

Long Term Financial Policy and Audit Subcommittee

May 17, 2019

Financial Stability

- Balance FY 2019-20 Budget
- Address Long-Term Sustainability
 - Maintain General Fund Reserves at Policy Levels
 - Set Aside Funding for Infrastructure
 - Disaster Recovery Funding
 - Address CalPERS Unfunded Liability
 - Create Rainy Day Fund

General Fund Reserve

- Policy Level: 15-17%
- GFOA Considerations for Reserve Size
 - Predictability of revenues
 - Perceived exposure to one-time outlays
 - Potential drain from other funds
 - Potential additional cost of bonding
- Replenishment

Infrastructure

- Current Demand: Approx. \$18 million
 - Buildings \$5.0 million
 - Parks \$4.0 million
 - Streets \$9.0 million
- 2014 PFM Report recommended \$12 million
 - Buildings \$1.8 million
 - Parks \$1.0 million
 - Streets \$9.0 million

Disaster Recovery Public Assistance Obligated Projects

Cat.	Description	Total Estimated Cost	Local Share Amount
C	Bridges and Roads	\$5.1 M	\$3.8 M
E	Buildings and Equipment	\$1.7 M	\$0.1 M
G	Recreation and Parks	\$12.8 M	\$3.5 M
	Total Obligated Projects*	\$19.6 M	\$7.4 M

* Does not include Water's share of PA projects

Additional Disaster Recovery Projects

Public Assistance Projects Pending Approval:

- Rebuild Fire Station # 5 – est. \$15 million
- Road and Sidewalk Repair – est. \$20 million

Hazard Mitigation Projects (not including Water projects)

- Total Cost - est. \$13.5 million
- City's Share - est. \$2.1 million

Pension Solutions

- Stabilization Fund – PFM recommended 3% of payroll
- Strategically address UAL

Proposed FTE Reductions

	Original Reductions	Adjusted Reductions	Change
CAO	-1.00	-1.00	-
CM	-2.00	-2.00	-
Finance	-4.00	-4.00	-
Fire	-6.75	-0.75	6.00
HCS	-1.50	-1.50	-
HR	-1.00	-1.00	-
PED	-5.00	-4.00	1.00
Police	-8.00	-6.00	2.00
R&P	-8.00	-8.00	-
TPW	-10.00	-10.00	-
IT*	-2.00	-1.00	1.00
Total FTE's	-49.25	-39.25	10.00

FTE Adjustments:

- 6.00 Firefighters (Fire)
- 1.00 Associate Civil Engineer (PED)
- 1.00 Police Sergeant (Police)
- 1.00 Police Officer (Police)
- 1.00 IT Technician (IT)

*IT dept. is Non-General Fund

