



**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 11, 2009

**SUBJECT: *FOLLOWUP TO COUNCILMEMBER QUESTIONS FROM STUDY
SESSION FOR PROPOSED FY 2009-10 BUDGET***

During the Costa Mesa City Council Study Session on June 9, 2009 regarding the Proposed Fiscal Year 2009-2010 Budget, Council members requested additional information from staff on a variety of issues. Those issues that Staff is able to respond to immediately are briefly summarized below. For other items that will require additional research and follow-up, Staff will provide responses in the near future.

1. **Question:** What was the FY 08-09 year end Sales Tax revenue estimate in November 2008?

Response: At the City Council Study Session on November 12, 2008, Finance staff had estimated a 5% (\$1,850,000) reduction in Sales Tax which would have put the year end estimate at \$47,225,000.

The following is a timeline of Finance estimates and projection of Sales Tax revenue. All amounts include Sales Tax In-Lieu.

July 1, 2008 – FY 08-09 Adopted Budget	\$49,075,000
November 12, 2008 – Cost Cutting/Budget Balancing Study Session	\$47,225,000
February 10, 2009 – Mid year Budget Review	\$44,167,500
June 9, 2009 – FY 08-09 current year end projected	\$40,055,112
June 9, 2009 – FY 09-10 Proposed revenue estimate	\$39,874,000

2. **Question:** What is the detailed breakdown of the Employer Contribution Retiree Medical account budget from page 42?

Response: Council Policy 300-1 obligations -	\$1,648,611
Retiree Health Savings (RHS) obligations –	\$508,764
Total amount budgeted –	\$2,157,375

Part of the City’s 10-point plan is a negotiated suspension of the RHS obligations with all employee groups. At such time suspension of this item is successfully negotiated, staff will de-appropriate \$508,764 (or an amount calculated based on actual expected savings) from the FY 09-10 budget.

3. **Question:** What are the budgeted costs of the Planning Commission and Parks and Recreation Commission?

Response:

Planning Commission – Total \$26,850

Meals (already reduced for meetings once monthly) - \$2,250

Planning Directors Association of Orange County Annual Forum - \$600

Board Member Fees - \$24,000

Park & Recreation Commission – Total \$7,500

Meals - \$2,400

California Association of Parks & Recreation Commissioners and Board Members - \$200

Stationary & Office Supplies (tapes & batteries) - \$200

Multimedia, Promotions & Subscriptions (books, magazines, chair awards) - \$200

Board Member Fees - \$4,500

4. **Question:** What are the budgeted costs of the Police Department – Community Services Program #10134 (by individual event)?

Response: The Community Services program M & O accounts have been cut a total of 35% for the FY 09-10 Budget. The program funds Crime Prevention and the various community programs and services it provides. The following chart *represents only the programs currently budgeted* and the amount for the specific program. The chart also shows the three programs that have been cut due to budget restraints.

Active Programs:

Citizens' Academy	\$1,500
Neighborhood Watch	\$1,600
National Night Out	\$1,000
Drug Awareness	\$1,000
• Red Ribbon	
Santa Program	\$1,300
Child Safety	\$1,300
• Community Helpers/Child Safety	
• Safety with McGruff	
• 9-1-1/Child Safety	
• Stranger Awareness	
• Internet Safety	
• Walk to School	
Personal Safety	\$400
• Identity Theft	
• Identity Theft/Fraud for Seniors	
• Senior Safety	
• Safety in the Workplace	
• Adult Personal Safety	

Events that have been cut:

Keep Your Teen Safe

Emergency Service Expo

Youth Expo

5. **Question:** If the City did not organize and manage a Neighbors for Neighbors Program, what otherwise could the City do with those funds?

Response: Neighbors for Neighbors is a housing rehabilitation program as well as a community-wide volunteer project. It is budgeted at \$91,747 per year, \$67,128 for staff costs and benefits, \$24,517 for maintenance and operations.

Because of the Neighbors for Neighbors program, we are able to count 10 or more homes per year toward our housing rehab goals which ties into our HUD required Annual Plan and our 5-year Consolidated Plan. This is extremely important since one of the main objectives contained within the Consolidated Plan is to preserve neighborhoods and foster and maintain affordable housing. We also use this program to leverage our HOME and RDA grants and loans. Low income homeowners can save money by getting their houses painted, trash hauled away and yards landscaped for free so that we can use the HOME and RDA grant and loan money for the more serious code violations.

By not doing the Spring park clean-up, the City has already saved \$17,000 in labor and materials costs. Additionally, it should be noted that over \$11,000 of donated labor is received as well as thousands of dollars of both cash and in-kind donations each year to help fund this event.

If the \$24,517 in m&o wasn't used for Neighbors for Neighbors it could be used for a capital improvement project.

The \$67,128 in salaries represents full time staff, which work on Neighbors for Neighbors as well as a variety of programs. These salaries would be re-distributed mainly to the Redevelopment and HOME housing rehabilitation programs and eventually result in the production of 8 additional grants. However, additional staff time would have to be spent over the next year re-training staff in work write-ups and other construction techniques before production would really increase.

There is currently a Housing Rehabilitation consultant budgeted for approximately 17 hrs per week in the housing rehabilitation accounts. He is used primarily to service the CalHome loans and manage excess HOME funds which had accumulated to staff vacancies from 2005-2007. As of late, he has been filling in 1 day per week for one of the full time housing rehabilitation coordinators who is spending approximately 10-12 hours per week working with the Assistant City Manager on the Edison energy grant application.

If the Neighbors for Neighbors program were eliminated, the Housing Rehabilitation consultant could eventually be phased out within 6 months after some initial staff training and, after his projects were closed out. This could save approximately \$34,000 in housing rehabilitation funds which could only be used for other housing projects. It would have absolutely no effect on the General Fund.

6. **Question:** What are the budgeted costs/breakdown of the reduction of the City’s Pool and Aquatics Program?

Response: The reduction proposed is for a 6 month closure, with total savings from this proposal of \$122,471.

This savings is achieved as follows:

Sub-Program	Full Year	With Closure	Reduction
Facility Staff	\$ 261,525	\$ 168,813	\$ 92,712
Lesson/Program ¹ Staff	35,222	30,023	5,199 ²
Materials/Supplies	<u>11,775</u>	<u>7,675</u>	<u>4,100</u>
Total Aquatics Program	<u>\$ 308,522</u>	<u>\$ 206,511</u>	\$ 102,011

Full-time staff moved to other programs during closure (18 weeks) \$ 20,460
 Will reduce staffing at Balearic (facility coverage) because of full time coverage.

Total estimated reductions from closure of Pool facility \$ 122,471

- ¹ - Water polo, aquatics camps and junior lifeguard, family fun days
² - Eliminate water polo, jr lifeguards, family fun day

In addition, there are estimated utility savings of about \$9,000 from heating the pool which were not originally included in the estimated cost savings of \$122,471 and so are still budgeted in the Downtown Recreation Center Program. These savings would increase the total estimated reductions to \$131,471.

7. **Question:** What are the budgeted costs of Summer Concerts? How many are currently budgeted? Can are the possibilities of receiving a sponsor for each concert?

Response: The concert season will begin July 7. Currently, the budget request is for four concerts, reduced from six, in an amount of \$33,738 (\$14,151 for salaries & benefits, and \$19,587 for direct costs related to the concerts). Members Foley and Mansoor suggested that sponsors be sought to offset the cost of the concerts. Recreation staff put together a sponsor package and, thanks to the Costa Mesa Chamber of Commerce, and were able to get the information to all CM C of C members through the Chamber newsletter that came out Thursday morning (June 11). Staff additionally direct mailed several businesses that have been partners in other endeavors. At the time this memo was written, staff had received no inquiries.

8. **Question:** What are the budget impacts of a 10% (\$38,777) reduction in the Recreation – Playgrounds Program of \$387,775?

Response: The R.O.C.K.s afterschool and summer playground program takes place at 11 school sites and the fairgrounds (“The Ranch Program”) during the school year and at two sites in the summer. Over 2,400 (non-duplicated) children are enrolled. This program is offered for free and in some cases augments afterschool learning programs in partnership with the school district (Project Success). There are three levels of sites – those with 50 and fewer children on most average days have three staff assigned (seven sites), those with 50-100 average attendance have four staff assigned, and the one site with 100-150 children on average has five staff assigned. A ratio of 1:25 is what we try to program for. The two summer sites each have four regular staff and a fifth staff spends 50% of their time at each site. Four staff are assigned to The Ranch Program (down from five proposed initially) which is a 20 week program co-sponsored by The Fair, the School District and the City.

Breaking down the costs somewhat, the overall budget is \$387,775, Most of that is personnel cost, with a portion of a FT Recreation Coordinator’s salary attributed to this budget. Average direct cost per child to the City is \$1.46 per day.

Program costs:

Full-time Recreation Coordinator time attributed to this budget:		\$ 21,291
Part-time Staff:		
Program Director (Recreation Leader 4)	1,500 hours	23,042
Program Leads (Recreation Leader 3)	10,480 hours	137,569
Program Aides (Recreation Leader 2)	14,169 hours	152,819
Benefits related to all staff		32,604
Materials and supplies:		<u>20,450</u>
TOTAL PLAYGROUND PROGRAM BUDGET		<u>\$ 387,775</u>

The only way to achieve a 10% reduction would be to close two playground sites. Should this transpire, staff recommends closing Davis and Adams Schools as these have the lowest average daily attendance.

Also see attached program parent packet and rules for Fall 2008-09.

9. **Question:** What are the Youth Sports Programs and the budgeted costs for each?

Response: Youth Sports Flag Football is offered in the Fall with approximately 250 children (boys and girls) participating. **This program has been reduced from 8 game season to a 6 game season.** This program practices afterschool. There were 22 teams last Fall. Volunteer coaches assist. Each team has a head coach and an assistant coach. All coaches are certified. There are paid scorers for games. This is a free program. Each child receives a team t-shirt. Direct cost to the City is \$116 per child per season.

Program costs:

Full-time Asst. Recreation Supv. time attributed to this budget:		\$ 6,892
Part-time Staff:		
Program Director (Recreation Leader 4)	750hours	12,667
Program Coaches (Recreation Leader 3)	290 hours	3,605
Program Asst Coaches, scorer/timers (Recreation Leader 2)	470 hours	4,827
Benefits		4,587
Materials and supplies:		<u>3,950</u>
TOTAL YOUTH FLAG FOOTBALL BUDGET		<u>\$ 36,528</u>

Youth Sports Basketball is offered in the winter with approximately 400 children participating. **This program has been reduced from 8 game season to a 6 game season.** This program practices afterschool. There were 43 teams this past season. Volunteer coaches assist. Each team has a head coach and an assistant coach. All coaches are certified. There are paid scorers for games. This is a free program. Each child receives a team t-shirt. Direct cost to the City is \$77.50 per child per season.

Program costs:

FT Asst. Recreation Supv. time attributed to this budget:		\$ 6,892
PT Staff		
Program Director (Recreation Leader 4)	592 hours	10,012
Program Coaches (Recreation Leader 3)	322 hours	4,003
Program Asst Coaches, scorer/timers (Recreation Leader 2)	848 hours	8,709
Benefits		4,643
Materials and supplies:		<u>4,550</u>
TOTAL YOUTH FLAG FOOTBALL BUDGET		<u>\$ 38,809</u>

10. **Question:** What would be the impacts of reduced flight hours for the ABLE helicopter program?

Response: ABLE operates the EC120B helicopter, which has a published hourly rate of \$255 per flight hour. Since ABLE is owned by two Cities, the reduction of flight time would relate to a savings of \$127.50 per City and require approval of the ABLE Board of Governors.

ABLE's budget is predicated on the annual flight time of 3000 hours. If flight times were reduced by 10 percent, each City could see a savings of approximately \$38,000.

There are several areas to consider with a reduction in flight time. The 2009/2010 budget calls for potential layoffs of nine sworn police officers. This will likely affect Field Operation's (Patrol) staffing levels. The helicopter is a force multiplier and a very effective tool in supporting ground units. When the aircraft is airborne, it is first to arrive over an incident 85% of the time. By the mere presence of the aircraft, crime is deterred. For the ground officers who will potentially be doing more with less, the aircraft can be a critical component for officer safety and overall effectiveness of public safety.

This year, the Santa Ana Police Department increased their contributions by 21 percent. That equates to an additional \$74,000 in cash. If ABLE reduces their flight time, the City of Santa Ana will receive the same amount of coverage and the member agencies will realize the reduction in service.

The 2009/2010 FY, Santa Ana will provide \$320,000 cash payment for ABLE's services, an increase from previous years that results in a savings of \$37,000 for the city.

ABLE is currently renegotiating an insurance contract and the price quoted is \$87,444, which is \$96,000 under budget and a savings of \$48,000 to each member agency.

During the budget process, ABLE was requested to look at reducing costs to the City. ABLE has available fund balance and the ABLE Board voted to pay for pilot training for two officers, one from each City. This permitted the Police Department to remove \$65,000 from their budget for professional development.

With the reduction in insurance premiums and the additional funds from Santa Ana, both member agencies should be able to reduce their 2009/2010 contributions by \$85,000. These savings, combined with the use of fund balance to pay for pilot training, results in a savings of over \$150,000 to each City without reducing flight times.

11. **Question:** What are the budgeted costs for the CERT Program and number of participants?

Response: The CERT Program is coordinated by Fire Protection Specialist Brenda Emrick, who devotes about 55% of her time (22 hours per week) to the CERT Program. This equates to about \$55,786 in salary and benefits. The program is managed by Training Battalion Chief Kirk Dominic – management time is negligible due to Brenda’s command of the Program. Others City employees involved in training and instruction for CERT, on and as-needed, on duty basis come from: Telecommunications, Police Department, and Fire Department Operations. CERT volunteers also assist with training and instruction. The total annual cost of the CERT Program is \$61,270 which includes salary/benefits (\$55,786) + **supplies/materials (\$5,484)**. The material costs are offset to some degree by grants and donations (\$12,704 from 2005 - 2009). A total of 951 Costa Mesa citizens have completed the CERT Program.

Specific annual instructional costs (less administrative costs) for the CERT Program are \$20,184 which represents 420 hours of instructional time along with books and materials.

➤ The CERT Program consists of four courses:

1. CERT: Community Emergency Response Training – 20 hours per class+ 10 hrs. prep
3 classes per year
30 students per class (average)
343 participants have completed training since 2006
Cost of materials is \$38.00 per student = \$1,140 / class = \$3,420 / year
Cost of instruction (staff time) is \$1,050 per class
Total cost per class is \$2,190
Annual cost is \$6,570, **Annual budgeted materials = \$3,420**
2. BERT: Business Emergency Response Training – 8 hours per class
6 classes per year (average)
20 students per class (average)
295 participants have completed training since 2006
Cost of materials is \$2.50 per student = \$50 / class = \$300 / year
Cost of instruction (staff time) is \$280 per class
Total cost per class is \$330
Annual cost is \$1,980 **Annual budgeted materials = \$300**
3. Teen CERT: Community Emergency Response Training for Teens – 24 hours per class + 6 hrs. prep
3 classes per year
21 students per class (average)
63 participants have completed training since 2007
Cost of materials is \$28.00 per student = \$588 / class = \$1,764 / year
Cost of instruction (staff time) is \$1,050 per class
Total cost per class is \$1,638
Annual cost is \$4,914, **Annual budgeted materials = \$1,764**
4. School ERT: School Emergency Response Training – 8 hours
24 classes per year (22 schools + 2 admin classes)
Class size varies depending on the school
250 participants have completed training since 2008
No cost, school supported
Cost of instruction (staff time) is \$280 per class
Annual cost is \$6,720, **Annual budgeted materials = \$0**

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 will be available at the City Council meeting the evening of June 16th to answer questions regarding any information presented herein.

Bobby Young
Budget and Research Officer

Attachments: 1. Playground Program – Parent Packets 2008-09
2. Playground Program – Rules Fall 2008-09

Dear Parents/Guardians of Costa Mesa R.O.C.K.S Program participants:



We are looking forward to having your son/daughter participate in the City of Costa Mesa Recreation Division's **2008-2009 After School R.O.C.K.S Program** and hope that each participant in our program has a positive experience. Here is some information about how the R.O.C.K.S Program operates:

- The Costa Mesa R.O.C.K.S Program provides supervision by City of Costa Mesa Recreation Staff on the school's playground Monday through Friday from the time school is dismissed until 5:00pm. Recreation Leaders will only wait until 5:30pm to make sure all participants have been picked up. The program is open when school is in session and is closed on all NMUSD holidays, in-service days, and vacation breaks.
- **The Costa Mesa R.O.C.K.S Program is a *DROP-IN RECREATIONAL PROGRAM* that allows the children to come and go freely. It is NOT a licensed day care program where participants are required to stay on-site.**
- School campuses are open to use by the community for recreational and educational purposes after school lets out each day. In addition to the R.O.C.K.S Program, other programs or activities on site include, but are not limited to, school sponsored programs such as "Project Success" and/or specialty clubs, outside organizations like the YMCA, Boys and Girls Club, community-based sports organizations (AYSO, Little League, Pop Warner, etc) and the general public.
- Please complete the **Minor Release & Emergency Form** that has been provided to you and return it to the R.O.C.K.S Program staff at your child's site as soon as possible.
- Staff cannot stay past 5:30pm to supervise the playground and/or children. If children are not picked up by 5:30pm and have informed staff they do not have permission from their parents to go home on their own, staff will attempt to contact names listed on the emergency form to arrange pick-up. If staff cannot reach parents or others listed on the emergency form, the Costa Mesa Police Department (CMPD) will be called and the child will be picked-up and held in protective custody until a parent or legal guardian arrives. Please do not put us, the CMPD, or most importantly your child in this position.
- **ACTIVITIES:** Each participant in the program will have the opportunity to participate in active & passive games, have homework help four times a week, arts & crafts, enrichment activities, and free-play. We also provide **FREE** Youth Sports programs (Flag Football, Basketball, and Kickball) throughout the year. For more information call (714) 754-5158.
- **STAFFING:** We will attempt to have at least two Recreation Leaders at each site at all times. Our staff will spend a considerable amount of time with your child; we encourage every parent/guardian to introduce themselves to our staff and to get to know them on a first name basis. If your child has special needs, please communicate this to our staff.
- Enclosed is a copy of the "**R.O.C.K.S Program Rules**" and "**Participant Disciplinary Process.**" Please take the time to review these with your child so you all understand what our expectations are.
- Finally, if you or your child is having a problem in the program, **please communicate this to staff and/or me** and we will do everything possible to correct the situation.

If you have questions or concerns about the 2008-2009 After School R.O.C.K.S Program, please call me at (714) 754-5158.

Respectfully,

Lindsay Cutrell
Recreation Coordinator

Revised 08/08



City of Costa Mesa
Administrative Services Department
Recreation Division

COSTA MESA R.O.C.K.S PROGRAM RULES

Dear Parent or Guardian:

As a participant in the R.O.C.K.S Program, in addition to the school rules that apply during the school day, your child is expected to follow these R.O.C.K.S Program rules:

1. Children are expected to do 30 minutes of homework/quiet time everyday except for Fridays. They can do their homework, read a book, work on coloring/work sheets, and quiet board games. Those who do their homework will receive "Caught doing good" tickets for the end of the month raffle.
2. No rude behavior, foul language, spitting, or fighting of any kind will be permitted.
3. If children are experiencing problems with other children in the program, they are expected to tell on-site Recreation Leaders and let them handle disciplining of children involved.
4. When your child needs to use the restroom, make sure they use the "Buddy System."
5. Shoes must be worn on the playground at all times. No sandals or open toed shoes allowed.
6. Students must remain in the playground area at all times or they must leave the school grounds.
7. No playing behind buildings, in bathrooms, or in front of the school. For your child's safety, please make sure they remain on the playground where they can be seen by staff at all times.
8. No throwing of any objects (i.e. sand, rocks, etc.). Only approved sporting equipment can be thrown and only with approval of on-site Recreation Leaders.
9. No human pyramids, dog piling, chicken fighting, or tackle football (use flags or play touch).
10. "School lunch area tables" are for eating, drinking, or homework only. Lunch tables are reserved for quiet activities, arts & crafts, homework, etc. Do not sit on top of the tables, or run or play by them.
11. No climbing on school fences, gates, buildings or roofs, trees, etc.
12. All children must stay away from neighborhood walls and fences.
13. Handball, kickball, and other sporting games are allowed in designated areas only.
14. Do not throw or bounce balls against school building walls or classrooms. These activities can be done only against designated walls.
15. Sand/woodchips are to remain in the sand box. No water is allowed in the sand/woodchip area.
16. When playing on monkey bars: only one child on the bars at a time, both hands must be on the bars at all times, and no standing on top of bars, rings, or other play equipment.
17. When using the swings, do not jump off the swing in mid-swing, come to a complete stop and then get off of the swing.
18. Do not bring personal toys/games on campus (Pokeman/trading cards, Gameboys, or other electronical devices).
19. Bikes, Razors, and Skateboards, and Roller Skates/Blades are not allowed on campus.

Please review these rules with your child. Consequences for breaking rules will result in disciplinary action and as a last result may involve expulsion from the R.O.C.K.S Program. Thank you for your cooperation and we truly hope your child has a wonderful time in our program.

Respectfully,

Lindsay Cutrell
Recreation Coordinator

Revised 08/08



City of Costa Mesa
Administrative Services Department
Recreation Division

Costa Mesa R.O.C.K.S Program 2008-2009

PARTICIPANT DISCIPLINE PROCESS

In all cases, the following "graduated" procedures and steps must be followed when disciplining a participant in the after school and/or summer R.O.C.K.S program:

1. If a participant displays inappropriate behavior, inform the participant of what they did wrong. Explain to the participant that in the future, we will take action & discipline them with time outs, notify their parents, and/or remove them from the program. If behavior continues, go to step #2.
2. Review the R.O.C.K.S Program Rules & School Rules with the participant. Provide the participant with a time-out, no more than 5 minutes total time for each infraction. If behavior continues, go to step # 3.
3. If a serious behavior problem continues and steps 1 & 2 have been followed, contact the participant's parents/guardians immediately, inform them of the problem and fill out a disciplinary action form that will be kept on file at the Balearic Community Center. If behavior continues, go to step #4.
4. If the inappropriate behavior continues to occur and steps 1-3 have been followed, a disciplinary action form must be filled out, notify R.O.C.K.S Program supervisory staff and a meeting will be scheduled to discuss the inappropriate behavior with the participant, participant's parents/guardians, playground staff, and supervisory staff. At this point, parents/guardians will be informed that if the behavior continues, suspension and/or expulsion from the R.O.C.K.S Program is possible. The meeting will take place at the Balearic Community Center, the participant's school site, or by phone. If behavior continues, go to step #5.
5. If steps 1-4 have not resolved the situation, and inappropriate behavior continues, a disciplinary action form must be filled out and inform R.O.C.K.S Program supervisory staff and they will contact the parents/guardians to inform them that their child will be suspended from the R.O.C.K.S Program for a specified period of time (1 day to 2 weeks). A letter will be sent to the parents/guardians by supervisory staff to confirm the suspension and to inform them that if the behavior continues their child will be expelled from the R.O.C.K.S Program. If behavior continues, go to step #6.
6. If steps 1-5 have been followed and the inappropriate behavior continues to occur, a disciplinary action form must be filled out and R.O.C.K.S Program supervisory staff will contact the parents/guardians to inform them that their child has been expelled from the R.O.C.K.S Program. A letter will be sent to the parents/guardians by supervisory staff to confirm the expulsion.

NOTE: Depending on the severity of the infraction, it may result in an automatic suspension and/or expulsion from the R.O.C.K.S Program. Any suspension will be approved by the Recreation Coordinator and will identify a specific period of time that the participant will be suspended. Expulsion of a participant is a last resort and will only be done if all other options have been explored and considered.

Respectfully,

Lindsay Cutrell
Recreation Coordinator

Revised 08/08