

CITY OF SANTA ROSA
CITY COUNCIL

TO: MAYOR AND CITY COUNCIL
FROM: ALAN ALTON, CHIEF FINANCIAL OFFICER,
FINANCE DEPARTMENT
VERONICA CONNER, BUDGET AND FINANCIAL ANALYSIS
MANAGER, FINANCE DEPARTMENT
SUBJECT: PUBLIC HEARING ON ADOPTION OF THE CITY OF SANTA
ROSA FY 2024-25 OPERATIONS & MAINTENANCE BUDGET
AND CAPITAL IMPROVEMENT PROGRAM BUDGET

AGENDA ACTION: RESOLUTIONS

RECOMMENDATION

It is recommended by the City Manager and the Finance Department that Council: 1) hold a Public Hearing to consider the Fiscal Year (FY) 2024-25 Operations and Maintenance Budget and the FY 2024-25 Capital Improvement Program (CIP) Budget; 2) by five separate resolutions adopt the City FY 2024-25 Operations and Maintenance Budget and FY 2024-25 Capital Improvement Program Budget; and 3) by resolution amend, the Police, Fire and Violence Prevention Partnership Public Safety and Prevention Transaction and Use Tax Implementation Plan (formerly Measure O) to adjust for Fiscal Year 2024-25 budget and forecasted budget amounts for all Public Safety and Prevention (PSAP) and programs.

EXECUTIVE SUMMARY

The City Council will hold a public hearing to consider the FY 2024-25 Operations and Maintenance Budget and the FY 2024-25 Capital Improvement Program (CIP) Budget. Staff will provide an overview of the Operations and Maintenance Budget and the CIP Budget with information on any changes that have been included since the Study Session in May.

BACKGROUND

The City Charter specifies numerous actions to take place leading up to the City Council adopting a budget prior to the last day of June each fiscal year. City staff published a summary of the current year budget (FY 2023-24) on December 12, 2023; held a budget priorities public hearing on January 9, 2024; held a budget study session on May 7-8, 2024; published a budget summary and public hearing notice on June 4, 2024; and,

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made copies of the proposed budget available to the public on the City's website at www.srcity.org on June 4, 2024.

PRIOR CITY COUNCIL REVIEW

The City Council received study session presentations on the proposed Operations and Maintenance Budget and the proposed CIP Budget on May 7-8, 2024, including a summary of the Public Safety and Prevention Tax (PSAP) annual budget. The Council has amended the Implementation Plan multiple times since the initial plan was adopted in 2004.

ANALYSIS

At the study sessions, City staff presented an overview of the City's financial condition and an overview of the City's proposed Operations and Maintenance budget including information on each department's requests and the proposed CIP budget.

At the budget public hearing, the City Council will consider the City's proposed FY 2024-25 Operations and Maintenance Budget and proposed FY 2024-25 Capital Improvement Budget. Staff will present an overview of any changes from the Budget presented in the prior study session. One significant change from the Budget Study Session is the inclusion of the first-year cost of potential employee contract wage increases in the City's Operating budget. This first year cost is based on the City's latest proposal to bargaining groups of 15% over three years. The addition of the first-year cost estimates increased the General Fund deficit significantly. We have also included the estimated costs of the proposed three-year contract term in the General Fund Long-Range Financial Forecast, and for the remaining two years of the forecast period, staff estimated 3% as the anticipated Consumer Price Index for those years.

The PSAP program budgets for Police, Fire, and Violence Presentation are contained within the FY 2024-25 Operations and Maintenance budget. The Implementation Plan for these programs outlines expenditures, including salaries, benefits, operational costs, and specific program line items. These costs are reflective of the Fiscal Year 2024-25 budget. On April 10, 2024, staff presented the Implementation Plan to the PSAP Citizen Oversight Committee. The Committee reviewed and approved the proposed budget for all programs and recommended the Implementation Plan be forwarded to the City Council for approval with a vote of 7-0-0.

While there are no substantive program changes to the Implementation Plan, the Plan changes each year to align with that year's operational budget. Pursuant to Santa Rosa City Code section 3-26.120(F), any changes to the Implementation Plan must be approved by the City Council, with passage requiring a minimum of six affirmative votes.

POSITION CHANGES

Human Resources has studied positions on behalf of departments as a part of reclassification requests, new classification studies, and salary studies. The summary below is included in the proposed FY 2024-25 Operations and Maintenance Budget.

Fire

Convert 6.0 FTE Single Role Paramedic Limited Term to Single Role Paramedic

Working alongside licensed mental health clinicians, homeless outreach specialists and system navigators, the Single Role Paramedic is a vital member of the inRESPONSE team. The inRESPONSE program has been well received since it began in 2022, proving itself as an asset and an essential need in our community. In 2023 inRESPONSE handled over 4,700 calls with more than 3,500 of those calls deemed to be in lieu of a police officer response.

Currently the 6.0 FTE Single Role Paramedics allocated for this team are classified in a Limited Term status. This has presented staffing challenges, as concerns have been voiced about job sustainability after the current limited term expires and is directly impacting the ability to fully staff up for a 24/7 operation. Aligning with Council's goal to continue and expand the inRESPONSE program, it is necessary to remove the Limited Term designation.

It is recommended to convert 6.0 FTE Single Role Paramedic Limited Term in Unit 2 Firefighting to Single Role Paramedic in Unit 2 Firefighting.

Water

Create the new classification of Water Reuse Operations Supervisor and add 1.0 FTE

The Geysers' system is a critical City asset supplying a contractual volume of 4.6 billion gallons of treated wastewater annually; consisting of roughly 41 miles of water main, 25 pumps and motors, 165 air release valves, 700 manways, vaults, and valves. As a result of degradation due to age, the system is requiring more attention than it previously has. Additionally, we have assessed an increased need for supervisory and managerial duties based on previous restructuring done to enhance operations.

With an expertise in specialized water reuse system operations work, the Water Reuse Operations Supervisor will provide oversight of the scheduling, planning, and

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coordinating of system shutdowns in addition to providing direct supervision, performance management and training of Wastewater Operators.

It is recommended to create the classification of and add 1.0 FTE Water Reuse Operations Supervisor in Unit 18 Mid-Management with an annual salary range of \$91,780 - \$118,789.

Information Technology

Create the new classification of Cybersecurity Manager and add 1.0 FTE

With an increase in volume and complexity of cybercriminal activity, it has been assessed that the City would benefit from having a dedicated Cybersecurity Manager to help oversee the safeguarding of the City's information systems, networks, and digital assets. The primary focus of this new classification will be to support the protection of the aforementioned critical components from unauthorized access, data breaches, and malicious activities perpetrated by cybercriminals.

Pending the completion of the Meet and Confer process, it is recommended to create the classification of and add 1.0 FTE Cybersecurity Manager in Unit 18 Mid-Management with an annual salary range of \$115,311 - \$149,962.

Various Departments

Additional additions and deletions are set forth in the budget documents and in the resolution.

FISCAL IMPACT

Adoption of the Operations and Maintenance Budget and the Capital Improvement Budget provides the funding for City operations and CIP for FY 2024-25.

The Public Safety and Prevention Tax (formerly Measure O) Implementation Plan details revenues and expenditures from the special tax and has no fiscal impact to the General Fund. All adjustments required to reflect Fiscal Year 2024-25 budget have been included in the proposed Fiscal Year 2024-25 Operations and Maintenance budget, and future year forecasts are for informational purposes.

ENVIRONMENTAL IMPACT

This action is exempt from the provisions of the California Environmental Quality Act (CEQA) under CEQA Guidelines Section 15061(b)(3) and 15378 in that there is no possibility that the implementation of this action may have significant effects on the

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environment, and no environmental review is required.

BOARD/COMMISSION/COMMITTEE REVIEW AND RECOMMENDATIONS

The proposed changes to the Public Safety and Prevention Implementation Plan were reviewed by the PSAP Oversight Committee on April 10, 2024. The PSAP Oversight Committee recommends the Council by Resolution amend the Implementation Plan.

NOTIFICATION

Not applicable.

ATTACHMENTS

- Attachment 1 - Proposed FY 2024-25 Operations and Maintenance Budget
- Attachment 2 - Proposed FY 2024-25 Capital Improvement Program Budget
- Resolutions (5) – Budget Adoption:
 - Resolution – Primary
 - Exhibit A – to Primary Resolution Master Professional Services Agreement
 - Resolution – Parks and Recreation Department budget (MacDonald recuse)
 - Resolution – Full-Time Equivalent Staffing Changes
 - Resolution – Full-Time Equivalent Staffing Parks & Recreation Changes (MacDonald recuse)
 - Resolution – Storm Water Assessment
- Resolution – Public Safety and Prevention Implementation Plan
- Exhibit A – to Resolution Public Safety and Prevention Implementation
- Public Hearing Notice

PRESENTERS

Alan Alton, Chief Financial Officer
Veronica Conner, Budget and Financial Analysis Manager