



CITY COUNCIL ACTION REPORT

April 14, 2009

TO: The Honorable Mayor and City Council Members

FROM: John Szerlag, Acting City Manager
John M. Lamerato, Assistant City Manager/Finance & Administration

SUBJECT: Transmittal of Proposed Fiscal Year 2009/10 Annual Budget

The proposed fiscal year 2009/10 budget is being submitted for City Council's review. The first 28 pages of the document provide a concise summary of the entire budget. City Council has established the following dates for budget study sessions: April 27, 2009 and May 4, 2009 at 7:30 PM in the City Council Board Room. May 11, 2009 will be the date of the public hearing and budget adoption.

The City's combined millage rate remains at 9.28 mills. To maintain the current tax rate of 9.28 mills, .07 mills were removed from the Capital Projects millage and added to the Refuse millage rate to cover its costs of operations.

The total City budget is \$149.5 million; this amount is a decrease of \$3.3 million or 2.2% from the previous year.

The General Fund budget decreased 3.7% to \$62.0 million. Undesignated General Fund reserves are anticipated to equal at least \$10.8 million or 17.5% of the recommended budget.

There is no utilization of General Fund Fund Balance to balance the budget.

Capital Project Funds totaling \$41.7 million are contained on pages 249-335 of the proposed budget.

We have reduced the full-time workforce by 24 positions to a very lean 443. Our full-time work force equates to 5.04 employees for every 1,000 Troy residents and 3.52 full-time City of Troy employees per 1,000 people who work here. The 24 positions that were reduced through attrition and lay-offs are as follows:

Department

Position

Building Inspection	Account Clerk I (2)
Building Inspection	Electrical Inspector
Building Inspection	Plan Examiner
Building Operations	Superintendent
City Clerk's Office	Office Assistant I
Community Affairs	Community Affairs Officer (2)

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<u>Department</u>	<u>Position</u>
Engineering	Deputy City Engineer
Engineering	Civil Engineer
Engineering	Engineering Specialist
Engineering	Engineering Technician
Engineering	Inspector
Finance	Accountant
Library	Librarian I
Planning Department	Planner (2)
Police	Lieutenant (2)
Police	Sergeant (2)
Streets	Equipment Operators (3)

We will endeavor to maintain the same level of service for most functions by redistributing tasks amongst current employees and utilizing outside contractors. There will, however, be a reduction in the level of service for some programs.

Legal Considerations:

Section 8.2 of the City of Troy Charter requires a proposed budget for the next fiscal year be presented to City Council on or before the third Monday in April in each year.

Section 8.3 of the City of Troy Charter requires a Public Hearing on the budget shall be held before its final adoption, and notice of such public hearing shall be published at least one week in advance of the public hearing. The City Council shall, on or before the third Monday in May, adopt a budget for the ensuing fiscal year.

Policy Considerations:

The 2009/10 budget is a policy document based on the core products and outcomes adopted by City Council. Outcomes are intended to encompass the current style of the times as well as the future. City Council adopted wide-ranging outcomes in an attempt to provide flexibility for changes that impact the budget. The outcome statements are:

- Troy enhances the livability and safety of the community.
- Troy adds value to property through maintenance or upgrades to infrastructure and quality of life venues.
- Troy is rebuilding for a healthy economy reflecting the values of a unique community in a changing and interconnected world.