



REQUEST FOR COUNCIL ACTION

To: Honorable Mayor and Members of the City Council

From: Scott Moore, City Manager

AGENDA DATE REQUESTED: October 13, 2009

ACTION REQUESTED: PROVIDE DIRECTION TO STAFF ON CLOSING THE REMAINING FY2010 BUDGET DEFICIT.

BACKGROUND: Throughout this year, the City Council and the Administration have partnered to continually address the projected budget gap for FY2010. To date, a total of \$10.5 million worth of savings and other adjustments have been identified (inclusive of the Civic Center's refund and the Administration's preliminary CIP projections). These adjustments are outlined in Attachment 1 (pages 1-10). Adjustments have been made to the September 8, 2009 plan to account for Council direction, VSI results and other feedback. Changes are highlighted throughout Attachment 1 and documented in Attachment 2.

The Finance Department is now projecting the FY2010 budget deficit to be \$14.5 million. This re-forecasting is the result of continued poor performance in City revenues, especially sales tax receipts. The City "receives" sales taxes three months after a month closes. It was not until September that the first 6 months of the year's receipts were in hand. Month-to-month fluctuations are difficult to use as future projections. Upon establishing a half-year trend of declining revenues, the Administration has had to revise its projections for FY2010 and beyond. Given the new projection, a gap of \$4 million still exists.

At a recent meeting of the Council-Administration Budget Team, the Administration was charged with preparing a set of options that closed this remaining gap through additional changes to the operating and benefits budgets only. In order to meet this goal, the City Manager determined that each department needed to reduce its unrestricted, projected FY2010 budget by at least 12% total (inclusive of reductions discussed on 8/18/09 and 9/8/09). The results are found in Attachment 3 (pages 1-10). In total, the Administration identified \$4,173,621 worth of reductions. Savings in 2011 and 2012 from these reductions are also projected using normal annual growth percentages.¹

The highlighted reductions dramatically reduce the City's capabilities to maintain the existing services at their current levels. A total of 46 positions have been identified for complete elimination and 14 have been identified for seasonal lay-off (see Attachment 4 for a breakdown of FTE eliminations). The highlighted reductions are a dramatic decrease in the City's internal and external operations, but are tough decisions facing the organization and community. The Police Department will be faced with reducing its force by 17 officers. The Fire Department is faced with eliminating 15 positions, including shutting down one fire company. If the Firefighters Local 50 had not conceded their 2010 wage increases, the closing of a second fire company would be facing the department. Other front-line departments like Public Works and Emergency Communications could also expect critical losses in service delivery internally and externally. While a smaller part of the overall budget, critical functions in back-office departments like Information Systems and Legal will lead to serious interruptions and delays that will impact front-line departments and citizens alike.

¹ 4.75% for union wages, 3.5% for exempt wages, 2.5% for contractual expenses, and 1% for materials and supplies.

The critical loss of services and the crippling effect of many of these changes is likely unacceptable. The Administration continues to seek wage concessions from remaining bargaining groups. An estimated additional \$1,254,000 would be saved if the Peoria Police Benevolent Association (\$732,000), AFSCME (\$393,000), the Crafts and Trades group (\$116,000) and IBEW (\$13,000) agreed to forgo their 2010 cost-of-living increase (the same offer made by Firefighters Local 50 in August). The Administration recommends that the savings realized from any new concessions be applied directly to restoring services in the departments in which those employees work. If written agreements with these bargaining units are reached prior to October 20, the Council can debate additional ways to close whatever gap remains at its October 27, 2009 meeting. That discussion will include authorizing the Administration to execute the plan outlined in Attachment 3.

The final attachment (Attachment 5 pages 1-3) outlines a few options for animal control services. Recently, a number of Councilmembers have questioned whether animal control should be provided by the City since it 1) runs a deficit between revenue and cost and 2) has elements of service that are statutorily the responsibility of the County. The attachment outlines the issue and provides three options beyond the option of keeping the status quo. Any savings generated by adopting any of the three options would be in addition to those identified in Attachment 3. The Administration does not recommend any transfer of PAWS to Peoria County or reducing its budget any further than has already been offered if there is an expectation that service levels not be reduced beyond what is currently provided.

Through the reductions identified in Attachment 3, the Administration has provided the City Council with a tentatively balanced FY2010 budget. However, in the professional opinion of the Administration, these additional cuts result in a severe reduction in services that will hinder our ability to execute City Council policy in an efficient and effective manner, both internally and externally. Without counterbalancing decisions by the City's bargaining units on wages and/or further direction by City Council on other options, the Administration is prepared to bring a final budget to City Council for approval that is reflective of these reductions.

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: The Administration will use this plan as guidance in developing a budget for approval.

IMPACT IF DENIED: The Administration 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	_____

Attachment 1: Budget Reductions from 9/8/09 (with some changes)

Projected Budget Gap: \$ 14,500,000.00

(changes since 9-8-09 highlighted)

Operating Changes	\$ (6,558,888.67)
Benefit Changes	\$ (1,284,293.76)
Capital Changes	\$ (1,097,258.00)
Debt Changes	
Refund IMRF	\$ (150,000.00)
Library Bond Premium	\$ (798,000.00)
Other Changes	
Library Levy	\$ (400,000.00)
Civic Center Reimbursement	\$ (211,632.00)
Totals	\$ (10,500,072.43)

New Budget Gap \$ 3,999,927.57

OPERATING BUDGET REDUCTIONS

Department:	FY2010		Savings:	New Budget:	% Change:
	Unrestricted Budget:				
Police	\$25,669,612	\$ (2,070,520.00)	\$23,599,092	-8.07%	
Fire	\$18,730,678	\$ (1,213,008.42)	\$17,517,670	-6.48%	
Emergency Communications Center	\$2,742,334	\$ (192,234.75)	\$2,550,099	-7.01%	
Inspections	\$3,789,948.00	\$ (404,439.96)	\$3,385,508	-10.67%	
Public Works	\$ 18,957,085.00	\$ (2,073,486.00)	\$16,883,599	-10.94%	
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	\$ (107,064.09)	\$477,226	-18.32%	
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	\$ (38,500.00)	\$904,216	-4.08%	
Finance	\$1,426,246	\$ (73,725.30)	\$1,352,521	-5.17%	
Subtotal	\$79,409,365	\$ (6,558,888.67)	\$72,850,476	-8.26%	
Restricted Budgets					
Planning and Growth Management (HUD)	\$594,267	\$ -	\$594,267	0.00%	
Police (SLATE)	\$244,710	\$ -	\$244,710	0.00%	
Public Works (MFT)	\$3,536,031	\$ -	\$3,536,031	0.00%	
Inspections (HUD)	\$416,234	\$ -	\$416,234	0.00%	
OPERATING TOTAL	\$84,200,607	\$ (6,558,888.67)	\$77,641,718	-7.79%	

BENEFITS REDUCTIONS				
Department	Positions Eliminated	2010 Benefit Savings	2012 Police/Fire Pension Savings	
Police	20	\$	392,803.84 \$	236,434.34
Fire	8	\$	153,477.43 \$	105,600.84
Emergency Communications	2	\$	52,166.67	
Inspections	4	\$	160,335.16	
Public Works	7	\$	197,110.69	
Planning	0.5	\$	5,626.91	
Finance	1	\$	25,603.84	
Other:				
Local 50 Wage Freeze	n/a	\$	8,265.00 \$	218,766.00
Exempt Employee Wage Freeze	n/a	\$	51,764.23	
50% Sealcoat Reduction (PW Temps)	n/a	\$	273,570.00	
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BENEFIT SAVINGS SUBTOTAL	42.5	\$	1,594,293.76 \$	560,801.18
2010 VSI Payment		\$	(310,000.00)	
BENEFIT TOTALS	42.5	\$	1,284,293.76 \$	560,801.18
CAPITAL REDUCTIONS				
Unrestricted Capital Amount Budgeted	\$	11,089,132.00		
Unrestricted Capital Amount Recommended	\$	9,991,874.00		
Difference	\$	(1,097,258.00)		

<-- Adjusted for VSI Savings

POLICE DEPARTMENT

Item	Amount Saved	Service List #	Notes
Exempt Employee Wage Freeze	\$ (23,000.00)		
Elimination of arrest booking fees	\$ (145,140.00)		Result of new contract w/ County. (Net of decrease in dispatch fees.)
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.
Miscellaneous reductions	\$ (21,000.00)		Reduction in electric consumption, window cleaning & lighting supplies
Reduction in contractual cleaning fees for all Police buildings	\$ (10,000.00)		Cleaning contractor has agreed to reduce cleaning fees in 2010
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	\$ (55,000.00)	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.
Hold open Community Services Officer position	\$ (50,000.00)	PS99e, PS100e, PS132e, PS133e, PS134e, PS136e, PS137	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

Attachment 1: Budget Reductions from 9/8/09 (with some changes)

Hold open one NEAT Officer position	\$ (50,000.00)	PS89e, PS93e, PS97e, PS127e, PS128e	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
Reduce Street Crimes Unit to 12, hold 4 positions open	\$ (300,616.00)	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. Savings reflect salary and longevity from 4 FTE leaving via VSI.
Hold open 4 officers positions from specialty units	\$ (225,154.00)	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. Savings from three vacancies and 1 VSI departure.
Hold open 1 sergeant position	\$ (84,736.00)	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. Savings from VSI departure.
Hold 1 civilian (exempt) position open	\$ (62,031.00)	PS53e, PS65e	Hold open 1 civilian staff member position. Duties to be restructured and reallocated elsewhere. Cost would be in efficiency and work quality.
Hold 1 Admin I position open	\$ (42,614.00)	PS100e	Hold open (1) civilian Admin 1 position created by VSI. Vacant position created in CID with duties to be restructured and reallocated to other staff. Cost would be in efficiency and work quality.
Eliminate 1 parking enforcement position	\$ (42,000.00)	PS27i, PS56(e), PS44(e)	Elimination of (1) parking enforcement position. Negative consequence: Loss of productivity.
Hold open (1) Lieutenant position	\$ (90,000.00)	PS90e, PS91e, PS104e	Reduce total Lieutenant staff by (1). Lieutenants position would be restructured by merging Traffic to Patrol Operation. Traffic moved to Patrol Captain.
Hold open (1) Sergeant position	\$ (78,000.00)	PS6e, PS44e, PS45e, PS46e, PS56e, PS58e, PS59e, PS89e, PS90e, PS91e, PS96e, PS97e	Eliminate Parking Enforcement Sergeant
Hold open Command Position	\$ (115,849.00)	PS90e, PS97e, PS102e, PS127e, PS55i, PS12i,	Redistribute command responsibilities, significantly reduced quality of work and time for proactive leadership and management

FIRE DEPARTMENT (plus ESDA)

Item	Amount Saved	Service List #	Notes
Exempt Employee Wage Freeze	\$ (20,395.00)		
Represented wage freeze	\$ (570,000.00)		
VSI Longevity Savings	\$ (70,342.50)		Based on 11 VSI retirees
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
Leave 2 Firefighter positions vacant	\$ (91,741.00)	PS1(e), PS2(e)	Possible increase in overtime. Possible response and safety issues.
Eliminate Admin II	\$ (42,993.60)	PS 65(e), PS70(e)	Extra workload on other Admin personnel
Leave 4 Firefighter positions vacant	\$ (183,430.32)	PS1(e), PS2(e)	Possible increase in overtime. Possible response and safety issues.

EMERGENCY COMMUNICATIONS CENTER (plus ELECTRONIC SHOP)

Item	Amount Saved	Service List #	Notes
Exempt Employee Wage Freeze	\$ (17,267.00)		
VSI Longevity Savings	\$ (4,148.35)		Based on 1 VSI retiree
ES Tower Rental	\$ (100.00)	PS4 (l)	
ES Tools	\$ (530.00)	PS3 (l)	
ES Training Expense	\$ (1,200.00)	PS3 (l)	
ES Uniform	\$ (250.00)		
ES Copy Machine Maintenance	\$ (1,215.00)		
ES Tower Maintenance	\$ (2,500.00)	PS4(l)	
ES Postage & Mailing	\$ (700.00)		
ES Communications Supplies	\$ (20,384.00)	PS3(l)	
ES Outdoor Warning System Maintenance	\$ (1,500.00)	PS43(e)	
ES Overtime	\$ (4,000.00)	PS3(l)	
ES Temporary Employee Reduction	\$ (20,000.00)	PS3(l)	
ECC CodeRed reimbursement from ILEAS	\$ (6,000.00)	PS88(e)	ILEAS has agreed to pay the City \$6,000 for Code Red, as the ECC is their back up center.
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)	
Leave ECT position vacant	\$ (30,804.00)	PS33(e)	Position currently vacant.
Leave ECT position vacant	\$ (51,854.40)	PS33(e)	Position will be vacated through VSI retirement

INSPECTIONS DEPARTMENT

Item	Amount Saved	Service List #	Notes
Exempt Employee Wage Freeze	\$ (14,013.00)		
VSI Longevity Savings	\$ (13,218.82)		Based on 5 VSI retirees
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.

Attachment 1: Budget Reductions from 9/8/09 (with some changes)

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)	\$	(37,544.00)	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.
Salary Savings: New Plumbing Inspector	\$	(22,818.00)		VSI created savings
Salary Savings: New Code Enf Supervisor (6 months vacant)	\$	(48,033.54)		VSI created savings
Eliminate Admin Spec II (Code)	\$	(42,993.60)	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)	\$	(69,888.00)	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)		
Garbage Contract savings	\$ (310,428.00)	In1(e), In2(e), In21(e)	Per staff recommendation on 10/13 to go w/ PDC
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	\$ (222,512.00)	In16(e), In18(e)	Will require Adjustment of a few Snow Routes
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)	

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 postage and printing costs. Shift responsibility to volunteer commissioners.
Reduce computers and software	\$ (1,307.50)	LU1-20(e)	

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.
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.

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.
Small Business Competition Enhancement Initiative*	\$ (7,396.00)	E11(i), E32(e)	Cancels all workshops, seminars targeted for minority business development and utilization.

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

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)		

HUMAN RESOURCES DEPARTMENT

Item	Amount Saved	Service List #	Notes
Wage Freeze for Exempt Employees	\$ (15,478.00)		
1 st 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 st 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.

FINANCE DEPARTMENT

Item	Amount Saved	Service List #	Notes
Wage Freeze for Exempt Employees	\$ (25,183.00)		
VSI Longevity Savings	\$ (1,578.30)		Based on 1 VSI retiree
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.

Attachment 2: Changes to 9/8/09 Plan**Additional Savings**

Proceeds from library bond (per Council)	\$ (798,000.00)
(Police) Added \$10,000 in savings to "Reduction in Specialty Unit overtime"	\$ (10,000.00)
(Police) Adjusted salaries of eliminated positions to reflect VSI (salaries and longevity folded together)	\$ (133,355.00)
(Fire) Added VSI longevity savings	\$ (70,342.50)
(Fire) Adjusted salaries of eliminated positions to reflect VSI	\$ (853.20)
(ECC) Added VSI longevity savings	\$ (4,148.35)
(Inspections) Added VSI longevity savings	\$ (13,218.82)
(Inspections) Adjusted salaries of eliminated positions to reflect VSI	\$ (37,371.60)
(Inspections) Adjusted salaries of positions to be re-filled to reflect VSI	\$ (70,851.54)
(Public Works) Savings realized from lower-than-projected garbage contract	\$ (310,428.00)
(Public Works) Adjusted salaries of eliminated positions to reflect VSI	\$ (22,416.00)
(Finance) Adjusted salaries of eliminated positions to reflect VSI	\$ (1,578.30)
<hr/>	
Subtotal	\$ (1,472,563.31)

Additional Costs

Added 2010 VSI payments	\$ 300,000.00
Net adjustment to benefits (from VSI savings and restoring FTEs)	\$ 87,384.94
Changed "Hold 2 civilian positions open" to "Hold 1 civilian position open" and "Hold 1 Admin I position open"	\$ 48,355.00
Restored Economic Development position (per Council)	\$ 51,383.00
Restored funding for hearing officer in Legal Department (per Council)	\$ 18,000.00
Restored funding for IWIRC wellness contract in Fire Department	\$ 50,000.00
Removed sidewalk program savings	\$ 290,000.00
Added back PW Program Administrator to cover sidewalks	\$ 50,669.00
<hr/>	
Subtotal	\$ 895,791.94
<hr/>	
Difference between original Sept. 8 plan and current version	\$ (576,771.37)

Attachment 3: Operational Reductions

Police Department					
Step - Impact	Performance Indicator	FTE Reduced	FY2010 Operating Savings	FY2011 Operating Savings	FY2012 Operating Savings
<i>Eliminate 1 Juvenile Detective</i>					
Detectives will no longer be assigned to District 150 schools and will only respond to school grounds when necessary. There will be less daily contact with students. All time will be dedicated to investigations. Increased caseload; longer time to close cases.	270 cases (avg./yr.) spread over remaining detectives (9)	1	\$50,000	\$52,375	\$54,863
<i>Eliminate 5th Shift in Detective Bureau</i>					
No on-duty investigations will occur after midnight without a call-in of detectives. Reduced capability to violent crimes expeditiously. Increased caseload for remaining detectives; longer time to close cases. Uniform officers will be responsible for following up on a wider range of cases	200 cases (avg./yr.) spread over remaining detectives (8)	2	\$100,000	\$104,750	\$109,726
<i>Eliminate 3rd Shift in Information Office</i>					
Only emergencies will be handled in the lobby during the third shift. Citizens would not be able to obtain reports or recover impounded vehicles during those hours. Officers will be called in from street to take reports filed during those hours (approx. 180 reports in 2009)	90 less hours of patrol time on 3rd shift (avg. 30 min/report)	2	\$68,317	\$71,562	\$74,961
<i>Eliminate 2 Officers from Street Crimes</i>					
Unit would be reduced to 10 (4 reduced for 9/8/09 plan). Impacts ability to stress enforcement of quality of life issues and to staff saturation patrols. Avg. street crimes officer issues 24 citations, makes 7 arrests, impound 3 vehicles, writes 39 reports monthly.	576 less citations, 168 less arrests, 72 less impounds, 936 less reports	2	\$100,000	\$104,750	\$109,726
<i>Eliminate Gang Intelligence Unit</i>					
The City would lose the ability to proactively track and counteract organized gang activity. Patrol officers will lack comprehensive and timely information on gangs.	Over 200 less intelligence bulletins, 2000 less contacts	1	\$50,000	\$52,375	\$54,863
<i>Eliminate 1 K-9 Officer</i>					
Would result in one less patrol unit available, as well as the loss of suspect tracking and bomb-detection capabilities (only K-9 with bomb detection abilities in region).	330 less searches per year	1	\$50,000	\$52,375	\$54,863
<i>Combine Asset Forfeiture and Liquor Investigator</i>					
Two full-time positions would be rolled into one, which would mean a reduction in time devoted to both areas. Likely a delay in the completion of liquor investigations and applications. Less ability to pursue assets for seizure which funds a significant portion of the drug unit.		1	\$50,000	\$52,375	\$54,863
<i>Eliminate 9 Officers from Patrol</i>					
Strength for each patrol shift will be reduced by one, resulting in one less officer on the street at all times. Likely increase in response time. Police may need to adjust which calls get response (such as requiring verification of intrusion before responding to burglar alarms). A Patrol officer averages 13 citations, 5 arrests, 1.2 vehicle impounds, and writes 39 reports per month.	1404 less citations, 540 less arrests, 130 less impounds, and 4,212 less reports	9	\$450,000	\$471,375	\$493,765
<i>Eliminate Records Manager</i>					
Difficulty in responding to critical information needs, including fulfillment of FOIA requests. This unit is implementing technological changes that should create efficiencies down the road, but require hands-on management now.		1	\$91,463	\$94,664	\$97,977
Department Subtotal		20	\$1,009,780	\$1,056,601	\$1,105,607

Attachment 3: Operational Reductions

Fire Department						
Step - Impact	Performance Indicator	FTE Reduced	FY2010 Operating Savings	FY2011 Operating Savings	FY2012 Operating Savings	
<i>Eliminate one Fire machine from service (potentially shut one Fire Station).</i>						
Would eliminate 11 employees (3 Captains, 3 Engineers, 5 Firefighters). An increased response time to certain areas of town could endanger fire personnel, citizens and property. City may not be in compliance with NFPA 1710 standards and City's ISO rating would be jeopardized.	Increased average response time	11	\$700,000	\$733,250	\$768,079	
<i>Eliminate 3 Fire Inspector positions.</i>						
Eliminates 2 (of 2) building inspectors and 1 (of 2) HazMat inspectors. Would limit the ability to conduct and enforce fire and life safety code compliance inspections of complex target hazard occupancies (high rise residential and office buildings, large commercial/industrial facilities, apartment/condominium complexes, schools, places of assembly and shopping centers/plazas). Complaint driven inspections involving fire/life safety issues would not be conducted. Permit site inspections for fireworks/pyrotechnics displays, temporary installation of tents or air supported structures, and open burning/recreational fires would not be conducted. Approval of development projects would be significantly delayed.	1600-1700 less building inspections/yr., 400-500 less HazMat inspections/yr., delay in development approvals	3	\$248,424	\$260,224	\$272,585	
<i>Eliminate Fire Training Supervisor.</i>						
Personnel would no longer be trained in the safest, most efficient and cost effective manner. The development and coordination of fire service training courses would no longer occur, adding those responsibilities to Captains. The City would no longer offer course development that meets the requirements of the Office of the State Fire Marshal and in accordance with national standards.		1	\$82,808	\$86,741	\$90,862	
<i>Reduce uniform allowance.</i>						
Less uniform needs for a smaller force.			\$3,850	\$3,889	\$3,927	
Department Subtotal		15	\$1,035,082	\$1,084,104	\$1,135,453	

Attachment 3: Operational Reductions

Emergency Communications Center

Step - Impact	Performance Indicator	FTE Reduced	FY2010 Operating Savings	FY2011 Operating Savings	FY2012 Operating Savings
<i>Eliminate 1 ECC Supervisor</i>					
ECC Supervisors would need to switch from 12-hour to 8-hour shifts, which will increase overtime costs. In addition to supervision duties, each position also handles specialized duties. This reduction would result in system maintenance delays, delays in Sex Offender computerized file maintenance, user agency and citizen follow-up request delays.	Sex offender updates will not occur w/i 24 hrs.	1	\$60,533	\$62,652	\$64,844
<i>Eliminate 2 ECC Communicators</i>					
This step would reduce the pool of Communicators to 28 which would increase forced overtime. The ECC requires 6 Communicators per shift. At 30 (current level) a 7th person serves as "call taker". This will be eliminated. Some communicators will be working 14 to 16 hour shifts, which may cause fatigue and errors, in addition to burnout and lowering morale. Communicators answer 900 calls per day, including 250 emergency calls.	No call-taker may increase ring time	2	\$64,696	\$67,769	\$70,988
Department Subtotal					
		3	\$125,229	\$130,421	\$135,833

Inspections Department					
Step - Impact	Performance Indicator	FTE Reduced	FY2010 Operating Savings	FY2011 Operating Savings	FY2012 Operating Savings
<i>Eliminate 1 Code Enforcement Inspector</i>					
Reducing the Division by one Code Enforcement Inspector would reduce the City into twelve districts (from 13). The result would be a reduction in response time to citizen complaints, a reduction in the ability of the inspectors to be as proactive, less Code Actions (environmental warnings, housing notices, abate, citations, vehicle violations, and work orders), and fewer housing cases.	1,300-1,500 fewer Code Actions; 250 fewer housing cases	1	\$57,537	\$60,270	\$63,133
Department Subtotal					
		1	\$57,537	\$60,270	\$63,133

Attachment 3: Operational Reductions

Public Works Department

Step - Impact	Performance Indicator	FTE Reduced	FY2010 Operating Savings	FY2011 Operating Savings	FY2012 Operating Savings
<i>Reducing 2 Traffic Painting position between January 1 and April 30.</i> Two extra employees unavailable for winter maintenance activities.					
		2	\$36,065	\$37,778	\$39,573
<i>Reduce Street and Sewer staff by 6 Street Maintenance Workers between April 1 and October 18.</i> Limits ability to respond to small summer projects (curb repair, sidewalk work, street patching and small drainage projects). Work will be reduced to address the most severe issues first and other work usually completed by the group will be postponed.					
	15% less projects accomplished (in addition to 12% less from previous 5 layoffs)	6	\$172,240	\$180,421	\$188,991
<i>Eliminate 1 mechanic.</i> There will be a slower response to repair of City vehicles. Priority will still be in place for public safety repairs but there will still be an increase in the downtime for some of some vehicles.					
	Increase workload from 51 cars/mechanic to 60 cars/mechanic	1	\$55,537	\$58,175	\$60,938
<i>Reduce Street and Sewer staff by an additional 6 Street Maintenance Workers between April 1 and October 18.</i> Further limits ability to respond to small summer projects (curb repair, sidewalk work, street patching and small drainage projects). Work will be reduced to address the most severe issues first. May seriously hamper ability to respond to emergencies (high winds, heavy rains, etc.)					
	15% less projects accomplished (in addition 27% less identified above)	6	\$172,240	\$180,421	\$188,991
Department Subtotal		15*	\$436,082	\$456,796	\$478,494

* Positions only eliminated for certain seasons

Attachment 3: Operational Reductions

Planning and Growth Management Department

Step - Impact	Performance Indicator	FTE Reduced	FY2010 Operating Savings	FY2011 Operating Savings	FY2012 Operating Savings
<i>Limit purchase of planning reference materials.</i>					
Purchase of professional reference materials will be limited to city directories, used for enforcement purposes. This reduction will limit research of industry standards and principles used to develop staff recommendations for land use cases.	Less comprehensive research	0	\$195	\$197	\$199
<i>Reduce funds for creation and printing of maps</i>					
Fewer printed maps will be available for internal and external use.	50% less map generation	0	\$4,643	\$4,689	\$4,736
<i>Eliminate court reporting</i>					
The Department will cease contracting for verbatim transcription of commission cases, used for City's defense in litigation.	Service unavailable	0	\$1,661	\$1,703	\$1,745
<i>Transfer Harrison School Project funding.</i>					
Tri-County Regional Planning Commission has donated funds from one of its grants to complete this project. City funds no longer needed.	Project still completed	0	\$15,000	\$0	\$0
Department Subtotal		0	\$21,499	\$6,589	\$6,680

Economic Development Department

Step - Impact	Performance Indicator	FTE Reduced	FY2010 Operating Savings	FY2011 Operating Savings	FY2012 Operating Savings
<i>Eliminate Economic Development Director</i>					
The current compensation for this position is \$125,329. \$25,000 is retained for restructuring the department. Without a full-time director, there will be a serious reduction in efforts, especially in marketing the City to regional and national developers and companies.	30% less marketing; 75-100 less contacts w/ developers	1	\$100,329	\$103,841	\$107,475
Department Subtotal		1	\$100,329	\$103,841	\$107,475

Attachment 3: Operational Reductions

Information Systems Department

Step - Impact	Performance Indicator	FTE Reduced	FY2010 Operating Savings	FY2011 Operating Savings	FY2012 Operating Savings
<i>Reduce contractual database programming.</i>					
Any design work, additions, or modifications to specialized databases will not be done. Work will be done internally if expertise is available and time allows. In the past, we have contracted for programming of databases in specialty areas such as EEO compliance, Police & Fire alarm billing and ECC mutual aid box alarm databases.	Specialty work will not be accomplished	0	\$5,000	\$5,125	\$5,253
<i>Reduce training budget.</i>					
Brings total reduction to 61%. Only most critical training will be authorized.		0	\$5,000	\$5,050	\$5,101
<i>Eliminate Public Safety Coordinator.</i>					
Will experience delays in the production of reports, enhancements/modifications and getting Public Safety applications back up and running in case of failure. Delays could be significant due to staff working in unfamiliar areas and assuming additional duties. During business hours, all duties of the Public Safety Project Leader will shift to the department's only Public Safety programmer, the IS Manager and, in some cases, the IS Director. After-hour calls will go to the IS Manager, the Public Safety Programmer (overtime), and the IS Director.	Completion time for projects and trouble resolution will at least double, no special projects completed	1	\$62,335	\$64,517	\$66,775
<i>Eliminate Network Specialist.</i>					
The City network includes twenty-five (25) servers. Email, internet, printing services, remote access services, anti-virus management and all network hardware and software is managed by this position and the Network Administrator. The absence of a skilled network person has a great impact on all users within the organization and beyond. Loss of this position would leave the city in an extremely vulnerable state without a backup to manage and maintain our complex networks.	Completion time for projects and trouble resolution will at least double, no special projects completed	1	\$48,298	\$50,592	\$52,995
<i>Eliminate Computer Operator.</i>					
Reduces the number of Computer Operators from 5 to 4. Computer Operations provides front-line support to all users/departments/agencies. In order to keep the data center operations available 24x7 (365), some shifts/duties will to be covered by other I.S. personnel. First shift, Monday-Friday will need to be staffed by management and other union members working outside their job classification, taking them from normal duties. All first shift duties (processing checks, reports, etc.) will be processed on second and third shift. Holidays, sick days and vacation covered by other IS employees, including management. Additional delays to be expected when employees are working in an unfamiliar area.	Fulfillment of most daily requests delayed by at least 8 hours	1	\$35,755	\$37,453	\$39,232
Department Subtotal					
		3	\$156,388	\$162,737	\$169,356

Attachment 3: Operational Reductions

City Manager's Office

Step - Impact	Performance Indicator	FTE Reduced	FY2010 Operating Savings	FY2011 Operating Savings	FY2012 Operating Savings
<i>Community Newsletter</i> Semi-annual newsletter will no longer be printed.	40,000 households will not get mailing	0	\$15,000	\$15,375	\$15,759
<i>City Services Directory</i> The directory will not be updated or re-printed.	No new booklets will be available	0	\$2,605	\$2,631	\$2,657
<i>Cancel Legislative Breakfast</i> This annual event with area legislators will not be held.	1 event cancelled	0	\$1,604	\$1,620	\$1,636
<i>Reduce training and travel budget.</i> There will be no City-paid travel by CMO employees, including City Manager.	0 trips taken	0	\$8,530	\$8,615	\$8,701
<i>Reduce postage account</i> Community Newsletter will not be mailed.	40,000 households will not get mailing	0	\$5,000	\$5,050	\$5,101
<i>PeoriaCARES Language Line</i> An increased need for Language Line services would not be funded.	Any influx above baseline not covered	0	\$500	\$513	\$525
<i>Reduce PeoriaCARES printing budget.</i> No new marketing material (cards, magnets) will be printed for distribution to citizens and neighborhood groups.		0	\$500	\$505	\$510
<i>Eliminate 6 Sigma stationery and supplies.</i> Any needs will be paid through other City Manager accounts.		0	\$272	\$275	\$277
Department Subtotal		0	\$34,011	\$34,584	\$35,168

Human Resources Department

Step - Impact	Performance Indicator	FTE Reduced	FY2010 Operating Savings	FY2011 Operating Savings	FY2012 Operating Savings
<i>Reduce Training Budget</i> Eliminates internal train-the-trainer sessions on MS Office, diversity and business ethics. There will be no proctor/instructor led sessions. All training on these topics will now be individually accessed on-line.	0 train-the-trainer sessions	0	\$12,851	\$13,172	\$13,502
<i>Reduce Recruiting Budget</i> There will be less funds available to advertise for any job openings among line staff, management and department heads. There will also be less money to conduct management assessments for new employees.	16 less job openings advertised; 6 less management assessments given	0	\$8,325	\$8,408	\$8,492
<i>Reducing Funds for Hiring Physicals and Assessments</i> There will be less funds to conduct physicals for new employees	15 less physicals given	0	\$2,500	\$2,563	\$2,627
Department Subtotal		0	\$23,676	\$24,143	\$24,620

Attachment 3: Operational Reductions

Legal Department						
Step - Impact	Performance Indicator	FTE Reduced	FY2010 Operating Savings	FY2011 Operating Savings	FY2012 Operating Savings	
<i>Eliminate Legal Administration Coordinator.</i>						
This position coordinates the hearing officer program, ordinance prosecution and helps process demolitions. The position is funded with corporate (\$36,538) and CDBG (\$29,120) funds. \$10,000 in CDBG funds would be shifted to cover 25% of the Paralegal (100% corporate funded), who will assume some of these duties. The remaining \$19,120 in CDBG funds could be reprogrammed elsewhere. The department would struggle to keep up with the paperwork involved in these areas, causing delays and/or errors.	Significant delays in scheduling and following-up on cases	1	\$46,538			
<i>Reduce training, dues and research budgets.</i>						
Cancel membership in IMLA and ILGL which allow the City to network with other national and state professionals. Further reductions in on-line research and training will result in Department being less aware of case law, best practices and trends.		0	\$5,000			
Department Subtotal		1	\$51,538	\$0	\$0	
Finance Department						
Step - Impact	Performance Indicator	FTE Reduced	FY2010 Operating Savings	FY2011 Operating Savings	FY2012 Operating Savings	
<i>Difference between estimated personnel services based on 4.75% increase and actual.</i>						
No impact on service.		0	\$29,400	\$30,429	\$31,494	
<i>Reduce training budget.</i>						
Fewer opportunities to learn new skills and apply knowledge for greater efficiency.		0	\$3,000	\$3,030	\$3,060	
<i>Eliminate reclassification of 2 positions (Accounts Receivable).</i>						
Employees will continue to work at current classification.	No opportunity for extra assignments	0	\$5,121	\$5,300	\$5,486	
<i>Eliminate reclassification (Capital Budget Coordinator).</i>						
Employee will continue to work at current classification.	No opportunity for extra assignments	0	\$3,248	\$3,362	\$3,479	
<i>Eliminate reclassification (Payroll Supervisor).</i>						
Employee will continue to work at current classification.	No opportunity for extra assignments	0	\$3,159	\$3,270	\$3,384	
<i>Special project compensation for annual audit.</i>						
Completion of audit task will take longer as task will be completed during normal work hours. Could possibly delay the issuance of Comprehensive Annual Financial Report.		0	\$2,250	\$2,250	\$2,250	
<i>Eliminate 1 Accountant</i>						
Will impact time to deliver internal information to departments, preparation of Comprehensive Annual Financial Report, external reports to outside entities, as well as, the ability to provide timely report backs at Councils' request.	Report delivery time doubles	1	\$51,573	\$53,378	\$55,246	
Department Subtotal		1	\$97,751	\$101,019	\$104,400	

OPERATING TOTAL	\$3,148,902	\$3,221,104	\$3,366,218
Benefit Savings from Eliminating Above Positions (60)	\$ 1,024,719.57	\$1,065,708 (increased by 4% (increased by 4% + 2012 Fire & Police Pensions)	\$1,671,384 (increased by 4% + 2012 Fire & Police Pensions)
GRAND TOTAL	\$4,173,622	\$4,286,812	\$5,037,602

OPERATING BUDGET REDUCTIONS

Department:	FY2010 Unrestricted Budget:	September 8, 2009 Meeting			October 13, 2009 Meeting		
		Savings Identified	Budget	% Change:	Savings Identified	Budget	% Change
Police	\$25,669,612	\$ (2,070,520.00)	\$23,599,092	-8.07%	\$ (1,009,780.00)	\$ 22,589,312.00	\$ (3,080,300.00) -12.0%
Fire	\$18,730,678	\$ (1,213,008.42)	\$17,517,670	-6.48%	\$ (1,035,082.00)	\$ 16,482,587.58	\$ (2,248,090.42) -12.0%
Emergency Communications Center	\$2,742,334	\$ (192,234.75)	\$2,550,099	-7.01%	\$ (125,229.00)	\$ 2,424,870.47	\$ (317,463.75) -11.6%
Inspections	\$3,789,948.00	\$ (404,439.96)	\$3,385,508	-10.67%	\$ (57,537.00)	\$ 3,327,971.04	\$ (461,976.96) -12.2%
Public Works	\$ 18,957,085.00	\$ (2,073,486.00)	\$16,883,599	-10.94%	\$ (436,082.00)	\$ 16,447,517.00	\$ (2,509,568.00) -13.2%
Board of Examining Engineers	\$648	-	\$648	0.00%	-	\$ 648.00	\$ - 0.0%
Planning and Growth Management	\$1,070,723	\$ (106,988.14)	\$963,735	-9.99%	\$ (21,499.00)	\$ 942,235.52	\$ (128,487.14) -12.0%
Municipal Band	\$94,996	\$ (9,499.61)	\$85,496	-10.00%	-	\$ 85,496.45	\$ (9,499.61) -10.0%
Economic Development	\$584,290	\$ (107,064.09)	\$477,226	-18.32%	\$ (100,329.00)	\$ 376,896.91	\$ (207,393.09) -35.5%
Equal Opportunity Office	\$138,385	\$ (16,915.00)	\$121,470	-12.22%	-	\$ 121,470.00	\$ (16,915.00) -12.2%
Information Systems	\$2,002,118	\$ (66,998.00)	\$1,935,120	-3.35%	\$ (156,388.00)	\$ 1,778,732.00	\$ (223,386.00) -11.2%
City Council	\$326,752	\$ (16,338.00)	\$310,414	-5.00%	-	\$ 310,413.65	\$ (16,338.00) -5.0%
Treasurer	\$379,195	\$ (4,300.00)	\$374,895	-1.13%	-	\$ 374,894.72	\$ (4,300.00) -1.1%
Clerk	\$376,406	\$ (14,108.00)	\$362,298	-3.75%	-	\$ 362,298.22	\$ (14,108.00) -3.7%
City Manager	\$543,914	\$ (31,259.41)	\$512,655	-5.75%	\$ (34,011.00)	\$ 478,644.09	\$ (65,270.41) -12.0%
Human Resources*	\$1,373,660	\$ (68,804.00)	\$1,304,856	-5.01%	\$ (23,676.00)	\$ 1,281,180.27	\$ (92,480.00) -6.7%
Fire and Police Commission	\$259,659	\$ (50,700.00)	\$208,959	-19.53%	-	\$ 208,958.52	\$ (50,700.00) -19.5%
Legal	\$942,716	\$ (38,500.00)	\$904,216	-4.08%	\$ (51,538.00)	\$ 852,678.00	\$ (90,038.00) -9.6%
Finance	\$1,426,246	\$ (73,725.30)	\$1,352,521	-5.17%	\$ (97,751.00)	\$ 1,254,769.70	\$ (171,476.30) -12.0%
Subtotal	\$79,409,365	\$ (6,558,888.67)	\$72,850,476	-8.26%	\$ (3,148,902.00)	\$ 69,701,574.12	\$ (9,707,790.67) -12.2%

* Of HR's \$1.4M budget, \$700K is comprised of liability insurance premiums, settlements and TPA claims. Those programs cannot be cut.

<i>Restricted Budgets</i>							
Planning and Growth Management (HUD)	\$594,267	\$ -	\$594,267	0.00%	\$ -	\$594,267	\$ - 0.0%
Police (SLATE)	\$244,710	\$ -	\$244,710	0.00%	\$ -	\$244,710	\$ - 0.0%
Public Works (MFT)	\$3,536,031	\$ -	\$3,536,031	0.00%	\$ -	\$3,536,031	\$ - 0.0%
Inspections (HUD)	\$416,234	\$ -	\$416,234	0.00%	\$ -	\$416,234	\$ - 0.0%
OPERATING TOTAL	\$84,200,607	\$ (6,558,888.67)	\$77,641,718	-7.79%	\$ (3,148,902.00)	\$74,492,816	\$ (9,707,790.67) -11.5%

Budget Segment	Meeting		Total
	Sept. 8, 2009	Oct. 13, 2009	
Operating	\$ (6,558,888.67)	\$ (3,148,902.00)	\$ (9,707,790.67)
Benefits	\$ (1,284,293.76)	\$ (1,024,719.57)	\$ (2,309,013.33)
Capital	\$ -	\$ (1,097,258.00)	\$ (1,097,258.00)
Debt	\$ (948,000.00)	\$ -	\$ (948,000.00)
Other (Library, Civic Center)	\$ (400,000.00)	\$ (211,632.00)	\$ (611,632.00)
Totals	\$ (9,191,182.43)	\$ (5,482,511.57)	\$ (14,673,694.01)

Attachment 4: Impact of Budget Reductions on Staffing

Department	FY2009 Authorized Strength	FTEs on 10/9/09	Sept 8 Reductions	Oct 13 Reductions	Subtotal	Possible FY2010 Authorized Strength
Council	1	1	0	0	0	1
City Clerk	4	4	0	0	0	4
City Manager	5	5	0	0	0	5
Equal Opportunity	2	2	0	0	0	2
Treasurer	6	6	0	0	0	6
Finance	19	18	1	1	2	17
Legal	8	8	0	1	1	7
Human Resources	6	5	0	0	0	6
Information Systems	18	18	0	3	3	15
Economic Development	5	5	0	1	1	4
Planning and Growth	19	19	1	0	1	18
Inspections	50	50	4	1	5	45
Police	290	283	19	20	39	251
Fire	216	208	8	15	23	193
Public Works*	105	104	7	1	8	97
Emergency Comm.	40	39	2	3	5	35
Totals	794	775	42	46	88	706

* An additional 2 FTE (Traffic) will be laid off from Jan - Apr and 12 FTE (Streets) laid off from April - Oct.

The Administration and Council identified 42 positions for elimination on 9/8/09. To close the remaining budget gap, the Administration has identified an additional 60 positions (46 permanent lay-offs and 14 seasonal lay-offs). A total of 88 FTE may be permanently reduced in the FY2010 budget. This represents an 11% reduction in workforce (not including reductions in temporaries or seasonal lay-offs).

Attachment 5: Animal Control Options

Background

In recent months, the City Council has discussed the concept of transferring animal control duties to Peoria County. This concept is based on State law that outlines animal control functions as a responsibility of County government. The current agreement, dating since 1984, requires the City to provide animal and rabies control services throughout Peoria County and operate the animal shelter in return for retaining all rabies registration fees.

In total, the City can expect to generate \$1.1M in revenue in 2009. The total cost to run the operation is \$1.6M. This creates an estimated shortfall of about \$500,000 each year.

Under Illinois State Law, County governments are responsible for providing the following services only:

- animal bite investigation,
- rabies prevention, and
- dangerous or vicious dog determination.

The City' animal control unit (PAWS) provides enhanced animal control services: stray animal impoundment; sick/injured animal rescue; ordinance enforcement; animal impoundment and disposition; animal adoption; humane education; and wildlife removal. These services are not required of County governments in Illinois State Law.

In addition to impounding 8,257 animals in 2008, animal control officers also responded to 16,715 calls for service, distributed in the following manner:

Jurisdiction	Calls	Percentage
Council District 1	3,588	21.5%
Council District 2	2,300	13.8%
Council District 3	3,614	21.6%
Council District 4	1,511	9.0%
Council District 5	1,071	6.4%
Non-Peoria Municipalities	2,705	16.2%
Unincorporated County	1,927	11.5%
Total	16,715	100.0%

Option 1: Transfer Responsibility of Animal Control to Peoria County

City staff recently spoke with Peoria County Administrator Patrick Urich regarding the outcomes to be expected if the City relinquished animal control responsibilities. Mr. Urich referenced the limits of responsibility in State law and noted that a recent review of generated revenue demonstrated that 23% of rabies registration fees come from the unincorporated Peoria County, 53% from the City and 24% from other Peoria County municipalities. In looking at the above call distribution, he pointed out that while the City creates a larger portion of the workload, proportionally a larger share of the registration revenue is generated outside the City limits.

Mr. Urich stated that the County has a strict policy of covering the cost of services with identified fees. The County is willing to execute its mandated responsibility, but will retain all revenue generated from

rabies registration. If the City wanted the current service level to remain, the County would contract with the City (as it would do any other municipality in Peoria County) to provide enhanced services. The cost of this service would be equal to the shortfall between revenue generated from within the City and the cost of providing service within the City. The sole difference between the current shortfall and the County's charge would be an accounting for the lower benefit level of Peoria County employees.

Option 2: Reducing PAWS' Expenses by \$250,000

Given the operating deficit in PAWS of \$500,000, the City Manager directed staff to demonstrate what expenses would need to be reduced in order to make up half of the difference. In addition, staff was asked to state what services would need to be curtailed with reduced expenses.

Budget Reductions (\$250,000)	
Eliminate Admin Spec I (Salary & Benefits)	\$57,676
Eliminate Animal Control Officer	\$50,057
Eliminate Animal Control Officer	\$55,835
Eliminate (2) Part time Kennel Technician	\$27,614
Eliminate Temporary	\$1,000
Eliminate Humane Education	\$1,000
Eliminate Food and Beverage	\$750
Eliminate Awards and Recognition	\$400
Eliminate Photography	\$250
Eliminate Training	\$4,000
Eliminate Cellular Phones	\$4,400
Reduce Postage	\$2,000
Reduce Capture Equipment	\$3,000
Reduce Veterinary/Medical	\$12,000
Reduce Vehicle Main/Fleet Recap	\$30,096
Total	\$250,078

Services lost:

- The shelter will close on Saturday, thereby reducing the number of pets reclaimed or adopted as well as the corresponding revenues.
- Animal control officers will respond to calls between 8 am and 5 pm seven days a week and will be on call for emergencies only after those hours. There will be no 2nd shift, no early shift, and only one animal control officer on Saturday. Fewer officers will be available to respond to calls for service and there will be longer response times.
- Municipal contracts will be eliminated. Officers will respond to calls only inside the City of Peoria limits and in unincorporated areas of the County, not in incorporated villages.
- Less veterinary care for impounded animals.
- No cell phones for animal control officers and supervisors. (Loss of productivity, less personal safety.)
- Elimination of NEAT team.
- Fewer reminder notices for rabies registration will be mailed reducing the level of compliance and associated revenue.
- No training for staff.
- No court stenographer for dangerous dog hearings.
- No humane education materials.

- No recognition for volunteers.
- No photography equipment replaced.
- As equipment gets broken or wears out, it will not be replaced placing employees at risk for injury.

Option 3: Reducing PAWS' Expenses by \$500,000

As in Option 2, staff was charged with cutting \$500,000 in expenses and demonstrating the impacted services.

Budget Reductions (\$500,000)	
All Reductions from Option 2	\$250,078
Eliminate Kennel Technician	\$ 51,825
Eliminate Shelter Services Coordinator	\$ 99,060
Eliminate Overtime/Standby/On Call	\$ 61,615
Eliminate Spay/Neuter	\$ 37,500
Total	\$500,078

Additional services lost:

- Animal adoption program eliminated. The shelter will no longer adopt out homeless or unwanted animals; dog and cats that do not get reclaimed will be humanely destroyed. An estimated 7,000 animals will be euthanized.
- Emergency (after hours) service eliminated. Animal control officers will not respond to any calls after regular hours nor provide service on holidays. Police officers or other departments will need to respond to calls for aggressive or biting animals, drug or DUI arrests, etc., to impound any animals found. This places the police officer at risk for injury without appropriate training or equipment and compromises the public's safety as well.
- No response for wildlife complaints (unless a bite has occurred). Police or other departments will need to dispatch sick, injured, or nuisance wildlife.
- No after hours receptacles for incoming animals. Citizens holding stray animals must keep them until regular shelter hours.

Summary

A \$250,000 or \$500,000 reduction in the animal shelter's budget dramatically changes the operation of the animal shelter and the animal and rabies control programs. Animal control officers will only respond to calls during the hours of 8 AM and 5 PM Sunday through Saturday with the elimination of second shift and early morning patrol. Calls regarding wild animals or those received after hours will need to be handled by the police or another department. The shelter will only be open Monday through Friday 8 AM to 5 PM limiting citizens' access to service. Response times to calls will increase with fewer animal control officers able to respond. Furthermore, impounded animals will receive no preventive health care and will likely be euthanized if no adoption program exists. Animals routinely left at the front gates will be abandoned or left roaming.

All revenues will likely decline as fewer people reclaim their lost pet, adopt a new pet, or voluntarily comply with registration and other requirements.

Transferring responsibility to the County will similarly reduce service levels unless the City chooses to contract with the County to provide enhanced, non-mandated services.