

I did an analysis of all the actuals for 5 years from 15-16 through 19-20. It shows the following in personnel costs

Admin 51% increase
PD 18% increase,
ESF 9% decrease

All over the same period. Yet the Supplemental Budget that was proposed in July (not approved) was proposing a 7% reduction in Administration, 15% in PD and 42% from the ESF

This means that the department that costs the least from our General Fund Tax Revenues was scheduled to take the biggest cuts – AND the effects of those cuts would increase property insurance rates for everyone and every business, and put our lives at severe risk! IS THIS REASONABLE? We have to ask ourselves, why is this even an option?

So, if our cities problem is in personnel costs, why has our administration been focusing on ESF all these years? Why have we allowed public humiliation against one particular family and never looked at overall cost in all departments?

In the last couple of years, Emergency Services and Police have both taken significant cuts and are running on bare bones. We cannot afford any more cuts in those departments and we shouldn't have to.

I recommend the following, which requires NO FEE

- If we make adjustments in a supplemental for closer to the actual beginning fund balances we will reduce the 540k shortfall to 287k –
- The adjustments to Finance Director Salary that have already been implemented yet the savings are not reflected in the budget. So this would bring it down to 237k ~~(though the contract has not been approved by council yet)~~
- Bryan estimates aprox 100k of the ARPA grant can be used towards the budget which lowers the shortfall to 137k

- The proposed supplemental we were presented in July included a new loan from the water dept for 50k which would lower the shortfall to 87k
- This year's budget does not have a transfer from the Water to the GF or ESF for the portion of the water increase in November 2019 that is supposed to go to public safety – which should be about 43k – bringing the shortfall down to 44k
- We still have not been provided savings figures for the 4 day work week at city hall and that will bring the number down some more.

I feel confident that the remainder of the shortfall could be made up for, by adding to the loan from water or borrowing small amount from wastewater.

Everything could be reevaluated in our next budget cycle – we won't owe the 405k that we have to pay back to water and wastewater this year – at most it would be about 94k instead

Plus right now the transfers from gf to water and wastewater (~~150k and 255k~~) from the loans we took last year are not even in the budget as revenue in water and wastewater this year! So we need to do a supplemental anyway.

I am not arguing that the city doesn't need more revenue, we most certainly do. There is no reason to stop looking for ways to make that happen. But I feel strongly that the people who voted on the levy last year made it clear that they want to see the city live within our means. Yes, that means scaling back, but we need to make public safety our number one priority, not hang it over their heads. We need to interact with and educate the community on the actual shortfall issue. We need to gain their trust by being honest and allow them to communicate with us. We need to listen to them!