



MEMORANDUM

**DATE:** March 25, 2013  
**TO:** Aldermen & Mayor  
**FROM:** Shawn Hamilton, Acting City Manager  
**RE:** Downside Contingency Planning

At the March 19, 2013 budget workshop, I was asked to develop a list of items in the FY14 budget that, if the City should experience a necessity to further reduce the budget, could be implemented quickly. In preparing this short list, I looked for items that could be reduced with minimal to no impact to City services.

Capital projects would be the first items that I would recommend eliminating, as they have the least impact to the residents:

\$389,500	Phase II Police Station
\$500,000	Summit Parking Lot replacement
\$240,000	Ambulance expenditure
\$40,000	Emergency Sirens
\$75,000	Reforestation reduction
\$50,000	Sidewalk replacement reduction
\$100,000	Technology expenditures reduction
\$55,400	Dump truck replacement
\$60,000	Grounds dump truck replacement
<u>\$1,509,900</u>	

Next, there would be maintenance projects within buildings around the City that could be pushed to the FY15 budget. A conservative estimate would be \$100,000 in additional savings.

Any additional budget reductions would have to include personnel, as nearly 2/3 of the City's budget is salary and benefits expenses.

One final option, of which I am not recommending, is to use General Fund fund balance to cover the budget deficits.