



MEMORANDUM

TO: Mayor and Council

FROM: Ed Van Eenoo, Deputy Chief Financial Officer

DATE: August 29, 2012

SUBJECT: Assessment of Fiscal Impact for Charter Amendments

At the August 14, 2012 City Council Work Session, the Mayor and Council approved Ordinance No. 20120814-B001 to establish the order and wording of the propositions on the ballot for the November 6, 2012 election. Prior to the election, each of the proposed charter amendments are noticed and published with a fiscal impact assessment. Summarized below are the list of charter amendment ballot initiatives in the order set for the ballot and the estimated fiscal impact assessment for each proposition.

Proposition 1: Move the City's general election date from May to November

Staff estimates the City will realize a savings of \$255,000 per election cycle. This estimate is based on the cost of holding a May election with no partner agencies to share election costs vs. a November election where the City would share the election costs with the County. The total projected five-year savings from FY 2013 through FY 2017 is \$765,000.

Proposition 2: Move the City's general election date from May to November, to provide that Council members serve four-year staggered terms, to provide that Council elections occur in even-numbered years, and to limit the mayor and Council members to two terms

Staff estimates the City will realize a savings of \$255,000 per election cycle. This estimate is based on the cost of holding a May election with no partner agencies to share election costs vs. a November election where the City would share the election costs with the County. An additional savings of \$1,145,000 is also projected due to Proposition 2 having one fewer election cycle during the five-year analysis period. The total projected five-year savings from FY 2013 through FY 2017 is \$1,655,000.

Proposition 3: Provide for the election of Council members from 10 geographical single-member districts, with the mayor to be elected from the city at large, and to provide for an independent citizens redistricting commission

Staff estimates the first-year cost for three months beginning July of 2014 is \$332,361 for four additional Council places and staff. There would also be a one-time cost of \$888,350 for construction and build-out for the new offices in the first year. The annual ongoing cost of the additional Council offices is estimated at \$1,396,000 beginning in FY 2015 and the projected five-year costs from FY 2013 through FY 2017 are \$5,622,000.

Proposition 4: Provide for the election of Council members from eight geographical single-member districts, with the mayor and two additional council members to be elected from the city at large

Staff estimates the first-year cost for three months beginning July of 2014 is \$332,361 for four additional Council places and staff. There would also be a one-time cost of \$888,350 for construction and build-out for the new offices in the first year. The annual ongoing cost of the additional Council offices is estimated at \$1,396,000 beginning in FY 2015 and the projected five-year costs from FY 2013 through FY 2017 are \$5,622,000.

Proposition 5: Permit members of the city council and the city council's appointees to hire and manage their own staffs

No fiscal impact

Proposition 6: Provide that the city council appoint the city attorney

No fiscal impact

Proposition 7: Reduce the number of signatures needed for a citizen initiated ordinance or referendum

No fiscal impact

Proposition 8: Allow council members to raise political funds for 30 days after an election in which the council member was elected

No fiscal impact

Proposition 9: Permit the city council to lease parkland to an independent school district for a purpose that the council has found, by a two-thirds majority, is a park purpose

No fiscal impact

Proposition 10: Provide a civil service system for most city employees who are not already covered by a state civil service statute

Staff estimates the minimum fiscal impact is \$625,000 for the first year, \$467,000 for the second year and \$347,000 for each year thereafter. These costs are based on additional staffing and technology needs necessary to support a new municipal civil service commission separate from the existing public safety civil service commission. The projected five-year costs from FY 2013 through FY 2017 are \$2,133,000.

xc: Mayor and Council
City Manager
Assistant City Managers
Chief Financial Officer
Capital Planning Officer
Department Directors