



City of South Pasadena
BUDGET STUDY SESSION
MARCH 21, 2017 7PM



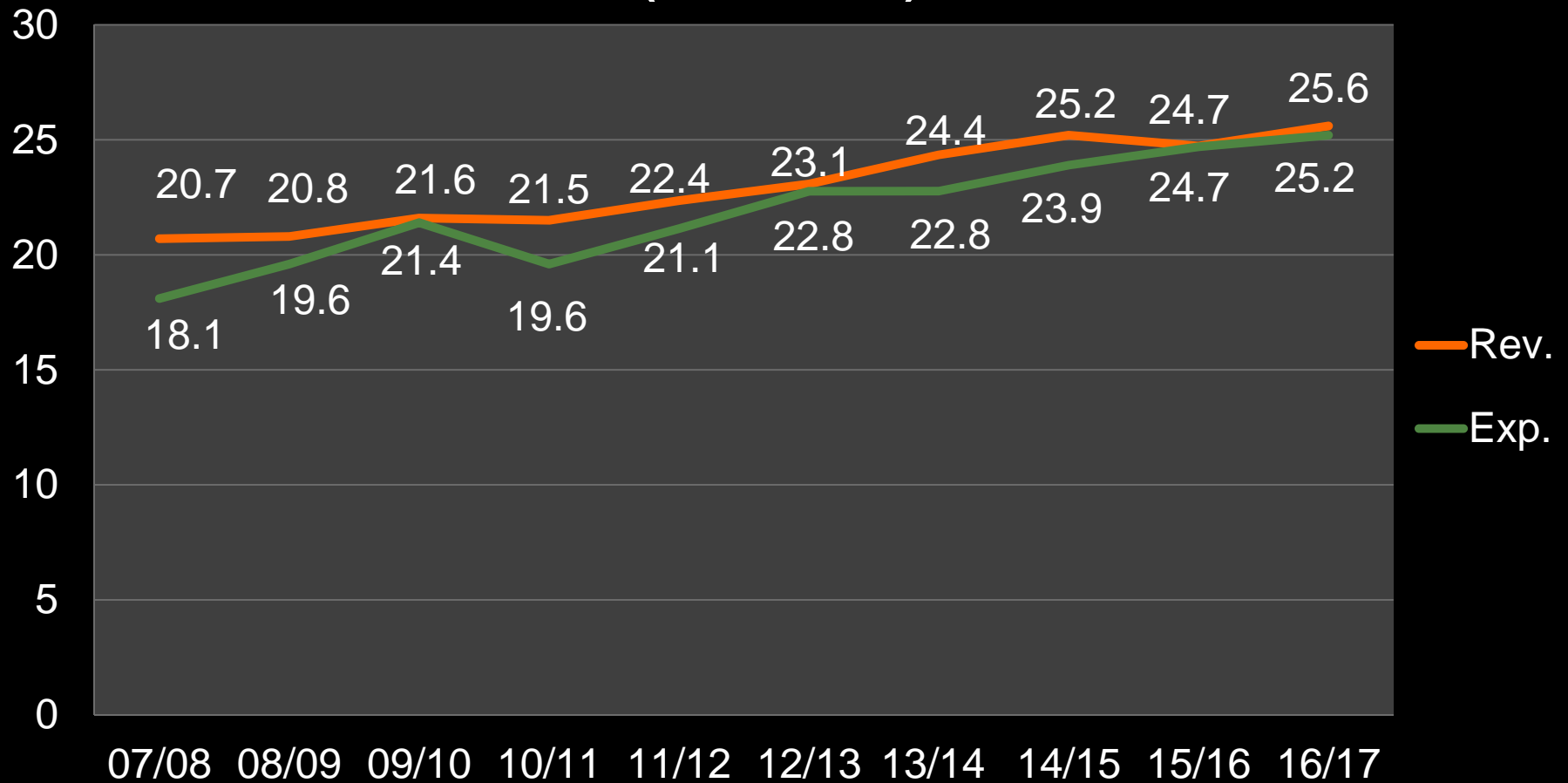
Budget Study Session

- Financial Position and Workplan
 - General Fund and FTE history
 - Challenges with post employment benefits
 - Cashflow (Fund Balance – 26.1% undesignated reserves)
 - Designated Reserves and Undesignated Reserves
 - Updated Cashflow (Proposed 25% undesignated reserves)
 - Community Forum on Budget and Priorities
 - Capital Improvement Projects (Streets)
 - Equipment Replacement Fund
- Department Presentations
- Next Steps



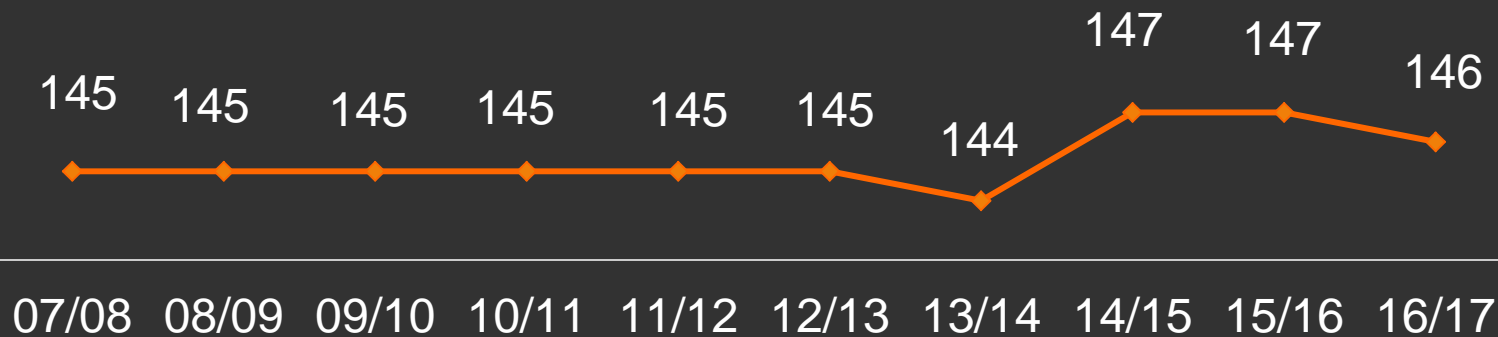
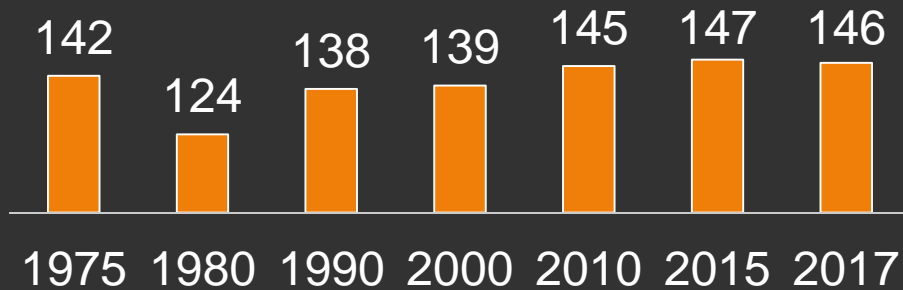
GF History

(in millions)



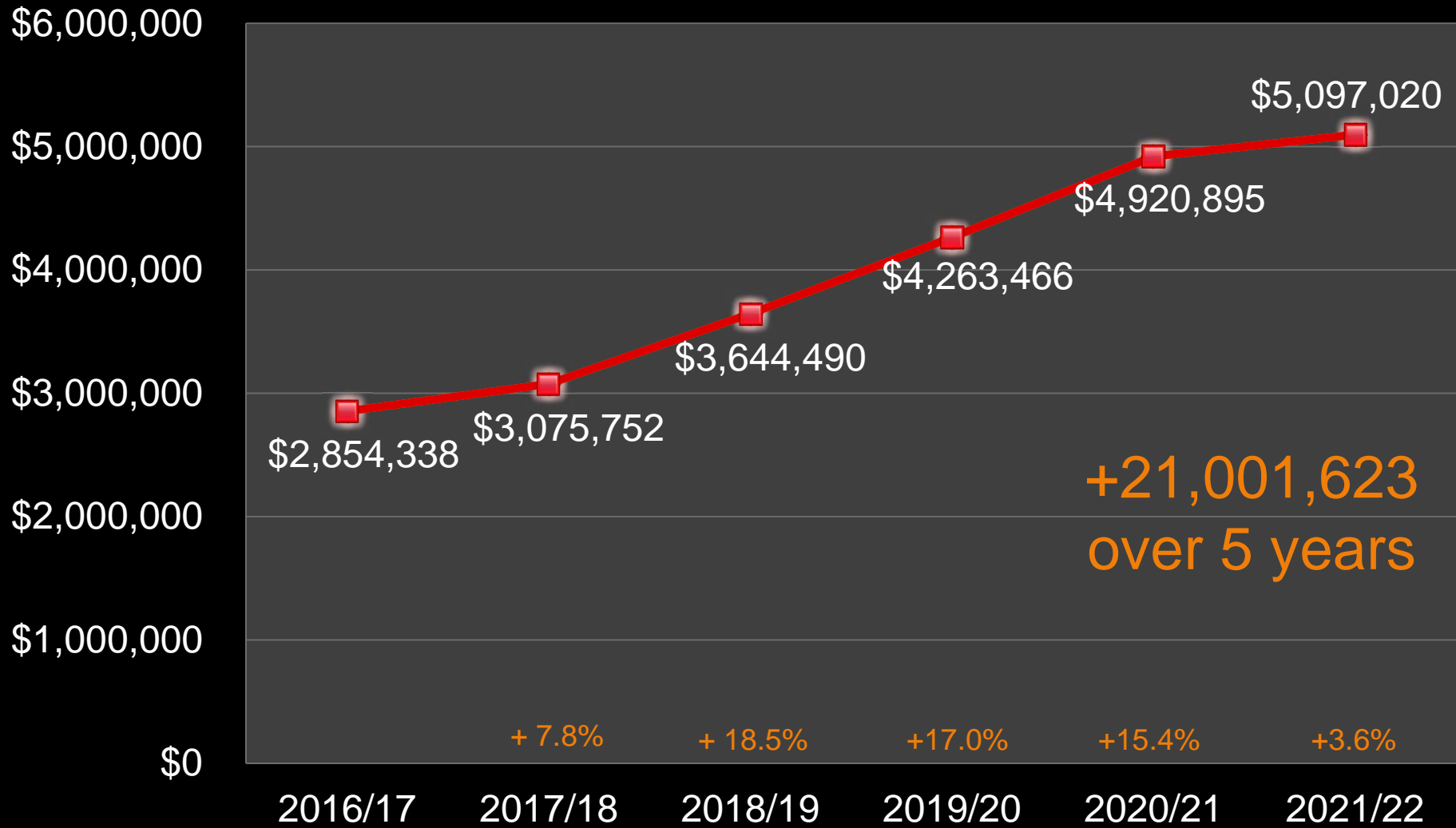


History of Authorized Full-Time Positions



- FY 2014/15 Council approved changes to Dial-a-Ride program to meet the increased demands of ridership and administrative duties.
- FY 2016/17 Council approved department reorganization which reduced FTE by 1.

PERS Employer's Cost



Cash Flow Model



	16/17	17/18	18/19	19/20	20/21	21/22	Total
Revenues	25,622,021	25,775,108	25,913,165	26,052,602	26,193,433	26,335,673	155,892,002
Department Expenses	23,670,694	23,645,836	24,425,441	24,994,313	25,645,167	26,070,598	148,452,049
Labor Negotiations	Included	TBD	TBD	TBD	TBD	TBD	
Supplemental Capital	0	-	-	-	-	-	
Street Improv. Projects	1,559,000	1,500,000	1,200,000	1,200,000	1,000,000	1,000,000	7,459,000
Total Expenses	25,229,694	25,145,836	25,625,441	26,194,313	26,645,167	27,070,598	155,911,049
Net Income	392,327	629,272	287,724	(141,711)	(451,734)	(734,925)	(319,047)
Other Funds e.g. Measure R, Measure M	797,000	307,000	600,000	600,000	600,000	600,000	3,804,000
Total Street Improv. Project	2,356,000	1,807,000	1,800,000	1,800,000	1,600,000	1,600,000	11,263,000



Undesignated GF Reserves

- FY 2016/17 undesignated general fund reserves equal to 26.1% of revenues
- Recommended Undesignated Reserve Level to address structural imbalance = **25%**
 - **Additional \$283,526 positive cashflow FY 2017/18**

GF Designated Reserves



	FY 14/15	FY 15/16	FY 16/17	FY 17/18
Nonexpendable Reserves	1,022,841	1,035,224	1,035,224	1,035,224
Arroyo Golf Course/Bike Trail	1,100,000	1,100,000	1,100,000	1,100,000
Renewable Energy Sources	300,000	300,000	350,000	350,000
Legal Services	500,000	500,000	500,000	500,000
Retiree Benefits (Pension/Health)	1,000,000	1,000,000	1,000,000	1,000,000
Maint. Yard/ Community Center	600,000	600,000	600,000	600,000
Emergency Operations Center	100,000	200,000	300,000	400,000
Library Expansion	150,000	150,000	200,000	200,000
Tree Replacement/Management	150,000	150,000	50,000	0 - drawdown
Sidewalk Improvements	280,000	180,000	0	0
CalTrans Vacant Lot Purchases	750,000	750,000	750,000	750,000
Monterey Road Improvements	500,000	500,000	0	0
General Plan / MSSP Reserve	0	205,000	205,000	205,000
Storm Water	0	0	300,000	300,000
Library Park Drainage	0	0	500,000	Available: 125,000
Total Designated	\$6,452,841	\$6,670,224	\$6,890,224	\$6,565,224



Supplemental Requests

Department	Supplemental Requests	Cost	General Fund Balance	Other
Community Services	Garfield Park Band Shell	\$150,000		Park Impact Fee \$150,000
Police	Vehicle purchase (4) – 1 patrol, 1 motorcycle, 1 detective, 1 captain	\$150,000		Equip. Replace. fund \$150,000
Public Works	Tree Maintenance	\$150,000	\$100,000	Designated reserves \$50,000
Public Works	Sidewalks	\$200,000	\$100,000	CDBG \$100,000
Public Works	Vehicle Purchase - Truck	\$40,000	\$40,000	
Public Works	Heritage Park drainage/improvements	\$60,000	\$60,000	
TOTAL			\$300,000	

Updated Cash Flow Model (Undesignated Reserves at 25%)



	16/17	17/18	18/19	19/20	20/21	21/22	Total
Revenues	25,622,021	25,775,108	25,913,165	26,052,602	26,193,433	26,335,673	155,892,002
Department Expenses	23,670,694	23,645,836	24,425,441	24,994,313	25,645,167	26,070,598	148,452,049
Labor Negotiations	Included	TBD	TBD	TBD	TBD	TBD	
Supplemental Capital	0	300,000	TBD	TBD	TBD	TBD	
Street Improv. Projects	1,559,000	1,720,000	1,200,000	1,000,000	1,000,000	1,000,000	7,459,000
Total Expenses	25,229,694	25,665,836	25,625,441	26,194,313	26,645,167	27,070,598	155,911,049
Net Income	392,327	292,798	TBD	TBD	TBD	TBD	
25% Und. Res.		\$183,526					
Other Funds e.g. Measure R, Measure M	797,000	425,000 (300K-M; 125K- WMB)	600,000	600,000	600,000	600,000	3,804,000
Total Street Improv. Project	2,356,000	2,145,000	1,800,000	1,800,000	1,600,000	1,600,000	11,263,000

Capital Improvement Projects (2016-17)



Project	Total Cost (Design, Insp., Const.)
Monterey Rd.: Via Del Rey to Meridian Ave.	\$736,000
Grevelia St.: Fair Oaks to Stratford Ave.	\$591,000
El Centro St.: Fair Oaks to Meridian Ave.	\$628,000
Left Turn Signal Phasing: Via Del Rey and Monterey Rd.	\$25,000
Speed Feedback: Arroyo Dr	\$25,000
Metro Gold Line Signal Retiming at 3 at-grade crossings	\$61,000
Orange Grove Signal	\$440,000
Preventative Maintenance Treatment Projects	\$300,000
Total: General Fund and Special Funds	\$2,806,000



Capital & Street Projects History

Year	CIP Costs
2005/06	8,140
2006/07	339,560
2007/08	131,013
2008/09	609,033
2009/10	1,428,454
2010/11	487,975
2011/12	1,232,356
2012/13	851,935
2013/14	3,400,000
2014/15	2,855,000
2015/16	2,408,500
2016/17	2,806,000

- Backlog/estimated cost of city-wide repairs \$60 Million
- Annual contributions \$2 Million minimum
 - General Fund, UUT, Measure R, Measure M
- Need to look at financing options to accelerate repairs

Capital Improvement Projects (2017-18)

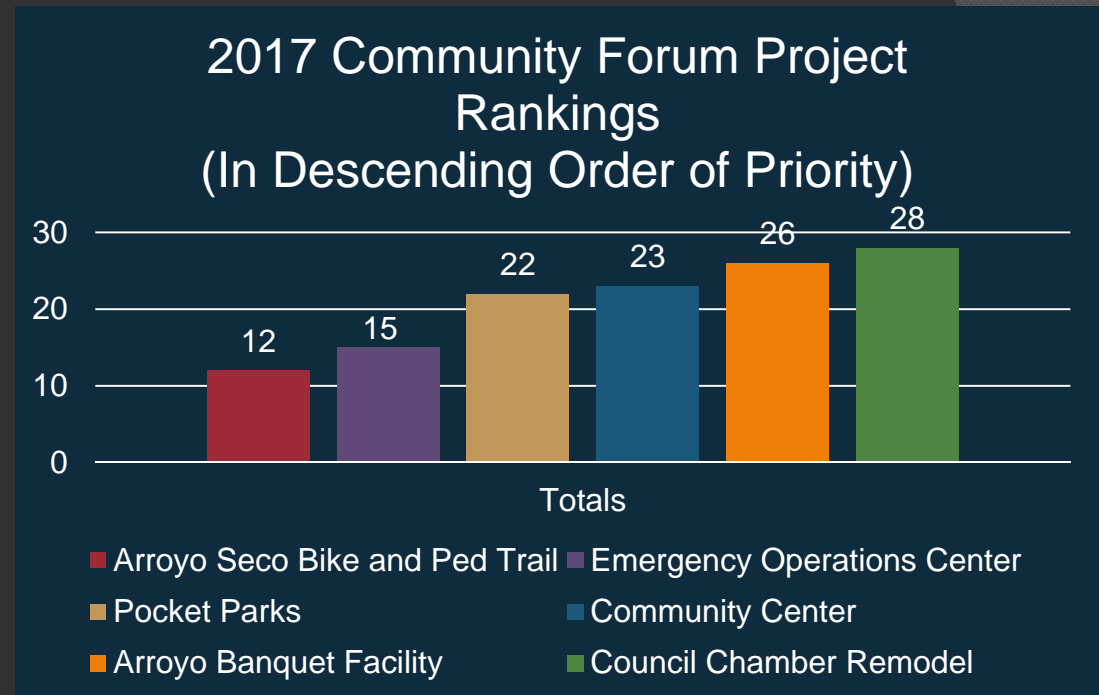


Project	Total Cost (Design, Insp., Const.)
Monterey Rd. Final Phase: Via Del Rey to Pasadena Ave.	\$425,000
Preventative Maintenance Treatment Projects	\$300,000
Bushnell Ave.: Oak St. to Huntington Dr	\$400,000
Diamond Ave.: Monterey Rd to Lyndon St	\$180,000
Camino Del Sol: Saint Albans Ave to Santa Teresa	\$450,000
Alpha Ave.: La Fremontia to Valley View Rd	\$390,000
Brunswick Ave.: Monterey Rd to Kelle Ave	\$200,000
Total: General Fund and Special Funds	\$2,145,000



2017 Community Forum Projects

Rank	Project
1	Arroyo Seco Bike/ Ped. Trail
2	Emergency Operations Center
3	Pocket Parks
4	Community Center
5	Arroyo Banquet Facility
6	Council Chamber Remodel





Considerations

- ◎ Undesignated Reserve level - 25%
 - \$100,000 to EOC Designated Reserve Fund
 - \$183,526 to Net Income
- ◎ Transfer Library Park Drainage Project
 - Savings to Monterey Road Final Phase (\$125,000)
- ◎ Tree Planting/Maintenance (total \$150,000)
 - drawing down designated reserve to \$0
- ◎ Facilities & Equipment Replacement Fund
 - Balance \$250K FY 2017/18



Next Steps

- Presentation of Draft Budget:
May 3, 2017 City Council Meeting
- Budget Public Hearing:
June 7, 2017 City Council Meeting



Community Services Department Overview

Services include:

- Recreational programs for youth, adults and seniors
- Keep seniors active and mobile with Dial-A-Ride
- Family-friendly free to low cost events
- Manage leased recreational city-owned properties

Notable accomplishments:

- Opening of the South Paws-adena Dog Park
- Completion of the Ironworks Museum painting project
- Installed new player benches at all ball fields
- Install shade structures at Dog Park

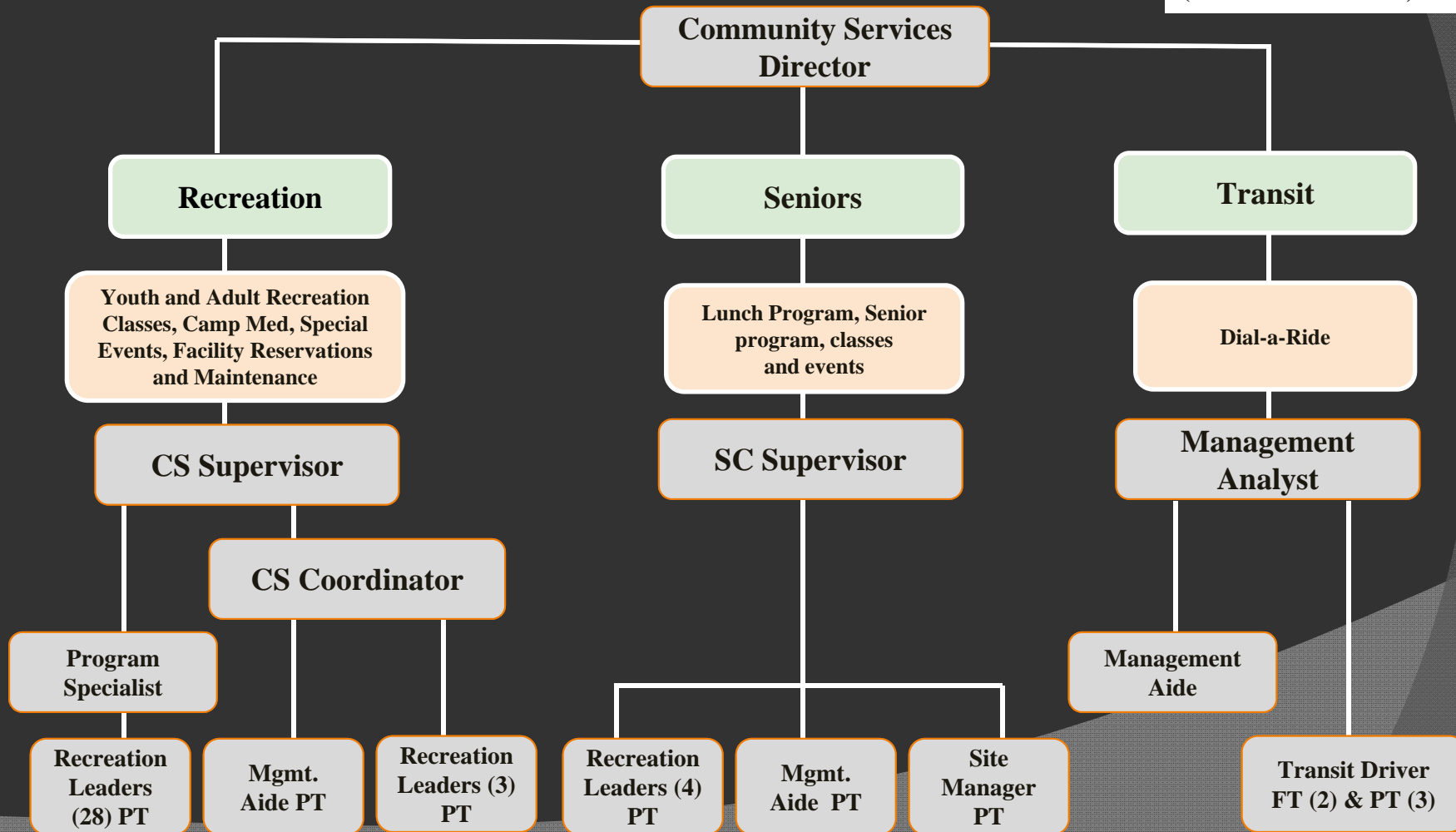
Notable challenges:

- Rain damage at Iron Works Museum, Senior Center, Eddie Park House and War Memorial basement
- Aging infrastructure have caused closures of certain facilities causing a reduction of facility rentals and contract classes

Community Services Department Staffing



Full Time Employees: 9
 Part-Time Employees: 41
 (22 PT are 28 hours)





Community Services Department Current Budget

- FY16-17 Budget Amount
 - \$1,327,876
- Notable expenditures
 - Replace player benches at all ball fields
- Notable revenues include
 - Decrease in War Memorial revenues due to water damage in the basement (\$27,600)



Community Services Department Proposed Budget

- Notable changes include
 - Move Community Services Coordinator from Administration to Recreation budget
 - All Recreation Leaders are same pay level, increasing staff costs
 - Taking over the responsibility of the Teen Center with an increase in staffing and supplies cost
 - Increase in Summer Entertainment Series with one additional movie and two concerts for a total of 11 events throughout the summer that are free to all attendees
 - Purchase 14 new picnic benches for Garfield Park



Community Services Department Proposed Budget

- Supplemental requests include
 - Bandshell for Summer Entertainment Series (\$150,000 Park Impact Fee)
 - Two new Picnic Shelters at Garfield Park (\$125,000 General Fund)



Community Services Department Areas of Focus in FY 2017-18

- Band Shell at Garfield Park
- Repair War Memorial Building water intrusion in basement
- Creation of two pocket parks
- Renovate Eddie Park House



Finance Department Overview

- Services include:
 - Accounting, Payroll, Accounts Payable,
 - Accounts Receivable, Business Licensing,
 - Grants Management, Filming
- Refinancing the 2009 Water Revenue Bonds for a savings of \$8,000,000
- Dealing with vacancies in the Grants Analyst and Asst. Finance Director positions

Finance Department Staffing



Finance Director

Assistant Finance Director

Filming

Accounts Payable

Payroll

Business Licensing, Accounts Receivable

Grants, Utilities, Special Projects

Film Liaison

Account Technician AP/Purchasing

Payroll Coordinator

Sr. Account Clerk (2)

Management Analyst

Management Assistant

Full Time Employees: 9



Finance Department Current Budget

- FY16-17 Budget Amount:
 - Finance Division: \$724,891
 - Non-Departmental Overhead: \$833,460
- Notable expenditures include retiree health insurance, general liability and workers compensation, County property tax admin. fees, and auditing services
- Notable revenues include business license taxes, filming revenues



Finance Department Proposed Budget

- No significant changes from the prior year in the Finance Division
- Increase in Non-Dept. Overhead to cover retiree health insurance liability costs
- Reduction in Workers Compensation costs



Finance Department Areas of Focus in FY2017-18

- Modernize Business License Systems
- Purchasing Ordinance Revisions
- Electronic Payables Processing



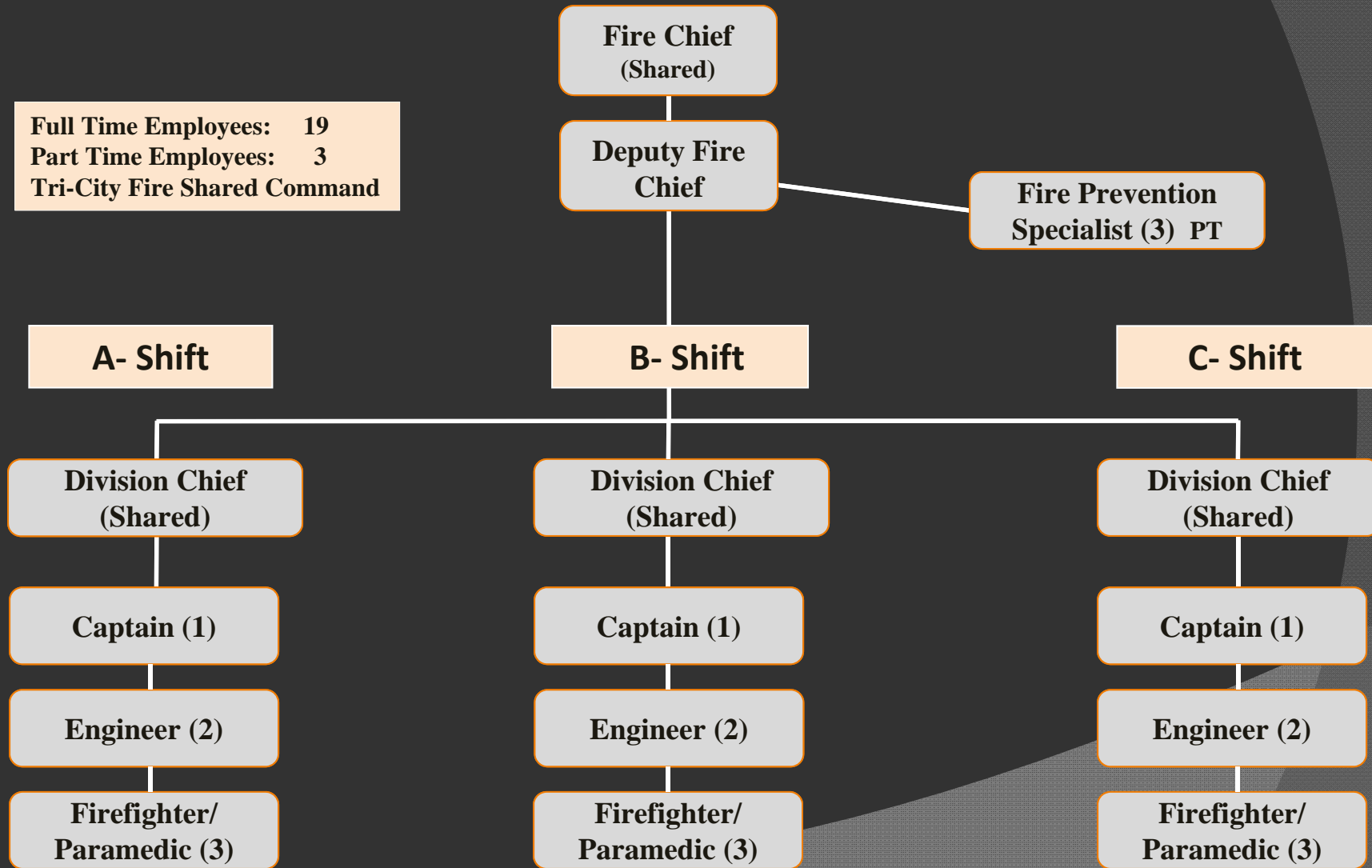
Fire Department Overview

- Providing Exceptional Emergency Services to the Citizens of South Pasadena
 - Fire and Paramedic Services
 - Fire Prevention and Education
- Notable Accomplishment in 2016/17
 - Emergency Operations Plan Update
 - CERT
 - New Fire Engine Purchase
 - Brush Clearance
 - Public Safety Access No Parking Program
- Notable Challenge in 2017
 - Recruitment / Retention



Fire Department Staffing

Full Time Employees: 19
Part Time Employees: 3
Tri-City Fire Shared Command





Fire Department Current Budget

- ◎ FY16-17 Budget Amount
 - \$4,996,470

- ◎ Notable expenditures include
 - New Fire Engine (\$700,000)
 - New Self Contained Breathing Apparatus (\$24,000)



Fire Department Proposed Budget

- Proposed FY 17-18 Budget Amount
 - \$4,764,154
- The Fire Department is not submitting any supplemental requests for this budget cycle



Fire Department Areas of Focus in FY2017-18

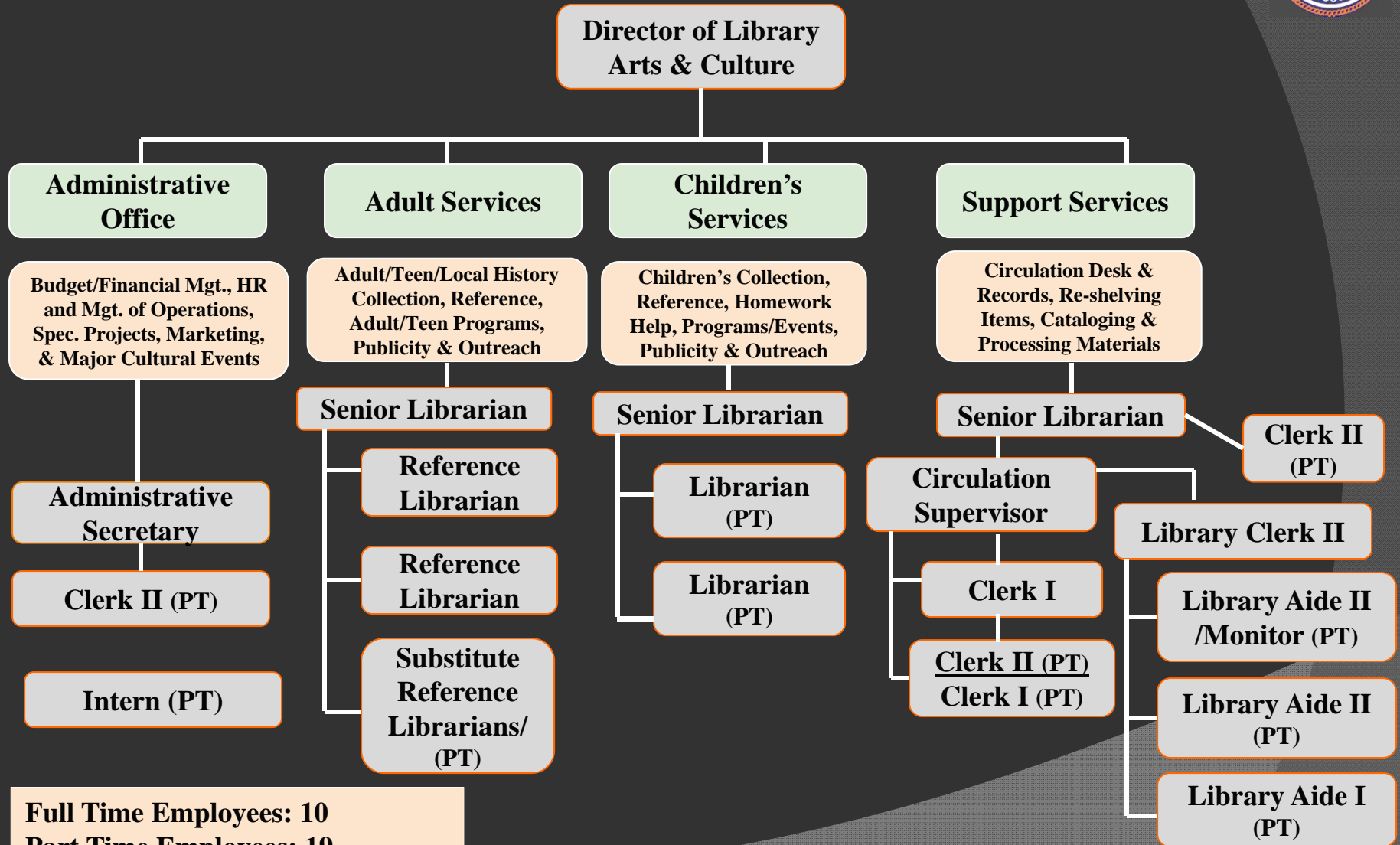
- Recruitment and Retention
- Succession Planning
- Improve Resiliency
 - Hazard Mitigation Plan Update
 - Continued Focus on CERT
 - Expand Junior Fire Program to South Pasadena Schools
 - Evaluate Effectiveness of No Parking Program



Library Department Overview

- Services include: providing an impressive collection of reading, listening, and viewing materials and a welcoming facility for programs, events, studying, and cultural enrichment.
- Notable 2017 accomplishments: Approval of the Library Operations Study & grants to improve technology.
- Notable 2017 challenges: Construction around Library and unfilled FT positions.

Public Library Staffing



Full Time Employees: 10
Part Time Employees: 19
Sub Reference Librarians PT: 17



Library Department Current Budget

- FY16-17 Budget Amount
 - \$1,706,156
- Notable expenditures: Community Room AV Design and Installation (in progress); Hardware for Improved Broadband Connectivity & Wi-Fi Coverage and replacement computers (in progress)
- Notable revenues: CENIC and CRT Settlement grants for tech improvements mentioned above.



Library Department Proposed Budget

- Notable changes include FT Assistant Library Director and Digital Services Manager positions.
- Redesign of first floor signage, furnishings and décor
- 2 Self-checkout Stations
- Single Public Service Desk & public computer laptops/tablets
- Email notification and enhanced social webpage and social media presence



Library Department Proposed Budget

○ Contains:

- New Salaries and Wages Account to track new FT positions called for in Library Operations Study
- New Services and Supplies Account for materials, furnishings and equipment called for in Library Operations Study



Library Department Areas of Focus in FY2017-18

- Focus Area 1: Implementing highest priority technology items from Library Operations Study: Improving Wi-Fi, Amount of Public Computers, and Increasing Internet Speed
- Focus Area 2: Modernizing Library Appearance and Flow of Operations and Introducing More Digital Resources and Timesaving Practices



Management Services Department Overview

- Services include:
 - **General Services:** Transportation, Parking, Legislative Affairs, Environmental Services, Economic Development, Public Engagement, Information Technology and Special Projects
 - **Human Resources:** Recruitment, Employee Training, Risk Management and Labor Relations
 - **City Clerk:** Public Information, Elections, Records Management, Boards and Commissions, City Council Support, Audio Visual Support and Passport Services



Management Services Department Overview

Accomplishments:

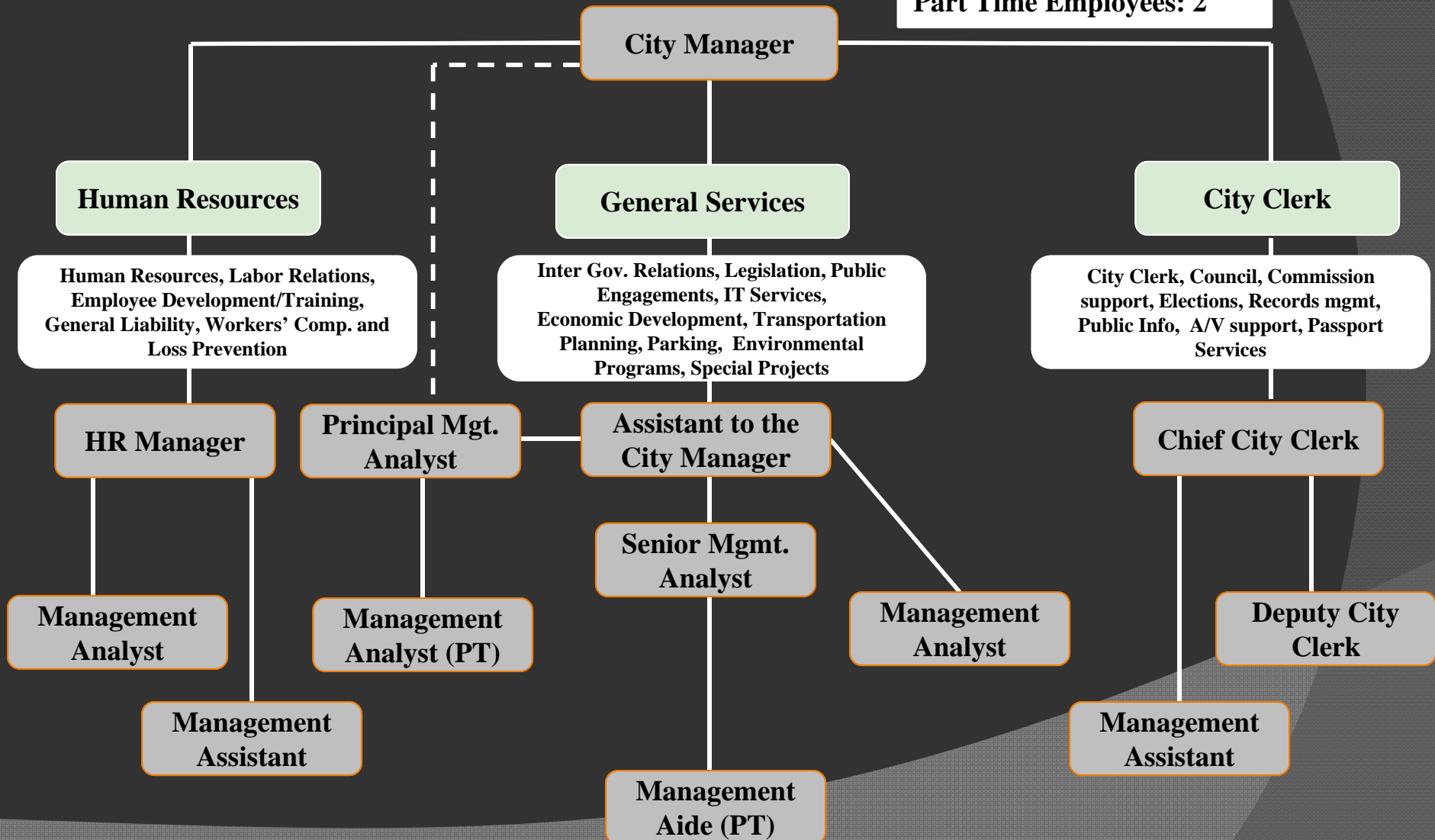
- Update 20% of City staff workstations
- Consolidation of copier contracts City-wide
- Grant funds for replacement of public computers in Library and Recreation
- Online customer care portal
- Records archiving project: records management policy; redesign of City Clerk vault; offsite storage; scanning of all subject files
- 626 Golden Streets event
- Wayfinding grant from Metro
- 26 recruitments (to date)
- SB 415 voter participation; election year change

Management Services Department

FY 2017-18



Full Time Employees: 11
Part Time Employees: 2





Management Services Department Current Budget

- ◎ FY16-17 Budget Amount (GF only)
 - \$2,824,723
- ◎ Notable expenditures:
 - IT projects
 - Replacement of City workstations and mobile devices
- ◎ Notable revenues:
 - Passport services (since late Feb)



Management Services Department Proposed Budget

- Notable changes include
 - Management Intern to Management Aide
 - Increase in water conservation program budget – residential and commercial rebates



Management Services Department Areas of Focus in FY2017-18

- Phone System Upgrade Preparation
- Records Management
- 2018 Election Planning
- Climate Action Plan
- Renewal Energy Council Recomm.
- Bike Friendly District Pilot Program
- Arroyo Verdugo JPA



Planning & Building Department Overview

- Services include:
 - Maintaining the General Plan and administering the Zoning Code, Design Guidelines and MSSP
 - Staffing for the Planning Commission, Design Review Board and Cultural Heritage Commission.
 - Building plan checks, building permits, building inspections
 - Code Enforcement



Planning & Building Department Overview

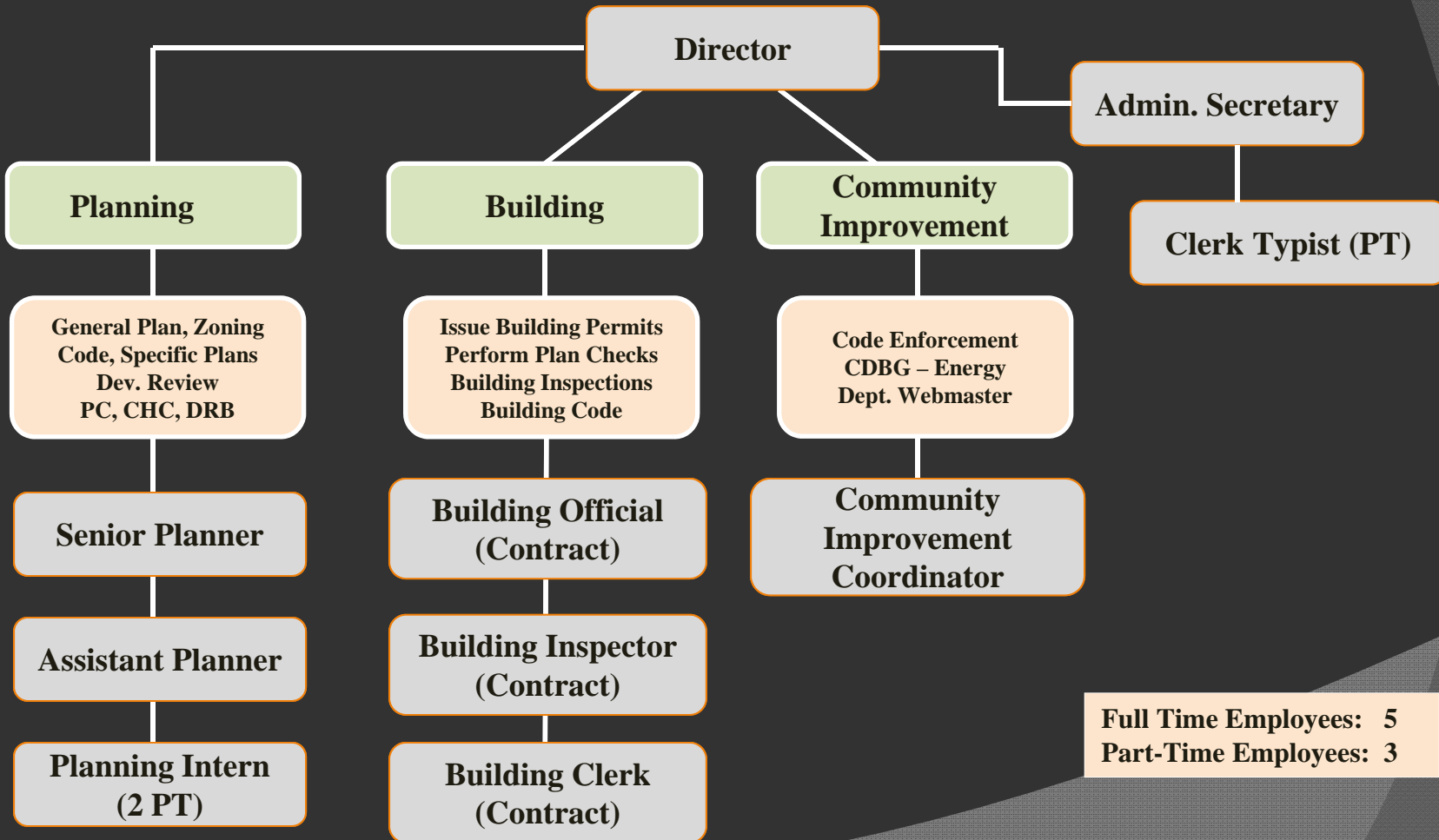
● Notable Accomplishments

- Initiated General Plan/Mission Street Specific Plan; extensive public engagement process now underway
- Updated Cultural Heritage Ordinance and updated Cultural Heritage Inventory will be brought to the Council on May 3, 2017

● Notable FY 2017 Challenge

- GP/MSSP public engagement very resource intensive and demanding

Planning and Building Department Staffing





Planning and Building Department Current Budget

- ◎ FY16-17 Budget (General Fund)
 - Personnel - \$652,734
 - O & M - \$548,600
 - Total - \$1,201,334
- ◎ Notable expenditures
 - Contract Services – Building personnel, plan check services, and Building Code update - \$360,000
 - GP/MSSP Update
- ◎ Notable revenues
 - Plan Checks & Building Permits - \$525,000



Planning and Building Department Proposed Budget

- ◉ Notable changes
 - Increase in plan check volume will increase plan check costs, but will be offset by related increase in plan check revenues



Planning and Building Department Areas of Focus in FY2017-18

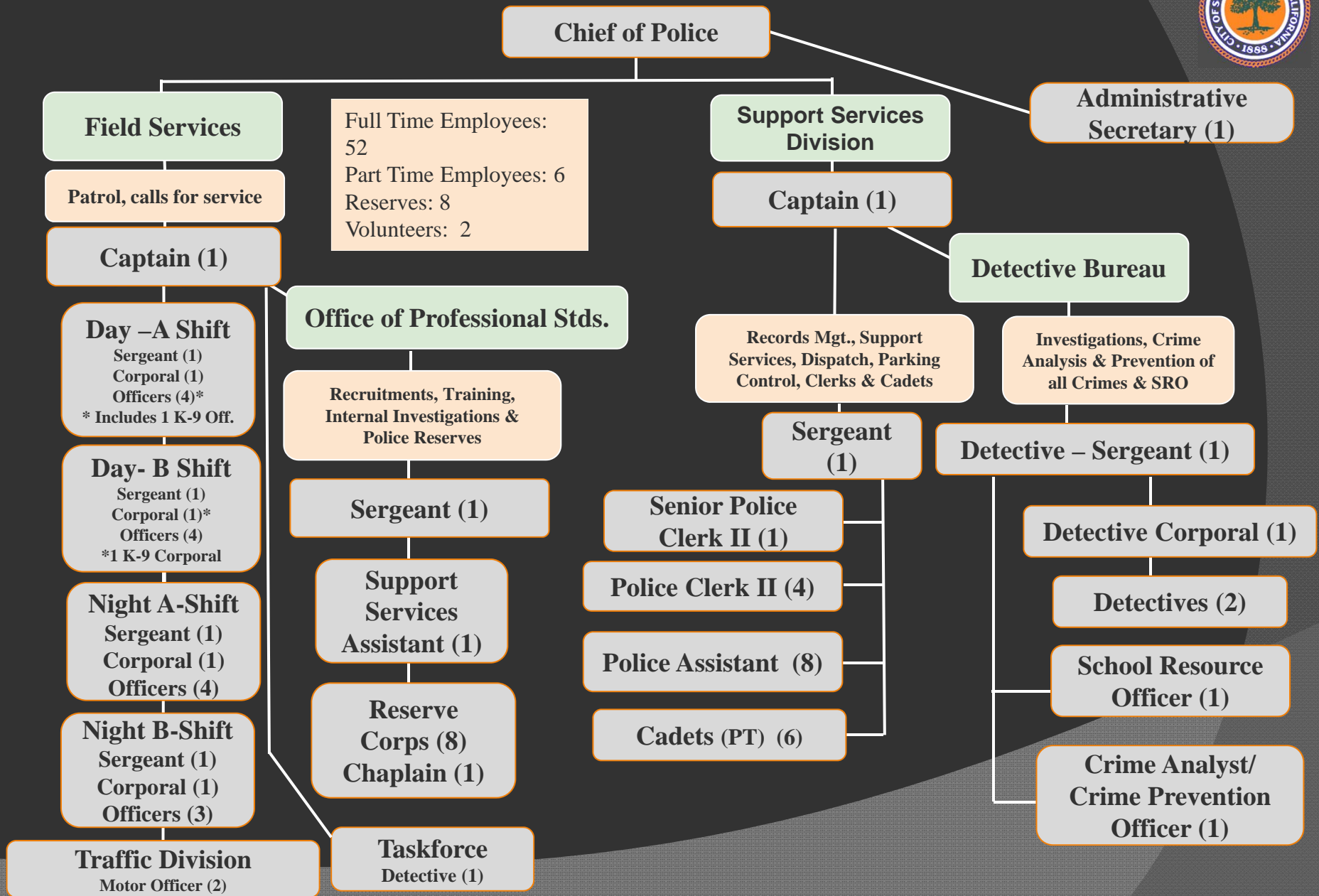
- GP/MSSP Update – Projected 80 - 85% completion by end of FY 2017-18
- Cultural Heritage Inventory – community access to interactive GIS map via website
- Continued implementation of URM ordinance
- Grant application submitted for Permit Tracking software



Police Department Overview

- Services include:
 - Patrol, Investigations, Traffic Enforcement, School Resource Officer, Mental Health Evaluation Team, Teen and Citizen's Academy, Women's Self-Defense, Homeless Outreach
- Accomplishments in 2017
 - Staffing
 - Reduction in Crime 5.9%
 - Mental Health Evaluation Team
 - Regional Training – Tactical Medicine
- Challenge in 2017
 - Emergency Operations Center
 - Meeting the changing needs of the City

Police Department Staffing



Full Time Employees: 52
Part Time Employees: 6
Reserves: 8
Volunteers: 2

Police Department Current Budget



- ◎ FY16-17 Budget Amount...
 - \$8,295,100
- ◎ Notable expenditures include...
 - Special Department Expenses (Community Programs)
 - Overtime (Shift Coverage, Special Events)
 - Contract Services (Jail, IT Support, Communications, Forensics)
- ◎ Notable revenues include...
 - Asset Forfeiture

Police Department Proposed Budget



- Notable changes include increased funding for:
 - Special Department Expenses (Community Programs)
 - Overtime (Shift Coverage)
 - Contract Services (Jail, IT Support, Communications, Forensics)

Police Department Proposed Budget



- Supplemental requests include...
 - One Police Black and White Patrol (K9)
 - One Police Motorcycle
 - One Admin. Vehicle
 - One Detective Vehicle

\$150,000

Police Department Areas of Focus in FY2017-18



- ◎ Focus Area 1
 - Quality Service
- ◎ Focus Area 2
 - Continuing community partnerships through outreach and programs
- ◎ Focus Area 3
 - Developing partnerships and resources with the surrounding law enforcement community



Public Works Department Overview

❖ Services include:

- Land Development Projects, Utilities and Tree permits, Storm Water Compliance, Solid Waste Contract, Capital Improvement Program
- Maintenance of sidewalks, potholes, storm drains, street signs, cross walks, red curbs, striping and miscellaneous trash pickup
- Maintenance of Parks and medians
- Maintenance of City facilities
- Sewer System Management Plan, sewer collection system maintenance
- Ensure supply of potable water in an effective and economic manner

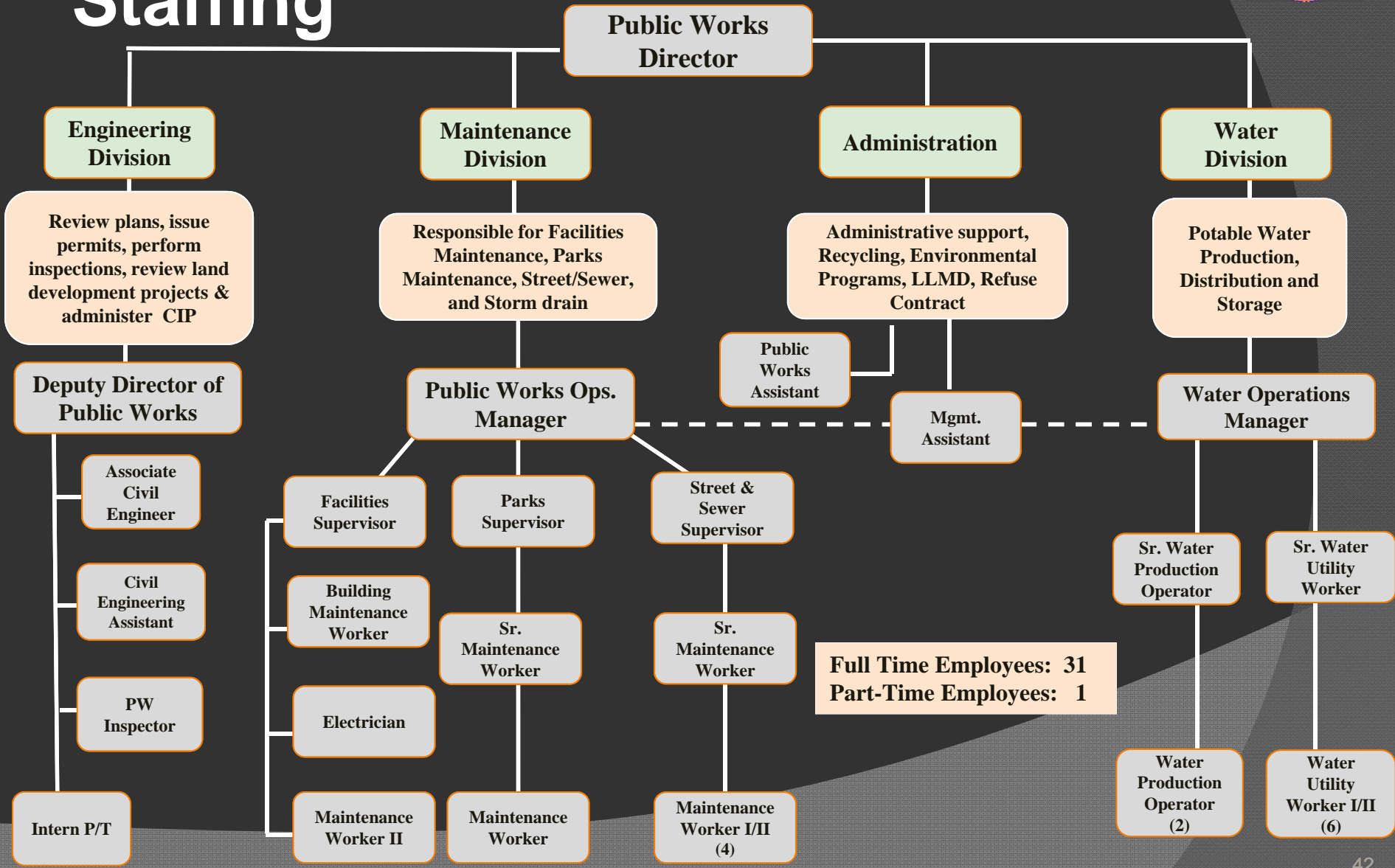
❖ Accomplishments:

- Reorganization of Public Works Department
- Completion of over 20 million Projects including Garfield Reservoir Construction, Citywide Sewer Rehabilitation and Replacement Project, Monterey Road Rehabilitation, Dog Park Project

❖ Challenges:

- Facilities Maintenance, Street/Sidewalk Repairs, Urban Forestry, Staffing constraints

Public Works Department Staffing



Full Time Employees: 31
Part-Time Employees: 1



Public Works Department Current Budget

- ❖ FY16-17 Budget Amount...
 - Operations Budget \$2 million
(Other funds Gas Tax, LLMD, Water, Sewer and Measure R, Prop A and Prop C etc.)
 - Capital Improvement Programs - \$20 million
- ❖ Expenditures include maintenance of streets, sidewalks, storm drains, urban forestry, parks/ landscape medians, maintenance and solid waste
- ❖ Revenues include Gas Tax, Measure R, Proposition A and C, Engineering Plan Check Fees, Public Works Tree Permits, Loans and Grants.



Public Works Department Proposed Budget

- ❖ No substantial changes
- ❖ Supplemental requests include...
 - Request to continue supplemental funds for Urban Forestry - \$100,000 to maintain the level of service
 - Sidewalk Repairs – request to continue supplemental funding of \$100,000 to avoid deterioration of sidewalks resulting in a number of trip and fall claims
 - Gold Line Station Park/Museum Landscape/Drainage - \$60,000
 - Vehicle Replacement for Streets Division - \$40,000



Public Works Department

Areas of Focus in FY2017-18

- ❖ Rehabilitation of Monterey Road and Orange Grove traffic signal
- ❖ Completion of the Sewer Rehabilitation and Replacement Project
- ❖ Completion of Garfield Reservoir, and start Construction of Graves Reservoir
- ❖ Explore potential funding options to maintain Urban Forestry, Street/Sidewalk Repair Programs and Facilities Maintenance