BUDGET ADVISORY COMMITTEE
RIVERBANK CITY HALL NORTH
COUNCIL CHAMBER
6707 THIRD STREET
RIVERBANK CA 95367-2305

AGENDA

WEDNESDAY, APRIL 17, 2013 – 6:00-7:30PM

CALL TO ORDER: **CHAIR DONNA KING**

ROLL CALL:
Committee Member Suzanne Dean
Committee Member Evelyn Halbert
Committee Member Joan Stewart
Committee Member Erick Winchester
Council Liaison Mayor Richard O'Brien
Vice Chair Dan Roman
Chair Donna King

CONFLICT OF INTEREST

Declaration by Committee Members who would have a direct Conflict of Interest on any scheduled item to be considered should be stated at this time.

1. PUBLIC BUSINESS FROM THE FLOOR (No action can be taken.)

At this time, members of the public may comment on any item not appearing on the agenda, and within the subject matter jurisdiction of the Committee.

2. ACTION & DISCUSSION ITEMS

(These items will be individually discussed prior to Committee action.)

Item 2.1: Report of Posting. The agenda for the regular April 17, 2013 Budget Advisory Committee meeting was posted on the City bulletin board on April 12, 2013.

Recommendation: Motion & Approval by roll call vote.

Item 2.2: Approval of the March 27, 2013 Meeting Minutes.

Recommendation: Motion & Approval by roll call vote.

Item 2.3: Approval of the April 3, 2013 Meeting Minutes.

Recommendation: Motion & Approval by roll call vote.

Item 2.4: FY 2013-2014 Administration Department Budget Overview

Recommendation: Discussion item. Review & Discuss Departmental Budget.

Item 2.5: FY 2013-2014 Police Services Department Budget Overview

Recommendation: Discussion item. Review & Discuss Departmental Budget.

Item 2.6: FY 2013-2014 Development Services Budget Overview

*Planning Division, Building, Development Services Administration, Street Maintenance, Gas Tax

Recommendation: Discussion item. Review & Discuss Departmental Budget.

3. INFORMATIONAL ITEMS (Informational Only – No action to be taken)

4. COMMENTS (Informational Only – No action to be taken)

Item 4.1: Staff Comments.
Item 4.2: Council Liaison Comments.
Item 4.3: Committee Member Comments.

ADJOURNMENT

AFFIDAVIT OF POSTING			
DATE:	April 12, 2013	**TIME:**	3:00 PM
NAME:	Marisela Hernandez	**TITLE:**	Director of Finance

Notice Regarding Americans with Disabilities Act:

In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact the City Clerk's Office at (209) 863-7122. Notification 48-hours before the meeting will enable the Board to make reasonable arrangements to ensure accessibility to this meeting [28 CFR 35.102.35.104 ADA Title II].

Notice Regarding Non-English Speakers:

Pursuant to California Constitution Article III, Section IV, establishing English as the official language for the State of California, and in accordance with California Code of Civil Procedures Section 185, which requires proceedings before any State Court to be in English, notice is hereby given that all proceedings before the Budget Advisory Committee shall be in English and anyone wishing to address the Board is required to have a translator present who will take an oath to make an accurate translation from any language not English into the English language.

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AGENDA ITEM 2.2

BUDGET ADVISORY COMMITTEE
RIVERBANK CITY HALL NORTH
COUNCIL CHAMBER
6707 THIRD STREET
RIVERBANK CA 95367-2305

MINUTES
WEDNESDAY, MARCH 27, 2013

CALL TO ORDER: CHAIR DONNA KING CALLED THE MEETING TO ORDER AT 6:01 PM.

ROLL CALL: **Present: Committee Members Suzanne Dean, Evelyn Halbert, Erick Winchester, Chair Donna King, and Council Liaison Mayor Richard O'Brien**
Absent: Committee Member Joan Stewart and Vice Chair Dan Roman
1 Chair Currently Vacant

CONFLICT OF INTEREST

No conflicts declared.

INTRODUCTION OF NEW MEMBER – ERICK WINCHESTER

Marisela Hernandez, Director of Finance introduced the newest member, Erick Winchester.

1. PUBLIC BUSINESS FROM THE FLOOR (No action can be taken.)

No comments from the public.

2. ACTION & DISCUSSION ITEMS

Item 2.1: Report of Posting. The agenda for the regular March 27, 2013 Budget Advisory Committee meeting was posted on the City bulletin board on March 22, 2013.

Motion to Approve Report of Posting was made by Committee Member Winchester and 2nd by Committee Member Dean.

Vote: Ayes: 4 Nays: 0 Abstentions: 0

Item 2.2: Approval of the February 27, 2013 Budget Advisory Committee Meeting Minutes.

Motion to Approve Minutes as is was made by Committee Member Dean and 2nd by Committee Member Winchester.

Vote: **Ayes: 4** **Nays: 0** **Abstentions: 0**

Item 2.3: FY 2013-2014 General Fund Status

Marisela Hernandez, Director of Finance presented the General Fund Status Report for FY 2013-14.

Discussion ensued regarding various revenue sources.

Item 2.4: FY 2013-2014 Departmental Budget Overview

Marisela Hernandez, Director of Finance introduced City Manager Jill Anderson who presented the City Council, City Manager and Legal Department proposed budgets.

City Manager provided the Mission Statement & Three-Year Goals to the Committee (herein incorporated as Exhibit A).

City Manager provided information regarding the Strategic Planning Retreat (herein incorporated as Exhibit B) in response to the New Appropriations Request for additional funds for Strategic Planning.

Discussion ensued regarding expenditure requests.

Marisela Hernandez, Director of Finance introduced the Finance Department budget.

Public Comment was made regarding collecting deposits equal to two months billing and moving to a monthly billing.

Item 2.5: Review of FY 2012-13 Budget Advisory Committee Recommendations

Marisela Hernandez, Director of Finance presented a review of the outcome of the recommendations made by the Budget Advisory Committee to the City Council for the 2012-13 Fiscal Year.

Item 2.6: Discussion Regarding Upcoming Meeting Schedule

Discussion ensued regarding the upcoming meeting scheduled for April 2, 2013. Committee agreed to move forward with the meeting.

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3. COMMENTS (Informational Only – No action to be taken)

Item 3.1:	Staff Comments.	No Comments.
Item 3.2:	Council Liaison Comments.	No Comments.
Item 3.3:	Committee Member Comments.	No Comments.

ADJOURNMENT: Chair King Adjourned the meeting at 7:44 PM.

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AGENDA ITEM 2.3

BUDGET ADVISORY COMMITTEE
RIVERBANK CITY HALL NORTH
COUNCIL CHAMBER
6707 THIRD STREET
RIVERBANK CA 95367-2305

MINUTES
WEDNESDAY, APRIL 3, 2013

CALL TO ORDER: MEETING WAS CALLED TO ORDER AT 6:00 PM BY CHAIR DONNA KING.

ROLL CALL: **Present: Committee Members Evelyn Halbert, Joan Stewart, Erick Winchester, Vice Chair Dan Roman and Chair Donna King.**
Absent: Committee Member Suzanne Dean and Council Liaison Mayor Richard O'Brien.
1 Chair Currently Vacant

CONFLICT OF INTEREST

No conflicts declared. Chair King questioned whether her membership in the Kiwanis Club was considered a conflict. It was determined that it was not.

1. PUBLIC BUSINESS FROM THE FLOOR (No action can be taken.)

No comments from the public.

2. ACTION & DISCUSSION ITEMS

Item 2.1: Report of Posting. The agenda for the regular April 3, 2013 Budget Advisory Committee meeting was posted on the City bulletin board on March 29, 2013.

Motion to Approve Report of Posting was made by Committee Member Stewart and 2nd by Committee Member Winchester.

Vote: Ayes: 5 Nays: 0 Abstentions: 0

Item 2.2: Motion to Move Approval of the March 27, 2013 Meeting Minutes to the April 17, 2013 Meeting.

Motion to Approve Moving the March 27, 2013 Meeting Minutes to the April 17, 2013 Meeting was made by Committee Member Stewart and 2nd by Committee Member Winchester.

Vote: Ayes: 5 Nays: 0 Abstentions: 0

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Item 2.3: FY 2013-2014 Departmental Budget Overview

Administrative Services
Police
Building Maintenance, Parks & Recreation

Chair King moved the Building Maintenance, Parks & Recreation Budget to the forefront of the discussion.

Sue Fitzpatrick, Director of Parks & Recreation presented the budgets for the Building Maintenance, Parks & Recreation Divisions.

Discussion ensued regarding the City's PERS Retirement, National Retirement, and Deferred Compensation Costs.

Discussion ensued regarding the purchase of the Museum Annex. The Committee requested additional information regarding:

1. **Current costs associated with the Museum Annex (Insurance and Maintenance)**
2. **Costs to Demolition the Building**
3. **Ramifications of the Sale of the Building**

Discussion ensued regarding the CalPERS Retirement System. Committee Members requested information on a PERS buyout and returning to Social Security. City Manager Jill Anderson mentioned the City of Pacific Grove and their attempt to buyout of CalPERS.

Marisela Hernandez, Director of Finance advised the Committee that several of the information requests would require funds to acquire and therefore may be more suitable as a recommendation to the City Council and not information to be brought back to the Committee.

Committee was not able to review the Administrative Services and Police Services Budgets. Through consensus, the Committee agreed to move these budgets to the next meeting.

3. COMMENTS

Item 3.1: Staff Comments. **No Comments.**
Item 3.2: Council Liaison Comments. **No Comments.**
Item 3.3: Committee Member Comments.

Chair King announced that the next meeting was scheduled for April 17, 2013.

ADJOURNMENT: Chair King Adjourned the meeting at 7:37 PM.

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AGENDA ITEM 2.4

City of Riverbank

Annual Operating Budget -- Fiscal Year 2013-2014

Fund:	101	**GENERAL FUND**	Department:	**408**
Function:		**General Government**		**Administrative Services**

APPROPRIATION DETAIL

Account	Account Description	FY 2011-12 Actual	FY 2012-13 Budget	2012-13 Expenses To Date	FY 2013-14 Budget	% Change
	Personnel Salaries and Benefits					
701.001	PERSONNEL REGULAR	362,108	260,047	187,138	345,385	32.8%
701.002	PERSONNEL TEMPORARY	41,595	53,557	46,780	0	-100.0%
701.003	PERSONNEL OVERTIME	137	0	386	0	0.0%
708.004	MISC EMPLOYEE BENEFITS	0	0	0	0	0.0%
708.005	MEDICARE	5,449	4,573	3,196	5,008	9.5%
708.006	PERS RETIREMENT	41,327	27,056	19,556	38,438	42.1%
708.007	PAYROLL TAXES	10,295	5,528	5,070	7,068	27.9%
708.008	HEALTH DENTAL VISION INSURANCE	66,286	66,225	37,517	67,416	1.8%
708.009	NATIONAL RETIREMENT	11,396	9,702	6,348	13,155	35.6%
708.010	WORKERS' COMPENSATION	36,655	35,539	25,320	42,689	20.1%
708.012	DEFERRED COMPENSATION	6,411	3,250	2,825	5,200	60.0%
	Total Personnel Salaries & Benefits	**$581,659**	**$465,477**	**$334,136**	**$524,359**	**12.6%**
	Operating Expenses					
702.030	MAINT. OF OPERATIONS EQUIPMENT	19,833	10,963	3,997	10,963	0.0%
702.031	RENTS & LEASES	4,550	4,550	1,362	4,550	0.0%
702.032	PROFESSIONAL SERVICES	39,604	37,800	27,879	37,800	0.0%
702.034	OTHER CONTRACT SERVICES	707	5,200	2,226	5,200	0.0%
702.039	SPECIAL COMMUNITY SERVICES	4,010	15,000	7,010	15,000	0.0%
703.023	ADVERTISING	4,259	1,000	75	1,000	0.0%
703.024	POSTAGE	297	500	147	500	0.0%
703.025	OFFICE EXPENSE	3,167	4,000	2,721	4,000	0.0%
704.022	COMMUNICATIONS	0	0	0	0	0.0%
706.014	MISC. PERSONNEL EXPENSE	1,761	1,000	717	1,000	0.0%
706.026	MISCELLANEOUS EXPENSE	630	500	439	500	0.0%
706.035	INSURANCE & SURETY BOND	175	350	318	350	0.0%
706.036	MEMBERSHIP, DUES, BOOKS, ETC.	873	850	513	850	0.0%
706.037	CONFERENCES & MEETINGS	343	500	48	500	0.0%
706.042	SAFETY	376	500	199	500	0.0%
706.047	WEBSITE	0	1,000	0	1,000	0.0%
706.066	ELECTIONS	241	67,000	11,531	0	0.0%
	Total Operating Expenses	**$80,826**	**$150,713**	**$59,182**	**$83,713**	**-44.5%**
	CAPITAL OUTLAY					
707.002	CAPITAL EXPENDITURES	0	0	0	0	0.0%
707.017	COMPUTER COMPONENTS	3,770	21,950	22,052	4,000	-81.8%
	Total Capital Outlay	**$3,770**	**$21,950**	**$22,052**	**$4,000**	**-81.8%**
	Total Department Appropriations	**$666,255**	**$638,140**	**$415,370**	**$612,072**	**-4.1%**

TRANSFER IN OF MANAGEMENT FEES	SEWER FUND	($49,389)
	WATER FUND	($61,899)
	NET GENERAL FUND ALLOCATION	$500,784

COMPUTER COMPONENTS:

COMPUTER REPLACEMENT PROGRAM	$4,000
SERVER REPLACEMENT	$17,950

EMPLOYEES:
- FULL-TIME PERSONNEL MANAGER (VACANT)
- CITY CLERK
- ADMINISTRATIVE ASSISTANT/CONFIDENTIAL
- HUMAN RESOURCE ANALYST
- HUMAN SERVICES SPECIALIST/ADMINISTRATIVE ANALYST II

Administrative Services Department
13/14 Base Budget Request

		FY 13-14	Description
702.030	**Maintenance of Oper & Equip**		
	CAVEO SYSTEM MAINTENANCE	$1,500	GIS Maintenance (Editing/Work/etc.)
	COOP Maintenance Fee	1,500	Emergency Management Plans (Admin; CD; PW)
	ECS Imaging Incorporated	5,003	Laserfice Management
	American Legal	315	Uncodified Ordinances Online
	HRN Management - Appraisal	1,100	Performance Appraisal Software
	People Track Annual Maintenance	1,045	Human Services Program (Keep track of Personnel)
	AdTech (Filtering)	500	Filtering Email - Annual Cost
	Total	**$10,963**	
702.031	**Rents & Leases**		
	Savin Copier Lease	$2,150	
	Charter Monthly Charge (Internet Connection)	2,400	
	Total	**$4,550**	
702.032	**Professional/Special Services**		
	Codification of Municipal Code	$3,000	Codify Municipal Code - Laws of the City
	Charter - Web Hosting/Registration	3,600	Previously split between 3 Departments - all in Admin for efficiency
	Adtech Annual Service	31,200	$2600 monthly charge for IT services
	Total	**$37,800**	
702.034	**Other Contract Services**		
	OES Contract	$1,200	Contract services with Stan County Office of Emergency Services
	Centration	2,000	Mandated cost Claims
	Liebert, Cassidy, Whitmore	2,000	Employment Consortium
	Total	**$5,200**	
702.039	**Special Community Services**		
	Government Channel - Filming	$15,000	Money received rom PEG fees
	Total	**$15,000**	

703.023	**Advertising**	**$1,000**	Reduced because each dept. pays own noticing charges
703-024	**Postage**	**$500**	Recruitments; Daily
703.025	**Office Expense**	**$4,000**	Office Supplies; Copy Count Distribution
706.014	**Misc. Personnel Expense**	**$1,000**	Physicals; Fingerprints; Annual DOT
706.014	**Miscellenous Expense**	**$500**	Miscellaneous Items
706.035	**Insurance & Bonds**	**$350**	City Clerk Public Official Bond Fees
706.036	**Memberships, Dues, Books, etc.**		
	Safety Council	$120	
	IIMC	340	
	Riverbank News	55	
	CCAC Annual Dues	235	
	Modesto Bee	100	
		$850	
706.037	**Conferences & Meetings**	**$500**	City Clerk Association Meetings, Trainings
706.042	**Safety**	**$500**	Employee Safety Supplies, First Aid Kit Refills
706.047	**Web Site**	**$1,000**	Development of New Website
706.066	**Elections**	**$0**	Legal Expenses related to District Elections
707.017	**Computer Components**	**4,000**	City Computer Replacement Program

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City of Riverbank

Fiscal Year 2013-2014

NEW APPROPRIATIONS REQUEST

(Include all items over $1,000)

Department/Division	Submitted By:	Submittal Date:
Administrative Services	K. Lemons	03/17/2013

Priority	Account Number	Budget Explanation	Amount Requested	Approval (CM)
1	101-408.000-707.017	Replacements needed, as well as components to update existing computers. This will allow the City to align the goals of the City Manager to become more technically efficient.	$2,500	

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City of Riverbank
Annual Operating Budget -- Fiscal Year 2013-2014

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

APPROPRIATION DETAIL

Account	Account Description	FY 2011-12 Actual	FY 2012-13 Budget	2012-13 Expenses To Date	FY 2013-14 Budget	% Change
	Operating Expenses					
702.030	MAINT. OF OPERATIONS EQUIPMENT	4,314	4,500	1,781	3,500	-22.2%
702.031	RENTS & LEASES/BLDG REPLACE.	19,500	19,500	2,204	19,500	0.0%
702.032	PROFESSIONAL SERVICES	0	0	0	0	0.0%
702.034	VEHICLE MILEAGE FEE	111,376	118,000	72,937	118,000	0.0%
702.039	SPECIAL COMMUNITY SERVICE	6,988	0	0	0	0.0%
702.060	CONTRACT SHERIFF SERVICES	2,974,557	3,352,344	2,191,253	3,610,825	7.7%
703.024	POSTAGE	1,113	1,500	622	1,500	0.0%
703.025	OFFICE EXPENSE	3,287	2,000	1,290	2,000	0.0%
704.021	UTILITIES	42,884	45,000	24,795	45,000	0.0%
704.022	COMMUNICATIONS	2,812	3,000	1,721	3,000	0.0%
706.023	ADVERTISING	59	100	0	100	0.0%
706.026	MISCELLANEOUS EXPENSE	193	180	72	180	0.0%
706.029	MAINT. OF BLDG. & STRUCTURES	1,439	1,500	0	1,500	0.0%
706.072	SDEA CONTRIBUTION	28,245	36,335	36,335	37,062	2.0%
	Total Operating Expenses	**$3,196,767**	**$3,583,959**	**$2,333,010**	**$3,842,167**	**7.2%**
	Capital Outlay					
707.003	EQUIPMENT/PROJECTS	0	0	0	0	0.0%
	Total Capital Outlay	**$0**	**$0**	**$0**	**$0**	**0.0%**
	Total Department Appropriations	**$3,196,767**	**$3,583,959**	**$2,333,010**	**$3,842,167**	**7.2%**

STAFFING:

- 1 Lieutenant (Chief of Police)
- 2 Sergeants
- 17 Deputy Sheriff/Detective
- 3 Legal Clerks
- 1 Supervising Legal Clerk
- 1 Community Services Officer

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AGENDA ITEM 2.5

POLICE SERVICES
PROPOSED BUDGET

ACCOUNT NUMBER	DESCRIPTION	BUDGET
101-409.000-702.030		
Maint. Operations Eq.	Motorcycle Maintenance	2,000
	Equipment Maint./Lidar Guns	1,500
		$3,500
101-409.000-702.031		
Rents & Leases	Building Replacement Fund	15,700
	Copier Lease - MoCal	3,800
		$19,500
101-409.000-702.034		
Other Contract Serv.	Sheriff Vehicle Maintenance	118,000
	Stan County	$118,000
101-409.000-702.034		
Contract Sheriff Services	Sheriff's Contract - Stan County	3,610,825
		$3,610,825
101-409.000-703.024		
Postage	Postage Expense	1,500
		$1,500
101-409.000-703.025		
Office Expense	Citation Books	2,000
	Western Graphics	$2,000
101-409.000-704.021		
Utilities	Building Utilities - PG&E	45,000
		$45,000
101-409.000-704.022		
Communications	Communication System	3,000
	AT&T	$3,000
101-409.000-706.023		
Advertising	Riverbank News	100
	SLESF Public Hearing	$100
101-409.000-706.026		
Miscellaneous Expense	Charter Communications	120
	Administrative Hearing Officer	60
		$180
101-409.000-706.029		
Maint. Of Blding	Maintenance Expenses	1,500
		$1,500
101-409.000-706.072		
SDEA Contribution	Stan Drug Enforcement Agency	37,062
		$37,062
Total Police Services FY 2013-14 Budget		**$3,842,167**

SHERIFF CONTRACT EXPENDITURES

101-409.000-702.060

	FY 2013-14	FY 2012-13	% Increase
SALARIES & BENEFITS	2,941,307	2,808,951	4.71%
Less: COPS Grant	0	-64,000	-100.00%
OVERTIME	128,000	141,108	-9.29%
SERVICES & SUPPLIES	78,251	56,370	38.82%
INTERNAL SERVICE FUND			
LIABILITY COVERAGE	73,883	80,280	-7.97%
COMMUNICATION SERV.	382,879	382,879	0.00%
STORES	6,505	3,642	78.61%
TOTAL 702.060	**3,610,825**	**3,409,230**	**5.91%**

OTHER CONTRACT SERVICES
101-409.000-702.034

PATROL VEHICLE CHARGES	118,000	118,000	0.00%
TOTAL 702.034	**118,000**	**118,000**	0.00%
TOTAL ESTIMATED BUDGET	**3,728,825**	**3,527,230**	**5.72%**

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AGENDA ITEM 2.6

City of Riverbank
Annual Operating Budget -- Fiscal Year 2013-2014

Fund:	101	GENERAL FUND	Department:	405
Function:		Community Development		PLANNING

APPROPRIATION DETAIL

Account	Account Description	FY 2011-12 Actual	FY 2012-13 Budget	2012-13 Expenses To Date	FY 2013-14 Budget	% Change
	Personnel Salaries and Benefits					
701.001	PERSONNEL REGULAR	204,966	189,706	145,870	194,440	2.5%
701.002	PERSONNEL TEMPORARY	0	0	0	0	0.0%
701.005	PLANNING COMMISSIONER COMP.	1,800	6,000	1,500	800	-86.7%
708.004	MISC EMPLOYEE BENEFITS	7,813	1,858	1,429	1,858	0.0%
708.005	MEDICARE	2,821	2,672	1,985	2,819	5.5%
708.006	PERS RETIREMENT	24,575	19,366	14,978	23,480	21.2%
708.007	PAYROLL TAXES	868	868	868	868	0.0%
708.008	HEALTH DENTAL VISION INSURANCE	2,291	7,782	2,875	3,463	-55.5%
708.009	NATIONAL RETIREMENT	4,293	4,760	3,557	5,262	10.5%
708.010	WORKERS' COMPENSATION	19,770	25,261	19,432	24,886	-1.5%
708.012	DEFERRED COMPENSATION	3,560	3,546	2,728	3,546	0.0%
	Total Personnel Salaries & Benefits	**$272,757**	**$261,819**	**$195,222**	**$261,422**	**-0.2%**
	Operating Expenses					
702.030	MAINT. OF OPERATIONS EQUIPMENT	479	600	75	300	-50.0%
702.031	RENTS & LEASES	2,500	2,500	206	2,500	0.0%
702.032	PROFESSIONAL/SPECIAL SERVICES	9,767	11,000	9,022	11,000	0.0%
702.034	OTHER CONTRACT SERVICES (ED)	11,910	11,800	15,002	11,700	-0.8%
703.024	POSTAGE	2,422	1,000	1,667	1,800	80.0%
703.025	OFFICE EXPENSE	2,030	2,000	1,508	2,000	0.0%
704.022	COMMUNICATIONS	1,157	1,200	621	1,200	0.0%
706.023	ADVERTISING	3,712	2,000	2,680	1,000	-50.0%
706.036	MEMBERSHIP, DUES, BOOKS, ETC.	3,717	2,200	3,423	4,000	81.8%
706.037	CONFERENCES & MEETINGS	2,234	4,000	1,925	4,000	0.0%
	Total Operating Expenses	**$39,928**	**$38,300**	**$36,129**	**$39,500**	**3.1%**
	Total Department Appropriations	**$312,685**	**$300,119**	**$231,351**	**$300,922**	**0.3%**

TRANSFER IN OF MANAGEMENT FEES	SEWER FUND	($40,712)
	WATER FUND	($40,712)
	NET GENERAL FUND ALLOCATION	$219,498

STAFFING:
1 - DEVELOPMENT SERVICES DIRECTOR
1 - SR. COMMUNITY DEVELOPMENT SPECIALIST

Fund 101: Planning 405

701.005	**Planning Commissioners Comp**	$ 6,000
702.030	**Maintenance Operation Equipment** Computer/Miscellaneous Repairs	$ 300
702.031	**Rents & Leases** Copier Lease	$ 2,500
702.032	**Professional/Special Services** Contribution to LAFCO California CAD – GIS Computer Software Subdivision/Zoning Code – Dev. Ordinance	$150,000
702.034	**Other Contract Services** Alliance – Annual Investment Technical Assistance	$ 11,700
702.024	**Postage**	$ 1,800
703.025	**Office Expense**	$ 2,000
703.022	**Communications**	$ 1,200
704.023	**Advertising**	$ 1,000
706.036	**Memberships, Dues, Books, Etc.** American Planning Association Sustainable Communities Zoning News Building Code Books Certification & Contact Hours	$ 4,000
706.037	**Travel, Conference & Meetings** League of California Cities State APA Conference State APWA Conference	$ 4,000

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AGENDA ITEM 2.6

City of Riverbank
Annual Operating Budget -- Fiscal Year 2013-2014

Fund:	101	**GENERAL FUND**	Department:	**406**
Function:		**Community Development**		**BUILDING**

APPROPRIATION DETAIL

Account	Account Description	FY 2011-12 Actual	FY 2012-13 Budget	2012-13 Expenses To Date	FY 2013-14 Budget	% Change
	Personnel Salaries and Benefits					
701.001	PERSONNEL REGULAR	0	133,016	102,320	136,198	2.4%
708.004	MISC EMPLOYEE BENEFITS	0	0	0	0	0.0%
708.005	MEDICARE	0	1,756	1,350	1,975	12.5%
708.006	PERS RETIREMENT	0	13,846	10,707	17,128	23.7%
708.007	PAYROLL TAXES	0	868	868	868	0.0%
708.008	HEALTH DENTAL VISION INSURANCE	0	36,738	28,879	35,862	-2.4%
708.009	NATIONAL RETIREMENT	0	4,760	3,557	5,262	10.5%
708.010	WORKERS' COMPENSATION	0	18,065	13,844	17,432	-3.5%
708.012	DEFERRED COMPENSATION	0	0	0	0	0.0%
	Total Personnel Salaries & Benefits	**$0**	**$209,049**	**$161,525**	**$214,725**	**0.0%**
	Operating Expenses					
702.030	MAINT. OF OPERATIONS EQUIPMENT	0	0	0	0	0.0%
702.031	RENTS & LEASES (VEHICLES)	0	8,000	0	8,000	0.0%
702.032	PROFESSIONAL/SPECIAL SERVICES	0	0	520	500	0.0%
703.024	POSTAGE	0	400	106	400	0.0%
703.025	OFFICE EXPENSE	0	1,000	806	1,000	0.0%
704.022	COMMUNICATIONS	0	2,500	1,502	2,500	0.0%
706.027	BOOT/ JACKET ALLOWANCE, UNIFORM	0	300	150	700	133.3%
706.028	SMALL TOOLS	0	100	28	100	0.0%
706.036	MEMBERSHIP, DUES, BOOKS, ETC.	0	1,200	0	1,200	0.0%
706.037	CONFERENCES & MEETINGS	0	400	0	400	0.0%
706.038	STAFF DEVELOPMENT	0	1,000	569	2,500	150.0%
	Total Operating Expenses	**$0**	**$14,900**	**$3,681**	**$17,300**	**16.1%**
	CAPITAL OUTLAY					
707.002	CAPITAL EXPENDITURES	0	0	0	0	0.0%
	Total Capital Outlay	**$0**	**$0**	**$0**	**$0**	**0.0%**
	Total Department Appropriations	**$0**	**$223,949**	**$165,206**	**$232,025**	**3.6%**

TRANSFER IN OF MANAGEMENT FEES	SPECIAL BUILDING PROJECTS FUND (125)	($179,725)
	NET GENERAL FUND ALLOCATION	$52,300

STAFFING: 1 - BUILDING INSPECTOR II
1 - CONSTRUCTION INSPECTOR II

Fund 101: Building 406

703.024	**Postage**	$ 400
703.025	**Office Expense**	$ 1,000
704.022	**Communications** AT&T-Calnet 2	$ 2,500
706.027	**Boot & Jacket Allowance**	$ 700
706.028	**Small Tools**	$ 100
706.036	**Memberships, Dues, Books, Etc.**	$ 1,200
706.037	**Conferences & Meetings**	$ 400
706.038	**Staff Development** CASP Certification Training ICC Classes	$ 2,500

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AGENDA ITEM 2.6

City of Riverbank

Annual Operating Budget -- Fiscal Year 2013-2014

Fund: 101	GENERAL FUND	Department:	412
Function:	Public Works		DEVELOPMENT SERVICES ADMIN

APPROPRIATION DETAIL

Account	Account Description	FY 2011-12 Actual	FY 2012-13 Budget	2012-13 Expenses To Date	FY 2013-14 Budget	% Change
	Personnel Salaries and Benefits					
701.001	PERSONNEL REGULAR	283,498	335,448	255,003	347,873	3.7%
701.002	PERSONNEL TEMPORARY	0	0	0	0	0.0%
708.004	MISC EMPLOYEE BENEFITS	2,062	0	0	0	0.0%
708.005	MEDICARE	3,763	4,864	3,432	5,044	3.7%
708.006	PERS RETIREMENT	31,796	32,266	24,802	39,599	22.7%
708.007	PAYROLL TAXES	2,493	2,287	2,170	2,294	0.3%
708.008	HEALTH DENTAL VISION INSURANCE	61,485	98,197	71,207	87,835	-10.6%
708.009	NATIONAL RETIREMENT	9,427	11,900	8,892	13,155	10.5%
708.010	WORKERS' COMPENSATION	29,713	45,538	34,502	44,524	-2.2%
708.012	DEFERRED COMPENSATION	3,083	3,900	3,000	3,900	0.0%
	Total Personnel Salaries & Benefits	**$427,320**	**$534,400**	**$403,008**	**$544,224**	**1.8%**
	Operating Expenses					
702.031	RENTS & LEASES	3,600	3,600	1,467	3,600	0.0%
702.032	PROFESSIONAL SERVICES	1,695	1,500	931	1,500	0.0%
702.035	CONTRACT ENGINEERING	40,585	70,000	8,590	80,000	14.3%
703.023	ADVERTISING	0	200	0	200	0.0%
703.024	POSTAGE	1,821	1,500	1,153	2,000	33.3%
703.025	OFFICE EXPENSE	2,257	2,000	1,801	2,000	0.0%
704.021	UTILITIES	3,440	3,000	2,427	3,000	0.0%
704.022	COMMUNICATIONS	1,182	1,500	795	1,500	0.0%
706.026	MISCELLANEOUS EXPENSE	1,530	1,000	910	1,200	20.0%
706.027	BOOT/ JACKET ALLOWANCE/UNIFORMS	0	0	0	300	0.0%
706.029	MAINT. OF BLDG. & STRUCTURES	146	500	209	500	0.0%
706.036	MEMBERSHIP, DUES, BOOKS, ETC.	595	600	391	600	0.0%
706.037	CONFERENCES & MEETINGS	144	1,000	350	1,000	0.0%
706.038	STAFF DEVELOPMENT	2,044	2,000	439	4,000	100.0%
	Total Operating Expenses	**$59,039**	**$88,400**	**$19,463**	**$101,400**	**14.7%**
	CAPITAL OUTLAY					
707.002	CAPITAL EXPENDITURES	0	0	0	0	0.0%
707.003	EQUIPMENT/PROJECTS	0	0	0	0	0.0%
	Total Capital Outlay	**$0**	**$0**	**$0**	**$0**	**0.0%**
	Total Department Appropriations	**$486,359**	**$622,800**	**$422,471**	**$645,624**	**3.7%**

TRANSFER IN OF MANAGEMENT FEES	SEWER FUND	($164,220)
	WATER FUND	($215,232)
	LTF	($6,304)
	GAS TAX	($24,199)
	LANDSCAPE & LIGHTING	($4,034)
	NET GENERAL FUND ALLOCATION	$231,635

STAFFING:
1 - DEPUTY DEVELOPMENT SERVICES DIRECTOR, OPERATIONS
1 - SR. MANAGEMENT ANALYST
1 - PROJECT COORDINATOR
2 - ADMINISTRATIVE ASSISTANTS

Fund 101: Public Works 412

702.031	**Rents & Leases** Copier Lease/Count	**$ 3,600**
702.032	**Professional/Special Services** Computer Software DBE Annual Report	**$ 1,500**
704.023	**Advertising**	**$ 200**
702.024	**Postage**	**$ 2,000**
703.025	**Office Expense**	**$ 2,000**
704.021	**Utilities** MID	**$ 3,000**
703.022	**Communications** AT&T-Calnet 2	**$ 1,500**
706.026	**Miscellaneous Expense**	**$ 1,200**
706.027	**Boot & Jacket Allowance**	**$ 300**
706.029	**Maint. Of Bldg. & Structures** Administration Office/PW Trailer	**$ 500**
706.036	**Memberships, Dues, Books, Etc.** APWA Membership Public Construction Law Manual Stanislaus County Safety Council Reference Books	**$ 600**
706.037	**Travel, Conference & Meetings** League of California Cities Caltrans Workshops	**$ 1,000**

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706.038	**Staff Development** Rockhurst University Continuing Ed. PW Project Management Bootcamp League of California Cities Project Management Classes/Certification	**$ 4,000**

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AGENDA ITEM 2.6

City of Riverbank

Annual Operating Budget -- Fiscal Year 2013-2014

Fund:	101	GENERAL FUND	Department:	413
Function:		Public Works		STREET MAINTENANCE

APPROPRIATION DETAIL

Account	Account Description	FY 2011-12 Actual	FY 2012-13 Budget	2012-13 Expenses To Date	FY 2013-14 Budget	% Change
	Personnel Salaries and Benefits					
701.001	PERSONNEL REGULAR	106,027	51,811	39,855	0	-100.0%
701.003	PERSONNEL OVERTIME	0	150	149	0	-100.0%
701.004	STANDBY PAY	0	0	0	0	0.0%
708.004	MISC EMPLOYEE BENEFITS	0	0	0	0	0.0%
708.005	MEDICARE	714	0	0	0	0.0%
708.006	PERS RETIREMENT	12,388	5,307	4,084	0	-100.0%
708.007	PAYROLL TAXES	823	434	434	0	-100.0%
708.008	HEALTH DENTAL VISION INSURANCE	29,708	22,505	16,841	0	-100.0%
708.009	NATIONAL RETIREMENT	4,301	2,380	1,778	0	-100.0%
708.010	WORKERS' COMPENSATION	10,871	7,034	5,392	0	-100.0%
	Total Personnel Salaries & Benefits	**$164,832**	**$89,621**	**$68,533**	**$0**	**-100.0%**
	Operating Expenses					
702.030	MAINT. OF OPERATIONS EQUIPMENT	13,198	15,000	7,541	15,000	0.0%
702.031	RENTS & LEASES (VEHICLES)	15,000	15,000	0	15,000	0.0%
702.032	PROFESSIONAL SERVICES	10,377	7,000	2,695	9,000	28.6%
703.055	BARRICADES	570	800	95	800	0.0%
704.021	UTILITIES	8,886	12,000	5,222	7,000	-41.7%
706.027	BOOT & JACKET ALLOWANCE	291	150	0	0	-100.0%
706.029	MAINT. OF BLDG. & STRUCTURES	7,359	6,500	6,337	6,500	0.0%
706.056	STATE/COUNTY FEES	566	700	666	700	0.0%
706.073	UNIFORMS & RAGS	0	0	0	0	0.0%
	Total Operating Expenses	**$56,247**	**$57,150**	**$22,556**	**$54,000**	**-5.5%**
	CAPITAL OUTLAY					
707.003	EQUIPMENT/PROJECTS	0	0	0	0	0.0%
	Total Capital Outlay	**$0**	**$0**	**$0**	**$0**	**0.0%**
	Total Department Appropriations	**$221,079**	**$146,771**	**$91,089**	**$54,000**	**-63.2%**

TRANSFER IN OF MANAGEMENT FEES	LTF	$0
	CROSSROADS LANDSCAPE & LIGHTING DISTRICT	$0
	NET GENERAL FUND ALLOCATION	$54,000

Fund 101: Street Maintenance 413

702.030	**Maintenance Operation Equipment** City of Modesto – Traffic Signal Maint.	**$ 15,000**
702.031	**Rents & Leases** Vehicle Maintenance	**$ 15,000**
702.032	**Professional/Special Services** Street Light Repair Grover Landscaping – Viaduct Maintenance	**$ 9,000**
702.055	**Barricades w/Flashers**	**$ 800**
704.021	**Utilities** MID City of Riverbank	**$ 12,000**
706.027	**Boot & Jacket Allowance** 2 – Employees	**$ 300**
706.029	**Maintenance/Bldg/Structures/Grds** Grover Landscaping	**$ 6,500**
706.056	**State/County Fees** Property Taxes	**$ 700**

City of Riverbank
Annual Operating Budget -- Fiscal Year 2013-2014

Fund 102: Gas Tax Fund

Projected '13-'14 Revenues **$748,086**

Less:

Requested Appropriations

SALARIES & BENEFITS	$393,396
CONTRACT SERVICES	121,500
UTILITIES	120,000
OTHER OPERATING EXPENSES	87,950
TRANSFERS OUT	24,199
CAPITAL OUTLAY	0

Total Gas Tax Appropriations **$747,045**

Structural Surplus **$1,041**

GAS TAX REVENUES

	BUDGET 12/13	ACTUAL 12/13	BUDGET 13/14
SECTION 2103 GAS TAX	$238,364	$133,428	$243,131
SECTION 2105 GAS TAX	113,220	63,758	101,736
SECTION 2106 GAS TAX	72,983	47,111	72,002
SECTION 2107 GAS TAX	150,946	105,063	151,468
SECTION 2107.5 GAS TAX	5,000	0	5,000
STREET SWEEPING	4,159	2,080	4,159
MISCELLANEOUS REVENUE	0	0	0
TRANSFER IN OF MGMT FEES	142,293	48,063	170,590
	$726,965	$399,503	$748,086

FY 2013-14 Gas Tax (Highway Users Tax) Fund Revenue Projections

The State of California imposes excise taxes on various transportation fuels. California motor vehicle fuel taxes include the gasoline tax, diesel fuel tax, and the use fuel tax. Taxes on aircraft jet fuel are transferred to the state Aeronautics Account. Taxes on fuel for other motor vehicles are transferred to the state Highway Users Tax Account. These include:

- The "gasoline tax" and "diesel fuel tax" imposed on the use of vehicle fuels at the rate of $0.18 per gallon including the $0.09 rate imposed by Prop 111 in 1994.
- The "use fuel tax" is imposed on vendors and users of motor vehicle fuels that are not taxed under either the gasoline or diesel fuel tax, such as liquefied petroleum gas, ethanol, methanol, and natural gas.

For the 2013-14 fiscal year estimate, the Finance Department has taken the State of California's estimate and reduced it by 5% in order to remain conservative. The large fluctuations in gas prices warrants that the city be conservative in its estimates.

Cities receive highway user tax revenue under the following formulas:

Section 2103 – Section 2103 was added beginning with the 2010-11 fiscal year to allocate funds from a new motor vehicle fuel excise tax that replace previous city and county allocations from the Prop 42 sales tax on gasoline. This is known as the "fuel tax swap of 2010." Section 2103 funds are allocated to cities and counties on a per capita basis.

400.175		
Gas Tax 2103		
FY	Amount	% Change
04/05	0.00	0.00%
05/06	0.00	0.00%
06/07	0.00	0.00%
07/08	0.00	0.00%
08/09	0.00	0.00%
09/10	0.00	0.00%
10/11	212,256.90	0.00%
11/12	307,279.71	44.77%
12/13	238,364.00	-22.43%
13/14	243,131.00	2.00%

Section 2105 – Section 2105(b) allocates 11.5% of the tax revenues in excess of 9 cents per gallon monthly among cities based on population.

400.170		
Gas Tax 2105		
FY	Amount	% Change
04/05	114,130.53	0.00%
05/06	122,587.53	7.41%
06/07	128,829.27	5.09%
07/08	127,062.39	-1.37%
08/09	116,789.98	-8.08%
09/10	119,083.32	1.96%
10/11	114,786.59	-3.61%
11/12	103,961.33	-9.43%
12/13	113,220.00	-1.36%
13/14	101,736.00	-2.14%

Section 2106 – Revenues equal to 1.04 cents per gallon are allocated as follows:

a. $7.2 million per year to the State Bicycle Transportation Account.
b. $400 per month to each city.
c. $800 per month to each county.
d. The residual amount (about $150 million per year) to each county and the cities in that county based on registered vehicles.

400.140		
Gas Tax 2106		
FY	Amount	% Change
04/05	77,327.80	0.00%
05/06	82,451.77	6.63%
06/07	86,472.17	4.88%
07/08	83,905.76	-2.97%
08/09	77,686.52	-7.41%
09/10	77,642.50	-0.06%
10/11	73,643.69	-5.15%
11/12	72,660.72	-1.33%
12/13	72,983.00	-0.90%
13/14	72,002.00	-0.91%

Section 2107 – Provides monthly allocations to cities of 1.315 cents per gallon of gasoline, 1.8 cents per gallon of diesel, and 2.59 cents per liquefied petroleum gas, as follows:

a. Each city with removal costs in excess of $5,000 is allocated 50% of the cost exceeding $5,000.
b. The remainder is allocated to cities based on population.

400.150		
Gas Tax 2107		
FY	Amount	% Change
04/05	151,649.24	0.00%
05/06	163,514.54	7.82%
06/07	172,214.76	5.32%
07/08	170,031.36	-1.27%
08/09	155,440.91	-8.58%
09/10	158,714.94	2.11%
10/11	153,325.96	-3.40%
11/12	149,200.95	-2.69%
12/13	150,946.00	-1.55%
13/14	151,468.00	1.52%

Section 2107.5 – A flat amount is allocated to cities based on population. The City of Riverbank receives $5,000 annually.

400.160		
Gas Tax 2107.5		
FY	Amount	% Change
04/05	4,000.00	0.00%
05/06	5,000.00	25.00%
06/07	5,000.00	0.00%
07/08	5,000.00	0.00%
08/09	5,000.00	0.00%
09/10	5,000.00	0.00%
10/11	5,000.00	0.00%
11/12	5,000.00	0.00%
12/13	5,000.00	0.00%
13/14	5,000.00	0.00%

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AGENDA ITEM 2.6

City of Riverbank
Annual Operating Budget -- Fiscal Year 2013-2014

Fund:	**102**	**GAS TAX**	Department:	**418**
Function:		**Public Works**		**STREETS**

APPROPRIATION DETAIL

Account	Account Description	FY 2011-12 Actual	FY 2012-13 Budget	2012-13 Expenses To Date	FY 2013-14 Budget	% Change
	Personnel Salaries and Benefits					
701.001	PERSONNEL REGULAR	136,351	208,068	88,426	235,238	13%
701.002	PERSONNEL TEMPORARY	6,132	0	1,480	0	0%
701.003	PERSONNEL OVERTIME	1,360	2,000	2,043	2,500	25%
701.004	STANDBY PAY	3,714	5,500	6,389	4,000	-27%
708.004	MISC EMPLOYEE BENEFITS	0	0	0	0	0%
708.005	MEDICARE	1,281	3,017	1,073	2,660	-12%
708.006	PERS RETIREMENT	16,071	22,676	8,489	25,944	14%
708.007	PAYROLL TAXES	2,108	1,763	1,190	2,205	25%
708.008	HEALTH DENTAL VISION INSURANCE	35,297	62,463	33,769	77,586	24%
708.009	NATIONAL RETIREMENT	5,587	9,520	5,335	13,155	38%
708.010	WORKERS' COMPENSATION	15,007	28,246	11,964	30,108	7%
708.012	DEFERRED COMPENSATION	0	0	0	0	0%
	Total Personnel Salaries & Benefits	**$222,908**	**$343,253**	**$160,158**	**$393,396**	**15%**
	Operating Expenses					
702.030	MAINT. OF OPERATIONS EQUIPMENT	2,600	3,000	74	3,000	0%
702.031	RENTS & LEASES (VEHICLE REP/MAINT	10,000	10,000	0	10,000	0%
702.032	PROFESSIONAL/SPECIAL SERVICES	20,307	20,900	19,016	22,000	5%
702.036	STREET SWEEPING CONTRACT	83,040	82,500	63,393	82,500	0%
702.037	STREET LIGHT REPAIR	3,661	4,000	117	4,000	0%
703.028	SMALL TOOLS	362	1,000	1,770	1,000	0%
703.062	STREET SIGNS/STRIPING	10,447	56,000	36,310	56,000	0%
704.021	UTILITIES	113,651	120,000	65,379	120,000	0%
706.026	MISCELLANEOUS EXPENSE	1,023	1,000	261	2,000	100%
706.027	BOOT & JACKET ALLOWANCE	307	600	0	750	25%
706.029	MAINT. OF BLDG. & STRUCTURES	14,967	21,000	19,241	21,000	0%
706.036	MEMBERSHIP, DUES, BOOKS,ETC.	481	1,000	511	1,500	50%
706.038	STAFF DEVELOPMENT	478	1,800	1,152	2,050	14%
706.050	SAFETY EQUIPMENT	1,423	1,300	1,338	1,600	23%
706.073	UNIFORMS & RAGS	0	2,050	0	2,050	0%
999.000	TRANSFER OUT OF MGMT FEES TO GF	42,175	23,605	11,016	24,199	3%
	Total Operating Expenses	**$304,922**	**$349,755**	**$219,578**	**$353,649**	**1%**
	CAPITAL OUTLAY					
707.003	EQUIPMENT/PROJECTS	23,525	140,000	70,406	0	-100%
	Total Capital Outlay	**$23,525**	**$140,000**	**$70,406**	**$0**	**-100%**
	Total Department Appropriations	**$551,355**	**$833,008**	**$450,142**	**$747,045**	**-10%**

TRANSFER IN OF MANAGEMENT FEES	SEWER FUND	($81,334)
	LTF	($21,164)
	WATER FUND	($15,979)
	STERLING RIDGE STORM DRAIN DISTRICT	($9,170)
	HEARTLANDS STORM DRAIN DISTRICT	($9,170)
	CROSSROADS LANDSCAPE & LIGHTING DISTRICT	($33,773)
	NET GAS TAX FUND ALLOCATION	$576,455

EQUIPMENT/PROJECTS: CIP PROJECTS

ADA IMPROVEMENTS-TERMINAL AVE	50,000.00
CORPORATION YARD-ENCLOSE STORAGE BAY	25,000.00
VEHICLE PURCHASE (DEP DIRECTOR)	10,000.00
STORM DRAIN IMPROVEMENTS-CALIFORNIA	30,000.00
STORM DRAIN IMPROVEMENTS-PANORAMA	20,000.00
	$135,000.00

STAFFING:
1 - PUBLIC WORKS SUPERVISOR
3 - SR. MAINTENANCE WORKERS
1 - MAINTENANCE WORKER I

Fund 102: Gas Tax 418

702.030	**Maintenance Operation Equipment** Backup Batteries – Traffic Signals Pedestrian Buttons/Sound Accuaters	**$ 3,000**
702.031	**Rents & Leases**	**$ 10,000**
702.032	**Professional/Special Services** State Permits/Fees Stormwater Testing/Filters Pump Repairs Dry Well Maintenance	**$ 22,000**
702.036	**Street Sweeping Contract** Gilton Solid Waste Management	**$ 82,500**
702.037	**Street Light Repair**	**$ 4,000**
703.028	**Small Tools**	**$ 1,000**
703.062	**Street Signs/Striping**	**$ 56,000**
704.021	**Utilities** MID PG & E Department of Transportation	**$100,000** $ 500 $ 94,500 $ 5,000
706.026	**Miscellaneous Expense** Computers/Repairs	**$ 2,000**
706.027	**Boot & Jacket Allowance**	**$ 750**
706.029	**Maintenance/Bldg/Structures/Grds**	**$ 21,000**
706.036	**Memberships, Dues, Books, Etc.** Undergroud Service Alert – Membership California Water Environmental Assoc. Books for Certifications	**$ 1,500**

706.038	**Staff Development** Training Classes/Certifications	$	1,800
706.050	**Safety Equipment**	$	1,600
706.073	**Uniform & Rags** Aramark Uniforms	$	2,050

BUDGET ADVISORY COMMITTEE
AGENDA ITEM NO. 3
INFORMATIONAL ITEMS

Meeting Date:	April 17, 2013
Subject/ Title:	Follow-Up on Requested Items
Submitted by:	Marisela Hernandez, Director of Finance

SUMMARY:

At the April 3, 2013 Budget Advisory Committee Meeting, the Committee requested follow-up information regarding the potential of Opting-out of the CalPERS Retirement Program and maintenance costs associated with the museum annex.

CalPERS Retirement

Opting-out of CalPERS requires an actuarial study to be performed by CalPERS in order to determine the amount of funds necessary to officially terminate the contract. An official study does require the use of city funds and should be policy decision of the City Council whether to move forward with requesting such study. In lieu of that, I am providing several articles related to other cities that have gone through such a study in order to provide background on the potential costs to the City. Articles are provided regarding the City of Pacific Grove, City of Rocklin, and the City of Modesto.

Museum Annex Maintenance Costs

The Committee requested several pieces of information regarding the maintenance costs and other potential costs associated with the Museum Annex Building (currently vacant). The potential costs of demolition of the building as well as a legal determination of how the city would be affected by the sale of such building given the types of funds used for the purchase of the building require additional staff time to investigate and it is my recommendation that these items be proposed as potential recommendations to the City Council. The following are the maintenance costs that were available at the time of the publishing of the agenda:

1. Stanislaus Consolidated Fire District Assessment Fees: $361.58/year
2. Property Liability Insurance Costs: To Be Provided at the Meeting

There are no other maintenance costs associated with this building

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

1. City of Pacific Grove CalPERS Article
2. City of Rocklin CalPERS Article
3. City of Modesto CalPERS Article

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AGENDA ITEM 3

Monterey Bay News & Views

NEWS & OPINIONS FROM AROUND THE BAY

City Council weighs its few options regarding CalPERS mess

By John Sammon / May 23, 2012 / No Comments

Though it may have seemed a good idea at the time, the raising of California Public Employee Retirement System benefits is now haunting the Pacific Grove City Council. Members of the council are lamenting a 2002 decision to upgrade the retirement benefits they said are bankrupting not only PG, but other cities across the state.

PACIFIC GROVE — Though it may have seemed a good idea at the time, the raising of California Public Employee Retirement System benefits is now haunting the Pacific Grove City Council. Members of the council are lamenting a 2002 decision to upgrade the retirement benefits they said are bankrupting not only PG, but other cities across the state.

“CalPERS is threatening the financial security of the city,” Thomas Frutchey, city manager, told the council on May 16.

At issue was the council’s past decision to upgrade CalPERS retirement benefits to 3 percent of salary for each year of service at age 50, most of it for officers in the public safety sector of the city budget, police and fire personnel. Members of the council said the action was taken at a time when the economy was better, and the benefits hike was seen by many California cities as a proactive way to attract quality employees.

“In 2002, the 3 percent at 50 was becoming the state standard,” said Councilman Robert Huitt. “It was not considered that big a deal. We had not experienced an economic downturn.”

Huitt is the lone remaining council member from the 2002 decision. He said if he'd known what he later found out about the increase, he never would have voted in favor of it.

"I voted for it in 2002," Huitt reiterated. "If you want to blame someone, blame me. I'm sorry for the mess I was part of creating, but now we need to figure out how to deal with it."

The council voted to form a sub-committee that will look at how the CalPERS issue developed and come back with a report in 60 days so that options can be considered. They include sharing city services with other organizations with lower exposure to CalPERS debt, outsourcing of city functions with non-CalPERS organizations, or negotiating with unions for more sustainable terms.

A buy-out of the CalPERS system, which could cost an estimated $30 million, is money the city doesn't have. Council members called the developing fiasco the single biggest challenge to the city next to unfunded state mandates.

"We have a very serious financial issue, and if there is no magic wand, what can we do?" asked Councilman Bill Kampe. "Getting out of CalPERS, we were looking for someone to write that $30 million check, and we couldn't find them."

The city is currently defending itself in court for its backing of a citizen's initiative and Measure R, passed in November of 2010, proposing to cap city contributions to CalPERS. The move is being challenged by the Pacific Grove Police Officers Association, the union contending the city acted illegally because state labor laws prohibit limiting of police pensions.

"We're being sued by our own police department, and we should never be there," said Councilman Dan Miller. "It's real tough. People are making $100,000 at jobs that don't require a B.A. (degree)."

Miller also noted that police department commanders are doing routine patrols because of staffing cuts and some are making less than sergeants on the force.

Resident Dan Davis, who recommended the appointment of the sub-committee independent of staff to look at the issue, said he saw no evidence of financial stability in the current situation.

"All I see are rising costs," he said, "and a loss of more services."

Davis added that residents want to be cooperative and not adversarial in working with the council to deal with the problem.

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April 11, 2013

PLACER HERALD

Should Rocklin buy out of CalPERS?

City needs $75 million to cut ties with program

By: Jon Brines, Placer Herald correspondent

It's a hard pill to swallow – $75 million. But if t the California Public Employees' Retirement Sy with, according to City Manager Rick Horst.

It's what's called "termination liability," or wha benefit pensions to its employees and move to retirement program like the city of Los Angele

The CalPERS estimate was released to City Cou million breakdown includes a $16 million pens million for police and $34 million for the rest c pension obligations for employees currently w year 2012-2013, the city of Rocklin will pay Ca contributions. The city's total operating budget is $41.8 million.

In the past, the city was criticized for alleged pension spiking, allowing service credits annuitant double dipping, where an employee retires and then returns to the same jol passed last year not only restricts the alleged past abusive practices, but also gives th reduced benefits for new employees, among other things.

New City Council member Greg Janda listened closely to the retirement figures and lo pension reform.

"I am glad to see this report released – it will definitely raise awareness to residents th

Janda said he's open to considering the $75 million pension buyout or other solutions

"Yes, it is an ominous figure," he said. "I am open to exploring all possible options and each to come up with the best possible solution for our city."

Horst told the council terminating the city's obligation to CalPERS is unlikely.

"Those numbers are very high and it's not probable (it) would ever be a solution for us

The city would likely have to take out a municipal bond to cover the cost and that is n

Vice Mayor Scott Yuill, who's been very outspoken in favor of pension reform for years pull out of CalPERS.

"Such a move could not be accomplished without a collective bargaining process that, insurmountable proportions, and such a process couldn't practicably commence until conclusion several years from now," he warned.

Most city union contracts end in 2015, with the Rocklin Police Officers Association cor

In Yuill's opinion, the practice of selling municipal bonds to cover a buyout would be "

"Especially when we know that there is a possibility that Congress will likely push to el bonds, making the cost of borrowing cost-prohibitive," Yuill said.

Yuill suggests financial stability can more readily be achieved by keeping staff to an a reform measures already set in motion.

"The financial challenge before us was created over several decades, and will take som transparency, accurate information and cooperation will surely stabilize the problem."

Rocklin Mayor Diana Ruslin agrees and commends the city's employee unions for help

"Rocklin employees are ex-tremely dedicated and accomplished and have worked hard concessions to help the city's finances," Ruslin said.

Longtime City Councilmember George Magnuson is confident the city will see pension

"There is no way that reform is over," Magnuson said. "The recent (state law) reforms a

Even so, industry experts like Mike Gaskins, a labor relations representative for City En contracts with cities in Southern California, said in the long run the strategy could hur

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AGENDA ITEM 3

"Before too long, public employers are going to have a real difficult time attracting an
he said. "It's probably still a little better than Social Security, but not by much."

CalPERS told the city of Rocklin this year's expected investment returns are estimated

Horst said his 401(k) from a previous employer performs better than the CalPERS retu

"My rate of return, from this novice, is much higher than all those experts," Horst said

Gaskin pointed out hiring lower-level workers is easier for cities now, but acquiring sl

"Engineers, planners and water treatment plant people are still premium high-skill-le
against other employers," he said. "And if you can't offer a decent total package on bo
to get the best."

Horst admits the new reforms, including pushing more of the benefit costs to workers

"That sounds positive because future employees are going to have to pay more," he sa
There is going to be demand on the salary side and there is going to be problems bet

Current pensions are based on the number of years of service, the age at retirement a
a lot of attention for the number of retired staff who make over $100,000 pensions. H
have retired since the reforms have been enacted last summer, none have pensions ov

Next month, Rocklin's chief financial officer is expected to present a two-year actuari
retiree health care costs, which city officials admit is a bigger financial strain on the ci

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AGENDA ITEM 3

The Modesto Bee
modbee.com

Print This Article

Posted on Thu, Jan. 17, 2013

Leaving CalPERS would cost Modesto at least $1.1 billion

By Kevin Valinekvaline@modbee.com

last updated: March 13, 2013 02:59:52 PM

MODESTO --]

In November 2011, Modesto voters passed three nonbinding pension reform proposals, including Measure Q, which called for the city to replace its defined-benefit plan with a 401(k)-style plan.

The city now knows the price of reform — at least $1.1 billion.

That's how much the California Public Employees' Retirement System says it would cost Modesto to sever its ties with the state pension plan. The city had asked CalPERS for an estimate a year ago in the wake of the passage of Measure Q. The city's six employee unions also asked for an estimate.

Don't expect the city to jump at the chance to leave CalPERS.

"Clearly, it's a policy decision (for the City Council)," Deputy City Manager Dee Williams-Ridley said Wednesday. "But look at the numbers; they speak for themselves."

To put those numbers in context, the city would have to use every penny from its general fund for a decade to pay the termination buyout. The buyout is three times the size of the city's annual operating budget, which includes the general, water and waste-water funds.

CalPERS provided Modesto with two estimates to leave the pension plan: $1.11 billion and $1.26 billion. The difference is based on how employees' compensation is calculated.

The amounts dwarf the $106 million buyout figure then-Councilman Brad Hawn mentioned in July 2011 before the council voted 4-3 to put the three nonbinding pension reform measures on the November 2011 ballot. Hawn made them a central theme in his unsuccessful bid for mayor.

Williams-Ridley said the $106 million was a very rough, informal estimate that CalPERS gave Modesto.

The city has taken steps in recent years to rein in pension costs. The members of Modesto's six employee unions have agreed to pay more of the cost of their pensions. For instance, Modesto Police Officer Association members started paying 6.5 percent of the 9 percent of the employee contribution to their pensions. They had been paying 1.5 percent.

Members of the six unions have agreed to lesser pension benefits for their newer members, such as lower pensions, higher retirement ages and greater contributions to their pensions.

Still, pension costs remain a big expense.

CalPERS projects the total pension contributions for the city and for its employees at $23 million for the 2013-14 fiscal year, which starts July 1. Most of that will be paid by the city.

Modesto Human Resources Director Joe Lopez said the city got the buyout estimates in October but did not release them until this week.

He said there were several reasons for the delay, including the need to confer with CalPERS over the numbers and technical difficulties in accessing the data from the CalPERS system.

"You can see why we've taken our time and fully digested these numbers," Lopez said. "They are huge numbers. We wanted to make sure we analyzed them fully and vetted all of the information before going public."

He added that Modesto did not receive the estimates until October, despite their being dated Sept. 10.

CalPERS has more than 3,000 employer members, such as cities, counties, fire departments and other public agencies.

A CalPERS spokeswoman said that a few members typically leave CalPERS each year, usually government agencies with small numbers of employees. In contrast, Modesto has more than 1,000 employees.

CalPERS' most recent comprehensive annual financial report states that one agency left in 2011: the Lompico County Water District, which serves about 500 homes in the Santa Cruz Mountains.