

LEVEL 1 - Effective July 1, 2023

REVENUE OPPORTUNITIES					
No.	Revenue Generating Service	Description	Type	Dept	Amount
1	Update the Master Fee and Charges Schedule	Prepare an updated fee study (last completed in 2016) to determine updated full cost recovery amounts and evaluate fees for increase.	Ongoing	All	198,000
2	Evaluate Emergency Medical Service (EMS) Fees	Update the EMS fee study (last completed in 2021) to determine current full cost recovery amounts and evaluate fees for increase.	Ongoing	Fire	936,254
3	Lifeguard Tower Advertisements	Develop a process to begin selling advertisement space on the City's 24 lifeguard towers.	Ongoing	Fire	356,441
4	Police Fines and Fees	Update various Police Department fines and fees	Ongoing	Police	60,000
5	LPR (License Plate Readers) Citation Revenue	Each Scofflaw vehicle generates a minimum of \$420 per vehicle. This program is anticipated to go-live in July 2023.	Ongoing	Comm & Lib Svcs	102,600
		Total			1,653,295

BUDGET REDUCTIONS					
No.	Cost Reductions	Service Level Impacts	Type	Dept	Amount
1	Partial reprogramming of one-time revenues from Emerald Cove loan repayment	Reallocate one-half of Emerald Cove loan repayment revenue allocated to the Section 115 trust to one-time expenditures.	One-time	Citywide	1,138,297
2	Employee Work Enhancements	Holiday Closure, Telework options, 4/10 schedule with Friday City Hall closure	Ongoing	Citywide	712,000
3	Circuit	Eliminate Circuit transport program	Ongoing	Citywide	350,000
4	Eliminate City Clerk Remodel CIP	Office space for Municipal Records Manager	One-time	City Clerk	100,000
5	Reclassify Director of Homeless & Behavioral Health position to Manager.	Assistant City Manager and HBPD Homeless Task Force Lieutenant will need to provide greater oversight of the City's homeless program.	Ongoing	City Mgr	57,519
6	Employee Medical Exams	Update protocols for pre-employment medical exams to better align with neighboring cities.	Ongoing	HR	35,000
7	Eliminate funding for MySidewalk dashboard program	Insufficient IS personnel are available to support this project based on current staffing levels.	Ongoing	Info Svcs	80,000
8	Eliminate IS Service Van	Replacement cost savings would be partially offset by increased maintenance expenditures. An old van could impact IS' ability to deliver large equipment to satellite sites for special events and as needed services.	One-time	Info Svcs	60,000

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BUDGET REDUCTIONS Continued					
No.	Cost Reductions	Service Level Impacts	Type	Dept	Amount
9	Reduce Equipment Replacement	Slated for camera and access control upkeep. This will hamper IS' ability to modernize the CCTV cameras and security access system throughout the city and City facilities.	One-time	Info Svcs	300,000
10	Terminate Ice Rink Contract (if single sponsor does not materialize by date)	Terminate Year 3 of Ice America contract for rink at Pier Plaza during the 2023 holiday season. Potential impacts to both downtown off-peak season businesses and parking revenues. The ice rink attracts approximately 15,000 skaters each season.	Ongoing	Comm & Lib Svcs	157,594
11	Aquatics Summer Swim Lesson Expansion	Eliminate funding for expanded summer schedule of swim lessons. This program was last active in 2019 and served an average of 700+ participants. Includes expansion of swim lessons to Marina and Edison High School pools.	Ongoing	Comm & Lib Svcs	138,950
12	Eliminate a portion of the temporary salaries budget in the Housing and Permit Center Divisions and shift restricted fund grant work to the Senior Management Analyst	Transition CDBG/HOME grant and permit from the two retired annuitants in the Housing Division to existing staff. Shift costs for 85% of 1.0 Senior Management Analyst from the General Fund to restricted funds (CDBG and HOME).	Ongoing	Comm Dev	203,739
13	Code Enforcement Replacement Vehicles - downgrade three vehicle replacement upgrades from trucks to sedans	Downgrade code enforcement vehicles budgeted for replacement with trucks to sedans for both one-time and ongoing savings related to purchase and maintenance.	One-time/ Ongoing	Comm Dev	60,000
		Total			3,393,099

LEVEL 2 - Effective January 1, 2024

BUDGET REDUCTIONS					
No.	Cost Reductions	Service Level Impacts	Type	Dept	Amount
1	Eliminate Temporary Dept Asst II	Reassignment of duties impacting minute preparation	Ongoing	City Clerk	23,050
2	Reclassify Multimedia Officer to Multimedia Coordinator	This new classification will have no direct supervisory responsibilities for this new position. Public Affairs Manager will be required to provide more oversight and supervision for the HBTV operation.	Ongoing	City Mgr	31,091
3	Reduce Professional/Contract Services by eliminating contingency and reducing SOW (CMO)	Reduces capacity to plan and implement various CMO and City Council's priorities; reduces flexibility to hire additional consultants for unexpected needs throughout the year.	Ongoing	City Mgr	30,000
4	Principal Finance Analyst (Budget) - Defund (1)	Loss of this position would result in decreased accuracy of revenue and expenditure projections. The budget team also provides labor costing for negotiations and oversight of the purchasing division, including final approval of 4,600 purchase orders annually. Removing this position would significantly hinder the ability to provide these services on a timely basis.	Ongoing	Finance	143,253
5	Call Center Part-time Staff	The Call Center handles approximately 200 calls weekly, directing callers to the correct department and providing information about City services and events. Elimination of this program would decrease customer service levels to the public.	Ongoing	Finance	35,000
6	Reduce various Public Works contract and maintenance budgets.	Delayed CIP project delivery, higher long-term costs and increased liability exposure and unbudgeted, emergency replacement/repairs.	Ongoing	Public Works	46,700
7	Revise tree trimming from 6-year to 7-year cycle	Increased potential liability due to fallen tree branches. 3-5 year cycle is recommended as a best practice.	Ongoing	Public Works	100,000
8	Reduce contract and weekly landscape service for Facilities to 2x per month.	Reduced aesthetic to City Facilities, potential increase in weed and vectors	Ongoing	Public Works	123,882
9	Gate Arm Efficiency Savings - Temp Salaries	Partial savings due to efficiencies received from automatic exit gate installed at the Main Promenade Parking Structure. Potential longer lines for users with a parking pass or paying with cash.	Ongoing	Comm & Lib Svcs	42,000

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BUDGET REDUCTIONS Continued					
No.	Cost Reductions	Service Level Impacts	Type	Dept	Amount
10	Eliminate Citywide Security Services	Patrol covers 14-16 locations per shift throughout the city seeking compliance on loitering, graffiti, abandoned property, suspicious activities, homeless issues, vandalism, smoking/drinking in public facilities, providing on-call security to staff during working hours, and locking restrooms.	Ongoing	Comm & Lib Svcs	147,692
11	Eliminate Park Ranger Services	Patrol seeks compliance on issues such as dogs off leash, illegal camping, feeding wildlife, climbing trees, drinking/smoking, homeless issues, motorized vehicles/toys in park. <u>The contracted citywide and Central Park patrol reduces the need for HB Police to respond to low-level crimes. During the 1st year of the contract, 3,250 public encounters were reported (off-leash dogs - 1,452, graffiti/vandalism - 752, and other incidents - 1,046)</u>	Ongoing	Comm & Lib Svcs	78,075
12	Senior Center - Saturday Closure	Close the Sr Center on Saturdays (8 am - 12 noon) impacting our community's older adults. Closure will significantly impact the Fitness Center membership with approximately 65 check-ins per Saturday. Monday-Friday daily attendance is 500/day for the Fitness Center and all other Center activities. Hours are 8am - 7pm Monday-Thursday, and 8am - 5pm Friday.	Ongoing	Comm & Lib Svcs	14,450
13	Edison/Murdy -5 hr less/week	Close one hour earlier Monday - Friday. This will result in the restrooms being closed one hour earlier and staff not being present to reserve fields and/or courts, or answer public inquiries for services.	Ongoing	Comm & Lib Svcs	17,000
14	Closure - Central Library (Sundays)	A Sunday closure would impact the 47,939 Central Library patrons as reported in FY 22/23.	Ongoing	Comm & Lib Svcs	150,000

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BUDGET REDUCTIONS Continued					
No.	Cost Reductions	Service Level Impacts	Type	Dept	Amount
15	Reduction in Open Hours - Central Library (reduce Monday by 2 hrs; Tuesday-Thursday by 3 hrs = 11 hrs/week)	Evening hours are often used by community members studying or looking for a quiet place to read or work. The number of visits in the 7-9 pm range average 25,000 for the year. However, the number of people exiting the building at closing, is nearly 2x as many (45,000) indicating many more people entered prior to 7 pm and stayed until 9 pm. Reduced morning hours would impact the Story Time program. Story Times are hosted Tuesday – Friday, and are always at capacity. Tuesday/Thursday 140 people attend baby story time on Wednesday hosts 50 people.	Ongoing	Comm & Lib Svcs	83,071
16	Community Café Community Forum (costs for consultants, food and supplies only; continuation of event with sponsors, donations, and in-kind)	Eliminate all events for this community dialogue on a variety of issues (8 annually) affecting an average of 60 attendees per event. \$22,500 is for professional services contracts for meetings and live graphic services. The balance of \$12,500 is for supplies (\$2,000)/food (\$4,500)/materials (\$6,000).	Ongoing	Comm & Lib Svcs	35,000
17	Reduce Temporary Salaries, Overtime, Equipment budget in Inspection Services and Administration	Reduce temporary salaries and overtime budget to align with historical expenditure levels. May reduce response time to the public depending on demand.	Ongoing	Comm Dev	123,295
18	Accounting Technician (Accounts Payable) - Defund (1)	Currently, two-person Accounts Payable team processes approximately 41,369 invoices annually. Elimination of this position would result in a reduced number of invoices paid on a weekly basis due to loss of personnel. The City may also be subject to late fees if invoices are not able to be processed timely.	Ongoing	Finance	94,998
19	Reduce beach restroom cleaning intervals during non-peak season months	Reducing services will result in compounding cleaning needs long-term. Poorly maintained restrooms attract graffiti and may encourage poor behavior. May prompt unbudgeted requests for major cleaning, graffiti removal, and/or repairs.	Ongoing	Public Works	100,000
20	Reduce contract sign & lighting maintenance services and related equipment funding	Higher long-term costs and increased liability exposure and unbudgeted, emergency replacement/repairs.	Ongoing	Public Works	62,000

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BUDGET REDUCTIONS Continued					
No.	Cost Reductions	Service Level Impacts	Type	Dept	Amount
21	Eliminate City funded downtown power washing and porter service and transfer costs to the Downtown BID	Downtown BID to pay for power washing and porter service, potential impacts to HB desirability as tourist destination. Reduction of service levels may impact bottom line of Downtown businesses.	Ongoing	Public Works	154,000
22	Reduce contract and weekly landscape service to Pier Plaza, Bluff Top, & Sunset landscape 2x per month	Reduced aesthetic and desirability as tourist destination, potential increase in weed and vectors. Reduction of service levels at these key locations may impact Special Events and their desire to bring business to HB in the future.	Ongoing	Public Works	69,000
23	Defund 1 Care Manager	25% reduction in Care Management Services; 18% reduction in Home Delivered Meals Services	Ongoing	Comm & Lib Svcs	24,550
24	Closure - Banning Branch	In FY 22-23 YTD, the Banning Branch Library saw 11,830 visitors and approximately 26,000 items checked out.	Ongoing	Comm & Lib Svcs	63,543
25	Closure - Main Street Branch	Does not include elimination of full-time Librarian I. That employee would be transferred to Central Library. In FY 22-23 YTD, the Main St Branch Library saw 17,869 visitors.	Ongoing	Comm & Lib Svcs	66,883
26	Closure - Helen Murphy Branch	In FY 22-23 YTD, the Helen Murphy Branch Library saw 4,845 visitors.	Ongoing	Comm & Lib Svcs	36,140
27	Code Enforcement Technician - Defund (1)	Loss of this position would result in decreased code enforcement services and loss of revenues from code enforcement activities. By not filling this position, typical response times for Priority Level 3 category complaints will move from up to 15 days to up to 20 days. Further, if after inspection a violation is confirmed, it will take longer to get the issue resolved since code enforcement's ability to communicate and follow up will diminish.	Ongoing	Comm Dev	85,933

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BUDGET REDUCTIONS Continued					
No.	Cost Reductions	Service Level Impacts	Type	Dept	Amount
28	Economic Development Project Manager - Defund (1)	Loss of this position would result in fewer staff available to attract and retain businesses into the City. The ED Project Manager was responsible for preparing and posting agendas for the EDC, attending BID meetings, assisting with real estate accounts receivable, contract management (auto electronic reader board agreement, various sales tax sharing agreements, the auto parking incentive agreement, etc.). By not filling the ED Project Manager position, the ED Manager will have to absorb this workload which will leave no capacity for business visits or to undertake new economic development initiatives.	Ongoing	Comm Dev	152,520
		Total			2,133,126

SUMMARY OF BUDGET BALANCING PLAN

Summary	Proposed
Revenue Opportunities	1,653,295
Expenditure Reductions (One-Time)	1,643,297
Expenditure Reductions (Ongoing)	3,882,928
	<u>7,179,520</u>

Department Reductions and Revenue Opportunities	Proposed
City Manager	118,610
City Attorney	-
City Clerk	123,050
Community & Library Services	1,157,548
Finance	273,251
Fire	1,292,695
Human Resources	35,000
Information Services	440,000
Community Development	625,487
Police	60,000
Public Works	655,582
City Treasurer	-
Citywide	2,398,297
	<u>7,179,520</u>