

# Memo

**Date:** September 22, 2016

**To:** City Council & Department Heads

**From:** Bruce M. Nelson, Finance Director & Interim City Manager

**SUBJECT:** Budget Cuts from Prior Years

The attached documents provide information on prior year items that had to be cut or eliminated from the City's budgets due to declining revenues in the General Fund:

<u>Page</u>	<u>Document</u>	<u>-</u>
1	History of employee COLA & Medical Cost The employees have not received any COLA in the last 4 years. Although the city has absorbed the increase in health costs over the past 4 years in the amount of \$9,400 per employee.	
2	History of Additions/Deletions of Positions Since 2014, the City has eliminated a total of 9 positions at a reduction of around \$900,000.	
3	History of Budget Cuts in the Police Department Since 2012, the Police Department cut or held off on purchasing of items that total around \$348,000.	
4	History of Budget Cuts in the Park/Recreation Department Since 2013, the Parks and Recreation Department cut or postponed capital projects totaling around \$724,000.	
6	History of Budget Cuts in the Road/Bridge Department Since 2014, the Road and Bridge Department cut or postponed capital equipment totaling around \$758,000.	

The cost of items cut or postponed total around \$2,730,000.

Without additional revenue to cover some of these items, the City's services to the citizens and the City's infrastructure will greatly suffer. Continued lack of needed revenue can result in some of the following situations: increase in Police response time, deteriorating of parks and playground equipment, elimination of recreation programs, deteriorating streets, less frequent snow removal, elimination of senior citizen snow removal, etc. Also, without additional revenue, the City cannot provide additional services requested by the citizens. Examples: senior center facility, indoor recreation facility (with indoor pool), dog park, historic preservation, development of recreational parks, economic development, sidewalks and trails, etc.

**CITY OF CRAIG**

YEAR	Cost of Living RAISES	Additional Cost to City per Employee	Annual Cost to City per Employee
2017	0.00%	\$750	\$21,250
2016	0.00%	\$500	\$20,500
2015	0.00%	\$1,000	\$20,000
2014	0.00%	(\$2,500)	\$19,000
2013	3.00%	\$11,500	\$20,900
2012	3.00%	\$0	\$10,150
2011	0.00%	\$0	\$10,150
2010	2.00%	\$0	\$10,000
2009	5.50%	(\$4,000)	\$11,800
2008	5.00%	\$0	\$14,000
2007	5.00%	\$2,500	\$14,000
2006	4.00%	\$3,000	\$12,500
2005	5.00%	\$0	\$9,500
2004	4.00%	\$0	\$9,500

CITY OF CRAIG  
 ADDITIONS/DELETIONS of POSITIONS

	DEPARTMENT	GRADES	Salary w/Benefits	POSITION TITLES	YEAR
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**DELETIONS**

1	Administration	10	\$98,300	Executive Assistant/Court Clerk	2017
2	Com. Dev.	27	\$163,500	Community Development Director	2015
3	P&R	6	\$82,600	Light Equipment Operator	2016
4	P&R		\$50,200	Aqu/Rec Coordinator - (1/2 position)	2015
5	Police	9	\$88,600	Community Service Officer (Animal Control)	2015
6	Police	15P	\$109,200	Police Sergeant	2015
7	Police	10P	\$93,400	Police Officer	2015
8	Police	10P	\$93,600	Police Officer	2017
9	Police	6	\$85,500	Records Technician	2017
10	Public Works	26	\$70,000	Public Works Director/City Engineer	2014
11	Contractual with Benefits		\$143,000	City Attorney	2014

\$1,077,900

**ADDITIONS**

1	Com. Dev.	10	\$79,200	Building Inspector	2015
	Contractual		\$95,000	City Attorney	Est. 2016

**NET COST**

(\$903,700)

Public Works	26	\$160,800	Public Works Director/City Engineer	2014
General		-\$70,000		
Utilities		\$90,800		
Contractual		\$170,000	Engineering Services	Est. 2016

**CITY OF CRAIG  
POLICE DEPARTMENT**

Items cut from police department operations/capital budget FY-12 -through FY-17. Also doesn't include contractual items that may have increased or decreased over time. (Does not include any personnel related expenses)

<b>FY-12</b>		
Copier	\$	6,000
Radio Replacements	\$	30,000
<b>Total</b>	<b>\$</b>	<b>36,000</b>
<b>FY-13</b>		
Compter and SRT Equipment	\$	6,870
Carpet Replacement of 12 year old carpet	\$	4,000
Detox fees	\$	5,000
Radio Replacements	\$	34,000
<b>Total</b>	<b>\$</b>	<b>49,870</b>
<b>FY-14</b>		
Ballistic Vest Plates and Carriers	\$	4,250
Computer Equipment & misc	\$	3,000
Taser Replacement	\$	22,000
Stop Stick replacement	\$	3,500
Speed Calming Sign replacements/additions	\$	8,000
SRT equipment	\$	5,000
Digital citation equipment	\$	2,000
Uniform pant replacement	\$	3,160
Steps for patrol vehicles	\$	4,500
Building maintenance - paint	\$	4,000
Training budget	\$	5,000
Nuisance Abatement	\$	5,000
Vehicle replacement (Code enforcement & Investigations)	\$	71,000
Overtime	\$	20,000
Firearms Training - ammunition/supplies	\$	5,066
Towing	\$	1,000
Other Professional Services (Youth Services, Laundry, Computer work)	\$	16,000
<b>Total</b>	<b>\$</b>	<b>182,476</b>
<b>FY-15</b>		
Code enforcement vehicle	\$	34,000
3 Positions (CSO, Police officer, Police Sgt)	\$	291,200
<b>Total</b>	<b>\$</b>	<b>325,200</b>
<b>FY-16</b>		
Ballistic Vest Plates & Carriers	\$	5,000
Crisis Response Modual (negotiations)	\$	6,495
Code enforcement vehicle	\$	34,000
<b>Total</b>	<b>\$</b>	<b>45,495</b>
<b>FY-17</b>		
2 Positions (Records Tech & Police Detective)	\$	179,100
<b>Total</b>	<b>\$</b>	<b>179,100</b>
<b>Total amount cuts in six year period</b>	<b>\$</b>	<b>818,141</b>
<b>Total amount of cuts less 5 positons</b>	<b>\$</b>	<b>347,841</b>

## Budget Cuts

### 2013

Downtown Pedestrian Lights \$59,400.00 (no labor)

Downtown Park Restrooms \$35,000.00 (vault toilet)

#### Dog Park:

- |                  |             |
|------------------|-------------|
| 1. Fencing       | \$17,000.00 |
| 2. Shelters      | \$16,000.00 |
| 3. Picnic Tables | \$1,500.00  |
| 4. Trash cans:   | \$2,100.00  |
| 5. Restrooms     | \$35,000.00 |

**Dog Park Total: \$71,600.00**

Murdochs Median Concrete \$25,000.00 (each year until finished)

¾ Ton Pick-up & Lift Gate \$29,000.00

#### Fencing on Sand Rocks:

3 Rail Fence \$12,850.00 (materials only)

2 Rail Fence: \$10,100.00 (materials only)

Crusher Fines Trail \$68,000.00

Skatepark \$75,000.00

**Total Cuts 2013 \$340,850.00**

### 2014

Bleachers (Woodbury) \$13,000.00

O&M (includes PT salaries and OT) \$54,000.00

GOWD \$7,500.00

¾ Ton Pick-up 26,500.00

Lift Gate \$2,200.00

Picnic Shelters \$16,000.00

Storage Shed (Woodbury) \$35,000.00

Skatepark \$75,000.00

Murdochs Median Concrete \$25,000.00 (each year until finished)

**Total Cuts 2014 \$254,200.00**

### 2014/2015

1 ½ positions were not replaced in the Parks & Recreation Department. One as a result of attrition and the other a result of lay-off

**Budget Cuts cont.**

**2015:**

Skatepark	\$75,000.00
¾ Ton Pick-up	\$26,500.00
Lift Gate	\$2,200.00
John Deere 1600	\$34,050.00
Gas Hotsey	\$8,525.00
Ball Field Maintainer	\$15,500.00
<b>Total Cuts 2015</b>	<b>\$161,775.00</b>

**2016:**

Ball Field Maintainer	\$15,500.00
(2) Pick-up Trucks	\$55,000.00
Parks O&M	\$5,000.00
<b>Total Budget Cuts 2016</b>	<b>\$75,500.00</b>

**2017:**

Chemical Controllers	\$11,000.00
Center of Craig Roof	\$30,000.00
<b>Total Budget Cuts 2017</b>	<b>\$41,000.00</b>

# Memo

**To:** Bruce Nelson, Interim City Manager  
City Council

**From:** Randy Call, Road and Bridge and Refuse Director

**Date:** September 20, 2016

**Subject:** Budget 2017

FYI-The Road & Bridge Department has passed on some capital replacement items that we feel are not too important at this time, because of the declining revenues of this City, but I felt you needed to know this for the future so we can best serve our citizens.

In 2014 and 2015 we have not budgeted for the following:

Cat Grader	16 yrs. Old	\$ 348,000
1 Ton PU Tack Truck	11 yrs. Old	\$ 37,000
Tractor	16 yrs. Old	\$ 85,000
Mower	16 yrs. Old	\$ 22,000
Air Compressor	17 yrs. Old	\$ 16,500
Paver	20 yrs. Old	\$ 135,000
Rubber tire Roller	16 yrs. Old	\$ 115,000

The Road & Bridge department has 5.5 million dollar's worth of rolling stock at today's cost. If we were replacing at 13.5 years of age then we would need a minimum of \$410,000.00 per year just to replace vehicles and equipment. Without talking about our 54 miles of streets and our buildings & shop equipment we are still in good shape now and will be for a few more years.

<b><u>The City has 52 miles of Paved Roads:</u></b>	<b><u>The City has 119 miles of Curb &amp; Gutter:</u></b>
<b>Cost to overlay 1 mile today is \$176,000</b>	<b>Cost to replace 1 mile today is \$217,000/w Asphalt</b>
<b>Cost to reconstruct 1 mile today is \$935,000</b>	
<b>Cost to chip seal 1 mile today is \$20,000</b>	

I just wanted to give you food for thought. If we don't keep up with replacing our fleet and infrastructures in 10 years we could be in a position of not being able to provide the services that we are providing at this time. If you have any questions or want to see our fleet please let me know.