TOWN of YUCCA VALLEY
Goal Setting Workshop
January 12th, 2013

Strategic Planning Workshop

0900 Welcome & Agenda Review

0915 Session 1: Review of 2012 Strategic Priorities

0945 Session 2: General Fund Overview (FY12/13+)

1015 Roundtable from Sessions 1-2 / Break

1030 Session 3: Infrastructure Cliff

1100 Session 4: Public Safety Review

1130 Session 5: Life After Redevelopment

Strategic Planning Workshop

1200 Recap of Morning / Working Lunch

1230 Session 6: Building A Budget

1330 Roundtable from Session 6 / Break

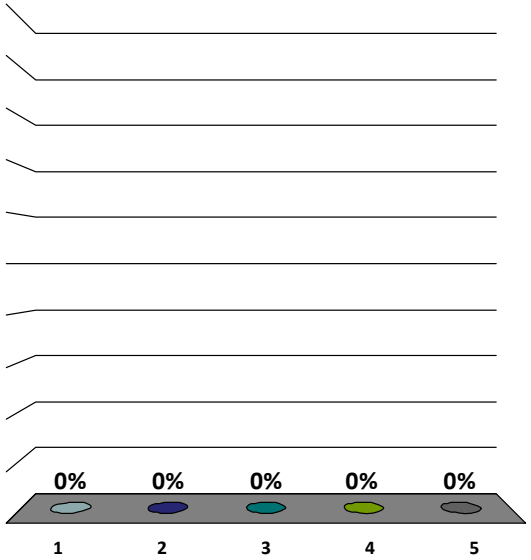
1345 Session 7: Budget Balancing Strategies

1415 Session 8: Strategic Planning Policy Guidance

Workshop Recap / Adjournment

I am here today as …

1. Town Councilmember
2. Town Management Team
3. Town Employee
4. Town Resident and/or Business Owner
5. Other interested party (non-resident, media, …)



Do you live in the Town of Yucca Valley?

1. Yes
2. No

Do you attend last year's Strategic Planning Session?

1. Yes
2. No

Session 1: Priorities

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Organizational Goals*

1. Community Appearance, Character and Livability
2. Public Safety
3. Fiscal Sustainability, Accountability and Operational Efficiency
4. Old Town Redevelopment
5. Economic Development
6. Community & Recreation Facilities and Public Buildings
7. Infrastructure & Resources

*** Source: 2009/10 Strategic Planning Workshop**

Organizational Goals (09/10)

Goal 1: Community Appearance, Character & Livability

Goal: #1 **COMMUNITY APEARANCE, CHARACTER AND LIVABILITY**
Maintain a high standard of community appearance, cleanliness, character and livability by protecting the desert environment, attention to long term vision and planning and aesthetic details, involvement of citizens and volunteers and provision of effective code enforcement.

Strategic Priority Action Steps

A. Entrance mon
B. Golf course re
C. Common mun
D. Branding the T
E. Community Ev
or new events
F. Desert Landsc
G. Land preserva
General Plan
H. Revise Develo
I. Code Enforcem
implementatio
J. Volunteer Prog

Goal 2: Public Safety

Goal: #2 **PUBLIC SAFETY**
Provide police, fire and emergency services to maintain a safe and secure community.

Strategic Priority Action Steps

A. Police Services –
B. Fire Services – C
C. Traffic & pedestri
D. Emergency Mana
recovery measure
E. Animal Shelter Se

Goal 3: Fiscal Sustainability, Accountability & Operational Efficiency

Goal: #3 **FISCAL SUSTAINABILITY AND ACCOUNTABILITY AND OPERATIONAL EFFICIENCY**
Provide stewardship of town finances and assets to maximize fiscal accountability, budget stability and efficiency of operations and th
of long term objectives.

Strategic Priority Action Steps

A. Develop a multiyear analysis of project funding alternatives for essential service
needed infrastructure and facilities
B. Develop fee policy
C. Develop facility and infrastructure funding and implementation plan which inclu
long term financial plan and a community involvement plan

ADDITIONAL STRATEGIC PRIORITY SUGGESTIONS

D. Conduct an operational efficiency review for the Town's business functions to i
needed efficiency gains.

Goal 4: Old Town Redevelopment

Goal: #4 **OLD TOWN REDEVELOPMENT**
Transform Old Town into a center of economic and community activity.

Strategic Priority Action Steps

A. Land acquisition purchase priorities – Continue acquisition processes
B. Hwy 62 Realignment – Continue SR62 realignment program
C. Funding & construction of public facilities and improvements – Include in 5-Year Capital Improvement Program
D. Private sector development priorities – continue to encourage private development and construction

Goal 5: Economic Development

Goal: #5 **ECONOMIC DEVELOPMENT**
Promote planning, investment, policies and strategies which will create jobs and enhance the local economy and the vitality of the Town of Yucca Valley

ontinue to encourage and support private development,
e Old Town Specific Plan area; Prepare Economic
m

Goal 6: Community & Recreation Facilities and Public Buildings

C BUILDINGS
ublic buildings to
of Town services

munity Center
location
A
ublic Works yard

Goal 7: Infrastructure & Resources

Goal: #7 **INFRASTRUCTURE AND RESOURCES**
Plan and Construct infrastructure improvements for road and highway mobility and safety and for surface water mitigation, waste water treatment and domestic water availability.

Strategic Priority Action Steps

ent Management
altrans, pursue
ater District
r District for

From Goals to Implementation

- Limited Resources / Staff
  - Recurring General Fund
  - One-Time Construction funding
- Market Dynamics
  - Development trending to eastern Town limits
  - Recession impacting most residential development
- Competing / Conflicting priorities
- Outside Agency impacts
- “Community Challenges”

Community Challenges

- Wastewater System
- Outdated General Plan / Development Code
- Deferred Infrastructure Maintenance / Investment
- Inadequate Public Facilities
- Lacking a Diverse Economy
- Elimination of RDA
- Measure U Defeat

2012 Priorities

- Infrastructure Maintenance
- General Plan update
- Sewer Project
- Development Code / Ordinance Review
- Park / Facility Development
- Economic Development
- Effective Town Management
- Senior Housing
- Animal Shelter

2012 Strategic Planning Town Goals / Issues

Item #	Issue	Description	Staff	Rowe	Hagerman	Abel	Lombardo	Huntington	Status
1	Code Enforcement - Corridor Enforcement / Beautification	Enforce property maintenance standards; Strategic programs to target key challenges in community (foreclosed properties, SR62 enforcement)	Near				Near	Near	Code Enforcement program augmented with CDBG funding.
2	Code Enforcement - Golf Course	Find short term solution and secure Golf Course					Near	Near	Bank not foreclosing; Incorporated land use alternatives in General Plan Update
3	Community Outreach	Improve communication with public (Rec Web site and other); Conduct of community survey(s) / outreach					Near	Near	Survey completed with GP Update; Launched Town Facebook site
4	Development - Development Impact Fees	Annual Review; Justification for setting at max deferrable limits; Update to Development Impact Fee study (5 years old) - completed at end of General Plan update (Medium timeframe)	Near						Impact Fees updated
5	Development - SWPPP Review / USACE	Pursue federal review relative to waters of the US; implications on Clean Water Act mandates for SWPPP	Medium						
6	Development Regulations - Code Update	Complete Development Code Revisions	Near	Near		Near	Medium	Near	Dev Code Update underway
7	Development Regulations - Dark Skies	Continue to promote, support and require dark skies					Long	Near	
8	Development Regulations - Open Space preservation	Continue to support and encourage open space; continue work with the Morongo Basin Open Space working group						Near	MBOSG data incorporated into GP Update
9	Development Regulations - Streamlining	Consolidate & streamline building submittal requirements					Medium	Near	Improvements to Comm Dev website
10	Economic Development	Pursue Commercial Development & economic growth; Ease of (simplify) bringing development to Yucca Valley	Near		Near	Near	Near	Near	Attended ICSC; continue working with local brokers
11	Economic Development - Diversify Local Economy	Lack of a skilled workforce. Non diverse economy; service based, low wage, minimal growth. Identify potential niche industry(ies) to provide future employment opportunities, identifying the opportunities to create jobs/possibly solar	Long			Long	Medium		
12	Economic Development - General	Determine "realistic" development targets and pursue, identifying and then capturing the brand				Long	Near	Medium	
13	Economic Development – Golf Course	Facilitate private redevelopment of Golf Course; Moving this equality of life issue to a solution; Assist in redevelopment of Blue Sky	Long	Medium	Near	Medium	Medium	Long	Uses to be studied with GP update
14	Economic Development - Old Town Development	Continue Old Town Specific Plan implementation; Re-evaluating this project; "Near" term re-evaluation	Long	Long	Long	Long	Long	Medium	SP to be re-visited with GP update
15	Facility Planning - Animal Shelter	Complete new animal shelter; Review location and cost to the Town	Near	Medium		Near	Near	Near	Design progressing
16	Facility Planning - Bike Lanes / Trails	Improve Bicycle safety ; Acquire Land/easements and make reality			Medium	Long	Long	Near	
17	Facility Planning - Consolidation	Consolidate Town Hall in single location	Long					Medium	
18	Facility Planning - Expansion	Continue programs to add to park facilities and amenities; finish partnership with Brehm		Near	Near	Near	Near	Near	Prop 84 Brehm Park application
19	Facility Planning - Library	Relocate library per facilities plan	Long	Long			Long	Long	
20	Facility Planning - Museum	Relocate Museum per facilities plan; Review financial cost to Town; look at generating revenue or spinning off to non-profit	Long	Near		Near	Long	Long	
21	Facility Planning - Southside	Complete Development of Southside Community park			Long	Near	Near		Southside Phase 1A; Secured County funding support
22	General Plan - Vision	Confirm community vision of Yucca Valley	Near			Near		Near	GP Update underway
23	General Plan Update	Review General Plan and update as required; Sustainable Communities Strategies (Development Code Update, Climate Action Plan)	Near	Near	Near	Near	Near	Medium	GP Update underway
24	Infrastructure - Construction	Sidewalks in Commercial Corridor			Medium			Medium	PLHD project moving forward; TDA grant from SANBAG
25	Infrastructure - Construction	Traffic calming and controls highway and local streets; SR-62 widening						Medium	
26	Infrastructure - Road Control Improvements	Pursue stable short term fix to storm drainage	Near	Medium			Medium	Near	USACE Long Canyon basin project
27	Infrastructure - Maintenance	Improve public streets; Review alternative funding sources to address backlog (bonding against Measure I; General Fund loan; PDA loan)	Near	Medium	Medium	Near	Near	Near	General Fund target (10%) by 2014; Revenue Measure proposed
28	Infrastructure - Public Works Standard Drawings / Specifications	Standard drawings are 15 years old; Project funded and slated for completion this coming year	Near						
29	Ordinance Review	Sign, Native Plant, Undergrounding Utility, Grading; Reduce amount of regulations (sign, NPO), eliminate infill requirement (utility), purge unnecessary ordinances		Near	Near	Near	near		Native Plants, Undergrounding Utilities brought forward; Sign code slated for 2012
30	Public Safety - Increase Service Levels	Identify means and improve Police and fire protection					Medium	Near	
31	Redevelopment - Affordable Housing	Provide for affordable housing per alleged quota; complete senior housing project	Near	Near		Near	Long	Medium	Senior Housing project entitled; HUD 202 not awarded; seeking alternative funding
32	Redevelopment - Project Area Amendment	Increase area to include golf course area; Increase the debt ceiling and maximum tax increment allowed under the plans	Near	Near					RDA Dissolution (AB 1426)
33	Sewer Plant	Support water/sewer project; advocacy without direct $$ contribution	Near	Near		Near	Near	Near	Funding Strategy completed; Revenue Measure / state grants
34	Town Management	Review and pursue maximum efficiencies in town operations; review public safety allocations vs. updated population / crime / public safety issues; Prioritize all expenditures to give staff direction on highest/lowest priorities; sell PD building	Near		Near	Near	Near	Medium	PERS employee contribution 8%; Two-tier Retirement benefits. Adjustment to taxes accrual
35	Town Management - Community Services	Evaluate and provide cost effective programs & events						Medium	On-going
36	Town Management - Employee Benefits Review	Examine alternative(s) to maintaining competitiveness while controlling costs of benefits to employees	Near				Near		PERS employee contribution 8%; Two-tier Retirement benefits. Adjustment to taxes accrual
37	Town Management - Reserves	Continue to maintain budgetary reserve at high level					Near	Near	Reserves increased by $500,000
38	Town Management - Revenue Increasers / Financial Stability	Look at alternative(s) to increase revenues to deliver roads, parks, and other service enhancements; Ensuring financial stability in light of continuing financial contraction	Near				Near		Potential Revenue Measure. Nov 2012

2012 Priorities

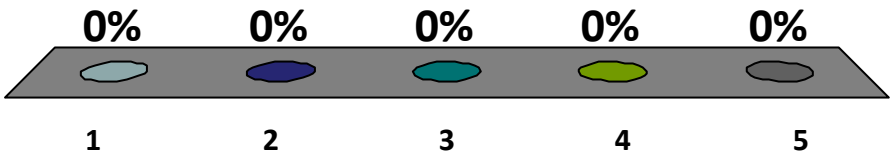
- Infrastructure Maintenance
- General Plan update
- Sewer Project
- Development Code / Ordinance Review
- Park / Facility Development
- Economic Development
- Effective Town Management
- Senior Housing
- Animal Shelter

2012 Activity

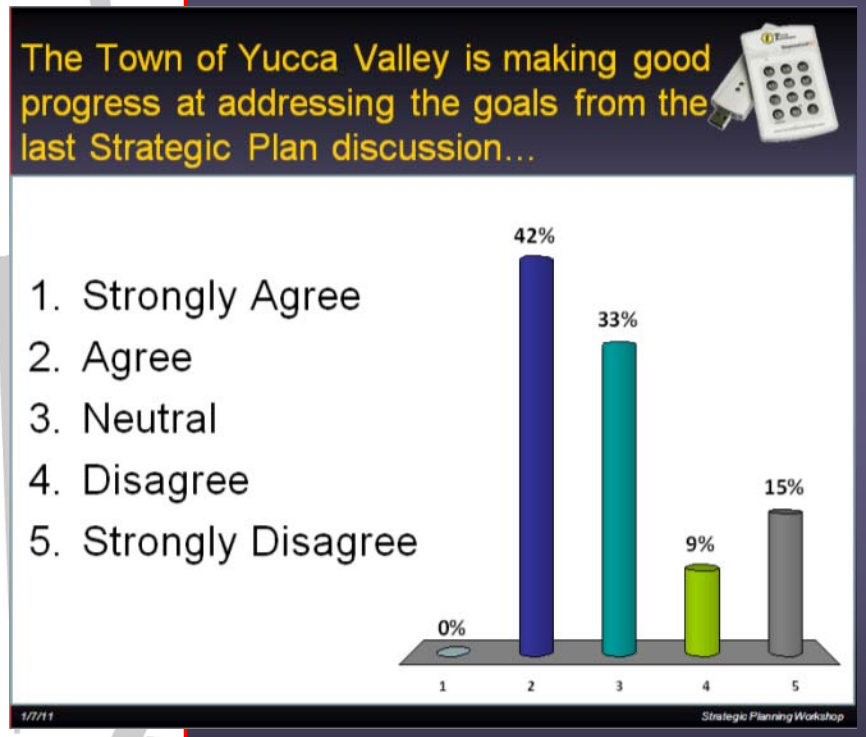
- Slurry Seal project (3% GF)
- General Plan Visioning & Land Use Completed
- Collaboration with HDWD on Sewer financing
- Development Code update nearing completion
- No Prop 84 funds to Brehm, Essig Park completed
- Dollar General completed, SuperWalmart starts
- Travel Tour writer visits
- Website Improvements
- Senior Housing Awarded Tax Credits
- Animal Shelter designed, County funding agreement

The Town of Yucca Valley is making good progress at addressing the goals from the last Strategic Plan discussions…

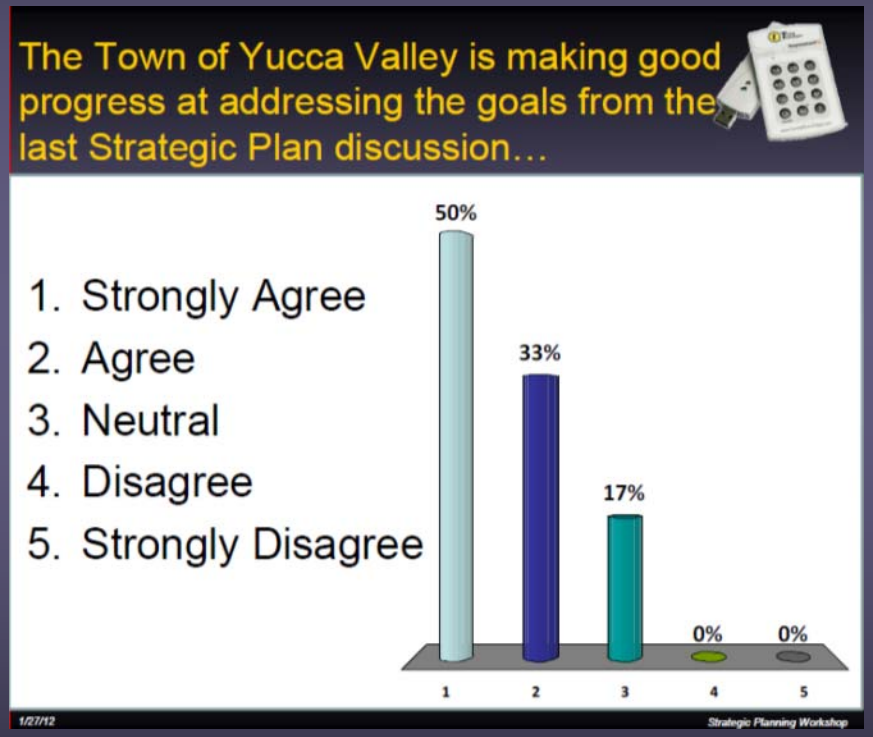
1. Strongly Agree
2. Agree
3. Neutral
4. Disagree
5. Strongly Disagree



How Did We Rank Before?



January 2011



January 2012

2013 Strategic Planning Town Goals / Issues

Item #	Issue	Description	Staff	Abel	Lombardo	Huntington	Rowe	Status
1	Code Enforcement - Corridor Enforcement / Beautification	Enforce property maintenance standards; Strategic programs to target key challenges in community (foreclosed properties, SR 62 enforcement)	Near	Near	Near	Near		**May be necessary to allocate CDBG funding in 2014 for CE Program due to budget constraints**
~~2~~	~~Code Enforcement - Golf Course~~	~~Find short term solution and secure Golf Course~~		~~Near~~	~~Near~~	~~Near~~		**Privately owned; increased land use intensity to promote redevelopment**
3	Community Outreach	Improve communication with public thru Web site and other; conduct of community survey(s) / outreach		Medium	Near	long		**Survey completed with GP Update; Launched Town Facebook site**
4	Development - Development Impact Fees	Annual Review; Justification for setting at max defensible limits; Update to Development Impact Fee study (5 years old) -- completed at end of General Plan update (Medium timeframe)	Near	Medium		Medium		**Proceeded to identify multiple uses for existing balances including the allocation of public facility balances to Animal Shelter Construction and loans for Park Improvments**
5	Development - SWPPP Review / USACE	Pursue federal review relative to waters of the US; implications on Clean Water Act mandates for SWPPP	Medium			long		
6	Development Regulations -- Code Update	Complete Development Code Revisions	Near	Near	Medium	Near	Near	**Dev Code Update underway**
7	Development Regulations - Dark Skies	Continue to promote, support and require dark skies		Near	Long	Near		
8	Development Regulations - Open Space preservation	Continue to support and encourage open space; continue work with the Morongo Basin Open Space workin group		Near		Near		**GP Update underway**
9	Development Regulations - Streamlining	Consolidate & streamline building submittal requirements		Medium	Medium	Near		**Improvements to Comm Dev website completed**
10	Economic Development	Pursue Commercial Development & economic growth; Ease of (simplify) bringing development to Yucca Valley	Near	Near	Near	Near		**Ongoing -- using GP Gap Analysis as marketing of Town continues**
11	Economic Development - Diversify Local Economy	Lack of a skilled workforce. Non-diverse economy; service based, low wage, minimal growth. Identify potential niche industry(s) to provide future employment opportunities; Identifying the opportunities to create jobs/possibly solar; partner with college once needs are established.	Long	Long	Long	long		
12	Economic Development - General	Determine "realistic" development targets and pursue; Identifying and then capturing the brand		Long	Near	long		
13	Economic Development -- Golf Course	Facilitate private redevelopment of Golf Course; Moving this quality of life issue to a solution; Assist in redevelopment of Blue Sky	Long	Medium		Long	Medium	**Privately owned; increased land use intensity to promote redevelopment**
14	Economic Development - Old Town Development	Continue Old Town Specific Plan implementation; Re-evaluating this project; "Near" term re-evaluation	Long	Long	Long	Medium	Long	**GP Update underway**

2013 Strategic Planning Town Goals / Issues

Item #	Issue	Description	Staff	Abel	Lombardo	Huntington	Rowe	Status
15	Facility Planning - Animal Shelter	Complete new animal shelter; Review location and cost to the Town	Near	Near	Near	Near	Near	**Construction contract awarded**
16	Facility Planning - Bike Lanes / Trails	Improve Bicycle safety ; Acquire Land/easements and make reality		Long	Long	long		
17	Facility Planning - Consolidation	Consolidate Town Hall in single location	Long		long	long		
18	Facility Planning - Expansion	Continue programs to add to park facilities and amenities; Finish partnership with Brehm		Near		Near	Medium	**Need to re-evaluate with loss of Measure U**
19	Facility Planning - Library	Relocate library per facilities plan	Long		Long	Long	Long	
20	Facility Planning - Museum	Relocate Museum per facilities plan; Review financial cost to Town; look at generating revenue or spinning off to non-profit	Long	Near	Near	Long	Near	
~~21~~	~~Facility Planning - Southside~~	~~Complete Development of Southside Community park~~		~~Near~~	~~Near~~			**Essig Park completed**
22	General Plan - Vision	Confirm community vision of Yucca Valley	Near	Near	Near	Near		**GP Update underway**
23	General Plan Update	Review General Plan and update as required; Sustainable Communities Strategies (Development Code Update, Climate Action Plan)	Near	Near	Near	Near	Near	**GP Update underway**
24	Infrastructure - Construction	Sidewalks in Commercial Corridor		Near	Near	Near		**PLHD / TCRP projects moving forward; TDA grant from SANBAG**
25	Infrastructure - Construction	Traffic calming and controls highway and local streets; SR-62 widening		Near		Near		**Medians coming with SR-62 improvements**
26	Infrastructure - Flood Control improvements	Pursue viable short term fixes to storm drainage	Near	Long	Medium	Medium	Medium	**USACE Long Canyon basin project**
27	Infrastructure - Maintenance	Improve public streets; Review alternative funding sources to address backlog (bonding against Measure I, General Fund loan, RDA loan)	Near	Near	Near	Near	Near	**General Fund target (10%) by 2014; Need to re-examine with failure of Measure U**
28	Infrastructure - Public Works Standard Drawings / Specifications	Standard drawings are 13 years old. Project funded and slated for completion this coming year	Near	Medium	Near	Near		
29	Ordinance Review	Sign, Native Plant, Undergrounding Utility, Grading; Reduce amount of regulations (sign, NPO), eliminate infill requirement (utility), purge unnecessary ordinances		Near	near		Near	**Development Code addressing key priorities**

2013 Strategic Planning Town Goals / Issues

Item #	Issue	Description	Staff	Abel	Lombardo	Huntington	Rowe	Status
30	Public Safety - Increase Service Levels	Identify means and improve Police and Fire protection		Near	Medium	Near		**Need to evaluate service demands vs response times vs budget issues**
31	Redevelopment - Affordable Housing	Provide for affordable housing per alloted quota; complete senior housing project	Near	Near	Near	Near	Near	**Senior Housing project entitled; Tax Credits secured; Awaiting DOF determination on Low/Mod funding**
~~32~~	~~Redevelopment - Project Area Amendment~~	~~Increase area to include golf course area; Increase the debt ceiling and maximum tax increment allowed under the plans~~	~~Near~~				~~Near~~	**RDA Dissolution (AB 1x26)**
33	Sewer Plant	Support waste water project; advocacy without direct $$ contribution	Near	Near	Medium	Near	Near	**Need to re-evaluate with loss of Measure U; HDWD must develop options/proposals for Town Council consideration**
34	Town Management	Review and pursue maximum efficiencies in town operations; review public safety allocations vs. updated population / crime / public safety issues; Prioritize all expenditures to give staff direction on highest/lowest priorities; sell PFF building	Near	Near	Near	Near	Near	**Completed as part of FY 2012-13 budget; will be revisited as part of SP/Budget process for upcoming years. Addl focus reqd in light of no new revenue. Addl cuts will result in service level cuts.**
35	Town Management - Community Services	Evaluate and provide cost effective programs & events; Identify programs and services that can be shut down to reduce costs w/o losing the ability to restart when funding becomes available.		Near		Near		**With the loss of Measure U, structural deficit strategies must be developed.**
~~36~~	~~Town Management - Employee Benefits Review~~	~~Examine alternative(s) to maintaining competitiveness while controlling costs of benefits to employees~~	~~Near~~		~~Near~~			**PERS employee contribution 8%; Two-tier Retirement benefits; Adjustment to leave accrual**
37	Town Management - Reserves	Continue to maintain budgetary reserve at high level		Near	Near	Near		**Reserves increased by $500,000**
38	Town Management - Revenue Increases / Financial Stability	Look at alternative(s) to increase revenues to deliver roads, parks, and other service enhancements; Work with citizens to formulate another revenue measure for the ballot; Ensuring financial stability in light of continuing financial contraction	Near	Near	Near	Near		**Need to re-evaluate with loss of Measure U**

Organizational Goals*

1. Community Appearance, Character and Livability
2. Public Safety
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4. Old Town Redevelopment
5. Economic Development
6. Community & Recreation Facilities and Public Buildings
7. Infrastructure & Resources

*** Source: 2009/10 Strategic Planning Workshop**

Organizational Goals 2013

- Quality Of Life Services
- Responsive Public Safety
- Effective Fiscal Management
- Community Sustainability
- Adequate, Well Maintained Facilities
- Infrastructure for Today & Tomorrow

Audience Participation

- When you think of _____, what comes to mind?
  - Quality Of Life Services
  - Responsive Public Safety
  - Effective Fiscal Management
  - Community Sustainability
  - Adequate, Well Maintained Facilities
  - Infrastructure for Today & Tomorrow

Session 2: Financial Overview

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Strategic Planning Budget Review

January 12, 2013

Town of Yucca Valley

Mid-Year Summary

The Town's Mid-Year Budget Review indicates projected year-end results slightly below projections from FY 2012-13 Amended Budget:

- Anticipated Revenues slightly above $9.2 million
- Anticipated Expenditures slightly below $9.5 million, including carry-over projects such as Dev Code and General Plan Update
- Estimated total reserves of $6.6 million and undesignated unreserved fund balance of $4.7 million

Revenue Review

- Primary Revenue Sources
  - Property/VLF 43 %
  - Sales Tax 33 %
  - Franchise/TOT 11 %
  - Service Revenue 10 %
  - All Other 3 %

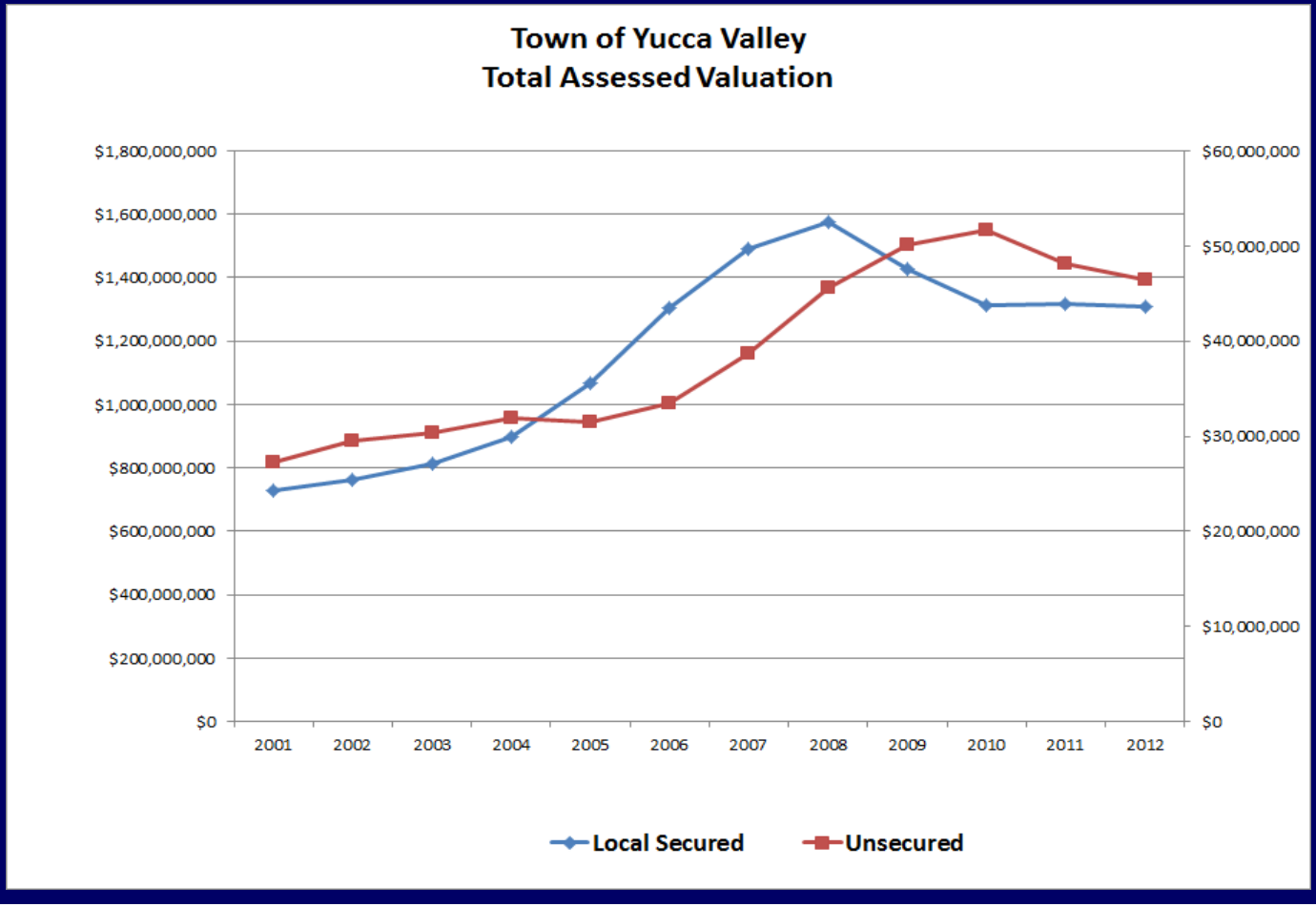
2012-13 Revenue Projection

Amended Budget	$ 9,415,300
Sales Tax Decrease	<150,000>
VLF/Prop Tax	<35,000>
Franchise/TOT/Interest	<13,000>
All Other	<12,000>
Year-end Projection	$ 9,205,300
Net Change	<$210,000>

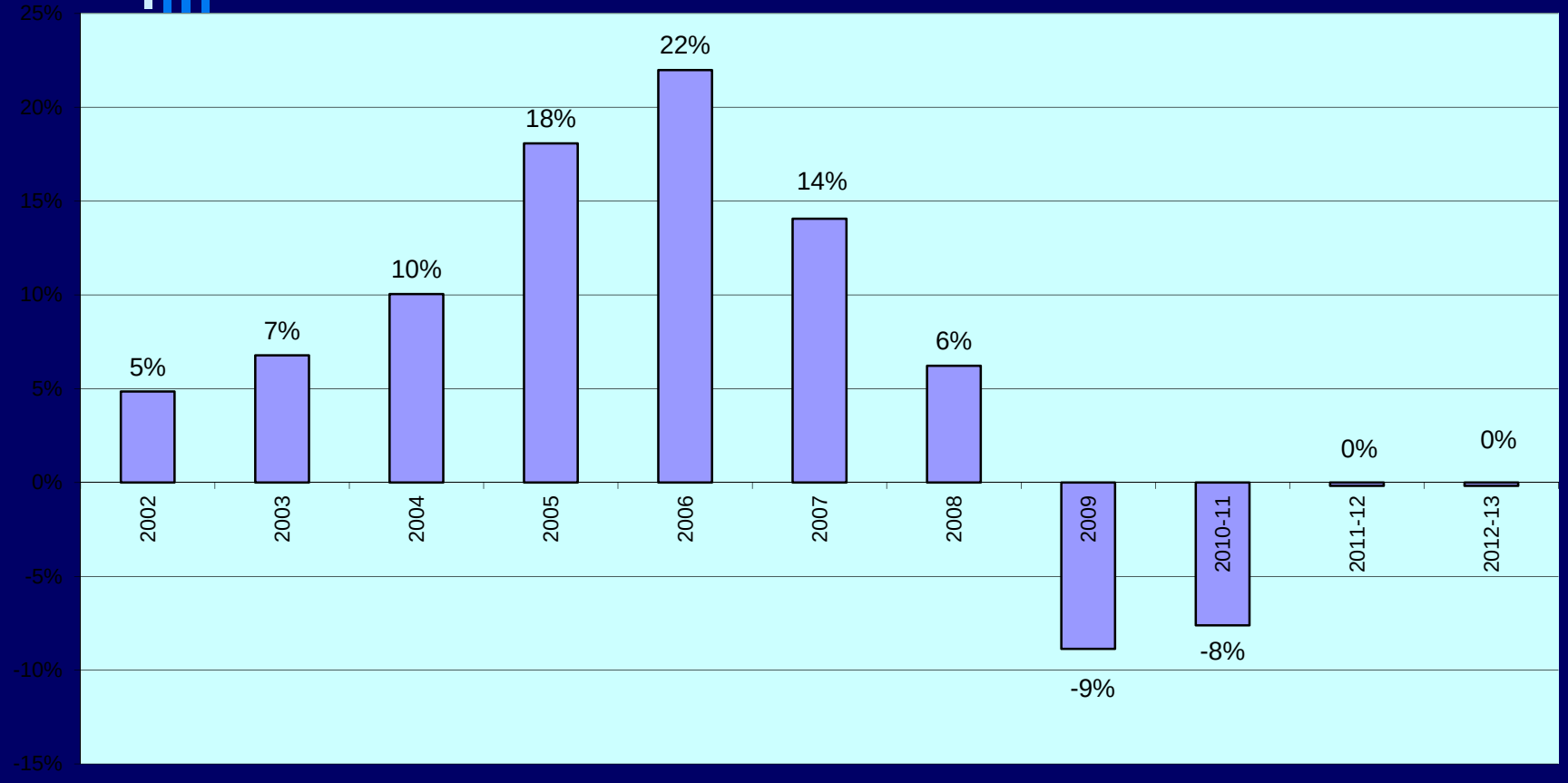
FY 2012-13
Property Tax Update

- Guidance from County office is for (0.7%) decline
- Continues to be a weakness; possible that AV may return to zero or slight growth in FY 13-14 due to market conditions
- Activity is returning to market, however, at low prices
- VLF Backfill growth tied to AV growth

Historical AV Trend

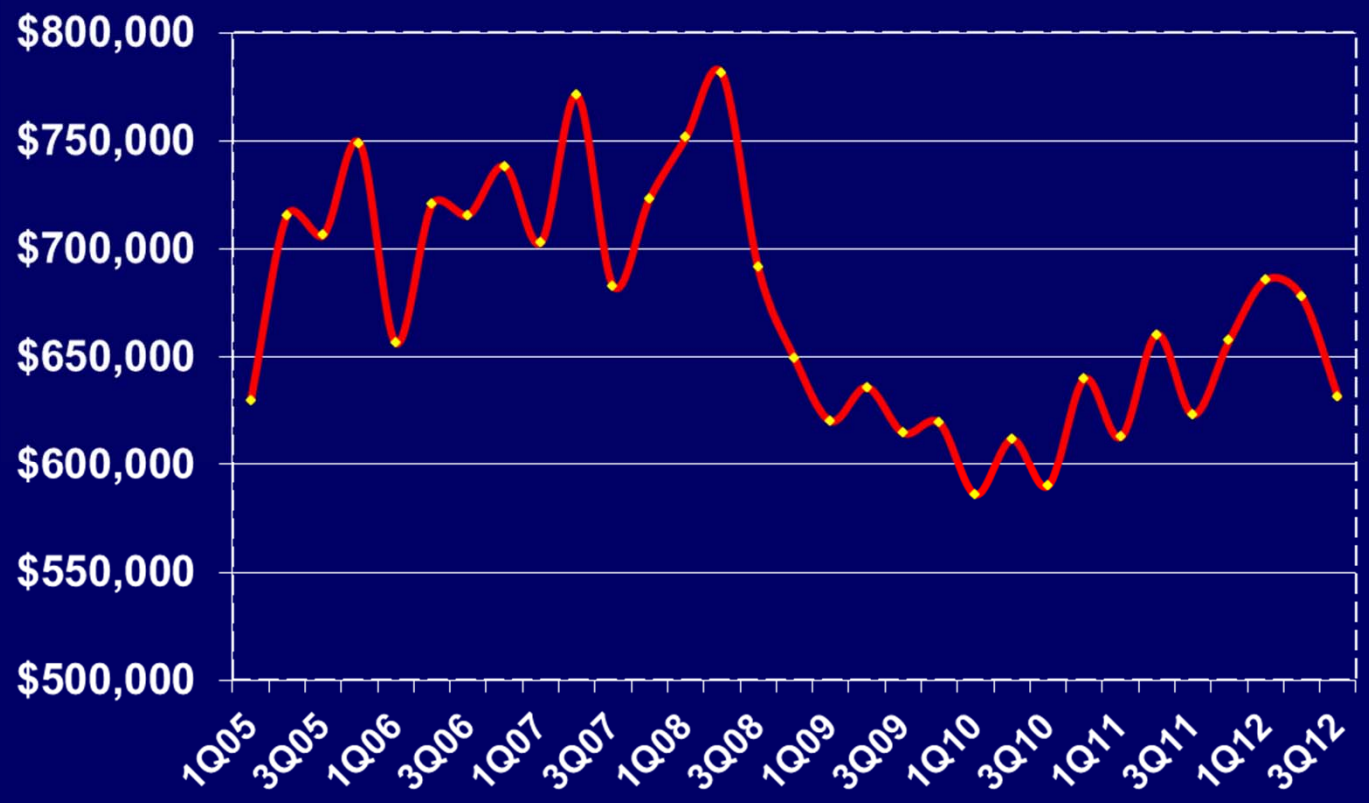


AV % Change Trend

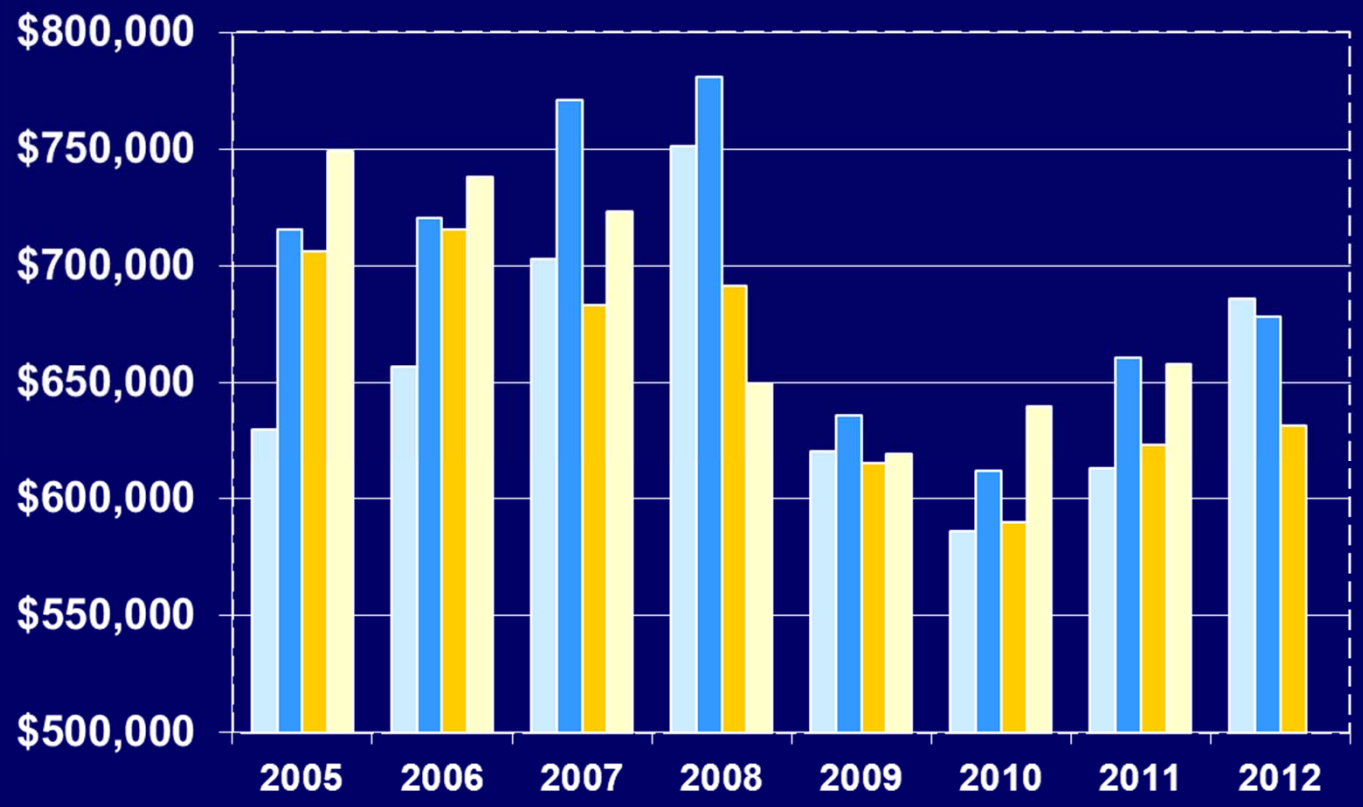


% Change from Prior Year

Sales Tax Revenue Trend



Sales Tax Revenue Trend



Expenditure Review

- Primary Expenditure Categories
  - Contract Safety 38 %
  - Personnel Services 35 %
  - Operating Supplies and Contract Services 21 %
  - Capital Projects 5 %
  - Partnerships 1 %

2012-13 Expenditure Projection

Amended Budget	$ 9,546,513
Personnel Services	<15,000>
Contract Safety	4,000
Operating Supplies/Svcs	<43,000>
Year-end Projection	$ 9,492,513
Net Change	<$54,000>

2012-13 General Fund Capital Project Carry-Overs

- Carry-over projects represent previously authorized projects that have moved from one fiscal year to the next.
  - Development Code Update $ 56,000
  - General Plan Update 308,000
  - Misc Other 23,000

Total Carry-Over $ 387,000

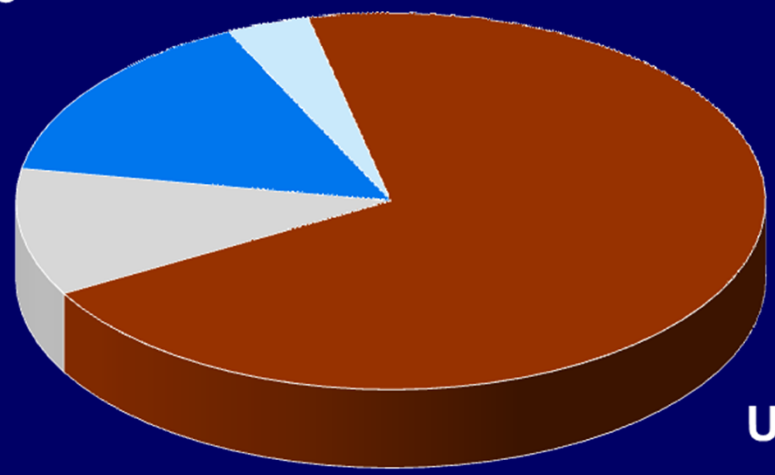
2012-13 Projected Balance Impacts

- Based on lower projected revenue in FY 2012-13, coupled with existing expenditures, Town will likely NOT be able to complete infrastructure transfer.
- This will eliminate $230,000 in funding budgeted for infrastructure maintenance, with no replacement source.

Mid-Year Budget Reserve Analysis

4/8/2013

Projected Fund Balance as of June 30, 2013 $6,640,000



Undesignated Reserve = 49% of GF Expenditures

Special Revenue Fund Highlights

Special Revenue Funds

- Measure I
  - Sales Tax Based – Appears in-line with budget amount
- LTF – Local Roads - Appears in-line
  - Public Works Streets Program
- Former Prop 42 Funds – In line
- Gas Tax - Fixed Rate of $0.18/gal
  - Slightly below budget due to decreased consumption in summer months
  - Impacts availability of Prop 42 for Maintenance

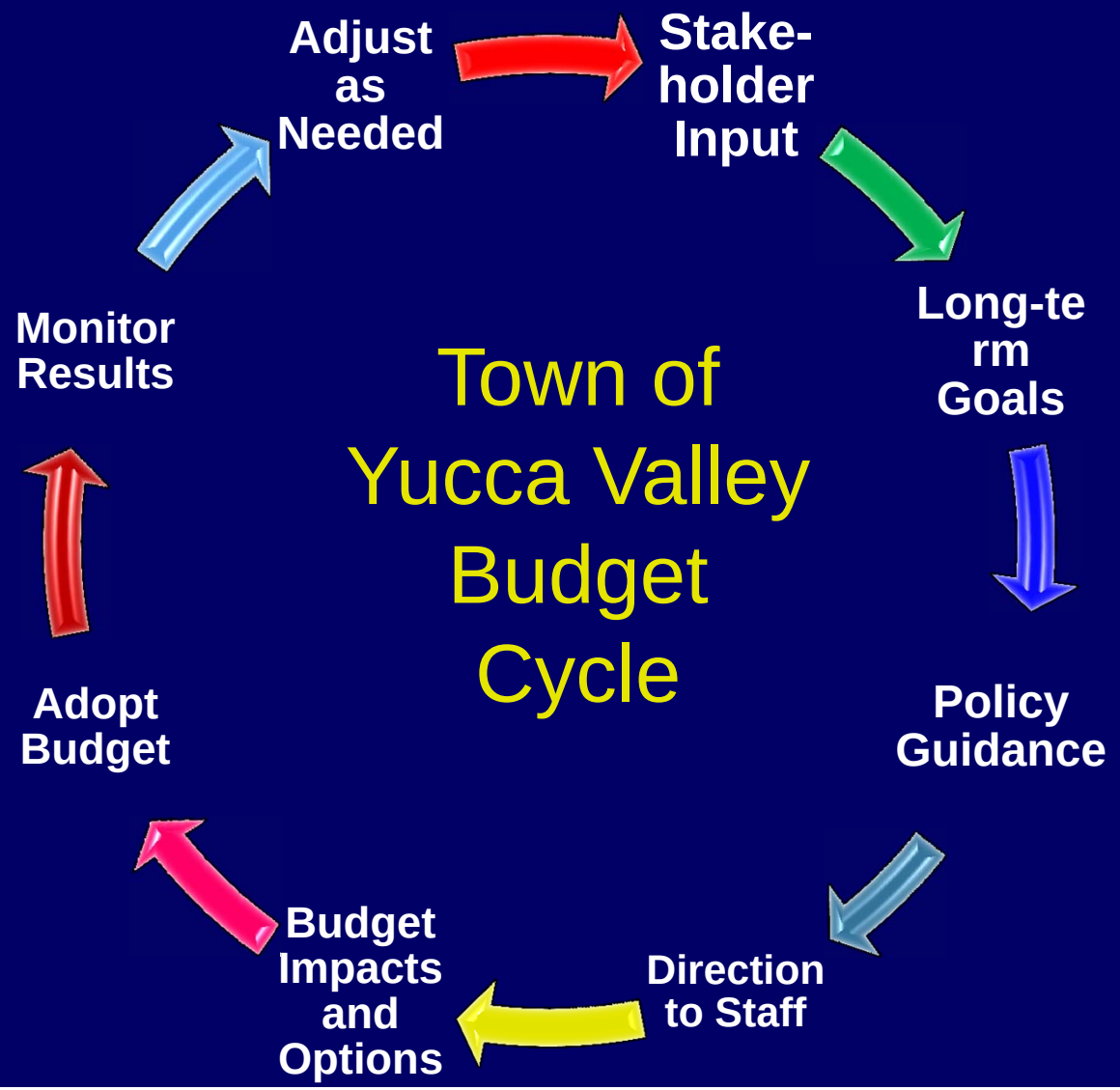
FY 2013-14 Baseline Budget Projection

4/8/2013

Budget Best Practices - Town Budget Process

1. Obtain Stakeholder Input
2. Set “broad goals”
3. Establish Program Policy Priorities
4. Develop / Review Financial Policies
5. Establish Implementation Objectives
6. Develop a Budget that Implements the Plan
7. Report and Evaluate Performance and Program Accomplishments
8. Make Adjustments as Needed
1. Obtain Stakeholder Input (it starts all over again!)

Town of Yucca Valley Budget Cycle



FY 2013-14 Baseline Budget

(in millions)	
Revenues	
FY 2012-13 Projected	$9.20
Sales Tax	0.1
Prop Tax	0.1
Other	0.1
FY 2013-14	**$9.50**
Expenditures	
FY 2012-13 Projected	$9.50
Cap Projects Completion	(0.37)
Non-Labor CPI	0.20
FY 2013-14	**$9.33**

FY 2013-14
Baseline Expense Assumptions

FY 2013/14 Baseline Revenue:	**$9.500 mil**
➢ FY12/13 service programming levels	$9.330 mil
➢ Merit Increase (2.5% staffing costs)	0.085 mil
➢ Schedule "A" Cost Increase (2.5%)	0.090 mil
➢ Absorb RDA Cost Allocation	0.200 mil
➢ Housing Authority costs	0.050 mil
FY 2013/14 Expenditure Level	**$9.755 mil**
Beginning Surplus (Gap)	($0.255 mil)

FY 2013-14
Baseline Expense Assumptions

- General Funds not allocated to infrastructure maintenance
- No additional services introduced
- No personnel COLA
- No additional PERS increases

Ongoing Concerns

Continued Expenditure Growth outpacing Revenue Growth

- Public Safety Increasing Costs
  - For every 1% increase = $35,000
- New Facility Maintenance Costs
  - Brehm Park $200,000
  - Animal Shelter Debt Service $50,000
- Double-Dip Recession Potential
- Additional State Funding Impacts
- Sewer Impacts to Town facilities / Local Economy

Moving Forward

- Difficult budget cycle ahead
- Structural Deficit exists and is Growing
- Solutions Needed For Infrastructure maintenance liabilities

Break / Roundtable Discussion

0900 Welcome & Agenda Review

0915 Session 1: Review of 2012 Strategic Priorities

0945 Session 2: General Fund Overview (FY12/13+)

1015 Roundtable from Sessions 1-2 / Break

1030 Session 3: Infrastructure Cliff

1100 Session 4: Public Safety Review

1130 Session 5: Life After Redevelopment

Session 3 – Infrastructure Cliff

0900 Welcome & Agenda Review

0915 Session 1: Review of 2012 Strategic Priorities

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1015 Roundtable from Sessions 1-2 / Break

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Road Maintenance 101

- Road “wear & tear” dependent upon a number of factors:
  - Age of roads
  - Traffic levels & type of traffic
  - Weather / environmental issues
  - Original quality of roads
- Pavement Management System

Pavement Management System

- Inventory of road network
- Tracks road condition samples from throughout the maintained network
- Records maintenance activity performed for entire road network
- Based upon conditions & maintenance history, characterizes roads in four levels of quality

Road Quality Classes

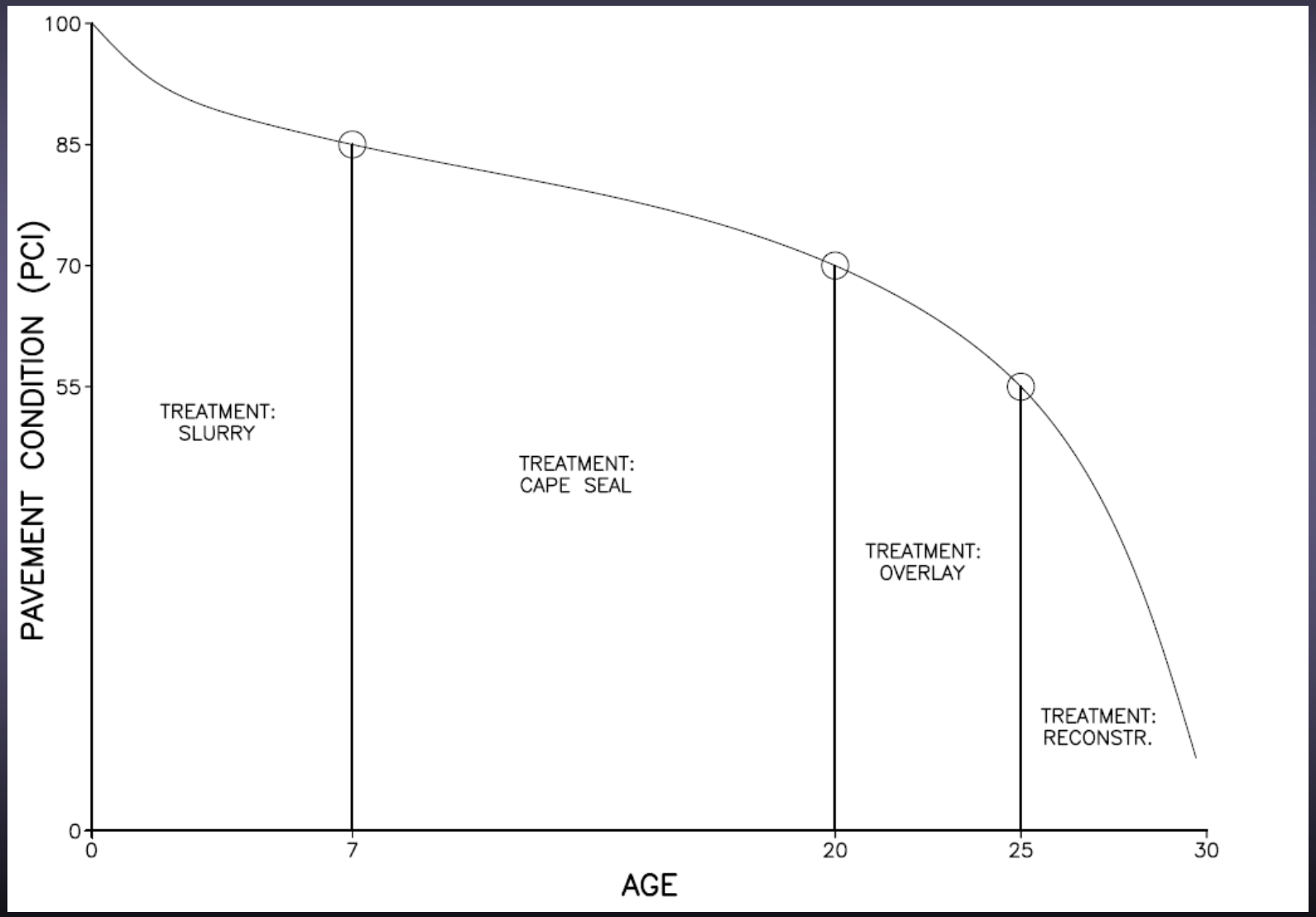
- Slurry Seal

- Overlay

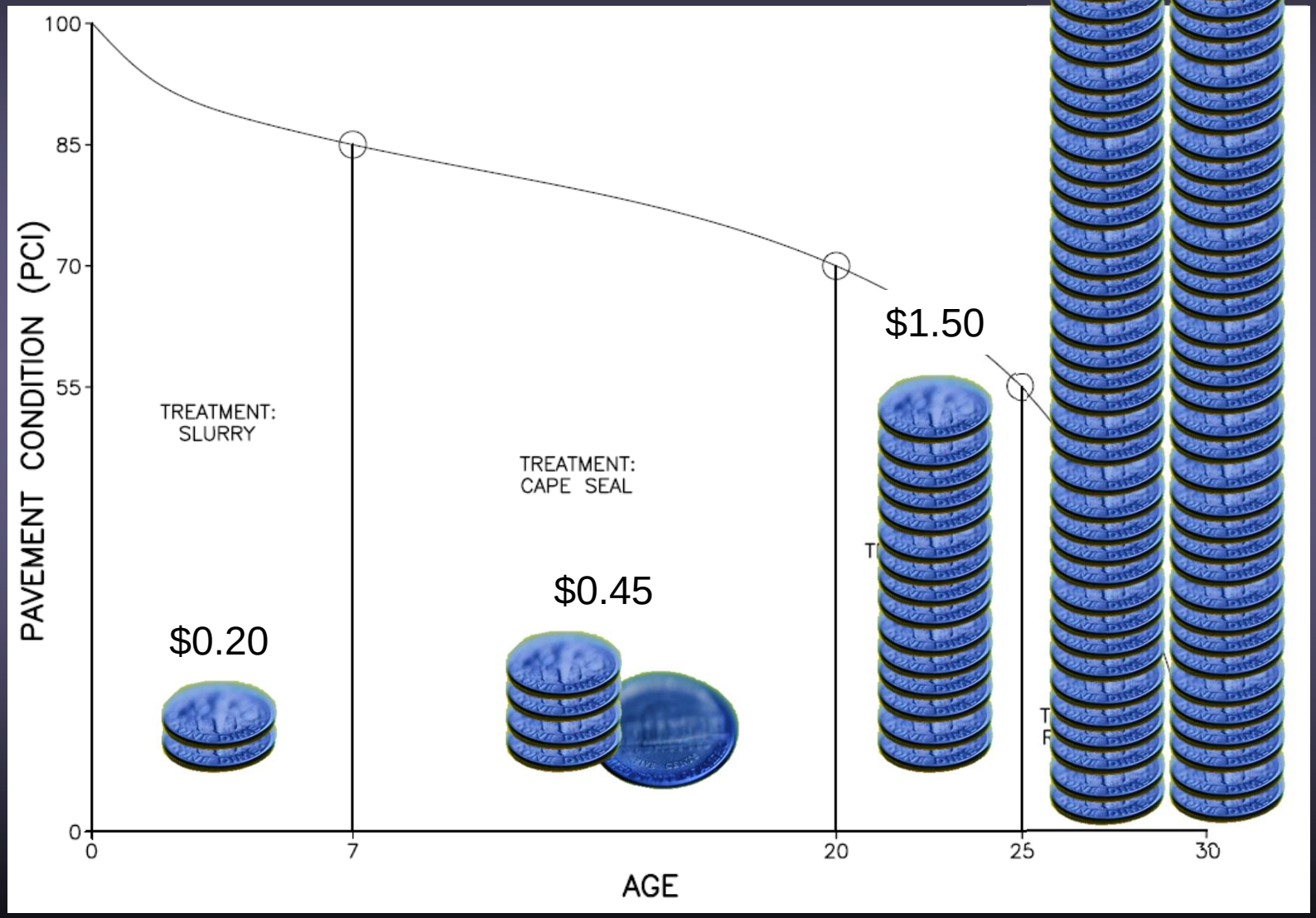
- Cape Seal

- Reconstruction

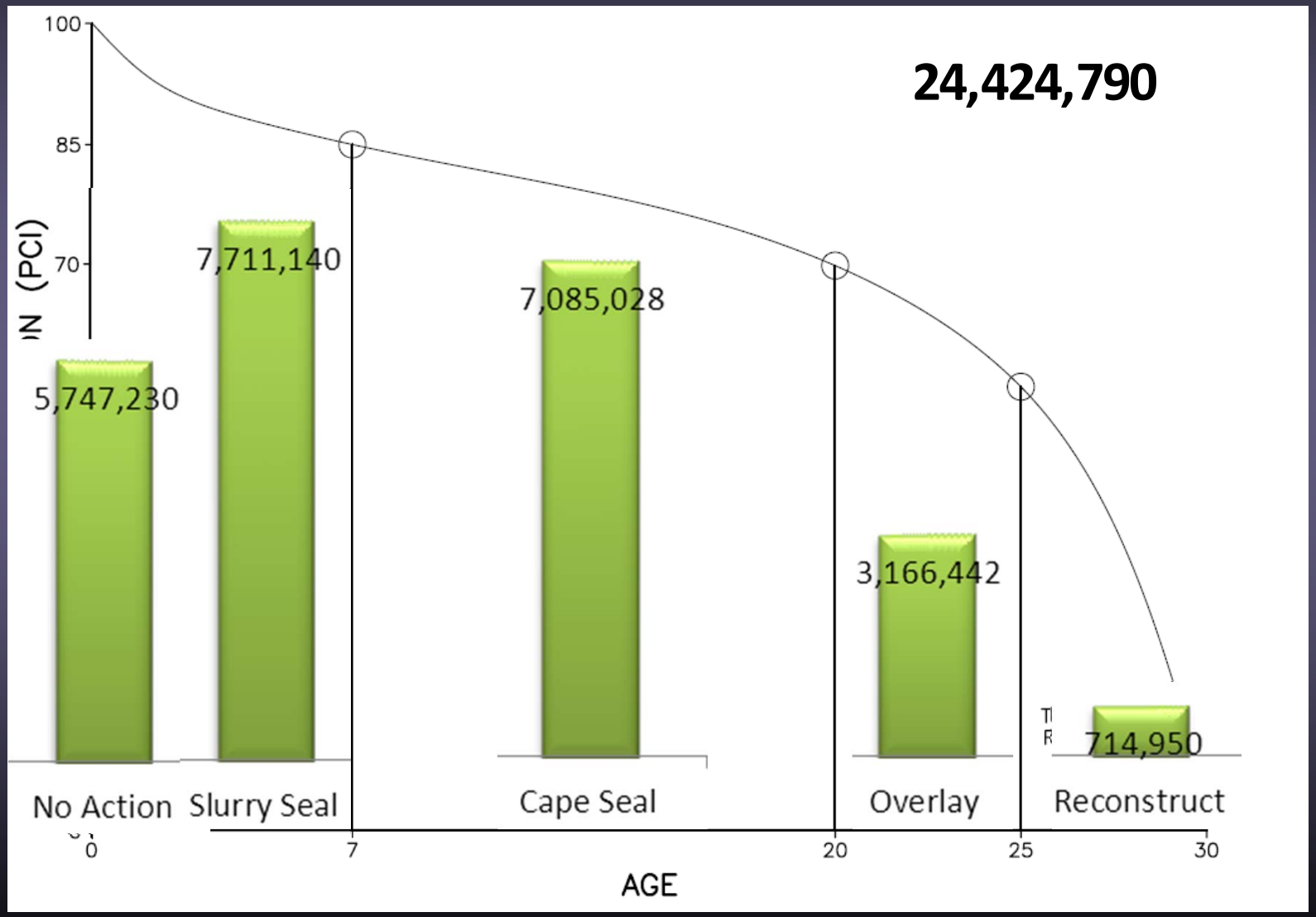
Pavement Degradation vs Time



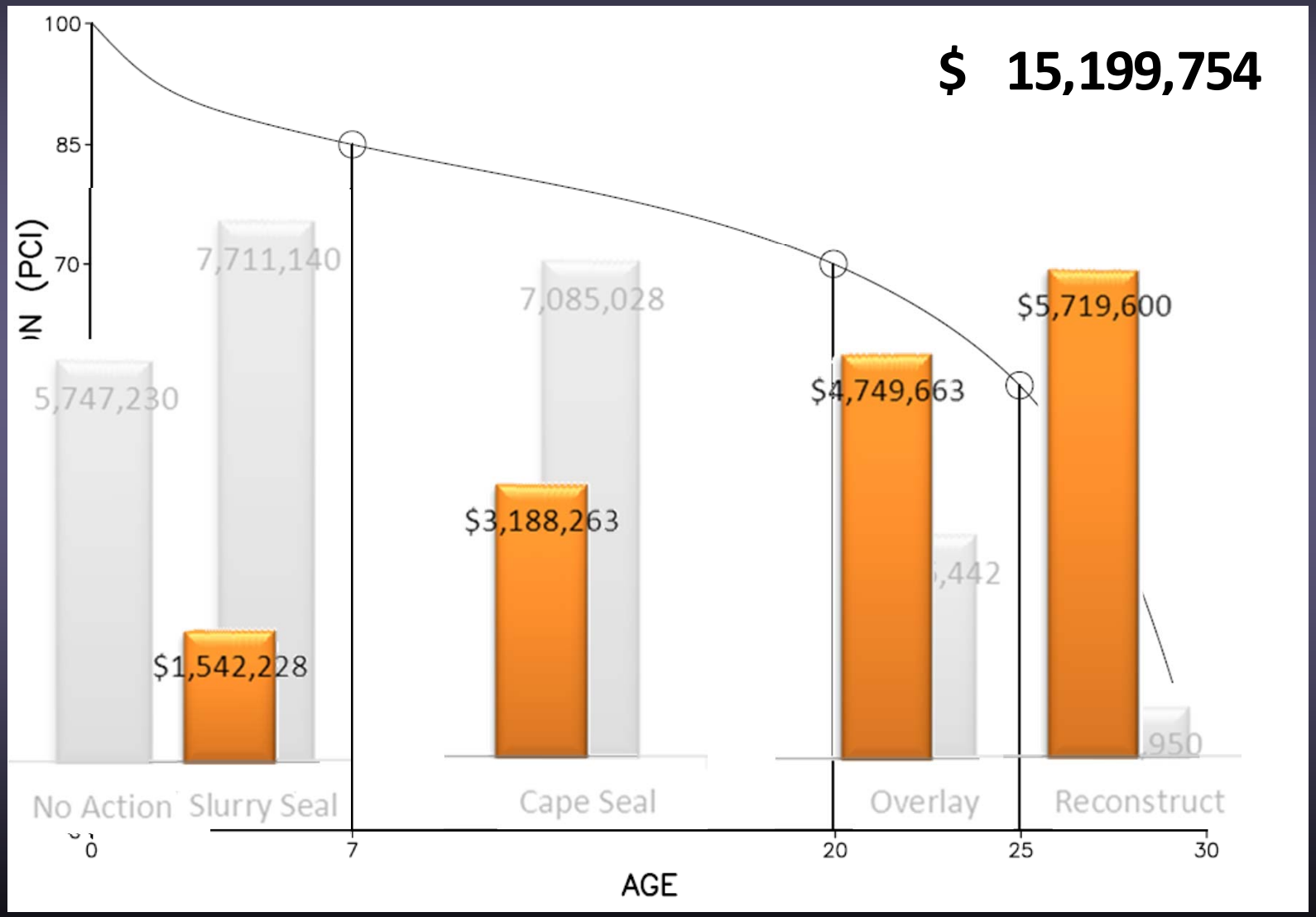
Treatment Cost ($/sq-ft)



Current Conditions (sq-ft)



Total Cost to Repair (2013)

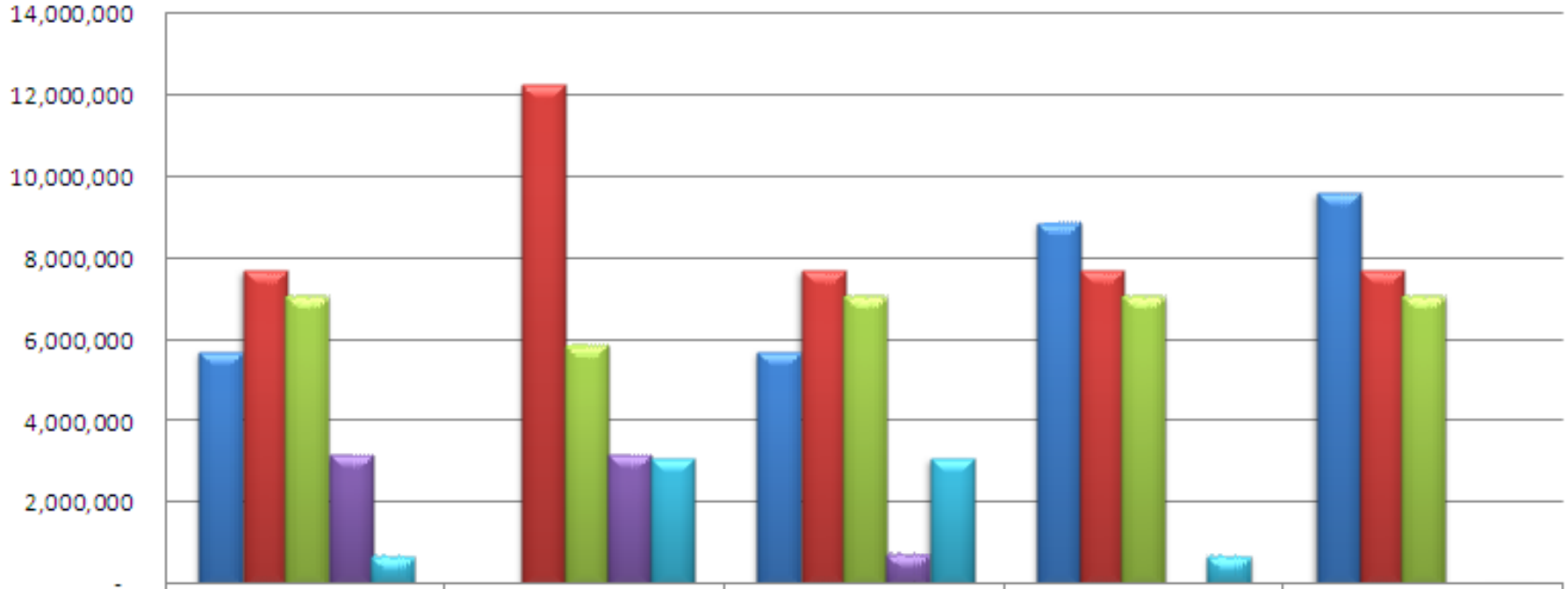


Ten-Year Look Ahead (2022)

- Four Maintenance Scenarios: Annual $$

1. Measure I Funds ONLY	$650,000
2. Maintain Slurry/Cape Seal	+$300,000
	$950,000
3. Slurry/Cape/Overlay	+$580,000
	$1,530,000
4. All Repairs	+$595,000
	$2,125,000

Ten-Year Look Ahead (2022)



	Current	#1	#2	#3	#4
No Action	5,747,230		5,747,230	8,913,672	9,628,622
Slurry Seal	7,711,140	12,258,370	7,711,140	7,711,140	7,711,140
Cape Seal	7,085,028	5,885,028	7,085,028	7,085,028	7,085,028
Overlay	3,166,442	3,166,442	766,442		
Reconstruct	714,950	3,114,950	3,114,950	714,950	-
Infrastructure Deficit	$ (15,199,754)	$ (34,769,200)	$ (30,799,754)	$ (10,450,091)	$ (4,730,491)

Ten-Year Look Ahead (2022)

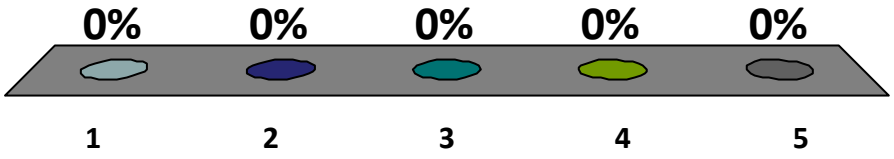
	2022 Projections							
	Measure I Only ($650,000 annually) (1)		Maintain Slurry/Cape (Measure I +$300,000 annually) (2)		Overlay + Slurry/Cape (Measure I + $300,000 + $480,000 + $100,000 annually) (3)		Reconstruct + Overlay + Slurry/Cape (Measure I +$300,000 +$480,000+ $100,000 + $570,000+$25,000) (4)	
	#1		#2		#3		#4	
	Sq-Ft	Asset Value	Sq-Ft	Asset Value	Sq-Ft	Asset Value	Sq-Ft	Asset Value
No Action		$ -	5,747,230	$ 45,977,840	8,913,672	$ 71,309,376	9,628,622	$ 77,028,976
Slurry Seal	12,258,370	$ 95,615,286	7,711,140	$ 60,146,892	7,711,140	$ 60,146,892	7,711,140	$ 60,146,892
Cape Seal	5,885,028	$ 44,431,961	7,085,028	$ 53,491,961	7,085,028	$ 53,491,961	7,085,028	$ 53,491,961
Overlay	3,166,442	$ 20,581,873	766,442	$ 4,981,873		$ -		$ -
Reconstruct	3,114,950	$ -	3,114,950	$ -	714,950	$ -	-	$ -
TOTAL	**24,424,790**	**$ 160,629,120**	**24,424,790**	**$ 164,598,566**	**24,424,790**	**$ 184,948,229**	**24,424,790**	**$ 190,667,829**
Maximum Asset Value	**24,424,790**	$ 195,398,320	**24,424,790**	$ 195,398,320	**24,424,790**	$ 195,398,320	**24,424,790**	$ 195,398,320
Infrastructure Deficit		$ (34,769,200)		$ (30,799,754)		$ (10,450,091)		$ (4,730,491)
	Annual	10-yr Total	Annual	10-yr Total	Annual	10-yr Total	Annual	10-yr Total
General Fund Amount	$ -	$ -	$ 304,000	$ 3,040,000	$ 878,966.30	$ 8,789,663	$ 1,475,926.30	$ 14,759,263
				131%		277%		204%

Impacts of No General Fund Investment in Roads (#1)

- Road deficit grows from $15 million to $34 million in ten years
- Roads classified “Reconstruction” grow from 3% to 15% of total road network
- Road decay accelerates as roads worsen down the PCI chart

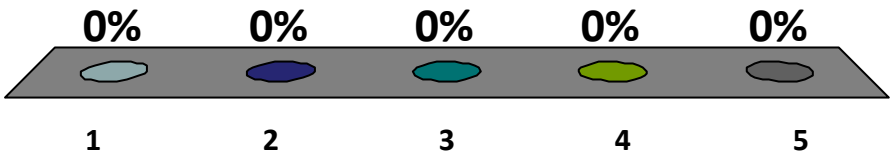
The Town **cannot** allow the OVERLAY Roads to fall into the RECONSTRUCT classification …

1. Strongly Agree
2. Agree
3. Neutral
4. Disagree
5. Strongly Disagree



The Town Council's target of setting 10% of the General Fund to infrastructure maintenance **MUST** be met …

1. Strongly Agree
2. Agree
3. Neutral
4. Disagree
5. Strongly Disagree



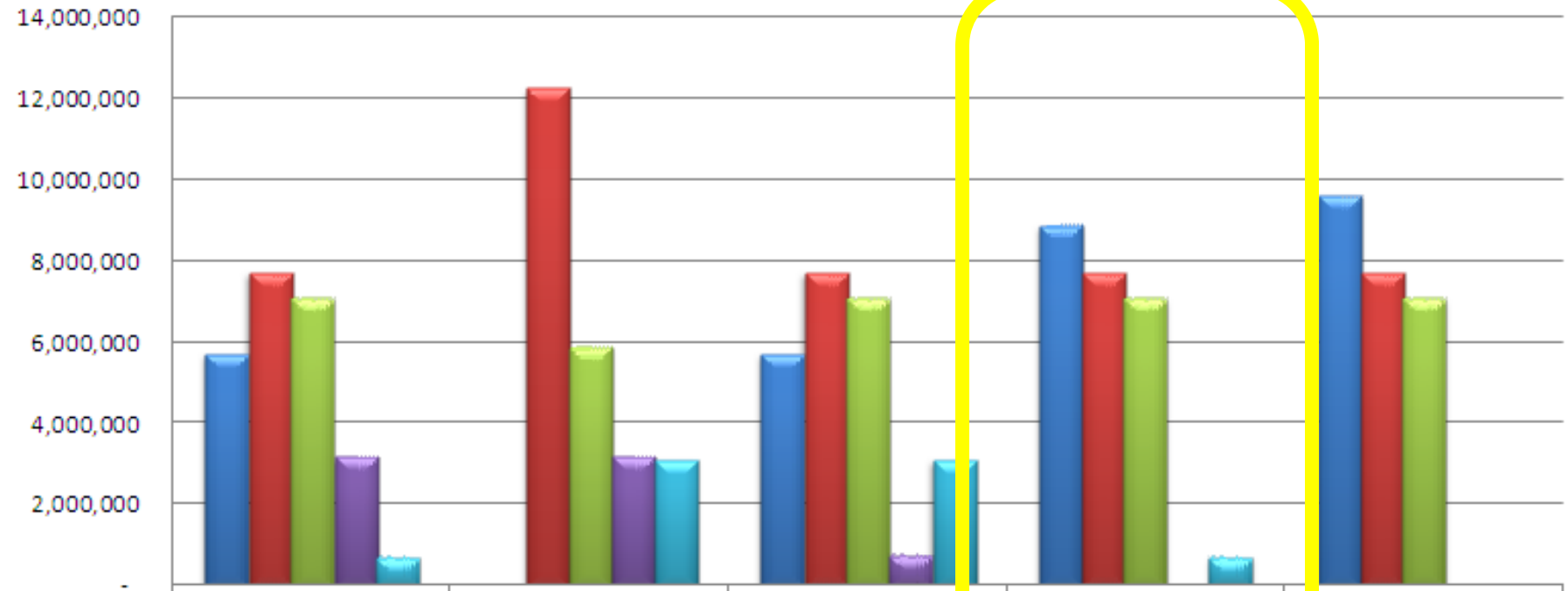
Tackling the OVERLAY Roads before they become RECONSTRUCT

- Incorporate Overlay repairs with sewer delivery (approx. 1.5 million sq-ft)
  - 47% of the Overlay roads are located in Phase 1 of sewer
  - Can those roads "survive" until sewer is delivered? 20% decay to Reconstruct by Dec-2016
- Unspent RDA Bonds <u>may</u> be a resource
- Bond Against Town's Measure I Stream
  - Immediate improvements provide considerable value vs bonding costs

Bonding of Town's Measure I

- Bonding against $300k of Measure I funds for 20 years (Town receives $650k) would generate approx. $4 million in immediate capital
- Bonding DOES NOT eliminate the need for General Fund investment
  - Bonding of Measure I + approx. $600k of General Fund would yield scenario #3 results

Ten-Year Look Ahead (2022)



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Infrastructure Deficit	$ (15,199,754)	$ (34,769,200)	$ (30,799,754)	$ (10,450,091)	(4,730,491)

Continued General Fund Investment

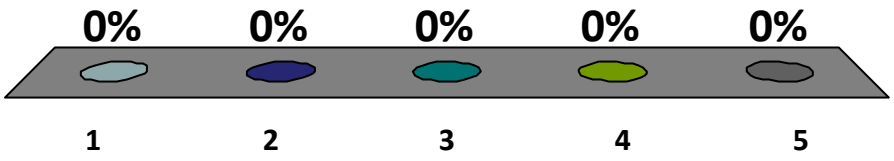
- Potential Revenue Measure
  - ¼% sales tax to roads would generate approx. $750,000 annually

Or

- Prioritize for current General Funds

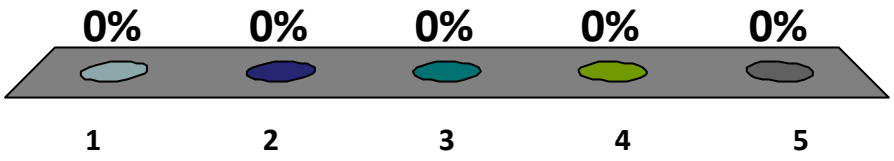
The Town should work to bond against a portion of their current Measure I funds to address the OVERLAY need…

1. Strongly Agree
2. Agree
3. Neutral
4. Disagree
5. Strongly Disagree



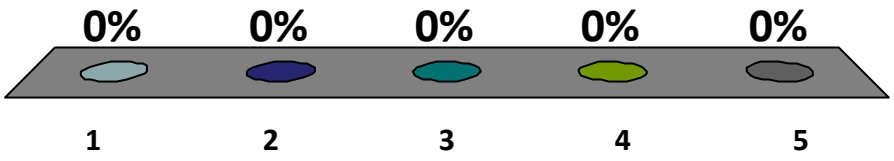
The Sewer project should fund ALL road restoration work (i.e. OVERLAY, RECONSTRUCT repairs) in Phase 1…

1. Strongly Agree
2. Agree
3. Neutral
4. Disagree
5. Strongly Disagree



If a ½% Sales Tax is passed dedicated to the sewer project, ALL road restoration work in Phase 1 should be paid from the sales tax…

1. Strongly Agree
2. Agree
3. Neutral
4. Disagree
5. Strongly Disagree



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As a whole, do you feel that the Town of Yucca Valley is safe?

1. Yes
2. No

Public Safety Particulars

- Contract includes 9+ deputies (376 hours per week) of patrol officers
  - Plus Additional 40 hour patrol resource
  - Plus Traffic Motor Officer
  - Plus MET/POP Officer
  - Plus Juvenile Officer
  - Plus Sheriff Safety Specialist (position unfilled)
  - Plus Police Management/Supervision
  - Plus Administrative Support
- Schedule "A" Cost -- $3,436,000
- FY12/13 GF Budget -- $3,398,000

Agency Comparisons

TOWN OF APPLE VALLEY

Population Served: 70,040
Square Miles: 73

Crimes Reported

STATION ACTIVITY	TOTALS	PER DEP
Calls for Service	55,700	1,547
Deputy Reports	8,472	235
Arrests (Adult Booking)	1,843	51
Traffic Collision Investigations	736	20
Traffic Citations Issued	6,019	167
Residents Per Deputy	1,946	
Patrol Deputies	36	

PART I CRIMES	2009	2010	Percent Change '09-'10
Murder	3	2	-33%
Manslaughter	1	0	-100%
Rape	21	22	5%
Robbery	54	58	7%
Aggravated Assault	191	106	-45%
Simple Assault	314	435	39%
Burglary	556	592	6%
Larceny	1,004	1,106	10%
GTA	204	190	-7%
Part I Total	***2,348***	***2,511***	***7%***
Part II Total	***5,772***	***6,071***	***5%***
Grand Total	***8,120***	***8,582***	***6%***

SOURCE: CAD/RMS & JIMS Systems

TOWN OF YUCCA VALLEY

Population Served: 21,292
Square Miles: 40

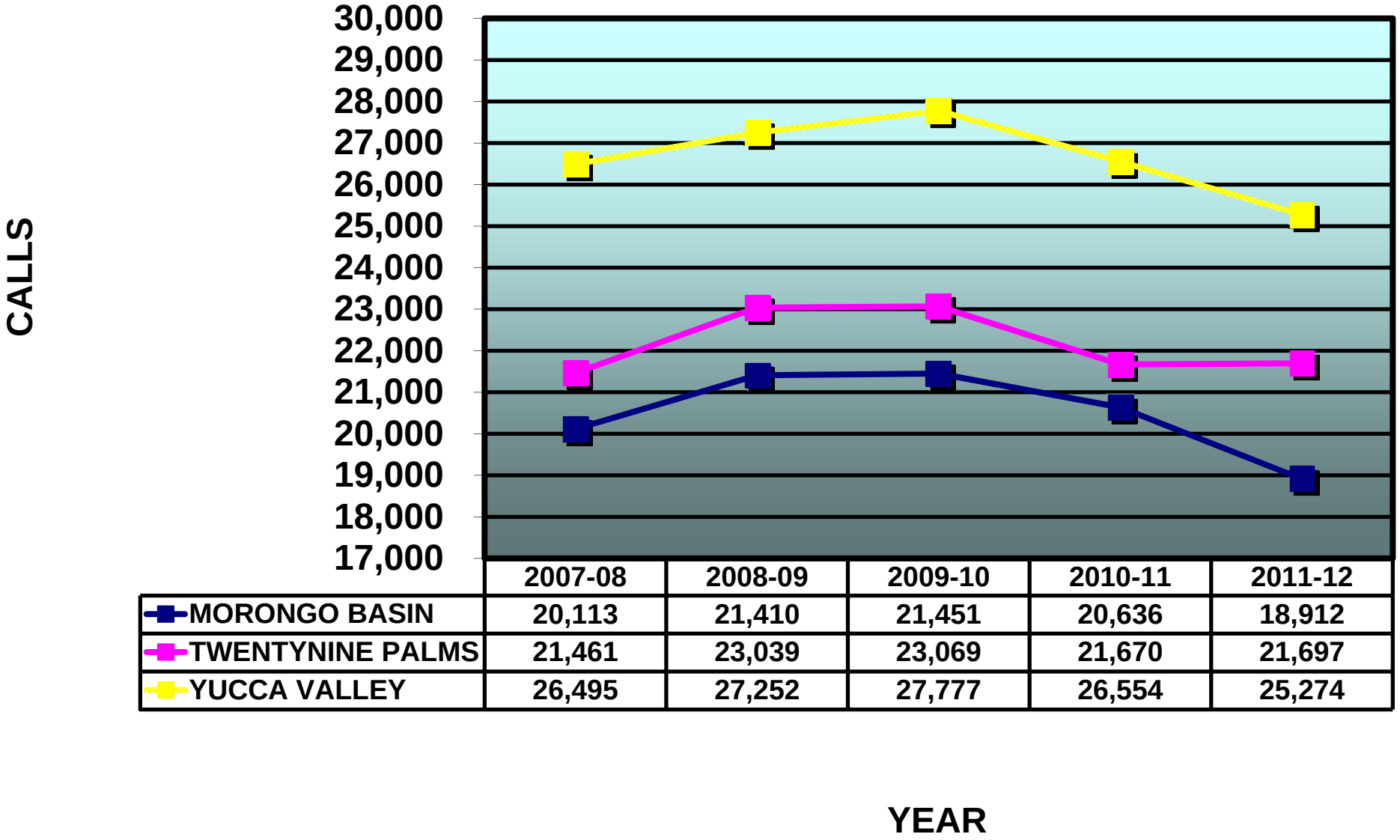
Crimes Reported

STATION ACTIVITY	TOTALS	PER DEP
Calls for Service	21,735	1,672
Deputy Reports	2,793	215
Arrests (Adult Booking)	710	55
Traffic Collision Investigations	236	18
Traffic Citations Issued	4,139	318
Residents Per Deputy	1,638	
Patrol Deputies	13	

PART I CRIMES	2009	2010	Percent Change '09-'10
Murder	0	2	N/C
Manslaughter	2	0	-100%
Rape	7	11	57%
Robbery	12	13	8%
Aggravated Assault	63	76	21%
Simple Assault	132	110	-17%
Burglary	187	156	-17%
Larceny	329	302	-8%
GTA	54	65	20%
Part I Total	***786***	***735***	***-6%***
Part II Total	***2,200***	***2,084***	***-5%***
Grand Total	***2,986***	***2,819***	***-6%***

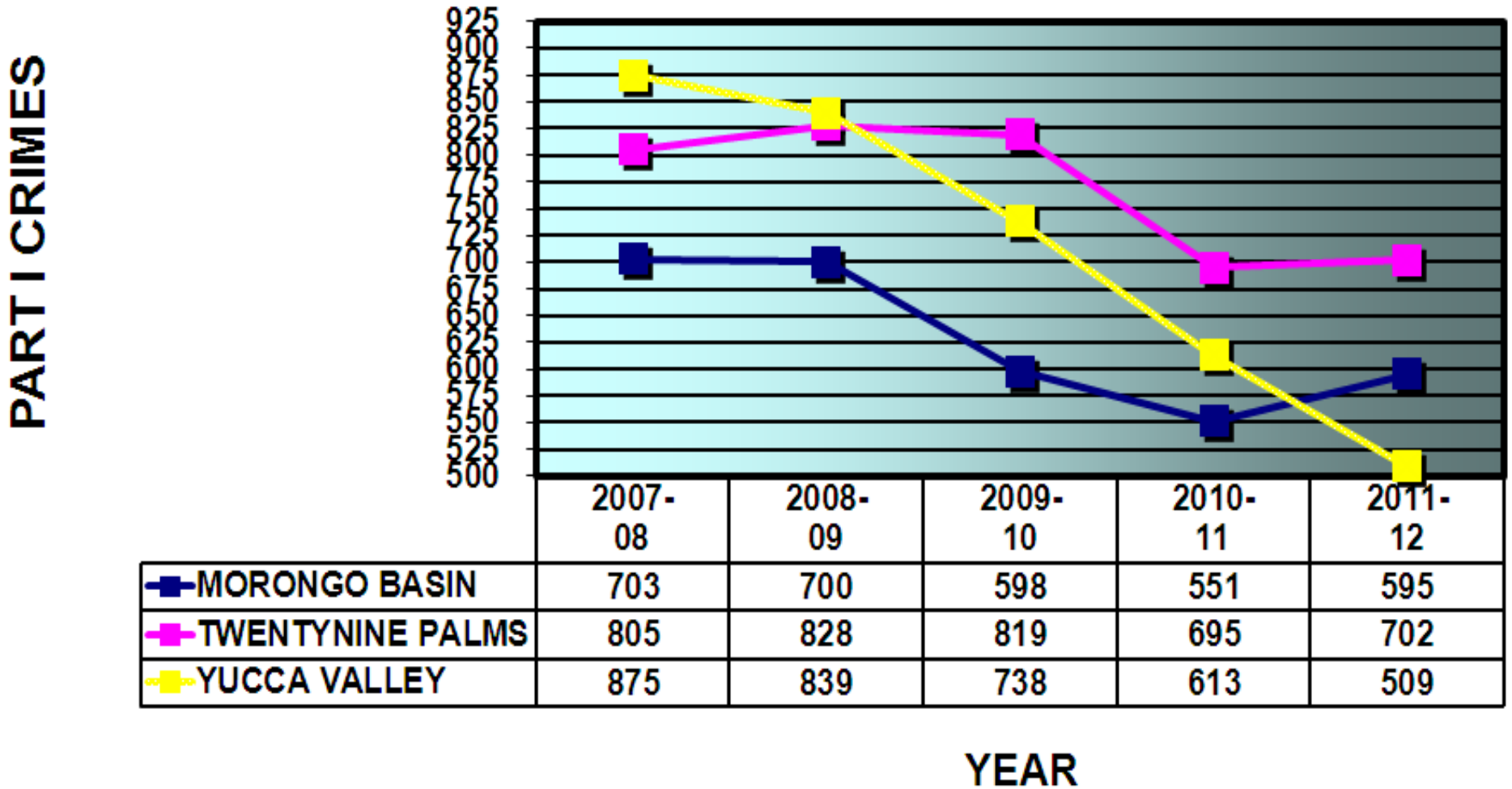
SOURCE: CAD/RMS & JIMS Systems

MORONGO BASIN CALLS FOR SERVICE



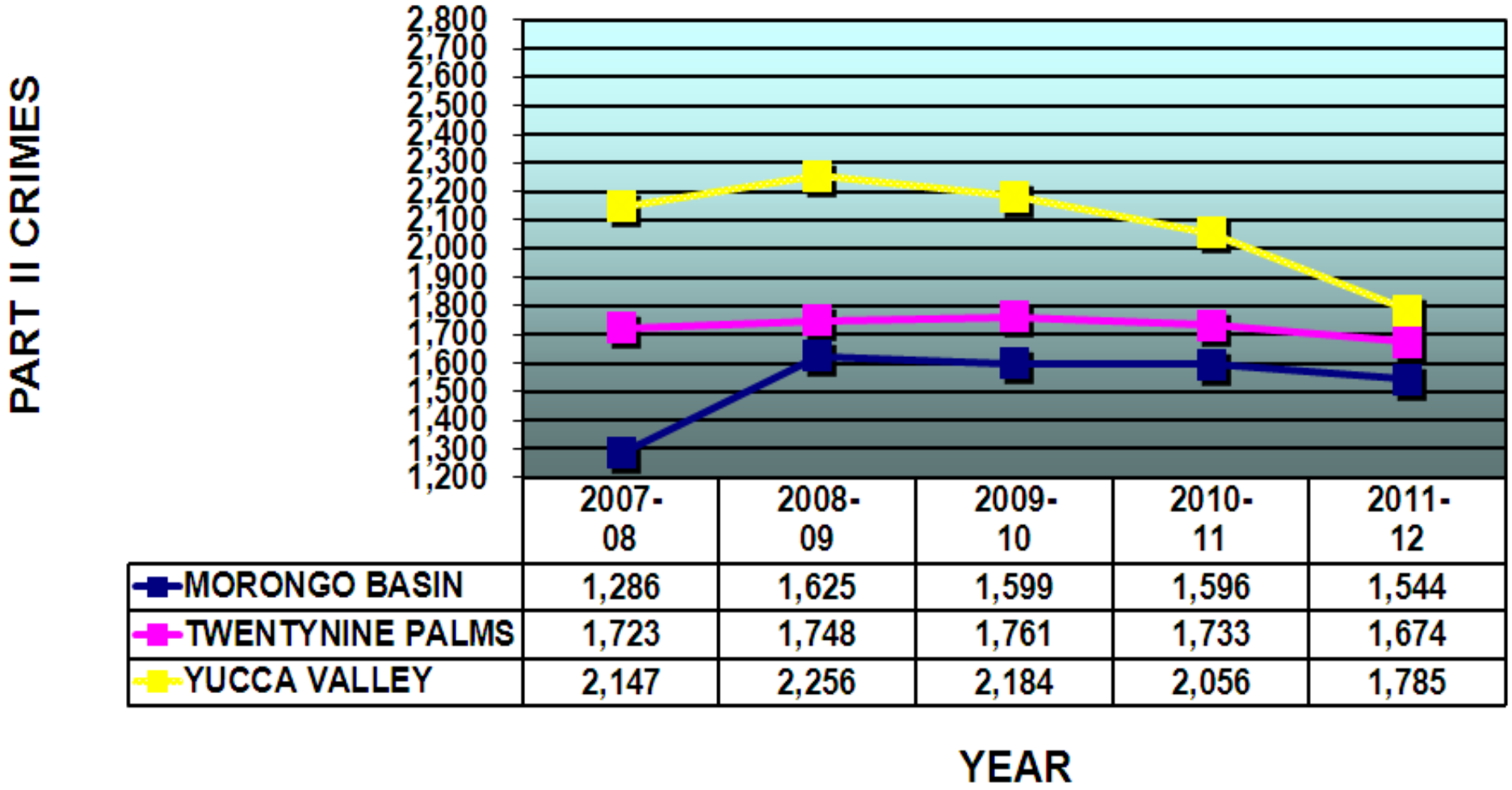
	2007-08	2008-09	2009-10	2010-11	2011-12
MORONGO BASIN	20,113	21,410	21,451	20,636	18,912
TWENTYNINE PALMS	21,461	23,039	23,069	21,670	21,697
YUCCA VALLEY	26,495	27,252	27,777	26,554	25,274

MORONGO BASIN
PART I
REPORTED CRIMES



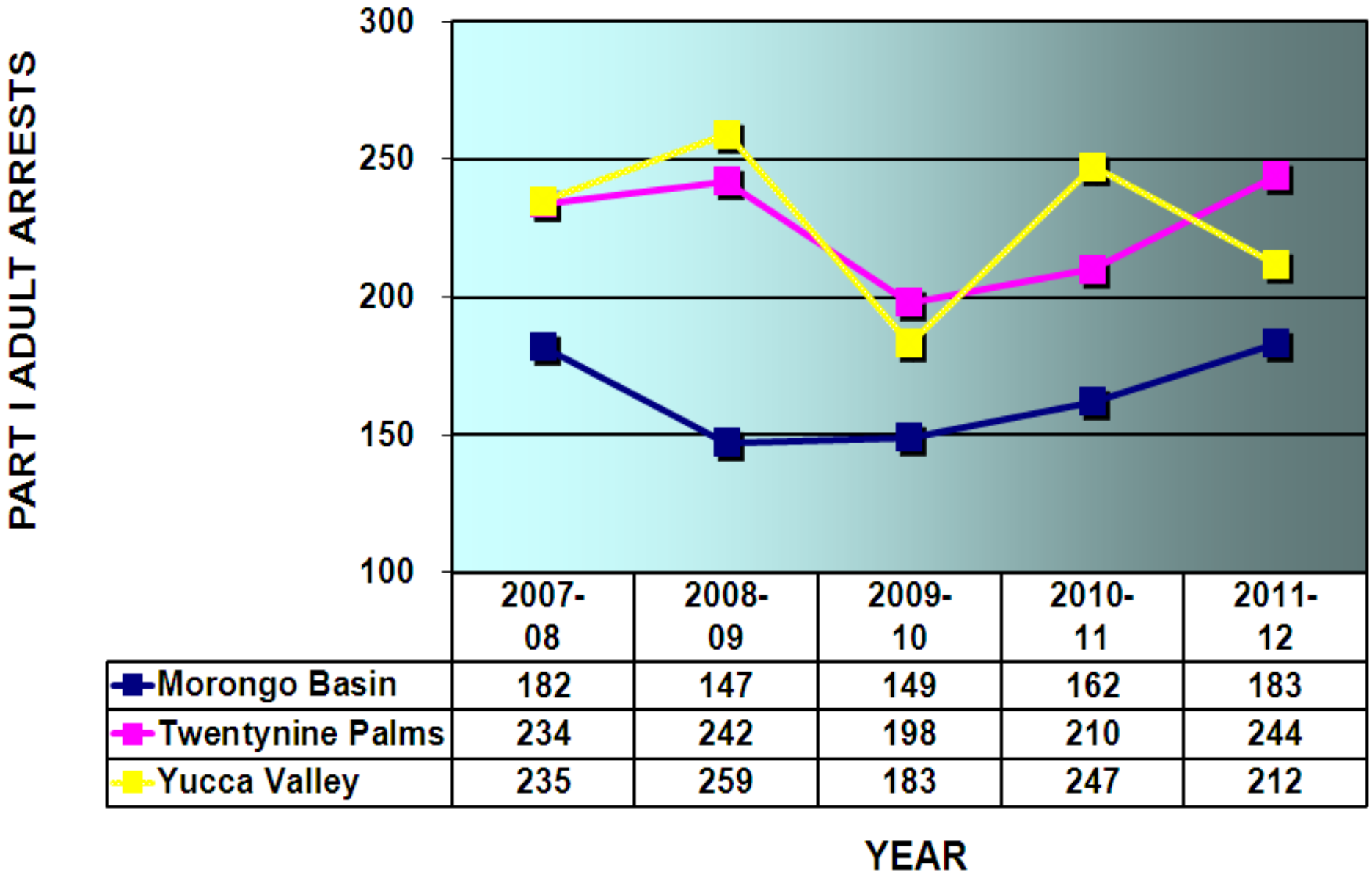
	2007-08	2008-09	2009-10	2010-11	2011-12
MORONGO BASIN	703	700	598	551	595
TWENTYNINE PALMS	805	828	819	695	702
YUCCA VALLEY	875	839	738	613	509

MORONGO BASIN PART II REPORT CRIMES



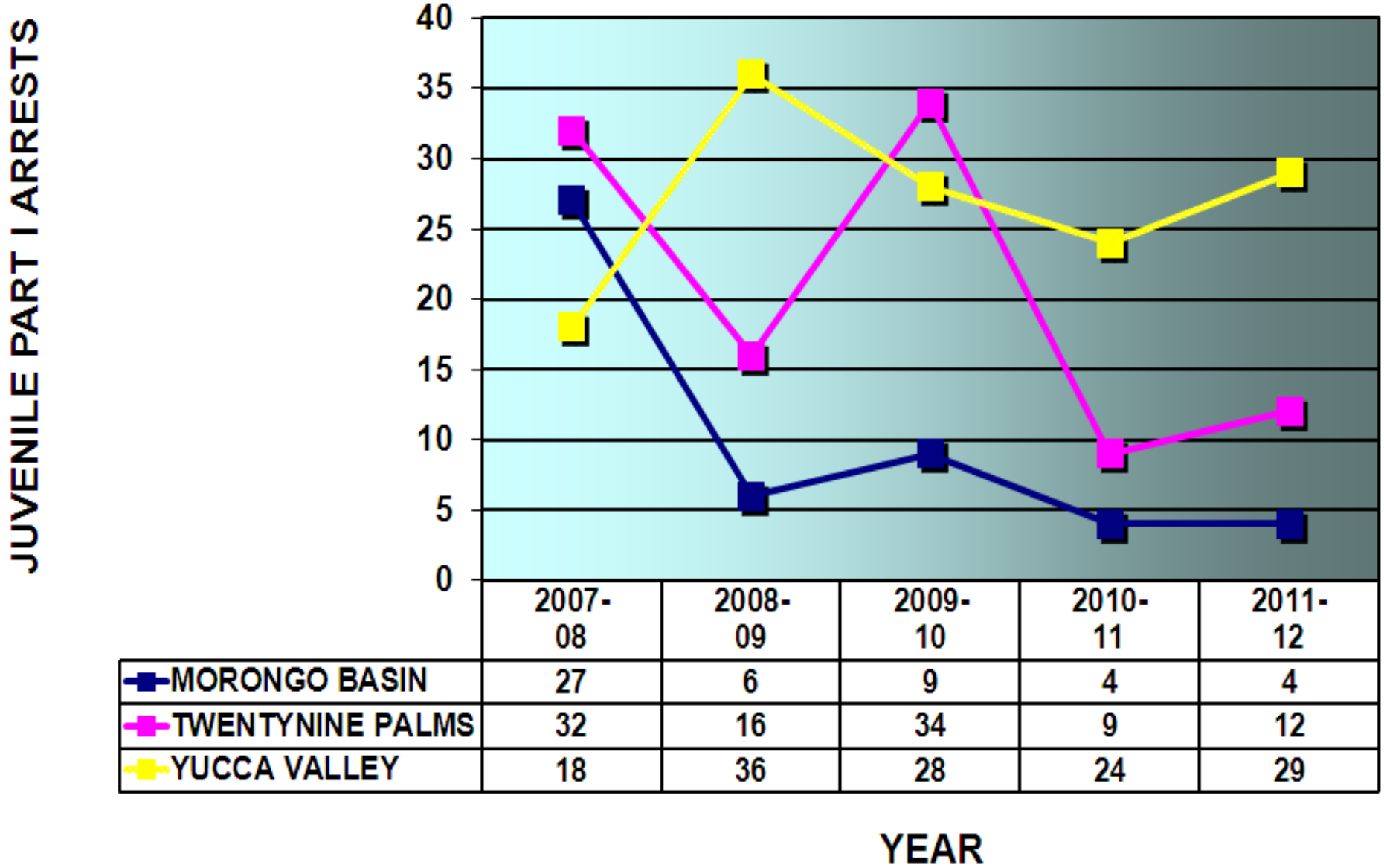
	2007-08	2008-09	2009-10	2010-11	2011-12
MORONGO BASIN	1,286	1,625	1,599	1,596	1,544
TWENTYNINE PALMS	1,723	1,748	1,761	1,733	1,674
YUCCA VALLEY	2,147	2,256	2,184	2,056	1,785

MORONGO BASIN PART I ADULT ARRESTS



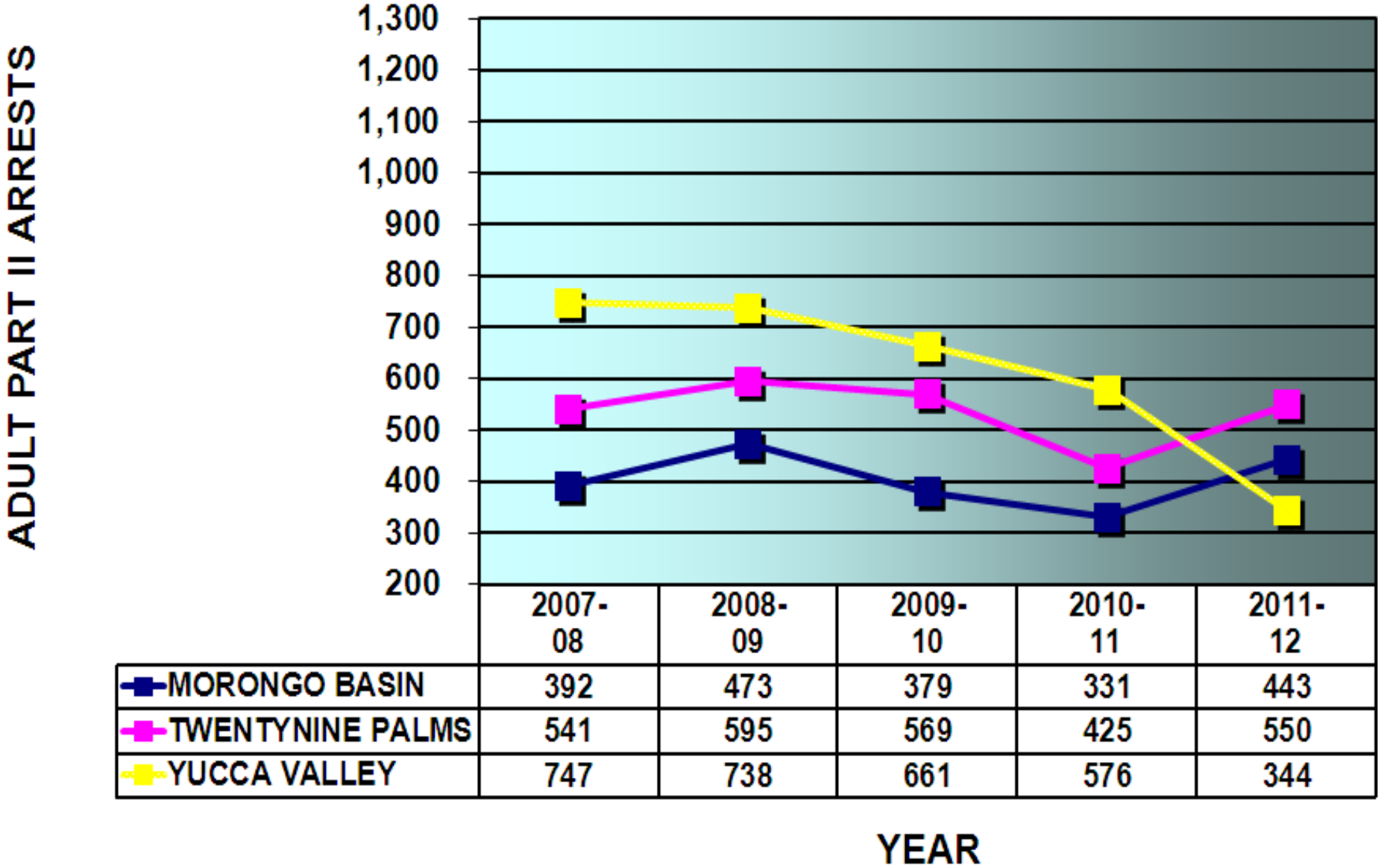
	2007-08	2008-09	2009-10	2010-11	2011-12
Morongo Basin	182	147	149	162	183
Twentynine Palms	234	242	198	210	244
Yucca Valley	235	259	183	247	212

MORONGO BASIN JUVENILE PART I ARRESTS



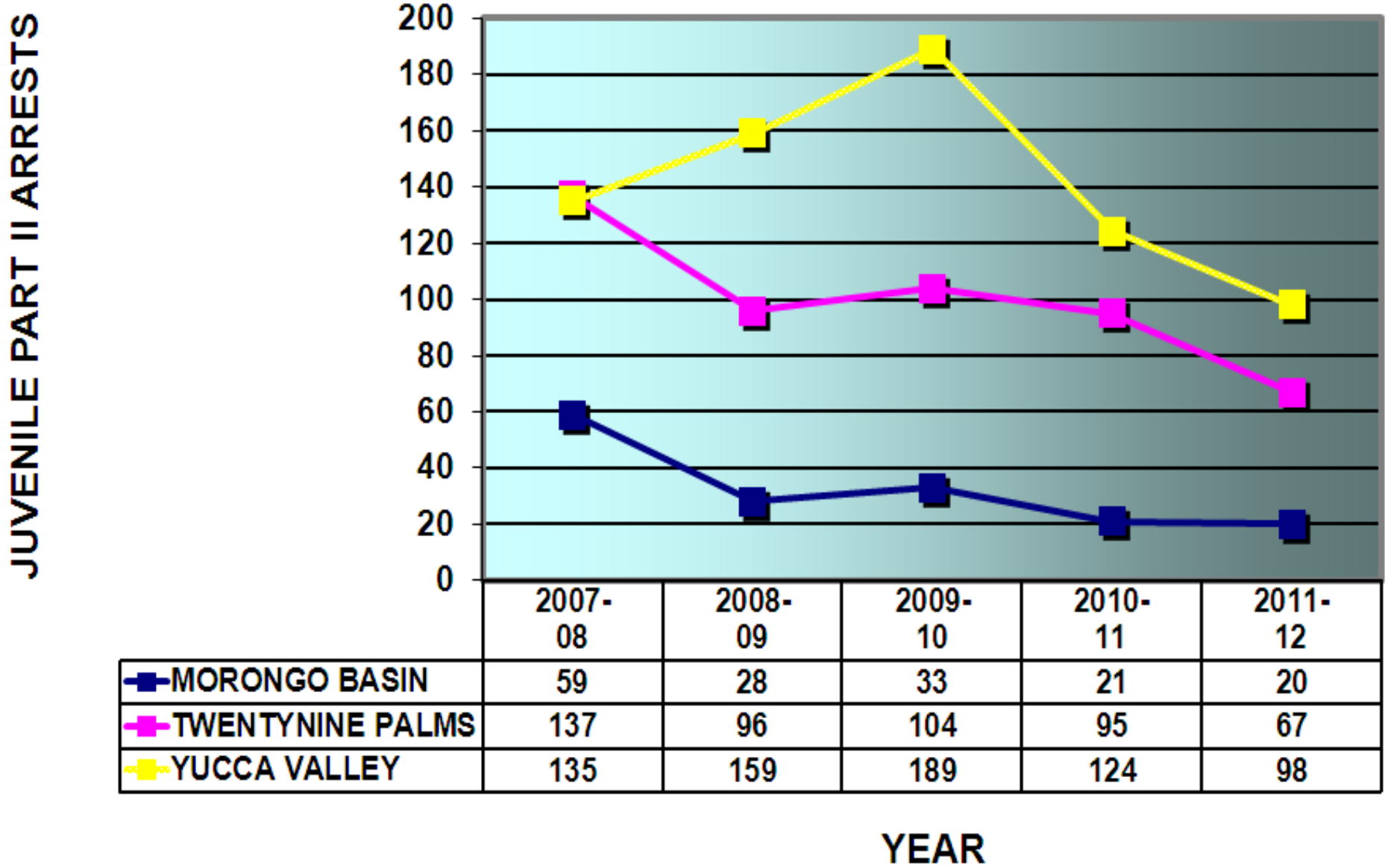
	2007-08	2008-09	2009-10	2010-11	2011-12
MORONGO BASIN	27	6	9	4	4
TWENTYNINE PALMS	32	16	34	9	12
YUCCA VALLEY	18	36	28	24	29

MORONGO BASIN PART II ADULT ARRESTS



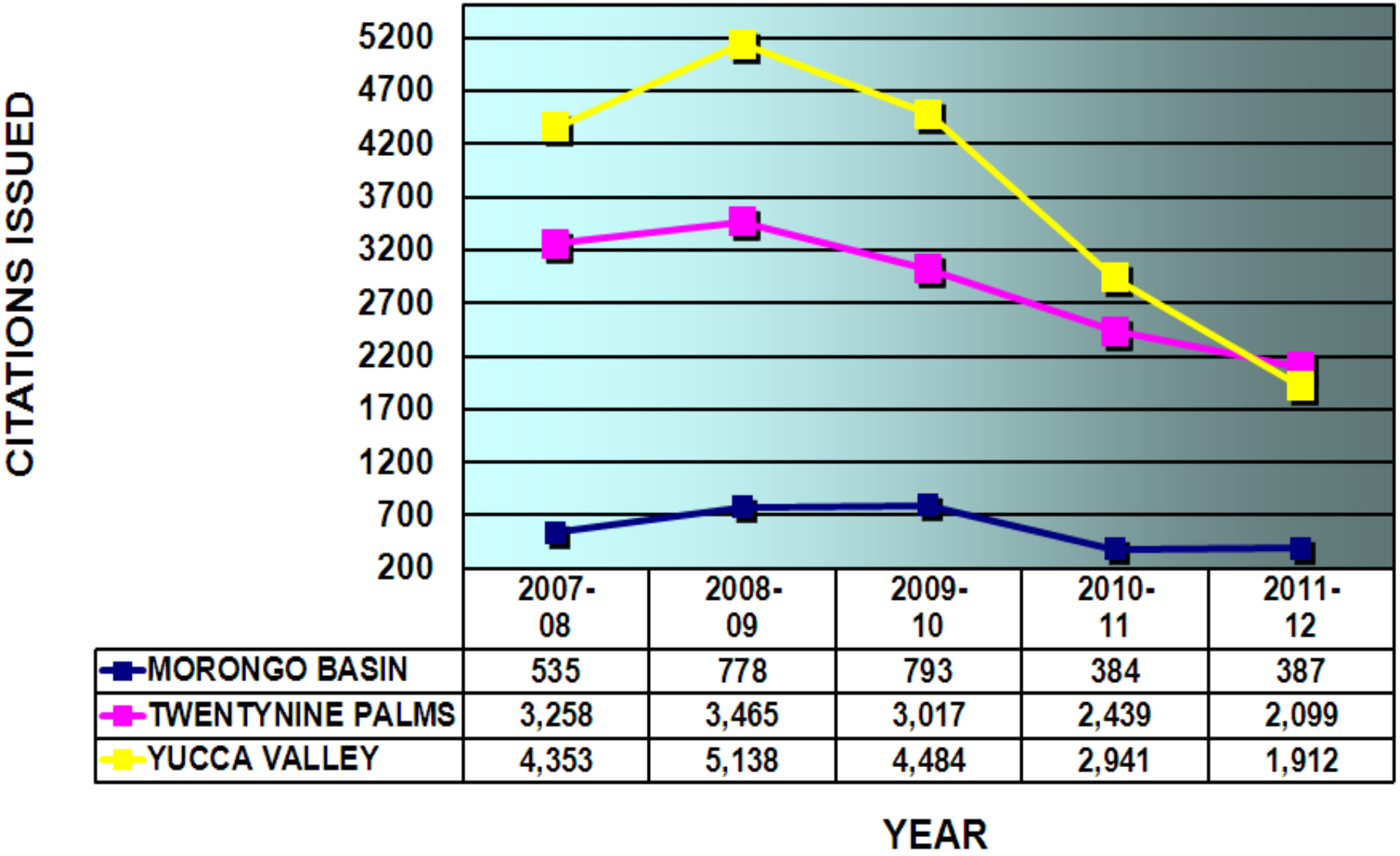
	2007-08	2008-09	2009-10	2010-11	2011-12
MORONGO BASIN	392	473	379	331	443
TWENTYNINE PALMS	541	595	569	425	550
YUCCA VALLEY	747	738	661	576	344

MORONGO BASIN JUVENILE PART II ARRESTS



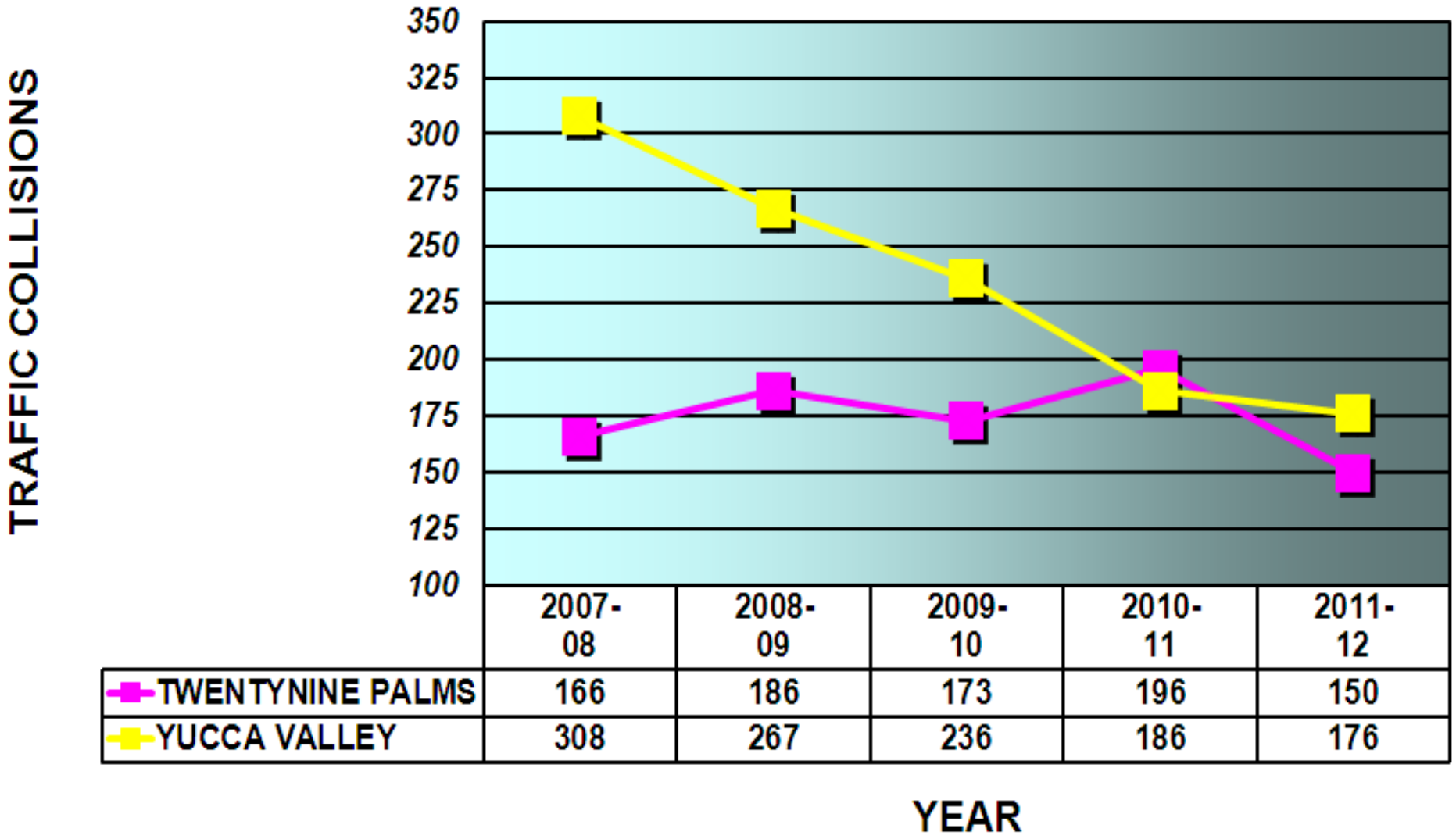
	2007-08	2008-09	2009-10	2010-11	2011-12
MORONGO BASIN	59	28	33	21	20
TWENTYNINE PALMS	137	96	104	95	67
YUCCA VALLEY	135	159	189	124	98

MORONGO BASIN CITATIONS



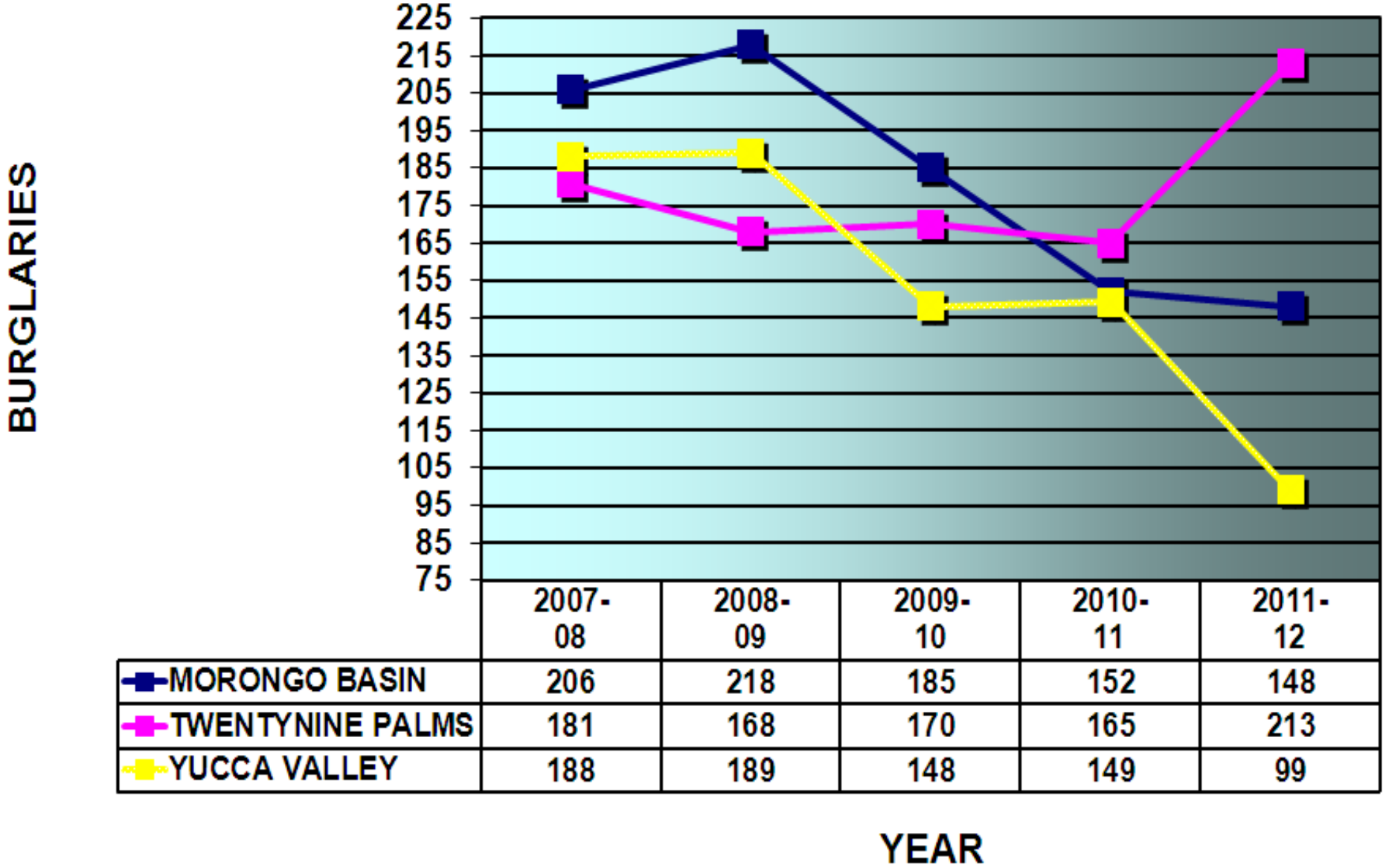
	2007-08	2008-09	2009-10	2010-11	2011-12
MORONGO BASIN	535	778	793	384	387
TWENTYNINE PALMS	3,258	3,465	3,017	2,439	2,099
YUCCA VALLEY	4,353	5,138	4,484	2,941	1,912

MORONGO BASIN CONTRACT CITY TRAFFIC COLLISIONS



	2007-08	2008-09	2009-10	2010-11	2011-12
TWENTYNINE PALMS	166	186	173	196	150
YUCCA VALLEY	308	267	236	186	176

MORONGO BASIN BURGLARIES



	2007-08	2008-09	2009-10	2010-11	2011-12
MORONGO BASIN	206	218	185	152	148
TWENTYNINE PALMS	181	168	170	165	213
YUCCA VALLEY	188	189	148	149	99

TOWN OF YUCCA VALLEY
STATISTICS
JULY 1, 2007 TO JUNE 30, 2012

	2007-08	2008-09	2009-10	2010-11	2011-12
CALLS FOR SERVICE					
Total Annual Volume	26,495	27,252	27,777	26,554	25,274
Total Annual Emergency	114	101	94	103	114
Total Annual Type (1 & 2)	10,138	13,376	13,919	13,206	12,795
REPORTED CRIMES:					
Part I	875	839	738	613	509
Part II	2,147	2,256	2,184	2,056	1,785
Total	**3,022**	**3,095**	**2,922**	**2,669**	**2,294**
CLEARED BY ARREST - ADULT					
Part I	235	259	183	247	212
Part II	747	738	661	576	344
CLEARED BY ARREST- JUVENILE					
Part I	18	36	28	24	29
Part II	135	159	189	124	98
CASES CLEARED					
Total	**1,135**	**1,192**	**1,061**	**971**	**683**
Percentage	37.5%	38.5%	36.3%	36.4%	29.8%
OTHER ARRESTS					
DUI	70	96	79	62	46
TRAFFIC CITATIONS					
Hazard	3,326	3,831	3,096	1,731	777
Non-Hazard	1,027	1,307	1,388	1,210	1,135
Total	**4,353**	**5,138**	**4,484**	**2,941**	**1,912**
SELECTED CRIMES:					
Burglary	188	189	148	149	99
Grand Theft Auto	120	60	59	40	53
Robbery	4	8	13	11	13
TRAFFIC COLLISIONS					
P.D.O.	182	174	160	114	100
Injury	64	49	29	35	30
Fatal	5	4	3	3	3
Private property	57	40	44	34	43
Total	**308**	**267**	**236**	**186**	**176**
RESPONSE TIMES					
Emergency Response	4.09 Min	4.30 Min	3.32 Min	6.01 Min	5.12 Min
Non-emergency Response	10.31 Min	10.56 Min	9.50 Min	11.37 Min	12.39 Min
Average Handling	33.27 Min	34.13 Min	31.19 Min	38.13 Min	46.09 Min
VOLUNTEER HOURS					
Total	**9,875**	**8,459**	**7,449**	**6,689**	**6,933**

Public Safety Issues

- While crime rates are dropping, clearance times for cases is increasing significantly
  - From 31 min (09/10) to 46 min (11/12)

- Remoteness of Basin
  - Medical / Psychiatric cases transported to ARMC (Colton) or West Valley Detention Center (Etiwanda)
  - As JT Court closure(s) occur, deputies will be required to travel to San Bernardino for court appearances

- AB-109 Implications

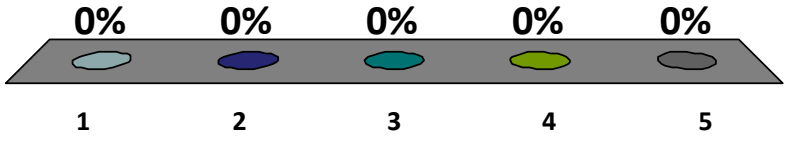
Yucca Valley	10/01/09 to 01/02/11	10/01/11 to 01/02/13	Percent
Total Arrests	869	909	+ 4.4 %
AB 109 Arrests	47	144	+206%

Stretching Town's Investment

- Need to fill the Sheriff Safety Specialist to keep volunteer program healthy long-term
  - 6,900 volunteer hours annually (July 2011 – June 2012)
  - Dropped to 5800 hours for CY 2012 (6 months no SSS)
  - Vital component / Volunteers amount to $200k of services
- Alarm Response
  - 1148 alarm calls (2012) / 5 % of all calls for service
  - 8 reports taken / 99.3% false alarm rate
- Verified Response Policy
  - Alarm companies must verify alarm before contacting police
  - Citations for false alarms (escalating penalty)

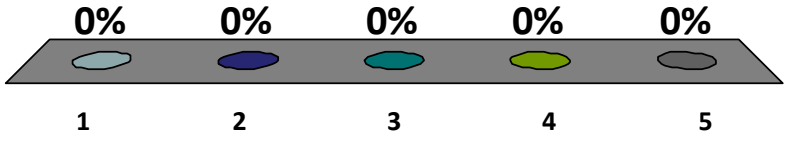
Responding to false alarms is a waste of public safety resources ...

1. Strongly Agree
2. Agree
3. Neutral
4. Disagree
5. Strongly Disagree



The Town should implement a Verified Response or False Alarm Citation policy...

1. Strongly Agree
2. Agree
3. Neutral
4. Disagree
5. Strongly Disagree

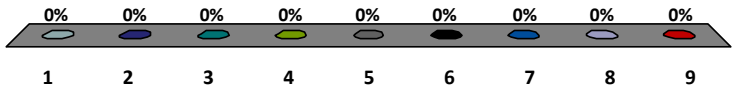


Public Safety Effectiveness Metrics

- Crime Rates
- Response Times
- Historical Trends
- Calls for Service
- Proactive Patrol Time
- $$ or % of General Fund
- Staffing Levels (Residents per Deputy)
- Clearance Rates
- Citations Issued

How to you judge the effectiveness of Public Safety? Pick the Top 2 metrics from below …

1. Crime Rates
2. Response Times
3. Historical Trends
4. Calls for Service
5. Proactive Patrol Time
6. $$ or % of General Fund
7. Staffing Levels (Residents per Deputy)
8. Clearance Rates
9. Citations Issued



Break / Roundtable Discussion

0900 Welcome & Agenda Review

0915 Session 1: Review of 2012 Strategic Priorities

0945 Session 2: General Fund Overview (FY12/13+)

1015 Roundtable from Sessions 1-2 / Break

1030 Session 3: Infrastructure Cliff

1100 Session 4: Public Safety Review

1130 Session 5: Life After Redevelopment

Impacts of RDA Dissolution

- General Fund absorbing $200k of organizational cost allocated previously to RDA
- Agency had entered into Development Agreements and Funding Obligations that the state is not currently recognizing as Enforceable
- Residual Tax Increment being ordered by state to be remitted to local taxing entities
- Residual Bond Proceeds will **eventually** available for expenditure by Town (acting as Successor Agency)

“Non-Enforceable” Obligations

- RDA contribution to General Plan ($500,000)
- Essig Park Funding Contribution ($250,000)
- Sewer Infrastructure Investment
- YV Senior Housing DDA ($500,000)

- Department of Finance may allow these or other projects to be funded from unexpended Agency bonds

Unexpended Bond Proceeds

- Remaining Bonds $5,500,000
- Expected Uses
  - RDA General Plan Contribution ($500,000)
  - Essig Park Construction ($250,000)
  - Town Sewer Connections ($1,000,000)
    - Community Center/Town Hall
    - Monterey Business Center
    - Paradise Park / Community Center
    - Jacobs Park
    - California Welcome Center
    - PFF Building

Undesignated: $3,750,000

Other Potential Uses

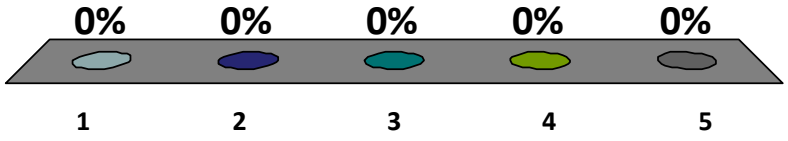
- Sewer Connection Fees (other agencies)
- Road Overlay / Reconstruct / Widening needs
- Park Improvements
- Community Center Playground Renovation
- SR-62 Traffic Calming Improvements
- Economic Development / Marketing
- Flood Control Improvements

Remaining ($3.75 mil) RDA Bond Potential Uses

- Sewer Connection Fees (other agencies)
  - MUSD, County Fire, Federal buildings
  - $1.5 to $2.0 million
  - With RDA Dissolution, other agencies receiving swept tax increment / future TI growth
- Road Overlay / Reconstruct / Widening needs
  - Lessens the need for Measure I Bonding / General Fund Backfill to Road Maintenance; OR
  - Addresses current road expansion needs to support future economic development
  - $1.5 to $2.0 million

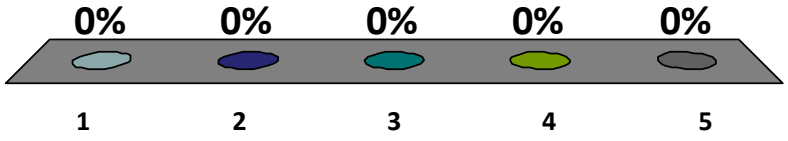
Remaining RDA bonds should go to help the Town; other agencies have revenues to deal with their sewer connection...

1. Strongly Agree
2. Agree
3. Neutral
4. Disagree
5. Strongly Disagree



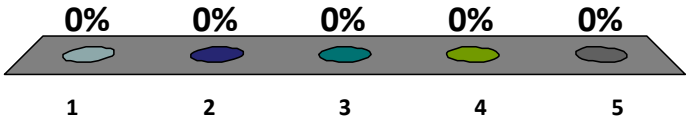
Road maintenance and expansion has a source of funding (Measure I, Impact Fees) and the RDA bonds should not fix streets...

1. Strongly Agree
2. Agree
3. Neutral
4. Disagree
5. Strongly Disagree



Having to pick between sewer connections for other agencies and roads, how would you invest the RDA bonds?

1. Sewer Connections
2. S**ewer** /roads
3. Evenly invested
4. R**oads**/sewer
5. Roads



Remaining ($1.5 - $2.0 mil) RDA Bond Potential Uses

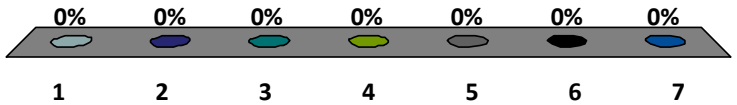
- Park Improvements – Artificial Turf Conversion(s)
  - Significantly higher use / availability of fields
  - Significantly lower water usage / Reduced maintenance
  - Installation cost -- $750k - $1 million;
  - 10 year Replacement -- $450k
- Community Center Playground Renovation
  - $500k - $750k to construct designed project
  - Frees up CDBG funding ($350k) for other needs

Remaining ($1.5 - $2.0 mil) RDA Bond Potential Uses

- SR-62 Traffic Calming Improvements
  - Radar Speed Limit Signage on SR-62
  - Reduce the need for a motor officer
  - $100k installation
- Economic Development / Marketing
  - Renovate PFF sign $100k-$200k
  - Retain resources for new business incentives
- Flood Control Improvements
  - Lots of needs
  - Costs for designs ($500k+); Costs to construct ($5 mil +)

Select the Highest Priority Uses of RDA Bonds from the following list (pick 2) …

1. Traffic Calming (SR-62)
2. Other Agency Sewer Costs
3. Park Conversions
4. Economic Development (PFF signage/marketing)
5. Playground Renovation
6. Flood Control
7. Roads (Overlay, Reconstruct, Widening)



Strategic Planning Workshop

1200 Recap of Morning / Working Lunch

1230 Session 6: Building A Budget

1330 Roundtable from Session 6 / Break

1345 Session 7: Budget Balancing Strategies

1415 Session 8: Strategic Planning Policy Guidance

Workshop Recap / Adjournment

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Workshop Recap / Adjournment

FY 2013-14
Baseline Expense Assumptions

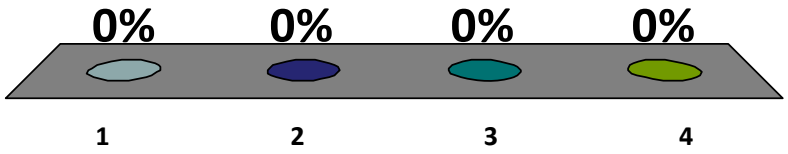
FY 2013/14 Baseline Revenue:	**$9.500 mil**
➢ FY12/13 service programming levels	$9.330 mil
➢ Merit Increase (2.5% staffing costs)	0.085 mil
➢ Schedule "A" Cost Increase (2.5%)	0.090 mil
➢ Absorb RDA Cost Allocation	0.200 mil
➢ Housing Authority costs	0.050 mil
FY 2013/14 Expenditure Level	**$9.755 mil**
Beginning Surplus (Gap)	($0.255 mil)

Budget Decisions from Baseline

- Public Safety
  - Sheriff Schedule “A”
    - Assumed to increase only 2.5%
    - 5% is a more conservative (likely) result ($90k increase)
  - FY12/13 Budget does not fund SSS ($60k increase)
  - $150,000 additional costs
- Road Maintenance
  - How much (if any) General Fund goes into the roads?
- Changes (Additions / Reductions) to Service Levels

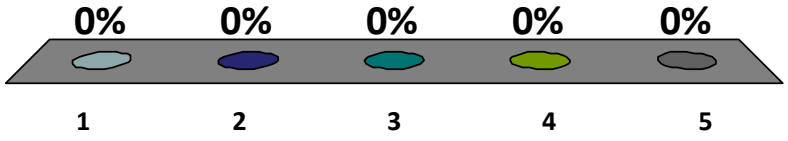
Regarding the Sheriff Schedule "A" Contract costs, the Town should ...

1. Fully Fund Schedule "A"
   (+$150k)
2. Include 2.5% increase
   No SSS –
   ($0)
3. Maintain funding at FY12/13 levels
   No SSS + Cuts
   (-$90k)
4. Reduce Costs by 2.5%
   No SSS + Larger Cuts
   (-$180k)



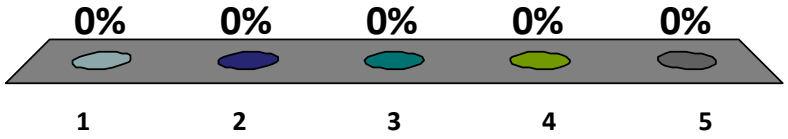
The Motor Officer position should be eliminated from the FY 13/14 budget (saving $200k) ...

1. Strongly Agree
2. Agree
3. Neutral
4. Disagree
5. Strongly Disagree



How much General Fund Resources should be used for Road Maintenance?

1. None
   (No Change)
2. $300,000 –
   (Slurry/Cape Seal)
3. $600,000 along with
   Measure I bonding
   (Slurry/Cape/Overlay)
4. 10% (+$900k) of the
   General Fund
5. Don't Know



Essential vs Discretionary Spending

Essential Services are considered mandatory or Core Services

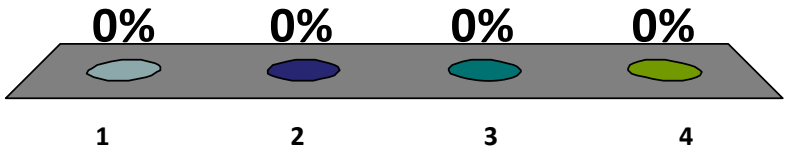
- Emergency Response
- Town Administration
- Community Development
- Public Works
- Animal Control

Discretionary Services add to the Quality of Life within the Community

- **Code Enforcement**
- **Partnerships**
- **Community Services**
- Economic Development
- Information & Marketing
- Non-emergency response policing

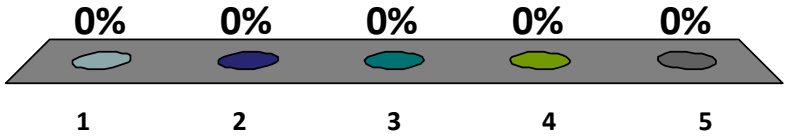
Code Enforcement funding should be…

1. Increased 10% to address community needs (+20k) – Add FTE CEO
2. Maintained at current budget levels (No Change)
3. Reduced to reflect current staff (-$40k)
4. Don't Know



CDBG Funding Should be allocated to the Code Enforcement program for this upcoming FY 13/14 (saving $90k) ...

1. Strongly Agree
2. Agree
3. Neutral
4. Disagree
5. Strongly Disagree

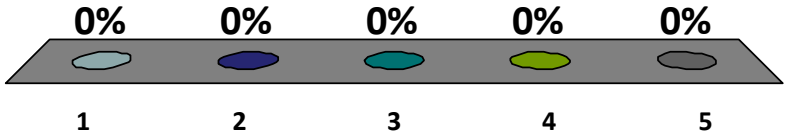


Community Partnerships/Contracts FY 10/11 Funding Levels

Community Partnerships	**$**	**124,500**
Rotary Fireworks	$	8,000
Youth Park Maintenance	$	10,000
Boys & Girls Club	$	48,000
MB Tennis Assoc	$	3,000
Unity Home	$	3,000
Adult Health Services	$	5,000
YV Library Literacy	$	3,000
Old Town Festival of Lights	$	2,000
DRTA	$	22,500
Chamber of Commerce	$	20,000

Partnership / Contract funding should be…

1. Restored to prior FY 10/11 levels (+20k)
2. Maintained at current levels (No Change)
3. Reduced 25% (-$25k)
4. Reduced 50% (-$50k)
5. Eliminated (-$100k)

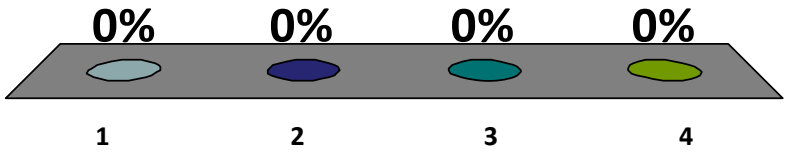


Community Services

• Administration	$278k
• **Recreation**	**$415k**
• **Museum**	**$268k**
• **Community Relations**	**$22k**
• Animal Shelter	$520k
• Facilities Maintenance	$295k
• **Animal Control**	**$215k**
	$2,013k

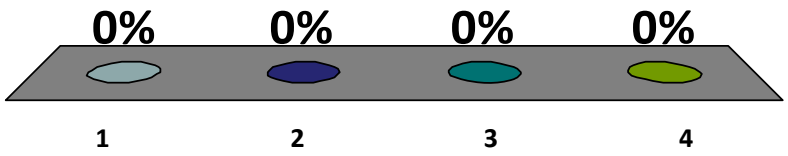
Community Services – Recreation funding should be …

1. Increased by 10%
   Increase After-School programs
   (+40k)
2. Maintained at FY12/13 Amount (No Change)
3. Reduced 25% --
   No Aquatics, Special Events
   (-$100k)
4. Reduced 50% --
   #3 above + Sports Program Reductions
   (-$200k)



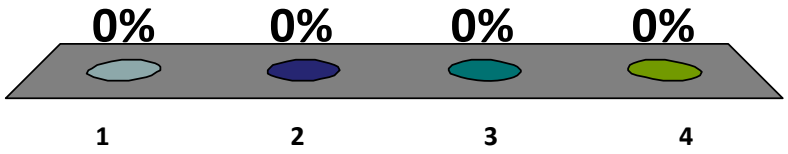
Community Services – Museum funding should be …

1. Increased by 10%
   Museum Registrar or Educator resources
   (+25k)
2. Maintained at FY12/13 Amount (No Change)
3. Reduced 25% --
   Reduced Hours, Education Program & Limited Special Events
   (-$65k)
4. Reduced 50% --
   #3 above + Eliminate Special Events / Programming
   (-$135k)



Community Services – Animal Control funding should be …

1. Increased by 10%
   Increase Stand-by response
   (+20k)
2. Maintained at FY12/13 Amount (No Change)
3. Reduced 25% --
   Minimal standby response
   (-$50k)
4. Reduced 50% --
   Reduce from 2 ACO to 1 ACO
   Minimal standby response
   (-$100k)



FY 2013-14
Baseline Expense Assumptions

FY 2013/14 Baseline Revenue:	**$9.500 mil**
FY 2013/14 Expenditure Level	**$9.755 mil**
➢ Public Safety Adjustment	$
➢ Road General Fund Contribution	$
➢ Code Enforcement Adjustment	$
➢ Partnerships	$
➢ Community Services	$
Ending Surplus (Gap)	$

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Workshop Recap / Adjournment

Budget Balancing Strategies

- Cut Costs
- Increase Revenues
- Deficit Spend

Budget Balancing Strategies – Cut Costs

- Personnel Costs ($34k savings / 1% reduction)
  - Furloughs (Service Hour Reductions)
  - Wage Freezes / Salary Reductions / Benefits Reductions

IMPACTS: Retention, Attraction, Morale, Services Suffer

HISTORICAL: No COLA, Employee PERS Contribution,
Workloads absorbed after prior layoffs
Minimal Service Disruption to Community

Budget Balancing Strategies – Cut Costs

- Reduce / Eliminate Services Provided
  - Reduce / Eliminate "Discretionary" Programs / Special Events
  - Cuts are not immediate and as simple as they may appear

IMPACTS: Part-time / Full-time staff lost, severance costs,
Once eliminated difficult to resume
Public will notice the difference

HISTORICAL: Services Maintained in spite of staff reductions
Organizational layoffs hit mid-management
Golden Handshakes / Retirements

Budget Balancing Strategies – Cut Costs

- Reduced / Eliminate Partnerships
  - Over $100k annually to partnerships / “contracts”
  - Over $100k annually in waived fees, facility use

IMPACTS: Sustainability of non-profits service providers
Potential elimination of quality programming

HISTORICAL: Council policy that public buildings be available
Nominal cuts to non-profits / CDBG cuts

Budget Balancing Strategies – Cut Costs

- Capital Improvements to Reduce Maintenance
  - Soccer field conversion to seasonal turf (< $100k)
  - Field conversion to artificial turf ($1 million RDA)

IMPACTS: Reduced quality turf in off-season (seasonal)
Loss of natural grass (artificial)
Less water / Less Maintenance / Replacement $$

HISTORICAL: Recent park development in seasonal turf

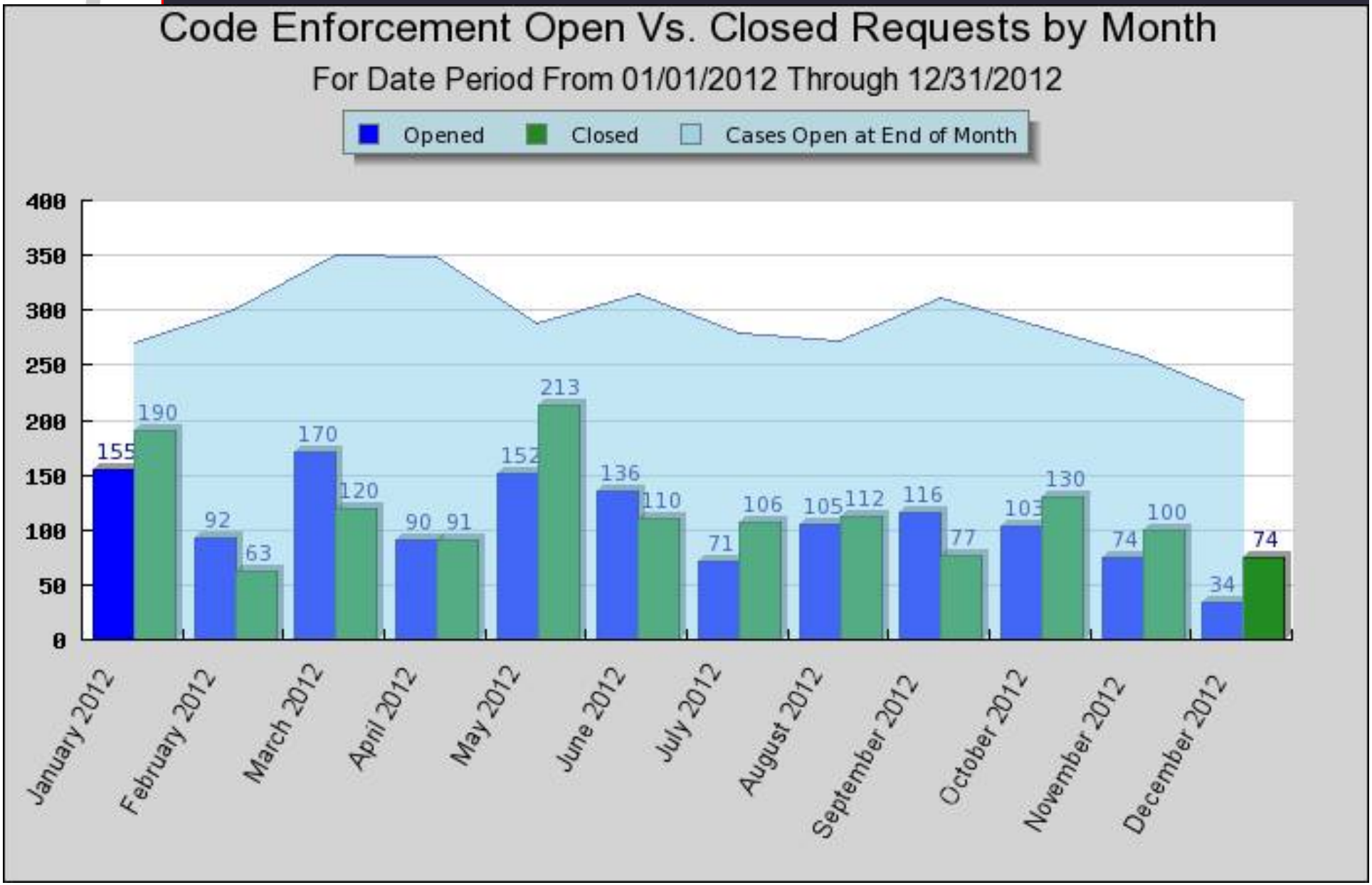
Budget Balancing Strategies – Cut Costs

- Use CDBG Funding for Town "Projects"
  - $90k FY12/13 could be allocated to Code Enforcement
  - $350k set aside for playground used for other services

IMPACTS: Shifts General Fund costs to Special Revenues
Requires RDA investment to shift Playground

HISTORICAL: Council did approve a single year of CDBG funding for Code Enforcement

Code Compliance -- $175,000

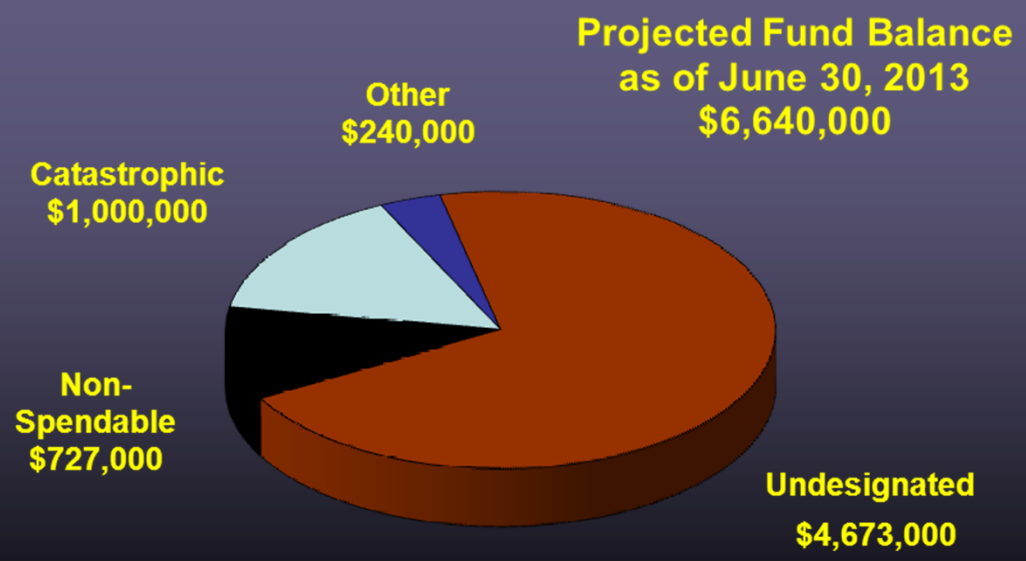


Budget Balancing Strategies – Increase Revenues

- Seek Outside Funding (County, grants, foundations)
  - Supervisor Ramos' office contacted
  - Town's role as service provider to the Morongo Basin
- Increase Program User Fees (Decrease Subsidy)
- Increase Enforcement Actions
  - Animal Licensing
  - Code Enforcement / Business Registration
- Increase Franchise Revenue
  - Property Tax collection of solid waste fees
- Local Revenue Measure
  - Funds would not begin until April 2014 (FY 14/15 Budget)

Budget Balancing Strategies – Deficit Spend

- Structural Deficit is Real and Growing with time
- Reserves are "one-time" resources and <u>should</u> be spent on "one-time" expenditures



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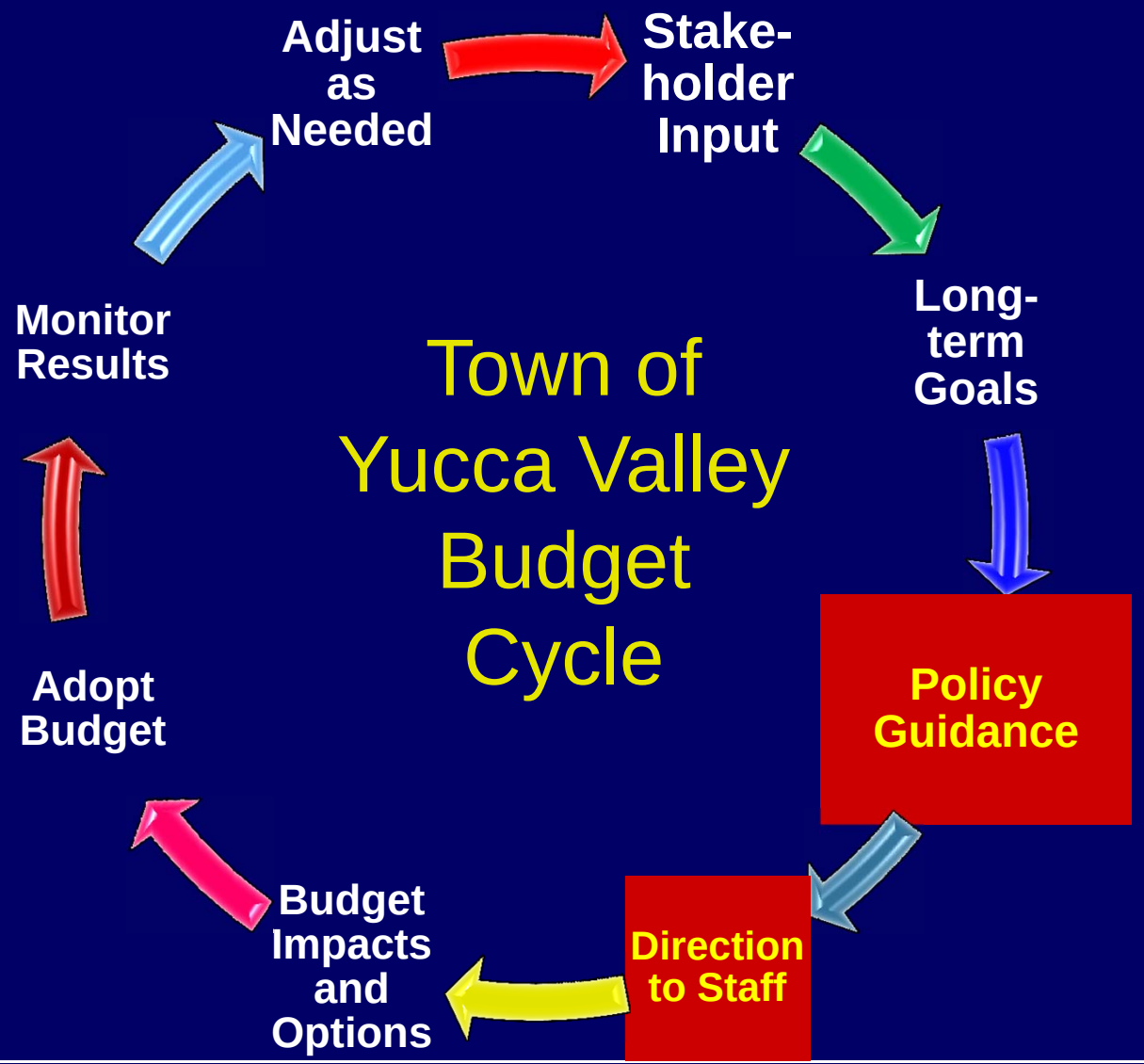
Workshop Recap / Adjournment

Town of Yucca Valley Budget Cycle



Policy Guidance Principles

- Policy Guidance provides the basis from which various alternative fiscal sustainability plans are developed.
- Policy Guidance is general and over-arching in nature from which staff is guided in the development of implementation plans.
- Policy Guidance results in a specific approach in the budget development process, yet allows for further modification upon presentation of various alternatives.

Policy Guidance Concepts

Specific policy issues for discussion/development:

1. Importance of a Balanced Budget Approach
2. Use of Reserves as a Budget Strategy
3. Importance of Fiscal Sustainability
4. Community Impact of Implementation
5. Balance of Organizational Goals

Policy Guidance Concepts

Continued

Specific policy issues for discussion/development:

6. Quality of Services – In house vs. Outsource
7. Cost Subsidization of Programs
8. Assumption of New Service
9. Infrastructure Maintenance
10. Others??

Policy Guidance #1 & #2

1. Importance of a Balanced Budget Approach
2. Use of Reserves as a Budget Strategy

<u>Potential Policy Guidance</u>

The Town considers the adoption of a Balanced Budget without the use of Reserves as a way to ensure financial sustainability, and that General Fund Reserves should be reserved for one-time expenditures.

Policy Guidance #3

3. Importance of Fiscal Sustainability

Potential Policy Guidance

The Town recognizes the importance of a financial plan that is sustainable in both the near and long term planning horizons. Budget development should consider and incorporate this concept of ongoing sustainability with no exception.

Policy Guidance #4

4. Community Impact of Implementation

Potential Policy Guidance

The Town has limited resources with many demands. To ensure continued transparency, the Town will clearly communicate in the annual budget process the actual and pending changes related to the implementation of the current budget based on Strategic Planning Policy Guidance.

Policy Guidance #5

5. Balance of Organizational Goals

- Quality Of Life Services
- Responsive Public Safety
- Effective Fiscal Management
- Community Sustainability
- Adequate, Well Maintained Facilities
- Infrastructure for Today & Tomorrow

2013 Organizational Goals

Policy Guidance #5

Continued

5. Balance of Organizational Goals

Potential Policy Guidance

Organizational, functional, operational and financial planning should incorporate a balanced approach in the implementation of the goals of this Community. Each goal is independently important, and the allocation of fiscal resources will reflect this approach.

Policy Guidance #6

6. Quality of Services Provided

<u>Potential Policy Guidance</u>

The services provided by the Town to its residents should be of the highest quality as is reasonably possible with available resources.

Alternatives that provide equal or improved services in a more efficient or cost effective manner should be utilized when possible.

Policy Guidance #7

7. Cost subsidization of Programs/Services

Potential Policy Guidance

Various programs in the Town may or may not receive direct or indirect General Fund Subsidy.

The determination of the criteria of subsidy is of critical importance to the fiscal sustainability of the organization.

Accordingly, the criteria and level of Program/Service subsidy will be determined through a separate and definitive Town Council policy.

Policy Guidance #8

8. Assumption of New Service Requests

Potential Policy Guidance

It is anticipated that the community will frequently request the introduction of new services, programs or facilities. Such requests impact the fiscal sustainability of the organization.

Therefore, the assumption of any new service, program or facility must be contingent on the ability of the Town to ensure the long-term operational and financial sustainability of the proposed project.

Policy Guidance #9

9. Infrastructure and Asset Maintenance

Potential Policy Guidance

The Town has a basic obligation to ensure the adequate maintenance of its infrastructure and assets.

As part of the annual fiscal plan, the Town will provide the continued investments necessary to meet the basic maintenance needs of Town assets.

Policy Guidance #10

10. Others??

<u>Potential Policy Guidance</u>

Policy Guidance - Next Steps

- Staff will summarize and recap the policy guidance received.
- Guidance summary will be presented in the initial budget workshop to be held in conjunction with the FY 2013-14 budget cycle (slated for late February)
- The policy guidance will be incorporated and reflected in the initial spending plan that is presented to the Council.
- Policy guidance will be affirmed annually in the strategic planning process, and continuously implemented in the financial and operational activities of the Town.

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