



City of Carson

Report to Mayor and City Council

July 17, 2012
Special Orders of the Day

SUBJECT: CONTINUED PUBLIC HEARING REGARDING FISCAL YEAR 2012/13 CITY MANAGER'S PROPOSED GENERAL FUND BUDGET

Submitted by David C. Biggs
City Manager

Approved by David C. Biggs
City Manager

I. SUMMARY

The City's new fiscal year commences July 1, 2012, and the City Manager has prepared a proposed General Fund budget for the City Council's review and consideration. The upcoming fiscal year budget has to overcome impacts from the loss of redevelopment and other factors which result in an estimated \$5.2 million deficit in the General Fund operating budget. The proposed budget recommends a series of decision packages which would allow for a balanced budget if adopted as presented by the City Manager. This continued Public Hearing provides a third formal opportunity for community review and comment with the Council able to adopt a General Fund budget for FY 2012/13 after the close of the Public Hearing.

II. RECOMMENDATION

TAKE the following actions:

1. CONDUCT a Continued Public Hearing on the proposed FY 2012/13 General Fund Budget;
2. APPROVE the FY 2012/13 General Fund Budget incorporating the Decision Packages, Budget Referrals and Use of Fund Balance as determined by the City Council;
3. ADOPT Resolution No. 12-068 "A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CARSON, CALIFORNIA, ADOPTING THE FISCAL YEAR 2012/13 GENERAL FUND BUDGET AND APPROVING APPROPRIATIONS FOR THE 2012/13 FISCAL YEAR."

III. ALTERNATIVES

The Council could further continue the Public Hearing open to a date certain to allow for more study sessions or deliberation.

IV. BACKGROUND

The proposed General Fund budget was introduced by the City Manager and received and filed by the City Council on Wednesday, June 6, 2012. A study session was held by the City Council on June 13, 2012. That study session generated a number of questions and comments which the staff has worked to

respond to in the form of Budget Referrals. A noticed Public Hearing on the General Fund Budget was held on June 19, 2012. At this hearing, the initial Budget Referrals were provided to the Council and reviewed by staff with additional questions and requests for information provided. The Public Hearing was continued open to Tuesday, July 3rd to allow for a second study session on July 26th.

At the July 26th study session, additional information was provided in the form of new Budget Referral and updates to prior Budget Referrals. Additional questions were asked and answers to these questions are being provided as new Budget Referrals or updates.

In addition, the recommendations of the Citizens UUT Committee were also reviewed with the City Council. Staff also provided the Council with two examples of single page worksheets which illustrate how the FY 2012/13 General Fund Budget can be balanced by selecting a number of Decision Packages, Budget Referrals, and Use of Fund Balance.

On July 3rd, the City Council convened the continued Public Hearing. The staff provided additional information in the form of new or updated Budget Referrals. Following the close of the public hearing, the Council reviewed various Decision Packages and worked to close the shortfall through those Decision Packages and Budget Referrals where there was a consensus. The Council then determined to reopen and continue the Public Hearing to July 17th to review additional Decision Packages and Budget Referrals for possible incorporation into the FY 2012/13 General Fund Budget.

To assist the Council in making choices and finalizing a FY 2012/13 General Fund Budget, a worksheet was developed and used through an overhead view to facilitate decision making. The "consensus" version from July 3rd is attached for the Council's information.

V. FISCAL IMPACT

The proposed FY 2012/13 General Fund Budget as recommended to you by the City Manager is balanced. It has also been developed consistent with the City Council's adopted Financial Principles & Guidelines. The Council's choices should be evaluated in the context of the Financial Principles & Guidelines and the fiscal impact of the final budget decisions will be illustrated through the worksheets.

VI. EXHIBITS

- 1) FY 2012/13 Proposed General Fund Budget (previously provided)
- 2) Budget Referrals #1 -22 and updated line item summaries (previously provided)
- 3) June 26, 2012 Study Session Materials (previously provided)
- 4) Resolution No. 12-068 (Pgs. 4 and 5)

- 5) Updated Decision Packages and Budget Referrals (Pgs. 6-82)
- 6) City Manager Memorandum dated July 3, 2012 (w/o attachments) (Pgs. 83 and 84)
- 7) Consensus worksheet (Pgs. 85 and 86)

Prepared by: David Biggs, City Manager

TO:Rev04-23-12

Reviewed by:

City Clerk	City Treasurer
Administrative Services	Development Services
Economic Development	Public Services

Action taken by City Council

Date_____ Action_____

RESOLUTION NO. 12-068

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF
CARSON, CALIFORNIA, ADOPTING THE FISCAL YEAR
2012/13 GENERAL FUND BUDGET AND APPROVING
APPROPRIATIONS FOR THE 2012/13 FISCAL YEAR

WHEREAS, the City Manager has prepared and submitted to the City Council a proposed budget for the 2012/13 fiscal year, which commences on July 1, 2012, and ends on June 30, 2013; and

WHEREAS, the City Council has reviewed the proposed budget; and

WHEREAS, a public hearing has been duly held pursuant to the provisions of the Carson Municipal Code; and

WHEREAS, the City Council has determined that it is necessary for the efficient management of the City that certain sums be appropriated to the various departments and activities of the City.

NOW, THEREFORE, the city council of the city of Carson, California, does hereby resolve, find, determine and order as follows:

Section 1. The general fund budget for the City of Carson for the fiscal year beginning July 1, 2012, and ending June 30, 2013, is hereby adopted. Said budget being the proposed budget as reviewed and amended in open study session before the City Council, a copy of which is on file in the City Clerk's Office.

Section 2. The sums of money therein set forth are hereby appropriated to the respective accounts for expenditure during fiscal year 2012/13, for each of the several items set forth in the proposed budget, as amended.

Section 3. The following sums of money are hereby appropriated to the following departments of the City for expenditure during fiscal year 2012/13:

EXHIBIT NO. 04

[MORE]



July 3, 2012

BUDGET APPROPRIATIONS
FOR EXPENDITURE

General Fund Budget

<u>WORK GROUP</u>	<u>AMOUNT</u>
City Council	\$ 769,805
City Attorney	1,266,000
Non Departmental	6,239,000
City Clerk	910,106
City Treasurer	723,986
City Manager	3,406,697
Administrative Services	7,015,711
Economic Development	1,547,013
Development Services	9,023,926
Public Services	<u>37,592,466</u>
 TOTAL GENERAL FUND BUDGET	 <u>\$ 68,494,710</u>

Section 4. The City Manager is hereby instructed to have copies hereof duplicated and distributed to all work groups, officials and interested parties as soon as convenient.

Section 5. The City Clerk shall certify to the adoption of this resolution and shall keep a copy of this resolution attached to the fiscal year 2012/13 budget on file, and effective as of July 1, 2012, the same shall be in force and effect.

PASSED, APPROVED and ADOPTED this 3rd day of July, 2012.

MAYOR JIM DEAR

ATTESTED:

CITY CLERK DONESIA L. GAUSE, CMC

APPROVED AS TO FORM:

CITY ATTORNEY

[MORE]



General Fund Operating Budget Recommended Decision Packages

Decision Package #1: City Manager/Administrative Services Line Item Modifications - Following initial Work Group submittals, the City Manager and Administrative Services reviewed the submitted budgets and identified corrections and reductions to operations and maintenance line items to better align proposed expenditures with actual experience from prior years. Expense Reduction: \$1,052,408.

Decision Package # 2: Reorganization Proposal – Implement City Manager’s Reorganization proposal which restructures the City’s operating structure back to a department based format with the following elements:

- Move Information Technology from the City Manager’s Office to Administrative Services;
- Move Human Resources from Administrative Services to the City Manager’s Office;
- Eliminate the Public Information Manager position (vacant) and the Management Assistant position (vacant) in the City Manager’s Office and create an Assistant City Manager Position;
- Change the Development Services Work Group to the Public Works Department;
- Consolidate the Landscape and Building Maintenance Division with the Public Works Division in the Department of Public Works;
- Reclassify the Public Works Superintendent position to Public Works Officer to lead the consolidated Public Works Division;
- Move the Transportation Division to the Department of Community Services (formerly the Public Services Work Group);
- Move the Building & Safety Division to the Department of Community Development (formerly the Economic Development Work Group)
- Consolidate the Human Services Division with Parks and Recreation Division in the Community Services Department;
- Eliminate the Human Services Manager position (vacant);
- Change the titles of the General Managers to Director of Administrative Services, Director of Community Development, Director of Community Services, and, Director of Public Works/City Engineer.

Expense Increase: \$2,215

Decision Package #3: Employee Healthcare Costs - Budget for employee healthcare costs at projected actual plus 5% not at full exposure. Expense Reduction: \$420,000.

Decision Package # 4: Former Redevelopment Property Tax Increment – With the elimination of redevelopment, approximately 6% of former property tax increment after satisfaction of recognized Obligation Payments (ROPS) should be returned to the City as a taxing entity. For fiscal year 2012/13, this is conservatively estimated at \$400,000 and should increase in future years as redevelopment obligations are satisfied. Revenue Increase: \$400,000

Decision Package # 5: Capital Assets Replacement Fund (CARF) Contribution – Maintain at the current level of \$500,000 with an additional \$500,000 to be funded as a transfer from Unrestricted Fund Balance in FY 2012/13. Expense Reduction: \$500,000

Decision Package # 6: CalPERS Contribution/Pre-Retirement Death Benefit – Pre-pay the City's 2012/13 employer CalPERS employer contribution in order to secure a pre-payment discount of approximately \$200,000 and use a portion of that amount to provide funding to address a gap in employee benefit coverage in the event of death at an initial cost for FY 2012/13 of \$80,000 (an estimated \$33,000 annually on-going starting in FY 2013/14). Expense Reduction: \$120,000

Decision Package # 7: Municipal Election - Budget for 2013 municipal election costs of \$365,545 from unrestricted fund balance as a non-annual cost. Expense Reduction: \$365,545

Decision Package # 8: City Manager Support Staffing – Eliminate one Senior Clerk position and consolidate support staffing with Public Information Office. Expense Reduction: \$82,000

Decision Package # 9: Public Information Office Reduction – Eliminate one Division Secretary and one Graphic Designer II and decentralize most graphics support functions to operating departments and consolidate support staffing with the City Manager's Office. Expense Reduction: \$181,562

Decision Package # 10: Part Time Hourly Scheduling – Minimize the use of CalPERS eligible part-time employees to reduce or eliminate the 20% increase in cost for CalPERS eligible part-time employees by 25% in FY 2012/13. Expense Reduction: \$100,000

Decision Package # 11: Expand Cell Phone Stipend Program – Eliminate City provided cell phones and services for all but a few critical phones and replace with a limited cell phone stipend. Expense Reduction: \$10,000

Decision Package # 12: Cost Allocation Model – In order to ensure cost recovery through grant funded programs and to ensure transparency as to program and service costs, the City needs to have an updated cost allocation model developed and implemented. Expense Increase: \$50,000.

Decision Package # 13: Light Vehicle Fleet Update and Maintenance – Contract for the provision of the City's light-vehicle fleet replacement and maintenance to ensure regular fleet replacement and reduce operating costs and the need to set aside funds for vehicle replacement. One Senior Mechanic and one Equipment Mechanic position would be eliminated. Expense Reduction: \$79,525 - \$125,000



Decision Package # 14: Consolidation of Commissions, Boards & Committees – The City currently has 20 Commission, Boards and Committees. This number is considerably more than comparable communities and there is a cost associated with the staffing and support of so many Commissions, Boards and Committees including overtime or comp time costs for the one or two staff members who must attend each Commission, Board or Committee meeting and member stipends. The following is a suggested revision to Commissions, Boards, and Committees by name and the duties of existing ones which would be incorporated into the revised structure:

- Planning Commission (Beautification, Planning and Environmental);
- Citywide Advisory Commission (if needed);
- Economic Development Commission;
- Parks, Recreation and Cultural Affairs Commission (Parks & Recreation and Cultural Affairs);
- Mobilehome Rental Review Board;
- Community Relations Commission (Human Relations and Women's Issues);
- Youth Commission; Veterans and Senior Citizens Advisory Commission (Veterans Affairs and Senior Citizens);
- Public Works Commission;
- Public Safety Commission;
- Relocation Appeals Board (as needed);
- Utilities Users Tax Citizen's Budget Oversight Committee;
- Civic Engagement and Public Relations Committee (Civic Engagement and Public Relations).

The Historical Committee would be eliminated upon the formation of the proposed Carson Historical Society. Expense Reduction: \$35,000

Decision Package # 15: Modify Human Services Support Staffing - Elimination of one Division Secretary due to the City Manager's reorganization wherein the Human Services Division merges with the Recreation Division, there will be no need for this position at this classification. There will be a need to provide a Senior Clerk to cover the clerical needs of this unit. Expense Reduction: \$6,000

Decision Package # 16: Modify Landscape and Building Maintenance Support Staffing - Elimination of one Division Secretary as a result of the City Manager's reorganization plan wherein Landscape and Building Maintenance will merge with Public Works. There will now be a need for only one Division Secretary. Expense Reduction: \$84,141

Decision Package # 17: Restructure Human Services Staffing – With the consolidation of Human Services back into Recreation, the Community Services Coordinator II will be transferred to fill the Senior Services Coordinator II position (vacant) primarily working with the Stroke Center. With the elimination of the Fine Arts Program and the consolidation of Human Services and Parks and Recreation Divisions, the Community Services Manager position is proposed for elimination as the need for this position has greatly diminished. Expense Reduction: \$103,165



Decision Package # 18: **Modify Warehousing/Purchasing Operation** – Change warehousing/purchasing operations by decentralizing some purchasing and implementing the State CalCard program, filling the Purchasing Manager position, and eliminating the Senior Buyer position. Expense Reduction: \$130,174

Decision Package # 19: **Reorganize Human Resources** – Reduce Human Resources staffing based on reduced number of total employees and increased efficiencies by filling the Senior Human Resources Analyst position and eliminating a Human Resources Analyst position and an Employment Services Clerk (vacant). Expense Reduction: \$157,006

Decision Package # 20: **Reorganize the Career Center** – Staffing and expenses for the Career Center are proposed to be modified to mostly eliminate the General Fund cost to ensure the Center is primarily supported by grant funds. Expense Reduction: \$158,996

Decision Package # 21: **Mobilehome Rental Review Process Assessment** – Reduce the General Fund cost of operating the Mobilehome Rental Review Board and process by 50% by realigning the process as a result of the audit or by charging a fee for service. Expense Reduction: \$60,000

Decision Package # 22: **Modify Transportation Services Division Operations**- Reorganize the Transportation Services Division to be in alignment with current level of services by eliminating two full-time Senior Bus Driver positions, one CPT Senior Bus Driver position and one CPT Bus Driver position. In addition, pricing for Transportation Division excursions should ensure full recovery of direct costs. Expense Reduction: \$219,806

Decision Package # 23: **Water Quality Inspection Implementation** – State mandates require that an increased level of water quality inspection be implemented locally. In order to avoid the cost of contract inspection services, it is proposed to train and equip the City's Code Enforcement Officers to undertake these inspections. Undertaking these inspections will also result in increased fine and forfeiture revenues. Expense Reduction: \$100,000

Decision Package # 24: **DUI Checkpoint Reduction** – Recent changes in State law has resulted in a reduction in the amount of revenue generated to offset the cost of conducting DUI Checkpoints. In response, it is proposed to reduce the number of DUI checkpoints conducted each year from 12 to 4. Expense Reduction: \$41,400

Decision Package # 25: **Modification of Kids Club Operations** - The Kid's Club Program was established to be a self supporting program. This has always been a challenge, and the current staffing structure exacerbates the need for a subsidy from the General Fund. It is recommended to transfer the supervision responsibilities for the Kid's Club operations to the Early Childhood Program Supervisor and that the two (2) Kid's Club Site Director positions be eliminated. The Supervisor will also receive some part-time assistance to operate both programs. Since Human Services and Parks and Recreation have now merged, these programs have similar missions and the same educational requirements for its employees and there are economies of scale through this approach. Expense Reduction: \$100,000

Decision Package # 26: Community Center Position – Eliminate one Events Coordinator position (vacant) at the Community Center. Expense Reduction: \$94,876

Decision Package # 27: Elimination of a Public Safety Specialist – The City formerly operated with just one Public Safety Specialist and the responsibilities of one of the two positions can be absorbed by the other Public Safety Specialist and the Youth Services Officers. The programs absorbed by remaining staff would be Street Smart, Community Watch and Park Watch. Expense Reduction: \$105,266

Decision Package # 28: Carson Park Facilities Furnishings – Upon completion of the redevelopment funded renovation of Carson Park, the new building will require furniture and fixtures with an estimated cost of \$97,695. As a one-time expenditure, this is proposed to be funded from fund balance. Expense Increase: \$97,695.

Decision Package # 29: Use of Prior Years Donations – Certain activities expenses contained in the General Fund, like the Economic Development Small Business Awards, can be paid from accumulated donations. Expense Decrease: \$11,500.

General Fund Operating Budget Alternate Decision Packages

Alternate Decision Package # 1: Contract Pool Maintenance – Elimination of the Pool Maintenance Specialist is proposed. This was a service that was once contracted out, but the City hired the person who worked for the firm that was utilized by the City. It is believed the City can contract this service again at a lower price without any disruption to its operations. There would be net savings to the City from the elimination of the employee and contracting out for services. Expense Reduction: \$23,527 – 47,054

Alternate Decision Package # 2: HVAC Contract Services - Elimination of the HVAC Technician is proposed. Although this position was created to deal with the HVAC needs of the City, it has not resulted in all of the City's HVAC needs being addressed in-house. The City still contracts out a great majority of the work; thus, going back to a total contract for HVAC services will not be a significant transition for the City. Expense Reduction: \$ 26,700 – \$53,400

Alternate Decision Package # 3: Elimination of the Veterans SportsComplex Fitness Operation - With a 24 Hour Fitness and LA Fitness built in/near the City, the need for a City run and subsidized fitness club no longer exists to the same degree. The SportsComplex will still provide fitness programs through a revised special interest class program wherein all classes will be cost-neutral through fees. The facility also will have new operations to bring revenue through film shoots, and be more available to youth and adult sports programs. In addition to the maintenance and operation costs and part-time staff savings, there will be two full-time positions eliminated with change, a Recreation Center Supervisor II position and a Typist Clerk II position. Expense Reduction: \$416,247

Alternate Decision Package # 4: Modify Special Needs Programs Staffing - The Special Needs Program services the adult population with mental and physical disabilities. The client base for this program has diminished over the years. As such, the Assistant Recreation Coordinator is proposed to be eliminated to better match staffing resources with current demand. If there is any increase in demand in the future, this can be handled through additional part-time resources at a lower cost. Expense Reduction: \$89,407

Alternate Decision Package # 5: Eliminate Sunday Park Staffing - With the exception of permit functions and adult sports, it is proposed not to staff the parks on Sundays. Sundays have the least need for staffing because there are no organized activities at the parks. The park facilities are presently only open 2:00-5:00 p.m. on Sundays and eliminating these hours will have the least impact to the public. Expense Reduction: \$ 28,000



Alternate Decision Package # 6: **Modify Building Security Contract Services** - It is believed that the security contract can be reduced through cutting back the number of officers or their hours of operation. Actual savings will depend on the level of service desired. If it is found that more security is needed in the future, the security contract allows us to add an officer or additional hours to existing ones at any time. Expense Reduction: \$50,000

Alternate Decision Package # 7: **Contract for Janitorial Service in Parks** - Elimination of City staff provided janitorial services at the parks would entail the elimination of eleven (11) custodial staff positions, five Senior Custodian and six Custodian positions (one (1) vacant). This service has been contracted out in the past and can quickly be implemented again. An in-house City Hall crew will be maintained. A City Custodial Supervisor will supervise and manage the custodial contract. Expenditure Reduction: \$212,656 - \$425,312

Alternate Decision Package # 8: **Contract for Graffiti Removal Services** - Elimination of the in-house graffiti removal crew would result in four Facility Maintenance Technician II positions being eliminated. This type of service has been contracted out successfully in several cities in California. Depending on which service levels were selected, including weekend service, a higher level of service could be provided at less cost. Expense Reduction: \$104,215 - \$208,430

General Fund Balance

Decision Packages

Fund Balance Decision Package # 1: **Budget Stabilization Reserve** – Establish a Budget Stabilization Reserve with a designation of \$2.5 million in Fund Balance to be used, if needed, over the next five years to assist in the transition to a post-redevelopment operating environment. Transfer \$500,000 to the General Fund for FY 2012/13 transition costs.

Fund Balance Decision Package # 2: **Capital Projects Fund** – Establish a Capital Projects Fund with an initial designation of \$1,000,000 to accumulate resources as they become available to fund capital projects, infrastructure, and facilities in the community, especially where funds must be accumulated over time. Projects would to be funded would be identified in the Five Year Capital Improvement Program Budget as updated each year.

Fund Balance Decision Package # 3: **OPEB Trust Contribution** – The City recently established an Other Post-Employment Benefits Trust with CalPERS to begin to accumulate funds for employee retiree medical costs and to address this growing unfunded liability. Transfer \$1,000,000 from the General Fund Balance to the OPEB Trust.

Fund Balance Decision Package # 4: **Self –Sustaining Fund Deficit Elimination** – The Self Sustaining Fund which is used for a number of recreation programs will have an estimated accumulated deficit of \$525,000 by the end of the 2011/12 Fiscal Year. Transfer \$525,000 from the General Fund Balance to the Self-Sustaining Fund to eliminate the accumulated deficit.

Fund Balance Decision Package # 5: **Operating Budget Designations** – Operating Budget Decision Packages No. 5, 7, 12, and 28 allocate General Fund Balance to non-recurring and one-time expenses with a total of \$1,000,175.

Budget Referrals:

1. What filled and unfilled positions are proposed for elimination in the FY 2012/13 General Fund Budget? DONE 6-19-12
2. What are the current vacant positions which could be filled next fiscal year? DONE 6-19-12
3. What are the positions where there are confirmed retirements in the near term? DONE 6-19-12
4. How does the current salary level for General Manager's compare to Department Heads in comparable and neighboring cities? DONE 6-19-12
5. What grants have been secured by the Beautification Committee? DONE 6-19-12
6. Can the Transportation Division somehow generate additional demand to support the current level of full-time and classified part-time employees? **UPDATE TO BE PROVIDED** DONE 6-28-12
7. What is the reason for the increase in the salaries and benefits total for the Transportation Division proposed budget over the budgeted and actual for the current fiscal year (page 70)? DONE 6-19-12
8. How has the deficit in the Self Sustaining Fund accumulated to the current level? DONE 6-19-12
REVISED 7-3-12
9. What are the revenues and expenses for each Kids Klub site for the past few years and the level of cost recovery compared to the Council's adopted policy goal for 75%? DONE 6-19-12,
REVISED 6-25-12
10. What options are there to reduce overtime costs? **UPDATE TO BE PROVIDED** DONE 6-19-12,
UPDATE AND DETAILS TO BE PROVIDED REVISED 6-28-12
11. What can be done to reduce the annual cost of Leave Redemption? DONE 6-19-12
12. What is the reason for the increase in the professional services line item in the Development Services Engineering budget over the budgeted and actual for the current fiscal year (page 68)? DONE 6-19-12
13. What is the reason for the increase in the Special Materials and Supplies line item in the Development Services budget over the budgeted and actual for the current fiscal year (page 64)? DONE 6-19-12
14. How restrictions do associated with use of Prop A and Prop C funds impact Transportation Division operations? DONE 6-19-12
15. What is the projected impact from the use of additional fund balance to address the projected operating budget deficit in-lieu of making the reductions proposed? DONE 6-19-12
16. What would be the recommended annual contribution to the CARF each year to be setting aside sufficient funds to replace equipment in a timely manner? DONE 6-26-12
17. What is the amount of the annual contribution to the OPEB Trust fund to amortize the unfunded liability for retiree medical consistent with GASB 45? DONE 6-19-12
18. What is a cost allocation plan? DONE 6-19-12
19. What positions were added to the City's organizational structure most recently? DONE 6-19-12
20. What would the City organization chart reflect if the City Manager's proposed reorganization were approved? DONE 6-19-12

21. What types of outplacement and other support services would be available to displaced employees who positions made be eliminated if they had to exist the organization? DONE 6-19-12
22. What opportunities may exist to transfer employees from filled positions to be eliminated to vacant funded positions? DONE 6-26-12
23. Why are health insurance costs so much higher in FY 2012/13 than in 2011/12? DONE 6-25-12
24. *What are the annual unrealized revenues for the Community Center due to free use or reduced fees?* DONE 6-26-12, **BUT TO BE REVISED** REVISED 6-30-12
25. On June 19, 2012, Councilman Santarina submitted a number of questions to staff and requested that staff respond. DONE 6-25-12, **But update for answer for no. 6 to refer to Budget Referral # 27**
26. How much is the animal control contract with L.A. County going up this year? DONE 6-25-12
27. **What amounts are budgeted for travel and conferences in the General Fund for FY 2012/13?** **TO BE PROVIDED** DONE 6-28-12
28. What is the cost recovery for the Early Childhood Education program? DONE 6-26-12
29. **What is the current status of estimated fines and forfeiture revenues for this fiscal year and an update estimate for next fiscal year?** **TO BE PROVIDED** DONE 6-28-12
30. **What options are there to increase the Sheriff's contract to address public safety concerns arising out of State realignment?** **TO BE PROVIDED** DONE 6-28-12
31. **How was the projected \$35,000 in savings from Commission consolidation estimated?** **TO BE PROVIDED** 6-28 DONE 6-30-12
32. On June 25, 2012, Councilmember Lula Davis Holmes submitted a number of questions to staff and requested that staff respond. **TO BE PROVIDED** DONE 6-30-12
33. **What additional corrections have been identified which need to be added to the General Fund budget?** DONE 7-3-12
34. **Which positions eliminated recently resulted in employees being Y-rated?** DONE 7-3-12
35. **What are the travel budgets of the elected officials?** DONE 7-12-12
36. **Mayor Pro Tem Ruiz-Raber's recommended reductions to the number of commissioners per commission.** DONE 7-12-12
37. **Which City officials are provided with some form of an auto allowance?** DONE 7-12-12

CITY OF CARSON
FY 2012/13 PROPOSED GENERAL FUND BUDGET
COUNCIL BUDGET REFERRAL

Question #1: Which positions (filled and unfilled) are proposed for elimination in the FY 2012/13 budget?

Response: There are a total of 22 positions proposed to be eliminated; 5 are vacant full-time positions; 15 are filled full-time positions; 2 are filled classified part-time positions.

Position Title	Barg Unit	Work Group	Division
Vacant Full-Time:			
Public Information Manager	AME	City Manager	PIO
Management Assistant	ACE	City Manager	Operations
Employment Services Clerk	ACE	Administrative Services	Human Resources
Event Coordinator	AF	Public Services	Community Center
Human Services Manager	AME	Public Services	Human Services
Filled Full-Time:			
Senior Clerk	ACE	City Manager	Administration
Division Secretary	AF	City Manager	Public Information
Graphics Artist	AF	City Manager	Public Information
Senior Buyer	CPSA	Administrative Services	Purchasing
Human Resources Analyst	ACE	Administrative Services	Human Resources
Senior Bus Driver	AF	Development Services	Transportation
Senior Bus Driver	AF	Development Services	Transportation
Senior Equipment Mechanic	AF	Development Services	Public Works
Equipment Mechanic	AF	Development Services	Public Works
Public Safety Specialist	CPSA	Public Services	Public Safety
Kids Club Site Director	AF	Public Services	Recreation
Kids Club Site Director	AF	Public Services	Recreation
Division Secretary	AF	Public Services	Land. & Bldg. Maint.
Division Secretary	AF	Public Services	Human Services
Community Services Prog. Mgr.	CPSA	Public Services	Human Services
Filled Classified Part-Time:			
Senior Bus Driver	AF	Development Services	Transportation
Bus Driver	AF	Development Services	Transportation

Response Provided By: The Administrative Services Work Group

CITY OF CARSON
FY 2012/13 PROPOSED GENERAL FUND BUDGET
COUNCIL BUDGET REFERRAL

Question #2: Which are the current vacant positions that could be filled in FY 2012/13?

Response: There are a total of 22 currently vacant positions which could be filled in FY 2012/13.

Position Title	Barg Unit	Work Group	Division
Council Field Representative	ACE	City Council	Operations
Typist Clerk II	AF	City Council	City Council
Executive Assistant	ACE	City Manager	Administration
Purchasing Manager	AME	Administrative Services	Purchasing
Senior Human Resources Analyst	ACE	Administrative Services	Human Resources
Development Services General Manager	UNCL	Development Services	Administration
Transportation Supervisor	CPSA	Development Services	Transportation
Public Works Officer	UNCL	Development Services	Public Works
Assistant Maintenance Worker	AF	Development Services	Public Works
Assistant Maintenance Worker	AF	Development Services	Public Works
Senior Tree Trimmer	AF	Development Services	Public Works
Senior Clerk	AF	Public Services	Community Center
Code Enforcement Officer	AF	Public Services	Public Safety
Recreation Program Manager	CPSA	Public Services	Recreation
Account Clerk	AF	Public Services	Land. & Bldg. Maint.
Assistant Facilities Maintenance Tech	AF	Public Services	Land. & Bldg. Maint.
Assistant Facilities Maintenance Tech	AF	Public Services	Land. & Bldg. Maint.
Lead Facilities Maintenance Tech	AF	Public Services	Land. & Bldg. Maint.
Assistant Groundswoker	AF	Public Services	Land. & Bldg. Maint.
Custodian	AF	Public Services	Land. & Bldg. Maint.
Community Services Coordinator II	AF	Public Services	Human Services
Early Childhood Instructor	AF	Public Services	Human Services

Response Provided By: The Administrative Services Work Group

**CITY OF CARSON
FY 2012/13 PROPOSED GENERAL FUND BUDGET
COUNCIL BUDGET REFERRAL**

Question #3: Which are the positions that have confirmed retirements in the near future?

Response: There are no confirmed retirements that are not already accounted for in budget referrals #1 and #2. However, there are 7 pending retirements which Human Resources is aware of that may occur between now and the end of this calendar year.

Response Provided By: The Administrative Services Work Group

CITY OF CARSON
FY 2012/13 PROPOSED GENERAL FUND BUDGET
COUNCIL BUDGET REFERRAL

Question #4: How does the current salary level for General Manager's compare to Department Heads in comparable and neighboring cities?

Response: The Human Resources Division undertook an informal survey to provide an indication of scal based on top step salary for a number of comparable and/or neighboring cities. This high-level information is attached and also includes the population size of the surveyed cities and the type of City operation (contract versus full service). This is not a true compensation survey which would look at a number of items of compensation which may be in addition to salary.

As shown on the informal survey, there is quite a range of salaries paid to Department Directors. Carson General Manager salaries are comparable to cities like Gardena, Hawthorne and Lakewood. Peninsula cities like Rancho Palos Verdes and Rolling Hills Estates are higher than Carson, but in the same market area. There are cities which pay less, but they tend to be smaller in size, with one or two exceptions, and in one of those exceptions, the City has many more department heads. Additionally, cities of the approximate size of Carson or larger commonly have the Assistant City Manager or a Deputy City Manager level between the City Manager and their Directors.

Establishing market based salaries include many factors, with the most common ones being comparable size, organizational structure, and geographic location. This would normally be done through a compensation review or study which would result in an established objective as to where a community would like to be in the marketplace to attract and retain qualified employees. Another factor is that Executive Salaries need to be examined in the context of how their compensation compares to employees at ??? level throughout the organization when compared to other survey cities.

For example, using Inglewood as a larger size city in the sample as an example, a top-step Maintenance Worker in Inglewood earns \$3,028 per month while a Maintenance Worker I in Carson earns \$3,735 per month, or a 23% difference. A compensation study (not a compensation and classification study) is needed in Carson to evaluate the pay structure at all levels and to recalibrate our pay system since the most recent years have seen uneven modifications to pay between groups of employees due to things like furloughs and varying cost of living increases which have been granted.

A compensation study by an outside firm would cost in an estimated range of between \$25,000 and \$40,000 depending upon complexity and could be funded from fund balance above the City's reserve goal as an additional appropriation if the Council wishes to start to address the issue in a comprehensive manner.

Response Provided By: The Administrative Services Work Group

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CITY OF CARSON
SALARIES FOR COMPARABLE MANAGEMENT LEVELS IN OTHER CITIES

CITY	POPULATION	MANAGEMENT POSITIONS	ANNUAL SALARY
Carson Contract	91,714	Administrative Services General Manager	\$165,156.00
		Public Services General Manager	
		Economic Development General Manager	
		Development Services General Manager	
Rolling Hills Contract	1,860	Finance Director	\$137,280.00
		Planning Director	\$94,452.00
Rolling Hills Estates Contract	8,067	Administrative Services Director	\$177,888.00
		Community Services Director	\$172,368.00
		Planning Director	\$177,888.00
		Administrative Services Director	\$124,512.00
Lomita Contract	20,256	Community Services Director	\$124,512.00
		Parks and Recreation Director	\$124,512.00
		Community Development Director	\$140,076.00
		Public Works Director	\$124,512.00
Lawndale Contract	32,769	Director of Finance	\$129,696.00
		Director of Community Services	
		Director of Public Works	
		Director of Finance and IT	
Rancho Palos Verdes Contract	41,643	Community Development Director	\$175,292.00
		Director of Public Works	\$175,292.00
		Community Services Director	\$169,694.00
		Community Development Director	\$144,917.00
La Mirada Contract	48,527	Public Works Director	\$144,917.00
		Director of Administrative Services	\$149,309.00
		Community and Safety Services Director	\$152,880.00
		Community Development Director	
Cerritos Contract	49,041	Director of Public Works	\$133,248.00
		Director of Finance	
		Director of Parks and Recreation	
		Director of Community Development	
Rosemead Contract	53,764	Director of Public Works	\$136,584.00
			\$129,996.00

CITY	POPULATION	MANAGEMENT POSITIONS	ANNUAL SALARY
Diamond Bar Contract	55,544	Finance Director	\$152,816.32
		Community Services Director	\$156,636.72
		Community Development Director	\$152,816.32
		Public Works Director	\$156,636.72
Paramount Contract	54,098	Administrative Services Director	
		Finance Director	
		Community Services and Recreation Director	\$125,200.00
		Public Safety Director	
Pico Rivera Contract	62,942	Community Development Director	
		Public Works Director	
		Finance Director	
		Parks and Recreation Director	\$156,096.00
Bellflower Contract	76,616	Community Development Director	
		Public Works Director	
		Director of Finance	
		Director of Parks and Recreation	\$117,024.00
Lakewood Contract	80,048	Director of Public Safety	\$122,880.00
		Director of Community Development	\$129,024.00
		Director of Public Works	\$111,456.00
		Director of Administrative Services	\$135,480.00
Compton Contract	96,455	Director of Recreation and Community Services	\$189,972.00
		Director of Community Development	\$161,352.00
		Director of Public Works	\$161,352.00
		Parks and Recreation Director	\$172,116.00
Norwalk Contract	105,549	Planning and Economic Development Director	\$98,976.00
		Public Works Director	\$119,580.00
		Director of Finance/City Treasurer	\$141,648.00
		Director of Recreation and Park Services	
Norwalk Contract	105,549	Director of Public Services	
		Director of Public Safety	
		Director of Social Services	
		Director of Community Development	\$127,284.00
Norwalk Contract	105,549	Director of Transportation	

CITY	POPULATION	MANAGEMENT POSITIONS	ANNUAL SALARY
El Segundo Full Service	16,654	Director of Finance	\$148,474.56
		Director of Parks and Recreation	\$137,873.40
		Director of Planning and Building Safety	\$148,474.56
		Director of Public Works	\$148,474.56
Hermosa Beach Full Service	19,506	Finance Director	\$126,888.00
		Community Resources Director	\$119,232.00
		Community Development Director	\$126,888.00
		Public Works Director	\$133,536.00
Manhattan Beach Full Service	35,135	Director of Finance	\$153,936.00
		Director of Parks and Recreation	\$153,936.00
		Director of Community Development	\$153,936.00
		Director of Public Works	\$179,338.00
Gardena Full Service; except Fire	58,829	Director of Recreation and Human Services	
		Director of Community Development	\$164,292.00
		Director of Transportation	
		Director of Public Works	
Redondo Beach Full Service	66,748	Finance Services Director	
		Director of Recreation and Community Services	\$140,388.00
		Planning Director	
		Public Works Director	
Hawthorne Full Service; except Fire	84,293	Administrative Services Director	\$158,328.00
		Director of Planning and Community Development	\$142,728.00
		Director of General Services and Public Works	\$165,168.00
		Finance Director	\$133,140.00
Inglewood Full Service; except Fire	109,673	Parks Recreation and Human Services Director	\$139,920.00
		Community Development Director	\$125,412.00
		Planning and Building Director	\$125,412.00
		Public Works Director	\$139,920.00
Torrance Full Service	145,438	Finance Director	\$216,011.00
		Community Services Director	\$201,107.00
		Community Development Director	\$201,107.00
		Transportation Director	\$201,107.00
		Public Works Director	\$216,011.00

**CITY OF CARSON
FY 2012/13 PROPOSED GENERAL FUND BUDGET
COUNCIL BUDGET REFERRAL**

Question #5: What grants have been secured by the Beautification Committee?

Response: The following grants have been secured by the staff to the Beautification Committee, with the support of the Committee.

Year	Type of Grant	Amount	Purpose
2012	KAB/UPS Grant	\$1,000.00	To start an Adopt-a-Median Program.
2011	Beautification & Community Greening	\$2,000.00	To create a rain garden & giveaway rain barrels.
2010	Great American Cleanup Lowes Grant	\$250.00	To purchase a digital camera & safety gloves
2010	Cigarette Litter Prevention Program	\$1,500.00	To purchase ash receptacles & promote the proper discard of cigarette butts.
2007	Donation - Beautification Commission	\$5,000.00	For a beautification project that was never designated, nor has the money been spent.

Response Provided By: The Development Services Work Group

(2011-12)

CITY OF CARSON
FY 2012/13 PROPOSED GENERAL FUND BUDGET
COUNCIL BUDGET REFERRAL

Question: #6 Can the Transportation Division somehow generate additional demand to support the current level of full-time and classified part-time employees?

Response: The Transportation Division staff includes: 1 Transportation Supervisor (vacant); 1 Senior Clerk, 2 Transportation Coordinators, 3 full-time Bus Drivers, 2 CPT bus drivers, 1 Transportation Services Assistant, and 3 part-time Bus Drivers. Transportation is currently exploring various components of the division to reduce cost.

	<u>General Fund</u>	<u>Prop A</u>	<u>Prop C</u>	<u>Air Quality</u>	<u>Total</u>
Salary & Benefits	\$ 92,970.00	\$ 398,769.00	\$ 276,501.00	\$ 45,070.00	\$ 813,310.00
O&M	43,000.00	\$ 1,981,859.00	\$ 1,325,083.00	\$ 47,000.00	\$ 3,396,942.00
Total:	\$ 135,970.00	\$ 2,380,628.00	\$ 1,601,584.00	\$ 92,070.00	\$ 4,210,252.00

Attached is a spreadsheet which illustrates the required service hours for each component of Transportation Services for a one-year period from May 2011 through April 2012. If the City were determining how to structure transportation from the start, you would have full-time staffing in place to cover close to the minimum monthly demand with part-time and on-call staffing to cover the peaks. At current levels, really only one full-time position is warranted. Since a full-time position is equivalent to 173 hours per month and the lowest month demand is only 250 hours, it does not even justify 2 full-time positions.

Staff has been exploring ways to generate additional demand, but many of the ideas are not feasible because of the restrictions on the funding source or no ability to match demand to a fixed service. Staff will continue to work to identify options.

In addition, using Prop A and Prop C funds to over-staff the Transportation Division means these funds are not available to be redirected for other eligible uses like transportation related public improvements.

Response Provided By: The Development Services Work Group



Transportation Services Division
Permit/N-S Shuttle/Excursion Hours

Division	May-11	Jun-11	Jul-11	Aug-11	Sep-11	Oct-11
Parks & Recreation	20	20	273	301	6	28
City Hall	0	0	12			
Economic Dev Special	0	0	54			
Needs/Stroke	20	20	47	19	10	24
Senior Recreation	20	10	13	25	21	11
Early Childhood Dev	30	0			15	17
North/South Shuttle	175	175	175	175	175	175
TSD Excursions	40	40	40	40	40	40
Monthly Total	305	265	614	345	267	295

Division	Nov-11	Dec-11	Jan-12	Feb-12	Mar-12	Apr-12
Parks & Recreation	7	18	22	6	26	13
City Hall						
Economic Dev Special						
Needs/Stroke	6	39		30	12	10
Senior Recreation	22	24	23	12	36	16
Early Childhood Dev				20	16	12
North/South Shuttle	175	175	175	175	175	175
TSD Excursions	40	40	40	40	40	40
Monthly Total	250	296	260	283	305	266

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CITY OF CARSON
FY 2012/13 PROPOSED GENERAL FUND BUDGET
COUNCIL BUDGET REFERRAL

Question #6: Can the Transportation Division somehow generate additional demand to support the current level of full-time and classified part-time employees?

Response: The Transportation Division staff includes: 1 Transportation Supervisor (vacant), 1 Senior Clerk, 2 Transportation Coordinators, 3 Full-Time Bus Drivers, 2 CPT Bus Drivers, and 1 Transportation Services Assistant. Transportation is currently exploring various components of the division to reduce costs and to determine if additional demand can be created to support the current level of staff. Further information in response to this question will be provided at the study session on Tuesday, June 26th.

Response Provided By: The Development Services Work Group

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CITY OF CARSON
FY 2012/13 PROPOSED GENERAL FUND BUDGET
COUNCIL BUDGET REFERRAL

Question #7: What is the reason for the increase in total salaries and benefits for the Transportation Division proposed budget over the budget and actual for the current fiscal year?

Response: In this FY 2011/12, portions of two positions were budgeted in the Transportation Services Division general fund budget - 20% of the Transportation Coordinator I and 50% of the Transportation Coordinator II (who is currently acting in the vacant Transportation Supervisor position). The total salaries and benefits for the .70 full-time equivalent budgeted there was \$78,688.00.

For FY 2012/13, in the first draft for the proposed budget submitted to the City Council, portions of two positions were again budgeted, however, they were different positions and different percentages than last fiscal year - 50% of the vacant Transportation Supervisor position and 50% of the Transportation Coordinator II position. The total salaries and benefits for the 1.0 full-time equivalent budgeted there is \$116,432.00.

Finally, if you look at the revised proposed general fund budget distributed today (on pink paper), which incorporates the changes proposed in Decision Package #1 (line item reductions by the City Manager and Administrative Services after the budget was submitted by the departments), you will see that the total salaries and benefits for the Transportation Services Division for FY 2012/13 is now less than that budgeted in FY 2011/12 because as part of the Administrative Services review of the Transportation Services Division budget, staff asked the Acting Transportation Supervisor to re-allocate the salaries in a manner that more closely represents the time that staff spends on general fund paid transportation activities. Therefore, the revised allocation is - 10% of the Senior Clerk, 10% of the Transportation Coordinator I, 10% of the Transportation Coordinator II, and 10% of the vacant Transportation Supervisor position. The total salaries and benefits for the .40 full-time equivalents now budgeted there is \$47,165.00.

Response Provided By: The Administrative Services Work Group

revised

**CITY OF CARSON
FY 2012/13 PROPOSED GENERAL FUND BUDGET
COUNCIL BUDGET REFERRAL**

Question #8: How has the deficit in the Self Supporting Fund accumulated to the current level?

Response: Several years ago, the City Council approved a transfer to the Self Supporting Fund to eliminate the deficit that had accumulated over several years. The City Council directed staff to close the Self Supporting Fund and move all the programs in the Self Supporting Fund back to the General Fund. However, with the adoption of the FY 2008/09 budget, a subsequent Council directed staff to re-open the Self Supporting Fund and move the Kids Club program, the Permits program, and a few others back to the Self Supporting Fund, with the directive that these programs, with the exception of Kids Club, be made to be truly Self Supporting. The City Council made the decision that the Kids Club program could be 75% self supporting, with the General Fund subsidizing the other 25%.

Attached is a spreadsheet showing the revenues, expenditures and fund balances, by program, since the Self Supporting Fund was re-established in FY 2008/09.

****Updated information as of May 31, 2012, shows that the deficit fund balance has increased from \$525,000 to \$560,000. As of June 30, 2012, the deficit may be as high as \$575,000. Staff recommends increasing the budget amount to transfer to \$575,000 for purposes of adopting the FY 2012/13 general fund budget. However, once the FY 2011/12 audit is complete and final revenue and expenditure numbers are determined, only the amount of the actual deficit will be transferred.**

Response Provided By: The Administrative Services Work Group

**CITY OF CARSON
FY 2012/13 PROPOSED GENERAL FUND BUDGET
COUNCIL BUDGET REFERRAL**

Question #8: How has the deficit in the Self Supporting Fund accumulated to the current level?

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Several years ago, the City Council approved a transfer to the Self Supporting Fund to eliminate the deficit that had accumulated over several years. The City Council directed staff to close the Self Supporting Fund and move all the programs in the Self Supporting Fund back to the General Fund. However, with the adoption of the FY 2008/09 budget, a subsequent Council directed staff to re-open the Self Supporting Fund and move the Kids Club program, the Permits program, and a few others back to the Self Supporting Fund, with the directive that these programs, with the exception of Kids Club, be made to be truly Self Supporting. The City Council made the decision that the Kids Club program could be 75% self supporting, with the General Fund subsidizing the other 25%.

Attached is a spreadsheet showing the revenues, expenditures and fund balances, by program, since the Self Supporting Fund was re-established in FY 2008/09.

Response Provided By: The Administrative Services Work Group



TYPES OF PROGRAMS



revised

CITY OF CARSON FY 2012/13 PROPOSED GENERAL FUND BUDGET COUNCIL BUDGET REFERRAL

Question #9: What have been the revenues and expenditures for the Kids Club sites for the past few years and at what level of cost recovery is each site, as compared to the Council's adopted policy goal of 75%?

Response: The revenues and expenditures, by site, for the last 4 fiscal years are shown below:

	Anderson	Veterans	Hemingway	Stevenson	Calas	Mills	
2008/09:							
Revenues	53,336	111,095	46,631	15,856	6,514	12,033	
Expenditures	50,691	170,771	48,710	19,168	14,027	8,382	
Cost Recovery %	105.22%	65.05%	95.73%	82.72%	46.44%	143.56%	
2009/10:							
Revenues	70,847	101,957	48,261	8,110	23,894	21,107	
Expenditures	119,845	130,732	44,629	6,639	26,817	20,723	
Cost Recovery %	59.12%	77.99%	108.14%	122.16%	89.10%	101.85%	
2010/11:							
Revenues	41,752	101,480	51,638	8,197	37,306	20,834	
Expenditures	53,241	118,088	60,527	12,508	43,533	31,063	
Cost Recovery %	78.42%	85.94%	85.31%	65.53%	85.70%	67.07%	
2011/12 (11 mo.):							
Revenues	41,964	70,188	42,975	4,960	45,847	15,391	
Expenditures	37,052	122,729	49,984	4,469	41,614	16,175	
Cost Recovery %	113.26%	57.19%	85.98%	110.99%	110.17%	95.15%	
	Del Amo	Dominguez	Carr. Crest	Dolphin	Scott	Carson	Total by FY
2008/09:							
Revenues	67,515	44,401	2,173	38,719	30,301	50,237	478,811
Expenditures	108,662	47,851	2,768	36,561	40,454	52,238	600,283
Cost Recovery %	62.13%	92.79%	78.50%	105.90%	74.90%	96.17%	79.76%
2009/10:							
Revenues	5,048	33,369	13,746	35,017	34,521	53,282	449,159
Expenditures	15,871	41,628	15,286	39,809	43,690	51,715	557,384
Cost Recovery %	31.81%	80.16%	89.93%	87.96%	79.01%	103.03%	80.58%
2010/11:							
Revenues	74,530	28,387	24,266	41,120	35,552	56,922	521,984
Expenditures	74,635	50,288	31,720	49,703	56,771	66,138	648,215
Cost Recovery %	99.86%	56.45%	76.50%	82.73%	62.62%	86.07%	80.53%
2011/12 (11 mo.):							
Revenues	71,373	23,273	30,490	56,912	37,734	34,843	475,950
Expenditures	112,529	29,393	25,067	47,832	37,998	34,066	558,908
Cost Recovery %	63.43%	79.18%	121.63%	118.98%	99.31%	102.28%	85.16%

Response Provided By: The Administrative Services Work Group

CITY OF CARSON FY 2012/13 PROPOSED GENERAL FUND BUDGET COUNCIL BUDGET REFERRAL

Question #9: What have been the revenues and expenditures for the Kids Club sites for the past few years and at what level of cost recovery is each site, as compared to the Council's adopted policy goal of 75%?

Response: The revenues and expenditures, by site, for the last 4 fiscal years are shown below:

	Anderson	Veterans	Hemingway	Stevenson	Caia's	Mills
2008/09:						
Revenues	53,336	111,095	46,631	15,856	6,514	12,033
Expenditures	50,691	170,771	48,710	19,168	14,027	8,382
Cost Recovery %	105.22%	65.05%	95.73%	82.72%	46.44%	143.56%
2009/10:						
Revenues	70,847	101,957	48,261	8,110	23,894	21,107
Expenditures	119,845	130,732	44,629	6,639	26,817	20,723
Cost Recovery %	59.12%	77.99%	108.14%	122.16%	89.10%	101.85%
2010/11:						
Revenues	41,752	101,480	51,638	8,197	37,306	20,834
Expenditures	53,241	118,088	60,527	12,508	43,533	31,063
Cost Recovery %	78.42%	85.94%	85.31%	65.53%	85.70%	67.07%
2011/12 (11 mo.):						
Revenues	41,964	70,188	42,975	4,960	45,847	15,391
Expenditures	37,052	122,729	49,984	4,469	41,614	16,175
Cost Recovery %	113.26%	57.19%	85.98%	110.99%	110.17%	95.15%
	Del Amo	Dominguez	Carriage Crest	Dolphin	Scott	Carson
2008/09:						
Revenues	67,515	44,401	2,173	38,719	30,301	50,237
Expenditures	108,662	47,851	2,768	36,561	40,454	52,238
Cost Recovery %	62.13%	92.79%	78.50%	105.90%	74.90%	96.17%
2009/10:						
Revenues	5,048	33,369	13,746	35,017	34,521	53,282
Expenditures	15,871	41,628	15,286	39,809	43,690	51,715
Cost Recovery %	31.81%	80.16%	89.93%	87.96%	79.01%	103.03%
2010/11:						
Revenues	74,530	28,387	24,266	41,120	35,552	56,922
Expenditures	74,635	50,288	31,720	49,703	56,771	66,138
Cost Recovery %	1.00	0.56	0.77	0.83	0.63	0.86
2011/12 (11 mo.):						
Revenues	71,373	23,273	30,490	56,912	37,734	34,843
Expenditures	112,529	29,393	25,067	47,832	37,998	34,066
Cost Recovery %	63.43%	79.18%	121.63%	118.98%	99.31%	102.28%

Response Provided By: The Administrative Services Work Group

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REVISED

CITY OF CARSON
FY 2012/13 PROPOSED GENERAL FUND BUDGET
COUNCIL BUDGET REFERRAL

Question #10: What options are there to reduce overtime costs?

Response:

Of the \$233,000 budgeted for overtime, \$35,000 is related to the upcoming March 2013 election. Most of that may be reimbursed by the State in a subsequent fiscal year. Additionally, another \$33,000 is related to construction inspection overtime and that is 100% reimbursed by the contractors. That leaves about \$165,000 for the remainder of city operations. The only way to reduce overtime costs is to only authorize overtime in cases of emergencies and to request employees to take comp time instead of paid overtime. However, that comp time will eventually have a cost to the city - either when the employee cashes it out or when they use it. The attached spreadsheet shows where and why overtime is budgeted.

As previously stated, the City is obligated to pay overtime for hours worked above certain federally defined parameters unless the employee is exempt from the Fair Labor Standards Act. As an alternate to paid overtime, employees may elect to accrue compensatory time off with a maximum accrual cap at the same rate for use later in-lieu of paid overtime. In general, it is exclusively the employees choice as to whether they get paid overtime or elect to accrue comp time. However, if comp time is elected it can reduce the availability of staff and have a negative impact on service delivery or it allows the employee to conserve vacation or other leave time, a portion of which can be cashed out each year. In most instances, overtime is required to respond to an emergency situation. In some instances, it may also be fully reimbursed from a third party. Some overtime is generated by other operational needs like the production and delivery of the City Council agenda. For example, overtime costs for Public Works Maintenance are based on unforeseen emergency call-outs like hazmat spills, fallen trees and/or limbs, traffic control, street closures water main breaks, sewer overflows, City vehicle mechanical assistance, etc. Public Works will only schedule overtime if it is for special projects, such as the recent Shell Tree Planting Project, and the City is reimbursed for all overtime worked. Public Work's Inspector overtime when scheduled is paid for by inspection permit fee premiums charged to the permit holder. Overtime is actively managed by City management to minimize the need for overtime. Overtime requires approval by the Work group General Managers or the City Manager. There is some language in the AFSCME MOU which limits the ability of the City to require an employee to flex their schedule in response to unscheduled overtime. However, there may be additional opportunities to reduce some operational overtime to the extent it is predictable and employees can be notified in advance that their schedule has been changed to meet an operational need. A more detailed review of overtime will be undertaken by the City Manager and these opportunities identified and schedule changes discussed with the impacted employees for possible implementation.

Response Provided By: The Administrative Services Work Group

**CITY OF CARSON
OVERTIME BUDGETS
FY 2012/13 PROPOSED TO FY 2011/12 AMENDED**

Org Key	Program Name	FY 2011/12 Amended O&M	FY 2012/13 Proposed O&M	\$ Increase/ Decrease	% Increase/ Decrease	Justifications
01-10-000-003 Total City Council	City Council	1,000	3,017	2,017	201.70%	Keeping up with demands and projects of Mayor & Council
01-30-000-003	City Clerk Operations	1,000	3,017	2,017	201.70%	
01-30-000-176	City Clerk Election Support	5,000	10,770	5,770	115.40%	
01-30-000-177	City Clerk Absentee Ballot	0	2,000	2,000	N/A	Council meetings and agenda mailings
Total City Clerk		0	33,000	33,000	N/A	2011/12 was not an election year. 2012/13 is. Absentee ballot processing overtime can be reimbursed by the State.
01-40-000-003	City Treasurer	5,000	45,770	40,770	815.40%	
Total City Treasurer		2,500	1,000	(1,500)	-60.00%	Emergency problem solving for credit card machine malfunctions, cashier training for pool staff and occasional peak period OT
01-50-010-001	City Manager Operations	2,500	1,000	(1,500)	-60.00%	
01-50-010-020	Women's Issues Commission	10,398	5,712	(4,686)	-45.07%	Agenda production
01-50-010-044	Human Relations Commission	300	410	110	36.67%	Commission meetings
Total - CM Admin		300	396	96	32.00%	Commission meetings
01-50-520-003	IT Operations	10,998	6,518	(4,480)	-40.73%	
Total - CM IT		20,026	22,160	2,134	10.66%	Council, Planning, P&R & MRRB meetings, scan agenda packets, resolve weekend comp issues
01-50-540-003	PIO Operations	20,026	22,160	2,134	10.66%	
01-50-540-008	PIO Public Relations Commission	0	1,793	1,793	N/A	
Total - CM PIO		200	260	60	30.00%	Ceremonial presentations and Carson Report
Total - City Manager		200	2,053	1,853	926.50%	Commission meetings
01-60-610-002	Finance Administration	31,224	30,731	(493)	-1.58%	
Total - AS Fin Admin		100	0	(100)	-100.00%	
01-60-620-003	Accounting	100	0	(100)	-100.00%	
Total - AS Accounting		15,244	10,719	(4,525)	-29.68%	For year-end close and audit
01-60-630-003	Purchasing	15,244	10,719	(4,525)	-29.68%	
01-60-640-003	Warehouse	100	0	(100)	-100.00%	
01-60-650-003	Central Services	200	0	(200)	-100.00%	
Total - AS Purchasing		200	200	0	0.00%	Requests for rush jobs
01-60-660-003	Revenue Operations	500	200	(300)	-60.00%	
01-60-660-017	Revenue Tobacco Retailers Prog	7,120	7,475	355	4.99%	Document scanning and fireworks inspections
01-60-660-029	Revenue Bingo	500	2,424	1,924	384.80%	Assist Sheriff's with this program
Total - AS Revenue		1,000	8,081	7,081	708.10%	Evening bingo inspections
Total - AS Finance		8,620	17,980	9,360	108.58%	
01-60-680-003	Human Resources Operations	24,464	28,899	4,435	18.13%	
Total - AS HR		7,500	1,000	(6,500)	-86.67%	Related to summer hiring
Total All Svcs		7,500	1,000	(6,500)	-86.67%	
		31,964	9,896	(22,068)	-69.05%	

CITY OF CARSON
OVERTURE BUDGETS

FY 2012/13 PROPOSED TO FY 2011/12 AMENDED

Org Key	Program Name	FY 2011/12 Amended O&M	FY 2012/13 Proposed O&M	\$ Increase/ Decrease	% Increase/ Decrease	Justifications
01-70-740-003	Mobilehome Rent Review	1,500	500	(1,000)	-66.67%	Board meetings
Total - ED MRRB		1,500	500	(1,000)	-66.67%	
01-70-870-041	Planning Commission	4,000	1,000	(3,000)	-75.00%	Commission meetings
01-70-870-042	Environmental Commission	500	0	(500)	-100.00%	
01-70-870-290	Planning-Current	2,000	0	(2,000)	-100.00%	
01-70-870-291	Planning-Advance	1,000	0	(1,000)	-100.00%	
Total - ED Planning		7,500	1,000	(6,500)	-86.67%	
Total - Econ Devel		9,000	1,500	(7,500)	-83.33%	
01-80-010-001	Development Services Administration	500	500	0	0.00%	Special assignments
Total - DS Admin		500	500	0	0.00%	
01-80-820-004	Engineering CIP	500	500	0	0.00%	Special assignments
01-80-820-161	Engineering Construction Inspection	20,173	33,000	12,827	63.58%	Friday or weekend inspections at the request of the developers and paid for by the developers
01-80-820-282	Engineering PW Commission	500	300	(200)	-40.00%	Commission meetings
Total - DS Engineering		21,173	33,800	12,627	59.64%	
01-80-830-002	Transportation Administration	0	7,198	7,198	N/A	Overtime for overnight excursions
Total - DS Transp		0	7,198	7,198	N/A	
01-80-840-003	Public Works Operations	1,550	1,550	0	0.00%	Sign-up and processing of senior citizen's waste collection discount
01-80-840-077	PW Bridge/Drainage	2,100	500	(1,600)	-76.19%	Emergency call-outs - water main breaks
01-80-840-080	PW Legends/Curb	1,230	1,241	11	0.89%	Emergency call-outs - water main breaks, sewer overflows
01-80-840-081	PW Street Maintenance	7,621	4,000	(3,621)	-47.51%	Emergency call-outs - hazmat spills, street closures, traffic control
01-80-840-083	PW Sign Maintenance	500	500	0	0.00%	Emergency call-outs - set up stop signs for traffic control
01-80-840-085	PW Fleet Maintenance	1,000	200	(800)	-80.00%	Emergency call-outs - after hours vehicle repairs
01-80-840-093	PW ROW Maintenance	2,000	2,000	0	0.00%	Emergency call-outs - water main breaks, sewer overflows, street closures, traffic control
01-80-840-094	PW Concrete Maintenance	5,000	5,000	0	0.00%	Emergency call-outs - fallen trees or limbs
01-80-840-106	PW Tree Maintenance	6,000	6,000	0	0.00%	Emergency call-outs - fallen trees or limbs
01-80-840-209	PW Beautification Committee	1,000	250	(750)	-75.00%	Committee meetings
Total - DS Pub Works		28,001	21,241	(6,760)	-24.14%	
Total - Dev Svcs		49,674	62,739	13,065	26.30%	

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CITY OF CARSON
OVERTIME BUDGETS
FY 2012/13 PROPOSED TO FY 2011/12 AMENDED

Org Key	Program Name	FY 2011/12 Amended O&M	FY 2012/13 Proposed O&M	\$ Increase/ Decrease	% Increase/ Decrease	Justifications
01-90-910-003	Public Safety Code Enforcement	45,000	10,000	(35,000)	-77.78%	After hours postings of Council, commission, committee and board meetings; noise abatement at the Home Depot Center (which is reimbursed by HDC)
Total - PS Code Enf		45,000	10,000	(35,000)	-77.78%	
01-90-920-119	Public Safety Youth Services					After hours meetings and classes and inmate counseling sessions once per month on Wednesdays at Terminal Island prison
Total - Pub Saf Youth Svcs		2,000	2,800	800	40.00%	
01-90-930-138	PS Sheriff's Program Support					Sheriff's community meetings, Block captain's annual BBQ, and Community Night Out March
Total - PS Emg/Com		2,000	4,000	2,000	100.00%	
Total - PS Pub Safety		2,000	4,000	2,000	100.00%	
01-90-950-003	P&R Operations	49,000	16,800	(32,200)	-65.71%	
01-90-950-152	P&R Operations	0	600	600	N/A	
Total - Recr Admin		250	100	(150)	-60.00%	In-service, Youth Conference and payroll
01-90-951-003	P&R PS 1 Operations	250	700	450	180.00%	Commission meetings
01-90-951-050	P&R PS 1 Scott Park	250	200	(50)	-20.00%	In-service, Youth Sports Championships, etc.
01-90-951-051	P&R PS 1 Carson Park	334	200	(134)	-40.12%	
01-90-951-052	P&R PS 1 Del Amo Park	0	500	500	N/A	Unexpected park events
01-90-951-055	P&R PS 1 Dolphin Park	310	1,200	890	287.10%	Camping excursion
01-90-951-059	P&R PS 1 Hemingway Park	310	200	(110)	-35.48%	Unexpected park events
Total - Recr Prog 1		310	300	(10)	-3.23%	
01-90-953-003	P&R PS 3 Operations	1,514	2,600	1,086	71.73%	
01-90-953-054	P&R PS 3 Dominguez Park	250	600	350	140.00%	Beautification, Youth Conference, in-service
01-90-953-056	P&R PS 3 Carriage Crest Park	310	0	(310)	-100.00%	
01-90-953-057	P&R PS 3 Anderson Park	310	0	(310)	-100.00%	
01-90-953-058	P&R PS 3 Calas Park	0	300	300	N/A	Unexpected park events
01-90-953-154	P&R PS 3 Youth Commission	310	300	(10)	-3.23%	Unexpected park events
Total - Recr Prog 3		310	0	(310)	-100.00%	
01-90-954-003	P&R PS 4 Operations	1,490	1,200	(290)	-19.46%	
01-90-954-053	P&R PS 4 Stevenson Park	250	500	250	100.00%	In-service, Veterans SportsComplex
01-90-954-060	P&R PS 4 Veterans Park	310	300	(10)	-3.23%	Unexpected park events
01-90-954-061	P&R PS 4 Mills Park	334	250	(84)	-25.15%	Unexpected park events
01-90-954-169	P&R PS 4 Vets Commission	0	0	0	N/A	
01-90-954-324	P&R PS 4 Permits	310	0	(310)	-100.00%	
01-90-954-351	P&R PS 4 Vets SportsComplex	250	250	0	0.00%	
Total - Recr Prog 4		310	0	(310)	-100.00%	
		1,764	1,300	(464)	-26.30%	

CITY OF CARSON
OVERTHROW BUDGETS
FY 2012/13 PROPOSED TO FY 2011/12 AMENDED

Org Key	Program Name	FY 2011/12 Amended O&M	FY 2012/13 Proposed O&M	\$ Increase/ Decrease	% Increase/ Decrease	Justifications
01-90-965-601	P&R Aquatics - Carson Pool	310	250	(60)	-19.35%	Aquatics trainings, unexpected pool events
01-90-965-602	P&R Aquatics - Scott Pool	250	250	0	0.00%	Aquatics trainings, unexpected pool events
01-90-965-603	P&R Aquatics - Dominguez AC	310	300	(10)	-3.23%	Aquatics trainings, unexpected pool events
01-90-965-604	P&R Aquatics - Hemingway AC	250	200	(50)	-20.00%	Aquatics trainings, unexpected pool events
Total - Aquatics		1,120	1,000	(120)	-10.71%	
Total - PS Recreation		6,138	6,800	662	10.79%	
01-90-970-003-5003	LBM Operations	1,032	1,000	(32)	-3.10%	Emergency call-outs
01-90-970-099-5003	LBM Civic Center Landscape	3,476	0	(3,476)	-100.00%	in IFAS \$20K is budgeted here in error,
01-90-970-100-5003	LBM CC/CY Buildings	11,112	5,000	(6,112)	-55.00%	should be budgeted in 5004
01-90-970-101-5003	LBM PLM Section 1 & Mowing	6,952	0	(6,952)	-100.00%	Emergency call-outs
01-90-970-102-5003	LBM Parks Buildings	23,151	3,000	(20,151)	-87.04%	Emergency call-outs
01-90-970-103-5003	LBM Parks Paint & Graffiti	3,177	1,000	(2,177)	-68.52%	Emergency call-outs
01-90-970-104-5003	LBM CH/CY/Parks Janitorial	11,699	1,000	(10,699)	-91.45%	Emergency call-outs
01-90-970-105-5003	LBM PLM Section 2	16,074	1,000	(15,074)	-93.78%	Emergency call-outs
01-90-970-109-5003	LBM Citywide Graffiti	5,437	3,000	(2,437)	-44.82%	Emergency call-outs
Total - PS LBM		82,110	15,000	(67,110)	-81.73%	
Total - Public Svcs		187,248	38,600	(148,648)	-79.68%	
Total - General Fund		267,610	213,256	(54,354)	-20.31%	

CITY OF CARSON
FY 2012/13 PROPOSED GENERAL FUND BUDGET
COUNCIL BUDGET REFERRAL

Question #10: What options are there to reduce overtime costs?

Response:

The City is obligated to pay overtime for hours worked above certain federally defined parameters unless the employee is exempt from the Fair Labor Standards Act. As an alternate to paid overtime, employees may elect to accrue compensatory time off with a maximum accrual cap at the same rate for use later in-lieu of paid overtime. In general, it is exclusively the employees choice as to whether they get paid overtime or elect to accrue comp time. However, if comp time is elected it can reduce the availability of staff and have a negative impact on service delivery or it allows the employee to conserve vacation or other leave time, a portion of which can be cashed out each year.

In most instances, overtime is required to respond to an emergency situation. In some instances, it may also be fully reimbursed from a third party. Some overtime is generated by other operational needs like the production and delivery of the City Council agenda.

For example, overtime costs for Public Works Maintenance are based on unforeseen emergency call-outs like hazmat spills, fallen trees and/or limbs, traffic control, street closures water main breaks, sewer overflows, City vehicle mechanical assistance, etc. Public Works will only schedule overtime if it is for special projects, such as the recent Shell Tree Planting Project, and the City is reimbursed for all overtime worked. Public Work's Inspector overtime when scheduled is paid for by inspection permit fee premiums charged to the permit holder.

Overtime is actively managed by City management to minimize the need for overtime. Overtime requires approval by the Work group General Managers or the City Manager. There is some language in the AFSCME MOU which limits the ability of the City to require an employee to flex their schedule in response to unscheduled overtime. However, there may be additional opportunities to reduce some operational overtime to the extent it is predictable and employees can be notified in advance that their schedule has been changed to meet an operational need. A more detailed review of overtime will be undertaken by the City Manager and these opportunities identified and schedule changes discussed with the impacted employees for possible implementation.

Response Provided By: The Administrative Services Work Group

CITY OF CARSON
FY 2012/13 PROPOSED GENERAL FUND BUDGET
COUNCIL BUDGET REFERRAL

Question #11: What can be done to reduce the annual cost of leave redemptions?

Response: The only way to reduce the annual cost of leave redemptions is to renegotiate that benefit with the various bargaining units. The maximum annual cost of leave redemptions in FY 2011/12 was estimated at \$767,324.86. For FY 2012/13, the maximum annual cost of leave redemptions is approximately \$917,228.08. The increase is the result of the 2010 labor negotiations with the American Federation of State, County and Municipal Employees, Council 36, Local 809, which resulted in a three-year contract that included an increase in the maximum allowable hours of leave redemption per year from 50 hours to 75 hours in the third year of the contract.

It is clear that the cost of this negotiated benefit is of concern to some members of the City Council, however, there are some advantages to the City in offering this benefit to its employees. For one, accrued annual, administrative, and compensatory leave hours are vested benefits that, once earned, must be paid to the employee upon separation. Therefore, if leave hours continue to build up without the ability to cash them out, then they will be paid off at separation, which means they will be paid off at likely a higher hourly rate than when earned or when they could have been cashed out. Secondly, the City is required to show 50% of the value of compensated absences (accrued leave hours) on the City's balance sheet each year as an accrued liability. Therefore, the more accrued leave hours on the books, the greater the City's liability. Higher liabilities on the City's balance sheet could negatively affect the City's credit rating, bond rating, interest rates, etc. In addition, without the cash-out option, employees would use more leave in order to stay below the leave accrual caps and these absences could impact service levels.

Response Provided By: The Administrative Services Work Group

CITY OF CARSON
FY 2012/13 PROPOSED GENERAL FUND BUDGET
COUNCIL BUDGET REFERRAL

Question #12: What is the reason for the increase in the Professional Services line item in the Development Services Engineering budget over the budgeted and actual for the current fiscal year (page 68)?

Response: Due to various State mandates that will take effect during the next fiscal year for new NPDES and Total Maximum Daily Load (TMDL) requirements, it is necessary to increase the NPDES program budget by \$ \$185,123.00 in order for the City to be compliant with the new requirements. The adverse affect to the City if found to be non-compliant with the new requirements, is a \$10,000.00 fine per day by the State Regional Water Quality Board. The increase in the NPDES budget is largely due to State mandates that will take effect for Machada Lake and Dominguez Channel trash, nutrients, bacateria, and toxic TMDL's, and will require obtaining permits from Los Angeles County Flood Control, installing approximately 280 connector pipe screens to catch basin openings, and monitoring and reporting program plans for monitoring toxics and bacteria.

Response Provided By: The Development Services Work Group

**CITY OF CARSON
FY 2012/13 PROPOSED GENERAL FUND BUDGET
COUNCIL BUDGET REFERRAL**

Question #13: What is the reason for the increase in the Special Materials and Supplies line item in the Development Services budget over the budgeted and actual for the current fiscal year (page 64)?

Response: Due to the loss of redevelopment funding, which was a major funding source for CIP street and concrete projects, Public Works anticipates that there will more street and concrete projects that will have to be performed in-house and will require purchasing larger quantities of street repair materials and concrete for curb and gutter, and sidewalk repairs.

Response Provided By: The Development Services Work Group

CITY OF CARSON
FY 2012/13 PROPOSED GENERAL FUND BUDGET
COUNCIL BUDGET REFERRAL

Question #14: How do restrictions associated with the use of Prop A and Prop C funds impact Transportation Division operations?

Response: The TSD operations is impacted by Prop A and Prop C restrictions because the City is not permitted to "exclusively" use City buses for any one community organization or group of individuals.

Recreational transit service projects must meet the following conditions:

1. Travel within the area of Los Angeles, Orange & Ventura Counties, and portions of Kern, Riverside and San Bernardino Counties.
 - This limits destinations requested by the Senior Clubs and Parks & Rec.
2. Trip segments to areas shown on the proportionately eligible areas of the map must be funded through other sources. Trips to locations not within either the eligible or proportionately eligible area are not eligible.
 - This is why we use General Fund overnight excursions i.e. San Francisco, Sedona excursions
3. Limited to certain general age groups (children under 18, senior citizens, person with disabilities)
4. Special events or destinations but all members of the general public including individuals with disabilities must be allowed to use the service.
 - Excursion program is open to all not just Carson residents.
5. All recreational transit trips must be advertised to the public
 - TSD advertises through the Recreational Guide, Daily Breeze and flyer distribution to the Senior Center, City Hall, Carson Libraries, and Carson Mobile Home offices.

Response Provided By: The Development Services Work Group

CITY OF CARSON
FY 2012/13 PROPOSED GENERAL FUND BUDGET
COUNCIL BUDGET REFERRAL

Question #15: What is the projected impact from the use of additional fund balance to address the projected operating shortfall in lieu of making the reductions proposed?

Response: The schedule below shows what the projected fund balance will be at June 30, 2013, if the proposed decision packages recommended by the City Manager are not approved and the operating shortfall of \$2,193,688.00 is covered by the use of fund balance:

Estimated Fund Balance as of 6/30/12	\$26,083,986
Uses of Fund Balance in FY 2012/13:	
Use of \$500,000 of CARF (DP #5)	(500,000)
Use of \$80,000 for CalPERS pre-retirement death benefit (DP #6)	(80,000)
Use of \$365,545 for 2013 election (DP #7)	(365,545)
Use of \$50,000 for cost allocation plan (DP #12)	(50,000)
Use of \$97,695 for one-time Carson Park furnishings (DP #28)	(97,695)
Use of \$11,500 for donations (DP #29)	(11,500)
Use of \$500,000 of budget stabilization reserve (FBDP #1)	(500,000)
Create a Budget Stabilization Reserve (FBDP #1)	(2,000,000)
Create a Capital Projects Fund (FBDP #2)	(1,000,000)
Transfer to the new OPEB Trust Fund (FBDP #3)	(1,000,000)
Transfer to the Self Supporting Fund to cover 6/30/12 accumulated deficit (FBDP #4)	(525,000)
Use of \$2,193,688 to balance FY 2012/13 budget	(2,193,688)
Subtotal	<u>(8,323,428)</u>
Estimated Fund Balance as of 6/30/13	<u><u>17,760,558</u></u>

Response Provided By: The Administrative Services Work Group

revised

CITY OF CARSON
FY 2012/13 PROPOSED GENERAL FUND BUDGET
COUNCIL BUDGET REFERRAL

Question #16: What would be the recommended annual contribution to the Capital Asset Replacement Fund (CARF) each year to be setting aside sufficient funds to replace equipment in a timely manner?

Response: Staff is currently working on an update to the master list of city equipment and updating all formulas and useful life designations to accurately estimate the required annual contribution to the Capital Asset Replacement Fund (CARF). The last time the master list was updated (two years ago), the required annual contribution was calculated at approximately \$1.5 million.

Response Provided By: The Administrative Services Work Group

**CITY OF CARSON
FY 2012/13 PROPOSED GENERAL FUND BUDGET
COUNCIL BUDGET REFERRAL**

Question #16: What would be the recommended annual contribution to the CARF each year to be setting aside sufficient funds to replace equipment in a timely manner?

Response: Staff is still working on this item and will respond at the study session on June 26th.

Response Provided By: The Administrative Services Work Group

CITY OF CARSON
FY 2012/13 PROPOSED GENERAL FUND BUDGET
COUNCIL BUDGET REFERRAL

Question #17 What is the amount of the annual contribution to the OPEB Trust Fund to amortize the unfunded liability for retiree medical consistent with GASB 45?

Response: Until very recently, the City was using the "Pay-As-You-Go" method wherein it only paid the actual premium costs for retiree medical premiums for those retirees on the plan that fiscal year. However, that method does not take into account any pre-funding of future liabilities accruing for current city employees. In accordance with GASB 45, the City hired an actuary to calculate the city's unfunded liability with respect to "Other Post Employment Benefits," or OPEB. The actuarial study showed that the City, as of June 30, 2011, has an unfunded accrued actuarial liability for retiree medical insurance of \$48,138,659.00, related to the 179 retirees currently receiving benefits and the 505 active employees presently accruing benefits. In order to start funding the \$63.8 million unfunded liability, the city should be making an "Annual Required Contribution," or ARC, of \$5,944,912.00 per fiscal year. However, that would be approximately \$4.5 million more per fiscal year than what the City is currently paying on the "Pay-As-You-Go" method.

On May 1, 2012, the City Council approved staff's recommendation to begin to prefund the unfunded OPEB liability. To that end, the City has set up a CalPERS CERBT trust account and has made an initial deposit of \$3,384,670.00 from the Successor Agency. The \$3,384,670.00 represents the Actuarial Accrued Liability (AAL) attributable to the Successor Agency (formerly the Carson Redevelopment Agency). Additionally, as part of the City Manager's recommended fund balance decision package #3, the City Manager is recommending that the City Council authorize the use of \$1,000,000.00 of fund balance to make a deposit towards the unfunded liability on behalf of the City. The City Manager is also recommending that in each subsequent fiscal year, the City pay, as part of its annual operating budget, a percentage of annual payroll to the CalPERS trust account to continue to make progress towards the goal of fully funding the unfunded liability. To be fully funding the required OPEB contribution on an annual basis would require nearly 23% of payroll. To offset this, the City Manager also recommends that additional "one-time" contributions be made when and if there are one-time funds available.

Response Provided By: The Administrative Services Work Group



CITY OF CARSON
FY 2012/13 PROPOSED GENERAL FUND BUDGET
COUNCIL BUDGET REFERRAL

Question #18: What is a cost allocation plan?

Response: An updated cost allocation plan/model is required in order to ensure that the City is able to determine the true cost of programs and operations factoring in overhead and internal service funds charges like the Capital Asset Replacement Fund. It is also necessary to allow for the recapture of overhead and other costs as appropriate from eligible grant funds and needs to conform to the Federal OMB (Office of Management & Budget) A-87 guidelines and accounting standards. A cost allocation plan/model would be developed and would define the operations to be covered by the plan/model, like Self-Insurance costs, centralized services like Human Resources, and other overhead. The plan/model would also define how the costs would be allocated to user programs and operations. Once developed, the model would be updated each year by staff to ensure accuracy and this would also contribute to transparency in government especially as it relates to resource allocation.

Response Provided By: The City Manager's Office



CITY OF CARSON
FY 2012/13 PROPOSED GENERAL FUND BUDGET
COUNCIL BUDGET REFERRAL

Question #19: Which positions were most recently added to the City's organizational structure?

Response: 10 positions have been added to the City's organizational structure over the last 6 years.

Fiscal Year	Position Title	Barg Unit	Work Group	Division
2011/12	Typist Clerk II (NSP)	AF	Economic Development	NSP
2009/10	Principal Administrative Analyst	CPSA	Economic Development	Administration
2008/09	Senior Planner	CPSA	Development Services	Planning
2008/09	Custodian	AF	Public Services	Landscape & Bldg. Maint
2008/09	Senior Engineering Tech - Traffic	CPSA	Development Services	Engineering
2008/09	Kids Club Site Director	AF	Public Services	Recreation
2008/09	Kids Club Site Director	AF	Public Services	Recreation
2007/08	Typist Clerk II	AF	City Council	Operations
2006/07	Human Resources Officer	UNCL	Administrative Services	Human Resources
2006/07	Computer Systems Support Technician	CPSA	City Manager	Information Technology

Response Provided By: The Administrative Services Work Group



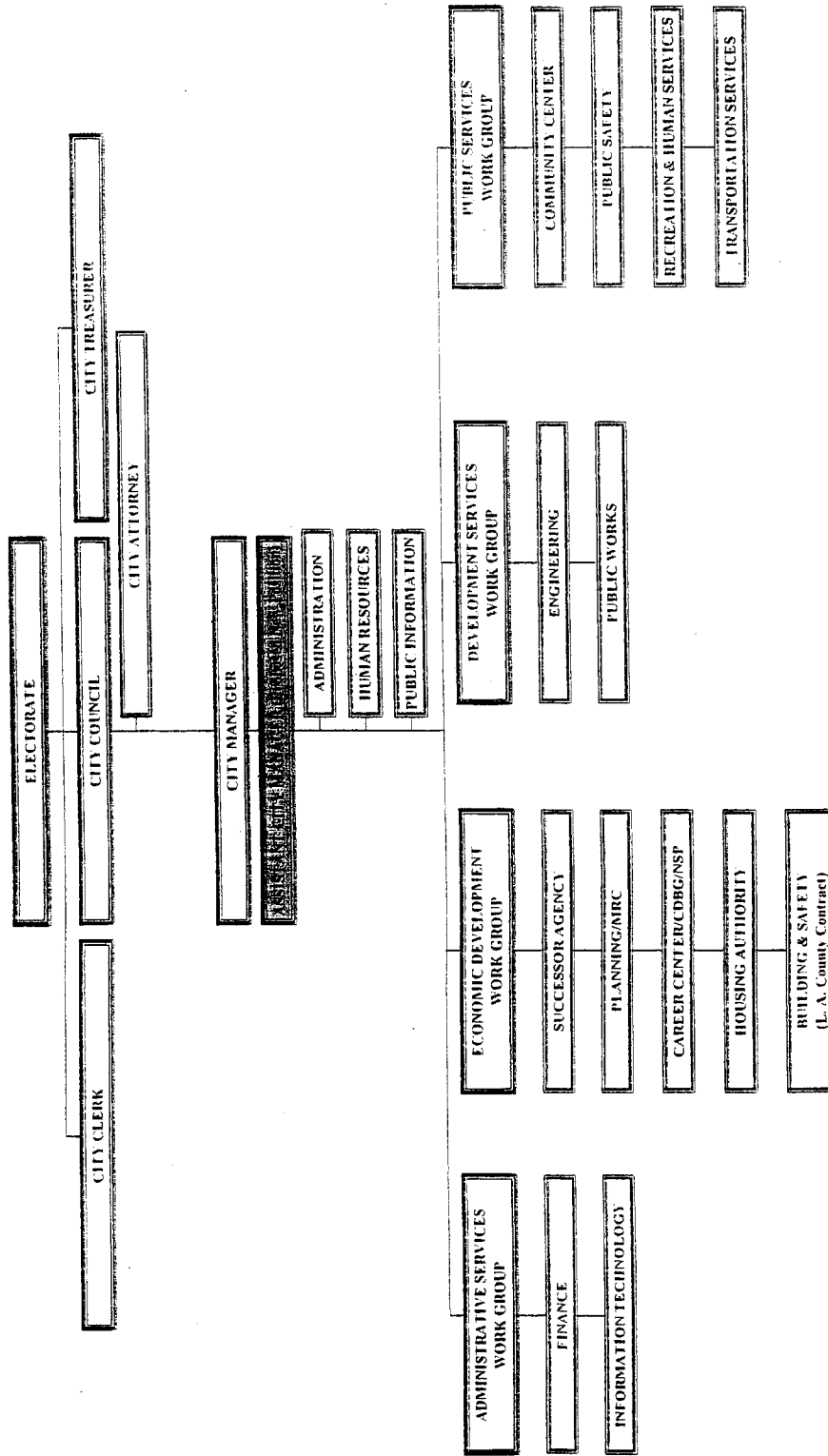
**CITY OF CARSON
FY 2012/13 PROPOSED GENERAL FUND BUDGET
COUNCIL BUDGET REFERRAL**

Question #20: What would the City organization chart reflect if the City Manager's proposed reorganization were approved?

Response: Please see the attached city-wide organizational chart.

Response Provided By: The Administrative Services Work Group

CITY OF CARSON
JULY 1, 2012
(Per Reorganization Plan)



CITY OF CARSON
FY 2012/13 PROPOSED GENERAL FUND BUDGET
COUNCIL BUDGET REFERRAL

Question #21: What could the City do to assist any employees who may be laid off?

Response: The city's Career Center is available to help employees who may be subject to layoff. Services available include:

One on one career counseling

Discuss individual issues and concerns, develop a personalized plan, assist in career exploration, monitor progress

Access to an array of information and resources

Provide web sites, organizations, government agencies and other helpful resources

Career assessment

Testing, interviews and other tools to aid in identifying options

Workshops

Group meetings on a variety of useful topics relating to skills, issues or specific career areas

Training

Formal fully-subsidized classroom training and on-the-job training in many fields

Job development and placement assistance

Job leads and assistance with self-directed job searching

In addition, the city's Human Resources Division or the Career Center can refer employees to the Employee Assistance program (EAP) to help them cope with their individual situation. The service is free and confidential.

Response Provided By: The Economic Development Work Group and Human Resources



revised

CITY OF CARSON
FY 2012/13 PROPOSED GENERAL FUND BUDGET
COUNCIL BUDGET REFERRAL

Question #22: Are there vacant funded positions that those employees whose positions are proposed to be eliminated can be reassigned to?

Response: Yes, there are 15 filled position proposed to be eliminated. Based on a very preliminary analysis, the employees that may be able to be reassigned prior to the elimination of their position are:

Position Title	Division	Transfer to
Senior Clerk	Administration	Typist Clerk II
Division Secretary	Public Information	Senior Clerk
Graphics Artist	Public Information	Assistant Groundsworker
Senior Buyer	Purchasing	
Human Resources Analyst	Human Resources	
Senior Bus Driver	Transportation	Assistant Maintenance Worker
Senior Bus Driver	Transportation	Assistant Maintenance Worker
Senior Equipment Mechanic	Public Works	Assistant Facilities Maint. Tech.
Equipment Mechanic	Public Works	Assistant Facilities Maint. Tech.
Public Safety Specialist	Public Safety	Code Enforcement Officer
Kids Club Site Director	Recreation	Early Childhood Instructor
Kids Club Site Director	Recreation	PT ECE Instructor
Division Secretary	Land. & Bldg. Maint.	Account Clerk
Division Secretary	Human Services	
Community Services Prog. Mgr.	Human Services	Community Services Coordinator II

Response Provided By: The Administrative Services Work Group

**CITY OF CARSON
FY 2012/13 PROPOSED GENERAL FUND BUDGET
COUNCIL BUDGET REFERRAL**

Question #22: What opportunities may exist to transfer employees from filled positions to be eliminated to vacant funded positions?

Response: Staff is still working on this and provide a response at the study session on June 26th.

Response Provided By: The Administrative Services Work Group

CITY OF CARSON
FY 2012/13 PROPOSED GENERAL FUND BUDGET
COUNCIL BUDGET REFERRAL

Question #23: Why are health insurance costs so much higher in FY 2012/13 than in FY 2011/12?

Response: Health insurance costs for FY 2012/13 are only \$319,480.00 (14%) more than last fiscal year.

1 Health insurance costs for FY 2011/12:

Medical insurance (5502)	3,583,658
Vision insurance (5509)	21,609
Left-over medical (5513)	120,168
Total health insurance costs - FY 2011/12	<u>3,725,435</u>

2 Health insurance costs for FY 2012/13 (at maximum): 4,462,287

3 Health insurance costs for FY 2012/13 (actual cost plus 5%):

Medical insurance (5502)	3,654,941
Vision insurance (5509)	20,591
Left-over medical (5513)	176,768
Total health insurance costs - FY 2012/13	<u>3,852,300</u>
Plus: estimated 5% increase	192,615
Total health insurance costs - FY 2012/13	<u>4,044,915</u>

4 Difference between max medical and actual plus 5% 417,372
(This is how the \$420,000.00 reduction (DP#3) was calculated)

5 Difference between FY 2012/13 actual plus 5% and FY 2011/12 319,480

Response Provided By: The Administrative Services Work Group

revised

CITY OF CARSON
FY 2012/13 PROPOSED GENERAL FUND BUDGET
COUNCIL BUDGET REFERRAL

Question #24: What are the annual unrealized revenues for the Community Center due to free use or reduced fees?

Response: A follow up review to exclude City operated or directly affiliated programs indicates that for FY 2010/11, there was just \$83,883.50 in unrealized revenues and for FY 2011/12 year to date, there has been \$103,318.45 in unrealized revenues. While a further review of utilities, supplies and labor costs associated with these non-revenue generating events is needed, on a proportionate basis it is estimated that these events cost about \$80,750.00.

Response Provided By: The Public Services Work Group



**CITY OF CARSON
FY 2012/13 PROPOSED GENERAL FUND BUDGET
COUNCIL BUDGET REFERRAL**

Question #24: What are the annual unrealized revenues for the Community Center due to free use or reduced fees?

Response: For FY 2010/11, unrealized revenues were \$657,000 and for FY 2011/12 (year-to-date), unrealized revenues are approximately \$610,000. It is estimated that utilities, supplies and labor costs for those non-revenue generating events cost about \$475,000 per year.

Response Provided By: The Public Services Work Group



CITY OF CARSON
FY 2012/13 PROPOSED GENERAL FUND BUDGET
COUNCIL BUDGET REFERRAL

Question #25: On June 19, 2012, Councilman Santarina submitted the following questions to staff and requested that staff respond. Attached are the questions and responses.

- 1Q. Page 21 of the budget package distributed on June 6, 2012, shows total revenues at \$66,434,782 while page 26 shows it at \$66,301,022. Would you confirm that \$66,301,022 is the correct data?
- 1R. \$66,301,022 is the projected total revenues for FY 2012/13 after including the proposed use of fund balance for certain non recurring and one-time costs and after subtracting out one-time revenues. \$66,434,782 was the revenue projection before these adjustments.
- 2Q. Under Total Fines and Forfeitures," on page 27, why did budgeted Parking Fines decrease from \$875,000 in 2012 to \$300,000 in 2013? What is the reason for the big dip?
- 2R. The significant decrease in projected revenues is related to the change in law effective January 1, 2012, whereby the City can only ticket parked vehicles that actually block the street sweeper from sweeping, not cars parked during the time period stated on the "No Parking" sign. Once the sweeper has passed, cars can be parked in the "No Parking" area even though the designated time period has not elapsed.
- 3Q. The Community Center Renovation is already complete. On page 27, why are budgeted revenues for the Community Center going down by \$101,000, from \$913,500 in 2012 to \$812,500.
- 3R. The revenue projections for FY 2012/13 are based on actual activity levels in FY 2011/12. Both room rental and catering revenues are significantly under what was projected for FY 2011/12. While the economy is slowly improving, staff didn't feel it prudent to expect a significant increase in activity for FY 2012/13. Additionally, in January 2012, a new vendor took over catering services at the Community Center and the revenues generated as a result have been less than last years revenues for the same period due to this transition. It is anticipated that catering revenues will start to go back up, however, until that happens, staff is being conservative in its estimates.
- 4Q. On page 30, it looks like part time budget for 2013 decreased by about \$300,000 compared to 2012. Was this because the part time hours were reduced? Or is it because we reduced the total number of part time workers? Do they qualify for unemployment benefits? If they do, why did the budget for Unemployment Claims on page 31 decrease from \$200,000 to \$100,000.
- 4R. Part-time hours have been reduced where ever possible. A reduction in hours can qualify someone for unemployment benefits, but unemployment claims have been down significantly over the past year and therefore the budget has been reduced based on fewer claims.

Response Provided By: The Administrative Services Work Group

CITY OF CARSON
FY 2012/13 PROPOSED GENERAL FUND BUDGET
COUNCIL BUDGET REFERRAL

Question #25: On June 19, 2012, Councilman Santarina submitted the following questions to staff and requested that staff respond. Attached are the questions and reponses. (Continued)

- 5Q. Page 30 - what is termination pay and how is it different from redemption pay? Please explain.
- 5R. Termination pay is the cost of paying out accrued leave balances as required when an employee separates from City employment, whereas redemption pay is the cost of cashing out leave for employees who voluntarily cash out leave hours in accordance with the leave redemption benefit granted them as part of their negotiated MOU.
- 6Q. Page 30 - If the average of the expenses in 2009 of \$105,128; 2010 of \$97,852; 2011 of \$74,310 and 2012 of \$87,381 is \$91,000, why is the 2013 budget for \$124,750?
- 6R. To be provided (see BR # 27)
- 7Q. Page 31 - property supplies and rental, why did the budget go up from \$60,622 in 2012 to \$109,878 in 2013?
- 7R. The increase is due to \$50,000 being budgeted in Economic Development for the lease at One Civic Plaza, as the lease cost for the Career Center and the Mobilehome Rent Review divisions can no longer be funded by the Successor Agency. However, the lease is not going to be renewed come August 31, 2012, so the amount paid by the general fund will be significantly less and the budget will be adjusted accordingly.

Response Provided By: The Administrative Services Work Group

CITY OF CARSON
FY 2012/13 PROPOSED GENERAL FUND BUDGET
COUNCIL BUDGET REFERRAL

Question #26: How much is the animal control contract with L.A. County going up this year?

Response: In early June 2012, the City received a letter from L.A. County stating that contract rates for animal control services would be going up between 3% and 5% effective July 1, 2012. The amount included in the proposed FY 2012/13 general fund budget for these services is \$210,000.00. Based on the information just received from the County, the budget for these services will need to be increased by \$26,000.00, for a total of \$236,000.00.

Response Provided By: The Public Services Work Group

CITY OF CARSON
FY 2012/13 PROPOSED GENERAL FUND BUDGET
COUNCIL BUDGET REFERRAL

Question #27: What amounts are budgeted for travel and conferences in the general fund for FY 2012/13?

Response: The total amount budgeted for FY 2012/13 is \$116,225. The budget in FY 2012/12 was \$146,532. The actual year-to-date expenditures for FY 2011/12 is currently \$92,215. Much of the money spent on "travel" is not really for travel. Much of the expenditures are for local seminars, workshops & professional association meetings. Additionally, \$39,500 (34%) of the total \$116,225 budgeted is for the seven elected officials . The remaining \$76,725 is for staff.

A spreadsheet showing the travel budgets for each program, division and work group is attached. It is also includes a brief description of what the budget is for.

Response Provided By: The Administrative Services Work Group

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CITY OF CARSON
TRAVE. JDGETS
FY 2012/13 PROPOSED TO FY 2011/12 AMENDED

Org Key	Program Name	FY 2011/12 Amended O&M	FY 2012/13 Proposed O&M	\$ Increase/ Decrease	% Increase/ Decrease	Comments
01-10-000-003	City Council	31,000	33,500	2,500	8.06%	
Total City Council		31,000	33,500	2,500	8.06%	
01-30-000-003	City Clerk	7,750	2,500	(5,250)	-67.74%	IIMC Annual Conference
Total City Clerk		7,750	2,500	(5,250)	-67.74%	
01-40-000-003	City Treasurer	6,000	6,000	0	0.00%	National League of Cities, League of CA cities, CA Municipal Treasurers Association, & National Assoc. of Latino Elected Officials conferences
Total City Treasurer		6,000	6,000	0	0.00%	
01-50-010-001	City Manager Operations	6,600	6,500	(100)	-1.52%	League of CA City Manager's meetings, ICMS City Manager's conference, CA Contract Cities Assoc. Annual Seminar, ICSC, National League of Cities Conference, South Bay Cities COG, Travel International Group
01-50-010-020	Women's Issues Commission	1,290	0	(1,290)	-100.00%	
Total - CM Admin		7,890	6,500	(1,390)	-17.62%	
01-50-520-003	IT Operations	20,000	14,000	(6,000)	-30.00%	Trainings/updates for IT staff on the multiple software & systems IT supports
01-50-520-015	GIS	4,000	3,570	(430)	-10.75%	Annual ESRI conference for GIS applications
Total - CM IT		24,000	17,570	(6,430)	-26.79%	
01-50-540-003	PIO Operations	800	800	0	N/A	CA Assoc. of Public Information Officials
01-50-540-008	PIO Public Relations Commission	500	0	(500)	-100.00%	
Total - CM PIO		1,300	800	(500)	-38.46%	
Total - City Manager		33,190	24,870	(8,320)	-25.07%	
01-60-010-001	AS Administration	1,400	1,200	(200)	-14.29%	CSMFO Annual Conference
Total - AS Admin		1,400	1,200	(200)	-14.29%	
01-60-610-002	Finance Administration	1,500	1,300	(200)	-13.33%	CSMFO, GFOA & CMRTA trainings & workshops
Total - AS Fin Admin		1,500	1,300	(200)	-13.33%	
01-60-620-003	Accounting	2,115	2,115	0	0.00%	Annual tax seminar & training for accounting staff
Total - AS Accounting		2,115	2,115	0	0.00%	
01-60-630-003	Purchasing	200	0	(200)	-100.00%	
Total - AS Purchasing		200	0	(200)	-100.00%	
01-60-660-003	Revenue Operations	675	1,400	725	107.41%	CMRTA Annual Conf., SCAN NATOA chapter mtgs. And SCACEO required certifications for CEO's
Total - AS Revenue		675	1,400	725	107.41%	
Total - AS Finance		4,490	4,815	325	7.24%	

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**CITY OF CARSON
TRAVEL BUDGETS
FY 2012/13 PROPOSED TO FY 2011/12 AMENDED**

Org Key	Program Name	FY 2011/12 Amended O&M	FY 2012/13 Proposed O&M	\$ Increase/ Decrease	% Increase/ Decrease	Comments
01-60-670-002	Human Resources Administration	450	250	(200)	-44.44%	CalPERS retirement seminar
01-60-680-003	Human Resources Operations	3,000	3,000	0	0.00%	Staff attendance at CalPERS and HR trainings
01-60-690-172	Risk Management Liability	1,000	100	(900)	-90.00%	PARMA Conference
01-60-690-173	Risk Management Workers Comp	200	100	(100)	-50.00%	Workers Comp & Case Law updates
Total - AS HR		4,650	3,450	(1,200)	-25.81%	
Total - Admin Svcs		10,640	9,465	(1,175)	-10.20%	
01-70-870-002	Planning Administration	800	800	0	0.00%	Local professional association meetings
01-70-870-041	Planning Commission	200	200	0	0.00%	Local professional association meetings
01-70-870-250	Code Compliance	100	0	(100)	-100.00%	
01-70-870-290	Planning-Current	1,760	1,760	0	0.00%	Required continuing education for certified planners (American Institute of Certified Planners) and local professional association meetings
01-70-870-291	Planning-Advance	700	700	0	0.00%	
Total - ED Planning		3,560	3,460	(100)	-2.81%	
Total - Econ Devel		3,560	3,460	(100)	-2.81%	
01-80-010-001	Development Services Administration	1,172	800	(372)	-31.74%	Annual conference & monthly prof assoc mtgs
Total - DS Admin		1,172	800	(372)	-31.74%	
01-80-820-004	Engineering CIP	300	300	0	0.00%	Annual Street & Technology conf for engineers & monthly prof assoc mtgs
01-80-820-161	Engineering Construction Inspection	200	200	0	0.00%	Annual Street & Technology conf for inspectors
01-80-820-284	Traffic Engineering	350	350	0	0.00%	Trainings & updates related to the CA Manual of Uniform Traffic Control Devices
01-80-820-285	NPDES	100	100	0	0.00%	Monthly watershed meetings
Total - DS Engineering		950	950	0	0.00%	
01-80-840-003	Public Works Operations	750	550	(200)	-26.67%	Annual conference & monthly prof assoc mtgs
01-80-840-075	Environmental Commission	200	200	0	0.00%	Environmental-related workshops & trainings
01-80-840-080	PW Legends/Curb	500	0	(500)	-100.00%	
01-80-840-081	PW Street Maintenance	300	200	(100)	-33.33%	International Municipal Signal Association Class (work zone certifications)
01-80-840-093	PW ROW Maintenance	200	200	0	0.00%	Pesticide Applicators Professional Certification
01-80-840-106	PW Tree Maintenance	0	230	230	N/A	Arborist & Pesticide Applicators Professional Certification
Total - DS Pub Works		1,950	1,380	(570)	-29.23%	
Total - Dev Svcs		4,072	3,130	(942)	-23.13%	

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CITY OF CARSON
TRAVE. JDGETS
FY 2012/13 PROPOSED TO FY 2011/12 AMENDED

Org Key	Program Name	FY 2011/12 Amended O&M	FY 2012/13 Proposed O&M	Increase/ Decrease \$	% Increase/ Decrease	Comments
01-90-010-001	Pub Svcs Administration	4,000	4,000	0	0.00%	Annual CPRS conference
Total - PS Admin		4,000	4,000	0	0.00%	
01-90-100-003	Community Center	0	1,000	1,000	N/A	
Total - PS Comm Ctr		0	1,000	1,000	N/A	
01-90-910-003	Public Safety Code Enforcement	10,000	8,000	(2,000)	-20.00%	Annual CA Assoc of Code Enforcement Officers conference for all 8 CEO's
Total - PS Code Enf		10,000	8,000	(2,000)	-20.00%	
01-90-920-119	Public Safety Youth Services	500	300	(200)	-40.00%	
Total - Pub Saf Youth Svcs		500	300	(200)	-40.00%	
01-90-930-003	PS Sheriff's Program Support Ops	2,000	2,100	100	5.00%	Annual National Fire and Prevention Association conference
01-90-930-138	PS Sheriff's Program Support	800	200	(600)	-75.00%	
Total - PS Emg/Com		2,800	2,300	(500)	-17.86%	
Total - PS Pub Safety		13,300	10,600	(2,700)	-20.30%	Annual California Parks & Recreation Society, SCMAF, and National Recreation & Parks Association conferences
01-90-950-003	P&R Operations	3,000	3,000	0	0.00%	
01-90-950-152	P&R Operations	3,200	0	(3,200)	-100.00%	
Total - Recr Admin		6,200	3,000	(3,200)	-51.61%	
01-90-951-003	P&R PS 1 Operations	800	0	(800)	-100.00%	
01-90-951-050	P&R PS 1 Scott Park	575	0	(575)	-100.00%	
01-90-951-051	P&R PS 1 Carson Park	200	0	(200)	-100.00%	
01-90-951-052	P&R PS 1 Del Amo Park	575	0	(575)	-100.00%	
01-90-951-055	P&R PS 1 Dolphin Park	400	0	(400)	-100.00%	
01-90-951-059	P&R PS 1 Hemingway Park	575	0	(575)	-100.00%	
01-90-951-631	P&R PS 1 Adult Sports	400	0	(400)	-100.00%	
01-90-951-701	P&R PS 1 Youth Sports	575	0	(575)	-100.00%	
Total - Recr Prog 1		4,100	0	(4,100)	-100.00%	Annual CPRS conference and childcare licensing seminar
01-90-953-003	P&R PS 3 Operations	800	600	(200)	-25.00%	
01-90-953-054	P&R PS 3 Dominguez Park	575	100	(475)	-82.61%	SCMAF conference
01-90-953-056	P&R PS 3 Carriage Crest Park	400	400	0	0.00%	Annual CPRS conference
01-90-953-057	P&R PS 3 Anderson Park	575	300	(275)	-47.83%	Annual CPRS conference
01-90-953-058	P&R PS 3 Calas Park	400	400	0	0.00%	SCMAF & CPRS conference
01-90-953-154	P&R PS 3 Youth Commission	450	0	(450)	-100.00%	
Total - Recr Prog 3		3,200	1,800	(1,400)	-43.75%	

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CITY OF CARSON
TRAVEL BUDGETS
FY 2012/13 PROPOSED TO FY 2011/12 AMENDED

Org Key	Program Name	FY 2011/12 Amended O&M	FY 2012/13 Proposed O&M	\$ Increase/ Decrease	% Increase/ Decrease	Comments
01-90-954-003	P&R PS 4 Operations	600	150	(450)	-75.00%	Fitness Center Operations training
01-90-954-053	P&R PS 4 Stevenson Park	575	0	(575)	-100.00%	
01-90-954-060	P&R PS 4 Veterans Park	400	0	(400)	-100.00%	
01-90-954-061	P&R PS 4 Mills Park	575	0	(575)	-100.00%	
01-90-954-351	P&R PS 4 Vets SportsComplex	575	300	(275)	-47.83%	Nutrition class host for CPRS conference
Total - Recr Prog 4		2,725	450	(2,275)	-83.49%	
01-90-965-601	P&R Aquatics - Carson Pool	200	100	(100)	-50.00%	SCMAF, CPRS, SCPPOA & Red Cross trainings & meetings
01-90-965-602	P&R Aquatics - Scott Pool	200	0	(200)	-100.00%	
01-90-965-603	P&R Aquatics - Dominguez AC	1,000	1,200	200	20.00%	
01-90-965-604	P&R Aquatics - Hemingway AC	200	150	(50)	-25.00%	
Total - Aquatics		1,600	1,450	(150)	-9.38%	
Total - PS Recreation		17,825	6,700	(11,125)	-62.41%	
01-90-970-003-5003	LBM Operations	14,795	9,400	(5,395)	-36.47%	PAPA (mandatory continuing education and pesticide licenses) & Annual CPRS conference
01-90-970-101-5003	LBM PLM Section 1 & Mowing	0	600	600	N/A	Staff training, carbon reduction seminars
01-90-970-105-5003	LBM PLM Section 2	0	1,000	1,000	N/A	2nd year of maintenance management school
Total - PS LBM		14,795	11,000	(3,795)	-25.65%	
01-90-990-003	HS Fine Arts Operations	500	0	(500)	-100.00%	
Total - HS Fine Arts		500	0	(500)	-100.00%	
Total - Public Svcs		50,420	33,300	(17,120)	-33.95%	
Total - General Fund		146,532	116,225	(29,877)	-20.68%	

CITY OF CARSON
FY 2012/13 PROPOSED GENERAL FUND BUDGET
COUNCIL BUDGET REFERRAL

Question #28: What is the cost recovery for the Early Childhood Education program?

Response: The cost recovery was 50% in FY 2008/09 and is projected to be about 61% for FY 2012/13.

	FY 2012/13	FY 2011/12	FY 2010/11	FY 2009/10	FY 2008/09
Revenues	511,427	487,073	471,527	420,156	407,898
Expenditures	840,073	798,955	812,121	787,690	820,115
Shortfall	<u>(328,646)</u>	<u>(311,882)</u>	<u>(340,594)</u>	<u>(367,534)</u>	<u>(412,217)</u>
% of cost rec	60.88%	60.96%	58.06%	53.34%	49.74%

Response Provided By: The Administrative Services Work Group

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CITY OF CARSON
FY 2012/13 PROPOSED GENERAL FUND BUDGET
COUNCIL BUDGET REFERRAL

Question #29: What is the current status of parking fine revenues for this fiscal year and an updated estimate for next fiscal year?

Response: The budget for FY 2011/12 is \$875,000 and the current year-end estimate is \$875,000. While street sweeping-related parking tickets have gone down since the new legislation was approved effective January 1, 2012, the number of truck parking tickets issued has increased. The fines for truck and other parking violations were increased last year, so that has helped keep the ticket revenues at the level budgeted. However, for FY 2012/13, as the impact of a full year's reduction in the number of street sweeping-related parking tickets is felt, staff is projecting a total of only \$700,000. However, since only \$375,000 was originally budgeted for next year, this will allow us to add an additional \$325,000 to our FY 2012/13 revenue projections.

Response Provided By: The Administrative Services Work Group



CITY OF CARSON
FY 2012/13 PROPOSED GENERAL FUND BUDGET
COUNCIL BUDGET REFERRAL

Question #30: What options are there to increase the Sheriff's contract to address public safety concerns arising out of State realignment?

Response: **Robberies**

In an effort to impact the significant increase in robberies that have occurred within the City of Carson this year, a four person high visibility patrol deployment will be implemented. Each Deputy will be deployed in one-person vehicles to maximize visibility. Deployment will occur during a five hour shift during periods of highest occurrence.

Deputy overtime billing rate: \$71.37

Four Deputies at five hours, five days a week

12-week period

Expenditure: \$85,644

Burglaries

In an effort to reduce the increase in both residential and commercial burglaries within the City of Carson, two deputies will be chosen to conduct burglary saturation patrol and investigation. Backfill overtime will be utilized in the following manner:

Deputy overtime billing rate: \$71.37

Two Deputies at 40 hours per week

11-week deployment

Expenditure: \$62,805

TOTAL EXPENDITURE: \$148,449

Response Provided By: Public Services Work Group

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CITY OF CARSON
FY 2012/13 PROPOSED GENERAL FUND BUDGET
COUNCIL BUDGET REFERRAL

Question #31: How was the projected \$35,000 in savings from Commission consolidation estimated?

Response: The City currently has 20 Commission, Committee and Boards totaling 190 members. Of these only 68 of 190 do not receive a stipend. If the City Council approves the proposed consolidation there would be 138 Commission, Committee and Board members and 14 Commissions.
Anticipated annual savings would come from 3 areas:

Stipends	\$16,285.00
O&M	\$11,125.00
<u>Overtime</u>	<u>\$2,875.00</u>
TOTAL	<u>\$30,285.00</u>

Response Provided By: The City Manager's Office



CITY OF CARSON
FY 2012/13 PROPOSED GENERAL FUND BUDGET
COUNCIL BUDGET REFERRAL

Question #32: On June 25, 2012, Councilwoman Davis-Holmes' submitted the following questions to staff and requested that staff respond. Attached are the questions and responses.

- 1Q. I asked during our first budget workshop for an analysis as to the span of control, budget and level of responsibility for the Public Works Superintendent and the Recreation Superintendent. I see that the Public Works Superintendent is being proposed as a Public Works Officer and my question was why not the Recreation Superintendent because these two positions will have increased responsibilities in the proposed reorganization and these additional responsibilities have nothing to do with "other related duties." If it is considered other related duties for one, then it should be considered other related duties for both thereby leaving the title Superintendent for Public Works and also Recreation.
- 1R. A reorganization can be approved without the specific titles approved as we would need to do a job description and evaluate the specific duties and the history of the evolution of positions. For example, the Recreation Superintendent job used to cover Human Services and when it was split off there was no downward adjustment to compensation. A specific job description would require Council approval and keeping the titles the same may be one option which could result from a formal evaluation.
- 2Q. With the retirement of Ms. Dora from the Early Childhood Education program, why would you fill her vacancy as opposed to transferring one of the full-time Kids Club Site Directors to that position and underfilling the vacant Site Director position with a 30-hour per week part-time Recreation Assistant 4 or a part-time Assistant Recreation Center Director?
- 2R. That is certainly a likely option, but the recommendations to eliminate positions are based on operational requirements.
- 3Q. Just a reminder that the Transportation Supervisor is to have in their job spec's the ability to drive a school/recliner bus. That was decided by this Council during our last budget workshops so if the position is to be filled, make sure that is a part of the specifications.
- 3R. This requirement is already reflected in the class specification
- 4Q. Management Salaries: based on your comparison of salaries and our population and based upon the fact that we hired our new City Manager at a lower salary, what would be the cost savings if we reduced our General Manager salaries by 5%, or to \$156,898.00, which is more in line with our neighboring City of Compton and Hawthorne, with populations of 96,455 and is more than Norwalk with a population of 105,549 who only pay their department directors \$127,284.00.

Response Provided By: The City Manager, Administrative Services, and Development Services Work Groups

CITY OF CARSON
FY 2012/13 PROPOSED GENERAL FUND BUDGET
COUNCIL BUDGET REFERRAL

- 4R. As indicated, this initial survey was just on compensation and is not yet in a format which addresses some of the other issues raised, like comparing specific responsibilities and total compensation. For example, while the City of Norwalk pays less, they have nine (9) department directors and an Assistant City Manager covering the same array of services. Attached is a listing of comparable cities and their senior management staffing. As noted in Budget Referral #4, a comprehensive review of our salary structure is warranted for all levels of the organization. Also attached is a simple illustration of the compaction occurring within the organization.
- 5Q. What is the entire package including leave redemption, auto allowance, etc. that we pay our General Managers and proposed Assistant City Manager?
- 5R. This information can be provided as part of looking at total compensation throughout the organization.
- 6Q. It is my understanding that the Class and Comp study that was performed several years ago did not recommend that all General Managers be compensated at the level. I believe that our former City Manager made an administrative decision to pay all General Managers the same salary. Please correct me if I am wrong in that assumption.
- 6R. Your recollection, Councilwoman Davis-Holmes, is correct. The study did not place all four General Managers at the same salary range, but the City Manager recommended that they be placed at the same salary.
- 7Q. Options to reduce overtime.
- a. Please clarify why we cannot direct staff to work comp time as opposed to paid overtime and if comp time is taken, can management direct staff to take that comp time off so that it does not have a negative impact on the organization?
 - b. There is \$233,256 in overtime budgeted for the 2012/13 budget year and when we tightened our belts in 2010/11, we only spent \$88,109. Listed below are some budgets for 2012/13 as follows:
City Manager - \$30,731 for 2012/13; in 2011 used only \$1,487 and as of 6/18/12 only \$15,572 has been used.
Administrative Services - \$29,899 but for the past three years they have used less than \$10,000.
Economic Development - \$1,500
Development Services - \$62,736; to date \$74,413 (of this amount, transportation has used \$8,085 when we have full-time bus drivers washing buses?)
Public Services with over 51% of city employees spent \$59,853 as of 6/18/12 and has \$58,600 budgeted for 2012/13.
 - c. Staff has mentioned on several occasions that Public Works has unforeseen emergencies but to date they have only used \$34,425 and are only budgeted \$21,241 in the 2012/13 budget? That is a small dent in the proposed \$233,256.
 - d. How much are you spending to deliver Council agenda packages? We have code enforcement working on Friday so why is it necessary to pay overtime?
- My recommendation is to reduce the overtime account to \$75,000. Any overtime needed, except in the case of an emergency, must receive prior approval from the City Manager. This approach has worked in the past.

Response Provided By: The City Manager, Administrative Services, and Development Services Work Groups

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CITY OF CARSON
FY 2012/13 PROPOSED GENERAL FUND BUDGET
COUNCIL BUDGET REFERRAL

- 7R. As stated in budget referral #10, labor laws do not allow the City to mandate employees to take overtime worked as comp time. The decision to take comp time or paid overtime is solely that of the employee. However, a couple years ago, staff was able to negotiate a one-year agreement with the employees in which they agreed to accept overtime for all overtime worked, except in cases where the overtime is being paid for by a third party.

Of the \$62,736 overtime budgeted in Development Services, approximately \$33,000 is for construction inspection overtime and this overtime is 100% reimbursable by the developers and is recorded in the general fund as revenue. That leaves only approximately \$30,000 for the remainder of the work group, including all of the Public Works division. Additionally, the Public Works division has been working diligently at reducing overtime costs and has been successful in that the overtime expenditures have gone down in each of the last four years.

As for the \$8,085 in overtime costs in the Transportation division, these overtime expenses are related to the public excursions, not to the time that the bus drivers have spent washing buses.

Additional information related to overtime has been included in an updated response to budget referral #10.

- 8Q. The proposal is to lay off approximately 14 people. Then why is it necessary at this time to create reserves and funding in the amount of \$3.5 million which will reduce our reserve?
- Use of \$500,000 for budget stabilization.
 - Create a \$2 million budget stabilization reserve.
 - Create a \$1 million capital projects fund.
- 8R. a. This use covers \$500,000 of the next fiscal year problem.
b. This reserve can be used to address, in a small part, our projected on-going shortfall over the next five years.
c. If we don't start to do this, we will have no money to address even the most basic capital project needs.
- 9Q. Are all the salaries for the 22 vacant positions included in the 2012/13 budget? It will take approximately 6 months to recruit and hire those people. Could you not show a 6 month savings for each of these positions? Why is it necessary to hire new people when we are laying off 14? Can you identify the most critical positions along with their salaries as opposed to hiring all 22? Also, how many code enforcement officers do we have?
- 9R. The proposed budget assumes immediate savings from the eliminated positions when, in fact, it could take 3 months or more for employees to exit the organization. As such, we had already factored in these savings to allow us to transition.
- 10Q. Are there any special funds that we can use such as Gas Tax funds to offset the costs, i.e. charging for traffic signal maintenance and traffic engineer's salary to Gas Tax? Are there other funds?

CITY OF CARSON
FY 2012/13 PROPOSED GENERAL FUND BUDGET
COUNCIL BUDGET REFERRAL

- 10R. We are already charging a portion of the engineer's salaries to the Gas Tax Fund. As well, the following contracts are fully paid for with Gas Tax funds - tree trimming (\$360,000), street sweeping (\$731,420), and traffic signal maintenance (\$350,000). Additionally, we are annually transferring \$925,000 from the Gas Tax Fund to the General Fund to reimburse the General Fund for a portion of street maintenance costs. These items use almost \$2.4M of the \$2.6M of the gas tax funds received each year, thereby leaving only about \$200,000 for actual capital projects.
- 11Q. Have you looked at term purchase orders and contracts for additional savings?
- 11R. The line item adjustments already made would result in the reduction of some term purchase orders and contracts.
- 12Q. As it relates to revenue generated at the Community Center and parks, have you been able to identify unrealized revenues. This is not important for the budget at this time, but should be addressed again. (fee waivers for the Fine Arts programs, etc.) (I am not looking for the senior programs in the West Wing presented Mondays -Fridays)
- 12R. As it relates to the Community Center, this question is being responded to separately in budget referral #24. As to the parks, staff will analyze unrealized revenues and provide a response as soon as possible.
- 13Q. What is the cost recovery for the Early Childhood program? We should have that information for the Tuesday, June 26th budget workshop.
- 13R. The response to this question was provided in budget referral #28, on Tuesday, June 26, 2012, at the budget workshop.

Salary Groupings By Bargaining Groups

Illustrative Positions	Group	Top Step Salary	% Diff	\$ Diff
City Manager	Unclass	195,000	15.30%	29,844
General Managers	Unclass	165,156	19.92%	32,892
Officers	Unclass	132,264	0.12%	156
Redevelopment Manager	AME	132,108	13.75%	18,168
Sr. Redevelopment Project Mgr	Prof	113,940	4.81%	5,484
Assistant to the City Manager	ACE	108,456	4.81%	5,220
GIS Adminsitrator	AME	103,236	7.16%	7,392
			23.43%	22,452
Recreation Center Super II	AFSCME	73,392	5.26%	3,864
			2.42%	1,680
Administrative Specialist	Prof	67,848	0.00%	0
Human Resources Specialist	ACE	67,848	40.18%	27,264
Office Clerk	AFSCME	40,584		

- Notes:
- 1) The color coding defines the highest paid and lowest paid postions in each bargaining group
 - 2) The % Diff and \$ Diff is for the position relates to the one listed immediately below
 - 3) The positions are listed on approximately scaled basis

MANAGEMENT LEVELS IN OTHER CITIES

CITY	POPULATION	MANAGEMENT POSITIONS	DEPARTMENTS	CONTACT
Bellflower Contract	76,616	City Manager 1 Assistant City Manager 5 Department Heads	Community Development Finance Parks and Recreation Public Safety	Lydia CMO (562) 804-1424 x2207
Cerritos Contract	49,041	City Manager 1 Senior Assistant City Manager 1 Assistant City Manager 5 Directors	Administrative Services Community and Safety Services Community Development Public Works	Yvette CMO (562) 916-1311
Compton Contract	96,455	City Manager 13 Directors/Department Heads	CareerLink General Services (2) Human Resources Housing Authority (2)	Ms. Eaton Personnel (310) 605-5648
Diamond Bar Contract	55,544	City Manager 1 Assistant City Manager 1 Assistant to the City Manager 5 Directors	Community Development Community Services City Engineer/Public Works Finance	Tommie CMO (909) 839-7010
El Segundo SBCOG Full Service	16,654	Interim City Manager 6 Directors	Finance Human Resources Library Services Planning/Building Safety	Mickie CMO (310) 524-2303
Gardena SBCOG Full Service (no Fire)	58,829	City Manager 1 Assistant City Manager 5 Department Heads	Community Development Public Works Recreation and Human Services Transportation	Jan Human Resources (310) 217-9509
Hawthorne SBCOG Full Service (no Fire)	84,293	Interim City Manager 5 Directors	Administrative Services Building Safety Planning/Community Development Public Works	Sandra CMO (310) 349-2910
Hermosa Beach SBCOG Full Service	19,506	City Manager Assistant City Manager 7 Department Heads	Community Development Finance Personnel Public Works Recreation & Community Resources Police Fire	Steve Burrell City Manager (310) 318-0216

CITY	POPULATION	MANAGEMENT POSITIONS	DEPARTMENTS	CONTACT
Inglewood SBCOG Full Service (no Fire)	109,673	City Manager 2 Assistant City Managers 1 Deputy City Manager 7 Directors	Community Development Public Works Finance Human Resources Administrative Services Community Development Community Services Public Safety Administrative Services Community Development Public Works Recreation & Community Services Community Development Community Services Human Resources Finance Administrative Services Community Services Parks and Recreation Public Works Community Development Finance Fire Human Resources City Clerk Community Development Finance Human Resources City Engineer/Public Works	Tracy Comm. Development (310) 412-5290 Amanda Personnel (562) 943-0131 x2318 Frank Personnel (562) 866-9771 Diane CMO (310) 973-3202 Chuck Human Resources (310) 325-7110 x128 Patricia CMO (310) 802-5053 Cindy Human Resources (562) 929-5700 Vickie CMO (310) 378-0383 x2222
La Mirada Contract	48,527	City Manager 1 Assistant City Manager 6 Directors	Parks, Rec and Community Services Residential Sound Insulation Police Public Works Theater	
Lakewood Contract	80,048	City Manager 1 Assistant City Manager 2 Deputy City Managers 5 Directors	Water Resources	
Lawndale SBCOG Contract	32,769	City Manager 1 Assistant City Manager 5 Directors	Public Works	
Lomita SBCOG Contract	20,256	City Manager 1 Assistant City Manager 4 Directors	Public Works	
Manhattan Beach SBCOG Full Service	35,135	City Manager 1 Assistant City Manager (Vacant) (may fill that vacancy with an analyst) 7 Department Heads	Parks and Recreation Police Public Works	
Norwalk Contract	105,549	City Manager 1 Assistant City Manager 9 Directors	Public Safety Public Services Recreation and Parks Social Services Transportation	
Palos Verdes Estates SBCOG Contract	13,438	City Manager 1 Assistant to the City Manager 1 Department Head		

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CITY	POPULATION	MANAGEMENT POSITIONS	DEPARTMENTS	CONTACT
Paramount Contract	54,098	City Manager 1 Assistant City Manager 6 Department Heads	Administrative Services Community Development Community Services & Recreation Finance Community Development Finance Parks and Recreation Public Works	Carmin Human Resources (562) 220-2000
Pico Rivera Contract	62,942	City Manager 1 Assistant City Manager 4 Directors 3 Deputy Directors	Community Development Finance Parks and Recreation Public Works	Beatriz Human Resources (562) 942-2000
Rancho Palos Verdes SBCOG Contract	41,643	City Manager 1 Deputy City Manager 4 Directors	Community Development Finance & Information Technology Public Works Recreation and Parks	Christy CMO (310) 377-0360
Redondo Beach SBCOG Full Service	66,748	City Manager 1 Assistant City Manager 1 Assistant to the City Manager 10 Directors	Finance Harbor, Business, & Transit Human Resources Police Information Technology Planning	Irene CMO (310) 372-1171
Rolling Hills SBCOG Contract	1,860	City Manager 1 Director	Planning	Heidi City Hall (310) 377-1521
Rolling Hills Estates SBCOG Contract	8,067	City Manager 1 Assistant City Manager 3 Department Heads	Administrative Services Community Services Planning	Ellen Human Resources (310) 377-1577 x108
Rosemead Contract	53,764	City Manager 1 Assistant City Manager 6 Department Heads	Finance Housing Human Resources Parks and Recreation	Jan CMO (626) 569-2104
Torrance SBCOG Full Service	145,438	City Manager 1 Assistant City Manager 12 Department Heads	City Cable Civil Service Communication and IT Community Development Community Services Finance	Toni CMO (310) 618-5880

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**CITY OF CARSON
FY 2012/13 PROPOSED GENERAL FUND BUDGET
COUNCIL BUDGET REFERRAL**

Question #33: What additional corrections have been identified which need to be added to the General Fund budget?

Response: The final insurance renewals approved by the City Council on June 6, 2012, have resulted in an increase in premiums of \$23,031. Also, each year the cost of the Sheriff's general services contract is reduced by the savings associated with "suspending" the School Resources Officer for the 3 summer months. However, this year, LAUSD has reduced the summer vacation by 4 weeks. Therefore, the School Resources Officer will only be "suspended" for 2 months, thereby reducing the savings by \$20,382. Together these two items require an additional budget appropriation of \$43,413.

Response Provided By: The Administrative Services Work Group



CITY OF CARSON
FY 2012/13 PROPOSED GENERAL FUND BUDGET
COUNCIL BUDGET REFERRAL

Question #34: Which positions eliminated recently resulted in employees being Y-rated?

Response: There have been 5 employees that recently decided to voluntarily demote to a lower position in lieu of layoff. There were also 2 employees that were transferred to other positions in the City due to a change in the workload of their position. All 7 of these employees were Y-rated. The list of those 7 positions eliminated where the employee was Y-rated in their new position is attached for your reference.

Response Provided By: The Administrative Services Work Group



Y-RATED EMPLOYEES

Transfers with Budget Adoption (FY 2011/12)

Original Position	Work Group/ Division	Bargaining Unit	Range /Step	New Position	Work Group/ Division	Bargaining Unit	Range	Comments
1 Senior Storekeeper	AS/Finance	AFSCME	334 F	Assistant Groundsworker	PS/LBM	AFSCME	325	Transferred - lack of work
2 Storekeeper	DS/Public Works	AFSCME	330 F	Custodian	PS/LBM	AFSCME	325	Transferred - lack of work

Results of January 2012 Layoffs (Round 1)

Original Position	Work Group/ Division	Bargaining Unit	Range /Step	New Position	Work Group/ Division	Bargaining Unit	Range	Comments
3 Sr. Redevelopment Project Mgr.	ED/Redevelop	CPSA	165 D	Revenue Manager	AS/Finance	AME	163	Voluntarily demoted in lieu of layoff
4 Senior Planner	ED/Planning	CPSA/SUPV	158 F	Associate Planner	ED/Planning	CPSA/PROF	152	Voluntarily demoted in lieu of layoff
5 Business Development Analyst	EDBusiness Devel	CPSA/PROF	154 F	Redevelop. Project Analyst	ED/Successor Ag	CPSA/PROF	152	Voluntarily demoted in lieu of layoff
6 Sr. Code Compliance Specialist	ED/Planning	AFSCME	346 F	Revenue Inspector	AS/Finance	AFSCME	343	Voluntarily demoted in lieu of layoff

Results of April 2012 Layoffs (Round 2)

Original Position	Work Group/ Division	Bargaining Unit	Range /Step	New Position	Work Group/ Division	Bargaining Unit	Range	Comments
7 Revenue Inspector	AS/Finance	AFSCME	343 E	Code Enforcement Officer	PS/Public Safety	AFSCME	342	Voluntarily demoted in lieu of layoff

Redevelopment Agency employee

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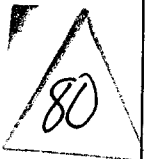
CITY OF CARSON
FY 2012/13 PROPOSED GENERAL FUND BUDGET
COUNCIL BUDGET REFERRAL

Question #35: What are the travel budgets of the City's Elected Officials?

Response: The travel budgets of the Elected Officials in the adopted FY 2011/12 budget and in the proposed FY 2012/13 budget are as follows:

	Mayor	Councilmembers	City Clerk	City Treasurer	Total
FY 2011/12 adopted budget	\$7,500.00	\$6,500.00	\$8,250.00	\$6,500.00	\$48,250.00
FY 2012/13 proposed budget	\$7,500.00	\$6,500.00	\$7,000.00	\$6,000.00	\$46,500.00

Response Provided By: The Administrative Services Work Group



CITY OF CARSON
FY 2012/13 PROPOSED GENERAL FUND BUDGET
COUNCIL BUDGET REFERRAL

Question #36: What suggestions have been made regarding alternates to Decision Package No. 14 - Commissions, Boards and Committees?

Response: The Mayor Pro Tem provided written alternates which are attached. The suggestions of the Mayor Pro

The suggestions of the Mayor Pro Tem include leaving the following commissions/committees/boards as they currently are configured:

Planning Commission (9 members), Environmental Commission (7 members), Economic Development Commission (11 members), Mobilehome Park Rental Review Board (15 members), Public Works Commission (5 members), Public Safety Commission (7 members), Relocation Appeals Board (5 members), Women's Issues Commission (7 members), Senior Citizens Advisory Commission (11 members) and Community Civic Engagement Board (11 members).

Her suggestions also include combining the Parks and Recreation Commission (7 members) with the Cultural Arts Commission (7 members) and having a total of only 9 members.

Additionally, the Mayor Pro Tem suggests reducing the number of members on the following commissions/committees/boards:

	<u>From</u>	<u>To</u>
Human Relations Commission	9	7
Public Relations Commission	9	7
Youth Commission	11	9
Veterans Affairs Commission	11	9
Beautification Committee	11	9
Utility Users Citizens Budget Oversight Committee	21	11
Carson Historical Committee	9	7

Finally, the Mayor Pro Tem suggests only having a Citywide Advisory Commission if needed.

In summary, the Mayor Pro Tem's suggestions would have the effect of reducing the current 20 commissions/committees/boards to 19 and reducing the total number of commissioners/committee members/board members from 190 to 163.

Response Provided By: The Administrative Services Work Group



CITY OF CARSON
FY 2012/13 PROPOSED GENERAL FUND BUDGET
COUNCIL BUDGET REFERRAL

Question #37 Which City officials are provided with some form of an auto allowance?

Response:	Mayor & City Council Members	Business Expense Allowance	\$800 per month
	City Clerk & City Treasurer	Mileage & Business Expense Allowance	\$550 per month
	City Manager	Automobile Allowance	\$500 per month
	General Managers (4)	Automobile Allowance	\$500 per month
	Officers (3)	Automobile Allowance	\$400 per month

Response Provided By: The Administrative Services Work Group





CITY OF CARSON INTEROFFICE MEMORANDUM

TO: HONORABLE MAYOR & CITY COUNCIL
FROM: DAVID C. BIGGS, CITY MANAGER
SUBJECT: BUDGET PUBLIC HEARING UPDATE
DATE: JULY 3, 2012

The City Council's second FY 2012/13 General Fund Budget Public Hearing is this evening and staff has been working to provide the City Council with the information to allow them to take action to adopt a balanced budget through a series of Decision Packages, Budget Referrals and use of Fund Balance. Staff will be prepared at the meeting to assist the Council in "building" the Budget through and interactive process as you work your way through selecting among those Decision Packages and Budget Referrals necessary to help close the projected budget deficit. Ultimately, any remaining gap after the approval of Decision Packages and Budget Referrals can be filled from Fund Balance if the Council so chooses. This will be identified on the "budget balancing worksheet" as a placeholder as other decisions are made.

Provided below are a number of items which the Council should address as it begins deliberations and the budget balancing discussion. There are a number of Budget Referrals which should be addressed first in order to ensure the Council is working to solve the budget deficit as it has evolved during the consideration of the budget. These include:

Budget Referral # 8 - How has the deficit in the Self-Sustaining Fund accumulated to the current level? As we have ended the prior fiscal year, the deficit for the Self-Sustaining Fund is approximately \$50,000 higher than projected or \$575,000 for FY 2012/13.

Budget Referral # 26 - How much is the animal control contract with L.A. County going up this year? This requires an increase in appropriations in the Public Services Work Group by \$26,000

Budget Referral # 29 - What is the current status of estimated fines and forfeiture revenues for this fiscal year and an update estimate for next fiscal year? This allows for an increase in anticipated revenues by \$325,000.

In addition, there is one additional Budget Referral which is provided this evening which requires an increased appropriation to cover the recently received insurance renewal costs for the fiscal year:

Budget Referral # 33 - How much has the cost of the City's insurance renewals increased for FY 2012/13? The final insurance renewals have resulted in an increase in premium of \$xx,xxx.

As the Council chooses from other Decision Packages and Budget Referrals, staff is prepared to update the budgetary impact if the Council elects to modify the Decision Package or Budget Referral from that currently described. Based on your discussions to date, two examples of how a Decision Package or Budget Referral may be modified are illustrated below:

Decision Package #17 – Restructure Human Services Staffing – Even if the City Manager's reorganization is approved in Decision Package #2, the Council can elect not to approve the elimination of the Community Services Manager position proposed as part of this Decision Package, and the position would instead become part of the Parks & Recreation Division. As such there would be no expense reduction from the remaining element. The adjusted financial impact would be: Expense Reduction: \$0

Budget Referral # 10 – What options are there to reduce overtime costs? The Council could reduce the amounts budgeted for overtime given management's commitment to actively manage overtime and historic expenditure trends. There is some risk that a reduced amount budgeted would be exceeded but this could be revisited at mid-year. If overtime budgets were reduced by 50%, excluding those amounts reimbursed by third parties, the overtime budget would be reduced by approximately \$75,000.

Council Members have also expressed interest in implementation of the recommended Decision Packages (#'s 8, 9, 13, 15, 16, 17, 18, 19, 25 and 27) which would result in the elimination of filled positions through attrition or the transfer of employees to other funded but vacant positions. Should the Council wish to use this means to transition to our new "normal," as City Manager I would maintain a selective hiring freeze and would ensure that positions were filled on a basis which results in the same savings being realized from keeping some positions vacant as is needed to avoid layoffs. In addition, Decision Package #22 – Modify Transportation Services Division Operations, would also be managed in the same manner, though the benefit would primarily be to the Prop A and Prop C funds.

There is one additional informational item being provided **Budget Referral #34** – Which positions eliminated recently resulted in employees being Y-rated?

Attachments

1. Updated Budget Referrals list
2. Budget Referral # 33
3. Budget Referral # 34

cc: General Managers
City Clerk
City Treasurer



CITY OF CARSON
BUDGET BALANCING WORKSHEET
FY 2012/13

	Revenues	Expenditures	Fund Balance
Initial Revenue projections, before adjustments by staff			
First draft of expenditure budget	64,898,355		27,257,239
		69,547,118	
Add: Various revenue adjustments	1,136,427		
Less: One-time property tax reimbursement from State	(1,573,000)		
Less: March 2011 election related reimbursements	(165,500)		
Budget Referrals Approved:			
BR8 Increase the transfer from the General Fund Balance to the Self Supporting Fund by \$50,000 (for a total of \$575,000)			(50,000)
BR10 Reduce overtime budgets by 73,000 (LDH/JRR approved 5-0)		(73,000)	
BR26 Animal Control contract increase		26,000	
BR29 Increase FY 2012/13 projection for parking fine revenues	325,000		
BR30 Increase the Sheriff's contract to address increased crime, as amended to include periodic reports on the results of the added patrol (JD/MG approved 5-0)		148,449	
BR33 Additional corrections identified - insurance renewal costs and adjustment to Sheriff's contract		43,413	
City Manager's Recommended Operating Decision Packages Approved:			
DP1 Budget corrections/adjustments by CM and ASWG (LDH/ES approved 5-0)		(1,052,408)	
DP2 Implement the City Manager's Reorganization Plan (eliminates 3 vacant positions) (LDH/JRR approved as amended 3-2)		(250,479)	
Amendments:			
Do not fund the Assistant City Manager position and bring it back in 6 months for Council to reconsider			
Do not reclassify the Public Works Superintendent to an Officer			
Consolidate the Human Services Division with the Parks and Recreation Division but do not eliminate the Community Services Program Manager position			
Complete an organization-wide total compensation study within 90 - 120 days			
DP3 Amend calculation of employee healthcare costs (LDH/ES approved 5-0)		(420,000)	
DP4 Include former redevelopment property tax increment (LDH/ES approved 5-0)	400,000		
DP5 CARF Contribution - do not approve CM's rec; instead approve only \$500,000 contribution (JD/ES approved 5-0)		(500,000)	
DP6 Pre-pay the FY 2012/13 annual CalPERS contribution (JD/ES approved 5-0)		(200,000)	
DP6 Implement CalPERS pre-retirement death benefit (JD/ES approved 5-0)	80,000	80,000	(80,000)
DP7 Use unrestricted fund balance to pay for March 2013 election costs (JD/ES approved 5-0)	367,040		(367,040)
DP10 Part-Time Hourly Scheduling (JD/MG approved 5-0)		(100,000)	
DP11 Expand cell phone stipend program (ES/JRR approved 5-0)		(10,000) *	
DP12 Cost allocation study (ES/JRR approved 5-0)	50,000	50,000	(50,000)
DP16 Modify LBM support staffing (eliminates 1 filled position) (JD/JRR approved 5-0)		(84,141)	
DP17 Restructure Human Services program staffing (eliminates 1 filled position) (LDH/JRR approved as amended 3-2)		0	
Amendment - do not eliminate the Community Services Program Manager position			
DP18 Modify Warehouse/Purchasing operations (eliminates 1 filled position and fills a higher level position) do not approve CM's rec; instead, do not hire the Purchasing Manager position at this time (approved 5-0)		(132,143)	
Reorganize Human Resources (eliminates 1 filled position and fills a higher level position) do not approve CM's rec; instead do not hire the Sr. Human Resources Analyst position at this time and keep the Employment Services Clerk vacant (approved 5-0)			
DP19 Reorganize the Career Center (ES/LDH approved 5-0)		(145,472)	
DP20 Mobilehome Rental Review Process Assessment (JRR/MG approved 5-0)		(158,996)	
DP21 Water quality inspection implementation (ES/MG approved 5-0)		(60,000)	
DP23 DUI checkpoint reduction - do not approve CM's rec; instead keep all 12 DUI checkpoints (JD/ES approved 5-0)		(100,000)	
Modification of Kids Club operations (eliminates 2 filled positions) - do not approve CM's rec; instead transfer 1 KCSD to ECE, keep 1 KCSD for now but eliminate through attrition, and add a PT site director at the park where the FT KCSD was transferred from (approved 5-0)		0	
DP25 Eliminate the Events Coordinator position (eliminates 1 vacant position) (ES/LDH approved 5-0)		(50,000)	
DP28 Carson Park facilities furnishings (JD/MG approved 5-0)	97,695	(94,876)	(97,695)
DP29 Use of prior year donations (ES/LDH approved 5-0)	11,500		11,500
City Manager's Recommended Fund Balance Decision Packages Approved:			
Create a budget stabilization reserve with a designation of \$2.5 million in Fund Balance (to be used over 5 years, if necessary)	500,000		(2,500,000)
FBDP3 Create an OPEB Trust Fund to begin to accumulate funds for retiree medical costs with an initial designation of \$1 million			(1,000,000)
FBDP4 Transfer \$525,000 from the General Fund Balance to cover the accumulated deficit in the Self Supporting Fund			(525,000)
FBDP5 Operating budget designations for non-recurring and one-time expenses (DPs 6, 7, 12, 28)			
Subtotals	1,229,162	(3,083,653)	(4,658,235)
Total Revenues, Expenditures & Fund Balance	66,127,517	66,463,465	22,599,004
Surplus / (Shortfall)		(335,948)	(335,948)
Estimated Fund Balance as of June 30, 2013			22,263,056

CITY OF CARSON
BUDGET BALANCING WORKSHEET (CONTINUED)
FY 2012/13

		Revenues	Expenditures	Fund Balance
City Manager's Recommended Operating Decision Packages Pending:				
DP8	City Manager's support staffing (eliminates 1 filled position)		(82,000)	
DP9	Public Information Office staff reductions (eliminates 2 filled positions)		(181,562)	
DP13	Light vehicle fleet update and maintenance (eliminates 2 filled positions)		(79,525)	
DP14	Consolidate of Commissions, Boards, and Committees		(35,000)	
DP15	Modify Human Services support staffing (eliminates 1 filled position and replaces it with a lower classification)		(6,000)	
DP22	Modify Transportation Services Division operations (eliminates 2 filled FT positions and 2 filled CPT positions)		(219,806)	
DP27	Eliminate 1 Public Safety Specialist position (eliminates 1 filled position)		(105,266)	
City Manager's Recommended Fund Balance Decision Packages Pending:				
FBDP2	Create a capital projects fund with an initial designation of \$1 million			(1,000,000)
Budget Referrals Pending:				
BR35	Correction to the City Clerk's operating budget (professional & election-related travel)		5,995	
City Manager's Alternate Decision Packages:				
ADP1	Contract out pool maintenance (eliminates 1 filled position)			
ADP2	Contract out HVAC services (eliminates 1 filled position)			
ADP3	Eliminate the Veterans SportsComplex operations (eliminates 2 filled positions)			
ADP4	Modify the Special Needs program staffing (eliminates 1 filled position)			
ADP5	Eliminate Sunday park staffing (reduces hours of part-time staff)			
ADP6	Modify building security contract services (reduces the number of security officers or their hours)			
ADP7	Contract out custodial services at the parks (eliminates 10 filled and 1 vacant positions)			
ADP8	Contract out for graffiti removal services (eliminates 3 filled and 1 vacant positions)			
	Subtotals	0	(703,164)	(1,000,000)
Total Revenues, Expenditures & Fund Balance		66,127,517	65,760,301	21,599,004
Surplus / (Shortfall)			367,216	367,216
Estimated Fund Balance as of June 30, 2013				21,966,220