

## Potential Service-Level Reductions (SLR) Summary

Attachment A

| Category              | Department                  | Service-Level Reductions                                                    | Fiscal Impact | Full-Time Staffing Impact (FTE) | Service Level Impact Narrative                                                                                                                                                                                                                                                                                                                                             |
|-----------------------|-----------------------------|-----------------------------------------------------------------------------|---------------|---------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Fiscal Accountability | Law Enforcement             | Align Law Enforcement Budget with Actuals                                   | \$ 1,000,000  | None                            | Over the last year and a half, the Sheriff's Office has provided significantly less service than allowed under the budget with no apparent impact to crime. This reduction aligns the budget with the actual hours provided.                                                                                                                                               |
| Fiscal Accountability | Innovation & Technology     | Reduce Budget for IT                                                        | \$ 779,187    | None                            | Reduced applications utilized by City staff; Cancelled ERP Implementation; Prolonged tech refresh cycles; Significantly reduced replacement parts and supplies, Reduced outside expert technical support. This reduction would reduce efficiencies from some technology uses where the city has historically been comparatively advanced.                                  |
| Fiscal Accountability | Public Works                | Utility True-up                                                             | \$ 398,407    | None                            | Reduction aligns budget with actuals                                                                                                                                                                                                                                                                                                                                       |
| Fiscal Accountability | City Attorney's Office      | Align City Attorney's Office Contract Services and Materials with Actuals   | \$ 226,561    | None                            | Reduction aligns budget with FY 2023-24 Actuals. Specialized outside counsel and legal services are necessary to cover specialized legal representation and services.                                                                                                                                                                                                      |
| Fiscal Accountability | Parks & Recreation          | Consolidate Learn to Swim Program                                           | \$ 87,118     | None                            | Consolidate the Learn to Swim program into 100-63-612 under BBF, due to the program now being run from the BBF Pool and fully integrated into those operations. Consolidated part-time staff and program supplies and expenses into that program.                                                                                                                          |
| Fiscal Accountability | Administrative Services     | Reduce Unemployment Insurance                                               | \$ 64,148     | None                            | New costs are reflective of post-COVID estimates                                                                                                                                                                                                                                                                                                                           |
| SLR                   | Capital Improvement Program | Reduce General Fund Transfers to the Capital Improvement Fund               | \$ 2,000,000  | 2                               | City will initiate and complete CIP projects with the current Capital Reserve fund. The City will initiate only critical health and safety projects, or projects that will create revenue or savings to the City budget. A reduction in capital renewal will lead to a longterm aging of infrastructure impacting the attractiveness of this infrastructure to the public. |
| SLR                   | Public Works                | Reduce Public Works Materials and Contract Services and Part-Time Positions | \$ 1,768,539  | None                            | Some contracts for general services, such as park tree maintenance (\$168,880), will move in-house, extending maintenance timelines; reduction in Public Works Part-time Positions (\$352,136).                                                                                                                                                                            |
| SLR                   | Public Works                | Shift Sidewalk Maintenance to Property Owners <sup>1</sup>                  | \$ 1,000,000  | 1.4                             | The California Streets and Highway Code sections 5610-5618 assigns responsibility for sidewalks to the adjacent property owner. Cupertino has historically assumed the costs of this work. This proposal will eliminate this service and shift sidewalk maintenance responsibilities to adjacent property owners. This practice is fairly standard across the region.      |
| SLR                   | Public Works                | Shift School District Grounds Maintenance to School District <sup>1</sup>   | \$ 737,394    | 4.2                             | This reduction would end the field maintenance agreement with the Cupertino Unified School District. The school districts would need to take on the maintenance responsibilities. The City would forego revenue (approximately \$57K) from field rentals and the school district could potentially add revenue.                                                            |
| SLR                   | Public Works                | Shift Street Tree Maintenance to Property Owners <sup>1</sup>               | \$ 455,008    | 3                               | Similar to sidewalk maintenance, street tree maintenance responsibility could shift to adjacent property owners. This practice is fairly standard across the region.                                                                                                                                                                                                       |

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|----------|---------------------------------------------|------------------------------------------------------------------------------------|---------------|---------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| SLR      | Various                                     | Shift Credit Card Fees to Customers                                                | \$ 432,668    | None                            | Customers would pay a credit card transaction fee for any payments made using a credit card. Currently, the City does not charge credit card fees to customers. Many jurisdictions charge customers a credit card transaction fee for any payments made using a credit card.                                                                                                                                                                                                                                                        |
| SLR      | City Manager's Office/Community Development | Reduce Part-Time Staffing, Reclassify Positions and Reduce Recruitment Advertising | \$ 286,348    | None                            | The CMO reclassified the Communications Manager to a lower level position. This will result in decreased capacity in the Communications Division.<br>Reduction of part-time positions in CMO and CDD. This could result in reduced administrative and communications support in CMO. This could cause a delay and decrease in the operations of the permit counter and the ability to provide historic levels of customer service to resident and community members on all matters related to the Community Development Department. |
| SLR      | Public Works                                | Defer Vehicle and Equipment Replacement                                            | \$ 180,000    | None                            | Defer vehicle and equipment replacements until future years. This may increase cost and staff time to repair assets that were deferred for replacements.                                                                                                                                                                                                                                                                                                                                                                            |
| SLR      | Parks & Recreation                          | Reduce Funding for Library Extra Hours                                             | \$ 160,000    | None                            | The City has historically budgeted for increased library hours. This reduction will have no immediate impact to current operational hours, since Santa Clara County Library District has historically received funds from the state to cover these costs and has not been charging the City for 12 additional operating hours per week. If state funds are discontinued, this will become a true service level reduction.                                                                                                           |
| SLR      | Parks & Recreation/Public Works             | Reduce 4th of July Funding                                                         | \$ 138,000    | None                            | Elimination of 4th of July evening fireworks due to the significant cost of the event, including the fireworks, sheriff cost, and rental of equipment needed, as well as staff time needed.                                                                                                                                                                                                                                                                                                                                         |
| SLR      | Public Works                                | Reduce Impec Janitorial Contract                                                   | \$ 100,000    | None                            | Further reductions in cleaning frequency for City facilities. Reduced cleaning has a direct impact on user experience and leads to quicker degradation of facility infrastructure.                                                                                                                                                                                                                                                                                                                                                  |
| SLR      | City Manager's Office                       | Reduce Scene from 10 months to quarterly                                           | \$ 92,400     | None                            | Reduction results in less promotion of City services and less community outreach opportunities.                                                                                                                                                                                                                                                                                                                                                                                                                                     |
| SLR      | City Manager's Office                       | Eliminate Select City Work Program Projects                                        | \$ 75,000     | None                            | Elimination of the CWP Enhance the Block Leader Program (grants to Block Leaders for community events), CWP Regulate Diversified Retail, and CWP License Plate Readers projects. Reduction in engagement with community. Reduction in retail diversity. Reduction in support for law enforcement to locate vehicles and suspects associated with criminal activity.                                                                                                                                                                 |
| SLR      | Administrative Services                     | Reduce Budget for Internal Audit                                                   | \$ 70,000     | None                            | Reduction in the number of internal audit projects. Audits would occur on a less frequent basis.                                                                                                                                                                                                                                                                                                                                                                                                                                    |
| SLR      | Council                                     | Reduce Funding for Partnerships                                                    | \$ 69,307     | None                            | Reduction in funding for partnerships including Chamber and Sister Cities.<br>Reduction in cross cultural exchange and economic development opportunities.                                                                                                                                                                                                                                                                                                                                                                          |
| SLR      | City Manager's Office                       | Reduce City Events/Outreach                                                        | \$ 63,166     | None                            | Reduction in City events and outreach including the Community Academy, Public Safety Forum, State of the City, and CREST. Reduction could limit community outreach about public safety, law enforcement, Council goals and initiatives.                                                                                                                                                                                                                                                                                             |

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| SLR          | Public Works                                  | Reduce Crossing Guard Services                          | \$ 50,000            | None                            | Reduction in the number of intersections served by crossing guards. The City currently receives \$20K from FUHSD and \$20K from CUSD. High schools could be eliminated from the crossing guard contract, resulting in a reduction of approximately \$70K, but could lose the \$20K from FUHSD (\$50K savings). Enhancing cost sharing could result in reducing expenditures. |
| SLR          | Parks & Recreation                            | Reduce Budget for Paid Events                           | \$ 38,675            | None                            | Reduction in part-time staffing scheduled for these events and program (e.g., Spelling Bee and Hack Cupertino). Will continue to offer current programs, but support with more volunteers and full-time staff.                                                                                                                                                               |
| SLR          | Parks & Recreation                            | Shift Sheriff Fees for Festivals to Festival Organizers | \$ 34,992            | None                            | Sheriff expenses for festivals will no longer be covered by the City and will be charged directly to festival organizers starting in FY 2024-25.                                                                                                                                                                                                                             |
| SLR          | Parks & Recreation                            | Reduce Parks & Recreation Expenses                      | \$ 33,619            | None                            | Elimination of the Poet Laureate Program and Helping Hands Program. Reduce part-time staff for the preschool program, with a shift in focus to a more robust Tiny Tots (3 year old) program.                                                                                                                                                                                 |
| SLR          | Parks & Recreation                            | Reduce Park Ranger Services                             | \$ 31,155            | None                            | Reduction in hours planned for part-time rangers at the Stevens Creek Corridor and McClellan Ranch Preserve, resulting in a reduced ranger presence at the Environmental Education Center and for some of the nature based programs and events.                                                                                                                              |
| SLR          | Parks & Recreation                            | Reduce Budget for Concerts and Movies                   | \$ 25,424            | None                            | Consolidation of the Neighborhood Events program to reduce part-time staffing expenses and the reallocation of some events such as movies and band performances to Memorial Park.                                                                                                                                                                                            |
| SLR          | City Manager's Office                         | Eliminate Minimum Wage Mailers                          | \$ 23,202            | None                            | The City currently prints and mails minimum wage information to businesses. This reduction would result in emailed forms, requiring businesses to print on their own.                                                                                                                                                                                                        |
| SLR          | Parks & Recreation                            | Reduce Senior Center Part-Time Staffing and Supplies    | \$ 21,748            | None                            | Reduction in hours planned for part-time staff at the Senior Center resulting in longer wait times for customers at the counter, reduced rental support, and reduced amenities in programs and events.                                                                                                                                                                       |
| SLR          | Public Works                                  | Eliminate Earth Day Festival                            | \$ 19,126            | None                            | Direct impact to quality of life through community events. Less opportunity for the City to advance goals, especially community outreach, around the Climate Action Plan.                                                                                                                                                                                                    |
| SLR          | Administrative Services/Community Development | Reduce Conferences and Training                         | \$ 11,046            | None                            | The decrease in conference attendance and training opportunities for staff might result in staff being less updated on current changes, new developments, and best practices within their field. The reduction could potentially lead to higher staff turnover rates.                                                                                                        |
| <b>Total</b> |                                               |                                                         | <b>\$ 10,472,238</b> | <b>10.6</b>                     |                                                                                                                                                                                                                                                                                                                                                                              |

<sup>1</sup> Reduction will take place over time. Staffing reduction will be through attrition as positions become vacant