

# City of Cotati Budget Crisis Meeting



May 30, 2009  
9:00 – 11:00 a.m.

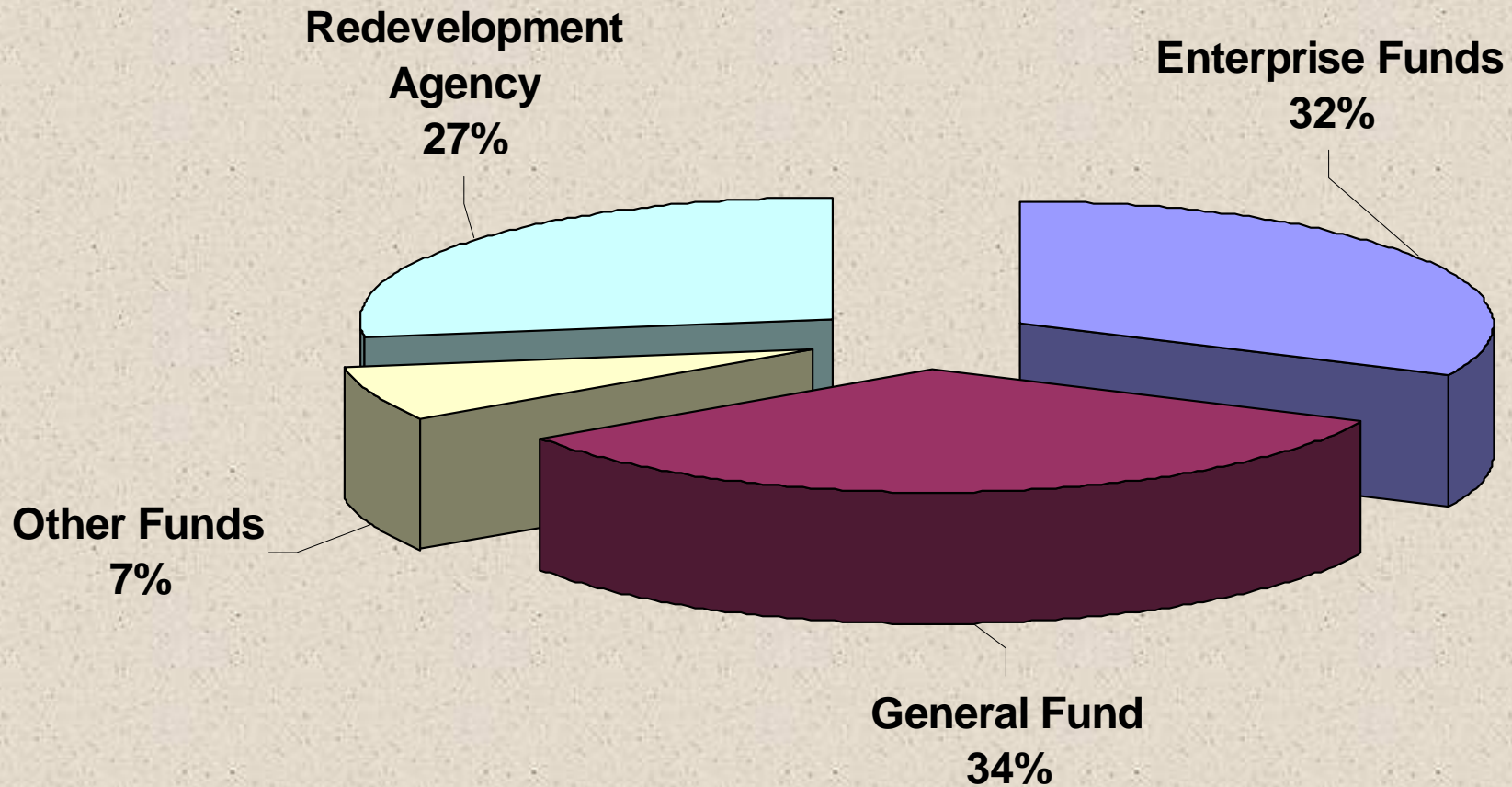
1. Public Finance: How does it work?
2. Cotati's Budget History
3. Where have reductions been made?
4. Current Budget Crisis
5. Next Steps: Where do we go from here?
6. Questions and answers

# 1. Public Finance

How does it work?

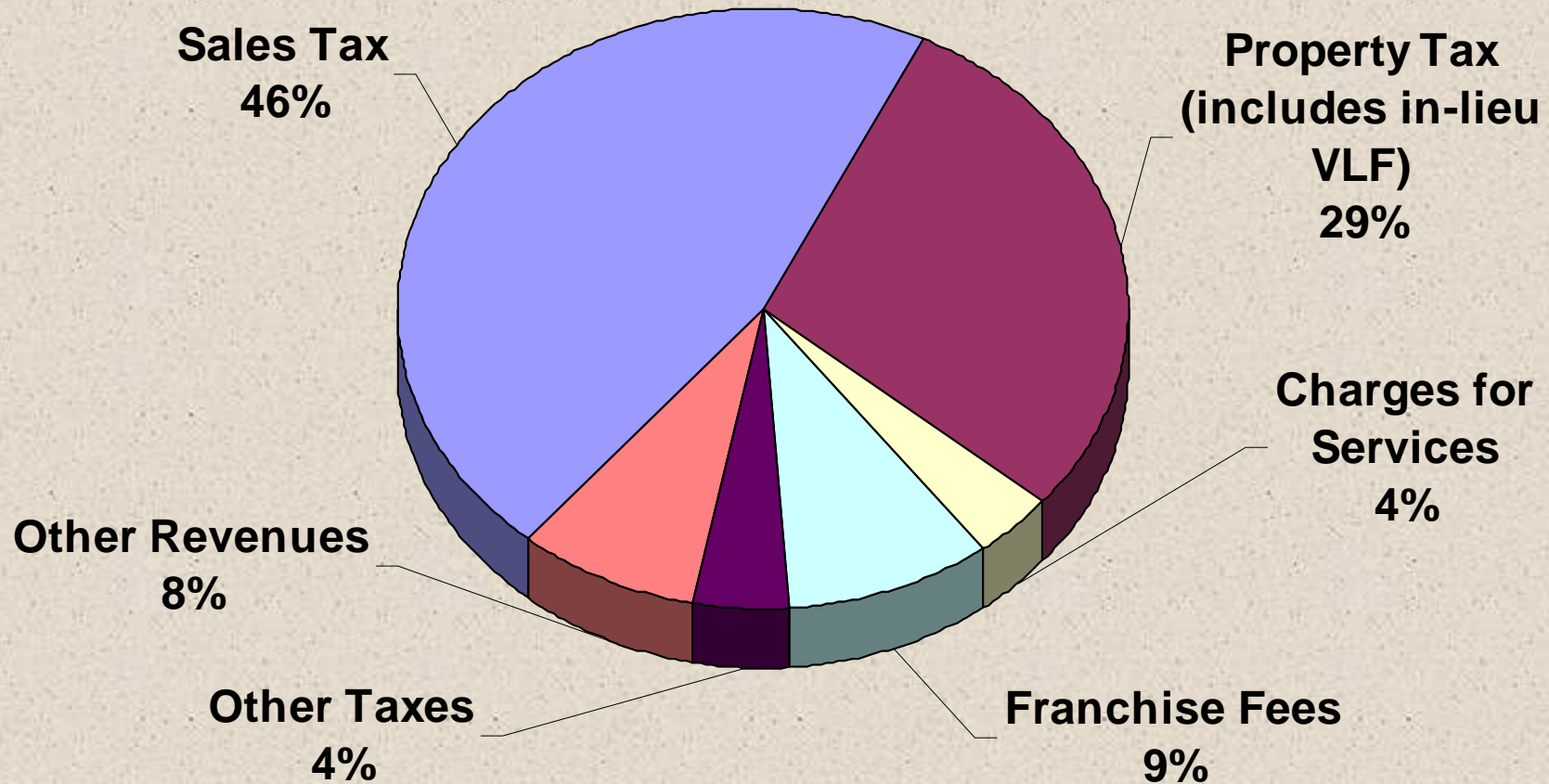
# Overall City Funding Sources: \$12.5 Million

FY 2008-2009 Adopted Budget



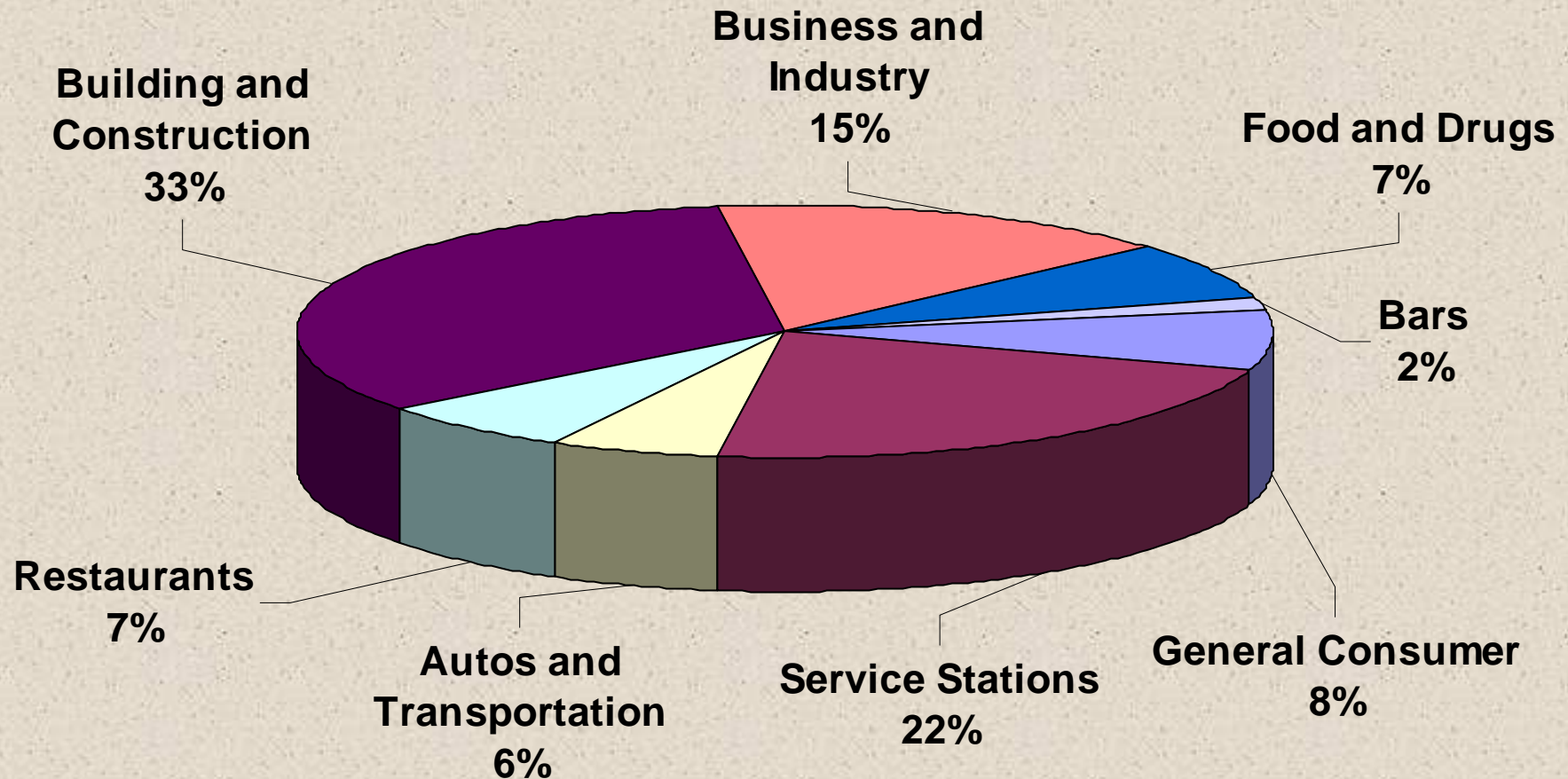
# General Fund Revenue: \$3.6 Million

FY 2008-2009 Amended



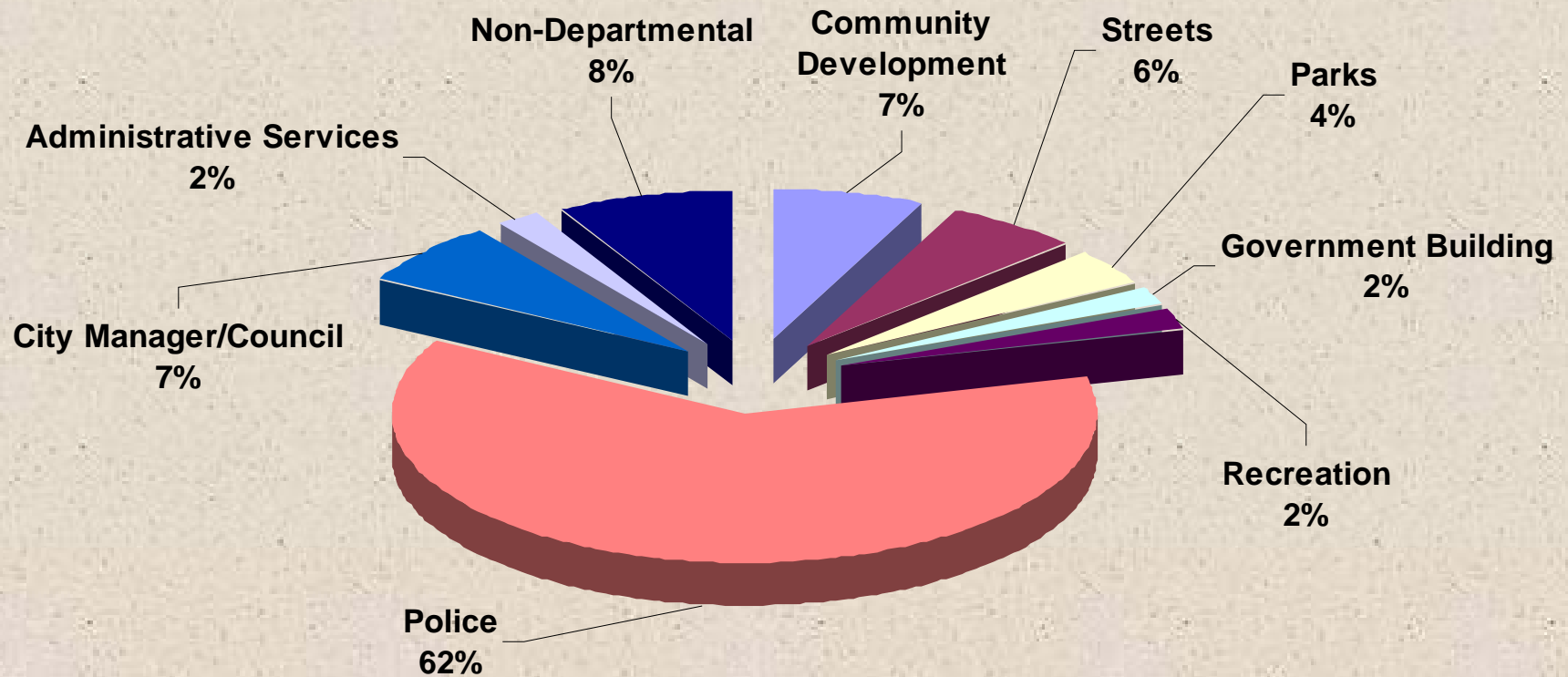
# Sales Tax Revenue by Type

## FY 2008-2009 Year to Date



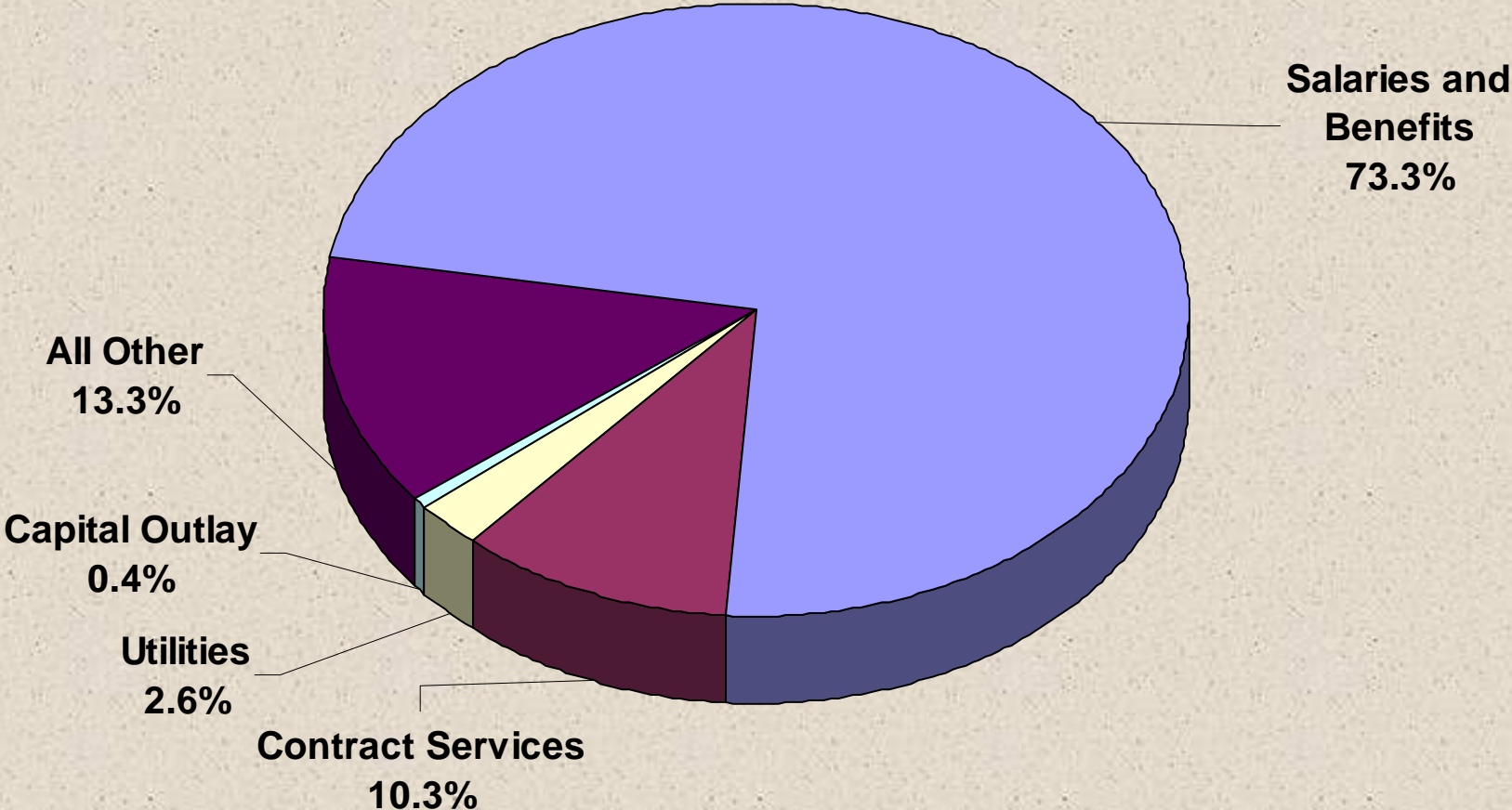
# Expenditure by Department

## FY 2008-2009



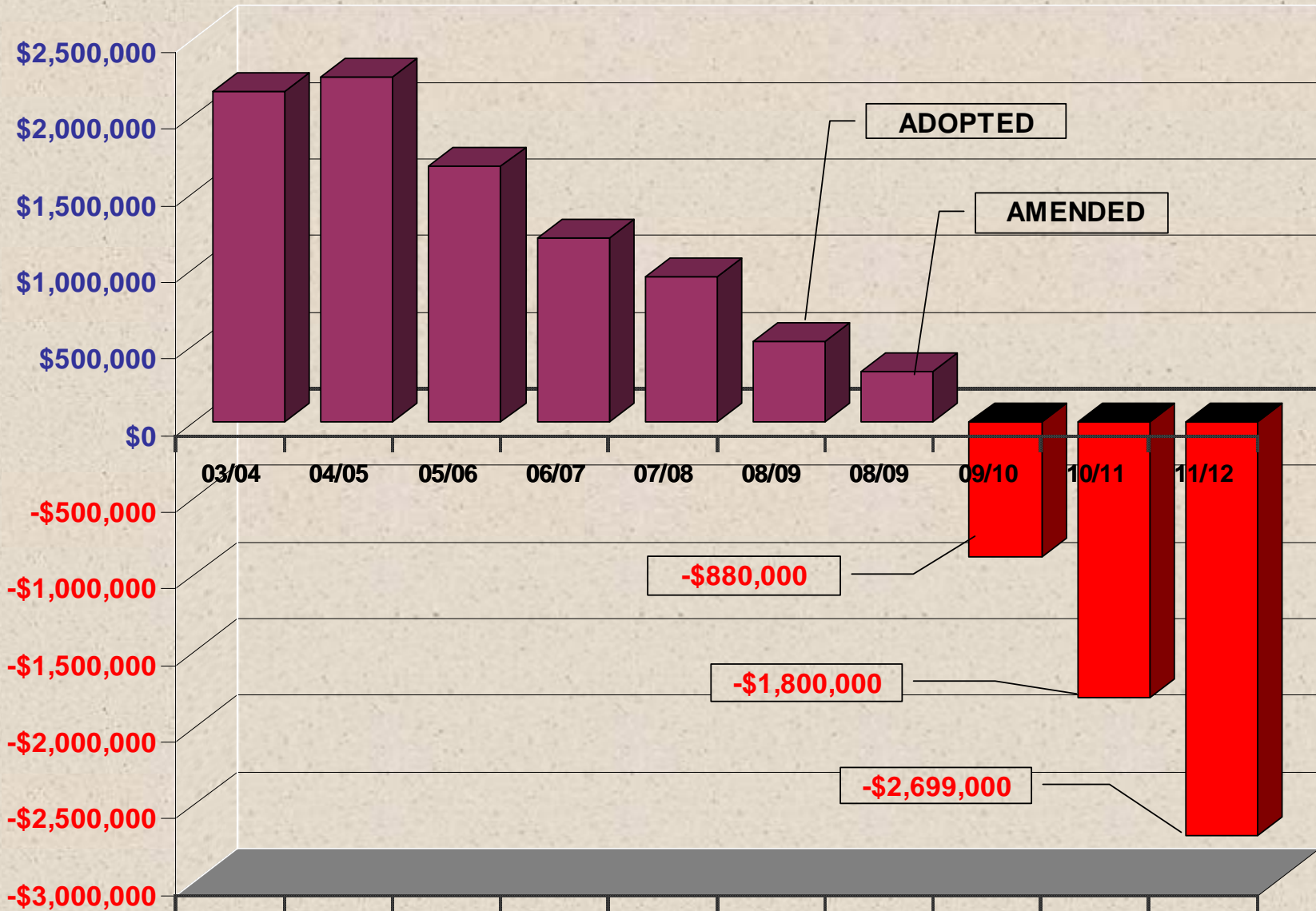
# General Fund Expenditure by Type

FY 2008-2009

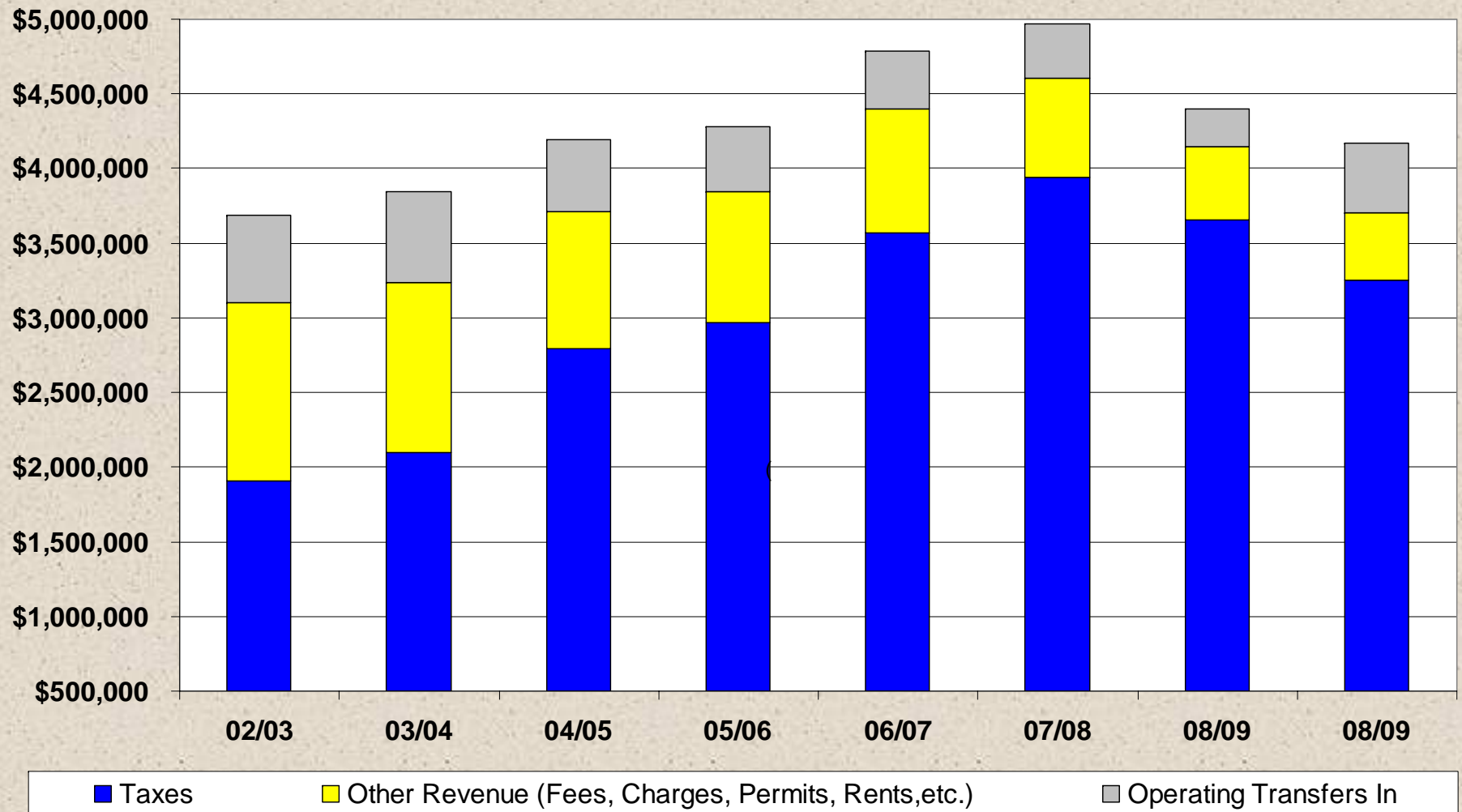


## 2. Cotati's Budget History

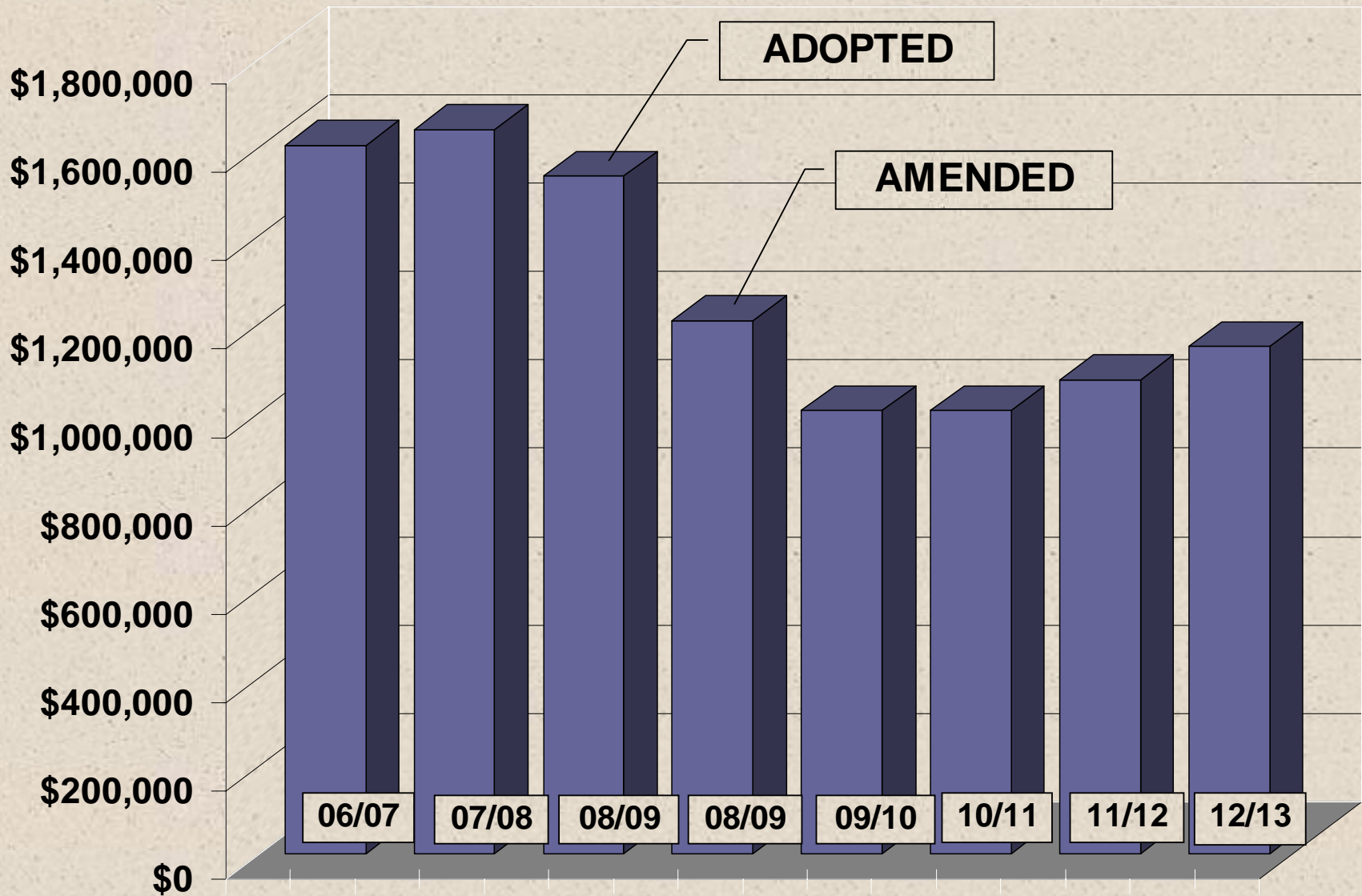
# General Fund Budget Trend



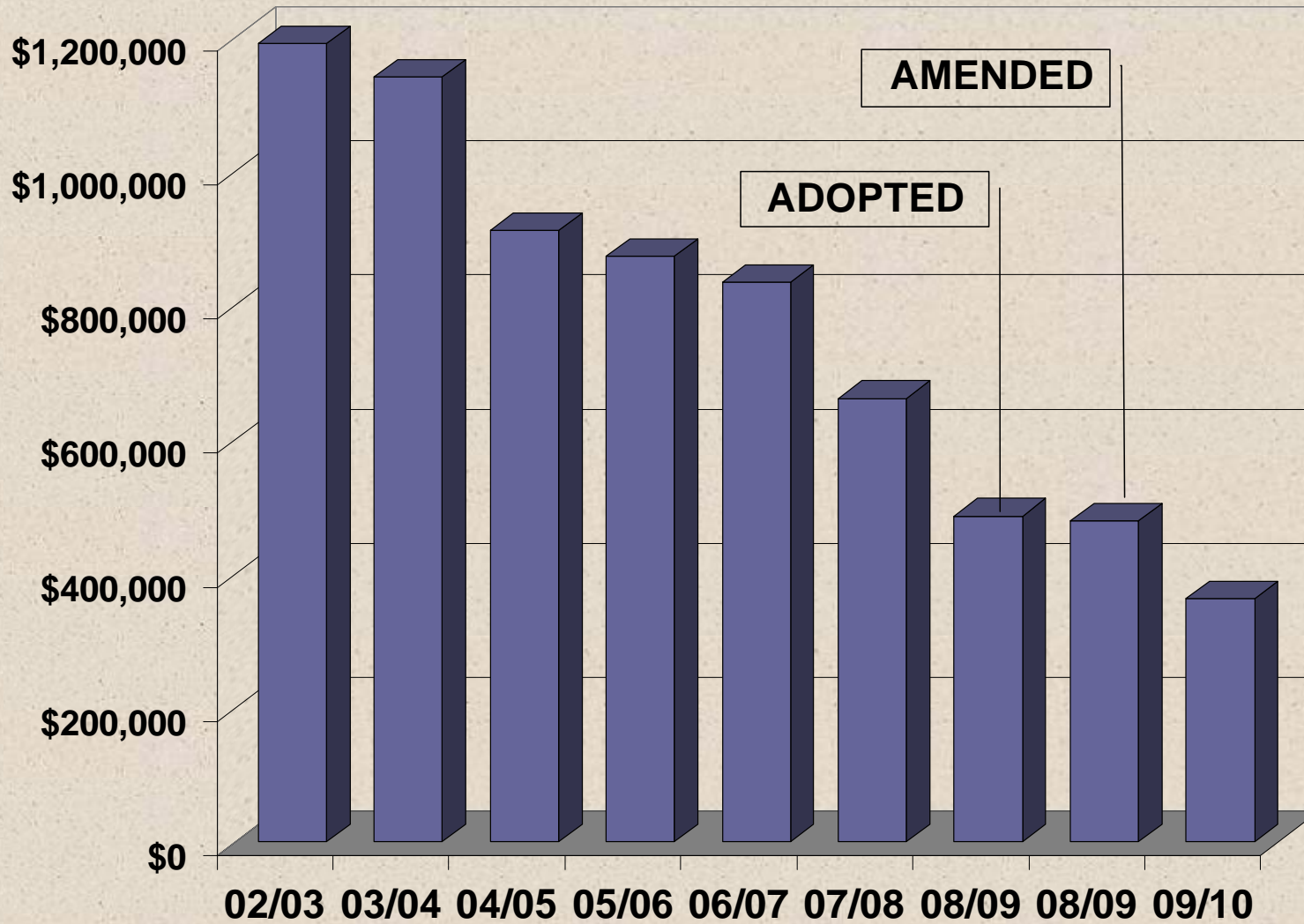
# General Fund - Total Sources by Category by Fiscal Year



# Sales Taxes



# Other Revenues



**3. Where have  
reductions been  
made so far?**

# Reductions 2007 – 2009

## **July 2007:**

- 2 Positions frozen

## **January 2008:**

- Restructuring resulting in elimination of 5 positions
- New contract City Attorney
- Replace contract engineering firm with in-house City Engineer

## **January 2009:**

- 3.5 positions eliminated; reduction in staff hours
- Landscape maintenance and janitorial services reduced
- Reduced Police Department overtime
- 5% voluntary staff salary reduction

## **Proposed July 2009:**

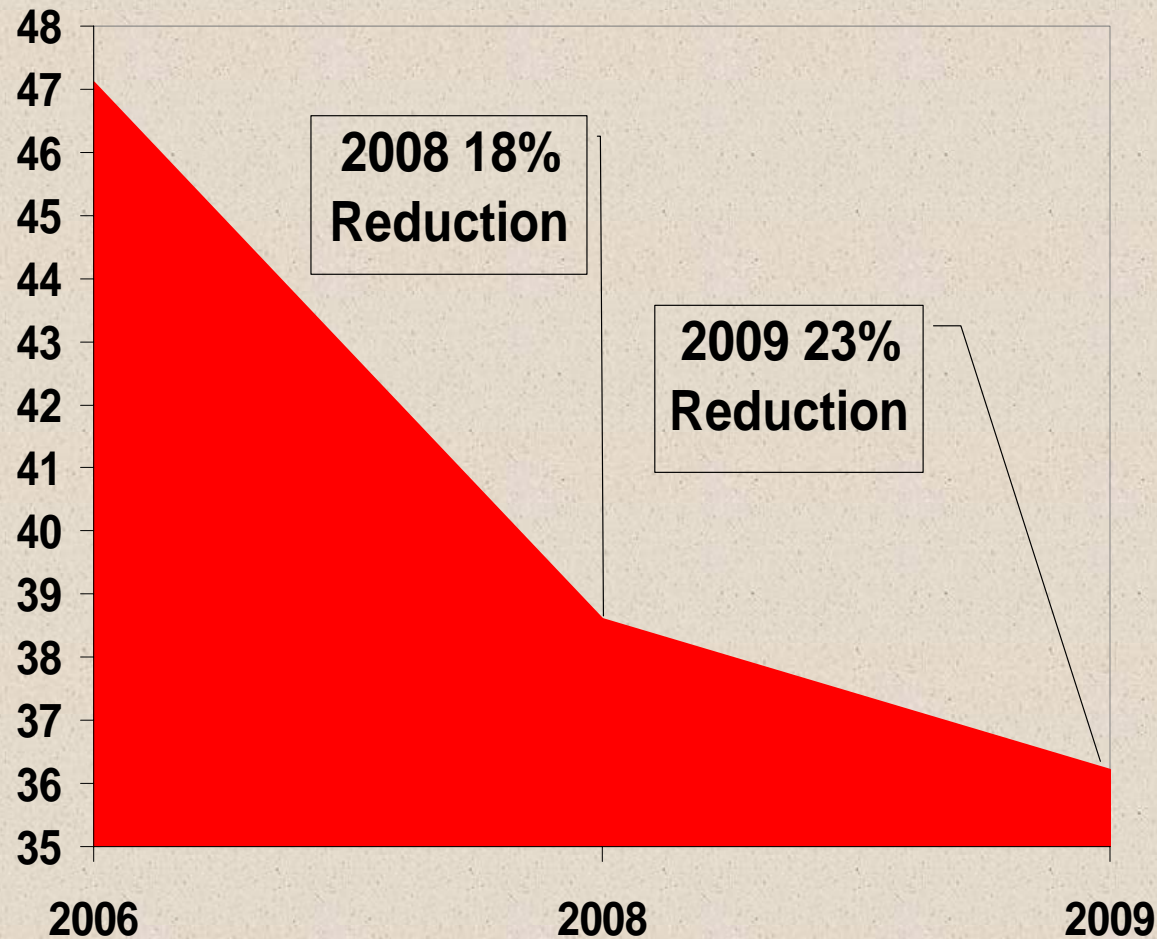
- 10% staff salary and benefit reduction
- Additional positions eliminated
- Additional service reductions

# Staffing Reduction 2006 – 2009 By Department

	<i>2006-07</i>	<i>May 2009</i>	<i>% Change</i>
<b>City Manager's Office</b>	<b>4.0 FTE</b>	<b>2.0 FTE</b>	<b>(-50%)</b>
<b>Administrative Services</b>	<b>3.3 FTE</b>	<b>3.0 FTE</b>	<b>(-10%)</b>
<b>Community Development</b>	<b>8.0 FTE</b>	<b>3.5 FTE</b>	<b>(-56%)</b>
<b>Public Works</b>	<b>8.0 FTE</b>	<b>7.0 FTE</b>	<b>(-12.5%)</b>
<b>Police Department</b>	<b>21.6 FTE</b>	<b>18.9 FTE</b>	<b>(-12.5%)</b>
<b>Recreation</b>	<b>1.03 FTE</b>	<b>1.04 FTE</b>	<b>+1%</b>

**Total Reduction of -23%**

# Staffing Reduction 2006 - 2009



## Reductions include:

- 2 Police Officers
- Dispatcher
- Public Works Maintenance Worker
- Community Development Director
- Planner
- Permit Technician
- Accountant

# 4. Current Budget Crisis

# Deficit for 2009/10

- \$100,000 California State COPS Grant
- \$200,000 Sales tax revenue additional decrease
- \$130,000 California State take-away of 8% property tax
- \$450,000 Structural Deficit  
(Expenditures exceed Revenues)

**Total Projected Deficit: \$880,000**

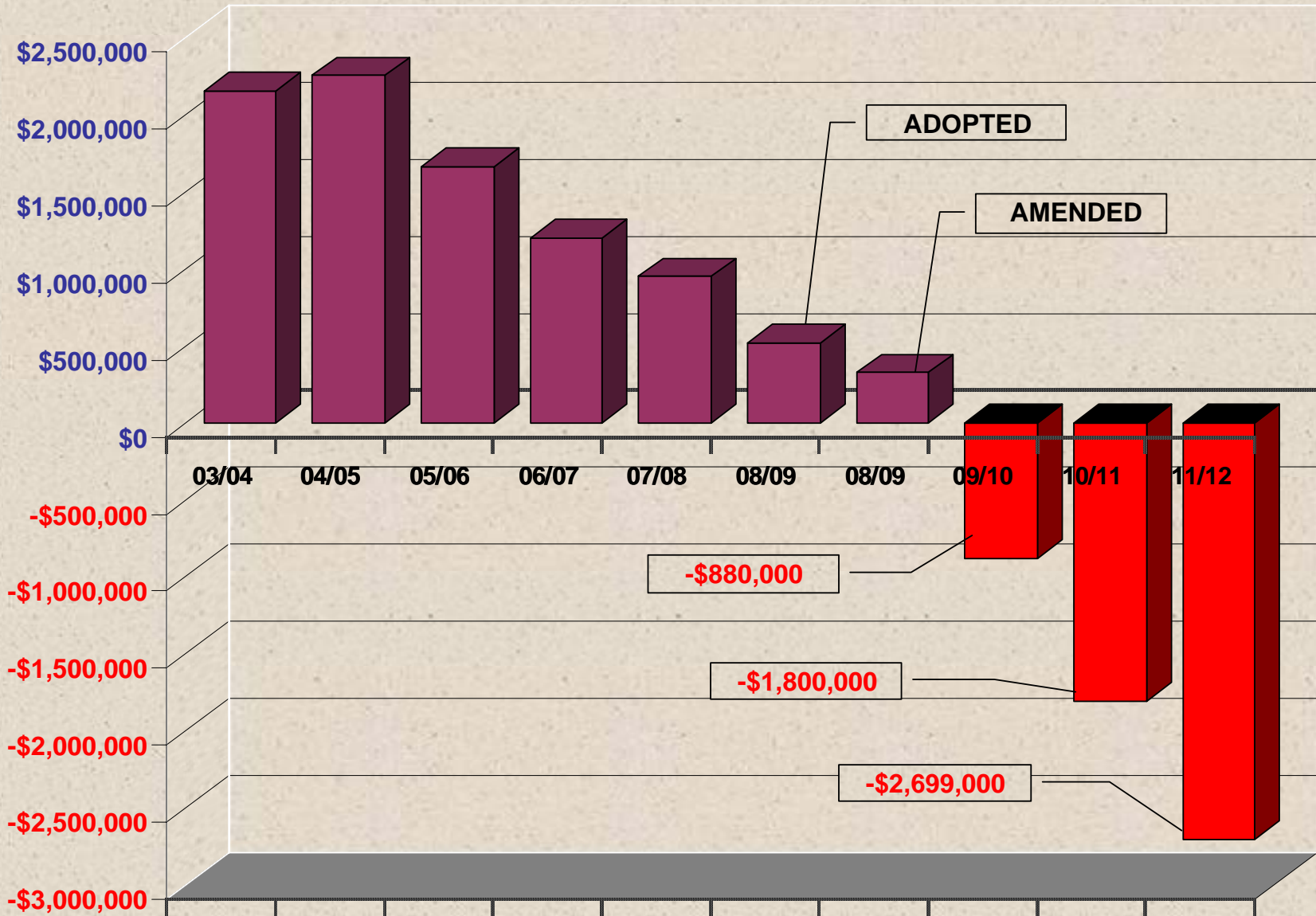
# Strategies to Eliminate the Deficit

- 10% reduction in staff salary and benefit costs
- \$50,000 reduction for CADS/RMS (Computer Aided Dispatch/Records Management System)
- Additional reductions in landscape maintenance and other contracts
- Continuing deferral of maintenance projects
- Additional staff layoffs
- City Hall furloughs/reduced hours
- Reduce legal costs
- Continuing deferral of vehicle and equipment replacement
- Service reductions

# Potential Revenue Sources

- \$250,000 per year for 3 years federal COPS funding
- \$125,000 grant funding for dispatchers
- Other grants

# General Fund Budget Trend



**5. Next Steps:  
Where do we go  
from here?**

## Budget Study Sessions for FY 2009/10

- 1<sup>st</sup> Budget study session June 3, 7:00 p.m.
- 2nd Budget study session June 17, 7:00 p.m.

Council consideration of a potential revenue measure

# Public Outreach

- Community meetings
- Budget information on website
- Budget information on utility bills

# 5. Questions and Answers