

# CITY OF REDLANDS CALIFORNIA

## 2009 - 2010 ADOPTED BUDGET

*Redlands City Council Members*

Jon Harrison, Mayor  
Patricia L. Gilbreath, Mayor Pro Tempore  
Mick Gallagher  
Pete Aguilar  
Jerry Bean

N. Enrique Martinez, City Manager  
Tina T. Kundig, Finance Director

*Special thanks  
to the  
Budget Committee  
and  
Budget Preparation Team*

Cover photograph courtesy of Redlands Police Department

City of Redlands  
2009-2010  
Adopted Budget

TABLE OF CONTENTS

	<u>Page No.</u>
Budget Message	v
 <u>FINANCIAL PLANS AND SUMMARIES</u>	
Introduction to Financial Plans and Summaries	1
2009-10 Adopted Budget Summary - General Fund (Schedule 1)	2
Three Year Budget Estimate - General Fund (Schedule 2)	13
Loans Outstanding for Fiscal Year 2009-10 - General Fund (Schedule 3)	14
Schedule of Adopted Reserves for Fiscal Year 2009-10 (Schedule 4)	15
Summary of 2009-10 Financial Sources and Requirements by Fund (Schedule 5)	16
Summary of 2009-10 Financial Sources and Requirements (Schedule 6)	33
 <u>REVENUE DETAIL</u>	
General Fund Revenue Detail	35
Non General Fund Revenue Detail	55
 <u>CAPITAL OUTLAY DETAIL</u>	
Equipment and Vehicles	69
Land and Improvements	72
Buildings and Improvements	74
 <u>SALARY SCHEDULE</u>	
Salary Schedule Resolution No. 6860	75
 <u>GENERAL GOVERNMENT</u>	
Department Overview	119
Revenue Detail	120
City Council	123
City Clerk	126
City Manager	130
Information Technology Services	134
Finance	137
Purchasing/Stores	141
General Debt Service	146
Redlands Public Improvement Corporation	147
Treasurer	151
City Attorney	155
Human Resources	158
Risk Management	162
Workers' Compensation	165
Safety	168
Training	171
 <u>REDEVELOPMENT</u>	
Department Overview	175
Revenue Detail	176
Downtown Redlands Business Association	178
Community Development Block Grant	182

City of Redlands  
2009-2010  
Adopted Budget

TABLE OF CONTENTS

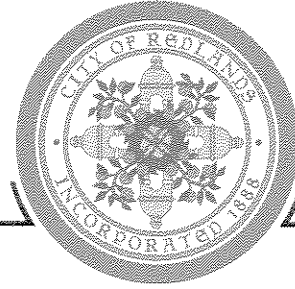
	<u>Page No.</u>
<u>REDEVELOPMENT (con't)</u>	
Neighborhood Housing	186
Redevelopment Debt Service	191
Economic Redevelopment	192
 <u>COMMUNITY DEVELOPMENT</u>	
Department Overview	199
Revenue Detail	200
Building and Safety	202
Planning	205
 <u>LIBRARY</u>	
Department Overview	209
Revenue Detail	210
Library Administration	211
Lincoln Shrine	213
Public Library Foundation	214
 <u>POLICE</u>	
Department Overview	215
Revenue Detail	216
Field Services	219
Communications	227
Support Services	230
Animal Control	235
Recreation	238
Senior Services	242
Asset Forfeiture and Grants	246
 <u>FIRE</u>	
Department Overview	255
Revenue Detail	256
Administration	257
Prevention	261
Emergency Preparedness	264
Training	267
Emergency Medical Service	271
Household Hazardous Waste	274
 <u>QUALITY OF LIFE</u>	
Department Overview	277
Revenue Detail	278
Administration	282
Building Maintenance	284
Electrical	287
Parks	289
Streets	292
Code Enforcement	296

City of Redlands  
2009-2010  
Adopted Budget

TABLE OF CONTENTS

	<u>Page No.</u>
<u>QUALITY OF LIFE (con't)</u>	
Landscape and Street Lighting Districts	298
Solid Waste	302
Solid Waste Projects	307
Citrus Groves	309
Cemetery	313
Airport	317
Equipment Maintenance	321
<u>MUNICIPAL UTILITIES AND ENGINEERING</u>	
Department Overview	325
Revenue Detail	326
Public Works Engineering	332
Measure "I" / Local Transportation / Storm Drains	334
Water	356
Water Projects	362
Water Debt Service	365
Water Source Acquisition	366
Water Capital Improvements	367
Wastewater (Sewer Service)	368
Sewer Projects	373
Sewer Debt Service	376
Sewer Capital Improvements	377
Nonpotable Water	378
Customer Service	381





## CITY OF REDLANDS ADOPTED BUDGET

Choices made in developing the Fiscal Year 2009-2010 budget were once again guided by the City Council's priorities as defined by its goals and objectives, the City's Financial Management Plan, and community input. However, these priorities and objectives were tempered by the realities of an economy that is the worst seen in many years. Concerns about the economic downturn and decline in revenues prompted the City Manager and department staff to take action early in Fiscal Year 2008-2009 to address the anticipated decline in revenues for Fiscal Year 2008-2009 and to lay the groundwork for the Fiscal Year 2009-2010 budget.

During Fiscal Year 2008-2009, the City Manager and staff made reductions in expenditures and explored opportunities to increase resources into the General Fund. Reductions in expenditures, in part through vacancies, City-wide furloughs and "Golden Handshake" early retirements, as well as less of a decline in revenues than originally projected, and the infusion of one-time monies from bond proceeds, result in an estimated \$6.1 million in fund balance for the year ended June 30, 2009, with sources over requirements of \$1.2 million.

With the economic downturn and decline in revenues not expected to improve significantly in Fiscal Year 2009-2010, departments were instructed to submit their budget requests at existing service levels, maintaining the same level of reductions as in Fiscal Year 2008-2009. Furloughs at the same level as required in Fiscal Year 2008-2009 were to be included and vacancies were to be excluded pending further review by the City Manager. Further, no requests were to be submitted for increased service levels or capital needs unless they resulted from legal or other requirements of the City and departments were encouraged to present ideas for revenue enhancements, staff reductions, departmental reorganization and/or out-sourcing of services.

The 2009-2010 Budget, as presented, maintains the decline in revenues at slightly more than the decline estimated to be realized in Fiscal Year 2008-2009. Revenues were originally estimated to decline in 2008-2009 by as much as \$5.5 million, with \$4.7 million expected in the categories of property tax, sales tax, motor vehicle fees and development fees, and another \$800,000 in other categories. Final projections resulted in an overall shortfall in revenues estimated at \$4.2 million. Revenue estimates for Fiscal Year 2009-2010 project a further decline of approximately \$322,000.

Estimated expenditures for Fiscal Year 2008-2009 are \$50.7 million, a reduction of approximately \$3.5 million from the original budget. Fiscal Year 2009-2010 expenditures are estimated at \$50.5 million, a decrease of approximately \$235,000. These expenditures include reductions for furloughs (\$1.1 million), net savings from early retirements of \$653,000, and vacancies, primarily in the Police department, but also include contractual salary and benefit increases of approximately \$1.4 million for the Public Safety and Civilian Safety bargaining units. Additional reductions of \$711,915 in various departments were

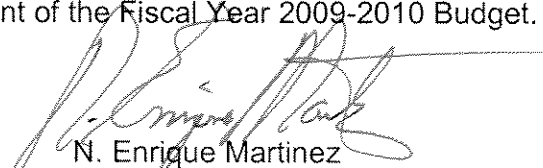


approved by Council prior to budget adoption. Despite the net reduction in expenditures from Fiscal Year 2008-2009 to Fiscal Year 2009-2010, a budget gap of \$1.8 million remained providing a clear indication that the City requires a new revenue source or further reductions to balance its budget, not only for Fiscal Year 2009-2010, but in future years.

One option recommended by the City Manager to provide an additional revenue source to the General Fund was to have the City lease its water and wastewater facilities as allowed by the Public Utilities Code per a resolution adopted by the majority of the City Council and to receive annual lease compensation payments sufficient to meet the budget gap. Furthermore, the City Manager recommended that the City Council not use reserves to balance the City's budget because of the uncertainty of economic recovery in the short-term and the impacts to the City from the State's budget crisis, including a proposal by the State to "borrow" 8% of the City's property taxes, or \$1.8 million, which is not included in the Fiscal Year 2009-2010 Budget. Ultimately, three reduction scenarios were also presented to Council for consideration.

Both the recommendation to lease the water and wastewater facilities and a majority of the alternative budget reductions were rejected. The Council, by a 4/5 vote, approved a motion to "balance the Fiscal Year 2009-2010 Financial Sources to Requirements by allocating \$1,788,085 from the General Fund Reserve with the goal to balance the current year budget without the use of those reserves," essentially utilizing unreserved fund balance. Council directed the City Manager and staff to attempt to find reductions in this amount during Fiscal Year 2009-2010. The City Manager and staff are committed to continuing to look at service methodologies and cost-effective restructuring to maintain sufficient levels of service to the citizens of Redlands. However, failure to secure an additional on-going source of revenue will result in cuts so deep that maintenance of adequate service levels will be greatly compromised.

Thank you to the Executive Team and to the members of each employee group for working together and sacrificing throughout Fiscal Year 2008-2009 and for making the difficult choices necessary in the development of the Fiscal Year 2009-2010 Budget.



N. Enrique Martinez  
City Manager