

***BUDGET OVERSIGHT COMMITTEE REPORT AND RECOMMENDATIONS
PROPOSED FISCAL YEAR 2005 BUDGET
AUGUST 24, 2004***

X. RECOMMENDED ACTIONS

It is respectfully requested that the City Council approve the FY 05 Proposed Budget, with the following proposed amendments and recommendations:

- 1) Recommend the City Council adopt the Proposed Updated Three-Year Plan;
- 2) Recommend the City Council support the creation of a rolling Three-Year Plan that will address FY 05, FY 06 and FY 07;
- 3) Support the City Manager's proposed enhancements, which have been identified as core services, community priorities and/or as Mayor and City Council priorities;
- 4) Support the fee increases and adjustments proposed by the City Manager, Board of Water Commissioners and Budget Oversight Committee;
- 5) Recommend that the CalPERS payment not be deferred;
- 6) Recommend the re-instatements of tree trimming, day camps, extended day care and library educational programming currently proposed for reduction;
- 7) Recommend the creation of an Infrastructure and Maintenance Reserve Account;
- 8) Recommend an enhanced role of the City Council and/or the appropriate Council Committee in the Contracting-Out Evaluation Process;
- 9) Recommend staff focus on areas identified as potential resources to offset budget reinstatements including recommendations on pages eight through 13 in this report.
- 10) Concur with the Mayor's recommendation to evaluate areas such as fleet services, technology services, contract contingencies and consulting contracts, and various non-personal services expenses be explored for additional optimization opportunities.
- 11) Concur with the Mayor's recommendation to support the development and/or enhancement of existing partnerships with the private and non-profit sectors to help augment support and/or funding for key services.
- 12) Concur with the City Manager's recommended reviews and optimization efforts for FY 05 including Youth Services, Information and Technology, Health Insurance, Parking Management, Billing and Collections, Ambulance Billing, Towing Operations, Payroll Services, Business License Processing and School Crossing Guards.