

TOWN OF PARADISE

2019/20 Budget Update
November 12, 2019





**Fiscal Year
2019/20
Budget was
Adopted
August 13,
2019**



Budget Realities



The Budget is Evolving Quickly

Personnel & Funding is Dynamic



Every Goal and Task has a Process

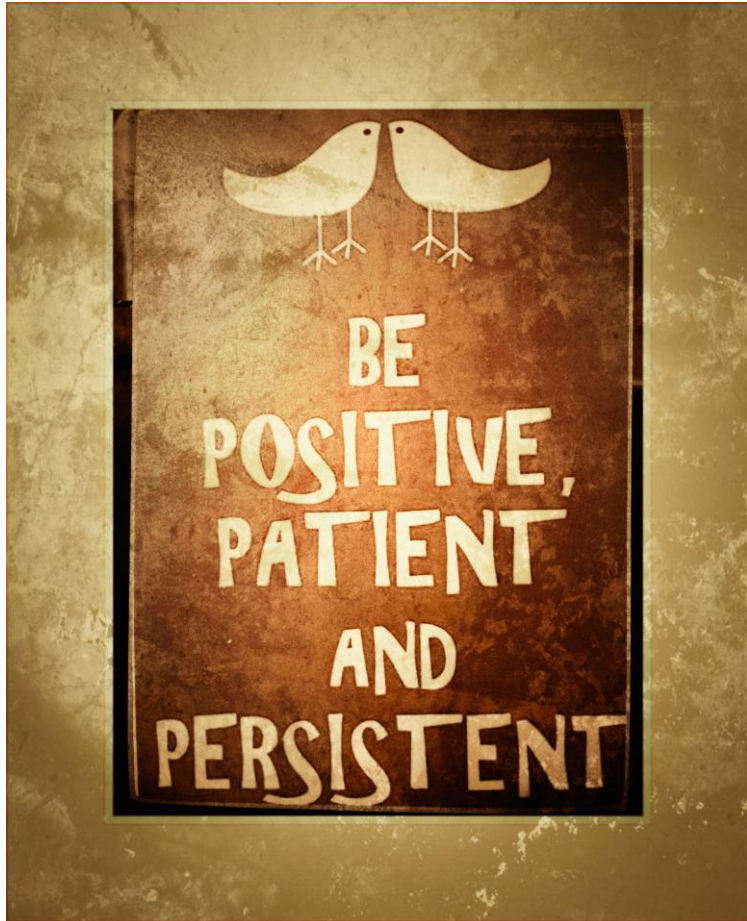
Most Projects, Contracts and Grants will come forward for Council Consideration



Many Budget Adjustments Will be Necessary

Frequent Budget Updates will be prepared to keep the Community and Town Council Informed





Personnel



Active Recruitment on Authorized Positions

Position	Status
Housing Program Technician	Function currently supported through contracted temporary hire
Maintenance Worker II	New vacancy as of 11/01/19
Senior Mechanic	New vacancy as of 10/15/19 - temporary outsource repairs and maintenance
Police Officers (3)	Recruitment, backgrounds and trainees in progress
Police Sergeant	Recruitment in progress
Public Works Director/Town Engineer	1 st Interview complete



Personnel Update

Competitive Salaries Creating Interest in Vacancies

- Regional Housing & Skilled Worker Shortage creates challenge

Started Organizational Study

- Koff & Associates - 2nd Phase after Classification and Compensation Study
- Will Take 4 - 5 Months
- Will provide staffing recommendations

Camp Fire Impacts Every Department

- Activities within Building Safety and Wastewater increase 1200%
- Has a ripple effect through the organization, especially in administration

Recommend Hiring a Few Key Positions

- In order to keep moving forward with Grants and Recovery



Authorize Hire of Key Positions

Position	Funding Source	Description
Associate Planner	Planning & Building Safety Wastewater	Work on general plan update and development ordinances
Code Enforcement Officer II (Hourly/Part Time)	Business & Housing Grants	Identify homes and properties with code enforcement issues
Management Analyst	General Fund	Support Town Manager & Administrative Services while Senior Management Analyst focuses on Grants & Recovery Projects
Police Administrative Sergeant	General Fund	In Lieu of 2 nd Lieutenant, assists with supervision of junior officers and administration
Procurement Officer	Proportionally Shared by All Funds	Implement centralized purchasing for supplies and services above \$10,000 including contract management



Scenario 1*

Public Works Director & Director of Engineering

Same Classification

One to Lead Public Works & One to Lead CIPs & Recovery

Scenario 2

Public Works Director/Town Engineer & Assistant Engineer or Associate Engineer

Different Classifications depending on Qualifications

One to Lead all Projects and delegate tasks to Assistant or Associate

Scenario 3

Public Works Director/Town Engineer

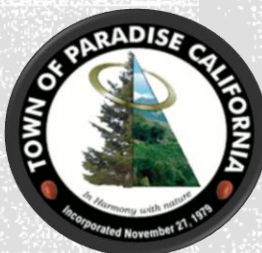
One Classification

Wait for New Public Works Director/Town Engineer to make staffing plan

Authorize Hire of up to two Engineers

- The Town recruited and interviewed a pool of engineers.
- Now staff is seeking flexibility in hiring up to two engineers.
- One to lead projects related to street restoration and capital improvements & one to lead town facility replacement and public works
- Personnel costs will be reimbursed by the projects they oversee

*included in position control



Approve updated Salary Pay Plan & Position Control

Other Salary Pay Plan Adjustments

- **Administrative Assistant (Police)** - increase hours from 36 to 40
- **Code Enforcement Officer II (Hourly/Part Time)** - match hourly rate of full time Code Enforcement Officer II
- **Police Officer Trainee** - per compensation report, increase hourly rate to 15% below police officer

Position Control Summary

- Salary Pay Plan authorizes 59.86 FTE and estimates that 53.26 FTE will be achieved by for 2019/20
- 68.08 FTE was authorized for 2017/18
- 67.98 FTE was authorized for 2018/19





General Fund



General Fund Revenue Adjustments

Real Property Transfer Taxes trending \$14,500 higher

SAFER Grant will reimburse the Town about \$241,459 in 2019/20 for four firefighters

CDD Planning Temporary Use Permits will generate about \$27,000 more than expected

Engineering Fees, especially lot merger reviews, trending about \$9,000 higher



\$5,000,000 Lost Tax Insurance

(741,084) Estimated use in 2018/19

(2,866,005) Estimated use in 2019/20

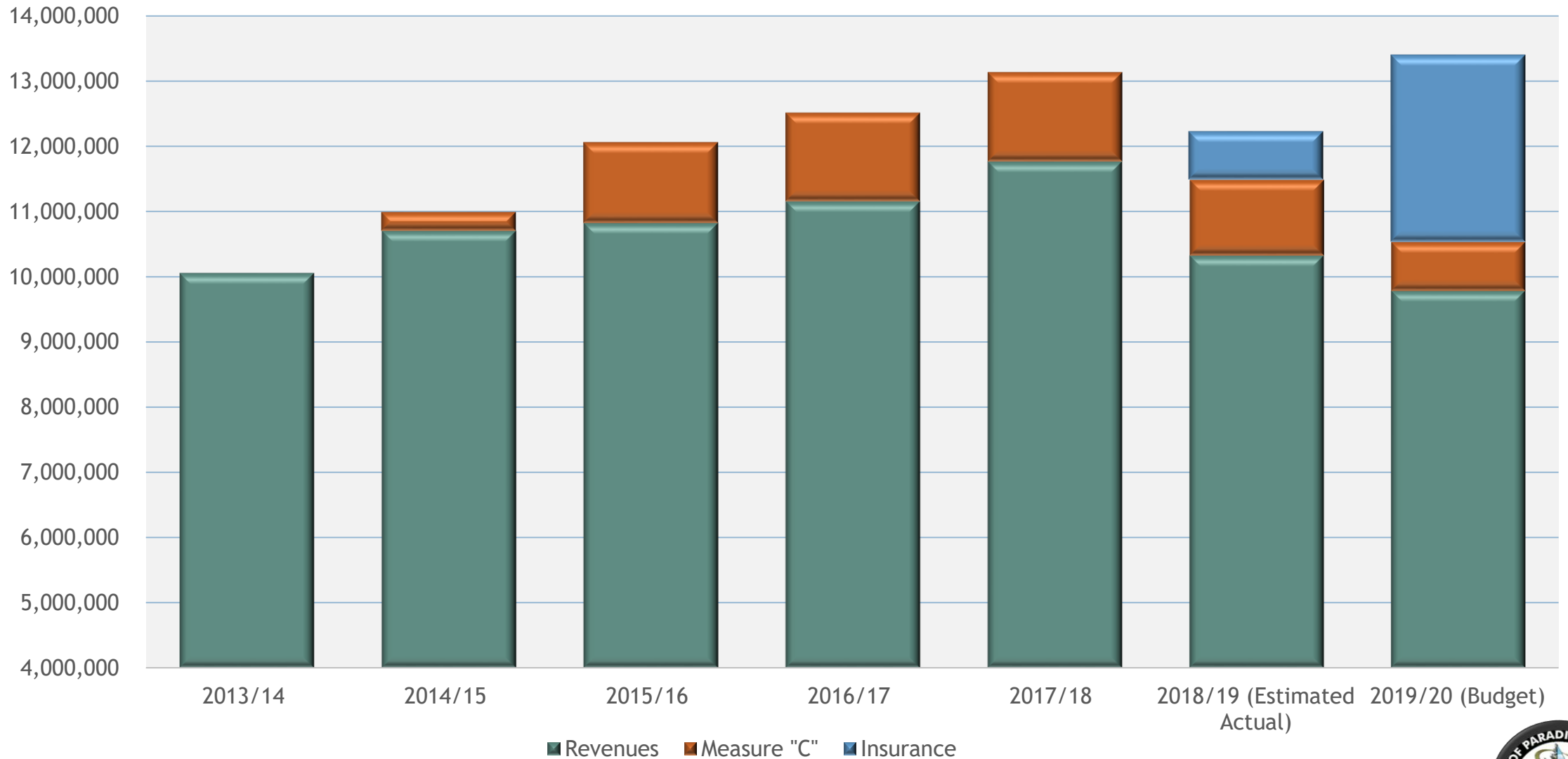
\$1,392,911 Remaining Balance

Insurance Lost Tax Revenue

- Town has received \$3.2 Million of \$5 Million from insurance for lost tax revenue
 - Will need \$370,000 more to balance 2019/20
- It is estimated to use \$129,000 less than budgeted in 2019/20 in order to maintain cash flow reserves



General Fund Revenues Seven Year Comparison



Purchase & Equipping of 3 Police Cars was not finalized in 2018/19

- \$22,851 of expense carried over to 2019/20

Animal Control Services will use an additional \$49,500 to maintain staffing & operations in 2019/20

Measure C Expense Adjustments





Town Management &
Administrative Services
\$268,000



Community Development
Functions \$15,286



Public Works Functions
\$67,673

Expense Adjustments Due to Personnel Updates



Administration

Fully Staffed

Chief, Lieutenant &
Administrative Assistant

Operations

Goal to have 11 officers -
8.83 estimated

Request 5th Sergeant for
Supervision & Admin
Support - 4.09 estimated

Communications

Remaining Staff Supervisor,
Property & Evidence Tech &
1 Dispatcher

Dispatch is being fully
transitioned to Butte
County Sheriff

Remaining employees
critical to Records
Management Function

Police Department

\$192,938 expense adjustment due to personnel updates



Fire Department

\$98,062 Expense Adjustment

\$37,416 less after personnel updates & CalPERS expense reallocated based on authorized positions

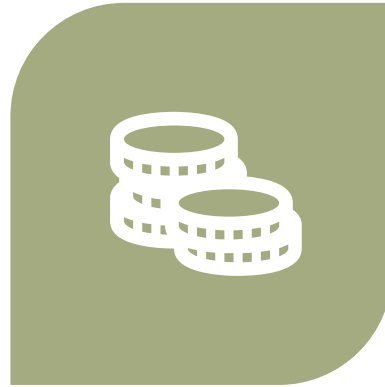
SAFER Grant Award of 4 Firefighters (FF) will provide less Savings

- Non-supplanting waiver allows supplanting of dollars not positions
- At time of award, Fire Suppression had 14 filled & 1 vacant positions
- Grant will require maintenance of 18 positions for 3 years
- 1 SAFER FF will fill vacancy creating \$200,000 in savings
- 3 SAFER FF will be used to backfill training, vacation & sick leave creating \$150,000 in savings
- SAFER grant will allow proactive fire prevention - community outreach & hazardous property identification
- Added cost of \$135,478 is offset by \$241,459 in reimbursements for 2019/20



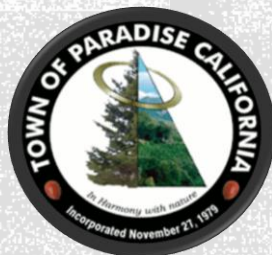


GENERAL FUND CASH FLOW
RESERVES \$1.55 MILLION



MEASURE C CONTINGENCY
RESERVE \$962,000

Ending Fund Balance & Reserves



Positive Attitude

~~IM~~POSSIBLE

Building Safety and Wastewater



	2019/20 Budget	2019/20 Actual to Date	2019/20 Proposed Budget	2019/20 Budget Adjustment
Plan Checks	700,000	497,349	1,000,000	300,000
Building Permits	650,000	602,953	1,200,000	550,000
Onsite Alterations	8,000	11,648	15,000	7,000
Fire Code Inspections	50,000	67,874	100,000	50,000

Revenue Adjustments \$907,000





Building Permit Grant

\$1 million
to offset
the cost of
permit fees



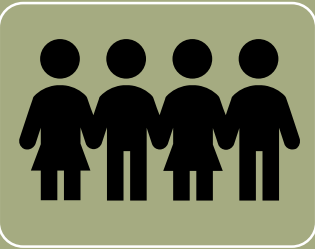
½ of
permit fees
up to
\$3,500 per
household



As of
10/28/19
Residents
have used
\$544,723 for
291 permits

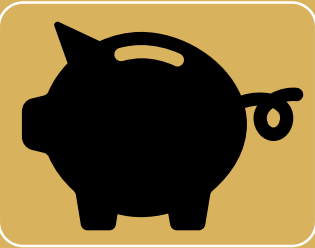


Expenditures and Reserves



Expenditures trending \$1.01 million higher

- \$78,105 personnel updates
- \$931,875 increase in professional service contract for plan checks and building permits



Ending Fund Balance/Reserves reduced to about \$1.07 million





PATIENCE

Is A Virtue

lo/ MotivatedPhotos.com

Animal Control Services



Animal Control Budget Adjustments



\$50,913 increase from personnel updates



Additional \$49,502 contribution from Measure C to Balance Fund & Maintain Operations





Camp Fire Recovery Fund



Public Assistance & Insurance Advances

- Town received \$5 Million from Cal OES as advance for Public Assistance
- Expected to use about \$32,500 less in 2019/20

\$5,000,000	Advance on PA
(1,879,165)	2018/19 Estimate
(1,041,405)	2019/20 Estimate
<u>\$2,079,430</u>	Remaining Balance

- Town received \$2.5 million advance from insurance for property loss
- Will request \$500,000 more for repairs and replacements

\$2,497,617	Insurance Advance
(1,169,693)	2018/19 Estimate
(1,800,275)	2019/20 Estimate
<u>(\$472,351)</u>	Insurance Claim





Used Grants to Develop Recovery Plan, Communication Assistance, Animal Shelter Needs & Study Road Conditions

Donations used as match for public assistance grant

\$549,623 in 2018/19

\$100,904 in 2019/20

\$125,277 in 2018/19

\$219,427 in 2019/20

Grants and Donations





Gas Tax/Street Maintenance



Street Maintenance Adjustments

01

\$102,897 increase
from personnel
updates

02

\$38,050 increase to
professional
services to allow for
handoff of projects
and workload to
new hire(s)

03

Ending fund balance
reserve is \$428,000
- Adequate to
support Downtown
Gap Closure Project





Business and Housing





\$78,158 increase from
personnel updates



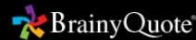
\$194,000 estimated ending
fund balance

Business and Housing Adjustments



**Great works are performed
not by strength but by
perseverance.**

Samuel Johnson

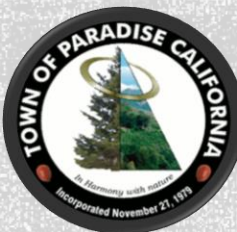


Council Action Requested



1. Adopt Resolution approving the amended position control and salary pay plan for the 2019/20 fiscal year
2. Authorize flexibility in the hiring of up to two engineers and revised job classification descriptions
3. Approve job classification descriptions inadvertently left off September 10, 2019 classification study agenda summary (descriptions starting with C, Management Analyst I/II and Police Officer)
4. Approve recommended budget adjustments

The Town is slowly building a financial bridge for Camp Fire recovery. It is pushing forward with important recovery projects, but keeping adequate reserves to maintain operations until the PG&E settlement is received.





Questions
