




v i s i o n

	<i>Achieving</i>	
<i>Long-term</i>	<i>Financial</i>	<i>Sustainability</i>

Budget Forum
November 2009




Objectives

To DO:

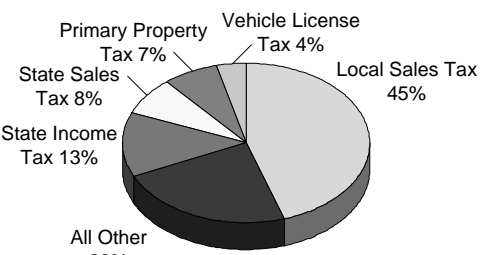
- Understand the nature of the financial challenge
- Addressing the challenge

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Where the Money Comes From

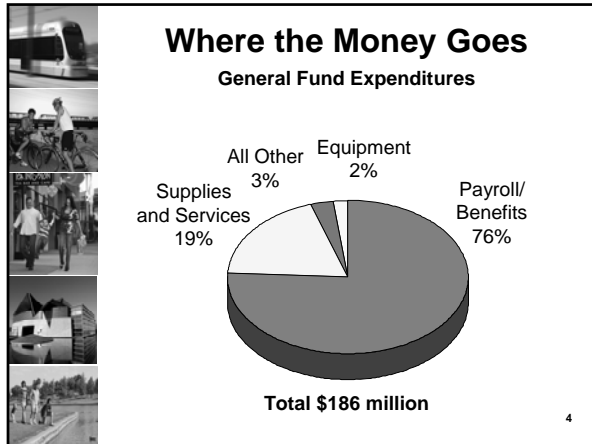
General Fund Revenues

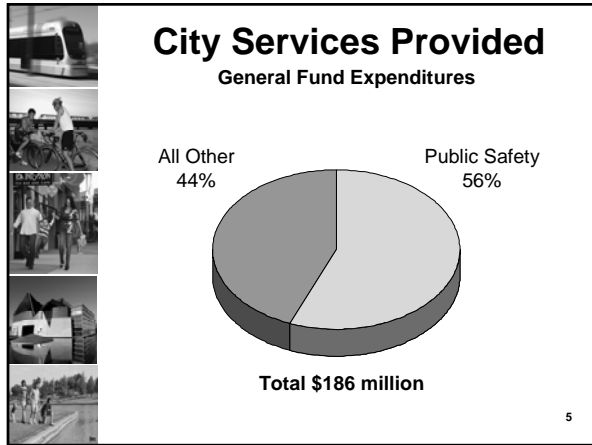


Revenue Source	Percentage
Local Sales Tax	45%
State Income Tax	13%
All Other	23%
State Sales Tax	8%
Primary Property Tax	7%
Vehicle License Tax	4%

Total \$163 million

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Challenge
Annual Costs Exceed Revenues by Estimated \$22.4 million

- Expenditures have grown faster than revenues
- Significant decline in local taxes and state revenues

If we do nothing:

- All cash reserves depleted by 2011
- Lower credit ratings
- higher interest cost

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Contributing Factors: Expenditures

\$6.5 million

Planned reductions that didn't occur

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Contributing Factors: Revenue Losses

\$15.9 million

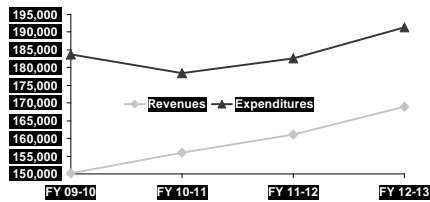
- ↓ Local Taxes \$9.6 million
- ↓ State Shared Revenues \$3.2 million
- ↓ Department Revenue \$2.7 million
- ↓ Lower Interest Earnings \$0.4 million

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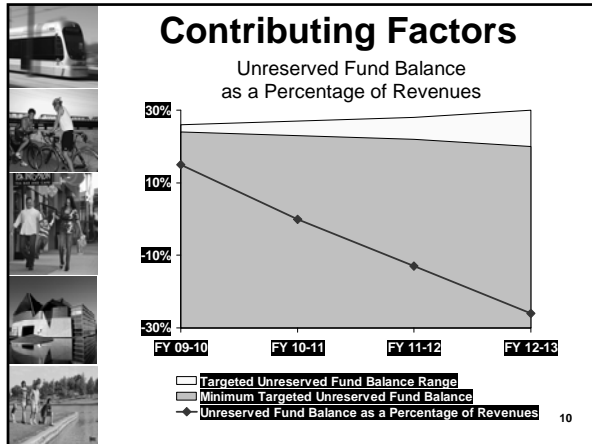


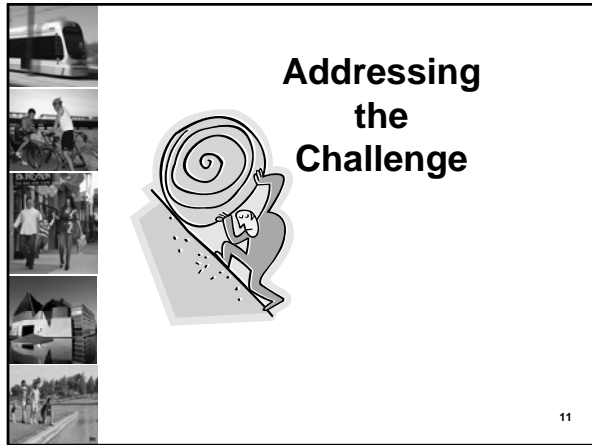
Contributing Factors

Projected Ongoing Revenues and Expenditures




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- ### Results Teams and Their Purpose
- Employee/Public Input Results Teams**
 - employee cost savings suggestions
 - Operational Reductions Results Team**
 - reductions in staffing
 - Program Reduction Results Team**
 - prioritization of services
 - Health Care Results Team**
 - coverage
 - employee contributions
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Results Teams and Their Purpose

Alternative Service Delivery Results Team

- outsourcing/contracting
- partnering

Revenue Enhancement Results Team

- additional revenue opportunities


Target Reduction Results Team

- financial targets for departments

City Manager's Team

- organizational consolidation


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Budget Timeline

FY 2009-10	
Date	Action
September 2	Senior Management Team Budget Workshop
September 28	Senior Management Team Follow Up Budget Workshop
October 8	City Council Special Budget Workshop
Week of October 19	Senior Management Team Members Form Results Teams
Week of October 26 – December 18	Results Teams Develop Recommendations and Review with Departments

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Budget Timeline

Date	Action
Week of November 2 (November 3, 4, and 6)	City Manager/Budget Office Employee Forums
Week of November 16 (November 17 and 18)	City Manager/Budget Office Community Forums
Mid-January to Early March	City Manager/Budget Office Communicate Proposed Solutions at Employee and Community Forums
April 8	City Manager/Budget Office Special Budget Review Session
May 6	City Manager/Budget Office Tentative Adoption of Budget
May 20	City Manager/Budget Office Final Adoption of Budget

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