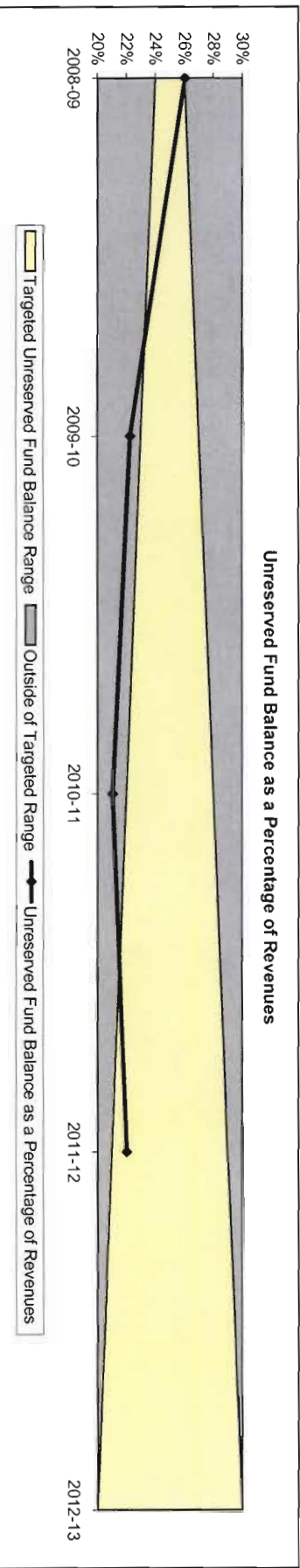
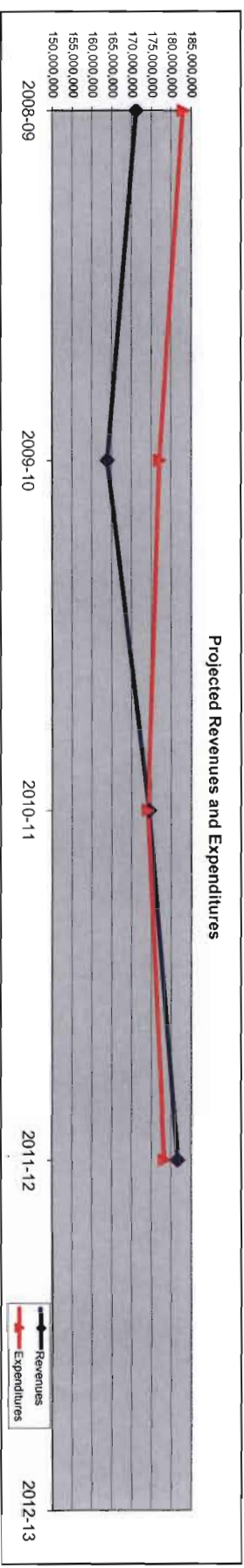


BUDGET-BALANCING WORKSHEET

Effects of Potential Changes to the General Fund Budget

	2008-09	2009-10	2010-11	2011-12	2012-13
Number of FT permanent positions eliminated -- first half of the fiscal year		30			
Number of FT permanent positions eliminated last half of the fiscal year	74	75			
Changes to salary/benefit policies (annualized reductions -- recurring)	-	8,000,000	6,000,000	4,000,000	4,000,000
Reductions of PT positions, contracted svcs. and non-personnel costs	-	14.0%	4.0%	4.0%	4.0%
Revenue increases (annualized estimate -- recurring)		1,000,000	1,000,000	500,000	500,000
Annual Appropriations to fund the OPEB liability		6,600,000	6,600,000	6,600,000	6,600,000
Non-recurring (one-time) additions to revenue	-	-	-	-	-
Non-recurring (one-time) expenditure reductions	-	-	-	-	-

	2008-09	2009-10	2010-11	2011-12	2012-13
Revenues	171,202,000	163,897,000	174,426,000	181,673,000	
Expenditures	183,114,000	177,083,509	174,220,315	178,374,649	
Surplus (Deficit) Prior to Use of Fund Balance	(11,912,000)	(13,186,509)	205,685	3,298,351	
Unreserved/Undesignated Fund Balance After Balancing Budget	44,611,435	36,512,926	36,718,611	40,016,962	
Unreserved Fund Balance as a Percentage of Revenues	26.06%	22.28%	21.05%	22.03%	



Information Needed to Adjust Variables in the Budget Balancing Worksheet

Number of Positions Eliminated

Amounts entered represent the number of full-time positions to be eliminated during the first and/or last halves of each fiscal year. The calculations include the elimination of all pay and benefits for full-time, permanent positions, and assume that positions will be eliminated evenly throughout the six-month periods to which they apply.

Recurring Savings from Changes to Payroll/Benefits Policies (annualized estimate)

Amounts entered represent reductions from *budgeted* expenditures for each fiscal year, which assume the continuation of all current payroll & benefits policies. Therefore, the amounts entered do not represent year-to-year reductions in pay and benefits, but reductions to the budgeted year-to-year *Increases*. Since entries are annualized, any amount entered for 2008-09 will result in savings of half that amount in the last half of 2008-09 and full recurring savings in subsequent years. Current General Fund salaries and benefits total approximately \$150 million. Therefore a \$1 million reduction would represent approximately six-tenths of one percent of total General Fund Personal Service Costs.

Reductions of PT positions, contracted services and non-personnel costs

Costs related to part-time employees, contracted services and other non-personnel line-items account for approximately 20% of the GF budget. Therefore, a 5% reduction to these costs would represent a 1% reduction to the total General Fund appropriation. Every 1% entered in the Worksheet represents approximately \$400,000 in recurring General Fund budget reductions. It is anticipated that the cuts would be made in departments where reductions occur; not "accross-the-board."

Recurring Revenue Increases (annualized estimate)

These entries represent increased revenues, resulting from policy changes to existing programs or new revenue-producing policies/programs. Projected increases in the volume of existing programs should not be entered here; those increases should be contained in the existing budget. Since entries are annualized, any amount entered for 2008-09 will result in revenue of half that amount in the last half of 2008-09 and full recurring savings in subsequent years.

Appropriations to Fund the OPEB Liability

The Worksheet applies the existing \$10 million OPEB Reserve to the first \$10 million budgeted expenditure for OPEB. Therefore, there is no impact to the General Fund for the first \$10 million entered on the Worksheet. Conversely, budgeting less than \$10 million for OPEB will not provide additional money to balance the budget, because unspent money will remain in the OPEB Reserve. Only the cumulative amount over \$10 million has an impact to the General Fund on this Worksheet.