



AGENDA

April 10, 2018

CITY COUNCIL SPECIAL BUDGET WORKSHOP

5:00 p.m.

Council Chambers
311 Vernon Street
Roseville, California

1. CALL TO ORDER

2. ROLL CALL

Vice Mayor: Bonnie Gore
Councilmember: Scott Alvord
Councilmember: Tim Herman
Councilmember: John Allard
Mayor: Susan Rohan

3. PLEDGE OF ALLEGIANCE

4. MEETING PROCEDURES

NOTICE TO THE PUBLIC

All Items on the agenda will be open for the public comment before final action is taken. Speakers are requested to restrict comments to the item as it appears on the agenda and stay within a five (5) - minute time limit. The Mayor has the discretion of limiting the total discussion time for an item.

5. PRESENTATIONS

5.1. FY2018-19 Budget Workshop

Staff recommends the City Council take the following action:

1. Receive a report from staff that provides an update on the budget process and shares recommendations.

2. Provide feedback and direction to staff on potential service level reductions and funding strategies for the FY2018-19 Budget.

Development of the FY2018-19 budget includes increased revenues from user fees consistent with the recommendations from EngageRoseville, but does not

include increased tax revenues as those would require voter approval. Even with the increased user fee revenue, combined with expected increases in our property tax and sales tax revenue, a shortfall exists in matching our expenses with our revenues. As such, strategies need to be adopted, including service level reductions, to provide Council with a budget that conforms to the City Charter and Council policies. At the workshop, staff will present more detailed budgetary information along with proposed service level reductions for Council consideration. Staff will also request policy direction from the Council to utilize one-time monies for one-time costs related to previous underfunding, in an effort to lessen the depth of potential reductions. The proposed service level reductions would affect all of the General Fund operational departments including Public Safety, Parks, Recreation and Libraries, Public Works and Development Services.

CONTACT: Rob Jensen 916-774-5362 rjensen@roseville.ca.us

6. PUBLIC COMMENTS

NOTICE TO THE PUBLIC

Persons may address the City Council on items not on this agenda. Please complete a "Speaker Information Card" and present it to the City Clerk prior to the start of the meeting. Speakers shall restrict their comments to issues that are within the subject jurisdiction of the City Council and limit their comments to three (3) minutes per person. The total time allocated for Public Comment is 25 minutes. The Brown Act, with certain exceptions, does not permit the City Council to discuss or take action on issues that are not listed on the agenda.

7. COUNCIL / STAFF / REPORTS/ COMMENTS

8. ADJOURNMENT



COUNCIL COMMUNICATION

CC #: 9173

File #: 0201

Title: FY2018-19 Budget Workshop

Contact: Rob Jensen 916-774-5362 rjensen@roseville.ca.us

Meeting Date: 4/10/2018

Item #: 5.1.

RECOMMENDATION TO COUNCIL

Staff recommends the City Council take the following action:

1. Receive a report from staff that provides an update on the budget process and shares recommendations.
2. Provide feedback and direction to staff on potential service level reductions and funding strategies for the FY2018-19 Budget.

BACKGROUND

In response to a continued trend of slowing revenues and increasing costs, the City Council formally adopted policies in 2016 to ensure that the adopted budget matches revenues with expenses and forces payment of long term debt. During the recession, Roseville, like most Cities in the State, borrowed from other funds to maintain service levels. While this strategy allowed Cities to minimize service level reductions temporarily, it deferred obligations and needs that are now coming due. For Roseville, the annual deficit if we were to fund all of our obligations would be \$14 million.

In FY2017-18, the Council held a budget workshop to identify approximately \$2 million in service level reductions to balance that budget. As forecasts indicated that this trend would continue, Council also directed staff to engage the community in identifying City wide priorities to guide the development of the FY2018-19 budget. That effort, EngageRoseville, was recently completed and identified value statements for City services. Those included reducing and/or eliminating services that the City provides, and enhancing revenues through increased fees or voter approved taxes. The Council at its meeting on April 4th directed staff to consider those recommendations in the development of the FY2018-19 budget.

Development of the FY2018-19 budget includes increased revenues from user fees consistent with the recommendations from EngageRoseville, but does not include increased tax revenues as those would require voter approval. Even with the increased user fee revenue, combined with expected increases in our property tax and sales tax revenue, a shortfall exists in matching our expenses with our revenues. As such, strategies need to be adopted, including service level reductions, to provide Council with a budget that conforms to the City Charter and Council

policies.

At the workshop, staff will present more detailed budgetary information along with proposed service level reductions for Council consideration. Staff will also request policy direction from the Council to utilize one-time monies for one-time costs related to previous underfunding, in an effort to lessen the depth of potential reductions. The proposed service level reductions would affect all of the General Fund operational departments including Public Safety, Parks, Recreation and Libraries, Public Works and Development Services.

FISCAL IMPACT

This item is to provide feedback and direction to staff only and has no fiscal impact.

ECONOMIC DEVELOPMENT / JOBS CREATED

This item is not connected to any new job creation.

ENVIRONMENTAL REVIEW

The California Environmental Quality Act (CEQA) does not apply to activities that will not result in a direct or reasonably foreseeable indirect physical change in the environment (CEQA Guidelines §1 5061 (b) (3)). Stating policy priorities does not include the potential for a significant environmental effect, and therefore is not subject to CEQA.

Respectfully Submitted,

Jay Panzica, Chief Financial Officer

Rob Jensen, City Manager



Rob Jensen, City Manager