

# Quality of Life Council Committee

## Meeting Record (DRAFT)

**Meeting Date:** 5-24-2010

**Convened:** 12:07 p.m.

**Adjourned:** 1:51 p.m.

Pauline Medrano, Chair  
Vonciel Jones Hill, Vice-Chair  
Sheffie Kadane  
Dave Neumann  
Steve Salazar  
Carolyn R. Davis  
Jerry Allen – non member

**Briefing Presenter(s):**

- Jeanne Chipperfield, Chief  
Financial Officer

**Special Guests:**

Former Councilmember Veletta Lill

**AGENDA:**

1. **Approval of May 10, 2010 minutes**

**Presenter(s):**

**Information Only:** \_\_\_\_\_

**Action Taken/Committee Recommendation(s):**

Motion to approve the May 10, 2010 minutes.

Motion made by: Vonciel Jones Hill

Item passed unanimously: \_\_X\_\_

Item failed unanimously: \_\_\_\_\_

Motion seconded by: Sheffie Kadane

Item passed on a divided vote: \_\_\_\_\_

Item failed on a divided vote: \_\_\_\_\_

2. **FY 2010-11 Educational Enhancements Key Focus Area Preliminary Ranking of Bids**

**Presenter(s):** Jeanne Chipperfield

**Information Only:** \_\_X\_\_

**Action Taken/Committee Recommendation(s):**

The purpose of the briefing was to review the price of government process, recap the May 19<sup>th</sup> briefing and discuss the Educational Enhancements preliminary rankings. The FY 2010-11 budget development is equally, if not more challenging than FY 2009-10. Property tax revenues account for 42% of General Fund. Property values decreased by 3.5% in tax year 2009 and a greater value loss is expected for tax year 2010. Sales tax revenues account for 21% of General Fund. Monthly sales tax receipts have been down for 16 consecutive months when compared to the same month in the previous year. The current year (FY 2009-10) is estimated to be \$27.5 million less or 12% less than actual receipts received in FY 2007-08 before the recession.

Services above the line that are funded equal \$12.5 million, higher priority services that may be funded total \$5.3 million, and lower priority services that are not funded equal \$4.2 million. Services above the line include funding the operation of the library system at 63% of the current

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year level. Higher priority services that should be funded are restoring funding to Neighborhood libraries in order to maintain current service level at all 23 libraries and restore material funding to current year level, and restore funding to fund half of the current Thriving Minds in-school arts education programs. Lower priority services that are not funded are the operation of 21% of the library system that is funded in the current year and half of the current service level of the Thriving Minds program.

A combination of strategies is necessary to eliminate a \$81.3 million current forecasted differential. The following strategies for additional cost reductions and revenue enhancements for consideration and legal review include: implementing additional furlough days, implementing uniform furlough days, examine civilian and uniform pay reductions, review employee/retiree health benefit costs, implement reduction in force, and continue restrictive hiring throughout FY 2009-10 and FY 2010-11. Additional balancing strategies include: minimize police officer attrition replacement, review new fee study and prior year studies to ensure fees are set to full cost recovery, evaluate new revenue resources, evaluate expanding existing revenue sources, continue review and analysis of all bids to eliminate lower priority spending, review of internal service costs, continue to seek out efficiencies, evaluate outsourcing options, and capitalize bond program in-house implementation expenses.

Next steps are in May and June preliminary rankings will be reviewed by the committees. June 23<sup>rd</sup> Budget Workshop #6-FY 2010-11 preliminary budget outlook, July 26<sup>th</sup> receive certified tax rolls from the Appraisal District, and on August 9<sup>th</sup> the City Manager's proposed FY 2010-11 budget is presented.

### 3. FY 2010-11 Culture, Arts & Recreation Key Focus Area Preliminary Ranking of Bids

**Presenter(s):** Jeanne Chipperfield

**Information Only:**  X

**Action Taken/Committee Recommendation(s):**

The purpose of the briefing was to review the price of government process, recap the May 19<sup>th</sup> briefing and discuss the Culture, Arts and Recreation preliminary rankings. The FY 2010-11 budget development is equally if not more challenging than FY 2009-10. Property tax revenues account for 42% of General Fund. Property values decreased by 3.5% in tax year 2009 and a greater value loss is expected for tax year 2010. Sales tax revenues account for 21% of General Fund. Monthly sales tax receipts have been down for 16 consecutive months when compared to the same month in the previous year. The current year (FY 2009-10) is estimated to be \$27.5 million less or 12% less than actual receipts received in FY 2007-08 before the recession.

Services above the line that are funded equal \$42.6 million, higher priority services that may be funded total \$5.1 million, and lower priority services that are not funded equal \$17.0 million. Services above the line that are funded include: funding park land maintenance but at a reduced level, funding operation of 23 of 43 recreation centers with 30 hours per week compared to current 55 hours, funding revenue producing golf and tennis centers, funding cultural service contracts at 52% of current level, funding operational costs and utility payments at 17 cultural facilities/centers at reduced levels and reduction in program funds. Higher priority services that

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should be funded include: restoring funding to 11 additional recreation centers, restore funding to operate 7 of 21 pools, Bahama Beach and Bachman indoor pool, restore funding to Park programs such as after-school, send a kid to camp, and volunteer services. Lower priority services that are not funded include: funding of 40% of current service level in cultural centers, funding 14 pools and 9 recreation centers, not fully fund direct stipend payment for specific destination facilities such as Arboretum, Discovery Garden, Butterfly House, and Cedar Ridge Preserve.

A combination of strategies is necessary to eliminate a \$81.3 million current forecasted differential. The following strategies for additional cost reductions and revenue enhancements for consideration and legal review include: implementing additional furlough days, implementing uniform furlough days, examine civilian and uniform pay reductions, review employee/retiree health benefit costs, implement reduction in force, and continue restrictive hiring throughout FY 2009-10 and FY 2010-11. Additional balancing strategies include: minimize police officer attrition replacement, review new fee study and prior year studies to ensure fees are set to full cost recovery, evaluate new revenue resources, evaluate expanding existing revenue sources, continue review and analysis of all bids to eliminate lower priority spending, review of internal service costs, continue to seek out efficiencies, evaluate outsourcing options, and capitalize bond program in-house implementation expenses.

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Deputy Mayor Pro Tem Pauline Medrano, Chair  
Quality of Life Committee