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DEPARTMENT OF
FINANCE

BUDGET DIVISION

CITY OF SACRAMENTO
CALIFORNIA

June 21, 1988
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Budget and Finance Committee
Sacramento, California

Honorable Members in Session:

SUBJECT: Additional Administrative Support for the City Council

SUMMARY

This informational report is in response to questions raised by the Budget and Finance Committee during its review of the General Government operating budgets on May 17, 1988.

BACKGROUND

The 1986-87 Approved Operating Budget included four (4.0 FTE) administrative positions to assist the City Council in responding to constituent inquiries and fact finding. During the recent budget hearings, the Budget and Finance Committee instructed staff to review with each Council member the proposal to increase the level of administrative help to one full time position for each City Council member (an increase of 4.0 FTE).

The results of the discussions of the additional positions with the Council are mixed. Three Council members favor adding positions, three members support the idea but not in light of the budget constraints, one member recognizes the need in certain districts, and one opposes adding any positions.

FINANCIAL

The cost of one administrative position totals roughly \$40,500 of annual costs and \$1,200 of one-time costs. The total cost for an additional four positions totals \$167,000. During staff's conversations with the Council members several options were discussed. The following is a listing of the various options available to the City Council with the financial impact in Fiscal Year 1988-89:

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	<u>Costs in</u> <u>1988-89</u>	<u>Annual</u> <u>Costs</u>
Add four administrative positions for the full year	\$167,000	\$162,000
Phase in additional staff one position each quarter	\$107,000	\$162,000
Add two positions at Midyear two the following year	\$83,500	\$162,000
Defer decision to the Midyear Review	\$0	\$0


The Committee also expressed interest in the cost of additional nuisance abatement support. Each Nuisance Abatement position costs \$38,000 annually with one time costs of \$10,500.

Two basic alternatives exist to fund any of the above options, namely: a reallocation of existing resources and/or a reduction of contingency reserves. Given the measures that were necessary to balance the General Fund budget, staff is not recommending an adjustment to the Proposed Budget for this purpose. Assumptions have been previously presented regarding the financial condition of the General Fund for the next five years. Decisions made to include new programs or costs in the 1988-89 Budget have obvious implications for the five year period.

RECOMMENDATION

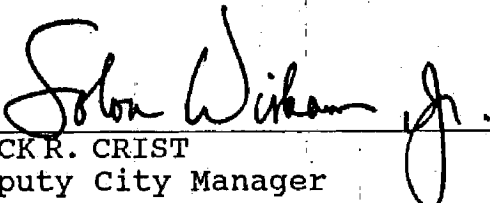
It is recommended that the Budget and Finance Committee review the information contained in this report and make a final Committee recommendation to the City Council on this matter.

Respectfully submitted,



Michael D. McGrane
Sr. Management Analyst

APPROVED FOR COMMITTEE INFORMATION:



for: JACK R. CRIST
Deputy City Manager

All Districts
June 21, 1988