



Worse Case Scenarios attached below

[Learn more about the budget situation.](#)

[City Manager 1/26/09 Budget Presentation \(PPT\)](#)

[CFO Budget Presentation \(PPT\)](#)

[Why are we cutting services? \(Video\)](#)

[Quick Fact Sheet about the 2009 Budget \(PDF\)](#)

January 26, 2009

In order to balance a projected shortfall to the 2009 budget of \$16.8 million, I requested all municipal departments to prepare expenditure cuts based around three scenarios:

1. 17% non police/fire; 5% police/fire
2. 20% non police/fire; 3% police/fire
3. 26% non police/fire; 1% police/fire

These cuts represent worst case scenarios and assume the shortfall is balanced with expenditure cuts only. **Cuts may be reduced if new revenues are adopted or one-time revenues are used.** Use of one-time revenues for on-going operational expenses is not an advisable financial action but may be used sparingly while considering long-term remedies. Use of one-time revenue to prevent reduction in service may compound our fiscal problems and create the need for greater cuts in service in the near future.

None of the scenarios presented are considered desirable or acceptable and will negatively impact our ability to provide service and function as a municipal operation. These cuts are in addition to previous reductions of \$23 million that were made initially in balancing the 2009 budget late last year. Unfortunately, between the continued decline in the national economy and our local financial limitations, resources are no longer available to conduct business as usual and will require serious action.

The City Council will be asked to consider a number of measures along with consideration of the cuts at its informal City Council meeting on January 26, 2009. Upon direction of Council, staff will prepare an amended budget appropriations ordinance for future Council consideration.

[Worse Case Impact Statements](#)

Dr. Penelope Culbreth-Graft
City Manager