

City of Pacifica  
Financing City Services Taskforce  
Minutes – August 10, 2011

1. Call to Order: 7:05 by Karen Ervin as temporary chair.  
Attending: Bruce Banco, Mary Ellen Carroll, Greg Cochran, Suzan Getchell-Wallace, Sue Vaterlaus, Karen Ervin, Bill Bent, Omar Saleh, Pete Shoemaker, Mary Ann Nihart and Len Stone.

Staff: Steve Rhodes, Ann Ritzma

2. Election of Chair and Vice Chair – Bruce Banco was elected as Chair and Mary Ellen Carroll was elected as Vice Chair.
3. Goals and Objectives:

City Manager, Steve Rhodes, summarized that the Financing City Services Taskforce was beginning the process of creating a new 5-year financial plan after the failure of the Fire Suppression Assessment and FY 2011/12 budget reductions of \$1.5 million. A structural deficit still exists and dwindling reserves are being used to balance the current budget. The City Council has not adopted a reserve policy.

CM Rhodes presented three scenarios to assist the Taskforce in their discussion of goals and objectives for a revised 5 year financial plan. The scenarios were based on the current budget:

Scenario 1:

City proposes and voters approve new UUT in Nov 2012

Five year projection – No cuts in services

In year 2016/17 - 15% reserve (\$ 4 million)

Scenario 2:

No UUT (either not proposed or it fails)

Five year projection – \$500,000 annual cut (maintain reduction each year)

In year 2016/17 - 10% reserve (\$ 2.7 million)

Scenario 3:

No UUT (either not proposed or it fails)

Five year projection - \$770,000 annual cut (maintain reduction each year)

In year 2016/17 - 15% reserve (\$ 4 million)

The group discussed several goals and objectives:

Goals: **Develop a 5 year Financial Plan**

Discuss “what is a balanced budget or 5 year plan or brings us to financial stability”

Focus on fiscal realities as opposed to services and make fiscally sound recommendations.

Define “essential services” as part of discussion.

**Discuss a reserve policy and/ or set a reserve amount (percentage of total expenditures)**

Make recommendation regarding levels of reserve (high/low)

Objectives:

1 - Look at cuts, concessions and revenue measures

Revenues: Highs, lows and new

Expenditures: Review from prior presentations

Develop alternatives and 5 year plan

Look at outsourcing and tools for outsourcing

Discuss public information and the impacts of being more fiscally conservative including the choices, risks and trade offs.

2 - Look at longer term revenues and economic development

Get information from the economic development committee

Promote public education about Palmetto Avenue and Beach Blvd. Palmetto timeline – completion prior to Fogfest 2013.

3 – Plan for the passage or failure of the UUT – election Nov 2012

4 – Process –

a) Look at wide variety of options – develop PROS and CONS (consequences)

b) Present options to Public and gather feedback

c) Refine

d) Present revised options to Public

e) Finalize document and make recommendations to City Council.

4. Public comment:

Aren Clark: Concerned that the cuts will come from public works. Suggested transferring the maintenance of trees, etc. to property owners. Concerned about contracting out and wants taskforce to keep in mind creation of local jobs and tax revenue staying in Pacifica.

Rhonda Shaw: Concerned about public safety services and wanted to make sure homeowners understand the options being considered. Suggested using public surveys to gather opinions.

Cindy Abbott: Suggested looking at essential services and figuring out how each position is spending time (perhaps there are things the City can stop doing and shift resources?). Recommended looking at website: CaliforniaForward – which challenges a user to solve a State budget.

Jim Tasa: Need to focus on long term permanent solutions as 5 year plan is not a temporary fix.

Adjourned at 8:30 p.m.