

K-4



CITY OF LODI COUNCIL COMMUNICATION

AGENDA TITLE: Review of the 2008-2009 Draft Budget

MEETING DATE: May 7, 2008

PREPARED BY: City Manager

RECOMMENDED ACTION: Receive presentation on the 2008-2009 Draft Budget.

BACKGROUND INFORMATION: The first draft of the 2008-2009 budget was distributed at the Special Council meeting of April 30, 2008. General background and an overview of the budget was provided at that time. Now, additional information will be presented.

The 2008-2009 budget needs to be adopted prior to June 30, 2008.

FISCAL IMPACT: The draft 2008-2009 budget provides an expenditure plan for all funds for next fiscal year commencing July 1, 2008. The total All Funds Budget is \$186,957,380. This is a decrease of approximately \$26.7 million from the FY 2007-08 All Funds Budget. The proposed General Fund Budget is approximately \$34,104,000.

FUNDING: Not applicable.



Blair King, City Manager

APPROVED: 

Blair King, City Manager



the city of lodi

Budget
FY 2008-09

Budget Presentation FY 2008-09

Presented May 2008



Important Considerations for the General Fund

Reduce contributions Self-Insurance reserve by
43%, saving \$849,041

- \$1.99 million in 2007-08, \$1.14 million in 2008-09

Fire Department OT reduced, saving \$261,700

Fire training reduced, saving \$94,600

Four PD positions held open, saving \$414,200

- Dispatcher, Records Clerk, Police Officer, Lieutenant

Management position open, saving \$141,500



Important Considerations for the General Fund

Savings from other unfilled positions: \$365,000

Debt service allocated to Departments

- Police Building: \$759,100
- Community Center: \$662,500
- Downtown Revitalization: \$253,200

Recreation/Community Center revenue funds

- GF support for Recreation: \$667,700
- GF support for Community Center: \$1,305,600
- No department merger proposed



Important Considerations for the General Fund

Employee turnover allowance: \$739,900

- 7 employees for full year
- 14 employees for half year

Three-year trend

- 2007-08: 19 employees, \$1,998,900
- 2006-07: 24 employees, \$2,371,800
- 2005-06: 29 employees, \$2,770,000

Maintenance continues to be deferred



Departmental Presentations

2008-09



Police Department

FY 2008-09 Budget:		\$15,983,500
FY 2007-08 Budget:		\$14,721,600
Increase:	\$1,261,900	9%
General Fund Ratio:		37%
Personnel:		125
Frozen		4



Police Department 2007-08 Accomplishments

- Formalized entry level recruitment process
- Reduced severe gang problem in the East Locust Street area
- Detectives maintained a high case closure rate and supplemented patrols
- Maintained dispatching and jail standards despite higher call volume and prisoner population
- Now managing Code Enforcement efforts



Police Department 2008-09 Emphasis

- Continue to reduce Part 1 crimes
- Target repeat offenders
- Complete the fire dispatch transition
- Expand web site services
- Integrate Code Enforcement with Operations
- Improve customer service
- \$25,000 in capital outlay for Animal Shelter



Fire Department

FY 2008-09 Budget:		\$9,506,900
FY 2007-08 Budget:		\$9,023,800
Increase:	\$483,100	5%
General Fund Ratio:		22%
Personnel:		64



Fire Department 2007-08 Accomplishments

- Promoted 3 firefighters to fill 3 engineer positions
- Hired and trained 8 new firefighters
- Developed Telestaff work rules
- Purchased Target Safety Training Program
- Continued implementation of fees for service program
- Repatriated dispatching



Fire Department 2008-09 Emphasis

- Provide a dependable fire communications infrastructure that can be shared
- Identify efficiencies
- Begin preliminary development on Fire Station 5
- Continue to develop and expand business inspection program
- Update City's emergency plan



Electric Utility Department

FY 2008-09 Budget:		\$72,281,700
FY 2007-08 Budget:		\$76,742,600
Decrease:	(\$4,460,900)	-6%
Personnel:		48



Electric Utility Department 2007-08 Accomplishments

- Initiated Phase 2 for the Lodi Energy Center
- Sold CT-1 rights to Roseville for \$3.25 million
- Sold 9.09 acres of vacant EUD property for \$2.15 million
- Joined NCPA Green Power Pool
- Created ECA, adjusted Mobile Home Park rates
- Saved 2 million+ kWh through energy efficiency service



Electric Utility Department 2008-09 Emphasis

- Close open power positions for FYs 09-11
- Initiate Westside Substation design
- Develop preferred route for Westside 60kV Transmission Project
- Reconstruct aged underground facilities
- Install new SCADA system



Public Works Department (General Fund)

FY 2008-09 Budget:		\$3,521,500
FY 2007-08 Budget:		\$3,589,800
Decrease:	(\$68,300)	-2%
General Fund Ratio:		8%
Personnel:		21
Frozen		2



Public Works Department 2007-08 Accomplishments

- White Slough expansion Phase 3
- Emergency repairs to wastewater pipeline
- Renewal of solid waste franchise agreement
- Water meter installations started
- Retrofit of Library lighting
- 24-hour graffiti abatement hotline



Public Works Department 2008-09 Emphasis

- Monitor White Slough discharges
- Library HVAC upgrade
- Transit and Fleet shop
- Water meters/commodity-based rates
- Rebalance Water and Wastewater operations and capital funds
- Transit Operations contract FY 2008-09



Public Works Department Water Services

FY 2008-09 Budget:		\$11,773,400
FY 2007-08 Budget:		\$20,778,400
Decrease:	(\$9,005,000)	-43%



Public Works Department Wastewater Services

FY 2008-09 Budget:		\$22,576,800
FY 2007-08 Budget:		\$53,486,900
Decrease:	(\$30,910,100)	-58%
Personnel:		40



Public Works Department Streets & Drainage

FY 2008-09 Budget:		\$5,935,300
FY 2007-08 Budget:		\$7,780,500
Decrease:	(\$1,845,200)	-24%
Personnel:		29
Frozen		3



Public Works Department Transit

FY 2008-09 Budget:		\$4,961,800
FY 2007-08 Budget:		\$6,943,500
Decrease:	(\$1,981,700)	-29%
Personnel:		2



Public Works Department Fleet Services

FY 2008-09 Budget:		\$1,947,600
FY 2007-08 Budget:		\$1,817,200
Increase:	\$130,400	7%
Personnel:		15



Parks & Recreation Department

FY 2008-09 Budget:		\$4,111,600
FY 2007-08 Budget:		\$4,200,100
Decrease:	(\$88,500)	-2%
Personnel:		29.5
Frozen		1



Parks & Recreation Department 2007-08 Accomplishments

- High-level, effective programming and services
- Continued relationships with outside groups
- Blakely Park Enze/Field pool projects
- Re-certified two playground safety inspectors
- Replaced Graves and Beckman restrooms
- Served more than 6,500 youths and more than 4,000 adults in sports programs



Parks & Recreation Department 2008-09 Emphasis

- Develop program-budgeting process in Recreation
- Develop park-maintenance standards
- Develop additional special-interest classes/events
- Complete playground audits and develop a replacement strategy and schedule
- Provide safe, clean and attractive facilities



Community Center

FY 2008-09 Budget:		\$1,966,800
FY 2007-08 Budget:		\$1,468,400
Increase:	\$498,400	34%
Personnel:		8.5



Community Center 2007-08 Accomplishments

- Increased rental use and revenues
- Hired building services staff and established an Events Management department
- Increased theater programming
- Arts specialty class revenue 8% over target
- Partnered with UOP on Medicare prescription workshops and Osher Institute for adult learning



Community Center 2008-09 Emphasis

- Program-based budget
- Increase Monday-Thursday corporate rentals
- Expand use areas
- Increase rental revenues by 15%
- Increase class revenues by 15%
- Institute the Early Memory Loss program in cooperation with Lodi Memorial Hospital



Library

FY 2008-09 Budget:		\$3,215,000
FY 2007-08 Budget:		\$2,415,400
Increase:	\$799,600	33%
Personnel:		14
Frozen		1



Library

2007-08 Accomplishments

- On-line registration and timing system for computers
- Completed Library lighting retrofit
- Conducted Summer Reading Club for adults
- Teen Book Club in collaboration with area high schools
- Progress on new HVAC and front ramp
- Marketing plan



Library 2008-09 Emphasis

- Develop collections of eBooks and e-AudioBooks
- Implement marketing plan
- Increase availability of the Computer Learning Center and basic computer skills classes
- Increase usage of Homework Help Center
- Surveys of Library users on Library services
- Library renovations



Community Development

FY 2008-09 Budget:		\$2,257,800
FY 2007-08 Budget:		\$3,051,500
Decrease:	(\$793,700)	-26%
Personnel:		14



Community Development 2007-08 Accomplishments

- Updating General Plan and Zoning Ordinance
- Received Local Visionary Award from American Planning Association for E-MAP
- Maintained 90% plan check turn-around time
- Implemented fire plan check within Building Division
- Began updating elements of Development Code
- Annexed Westside and Southwest Gateway



Community Development 2008-09 Emphasis

- Work on General Plan and Zoning Ordinance Update
- Pursue Green Neighborhood Development and Sustainable City Plan
- Revise Fee Schedule to achieve full cost recovery
- Adopt new Development Code
- Railroad Avenue senior housing
- Maintain turn-around time for inspections



Community Development Block Grant Fund

FY 2008-09 Budget:	\$ 431,000
FY 2007-08 Budget:	\$ 1,114,200



City Clerk

FY 2008-09 Budget:		\$580,900
FY 2007-08 Budget:		\$494,700
Increase:	\$86,200	17%
General Fund Ratio:		1%
Personnel:		4



City Clerk 2007-08 Accomplishments

- City-wide Records Management Program and Policy Manual
- Contracts administration and general liability claims program and related databases
- Ensured compliance with the Political Reform Act



City Clerk 2008-09 Emphasis

- Granicus Electronic Agenda and Meeting Management program
- Conduct November 4 General Municipal Election for two Council member seats
- Implement Voting Rights Act Compliance Plan



City Attorney

FY 2008-09 Budget:		\$488,600
FY 2007-08 Budget:		\$488,600
General Fund Ratio:		1%
Personnel:		3



City Attorney 2007-08 Accomplishments

- Finalized PCE/TCE settlements for nearly \$20M
- Won dismissals of one civil rights, one wrongful termination and one wrongful death suit
- Significant contracts including Wastewater COP's
- Resolved San Joaquin County 911 litigation
- Managed legal revisions to Lodi Shopping Center EIR



City Attorney 2008-09 Emphasis

- Resolve PCE/TCE litigation regarding South Central/Western Plume
- Continue legal work for PCE/TCE cleanup
- Prosecute PCE/TCE legal malpractice action
- Enforce code compliance through court action and new administrative hearing process
- Resolve AT&T litigation



City Manager

FY 2008-09 Budget:		\$599,800
FY 2007-08 Budget:		\$627,400
Decrease:	(\$27,600)	-4%
General Fund Ratio:		1%
Personnel:		4



City Manager 2007-08 Accomplishments

- Closed \$31 million Wastewater Treatment Plant financing
- Presented Lodi Community Improvement Project
- Hired Police Chief and Public Works Director
- Completed Lodi Citizens Survey
- Cost of Services study for water/wastewater
- Boosted community communications



City Manager 2008-09 Emphasis

- Complete General Plan Update
- Stabilize 2002 Electric Utility bonds
- Deferred maintenance needs
- Develop Lodi Community Improvement Project policies
- Increase City's web site as a communication tool
- Shepherd Community Separator
- Foster continued communication with employee groups



Economic Development

FY 2008-09 Budget:		\$525,300
FY 2007-08 Budget:		\$223,200
Increase:	\$302,100	135%
General Fund Ratio:		1%
Personnel:		0



Economic Development Contributions

- Lodi Conference & Visitor's Bureau (\$93,500)
- Lodi Downtown Business Partnership (\$35,000)
- San Joaquin Partnership (\$35,000)
- Lodi District Chamber of Commerce (\$1,400)
- Fireworks (\$22,000)
- SJC Enterprise Zone administration (\$23,000)



Economic Development 2007-08 Accomplishments

- Partnered with San Joaquin County for Enterprise Zone designation, advised local businesses
- Contributed to SJC Venture Capital Network
- Resolved truck route dispute
- 1st RLF loan made
- Blue Shield groundbreaking
- Facilitated expansion of Tourism BID to Flag City



Economic Development 2008-09 Emphasis

- Implement Enterprise Zone incentives
- Expand tax base and create job opportunities
- Continue to pursue downtown development, including WOW, wine-tasting rooms and hotel



Internal Services

Budget & Treasury, Financial Services, Human Resources, Information Systems

FY 2008-09 Budget:		\$ 4,047,300
FY 2007-08 Budget:		\$4,234,800
Decrease:	\$ (187,500)	-4%
General Fund Ratio:		9%
Personnel:		39



Internal Services 2007-08 Accomplishments

- Created 2 MMAs, earning over \$400,000
- Received clean audit and received GFOA Awards for Excellence for the 14th year
- Created a recruitment log
- Now administering benefits in-house
- Safety audit of wastewater treatment plant
- \$15,000 rebate from Microsoft



Internal Services 2008-09 Emphasis

- Train staff in JDEdwards Software
- Assist departments in analyzing practices
- Improve customer service
- Online payment system, electronic pay stations
- Promote positive relationships with work groups
- Present a variety of comprehensive supervisory and managerial skill building forums



Non-Departmental

FY 2008-09 Budget:		\$20,580,800
FY 2007-08 Budget:		\$23,067,400
Decrease:	(\$2,486,600)	-11%
General Fund Ratio:		13%



Non-Departmental Vehicle Replacement Fund

FY 2008-09 Budget:		\$500,000
FY 2007-08 Budget:		\$279,500
Increase:	\$220,500	79%
Revenues from Departments		\$643,280
Fund Balance 6-30-09		\$1,709,600

Proposed Position Changes

FY 07/ D8		FY 08/09		Cost/(Savings)
Dept/Division	Current Title	Proposed Title/Position	Comment	
Community C				
Community Center	Administrative Clerk	Program Coordinator	Re-class	3,730
Community Center	Administrative Secretary	Administrative Clerk	Downgrade	(16,167)
Community Center	Building Services/Event Coord.	Sr. Facilities Maintenance Worker	Title change	
Community Center	Community Center Director		Changed to 0.5	(72,882)
Community Center	Facilities Maintenance Worker		Delete one position	(81,104)
Community Center		Art/Events Coordinator	New Position	94,754
				(71,669)
Comm. Development Fund				
Community Development	Junior Planner		Transfer to PW-Transit	(76,699)
Community Development	Plan Check Engineer	Building Inspector I/II	Downgrade	(15,640)
				(92,338)

Electric Utility Fund				
Electric Utility	Electrical Estimator	Distribution Planner	Title change	-
Electric Utility	Electrical Estimator	Distribution Planner	Title change	-
Electric Utility	Electrical Estimator	Distribution Planner	Title change	-
Electric Utility	Sr. Electrical Estimator	Distribution Planning Supervisor	Title change	-
Electric Utility		Electrical Technician	New Position	109,371
Electric Utility	Manager, Electric Services	Assistant Electric Utility Director	Re-class	17,370
Electric Utility	Manager, Engineering & Operations	Assistant Electric Utility Director	Re-class	24,645
				151,386

General Fund				
Internal Services - Budget	Administrative Clerk		Transfer to Fin. Svcs	(63,357)
Internal Services - Budget	Storekeeper *		Delete one position	(71,870)
Internal Services - Financial Svcs.		Administrative Clerk	Transfer from Budget Div.	63,357
Police	Dispatcher/Jailer	Lead Dispatcher/Jailer	Incentive	16,404
Police		Dispatcher/Jailer	New Position	81,229
Police		Dispatcher/Jailer	New Position	81,229
Police		Dispatcher/Jailer	New Position	81,229
Police		Dispatcher/Jailer	New Position/ Frozen	(81,229)
Police	Previously Contracted Position	Supervising Code/Community Improvement Officer	Contract to in-house	15,453
Police	Police Records Clerk I/II		Frozen	(52,404)
Police	Police Officer		Frozen	(96,971)
Police	Police Lieutenant		Frozen	(183,605)
PW-Engineering	City Engineer/Deputy Public Works Director		Frozen	(196,934)
PW-Engineering	Sr. Engineering Technician		Frozen	(96,658)
				(504,128)

Library				
Library	Library Assistant		Frozen	(56,998)
				(56,998)
Parks & Recreation				
Parks & Rec	Recreation Supervisor		Frozen	(98,281)
Parks & Rec	Parks & Rec Director		Changed to 0.5	(72,882)
				(171,162)

Proposed Position Changes

Rep/Division	FY 07108 Current Title	FY 18/09 Proposed Title/Position	Comment	Cost/(Savings)
Street Fund				
PW-MSC	Administrative Clerk		Frozen	(66,821)
PW-Stl	Maintenance Worker		Frozen	(68,743)
PW-Stl	Maintenance Worker		Frozen	(68,743)
				(194,307)
Transit Fund				
PW-Transit	Transportation Planner	Junior Planner Planner	Transfer from Comm. Dev	-
				-
Water Services				
PW-WWW	Sr. Plant & Equipment Mech. *		Delete one position	(89,453)
				(89,453)
Total				(1,038,572)

* current staff members are not affected by this change

City of Lodi
Debt Amortization Schedules
From Fiscal Year 2008-09 to term

Water Utility Fund Notes
California Safe Drinking Water
Note Payable

Fiscal Year	Principal	Interest	Total
Ending June 30			
2009	169,695	58,281	227,976
2010	175,409	52,567	227,976
2011	181,442	46,534	227,976
2012	187,602	40,374	227,976
2013	194,205	33,771	227,976
2014	200,811	27,165	227,976
2015	207,718	20,258	227,976
2016	214,838	13,138	227,976
2017	222,886	5,090	227,976
2018			
2019			
2020			
2021			
2022			
2023			
2024			
2025			
2026			
2027			
2028			
2029			
2030			
2031			
2032			
2033			
2034			
2035			
2036			
2037			
2038			
	<u>1,754,606</u>	<u>297,178</u>	<u>\$ 2,051,784</u>

City of Lodi
Debt Amortization Schedules
From Fiscal Year 2008-09 to term

Fiscal Year Ending June 30	Governmental Activity 2002 General Fund Capital Certificates of Participation		<u>General Government Debt</u> Note Payable - COG		Promisory Note to James E. & Carol Dean		General Government Total
	Principal	Interest	Principal	Interest	Principal	Interest	
2009	565,000	1,104,874	94,452	1,653		14,700	1,780,679
2010	590,000	1,084,071				14,700	1,688,771
2011	610,000	1,060,956				14,700	1,685,656
2012	630,000	1,036,156			245,000	11,025	1,922,181
2013	655,000	1,010,047					1,665,047
2014	690,000	981,013					1,671,013
2015	715,000	949,400					1,664,400
2016	745,000	916,550					1,661,550
2017	775,000	880,413					1,655,413
2018	815,000	841,682					1,656,682
2019	855,000	802,019					1,657,019
2020	895,000	760,456					1,655,456
2021	935,000	716,994					1,651,994
2022	985,000	671,394					1,656,394
2023	1,030,000	622,250					1,652,250
2024	1,080,000	569,500					1,649,500
2025	1,135,000	514,125					1,649,125
2026	1,195,000	455,875					1,650,875
2027	1,255,000	394,625					1,649,625
2028	1,315,000	330,375					1,645,375
2029	1,380,000	263,000					1,643,000
2030	1,450,000	192,250					1,642,250
2031	1,520,000	118,000					1,638,000
2032	1,600,000	40,000					1,640,000
2033							
2034							
2035							
2036							
2037							
2038							
	23,420,000	16,316,025	94,452	1,653	245,000	55,125	\$ 40,132,255

City of Lodi
Debt Amortization Schedules
From Fiscal Year 2008-09 to term

Electric Utility Certificates of Participation

Fiscal Year Ending June 30	2002 Electric Improvement Series A Certificates of Participation			2002 Electric Improvement Series C Certificates of Participation		2002 Electric Improvement Series D Certificates of Participation		Electric Total
	Principal	Interest'	Swap interest	Principal	Interest	Principal	Interest	
2009		1,655,790	167,540	2,375,000	372,900	2,865,000	1,002,600	8,458,830
2010		1,655,790	187,540	2,445,000	275,100	475,000	982,318	6,020,748
2011	1,175,000	1,655,790	467,165	2,545,000	173,300	535,000	958,190	7,509,445
2012	1,240,000	1,634,986	737,407	2,645,000	67,500	625,000	927,690	7,877,583
2013	1,305,000	1,592,228	718,123	1,350,000		3,225,000	768,052	8,958,403
2014	1,375,000	1,547,169	697,800			4,750,000	528,178	8,898,147
2015	1,445,000	1,499,719	676,399			4,960,000	272,739	8,853,857
2016	1,520,000	1,449,790	653,880			5,195,000		8,818,670
2017	1,600,000	1,397,294	630,204					3,627,498
2018	1,680,000	1,342,054	605,290					3,627,344
2019	1,770,000	1,263,981	579,098					3,633,079
2020	1,870,000	1,222,898	551,548					3,644,446
2021	1,970,000	1,158,451	522,481					3,650,932
2022	2,070,000	1,090,463	491,818					3,652,281
2023	2,185,000	1,018,934	459,557					3,663,491
2024	2,290,000	943,598	425,579					3,659,177
2025	2,410,000	864,368	389,845					3,664,213
2026	2,540,000	781,153	352,314					3,673,467
2027	2,670,000	693,513	312,786					3,676,299
2028	2,815,000	601,269	271,182					3,687,451
2029	2,965,000	504,155	227,383					3,696,538
2030	3,120,000	401,819	181,228					3,703,047
2031	3,285,000	294,083	132,637					3,711,720
2032	3,460,000	160,682	81,490					3,722,172
2033		61,262	27,628					88,890
2034								
2035								
2036								
2037								
2036								
	46,760,000	26,531,239	10,567,922	11,360,000	888,800	22,630,000	5,439,767	124,177,728

City of Lodi
Debt Amortization Schedules
From Fiscal Year 2008-09 to term

Wastewater Certificates of Participation

Fiscal Year Ending June 30	20036 WW Certificates of Participation		2004A WW Certificates of Participation		2007A WW Certificates of Participation		Wastewater	All Funds
	Principal	Interest	Principal	Interest	Principal	Interest	Total	Total
2009	200,000	184,898	965,000	1,180,713	105,000	1,487,250	4,122,861	14,590,346
2010	205,000	180,398	1,010,000	1,138,800	105,000	1,483,050	4,122,248	12,059,743
2011	210,000	175,068	1,050,000	1,097,600	110,000	1,478,750	4,121,418	13,544,495
2012	215,000	167,718	1,090,000	1,049,350	125,000	1,474,050	4,121,118	14,148,858
2013	225,000	160,623	1,145,000	993,475	130,000	1,468,950	4,123,048	14,974,474
2014	230,000	151,623	1,205,000	934,725	140,000	1,463,550	4,124,898	14,922,034
2015	240,000	142,998	1,265,000	874,556	145,000	1,457,850	4,125,404	14,871,637
2016	250,000	133,638	1,325,000	809,731	155,000	1,451,850	4,125,219	14,833,415
2017	260,000	122,388	1,390,000	743,675	160,000	1,445,550	4,121,613	9,632,500
2018	270,000	111,728	1,455,000	672,388	175,000	1,438,850	4,122,966	9,406,992
2019	285,000	100,388	1,535,000	590,163	185,000	1,431,650	4,127,201	9,417,299
2020	300,000	86,138	1,620,000	509,475	185,000	1,424,250	4,124,863	9,424,765
2021	315,000	71,138	1,695,000	428,625	200,000	1,416,425	4,126,188	9,429,114
2022	330,000	54,600	1,780,000	338,413	215,000	1,407,731	4,125,744	9,434,419
2023	345,000	37,275	1,875,000	243,700	230,000	1,398,131	4,129,106	9,444,847
2024	365,000	19,163	1,970,000	147,574	240,000	1,387,850	4,129,587	9,438,264
2025			2,070,000	49,162	630,000	1,368,425	4,117,587	9,430,925
2026					2,835,000	1,283,375	4,118,375	9,442,717
2027					2,980,000	1,138,000	4,118,000	9,443,924
2028					1,485,000	1,026,375	2,511,375	7,844,201
2029					1,565,000	950,125	2,515,125	7,854,663
2030					1,645,000	869,875	2,514,875	7,860,172
2031					1,730,000	785,500	2,515,500	7,865,220
2032					1,815,000	696,875	2,511,875	7,874,047
2033					1,910,000	603,750	2,513,750	2,602,640
2034					2,010,000	505,750	2,515,750	2,515,750
2035					2,110,000	402,750	2,512,750	2,512,750
2036					2,220,000	294,500	2,514,500	2,514,500
2037					2,330,000	180,750	2,510,750	2,510,750
2038					2,450,000	61,250	2,511,250	2,511,250
	<u>4,045,000</u>	<u>1,714,884</u>	<u>23,480,000</u>	<u>10,621,412</u>	<u>30,215,000</u>	<u>31,795,788</u>	<u>101,872,084</u>	<u>257,766,366</u>

MOU Comparison of salary increases

	FY 2007-2008	FY 2008-2009	FY 2009-2010	FY 2010-2011
Dispatchers		11/6/08: Based on survey 4/1/09: CPI-W 3% - 5%*		Eff 7/1/2010 Based on survey if Gen. Fund revenues increase at least 1% for the year ended 6/30/08 and 6/30/09
Fire	12.5%	CPI-W 3.5% - 5%'		
IBEW	4%	CPI-W 3.5% - 5%**	CPI-W 3.5% - 5%**	CPI-W 3.5% - 5%**
Mid-mgmt	5% equity adjustment	CPI-W 3% - 5%' If Gen. Fund revenues increase at least 1% for the period 7/1/07 to 6/30/08, as reflected in the CAFR.		
Police		10/9/08: 10% plus % to create 20% differential below Sergeant	20% differential below Sergeants if Gen. Fund Revenues increase by 1% for the year ended 6/30/08 and 6/30/09	20% differential below Sergeants if Gen. Fund Revenues increase by 1% for the year ended 6/30/09 and 6/30/10
Police Mid-mgmt	11.70%	Based on survey if Gen. Fund increases by 1% using audited revenues for year ended 6/30/07	Based on survey if Gen. Fund increases by 1% using revenues for year ended 6/30/08	Based on survey if Gen. Fund increases by 1% using revenues for year ended 6/30/09
Unrepresented Mid-Managers	5% equity adjustment	CPI-W 3% - 5%* If Gen. Fund revenues increase at least 1% for the period 7/1/07 to 6/30/08, as reflected in the CAFR.		

*CPI-W: San Francisco-Oakland-San Jose, Urban Wage Earners and Clerical Workers

**CPI-W: US City average, Urban Wage Earners and Clerical Workers

The single largest budget of any fund for the city is **Electric Utility** with an expenditure budget of \$72.3 million. It accounts for 39% of all expenditures, up 4% from FY 2007-08's budget. The majority of Electric Utility's budget, approximately \$47 million, is power purchase costs.

The General Fund, which is the largest **discretionary fund**, is the second-largest overall fund. It represents 23% of all city expenditures. The Wastewater Fund represents 12% of all expenditures. The Water Fund represents 6% of all expenditures. These four funds represent 80% of all city expenditures.

The **total number** of budgeted positions for FY 2008-09 is 460, an increase of **two** from the previous year. The total number of part-time employees expressed as full-time equivalent is approximately 37 Full Time Equivalent (FTE). Personnel costs account for 70.4% of General Fund costs.

General Fund

The General Fund's primary source of revenue is **taxes**, accounting for 69% of fund income. It is the discretionary fund for basic government services such as public **safety**, facility maintenance, parks, economic development, and provides financial support via transfers for recreation, **arts**, library, and cultural programs. It supports debt payment, principle and interest for the Police Station, Hutchins Street Square, and downtown improvements. The FY 2008-09 budget provides funding for the full range of municipal services with the greatest emphasis on public safety.

The 2008-09 budget projects a General Fund revenue **reduction** of approximately \$750,000. When one combines the decline with year-to-year inflation, it equals an estimated \$2.1 million drop in the General Fund's purchasing power compared to FY 2007-2008. Budgets are educated projections and expectations of **future** conditions. Typically, **staff** takes a conservative view of future revenues. However, because of the consequences upon services and residents if revenues are under-projected, staff took a slightly more liberal attitude toward revenue estimates in FY 2008-2009. Still, a decrease in revenues is expected.

It is estimated that property **tax** revenue will decline from the previous **year** by \$665,136, **sales tax** revenue will decline **by** approximately \$350,000, Vehicle License Fees by approximately \$82,000, and SB 90 state reimbursement **by** approximately \$200,000. Other revenues are projected to increase: Transient Occupancy Tax by \$98,234, cable TV franchise by approximately \$14,000, and card room **tax** by \$100,000.

A forgotten impact to the budget is the ongoing shift of Lodi's property **tax** to the State of California via the Educational Revenue Argumentation Fund (ERAF). In 1992, the state began taking revenue from cities as a method to comply with Proposition 98 and fund education without reducing other state expenditures. Although voters approved Proposition 1A in 2004, which prevented the **ERAF** shift from growing, the previous ERAF shift of property taxes continues. It is estimated that Lodi will lose approximately \$2.86 million in property tax in Fiscal Year 2008-09.

The challenge of the FY 2008-09 budget is to maintain **operational** service levels, avoid eroding General Fund reserves, and **operate** with reduced financial resources. The Self Insurance Internal Service Fund is projected to have more than \$6 million at the end of FY 2007-08. It is proposed to reduce the transfer to 60% of the normal amount to this fund for one year. Four positions out of 125 in the Police Department will be held vacant (Lieutenant, Dispatcher/Jailer, Records Clerk, and Police Officer). The Fire Department will see the reduction in overtime and training budgets, one department head position will be held vacant, one position in the Internal Services Department eliminated, and minor personnel changes in other Enterprise or Special Revenue budgets.

This year's budget includes a change in allocating debt **service** for the **2002** General Fund COPs to the **three** departments responsible for the expenditure of the debt proceeds: the Police Department, Community Development, and Economic Development. This is not a material change to the budget.

Proposed Position Changes

FY 07/08		FY 08/09		
Dept/Division	Current Title	Proposed Title/Position	Comment	Barg. Unit
Community Center	Administrative Clerk	Program Coordinator	Re-class	General Services
Community Center	Administrative Secretary	Administrative Clerk	Downgrade	General Services
Community Center	Building Services/Event Coord	Sr Facilities Maintenance Worker	Title change	M&O
Community Center	Community Center Director		Changed to 0.5	Executive Mgmt
Community Center	Facilities Maintenance Worker *		Delete one position	M&O
Community Center		Art/Events Coordinator	New Position	Mid-Management
Community Development	Junior Planner		Transfer to PW-Transit	General Services
Community Development	Plan Check Engineer	Building Inspector I/II	Downgrade	General Services
Electric Utility	Electrical Estimator	Distribution Planner	Title change	IBEW
Electric Utility	Electrical Estimator	Distribution Planner	Title change	IBEW
Electric Utility	Electrical Estimator	Distribution Planner	Title change	IBEW
Electric Utility	Sr. Electrical Estimator	Distribution Planning Supervisor	Title change	IBEW
Electric Utility		Electrical Technician	New Position	IBEW
Electric Utility	Manager, Electric Services	Assistant Electric Utility Director	Re-class	Unrepresented
Electric Utility	Mgr, Engineering & Operations	Assistant Electric Utility Director	Re-class	Mid-Management
Internal Services - Budget	Administrative Clerk		Transfer to Fin. Svcs	General Services
Internal Services - Budget	Storekeeper *		Delete one position	General Services
Internal Services - Financial Svcs.		Administrative Clerk	Transfer from Budget Div.	General Services
Library	Library Assistant		Frozen	General Services
Parks & Rec.	Recreation Supervisor		Frozen	Mid-Management
Parks & Rec.	Parks & Rec. Director		Changed to 0.5	Executive Mgmt
Police		Dispatcher/Jailer	New Position	Dispatchers
Police		Dispatcher/Jailer	New Position	Dispatchers
Police		Dispatcher/Jailer	New Position	Dispatchers
Police		Dispatcher/Jailer	New Position/ Frozen	Dispatchers
Police	Previously Contracted Position	Supervising Code/Community Improvement Officer	Contract to in-house	General Services
Police	Police Records Clerk I/II		Frozen	General Services
Police	Police Officer		Frozen	Police
Police	Police Lieutenant		Frozen	Police Mid-mgmt
PW-Engineering	City Engineer/Dep Public Works Director		Frozen	Mid-Management
PW-Engineering	Sr. Engineering Technician		Frozen	General Services
PW-MSD	Administrative Clerk		Frozen	General Services
PW-Streets	Maintenance Worker		Frozen	M&O
PW-Streets	Maintenance Worker		Frozen	M&O
PW-Transit	Transportation Planner	Junior Planner	Transfer from Comm. Dev	General Services
PW-WWW	Sr. Plant & Equipment Mech. *		Delete one position	M&O

current staff members are not affected by this change

2008-09 FINANCIAL PLAN AND BUDGET

STAFFING SUMMARY	2005-06 Budgeted Positions	2006-07 Budgeted Positions	2007-08 Budgeted Positions	2008-09 Budgeted Positions	Net increase in Budgeted Positions 07-08 to 08-09
CITY MANAGER					
City Manager	1	1	1	1	0
Assistant City Manager	1	0	0	0	0
Deputy City Manager/Internat Services Dir	0	1	1	1	0
Management Analyst I/II	1	1	1	1	0
Secretary to the City Manager	1	1	1	1	0
City Manager Total	4	4	4	4	0
CITY ATTORNEY					
City Attorney	1	1	1	1	0
Deputy City Attorney III	1	1	1	1	0
Legal Secretary	1	1	1	1	0
City Attorney Total	3	3	3	3	0
CITY CLERK					
City Clerk	1	1	1	1	0
Administrative Clerk - (C)	1	1	1	1	0
Administrative Records Clerk - C	0	0	1	1	0
Deputy City Clerk	2	2	1	1	0
City Clerk Total	4	4	4	4	0
COMMUNITY CENTER					
Administrative Clerk	2	1	1	1	0
Administrative Secretary	1	1	1	0	(1)
Aquatics Coordinator	1	1	1	1	0
Art 6 Events Coordinator	0	0	0	1	1
Community Center Director	1	1	1	0.5	(0.5)
Building Services/Event Coordinator	0	0	1	0	(1)
Facilities Maintenance Worker	2	2	1	0	(1)
Program Coordinator	0	0	0	1	1
Senior Services Coordinator	1	1	1	1	0
Sr. Facilities Maintenance Worker	1	1	1	2	1
Stage Technician	1	1	1	1	0
Community Center Total	10	9	9	8.5	(0.5)
COMMUNITY DEVELOPMENT					
Administrative Clerk	1	2	1	1	0
Administrative Secretary	1	1	1	1	0
Building Inspector III	3	3	3	4	1
Building Official	1	1	1	1	0
City Planner	1	0	0	0	0
Community Development Director	1	1	1	1	0
Community Improvement Manager	1	1	1	1	0
Community Improvement Officer III	2	2	0	0	0
Junior/Assistant/Associate Planner	2	2	2	1	0
Permit Technician	1	2	2	2	0
Plan Check Engineer	0	0	1	0	(1)
Planning Manager	0	1	1	1	0
Senior Building Inspector	1	1	0	0	0
Senior Planner	1	1	1	1	0
Sr. Administrative Clerk	1	0	0	0	0
Community Development Total	17	18	15	14	(1)
ELECTRIC UTILITY					
Administrative Clerk	2	2	2	2	0
Administrative Secretary	1	1	1	1	0
Assistant Electric Utility Director	0	0	0	2	2
Construction/Maintenance Supervisor	1	1	1	1	0
Distribution Planner	0	0	0	3	3
Distribution Planning Supervisor	0	0	0	1	1
Electric Apparatus Mechanic	1	1	1	1	0
Electric Foreman/Forewoman	4	4	3	3	0
Electric Line Apprentice	1	0	2	2	0

Public Works Department *

	2005-06	2006-07	2007-08	2007-08	2008-09
	Actuals	Actual~	Budget	Est Actual~	Budget
1241: LTF-Pedestrian/Bike BIS					
900: Capital Projects					
1820 Construction in Progress-CY	-52,616	-66,460			
900: Capital Projects Total	-52,616	-66,460			
1241: LTF-Pedestrian/Bike BIS Total	-52,616	-66,460			
1241002: Mills/Elm/Loma Ped Imprv					
900: Capital Projects					
1825.1500 Contracts	11,648				
1836.1500 Other	1,154				
900: Capital Projects Total	12,802				
1241002: Mills/Elm/Loma Ped Imprv Total	12,802				
1241006: Bike Imprv-Church St					
900: Capital Projects					
1825.1200 Contracts		10,000			
900: Capital Projects Total		10,000			
1241006: Bike Imprv-Church St Total		10,000			
1241009: Tokay/Virginia Ped Imprv					
900: Capital Projects					
1825.1050 Contracts	1,680				
900: Capital Projects Total	1,680				
1241009: Tokay/Virginia Ped Imprv Total	1,680				
1241011: Bike Master Plan					
900: Capital Projects					
1820 Construction in Progress-CY			67,502		
900: Capital Projects Total			67,502		
1241011: Bike Master Plan Total			67,502		
1241012: Century UPPR Crossing					
900: Capital Projects					
1820 Construction in Progress-CY			6,000	6,000	
900: Capital Projects Total			6,000	6,000	
1241012: Century UPPR Crossing Total			6,000	6,000	
1241014: Sidewalk Installation					
900: Capital Projects					
1820 Construction in Progress-CY			67,501	70,351	95,000
1825.1300 Contracts	36,704	56,460	2,850		
1836.1300 Other	1,430				
900: Capital Projects Total	38,134	56,460	70,351	70,351	95,000
1241014: Sidewalk Installation Total	38,134	56,460	70,351	70,351	95,000
1241015: Citywide School Signage					
900: Capital Projects					
1825.2300 Contracts			5,200	5,200	
900: Capital Projects Total			5,200	5,200	
1241015: Citywide School Signage Total			5,200	5,200	

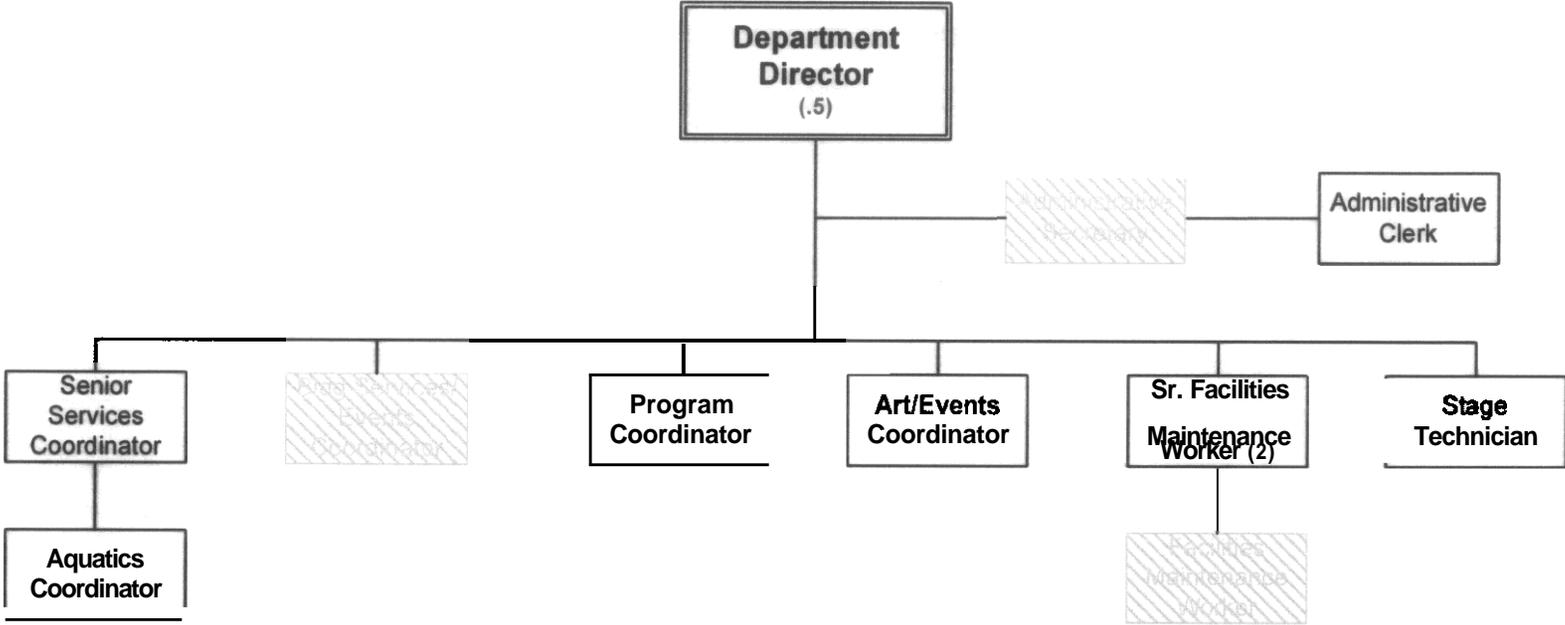
Parks Department

	2005-06	2006-07	2007-08	2007-08	2008-09
	Actuals	Actuals	Budget	Est Actuals	Budget
107531: Parks- Equipment Maintenance					
100: Personnel Services					
7101 Regular emp salary	50,345	50,152	51,907	51,656	51,656
7102 Overtime	225		1,447	1,000	1,447
7111 Workers comp	2,539	2,653	3,480	3,480	3,300
7112 Medical insurance	11,473	12,791	14,841	15,600	15,651
7113 Dental insurance	860	860	1,000	1,000	1,000
7114 Vision care	243	243	255	255	250
7115 Medicare insurance	737	730	753	750	749
7121 Service contribution-PERS	9,422	9,639	9,983	9,935	9,845
7123 Deferred comp	1,510	1,505	1,557	1,550	1,550
7124 LI & AD 8D	95	95	143	143	141
7125 Unemployment insurance	141	140	145	145	145
7128 LTD	604	639	661	658	658
7129 Chiropractic	56	47	53	53	50
7130 Insurance refund	3				
7131 Other benefits		1,042	1,381	1,381	1,374
100: Personnel Services Total	78,253	80,536	87,606	87,606	87,816
300: Supplies, Materials & Services					
7301 Printing, binding, duplication		56	200	400	400
7306 Safety Equipment	255	150	200	700	200
7307 Office supplies	377	109	330	600	330
7313 Information systems software	97	143			
7323 Professionalservices	366				
7331 Repairs to Mach 8 equip	29,737	36,027	30,000	30,000	79,702
7333 Repairs to vehicles			20,723		20,723
7334 Repairs to buildings		706	200		200
7335 Sublet service contracts	1,644	395	1,000	1,000	1,000
7336 Car wash			115		237
7343 PL 8PD/other insurance		1,867	2,123	2,123	725
7351 Motor veh fuel, lube	20,091	21,340	33,582	35,000	63,590
7352 Special dept materials	1,996	189	10,000	10,000	10,000
7355 General supplies	6,405	5,851	5,800	7,300	5,800
7359 Small tools and equip	4,011	8,195	9,000	9,000	9,000
300: Supplies, Materials & Services Total	64,979	75,028	113,273	96,123	191,907
400: Work for Others					
7601 Work for others		375			
400: Work for Others Total		375			
500: Equipment, Land & Structures					
7789 Transfer Out			22,960	22,960	
500: Equipment, Land & Structures Total			22,960	22,960	
600: Special Payments					
8199 Transfer Out			34,420	68,840	
600: Soecial Payments Total			34,420	68,840	
107531: Parks - Equipment Maintenance Total	143,232	155,939	258,259	275,529	279,723
Parks Department Total	1,886,571	2,144,326	2,371,590	2,128,554	2,495,990

Recreation Department

	2005-06	2006-07	2007-08	2007-08	2008-09
	Actuals	Actuals	Budget	Est Actuals	Budget
General Fund					
100: Personnel Services	1,333,728	1,282,717	1,575,254	1,347,463	
200: Utility Comm. & Transportation	10,621	10,886	7,380	7,793	
300: Supplies, Materials & Services	185,937	178,780	238,303	229,189	
5W :Equipment, Land & Structures			3,580	6,924	
600: Special Payments			6,020	12,040	
General Fund Total	1,530,286	1,470,383	1,828,517	1,603,409	
Parks & Recreation					
100: Personnel Services					1,389,328
200: Utility Comm. & Transportation					7,730
300: Supplies, Materials & Services					211,715
500 Equipment, Land & Structures					6,800
Parks & Recreation Total					1,615,573
Recreation Department Total	1,530,286	1,470,383	1,828,517	1,603,409	1,615,573

Community Center



FY 2008-2009

City Manager

	2005-08	2006-07	2007-08	2007-08 Est	2008-09
	Actuals	Actuals	Budget	Actuals	Budget
General Fund					
100: Personnel Services	545,910	522,684	600,720	706,273	585,486
200: Utility Comm. & Transportation	44	1,612	600	1,725	1,275
300: Supplies, Materials & Services	27,884	27,691	26,100	28,975	13,025
500: Equipment, Land & Structures					
600: Special Payments					
General Fund Total	573,838	551,987	627,420	736,973	599,786
City Manager Total	573,838	551,987	627,420	736,973	599,786

TAFFING SUMMARY	2005-06	2006-07	2007-08	2008-09	<i>Net Increase in Budgeted Positions 07-08 to 08-09</i>
	Budgeted Positions	Budgeted Positions	Budgeted Positions	Budgeted Positions	
City Manager	1	1	1	1	0
Assistant City Manager	1	0	0	0	0
Deputy City Manager/Internal Services Dir	0	1	1	1	0
Management Analyst 1/11	1	1	1	1	0
Secretary to the City Manager	1	1	1	1	0
City Manager Total	4	4	4	4	0

CITY MANAGER

ACTIVITY: Administration
DEPARTMENT: City Manager

DIVISION: City Manager
FUND: General Fund

ACTIVITY DESCRIPTION

The City Manager's Office provides overall management and coordination of the City of Lodi municipal corporation, implements City Council policy directives, and directly oversees the internal administrative functions of the City including Financial Services, Budget and Treasury, Human Resources, Risk Management, Information Services and economic development.

The City Manager's Office is emphasizing the following areas:

- Economic Development – Business attraction and retention, job creation.
- Land use – General Plan update.
- Finance and Administration – Stabilize and improve condition of City's various funds.

SERVICE LEVEL ADJUSTMENTS

- None

MAJOR 2007-08 ACCOMPLISHMENTS

- Secured \$31 million financing for White Slough Water Pollution Control Facility upgrades.
- Brought forward Lodi Community Improvement Project.
- Hired new Police Chief and Public Works Director.
- Received \$6 million from San Joaquin County for providing wastewater connection to Flag City.
- Completed Lodi Citizens Survey.
- Moved forward with General Plan update.
- Developed Cost of Services study for water and wastewater utilities.
- Boosted communications with community through Internet, newsletters.

MAJOR 2008-09 OBJECTIVES

- Complete General Plan update
- Stabilize 2002 Electric Utility bonds.
- Provide a framework for identifying funding of deferred maintenance needs.
- Develop policies for Lodi Community Improvement Project implementation.
- Monitor development agreements for Reynolds Ranch, Southwest Gateway and Westside projects.
 - Manage City assets for maximum efficiency.
 - Increase use of the City's web site as a communication tool.
 - Continue providing assistance to Delta College for a Lodi learning center.

RELATED COST CENTER(S)

100100.0000

Economic Development

	2005-06	2006-07	2007-08	2007-08	2008-09
	Actuals	Actuals	Budget	Est Actuals	Budget
General Fund					
300:Supplies, Materials & Services	20,086	4,546	9,700	500	2,200
600 Special Payments	227,051	231,956	213,520	213,520	523,144
General Fund Total	247,137	236,502	223,220	214,020	525,344
Economic Development Total	247,137	236,502	223,220	214,020	525,344

GENERAL GOVERNMENT

ACTIVITY: Economic Development & Community Promotions **PROGRAM** Economic Development
DEPARTMENT Administration **FUND:** General Fund

ACTIVITY DESCRIPTION

The focus of Economic Development is to plan, organize and coordinate Economic Development activities throughout the City of Lodi. In general, activity goals are to: 1) retain and expand existing businesses; 2) market Lodi as a tourist and day visitor destination; 3) increase the number of visitor-sewing facilities; 4) develop downtown as a "lifestyle" and visitor sewing center; and 5) seek and attract new businesses.

For the past several years, Lodi has used "contract" outside economic development organizations to fulfill its economic development objectives. The following is the proposed funding for FY 200809:

ORGANIZATION	2007-08	2008-09
Lodi Conference and Visitor's Bureau	\$101,000	\$93,500
Lodi Downtown Business Partnership	\$35,000	\$35,000
San Joaquin Partnership	\$35,000	\$35,000
Lodi District Chamber of Commerce	\$1,400	\$1,400
Fireworks	\$22,000	\$22,000
SJC Enterprise Zone administration		\$23,000
TOTAL	\$217,400	\$209,900

The following is the proposed funding for promotion of various community events:

EVENT	2008-09
Fourth of July	\$20,000
Grape Festival	\$17,000
Parade of Lights	\$5,000
Celebration on Central	\$2,500
Miscellaneous Special Events	\$5,500
TOTAL	\$50,000

MAJOR 2007-08 ACCOMPLISHMENTS

- Implemented development agreement with San Joaquin Partners for Blue Shield site
- Implemented agreement to lease commercial space to WOW museum
- Blue Shield expansion in Lodi started
- Thule Towing Systems expansion nearing completion
- ArmorStruxx commences production in Lodi
- Archer Daniels Midland development completed

MAJOR 2008-09 OBJECTIVES

- Continue to secure funding for downtown development
- Expand number of downtown wine tasting rooms
- Expand marketing ties with the wine grape industry
- Continue to provide funding to local economic development organizations
- Continue to recruit additional retailers

RELATED COST CENTER

- 100431

Internal Services

	2005-06	2006-07	2007-08	2007-08	2008-09
	Actuals	Actuals	Budget	Est Actuals	Budget
Budget and Treasury					
100 Personnel Services	0	0	687,490	496,528	609,382
200 Utility Comm. & Transportation	0	0	600	350	400
300 Supplies, Materials & Services	0	0	43,208	49,685	31,874
500 Equipment, Land & Structures	0	0	3,850	3,850	6,885
600: Special Payments	0	0	1,472	0	0
Budget and Treasury Total	0	0	736,620	550,413	648,541
Financial Services	0	0	0	0	0
100: Personnel Services	1,796,993	1,673,449	1,437,745	1,320,071	1,570,112
200: Utility Comm. & Transportation	681	672	230	0	200
300: Supplies, Materials & Services	175,717	167,096	148,850	186,433	133,535
500: Equipment, Land & Structures	10,759	17,320	20,100	0	0
600: Special Payments	30	635	0	1,069	100
700: Interfund Transfers	0	21,370	0	0	0
Financial Services Total	1,984,180	1,880,542	1,606,925	1,507,573	1,703,947
Human Resources	0	0	0	0	0
100: Personnel Services	388,560	320,090	530,823	357,071	484,707
200: Utility Comm. & Transportation	750	511	400	400	500
300: Supplies, Materials & Services	137,263	117,586	192,157	132,029	138,050
600: Special Payments	242	0	0	0	0
Human Resources Total	526,815	438,187	723,380	489,500	623,257
Information Systems	0	0	0	0	0
100: Personnel Services	804,971	855,845	900,985	889,148	831,952
200: Utility Comm. & Transportation	27,808	28,521	23,980	23,980	23,920
300: Supplies, Materials & Services	178,805	187,722	242,868	248,505	215,675
Information Systems Total	1,011,584	1,072,088	1,167,833	1,161,633	1,071,547
Internal Services Total	3,522,579	3,390,817	4,234,758	3,709,119	4,047,292