

City of Tempe
Budget Balancing Proposal
FY 09/10 through FY 12/13

Prepared For the:
Tempe City Council



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Budget Summary

Introduction

The City of Tempe has not been immune to the national and international economic issues dominating recent headlines. Like other public entities across the country, revenues in Tempe have declined substantially. At the same time, new and often unanticipated liabilities have further impacted the City's financial situation. Addressing these economic realities will require unprecedented action. With this in mind, the purpose of this proposal is to fulfill the Council's directive to continue to provide high quality public services to our community within a framework of short and long term financial sustainability. Particular emphasis has been placed on ensuring that essential core services are not compromised and that residents, visitors, and business owners continue to receive the highest quality services possible from the City of Tempe.

The current fiscal year General Fund deficit, FY 08/09, has already been evaluated and addressed by Council. As a result, the focus of this proposal is on balancing the General Fund in each of the next four fiscal years, FY 09/10 through FY 12/13. It also takes into account the Council's desire to minimize the impact on City employees and to do everything possible to support those employees directly affected by requisite reductions. Tempe has a long history of providing high level quality services to the community, as well as one of being a premier employer. This proposal attempts to preserve these traditions within a framework of financial sustainability, which requires long term rather than temporary solutions.

Challenges

The financial reality that the City of Tempe is facing is a General Fund deficit of over \$34.5 million in FY 09/10 if revenue levels continue as projected and no expenditure reductions are employed. This equates to expenditures of 21% over projected revenues and, without intervention, this scenario worsens in subsequent fiscal years. Recently, there have been some small improvements in the sales tax revenue outlook. However, year to date through December, sales tax revenues for FY 08/09 are still down 7.4% compared to the same time frame last year. Moreover, only gradual improvements are projected over subsequent fiscal years.

Given the legislative mandate for a balanced budget and the limited General Fund balance to cover long term deficits, intervention is required. All efforts will be made to minimize impacts on essential services to the community; however, the reality of balancing the budget necessitates the reduction of some City services and personnel.

Although the focus of this proposal is on the General Fund, it is important to note that some enterprise and special revenue funds have also been impacted by the economic downturn. The Transit and Performing Arts Special Revenue Funds are also reliant on sales tax proceeds and, as a result, have experienced declines in revenue. These funds will continue to be evaluated to ensure that projected expenditures are in line with projected revenues. The Water/Wastewater and Solid Waste Enterprise Funds are in good condition and any existing and future position vacancies within these areas may provide opportunities for employees who are displaced as a result of General Fund reductions.

Background

The City of Tempe began making plans to address anticipated revenue shortfalls late last summer when economic indicators pointed toward continuing declines in revenue. Initial efforts were aimed at balancing the current FY 08/09 budget, whereas more recent efforts have focused on balancing the FY 09/10 through FY 12/13 budgets.

FY 08/09

The current fiscal year budget will be balanced through various expenditure reductions and applying nearly \$13.5 million in General Fund balance. In addition to slight improvements in sales tax revenue, reductions in gasoline prices, and the improvements in the State shared revenue scenario have provided some relief.

However, these improvements do not significantly alter our current financial situation. Specific efforts to balance the current fiscal year budget include:

- Minimizing current year expenditures by implementing a hiring freeze for all but critical positions within the City and sweeping salary savings from departments.
- Deferring a substantial number of vehicle replacements.
- Reducing pay and benefits for department managers, including the City Manager and Assistant City Manager. All have taken a 2% pay cut and executive physicals will be eliminated.
- Working with employee groups to forego anticipated market adjustments for FY 08/09 for those work groups who were scheduled to receive adjustments in January 2009.

FY 09/10 to FY 12/13

The focus of this proposal is to provide Council a plan to balance each of the next four fiscal year budgets. This has proven to be most difficult in FY 09/10 and FY 10/11 as significant expenditure reductions and the use of a considerable amount of General Fund balance are required to balance these two fiscal year budgets. Subsequent years, FY 11/12 and FY 12/13, are somewhat less challenging as most expenditure reductions will already have been implemented and future revenues are projected to improve.

A total of nearly \$13.8 million in General Fund balance would be used to balance the remaining four fiscal year budgets. When combined with current fiscal year, FY 08/09, a grand total of nearly \$27.3 million in General Fund balance would be used. It is important to note that this proposal is contingent on the most current financial forecast available, and would need to be adjusted if financial indicators change. Efforts to address future fiscal year shortfalls include:

- Requesting suggestions from employees on how to reduce expenditures and provide more efficient services to the community.
- Developing a financial model that demonstrates the importance of implementing a five year balanced budget plan. This model was presented to Council, and was approved as policy. This model also served as a decision matrix to identify the mix, type, and magnitude of reductions required to balance the budget.
- Reviewing cost recovery and revenue opportunities and pursuing those opportunities when appropriate.
- Identifying reorganization opportunities aimed at increasing efficiencies and providing avenues for cost savings.
- Holding a budget workshop open to the public to outline the financial issues facing the City, and present Council with preliminary ideas on how to balance the budget.
- Reviewing human resources related expenditures and identifying the full costs of employee related expenditures.
- Requesting that department managers provide budget reduction plans to meet specified target allocations.

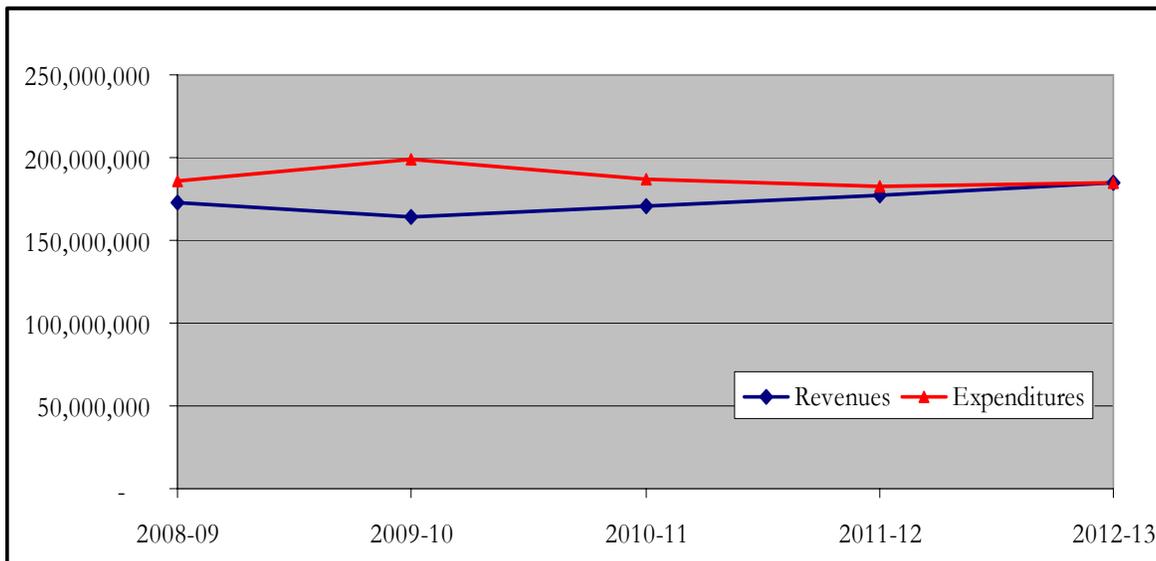
Balanced Budget Proposal

The following proposal incorporates a combination of expenditure reductions, new revenue sources, reallocation of existing resources, and use of General Fund balance to address budget shortfalls across the next four fiscal years. It is important to note that both OPEB and the medical health savings account have been incorporated into the long range forecast and budget balancing plan. Table 1 provides a broad overview of the projected revenue, expenditures, and balancing tools used to address projected shortfalls, whereas Figure 1 below provides a graphic display of projected revenue and expenditures through FY 12/13. The specific balancing tools are outlined in more detail on subsequent pages.

Table 1. City of Tempe Balanced Budget Proposal: FY 09/10 through FY 12/13

	FY 09/10	FY 10/11	FY 11/12	FY 12/13
Projected Revenue	\$163,866,560	\$170,845,784	\$177,063,644	\$184,886,910
Projected Expenditures (includes OPEB)	\$198,415,646	\$186,782,635	\$183,063,644	\$184,886,910
Projected Surplus/(Deficit)	(\$34,549,086)	(\$15,936,851)	(\$6,000,000)	\$0
<i>Apply Fund Balance</i>	\$11,127,215	\$2,630,403		
Contingency Reallocation	\$2,000,000			
<i>New/ Alternate Revenue</i>				
Departmental Submittals	\$1,132,078	(\$48,452)		
SRP In-Lieu	\$1,000,000			
Bed Tax		\$1,200,000		
Other Agency Reductions	\$1,500,000			
Department Base Budget Reductions	\$3,662,522	\$1,842,772		
Non-Departmental Reductions	\$450,000			
<i>Employee Compensation and Benefits</i>				
Salary Freeze	\$4,249,000	\$4,642,600	\$4,288,700	
Other Pay/Benefit Changes	\$1,751,000	\$1,357,400	\$1,711,300	
Personnel Reductions	\$7,677,271	\$4,312,128		
Revised Surplus/(Deficit)	\$0	\$0	\$0	\$0

Figure 1. City of Tempe Projected Revenues and Expenditures



Apply Fund Balance

Currently, the General Fund balance is comprised of approximately \$45 million in unreserved funds and \$27 million in reserved funds. In order to address our current financial situation, two changes have been made reference the General Fund balance.

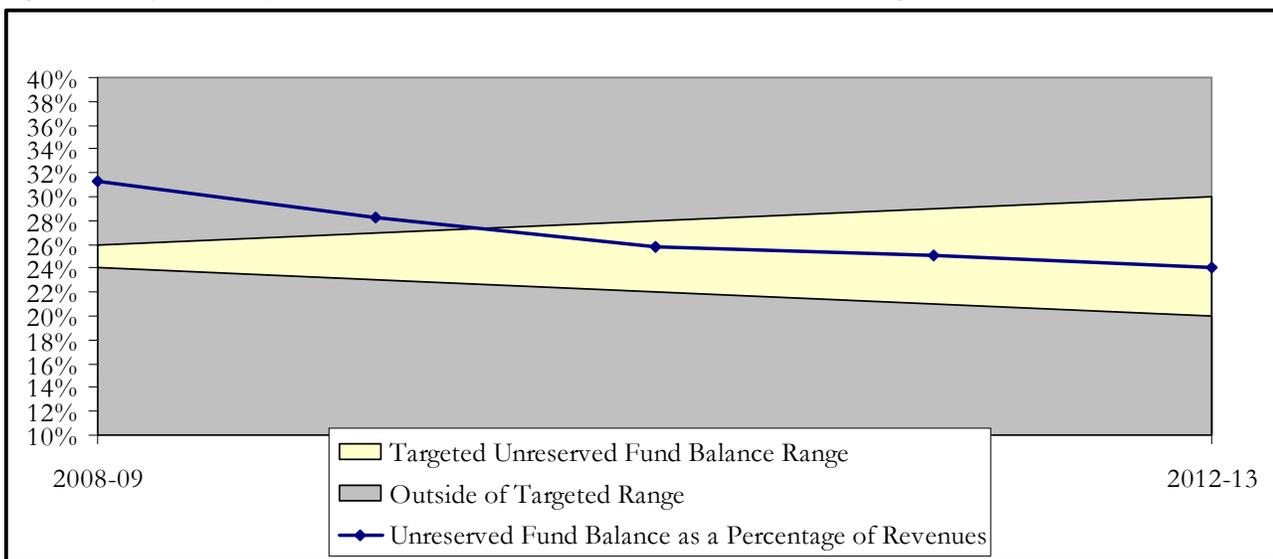
First, a financial policy change was approved by Council modifying the General Fund balance requirement of 25% of annual operating revenues to one that can fluctuate within specific limits in out years to better balance future budgets. Table 2 outlines the fund balance parameters for any five year budget plan, and denotes the actual percentages achieved for the proposed plan. Immediately below this table is a graphic display of the unreserved general fund balance as a percentage of revenues.

Second, some funds that were designated as reserved have been changed to unreserved. This includes OPEB (\$10 million); rainy day (\$10 million); and compensated absences (\$7 million). In total, nearly \$27.3 million of the General Fund balance will be expended to cover FY 08/09 deficits (\$13.5 million) as well as those projected in FY 09/10 (\$11.1 million) and FY 10/11 (over \$2.6 million).

Table 2: Five Year General Fund Balance Policy vs. Actual Ranges

Policy		Actual	
Fiscal Year	Range	Fiscal Year	Range
FY 1	24% - 26%	FY 08/09	31%
FY 2	23% - 27%	FY 09/10	28%
FY 3	22% - 28%	FY 10/11	26%
FY 4	21% - 29%	FY 11/12	25%
FY 5	20% - 30%	FY 12/13	24%

Figure 2. City of Tempe Unreserved General Fund Balance as a Percentage of Revenues



Contingency Reallocation

In an effort to address unforeseen issues and/or implement initiatives that were not included in the budget process, the City has historically included a contingency within the operating budget of 2% of revenues, which equates to approximately \$3.1 million annually. This proposal recommends a policy change of using \$2 million of this contingency to balance the budget, which means these resources will not be available for other purposes. This would result in a permanent decrease to the contingency fund.

New/ Alternate Revenue

The current plan also includes over \$1 million in the form of new revenue sources that have been submitted by departments. A brief overview of each submittal is included in the *Departmental Impacts* section of this proposal (p. 10).

Additionally, the current plan includes \$1 million in new revenue in the form of Salt River Project payments. Specifically, the Salt River Project (SRP) pays the City approximately \$1 million each year *in-lieu* of secondary property tax. Although this revenue has historically been applied toward debt service, it is allowable to apply this revenue toward operating expenditures. Given that the City's debt service fund is in sound condition, applying this *in lieu* revenue can help offset operating expenditures. This will represent a permanent change in how this revenue is used.

An increase in the bed tax is the final proposed new revenue stream. Currently, the City collects a 3% tax on hotel/motel room charges. At this time, 66.7% of the bed tax is paid to the Tempe Convention and Visitors Bureau for operations, advertising, special events promotion, etc., whereas the remaining balance is retained by the City. This proposal includes a 1% increase (requiring voter approval) in the bed tax for FY 10/11, estimated to be approximately \$1.2 million per year. The proposed use for this revenue would be to offset City costs associated with supporting special events.

A number of City departments including Police, Fire, Public Works, and Parks and Recreation have been absorbing the costs of support for special events for many years and their continued ability to do so is in jeopardy with budget reductions. For example, the Police Department alone currently estimates that its unreimbursed costs for special events exceed \$500,000 per year. Moreover, the Parks and Recreation Department has proposed a reduction in support for a number of special events as a part of this budget recommendation. Given that the Downtown Tempe Community (DTC) is recommending additional support for special events, an increase in the bed tax could help maintain special events in Tempe.

Other Agency Reductions

Currently, we are in the process of meeting with DTC, the Tempe Convention and Visitor's Bureau (TCVB), and the Tempe Community Council (TCC) for the purpose of determining the most appropriate means of funding these agencies and identifying specific cost savings to the City. Pending the outcome of these discussions, we have built in a combined savings to the City of \$1,500,000 for all three agencies. If these savings are not ultimately achieved, additional budget reductions will be necessary.

Department Base Budget Reductions

Numerous operating base budget reductions are included within this proposal. These reductions have been referred to as *below the line* reductions and represent line items not associated with permanent, full time employees. However, it is important to note that this category does include wages for temporary employees as wages are a distinct line item separate and apart from salaries and benefits associated with permanent employees. The proposed *below the line* reductions for each Department are also outlined in the *Department Impacts* section of this proposal (p. 10).

Non-Departmental Base Budget Reductions

The proposal includes a \$250,000 cost savings from the reduction of a non-departmental base budget account that has historically been used to pay for unanticipated City obligations (not imposed by any claims or lawsuits) related to various development agreements and employee recruitment expenses. This will require any future obligations of this type be paid out of contingency funding.

Historically, a position within the Water department has been reimbursed by a non-departmental account within the General Fund. However, beginning in FY 09/10, this position will be 100% supported by the Water Fund. Thus, \$100,000 in cost savings is realized from eliminating the annual transfer of General Fund dollars to the Water Fund.

Funding within a non-departmental account is also used to lease parking lots that are used primarily for employee parking. Another \$100,000 in cost savings can be realized through the elimination of some of these parking leases; however, further study on this issue will be required.

Employee Compensation and Benefits

The costs related to employee compensation and benefits have increased approximately \$6 million per year of which about \$4.5 million is compensation and the remaining \$1.5 million is benefits (mostly health coverage). A component of this proposed budget plan is to address these increases through reductions in both employee compensation and benefits as directed by Council at the December budget workshop. The assumptions of the proposed plan are that these savings would be realized through the meet and confer process for memoranda of understanding with Tempe's four employee groups.

Specifically, the proposal includes \$13 million in total cost savings as a result of salary freezes for all employees from FY 09/10 through FY 11/12. This assumes no increases in either steps or market survey adjustments. Additionally, the proposal takes into account over \$4.8 million in total cost savings through other pay and/or benefit changes during the same period.

Due to the fact that each employee work group receives different compensation and benefits (e.g., the longevity/productivity pay that applies only to Police Officers and Firefighters), other pay and/or benefit changes would need to be negotiated separately with each employee group. Some other options that could potentially generate cost savings include altering work hours through furloughs, reduced work weeks, and/or four day work weeks (see following page for discussion).

Given the variety in cost savings options and the different applicability the options have for each employee workgroup, the initial direction from City Council to set a monetary goal of \$6 million per year was sage counsel. It allows us to respect the meet and confer process by customizing solutions to our individual employee groups; avoids a potentially disparate impact by choosing one solution and finding that it affects different groups differently, and the direction is scalable for Council. That is, if the Council chose to either increase or decrease the amount of the budget cut from compensation and benefits, we would simply apply the new amount as we tailor each employee group agreement.

Furlough

A furlough is a reduction in work hours wherein an employee is unpaid and not required to report to work (i.e., an unpaid day off). While various amounts of furlough may be considered, outlined below are the advantages and disadvantages of a two day and a twelve day option.

If each City employee were required to take two furlough days per year the payroll value of that is in excess of \$900,000. The payroll value of 12 days would be approximately \$5.4 million.

The advantage of the two day furlough is that it would have a relatively minor impact on the pay (about a .75% pay reduction) of each affected employee and could potentially be scheduled to minimize impact. The disadvantage is that the impact is minor enough that many employees would likely use those two days off in lieu of taking their earned vacation. Since vacation is an earned benefit the two days would have to either be taken or paid out at a later day, reducing any savings.

The advantage of a twelve day furlough is that it would likely result in less offset of earned vacation because of the greater number of days and the City is more likely to realize savings. Some employers have given employees a choice between taking either one vacation day or furlough day each month. The disadvantage to the employee is that the pay impact would be much greater (equivalent to a 4.6% pay reduction).

The operational impacts are more difficult to assess depending on the specific time frame of the furlough and the various employee functions. For example, since Fire and some Police functions operate on a 24/7 hours basis with minimum staffing levels, furloughs would likely generate overtime costs within these Departments.

If City Council prefers furloughs to other budget reduction measures, staff can more closely evaluate the budgetary impact once the number of days is selected.

Four day work week

There are three primary reasons to consider switching to a four day work week.

Employee Morale: There are 538 city employees (36%) that work on an eight hour day/forty hour a week schedule, 318 employees (21%) that work a 9/80 week schedule (eighty hours worked over nine days in a two week period); 545 (37%) that work a 4/10 schedule, and the remainder work on some other schedule. Other cities that have implemented, or are considering, a 4/10 schedule have generally cited employee morale as a reason. Also cited are reductions in sick leave usage and reduced turnover.

Energy Savings: Savings would be realized from heating/cooling costs in City facilities that would be closed one day per week. Although some facilities could be closed (e.g., City Hall), other facilities have been identified as needing to remain in operation either five or seven days a week. Unfortunately, the facilities cited for potential closure operate on a downtown district cooling loop. Therefore, although it is difficult to isolate potential savings it is expected that there would be energy savings. For example, Queen Creek estimated \$48,000 per month and Avondale estimates \$44,000 per year in energy savings. Savings associated with vehicular travel mostly accrue to employees commuting one day less along with the positive impacts on the environment and traffic.

Customer Service: The benefit to customer service with a 10 hour work day is the ability to extend hours either in the morning or evening. Avondale now opens from 7 AM to 6 PM. The offsetting loss of access during the one day closure would have to be mitigated by keeping some parts of operations open. Interviews with Tempe Department Managers identified concerns with at least Building Safety in Development Services, Community Services, Customer Services Division of Financial Services, Fire Department, Information Technology, Parks and Recreation, Police Department and Water Management.

Tempe currently has an employee task force in place that has been evaluating this issue along with issues regarding reducing employee commuting in general, and we are currently in the process of surveying employees. If Council prefers to pursue the four day work week, the task force already has a great deal of information available and will soon have the survey data.

Reduced Work Week

The current work week is 40 hours for most City employees. Reducing the 40 hour workweek by four hours or eight hours for all City employees would be equivalent to an \$11.9 million and \$23.8 million cost savings respectively. A reduced workweek would have little impact on vacation usage so there is no known deferred cost. The commensurate impact on employees would be a 10-20% reduction in pay with an equivalent reduction in the employee's work hours.

The impacts on services throughout the City would be significant with the equivalent of a 10-20% reduction in staffing. Moreover, the operational impacts could translate to severe service reduction impacts for the Police and Fire Departments. For example, because Fire operates on 24 hours shifts it is extremely difficult to reduce the length of each shift. It is more feasible with the Fire Department to implement something closer to the furlough concept by reducing the number of shifts per firefighter per year. A reduction equivalent to 10% would require closing down at least one and likely two engine companies (Fire Stations) in order to maintain current minimum staffing requirements.

If the Council would prefer a workweek reduction to other budgetary reductions, staff can more closely evaluate service impact.

Personnel Reductions

This proposed category constitutes reductions in the total number of permanent full time equivalent positions within the City. Proposed is the elimination of 146.25 full time permanent positions, totaling nearly \$12 million. This equates to a 9% reduction in permanent full time equivalent employees within the City. In addition, 11.3 full time permanent positions have been moved to alternative funding sources. It is important to note that this category does not include temporary employees. Reductions in temporary staff are included in the base budget reductions as temporary employees are paid from separate line items than permanent employees. Unfortunately, it is difficult to determine the exact impact of wage reductions on temporary staff as the use of temporary staff varies considerably among departments.

The proposed personnel reductions and related impacts for each Department are outlined in the next section of this proposal, titled *Department Impacts* (p. 10). As additional reference, Appendix A (p. 36) provides a broad summary of all proposed personnel reductions by Department.

In an effort to assist employees affected by reductions, Human Resources developed a plan to help transition permanent full time equivalent employees into vacant positions in the City for which they are qualified. Participation in this plan is voluntary, and will be implemented as soon as recommended reductions are finalized and approved by Council.

Reorganization Recommendations

Several reorganization concepts are proposed to provide cost savings and improve City services through streamlining. Examples include the creation of a centralized City call center, joining the residential and commercial code enforcement teams, and merging together planners from different departments to create a master planning work unit. Specific reorganization recommendations are included in the *Department Impacts* section of this document (p. 10). Please note that all position transfers related to reorganization concepts are identified within the section of the Department where the transfers originate.

Retirement Incentives

One final item for consideration is offering retirement incentives. This makes financial sense when narrowly applied to positions that are targeted for elimination. The concept would be that a retirement incentive would be offered before July 2009 and, if taken, would create a vacancy sooner than if the position was vacated through position reductions. An additional benefit would include not requiring position reductions of less tenured employees in the same or similar positions.

Given that there are 22 employees who are currently eligible for retirement in positions that are slotted for elimination, a retirement incentive is proposed that would offer a combination of 75% sick leave buy out (currently we buy out 50%) and .5% of salary for each year of service with the City. In the unlikely event that all 22 eligible employees participated, the cost of such a buyout would be \$188,000.

Summary

Given the severity of the economic issues we are facing, there are no quick or easy solutions. Ensuring the City's financial future is stable and sustainable will require a long term, consistent approach. This proposal incorporates a variety of measures intended to balance the budget while still ensuring the safety and well being of our community. Direction from Council is requested on pursuing this proposal.

Department Impacts

The follow section summarizes the impact of position reductions, operating base budget reductions, and new revenue on each City Department. Water is excluded since they are solely funded by an enterprise fund. Please note that GF refers to General Fund. In addition, the savings listed in each fiscal year is mutually exclusive, but savings are recurring.

City Attorney

Department Proposal	FTE Positions Eliminated from GF	FTE Positions Transferred out of GF	Total FY 09/10 Savings	Total FY 10/11 Savings	Timing
Eliminate Assistant City Attorney position (Civil)	1.0	0.0	\$112,279	\$0	Jul-09
Eliminate Legal Assistant positions (Criminal)	2.0	0.0	\$113,807	\$0	Jul-09
<i>Personnel Total</i>	<i>3.0</i>	<i>0.0</i>	<i>\$226,086</i>	<i>\$0</i>	
Base Budget Reductions - Wages	0.0	0.0	\$41,274	\$0	Jul-09
Base Budget Reductions - Overtime	0.0	0.0	\$0	\$0	N/A
Base Budget Reductions - Other Line Items	0.0	0.0	\$56,150	\$15,678	Jul-09; Jul-10
<i>Base Budget Reduction Total</i>	<i>0.0</i>	<i>0.0</i>	<i>\$97,424</i>	<i>\$15,678</i>	
City Attorney Overall Total	3.0	0.0	\$323,510	\$15,678	

The City Attorney's Office represents the City in all legal proceedings through its Civil Division and Criminal Division (Prosecutor's Office). The Civil Division is responsible for providing legal services to City departments, boards, and commissions, as well as the Mayor, City Manager, and City Council, whereas the Criminal Division is responsible for prosecuting misdemeanors and City code violations that occur in Tempe.

The loss of staff will transfer research, initial drafting of motions, and preliminary drafting of legal opinions directly to the attorneys. This will take City Attorneys away from their primary responsibilities (e.g., prosecuting traffic and criminal complaints, legal form review, providing litigation representation) and may result in delayed service delivery to internal customers and to the community. Additionally, the loss of these positions could necessitate the potential elimination of services that may include weekend arraignments, prosecutor participation in daily arraignment, Adult Diversion Program (ADP) plea agreements, and non-ADP community service. Therefore, these reductions may:

- Increase the workload of remaining attorney staff.
- Lead to delays in service delivery.
- Require elimination of some City Attorney services.

City Clerk

	Department Proposal	FTE Positions Eliminated from GF	FTE Positions Transferred out of GF	Total FY 09/10 Savings	Total FY 10/11 Savings	Timing
Base Budget	Base Budget Reductions - Wages	0.0	0.0	\$0	\$0	N/A
	Base Budget Reductions - Overtime	0.0	0.0	\$2,454	\$0	Jul-09
	Base Budget Reductions - Other Line Items	0.0	0.0	\$10,873	\$0	Jul-09
	<i>Base Budget Reduction Total</i>	<i>0.0</i>	<i>0.0</i>	<i>\$13,327</i>	<i>\$0</i>	
	City Clerk Overall Total	0.0	0.0	\$13,327	\$0	

The City Clerk's Office maintains the official records of all City Council proceedings, provides City election services, administers open meeting laws, and performs State and Municipal statutory duties for elected officials, voters, City departments and the public. Reductions are proposed across numerous operating base budget accounts, including legal advertising and document recording. These accounts will be evaluated should an increase in demand for these statutory services occur. These reductions may also impact the Office's ability to:

- Provide formal training for employees.

City Court

	Department Proposal	FTE Positions Eliminated from GF	FTE Positions Transferred out of GF	Total FY 09/10 Savings	Total FY 10/11 Savings	Timing
Personnel	Move Court Interpreter position to Fill the Gap fund	0.0	1.0	\$69,133	\$0	Jul-09
	Move Court Financial Services Supervisor position to Judicial Collections Enhancement fund	0.0	1.0	\$88,866	\$0	Jul-09
	Move Court Services Supervisor position to Judicial Collections Enhancement fund	0.0	1.0	\$82,579	\$0	Jul-09
	Move Court Services Specialist position to Judicial Collections Enhancement fund (2 positions move over in FY 09/10 and 1 position moves back into GF in FY 10/11)	0.0	1.0	\$102,924	(\$51,462)	Jul-09
	Move Court Training Coordinator position to Judicial Collections Enhancement fund	0.0	1.0	\$83,485	\$0	Jul-09
	Move Deputy Court Manager position to Court Enhancement fund	0.0	1.0	\$52,888	\$52,888	Jan-10
	Eliminate Court Services Specialist positions	2.0	0.0	\$51,479	\$51,462	Jul-09; Jul-10
	Eliminate Court Services Supervisor position	1.0	0.0	\$0	\$88,866	Jul-10
	Personnel Total		3.0	6.0	\$531,354	\$141,754
Base Budget	Base Budget Reductions - Wages	0.0	0.0	\$0	\$18,278	Jul-10
	Base Budget Reductions - Overtime	0.0	0.0	\$0	\$0	N/A
	Base Budget Reductions - Other Line Items	0.0	0.0	\$22,224	\$0	Jul-09
	Base Budget Reduction Total		0.0	0.0	\$22,224	\$18,278
City Court Overall Total		3.0	6.0	\$553,578	\$160,032	

The Tempe Municipal Court handles misdemeanor offenses, petty offenses, and civil violations, including traffic and City ordinance violations. The Court also issues orders of protection and injunctions against harassment and has the highest ratio of filings to both Judges and non-judicial employees in Maricopa County. In response to current and projected budgetary constraints, the Court is proposing to fund positions through non-General Fund sources. The Court has received approval from the Arizona Supreme Court to use grants, municipal Fill-the-Gap, Court Enhancement, and Judicial Collection Enhancement Funds – funds that are available only to the Court, to fund select Court positions. Based on existing fund balances and projections, the City Court could continue to support these positions for the next two fiscal years; however, the need for returning some, if not all, of these positions back to the General Fund will need to be evaluated when alternative funding sources expire. Any decreased need for personnel would arise from efficiencies gained through a new Court Management System and/or changes in demands for service. The reductions proposed may:

- Increase workload on remaining Court staff.
- Lead to delays in service delivery to citizens doing business with the Court.
- Lead to cases being dismissed due to time delays.

City Manager

	Department Proposal	FTE Positions Eliminated from GF	FTE Positions Transferred out of GF	Total FY 09/10 Savings	Total FY 10/11 Savings	Timing
Base Budget	Base Budget Reductions - Wages	0.0	0.0	\$2,000	\$0	Jul-09
	Base Budget Reductions - Overtime	0.0	0.0	\$0	\$0	N/A
	Base Budget Reductions - Other Line Items	0.0	0.0	\$2,500	\$2,100	Jul-09; Jul-10
	<i>Base Budget Reduction Total</i>	<i>0.0</i>	<i>0.0</i>	<i>\$4,500</i>	<i>\$2,100</i>	
	City Manager Overall Total	0.0	0.0	\$4,500	\$2,100	

The City Manager's Office is responsible for professionally implementing all City Council policy decisions, efficiently directing the city's operations, and creating an organizational culture that results in the delivery of municipal services to residents of Tempe. Proposed reductions are from operating base budget accounts and will have minimal impact. Specifically, the proposed reductions will reduce the ability to:

- Represent the City of Tempe at appropriate statewide and/or regional meetings.
- Participate in management training opportunities.
- Maintain and replace equipment.

Community Development

	Department Proposal	FTE Positions Eliminated from GF	FTE Positions Transferred out of GF	Total FY 09/10 Savings	Total FY 10/11 Savings	Timing
Personnel	Transfer portion of Department Manager expenditures to Sec 8 or CDBG	0.0	0.3	\$62,708	\$0	Jul-09
	Eliminate Community Development Deputy Mgr. position (50% General Fund savings)	0.5	0.0	\$70,779	\$0	Jul-09
	Eliminate Executive Assistant position	1.0	0.0	\$65,719	\$0	Jul-09
	Eliminate Administrative Assistant II position	1.0	0.0	\$54,126	\$0	Jul-09
	Eliminate Code Inspector positions	3.0	0.0	\$195,945	\$0	Jul-09
	Eliminate Code Enforcement Administrator position.	1.0	0.0	\$124,300	\$0	Jul-09
	Eliminate Neighborhood Enhancement Program Coordinator position	1.0	0.0	\$89,001	\$0	Jul-09
	Eliminate Planner II position	1.0	0.0	\$76,074	\$0	Jul-09
	Eliminate Principal Planner position (Transferred from Transit through the reorg.)	1.0	0.0	\$117,675	\$0	Jul-09
	Personnel Total	9.5	0.3	\$856,327	\$0	
Base Budget	Base Budget Reductions - Wages	0.0	0.0	\$176,000	\$0	Jul-09
	Base Budget Reductions - Overtime	0.0	0.0	\$0	\$0	N/A
	Base Budget Reductions - Other Line Items	0.0	0.0	\$6,000	\$46,814	Jul-09; Jul-10
	Base Budget Reduction Total	0.0	0.0	\$182,000	\$46,814	
Community Development Overall Total		9.5	0.3	\$1,038,327	\$46,814	

	Cost Neutral Reorganization Transfers out of Community Development	FTE Positions Eliminated	FTE Positions Transferred	Total FY 09/10 Savings	Total FY 10/11 Savings	Timing
Transfers	Transfer Sr. Code Inspector Specialist position to Development Services (Code Enforcement Team)	N/A	1	N/A	N/A	Jul-09
	Transfer Code Inspector II positions to Development Services (Code Enforcement Team)	N/A	5	N/A	N/A	Jul-09
	Transfer Administrative Project Coordinator position from Rio Salado Operations to the Parks & Recreation Department	N/A	1	N/A	N/A	Jul-09
	Transfer Administrative Assistant positions from Rio Salado Operations to the Parks & Recreation Department	N/A	2	N/A	N/A	Jul-09
	Transfer Marketing Specialist position from Rio Salado Operations to the Community Relations call center	N/A	1	N/A	N/A	Jul-09
Community Development Total Transfers Out			10			

Community Development serves to improve and develop business districts and residential areas throughout Tempe. The Community Development Department consists of Economic Development, Historic Preservation, Housing Services, Neighborhood Enhancement, Redevelopment, Special Projects, and Tempe Town Lake. Proposed are personnel reductions, reorganization concepts, and operating base budget reductions.

In addition to the specific cost savings reductions outlined above, several significant reorganization concepts are proposed for the Community Development Department. The intent behind the proposed changes is to allow the Department to focus more directly on attracting economic investment and business (creating wealth and prosperity) and to continue to concentrate on redevelopment opportunities in Tempe. In addition, reassigning work groups would increase staffing efficiencies in City services and programs. The reorganization changes proposed includes transferring three different Community Development divisions to other City departments. Specifically, Neighborhood Enhancement (residential code enforcement) would merge with Commercial Code Enforcement within the Development Services Department; Tempe Town Lake Operations staff would be transferred to the Parks and Recreation Department; and Marketing staff would transfer to Community Relations to establish a City-wide marketing and communications function. Finally, the Transportation Planning work unit from the Public Works Department would merge with Community Development's Redevelopment work group to establish a master planning work unit.

The proposed reductions and reorganization recommendations may initially impact customer service levels during the transition process; however, the efficiencies that will be gained should be substantial in the long term. Additionally, these reductions may decrease the Department's ability to serve walk-in customers and phone queries. Finally, the Department's ability to respond quickly and confidentially to new and/or expanding business needs related to marketing and public relations may be challenging during the transition toward a consolidated City marketing program.

Community Relations

	Department Proposal	FTE Positions Eliminated from GF	FTE Positions Transferred out of GF	Total FY 09/10 Savings	Total FY 10/11 Savings	Timing
Personnel	Eliminate Sr. Council Aide position	1.0	0.0	\$75,566	\$0	Jul-09
	Eliminate Sr. Executive Administrative Assistant position	1.0	0.0	\$82,666	\$0	Jul-09
	Community Relations Call Center Supervisor position	0.0	0.0	(\$65,627)	(\$65,626)	Jan-10
	<i>Personnel Total</i>	2.0	0.0	\$92,606	(\$65,626)	
Base Budget	Base Budget Reductions – Wages	0.0	0.0	\$0	\$3,300	Jul-10
	Base Budget Reductions – Overtime	0.0	0.0	\$0	\$0	N/A
	Base Budget Reductions – Other Line Items	0.0	0.0	\$212,879	\$74,401	Jul-09; Jul-10
	<i>Base Budget Reduction Total</i>	0.0	0.0	\$212,879	\$77,701	
Community Relations Overall Total		2.0	0.0	\$305,485	\$12,075	

The Community Relations Department serves the community, elected officials, and other City departments, and is comprised of the Mayor and Council Offices, Neighborhood services, Communication and Media Relations, and Government Relations. Proposed are two important reorganization concepts aimed at providing more efficient and effective services to the community, as well as a number of personnel and base budget reductions.

In regard to reorganization, it is proposed that marketing and communications staff from throughout the City transition to Community Relations to provide a cohesive message to the public in regard to events, programs, and issues facing our community. In addition to the transfers from other departments noted in each specific section, a Management Assistant II from Water will also be joining this function. A second recommendation is to create a centralized call center that will provide a higher level of customer service to the community by having customer advocates available to quickly address or appropriately direct calls that come into the City. Staffing for the call center is coming from existing resources in Community Relations and from other departments. In addition, the implementation of a customer relations software tracking system will allow customer concerns to be managed and evaluated, and will provide valuable information to Council in reference to future policy making. If implemented, the call center will be evaluated to ensure it is providing added value to community members.

Specific reductions will result in reducing the local lobbyist services by 30 percent and the aviation lobbyist contract to an *as needed* basis which may impact the ability of the Department to closely monitor aviation and other legislative concerns that may adversely affect the City. In addition, the contract reductions would result in fewer tapings of Board and Commission meetings, a reduction in the number of *Let's Talk Tempe* shows, and eliminate photo and video services for most recurring events. Collectively, the proposed reductions would increase the workload of remaining staff and may impact the ability of the Department to:

- Provide customer service to both internal and external customers including administrative support to elected officials and the City Manager's office.
- Manage regional issues that could impact the community.

Community Services

	Department Proposal	FTE Positions Eliminated from GF	FTE Positions Transferred out of GF	Total FY 09/10 Savings	Total FY 10/11 Savings	Timing
Revenue	Kid Zone Fee Increases	0.00	0.0	\$119,125	\$0	Jul-09
	Community Diversion Fees	0.00	0.0	\$92,880	\$0	Jul-09
	Revenue Total	0.00	0.0	\$212,005	\$0	
Personnel	Eliminate Admin. Assist. II position	1.00	0.0	\$65,977	\$0	Jul-09
	Eliminate Library Assistant positions	1.50	0.0	\$68,283	\$0	Jul-09
	Eliminate Library Specialist II positions	2.75	0.0	\$60,860	\$107,131	Jan-10; Jul-10
	Eliminate Librarian I positions	1.50	0.0	\$17,811	\$83,586	Jan-10; Jul-10
	Eliminate Library Supervisor position	1.00	0.0	\$90,448	\$0	Jul-09
	Eliminate Arts Administrator position	1.00	0.0	\$50,638	\$50,638	Jan-10
	Eliminate Sr. Museum Curator position	1.00	0.0	\$0	\$78,964	Jul-09
	Eliminate Museum Aide position	0.50	0.0	\$27,885	\$0	Jul-10
	Eliminate Assistant Recreation Coordinator positions	5.00	0.0	\$308,350	\$0	Jul-09
	Eliminate Counselor II position (Care 7)	1.00	0.0	\$0	\$95,084	Jul-10
	Eliminate Community Services Supervisor position	1.00	0.0	\$55,555	\$55,555	Jan-10
	Eliminate Sr. Social Services Coordinator positions	3.00	0.0	\$40,471	\$204,141	Jan-10; Jul-10
Personnel Total	20.25	0.0	\$786,278	\$675,098		
Base Budget	Base Budget Reductions - Wages	0.00	0.0	\$390,536	\$0	Jul-09
	Base Budget Reductions - Overtime	0.00	0.0	\$0	\$0	N/A
	Base Budget Reductions - Other Line Items	0.00	0.0	\$125,515	\$3,882	Jul-09; Jul-10
	Base Budget Reduction Total	0.00	0.0	\$516,051	\$3,882	
Community Services Overall Total		20.25	0.0	\$1,514,334	\$678,980	

	Cost Neutral Reorganization Transfers out of Community Services	FTE Positions Eliminated	FTE Positions Transferred	Total FY 09/10 Savings	Total FY 10/11 Savings	Timing
	Transfer Mgt. Asst. II to Community Relations to centralize the City's marketing and communications function.	N/A	1.0	N/A	N/A	TBD
Community Services Total Transfers Out			1.0			

The Community Services Department offers a variety of programs, classes and workshops for residents of all ages. The Department is comprised of the Tempe Public Library, Cultural Services (which includes the Historical Museum), the Tempe Center for the Arts, and Social Services. Social Services houses Kid Zone, CARE 7, the Multigenerational Centers, Diversion Services, and Community Partnerships and Prevention Services. Proposed are personnel and operating base budget reductions that will impact all divisions within the Community Services Department.

Specifically, the proposed reduction of 21% of Library staffing would result in decreased customer service to library patrons by way of reduced library hours, programs, in-house assistance, and likely longer waits for service. In addition, it is proposed that the library open one hour later each day. Examples of services impacted are the youth library, computer access center, and adult services. The reduction in personnel from Cultural Services will impact services and hours of operation for both the Peterson House and other museums. The Petersen House would be available through appointment only.

Additionally, the elimination of Social Services positions would result in the loss of the counseling program that supports CARE7. Proposed budget reductions would impact Kid Zone by increasing child to staff ratios from 12 to 15 children per staff member and a potentially reduce pay levels for temporary staff.

Finally, a variety of community cultural classes and programs would be reduced or eliminated, and the availability of supplies and materials provided for remaining classes would be reduced. Collectively, the proposed reductions would increase the workload of remaining staff resulting in:

- Reduced service delivery to the community specifically at the Tempe Library, Museums, CARE 7 and Kid Zone programs.
- An increased workload for remaining staff.
- Elimination of programs for children and those needing counseling services.

Development Services

	Department Proposal	FTE Positions Eliminated from GF	FTE Positions Transferred from GF	Total FY 09/10 Savings	Total FY 10/11 Savings	Timing
Personnel	Eliminate Senior Planner positions	2.0	0.0	\$102,763	\$102,763	Jul-09; Jul-10
	Eliminate Part-Time Planner I position	0.5	0.0	\$36,138	\$0	Jul-09
	Eliminate Counter Services positions	2.0	0.0	\$55,740	\$55,740	Jan-10
	Eliminate Code Inspector II position	1.0	0.0	\$0	\$71,530	Jul-10
	Reclass two (2) Principal Planner positions to Sr. Planner positions	0.0	0.0	\$18,795	\$18,795	Jan-10
	Eliminate Plan Examiner position	1.0	0.0	\$0	\$97,175	Jul-10
	Eliminate Building Inspector II position	1.0	0.0	\$69,525	\$0	Jul-09
	Eliminate Building Code Complaint Investigator position	1.0	0.0	\$40,628	\$40,628	Jan-10
	Outreach Coordinator position	(1.0)	0	\$0	(\$102,762)	July-10
Personnel Total		7.5	0.0	\$323,588	\$283,869	
Base Budget	Base Budget Reductions - Wages	0.0	0.0	\$88,044	\$18,000	Jul-09; Jul-10
	Base Budget Reductions – Overtime	0.0	0.0	\$0	\$12,000	Jul-10
	Base Budget Reductions - Other Line Items	0.0	0.0	\$48,246	\$10,597	Jul-09; Jul-10
	Base Budget Reduction Total		0.0	0.0	\$136,290	\$40,597
Development Services Overall Total		7.5	0.0	\$459,878	\$324,466	

Development Services consists of two divisions, Planning and Building Safety. The Department provides a continuum of service for all types of building projects. Planning entitlements, plan reviews, permitting activities, building inspections, commercial code enforcement, and related support activities are performed by Development Services staff.

Proposed reorganization elements in this plan include a merger of today's Residential Code Enforcement from Community Development with the Commercial Code Enforcement team in Development Services. Reductions in staff will occur as part of this reorganization. In addition, the part-time temporary code enforcement personnel that were previously funded in Community Development would be eliminated. However, additional support can be provided by Water Meter Readers who are already out in the field. To mitigate the impact of these reductions on our community, the creation of a new Outreach Coordinator position has been identified within the Planning Division to serve as an *ombudsman* to assist in the support of this team. In addition, efficiencies are anticipated over time by consolidating like functions within the combined Code Team, and better use of available technology to increase productivity. A strong and ongoing focus on inter-departmental partnerships will be brought to bear to supplement the work of this team.

A second reorganization element includes the potential merger of the Development Services and Public Works Engineering Customer Services Counters. By co-locating these two services, a *single point of service* may be created wherein customers can receive both development and engineering permits at one location. Efficiencies for this potential merger are included in this plan as Development Services staff reductions.

Proposed reductions include personnel and wages used to contract for services during peak activity periods. These cuts may result in increased turn-around times for projects in both divisions, and the loss of same-day service for residential building permits. Proactive building code violation investigations will be narrowly focused on life safety issues, but next-day building inspections for current construction will be maintained.

Diversity

	Department Proposal	FTE Positions Eliminated from GF	FTE Positions Transferred out of GF	Total FY 09/10 Savings	Total FY 10/11 Savings	Timing
Personnel	Eliminate Police Diversity Liaison/Specialist position	1.0	0	\$83,030	\$0	Jul-09
	Eliminate ADA Accessibility Specialist position	0.5	0	\$40,370	\$0	Jul-09
	<i>Personnel Total</i>	<i>1.5</i>	<i>0.0</i>	<i>\$123,400</i>	<i>\$0</i>	
Base Budget	Base Budget Reduction – Wages	0	0	\$0	\$0	N/A
	Base Budget Reduction – Overtime	0	0	\$0	\$0	N/A
	Base Budget Reduction – Other Line Items	0	0	\$35,500	\$14,328	Jul-09; Jul-10
	<i>Base Budget Reduction Total</i>	<i>0.0</i>	<i>0.0</i>	<i>\$35,500</i>	<i>\$14,328</i>	
Diversity Overall Total		1.5	0.0	\$158,900	\$14,328	

The Diversity Department provides a Safe Haven to promote a healthy work environment for City employees, and manages the City of Tempe Diversity Steering Committee, facilitates the development of the Diversity Strategic Plan, and assists City Departments with diversity issues. Diversity also partners with the Human Relations Commission and the Mayor's Commission on Disability Concerns. The proposed reductions will reduce the Department's ability to manage and assist in the implementation of the Police Department's Diversity Action Plan and related programs, and will reduce the amount of resources dedicated to ensuring accessibility for Tempe citizens and City employees with disabilities. Furthermore, these reductions will:

- Require scaling back the Martin Luther King Diversity Awards Brunch and Tardeada Celebration, which includes the elimination of the Tardeada reception
- Eliminate the biennial Boards and Commission dinner and the annual Insight Bowl/Fiesta Bowl Block Party *thank you* breakfast
- Require scaling back or elimination of Diversity programming such as the Diversity Dialogue Program

Financial Services

	Department Proposal	FTE Positions Eliminated from GF	FTE Positions Transferred from GF	Total FY 09/10 Savings	Total FY 10/11 Savings	Timing
Revenue	Enhanced Tax Revenue Collections	0.0	0.0	\$300,000	\$0	Jul-09
	<i>Revenue Total</i>	<i>0.0</i>	<i>0.0</i>	<i>\$300,000</i>	<i>\$0</i>	
Personnel	Eliminate Tax and License Administrator position	1.0	0.0	\$105,789	\$0	Jul-09
	Eliminate Financial Services Tech. position	1.0	0.0	\$55,749	\$0	Jul-09
	Transfer expenditures for Safety & Risk Coord. Position to Water Fund	0.0	1.0	\$88,856	\$0	Jul-09
	<i>Personnel Total</i>	<i>2.0</i>	<i>1.0</i>	<i>\$250,394</i>	<i>\$0</i>	
Base Budget	Base Budget Reduction – Wages	0.0	0.0	\$23,005	\$0	Jul-09
	Base Budget Reduction - Overtime	0.0	0.0	\$16,002	\$0	Jul-09
	Base Budget Reduction - Other Line Items	0.0	0.0	\$417,000	\$0	Jul-09
	<i>Base Budget Reduction Total</i>	<i>0.0</i>	<i>0.0</i>	<i>\$456,007</i>	<i>\$0</i>	
Financial Services Overall Total		2.0	1.0	\$1,006,401	\$0	

	Cost Neutral Reorganization Transfers out of Financial Services	FTE Positions Eliminated	FTE Positions Transferred	Total FY 09/10 Savings	Total FY 10/11 Savings	Timing
Transfers	Transfer Admin. Asst. I position to Community Relations call center	N/A	1.0	N/A	N/A	TBD
	Transfer Reprographics Supervisor positions to Information Technology	N/A	2.0	N/A	N/A	Jul-09
	Transfer Reprographics Operator position to Information Technology	N/A	1.0	N/A	N/A	Jul-09
	Transfer Distribution Mail Clerk position to Information Technology	N/A	1.0	N/A	N/A	Jul-09
Financial Services Total Transfers Out			5.0			

The Financial Services Department, which includes Accounting, Budget, Customer Services, Procurement, Risk Management, and Tax and License, provides financial management and operational support to the Mayor, City Council, the City Manager, and other City departments. Services provided include accounting, budgeting, long-range financial planning, cash management, purchasing, payroll, sales tax collection and auditing, business licensing, utility billing and collection, and risk management. Proposed are personnel reductions, reorganization concepts, and base budget reductions. Included within the base budget reductions are the relocation of Tax & License from leased space in Centerpoint to the city-owned 525 building, the allocation of a portion of the Financial Services Administration overhead to the Water/Wastewater Fund,

and the allocation of property insurance premiums directly to the Transit and Performing Arts Fund. In addition, the Duplicating function is being transitioned to the Information Technology Division, where one position will be eliminated.

Proposed reductions and reorganizations in Financial Services may in fact bring about positive change including more effective coordination and supervision of City-wide safety activities, faster tax return processing, improved timeliness of financial reporting, and improved customer service to Tempe residents and businesses by providing centralized payment for utilities and sales taxes. In addition, some updated methodologies will be incorporated to address past due taxes which should enhance overall revenue.

Fire

	Department Proposal	FTE Positions Eliminated from GF	FTE Positions Transferred out of GF	Total FY 09/10 Savings	Total FY 10/11 Savings	Timing
Revenue	IGA - County Island Fire District	0.0	0.0	\$112,000	\$0	Jul-09
	<i>Revenue Total</i>	<i>0.0</i>	<i>0.0</i>	<i>\$112,000</i>	<i>\$0</i>	
Personnel	Eliminate Fire Captain positions	2.0	0.0	\$212,546	\$0	Jul-09
	Eliminate Fire Fighter positions	3.0	0.0	\$197,403	\$0	Jul-09
	Eliminate Sr. Fire Inspector positions	2.0	0.0	\$127,507	\$0	Jul-09
	<i>Personnel Total</i>	<i>7.0</i>	<i>0.0</i>	<i>\$537,456</i>	<i>\$0</i>	
Base Budget	Base Budget Reductions - Overtime (will take one Engine Company out of service)	0.0	0.0	\$732,287	\$0	Jul-09
	Base Budget Reductions - Other Line Items	0.0	0.0	\$77,500	\$200,955	Jul-09; Jul-10
	<i>Base Budget Reduction Total</i>	<i>0.0</i>	<i>0.0</i>	<i>\$809,787</i>	<i>\$200,955</i>	
Fire Department Overall Total		7.0	0.0	\$1,459,243	\$200,955	

The Tempe Fire Department provides for the safety and welfare of the public through preservation of life, health, property, and the environment. This is accomplished through the response to and prevention of fire, auto accident, and emergency medical incidents. Services provided include: Fire Prevention, Public Safety Education, Fire Suppression, Emergency Medical, Technical Rescue, and Hazardous Materials Responses. Proposed are personnel reductions, base budget reductions, as well as the proceeds from the recently adopted IGA with Tempe County Island Fire District. The proposed reductions would have impacts on current Fire Department service delivery.

The elimination of the two Fire Captains will preclude the Department from having a dedicated safety officer. The elimination of the three Firefighter positions reduces staffing for the engine/heavy rescue company from five to four. Currently, there are two separate companies at the Apache Boulevard Fire Station that respectively staff an engine company and an engine/heavy rescue company. The engine/heavy rescue company would be eliminated and the personnel dispersed throughout the Fire Department to fill vacant shifts and reduce overtime costs. The immediate impact of this change would be increased response time and call load for the Apache Boulevard Fire Station and subsequently the inability to place the additional fire company into service in south Tempe. No site has yet been acquired for the south Tempe fire station. Proposed budget reductions would result in:

- Increased response times to emergency calls.
- The inability to have a safety officer at all emergency scenes.
- Delayed fire inspections and investigations.
- An increased workload for remaining staff.

Human Resources

	Department Proposal	FTE Positions Eliminated from GF	FTE Positions Transferred out of GF	Total FY 09/10 Savings	Total FY 10/11 Savings	Timing
Personnel	Eliminate Sr. Learning and Org. Dev. Associate position	1.0	0.0	\$79,531	\$0	Jul-09
	Eliminate Human Resources Tech. positions	2.5	0.0	\$126,088	\$31,522	Jul-09; Jan-10
	Reclassify Executive Administrative Assistant position to Administrative Assistant II position	0.0	0.0	\$4,475	\$0	Jul-09
	Reclassify Performance Mgt. Specialist position to Org. Dev. Associate position	0.0	0.0	\$4,436	\$0	Jul-09
	Personnel Total	3.5	0.0	\$214,530	\$31,522	
Base Budget	Eliminate Deferred Comp Fund Fees	0.0	0.0	\$45,000	\$0	Jul-09
	Charge Back LTD Payments to Departments	0.0	0.0	\$85,000	\$0	Jul-09
	Base Budget Reduction - Wages	0.0	0.0	\$0	\$1,500	Jul-10
	Base Budget Reduction - Overtime	0.0	0.0	\$0	\$0	N/A
	Base Budget Reduction - Other Line Items	0.0	0.0	\$28,927	\$22,291	Jul-09; Jul-10
	Base Budget Reduction Total	0.0	0.0	\$158,927	\$23,791	
Human Resources Overall Total		3.5	0.0	\$373,458	\$55,313	

The Human Resources Department conducts a myriad of responsibilities ranging from recruitment and testing, employee benefits, organizational development, and training. The Department is made up of several divisions that include the Tempe Learning Center, Recruitment and Testing / Classification and Compensation, and Employee Benefits and Services. Proposed are position reductions and reclassifications, base budget reductions, the elimination of deferred comp fees through a new contract, and the charging back of long term disability (LTD) to individual departments. These proposed reductions will impact the services provided by Human Resources as well as have some impact on other departments.

Implications of the proposed reductions may include a reduction in training and development opportunities for City employees as well as a reduction in direct human resources services to each of the City's departments. Additionally, due to the charging back of LTD, other departments will have less funding available to hire temporary staff when an employee is on long term disability. Although the reductions will increase the workload of remaining staff they also may bring about positive changes that can provide Human Resources staff with broader customer service skills, increase their knowledge of Human Resources beyond their specializations, and encourage more involvement from other Human Resources staff members in working with departments on training and development issues. Other impacts of these proposed reductions include:

- Delayed processing of employee benefits.
- Delayed City-wide recruitment processes.
- The need to rely on outside training or subject matter experts from the City.

Information Technology

	Department Proposal	FTE Positions Eliminated from GF	FTE Positions Transferred out of GF	Total FY 09/10 Savings	Total FY 10/11 Savings	Timing
Personnel	Eliminate Programmer Analyst II positions	5.0	0.0	\$0	\$534,595	Jul-10
	Eliminate IT Support Analyst position	1.0	0.0	\$73,010	\$0	Jul-09
	Eliminate Sr. Tech. Support Analyst position	1.0	0.0	\$98,957	\$0	Jul-09
	Eliminate Data Center Support Specialist position	1.0	0.0	\$30,239	\$30,239	Jan-10
	Eliminate PC Services Supervisor position	1.0	0.0	\$127,187	\$0	July-09
	Eliminate Enterprise Network Engineer position	1.0	0.0	\$47,335	\$47,335	Jan-10
	Eliminate Enterprise Network Tech. position	1.0	0.0	\$71,479	\$0	Jul-09
	Eliminate Reprographics Supervisor position	1.0	0.0	\$35,802	\$35,802	Jan-10
	Personnel Total	12.0	0.0	\$484,009	\$647,971	
Base Budget	Base Budget Reductions - Wages	0.0	0.0	\$0	\$0	N/A
	Base Budget Reductions - Overtime	0.0	0.0	\$0	\$0	N/A
	Base Budget Reductions - Other Line Items	0.0	0.0	\$589,250	\$452,489	Jul-09; Jul-10
	Base Budget Reduction Total	0.0	0.0	\$589,250	\$452,489	
Information Technology Overall Total		12.0	0.0	\$1,073,259	\$1,100,460	

The Information Technology Department (ITD) is comprised of three functional areas, including Administration, Application Services, and Technical Services, and is responsible for developing City-wide strategies and plans for investing in, and operating, Tempe's technological resources. Proposed cost savings include personnel reductions, reorganization concepts, and operating base budget reductions. These proposed reductions will impact the services provided by the IT Department which will, in turn, impact technology-related projects and applications, as well as the support provided to other Departments.

Reductions in the base budget will result in longer hardware refresh periods (5 or more years); this will increase equipment failure rates due to age and wear.

The reduction of Programmers will lead to delayed development, enhancements, upgrades, and day-to-day support for applications within nine Departments throughout the City. Moreover, the ITD's support of the City-wide PeopleSoft system would be impacted. In addition, the Department will be hindered in its ability to focus on future technologies, researching new technologies, implementing/supporting new programs, as well as supporting all existing programs. The loss of positions that support the City's Help Desk Unit will result in increased queue times, increased call abandonment rates, and will result in fewer hours of operation. Similarly, the elimination of the PC Services Division will increase the queuing times of calls for service, as well as the ratio of support staff to customers. The elimination of the networking staff will place ITD's

network operations into a *maintenance only* mode. Overall impacts of the proposed reductions, inclusive of the merger of Financial Services/Duplicating within the ITD Data Center Operations area, will include:

- Increased service times for City-wide technology-related requests.
- A hardware refresh rate greater than 5 years.
- Decreased support for city-wide hardware, software, networking, and other technology projects.
- A slowdown on the City's wireless technology initiative.
- A reduction in intra-City mail and duplicating services.

Internal Audit

	Department Proposal	FTE Positions Eliminated from GF	FTE Positions Transferred out of GF	Total FY 09/10 Savings	Total FY 10/11 Savings	Timing
Base Budget	Base Budget Reductions - Wages	0.0	0.0	\$0	\$0	N/A
	Base Budget Reductions - Overtime	0.0	0.0	\$0	\$0	N/A
	Base Budget Reductions - Other Line Items	0.0	0.0	\$7,060	\$1,520	Jul-09; Jul-10
	<i>Base Budget Reduction Total</i>	<i>0.0</i>	<i>0.0</i>	<i>\$7,060</i>	<i>\$1,520</i>	
Internal Audit Overall Total		0.0	0.0	\$7,060	\$1,520	

The Internal Audit Department is responsible for providing management with independent, timely, and relevant information concerning the City's programs, activities, and functions. Internal Audit recommends improvements to policies and procedures that will enhance the internal control structure of the City. Reductions are proposed across numerous operating base budget accounts. These reductions may impact the Department's ability to:

- Provide formal training for employees.
- Maintain and replace equipment.

Parks and Recreation

	Department Proposal	FTE Positions Eliminated from GF	FTE Positions Transferred out of GF	Total FY 09/10 Savings	Total FY 10/11 Savings	Timing
Revenue	Athletic Field Light Fee	0.0	0.0	\$65,000	\$65,000	Jan-10
	Facility Use Fee	0.0	0.0	\$18,000	\$18,000	Jan-10
	Increase Special Event\Park Rental Fees	0.0	0.0	\$67,000	\$67,000	Jan-10
	Close Clark Park Pool Until Renovation Complete (Eliminated Wages in Base Budget Below)	0.0	0.0	(\$6,444)	\$0	Jul-09
	Lost Revenue Associated with Numerous Eliminated Programs (personnel savings indicated below)	0.0	0.0	(\$160,484)	(\$198,452)	Jul-09; Jan-10; Jul-10
	Revenue Total	0.0	0.0	(\$16,928)	(\$48,452)	
Personnel	Outsource Trash & Litter Pick-Up for Parks - Eliminate Groundskeeper I/II positions	5.0	0.0	\$126,080	\$126,085	Jan-10
	Outsource Pest Control Services - Eliminate Pest Control Tech. positions	2.0	0.0	\$59,026	\$59,024	Jan-10
	Transfer expenses of CIP Project Coordinator position to CIP Program Funding	0.0	1.0	\$95,108	\$0	Jul-09
	Eliminate Recreation\Operations Coordinator positions	8.0	0.0	\$354,562	\$217,189	Jul-09; Jan-10; Jul-10
	Eliminate Parks and Golf Course Maintenance Coordinator positions	2.0	0.0	\$102,393	\$36,673	Jul-09; Jan-10
	Eliminate Assistant Recreation Coordinator position	1.0	0.0	\$60,478	\$0	Jul-09
	Eliminate Parks Equipment Operator position	1.0	0.0	\$61,793	\$0	Jul-09
	Personnel Total	19.0	1.0	\$859,440	\$438,971	
Base Budget	Base Budget Contract Cost for Outsourced Trash & Litter Pick-Up and Pest Control Services	0.0	0.0	(\$122,608)	(\$122,607)	Jan-10
	Base Budget Reductions - Wages	0.0	0.0	\$148,363	\$302,373	Jul-09; Jul-10
	Base Budget Reductions - Overtime	0.0	0.0	\$0	\$0	N/A
	Base Budget Reductions - Other Line Items	0.0	0.0	\$217,041	\$409,873	Jul-09; Jul-10
	Base Budget Reduction Total	0.0	0.0	\$242,796	\$589,639	
Parks and Recreation Overall Total		19.0	1.0	\$1,085,309	\$980,158	

	Cost Neutral Reorganization Transfers out of Parks and Recreation	FTE Positions Eliminated	FTE Positions Transferred	Total FY 09/10 Savings	Total FY 10/11 Savings	Timing
Transfers	Transfer Community Outreach and Marketing Coordinator to Community Relations to centralize the City's marketing and communications function.	N/A	1.0	N/A	N/A	TBD
	Transfer Administrative Assistant II position to Fire Department	N/A	1.0	N/A	N/A	TBD
Parks and Recreation Total Transfers Out			2.0			

Parks and Recreation provides recreation services to the community and develops and maintains Tempe's parks, golf courses, and preserves. Specifically, the Department is responsible for 48 parks, three sports complexes, two golf courses, five aquatics facilities, three recreation centers, Mill Avenue, arterial street right-of-way and open space landscape maintenance. Proposed are revenue enhancements, personnel reductions, and base budget reductions.

The impact of the revenue enhancements proposed, which include usage fees for lights and park rentals, may result in some individuals, groups, and organizations having limited ability to pay and relocating their activities from Tempe.

The proposed personnel and service reductions would have a greater impact on the community. Specifically, Clark Park pool is proposed to be closed beginning the summer of 2009. The pool would remain closed until the Clark Park and pool renovations are completed in 2012. Once the Clark Park pool is reopened, it is proposed to turn the McClintock pool over to a third party. Approximately 20% of Parks and Recreation's part-time positions, contract services, and non-personnel base budget cost involves the City's aquatics program. Without reductions in this program area, greater impacts to other Parks and Recreation programs would be necessary.

Additional service reductions include the proposed closure of the Cahill Senior Center at the Westside Multigenerational Center. With this proposal, senior programs would remain available at Pyle, Northside, and Escalante Centers.

Additionally, a proposed reduction of \$103,000 in City financial support to a variety of events may lead to the loss of some of these events. These events include the 5K for Junior Achievement, Arizona Aloha Festival, Asha Kids Walkathon, Champ Boats, Chances for Children Triathlon, AZ Dragon Boat Festival, Tempe Empty Bowls, Just for Kids Fishing Festival, Frank Kush Fun Run, JDRF Walk to Cure Diabetes, NAMI AZ Walk, Nike Regional Championships, TITL Outrigger Canoe Regatta, Pancreatic Research Walk, Pat's Run, PetWalk by PetSmart, Relay for Life, Rotary River Rally, Salsa Challenge, AZ Senior Olympics Rowing, SheROX, SOMA Triathlon, Special Olympics Summer Games, Splash n Dash - Fall Series, Splash n Dash - Spring Series, Taste of Greece, Tempe High Homecoming Parade, Tempe International Triathlon, Tempe Music Festival, Tempe Youth Showcase, TITL Regattas, Hot Head Regatta, Desert Sprints Regatta, AZ Junior Rowing Championships, and the Veteran's Day Parade.

Additional proposed reductions of approximately \$280,000 would eliminate City produced programs including Family Halloween Carnival, Family Film Series, Reels to Wheels, and City produced sports programs including:

- Summer Boys Hoopstars (9 camps).
- Summer Basketball Shooting Camp (3 camps).
- Summer Basketball Offensive Specialty Camp (3 camps).
- Summer Girls Hoopstars & Shooting Camp (6 camps).
- Summer Girls Volleyball Camp, Marcos de Niza (6 camps).
- Summer Girls Volleyball Camp, Corona del Sol (6 camps).
- Summer Co-ed Indoor Soccer Camp (3 camps).
- All-City Athletic Conference (middle school intramural program).
- Middle School Basketball Tournaments.
- Youth Wrestling Program and Holiday Wrestling Program.
- Operation of the McClintock Fitness Center for community use.
- Middle School Summer Competitive Sports Leagues (basketball & softball).

Approximately 50% of the community interest classes offered would also be eliminated due to proposed reductions. It is proposed to outsource pest control services, trash and litter collection in our parks, and Kiwanis Park Batting Cage operations. Lastly, frequency of right of way maintenance, trash collection and landscape services would be reduced. In summary, the Parks and Recreation service and personnel reductions would lead to:

- A closure of Clark Park pool until renovations are complete (2012), then transferring operation and maintenance of McClintock pool to a third party.
- Closure of the Cahill Senior Center at the Westside Multigenerational Center.
- A decrease in the community and youth programs offered.
- A reduction in City special events.
- A reduction in the maintenance and aesthetic conditions of City parks, right-of-way and open space areas.
- An increase in special event permit fees and facility rental fees.
- An implementation of athletic field lighting fees.

Police

	Department Proposal	FTE Positions Eliminated from GF	FTE Positions Transferred out of GF	Total FY 09/10 Savings	Total FY 10/11 Savings	Timing
Personnel	Support Services Division					
	Replace Communications Deputy Administrator position with Communications Supervisor position	0.0	0.0	\$14,506	\$0	Jul-09
	Fund Records Clerk II position with Tow Hearing revenue	0.0	1.0	\$54,608	\$0	Jul-09
	Eliminate Records Clerk I position	1.0	0.0	\$49,166	\$0	Jul-09
	Eliminate Investigative Assistant position	1.0	0.0	\$56,886	\$0	Jul-09
	Organizational Services Division					
	Replace Organizational Services Assistant Chief position with Commander position	0.0	0.0	-\$6,281	\$0	Jul-09
	Eliminate Internal Affairs Sergeant position	1.0	0.0	\$137,584	\$0	Jul-09
	Eliminate Public Information Office Sergeant position	1.0	0.0	\$130,372	\$0	Jul-09
	Eliminate Personnel Services Bureau Lieutenant position	1.0	0.0	\$142,615	\$0	Jul-09
	Eliminate Background Investigator position	1.0	0.0	\$0	\$87,548	Jul-10
	Eliminate Police Officer overhire positions	5.0	0.0	\$0	\$437,739	Jul-10
	Investigations Division					
	Replace Homeland Security Commander position with Lieutenant position	0.0	0.0	\$0	\$48,790	Jul-10
	Eliminate Park Ranger positions	3.0	0.0	\$160,678	\$0	Jul-09
	Replace 4 Park Ranger positions with Private Security	4.0	0.0	\$65,947	\$0	Jul-09
	Eliminate Central City Lieutenant position	1.0	0.0	\$136,307	\$0	Jul-09
	Eliminate Criminal Investigations Administrative Support Supervisor position	1.0	0.0	\$0	\$81,714	Jul-10
	Eliminate Criminal Investigations Community Service Officer position	1.0	0.0	\$79,341	\$0	Jul-09
	Eliminate Criminal Investigations Lieutenant position	1.0	0.0	\$142,615	\$0	Jul-09
	Eliminate Central City Mounted Unit (Sergeant position and 3 Officer positions)	4.0	0.0	\$0	\$387,858	Jul-10
	Eliminate School Resource Officer program (2 officer positions)	2.0	0.0	\$0	\$175,096	Jul-10

	Department Proposal	FTE Positions Eliminated from GF	FTE Positions Transferred out of GF	Total FY 09/10 Savings	Total FY 10/11 Savings	Timing
Personnel	Patrol Division					
	Reclass Traffic Sergeant position to Civilian Photo Enforcement Supervisor	0.0	0.0	\$15,658	\$15,658	Jan-10
	Fund Administrative Assistant position with Tow Hearing Revenue	0.0	1.0	\$62,942	\$0	Jul-09
	Eliminate Parking Aide positions	2.0	0.0	\$93,361	\$0	Jul-09
	Eliminate Detention Supervisor position	1.0	0.0	\$74,745	\$0	Jul-09
	Eliminate Academy Officer position	2.0	0.0	\$87,548	\$87,548	Jul-09; Jul-10
	Eliminate Patrol Sergeant position	1.0	0.0	\$0	\$125,215	Jul-10
	Personnel Total	34.0	2.0	\$1,498,599	\$1,447,166	
Base Budget	Base Budget Reductions - Wages	0.0	0.0	\$0	\$0	N/A
	Base Budget Reductions - Overtime	0.0	0.0	\$0	\$0	N/A
	Base Budget Reductions - Other Line Items	0.0	0.0	\$0	\$180,000	Jul-10
	Base Budget Reduction Total	0.0	0.0	\$0	\$180,000	
Police Department Overall Total		34.0	2.0	\$1,498,599	\$1,627,166	

The Tempe Police Department is responsible for preserving law and order in the city by responding to calls for police service, patrolling the city, enforcing state and local laws, conducting investigations of criminal incidents, working with the community to prevent and suppress crime, and apprehending criminals. Proposed is a plan that includes position reductions from all divisions within the Department as well reductions in operating base budget expenditures. The cost savings plan also includes a number of position replacements wherein a higher paying position and function is replaced with a lower paying position and function (e.g., replacing a Commander position with a Lieutenant position) which will result in long-term (if not immediate) cost savings.

Specifically, the position reductions within the Support Services Division would limit the expansion of the Department's analysis and intelligence functions and increase processing times for records requests. At the same time, the plan has the potential to allow for greater flexibility in Communications supervisory shift coverage thereby reducing overtime expenditures with the Support Services Division. However, the loss in positions from the Organizational Services Division may reduce the Department's ability to transmit safety information to the community, maintain full staffing, and address training and risk management issues. The impact of these reductions would also translate to increases in supervisory span of control as well as the time it takes to process internal investigations and hire new officers.

Similarly, the loss in positions and programs (including the Mounted Unit and the High School Resource Officer program) from the Investigations Division would impact the level of policing services to the High Schools as well as the downtown, Rio Salado, Town Lake, and park areas. Specifically, the loss of the Mounted Unit will impact police services during special events and reduce specialty mounted patrols in parks and other areas of the city. Is important to note that significant time, effort, and training is required to develop a Mounted Unit, so it is a function that cannot easily be put back in service. Reference the School Resource Officers, eliminating these positions would likely result in increased calls for service for Patrol and follow up from Investigations personnel if no Officer is on site. Resources have been requested through the schools, but it is unclear if they will be able to provide funding or receive grant resources in the future.

Additionally, these reductions may impact the Department's ability to plan, staff, and coordinate special events. Furthermore, the loss of a position from the Patrol Division would increase supervisory span of control.

Public Works

	Department Proposal	FTE Positions Eliminated from GF	FTE Positions Transferred out of GF	Total FY 09/10 Savings	Total FY 10/11 Savings	Timing
Revenue	Additional parking meters on Apache Blvd.	0.0	0.0	\$275,000	\$0	Jul-09
	Transfer 50% of Barricading Revenue From HURF to General Fund	0.0	0.0	\$250,000	\$0	Jul-09
	Revenue Total	0.0	0.0	\$525,000	\$0	
Personnel	Custodial/Administration					
	Outsource Park Restroom Maintenance – Eliminate Custodial positions	3.0	0.0	\$129,720	\$0	Jul-09
	Eliminate Custodial positions	5.0	0.0	\$43,240	\$172,960	Jul-09; Jul-10
	Eliminate Custodial Supervisor positions	2.0	0.0	\$61,741	\$62,993	Jul-09; Jul-10
	Eliminate PW Deputy Manager position (HURF Funded)	0.0	0.0	\$0	\$0	Jan-10
	Engineering					
	Eliminate Engineering Services Administrator position	1.0	0.0	\$101,185	\$0	Jul-09
	Eliminate Utilities Supervisor position	1.0	0.0	\$92,366	\$0	Jul-09
	Transfer GIS Analyst position expenditures to Water Fund	0.0	1.0	\$74,294	\$0	Jul-09
	Eliminate Engineering Associate position	1.0	0.0	\$79,533	\$0	Jul-09
	Eliminate Real Estate Coordinator position	1.0	0.0	\$0	\$83,958	Jul-10
	Eliminate Assistant City Engineer position	1.0	0.0	\$0	\$144,999	Jul-10
	Facilities					
	Building Equipment Tech. positions	2.5	0.0	\$99,693	\$58,021	Jul-09; Jul-10
	Eliminate Building Specialist position	1.0	0.0	\$70,017	\$0	Jul-09
	Sr. Management Assistant	0.5	0.0	\$54,304	\$0	Jul-09
	Fleet					
	Eliminate Admin. Assist. II position	1.0	0.0	\$53,559	\$0	Jul-09
	Eliminate Motorcycle Tech. position	1.0	0.0	\$0	\$67,843	Jul-10
	Eliminate Equipment Control Coordinator position	1.0	0.0	\$0	\$87,079	Jul-10
	Transfer Equip. Mechanic position expenditures to Solid Waste Fund	0.0	1.0	\$33,551	\$33,551	Jan-10
Personnel Total	22.0	2.0	\$893,203	\$711,404		

	Department Proposal	FTE Positions Eliminated from GF	FTE Positions Transferred out of GF	Total FY 09/10 Savings	Total FY 10/11 Savings	Timing
Base Budget	Base Budget Contract Costs for additional parking meters on Apache Blvd.	0.0	0.0	(\$75,000)	\$0	Jul-09
	Base Budget Contract Costs for Outsourced Park Restroom Custodial Services	0.0	0.0	(\$65,000)	\$0	Jul-09
	Base Budget Reductions - Wages	0.0	0.0	\$10,000	\$0	Jul-09
	Base Budget Reductions - Overtime	0.0	0.0	\$0	\$0	N/A
	Base Budget Reductions - Other Line Items	0.0	0.0	\$148,500	\$175,000	Jul-09; Jul-10
	Reduce CIP reserve for City facility rehab.	0.0	0.0	\$160,000	\$0	Jul-09
	Base Budget Reduction Total	0.0	0.0	\$178,500	\$175,000	
Public Works Overall Total	23.0	2.0	\$1,596,703	\$886,404		

Cost Neutral Reorganization Transfers out of Public Works	FTE Positions Eliminated	FTE Positions Transferred	Total FY 09/10 Savings	Total FY 10/11 Savings	Timing
Transfer GIS Supervisor position to Information Technology	0	1	\$0	\$0	Jul-09
Transfer Deputy Public Works Mgr. position currently assigned LRT to Community Development's Transportation Advanced Planning function	0	1	\$0	\$0	TBD
Transfer Financial Analyst position assigned to Transportation to Financial Services	0	1	\$0	\$0	TBD
Transfer Sr. Planner position currently assigned to Transportation to Community Development's new Transportation Advanced Planning function	0	1	\$0	\$0	TBD
Transfer Sr. Planner positions currently assigned to Light Rail to Community Development's new Transportation Advanced Planning function	0	2	\$0	\$0	TBD
Transfer Management Assistant II currently assigned to Light Rail to Community Development's new Transportation Advanced Planning function	0	1	\$0	\$0	TBD
Transfer Principal Planner positions currently assigned to Transportation to Community Development's new Transportation Advanced Planning function	0	2	\$0	\$0	TBD
Transfer Community Outreach & Marketing Supervisor currently assigned to Transportation to Community Relations to centralize the City's marketing and communications function	0	1	\$0	\$0	TBD
Transfer Community Outreach & Marketing Coord. from Transportation to Community Relations to centralize the City's marketing and communications function	0	2	\$0	\$0	TBD
Public Works Total Transfers Out		12			

The Public Works Department is responsible for building and maintaining City of Tempe infrastructure and includes transportation, streets maintenance, refuse collection, engineering, facilities/custodial maintenance, fleet, and light rail transit. Proposed are reorganization concepts aimed at streamlining, personnel reductions, operating budget reductions, and revenue enhancements.

In regard to reorganization, it is proposed to streamline Public Works by transitioning from seven divisions to five. Specifically, the Facilities and Custodial divisions will be combined as will Transportation and Light Rail. In addition, the Traffic Engineering section will move from Transportation to the Public Works Engineering Division. Also proposed is moving the Light Rail Community Outreach & Marketing team to the Community Relations Department to establish a City-wide marketing and communications function. The purpose of the proposed move is to provide a cohesive message to the public in regard to events, programs, and issues facing our community. An additional reorganization recommendation is to transfer Transportation Planning to the Community Development Department to establish a master planning work unit.

Revenue enhancements have also been proposed to include adding parking meters on Apache Boulevard and assessing traffic barricading fee. Service delivery impacts related to Public Works reductions and reorganization include:

- A decrease in the frequency and service levels for facility and custodial services.
- Increase in response times to facility maintenance requests.
- Increased down time for fleet vehicles (may be mitigated by a reduction in the overall fleet size).
- Increased response time for engineering services.
- Phasing out funding for the Mill Avenue holiday lighting (over the next two fiscal years).

Appendix A

Department Proposed General Fund Cost Savings and Position Eliminations (FY 09/10 and 10/11 combined)

Department	Personnel Cost Savings	Base Budget Cost Savings	Revenue Cost Savings	FTE Positions Eliminated	FY 08/09 Budgeted FTE Positions	% of Total Positions Eliminated
City Attorney	\$226,086	\$113,102	\$0	3.00	29	10%
City Clerk	\$0	\$13,327	\$0	0.00	4	0%
City Court	\$673,108	\$40,502	\$0	3.00	42	7%
City Manager	\$0	\$6,600	\$0	0.00	3	0%
Community Development	\$856,327	\$228,814	\$0	9.50	54	18%
Community Relations/Mayor & Council	\$26,980	\$290,580	\$0	2.00	25	8%
Community Services	\$1,461,376	\$519,933	\$212,005	20.25	118	17%
Developmental Services	\$607,457	\$176,887	\$0	7.50	58	13%
Diversity	\$123,400	\$49,828	\$0	1.50	5	33%
Financial Services	\$250,394	\$456,007	\$300,000	2.00	72	3%
Fire Department	\$537,456	\$1,010,742	\$112,000	7.00	187	4%
Human Resources	\$246,053	\$182,718	\$0	3.50	24	15%
Information Technology	\$1,131,979	\$1,041,739	\$0	12.00	76	16%
Internal Audit	\$0	\$8,580	\$0	0.00	4	0%
Parks and Recreation	\$1,298,411	\$832,435	-\$65,380	19.00	130	15%
Police Department	\$2,945,765	\$180,000	\$0	34.00	574	6%
Public Works	\$1,604,607	\$353,500	\$525,000	22.00	326	7%
Overall Total	\$11,989,399	\$5,505,294	\$1,083,626	146.25	1,728	8%