term implies, may only be used for specific, restricted purposes. Restricted Funds are not available to be used for any purpose the City Council desires. Examples of Restricted Funds include: Gas Tax, Proposition A, Proposition C, Water Revenue, Sewer Revenue, and grant funding that cannot be used to fund anything other than what the grantor designates. Some Restricted Fund uses are designated by the voters (Gas Tax, Proposition money); while other Restricted Funds can only be used for the purpose for which they are collected (Water or Sewer Funds). For example, Water Funds, collected on residents' bi-monthly water bills, cannot be utilized to fund the purchase of a fire engine or funding of police services; these funds can only be used for water utility related purposes. The City's Restricted Funds include a small amount of restricted revenues that may only be used for law enforcement purposes, totaling approximately \$200,000. These revenues are currently utilized as directed by state law, for specific law enforcement operations; other than these limited Restricted Funds, law enforcement services are funded by General Funds.

General Funds can be used for any municipal purpose. General Funds can be used for the general operations of the City and to fund basic City services such as Police, Library, Fire, and Recreational services. The City Council has the most discretion regarding how these funds are used because the funds can be used for any municipal purpose the City Council designates. Examples of revenue sources for General Funds include: Property Taxes, UUT, Sales Taxes, Fees, and Business Licenses. Sierra Madre is dependent upon Property Taxes and UUT for more than 83% of its General Fund revenues, unlike other cities that receive more revenues from Sales Taxes. Sierra Madre only receives 4% of General Fund revenues from Sales Taxes.

The chart on the next page provides a summary of General Fund Revenue sources.

Figure B

FY 2015-2016 General Fund Revenues



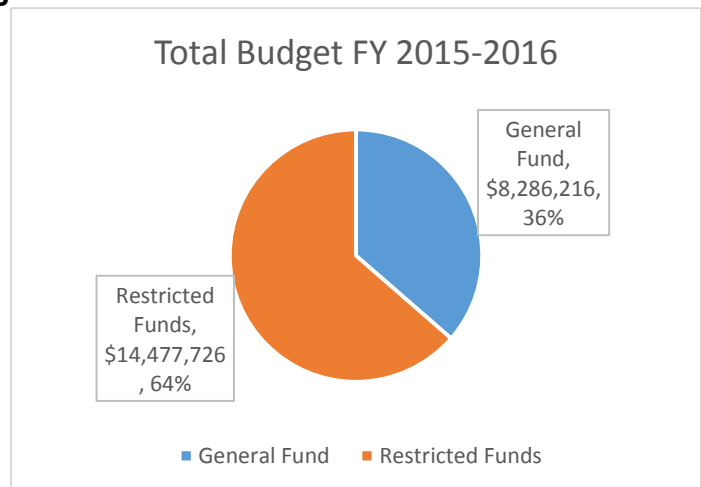
The City's total budget for Fiscal Year 2015-2016 is \$22,736,942; of this amount \$8,286,216 is from the General Fund, all other resources are in Restricted Funds (Special Revenue Funds, Internal Services Funds, Enterprise Funds, Capital Projects Funds, and Successor Agency Funds). Nearly 64% of the City's budget is found in Restricted Funds; 36% comes from the General Fund.

Figure C

For FY 2015-2016:

| | |
|------------------|---------------------|
| General Fund | \$8,286,216 |
| Restricted Funds | |
| (All Sources) | <u>\$14,477,726</u> |
| Total | \$22,763,942 |

General Funds, are derived primarily from property taxes and the UUT, and may be allocated for any legal purpose deemed appropriate by the City Council. General Funds comprise approximately 36% of the City's overall budget. Because the City's General Fund



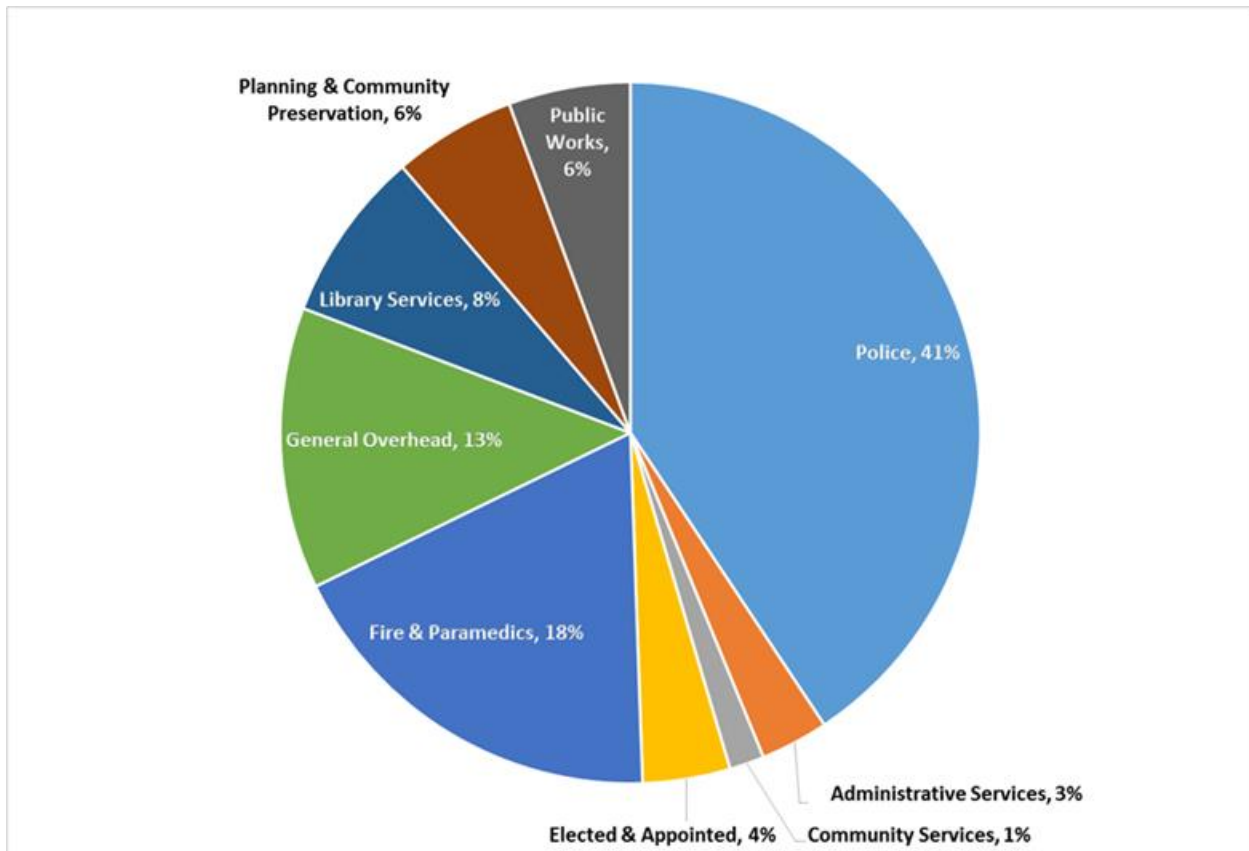
revenues are limited relative to the budget as a whole, every effort is made to reduce or eliminate General Fund expenses, or to fund services under Restricted Funding

sources, to the extent allowed by law. Many staff positions and operational costs are fully- or partially-funded through Restricted Funds. Only those staff positions and operational costs that cannot be provided under Restricted Funds are allocated to the General Fund.

Because the UUT is a General Fund revenue source, it is necessary for reductions in City operational costs to come from the General Fund. Savings realized through reductions in Restricted Fund expenditures cannot be transferred to General Fund uses; and to the extent possible, eligible City operational expenses have already been allocated to Restricted Funds. This means that the \$2.5 million in reductions needs to be taken from the \$8,286,216 General Fund portion of the budget. Instead of being a modest 11% across the board reduction (using the total of \$22.8 million), the reduction in expenditures necessary to meet \$2.5 million, is actually closer to a 25% reduction from the General Fund. (The 25% reduction includes Transfers and eliminating the General Fund deficit.)

In order to illustrate the City's utilization of General Funds, Figure C below illustrates the dollar amounts and percentages of the General Fund expenditures for City Services. This chart includes Transfers for Paramedic Services and the Planning Department.

Figure D
FY 2015-2016 General Fund Budget – Including Transfers
(Only the Transfer Amounts for Paramedic Services & Planning; not the full cost of these Departments.)



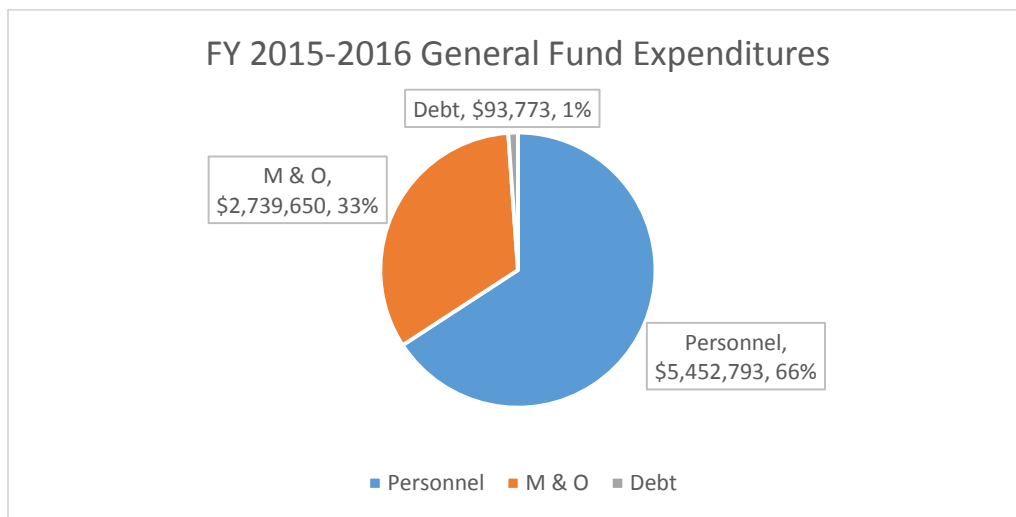
Note that the largest single area of expenditure from the General Fund is for Public Safety (Police and Fire) at 59%, while all other operations comprise 41%. The next largest portion of the General Fund operating budget is for General Overhead, which includes costs such as utilities, fleet maintenance, facilities maintenance, insurance, information technology and internal services.

Next, in terms of allocation of General Fund revenue, comes the remaining Departments of Library Services, Community Services, Public Works, and Elected & Appointed. The Planning and Paramedic programs are shown in Figure C, however, these departments are partially funded by the revenues they generate, plus a "Transfer" of General Funds to fully fund the activities, since these activities do not bring in enough revenues to be self-sufficient. The Planning Department is partially funded through fees collected for services. The Paramedic program is also partially funded through fees collected for services.

The Elected & Appointed Department includes all expenses relative to the City Council, City Treasurer, City Clerk, and City Attorney. This department also funds municipal elections.

Considering the possible financial impact if the UUT is eliminated and the need to balance the budget, reducing General fund expenditures by \$2.5 million could mean the entire elimination of some departments, and/or significant service level reductions, or changes to the way City services are provided (such as contracting City services to achieve savings). Eliminating departments, or contracting services, means laying-off City employees. City services are provided by City employees, so service-level reductions or contracting services results in fewer City employees. Because City services are provided by City employees, the majority of the City's General Fund expenditures are for personnel costs. See the figure below.

Figure E



This chart shows that obtaining a reduction in General Fund Expenditures of \$2.5 million would necessitate either a 92% reduction in all Maintenance & Operational (M&O) expenses, or a 46% reduction in Personnel costs - almost 50% of all General Fund staffing. There are 54 full-time equivalent employees (FTE's) budgeted in the General Fund, these 54 FTE's actually represent approximately 104 individuals.

The next section of this analysis provides detailed explanation, including the operational impacts of two possible cost reduction alternatives. The first alternative (Alternative A) is a 25% across-the-board reduction to each General Fund department; while the second alternative (Alternative B) is an approach that attempts to restore some funding to the Fire Department (but assumes the City no longer provides Paramedic Services – Paramedic Services would be assumed by the County), and restores some funding to the Public Works and Planning Departments, but makes larger reductions to the Library, and eliminates the Community Services Department. Under the first and second alternative, the Police Department would not remain a viable “in-house” operation after a \$971,000 reduction, and the police services would need to be contracted. Based upon previous analysis, the L.A. County Sheriff contract option does not quite reach the targeted reduction amount, and an adjustment (fewer services) would need to be made to the contracted services.

Similarly, the Fire Department would likely not remain a viable in-house operation after a \$485,000 reduction. While this analysis provides information regarding how the Department might function with the proposed reductions, it is important to note that the long-term sustainability is questionable.

A \$2.5 million reduction is significant and as shown on page 12 of this report, it is not financially possible to maintain public safety services “as is”, or as the services are provided today.

Financial Impact Analysis Overall and by Department

Figure F

Calculation of Each Department's General Fund Reduction
Using FY 2015-2016 (Current Fiscal Year Budget)
Total Department Expenditures

| | | | |
|----------------------------------|------------------|------------------|------------------|
| UUT Revenue FY 2015-2016 | 1,996,000 | | |
| Current FY 2015-2016 Deficit | 529,527 | | |
| Total Reductions | <u>2,525,527</u> | | |
| | | Alternative A | Alternative B |
| | | 25% | Various % |
| Expenditures | FY 15-16 | | |
| Administrative Services | 1,542,546 | 385,637 | 335,000 |
| Community Services | 142,343 | 35,586 | 114,000 |
| Elected and Appointed | 386,710 | 96,678 | 45,000 |
| Fire | 1,048,767 | 262,192 | 100,000 |
| Library | 757,632 | 189,408 | 380,550 |
| Police | 3,887,798 | 971,950 | 971,000 |
| Public Works | 520,420 | 130,105 | 30,000 |
| Total Expenditures | <u>8,286,216</u> | <u>2,071,554</u> | <u>1,975,550</u> |
| Transfers Out/Total Expenditures | | | |
| Paramedic | 891,953 | 222,988 | 400,000 |
| Planning | 1,067,441 | 266,860 | 150,000 |
| Total | <u>1,959,394</u> | <u>489,849</u> | <u>550,000</u> |
| Grand Total | 10,245,610 | 2,561,403 | 2,525,550 |

The chart above shows the dollar reduction that each Department was to identify, along with the associated impacts of the reductions.

Before going into each Department's analysis, it is important to address a commonly heard sentiment, that "the City should fund essential services only – Police, Fire, and Public Works – and whatever funding is remaining, can be allocated to other services". What the chart below demonstrates is that it is not possible to completely preserve Police, Fire, Paramedics and Public Works, and reach the required \$2.5 million budget reduction by eliminating all other General Fund Departments and services; there would be a short fall of more than \$1 million. It is not possible to completely eliminate the Administrative Services Department, as this Department is responsible for making sure the City's bills and employees are paid, liability insurance is current, etc., or the Planning Department, because this Department ensures safe and legal (per local and state building codes) development. Although eliminated in the chart below, it is also not possible to completely eliminate the entire Elected & Appointed budget as that is where the City's election and legal services are budgeted. Furthermore, while the chart below illustrates closing the Library completely, per State Law, it requires a vote of the people to completely close the Library.

Figure G
Assumes the Preservation of Funding for Public Safety, Public Works and Planning and Portion of Administrative Services to Support those Departments

| Expenditures | FY 15-16 | Reductions |
|---|------------------|--------------------|
| Administrative Services | 1,542,546 | 225,437 |
| Community Services | 142,343 | 142,343 |
| Elected and Appointed | 386,710 | 386,710 |
| Fire | 1,048,767 | - |
| Library | 757,632 | 757,632 |
| Police | 3,887,798 | - |
| Public Works | 520,420 | - |
| Total Expenditures | 8,286,216 | 1,512,122 |
| <i>Transfers Out (Accounts for Revenue)</i> | | |
| Paramedic | 704,953 | - |
| Planning | 585,277 | - |
| Total | 1,290,230 | - |
| Grand Total | 9,576,446 | 1,512,122 |
| Reduction Needed | | 2,525,527 |
| Shortfall | | (1,013,405) |

The following pages are detailed descriptions of the impacts by Department for each Alternative A and Alternative B per the figures identified in Chart F.

Department: Administrative Services

FY 2015-16 Approved General Fund Operating Budget: \$1,542,546

Alternative A:

Synopsis: Four positions would be affected (Assistant City Manager, Human Resources Technician, two part-time Administrative Clerks). Internal and external customer service will be significantly reduced, the open hours to City Hall will be reduced to 8:00am – 12:00pm, Monday to Thursday; public information and dissemination would be reduced. There would be reduced maintenance and deferred replacement of the City's infrastructure.

| Item | Description | General Fund Savings | Impact |
|-------------------------------|--|----------------------|---|
| GENERAL ADMINISTRATION | | | |
| 1 | Eliminate Assistant City Manager position | \$122,500 | <ul style="list-style-type: none"> • REDUCED OVERALL CITY OPERATIONS: Loss of oversight for Community Services, Finance, Human Resources, Library Services operations; Loss of liaison to various City and State agencies; Loss of staff to negotiate contracts and solutions on a variety of administrative, fiscal, and special projects; City Manager would assume all these operational roles, reducing capacity to maintain a global perspective of the City; Impact City's succession planning, long-term strategic planning, less interaction with the community. • REDUCED HUMAN RESOURCES FUNCTIONS: Increased time to process employee grievances; Increased time to process employee discipline / internal affairs investigations; Loss of lead negotiator to work with City's labor groups, may have to contract with employment law firm for negotiation services. • REDUCED INFORMATION TECHNOLOGY OVERSIGHT: Loss of an internal staff person to oversee the City's Information Technology – all aspects of IT would be contracted to a consultant with limited City oversight. • REDUCED PUBLIC INFORMATION AND ENGAGEMENT: Reduced coordination of public information and dissemination with news media, community groups, and the public-at-large |
| 2 | Eliminate 2 | \$38,300 | <ul style="list-style-type: none"> • REDUCED CUSTOMER SERVICE: Reduced City |

Stop the Utility Users' Tax Initiative

| | | | |
|--|--|-----------|--|
| | part-time Administrative Clerk positions | | Hall open hours to four hours per day, four days a week, such as 8:00am – 12pm, Monday to Thursday; Longer waiting time for customers; Increased time to process annual business licenses; There would be issues for timely delivery of mail to all City departments; Invoices, payments, and responses to external mail would be delayed and potentially create added cost as a result of delayed payment for invoices; Responses for service will be slower and the turnaround time for completion of projects longer; more calls will be forwarded to voicemail |
| 3 | Reduce internal service funds allocation | \$188,400 | <ul style="list-style-type: none"> • REDUCED INFRASTRUCTURE CARE: Reduced funding to build reserves, for capital projects, for technology purchases that increase operational efficiencies; not accumulating funds for eventual replacement of technology, software, etc. |
| HUMAN RESOURCES: | | | |
| 1 | Eliminate Human Resources Technician position | \$37,700 | <ul style="list-style-type: none"> • REDUCED HUMAN RESOURCES FUNCTIONS: Longer time to recruit and hire employees; Longer time to process employee changes, likely result in back pay and journal entries for Finance; Longer time to process and address delinquent findings in the City's Risk Management Evaluation, which could result in increased liabilities; Decreased staff time for the Municipal Volunteer Program; Decreased employee training; Decreased employee retention programs; Decreased internal customer service; Reduced clerical support and front counter back-up assistance. |
| Total Proposed Budget Reduction Amount: | | | \$386,900 |

Alternative B:

Synopsis: Four positions would be affected (Assistant City Manager, Human Resources Technician, two part-time Administrative Clerks). Internal and external customer service will suffer, the open hours to City Hall will be reduced to 7:30am – 12:00pm, Monday to Thursday; public information and dissemination would be reduced. Reduced care and maintenance of the City's infrastructure.

| Item | Description | General Fund Savings | Impact |
|-------------------------------|--|-----------------------------|--|
| GENERAL ADMINISTRATION | | | |
| 1 | Eliminate Assistant City Manager position | \$122,500 | <ul style="list-style-type: none"> • REDUCED OVERALL CITY OPERATIONS: Loss of oversight for Community Services, Finance, Human Resources, Library Services operations; Loss of liaison to various City and State agencies; Loss of staff to negotiate contracts and solutions on a variety of administrative, fiscal, and special projects; City |

Stop the Utility Users' Tax Initiative

| | | | |
|-------------------------|--|-----------|--|
| | | | <p>Manager would assume all these operational roles, reducing capacity to maintain a global perspective of the City; Impact City's succession planning, long-term strategic planning, less interaction with the community.</p> <ul style="list-style-type: none"> • REDUCED HUMAN RESOURCES FUNCTIONS: Increased time to process employee grievances; Increased time to process employee discipline / internal affairs investigations; Loss of lead negotiator to work with City's labor groups, may have to contract with employment law firm for labor negotiation services. • REDUCED INFORMATION TECHNOLOGY OVERSIGHT: Loss of an internal staff person to oversee the City's Information Technology – all aspects of IT would be contracted to a consultant with limited City oversight. • REDUCED PUBLIC INFORMATION AND ENGAGEMENT: Reduced coordination of public information and dissemination with news media, community groups, and the public at large |
| 2 | Eliminate 2 part-time Administrative Clerk positions | \$38,300 | <ul style="list-style-type: none"> • LESS CUSTOMER SERVICES: Reduced City Hall open hours to four hours per day, four days a week, such as 8:00am – 12pm; Longer waiting time for customers; Increased time to process annual business licenses; There would be issues for timely delivery of mail to all city departments; Invoices, payments, and responses to external mail would be delayed and potentially create added cost as a result of delayed payment for invoices; Responses for service will be slower, and the turnaround time for completion of projects longer; Calls will be forwarded to voicemail |
| 3 | Reduce internal service funds allocation | \$150,700 | <ul style="list-style-type: none"> • REDUCED INFRASTRUCTURE CARE: Reduced funding to build reserves, for capital projects, for technology purchases that increase operational efficiencies, not accumulating funds for eventual replacement of technology, software, etc. |
| HUMAN RESOURCES: | | | |
| 1 | Reduce Human Resources Technician position to part-time | \$25,700 | <ul style="list-style-type: none"> • REDUCED HUMAN RESOURCES FUNCTIONS: Longer time to process employee changes, likely result in back pay and journal entries for Finance; Longer time to process and address delinquent findings in the City's Risk Management Evaluation, which could result in increased liabilities; Decreased staff time for the Municipal Volunteer Program; Decreased employee training; Decreased employee retention programs; Decreased internal customer service; Reduced clerical support and front counter |

| | | | |
|--|--|--|---------------------|
| | | | back-up assistance. |
| Total Proposed Budget Reduction Amount: | | | \$337,200 |

Department: Community Services

FY 2015-16 Approved General Fund Operating Budget: \$142,343

Alternative A:

Synopsis: One part-time position would be affected (part-time Senior Specialist). Customer service at the Senior Center would be reduced as would senior programming, the City would no longer offer any enrichment classes (all would be provided through the YMCA), and communication with the community would be reduced with the elimination of the Wistaria Vine.

| Item | Description | General Fund Savings | Impact |
|--|--|----------------------|---|
| GENERAL ADMINISTRATION | | | |
| 1 | Eliminate part-time Senior Specialist | \$16,800 | <ul style="list-style-type: none"> • REDUCED COMMUNITY SERVICES: To keep the current level of senior programming, volunteers will need to help with coordination; otherwise reduced senior programs and events • REDUCED CUSTOMER SERVICE: Longer waiting time for customers; Responses for registration or other services will be slower and may not be able to occur at the Senior Center; Calls will be forwarded to voicemail |
| 2 | Eliminate Enrichment Classes | \$11,000 | <ul style="list-style-type: none"> • REDUCED COMMUNITY SERVICES: the YMCA may be able to expand their enrichment classes to provide those traditionally provided by the City |
| 3 | Eliminate Wistaria Vine Newsletter | \$8,000 | <ul style="list-style-type: none"> • REDUCED COMMUNITY COMMUNICATION: the Wistaria Vine has proven to be an effective way to reach Sierra Madre residents about general City programs and activities. While there are other ways to inform and educate the public, without the Newsletter the overall effectiveness of the communications program will be reduced. |
| Total Proposed Budget Reduction Amount: | | | \$35,800 |

Alternative B:

Synopsis: The Community Services Department and corresponding events and programs would be eliminated, including the Community Services Commission and Senior Community Commission. Seven positions would be affected (Community Services Manager, Administrative Aide, two part-time Events Specialists, the part-time

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Senior Specialist, and part-time Recreation Leaders). A part-time Management Analyst would be retained to monitor City contracts, special event permits, and banner permits. Potential for the YMCA contract to be extended to include the City's special event and community programs, including senior programming.

| Item | Description | General Fund Savings | Impact |
|-------------------------------|---|----------------------|---|
| GENERAL ADMINISTRATION | | | |
| 1 | Downgrade Community Services Manager to part-time Management Analyst | \$63,200 | <ul style="list-style-type: none"> • REDUCED COMMUNITY SERVICES: Replaces the staff person responsible for the department's programs, events, and contracts with a part-time person to oversee contracts, and special event permits. • ELIMINATES STAFF OVERSIGHT: Eliminates the position responsible for staff supervision • ELIMINATES DONATIONS AND GRANTS: Eliminates the position responsible for soliciting donations for the City's special events and community services programs; Eliminates the position responsible for writing and managing the department's grants |
| 2 | Eliminate Administrative Aide | \$36,800 | <ul style="list-style-type: none"> • REDUCED COMMUNITY SERVICES: Eliminates the staff that is responsible for park and facility rentals, enrichment classes, community garden, and Coordinating Council; Eliminates the staff responsible for collecting registrations for all programs and events; Eliminates the staff who put together commission and committee agenda packets and minutes; Eliminates the staff responsible for processing special event permits • LESS CUSTOMER SERVICE: Reduced City Hall open hours to 7:30am – 12pm; Longer waiting time for customers; Responses for service will be slower, and the turnaround time for completion of projects longer; Calls will be forwarded to voicemail |
| 3 | Eliminate two part-time Events Specialist¹ | \$0 | <ul style="list-style-type: none"> • REDUCED COMMUNITY SERVICES: Supervisor eliminated; person responsible for collecting donations for the special events eliminated, all special events and programs eliminated |
| 4 | Eliminate part-time Senior Specialist | \$16,800 | <ul style="list-style-type: none"> • REDUCED COMMUNITY SERVICES: Staffing for all senior programs and services eliminated |
| 5 | Eliminate Recreation | \$0 | <ul style="list-style-type: none"> • REDUCED COMMUNITY SERVICES: Supervisor eliminated; person responsible for collecting |

¹ Although these positions/programs are funded from the Special Events Enterprise Fund, without the General Fund funding for the full-time staff who oversee and solicit the donations and grants for the special events and programming, these programs and events will be eliminated.

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| | Leaders ¹ | | donations for the special events eliminated, all special events and programs eliminated |
|----|---|------------|---|
| 6 | Eliminate City Special Events: Huck Finn Fishing Derby and Campout, Mount Wilson Trail Race, Fourth of July, Halloween Happenings¹ | \$0 | <ul style="list-style-type: none"> REDUCED COMMUNITY SERVICES: Person responsible for collecting donations for the special events eliminated; special event staffing eliminated; all special events and programs eliminated; potential for the YMCA to pick up some or all of the City's special events |
| 7 | Eliminate City Programs: Summer Fun in the Park, Concerts in the Park, Movies in the Park, City Hall Art Show, Art in Public Places¹ | \$0 | <ul style="list-style-type: none"> REDUCED COMMUNITY SERVICES: Person responsible for collecting donations for community programs eliminated; special event staffing eliminated; all special events and programs eliminated; potential for the YMCA to pick up some or all of the City's community programs |
| 8 | Eliminate Senior Programs and Events: Older American Reception, Community Yard Sale, Lunch and Learn, Senior Cinema, Classes, Services² | \$0 | <ul style="list-style-type: none"> REDUCED COMMUNITY SERVICES: Staff for senior programming and events eliminated; potential for the YMCA or volunteers to coordinate some or all of the City's senior programs and events |
| 9 | Eliminate Enrichment Classes | \$11,000 | <ul style="list-style-type: none"> REDUCED COMMUNITY SERVICES: Staff responsible for enrichment classes eliminated; the YMCA may be able to expand their enrichment classes to provide those traditionally provided by the City |
| 10 | Eliminate Park and Facility Rentals | (\$24,200) | <ul style="list-style-type: none"> REDUCED REVENUE: Although the rentals are revenue generating, the staff that administer the rentals have been eliminated. REDUCED COMMUNITY SERVICES: Staff responsible for park and facility rentals eliminated; potential to expand the YMCA contract to assume this service |

² Although these programs are funded through the Senior Donation Special Revenue Fund, there will be no staff to coordinate or administer any of the events and programs.

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| 11 | Eliminate Community Garden | (\$1,000) | <ul style="list-style-type: none"> • REDUCED REVENUE: Although the rentals of the gardens are revenue generating, the staff that administer the rentals have been eliminated. • REDUCED COMMUNITY SERVICES: Staff responsible for the community garden eliminated; potential to expand the YMCA contract to assume this service |
| 12 | Eliminate Commission and Committees: Community Services and Senior Community Commissions, Art Review Board, Coordinating Council | | <ul style="list-style-type: none"> • REDUCED COMMUNITY ENGAGEMENT AND PARTICIPATION: Community members will no longer have this opportunity to participate in the government process as all the programs and services offered by the Community Services Department will be contracted out or eliminated • REDUCED COMMUNITY SERVICES: Staff responsible for commissions and committees eliminated; most events and programs eliminated, the limited contracts and permits will go directly to the City Council |
| 13 | Eliminates Wistaria Vine Newsletter | \$8,000 | <ul style="list-style-type: none"> • REDUCED COMMUNITY SERVICES: Staff responsible for creating the Wistaria Vine eliminated; most events and programs eliminated, other City news will need to be disseminated in other formats |
| 14 | Eliminates Employee Training and Conferences | \$700 | <ul style="list-style-type: none"> • Eliminated staffing, no staff need for training |
| 15 | Eliminates Office Supplies | \$600 | <ul style="list-style-type: none"> • Eliminated programming, no need for supplies |
| 16 | Eliminates Staff Uniforms | \$200 | <ul style="list-style-type: none"> • Eliminated staffing and events, no need for uniforms |
| 17 | Eliminates CPRS Membership | \$400 | <ul style="list-style-type: none"> • Eliminated events and programs, no need for membership |
| 18 | Eliminates Recreation Supplies | \$800 | <ul style="list-style-type: none"> • Eliminated recreation supplies, no need for supplies |
| 19 | Eliminates Licensing Fees | \$700 | <ul style="list-style-type: none"> • Eliminated events and programming, no need for licenses |
| Total Proposed Budget Reduction Amount: | | | \$114,000 |

Department: **Elected and Appointed**

FY 2015-16 Approved General Fund Operating Budget: \$386,710

Option A:

Synopsis: Eliminates funding for professional services, conferences and meetings, supplies, and membership dues. Reduces funding for legal services.

| Item | Description | General Fund Savings | Impact |
|--|--|----------------------|--|
| GENERAL ADMINISTRATION | | | |
| 1 | Eliminate Professional Services | \$10,000 | • Reduced funding for City Council minute taking and other professional services |
| 2 | Eliminate Conference & Meeting | \$27,400 | • Eliminates funding for conferences and meetings, for strategic planning sessions, and for various business meetings |
| 3 | Eliminate Supplies Budget | \$7,750 | • Eliminates funding for name badges / plaques, business cards, letterhead, the State of the City event, and other supplies. |
| 4 | Eliminate Membership / Dues / Subscription | \$650 | • Eliminates membership with the Independent Cities Association, and the California Municipal Treasures Association |
| 5 | Legal Services | \$31,600 | • Reduced funding for City Attorney services, reduced funding to protect the City from litigation. |
| Total Proposed Budget Reduction Amount: | | | \$77,400 |

Option B:

Synopsis: Eliminates funding for professional services, conferences and meetings, and supplies.

| Item | Description | General Fund Savings | Impact |
|--|---------------------------------|----------------------|--|
| 1 | Eliminate Professional Services | \$10,000 | • Reduced funding for City Council minute taking and other professional services |
| 2 | Eliminate Conference & Meeting | \$27,400 | • Eliminates funding for conferences and meetings, for strategic planning sessions, and for various business meetings |
| 3 | Eliminate Supplies Budget | \$7,750 | • Eliminates funding for name badges / plaques, business cards, letterhead, the State of the City event, and other supplies. |
| Total Proposed Budget Reduction Amount: | | | \$45,150 |

Department: Fire and Paramedic

FY 2015 - 2016 Approved Operating Budget: \$1,940,720 (\$1,048,767 Fire and \$891,953 Paramedic)

Alternative A

Synopsis: In order to reduce Fire (and Paramedic) Department expenses by \$485,000 the City will need to eliminate all full-time positions. While this analysis provides information regarding how the Department might function with only part-time employees and volunteers, based on current struggles to hire qualified part-time employees in the Fire Department, this option is not realistic. It is highly unlikely that the City could recruit an adequate number of part-time employees with the skills necessary to perform the critical positions of Chief or Captain. However, because almost 70% of the budget is in personnel, the impact of a 25% budget cut results in significant loss of fire suppression and medical response services.

Alternative A assumes that the Public Safety Director's position would be eliminated (which would occur if the Police Department is contracted) and the Fire Chief's position would be reduced to a part-time (960 hours) position; three full-time Captains' positions would be eliminated and replaced with a number of part-time Captains. The City would eliminate the part-time Engineers and go back to using volunteer Engineers along with volunteer Firefighters from the local accredited academies. The Department would continue providing paramedic service with part-time employees, in order to retain the City's 201 & 214 rights, as losing 201 & 214 rights would result in the permanent loss of EMS revenue (\$235,000 per year).

| Item | Description | Savings | Impact |
|------|--|----------------------------|--|
| 1 | Elimination of Public Safety Director | \$52,591 GF \$26,296 PF | <ul style="list-style-type: none"> Elimination of the Public Safety Director: The elimination of this position is one-half of the upper management of the Fire Department. Since there is no second-in-command for the Fire Chief, the Chief relies on the Public Safety Director's experience and expertise in negotiating with other fire departments and in personnel matters. The Public Safety Director is also budgeted in the Police Department. The Police Department's budget reduction results in the contracting of police services, so this position would be eliminated. |

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| <p>2</p> | <p>Reclassification of Fire Chief from Full-Time to Part-Time & reclassification of the Administrative Clerk from Part-Time to Full-Time Administrative Aide</p> | <p>\$21,350 GF \$70,697 PF</p> | <ul style="list-style-type: none"> • Elimination of the Fire Chief to be replaced with a part-time Chief. The overall management of the Fire Department would suffer in the supervision and coordination of activities of the Fire Battalions. The Department would suffer in the management of fire suppression, rescues, hazardous materials, and emergency medical services (EMS) operations. There would be very little oversight of the training division, the EMS division, and fire prevention would be outsourced to another City department, which may not result in a true reduction of costs. There would be limited strategic planning and goal setting for the department's long-range needs with respect to administration, operations, equipment, apparatus, facility, and personnel. It would limit the establishment of new policies and procedures in order to implement directives from the City Manager and City Council. There would be limited enforcement of Department Rules, Regulations, and Procedures in accordance with applicable City policies for all Department members. The reduction to a part-time position would greatly impact other members of the Fire Department and other departments' staff. The part-time Fire Chief would have to rely more on Human Resources and Finance to manage personnel and budgetary items, which have also been downsized in the scenario. • The part-time Fire Chief's main task at this point would be scheduling personnel, and making sure that minimum standards are being kept. • The Administrative Clerk would be reclassified to a full-time Administrative Aide in order to staff the administrative office during working hours. The Aide would assist the part-time Fire Chief with scheduling personnel as well as greater responsibility for administrative duties formerly fulfilled by the Fire Chief. |
| <p>3</p> | <p>Elimination of 3 Full-Time fire Captains and replaced by part-time personnel; Addition of part-time Paramedic Coordinator</p> | <p>\$59,045 GF \$133,730 PF</p> | <ul style="list-style-type: none"> • Elimination of three (3) full-time Captains to be replaced by a cadre of part-time personnel. The supervision of safety personnel engaged in fire suppression, prevention, and investigation, as well as the provision of emergency medical and other services provided by the fire department, would be held at minimum standards. Prevention inspections of multi-resident, commercial and light industrial buildings, as well as hazardous visitation around the homes in the Very High Fire Hazards Severity Zones would only be done to |

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| | | | <p>minimum legal standards.</p> <ul style="list-style-type: none"> • Training and experience for part-time Captains would be held at minimum requirements; the equivalent of a volunteer Captain. • With a cadre of part-time Captains, each would only work one or two days per month, giving them limited exposure to the city and its' residents. • The addition of a part-time Paramedic Coordinator to oversee EMS police and procedures and to assist in scheduling EMS and fire personnel. |
| 4 | Eliminate part-time Engineers | \$135,600 GF | <ul style="list-style-type: none"> • The elimination of part-time paid engineers and replaced with volunteers would result in lowering the qualifications, experience and training. The engineer is second-in-command of the crew and the City would lose this supervision. Furthermore, it would be more difficult to recruit and retain volunteer engineers. |
| Total Proposed Budget Reduction Amount: | | | <p>General Fund: \$268,585 Paramedic Fund: \$230,723</p> |

Alternative B

Synopsis: For this alternative, the FY 2015–2016 Fire Department Budget would be reduced by \$500,000. To achieve this reduction, it is necessary to eliminate two full-time positions and twenty-five part-time positions, along with maintenance and operation expenses associated with the Paramedic program. The Public Safety Director’s position would be eliminated and the Fire Chief’s position would be reduced to part-time (960 hours); one full-time Captains’ position would be eliminated and replaced with part-time Captains. The City would continue to have part-time Engineers and volunteer Firefighters from the local accredited academies. There would be the same concerns regarding the true feasibility of this option with its heavy reliance on part-time employees, as again, in the last few years, the City has been unsuccessful in recruiting and retaining part-time employees in the Fire Department. Again, because almost 70% of the budget is in personnel, the impact of this magnitude of cuts results in significant loss of fire suppression and medical response services.

This alternative results in the elimination of the City’s paramedic program, resulting in the permanent loss of the City’s 201 & 214 rights (the ability to charge for medical transport), thus losing estimated \$235,000 per year in revenue. The Department would continue to use Verdugo communications for dispatching. The reduction items below will result in a total of two layoffs of full-time personnel and 25 part-time Paramedics. Transportation would be handled by Los Angeles County with a possible reduction in response times, depending upon the location of the County ambulance. This alternative will have a significant service level decrease, and a significant impact on the Fire Department’s operation, succession planning, and employee morale.

| Item | Description | Savings | Impact |
|------|-------------|---------|--------|
|------|-------------|---------|--------|

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| | | | |
|---|--|----------------------------|---|
| 1 | Elimination of Public Safety Director | \$52,591 GF \$26,296 PF | Elimination of the Public Safety Director: The elimination of this position is one-half of the upper management of the Fire Department. Since there is no second-in-command for the Fire Chief, the Chief relies on the Public Safety Director's experience and expertise in negotiating with other fire departments and in personnel matters. The Public Safety Director is also budgeted in the Police Department. The Police Department's budget reduction results in the contracting of police services, so this position would be eliminated. |
| 2 | Reclassification of Fire Chief from Full-Time to Part-Time & reclassification of the Administrative Clerk from Part-Time to Full-Time Administrative Aide | \$21,350 GF \$70,697 PF | <ul style="list-style-type: none"> • Elimination of the Fire Chief to be replaced with a part-time Chief. The overall management of the Fire Department would suffer in the supervision and coordination of activities of the Fire Battalions. The Department would suffer in the management of fire suppression, rescues, hazardous materials, and emergency medical services (EMS) operations. There would be very little oversight of the training division, the EMS division, and fire prevention would be outsourced to another City department, which may not result in a true reduction of costs. There would be limited strategic planning and goal setting for the department's long-range needs with respect to administration, operations, equipment, apparatus, facility, and personnel. It would limit the establishment of new policies and procedures in order to implement directives from the City Manager and City Council. There would be limited enforcement of Department Rules, Regulations, and Procedures in accordance with applicable City policies for all Department members. The reduction to a part-time position would greatly impact other members of the Fire Department and other departments' staff. The part-time Fire Chief would have to rely more on Human Resources and Finance to manage personnel and budgetary items, which have also been downsized in the scenario. • The part-time Fire Chief's main task at this point would be scheduling personnel, and making sure that minimum standards are being kept. • The Administrative Clerk would be reclassified to a full-time Administrative Aide in order to staff the administrative office during working hours. The Aide would assist the part-time Fire Chief with scheduling personnel as well as greater responsibility for administrative duties formerly fulfilled by the Fire Chief. |

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| <p>3</p> | <p>Elimination of Paramedic Service</p> | <p>\$229,000 PF</p> | <ul style="list-style-type: none"> • Eliminate the Paramedic Program. The elimination of the Paramedic Program would result in the County providing emergency services. Sierra Madre Paramedics respond to emergency incidents and perform advanced life support (ALS) functions within their scope of practice. Volunteer Firefighters are only required to obtain at minimum an EMT certification; Engine 41 responders will be unable to provide necessary ALS. • The Fire Department would lose the ability to provide advanced cardiac life support (ACLS), pediatric advanced life support (PALS), and Pediatric Education for Prehospital Professionals (PEPP). • Response times for EMS incidents could increase for the first call and longer for back-to-back calls, depending on from where the responding ambulance was traveling. • The Fire Department would need to contract training services for EMT personnel (for first responder services) that is currently provided by part-time Paramedics. • Part-time Paramedics assist Suppression personnel with annual inspections of multi-residential occupancies for compliance with applicable fire, life safety, codes and ordinances. With the elimination of the Paramedic Program, the annual inspection cycle would increase. • Elimination of all Advance Life Support Equipment |
| <p>4</p> | <p>Elimination of one (1) Full-Time Captain / Paramedic Coordinator and replace with part-time Captains</p> | <p>\$163,730 PF (\$63,039) GF</p> | <ul style="list-style-type: none"> • With the elimination of the Paramedic Service, the position of Captain / Paramedic Coordinator would no longer be necessary. The Paramedic Coordinator currently oversees the Paramedic Program and ensures that the City of Sierra Madre remains in compliance with Los Angeles County Department of Health Services (DHS). The Coordinator supervises all personnel (including volunteer Firefighters, Engineers, and Captains) in regards to EMS policies and procedures as well as fulfills administrative duties in regards to the delivery and documentation of emergency medical services. • The Captain / Paramedic Coordinator position would be fulfilled with Part-Time Captains on a rotating schedule. The Part-Time Captains would only be required to have an EMT certification. • The number of Part-Time positions required to fulfill the duties of a Full-Time Captain would create a lack of continuity between shifts as well as a reduction of supervision of safety personnel. |

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| | | | Part-Time Captains would not have the same amount of training or qualifications as the remaining Full-Time Captains. This would affect their ability to train probationary firefighters under their command. |
| Total Proposed Budget Reduction Amount: | | | \$489,723 PF \$10,902 GF |

This analysis shows how the Fire Department could be budgeted with the loss of UUT revenue; however, the services to the public would greatly diminished. The City has obtained cost estimates from LA County to assume Fire Department operations, and the cost was more than what the City currently spends on providing services. At this time, there is no information available whether a neighboring city might be able to provide services for less than LA County Fire Department or less than Sierra Madre.

Department: Library Services

FY 2015-16 Approved Operating Budget: \$ 757,632

Alternative A

Synopsis: A 25% reduction in the Library's budget would reduce the hours of operations for the Library by 15%; eliminate 7 staff positions, equivalent to 5,728 hours or 2.8 FTE's; reduce the budget for materials; and reduce Library and Archives programming for all ages. The impact will be felt by patrons in the form of the Library being closed for an additional one day per week, longer wait lines, fewer materials for all ages, fewer programs and customer dissatisfaction.

| Item | Description | Savings | Impact |
|------|--|-----------|---|
| 1 | Close Library for 7 hours per week, a 25% reduction | \$180,808 | <ul style="list-style-type: none"> REDUCE SERVICE HOURS AT LIBRARY: Reduce Library service hours from 47 hours/week to 40 hours/week. Library would be open only 5 days a week, with fewer morning and evening hours resulting in disruption of service to Library patrons of all ages. This equates to approximately 1 full day of closure. ELIMINATE 7 LIBRARY STAFF POSITIONS: Eliminate 2.8 FTE positions (5,728 hours) which includes 1 full-time librarian position (2,080 hours); and 1 part-time analyst, 3 part-time library technicians, and 2 part-time page positions (3,648 hours) REDUCED CUSTOMER SERVICE AND |

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| | | | <p>ASSISTANCE ON ALL LEVELS AND FOR ALL AGE GROUPS: Loss of staff would lead to: longer wait times at public desks and for phone assistance; reduced public access to technology including fewer working public computers; fewer staff trained and available to help with technology questions; reduced access to Sierra Madre historical information and resources; new Library materials would take longer to reach patrons and be more difficult to locate due to loss of Library Pages and lower standards for cataloging and processing; off-desk activities would take longer, resulting in customer dissatisfaction; reduced staff time to support community projects and activities; lower staff morale.</p> <ul style="list-style-type: none"> • ELIMINATION OF PROGRAMS FOR ALL AGES: Loss of staff would result in elimination of 1 parenting workshop; annual “One Book One City” program; 1 evening story time; “Titles to Go” (service to stay at home seniors); READ campaign; special programming for adults, teens, schools, such as Scout tours and historical programs; Inter Library Loan program. • REDUCTION OF PROGRAMS FOR ALL AGES: Loss of staff would result in reduced weekly and monthly story times; reduced class visits; reduced outreach to 7 campuses in Sierra Madre; reduced Summer Reading Club; reduced middle school programming; reduced displays in public case from monthly to bi-monthly. • REDUCED COORDINATION WITH VOLUNTEERS: Loss of staff would result in reduced training and oversight of volunteers impacting volunteer satisfaction and turnover; fund raising activities; and security of local history materials. • REDUCED REVENUES AWARDED FROM GRANTS AND DONATIONS: Loss of staff would result in fewer applications submitted for grant programs; and solicitations for donations. |
| 2 | <p>Reduce Library and Archives Materials and Supplies</p> | \$8,600 | <ul style="list-style-type: none"> • FEWER MATERIALS FOR ALL AGES: A 15% reduction in the materials budget (books, magazines, audio books, ebooks, movies) would result in fewer materials for all age groups; less availability of information from home 24/7 due to loss of eResources; fewer magazines and newspapers; fewer local history acquisitions; reduced curriculum support materials for school age children; and reduced ability to support the Library’s core values to provide collections of contemporary |

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| | | | <p>interest and permanent value in formats and quantities that meet community needs, and preserve and make available local history materials.</p> <ul style="list-style-type: none"> • LONGER WAIT TIMES FOR FEWER MATERIALS: A reduced book, periodical and archives budget would result in fewer purchases and availability of new best sellers, popular fiction, audio books, eBooks, movies, timely information materials and local history materials resulting in longer wait times, potential complaints and impacts on customer satisfaction. • FEWER SUPPLIES FOR SUPPORT SERVICES: Availability of supplies for processing, office, and preservation would result in compromised quality and/or elimination of services. The security and proper preservation of unique local historical materials would be compromised. |
| Total Proposed Budget Reduction Amount: | | | \$189,408 |

Alternative B

Synopsis: A 50% reduction to the Library budget would reduce the hours of operation by 49%; eliminate 9 staff positions equivalent to 7,808 hours or 3.8 FTE's; reduce the budget for materials; and reduce the Library and Archives programming for all ages. The impact will be felt by patrons as the Library would be closed for an additional 2 days per week, resulting in longer wait lines, fewer materials for all ages, fewer programs and customer dissatisfaction.

| Item | Description | Savings | Impact |
|------|---|-----------|---|
| 1 | Open Library for 24 hours per week (Close Library for 23 hours per week, a 50% reduction.) | \$360,550 | <ul style="list-style-type: none"> • REDUCE SERVICE HOURS AT LIBRARY: Reduce Library service hours from 47 hours/week to 24 hours/week. Library would be open 4 days per week, with morning and evening hours eliminated resulting in disruption of service to Library patrons of all ages. This equates to approximately 2 full days of closure. • ELIMINATE 9 LIBRARY STAFF POSITIONS: Eliminate 3.8 FTE positions (7,808 hours) which includes 3 full-time librarian positions (6,240 hours); and 1 part-time analyst, 1 part-time librarian, 3 part-time library technicians, and 1 part-time page position (1,568 hours) • REDUCED CUSTOMER SERVICE AND ASSISTANCE ON ALL LEVELS AND FOR ALL AGE GROUPS: Loss of staff would lead to longer wait times at public desks and for phone assistance; reduced public access to technology including fewer |

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| | | | <p>working public computers; staff no longer trained and available to help with technology questions; reduced access to Sierra Madre historical information and resources; library materials would take longer to reach patrons and be more difficult to locate due to the loss of paging hours and lower standards for cataloging and processing; off-desk activities would take longer, impacting customer satisfaction; reduced staff time to support community projects and activities; low staff morale.</p> <ul style="list-style-type: none"> • ELIMINATE PROGRAMS FOR ALL AGES: Loss of staff would result in elimination of class visits for preschool and school age children; all parenting workshops; elimination of outreach to 7 school campuses located in Sierra Madre; Teen Docents for local history; weekly Teen Book Club; monthly Adult Book Club; monthly Barks & Books Program; annual "One Book One City" program; READ campaign; Harry Potter program; Art & Essay contest; Titles to Go (services to stay at home seniors); local history programs; Inter Library Loan program; eliminate 10 of the monthly displays in public case. • REDUCE PROGRAMS FOR ALL AGES: Loss of staff would result in reduced weekly and monthly storytimes; reduced Summer Reading Club. • REDUCED COORDINATION WITH VOLUNTEERS: Loss of staff would result in reduced training and oversight of volunteers impacting volunteer satisfaction and turnover, fund raising activities and security of local history materials. • REDUCED REVENUES RECEIVED FROM GRANTS AND DONATIONS: Loss of staff would result in fewer applications submitted for grant programs; and solicitations for donations. |
| 2 | <p>Reduce Library and Archives Materials and Supplies</p> | \$20,000 | <ul style="list-style-type: none"> • FEWER MATERIALS FOR ALL AGES: A 34% reduction in the materials budget (books, magazines, audio books, ebooks, movies) would result in fewer materials for all age groups; less availability of information from home 24/7 due to loss of eResources; fewer magazines and newspapers; fewer local history acquisitions; reduced curriculum support materials for school age children; and reduced ability to support the Library's core values to provide collections of contemporary interest and permanent value in formats and quantities that meet community needs, and preserve and make available |

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| | | | <p>local history materials.</p> <ul style="list-style-type: none"> • LONGER WAIT TIMES FOR FEWER MATERIALS: Fewer purchases and availability of new best sellers, popular fiction, audio books, eBooks, movies, and timely information materials would result in longer wait times, potential complaints and impacts on customer satisfaction. • FEWER SUPPLIES FOR SUPPORT SERVICES: Availability of supplies for processing, office, and preservation would result in compromised quality and/or elimination of services. The security and proper preservation of historical materials would be compromised. |
| Total Proposed Budget Reduction Amount: | | | \$380,550 |

Department:

Police Services

FY 2015-16 Approved General Fund Operating Budget: \$3,887,798

The Police Department would have to eliminate a total of 14 positions, including one Captain, one Sergeant, five sworn Police Officers, two Cadets, and five part-time Police Officers to achieve a savings of \$971,000. This level of staffing reduction would have an adverse impact on the overall safety and welfare of the community by reducing police patrols, longer police response times, and less community outreach and education. Internally, this reduction in personnel would negatively impact employee morale and affect the health and safety of employees, because there would not be adequate staffing to cover for time off (vacation, illnesses, training, etc.). Succession planning would be eliminated because of the absence of promotional opportunities, and reduced training opportunities.

With the elimination of the positions listed below, the long term impact would be an unsustainable Police Department. This shortage of necessary personnel makes for unsafe working conditions, increased liability for the City, the likelihood that the Department would not be able to satisfy the state mandated requirements for a police department, and there would be an extreme reduction in services to the community.

Therefore, while the impact of the reduction in staffing is presented below, it is not feasible to operate with this level of staffing and it would be necessary to secure policing services from an agency that would provide contract policing services under either Alternative A or B.

Alternative A & B

| Description\Reduction | Savings | Impact |
|--|-----------|---|
| Eliminate 1 Captain | \$216,000 | The Department would be managed with only a Chief at the management level, thus leaving administrative duties to go unfulfilled. In the Chief's absence a line level Sergeant would have be in charge of the Department. Reduction in community involvement, reduction in time to responsibly respond to personnel issues legally and correctly, lack of leadership to support the organization. |
| Eliminate 1 Sergeant | \$187,000 | Reduction directly impacts shift supervision; results in a backlog of administrative assignments, reduction in Neighborhood Watch and Volunteer Programs, and reduces mid-management staff during critical incidents. Most significantly, potentially eliminates a backup officer on a shift for critical incidents. |
| Eliminate 5 Police Officers | \$484,000 | Less patrol through neighborhoods; potential for increased crime; more opportunities for crime to go unnoticed; increased perception of lack of safety within community; longer response times. Reassignment of the Detective to patrol operations will result in fewer solved crimes, less conviction of felons, and fewer parole and probation checks which could lead to increased crime. |
| Eliminate 2 Part-Time Police Cadets | \$38,000 | Directly impacts court services; evidence processing; and subpoena control. Vehicle Maintenance responsibilities would be assigned to the remaining full-time staff. Shift in responsibilities would result in the remaining full-time staff being unable to patrol the city. It would impact succession planning, by eliminating career growth opportunities within agency. There would be a lack of administrative support, delaying processing of information, and response to the public. |
| Eliminate 5 Part-Time Officers | \$68,000 | Eliminate key support staff for Patrol, Special Events, Investigations, Crime Prevention and Community Outreach. Eliminate ability to staff increased directed patrols, such as burglary suppression activities. |
| Total Proposed Budget Reduction Amount: | | \$993,000 |

Savings by Contracting Out Police Services

Should the City decide to contract out with the Los Angeles County Sheriff's Department to achieve the savings goal of \$971,950, the City would need to contract for the least expensive option presented by the Sheriff's Department. The least expensive option (referred to as Option "C" in the Sheriff Contract analysis) provided for one Lieutenant (Liaison to the City) and seven Deputies to provide patrol coverage. It does not include a dedicated Sergeant or any Civilian Staff. The police station would be closed and community members would be required to conduct their police business at the Temple City Sheriff's Office. The cost for these services were estimated to be \$2,990,975. This only provides for a savings of \$897,000, a short fall of approximately \$75,000.³

Department: Public Works

FY 2015-16 Approved General Fund Operating Budget: \$520,420

Alternative A

Synopsis: This scenario provides for a 25% cut in general fund expenditures in the Public Works Department. The equivalent of one full-time field position would be eliminated, one full-time position would be reduced to part-time, and one other would be re-allocated to non-General Fund sources. While the loss of 1.6 FTE's does not appear to be significant, the overall staffing of the street/sewer division would be severely reduced.

For employee and public safety purposes, most Public Works field tasks are handled by two-man crews. With the current six man street and sewer crew and its current compensation allocation structure, the Department can on occasion actually work on three non-sewer/water tasks at one time. The loss of 1.6 FTE's on the dedicated General Fund staff would leave the Department with the equivalent of one full-time two-man sewer crew and one full-time street crew. It is the General Fund "street crew" that does the overwhelming majority of the work tasks that are not specifically related to either sewer or water, and reduction of staffing that allows for only one crew will effectively reduce the Department's General Fund-related production by over 50%.

Several services that are essential to the maintenance of the community's character and safety would be significantly impacted. Uneven sidewalks would not be repaired in a timely manner, leading to more trip and fall hazards and liability claims. Replacement of sidewalk would be eliminated altogether, as sidewalk replacement necessitates a three-man crew. Patching of potholed streets would be reduced, as would painting of pavement striping and pavement legends. Hanging of banners would be eliminated and holiday placement of flags would be reduced to a single cycle of hanging flags on Memorial Day and removing them after July 4. Other regular maintenance services

³ The shortfall in savings also does not reflect the one time cost to pay out the employees, the ongoing cost for Humane Services, or Parking Enforcement. Special Events are also not included.

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impacted would be grounds maintenance, tree limb pickup, and assistance of water division in patching street excavations.

As noted in reports presented to the City Council in 2013 and 2016 regarding the City's public infrastructure, funding for improvements and ongoing maintenance have been underfunded for many years, due to a lack of resources. In short, the City's infrastructure is not adequately maintained under current funding levels. Further reduction in staffing and operational costs will further reduce maintenance activity, leading to worsened deterioration of public streets, parks, buildings, trees, sidewalks, etc.

| Item | Description | Savings | Impact |
|------|--|--------------|--|
| 1 | a.) Eliminate* one F/T Maintenance Worker Position in GF & Sewer; | a.) \$29,139 | a.) Eliminates 0.5 FTE in GF and 0.5 FTE in sewer. Reduces GF manpower availability by 20%, sewer by 14% |
| | b.) Reduce** one F/T Maintenance Worker Position to P/T sewer only; | b.) \$31,329 | b.) Eliminates 0.5 FTE in GF, reducing GF manpower availability by 20% |
| | c.) Reallocate one Maintenance Worker 10% personnel cost to sewer fund | c.) 6,847 | c.) Reduces 0.1 FTE in GF, reducing GF manpower availability by 3% |
| | Subtotal personnel | \$67,315 | <p>Item 1 reductions eliminate sidewalk partnership program and all sidewalk replacement; only temporary repairs will be made. Staff reduction of this magnitude may result in the department being unable to support community events in either or both setup and operation.</p> <p>Reduces posting of flags on downtown street lights to a single time – from Memorial Day to July 4th each year.</p> <p>Eliminates hanging of banners which reduces community communication. The banners are an effective means of communicating with residents.</p> |
| 2 | Reduce United Maintenance Janitorial Contract | \$20,767 | <p>Daily janitorial services (trash, dusting, restrooms, vacuuming) on all City buildings will be reduced to M-W-F</p> <p>Weekly janitorial services (floor mats, basements) on all City buildings will become bi-weekly</p> <p>Monthly janitorial services (windows, baseboards) will become bi-monthly. Existing contractor may quit contract which will then require that services be re-bid; cost savings will not be assured in that event.</p> |
| 3 | Reduce | \$28,300 | Eliminates landscape maintenance at Civic Center |

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| | Merchants Landscape Svcs. Contract by 35% | | and Library except hardscape cleaning; reduces parkway/median, islands maintenance to monthly from weekly; reduces maintenance at Goldberg Park and Sierra Madre School to bi-weekly from weekly; eliminates Bailey Canyon maintenance; reduces parking lot maintenance from weekly to monthly; cancels downtown tree trimming; and reduces gopher control to as-needed. |
| 4 | Reduce Orkin Contract by 50% | \$5,000 | Reduces monthly rodent & insect pest inspection contract to an as-needed service. |
| 5 | Reduce Street Maintenance materials budget | \$4,500 | Reduced pothole repair materials = fewer potholes repaired. |
| 6 | Reduce Sidewalk Maintenance materials budget | \$4,500 | Reduced sidewalk repair materials = fewer sidewalk repairs made |
| Total Proposed Budget Reduction Amount: | | | \$130,382 |

*Alternatively, this staff member could be transferred to an approved position in water division that is currently vacant.

** Alternatively this position could have its 50 percent personnel cost transferred to the water division to fill a part-time water position that is currently vacant.

Alternative B

Synopsis: This scenario provides for a minimal cut in Public Works operations to meet an assigned goal of \$55,000. This scenario does not require the elimination of any full-time positions, however one full-time position currently funded at 50% Sewer Fund and 50% General Fund would have its General Fund allocation shifted to the Water Fund, filling an approved part-time Water Department position that is currently vacant. FTE's on field staff are reduced from 2.55 to 2.05, approximately 20%. This scenario also assumes a reduction of \$3,000 in sidewalk and street repair materials, due to the reduction in manpower available to make said repairs.

| Item | Description | Savings | Impact |
|------|--|----------|--|
| 1 | Reallocate General fund 50% share of one maintenance worker position | \$31,239 | Results in a loss of 25% of the productivity of the general fund public works field operations. This reduces staff availability for street and sidewalk repair, catch basin cleaning, tree maintenance, park maintenance, community event support, and emergency response. |
| 2 | Reduce Street Maintenance | \$2,000 | Reduced pothole repair materials = fewer potholes repaired. |

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| | materials budget | | |
| 3 | Reduce Sidewalk Maintenance materials budget | \$1,000 | Reduced sidewalk repair materials = fewer sidewalk repairs made |
| 4 | Reduce Janitorial Contract | \$20,767 | Daily janitorial services (trash, dusting, restrooms, vacuuming) on all City buildings will be reduced to M-W-F Weekly janitorial services (floor mats, basements) on all City buildings will become bi-weekly Monthly janitorial services (windows, baseboards) will become bi-monthly. Existing contractor may quit contract which will then require that services be re-bid; cost savings will not be assured in that event. |
| Total Proposed Budget Reduction Amount: | | | \$55,096 |

Department: Planning & Community Preservation

Fiscal Year 2015-16 Approved Operating Budget - \$1,067,441

Alternative A:

Synopsis: A 25% Budget reduction equals \$267,085. To achieve this reduction, four full-time positions would be reduced to part-time positions, consisting of the Planning Director, Planning Manager, Planning Assistant, and Administrative Analyst. Further reductions include elimination of the Code Enforcement Program, and elimination of contract planning services. There would be substantial customer service delays in planning and building-related activities and the ability to preserve the City's overall appearance and quality of life will be hindered. The overall reduction of full-time positions to part-time employment will result in high turn-over rates leading to the inefficient use of limited staff time spent in constant retraining and filling in for vacant positions in lieu of processing planning applications, General Plan implementation, ordinance amendments, etc. Reduction in planning services includes: reduced public counter hours to 2 hours per day (7:30-9:30 AM); reduced Planning Commission meetings from twice-a-month, to once-per-month, resulting in longer meetings with multiple items on the agenda; considerable delay in processing planning applications, with potential automatic approvals of discretionary applications; and difficulty in meeting legal minimum planning deadline requirements.

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| Item | Description | Savings | Impact |
|------|---|-----------|---|
| 1 | Reduce full-time Planning Director to part-time | \$111,637 | <ul style="list-style-type: none"> • The reduction of the Planning Director from full-time to part-time will impede the Department's ability to translate the policies of the General Plan into zoning requirements. • Difficulty in meeting legal minimum deadlines specific to zoning cases and subdivisions with potential for projects to be deemed approved without discretionary review. • Reduced efficiency processing zoning cases and plan checks will elongate the time of construction projects, which will disrupt neighborhoods and city streets for longer periods of time. • Difficulty in processing Municipal Code Text Amendments in response to Federal, state and City Council mandates. |
| 2 | Reduce full-time Planning Manager to part-time | \$61,033 | <ul style="list-style-type: none"> • The reduction of the Planning Manager from full-time to part-time will impede the Department's ability to translate the policies of the General Plan into zoning requirements. • Difficulty in meeting legal minimum deadlines specific to zoning cases and subdivisions with potential for projects to be deemed approved without discretionary review. • Reduced efficiency processing zoning cases and plan checks will elongate the time of construction projects, which will disrupt neighborhoods and city streets for longer periods of time. • The part-time Planning Manager will have to spend time filling in for loss of Administrative Analyst position and reduced hours of Assistant Planner. • It will be difficult to retain personal, resulting in loss of institutional knowledge. |
| 3 | Reduce full-time Assistant Planner position to part-time | \$50,883 | <ul style="list-style-type: none"> • The reduction of an existing full-time to part-time position will impact the Department's ability to maintain current public counter service levels and will impact application processing and delay in plan check approvals due to reduced hours. Due to high turn-over rates, it will be difficult to recruit for new part-time Assistant Planner with GIS capability, thereby limiting the Department's, as well as the City's mapping and analysis capabilities. • Public counter hours will be reduced to two hours per day, significantly reducing the Department's ability to react to customer questions and requests. Service levels would drop off considerably. |
| 4 | Reduce full-time Administrative Analyst position to part-time | \$59,373 | <ul style="list-style-type: none"> • Reduction of the position will have an impact on continuing current public counter service levels, and application requisition processing. |

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| 5 | Eliminate part-time Code Enforcement Officer | \$26,648 | <ul style="list-style-type: none"> Community priorities would not be met to correct violations of codes and ordinances enacted by the City resulting in an increase in non-permitted construction, illegal conversions of non-habitable structures, unmaintained properties, increased blight, non-permitted signage, and noise and nuisance violations, among others. Very little, to no response to community complaints/concerns. |
| 6 | Eliminate contract services of Senior Planner | \$25,000 | <ul style="list-style-type: none"> Difficulty in meeting legal minimum deadlines specific to processing subdivision applications and hillside development permits with potential for projects to be deemed approved without discretionary review. |
| Total Proposed Budget Reduction Amount | | | \$267,085 |

Alternative B:

Synopsis: Budget reduction is \$150,000. Two full-time positions would be reduced to part-time positions consisting of the Planning Director and Administrative Analyst. Further reductions include elimination of the Code Enforcement Program, and reduction in contract planning services. There would be substantial customer service delays in planning and building-related activities and the ability to preserve the City's overall appearance and quality of life will be hindered. The overall reduction of full-time positions to part-time employment will result in high turn-over rates leading to the inefficient use of limited staff time spent in constant retraining and filling in for vacant positions in lieu of processing planning applications, General Plan implementation, ordinance amendments, etc. Reduction in planning services include reduced public counter hours to 4 hours per day, Monday through Thursday (8:00 am - 12:00 pm), considerable delay in processing planning applications, with potential automatic approvals of discretionary applications and difficulty in meeting legal minimum planning deadline requirements.

| Item | Description | Savings | Impact |
|------|---|-----------|---|
| 1 | Reduce full-time Planning Director to part-time | \$111,637 | <ul style="list-style-type: none"> The reduction of the Planning Director from full-time to part-time will impede the Department's ability to translate the policies of the General Plan into zoning requirements. Difficulty in meeting legal minimum deadlines specific to zoning cases and subdivisions with potential for projects to be deemed approved without discretionary review. Reduced efficiency processing zoning cases and plan checks will elongate the time of construction projects, which will disrupt neighborhoods and city streets for longer periods of time. Difficulty in processing Municipal Code Text Amendments in response to Federal, state and City Council mandates. |

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| 2 | Reduce full-time Administrative Analyst position to part-time | \$59,373 | <ul style="list-style-type: none"> Reduction of the position will have an impact on continuing current public counter service levels, application requisition processing. |
| 3 | Eliminate part-time Code Enforcement Officer | \$26,648 | <ul style="list-style-type: none"> Community priorities would not be met to correct violations of codes and ordinances enacted by the City resulting in an increase in non-permitted construction, illegal conversions of non-habitable structures, unmaintained properties, increased blight, non-permitted signage, and noise and nuisance violations, among others. |
| 4 | Eliminate contract services of Senior Planner | \$13,000 | <ul style="list-style-type: none"> Difficulty in meeting legal minimum deadlines specific to processing subdivision applications and hillside development permits with potential for projects to be deemed approved without discretionary review. |
| Total Proposed Budget Reduction Amount | | | \$150,000 |

**Figure H
Summarized Impacts to Staffing Under Alternate A and B**

| Department | Staffing Reduction Alternative A | Staffing Reduction Alternative B |
|--------------------------------|--|---|
| Administrative Services | Full-time = 2 Part-time = 2 | Full-time = 2 Part-time = 2 Add = 1 Part-time |
| Community Services | Full-time = 0 Part-time = 1 | Full-time = 2 Part-time = 5 Add = 1 Part-time |
| Elected & Appointed | Full-time Part-time | Full-time Part-time |
| Fire & Paramedic | Full-time = 4 Part-time = 9 Add = 10 Part-time Add = 1 Full-time | Full-time = 4 Part-time = 25 Add = 3 Part-time Add = 1 Full-time |
| Library | Full-time = 1 Part-time = 6 | Full-time = 3 Part-time = 6 |
| Police (Contracted Out) | Full-time = 20 Part-time = 12 | Full-time = 20 Part-time = 12 |
| Public Works | Full-time = 2 Part-time = 0 Add = 1 Part-time | Full-time = 0 Part-time = 0 |
| Planning | Full-time = 4 Part-time = 1 Add = 4 Part-time | Full-time = 2 Part-time = 1 Add = 2 Part-time |
| Totals | Full-time = 33 Positions Part-time = 19 Positions Add = 15 Part-time Positions Add = 1 Full-time Position | Full-Time = 33 Positions Part-Time = 51 Positions Add = 7 Part-time Positions Add = 1 Full-time Position |

The City currently has 61 full-time authorized positions (across all funds), and a reduction of 32 to 33 full-time positions is a 52% reduction in full-time staffing. Of the 61 authorized positions, the City currently has 45 full-time employees budgeted in the General Fund. A reduction of 33 full-time employees results in only 12 full-time employees remaining in the General Fund. As this analysis shows, it is only possible to achieve a \$2.5 million savings in the General Fund by eliminating more than half of the City's full-time authorized staffing.

The City currently has 76 part-time employees in the General Fund (31 FTE's). Under both alternatives at least 19 to 51 individuals would be laid-off.

Ongoing Operations with 0% UUT

This analysis provides two alternate scenarios should the City lose its second largest General Fund revenue source. There may be other ways to reduce services to reach the necessary \$2.5 million, but each scenario will result in significant loss of services to the community. The cuts to the various departments are so severe that the departments are either eliminated like Community Services, outsourced like Police, or so significantly reduced, like Fire, that proper organizational controls and oversight are no longer feasible. In the case with Planning and Community Preservation, development projects could be automatically deemed approved because there is not enough staff to review the plans based on the deadlines set by State law, and the City's new General Plan would not be fully implemented. As illustrated this organizational structure would not be sustainable for the near- or long-term.

END