

April 7, 2006

TO: The Honorable Mayor and City Council Members

FROM: John M. Lamerato, Acting City Manager

SUBJECT: Transmittal of Proposed Fiscal Year 2006/07 Annual Budget

The proposed fiscal year 2006/07 budget is being submitted for your review. The first 25 pages of this document provide a concise summary of the entire budget. Based on your direction to me at our January 16, 2006 study session, as well as my instructions to staff, this budget advances the following:

- 1) The City's millage rate remains at 9.45 mils for the 5th consecutive year.
- 2) The total City budget of \$144.4 million increased by \$6.2 million or 4.5% from the previous year.
- 3) The undesignated General Fund reserves are anticipated to equal at least \$10.5 million or 16.2% of the recommended budget. In addition, \$1 million will be transferred to the Budget Stabilization Fund and \$2.5 million will be transferred to the Retiree Medical Benefit Trust Fund.
- 4) Capital project funds totaling \$33.3 million are contained on pages 216-267 of the proposed budget and I'll once again be providing a condensed listing of proposed projects greater than \$50,000.
- 5) We have reduced the full-time workforce by 9 positions to a lean 476. Our full-time work force equates to 5.49 employees for every 1,000 Troy residents, and with an estimated citywide workforce of 136,000, this equates to about 4.53 full-time City of Troy employees per 1,000 people who work here.

The 9 positions that were reduced through attrition are as follows:

<u>Department</u>	<u>Position</u>	
City Manager's Office	Assistant to the City Manager	(1)
Library	Librarian I	(1)
Library	Library Aide	(2)
Parks and Recreation	Office Assistant II	(1)
Police	Animal Control Officer	(1)
Public Works - Streets & Drains	Storm Water Utility Engineer	(1)
Public Works - Water Division	Clerk/typist	(1)
Real Estate & Development	Sr. Right-of-Way Representative	(1)

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Of course, we will endeavor to maintain the same level of service by redistributing tasks amongst current employees and through the addition of part-time employees.

Thank you for your direction, which assisted greatly in developing this document.

In closing, I would like to thank Mary Redden and Beth Tashnick of the City Manager's Office for assembling one of the finest budget documents to date.

If you have any questions or comments, please feel free to call.

The budget document will be delivered to Council Members with their April 17, 2006 City Council agenda packet.

The budget is available to the public at the City Clerk's Office, the Troy Public Library, and on the City of Troy web page.