

# Agenda Report

March 14, 2011

**TO:** Honorable Mayor and City Council  
**THROUGH:** Finance Committee  
**FROM:** Department of Finance  
**SUBJECT: Fiscal Year 2010-2011 Mid Year Budget Amendments**

## **RECOMMENDATION:**

It is recommended that the City Council authorize elimination from the budget, 34.9 vacant positions to help achieve the goal of eliminating the General Fund structural deficit by fiscal year 2014.

## **BACKGROUND:**

In 2009, the City implemented a plan to reduce the structural deficit by fiscal year 2014. Included in this plan was the continued assessment of City operations to identify efficiencies including workforce reductions. Departments were tasked with developing a plan that identified and implemented operation improvements by FY 2015.

The action requested with the report is part of the on-going effort to meet this goal. The continuing economic decline and increases in costs for pensions, medical, fuel, and other operational items has added to the challenge of achieving the City's financial goals; however, staff continues to explore and implement operation efficiencies as necessary.

To this end, departments have identified 34.9 additional vacant positions to help meet their required reduction. Staff recommends that these identified positions, and their respective budget appropriations, be formally eliminated from the budget. The positions are currently vacant as a result of early separations, increased efficiencies, and the layoffs that were recently implemented.

*Attachment A* identifies positions that would be eliminated. These additional reductions will result in the City's budgeted workforce being reduced by 169.1 positions or 7 percent since FY 2009.

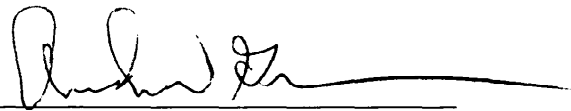
**COUNCIL POLICY CONSIDERATION:**

This action is consistent with the City Council's strategic planning goal of maintaining fiscal responsibility and stability.

**FISCAL IMPACT:**

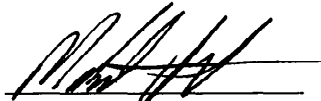
Total budget reductions resulting from elimination of these positions totals approximately \$3.9 million on an annual basis and comprises 34.9 positions.

Respectfully submitted,



ANDREW GREEN  
Director of Finance  
Department of Finance

Approved by:



MICHAEL J. BECK  
City Manager

Attachments:

Attachment A – FY 2011 Mid Year Position Reductions