

CITY OF SAN BERNARDINO – REQUEST FOR COUNCIL ACTION

ORIGINAL

From: Mark Weinberg,
Interim City Manager

Subject: Amendments to the FY 08/09
Budget related to the City Attorney and
Development Services departments

Date: February 23, 2009

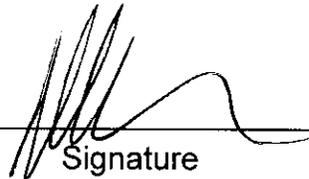
M/CC Meeting Date: March 16, 2009

Synopsis of Previous Council Action:

February 17, 2009 – The City Manager’s Modified Budget Strategy is approved, and the Director of Finance is authorized to amend the FY 2008/09 budget and prepare the preliminary FY 2009/10 budget to implement these measures

Recommended Motion:

That the Director of Finance be authorized to amend the FY 08/09 budget as indicated in this staff report.


Signature

Contact person: Lori Sassoon **Phone:** 5122

Supporting data attached: staff report, report **Ward:** All

FUNDING REQUIREMENTS: **Amount:** No net impact to the General Fund

Source: (Acct. No.)

(Acct. Description)

Finance: _____

Council Notes: _____

Agenda Item No. 10
3-16-09

STAFF REPORT

Subject:

Amendments to the FY 08/09 Budget related to the City Attorney and Development Services departments

Background

On February 17, 2009, the Mayor and Common Council approved a series of budget reductions and revenue measures that address the budget shortfall in the current fiscal year, as well as the deficit for FY 2009-10. These measures included the elimination of 96 full-time positions, of which approximately 55 will ultimately result in layoffs.

Since that time, the following two modifications to that plan have been developed, and are now presented for your consideration:

City Attorney

In the City Attorney's Office, the Mayor and Council approved an expenditure reduction of 10%, which equals \$76,375 in FY 2008-09 and \$305,500 in FY 2009-2010. In lieu of the current year budget reduction, the City Attorney has recommended that the City enter into an agreement with the Economic Development Agency (EDA) to reimburse the City for services provided by the City Attorney's Office in the review of various legal matters.

The City Attorney's staff states that this reimbursement will provide \$115,900 in revenue to the General Fund in FY 2008-09. It is anticipated that said agreement will be brought forward for Council and Commission consideration as a separate item on this same agenda.

Upon approval of the Mayor and Council, the City Attorney's Office budget will not be reduced by \$76,375 for FY 2008-09. Instead, General Fund revenues will be increased to reflect this payment from the EDA.

Development Services

In the Development Services Department, the Mayor and Council approved the elimination of 17 positions in various divisions. These reductions included the layoffs of a Senior Survey Technician and a Survey Technician I.

These two positions are currently able to charge approximately 75% of their staff time to various capital improvement projects for services provided in support of those projects. As a result, the savings to the General Fund by eliminating these positions is approximately \$35,900 annually, with the balance of the savings accruing to capital project funds.

Upon further review by the Department, it is proposed that in lieu of these two layoffs, the two employees be used to perform additional CIP-related work that will allow 100% of their staff time to be charged to capital project funds. Primarily, the two employees will be used to perform a constructability review of the plans before we issue bids. This is a common practice, but with a small project design staff, Development Services has not historically completed this review. The

primary purpose of a constructability review is to reduce change orders on projects, and the Director indicates that the two surveyors are qualified to perform this review. In addition to the constructability review, the surveyors will also produce refined base mapping for capital projects, saving design time.

Therefore, in lieu of deleting these positions, it is recommended that the positions be retained, and charges to capital projects be adjusted to achieve the same savings to the General Fund.

Financial impact:

None by this action. These modifications will result in no net impact to the General Fund.

Recommendation:

That the Director of Finance be authorized to amend the FY 08/09 budget as indicated in this staff report.