

# Memorandum

**TO:** CITY COUNCIL

**FROM:** Mayor Chuck Reed

**SUBJECT: MAY 12 PUBLIC BUDGET  
HEARING**

**DATE:** May 6, 2009

Approved

*Chuck Reed*

Date

*5/6/09*

## INFORMATION

Some of the ideas and suggestions that have come out of our community based budgeting process appear to be "Out of the Box" alternatives that staff should be prepared to discuss on May 12th.

Our community budget process included a community telephone survey, a neighborhood priority setting session, a Council priority setting/budget discussion session, and several community budget meetings in each of the Council Districts.

Through this collaboration with our community, residents and employees have proposed many solutions to help with our budget deficit. Some of the suggestions could save millions of dollars per year, but are not included in the City Manager's proposed budget. If we can't do them because we are "in a box," what do we have to do to get out of the box?

During the May 12th evening budget hearing I would like for staff to be prepared to discuss why these ideas have not been included in the proposed budget so the community will be aware of some of the constraints we face in making our decisions.

- Why can't the City impose pay cuts or mandatory furloughs, end sick leave payouts, or restructure retirement benefits?
- Why can't the City sell the Dolce Hayes Mansion and avoid \$4 million a year in debt service?
- Why can't we sell one of our three golf courses and pay off debt to save \$1 million a year?
- Why can't we lease out Muni Water and get annual payments to the General Fund?
- Why can't we sell the Old City Hall and use the funds to deal with our deficit?