

REDLANDS: Closing budget gap could cost 19 jobs

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By JAN SEARS
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Efforts to close a \$3.9 million budget gap may cost 19 Redlands employees their jobs, City Manager N. Enrique Martinez said Monday.

His 2011-12 budget proposal includes numerous other cuts, including reducing equipment purchases for the police and fire departments and closing City Hall between Christmas and New Year's, Martinez said.

The plan has been presented to the City Council's budget committee, comprised of Councilmen Jerry Bean and Bob Gardner.

"Until the council approves it, this is just a proposal," Martinez said. "It's not a fait accompli."

The city employees whose jobs would be cut were notified of the possible layoffs last week, city spokesman Carl Baker said. Most of the jobs are full-time positions, he said. The city has about 500 employees.

Redlands has seen little good news in terms of revenue, Martinez said. Gas-tax revenue has increased and there are signs that sales tax revenue could go up. But property taxes, building permits and other development-related revenues are likely to remain flat, he said.

"This is very painful. I don't want people to think it's not," he said. "This budget was balanced on 19 bodies being eliminated."

A mid-year budget report predicted a \$3.8 million gap for 2010-11, but the amount has grown since then.

"This is a very significant number -- it's almost \$4 million," Martinez said.

Mayor Pete Aguilar said the council has been trying to deal with the shortfall for many months.

A council subcommittee met with the city's nine employee groups over several months in an effort to get all to agree to pay 4 percent of their retirement contributions for one year. The city now pays both the employees' and city's contributions.

Not all the groups agreed -- though some made counter proposals -- and the council called a halt to the talks last month. None of the groups was obliged to agree since their contracts won't expire until 2012.

The change would have saved the city \$1.28 million over one year, Aguilar said.

"We asked for employees to be part of the solution, and that didn't happen," he said. "We asked the public if they would pay more and that was turned down."

In November, Redlands voters rejected a proposed half-cent sales tax increase.

"Closing the budget gap is not easy. There will be service reductions," Aguilar said. "You can't close a \$3.9 million deficit without some level of impact. Our job is to make

the impact as small as possible."

The council could begin discussing the budget deficit later this month, but the process will begin in earnest in June. The 2011-12 budget must be adopted by the end of June, when fiscal 2010-11 ends.

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