

RESOLUTION NO. NS-29,719

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SANTA CRUZ REVISING THE
FISCAL YEAR 2021 BUDGET PREVIOUSLY ADOPTED ON JULY 2, 2020

BE IT RESOLVED, by the City Council of the City of Santa Cruz, that the budget of the City of Santa Cruz for Fiscal Year (FY) 2021, as adopted in that certain document entitled "City of Santa Cruz Adopted Annual Budget Fiscal Year 2021," on file with the City Clerk, is hereby revised for FY 2021, effective October 8, 2020, with the amendments and addenda thereto as determined by the City Council on October 8, 2020 and included in the Attached:

Exhibit A- FY 2021 General Fund Reductions

Exhibit B- FY 2021 Administrative Corrections

BE IT FURTHER RESOLVED that the City Manager is authorized to allocate within the applicable Funds the appropriate accounting classifications and to approve related and applicable transfer in/out between funds.

BE IT FURTHER RESOLVED that the Finance Director is authorized to create additional appropriations in order to provide for necessary commitments carried over from the prior fiscal year, including contract and purchase order encumbrances and unexpended project balances, so long as there is a sufficient fund balance to finance these commitments.

PASSED AND ADOPTED this 8th day of October, 2020 by the following vote:

AYES: Councilmembers Beiers, Golder, Watkins; Vice Mayor Meyers; Mayor Cummings.

NOES: Councilmember Brown (regarding elimination of twelve Park Ranger positions from the Police Budget and the creation of the five Community Service Officer (CSO) positions).

ABSENT: None.

DISQUALIFIED: Councilmember Mathews (regarding elimination of twelve Park Ranger positions from the Police Budget and the creation of the five Community Service Officer (CSO) positions).

APPROVED:


Justin Cummings, Mayor

ATTEST:


Bonnie Bush, City Clerk Administrator

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EXHIBIT A

Proposed Reduction \$

One-time/Service Delivery
Alternative/Reduction or
Elimination/Addition/Revenue

Dept	Activity Name	Activity #	Amount	Description	
Finance - Target \$189,000 (6%)			\$269,600		
1	Risk Management	7821	62,500	Eliminate vacant Management Analyst in Risk Management division.	Elimination
2	Finance Administration-Various	1241	201,100	Eliminate vacant Accountant in Auditing Division. Reduce building lease costs and alarm services (included in new lease). Reduce software, travel and furniture.	Reduction and Elimination
3	Finance Administration-Support	1241	6,000	Reclassify vacant Accounting Assistant II to Administrative Assistant III to provide administrative support functions.	Service Delivery Alternative
Information Technology - Target \$219,000 (6%)			\$100,080		
4	Information Technology-Various	1251	100,080	Extend computer equipment replacement timeframe. Will evaluate staffing at mid-year.	Reduction
Human Resources - Target \$58,000 (6%)			\$34,107		
5	Human Resources-Various	1230	34,107	Reduce leadership program, legal assistance with labor negotiations, training and reduce personnel costs in the benefits division.	Reduction
City Manager's Office - Target \$388,000 (6%)			\$272,331		
6	City Attorney's Office Services	1220	48,597	Reduce ability for attorney contract review, case assistance, etc. and reduced capacity for litigation and code enforcement.	Reduction
7	City Council-Various	1110	32,000	Eliminate Council special projects budget. Cancel Menstrual Equity pilot in FY 2021. Eliminate City holiday party. Reduce support for community and committee meetings and travel. Fund Tenant Legal Services per Council direction on July 2, 2020.	One-time
8	City Council-Economic Hardship Program	1110	(30,000)	Fund the Council directed employee Economic Hardship Program.	One-time
9	City Clerk-Various	1214	28,000	Eliminate all travel and training except those needed for certification. Reduce maintenance of Council Chambers and telecommunications.	One-time
10	City Manager's Office-Services and Dues	1210	34,300	Reduced consulting services for HIAP. Eliminates memberships for International Town & Gown Assoc, and Cities Association of Santa Clara County.	Reduction and Elimination
11	City Manager's Office-Travel and Training	1210	17,000	Reduce travel & training.	One-time
12	Animal Shelter JPA	2401	77,634	JPA reduced its charges for FY 2021 due to COVID budget issues across all members.	One-time
13	Community Programs Set Aside	6102	45,000	Eliminate Community Programs Set-Aside.	Elimination
12	Community Programs & Services	6103	19,800	Reduce HOPES program - reduce contract with County by 10%.	Reduction
Public Works - Target \$582,000 (6%)			\$593,450		
13	Public Works Administration	4101	118,103	Shift 40% Admin Division personnel costs from General Fund to Parking Fund by moving Admin II position and reallocating small percentage of other Admin Division personnel, as appropriate. Reduce budget for temp staffing, training, advertising, and furniture.	Reduction
14	Public Works Operations	4103	1,500	Reduce travel & training.	One-time
15	Street Maintenance and Sidewalk Repair	4210	100,000	Reduce funds for contractor services for street repairs and citywide encampment cleanups, which impacts funds for asphalt and other materials to repair roadways, minor storm drain maintenance, and City Street Restriping.	One-time

Dept	Activity Name	Activity #	Proposed Reduction \$		Description	One-time/Service Delivery Alternative/Reduction or Elimination/Addition/Revenue
			Amount			
16	Engineering	4102	171,477		Eliminate vacant Assistant Engineer II position, which may cause disruptions to development billing and inspections (PG&E, AT&T, Comcast, Crown Castle), defer General Fund engineering projects related to development and overlay.	Elimination
17	Engineering	4102	46,000		Reduce the ability to design smaller projects and emergency projects. Reduce training and furniture. Impacts may result in deferral of projects, and repair and replacement of equipment.	One-time
18	Traffic Engineering	4220	11,270		Reduce overtime, temp staff, and employee bus pass program. Reduces educational opportunities to promote safe traffic practices for the county of Santa Cruz (Street Smarts).	Reduction
19	Traffic Engineering	4220	65,578		Reduce Transportation Coordinator position from 1.0 FTE to 0.5 FTE, which will impact TDM program and less time for Slow Streets and Go Santa Cruz initiatives. Reduce misc. supplies & services.	One-time
20	Parking Services	4221	56,972		Due to COVID, there is reduced parking activity and can therefore reduce merchant fees. Reduce professional services and equipment, impacts may result in deferral of projects, and repair and replacement of equipment.	One-time
21	Wharf Gate Operations	4226	5,500		Reduce professional services and printing.	One-time
22	Parking Citation and Permits Office	4229	16,250		Reduce temp staff, merchant fees, software maintenance and travel.	One-time
23	Facilities Services	4110	800		Reduce travel & training.	One-time
Fire - Target \$1,149,000 (6%)			\$295,100			
24	Fire/EMS Operations	2202	Will be adjusted if positions become vacant		Freeze 3 Firefighter positions as they become vacated. Minimum staffing requires 15 Firefighter positions, currently the department is budgeted for 21 to allow for vacation, injury, and additional emergency response needs. Impact is financial as well as operational. 3.5 FF Positions are frozen as part of the side letter agreement for the furloughs.	One-time
25	Fire/EMS Operations	2202	*CANNOT DO*		Freeze Firefighter positions as they become vacated. Minimum staffing requires 15 Firefighter positions, currently the department is budgeted for 21 to allow for vacation, injury, and additional emergency response needs. Impact is financial as well as operational.	One-time
26	Fire/EMS Operations	2202	12,000		Defer radio purchases for fiscal year.	One-time
27	Fire Prevention	2203	12,500		Decrease overtime amount for fire investigation response.	One-time
28	Marine Rescue Program	2204	105,000		With the cancelation of the Capitola City Lifeguard contract, reduce the number of temp hours available. Equipment purchases limited to rescue watercraft.	Reduction and Elimination
29	Office of Emergency Services (OES)	2205	165,600		Share Office of Emergency Services costs to other special and enterprise funds.	Service Delivery Alternative
Police - Target \$1,724,000 (6%)			\$1,667,229			

Dept	Activity Name	Activity #	Proposed Reduction \$		One-time/Service Delivery Alternative/Reduction or Elimination/Addition/Revenue
			Amount	Description	
30	Police Park Services	2105	1,359,091	Eliminate Park Services Ranger Program in lieu of another service model. Reorganize patrol and enforcement programs downtown, in parks and open spaces.	Service Delivery Alternative
31	Police Patrol-Parks and Other Patrol Services	2103	(466,090)	Reorganize patrol services and add 5 6 unarmed, non-sworn Community Service Officers in response to public request.	Service Delivery Alternative
32	Police Community Services	2104	80,032	Due to in-person school closures and program cancellations due to COVID concerns, eliminate Gang Intervention and Prevention Specialist with County Office of Education, PRIDE Program, Citizen and Youth Police Academies. Reduce Temp Staff and Travel and Meetings for Community Services.	Reduction and Elimination
33	Police Patrol	2103	300,000	Freeze command rank personnel in Operations for the duration of the MOU.	Service Delivery Alternative
34	Police Patrol-Crime Analysis	2103	199,596	Eliminate crime analysis staff support in the Operations division. Eliminate Allied Security Ocean St. guard. Eliminate budget for Jail Access Fees.	Elimination
35	Police Patrol-Training	2103	20,000	Reduce off-site training for police.	Reduction
36	Police Investigations	2102	35,000	Reduce temp staff time allocated to cold case investigations.	Elimination
37	Police Administration-Various	2101	114,000	Reduce temp. Admin. Staff, advertising and reduce hiring process services budget by 50%.	Reduction
38	Police Records-Temp	2107	25,600	Eliminate temp services supporting Records division.	Elimination
Parks & Recreation - Target \$883,000 (6%)			\$1,102,187		
39	Urban Forestry	3105	16,155	8% cut to the temporary staffing budget.	One-time
40	Neighborhood Parks	3106	8,616	8% cut to the temporary staffing and equipment budget.	One-time
41	Community and Regional Parks	3107	39,241	8% cut to the temporary staffing, equipment, and janitorial budget.	One-time
42	Youth Summer Trail Crew	3115	13,000	8% cut to the temporary staffing budget.	One-time
43	Parks Open Space	3120	32,631	8% cut to the temporary staffing budget and reduction in capacity to clean-	One-time
44	Delaveaga Golf Course	3131	39,655	8% cut to the Golf Course temporary staffing budget, equipment, water, supplies and travel budgets.	One-time
45	Recreation Classes	3201	130,930	8% cut to Class temporary staffing budgets, reduced trainings, postage and printing that will not happen as the department does more flexible online promotion of program offerings.	One-time
46	Special Events	3202	20,639	8% cut to all Event temporary staffing, as well as reductions in event vendor payments, program operating supplies, event rentals and printing that will not be made due to reduced programming.	One-time
47	Youth Programs	3206	28,798	8% cut to the temporary staffing budget.	One-time
48	Teen Services	3207	105,267	75% cut to the temporary staffing budget.	One-time
49	Sports	3205	94,000	Cut significantly Sports temporary staffing budget along with: reduction in overtime budget, sports league official payments that will not be made due to reduced programming, dues and memberships, and lower electricity costs from evening ballfield lights not being used.	One-time

Dept	Activity Name	Activity #	Proposed Reduction \$		One-time/Service Delivery Alternative/Reduction or Elimination/Addition/Revenue
			Amount	Description	
50	Museum	3210	16,946	Cut museum temporary staffing	One-time
51	Louden Nelson Community Center	3212	85,836	Cut significantly the Loudon Nelson Community Center temporary staffing budget as well as reduced vendor payments and merchant bank fees due to reduced programming, reduced training and other reductions in program operations due to lower levels of activity.	One-time
52	Civic Auditorium	3213	44,482	Eliminate vacant .5 Box Office Representative.	Elimination
53	Civic Auditorium	3213	204,455	Cut significantly the Civic temporary staffing budget, as well as reductions	One-time
54	Parks & Recreation Administration	3101	110,330	Eliminate vacant Special Events Coordinator.	Elimination
55	Parks & Recreation Administration	3101	76,206	Reduce administrative temporary staff, travel, trainings and merchant bank fees.	One-time
56	Wharf	3211	35,000	Reduce Wharf materials and contracted services budgets.	One-time
Economic Development - Target \$361,000 (10%)			\$347,199		
57	Economic Development-Housing	5401	13,237	Offset ED staff costs by new, on-going State funding source.	Revenue
58	Economic Development-Project Administration	5401	228,462	Reorganize Arts Program service delivery by reducing staff costs through reductions and some cost reallocation to the Public Arts Fund. Reduce admin professional services and computer equipment.	Service Delivery Alternative
59	Economic Development-Various	5590	85,500	Reduce ED Trolley Operations and Façade Improvement Program. Reallocate ED Downtown Services: Sidewalk Waste Removal to Kiosk Maintenance Fund.	Service Delivery Alternative
60	Property Management	5591	20,000	Reduce expenses for facility maintenance/improvement.	Reduction
Planning and Community Development - Target \$421,000 (6%)			\$494,118		
61	Planning Administration-Various	1301	89,669	Eliminate vacant Administrative Assistant II position. Reduce printing, training, professional and technical services.	Reduction and Elimination
62	Current Planning	1302	25,500	Reduce consulting services and training.	Reduction
63	Advance Planning	1303	95,610	Reduce personnel costs including temporary services, travel, trainings and other services/supplies.	Reduction
64	Advance Planning	1303		Add \$20,000 for the City-County Task for on UCSC Expansion Advocate (20,000) Position.	One Time
65	Building & Safety	2301	117,222	Eliminate vacant Building Inspector position. Reduce temp services, travel, trainings and other services/supplies.	Reduction
66	Code Enforcement	2302	184,117	Eliminate Code Enforcement position and other personnel cost reductions in the Code Enforcement division.	Reduction and Elimination
67	Rental Program	2304	2,000	Reduce travel & training.	Reduction
TOTAL PROPOSED REDUCTIONS			\$5,175,401		

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FY2021 Administrative Corrections ^{EXHIBIT B}

Fund	Department/Category	Description	Correction	Requested Amount
261	Economic Development	Correction to Interfund Labor Charge duplicate	-\$68,692	\$68,692
261	Economic Development	Correction to adjust HUD CDBG Revenues under budgeted	\$35,000	\$35,000
261	Economic Development	Correction to adjust HUD CDBG Revenues under budgeted	\$111,771	\$111,771
261	Economic Development	Correction to adjust HUD CDBG Revenues under budgeted	\$8,000	\$8,000
261	Economic Development	Correction to adjust HUD CDBG Revenues under budgeted	\$100,000	\$100,000
261	Economic Development	Correction to adjust HUD CDBG Revenues under budgeted	\$20,000	\$20,000
714	Economic Development	Correction to remove duplicate budget for Arts Program project	-\$60,063	\$92,940
724	Economic Development	Correction to remove duplicate budget for Arts Program project	-\$11,542	\$19,189
734	Economic Development	Correction to remove duplicate budget for Arts Program project	-\$8,645	\$13,102
742	Economic Development	Correction to remove duplicate budget for Arts Program project	-\$4,981	\$6,693
753	Economic Development	Correction to remove duplicate budget for Arts Program project	-\$639	\$1,617
101	Parks and Recreation	Reallocate activities due to Parks Reorganization	-\$7,000	\$0
101	Parks and Recreation	Reallocate activities due to Parks Reorganization	\$7,000	\$7,000
101	Parks and Recreation	Reallocate activities due to Parks Reorganization	-\$64,124	\$0
101	Parks and Recreation	Reallocate activities due to Parks Reorganization	\$64,124	\$64,124
101	Parks and Recreation	Reallocate activities due to Parks Reorganization	-\$47,016	\$0
101	Parks and Recreation	Reallocate activities due to Parks Reorganization	\$47,016	\$47,016
101	Parks and Recreation	Reallocate activities due to Parks Reorganization	-\$1,000	\$0
101	Parks and Recreation	Reallocate activities due to Parks Reorganization	\$1,000	\$1,000
711	Water	Remove duplicate Interfund Labor Credit	-\$5,000	\$0
711	Water	Correction to add missing budget to Project Accounting	\$50,000	\$50,000
711	Water	Correction to remove duplicate budget	-\$50,000	-\$50,000
711	Water	Correction to remove duplicate budget	-\$30,000	-\$30,000
711	Water	Correction to remove duplicate budget	-\$20,000	-\$20,000
711	Water	Correction to add missing budget to Project Accounting	\$60,000	\$60,000
711	Water	Correction to remove duplicate budget	-\$60,000	\$0
951	Library	Increase Library Service Fee due to Library Board approval	\$23,122	\$485,560
235	Public Works	Correction to add missing Interfund Labor Charge	\$45,187	\$45,187
101	Public Works	Correction to remove budget from project	-\$8,000	\$0
101	Public Works	Correction to remove budget from project	-\$72,000	\$0
226	Public Works	Correction to Interfund Labor entered as Credit instead of Debit	-\$20,000	-\$10,000
101		Transfer Correction-to Carbon Reduction	\$89,000	\$89,000
224		Transfer Correction-2016 Transportation Measure D	\$35,000	\$81,000
101		Transfer Correction-From CDBG Fund	\$30,128	\$30,128
133		Transfer Correction-Carbon Reduction	\$12,345	\$12,345
221		Transfer Correction-Measure D	\$150,000	\$150,000
235		Transfer Correction-Clean River, Beaches & Ocean Tax Fund (Revenue)	\$25,000	\$25,000
130		Transfer Correction-Clean River, Beaches & Ocean Tax Fund	\$25,000	\$25,000
242		Transfer Correction-P&R Facil Tax	\$10,000	\$10,000
731		Transfer Correction-From Carbon Reduction	\$1,210	\$9,252
811		Transfer Correction-Equipment Fund	\$250,000	\$250,000
945		Transfer Correction-From R Obligate retirement	\$90,000	\$90,000
946		Transfer Correction-SA R Debt Service	\$4,250,048	\$4,250,048
714		Transfer Correction-Intra-entity Trans Out	\$360	\$67,846
732		Transfer Correction-Intra-entity Trans Out	\$143,000	\$143,000
733		Transfer Correction-Intra-entity Trans Out	\$417,000	\$417,000
711	Water	Correction to facility rental-Union Locust Rent (Water)	\$143,424	\$143,424
101	Public Works	Personnel correction-PW fund 4110 entered in line item detail in error	-\$119,421	\$0
101	Public Works	Personnel correction-PW fund 4111 corrected from 4110	\$121,620	\$121,620
101	Public Works	Correction to PW prof services. FY20 line item was not removed	\$8,200	\$0
101	IT	Correction to IT ISF Transfer	\$1,068,198	\$1,608,736
841		Adjustment to Worker's Comp Revenue	-\$1,878,064	\$2,555,095
			\$4,905,566	\$11,205,385