

Measure O Baseline Funding

CITY COUNCIL MEETING
MARCH 5, 2013



Measure O Baseline Funding

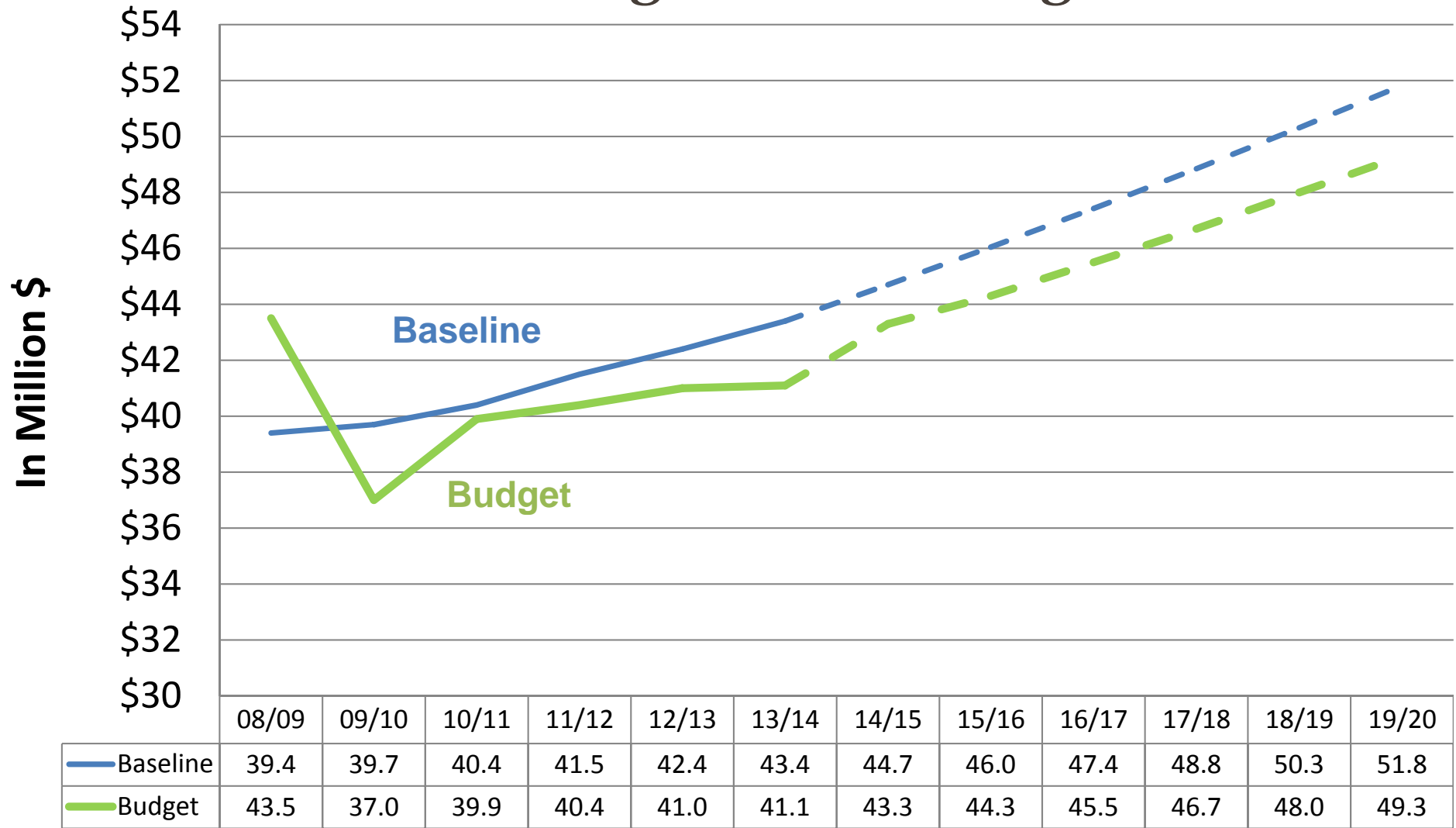
- Legal Context
- Enhance Public Safety and Gang Prevention/Youth Programs
- Continue funding similar General Fund programs
- If budget is below the baseline for a particular year, Council must approve with 6 affirmative votes

Measure O Baseline Funding

Application of Baseline Formula

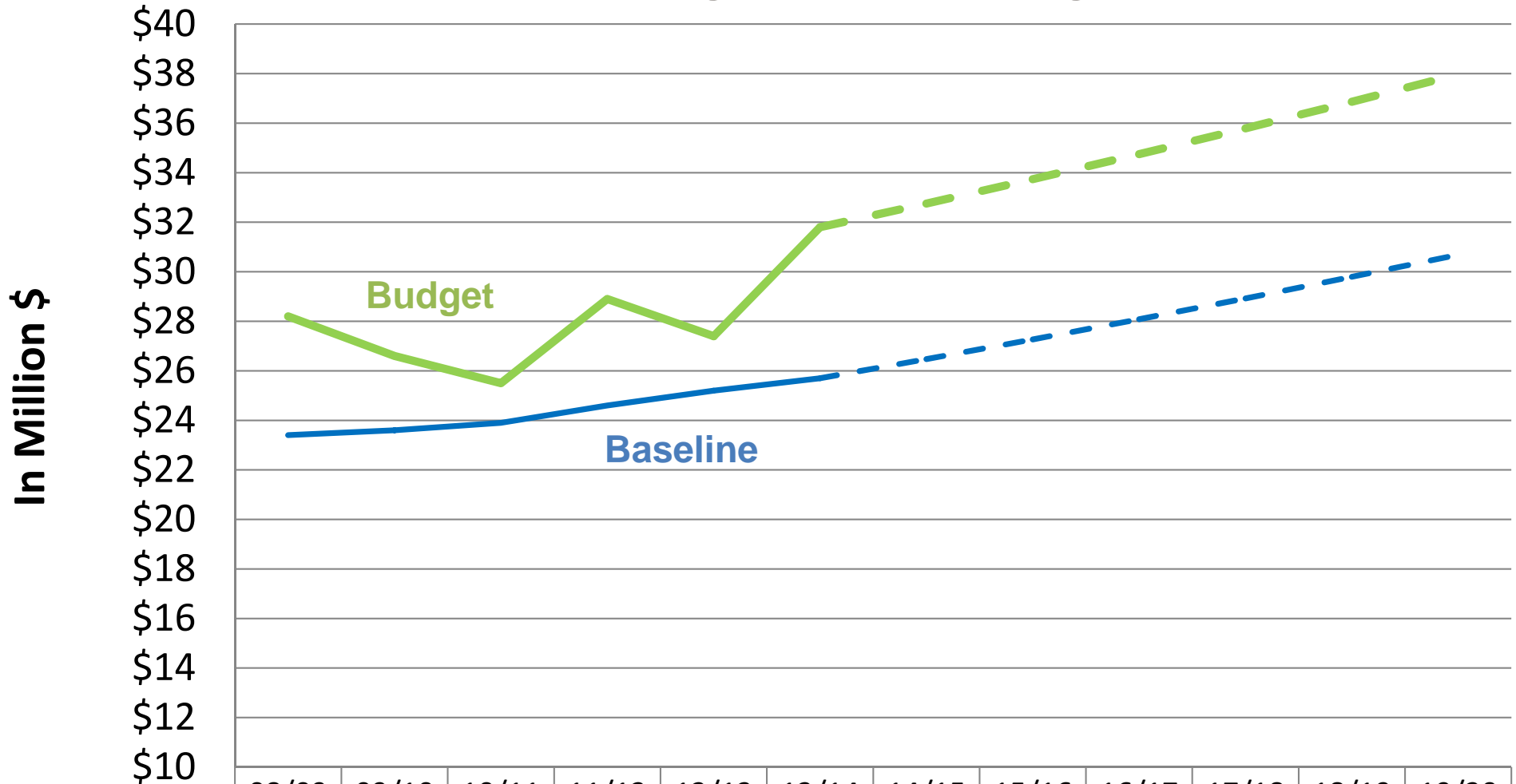
- Baseline defined in Measure O ordinance, but General Fund issue
- Baseline applies to Police, Fire and Gang Prevention programs existing in General Fund before Measure O
- General Fund Gang Prevention programs exist within select budgets in Recreation and Parks and City Manager's Office
- Police and Fire General Fund programs constitute the entire Police and Fire budgets

Police Programs (General Fund) Baseline Target versus Budget



Fire Programs (General Fund)

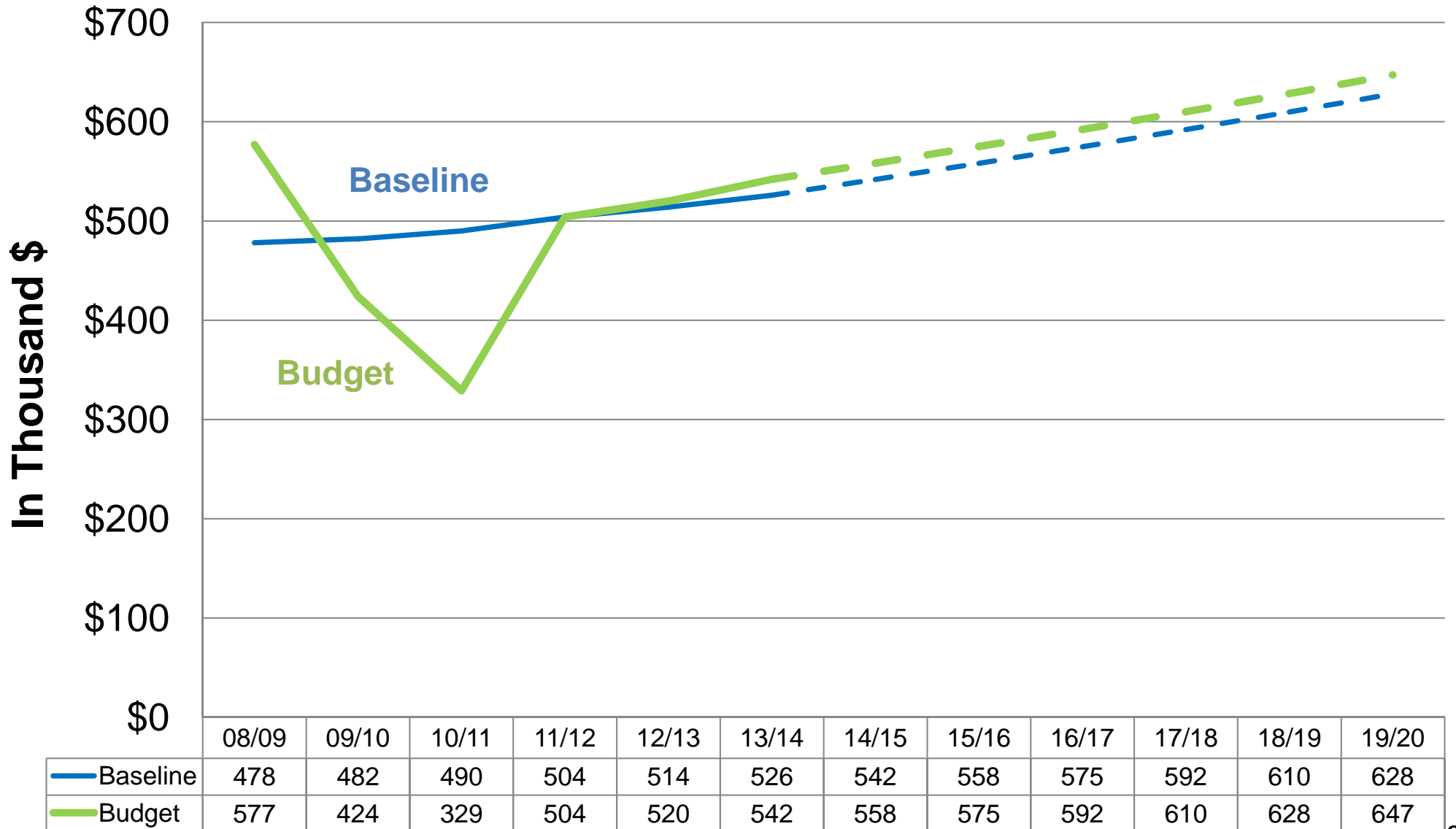
Baseline Target versus Budget



	08/09	09/10	10/11	11/12	12/13	13/14	14/15	15/16	16/17	17/18	18/19	19/20
— Baseline	23.4	23.6	23.9	24.6	25.2	25.7	26.5	27.3	28.1	28.9	29.8	30.7
— Budget	28.2	26.6	25.5	28.9	27.4	31.8	32.8	33.7	34.7	35.8	36.9	38.0

Gang Prevention Programs (General Fund)

Baseline Target versus Budget

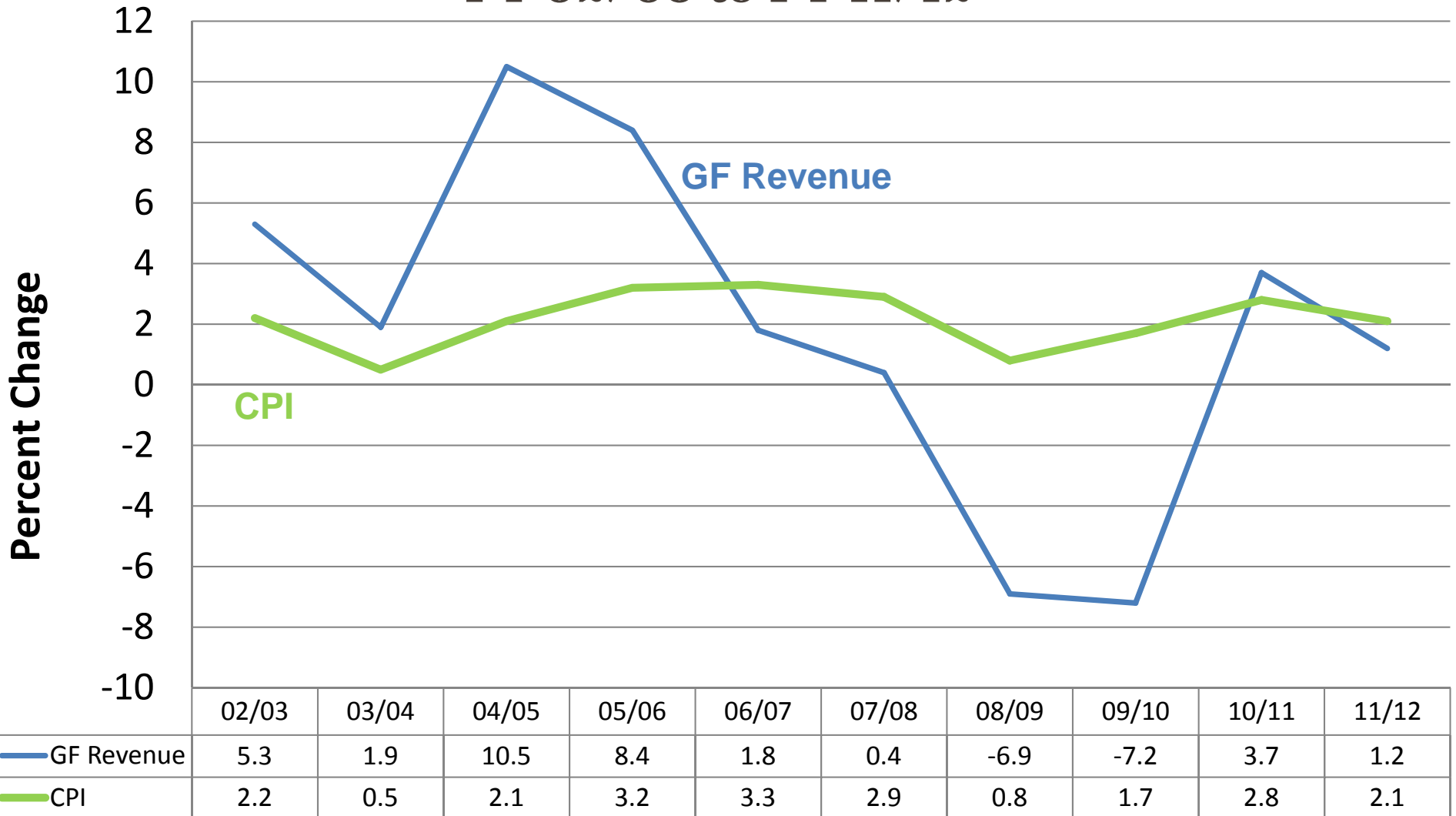


Measure O Baseline Funding

Effect on Budgets

- During Recession, General Fund revenues declined significantly, and the City responded by cutting budgets
- Funding Gap: Baseline budget targets grew at rate of CPI; Revenue did not keep pace
- Police and Gang Prevention budgets first went below targeted baseline levels in FY 2009/10

GF Actual Revenue versus CPI Growth FY 02/03 to FY 11/12



Measure O Baseline Funding

Addressing Budgets Below Baseline

- Beginning in FY 2011/12, Council gave direction to bring Gang Prevention and Police budgets up to Baseline target amounts
 - Used existing General Fund revenue resources/across the board General Fund cuts
- The funding gap for Gang Prevention was approximately \$100,000, and was closed in FY 11/12
- The Police budget funding gap in FY 2011/12 was approximately \$2 million
 - \$2 million was applied incrementally to the gap over a two-year period (FY 11/12 and FY 12/13)

Measure O Baseline Funding

Projected FY 2013/14 Budget

- General Fund Police Budget is projected to be more than \$2 million under targeted baseline amounts
- Police department has identified additional programs proposed to be added to the budget that would close the gap by approximately \$1.1 million
- Funding Gap would still exist

Measure O Baseline Funding

City Council Action

- The Council is not approving the Police budget at this time
- This action would allow the City to submit a Police budget that provides enhanced services, but will be below the targeted baseline level
- Taking this action at the outset of the budget process will allow for better planning of all General Fund resources