Attachment 2

FY 2016-2018 TWO-YEAR BUDGET: PROPOSED GENERAL FUND SUMMARY AND RECOMMENDED REDUCTION CHANGES

Category	3rd Quarter FY 2015/16	Proposed: FY 2016/17	Proposed: FY 2017/18	5-Year FY 2018/19	5-Year FY 2019/20	5-Year FY 2020/21
Beginning General Fund Reserve	**$ 40,085,510**	**$ 32,853,252**	**$ 32,879,565**	**$ 34,957,362**	**$ 37,889,492**	**$ 39,682,500**
Baseline Revenue	$ 255,093,517	$ 266,021,469	$ 272,700,401	$ 284,183,482	$ 291,258,952	$ 305,028,077
Baseline Expenditures	$ 262,325,775	$ 277,350,449	$ 280,965,952	$ 288,947,080	$ 294,517,629	$ 297,769,973
Initial Baseline Budget Surplus / (Deficit)	**$ (7,232,258)**	**$ (11,328,980)**	**$ (8,265,551)**	**$ (4,763,598)**	**$ (3,258,677)**	**$ 7,258,104**
Union Compensation Model	$ -	$ (51,764)	$ (1,431,685)	$ (3,779,305)	$ (6,133,348)	$ (8,503,184)
Cost Plan Update	$ -	$ 600,000	$ 600,000	$ 600,000	$ 600,000	$ 600,000
RPU Water Revenue Update Due to Anticipated Changes in Drought Restrictions	$ -	$ 205,000	$ 590,000	$ 290,000	$ -	$ -
Revised Baseline Surplus / (Deficit)	**$ (7,232,258)**	**$ (10,575,744)**	**$ (8,507,236)**	**$ (7,652,903)**	**$ (8,792,025)**	**$ (645,080)**
Initial Balancing Measures						
Departmental Reductions	$ -	$ 10,511,377	$ 10,489,353	$ 10,489,353	$ 10,489,353	$ 10,489,353
Revised Baseline Surplus / (Deficit) After Initial Balancing Measures	**$ (7,232,258)**	**$ (64,367)**	**$ 1,982,117**	**$ 2,836,450**	**$ 1,697,328**	**$ 9,844,273**
Revisions To Balancing Measures						
Restore a portion of the University Neighborhood Enhancement Team (UNET) (Police)	$ -	$ (750,000)	$ (750,000)	$ (750,000)	$ (750,000)	$ (750,000)
Restore the RCC Aquatics Cut (PRCSD)	$ -	$ (80,000)	$ (80,000)	$ (80,000)	$ (80,000)	$ (80,000)
Restore Janet Goske Center Cut (PRCSD)	$ -	$ (15,000)	$ (15,000)	$ (15,000)	$ (15,000)	$ (15,000)
Add RCVB reduction proposed by Raincross(Non-Departmental)	$ -	$ 25,000	$ 25,000	$ 25,000	$ 25,000	$ 25,000
Add Community Livability Overtime Elimination (Police)	$ -	$ 823,680	$ 823,680	$ 823,680	$ 823,680	$ 823,680
Add Community Livability Program Reduction (City Attorney)	$ -	$ 50,000	$ 50,000	$ 50,000	$ 50,000	$ 50,000
Add Community Livability Program Reduction (Community and Economic Development)	$ -	$ 25,000	$ 25,000	$ 25,000	$ 25,000	$ 25,000
Add Net Savings from insourcing of Innovation and Technology Staff approved by the City Council on May 17. Updated to Cost Plan, FTE's, etc. will be included in the final budget.	$ -	$ 12,000	$ 17,000	$ 17,000	$ 17,000	$ 17,000
Managed Savings of $1.5 million for the Police Department will be achieved through elimination of two vacant Detective positions, holding vacant of one Deputy Chief position and managing additional vacancies throughout the year.	$ -	$ -	$ -	$ -	$ -	$ -
Other Requested Changes Proposed Budget						
Add a position reclassification to Public Works. Change Administrative Services Manager position a Fiscal Manager Position. No impact to General Fund. Sewer Fund (550) expenditures will increase by $8,892 in FY 16/17 and $18,033 in FY 17/18.	$ -	$ -	$ -	$ -	$ -	$ -
Revised Baseline Surplus / (Deficit) After Amended Balancing Measures as of 6/1/2016	**$ (7,232,258)**	**$ 26,313**	**$ 2,077,797**	**$ 2,932,130**	**$ 1,793,008**	**$ 9,939,953**
Ending General Fund Reserve	**$ 32,853,252**	**$ 32,879,565**	**$ 34,957,362**	**$ 37,889,492**	**$ 39,682,500**	**$ 49,622,453**
% of Baseline Budget (Baseline Less Reductions)	*12.5%*	*12.4%*	*12.9%*	*13.5%*	*13.7%*	*16.8%*