



**CITY OF COSTA MESA
DEPARTMENT OF FINANCE
INTEROFFICE MEMORANDUM**

**MARC R. PUCKETT
DIRECTOR OF FINANCE**

TO: CITY COUNCIL MEMBERS

THROUGH: ALLAN ROEDER, CITY MANAGER

FROM: BOBBY YOUNG, BUDGET AND RESEARCH OFFICER

COPY TO: MARC PUCKETT, DIRECTOR OF FINANCE
DEPARTMENT DIRECTORS

DATE: JUNE 24, 2009

SUBJECT: *SUMMARY OF ACTIONS TAKEN WHILE ADOPTING THE FY 2009-10
BUDGET*

While voting on the Proposed Fiscal Year 2009-2010 Budget at the Costa Mesa City Council Meeting on June 16, 2009, the City Council took action to make reductions. The action taken, corresponding budgetary effect and service impacts are summarized below.

1. **Action:** Cancel Neighbors for Neighbors for Fiscal Year 2009-2010.
Budget Impact: \$24,517 reduction in the Community Development Block Grant (CDBG) Fund until funds are re-appropriated.
Service Impact: The City will not coordinate two Neighbors for Neighbors events during the 2009-2010 fiscal year. The City will not receive approximately \$11,000 of donated labor or thousands of dollars of both cash and in-kind donations related to these events. Full-time staff will be reassigned to other duties. At a later date, staff will present to Council recommendations for appropriating the \$24,517 amount that the City will still be receiving in the form of CDBG funds.
2. **Action:** Remove Conferences, Training, Special Meetings, Professional Organizations for City Council.
Budget Impact: \$10,000 reduction in the General Fund – City Council Department.
Service Impact: City Council will not be compensated for attending conferences, training, special meetings or participation in professional organizations. City Council members who desire to attend a conference, special meeting or training opportunity must bring their request to the full City Council for approval in advance of incurring any costs.

3. **Action:** Cancel providing meals for City Council, Planning Commission and Parks and Recreation meetings.
Budget Impact: Total \$10,650.
\$6,000 reduction in the General Fund – City Council Department,
\$2,250 reduction in the General Fund – Development Services Department,
\$2,400 reduction in the General Fund – Administrative Services Department.
Service Impact: Meals for City Councilmembers, Planning Commissioners, Parks and Recreation Commissioners and City staff will not be paid by the City.
4. **Action:** Reduce the number of Council members attending the Orange County League Monthly Dinner Meetings from two to one per month.
Budget Impact: \$500 reduction in the General Fund – City Council Department.
Service Impact: The City will only pay for one member of the City Council to attend monthly Orange County Division League meetings. This does not limit the numbers of Council members that may attend the meetings, simply the number the City will pay for.
5. **Action:** Remove Sister City travel allocation.
Budget Impact: \$10,000 reduction in the General Fund – City Council Department.
Service Impact: Participants in the Sister City program will need to secure alternative sources of funding for the cost of airfare to and from Australia.
6. **Action:** Suspend High School Grad Night contribution.
Budget Impact: \$3,000 reduction in the General Fund – City Council Department.
Service Impact: Money will not be available to assist local high schools with Grad Night celebrations.
7. **Action:** Suspend Summer Concerts in the Park.
Budget Impact: \$28,910 reduction in the General Fund – Administrative Services Department.
Service Impact: This will eliminate the 6 proposed summer concerts in Fairview Park.
8. **Action:** Suspend Mobile Recreation Program.
Budget Impact: \$35,663 reduction in the General Fund – Administrative Services Department.
Service Impact: Eliminates 1,000 hours of Recreation programming, 85% of which takes place in low income neighborhoods. Also eliminates event support for community events (10-12 events each year).
9. **Action:** Direction that Youth Sports Flag Football and Basketball Programs become a ‘pay for use’ program, with participants paying 50% of the costs of providing the programs. Based on the current budget, a fee of approximately \$58/per season for participants of Youth Flag Football program and \$39/per season for participants of Youth Basketball program.
Budget Impact: Total \$37,669 reduction in the General Fund – Administrative Services Department.
\$18,264 reduction in Youth Sports – Flag Football
\$19,405 reduction in Youth Sports - Basketball
Service Impact: Creates a pay for play program versus a fully subsidized free youth sports program. May reduce number of participants in program due to affordability.

10. **Action:** Suspend Downtown Recreation Center (DRC) Teen Drop-In Program, and match up to 50% of the program funds for TeWinkle School Teen Program.
Budget Impact: \$37,292 - reduction in the General Fund – Administrative Services Department.
Service Impact: Eliminates supervised play program at Downtown Recreation Center (“open gym” will still be available for kids to check out balls and play in the gym, but there will be no organized activities); TeWinkle program hours will be reduced (from five days per week to four days per week; 3:45pm start time – 5:45pm end time) and no programs will be offered during school breaks or teacher work days. Teen Camp – a 100% fee offset program – will continue as originally budgeted.
11. **Action:** Suspend Special Recreation Events Program.
Budget Impact: \$10,798 reduction in the General Fund – Administrative Services Department.
Service Impact: Eliminates all event programming and community events support; eliminates funding for groundbreaking and other ceremonies not paid for out of project funds; eliminates Youth in Government program; eliminates Circle of Service program; eliminates Fall event (Snow Hill or Harvest Day type of events); eliminates funding for promotional materials for school and other outside group visits.
12. **Action:** Approved the 10-week closure (instead of original 24-week closure) of the Community Pool at the DRC. Increase the use fee to \$5/per swim. Directed staff to work with lap swimmers and others to review all suggestions for increased facility use and revenue.
Budget Impact: \$27,514 increase in the General Fund – Administrative Services Department.
Service Impact: The Community Pool at the DRC will only be closed for 10 weeks instead of the 24-week closure initially proposed.
13. **Action:** Remove cell phone services for the City Council from the budget.
Budget Impact: \$0 reduction in the General Fund.
Service Impact: Currently there are no cell phone services paid by the City for City Councilmembers.
- Total Budget Impact: \$156,968 reduction of General Fund appropriations, \$24,517 reduction of CDBG Fund appropriations until amount is re-appropriated.**

Please keep in mind that responses presented above are “brief” responses prepared based on the limited time staff had to prepare a response and are not intended to be a thorough and detailed analysis of the subject matter. The responses included herein are a consolidation of responses received from all departments. Staff is available to answer questions regarding any information presented herein.

Bobby Young
Budget and Research Officer