

AGENDA REPORT

TO: City Council
FROM: Charles Ahl, Acting City Manager/Public Works Director
SUBJECT: **2009 Budget – Information Requested by City Council on Budget Reduction Options**
DATE: **November 17, 2008**

INTRODUCTION

On November 3, 2008, the City Council received a report detailing options for reducing the levy increase from the proposed 6.0% increase over the 2008 levy to 4 options for a lower increase. Those options were a 4.5% increase, a 3.0% increase [which is the level recommended by the Acting City Manager], a 2.0% increase and a 0.0% increase. Information was provided to the City Council on the impacts of each of these options within the November 3'

7413506-4-6691-506-4

2009 BUDGET REDUCTION OPTIONS
PAGE TWO

Discussion:

Items a) through h) have previously been discussed and impacts explained in other options. Items a) through d) are recommended, although item c) is recommended at a 37.5% level.

Following are the responses from the Department Heads on the remaining items:

- Item i) would be a reduction of temporary staff within our Community Development department

Community Development - Parks Director Dewey Konewko:

If council were to decide to eliminate approximately \$19,100 from the temporary staff line item in the Community Development Department, it is my belief that the following services will be compromised;

1. The ability to adequately support the six commissions that the Community Development Department is responsible for. This includes taking the minutes, packet preparation, and ensuring that the website is current and up to date with agendas, packets, and minutes. This is a top priority for the department in 2009 and the ability to deliver these services without these temporary wages would result in a lesser product.
2. We also utilize temporary staff to provide support services to properly manage files and documents within the department so they become more readily available to staff and residents/builders. The elimination of this line item will likely result in files and documents not being scanned and processed accordingly.
3. Temporary staff also supports the department with other functions that also would not occur if these cuts were made.

In summary, the Community Development depends on these temporary staff wages to assist the department with these services listed above.

- Item j) is the elimination of a new position in our IT Department until 2005

IT Director Mychal Fowlds:

In short, not filling the .75 FTE IT Technician position will leave us with a 2-3 man crew (depending on the system) to perform more and more tasks every day. This year alone we've taken over the complete management of the phone system and of taping and replaying City meetings. That coupled with the much higher standards set for our website means that we simply don't have enough time. We need to have the time to perform routine maintenance on our servers, test our backups and other departmental duties that are becoming increasingly difficult due to the large workload. Not filling this position means that we continue to try and do as much as we can. We will continue to be pulled towards being reactive rather than having the time to be proactive.

Also, we need to take into consideration the fact that we can carry the load of duties that we have right now because I have 2 very knowledgeable employees. They have a wealth of knowledge with the City's systems and within their respective fields. They're willing to put in additional time and work the hours that are needed to get things done. Without either one of them the IT department's ability to carry that same workload drops significantly. Filling this position will keep them doing the higher level tasks that they should be doing which benefits both the City and the employee's morale.

2009 BUDGET REDUCTION OPTIONS
PAGE THREE

IT Director Mychal Fowlids (continued from page two):

If we lose the funding for this position we'll still try and find some money for part-time help in 2009. However, the goal is to hire an employee that we would be able to train and retain with the City for years to come. Hiring a temp or intern would not satisfy our needs. We have no money budgeted for part-time help so this would have to come from not replacing outdated hardware or reducing services. Likely we would simply wait until mid-year to see where we're at financially and if we happen to have some additional funds we would look to hire some part-time help at that time.

- Item k) involves reductions in programs, service and operating levels at the Nature Center.

Community Development – Parks Director Dewey Konewko:

If the Nature Center were required to cut part time staff in the amount of approximately \$20,000, this would potentially have a huge impact on the many services we provide at the Nature Center. The following represents a list of the services that would very much be impacted by these cuts;

1. Nature Center hours would be cut;
2. The volunteer program and coordination activities would also be cut. Volunteer's provider a tremendous amount of support to the Nature Center and also support staff in a number of different areas. Volunteers are critical to the success of the Nature Center.
3. The service and staff support we provide to the Friends Group would also likely be cut. This non-profit organization has been extremely valuable in fund raising activities and even more importantly, supporting the mission of the Nature Center.
4. Educational programs will also likely be cut; Outreach programs with schools would likely be cut;
5. The management of the entire Nature Center Preserve would also be cut. Part time staff is also responsible for managing the grounds to ensure that visitors have a positive experience when visiting the center.

- Item l) is a reduction in maintenance materials for street repair and snow/ice control.

Public Works Director Chuck Ahl:

If \$36,000 were removed from materials and overtime within the Public Works budget, we would be forced to a reduction in service. Plowing of sidewalks after a snow event would be extended out during working hours. We now currently are able to have all sidewalks plowed of snow within 48 hours of the snowfall event ending. The elimination of this overtime would likely extend this to 72-96 hours. Pothole repair and boulevard maintenance

2009 BUDGET REDUCTION OPTIONS
PAGE FOUR

- Item m) would be a reduction in hours for our Deputy Registrar and City Clerk functions.

Citizen Services Director Karen Guilfoile:

Cut overtime-part-time in city clerk and deputy registrar of \$9,500. The majority of overtime pay is due to taking care of customers at the end of the day. As far as cutting any part-time pay, I don't know where we would be able cut in deputy registrar since we are already below our full compliment. The part-time wages in city clerk are attributed to the administrative assistant and the receptionist. The \$9,500 could be cut if we reduced hours that we had staff at the reception desk.

- Item n) would be reduction in training hours and backup duties in our Fire Department.

Fire Chief Steve Lukin:

The Fire Department reductions of \$17,400 will need to come from the following areas:

Overtime: \$10,000 hopefully we will be at full complement of staff for the year; we would need to manage with a \$10,000 reduction in this area.

Uniforms: \$4,000 we would need to place an order to get by for one year only.

Equipment: \$3,400 will cut back 2 sets of turn out gear from 12 sets to 10 sets. The 2008 budget had 10 sets. This would again delay our replacement of equipment.

- Item o) would be a reduction in our Police Department.

Police Chief Dave Thomalla:

If required, I would propose the following cuts as an alternative to overtime cuts:

\$26,000 for the hybrid SUV. With the little research we have done, it sounds as if this amount would not cover the total cost, much less equipment and setup. This a replacement squad car

\$17,000 out of fees for service; which we use for investigations.

\$8,000 out of fuel; I'll play the gamble that prices will stay low. If they go through the roof, we will mandate officers park their cars for a portion of the shift as is being done in other cities. That will pose the situation of whether people want to see squad cars or do they want to cut the budget.

Item p) was previously identified and discussed as part of the Debt study. It is not recommended and should only be considered as a last resort.

Recommendation

No action is recommended.