AGENDA

Budget Advisory Committee
March 19, 2012 – 6:00 -7:30 p.m.
City Hall Council Chambers

1. Call Meeting to Order
2. Introduction of Vice Mayor Nygard: Non-Voting Council Representative
3. Roll Call
4. Approval of the February 14, 2012 Meeting Minutes
5. General Fund Status
6. Current Labor Contracts with City Employee's
7. Police Services Budget
8. Finance Department Budget
9. Staff & Committee comments
10. Adjourn Meeting

AFFIDAVIT OF POSTING			
DATE:	March 14, 2012	**TIME:**	2:24pm
NAME:	Marisela Hernandez	**TITLE:**	Director of Finance

Any documents produced by the Budget Advisory Committee and distributed to the Committee regarding any item on this agenda will be made available either at the Finance Department's office at City Hall located at 6617 Third Street, Riverbank, CA or via the website: www.riverbank.org.

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MINUTES

Budget Advisory Committee
February 14, 2012 – 5:30 -7:00 p.m.
City Hall Council Chambers

1. Meeting called to order at 5:30 pm.

2. Introduction of Vice Mayor Nygard: Non-Voting Council Representative
   a. Vice Mayor Nygard not present

3. Roll Call
   a. Present: Committee Members King, Langman, Stewart and Halbert, Vice Chair Verduzco, and Chair Fosi.
   b. Absent: Committee Member Roman and Council Member Nygard.

4. Approval of the January 19, 2012 Meeting Minutes
   a. Correction: Committee Member Evelyn Halbert was not present at this meeting.
   b. Motion to approve minutes by Committee Member Stewart, 2nd by Chair Fosi.
      i. Ayes: 5 Nays: 0 Abstentions: 1 (Committee Member Halbert)

5. Fiscal Year 2012-13 Revenues Projections
   a. Staff presented the FY 2012-13 Revenue projections.

6. Staff & Committee comments
   a. Vice Mayor Nygard would like us to evaluate all city contracts and prioritize them.
   b. Evaluate possibility of rounding up utility bills and overage being donated towards the Sheriff's Office.
   c. Request for Overtime expenditures of the Sheriff's Office.

7. Motion to adjourn meeting at 6:21 pm by Committee Member Langman, 2nd by Chair Fosi.
   a. Ayes: 6 Nays: 0 Abstentions: 0

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BUDGET ADVISORY COMMITTEE
AGENDA ITEM NO. 5

Meeting Date:	March 19, 2012
Subject/ Title:	General Fund Status
Submitted by:	Marisela Hernandez, Director of Finance

STAFF SUMMARY:

The Finance Department has calculated initial projections of both General Fund Revenue and Expenditures for the 2012-13 Fiscal Year. Currently, staff is projecting a **shortfall of $555,229** in order to meet the required 10% reserve that was established by the City Council.

General Fund revenue projections were discussed with the Committee at the February 14, 2012 meeting. Overall, staff is projecting a .72% increase in General Fund Revenues from $7,484, 150 in FY 2011-12 to $7,537,996 in FY 2012-13.

General Fund expenditures for the fiscal year are anticipated to increase 4.82% or $371,969. Expenditures are expected to significantly increase in the following departments:

City Manager Department	FY 11/12 Budget	$146,270
	FY 12/13 Budget	$198,554
	Increase	$+52,284

During the 11/12 Fiscal Year, the City realized significant salary & benefit savings from the City Manager position which was a part-time position from July 2011-March 2012. With the appointment of Jill Anderson as our new City Manager, the General Fund will experience an increase in expenditures for the full-time salary and benefits.

Building Division	FY 11/12 Budget	$0
	FY 12/13 Budget	$209,560
	Increase	$+209,560

During the peak of the housing construction boom in Riverbank (2002-2005) the City Council decided to set aside Building Permit Fees collected for future building inspections during the slow down in the economy. Currently, our Building Inspector and

Construction Inspector are paid through these fees that were set-aside. Unfortunately, the funds set-aside have been depleted. Therefore, the two positions currently paid from these funds will be transferred back to funded by the General Fund.

Police Services	FY 11/12 Budget	$3,380,169
	FY 12/13 Budget	$3,585,864
	Increase	$+205, 695

In 2009, the City of Riverbank was facing the potential layoff of two Sheriff's Deputies due to the down turn in the economy. To avoid these layoff's, the Stanislaus County Sheriff's Office (on behalf of the City of Riverbank) applied for and received funding for these two positions through the American Reinvestment & Recovery Act (Stimulus Funds). The grant provided funding for these two positions for three years. One requirement of accepting the grant was that the City must pick-up the cost of the two positions in the fourth year. FY 11/12 is the last fiscal year that the City will receive these grant funds for the positions, therefore we are now required to pay for the fourth year.

Public Works Admin	FY 11/12 Budget	$482,059
	FY 12/13 Budget	$539,716
	Increase	$+57,657

During the 2011-12 Fiscal Year, the City experienced salary & benefit savings from the vacant Development Services Deputy Director of Operations position. This position has now been filled and the FY 12/13 budget now reflects the full salary & benefits associated with this position.

The increases in General Fund expenditures anticipated will be partially offset by the decreases anticipated in the following departments:

City Council	FY 11/12 Budget	$130,285
	FY 12/13 Budget	$102,559
	Decrease	$-27,726

During the 2011-12 Fiscal Year the City budgeted approximately $20,400 for the recruitment of a full-time City Manager costs that are not anticipated to occur during the 12/13 fiscal year. In addition, the City Council negotiated the payment of the 2nd Tier of the Health Insurance HSA program of approximately $18,200. This will not occur during the upcoming fiscal year. These decreases of $38,600 are offset by the increases in salary & benefits that will occur as the City Council's pay is reinstated to it's full amount after agreeing to take a 4.6% decrease for the 2011-12 fiscal year as well as the increase in Travel & Conferences expenses to allow funding for the potentially new Mayor and two new Council Members as a result of the November 2012 elections to attend the New Mayors & Council Members training.

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Legal Department	FY 11/12 Budget	$193,349
	FY 12/13 Budget	$152,250
	Decrease	$-41,099

Several legal matters are anticipated to be resolved during the current fiscal year thereby not requiring funding for the new fiscal year. These matters include the Quo Warranto matter and the Tuolumne County Quarry Project.

The specific details of these budgets will be discussed at future meetings.

ATTACHMENTS: **(List attachments in order of placement)**

1. General Fund Summary

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City of Riverbank

Annual Operating Budget -- Fiscal Year 2012-2013

Fund 101: General Fund

Projected Reserve @ July 1, 2012		**$743,227**		
			FY 11/12 Budget	**% Increase (Decrease)**
Add:				
Projected '12-'13 Revenues		**$7,537,996**	**$7,484,150**	**0.72%**
Less:				
Requested Appropriations by Department				
CITY COUNCIL	401	$102,559	130,285	-21.28%
CITY MANAGER	402	198,554	146,270	35.74%
FINANCE	403	591,158	607,041	-2.62%
LEGAL	404	152,250	193,349	-21.26%
PLANNING	405	339,819	357,716	-5.00%
BUILDING	406	209,560	0	100.00%
BUILDING MAINTENANCE	407	158,870	177,422	-10.46%
CITY CLERK	408	735,080	746,716	-1.56%
POLICE	409	3,585,864	3,380,169	6.09%
CODE COMPLIANCE	411	215,088	209,080	2.87%
PUBLIC WORKS	412	539,716	482,059	11.96%
STREET MAINTENANCE	413	229,994	234,994	-2.13%
PARKS	414	624,269	622,515	0.28%
ECONOMIC DEVELOPMENT	439	0	0	0.00%
CONTRACT ENGINEERING	457	70,000	75,000	-6.67%
RECREATION	459	329,871	348,067	-5.23%
Total Appropations		**$8,082,652**	**7,710,683**	**4.82%**
Projected Reserve @ June 30, 2013		**$198,571**		
% of Reserve To Budget		**3%**		
Required 10% Reserve		**$753,800**		
Budget Deficit to Reserve		**-$555,229**		
Structural Deficit (Rev vs. Exp)		**-$544,656**		

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BUDGET ADVISORY COMMITTEE
AGENDA ITEM NO. 6

Meeting Date:	March 19, 2012
Subject/ Title:	Current Labor Contracts with City Employees
Submitted by:	Marisela Hernandez, Director of Finance

STAFF SUMMARY:

In January 2011, the City Council (via the City Manager) began negotiations with the Miscellaneous Employees Bargaining Unit, represented by the Laborer's International Union of North America (LIUNA), and the Mid-Management Bargaining Unit, which is self-represented. Negotiations were difficult as the City was requesting that employees begin to contribute towards their benefits, which were previously 100% funded by the City. Negotiations concluded in September 2011 with final Memorandum's of Understanding signed in October 2011. The terms of the contract are as follow:

Miscellaneous Bargaining Unit

- Two Year Agreement, July 1, 2011 to June 30, 2013.
- Employees to pay the 7% Employee PERS Contribution for the term of the agreement.
- Employees received two additional floating holidays per fiscal year (16 hrs). Floating holidays must be used and cannot be cashed out.
- City to continue 100% funding of the Health Insurance Premium and Deductible for each employee.
  - Single Employees Deductible: $2,500 annually
  - Family Deductible: $5,000 annually
- City will no longer pay the co-insurance portion of the health insurance.
- No Tuition Reimbursement for the term of the agreement.
- No sick leave cash out for the term of the agreement.
- City agrees not to contract out work of any positions, with the exception of vacant positions that have not been filled may be contracted out for not more than one (1) year.
- City to pay $1.03 per hour worked toward the National Industrial Pension Fund for the 2011-12 year and $1.14 for the 2012-13 year.

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  - o Per the regulations of the Pension Fund Administrators, the City cannot pass this cost on to employees.
- Union may re-open negotiations only with respect to a potential Cost of Living Adjustment for the 2012-13 fiscal year.

Mid-Management Bargaining Unit

Terms similar to those of the Miscellaneous Bargaining Unit with the exception of the following:

- Employees receive only one (1) additional floating holiday.
- City to continue $75 maximum match for employees who contribute to the voluntary Deferred Compensation 457 program.

Executive Management

Terms similar to those for other employees with the following exceptions:

- No Cash Out of 80 hrs Executive Leave
- $2,500 towards Professional Development
- No additional floating holidays.

Terms of the Agreements do not allow for opening the contract for re-negotiations.

ATTACHMENTS: **(List attachments in order of placement)**

1. None.

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City of Riverbank

Annual Operating Budget -- Fiscal Year 2012-2013

Fund:	101	GENERAL FUND	Department:	409
Function:		Public Safety		POLICE SERVICES

APPROPRIATION DETAIL

Account	Account Description	FY 2010-11 Actual	FY 2011-12 Budget	2011-12 Expenses To Date	FY 2012-13 Budget	% Change
	Operating Expenses					
702.030	MAINT. OF OPERATIONS EQUIPMENT	1,683	6,600	2,470	5,500	-16.7%
702.031	RENTS & LEASES (Vehicles)	19,500	19,500	4,115	19,500	0.0%
702.032	PROFESSIONAL SERVICES	7,132	0	0	0	0.0%
702.034	OTHER CONTRACT SERVICES	113,845	150,000	62,331	150,000	0.0%
702.039	SPECIAL COMMUNITY SERVICE	131,096	0	6,988	0	0.0%
702.060	CONTRACT SHERIFF SERVICES	2,724,146	3,120,684	2,036,558	3,335,779	6.9%
703.024	POSTAGE	1,410	1,500	791	1,500	0.0%
703.025	OFFICE EXPENSE	862	3,300	624	2,000	-39.4%
704.021	UTILITIES	36,064	50,000	30,623	45,000	-10.0%
704.022	COMMUNICATIONS	3,939	5,000	1,607	3,000	-40.0%
706.023	ADVERTISING	109	100	59	100	0.0%
706.026	MISCELLANEOUS EXPENSE	203	180	128	180	0.0%
706.029	MAINT. OF BLDG. & STRUCTURES	16	1,500	507	1,500	0.0%
706.072	SDEA CONTRIBUTION	25,078	21,805	0	21,805	0.0%
	Total Operating Expenses	**$3,065,083**	**$3,380,169**	**$2,146,801**	**$3,585,864**	**6.1%**
	Capital Outlay					
707.003	EQUIPMENT/PROJECTS	0	0	0	0	0.0%
	Total Capital Outlay	**$0**	**$0**	**$0**	**$0**	**0.0%**
	Total Department Appropriations	**$3,065,083**	**$3,380,169**	**$2,146,801**	**$3,585,864**	**6.1%**

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POLICE SERVICES BUDGET

ACCOUNT NUMBER	DESCRIPTION	2012-13 BUDGET	2012-13 ACTUAL	BAL.
101-409.000-702.030				
Maint. Operations Eq.	Motorcycle Maintenance	4,000		4,000
	Equipment Maint./Lidar Guns	1,500		1,500
	Honda Kawasaki	$5,500	0	$5,500
101-409.000-702.031				
Rents & Leases	Building Replacement Fund	14,700		14,700
	Copier Lease - MoCal	3,800		3,800
	Copier Maintenance - US Bank	1,000		1,000
		$19,500	0	$19,500
101-409.000-702.034				
Other Contract Serv.	Sheriff Vehicle Maintenance	150,000		150,000
	Stan County	$150,000	0	$150,000
101-409.000-702.034				
Contract Sheriff Services	Sheriff's Contract - Stan County	3,335,779		3,335,779
		$3,335,779	0	$3,335,779
101-409.000-703.024				
Postage	Postage Expense	1,500		1,500
		$1,500	0	$1,500
101-409.000-703.025				
Office Expense	Citation Books	2,000		2,000
	Western Graphics	$2,000	0	$2,000
101-409.000-704.021				
Utilities	Building Utilities - PG&E	45,000	0	45,000
		$45,000	0	$45,000
101-409.000-704.022				
Communications	Communication Expenses	3,000		3,000
	AT&T	$3,000	$0	$3,000
101-409.000-706.023				
Advertising	Riverbank News	100		100
	SLESF Public Hearing	$100	$0	$100
101-409.000-706.026				
Miscellaneous Expense	Charter Communications	120		120
	Administrative Hearing Officer	60		60
		$180	$0	$180
101-409.000-706.029				
Maint. Of Blding	Maintenance Expenses	1,500		1,500
		$1,500	0	$1,500
101-409.000-706.072				
SDEA Contribution	Stan Drug Enforcement Agency	21,805	0	21,805
		$21,805	0	$21,805
Total Police Services FY 2012-13 Budget		**$3,585,864**		

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City of Riverbank
Annual Operating Budget -- Fiscal Year 2012-2013

Fund:	**101**	**GENERAL FUND**	Department:	**403**
Function:		**General Government**		**FINANCE**

APPROPRIATION DETAIL

Account	Account Description	FY 2010-11 Actual	FY 2011-12 Budget	2011-12 Expenses To Date	FY 2012-13 Budget	% Change
	Personnel Salaries and Benefits					
701.001	PERSONNEL REGULAR	115,362	318,232	211,181	315,063	-1.0%
708.004	MISC EMPLOYEE BENEFITS	2,534	492	0	492	0.0%
708.005	MEDICARE	1,756	4,614	2,849	4,568	-1.0%
708.006	PERS RETIREMENT	20,476	47,512	27,276	35,811	-24.6%
708.007	PAYROLL TAXES	700	2,170	1,918	2,170	0.0%
708.008	GROUP HEALTH, DENTAL, VISION	25,308	63,946	39,105	63,356	-0.9%
708.009	NATIONAL RETIREMENT	3,338	10,755	6,341	11,900	10.6%
708.010	WORKERS' COMPENSATION	12,546	34,218	21,797	32,346	-5.5%
708.012	DEFERRED COMPENSATION	4,123	11,107	7,305	11,107	0.0%
	Total Personnel Salaries & Benefits	**$186,143**	**$493,046**	**$317,772**	**$476,813**	**-3.3%**
	Operating Expenses					
702.030	MAINT. OF OPERATIONS EQUIPMENT	9,923	11,670	193	11,270	-3.4%
702.031	RENTS & LEASES	18,000	20,000	1,265	20,050	0.3%
702.032	PROFESSIONAL/SPECIAL SERVICES	48,468	48,150	42,049	47,950	-0.4%
702.034	OTHER CONTRACT SERVICES	22,814	20,000	14,765	20,000	0.0%
703.024	POSTAGE	4,869	5,750	2,647	5,750	0.0%
703.025	OFFICE EXPENSE	6,867	6,875	2,660	7,775	13.1%
706.023	ADVERTISING	452	550	358	550	0.0%
706.035	INSURANCE & SURETY BONDS	625	625	0	625	0.0%
706.036	MEMBERSHIP, DUES, BOOKS, ETC.	255	375	0	375	0.0%
706.037	TRAVEL, CONF. & MEETINGS	1,332	0	0	0	0.0%
	Total Operating Expenses	**$113,605**	**$113,995**	**$63,937**	**$114,345**	**0.3%**
	Total Department Appropriations	**$299,748**	**$607,041**	**$381,709**	**$591,158**	**-2.6%**

TRANSFER IN OF MANAGEMENT FEES	SEWER FUND	($141,849)
	WATER FUND	($144,784)
	SYS DEV FUND	($19,579)
	NET GENERAL FUND ALLOCATION	$284,946

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FINANCE BUDGET

ACCOUNT NUMBER	DESCRIPTION	2012-13 BUDGET	2012-13 ACTUAL	BAL.
101-403.000-701.003	Staff Overtime	0	0.00	
101-403.000-702.030				
Maint. Operations Eq.				
	Wolco Copier Maint.	0		0
	Printer Maint.	0		0
	Comm/IT	300		300
	FundBalance Software	6,700		6,700
	Ez Signer Maintenance	170		170
	PSI Business License Software	2,800		2,800
	Misc. Maintenance	300		300
	Housing Copier Maint	1,000		0
		$11,270	0	$10,270
101-403.000-702.031				
Rents & Leases				
	Savin Copier Lease	3,300		3,300
	Mail Equipment Lease	400		400
	Equip. Pool Allocation: Fuel/Maint	14,350		14,350
	Housing Copier Lease	2,000		
		$20,050	0	$18,050
101-403.000-702.032				
Prof/Special Services				
	Audit Fees	32,600		32,600
	AIS-Utility Bill Printing	8,200		8,200
	Thales Consulting-SCO Reports	3,300		3,300
	Charter Internet Connect Fee	700		700
	MBIA-Property Tax Audits	0		0
	MBIA-Sales Tax Audits	3,000		3,000
	Security Metrics-Online Scan	150		150
	Northcross, Hill & Ach-FC	0		0
		$47,950	0	$47,950
101-403.000-702.034				
Other Contract Serv.	B of A Banking Fees	20,000		20,000
		$20,000	0	$20,000
101-403.000-703.024	Postage Expense	5,000		5,000
Postage	Housing Postage	750		750
		$5,750	0	$5,750
101-403.000-703.025	Misc. Office Items	2,640		2,640
Office Expense	Copier Count	2,000		2,000
	Window Envelopes (AP & UB)	360		360
	Water Forms	600		600
	A/P Check Stock	400		400
	Payroll Check Stock	300		300
	W-2's, 1099's, Envelopes	200		200
	Time Slips	600		600
	Pacific Storage	300		300
	Housing Office Expense	375		375
		$7,775	0	$7,775

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FINANCE BUDGET

ACCOUNT NUMBER	DESCRIPTION	BUDGET	ACTUAL	BAL.
101-403.000-704.022				
Communications				
	Cell Phone Stipend-Fin. Director	0	0	0
		$0	0	$0
101-403.000-705.041				
Vehicle Fuel	Fuel Reimbursements	0	0	0
		$0	0	$0
101-403.000-706.023				
Advertising				
	Riverbank News	0		0
	Annual Budget, Mid-Year	550		550
	Financial Summary, Prelim Budget	$550	0	$550
101-403.000-706.035				
Surety Bonds				
	Treasurer Surety Bond	625		625
		$625	0	$625
101-403.000-706.036				
Membership, Dues, etc.				
	CSMFO (2 members)	220		220
	CMTA	155		155
	CMRTA	0		0
		$375	0	$375
101-403.000-706.037				
Travel, Conf. Meetings				
	League Finance Officers Seminar	0		0.00
	CSMFO	0		0.00
	Other Conf./Meetings & Expenses	0		0.00
		$0	0	$0
101-403.000-706.038				
Staff Development	UB Webinar	0	0	0
		$0	0	$0