



## REQUEST FOR COUNCIL ACTION

**To: Honorable Mayor and Members of the City Council**

**From: Henry Holling, Interim City Manager**

**AGENDA DATE REQUESTED:** September 8, 2009

**ACTION REQUESTED: RECEIVE AND FILE A REPORT FROM STAFF OUTLINING POTENTIAL REDUCTIONS TO THE FY2010 PROJECTED BUDGET.**

**BACKGROUND:** At a policy session held on August 18, 2009, the City Council tentatively approved \$3,090,504.25 in reductions to the projected FY2010 budget. These reductions equaled 3.71% of a projected \$83M unrestricted operating budget, and did not reflect any reductions to the benefits budget. Council further directed staff to submit a plan at the regular September 8, 2009 meeting that showed reductions totaling at least \$8M, or an additional \$4.9M on top of the previous cuts.

Attached is the requested report, and shows a total of \$8,619,707.07 in savings, which exceeds the initial goal set by Council. This report is different from the 5% Plan in that it takes a wider look at the overall budget, where the previous report was focused on the operating portion of the budget only. While the main emphasis is on operational cuts, the report also incorporates benefit savings realized through layoffs, vacancies and wage concessions; potential adjustments to debt payments; and savings from other steps taken or anticipated to be taken, such as the Library levy transfer. No new revenue sources are included in this plan (though some cost adjustments in sidewalk programs is offered as a possible solution).

As background, the FY2010 Budget is projected at a total of \$176,914,815, an increase of \$9,291,223 over the approved FY2009 Budget. Given poor revenue trends, the initial budget deficit is projected at \$10,046,999. A projected budget is crafted by estimating revenues and increasing various sections of the budget by certain historically-based percentages:

Salaries for Exempt Departments	3.50%
Salaries for Represented Departments	4.75%
Contractual Services	2.50%
Materials and Supplies	1.50%
Health Benefits	10.00%

### Health Care Costs

The increase in health care costs equals nearly \$1M. The City, as has been reported, has seen lower than budgeted health care costs over the past two fiscal years. The projected increase in the FY2010 health budget may be too large, but staff is anticipating an offsetting rise in pension obligations that will likely cancel any health savings. Until more information on health and pensions is available, staff will not adjust this portion of the budget.

### Community Investment Plan

The projected FY2010 budget also includes a total CIP budget \$20,556,183. While most of the CIP budget each year consists of a number of restricted funds (like MFT, sewer and landfill funds), it also includes a discretionary portion that is used for projects such as fleet replacement,

special assessments, infrastructure improvements and other special projects. The FY2010 budget currently includes \$11,089,132 in such discretionary projects, a figure based on projects identified for 2010 funding in the FY2009 CIP budget. The internal staff goal will be to bring that final number in much lower than \$11M. The budget framework presented to Council on July 14, 2009 indicated that staff would strive for this section of the budget to be at least \$1M less. If this amount – or possibly more – is eventually included in the overall reduction plan, it could allow Council some flexibility to restore other cuts.

It is important to note that staff has begun, but not yet completed, its preliminary identification of 2010 projects. For example, however, the preliminary FY2010 project list included \$1.3M for the purchase of radios for the new 800mHz system. A delay in the readiness of this system, combined with the receipt of two federal grants, has resulted in a need for only \$130,000 in 2010 and around \$900,000 in 2011. Staff is also aware, however, of new priorities and projects that were never contemplated in last year's CIP. A final CIP budget will be available for Council discussion and approval in October.

With only two exceptions, the attached report does not include any capital project reductions. Within the Public Works section, staff is recommending changing the funding mix for sidewalk programs (Sidewalk Participation and SINR) from 80/20 to 50/50. This change will reduce the total cost to the City but staff anticipates doing the same amount of sidewalk work. Under this plan, SINR construction would be completely funded from CDBG funds. The total savings would be \$290,000 each year. This change is offered in advance of the normal CIP discussion since it represents a change in service level.

#### Report Structure

The Interim City Manager directed departmental leaders to reduce their budgets by as much as they thought possible. Staff presents all options as one recommendation with the understanding that, like the 5% plan, Council may disagree with some of the choices. Within each department's section, recommendations are generally made in priority order. Staff has included those items retained from the 5% plan. New recommendations are in bold. While staff has strived to identify annual savings wherever possible, some recommendations represent only a one-time savings for the FY2010. These recommendations are marked with an asterisk.

Staff reiterates that many of the proposed cuts result in a serious reduction in services and do not represent an ideal situation. However, given the severity of the budget situation, the composition of the budget, and the direction from Council, staff has tried to present the best set of options. Staff is still hopeful that results of the VSI and union wage negotiations, in addition to reductions in the CIP budget, will allow some of the proposed reductions to be restored.

**FINANCIAL IMPACT:** This report is a preliminary set of options for reducing the budget and is offered only to provide information. Receiving and filing the report, with or without changes, has no immediate impact but will provide guidance to staff as the budget is prepared.

**NEIGHBORHOOD CONCERNS:** Citizens generally want adequate services provided at a reasonable cost.

**IMPACT IF APPROVED:** Staff will use this plan as guidance in developing a budget for approval.

**IMPACT IF DENIED:** Staff will await different direction from the Council on ways to address the near- and long-term budget issues.

**ALTERNATIVES:** None recommended.

**EEO CERTIFICATION NUMBER:** Not applicable.

**RELATIONSHIP TO THE COMPREHENSIVE PLAN:** This effort is consistent with 6.A.3: "Address financial issues."

**REQUIRED SIGNATURES**

**Department Director** \_\_\_\_\_  
City Manager

**Finance Director** \_\_\_\_\_  
(Certification of Availability of Funds)

**Corporation Counsel** \_\_\_\_\_

**City Manager** \_\_\_\_\_

# Potential Budget Reduction Plan

	Projected Budget Gap: \$ 10,045,000.00	Council Goal: \$ 8,000,000.00
Operating Changes	\$ (6,098,028.36)	\$ (6,098,028.36)
Benefit Changes	\$ (1,681,678.71)	\$ (1,681,678.71)
Capital Changes	\$ (290,000.00)	\$ (290,000.00)
Debt Changes	\$ (150,000.00)	\$ (150,000.00)
Other Changes	\$ -	\$ -
Library Levy	\$ (400,000.00)	\$ (400,000.00)
Totals	\$ (8,619,707.07)	\$ (8,619,707.07)

**New Budget Gap \$ 1,425,292.93 \$ (619,707.07)**

## OPERATING BUDGET REDUCTIONS

Department:	FY2010 Unrestricted Budget:	Savings:	New Budget:	% Change:
Police	\$25,914,322 \$	(1,975,520.00)	\$23,938,802	-7.62%
Fire	\$18,730,678 \$	(1,191,812.72)	\$17,538,865	-6.36%
Emergency Communications Center	\$2,742,334 \$	(188,086.40)	\$2,554,248	-6.86%
Inspections	\$3,789,948.00 \$	(278,294.00)	\$3,511,654	-7.34%
Public Works	\$22,493,116 \$	(1,791,311.00)	\$20,701,805	-7.96%
Board of Examining Engineers	\$648 \$	-	\$648	0.00%
Planning and Growth Management	\$1,070,723 \$	(106,988.14)	\$963,735	-9.99%
Municipal Band	\$94,996 \$	(9,499.61)	\$85,496	-10.00%
Economic Development	\$584,290 \$	(158,447.09)	\$425,843	-27.12%
Equal Opportunity Office	\$138,385 \$	(16,915.00)	\$121,470	-12.22%
Information Systems	\$2,002,118 \$	(66,998.00)	\$1,935,120	-3.35%
City Council	\$326,752 \$	(16,338.00)	\$310,414	-5.00%
Treasurer	\$379,195 \$	(4,300.00)	\$374,895	-1.13%
Clerk	\$376,406 \$	(14,108.00)	\$362,298	-3.75%
City Manager	\$543,914 \$	(31,259.41)	\$512,655	-5.75%
Human Resources	\$1,373,660 \$	(68,804.00)	\$1,304,856	-5.01%
Fire and Police Commission	\$259,659 \$	(50,700.00)	\$208,959	-19.53%
Legal	\$942,716 \$	(56,500.00)	\$886,216	-5.99%
Finance	\$1,426,246 \$	(72,147.00)	\$1,354,099	-5.06%
<b>Subtotal</b>	<b>\$83,190,106 \$</b>	<b>(6,098,028.36)</b>	<b>\$77,092,078</b>	<b>-7.33%</b>

<i>Restricted Budgets</i>				
Planning and Growth Management (HUD)	\$594,267 \$	-	\$594,267	0.00%
Inspections (HUD)	\$416,234 \$	-	\$416,234	0.00%
<b>OPERATING TOTAL</b>	<b>\$84,200,607 \$</b>	<b>(6,098,028.36)</b>	<b>\$78,102,579</b>	<b>-7.24%</b>

# Potential Budget Reduction Plan

BENEFITS REDUCTIONS				
Department	Positions Eliminated	2010 Benefit Savings	2012 Police/Fire Pension Savings	
Police	20	\$ 400,686.15	\$ 214,303.00	
Fire	8	\$ 162,967.90	\$ 105,600.84	
Emergency Communications	2	\$ 52,166.67		
Inspections	4	\$ 100,735.59		
Public Works	8	\$ 224,753.26		
Planning	0.5	\$ 5,626.91		
Economic Development	1	\$ 28,347.45		
Finance	1	\$ 25,603.84		
Other:				
Local 50 Wage Freeze	n/a	\$ 8,265.00	\$ 218,766.00	
Exempt Employee Wage Freeze	n/a	\$ 125,385.93		
50% Sealcoat Reduction (PW Temps)	n/a	\$ 273,570.00		
50% Sealcoat Reduction (PW Temps)	n/a	\$ 273,570.00		
<b>BENEFIT TOTALS</b>	<b>44.5</b>	<b>\$ 1,681,678.70</b>	<b>\$ 538,669.84</b>	

## Potential Budget Reduction Plan

### POLICE DEPARTMENT

Item	Amount Saved	Service List #	Notes
Exempt Employee Wage Freeze	\$ (23,000.00)		
<b>Elimination of arrest booking fees</b>	<b>\$ (145,140.00)</b>		<b>Result of new contract w/ County. (Net of decrease in dispatch fees.)</b>
Eliminate Overtime for report writing - minor offenses	\$ (30,000.00)	PS49(e), PS58(e), PS59(e), PS65(e), PS103(e)	Currently all reports are written before officers secure. Minor reports would be held until the next shift. Impact on listed services would be due to delay in completion of reports.
Reduce Shift Strength by one officer. For each of the five patrol shifts, we would lower the minimum shift strength by one, meaning less hiring of officers on overtime	\$ (250,000.00)	PS6(e), PS44(e), PS45(e), PS55(e), PS58(e), PS59(e), PS61(e), PS 89(e), PS90(e), PS93(e), PS97(e), PS128(e)	On days and shifts wherein we fall below minimum shift strength, we will absorb one under the minimum and not hire overtime. The negative result is that at any one point in time, there may be 2 less police officers on the street than otherwise would be. May on occasion impact response time.
<b>Miscellaneous reductions</b>	<b>\$ (21,000.00)</b>		<b>Reduction in electric consumption, window cleaning &amp; lighting supplies</b>
<b>Reduction in contractual cleaning fees for all Police buildings</b>	<b>\$ (10,000.00)</b>		<b>Cleaning contractor has agreed to reduce cleaning fees in 2010</b>
Eliminate Police Week Banquet	\$ (4,246.00)	PS123(e)	Eliminate Police Week Awards Banquet, Lost opportunity to significantly recognize and reward outstanding police work
Reduction in Ammo Supply	\$ (2,134.00)	PS6(i)	Reduction in training ammunition, possible loss in shooting proficiency
Reduction in Uniform Purchases	\$ (90,000.00)		Reduce uniform replacements to existing officers, reduced need for equipping new officers due to reduction in hiring
Reduce CORE Training from 40 hrs to 24	\$ (36,000.00)	PS5(i), PS7(i), PS8(i)	We will get more selective on training subject matter. Loss in ability to provide wider variety of training topics beyond what is mandated. Some risk to morale as a result of reduced training.
Reduce budget for training & out of town conferences	\$ (53,000.00)	PS8(i), PS20(i), PS21(i), PS46(e), PS47(e), PS55(e), PS58(e), PS59(e), PS62(e), PS63(e), PS65(e), PS92(e), PS94(e), PS95(e), PS98(e), PS110(e), PS11(e)	Reduction in travel/training expenses. Negative impact: Reduction in proficiency level for affected staff
Reduction in Confidential Inv. Fund	\$ (10,000.00)	PS17i, PS58(e), PS59(e), PS61(e), PS62(e), PS63(e), PS110(e), PS111(e)	Reduce funds available for confidential informants, etc. May result in decrease in tips and information, particularly drug related
Reduction in Specialty Unit Overtime	\$ (45,000.00)	PS58(e), PS59(e), PS62(e), PS63(e)	Reduction in overtime budgets for CID, SID (for investigative work) & SRT (Reduction in proficiency level due to lost training hours)
Reduce Saturation Patrols by 50%, concentrate remaining patrols during days of greatest need	\$ (50,000.00)	PS44(e), PS45(e), PS46(e), PS48(e), PS56(e), PS58(e), PS59(e), PS63(e), PS89(e), PS90(e), PS94(e), PS96(e), PS97(e), PS128(e), PS129(e)	Impact is reduced presence in areas of high need. We would mitigate the impact by conducting patrols only on busiest months, busiest days
Withdraw officer from JTTF (Joint Terrorism Task Force) and hold one position open	\$ (50,000.00)	PS17i, PS91(e), PS110(e)	Will not be popular with FBI, some may construe that "we don't care about terrorism." Negative consequence: Sworn Staff reduced by 1 officer & may impact ability to collect and assess criminal intelligence
Withdraw from MEG and hold one position open	\$ (68,000.00)	PS17i, PS63(e), PS91(e), PS94(e), PS111(e)	Negative consequence: Effects coordination in multi-jurisdiction narcotics investigations. Likely result in reduction in productivity of MEG Unit and subsequently fewer drug related arrests and seizures in the City of Peoria
Hold open 1 records position	\$ (32,000.00)	PS49(e), PS53(e), PS65(e)	Elimination of (1) records position. Negative consequence: Loss of productivity.
<b>Hold open Community Services Officer position</b>	<b>\$ (50,000.00)</b>	<b>PS99e, PS100e, PS132e, PS133e, PS134e, PS136e, PS137</b>	<b>Negative impact: Reduction in output for community events. Fewer community contacts and less availability, some events would be covered by District Officer, Supervisor or PIO</b>

## Potential Budget Reduction Plan

<b>Hold open one NEAT Officer position</b>	<b>\$ (50,000.00)</b>	<b>PS89e, PS93e, PS97e, PS127e, PS128e</b>	<b>Operate NEAT Team without police officer. Team to call for officer if assistance is needed or under special circumstances, a patrol or street crimes officer can accompany</b>
Reduce Street Crimes Unit to 12, hold 4 positions open	\$ (200,000.00)	PS44(e), PS45(e), PS46(e), PS48(e), PS56(e), PS58(e), PS59(e), PS63(e), PS89(e), PS90(e), PS94(e), PS96(e), PS97(e), PS128(e), PS129(e)	Staff Street Crimes on one shift only, nights. 4 officers positions eliminated. Negative consequence: Loss of productivity and quality of life enforcement by Street Crimes. Sworn staff reduced by 4 officers.
Hold open 4 officers positions from specialty units	\$ (200,000.00)	PS17(i), PS18(i), PS20(i), PS21(i), PS22(i), PS56(e), PS57(e), PS58(e), PS59(e), PS104(e)	Reduce officers from Intell (1), CID/Lab (1), Traffic (2). Loss of productivity in affected areas and higher workload for remaining staff.
Hold open 1 sergeant position	\$ (78,000.00)	PS6(e), PS44(e), PS45(e), PS46(e), PS56(e), PS58(e), PS59(e), PS89(e), PS90(e), PS91(e), PS96(e), PS97(e)	Would require holding open 1 sergeant position. The position would come from Street Crimes. This option works in conjunction with the reduction in the Street Crimes Unit.
<b>Hold 2 civilian positions open</b>	<b>\$ (153,000.00)</b>	<b>PS53e, PS65e</b>	<b>Hold open (2) civilian staff member positions. Duties to be restructured and reallocated elsewhere. Cost would be in efficiency and work quality.</b>
Eliminate 1 parking enforcement position	\$ (42,000.00)	PS27i, PS56(e), PS44(e)	Elimination of (1) parking enforcement position. Negative consequence: Loss of productivity.
<b>Hold open (1) Lieutenant position</b>	<b>\$ (90,000.00)</b>	<b>PS90e, PS91e, PS104e</b>	<b>Reduce total Lieutenant staff by (1). Lieutenants position would be restructured by merging Traffic to Patrol Operation. Traffic moved to Patrol Captain.</b>
<b>Hold open (1) Sergeant position</b>	<b>\$ (78,000.00)</b>	<b>PS6e, PS44e, PS45e, PS46e, PS56e, PS58e, PS59e, PS89e, PS90e, PS91e, PS96e, PS97e</b>	<b>Eliminate Parking Enforcement Sergeant</b>
<b>Hold open Command Position</b>	<b>\$ (115,000.00)</b>	<b>PS90e, PS97e, PS102e, PS127e, PS55i, PS12i,</b>	<b>Redistribute command responsibilities, significantly reduced quality of work and time for proactive leadership and management</b>

### FIRE DEPARTMENT (plus ESDA)

Item	Amount Saved	Service List #	Notes
Exempt Employee Wage Freeze	\$ (20,395.00)		
Represented wage freeze	\$ (570,000.00)		
Leave Admin. IV position vacant	\$ (67,850.00)	PS 65(e), PS70(e)	Extra workload on other Admin personnel
Miscellaneous Budget Reductions*	\$ (166,256.00)	PS1(e), PS115(e), PS116(e), PS117(e)	Reduce training, delay purchasing personal protective equip and fire equip
IWIRC*	\$ (50,000.00)	PS1(i)	Postponement of annual physicals to semi-annual physicals. (CBA issue)
Leave 2 Firefighter positions vacant	\$ (91,741.00)	PS1(e), PS2(e)	Possible increase in overtime. Possible response and safety issues.
<b>Eliminate Admin II</b>	<b>\$ (42,140.40)</b>	<b>PS 65(e), PS70(e)</b>	<b>Extra workload on other Admin personnel</b>
<b>Leave 4 Firefighter positions vacant</b>	<b>\$ (183,430.32)</b>	<b>PS1(e), PS2(e)</b>	<b>Possible increase in overtime. Possible response and safety issues.</b>

# Potential Budget Reduction Plan

## EMERGENCY COMMUNICATIONS CENTER (plus ELECTRONIC SHOP)

Item	Amount Saved	Service List #	Notes
Exempt Employee Wage Freeze	\$ (17,267.00)		
ES Tower Rental	\$ (100.00)	PS4 (i)	
ES Tools	\$ (530.00)	PS3 (i)	
ES Training Expense	\$ (1,200.00)	PS3 (i)	
ES Uniform	\$ (250.00)		
ES Copy Machine Maintenance	\$ (1,215.00)		
ES Tower Maintenance	\$ (2,500.00)	PS4(i)	
ES Postage & Mailing	\$ (700.00)		
ES Communications Supplies	\$ (20,384.00)	PS3(i)	
ES Outdoor Warning System Maintenance	\$ (1,500.00)	PS43(e)	
ES Overtime	\$ (4,000.00)	PS3(i)	
ES Temporary Employee Reduction	\$ (20,000.00)	PS3(i)	
<b>ECC CodeRed reimbursement from ILEAS</b>	<b>\$ (6,000.00)</b>	<b>PS88(e)</b>	<b>ILEAS has agreed to pay the City \$6,000 for Code Red, as the ECC is their back up center.</b>
ECC Association Dues	\$ (300.00)		
ECC Books	\$ (806.00)	PS33(e)	
ECC Journals	\$ (81.00)	PS33(e)	
ECC Postage & Mailing	\$ (500.00)		
ECC Copy Paper	\$ (540.00)		
ECC Training Material	\$ (1,406.00)	PS33(e)	
ECC Training	\$ (4,500.00)	PS33(e)	Eliminates all training for ECT's & ECC Supervisors
ECC Training & Travel	\$ (6,649.00)	PS33(e)	Eliminates all training for ECT's & ECC Supervisors
ECC ECT Overtime Pay	\$ (15,000.00)	PS33(e)	
<b>Leave ECT position vacant</b>	<b>\$ (30,804.00)</b>	<b>PS33(e)</b>	<b>Position currently vacant.</b>
<b>ECC Leave 2 ECT positions vacant</b>	<b>\$ (51,854.40)</b>	<b>PS33(e)</b>	<b>Position will be vacated through VSI retirement</b>

## INSPECTIONS DEPARTMENT

Item	Amount Saved	Service List #	Notes
Exempt Employee Wage Freeze	\$ (14,013.00)		
Eliminate Temporary (BI)	\$ (17,000.00)	PS26(e), PS27(e)	A temporary Inspector is hired by Building Inspections to inspect sidewalks and curbs. In addition, they do inspections on erosion control. These inspections will be absorbed by current staff at a slower response time to the public.
Eliminate Overtime (BI)	\$ (5,300.00)	PS20(e), PS21(e)	There are very rare occasions that building inspectors need to work outside of the normal work hours. Eliminating the overtime budget would eliminate the capability of the Building Inspectors to do so and would require the Director to respond to all emergency call outs.
Eliminate Temporary (CE)	\$ (67,500.00)	N5(e), N10(e), N11(e), N12(e), N31(e), N33(e)	During the summer months, the Code Enforcement Division hires two temporary Code Enforcement Inspectors and two clerical staff. Temporary Code Enforcement employees do over 1600 Environment Inspections every year. They issued over 200 environmental warnings and abated over 110 properties. In addition, they helped to collect between 3000-4000 tires for disposal. Reducing temporary help will cause a delay in service by current CE Inspectors and the processing procedure of our administrative staff. The responsibilities performed by the temporary employees will be absorbed by Inspectors and Admin Staff resulting in a slower response time.



## Potential Budget Reduction Plan

Eliminate Overtime (CE)	\$ (11,600.00)	N7(e), N9(e), N11(e)	Services that CE Inspectors perform during an emergency call out can be done by police/fire personnel that are already on the scene. Management will be on call when a building official is needed.
Eliminate Administrative Specialist I (PAWS)	\$ (32,840.00)	PS29(e)	Requires addition of rabies registration collection and rabies registration enforcement activities to Animal Control Officer positions.
Consolidate Code Enforcement and Building Inspections front desk	\$ (46,431.00)	PS16(e), PS21(e), PS19(e), PS17(e)	The Inspections Department currently operates two front desks, a building division front desk and a code enforcement front desk. The Inspections Department will combine front desks to represent the entire department at one centralized front desk and eliminate one position in the Inspections Department. The mail in permits would then be handled exclusively by the permit writer and commercial plan examiner. This reduction may result in a slower response time to mailed in permit requests.
Eliminate Temporary (PAWS)	\$ (7,100.00)	PS 76(e)	Increases overtime expenses during the busy summer months.
Reduce Training Budget (Code)	\$ (1,000.00)		Code will look to bring more training in house to reduce travel expense.
Eliminate Admin Spec II (Code)	\$ (29,500.00)	N4(e), N5(e), N7(e), N8(e), N9(e), N11(e), N12(e), N32(e)	Reduction of an Administrative Specialist will result in Code Enforcement Officers spending more time entering their own cases into the computer and stretching the remaining administrative staff. This will impact work order processing, complaint processing and ability to respond to citizens. In addition, it will
Eliminate Building Inspector (BI)	\$ (46,010.00)	PS16(e), PS19(e), PS20(e), PS21(e), PS24(e), PS23(e), PS26(e), PS27(e), PS28(e)	Services provided to the citizens of Peoria by the Inspections Department will remain at the current levels and the Department will strive to maintain current response time. The economic downturn and the reduction of new construction should make this possible at the present time.

### PUBLIC WORKS DEPARTMENT

Item	Amount Saved	Service List #	Notes
Exempt Employee Wage Freeze	\$ (25,325.00)		
Eliminate 1/2 seal Coat Program for 2010*	\$ (430,930.00)	In45(e)	
Eliminate 2nd half of Seal Coat Program*	\$ (430,930.00)	In45(e)	
Reduce Travel Training for 2010	\$ (20,000.00)		Maintains at reduced level approved in 2009
Reduce Park District Contracts for 2010 (approx. 5%)	\$ (54,000.00)	In17(e), In20(e), In51(e)	Includes Forestry, Horticulture, Riverfront and Gateway Building
Transfer funds from Landfill to cover City costs	\$ (50,000.00)		Workload will increase for development of Cell #3
Reduce Custodian Service Contract	\$ (17,000.00)	In2(i)	
Eliminate 4 Maintenance Workers I Positions	\$ (200,096.00)	In16(e), In18(e)	Will require Adjustment of a few Snow Routes
Eliminate PW Program Administrator	\$ (50,669.00)	In29(e)	Bumping would result in Engr. Tech Elimination (Plus Elim. 1 Car)
Assign part of Erosion Engineer to Sewer Fund (40%)	\$ (37,560.00)	In7(e)	Benefits not included in change of fund
Offset salaries in PW from EECBG (project mgmt)	\$ (37,440.00)	In1(i)	Revenue from federal grant
Offset salaries from EECBG (admin)	\$ (100,860.00)	In1(i)	Revenue from federal grant; spread across many departments
Misc. Line Item Adjustments for PW	\$ (120,000.00)		
Sale of Surplus Equipment*	\$ (75,200.00)		Road Grader, Water Truck, Compressor, Pavement Grinder, and Sewer Truck
Eliminate Crew Chief Positions for 2010	\$ (10,000.00)	In16(e)	
Eliminate Parts Technician	\$ (34,902.00)	In4(i)	
Eliminate Work Coordinator	\$ (46,375.00)	In3(i), In16(e), In18(e)	
Keep Maintenance Worker I Position Vacant	\$ (50,024.00)	In16(e), In18(e)	

### Public Works CIP Adjustments

Adjust Sidewalk Assistance Program to 50%/50%	\$ (165,000.00)	In29(e)	Reduces city costs but still accomplishes the same amount of work
Adjust SIRR to 50%/50% and fund Const from CDBG	\$ (125,000.00)	In29(e)	Reduces city costs but still accomplishes the same amount of work

## Potential Budget Reduction Plan

### PLANNING AND GROWTH MANAGEMENT DEPARTMENT

Item	Amount Saved	Service List #	Notes
Exempt Employee Wage Freeze	\$ (5,369.07)	N16(e)	
Reduce Neighborhood Clean-Ups Budget	\$ (38,125.00)	N17(e)	2010 programming recommendation includes the purchase and placement of garbage cans in targeted neighborhoods and an extensive anti-litter marketing campaign (\$38,125).
Reduce Litter Campaign Budget	\$ (10,000.00)	LU15(e)	Mayor's Anti Litter Campaign budget of \$15,000, reduced by \$10,000 = \$5,000 retained.
Eliminate 1 part time position	\$ (26,222.00)	LU1(e), LU2(e), LU3(e), LU4(e), LU6(e), LU7(e), LU13(e), and LU15(e)	.50 FTE transferred to Planners. Service impacts include: delay in responding to zoning complaints, elimination of property transfers for LNC residential properties, reduce meeting time of HPC by 2/year, consideration of returning Special Use approvals to the Zoning Commission, and reduced staff resources
Eliminate funds available for LDC code changes/consulting	\$ (11,000.00)	LU1 -7 (e)	Funds will not be available for code change processing and/or consulting.
Reduce training	\$ (2,467.00)	LU1-20(e)	More limitations for resources for professional development, maintenance of certifications, and access for research.
Reduce overtime by 50%	\$ (11,000.00)	LU1-4(e), LU12-14(e), LU19(e)	Change Zoning Commission meeting time back to 1 pm, prioritize evening and weekend staff participation.
Have all Commission packets e-mailed	\$ (1,497.57)	LU1-4(e)	
Reduce computers and software	\$ (1,307.50)	LU1-20(e)	Reduce postage and printing costs. Shift responsibility to volunteer commissioners.

### MUNICIPAL BAND

Item	Amount Saved	Service List #	Notes
Reduce Band expenses by 10%	\$ (9,499.61)	Outside Agency 16	

### ECONOMIC DEVELOPMENT DEPARTMENT

Item	Amount Saved	Service List #	Notes
Exempt Employee Wage Freeze	\$ (9,995.09)		
Freeze Contractual & Supply line items at 2009 levels	\$ (23,438.00)		Has least impact on services of all proposed items. Services would continue at current levels.
Consulting Line Item	\$ (10,000.00)	E12(e), E20(e)	This line item is used to hire consultants for Development related issues such as creating of TIF's and preparing environmental studies.
Further Reduction of Contractual and Supplies	\$ (53,631.00)	E12(e), E15(e), E20(e), E21(e)	These are major reductions to the Contractual and Supply line item portions of the budget. Some areas of impact would be: marketing, research, consulting, feasibility studies, concept design, recruiting developers, and managing development projects. Internal services would still be maintained.
Eliminate Development Specialist Position	\$ (51,383.00)	E15(e), E19(e), E20(e), E21(e), E29(e)	Workload would be prioritized and redistributed. Efforts would be focused in higher priority areas. Staffing commitments and commissions could be reduced or eliminated. Could require some additional training. Will change Wage freeze to \$8,197.
EDC Contract	\$ (10,000.00)	E9(e), E15(e), E21(e)	EDC contract could be renegotiated to assist City staff if Departmental personnel reductions occur. Would focus on specific initiatives and Department activities such as business retention program and lead information database. Reductions to the contract could impact: advising businesses financing options, recruiting efforts and marketing.

## Potential Budget Reduction Plan

### EQUAL OPPORTUNITY OFFICE

Item	Amount Saved	Service List #	Notes
Exempt Employee Wage Freeze	\$ (4,373.00)		
Employment Online Research Service	\$ (2,563.00)	E3-6(e), E11(e), E6-8(i), E32-34(i)	Cannot subscribe to service that provides up to date information on state/federal court decisions, state/federal regulations and legal opinions all of which are used to provide technical assistance and expert guidance.
Reductions to training and travel	\$ (2,053.00)		Unable to attend workshops, seminars that will maintain and enhance staff's knowledge.
International Association Official Human Rights Agencies Membership Dues	\$ (250.00)		Cancels E.O. Manager's membership and reduces access to information regarding discriminatory practices in employment, housing and public accommodations.
ECHO Trade Fair Booth	\$ (160.00)	E11(i), E32(e)	Eliminates participation in purchasing trade fair
Fair Housing Conference	\$ (120.00)	E23(e)	Eliminates the holding of a workshop on fair housing laws for Landlords and Tenants.
<b>Small Business Competition Enhancement Initiative*</b>	<b>\$ (7,396.00)</b>	<b>E11(i), E32(e)</b>	<b>Cancels all workshops, seminars targeted for minority business development and utilization.</b>

### INFORMATION SYSTEMS DEPARTMENT

Item	Amount Saved	Service List #	Notes
Wage Freeze for Exempt Employees	\$ (14,498.00)		
T-1 Cost Reductions thru Contract Negotiations	\$ (12,000.00)	S24(i)	No change in Service, price reduction through negotiated contracts
Journals/Periodicals	\$ (200.00)	S25(i)	Will use online resources
Professional Dues	\$ (400.00)	S61(i)	Not needed - AVAYA conference eliminated
Windows Update Software Maintenance	\$ (2,000.00)	S25(i)	Will not receive any further updates or software support
Symantec Ghost Software Maintenance	\$ (2,000.00)	S25(i)	Will not receive any further updates or software support
Help Sequel Software Maintenance	\$ (4,400.00)	S22(i)	Will not receive any further updates or software support
AVAYA PBX / Phone Annual Maintenance - Coverage change/cost reduction	\$ (10,000.00)	S60(i), S61(i)	Maintenance contract renegotiated with change in coverage for City's Main PBX from 24x7 to 8x5.
Training	\$ (10,000.00)	S19(e), S21(i), S25(i), S52(i), S59(i), S60(i)	Specialized technical training will be reduced and/or eliminated.
Website Enhancements/Video Server	\$ (11,500.00)	S38(e)	Website will remain as is with minimal changes

# Potential Budget Reduction Plan

## CITY COUNCIL

Item	Amount Saved	Service List #	Notes
Wage Freeze for Exempt Employees	\$ (2,131.00)		
Food	\$ (6,500.00)	S48(e)	
Travel	\$ (3,500.00)	S48(e)	
Awards/Gifts	\$ (2,207.00)	S48(e)	
Contract/Other	\$ (1,500.00)		
Contract/Professional services	\$ (500.00)		

## CITY TREASURER

Item	Amount Saved	Service List #	Notes
Wage Freeze for Exempt Employees	\$ (4,300.00)		

## CITY CLERK

Item	Amount Saved	Service List #	Notes
Salary Savings	\$ (7,199.00)		
Reducing City Code line item	\$ (1,500.00)	S6(e)	
Reducing temporary help	\$ (2,000.00)	S4(e), S11(e), S12(e), S11-13(i)	
Reducing postage	\$ (2,000.00)	S9(e), S10(e)	Will no longer mail agendas or minutes to citizens; only available on-line.
Additional savings in contractual	\$ (1,220.00)		Stay at 2009 levels
Additional savings in supplies	\$ (189.00)		Stay at 2009 levels

## CITY MANAGER

Item	Amount Saved	Service List #	Notes
Wage Freeze for Exempt Employees	\$ (15,259)		
Reduce booklet and pamphlet printing	\$ (6,500.00)	S46(e)	City Services Directory, Speakers Bureau Booklet will not be updated
Reduce special events funding	\$ (9,000.00)		
Reduce copying	\$ (500.00)		

## Potential Budget Reduction Plan

### HUMAN RESOURCES DEPARTMENT

Item	Amount Saved	Service List #	Notes
Wage Freeze for Exempt Employees	\$ (15,478.00)		
1 <sup>st</sup> 3 months of HR Director salary	\$ (30,125.00)		Postpone Hr Director hiring until 4/2010
Training classes	\$ (10,000.00)	S51(i), S92(i)	Reduction in training needed for leadership, project mgmt will cause less money needed overall for training budget
Food for training	\$ (1,225.00)	S51(i), S92(i)	Food won't be offered in training classes
Copying for training	\$ (1,500.00)	S51(i), S92(i)	Less copies needed due to less training and regular HR copy account can be used
1 <sup>st</sup> 3 months of cell phone for HR Director	\$ (195.00)		Postpone HR Director hiring until 4/2010
AFSCME Drug screening	\$ (1,000.00)	S39(i)	Amount previously budgeted exceeded need – reduction of the amount
Certificate of insurance tracking	\$ (8,000.00)	S83(i)	Have not implemented a tracking system with outside vendor – Purchasing and/or Depts could track certificates of insurance for projects
Journals-Periodicals	\$ (1,281.00)		Less money needed for BNA collective bargaining publications

### FIRE AND POLICE COMMISSION

Item	Amount Saved	Service List #	Notes
Validation Studies - Fire and Police Agility Tests	\$ (45,000.00)		
Medical Services - Police New Hires	\$ (10,200.00)		Given lack of hiring by Police and Fire Departments, the budgeted amounts for new hires in both units is too high.
Psychologicals - Police New Hires	\$ (3,600.00)		
Polygraphs - Police New Hires	\$ (1,900.00)		
Addition: Fire Capt/Haz Mat exam materials	\$ 10,000.00		VSI and ordinary retirements may increase the number of openings and candidates.

### LEGAL DEPARTMENT

Item	Amount Saved	Service List #	Notes
Wage Freeze for Exempt Employees	\$ (17,500.00)		
Reduce Temporary Help	\$ (8,000.00)	S22(e)	
Travel & Training	\$ (2,000.00)		
Research Expense	\$ (1,000.00)		
Witness Expense	\$ (2,000.00)	S21(e)	
Serving Summons	\$ (3,000.00)	S39(e), S40(e)	
Postage	\$ (1,000.00)		
Cellphone Expense	\$ (1,000.00)		
Reduce Recording Fees	\$ (3,000.00)		New state statute provides that City can file 1 lien per year.
Eliminate hearing officer.	\$ (18,000.00)	N6(e)	Eliminates housing hearings, but would retain hearings for parking and impoundment.

# Potential Budget Reduction Plan

## FINANCE DEPARTMENT

Item	Amount Saved	Service List #	Notes
Wage Freeze for Exempt Employees	\$ (25,183.00)		
Vacant Fiscal Tech 1 - A/R - Longevity	\$ (1,802.00)		No impact on service. A new replacement would not qualify for longevity.
Overtime - Admin IV	\$ (524.00)	S67(i)	Limited impact on service. Contingency for special projects or for providing backup when other employees are on vacation or ill.
Overtime - Fiscal Tech I - A/P	\$ (105.00)	S67(i)	No impact on service. Contingency for times when payable volume is high. Can be offset by using compensatory time if necessary.
Office Equipment	\$ (1,022.00)	S67(i)	Maintenance agrmnt for equipment no longer being used.
Training - Purchasing	\$ (3,000.00)	S73(i), S74(i)	No immediate impact on service. Will rotate between H T E User Groupd conference and NIGP Conference doing one or the other.
Vacant Fiscal Tech 1 - A/R - Fiscal Tech I Increase	\$ (1,311.00)		No impact on service. A new replacement would not qualify for same increase.
Layoff	\$ (39,200.00)		Will impact time to deliver services internally.

## Benefits Calculator

			2010							2012
Position	Department	Pension Type (IMRF, Police, Fire)	Salary	SSN (6.2%)	Medicare (1.45%)	Health Benefits(1)	GASB45 (\$3900 ea.)	IMRF (14.87%)(2)	Fire or Police Pension(3)	
Dev. Specialist	Econ Dev	IMRF	\$ 51,383.00	\$ 3,185.75	\$ 745.05	\$ 12,876.00	\$ 3,900.00	\$ 7,640.65	\$ -	
Maint.Worker I	Public Works	IMRF	\$ 54,024.00	\$ 3,349.49	\$ 783.35	\$ 12,876.00	\$ 3,900.00	\$ 8,033.37	\$ -	
Maint.Worker I	Public Works	IMRF	\$ 54,024.00	\$ 3,349.49	\$ 783.35	\$ 12,876.00	\$ 3,900.00	\$ 8,033.37	\$ -	
Maint.Worker I	Public Works	IMRF	\$ 54,024.00	\$ 3,349.49	\$ 783.35	\$ 12,876.00	\$ 3,900.00	\$ 8,033.37	\$ -	
Maint.Worker I	Public Works	IMRF	\$ 54,024.00	\$ 3,349.49	\$ 783.35	\$ 12,876.00	\$ 3,900.00	\$ 8,033.37	\$ -	
Maint.Worker I	Public Works	IMRF	\$ 54,024.00	\$ 3,349.49	\$ 783.35	\$ 12,876.00	\$ 3,900.00	\$ 8,033.37	\$ -	
Parts Technician	Public Works	IMRF	\$ 34,902.00	\$ 2,163.92	\$ 506.08	\$ 12,876.00	\$ 3,900.00	\$ 5,189.93	\$ -	
Work Coordinator	Public Works	IMRF	\$ 46,375.00	\$ 2,875.25	\$ 672.44	\$ 12,876.00	\$ 3,900.00	\$ 6,895.96	\$ -	
Engr. Tech	Public Works	IMRF	\$ 50,669.00	\$ 3,141.48	\$ 734.70	\$ 12,876.00	\$ 3,900.00	\$ 7,534.48	\$ -	
Telecommunicator	ECC	IMRF	\$ 51,854.40	\$ 3,214.97	\$ 751.89	\$ 12,876.00	\$ 3,900.00	\$ 7,710.75	\$ -	
Telecommunicator	ECC	IMRF	\$ 30,804.00	\$ 1,909.85	\$ 446.66	\$ 12,876.00	\$ 3,900.00	\$ 4,580.55	\$ -	
Planning Position (.5 FTE)	Planning	IMRF	\$ 24,986.26	\$ 1,549.15	\$ 362.30			\$ 3,715.46		
Admin Position	Finance	IMRF	\$ 39,200.00	\$ 2,430.40	\$ 568.40	\$ 12,876.00	\$ 3,900.00	\$ 5,829.04	\$ -	
Admin Spec. I (PAWS)	Inspections	IMRF	\$ 32,842.00	\$ 2,036.20	\$ 476.21	\$ 12,876.00	\$ 3,900.00	\$ 4,883.61	\$ -	
Permit Tech (BI)	Inspections	IMRF	\$ 43,728.00	\$ 2,711.14	\$ 634.06	\$ 12,876.00	\$ 3,900.00	\$ 6,502.35	\$ -	
Admin Spec. II (Code)	Inspections	IMRF	\$ 29,500.00	\$ 1,829.00	\$ 427.75	\$ 12,876.00	\$ 3,900.00	\$ 4,386.65	\$ -	
Building Inspector (BI)	Inspections	IMRF	\$ 43,271.00	\$ 2,682.80	\$ 627.43	\$ 12,876.00	\$ 3,900.00	\$ 6,434.40	\$ -	
Officer	Police	Police	\$ 50,000.00	\$ -	\$ 725.00	\$ 12,876.00	\$ 3,900.00	\$ -	\$ 11,150.00	
Officer	Police	Police	\$ 50,000.00	\$ -	\$ 725.00	\$ 12,876.00	\$ 3,900.00	\$ -	\$ 11,150.00	
Officer	Police	Police	\$ 50,000.00	\$ -	\$ 725.00	\$ 12,876.00	\$ 3,900.00	\$ -	\$ 11,150.00	
Officer	Police	Police	\$ 50,000.00	\$ -	\$ 725.00	\$ 12,876.00	\$ 3,900.00	\$ -	\$ 11,150.00	
Officer	Police	Police	\$ 50,000.00	\$ -	\$ 725.00	\$ 12,876.00	\$ 3,900.00	\$ -	\$ 11,150.00	
Officer	Police	Police	\$ 50,000.00	\$ -	\$ 725.00	\$ 12,876.00	\$ 3,900.00	\$ -	\$ 11,150.00	
Records Tech	Police	IMRF	\$ 32,000.00	\$ 1,984.00	\$ 464.00	\$ 12,876.00	\$ 3,900.00	\$ 4,758.40	\$ -	
Parking Enforcement	Police	IMRF	\$ 42,000.00	\$ 2,604.00	\$ 609.00	\$ 12,876.00	\$ 3,900.00	\$ 6,245.40	\$ -	
Officer	Police	Police	\$ 50,000.00	\$ -	\$ 725.00	\$ 12,876.00	\$ 3,900.00	\$ -	\$ 11,150.00	
Officer	Police	Police	\$ 50,000.00	\$ -	\$ 725.00	\$ 12,876.00	\$ 3,900.00	\$ -	\$ 11,150.00	
Officer	Police	Police	\$ 50,000.00	\$ -	\$ 725.00	\$ 12,876.00	\$ 3,900.00	\$ -	\$ 11,150.00	
Officer	Police	Police	\$ 50,000.00	\$ -	\$ 725.00	\$ 12,876.00	\$ 3,900.00	\$ -	\$ 11,150.00	
Sergeant	Police	Police	\$ 78,000.00	\$ -	\$ 1,131.00	\$ 12,876.00	\$ 3,900.00	\$ -	\$ 17,394.00	
Civilian	Police	IMRF	\$ 91,463.00	\$ 5,670.71	\$ 1,326.21	\$ 12,876.00	\$ 3,900.00	\$ 13,600.55	\$ -	
Civilian	Police	IMRF	\$ 62,031.00	\$ 3,845.92	\$ 899.45	\$ 12,876.00	\$ 3,900.00	\$ 9,224.01	\$ -	
Officer	Police	Police	\$ 50,000.00	\$ -	\$ 725.00	\$ 12,876.00	\$ 3,900.00	\$ -	\$ 11,150.00	
Officer	Police	Police	\$ 50,000.00	\$ -	\$ 725.00	\$ 12,876.00	\$ 3,900.00	\$ -	\$ 11,150.00	
Lieutenant	Police	Police	\$ 90,000.00	\$ -	\$ 1,305.00	\$ 12,876.00	\$ 3,900.00	\$ -	\$ 20,070.00	
Command	Police	Police	\$ 115,000.00	\$ -	\$ 1,667.50	\$ 12,876.00	\$ 3,900.00	\$ -	\$ 25,645.00	
Sergeant	Police	Police	\$ 78,000.00	\$ -	\$ 1,131.00	\$ 12,876.00	\$ 3,900.00	\$ -	\$ 17,394.00	

Position	Department	Pension Type (IMRF, Police, Fire)	2010						2012 Fire or Police Pension(3)
			Salary	SSN (6.2%)	Medicare (1.45%)	Health Benefits(1)	GASB45 (\$3900 ea.)	IMRF (14.87%)(2)	
Admin IV (vacancy)	Fire	IMRF	\$ 67,850.00	\$ 4,206.70	\$ 983.83	\$ 12,876.00	\$ 3,900.00	\$ 10,089.30	\$ -
Admin II (lay-off)	Fire	IMRF	\$ 42,142.40	\$ 2,612.83	\$ 611.06	\$ 12,876.00	\$ 3,900.00	\$ 6,266.57	\$ -
Firefighter (vacancy)	Fire	Fire	\$ 45,857.58	\$ -	\$ 664.93	\$ 12,876.00	\$ 3,900.00	\$ -	\$ 17,600.14
Firefighter (vacancy)	Fire	Fire	\$ 45,857.58	\$ -	\$ 664.93	\$ 12,876.00	\$ 3,900.00	\$ -	\$ 17,600.14
Firefighter (vacancy)	Fire	Fire	\$ 45,857.58	\$ -	\$ 664.93	\$ 12,876.00	\$ 3,900.00	\$ -	\$ 17,600.14
Firefighter (vacancy)	Fire	Fire	\$ 45,857.58	\$ -	\$ 664.93	\$ 12,876.00	\$ 3,900.00	\$ -	\$ 17,600.14
Firefighter (vacancy)	Fire	Fire	\$ 45,857.58	\$ -	\$ 664.93	\$ 12,876.00	\$ 3,900.00	\$ -	\$ 17,600.14
Firefighter (vacancy)	Fire	Fire	\$ 45,857.58	\$ -	\$ 664.93	\$ 12,876.00	\$ 3,900.00	\$ -	\$ 17,600.14
Local 50 Wage Freeze	Fire	Fire	\$ 570,000.00	\$ -	\$ 8,265.00	\$ -	\$ -	\$ -	\$ 218,766.00
Exempt Wage Freeze(4)	All	IMRF	\$ 165,964.18	\$ 24,678.87	\$ 63,697.05	\$ -	\$ -	\$ 37,010.01	\$ -
Category Subtotals			\$ 3,059,230.72	\$ 92,080.38	\$105,649.42	\$ 566,544.00	\$ 171,600.00	\$ 198,664.91	\$ 538,669.84

Other

PW Temp Works (1/2 Sealcoat Schedule)

\$273,570.00

PW Temp Works (1/2 Sealcoat Schedule)

\$273,570.00

Salary	2010 Benefits	2012 Pensions
Totals	\$ 3,059,230.72	\$ 538,669.84

- (1) Amount based on annual employer contribution to Single +1 in HMO. Actual savings may vary.  
(2) Amount based on current rate.  
(3) Police = 22.3%; Fire = 38.38%. Approximate rates, based on current year. No savings until 2012.  
(4) Total salary amount (\$221,285) discounted by 25% to account for possible layoffs and vacancies