

FY 2021 MAYOR'S PROPOSED BUDGET

City of Fresno

CURRENT STATUS

- Current estimates show a General Fund shortfall of \$7 million at the end of FY 2020 and over \$32 million at the end of FY 2021
- The City will not have final sales tax numbers for the 1st quarter until the end of July/August
- Other revenues will not be known until end of July/August
- It is unknown at this time if additional assistance will be forthcoming from the Federal and/or State governments
- The same uncertainty is true for other funds, i.e. gas taxes, Measure C

FY 2021 PROPOSED BUDGET

- Because of this uncertainty, the administration has submitted a Continuing Resolution to Council.
- This will, in effect, roll over the current FY 2020 Amended appropriations into FY 2021 until actual revenues are known.
- This is for all departments and all funds
- This is a temporary measure, when better numbers are known, the Administration will return to Council with a budget revision, sometime in the Fall, which will address the current status and any steps which would be taken to handle the situation

CONTINUING RESOLUTION

- Will roll over FY 2020 Amended appropriations and revenues as of May 15, 2020
- The amended budget is the FY 2020 Adopted plus all changes made by Council during the course of the fiscal year
- In effect, it extends the fiscal year until better information is known
- This temporary budget is balanced
 - 10% of appropriations will be placed into contingency
- Operating and capital budgets will be status quo, there are no new programs, positions, or projects contained within the CR
- Any new capital projects that are time sensitive will be brought back to Council for approval

ENABLING DOCUMENTS FOR THE BUDGET

- These are the normal documents submitted to Council each June.
 - Annual Appropriations Resolution (AAR)
 - Position Authorization Resolution (PAR) will reflect current positions plus any approved by Council during FY 2020
 - Salary Resolution
 - Property Tax Override (PTO) – due to the County to receive PTO property tax revenues
 - GANN Limit Resolution

STEPS ALREADY TAKEN

		FY 2020	FY 2021
	Deferred Capital		
	Parking Capital	\$1,428,800	1,795,500
	Parking smart meters (annual cost for lease & support)		626,100
	SAFER Grant		1,015,300
	Moving GF public works projects to SB1		2,081,800
	City Hall fence deferral	250,000	
	Media room remake	3,000	
	Personnel Related		
	Hiring restrictions for General Fund departments (exception for ESDs and Police Cadets)	Est. \$600,000	
	No wage increases for Unit 2 personnel (non-represented) as of 3/16/20	Est. \$50,000	
	Operational expenditure restrictions	Est. \$25,000	
	No non-mandated travel and training		
	TOTAL	2,356,800	5,518,700

ADDITIONAL STEPS UNDER REVIEW

(WITH ESTIMATED SAVINGS)

- Cuts to non-personnel appropriations
 - Across-the-Board reductions to all General Fund and Internal Service Fund Departments (\$1.5m to \$1.7m)
- Personnel actions (Some of these would involve notice to and consultation with Bargaining Units):
 - Reductions in non-MOU related accounts (i.e. overtime)
 - Note that reductions in staffing could cause increase in OT to maintain programs
 - Defunding or eliminating vacant positions
 - Savings vary, depending on exclusions,
 - If all positions are defunded or eliminated, savings estimated at approx. \$2.0m (over budgeted attrition) in FY 2021
 - Reduction in citywide temporary staffing (10% = \$426k)
 - Furloughs (if including sworn staff and all city staff) (1 week = approx. \$3.1m)
 - Salary give backs (1% from all permanent staff approx. \$1.6m)
 - Reductions in filled positions (savings depends on positions cut)
- Use of the emergency reserve
- Delay or cancelation of General Fund capital projects
 - Bulldog/6th property acquisition (\$1.3m)

CARES FUNDING (GENERAL FUND ONLY)

- Total allocation was \$92.8m
- Already committed:
 - \$10m – COVID testing & tracing (working with County)
 - \$2m – Small Business Grants program
 - \$1.5m – Rental Assistance program
 - \$500k – Farm to Table program
 - \$110,000 – EDC business education program
- CARES Strategic Plan
 - Will be presented to Council on June 11th
- Airports and Transportation also received CARES funding. These funds can only be used in those departments

OVERTIME ANALYSIS

- Analysis as of May 27, 2020
- The majority of the overtime in the General Fund is in Police and Fire Departments
 - As shown, the General Fund Departments estimate to exceed budgeted overtime by \$1.3m, primarily in the Fire Department
- Transportation Department also has significant overtime usage
- In a number of cases, overtime is used to backfill for vacancies
- A summary is shown

	Amended	Estimate	Difference
General Fund	9,250,600	10,595,784	(1,345,184)
Special Revenues	2,451,700	2,477,405	(25,705)
Capital	7,700	73,400	(65,700)
Enterprise	4,653,100	6,750,900	(2,097,800)
Internal Service	104,800	288,331	(183,531)