

is not necessary at this time, once projects have been defined, environmental review will be required and a CEQA determination completed prior to commencing to start of any of the projects identified.

ENVIRONMENTAL NOTICE

The activity is not a “Project” as defined under Section 15378 of the California Environmental Quality Act State Guidelines; therefore, pursuant to State Guidelines Section 15060(c)(3) no environmental review is required.

BOARD/COMMISSION RECOMMENDATION

On May 19, 2016 as required by the City Charter, the Parks and Recreation Commission reviewed and approved the Fiscal Year 2016-17 proposed budget for the Recreation Department and Public Works Department (Parks).

DISCUSSION

Staff submitted the Fiscal Year 2016-17 Proposed Budget document to the City Council on May 19, 2016. As required by the City Charter, the City Manager’s proposed budget was submitted to the City Council at least thirty-five days before the beginning of the fiscal year. The City Manager’s Proposed Budget was presented at the City Council meeting of May 24, 2016.

In accordance with the City Charter, a copy of the City Council’s proposed budget was made available on May 26, 2016 for public review by making a hard copy of the budget available at the City Clerk’s Office and at the City’s Libraries, as well as posting a copy of the budget on the City’s website.

On May 24, 2016 the City Council took action to accept the City Manager’s Proposed Budget as the City Council’s Proposed Budget and set a public hearing for tonight’s adoption of the fiscal year 2016 -17 budget. The budget summarized below represents the proposed City Council budget for fiscal year 2016-17. The proposed budget for fiscal year 2016-17 has been updated to reflect the following changes:

Summary of General Fund Changes

Description	Revenues	Expenditures	Net Impact
Transfer of SWBAMLA Positions from the Police Grants Fund	\$199,083	\$192,185	\$6,898
Worker’s Compensation Adjustments	-	(52)	52
Fire ALS Adjustment	36,414	(44,178)	80,592
HR Hourly Funding	-	12,117	(12,117)
Reduce PFDIF Loan repayment to the General Fund	(75,425)	-	(75,425)
Updated General Fund	160,072	160,072	-

General Fund: The preceding table summarizes the updates to the General Fund. As noted on the table, these changes increase total appropriations by \$160,072 but the General Fund remains balanced. The largest change reflects the transfer of 1.0 Police Lieutenant and 1.0 Police Agent from the Police Grants Fund to the Police Department (General Fund) due to the conclusion of the Southwest Border Anti-Money Laundering Alliance (SWBAMLA) grant funding.

Summary of Other Fund Changes

Description	Revenues	Expenditures	Net Impact
DSF - Associate Engineer to Senior Engineer	\$ -	\$16,640	(\$16,640)
CDBG - Holiday Estates Park Improvements CIP	-	83,640	83,640
HOME - Reduction of Capital expenses	-	(5,000)	5,000
ALS - ALS Program Adjustments	-	1,451	(1,451)
Public Liability Fund - Reductions due to available balance	-	(713,439)	713,439
Federal Grants - Supplies and Services to Capital (\$118,550)	-	-	-
Central Garage - Fleet Maintenance Supplies and Services	-	23,984	(23,984)
Police Grants Fund - Conclusion of SWBAMLA Grant Funding(588,021)	(588,021)	(597,383)	9,362
Sewer Service Revenue - Replacement Vehicles/Equipment	-	1,322,200	(1,322,200)
Open Space/Community Facilities District Adjustments	(765,101)	(765,101)	-
Various - Loan Adjustments	(2,020,425)	(2,270,850)	250,425
Various - Worker's Compensation Adjustments	26,838	18,279	8,559
Updated Other Funds	(3,346,709)	(2,885,579)	(461,130)

Other Funds: Collectively the above summarized changes result in a net decrease of \$461,130 to the Other Funds. The largest change is related to various inter-fund loan adjustments. These adjustments are being requested in various funds to better reflect anticipated revenue activity as well as expenditures related to the repayment of inter-fund loans. The funds affected include: (a) PFDIF - Civic Center Fund; (b) Western Park Acquisition and Development (Western PAD); (c) Park Acquisition and Development (PAD); (d) Salt Creek Sewer Basin DIF; (e) Trunk Sewer Capital Reserve; and (f) the Long Term-Advances Debt Service Fund - City Fund. The largest net impact change occurs in the Sewer Service Revenue Fund which is adding funding for the purchase and outfitting of vehicles and equipment.

The budget presented in this staff report represents the proposed City Council budget for fiscal year 2016-17, which is now presented for final Council adoption and appropriation of funds.

Attachment A, Recommended Expenditures by Department and Category, summarizes the City Council's proposed budget for fiscal year 2016-17. This report has been updated to reflect the changes outlined above. The final All Funds expenditure budget submitted for fiscal year 2016-17 totals \$292.2 million and includes transfers out of \$35.5 million. The General Fund budget totals \$146.5 million. The All Funds budget for fiscal year 2016-17 includes allocations for capital improvement projects totaling \$20.8 million. The remaining \$271.4 million represents the operating budgets for various funds including the Successor Agency to the Redevelopment Agency, Housing, Sewer, Development Services, Fleet, Debt Service, and other funds.

Estimated All Funds revenues total \$282.5 million, the Schedule of Revenues is included as Attachment B.

The following table summarizes the total impact of the changes described above.

Updated Fiscal Year 2016-17 Proposed Budget			
Description	Revenues	Expenditures	Net Impact
General Fund as Proposed in May 19 Budget Document	\$146,301,258	\$146,301,258	\$ -
General Fund Adjustments	\$ 160,072	\$ 160,072	\$ -
Updated General Fund	\$146,461,330	\$146,461,330	\$ -

Other Funds as Proposed in May 19 Budget Document	\$139,407,262	\$148,617,112	\$ (9,209,850)
Other Fund Adjustments	\$ (3,346,709)	\$ (2,885,579)	\$ (461,130)
Updated Other Funds	\$136,060,553	\$145,731,533	\$ (9,670,980)
Updated All Funds - Appropriations for FY2017	\$282,521,883	\$292,192,863	\$ (9,670,980)
Use of Reserves (Excludes General Fund)	\$ 9,670,980	\$ -	\$ 9,670,980
TOTAL ALL FUNDS	\$292,192,863	\$292,192,863	\$ -

Position Summary

The City Council Proposed Budget for fiscal year 2016-17 includes 984.25 positions for all funds. This is a net increase of 19.00 positions when compared to the fiscal year 2015-16 adopted budget that included 965.25 authorized positions. 1.00 of the 19.00 positions was approved by the City Council during fiscal year 2015-16. The Proposed Staffing by Department/Fund for fiscal year 2016-17 is included as Attachment C.

In addition, several reclassification studies were completed city-wide to reflect changes of duties performed by City personnel. Fiscal year 2015-16 changes in the General Fund resulted in no net FTE increase and changes to other funds resulted in a net increase of 1.00 FTE. The development of the fiscal year 2016-17 resulted in a net increase of 18.00 positions recommended in the fiscal year 2016-17 budget. The staffing changes are summarized in the following tables:

Summary of Fiscal Year 2015-16 Mid-Year Staffing Changes

Department/Fund	Program	Position	FTE
City Clerk (0.00)	Reclassification	Deputy City Clerk I	(1.00)
		Deputy City Clerk II	1.00
Human Resources (0.00)	Reclassification	Principal HR Analyst (PRCF)	(1.00)
		Principal HR Analyst (MMCF)	1.00
Finance (0.00)	Reclassifications	Accounting Technician	(2.00)
		Accounts Payable Supervisor	1.00
		Accountant	1.00
Police (0.00)	Reclassifications	Public Safety Analyst	(2.00)
		Senior Management Analyst	1.00
		Senior Public Safety Analyst	1.00
Fire (0.00)	Reclassification	Firefighter (112 HR)	(25.00)
		Firefighter/Paramedic (112 HR)	25.00
Public Works (0.00)	Reclassification	Electronics Technician	(1.00)
		Senior Electronics Technician	1.00
Police Grants Fund (1.00)	Reclassifications	FA Administrative Analyst II	(1.00)
		FA Senior Financial Analyst	1.00
		FA Program Analyst	(1.00)

		FA Financial Analyst	1.00
		CBAG Director IV-LECC	(1.00)
		FA IVDC-LECC Executive Director	1.00
	Fiscal Agent (FA) Positions - CBAG and SD LECC	FA Supervising Intelligence Analyst	1.00
Environmental Services Fund (0.00)	Reclassification	Recycling Specialist II	(1.00)
		Senior Recycling Specialist	1.00
CV Housing Authority (0.00)	Reclassifications	Project Coordinator II	(2.00)
		Senior Management Analyst	2.00
TOTAL CITYWIDE			1.00

Summary of Fiscal Year 2016-17 Staffing Changes

Department/Fund	Program	Position	FTE
Administration (-7.00)	Transfer to Economic Development	Director of Economic Development	(1.00)
		Environmental Sustainability Manager	(1.00)
		Principal Economic Development Specialist	(1.00)
		Real Property Manager	(1.00)
		Cultural Arts Program Manager	(1.00)
		Senior Economic Development Specialist	(1.00)
		Project Coordinator I	(1.00)
Human Resources (0.00)	Reclassification	Risk Manager	(1.00)
		Senior HR Analyst	1.00
		Senior HR Technician	(1.00)
		HR Technician	1.00
		HR Analyst	(1.00)
		Senior HR Analyst	1.00
		Principal HR Analyst	(1.00)
		HR Operations Manager	1.00
Finance (1.00)	Revenue and Recovery	Treasury and Business Manager	(1.00)
		Assistant Director of Finance	1.00
	Comptroller	Accountant	(1.00)
		Principal Management Analyst	1.00
		Accounting Technician	1.00
Animal Care Facility (0.75)	Animal Care Services	Veterinarian (Permitted)	0.75
Economic Development (14.00)	Transfer from Administration	Director of Economic Development	1.00
		Environmental Sustainability Manager	1.00
		Principal Economic Development Specialist	1.00

		Real Property Manager	1.00
		Cultural Arts Program Manager	1.00
		Senior Economic Development Specialist	1.00
		Project Coordinator I	1.00
	Reclassification	Environmental Sustainability Manager	(1.00)
		Chief Sustainability Officer	1.00
	Economic Development	Project Coordinator I	1.00
		Principal Economic Development Specialist	(1.00)
	Office of Sustainability	Senior Conservation Specialist	1.00
		Conservation Specialist	1.00
	Transfer from Environmental Services Fund	Environmental Services Manager	1.00
	Transfer from Public Works	Senior Secretary	1.00
		Conservation Specialist	3.00
Development Services-General Fund (-0.25)	Transfer to Development Services Fund	Senior Planner	(1.00)
		Associate Planner	(1.00)
	Transfer from Development Services Fund	Senior Office Specialist	1.00
		Development Services Technician II	1.00
	Long Range Planning	Planning Manager	(0.50)
		Planning Technician	(1.00)
		Associate Planner	1.25
Police (4.00)	Homeless Outreach Team	Peace Officer	2.00
	Reclassification	Latent Print Examiner	(1.00)
		Senior Latent Print Examiner	1.00
	Transfer from Police Grants	Police Lieutenant	1.00
		Police Agent	1.00
Public Works (-2.00)	Traffic Signal/Street Light Maintenance	Principal Civil Engineer	1.00
	Homeless Outreach Team	Senior Park Ranger	1.00
	Transfer to Economic Development	Senior Secretary	(1.00)
		Conservation Specialist	(3.00)
	Reclassification	Wastewater Collections Manager	(1.00)
		Wastewater/Stormwater Ops Mgr	1.00
Recreation (0.00)	Reclassification	Aquatics Supervisor I	(1.00)

		Recreation Supervisor III	1.00
Police Grants Fund (2.00)	Fiscal Agent (FA) Positions - CBAG and SD LECC	FA Supervisory Intelligence Analyst	1.00
		FA Senior Intelligence Analyst	2.00
		FA Public Private Partnership and Exercise Program Manager	1.00
	Reclassifications	Police Sergeant	(1.00)
		Police Lieutenant	1.00
		CBAG Deputy Director SD LECC	(1.00)
		CBAG Deputy Exec Dir	(1.00)
		CBAG Executive Director	(1.00)
		FA Deputy Director SD LECC	1.00
		FA Deputy Exec Dir	1.00
		FA Executive Director	1.00
		FA Senior Financial Analyst	(1.00)
	FA Financial Manager	1.00	
	Transfer to Police (GF)	Police Lieutenant	(1.00)
Police Agent		(1.00)	
Federal Grants Fund	UASI Hazard Preplans	GIS Specialist	(1.00)
Environmental Services Fund (1.00)	Transfer to Economic Development	Environmental Services Manager	(1.00)
	Environmental Services	Recycling Specialist II	2.00
Development Services Fund (5.50)	Transfer from Development Services-GF	Senior Planner	1.00
		Associate Planner	1.00
	Transfer to Development Services -GF	Senior Office Specialist	(1.00)
		Development Services Technician II	(1.00)
	Building Services	Building Inspector III	1.00
	Land Development	Senior Civil Engineer	2.00
		Landscape Architect	1.50
Management Analyst		1.00	
TOTAL CITYWIDE			18.00

Resolution F authorizes an amendment to the Compensation Schedule and Classification Plan to reflect the staffing changes proposed in the fiscal year 2016-17 budget. In order to better align job responsibilities with job classifications, there are a number of new titles proposed to be added to the Compensation Schedule and Classification Plan as well salary changes for two existing classifications. The following table reflects the new titles, bargaining group, and E-Step salary to reflect these changes.

Summary of Proposed New Classifications

Position Title	PCN	Employee Group	E Step Bi-Weekly Salary
FA Public Private Partnership & Exercise Manager	5497	Middle Management, Unclassified	\$4,076.92
Senior Latent Print Examiner	5110	CVEA	\$3,359.03
Wastewater/Stormwater Operations Manager	6332	MM	\$4,330.96
Retired Annuitant - Homeless Outreach	9901	Unclassified (Hourly)	\$3,672.81

Summary of Title Changes (Title Change Only - No Change in Salary)

Current Title	Proposed Title	Employee Group	FTE
CBAG Deputy Director SD LECC	FA Deputy Director SD LECC	SM	1.00
CBAG Deputy Executive Director	FA Deputy Executive Director	SM	1.00
CBAG Executive Director	FA Executive Director	EXEC	1.00

The titles of CBAG Deputy Director SD LECC, CBAG Deputy Executive Director, CBAG Executive Director, Treasury and Business Manager and Wastewater Collections Manager will be eliminated from the Compensation Schedule and Classification Plan.

Finally, Chula Vista Municipal Code Section 2.05.010 also needs to be updated to reflect the position changes impacting the unclassified positions. Chula Vista City Charter Section 500 requires that all unclassified positions not mentioned specifically in Charter Section 500 be adopted by ordinance. Adoption of the ordinance will add the position titles of FA Deputy Executive Director, FA Executive Director and FA Public Private Partnership and Exercise Program Manager, to Municipal Code Section 2.05.010 and delete the position titles of California Border Alliance Group (CBAG) Deputy Executive Director, CBAG Executive Director and Treasury and Business Manager.

Fiscal Year 2016-2017 Compensation Schedule

California Code of Regulations (CCR), Title 2, Section 570.5 requires that, for purposes of determining a retiring employee's pension allowance, the pay rate be limited to the amount listed on a pay schedule that is approved by Council. This regulation applies to all employers reporting compensation to California Employees' Retirement System (CalPERS).

Due to the date salary increases are scheduled to take effect, there are two compensation schedules attached to attendant Resolutions G and H for which approvals are requested. The first Compensation Schedule (Exhibit 1) pertains to resolution G and lists the corresponding position and salary information to be in effect June 24, 2016. The second Compensation Schedule (Exhibit 2) attached pertains to Resolution H and lists the corresponding position and salary information to be in effect July 8, 2016. Once approved, any changes to the adopted Compensation Schedule including, but not limited to, across-the-board increases, classification changes and salary adjustments approved subsequent to this date, will be reflected in a revised Compensation Schedule that will be submitted to Council for approval.

DECISION MAKER CONFLICT

Staff has reviewed the property holdings of the City Council/Successor Agency to the Redevelopment Agency/Housing Authority members and has found that potential conflicts exist, in that members have property holdings within 500 feet of

the districts listed below:

- City Council Conflicts:
 - Council Member Aguilar - For Open Space District 1 and Open Space District 20, this conflict pertains to Resolution B.
 - Mayor Salas - For Eastlake Maintenance District, Open Space District 10 and the Other Expenses category of the Non-Departmental Budget in the General Fund, These conflicts pertain to Resolutions D and E.
 - Council Member McCann - Open Space District 1 and Community Facility District 07M. This conflict pertains to Resolution C.
 - Council Member Miesen - Eastlake Maintenance District 1, this conflict pertains to Resolution D.

Each of the remaining decisions contemplated by this action is either: (i) not site specific; or (ii) ministerial, secretarial, manual, or clerical in nature, thus, not requiring the members to make or participate in making a governmental decision, pursuant to California Code of Regulations Title 2, section 18704(d)(1); or (iii) solely concerns the repair, replacement or maintenance of existing streets, sewer, storm drainage or similar facilities, pursuant to California Code of Regulations Title 2, sections 18700 and 18702.2(c)(1); or (iv) to the extent that any decision would have a reasonably foreseeable financial effect on the member’s real property, the effect would be nominal, inconsequential, or insignificant, and, thus, would not be material, pursuant to California Code of Regulations Title 2, sections 18700 and 18702(b). Consequently, these decisions do not present real property-related conflicts under the Political Reform Act (Cal. Gov’t Code § 87100, *et seq.*)

Staff is not independently aware, nor has staff been informed by any City Councilmember, of any other fact that may constitute a basis for a decision maker conflict of interest in this matter.

CURRENT YEAR FISCAL IMPACT

There is no fiscal impact in the current fiscal year as a result of the adoption of the budget.

ONGOING FISCAL IMPACT

Approval of the proposed budgets will result in the appropriation of \$292.2 million in funding for the fiscal year ending June 30, 2017. This amount includes a General Fund budget of \$146.5 million.

Proposed Fiscal Year 2016-17 Appropriations by Fund Type	
Fund	Proposed Expenditures
General Fund	\$146,461,330
Capital Projects Funds	\$18,532,555
Debt Service Funds	\$14,444,697
Development Services Fund	\$9,505,143
Fleet Management	\$3,639,454
Other Funds	\$54,333,360
Sewer Funds	\$34,166,870
Successor to Redevelopment Agency	\$11,109,453
Total All Funds	\$292,192,863

ATTACHMENTS:

- A - Recommended Expenditures by Department and Category
- B - Schedule of Revenues
- C - Proposed Staffing by Department and Fund

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