

SUPPLEMENTAL REPORTS & COMMUNICATIONS I
Office of the City Clerk

City Council of the City of Napa
Regular Meeting

May 5, 2020

FOR THE CITY COUNCIL OF THE CITY OF NAPA:

EVENING SESSION:

10. SPECIAL PRESENTATIONS:

10.A. Mental Health Awareness Month.

- PowerPoint Presentation by County of Napa.

11. PUBLIC COMMENT

- Email from Joe Russo received on May 4, 2020. *

12. PUBLIC HEARINGS/APPEALS:

12.A. Transition to District-Based Elections for Councilmembers.

- PowerPoint Presentation by City Staff.
- Revised Exhibit B to Ordinance - District Boundary Map for City of Napa District-Based Elections for Councilmembers (Identifying Districts 1, 2, 3, and 4) submitted by Demographer, Paul Mitchell, refining street names and geographic locations such as State Hwy 29 and Napa River.
- Email from Ron Rhyno received on May 5, 2020. *
- Email from Napa County Progressive Alliance received on May 5, 2020. *

13. ADMINISTRATIVE REPORTS:

13.A. Budget Workshop for FY 2020/21.

- PowerPoint Presentation by City Staff.
- Email from Linda Button received on May 4, 2020. *
- Email and attachment from Hannah Deeter received on May 5, 2020. *
- Email from Samantha Holland received on May 5, 2020.

****EMAIL WILL BE READ INTO THE RECORD BY CITY STAFF DURING THE MEETING.***

May is Mental Health Month

Current services for individuals of all ages with Serious Mental Illness/Serious Emotional Disturbance include:

- Individual and group mental health services (currently provided via telehealth/telephone during COVID-19 emergency)
- Psychiatry/Medication Clinic
- Jail/Forensic services
- Residential Treatment
- Transitional and supportive housing
- Adult Resource Center
- Co-Occurring Substance Abuse

Contact Information

- Mental Health Crisis Hotline (24/7): 707-253-4711
- Mental Health Access (Mon-Fri 8am-5pm): 707-259-8151 or 800-648-8650
- Comprehensive Services for Older Adults: 707-253-3818



City Council Meeting

5/5/2020

Supplemental I - 11. Public Comment

From: Joe Russo

From: [Joe Russo](#)
To: [Clerk](#)
Subject: Public comment
Date: Monday, May 4, 2020 7:42:37 PM

[EXTERNAL]

Good evening

I am under the understanding that public comment will be submitted by email.

As such, I'd like to have the following comment heard during public comment during the evening session of the May 5th council meeting.

Joe Russo, [REDACTED]


As we all look for options that could potentially return our lives, as well as the city economy, back to a new normal, an idea my wife and I have spoken about is a way to expand square footage to Main Street restaurants and businesses. We encourage the city to consider the option that would lose portions of Main Street, at a minimum, between First and Third. This could also extend as far as 5th street to the south and as far as Caymus to the North, with a possible opening to through traffic at First and Third Streets. This would allow for social distancing with comparable consumer volume that we have seen pre Covid-19. I am not sure of the timing that this could prove valuable but whatever the city deems "tourist" season, would be appropriate. Thank you for your consideration as we come together as a community to reach sustainable and safe practices to move forward during these tough times.



1

Transition Timeline

- **January 2** – Received petition letter.
- **February 11** – Adopted Resolution of Intent (R2020-017) declaring City's intent to transition from at-large elections to district-based elections for Councilmembers.
- **February 25** - First public hearing to consider input from the public before maps were drawn.
- **March 4** – Second public hearing to consider input from the public before maps were drawn.
- **March 8** – Held two community workshops to provide an opportunity for members of the public to draw proposed district boundary maps.



2

Community Workshops



3

Transition Timeline Continued

- **March 10** – Four draft maps were posted on City's webpage.
- **April 21** – First public hearing to consider draft district boundary maps and the proposed sequence of elections, received input from the public and the Council, and introduced an ordinance establishing a district-based election system.
- **April 28** - Second public hearing to consider draft district boundary maps and the proposed sequence of elections, received input from the public and the Council, and introduced an ordinance establishing a district-based election system.



4

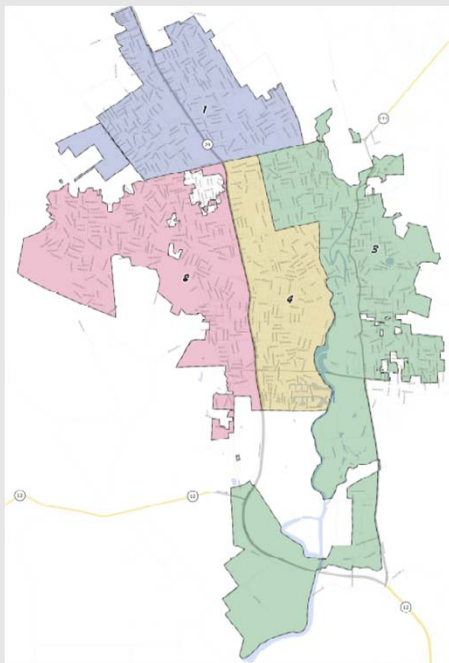
Council Action on April 28, 2020

- Adopted District Boundary Map (Plan A1)
- Selected Sequence of Elections for Councilmembers:
 - Election in 2020: Districts 2 and 4.
 - Election in 2022: District 1 (Alessio) and District 3 (Luros)
- Introduced an ordinance to establish District-Based Elections for Councilmembers



5

District Boundary
Map for the
City of Napa
District-Based
Elections for
Councilmembers
(Identifying Districts
1, 2, 3 and 4)



6

Questions from Council to Staff?

Invite Public Input Regarding:

- * District boundary map (Plan A1)
- * Sequence of elections of Councilmembers
- * An ordinance to establish district-based elections for Councilmembers



7

Recommended Action

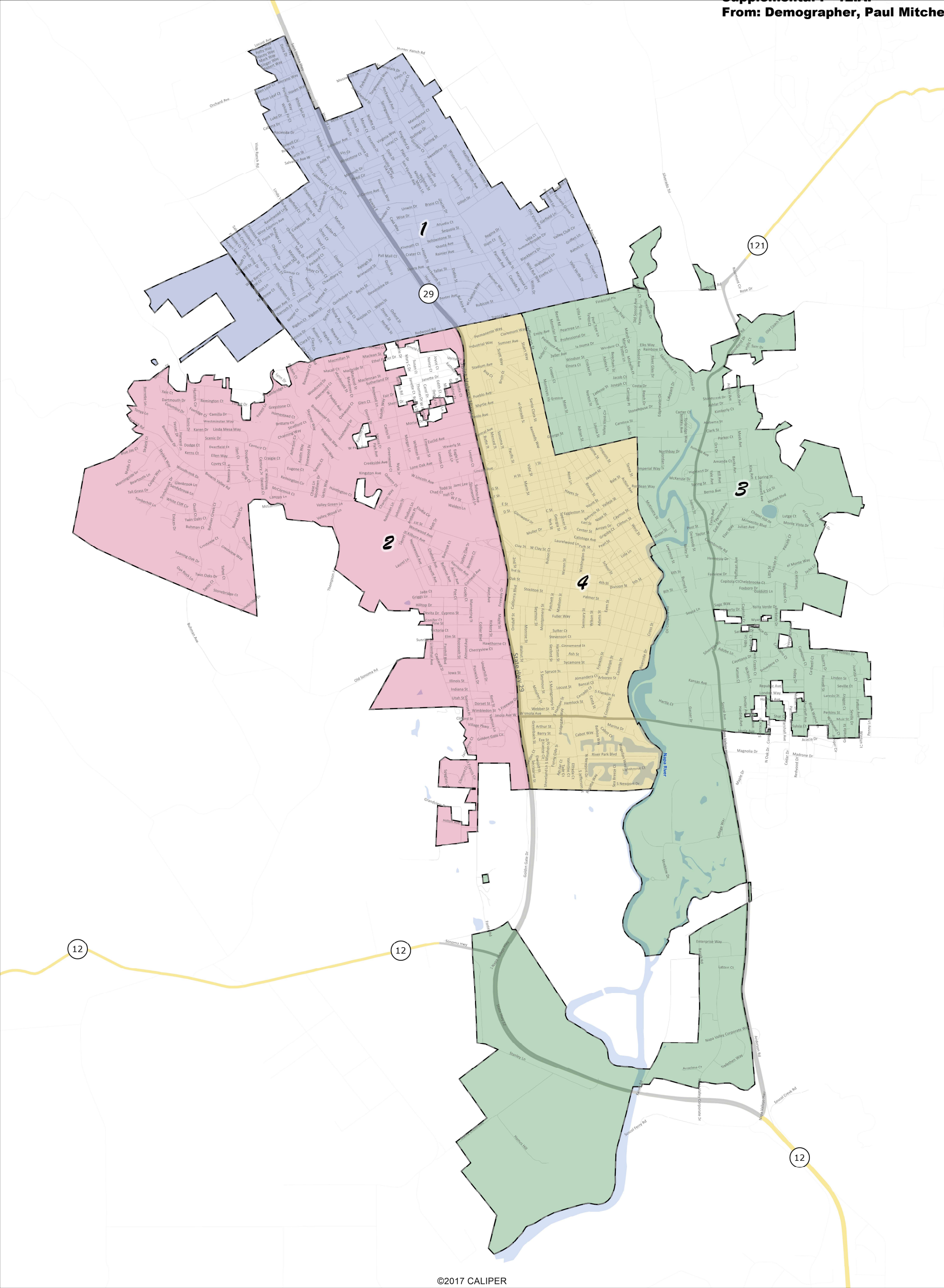
- Approve the second reading and final passage, and adopt an ordinance establishing district-based elections for Councilmembers by amending Napa Municipal Code Title 1 to add a new Chapter 1.10 ("District-Based Elections"), and approving the district boundary map and sequence of elections for Councilmembers.



8

EXHIBIT B
District Boundary Map for City of Napa District-Based Elections for Councilmembers
(Identifying Districts 1, 2, 3 and 4)

City Council Meeting
5/5/2020
Supplemental I - 12.A.
From: Demographer, Paul Mitchell



**City Council Meeting
5/5/2020
Supplemental I - 12.A.
From: Ron Rhyno**

To: Jill Techel, and Napa Council members
Via: Tiffany Carranza
Cc: Steve Potter; Minh Tran
From: Ron Rhyno

Intending You All and City Staff safety, wellness and enduring health!

Current thoughts re Redistricting:

1. A professor once told a group of us graduate students:
“If you want to solve a problem, you need to live with/in the question
WHY?”
2. From 1850 [?] to present Napa City Councils have had two New Majority
[minority] Council members. **WHY?**
3. By contrast American Canyon has had: Leon Garcia, Brenda Knight, Belia
Ramos, Miriam Aboudamous, Kenneth Leary and [?]. **WHY?**
4. From 2003 to 2020 the California Voting Rights Act was not responded to
by the prior and current Napa City Councils until a lawsuit was posed. **WHY?**
5. What is it about Napa Valley culture and governance that Waits? ...**WHY?**
6. What is it about the unincorporated islands including the former
Pueblo de Salvador (now West Pueblo/Linda Vista; -- and West Pueblo/West
Park, **such** that both the City and the County have allowed them to languish
behind the prioritized new City Hall and Fire/Police Station and County Jail?
WHY?
7. Why is the City approving a “clean and simple” districting map that violates
the expressed intent to assemble ‘communities of interest’ e.g. the four areas
of Browns Valley to include West Pueblo/Linda Vista; and West Pueblo/West
Park. **WHY?**

Comments: 4+1 City governance worked in yr 1900 with population of 4,036;
in 1920 with population of 6,757; and 1950 with population of
13, 579; but not in 2020 with a population of 80,000 – **unless** the
expectation is that the City council has experiential knowledge of
our diverse communities: **OR** we will continue to be required to
come to the Council with questions and recommendations. **WHICH?**

Respectfully submitted,
Ron

City Council Meeting
5/5/2020
Supplemental I - 12.A.

From: Napa County Progressive Alliance

From: [Napa County Progressive Alliance](#)
To: [Clerk](#)
Cc: [Scott Rafferty](#); [Gary Orton](#); [Amy Martenson](#); [Beth Nelsen](#); [Devra Dallman](#); [Val Wolf](#); [Chris Malan](#)
Subject: COMMENT TO COUNCIL FOR MAY 5, 2020 MEETING – PLEASE READ (Item 12A)
Date: Tuesday, May 5, 2020 3:39:10 PM

[EXTERNAL]

From: Napa County Progressive Alliance Steering Committee

Good evening, Napa City Council:

Congratulations on changing to district elections!

We would first like to thank the leaders of La Union Indigena whose partnership with us at the beginning enabled us to initiate the districting process in the first place.

We thank our attorney, Scott Rafferty, whose extensive work, from pre-letter research through final advocacy, reflects his passion for voting rights.

We also thank city staff for the exemplary public outreach and transparent process, demonstrated by the large volume of public comment, which has been posted online.

Although we did not endorse the council-selected map, we are pleased with the outcome for several reasons:

- First and foremost, the upcoming 2020 election will be a legal one.
- Second, district elections will help level the playing field for grassroots candidates who are highly qualified yet not backed by monied interests or the political establishment.
- Third, every part of Napa is now guaranteed to have a representative who will better understand and give greater attention to his or her district.
- Fourth, the city pioneered more inclusive ways of gaining public input, including using simultaneous translation in English and Spanish and remote participation. We hope the city considers these best practices and continues to use them post-districting and post-COVID-19.
- Fifth, the public has become aware of the long-neglected obligation of the city to annex county islands of underserved and disenfranchised populations surrounded by the city. *We specifically request the council direct city staff to prepare for council consideration a petition to LAFCO to annex the West Pueblo/Linda Vista and*

Imola/Parrish islands.

- Lastly, the experience gained by the city and public in creating districts under the California Voting Rights Act has better prepared all of us to tackle next year's decennial redistricting using 2020 census results. The city made easy-to-understand districts using strong physical demarcations its priority. In 2021, we believe there should be consideration given to maintaining communities of interest, including ethnicity and socio-economic status, to strengthen the voting power of disadvantaged communities.

We are encouraged the council appears to be considering the establishment of an independent redistricting commission. We remind the council about the demographer's advice that for the public to accept the map created by a commission, the final decision must rest with the commission. We also refer the council back to Exhibit D in Scott Rafferty's petition letter that described a method of using a retired judge and a specific set of criteria to ensure commission members are free of political influence, representative of the city's diversity, and competent. *We ask the council to direct city staff to prepare for council's consideration the establishment of an independent redistricting commission, and its procedures and standards in time for the 2022 election.*

We, again, thank you for changing to district elections and look forward to seeing the impact on the electorate and city governance generally in 2020 and beyond.

Respectfully,

Amy Martenson, Chris Malan, Gary Orton, Devra Dallman, Beth Nelsen, and Valerie Wolf



FY 2020/21 Budget Workshop

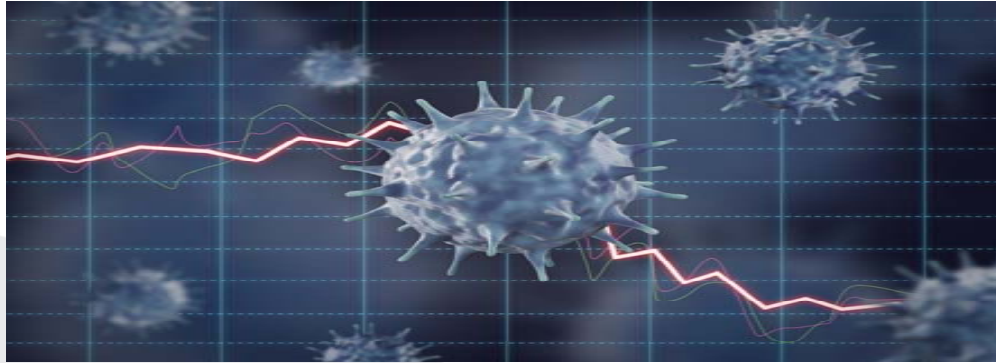
May 5, 2020

Information and Direction

Today's presentation is provided to achieve direction and feedback from council.



Global Financial Impact



Employment

- 30 million people filed for unemployment in 6 weeks
- Eliminates all job growth since 2009

Sales

- March retail sales dropped most in history of US
- Impact uneven through retail sector

Investments

- Residential and Commercial mortgage market seeing areas of weakness
- Large companies hiring investment advisors to strategize potential restructuring plans (contagion effect)

Napa Is Not Immune From COVID-19 Or Its Financial Impact

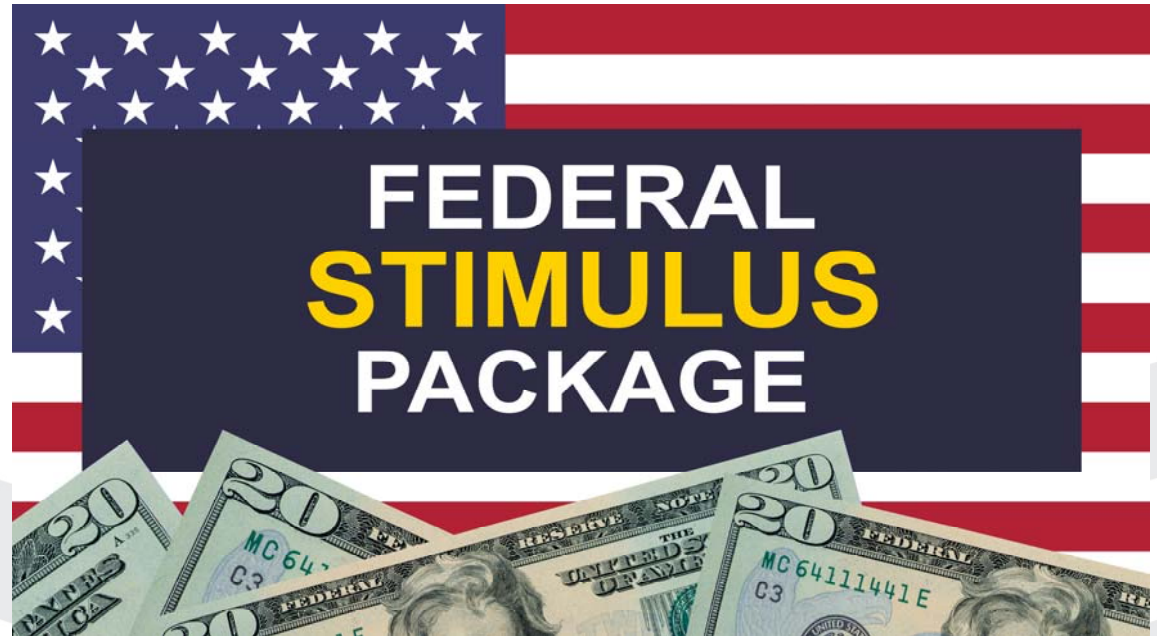
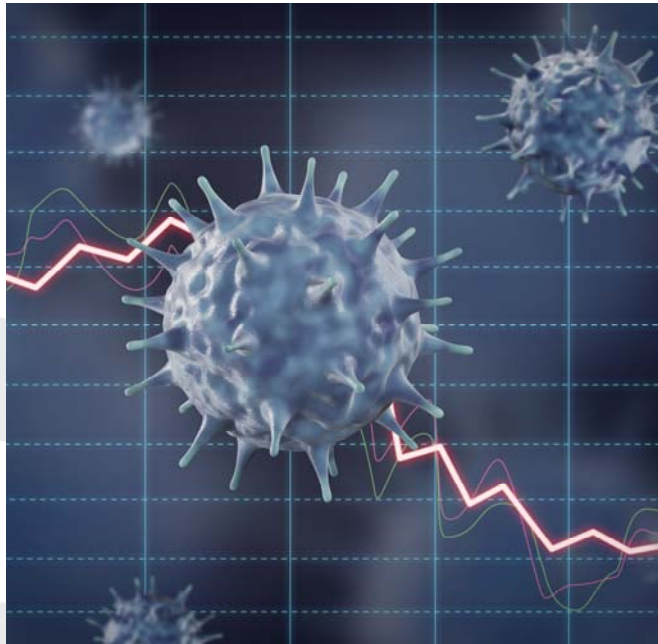


On the surface, the devastation of Covid-19 is not visible in our community.

Unlike natural disasters, financial damage is invisible.

Minimizing or denying the impact is a natural human response.





This Is A Global Event
With Widespread Impact

What Actions Do We Take?



Plan for what we think is going to happen, don't wait for the worst case to happen to us.

No Country, State, County or City Is Immune

5 States Where Coronavirus Layoffs Are Hitting the Hardest

The economic pain from the pandemic has affected some places more than others.



More than 2,100 U.S. cities brace for budget shortfalls due to coronavirus, survey finds, with many planning cuts and layoffs

Napa County faces a \$20 million budget hole

Municipalities May Face Challenges in this Uncertain Economic Environment

April 13th, 2020 | Featured Articles



Coronavirus job losses could total 47 million, unemployment rate may hit 32%, Fed estimates

PUBLISHED MON, MAR 30 2020-11:40 AM EDT | UPDATED MON, MAR 30 2020-8:16 PM EDT

Hilton closes 1,000 hotels, experiences 56% decline in revenue per room resulting from coronavirus

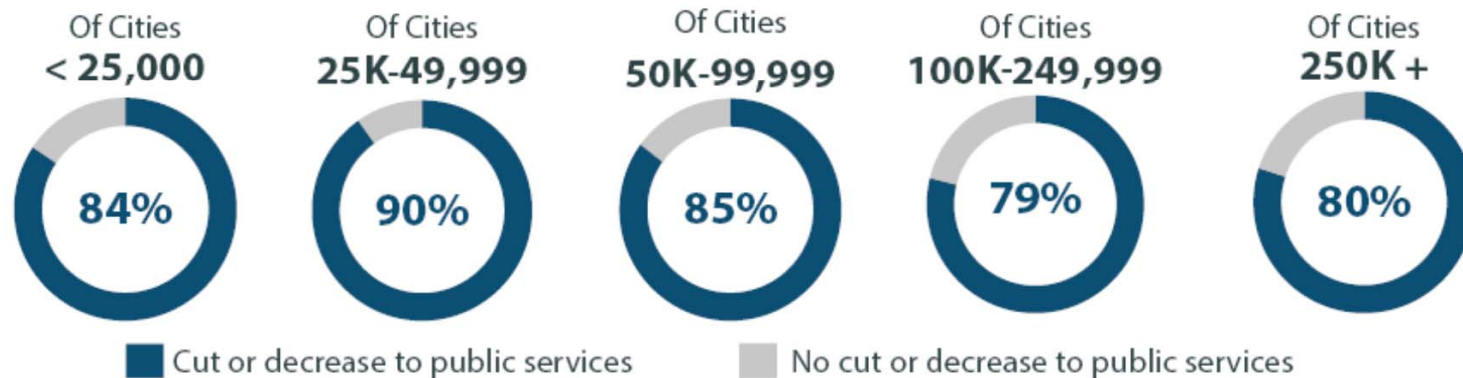
Rasha Ali USA TODAY
Published 3:59 p.m. ET Apr. 18, 2020 | Updated 11:20



We are all Impacted

90 percent of cities report they are considering cutting city staff or decreasing public services, and 72 percent of cities report they may take both actions

Public Services Will Be Impacted By Drastic Revenue Loss



League of California Cities



GUIDING PRINCIPLES FOR BUDGET DEVELOPMENT

- Mindful of service to the community; knowing some service levels will need to be lowered or delivered in a different manner
- Protect the welfare of our employees as much as possible; knowing there will be impacts but mitigating them where we are able
- Ensure the long-term financial solvency of the City; the structural deficit cannot be balanced with only “one-time” reductions



Overview

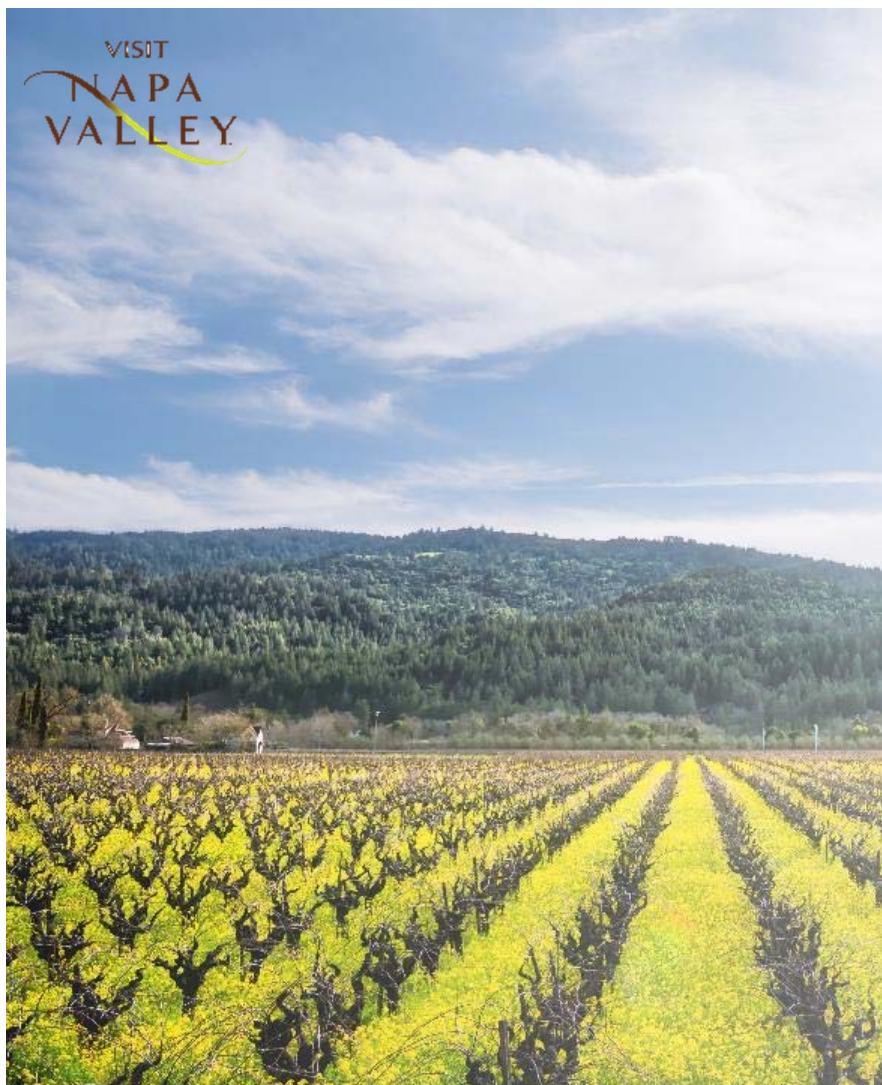
- Revenue Loss Assumptions
- General Fund Cash
- Use of Reserves/Cash Flow concerns
- FY 2019/20-balancing the budget
- FY 2020/21-balancing the budget
- Policy Changes
- Labor Discussions
- Recovery



Revenue Projection Sources

- Review of historical revenue
- Review of national economic forecasts, research
- Analysis of tourist-based California cities
- Discussions/analysis of regional cities
- League of California Cities resources/guidance
- Coordination with Visit Napa Valley





TID Revenue Assumptions \$2.3 M – FY 21 (-67%)

- April 2020 – 0%
- May – 0%
- June – 0%
- July – 10% (*of 2019 TID revenue for July*)
- August – 10%
- September – 10%
- October – 20%
- November – 20%
- December – 20%
- January 2021 – 30%
- February – 40%
- March – 50%
- April – 60%
- May – 70%
- June – 75%

Revenue Assumptions

- TOT Analysis for FY 2020/21 (generally aligns with Visit Napa Valley's Analysis)
 - Q1-Approximately 10% of FY 2019/20 (\$.73M)
 - Q2-Approximately 35% of FY 2019/20 (\$2.1M)
 - Q3- Approximately 67% of FY 2019/20 (\$2.8M)
 - Q4- Approximately 75% of FY 2018/19* (\$5.0M)

Budgeted TOT	Estimated TOT	Net Reduction
\$25.8 million	\$10.6M	\$15.2M

***The analysis utilized FY 2018/19 Q4 (April-June) due to the fact that FY 2019/20 was impacted by COVID-19; using the previous fiscal year created a more realistic base to project reductions.**



Revenue Assumptions

- Sales Tax
 - Q1-Approximately 75% of FY 2019/20 (\$3.9M)
 - Q2-Approximately 75% of FY 2019/20 (\$4.1 M)
 - Q3- Approximately 80% of FY 2019/20 (3.4M)
 - Q4- Approximately 80% of FY 2018/19* (\$3.7M)

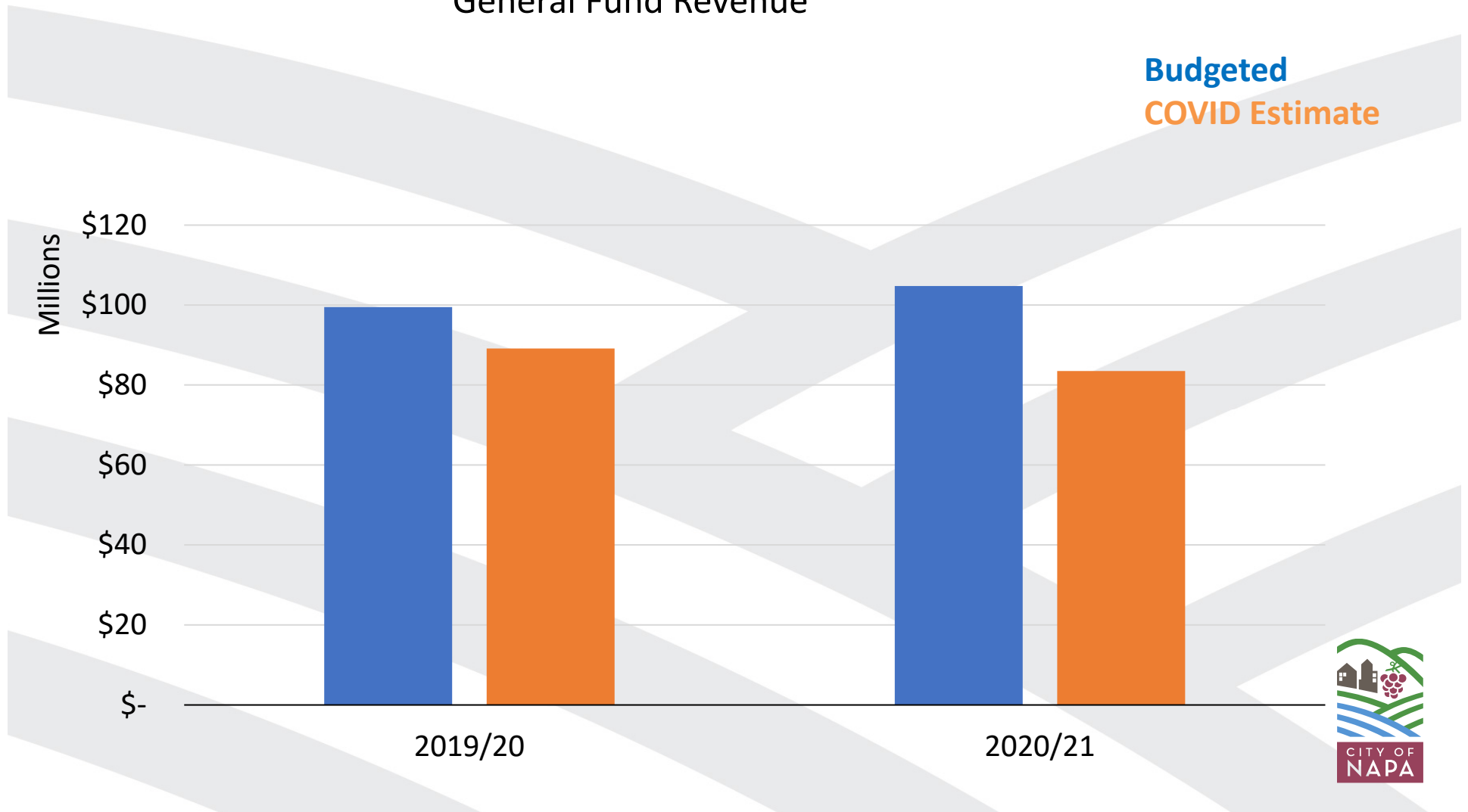
Budgeted Sales Tax	Estimated Sales Tax	Net Reduction
\$20.6 million	\$15.1M	\$5.5M

***The analysis utilized FY 2018/19 Q4 (April-June) due to the fact that FY 2019/20 was impacted by COVID-19; using the previous fiscal year created a more realistic base to project reductions.**



Revenue Assumptions

General Fund Revenue



Cash vs Cash



The City has many funds under one roof,
each with a specific purpose.

Use of Reserves

- Lack of visibility of the timing and strength of the recovery
- Unlike previous regional disasters FEMA funding for revenue loss is unlikely; prior disasters were related to cost of recovery

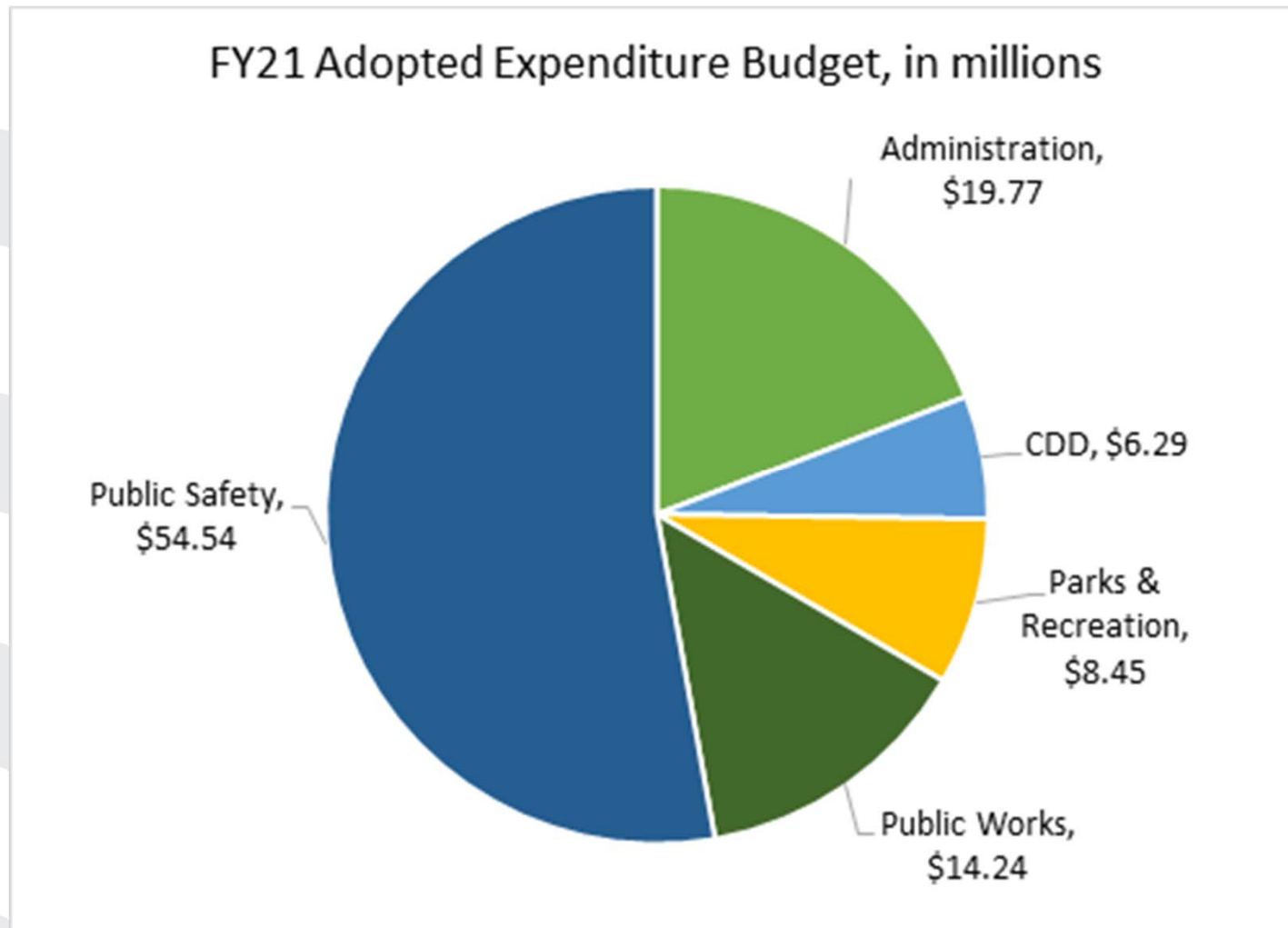


Use of Reserves

- This is a cash flow problem, not just a revenue problem
- We need to be prepared for a steep decline in cash receipts



Operating Budget Breakdown



FY 2019/20 Impact

- Transient Occupancy Tax is projected to be approximately \$8.3 million less than budgeted
- Sales Tax is projected to be approximately \$2.2 million less than budgeted



FY 2019/20 Reductions

- **April 7 council approved:**
 - \$10.5 million reduction in budgeted General Fund Revenue
 - Cancellation of CIP projects and the transfer of \$4.6 millions from the CIP Fund to the General Fund
 - Reduction of approximately \$1M in miscellaneous General Fund budgeted expenditures
- Remaining balance of between **\$4-\$5 million** will come from the reserves within the non-recurring General Fund; all but eliminating this strategic funding source



FY 2020/21 Budget

- \$15-\$20 million loss of revenue
- Structural deficit anticipated beyond FY 2020/21
- Need to balance one-time and ongoing cuts
 - Goal (60% ongoing/40% one-time)
- Depending on the recovery speed future budget issues may exist



One-Time vs Ongoing Reductions

To maintain financial health, replenishing many of the one-time reductions within the next budget cycle is necessary.



Budget Balancing

- The General Fund will remain in a structural imbalance as additional cost impacts will add to future budget issues if ongoing service delivery changes aren't maintained
- One-Time reductions need to be reinstated
 - Emergency Reserves
 - CIP Projects in which funding was removed (multiple millions)
 - Equipment Replacement Reserves
 - Parks maintenance requirements
 - Multiple one-time operating cuts in overtime, professional services for roads work, permits/planning review, service reduction, maintenance delayed



Budget Balancing

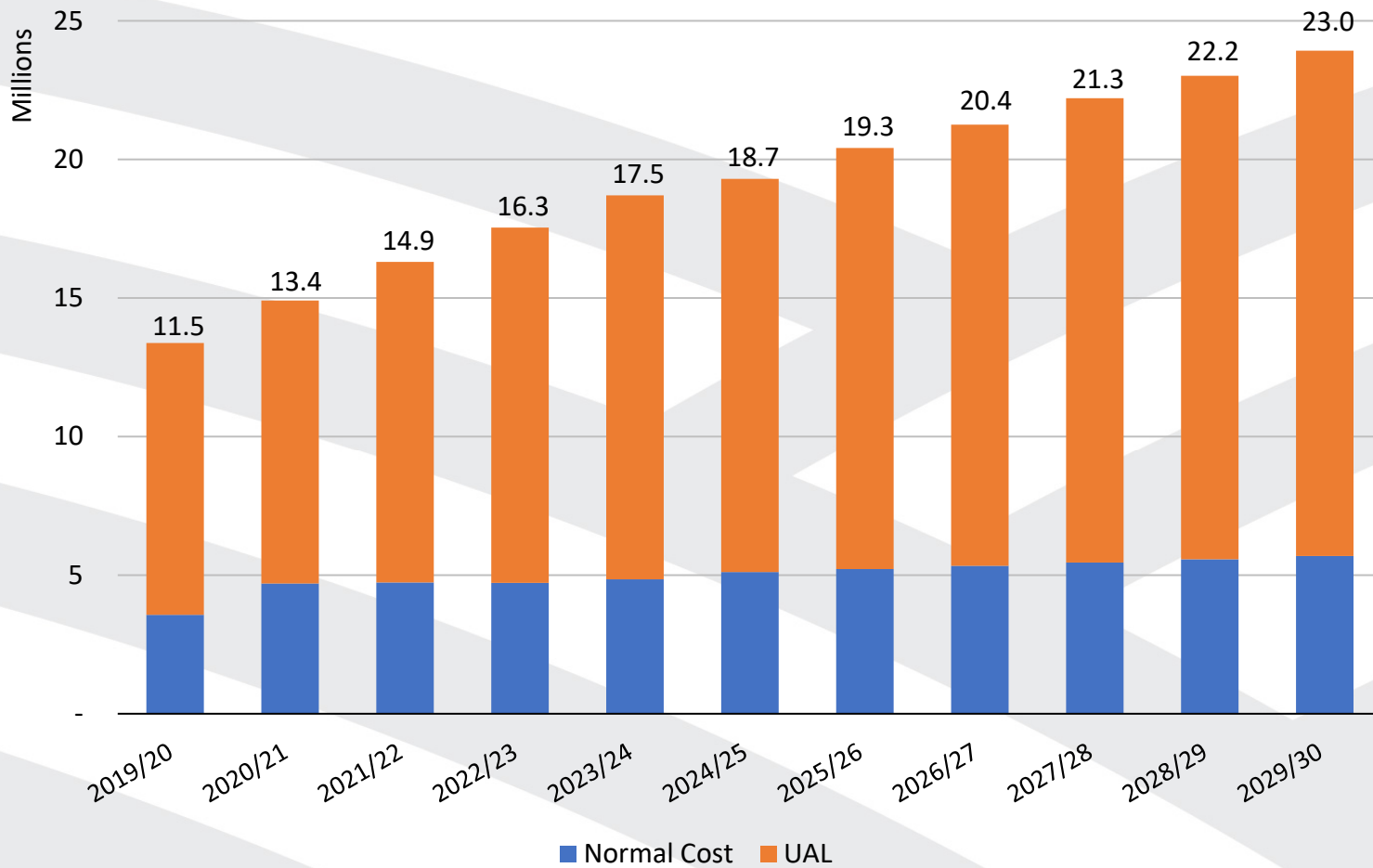
Ongoing funding gaps

- Increase in PERS costs (planning for the increases)
- Increases in Liability Insurance
- Increases in infrastructure costs



CalPERS City Costs (pre-COVID)

General Fund Estimated City Contribution to PERS,
net of Employee Cost Share



FY 2020/21 Budget One-Time Reductions

Use of Reserves/Capital Funds

Reduction or Use of Funds	Amount
Reduction in GF CIP Facility Transfer	\$1M
Equipment Replacement Reserve	\$0.15M
Cancellation of various Parks CIPs	\$1.4M
Use of Emergency Reserves	\$1.5M
Total	\$4.05M



FY 2020/21 Budget One-Time Reductions

Impacts of Use of Reserves/Capital Funds

- Use of Emergency Reserves
 - Will need to be replaced within two fiscal years
 - Continued lack of recovery visibility
- Reduce CIP Facilities Transfer
 - Reducing the ability to address current building issues that have been deferred for 5 or more years



FY 2020/21 Budget One-Time Reductions

Impacts of Use of Reserves/Capital Funds

- Equipment Replacement Reserve Transfer
 - Reduction in planning for departmental equipment specifically related to police and fire



FY 2020/21 Budget One-Time Reductions

Misc. Transfers to the General Fund

Reduction or Use of Funds	Amount
Parking Fund transfer to the GF	\$.18M
Water Fund Transfer to GF for ERP	\$0.88M
Delay Transfer to Fleet Fund for Fire Engines purchase (one year)	\$.40M
Total	\$1.47M



FY 2020/21 Budget One-Time Reductions

Impacts of Misc. Transfers

- Parking Fund Transfer to the General Fund
 - Maintain Parking Manager position; continued strategic and operational review



FY 2020/21 Budget One-Time Reductions

Impacts of Misc. Transfers

- ERP payments by Water Fund (\$885K)
 - Appropriately moves Water Funds for Utility Billing section of ERP
 - Built into future rate recovery



FY 2020/21 Budget One-Time Reductions

Reduction in Professional Services/Supplies/Part-Time Employee

Reduction	Amount
Prof. Services Reduction PW	\$.40M
Prof. Services Reduction City Attorney/Finance/City Manager Office	\$.20M
Prof. Services Reduction CDD	\$.25M
Training and Travel Reduction PW	\$.08M
Service and Supply Reductions Fire	\$.10M
Part-Time Employee Reduction Police/Fire/Public Works/Parks-Rec/HR	\$.60M
Total	\$1.63M



FY 2020/21 Budget One-Time Reductions

**Impacts of Prof. Services/Supply Cuts &
Part-Time Employee Reduction**

- Professional Service and Supply Reductions in Public Works
 - Deferral of purchasing traffic signal equipment, storm drain inlet replacements, downtown cleaning, and building maintenance



FY 2020/21 Budget One-Time Reductions

Impacts of Prof. Services/Supply Cuts &
Part-Time Employee Reduction

- Part-Time employee usage significantly reduced/eliminated in Public Works/Police/Recreation/Fire
 - Traffic Engineering, Design, Custodial, Office Assistance, Operations Crews
 - Fire- Elimination of Reserve Firefighter and Station Aide programs



FY 2020/21 Budget One-Time Reductions

Impacts of Prof. Services/Supply Cuts &
Part-Time Employee Reduction

- Professional Service Cuts City Attorney/City Manager Office
 - Dependent on unforeseen citywide issues
- Professional Service Cuts CDD
 - Maintain existing contracts/studies/programs
 - Limited capacity for new studies/programs



FY 2020/21 Budget One-Time Reductions

Other Cost Reductions

Reduction	Amount
Cancelling Community Events	\$.30M
Various Service and Supply Parks/Rec reductions	\$.30M
Changing the Recreation Service Delivery Model	\$.30M
Overtime in Police Department	\$.25M
Concessions from City Manager and Executive Team	\$.22M
Total	\$1.37M



FY 2020/21 Budget One-Time Reductions

Impacts of Other Cost Reductions

- Cancelling community events
 - Napa Lights the Valley July 4th, Summer Concert Series, Napa Lighted Art Festival, Public Lands Day, Tuba Christmas
- Cancelling Aquatics Programs
 - Facilities connected to schools; will not be open this summer/fall



FY 2020/21 Budget One-Time Reductions

Impacts of Other Cost Reductions

- Cancelling of Adult Sports
 - Adult softball, basketball, volleyball, badminton, cornhole, bocce
- Redevelopment of recreation service delivery
 - Develop community partners to establish alternative service delivery models for camps, sports, aquatics and senior and community centers



FY 2020/21 Budget One-Time Reductions

Impacts of Other Cost Reductions

- Overtime Reductions Police Dept
 - Potential risk of cost overruns if critical incidents occur; still budget available before this would occur



FY 2020/21 Budget Ongoing Reductions

Service Delivery Changes

Reduction	Amount
PW Redirecting internal staff to work more on CIPs	\$.15M
Reduce total amount of City Vehicles	\$.15M
Finance Department Reorganization including using internal staff for ERP project	\$.30M
Reorganizing Parks/Recreation	\$.12M (\$.25M per year in future years))
Cancelling Adult Programming Recreation	\$.10M
Fire Administration back to the operating "line"	\$.60M
Total	\$1.42M



FY 2020/21 Budget Ongoing Reductions

Impacts of Service Delivery Changes

- Fire Admin Positions move back to the “line”
 - Admin BC, EMS Captain, Training Captain functions move to the “line”
 - 3-FTE Firefighter/Paramedic left vacant



FY 2020/21 Budget Ongoing Reductions

Impacts of Service Delivery Changes

- Reorganizing Parks and Recreation
 - Parks Division reports to Public Works
 - Recreation Division reports to Community Development



FY 2020/21 Budget Ongoing Reductions

Impacts of Service Delivery Changes

- Finance Department Restructuring
 - Matching staffing to new service delivery model (more online service delivery)
 - Moving TOT and Business License services online contracted through HdL
 - Internal staff supporting ERP development for 2 years



FY 2020/21 Budget Ongoing Reductions

Reduction in Professional Services/Supplies/Misc. Transfers

Reduction	Amount
Cancel GF Transfer to Housing	\$.35M
Transfer Housing Funds to CDD-portion of Director Salary and Benefits	\$.11M
City Clerk/Council Prof Services, training and travel reductions, part-time staff	\$.03M
Professional Services in Human Resources	\$.04M
Cancel GF Transfer for Sidewalk Program (use Measure T and SB 1 Funding)	\$.92M
Total	\$1.45 M



FY 2020/21 Budget Ongoing Reductions

Impacts of Reduction in Professional Services/Supplies/Misc. Transfers

- Consolidating City Offices (removing two leases)
 - Contingent on successful negotiations
- General Fund Transfer to Housing
 - Funding for housing is increasing through State and Federal funding



FY 2020/21 Budget Ongoing Reductions

Impacts of Reduction in Professional
Services/Supplies/Misc. Transfers

- Using Measure T funds for sidewalk program; cancelling General Fund transfer
 - increases use of Measure T for sidewalk program priority; delayed street projects



FY 2020/21 Budget Ongoing Reductions

Freezing and Un-funding Positions

Reduction	Amount
Freezing Positions (31 FTE)	\$4.2M
Un-funding (Layoff)Positions (39 FTE)	\$4.4M
Total	\$8.6M

Proposed FTE Changes for FY 2020/21			
			FTE
Current FTE Positions (Utilities Dept and Limited-Term Excluded)			426
Less Proposed Vacant Positions to Freeze			-31
Less Proposed Layoffs			-39
Proposed FTE Positions for FY 2020/21			356



FY 2020/21 Budget Ongoing Reductions

Service Delivery Changes from Freezing and Un-
funding Positions

- All departments will be impacted;
some greater than others
- Reduced public service counter hours
in some departments
- Less capacity to provide service;
service delivery will be slower



FY 2020/21 Budget Ongoing Reductions

Service Delivery Changes from Freezing and Un-
funding Positions

- Transition of service delivery to more online reporting, bill pay, customer service
- Special Events will require cost recoupment from most providers
- Reduction in timing of public projects including but not limited to Recreation services, Parks maintenance, and Public Works projects
- Online reporting for non-urgent police issues



FY 2020/21 Budget

Summary of Ongoing and One-Time Reductions/Change in Service

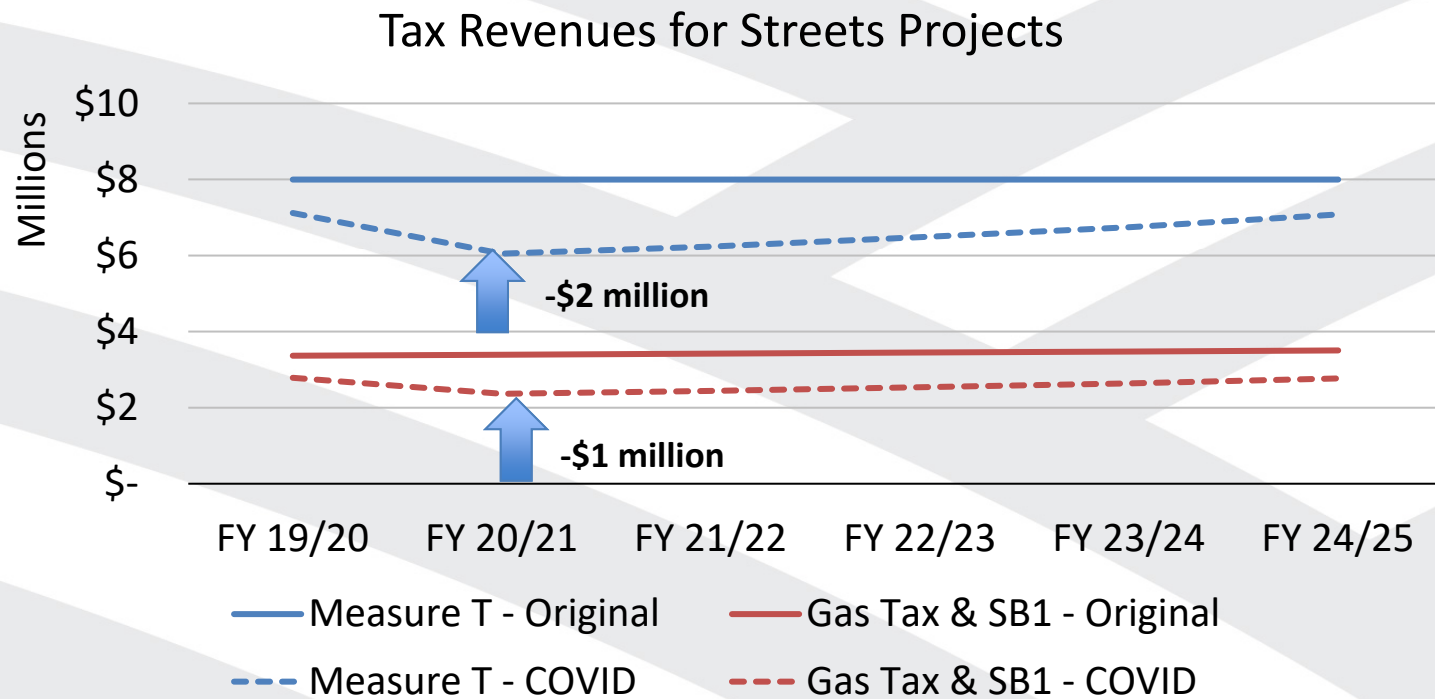
Type of Reduction/Use of Reserves	Amount
One-time reductions/use of emergency reserves	Approx. \$8.5 million (40%)
Ongoing reductions/change of service delivery	Approx. \$11.5 million (60%)*
Total	Approx. \$20 million

*Net cost of VSP, vacation payouts, and unemployment insurance on separation could be as much as \$1M; would reduce net reductions to approx.. \$19M



Other Funds

- Other funds will be impacted by reduced sales tax such as Measure T, Gas Tax, SB1



Labor Discussions

Fiscal Year	Budget Shortfall
FY 2019/20	\$10.5 million
FY 2020/21	\$15 million-\$20 million
Two-Year Total	\$25.5 million-\$30.5 million

- Commenced discussions with labor groups to help support the City in addressing the fiscal emergency
- Current Concessions
 - City Manager (10%)
 - Executive Team (8%)



Next Steps

- Budget Policy Update May 19, 2020
- Budget Hearing June 2, 2020
- Recovery Team Updates
- Ongoing updates to council on financial situation no less than quarterly



Summary

Proposed FY 2020/21 General Fund Cost Saving Measures by Department

	Administration	Community Development	Parks and Recreation	Public Works	Fire	Police	Total
Use Emergency Reserves	1,500,000						1,500,000
Operating Budget Reductions	486,000	357,000	1,040,000	691,000	509,000	600,000	3,683,000
<i>Freeze Vacancies (positions)</i>	2	5	3	10	0	11	31
Freeze Vacancies (savings)	218,000	804,000	330,000	773,000	-	2,102,000	4,227,000
<i>Layoffs (positions)</i>	6	3	16	11	3	0	39
Layoffs (savings)	724,000	421,000	1,743,000	1,251,000	325,000	-	4,464,000
Remove Transfers	1,607,000						1,607,000
CIP Project Changes			1,474,000				1,474,000
ERP Project Changes	1,078,000						1,078,000
Remove Non-Recurring Budget		350,000					350,000
Parking Manager Funding		181,000					181,000
Bargaining Group Concessions	221,000						221,000
Reorganization / Service Delivery Changes	309,000	80,000	160,000	300,000	600,000	-	1,449,000
	6,143,000	2,193,000	4,747,000	3,015,000	1,434,000	2,702,000	20,234,000



Information and Direction

Today's presentation is provided to achieve direction and feedback from council.



Questions?



City Council Meeting
5/5/2020
Supplemental I - 13.A.
From: Linda Button

From: [Linda Button](#)
To: [Clerk](#)
Subject: Comment to City Council for May 5, 2020 Meeting- Please read
Date: Monday, May 4, 2020 9:47:42 PM

[EXTERNAL]

For Public Comment Agenda Item 13A

Greetings Council Members and Mayor Techel:

My name is Linda Button. I live and work in the City of Napa. I've been a proud employee of the City of Napa Parks & Recreation Department for 27 years. I'd like to share my thoughts with you.

Water, Fire, Police, Streets. All of these services are considered essential and are tangible. Perhaps less tangible, but equally important are the services our Parks and Recreation Department provides.

>> We are the people that bring the community together at concerts and events, provide safe and well maintained parks, prepare children for school through our preschool programs and are the reassuring and trusted voice calling seniors during times of crisis.

>> We are there to assist with the aftermath of earthquakes, floods and fires. We provide charging stations during PSPS (Public Safety Power Shutoff) events, open cooling stations during heat events and might be the only family a lonely senior has during the holidays.

>> Not only does our department come together for the community, we come together for each other. Births, graduations, weddings, new houses and deaths of our dearest loved ones, and we are there, supporting each other.

>> Napa's Park and Recreation Department is highly trained and well functioning. We embraced the E3 model before it was rolled out to the City. Our motto is beautiful and simple: I'mua, a Hawaiian word meaning moving together with strength as one.

>> We are not naive, we know the city has a high financial burden at this time. However, putting so many of our staff out of work will create additional financial burdens on employees and strain resources. Food insecurity, uninsured medical needs and foreclosures are real and scary possibilities for those out of work.

>> Please consider the work that will not be done in the short and long term if these cuts are made. Other departments will not be able to provide the services your dedicated Park and Recreation employees provide. Please encourage City staff to work with us to find other solutions to closing the financial gap other than laying off the City of Napa's biggest asset, it's employees.

>

**City Council Meeting
5/5/2020
Supplemental I - 13.A.
From: Hannah Deeter**

From: [Hannah Deeter](#)
To: [Clerk](#)
Subject: Comment to Council for May 5, 2020 Meeting - Please Read
Date: Tuesday, May 5, 2020 9:50:43 AM
Attachments: [Public Comment 5.5.20 Council Meeting.pdf](#)

[EXTERNAL]

Good Morning,

I've attached a comment (just under 400 words) that I would like to request be read at this afternoons council meeting. The comment is meant for item 13.A. Budget Workshop for FY 2020/21.
Please let me know if you need anything else from me.

Thank you,
Hannah Deeter

Good Evening Mayor Techel & Council Members,

My name is Hannah Deeter and I have been a Recreation Coordinator with the Parks and Recreation Department for the past 2 years.

The City of Napa is not a community without the Parks and Recreation Department. We provide beautiful, open spaces for residents to gather with their families, exercise, or just get some fresh air. Our recreation programs provide important developmental, social and lifesaving skills for the youth in our community through preschool classes, camps, sports programs and swim lessons. We provide a gathering place for our senior residents so they can remain social and healthy through our Senior Center and the numerous programs held there on a daily basis. Parks and Recreation is responsible for the cleanliness and maintenance of our beautiful downtown area so residents and visitors alike can enjoy all it has to offer.

If the projected \$1.7 million in layoffs for the Parks and Recreation Department were to take place not only would this drastically affect the Parks and Recreation team but it would equally affect the residents and our community. I fear, by eliminating roughly half of our dedicated Parks and Recreation employees, the void that would be created could not be filled by any other department.

There's no denying City revenues have been significantly impacted over the last couple of months and will continue to be impacted for quite some time. However, laying off so many employees will introduce financial, emotional and physical burdens on so many. Personally, I worry if I will be able to pay the mortgage on the home my fiancé and I purchased here in Napa a few years ago. I worry if we be financially stable enough to start a family. These are just a few of the many concerns that have been keeping me awake at night. Not only will dedicated employees be out of work but many of us will be forced to put a complete hold on the hopes, dreams and goals we've created for ourselves and our families. Please encourage City staff to work with us to find other solutions to closing the financial gap other than laying off the City of Napa biggest assets, it's employees.

City Council Meeting
5/5/2020
Supplemental I - 13.A.
From: Samantha Holland

From: [Samantha Holland](#)
To: [Clerk](#)
Subject: Public Comment on May 5th Agenda Item 13A. of Evening Agenda
Date: Tuesday, May 5, 2020 10:18:56 AM

[EXTERNAL]

Good Afternoon,

I am writing to submit public comment on the evening agenda item 13A: Budget Reductions.

Dear Mayor and City Council Members,

As I reviewed the information presented for budget reductions across the city, I was taken aback by the proposed decimation of Parks and Recreation in the City of Napa. The proposal is basically cutting well past the "Bare Bones" and well into what SHOULD be considered essential services that provide the city with the things that go beyond it being just a city, but a COMMUNITY. A COMMUNITY in which people live, raise their children, grow older and work very hard to pay high rents and taxes while doing so. There will be such limited resources left to even provide a level of service close to what this community requires or deserves let alone provide for the existing infrastructure.

Napa has been historically underfunded and underserved in the area of Parks and Recreation. Looking at other cities of similar size and population, we are underserved in Napa with dedicated indoor facilities for recreational use as well as sports fields that are not owned by other entities. The uphill battle of building a department that serves the community as it should, has been happening as far back as I remember. With every budget reduction process, the department was hit hard and then as recovery happened, it inched its way forward never fully operating as other cities with 80,000 plus residents would be expected to.

As a Napa citizen, a Parks & Recreation Professional and proud past employee of this great city, I encourage the Council to ask more questions about what this actually means before taking action. What is behind the numbers? We already know its 16 jobs. What do those people do? What services do they provide that will now go unserved? What are the consequences to these cuts? Will property values decrease because parks aren't being maintained? Will those who live here yell even louder that our local government serves the tourists first and the citizens second? Will the City also be forsaking revenues made by those who pay program fees for their services?

Please put real information behind the numbers. Make sure your constituents know what is happening and are not just looking at an arbitrary number with no real understanding of consequences. How often will their neighborhood parks be maintained? Will their parents still be able to go to the Senior Center? Will they have a preschool program to attend? Will parks be closed? Will infrastructure be locked up because it can't be maintained? What are the real consequences to these actions!

The three pillars of what Parks and Recreation provides in a community are HEALTH & WELLNESS, CONSERVATION and SOCIAL EQUITY.

HEALTH & WELLNESS: Local park and recreation agencies provide crucial health and wellness opportunities for all populations in communities across the country. As America continues to face serious health issues, including rising rates of chronic disease, an increased prevalence of sedentary lifestyles and poor nutrition habits, parks and recreation offer an affordable and accessible solution.

CONSERVATION: Local park and recreation agencies play a vital role in the protection of our environment through green infrastructure, conservation of public lands, providing wildlife habitat and more. In addition to helping connect people to nature, local parks are essential in creating environmental stewards who will advocate for and protect our most precious public resources – our land, water, trees, open spaces and wildlife.

SOCIAL EQUITY: True to the very philosophy of public parks and recreation is the idea that all people – no matter the color of their skin, age, income level or ability – have access to programs, facilities, places and spaces that make their lives and communities great. Parks and recreation truly build communities – communities for all.

When looking at cuts, Parks and Recreation has historically been the one area looked at as easier to let go of and less essential than others. Why is this? I believe it sends the message that Health and Wellness, Conservation and Social Equity are not as important as services. Instead of taking an approach which lessens the impact to any one department, focus is made on Parks and Recreation and the clear message is given that these services are not essential to quality of life in our City. My City. My Home.

I encourage you to change this pattern, this message. Change the conversation. Find creative solutions instead of taking massive sweeping cuts to ONE area that provides ESSENTIAL SERVICES before any other negotiations have occurred.

Thank you for your time,
Samantha Holland