



# City of Woodland

## REPORT TO MAYOR AND CITY COUNCIL

AGENDA ITEM

TO: THE HONORABLE MAYOR  
AND CITY COUNCIL

DATE: March 30, 2010

SUBJECT: Discussion of Strategies to Balance the FY 2011 General Fund

### **Report in Brief**

Staff has completed the initial development of the FY 2011 General Fund budget. Unfortunately, the City's General Fund revenues will continue to decline over the next year while expenditures in certain areas will increase slightly. As a result of the decline in revenues, the City's General Fund deficit at this time is projected at \$5,639,637.

In response to this deficit, the City Manager's budget review team has met with all departments and developed strategies to address the deficit primarily through significant reductions in expenditures. These reductions need to correct the City's continuous fiscal imbalance by reducing employees, programs and service levels in a manner that will be sustainable over the next ten years. All departments have cooperated by providing detailed, reasoned and prioritized expenditure reduction options for the City Council and the community to consider. The information and alternatives presented on March 30 will begin the consideration process.

Staff recommends that the City Council receive the presentation on alternatives to balance the FY 2011 General Fund and provide direction that will reduce expenditures to balance the approximate \$5.7 million deficit as described herein.

### **Background**

On June 16, 2009, the City Council adopted the FY 2010 General Fund budget and updated 10-year Financial Plan that included strategies to address a \$6.8 million deficit. This action culminated three months of intense review that included workshops, presentations at community meetings and internal meetings between the City Manager's Office and City departments in order to balance the General Fund budget. In summary, the City Council approved actions that primarily focused on expenditure reductions generating approximately \$5.5 million in savings to address the loss of General Fund revenues due to the current recessionary economy. The Council also approved a contingency plan to further reduce the General Fund by approximately \$1.3 million if the City's

bargaining units were unable to reach agreement on compensation concessions equal to the contingency plan that were necessary to balance the General Fund.

On September 1, 2009, the City Council approved labor agreements that reduced compensation by nearly \$1 million based on the City Manager's recommendation that strategies could be developed to meet the remainder of the shortfall. The concessions agreed to by the bargaining units included furloughs that reduced salaries by approximately 4.6% and employee cost sharing for medical insurance that maintained the cost to the City at 2009 levels. The combined impact of these concessions was compensation reductions of approximately 5%.

The City Manager and a team of Finance and Human Resources staff began meeting following the approval of the labor agreements to review the City's financial situation and develop strategies to address the FY 2010 shortfall. Staff believed that a close review of mid-year expenditures and adjustments would resolve the outstanding balance.

In the course of reviewing the City's financial situation, staff looked closely at the final FY 2009 revenues and expenditures. Unfortunately, sales tax which had declined significantly in the last quarter of 2008 and first quarter of 2009 continued the rapid descent to a 20% year over year decrease in the second quarter (April-June) of 2009. As a result, the final FY 2009 sales tax was \$8,827,891, a reduction of nearly \$500,000 from the estimate that was revised when the FY 2009 mid-year adjustments were approved. This would have had a significant negative impact on the City's General Fund reserves if not for the fact that City departments further reduced spending that nearly offset most of the reduction.

The FY 2009 reduction in sales tax required staff to reevaluate the FY 2010 sales tax estimate and revise the projections downward by \$990,000. This revision is based on the sales tax consultant's analysis that the trend of declining sales tax will continue through the end of 2010. In addition, other City revenues staff is closely monitoring were falling short by \$350,000. Operating expenses were also trending higher in certain areas and, when added to the shortfall projected for FY 2010 after the labor agreements were approved, the current year General Fund budget required \$2,040,785 in adjustments. As a result of these revised estimates, staff presented a list of actions necessary to balance the FY 2010 budget which included the use of one time revenues and expenditure reductions totaling \$2,182,747. These actions included the reassignment of staff to enterprise and non-General Fund programs, maintaining vacant positions, using additional one time revenue and layoff of three positions. The City Council approved all of the recommended actions except for the layoff of the three staff yet directed the City Manager to achieve the nearly \$2.2 million in mid-year adjustments.

While the current year General Fund budget should remain balanced, it became very clear that revenue estimates for FY 2011 would be significantly lower than the estimates projected in May/June 2009 as part of the updated 10-year Plan. These estimates were updated by Finance staff in February 2009 based on all available information. In addition, the operating departments presented their FY 2011 expenditure requests. The following information provides a summary of the General Fund revenue and expenditure estimates for FY 2011.

*Revenue Estimates*

Finance staff completed the first round of revenue projections for FY 2011 in February and early March. As stated previously, the projections are not favorable. Total General Fund revenues are estimated at \$33,837,675 which includes all property and sales tax projections as well as all fees generated by service charges, franchise agreements and operating revenues. With one exception, all revenue accounts are estimated to be down by an average of 12% from the FY 2011 estimates that staff developed in May/June 2009. The major losses were in sales tax which is estimated to be down by \$1,915,076 and property tax which is down by \$1,029,418 compared to the May/June 2009 projections. The combined impact of the revised sales and property tax estimates is a loss of just under \$3 million in anticipated revenue. When combined with the projected reduction target for FY 2011 of \$2,250,000 staff forecasted in May/June 2009 for FY 2011, it is easy to understand why the General Fund would face a significant deficit.

The reduction in sales and property taxes are directly related to the poor economy and require some additional explanation. As expressed in the December 15, 2009 and February 2, 2010 Council reports, the City's sales tax consultant continues to show trend information that Woodland's sales tax will decline from the final FY 2009 amount of \$8.8 million. Updated information provided in late January from the City's sales tax consultant indicates that the FY 2010 sales tax amount will be \$7.9 million and the amount for FY 2011 will be flat. However, the FY 2010 amount includes some one-time adjustments that will generate about \$300,000; as these are one-time adjustments, a flat sales tax projection needs to subtract the \$300,000 for FY 2011. Therefore, the estimate for FY 2011 is \$7,604,184. This estimate is over \$1.9 million below the \$9.5 million estimated for FY 2011 in the updated 10-year Financial Plan.

The FY 2011 property tax projection is affected by declining property values and reassessments that will reduce payments by 5%-10%. Current 2010 property tax income is estimated to be 5% lower than original estimates at \$9.4 million. Based on information provided by the County Assessor's Office, staff projects the FY 2011 property tax income at \$8.7 million which is over \$1 million lower than the original FY 2011 estimate. This is a 7.5% decline. It is interesting to note that 2011 will be the first year that Proposition 13 properties will actually decline despite the fact the value of the properties is below the market.

The estimated reductions in sales and property taxes are unprecedented in Woodland. Nearly all local governments are facing similar conditions and most will need to implement significant structural reductions in order to bring their organizations into fiscal balance.

Other revenues that are down include operating income which is derived from fees for City services and Vehicle In Lieu Fees (VLF). VLF estimates are also impacted by declining property taxes because the State allocates these fees based on the assessed valuation of properties in each jurisdiction. Overall, the General Fund revenues are currently estimated at \$33,837,675 which is \$4,733,838 lower than the amount estimated in May/June of 2009.

### *Expenditure Estimates*

Expenditure requests from departments were generally consistent with anticipated estimates and actually came in slightly lower than expected. Staff anticipated expenditure requests of approximately \$40.8 million which would have required \$2.25 million in reductions to balance the FY 2011 budget. Actual expenditure requests were \$39,477,372; approximately \$1.3 million less than anticipated. **Unfortunately, the expenditure requests still exceed the available revenue by \$5,639,697 which is therefore the current deficit reduction target.**

As stated above, departments made a good effort to reduce their costs. The FY 2010 mid-year reductions, especially the transfer of employees from the General Fund to the enterprise/non-General Fund programs certainly helped to contain costs. Departments tightened all discretionary expenses such as supplies and services and even found ways to offset increases in non-discretionary expenses such as utilities. Despite these efforts, personnel costs continued to increase because of employees who are eligible to receive step level increases. Personnel costs also show an increase as staff has included the estimated expense for the use of vacation buy outs. **It should be noted that the personnel cost estimates assume that the present level of employee compensation concessions remain in place for FY 2011.**

### *Immediate Actions*

The City Management Budget Review Team met with all departments to review revenue and expenditure estimates during the week of March 8-12. Departments were asked to review revenues and expenditures to make sure all projections were accurately stated. There was a special emphasis on revenues in order to make sure all opportunities to recover costs or maximize income are realized.

Departments were also asked to develop 15% and 20% expenditure reduction options. Development of these options is intended to help identify strategies to meet the reduction target. It is important to note that all departments did an excellent job of identifying options to reduce their expenditures despite the fact that there are few, if any, good options available. During the meetings, department heads, management analysts and key managers summarized the options and provided impact statements that will help the City Manager and City Council evaluate the options. It bears restating that there are no easy decisions at this time.

Following the departmental budget meetings, the City Manager and Department Heads met on March 17 to further discuss the options in order to prepare the report that will be presented on March 30 for the first of two Council budget workshops. On March 19, the City Manager met with all employee association representatives to brief these leaders on the fiscal challenges faced by the General Fund. During that meeting, the City Manager asked the Association leaders for their support and assistance in order to address the fiscal challenges. Finally, Citywide Employee Meetings were held on March 25. In all of these meetings, the message of all employees working together to meet the General Fund fiscal challenges was emphasized.

### *Your City, Your Voice Draft Report*

The draft Your City, Your Voice report is attached and provided for the City Council and the public to review. There are two sections that summarize information. These sections include the Public Opinion Research Findings Report and Summary of Ranked City Services. The following are comments regarding each section.

#### Public Opinion Research Findings Report

This section summarizes the results of the web based survey, stakeholder interviews and focus groups. The section begins with an overview that summarizes the number of responses and the characteristics of the people who participated in the survey. A list of stakeholders who were interviewed and the characteristics of the focus groups is also included. Finally, a statistical summary of the responses to each question on the web based survey is included.

The information provided in this report is very useful and worthy of study and consideration. In response to questions regarding their assessment of City services, the results are mixed as only a slight majority (52%) felt that the City provides “good services for my money” and 53% felt that the City does not manage growth responsibly. Another key response is the assessment of residents and business owners regarding the City’s support of business and job development. A total of 52% of the respondents felt that the City does not support business and job development.

The survey also assessed strategies to address the City’s fiscal issues including the generation of additional revenue and strategies to reduce costs. Increasing the sales tax received slightly over 50% percent support; in comparison, implementing new property taxes was opposed by over 70% of the respondents. Increasing fees for services received solid support as did combining City departments. It was also interesting to note that nearly 53% of the respondents opposed reducing benefits and salaries for City staff and over 57% disagreed with layoffs.

The menu of options for reducing City services provided some clear preferences although very few of the options actually rated a majority response. For example, approximately 48% of the respondents favored reducing Library hours; however, 41% opposed this idea. One option that generated majority support with 55% of respondents stating their agreement was a reduction in Community Center hours. Staff’s review of the mixed results suggests that most respondents believe there are few excellent options available.

#### Summary of Ranked City Services

The web based survey asked respondents to review ten City services and assign a ranking of 1-10 to each. This information was reviewed by the consultant who worked with staff on this project, Kim Floyd. Kim ranked the services by using a weighting system that assigned a point value based on the selected priority. The point system assigned 10 points for a #1 priority response, 9 points for a #2 priority response, 8 points for a #3 priority response, 7 points for a #4 priority response, 6 points for a #5 priority response, 5 points for a #6 priority response, 4 points for a #7 priority response, 3 points for a #8 priority response, 2 points for a #9 priority response and 1 point for a #10 priority response.

The total number of priority responses was multiplied by the weighted factor for each service. As an example, 397 respondents rated public safety as their #1 priority; the weighting system multiplied 397 by 10 to generate 3,970 points of the total points generated by responses to public safety.

The attached excel spread sheet provides the detailed responses and weighting. Based on this system, the priorities identified in the survey are as follows.

1. Public Safety (police and fire)
2. Street Maintenance
3. Economic Development
4. Traffic Management
5. Planning, Zoning and Permitting
6. Communication with Residents
7. Code Enforcement
8. Library Services
9. Parks and Athletic Fields
10. Community Recreation Facilities and Programs

Staff believes this information is very valuable and should be considered as options are identified to balance the General Fund budget. While valuable, it is important to note that the ranking was not intended to be used as a public mandate for the allocation of the General Fund resources. The ranking, as well as all other information generated by the Your City, Your Voice process, is one of several tools available for the City Manager and City Council to consider throughout the budget process.

The work described herein led to the development of options that will be presented in the following section of this report. This discussion will begin by summarizing the level of reductions necessary to achieve 15% and 20% reductions in each department. The next discussion will present two options for the City Council to consider. These options recognize the high priority of services such as public safety and street maintenance yet also attempt to provide the best balance of other services that the reduced resources will allow. The final reductions will likely be developed through a combination of factors that will be influenced by the City Council's consideration and public discussion.

Finally, it is important for the City Council to note that staff is presenting options that do not assume the passage of the sales tax measure and will achieve the level of expenditure reductions necessary to address the nearly \$5.7 million imbalance. In fact, every effort should be made to achieve reductions over the identified imbalance since revenues are expected to increase at a much slower pace than expenditures during the next five years as the Sacramento region, California and United States recovers from the current recession. If this imbalance is not addressed, the City will continue with a structural imbalance that will require constant adjustment. **Staff believes that the programmed use of reserves and one time funds to maintain a fiscal imbalance is not an appropriate strategy.**

**Discussion**

As stated previously herein, the departments presented reduction options of 15% and 20% for discussion purposes. This exercise allowed the departments to generate a prioritized list of reductions which were discussed during the departmental budget meetings. Despite the fact that there are few, if any, acceptable reduction options available, the departments did a good job of providing well reasoned and objective information.

The following table summarizes the 15% and 20% expenditure reduction targets that were initially discussed during the department budget meetings:

|                       | 15% Reduction    | 20% Reduction    |
|-----------------------|------------------|------------------|
| Administration        | \$296,958        | \$395,945        |
| Community Development | \$285,931        | \$381,242        |
| Fire                  | \$1,327,478      | \$1,769,970      |
| Library               | \$162,812        | \$217,082        |
| Parks & Recreation    | \$457,788        | \$610,384        |
| Police                | \$2,261,188      | \$3,014,917      |
| Public Works          | <u>\$168,714</u> | <u>\$224,952</u> |
| Total                 | \$4,960,869      | \$6,614,492      |

Consideration of the 15% and 20% reduction targets generated two conclusions. First, across the board reductions of 15% and 20% is not a sound strategy. While 20% may be an appropriate target for certain services, such a level for all services would not be appropriate, especially considering the priority ranking and other information generated by the Your City, Your Voice process. In addition, the level of reductions necessary to achieve fiscal balance will need to be greater than 15% although not as high as 20%.

Therefore, staff has developed two alternatives for the City Council to discuss and consider. These options attempt to keep reductions to public safety to less than 20% in recognition of the high priority these services hold for most citizens. In addition, the options still maintain a commitment to the medium priority services such as Planning, Zoning and Permitting and Code Enforcement. Finally, the options do force a choice between the lower priority services of Library services and Parks & Recreation. While very important to the quality of life in Woodland, the current level of resources within the General Fund will not permit both services to be offered. The following information provides a summary of the reduction options listed by each City department.

***Alternative #1***

**Administration**

The Administration office includes the City Manager's Office, City Council, City Clerk, Human Resources, Finance and Information Technology. A significant amount of the expenditures in this

area are contract services for activities such as the City Attorney, Risk Management, Local Agency Formation Commission, required annual audits and elections.

Review of Administration has identified **\$246,893** in expenditure reductions. The reductions include the elimination of the Council contingency account, part time work hours and miscellaneous operating accounts. The most significant reduction is the elimination of General Fund support for the Economic Development program which saves \$128,926. This reduction will require a reorganization of the Redevelopment program and the involuntary layoff of one position.

Staff will be reviewing Administration for additional reductions in personnel and operating expenses. There may also be some movement in Administration if Golden Handshakes are offered to eligible employees.

### Community Development

Expenditure reductions in Community Development focus on the elimination of a vacant administrative support position, a building inspection position and an associate planner position. In addition, the full time code enforcement position will be funded between the General Fund and utility enterprise fund; the incumbent Code Enforcement Specialist will split time between his current responsibilities and environmental resources. These proposed actions will generate **\$330,719** in savings and result in the loss of one vacant position and layoff of two full time staff and one part time staff.

The impacts of the proposed actions include additional time necessary to process development applications, especially those applications that require discretionary approval by the Planning Commission and City Council. Planning Commission meetings will be reduced to once per month and staff support will no longer be available to support the Historical Preservation Commission. Without staff support, the HPC will either operate as an informal advisory group or need to be suspended until staffing levels can support the operation.

### Fire

The proposed reduction for the Fire Department is the elimination of one Fire Engine Company, usually referred to as the Fourth Engine Company. This action would also include a reduction of one Battalion Chief, reduction of one Facility Maintenance Worker as well as nine professional firefighter positions. Due to the three vacant firefighter positions, the total layoffs would be eight employees, including seven sworn positions. A total of **\$1,590,504** would be generated through these actions.

There are several impacts associated with this proposed reduction. The current four minute response time adopted in the City's General Plan could no longer be met which would require the fire service element to be amended. National minimum staffing standards that have been recognized for urban fire departments serving Woodland's population base of 13 firefighters plus two chief officers would be reduced to nine firefighters. It will become more difficult for the Fire Department to handle the same or separate alarms and simultaneous calls which would likely generate more mutual aid

requests from Davis and other neighboring agencies. Conversely, the reduced staffing will make it more difficult for Woodland units to respond to mutual aid requests from the same agencies that respond to assist Woodland.

Other impacts will be felt, including reduced training, proactive company inspections and maintenance of equipment. It is possible that business and homeowner insurance rates may increase based on the evaluation of the ISO, a national organization that assesses liability and causality insurance risk. In 2008, the ISO rated Woodland favorably based, in part, on the level of fire resources maintained by the City. When the ISO returns to Woodland in the future, reduced fire staffing could have an unfavorable impact on the ISO's rating. An unfavorable rating could in turn generate higher insurance premiums for Woodland residents and business owners over time. This reduction could also serve to constrain further growth in Woodland as the fire resources necessary to support residential, commercial and industrial development would be limited.

### Library

Alternative #1 includes the proposed elimination of all General Fund support for the Library. This proposed action would eliminate the current 30-40 hours per week of services. The following well documented performance measures generated by the community's use of Library services would be no longer provided until funding is restored:

- Over 263,000 visits were documented at the Library last year, an average of 22,000 per month
- Circulation of the collection grew for the fifth consecutive year to 349,138
- 304 special programs attracted 11,573 participants
- Literacy program participation served 418 adult learners with 90 tutors
- Volunteer hours increased from 318 to 517

These measures are only a sample of the outstanding activities provided at the Library each year. It is important to note that despite the reduction in Library funding each year, participation continues to increase which appears to be directly associated with the downturn in the economy.

If all General Fund support for the Library was eliminated, a total of **\$946,766** of net savings would be generated. This potential action would result in the layoff of five full time positions.

### Parks & Recreation

Alternative #1 proposes to implement reductions to Parks & Recreation at the 20% level which would further reduce park maintenance by reducing supplies and services, eliminating seasonal part time park maintenance staff, eliminating a facility maintenance worker, aquatics supervisor and administrative support position. These proposed reductions would delay services provided at the Community & Senior Center counter, delay "turn around" of events at the Center, reduce the quality of maintenance for play areas, restrooms, picnic areas and the general appearance of parks,

especially due to trash/debris accumulation, equipment repairs and landscaped areas. In addition, there would be slower repairs to the Brooks Swim Center, cemetery maintenance and tree trimming.

Recreation program reductions would include no longer providing winter (approximately November – February) operation of the Brooks Swim Center which would have a significant impact on the Woodland Swim Team. This specific reduction is proposed due to the high cost to operate the pool in the winter months. The loss of administrative support will have an adverse impact on the Parks & Recreation Commission and require Recreation Supervisors to spend more time supporting office operations and less time overseeing programs. In addition, the potential reductions would eliminate operation of the Woodland Senior Center programs and services.

The total savings projected by the proposed Alternative #1 expenditure reductions to Parks & Recreation is **\$659,805**. A total of three full time staff members would be discharged through lay offs and part time work hours equivalent to 7.3 positions would be eliminated.

#### Police

The proposed expenditure reductions for the Police Department would eliminate certain administrative, support and special operations that would impact both civilian and sworn staff. The projected savings from these reductions is **\$1,695,768**. A total of six sworn and five non-sworn positions would be eliminated. Because of the three vacant sworn positions, actual layoffs would total eight, including three sworn officers.

The reductions include a 5% decrease in the Yolo Emergency Communications Agency (YECA) contract and elimination of graffiti removal, the K-9 unit, court liaison service and Woodland's participation in the Yolo Narcotics Enforcement Team (YONET). In addition, the Police Department is projecting a renegotiated agreement with the Yolo County Sheriff's Animal Services program that is projected to save approximately \$400,000. As the Council will recall, an effort to reach an agreement with Animal Services in 2008 that would have achieved similar savings was not successful.

Potential additional savings were identified with the reduction of civilian staff members in the crime analysis unit, records, and patrol. These positions support investigations, patrol and traffic operations which will also be impacted. Sworn officer positions were also identified for reductions, including DUI enforcement, a traffic sergeant, YONET officer, professional standards and the School Resource Officers. The total positions impacted by the reductions are six sworn and five non-sworn positions.

The 5% YECA contract reduction was generated by savings the Agency was able to identify and pass through to their members. However, there are significant impacts associated with the balance of the reductions. Eliminating graffiti removal will delay eradication as City crews and others adjust to develop another method to remove the unsightly vandalism. While loss of the K-9 unit will not affect the officer assigned to this detail, resources will no longer be available to support training and care of the dog. The court liaison service provides scheduling notification to prevent officers from reporting to court if their appearance has been delayed or the case is settled which saves overtime.

YONET is the regional narcotics unit which would no longer be available to the Woodland Police Department, thus leaving narcotics enforcement to local resources.

Support services such as records and crime analysis are very important to the Police Department. Records, as discussed on February 2, processes information necessary to keep police officers across the nation informed regarding arrest warrants and other critical information. This function went to a 24/7/365 operation in 2005 in order to meet law enforcement needs. In addition, the potential reduction will reduce the availability of staff to operate the front counter in the Police Department which will impact service to the public. Crime analysis supports detectives and other officers actively investigating incidents; this potential reduction will impact the efficiency and effectiveness of investigations. Finally, the loss of two field Community Service Officers will impact patrol activities because these CSO's often take reports for non-emergency calls. In 2009, the CSO's took 630 reports which freed up patrol officers for other activities.

The proposed reduction of sworn officers assigned to special enforcement programs will impact several areas. Elimination of the DUI enforcement officer will remove the special enforcement efforts in a very important area; last year, this program generated 55 DUI arrests and supported saturation patrols, sobriety checkpoints and other general enforcement activities. The professional standards sergeant conducts internal affairs investigations and supports training and recruitment; these duties would be reassigned to remaining command staff and would certainly take longer to complete. Elimination of a traffic sergeant will reduce supervision of the traffic unit, reduce proactive traffic enforcement and delay review of vehicle accident reports which help determine where traffic officers are assigned. Finally, the potential loss of two School Resource Officers will have a major impact on school campus safety. In 2009, the SRO's were responsible for 11,991 contacts and 112 arrests. These officers worked 36 special events and are a visible deterrent to inappropriate behavior and criminal activity on middle and high school campuses.

#### Public Works

The potential reductions within Public Works focus on General Fund maintenance operations which represents about \$1.1 million of the Department's \$25 million annual budget. In order to achieve a 20% expenditure reduction, services for street trees, curb/gutter/sidewalk and buildings would be affected. Specific area that members of the public would notice includes elimination of all downtown area maintenance and special event support; reduction of curb, gutter and sidewalk repair; reduced frequency of tree trimming. Potential impacts include accelerated deterioration of buildings, parking lots and other infrastructure assets. One potential impact that is worrisome to staff is the liability associated with the reduced street tree maintenance. The total cost reductions are \$222,692.

Staff has identified \$98,400 in additional revenue based on a 2% franchise fee rate augmentation from the City's solid waste franchise. The combined impact of the cost reductions and revenue augmentation is **\$321,092**.

**Total Impact of Alternative #1 - \$5,791,547, 27.5 potential layoffs and 7.3 FTE reductions in part time staff**

*Alternative #2*

Staff is currently working on an Alternative #2 that would increase reductions in Parks & Recreation as well as other areas in order to fund the Library at the 20% reduction level projected at 20 hours per week. The Library Services Director estimated that approximately \$868,000 would be needed to operate the Library at 20 hours per week. Staff has identified an additional \$500,000 in potential reductions in Parks & Recreation that will further impact maintenance and programs. These impacts will include the following:

- Youth or adult recreation leagues
- Cemetery maintenance
- Aquatics maintenance
- Elimination of all aquatics programs

In order to fund the Library at the 20% level, staff will need to identify an additional \$360,000 from other General Fund activities. Given the level of reductions discussed thus far that will certainly not be easy.

*Sales Tax Impact*

The City Council's decision to place a quarter-cent sales tax measure on the June 8 ballot does provide options for Woodland citizens to consider in lieu of the expenditure and service reductions discussed herein. This measure has a four-year term and is expected to generate \$1.5 million in the first year and \$1.75 to \$2 million in the three succeeding years. The lower first year estimate is based on the time required for the state to establish the procedures for collecting the higher amount. In addition to the sales tax measure, the June ballot includes three advisory measures. These measures were presented on the February 2 and are summarized below:

*Shall any voter approved sales tax in the City of Woodland provide 30% of the sales tax received to the Woodland Public Library to restore educational and literacy programs and maintain library operating hours at 54 hours per week?*

*Shall any voter approved sales tax in the City of Woodland provide 30% of the sales tax received to the Woodland Parks & Recreation Department to maintain current levels of park and public landscape maintenance and senior citizen programs?*

*Shall any voter approved sales tax in the City of Woodland provide 40% of the sales tax received to Public Safety services within the Woodland Police Department and Woodland Fire Department to maintain the current number of sworn police officers and firefighters?*

If the sales tax measure and advisory measures are approved, the 30% allocation of the \$1.5 million would be \$450,000 for the Library and Parks & Recreation. The 40% allocation for public safety would be \$600,000.

As stated herein, the proposed reductions listed in Alternative #1 for the Library, Parks & Recreation, Police and Fire Departments are nearly \$4.9 million. This level of reduction cannot be entirely offset by an additional \$1.5 million. However, staff believes that the additional sales tax proceeds can be used in a manner that accomplishes the following:

- Provides an allocation to the Library that will keep the facility open at the current level of service
- Provides an allocation to Parks & Recreation that will keep the Senior Center program in operation and allow acceptable levels of park and public landscape maintenance
- Reduce the public safety impacts to the point that there would be no layoff of sworn personnel although there would be reductions in non-sworn positions

It is important to note that the advisory measures were developed by staff in late January and presented to the City Council initially on February 2 and again on February 9. At that time not all of the General Fund revenue estimates were completed. The major “game-changer” was the final estimate developed for property tax. As the Council will recall, staff revised the property tax estimates for FY 2010 significantly downward in May/June 2009 in response to declining property values and reassessments. Estimates for FY 2011 were developed based on the revised projection which staff believed at the time was appropriately conservative. As the collections results from the County were reported to staff in late January/early February and fully evaluated for the FY 2011 revenue estimates, the revised property tax estimate of over \$1 million less than originally anticipated became clear. Unfortunately, the language for the sales tax and advisory measures was already finalized.

### *Meet and Confer Issues*

Despite this situation, staff believes there may be other opportunities for identifying resources that could be reallocated to meet the intent of the advisory measures. On Friday, March 19, the City Manager met with representatives of the City’s employee associations to discuss the City’s financial situation. It was made clear during that meeting that significant expenditure reductions for the General Fund would be necessary. The City Manager asked for the employee associations’ *support* and *help* for the City and the community during this time of severe fiscal challenges. Further discussions will occur as the City conducts meet and confer sessions to discuss layoffs and negotiates with associations which had one year agreements that expire on June 30. Staff believes that the employee associations accepted the message and fully understand the potential impacts to the community and City organization if the reductions described herein are fully implemented.

### *Employee Cost Saving Committee*

In addition, the employee cost saving committee working on a study of cost saving strategies completed their work earlier this year. The committee reviewed 237 suggestions; 77 of the suggestions were evaluated as duplicates, 44 have already been implemented seven would have an impact on non-General Fund programs. A total of 115 suggestions were reviewed in greater detail for feasibility. It is important

to note that several of the recommended suggestions evaluated as potentially valuable from a cost saving standpoint are meet and confer items that have an impact on compensation.

### *Conclusion*

As was the case last year, there is much work to do in order to prepare the FY 2011 budget and updated 10-Year Financial Plan. The economy remains uncertain and resources will likely be scarce in the near future. Despite the uncertainty, the information generated by the Your City, Your Voice community engagement process provides some level of understanding regarding how citizens view City government. Staff believes that the potential actions summarized within this report address the highest priority needs of Woodland residents and business owners *within the available General Fund resources*.

Nevertheless, many citizens will find that the proposed actions such as the complete closure of the Library are unacceptable. The Council's decision to place the sales tax and advisory measures on the June ballot will provide further opportunity for citizens to express their priorities for resource allocation. Voter approval to increase the sales tax by a quarter-cent and diligent work with employee associations may yet identify additional resources to meet the intent of the advisory measures.

Given the situation, there is no other alternative than to grapple with the problem and work the issue until it is resolved to the best of our abilities. Success will be dependent on the entire community working together to avoid the most objectionable program and service reductions.

### **Fiscal Impact**

The potential actions described herein provide the City Council with options that will reduce the City's General Fund budget in order to offset the current shortfall identified as \$5,639,637. If the four-year sales tax measure is approved, an additional \$1.5 million in FY 2011 and \$1.75 - \$2 million will be generated that will allow certain library, parks & recreation and public safety services to be funded.

It is imperative that the City Council consider reductions and ultimately approve reductions that will address the current fiscal imbalance. **Staff believes that the programmed use of reserves and one time funds to maintain a fiscal imbalance is not an appropriate strategy.**

### **Public Contact**

Posting of the City Council agenda. The City Manager also met with the leadership of the City's employee associations on March 19 and conducted City wide employee meetings on March 25. In addition, the City Manager has also been meeting with a Chamber of Commerce task force that has been formed to review the City's General Fund budget.

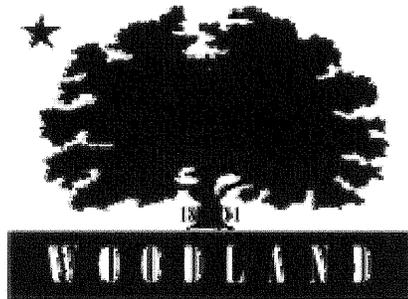
**Recommendation for Action**

Staff recommends that the City Council receive the presentation on alternatives to balance the FY 2011 General Fund and provide direction that will reduce expenditures to balance the approximate \$5.7 million deficit as described herein.

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Mark G. Deven  
City Manager

Attachments



Your City,  
Your Voice  
City of Woodland

Public Opinion Research Findings  
Draft Report – February 28, 2010

## Overview

The City of Woodland is facing significant budget cuts in the upcoming fiscal year. As a means to gain insight into the community's perceptions of the priorities for City spending, it commissioned a series of public opinion research activities, the results from which may be used to inform its decisions during the budget process. Three separate, but connected, qualitative research activities were implemented between January 4 and February 15, 2010, including a web-based survey, two focus groups, and stakeholder interviews. To reduce costs, the stakeholder interviews and focus groups were consolidated with a similar public opinion research study for the Woodland-Davis Clean Water Agency, a joint powers authority of the Cities of Woodland and Davis.

The web-based survey was open for responses from January 5 through February 15, 2010. More than 585 responses were received, with an overall completion rate of 73 percent. In other words, 73 percent finished the survey among all those who started. Other details:

- 85 percent claimed to be Woodland residents; the others reported they owned a business or worked in the City
- Nearly 70 percent have lived in Woodland 10 or more years, with 51 percent reporting a tenure of 20 or more years
- Nearly 85 percent reported household incomes of \$50K or more
- Nearly 80 percent claimed to own their own homes
- Education levels trended toward those with post-secondary training/education
- 76 percent stated they were employed either part-time or full-time (69 percent full-time)
- 80 percent expect to be living in Woodland five years from now

A total of 22 residents participated in two focus group sessions, 13 of whom speak Spanish as a first and primary language. Additionally, the following stakeholders were selected for one-on-one interviews based on input from City and WDCWA consultants:

- Bill Marble                      WDCWA Chair; Member, Woodland City Council
- Martie Dote                      WDCWA Board Member; Member, Woodland City Council
- Jim Hilliard                      Incoming President, Woodland Chamber of Commerce
- Twyla Thompson                Water Committee Member, Woodland Chamber of Commerce
- Rich Gennes                      Water Committee Member, Woodland Chamber of Commerce
- Gary Wegener                    Retired Public Works Director, City of Woodland
- Sylvina Frausto                 Secretary, Holy Rosary Church
- Dino Gay                         Editor, Woodland Record; Woodland resident

While the research findings are not statistically significant, corroboration was attempted through the triangulation of the three research methodologies. As such, the resulting data from the three activities was compared and contrasted to identify common themes and trends. The findings are not meant to be conclusive, but they do provide insight into the perceptions and opinions of those who took time to participate in the process. Ideally, the studies will support the City's goal of increasing community participation in the FY11 budget development process.

Specific results for the web-based survey can be found in Appendix A of this report. The research instruments detailing questions specific to City of Woodland issues can be found in Appendix B.

### **Critical Issues**

Web-based survey respondents and focus group participants were asked to cite the three most critical issues facing Woodland this year. The most frequently mentioned issues of concern were (in no particular order):

- Public safety/crime
- Unemployment
- Poor economy
- Need for economic development
- Growth (increase in population)
- Quality of schools
- City budget

In focus groups, participants pointed to the increasing cost of living as an overriding concern. Specifically, many feel costs for utilities and other necessities are increasing exponentially, while property values are continuing to decrease. The quality of local schools was also a pressing concern, especially as it relates to perceived differences in student achievement between individual schools.

Additionally, those in the Spanish-language focus group voiced concerns about racial tensions between the community and the police, a perceived inequity in the provision of public safety services, a lack of low-income housing, youth services and jobs, the rising costs for water and electricity, and the large number of undocumented citizens who do not have access to social services. They also expressed their belief that the City “takes too long to fix roads.”

### **Quality of Life**

Approximately 60 percent of those who responded to the web-based survey rated the quality of life in Woodland as “good” or “very good.” Just more than 31 percent responded that life in Woodland was “Neutral/Okay,” with just under nine percent ranking it as “poor” or “very poor.” This mirrored findings from focus groups, wherein all but three rated the quality of life as “very good” or “good.” The remaining three participants indicated that the quality of life was “neutral/okay.”

A few focus group participants cited a lower cost-of-living and more affordable housing than neighboring Davis as contributing factors to a “good” quality of life. Concerns about reported crime, the obvious downturn in the local economy, and a lack of activity along Main Street kept some focus group participants from ranking the quality of life as “very good.” Those in the Spanish-language focus group expressed their appreciation for the City’s diversity and sense of community. And while crime is a top-of-mind concern, most said they felt safe allowing their children to play outside. They also praised the City for the construction of the Community Center.

A significant majority of those who responded to the web-based survey feel that Woodland is safe and affordable, and that it has enough parks and recreation facilities. Slightly more than half feel that the City provides “good services for [their] money,” and that it cares about its residents.

### **City Governance**

Stakeholder interviewees were asked for their opinions on what is “going right” in the City. Several indicated that they believe the City is facing tough times, but generally is on the right track. One suggested that many in the community are supportive of maintaining a small-town feel. “That’s one of the biggest advantages of living here. It’s real life in Woodland. We have a good mix of people,”

he said. Another stakeholder believes that the City is being honest in its efforts to combat crime and public safety issues, and that they're not "just trying to look good for the cameras."

Most stakeholder interviewees feel that access to local government officials is good, but suggested that not everyone perceives that to be the case. Nearly half (49%) of those who responded to the web-based survey agree that the City has a government that is accessible, while slightly less than 23 percent disagree.

Conversely, stakeholder interviewees were also asked for their opinions about areas in which the City could seek improvements. Several stakeholders indicated that the City is considered "overstaffed and overpaid" by those in the business and general communities. Additionally, three stakeholders expressed a lack of trust in City decision-making, specifically with regard to development – such as the Gateway I and II, downtown theater multiplex, courthouse projects – and development of governing policies and ordinances. Some feel the City needs to act and think more like a business, as well as improve communication with residents. "Since nobody in the public really pays attention, they get no feedback, thus the faulty assumption that what they did is right. There are few checks and balances," said one. Participants in the Spanish-language focus group concur, citing a deficit in communication between the City and its residents. In order to engage the Hispanic community, the group believes all City communications should be bilingual.

Respondents to the web-based survey have concerns about how the City manages growth. Slightly more than 53 percent do not agree that the City is managing growth responsibly. Only 28 percent feel that the City supports business and job development. In the opinion of two stakeholder interviewees, the City is conducting the public's business related to development behind closed doors, and that the appointed and elected officials are "rubber stamping" poor decisions without asking the tough questions.

### **Priorities for City Services**

Respondents to the web-based survey and participants in the focus groups were asked to rank City services financed by the General Fund in order of perceived importance. The following ranking of priorities was very consistent in findings from the English-language focus group and web-based survey:

1. Public safety (police and fire)
2. Street maintenance
3. Economic development
4. Traffic management
5. Planning, zoning, and permitting
6. Communication with residents
7. Code enforcement
8. Library services
9. Parks and athletic fields
10. Community recreation facilities & programs

Participants in the Spanish-language focus group, however, include "parks and athletic fields" as their top priority. This can be attributed to their stated concern about child obesity and diabetes. Rounding out their top three priorities were economic development and public safety, in that order.

### **Options for Increased Revenues and Reductions to Services**

In the prior fiscal year, the City reduced its budget by approximately \$7 million. Roughly half (50.84%) of those who responded to the web-based survey feel those budget cuts were appropriate for the City's financial situation. Nearly 28 percent don't feel the cuts went far enough, while the remaining 21 percent think they went too far. One stakeholder asked, "Are you ahead or behind when you eliminate one \$140,000 position to save two \$70,000 positions?" However, another stakeholder clearly feels the City would be ahead in that situation, based on his perception that there are too many "highly paid staff and not enough workers."

For the upcoming fiscal year, the City once again faces a huge gap between estimated costs and anticipated revenues. With that in mind, one stakeholder voiced his concern that "we won't be draconian enough" in cutting the budget. Another stakeholder cautioned against City leadership using the results of the public opinion research as justification for decisions on budget reductions. "Don't hang decisions on others, or other organizations," he said. Yet another stated that the City needs to be upfront about its decision-making and accept "whatever political fallout happens as a result."

Web-based survey respondents and focus group participants were asked for their opinions on various strategies to raise additional revenues and reduce expenditures as a means to balance the City's budget. Options for both included the following:

- Increase sales tax
- Increase fines for parking and permit violations
- Increase fees for park and community facility use
- Increase hotel/motel "bed" tax
- Implement new property taxes
- Combine City departments and services
- Reduce benefits and salaries for City staff
- Layoff City staff
- Increase response time for emergency services
- Reduce library hours
- Reduce Community Center hours
- Reduce recreation programs
- Restrict overtime for emergency service personnel
- Reduce street maintenance services

Results from the web-based survey and English-language focus groups are generally consistent in all areas related to revenues and reductions. Specific results from the web-based survey are summarized below.

Support for and opposition to a sales tax measure was roughly even. The large majority support increases to fines for parking and permit violations, fees for park and community facility use, and bed taxes. Conversely, a strong majority opposes any new property taxes.

In terms of potential area for reductions, support is strongest for combining City departments and services (69.3%). Layoffs and reductions in salaries and benefits for staff are opposed by

approximately 58 percent and 53 percent, respectively. There was slightly more support for than opposition to a reduction of library and community center hours, recreation programs, and a restriction on overtime for emergency service personnel. Conversely, there was slightly more opposition to than support for a reduction to street maintenance services. In most of these cases, at least 10 percent of respondents indicated they had no opinion on these budget reduction concepts.

With regard to the idea of “increasing response time for emergency services,” it is important to note that the concept may have been misunderstood by respondents. Several focus group participants indicated they thought that an increase in response time would hasten, not delay, the arrival of emergency services.

Those who participated in the Spanish-language focus group are opposed to any increases in sales or property taxes, layoffs of City personnel, and reductions to services related to the Community Center, library, and recreation programs. However, they do think a reduction in City salaries is appropriate in light of what they consider an economic crisis. At a minimum, they support a moratorium on salary increases. They also support an increase to bed taxes and fines for permit and parking violations, the combining of City departments and services, and a restriction in overtime for emergency service personnel.

Most stakeholder interviewees were cautious in their support for or opposition to actions to support increased revenues or budget reductions. However, one stakeholder who opposes reductions to library and Community Center services suggested that the City hire a coordinator whose job would focus on building volunteerism to maintain current levels of service. Another stakeholder, while firmly in support of a sales tax increase, wasn't sure the City “has enough trust to win that battle.” Another strongly opposed any increase in the bed tax, as he feels it would stunt economic development.

#### **Preferred Means of Communication**

Local print and online media, such as the *Daily Democrat*, *Sacramento Bee*, *Woodland Record*, and *Davis Enterprise* were the most frequently cited sources of information for focus group participants and survey respondents. Roughly one-third of survey respondents reported receiving information from City newsletters and friends and neighbors, the next highest-ranking sources. Interestingly, nearly 71 percent of web-based survey respondents indicated that they have a Facebook page.

## **Appendix A – Web-based survey results**

## Questions

How would you rate the quality of life in Woodland?

|              |            |               |
|--------------|------------|---------------|
| Very Good    | 54         | 8.77%         |
| Good         | <b>314</b> | <b>50.97%</b> |
| Neutral/Okay | 194        | 31.49%        |
| Poor         | 48         | 7.79%         |
| Very Poor    | 6          | 0.97%         |
| <b>Total</b> | <b>616</b> |               |

To follow are some statements about the City of Woodland and the services it provides. Please indicate whether or not you agree with each statement. The City of Woodland:

### is a safe place to live

|                   |            |               |
|-------------------|------------|---------------|
| Strongly Agree    | 38         | 6.28%         |
| Agree             | <b>358</b> | <b>59.17%</b> |
| No Opinion        | 32         | 5.29%         |
| Disagree          | 132        | 21.82%        |
| Strongly Disagree | 45         | 7.44%         |
| <b>Total</b>      | <b>605</b> |               |

### is an affordable place to live

|                   |            |               |
|-------------------|------------|---------------|
| Strongly Agree    | 51         | 8.50%         |
| Agree             | <b>385</b> | <b>64.17%</b> |
| No Opinion        | 57         | 9.50%         |
| Disagree          | 96         | 16.00%        |
| Strongly Disagree | 11         | 1.83%         |
| <b>Total</b>      | <b>600</b> |               |

### provides good services for my money

|                   |            |               |
|-------------------|------------|---------------|
| Strongly Agree    | 24         | 3.99%         |
| Agree             | <b>293</b> | <b>48.67%</b> |
| No Opinion        | 93         | 15.45%        |
| Disagree          | 167        | 27.74%        |
| Strongly Disagree | 25         | 4.15%         |
| <b>Total</b>      | <b>602</b> |               |

### has a government that is accessible

|                   |            |               |
|-------------------|------------|---------------|
| Strongly Agree    | 39         | 6.49%         |
| Agree             | <b>256</b> | <b>42.60%</b> |
| No Opinion        | 169        | 28.12%        |
| Disagree          | 114        | 18.97%        |
| Strongly Disagree | 23         | 3.83%         |
| <b>Total</b>      | <b>601</b> |               |

### manages growth responsibly

|                   |            |               |
|-------------------|------------|---------------|
| Strongly Agree    | 12         | 2.00%         |
| Agree             | 147        | 24.50%        |
| No Opinion        | 120        | 20.00%        |
| Disagree          | <b>238</b> | <b>39.67%</b> |
| Strongly Disagree | 83         | 13.83%        |
| <b>Total</b>      | <b>600</b> |               |

**supports business and job development**

|                   |            |               |
|-------------------|------------|---------------|
| Strongly Agree    | 12         | 2.00%         |
| Agree             | 156        | 26.04%        |
| No Opinion        | <b>177</b> | <b>29.55%</b> |
| Disagree          | 174        | 29.05%        |
| Strongly Disagree | 80         | 13.36%        |
| <b>Total</b>      | <b>599</b> |               |

**has enough parks and recreation facilities**

|                   |            |               |
|-------------------|------------|---------------|
| Strongly Agree    | 133        | 22.09%        |
| Agree             | <b>288</b> | <b>47.84%</b> |
| No Opinion        | 48         | 7.97%         |
| Disagree          | 113        | 18.77%        |
| Strongly Disagree | 20         | 3.32%         |
| <b>Total</b>      | <b>602</b> |               |

**cares about its residents**

|                   |            |               |
|-------------------|------------|---------------|
| Strongly Agree    | 35         | 5.80%         |
| Agree             | <b>267</b> | <b>44.28%</b> |
| No Opinion        | 142        | 23.55%        |
| Disagree          | 128        | 21.23%        |
| Strongly Disagree | 31         | 5.14%         |
| <b>Total</b>      | <b>603</b> |               |

Last year, the City of Woodland cut approximately \$7 million in City services. In your opinion, those budget cuts:

|   |            |               |
|---|------------|---------------|
| went too far in cutting services to residents and businesses  | 165        | 27.78%        |
| were appropriate for the City's financial situation           | <b>302</b> | <b>50.84%</b> |
| did not go far enough to control spending and reduce services | 127        | 21.38%        |
| <b>Total</b>  | <b>594</b> |               |

To follow is a list of City services that are paid for with General Funds. Please rank these services in order of importance, with "1" being the most important and "10" being the least important. You may only assign each number to one item (in other words, you can only rank one service as "1").

SEE RANKING SPREADSHEET FOR RESULTS

This year, the City is facing additional budget cuts. Please indicate whether or not you would support the following actions to balance the budget.

**Increase sales tax**

|                  |            |               |
|------------------|------------|---------------|
| Strongly Support | 114        | 19.83%        |
| Somewhat Support | <b>178</b> | <b>30.96%</b> |

|                 |            |        |
|-----------------|------------|--------|
| No Opinion      | 23         | 4.00%  |
| Somewhat Oppose | 88         | 15.30% |
| Strongly Oppose | 172        | 29.91% |
| <b>Total</b>    | <b>575</b> |        |

**Increase fines for parking and permit violations**

|                  |            |        |
|------------------|------------|--------|
| Strongly Support | 244        | 41.85% |
| Somewhat Support | 212        | 36.36% |
| No Opinion       | 24         | 4.12%  |
| Somewhat Oppose  | 48         | 8.23%  |
| Strongly Oppose  | 55         | 9.43%  |
| <b>Total</b>     | <b>583</b> |        |

**Increase fees for park and community facility use**

|                  |            |        |
|------------------|------------|--------|
| Strongly Support | 128        | 22.03% |
| Somewhat Support | 221        | 38.04% |
| No Opinion       | 52         | 8.95%  |
| Somewhat Oppose  | 115        | 19.79% |
| Strongly Oppose  | 65         | 11.19% |
| <b>Total</b>     | <b>581</b> |        |

**Increase hotel/motel "bed" tax**

|                  |            |        |
|------------------|------------|--------|
| Strongly Support | 203        | 34.76% |
| Somewhat Support | 225        | 38.53% |
| No Opinion       | 61         | 10.45% |
| Somewhat Oppose  | 62         | 10.62% |
| Strongly Oppose  | 33         | 5.65%  |
| <b>Total</b>     | <b>584</b> |        |

**Implement new property taxes**

|                  |            |        |
|------------------|------------|--------|
| Strongly Support | 28         | 4.86%  |
| Somewhat Support | 104        | 18.06% |
| No Opinion       | 40         | 6.94%  |
| Somewhat Oppose  | 133        | 23.09% |
| Strongly Oppose  | 271        | 47.05% |
| <b>Total</b>     | <b>576</b> |        |

**Combine City departments and services**

|                  |            |        |
|------------------|------------|--------|
| Strongly Support | 179        | 30.60% |
| Somewhat Support | 209        | 35.73% |
| No Opinion       | 93         | 15.90% |
| Somewhat Oppose  | 68         | 11.62% |
| Strongly Oppose  | 36         | 6.15%  |
| <b>Total</b>     | <b>585</b> |        |

**Reduce benefits and salaries for city staff**

|                  |            |        |
|------------------|------------|--------|
| Strongly Support | 100        | 17.12% |
| Somewhat Support | 104        | 17.81% |
| No Opinion       | 72         | 12.33% |
| Somewhat Oppose  | 131        | 22.43% |
| Strongly Oppose  | 177        | 30.31% |
| <b>Total</b>     | <b>584</b> |        |

|                     |            |        |
|---------------------|------------|--------|
| <b>Layoff staff</b> |            |        |
| Strongly Support    | 64         | 11.00% |
| Somewhat Support    | 96         | 16.49% |
| No Opinion          | 86         | 14.78% |
| Somewhat Oppose     | 157        | 26.98% |
| Strongly Oppose     | 179        | 30.76% |
| <b>Total</b>        | <b>582</b> |        |

|  |            |        |
|--|------------|--------|
| <b>Increase response time for emergency services</b> |            |        |
| Strongly Support                                     | 89         | 15.34% |
| Somewhat Support                                     | 103        | 17.76% |
| No Opinion   | 84         | 14.48% |
| Somewhat Oppose                                      | 89         | 15.34% |
| Strongly Oppose                                      | 215        | 37.07% |
| <b>Total</b>   | <b>580</b> |        |

|                             |            |        |
|-----------------------------|------------|--------|
| <b>Reduce Library hours</b> |            |        |
| Strongly Support            | 147        | 25.21% |
| Somewhat Support            | 136        | 23.33% |
| No Opinion                  | 58         | 9.95%  |
| Somewhat Oppose             | 111        | 19.04% |
| Strongly Oppose             | 131        | 22.47% |
| <b>Total</b>                | <b>583</b> |        |

|                                      |            |        |
|--------------------------------------|------------|--------|
| <b>Reduce Community Center hours</b> |            |        |
| Strongly Support                     | 149        | 25.69% |
| Somewhat Support                     | 173        | 29.83% |
| No Opinion                           | 74         | 12.76% |
| Somewhat Oppose                      | 126        | 21.72% |
| Strongly Oppose                      | 58         | 10.00% |
| <b>Total</b>                         | <b>580</b> |        |

|                                   |            |        |
|-----------------------------------|------------|--------|
| <b>Reduce recreation programs</b> |            |        |
| Strongly Support                  | 130        | 22.53% |
| Somewhat Support                  | 154        | 26.69% |
| No Opinion                        | 70         | 12.13% |
| Somewhat Oppose                   | 143        | 24.78% |
| Strongly Oppose                   | 80         | 13.86% |
| <b>Total</b>                      | <b>577</b> |        |

|  |            |        |
|--|------------|--------|
| <b>Restrict overtime for emergency service personnel</b> |            |        |
| Strongly Support   | 156        | 26.80% |
| Somewhat Support   | 117        | 20.10% |
| No Opinion   | 67         | 11.51% |
| Somewhat Oppose  | 111        | 19.07% |
| Strongly Oppose  | 131        | 22.51% |
| <b>Total</b>   | <b>582</b> |        |

|   |     |        |
|---|-----|--------|
| <b>Reduce street maintenance services</b> |     |        |
| Strongly Support                          | 36  | 6.16%  |
| Somewhat Support                          | 127 | 21.75% |

|                 |            |               |
|-----------------|------------|---------------|
| No Opinion      | 94         | 16.10%        |
| Somewhat Oppose | <b>218</b> | <b>37.33%</b> |
| Strongly Oppose | 109        | 18.66%        |
| <b>Total</b>    | <b>584</b> |               |

How do you get your information about the City of Woodland? Please check all that apply.

|                         |             |               |
|-------------------------|-------------|---------------|
| Woodland Daily Democrat | <b>467</b>  | <b>23.66%</b> |
| The Sacramento Bee      | 218         | 11.04%        |
| Woodland Record         | 149         | 7.55%         |
| City Newsletter         | 117         | 5.93%         |
| City Website            | 240         | 12.16%        |
| City Employees          | 212         | 10.74%        |
| City Council Meetings   | 119         | 6.03%         |
| WAVE Channel 21         | 37          | 1.87%         |
| Radio                   | 38          | 1.93%         |
| Friends and Neighbors   | 315         | 15.96%        |
| Other, please explain   | 62          | 3.14%         |
| <b>Total</b>            | <b>1974</b> |               |

Do you use any of the following? Please check all that apply.

|              |            |               |
|--------------|------------|---------------|
| Facebook     | <b>265</b> | <b>70.67%</b> |
| MySpace      | 30         | 8.00%         |
| LinkedIn     | 53         | 14.13%        |
| Twitter      | 27         | 7.20%         |
| <b>Total</b> | <b>375</b> |               |

#### Demographic Questions

Including yourself, how many people reside in your household?

|                   |            |        |
|-------------------|------------|--------|
| 1                 | 60         | 10.56% |
| 2                 | 198        | 34.86% |
| 3                 | 117        | 20.60% |
| 4                 | 119        | 20.95% |
| 5 or more         | 59         | 10.39% |
| Decline to answer | 15         | 2.64%  |
| <b>Total</b>      | <b>568</b> |        |

How long have you lived in Woodland?

|                         |            |        |
|-------------------------|------------|--------|
| Less than 2 years       | 26         | 4.59%  |
| 2-5 years               | 53         | 9.36%  |
| 6-9 years               | 37         | 6.54%  |
| 10-19 years             | 101        | 17.84% |
| 20 or more years        | 291        | 51.41% |
| Do not live in Woodland | 50         | 8.83%  |
| Decline to answer       | 8          | 1.41%  |
| <b>Total</b>            | <b>566</b> |        |

Which best describes your total yearly household income?

|                       |            |        |
|-----------------------|------------|--------|
| Less than \$10,000    | 3          | 0.53%  |
| \$10,001 to \$20,000  | 9          | 1.58%  |
| \$20,001 to \$35,000  | 23         | 4.04%  |
| \$35,001 to \$50,000  | 52         | 9.14%  |
| \$50,001 to \$75,000  | 94         | 16.52% |
| \$75,001 to \$100,000 | 132        | 23.20% |
| Over \$100,000        | 174        | 30.58% |
| Decline to answer     | 82         | 14.41% |
| <b>Total</b>          | <b>569</b> |        |

If you are a resident of Woodland, do you own or rent the home in which you live?

|                            |            |        |
|----------------------------|------------|--------|
| Own                        | 439        | 79.10% |
| Rent                       | 49         | 8.83%  |
| Not a resident of Woodland | 52         | 9.37%  |
| Decline to answer          | 15         | 2.70%  |
| <b>Total</b>               | <b>555</b> |        |

If you are a resident of Woodland, what best describes your residence?

|                            |            |        |
|----------------------------|------------|--------|
| Single-family house        | 467        | 83.99% |
| Apartment                  | 12         | 2.16%  |
| Duplex                     | 15         | 2.70%  |
| Manufactured/mobile home   | 2          | 0.36%  |
| Not a resident of Woodland | 50         | 8.99%  |
| Decline to answer          | 10         | 1.80%  |
| <b>Total</b>               | <b>556</b> |        |

If you own a business in Woodland, do you own or lease your business property?

|                                   |            |        |
|-----------------------------------|------------|--------|
| Own                               | 41         | 8.70%  |
| Monthly Lease                     | 10         | 2.12%  |
| Long-Term Lease                   | 12         | 2.55%  |
| Do not own a business in Woodland | 408        | 86.62% |
| <b>Total</b>                      | <b>471</b> |        |

What is your gender?

|                   |            |        |
|-------------------|------------|--------|
| Male              | 262        | 46.54% |
| Female            | 257        | 45.65% |
| Decline to answer | 44         | 7.82%  |
| <b>Total</b>      | <b>563</b> |        |

|                               |            |        |
|-------------------------------|------------|--------|
| What best describes your age? |            |        |
| 18 to 24                      | 7          | 1.24%  |
| 25 to 34                      | 104        | 18.44% |
| 35 to 49                      | 194        | 34.40% |
| 50 to 64                      | 169        | 29.96% |
| 65 to 79                      | 53         | 9.40%  |
| 80 or over                    | 5          | 0.89%  |
| Decline to answer             | 32         | 5.67%  |
| <b>Total</b>                  | <b>564</b> |        |

|  |            |        |
|--|------------|--------|
| What best describes your level of education? |            |        |
| Less than high school                        | 0          | 0.00%  |
| High school graduate                         | 28         | 5.04%  |
| Some college                                 | 119        | 21.40% |
| AA Degree or Trade School                    | 87         | 15.65% |
| Bachelor's Degree                            | 173        | 31.12% |
| Graduate Degree                              | 124        | 22.30% |
| Decline to answer                            | 25         | 4.50%  |
| <b>Total</b>                                 | <b>556</b> |        |

|   |            |        |
|---|------------|--------|
| What best describes your employment status? |            |        |
| Employed full-time                          | 389        | 69.09% |
| Employed part-time                          | 39         | 6.93%  |
| Unemployed, looking for work                | 17         | 3.02%  |
| Retired                                     | 82         | 14.56% |
| Disabled                                    | 2          | 0.36%  |
| Full-time student                           | 0          | 0.00%  |
| Stay at home full-time                      | 9          | 1.60%  |
| Decline to answer                           | 25         | 4.44%  |
| <b>Total</b>                                | <b>563</b> |        |

|  |            |        |
|--|------------|--------|
| If you are a resident of Woodland, do you think you will still be living here in five years? |            |        |
| Yes  | 441        | 79.17% |
| No   | 60         | 10.77% |
| Not a resident of Woodland   | 56         | 10.05% |
| <b>Total</b>   | <b>557</b> |        |

|                                   |            |        |
|-----------------------------------|------------|--------|
| Yes                               | 47         | 9.55%  |
| No                                | 16         | 3.25%  |
| Do not own a business in Woodland | 429        | 87.20% |
| <b>Total</b>                      | <b>492</b> |        |

## Appendix B – Survey Instruments

## TEXT of Web-based Survey

Thank you for taking time to complete this survey. This is an opportunity to voice your opinions about how the City of Woodland should prioritize its spending on City services. We plan to use your feedback, along with that of others, to guide the budget development process for the upcoming fiscal year.

This survey should take approximately 15 minutes to complete. Questions? Please call us at 530-661-5800.

Unless otherwise instructed, please **circle** your answer.

1. Do you live in the City of Woodland?
- a. Yes
  - b. No
2. If you do not live in the City of Woodland, do you:
- a. Own a business in Woodland
  - b. Work at a business in Woodland
  - c. Other, \_\_\_\_\_

3. What are the three most important issues facing your community today?

|    |  |
|----|--|
| 1. |  |
| 2. |  |
| 3. |  |

4. How would you rate the quality of life in Woodland?

- a. Very Good
- b. Good
- c. Neutral/Okay
- d. Poor
- e. Very Poor

5. To follow are some statements about the City of Woodland. Please indicate whether or not you agree with each statement by checking only one box per row. The City of Woodland:

|   | Strongly Agree | Agree | No Opinion | Disagree | Strongly Disagree |
|---|----------------|-------|------------|----------|-------------------|
| a. is a safe place to live                    |                |       |            |          |                   |
| b. is an affordable place to live             |                |       |            |          |                   |
| c. provides good services for my money        |                |       |            |          |                   |
| d. has a government that is accessible        |                |       |            |          |                   |
| e. manages growth responsibly                 |                |       |            |          |                   |
| f. supports business and job development      |                |       |            |          |                   |
| g. has enough parks and recreation facilities |                |       |            |          |                   |
| h. cares about its residents                  |                |       |            |          |                   |

**6. Last year, the City of Woodland cut approximately \$7 million in City services.**

In your opinion, those budget cuts:

- a. went too far in cutting services to residents and businesses
- b. were appropriate for the City’s financial situation
- c. did not go far enough to control spending and reduce services

**7. To follow is a list of City services that are paid for with General Funds.**

**Please rank these services in order of importance, with “1” being the most important and “10” being the least important. You may only assign each number to one item (in other words, you can only rank one service as “1”).**

|  |  |
|--|--|
| Street maintenance                           |  |
| Library services                             |  |
| Economic development                         |  |
| Planning, zoning, and permitting             |  |
| Parks and athletic fields                    |  |
| Community recreation facilities and programs |  |
| Public safety (police and fire)              |  |
| Traffic management                           |  |
| Code enforcement                             |  |
| Communication with residents                 |  |

**8. This year, the City is facing additional budget cuts. Please indicate whether or not you would support the following actions to balance the budget by checking only one box per row.**

|  | Strongly Support | Somewhat Support | No Opinion | Somewhat Oppose | Strongly Oppose |
|--|------------------|------------------|------------|-----------------|-----------------|
| a. Increase sales tax                                |                  |                  |            |                 |                 |
| b. Increase fines for parking and permit violations  |                  |                  |            |                 |                 |
| c. Increase fees for park and community facility use |                  |                  |            |                 |                 |
| d. Increase hotel/motel “bed” tax                    |                  |                  |            |                 |                 |
| e. Implement new property taxes                      |                  |                  |            |                 |                 |
| f. Combine City departments and services             |                  |                  |            |                 |                 |
| g. Reduce benefits and salaries for city staff       |                  |                  |            |                 |                 |
| h. Layoff staff                                      |                  |                  |            |                 |                 |
| i. Increase response time for emergency services     |                  |                  |            |                 |                 |
| j. Reduce Library hours                              |                  |                  |            |                 |                 |
| k. Reduce Community Center hours                     |                  |                  |            |                 |                 |
| l. Reduce recreation programs                        |                  |                  |            |                 |                 |
| m. Restrict overtime for emergency service personnel |                  |                  |            |                 |                 |
| n. Reduce street maintenance services                |                  |                  |            |                 |                 |

**Additional Comments:**

**9. What advice would you give the City Manager and City Council to help them with balancing next year's budget?**

**10. How do you get your information about the City of Woodland? Please circle all that apply.**

- a. Woodland Daily Democrat
- b. The Sacramento Bee
- c. Woodland Record
- d. City Newsletter
- e. City Website
- f. City Employees
- g. City Council Meetings
- h. WAVE Channel 21
- i. Radio
- j. Friends and Neighbors
- k. Other, \_\_\_\_\_

**11. Do you use any of the following? Please circle all that apply.**

- a. Facebook
- b. MySpace
- c. LinkedIn
- d. Twitter

**The following questions will help us learn more about our community. Your privacy is protected, and we have no way of tracking your responses to you.**

**12. What is your zip code?**

**13. Including yourself, how many people reside in your household?**

- a. 1
- b. 2
- c. 3
- d. 4
- e. 5 or more
- f. Decline to answer

**14. How long have you lived in Woodland?**

- a. Less than 2 years
- b. 2-5 years
- c. 6-9 years
- d. 10-19 years
- e. 20 or more years
- f. Do not live in Woodland
- g. Decline to answer

**15. Which best describes your total yearly household income?**

- a. Less than \$10,000
- b. \$10,001 to \$20,000
- c. \$20,001 to \$35,000
- d. \$35,001 to \$50,000
- e. \$50,001 to \$75,000
- f. \$75,001 to \$100,000
- g. Over \$100,000
- h. Decline to answer

**16. If you are a resident of Woodland, do you rent or own the home in which you live?**

- a. Own
- b. Rent
- c. Not a resident of Woodland
- d. Decline to answer

**17. If you are a resident of Woodland, what best describes your residence?**

- a. Single-family house
- b. Apartment
- c. Duplex
- d. Manufactured/mobile home
- e. Not a resident of Woodland
- f. Decline to answer

**18. If you own a business in Woodland, do you own or lease your business property?**

- a. Own
- b. Monthly Lease
- c. Long-Term Lease
- d. Do not own a business in Woodland

**19. What is your gender?**

- a. Male
- b. Female
- c. Decline to answer

**20. What best describes your age?**

- a. 18 to 24
- b. 25 to 34
- c. 35 to 49
- d. 50 to 64
- e. 65 to 79
- f. 80 or over
- g. Decline to answer

**21. What best describes your level of education?**

- a. Less than high school
- b. High school graduate
- c. Some college
- d. AA Degree or Trade School
- e. Bachelor's Degree
- f. Graduate Degree
- g. Decline to answer

**22. What best describes your employment status?**

- a. Employed full-time
- b. Employed part-time
- c. Unemployed, looking for work
- d. Retired
- e. Disabled
- f. Full-time student
- g. Stay at home full-time
- h. Decline to answer

**23. If you are a resident of Woodland, do you think you will still be living here in five years?**

- a. Yes
- b. No
- c. Not a resident of Woodland

**24. If you own a business in Woodland, do you think you will still own a business here in five years?**

- a. Yes
- b. No
- c. Do not own a business in Woodland

## **Stakeholder Interview Questions**

1. In your opinion, what is going right in the City? What positive feedback are you receiving?
2. What needs to be improved? What are you hearing from the community?
3. In your opinion, how does the community value the service it receives for its rate/fee/tax dollars?
4. What would convince the community that the City was using tax dollars efficiently?
5. Do you believe the community feels the City is overstaffed, understaffed, or appropriately staffed? What do you think?
6. What are some alternatives to significant budget reductions and reductions in the established levels of service?

## Focus Group Questions

### Perceptions of the City

I'd like to have you participate in a short written exercise. When you're done, please look up so that I know you're finished. (You don't need to write long answers here)

Thank you. I'd like to spend some time talking about your answers.

In your opinion, what are the three most important issues facing your community today?

- How much do these issues worry you? A lot? Somewhat? Not too much?

How would you rate the quality of life in Woodland?

- How many of you said "Very good?"
- Good?
- Neutral (or "Okay")?
- Poor?
- Very Poor?

For those who said "very good" or "good," what is it about Woodland that makes you feel that way?

For those who said "poor" or "very poor," what makes you think that?

Let's talk a little about what services you feel are most important for the City to offer.

[OPTIONS for Prompts: Street maintenance; Library services; Economic development; Planning, zoning, and permitting; Parks and athletic fields; Community recreation facilities and programs; Public safety (police and fire); Traffic management; Code enforcement; Communication with residents]

Please tell me, in your opinion, the top three most important services the city provides to its residents.

What are your three least important services?

This year, the City is facing some pretty tough budget cuts. Of the options for increasing revenues to maintain current levels of service, which three do you most strongly support? Strongly oppose?

[FOR EACH mentioned: Why, or why not?]

[OPTIONS for Prompts]

- Increase sales tax
- Increase fines for parking and permit violations
- Increase fees for park and community facility use
- Increase hotel/motel "bed" tax
- Implement new property taxes
- Combine City departments and services
- Reduce benefits and salaries for city staff
- Layoff staff

- Increase response time for emergency services (this means it will take longer)
- Reduce Library hours
- Reduce Community Center hours
- Reduce recreation programs
- Restrict overtime for emergency service personnel
- Reduce street maintenance services

| Item                                       | Total W Points | 1   | Weighted - 10 | 2   | Weighted - 9 | 3  | Weighted - 8 | 4  | Weighted - 7 | 5  |
|--|----------------|-----|---------------|-----|--------------|----|--------------|----|--------------|----|
| Public safety (police and fire)            | 5343           | 397 | 3970          | 63  | 567          | 46 | 368          | 30 | 210          | 21 |
| Street maintenance                         | 3878           | 29  | 290           | 125 | 1125         | 91 | 728          | 77 | 539          | 86 |
| Economic development                       | 3787           | 55  | 550           | 118 | 1062         | 89 | 712          | 70 | 490          | 49 |
| Traffic management                         | 2916           | 10  | 100           | 48  | 432          | 71 | 568          | 60 | 420          | 75 |
| Planning, zoning, and permitting           | 2868           | 5   | 50            | 32  | 288          | 62 | 496          | 68 | 476          | 79 |
| Communication with residents               | 2844           | 31  | 310           | 62  | 558          | 38 | 304          | 51 | 357          | 52 |
| Code enforcement                           | 2718           | 9   | 90            | 42  | 378          | 43 | 344          | 74 | 518          | 57 |
| Library services                           | 2683           | 30  | 300           | 47  | 423          | 50 | 400          | 44 | 308          | 68 |
| Parks and athletic fields                  | 2628           | 5   | 50            | 29  | 261          | 50 | 400          | 57 | 399          | 55 |
| Community recreation facilities & programs | 2527           | 16  | 160           | 21  | 189          | 45 | 360          | 54 | 378          | 42 |

| Weighted - 6 | 6  | Weighted - 5 | 7  | Weighted - 4 | 8  | Weighted - 3 | 9   | Weighted - 2 | 10  | Weighted - 1 |
|--------------|----|--------------|----|--------------|----|--------------|-----|--------------|-----|--------------|
| 126          | 7  | 35           | 9  | 36           | 8  | 24           | 1   | 2            | 5   | 5            |
| 516          | 63 | 315          | 59 | 236          | 28 | 84           | 17  | 34           | 11  | 11           |
| 294          | 64 | 320          | 38 | 152          | 29 | 87           | 48  | 96           | 24  | 24           |
| 450          | 54 | 270          | 66 | 264          | 74 | 222          | 63  | 126          | 64  | 64           |
| 474          | 74 | 370          | 80 | 320          | 72 | 216          | 66  | 132          | 46  | 46           |
| 312          | 74 | 370          | 65 | 260          | 53 | 159          | 55  | 110          | 104 | 104          |
| 342          | 68 | 340          | 66 | 264          | 70 | 210          | 77  | 154          | 78  | 78           |
| 408          | 47 | 235          | 45 | 180          | 59 | 177          | 57  | 114          | 138 | 138          |
| 330          | 77 | 385          | 77 | 308          | 92 | 276          | 77  | 154          | 65  | 65           |
| 252          | 56 | 280          | 79 | 316          | 99 | 297          | 123 | 246          | 49  | 49           |