

OTHER CA CITIES' FY 11 BUDGET STRATEGIES

| City | Population | Estimated FY11 Deficit | Examples of Proposed Solutions |
|--------------------|------------|------------------------|---|
| Los Angeles | 4,094,764 | \$492 million | <p>-Per Mayor's Proposed Budget:</p> <ul style="list-style-type: none"> -A list of 761 positions eliminated through layoffs generating \$176 million in savings -16 day furloughs for all employees except sworn officers, traffic officers, library employees, and special fund departments will save \$63 million -Spending gap covered with \$53 million in one-time revenues (primarily from the leasing of parking facilities) -A freeze on \$39 million of capital projects and citywide reductions in city services -Libraries closed an additional day each year -Fire Department will continue its rolling brownout program -Daytime child care at parks will be eliminated and summer recreation programs are being scaled back -Elimination of two departments (Neighborhood Empowerment and Human Services) -Chief Legislative Analyst recommends elimination of 1,000 additional jobs on top of the 761 cuts already proposed by Mayor -Mayor said he'll ask voters to decide whether new police and firefighters should receive lower pension benefits than existing employees. A ballot measure may be proposed in November or March |
| LA County | 10,441,080 | \$500 million | <p>Proposed Reductions:</p> <ul style="list-style-type: none"> -About 100 county workers may lose their jobs and about 1,400 vacant county positions would be eliminated -Eliminate \$128 million from the Sheriff's Department, largely by eliminating vacant positions and reducing overtime -\$7.9 million cut to the public health department -\$7.4 million cut to the Department of Public Social Services -\$4.8 million cut from the county's public libraries, resulting in fewer hours at some libraries and the elimination of an adult literacy program |

Note: Data reflected above has been obtained from both primary and secondary (e.g. media) sources and changes daily and, therefore, may not precisely reflect the most recent information.

OTHER CA CITIES' FY 11 BUDGET STRATEGIES

| City | Population | Estimated FY11 Deficit | Examples of Proposed Solutions |
|---------------|------------|------------------------|--|
| Orange County | 3,166,461 | \$85 million | <p>Proposed Budget:</p> <ul style="list-style-type: none"> -Elimination of 175 full-time positions, most of them in the district attorney's and public defender's offices -Draw \$36 million from the county's reserves and other one-time sources <p>-County has cut about 15% of its non-public safety budget and eliminated more than 1,000 jobs since 2008</p> |
| Sacramento | 486,189 | \$43 million | <p>City Manager's Proposed Cuts:</p> <ul style="list-style-type: none"> -As many as 200 layoffs -\$14.6 million in cuts to programs and services -\$19.6 million by removing all vacant city positions and possible labor union concessions -\$8.8 million in other fund support <p>-Proposal to reduce city service hours to four days a week</p> |
| San Diego | 1,376,173 | \$25-35 million | <p>-Branch libraries closed Sundays and Mondays</p> <p>-City suing its retirement system to force employees to pay more into their pension fund to make up for \$80 million in investment losses. About 9,000 workers would be charged an extra \$4,000 each</p> <p>-Police officers have agreed to forego across-the-board pay increases</p> <p>-Under new two-year contract, SDPOA allowed to offer an additional, less expensive health care plan and will explore moving officers to State's employee retiree health care system, CalPERS</p> <p>-Fire station 'brown outs' in place in current fiscal year. Plan, in effect since February 6, calls for up to eight stations to go without a fire engine on any given day to save \$11.5 million annually by cutting overtime costs. Those fire crews are then used to fill vacancies elsewhere in the department and prevent overtime</p> |
| San Jose | 1,023,083 | \$116 million | <p>-City Council requested city employees to accept a permanent 5% cut plus an additional 5% that could be temporary, but no agreement has been reached</p> <p>-Layoff notices sent to more than 1,300 employees notifying them they are likely to be laid off or demoted. Includes 88 police officers and 74 firefighters</p> <p>-Measure on June 2010 ballot that would allow expansion of gambling in city's card clubs, which could generate \$5 million a</p> |
| San Jose | | | |

Note: Data reflected above has been obtained from both primary and secondary (e.g. media) sources and changes daily and, therefore, may not precisely reflect the most recent information.

OTHER CA CITIES' FY 11 BUDGET STRATEGIES

| City | Population | Estimated FY11 Deficit | Examples of Proposed Solutions |
|---------------|------------|------------------------|--|
| cont'd | | | <p>year</p> <p>-Council voted to enact a 10% cut in salary and benefits for elected officials</p> <p>City Manager's Proposed Budget:</p> <p>-Eliminate 967 positions. However, city is working with unions with a goal of achieving a 10% reduction in total employee compensation costs to reduce the number of positions eliminated</p> <p>-Reduce Police Patrol Services (eliminate 86 positions)</p> <p>-Reduction of branch library operations to three days a week. Paired branch system with one neighborhood branch open M-W-F, with the other open Tu-Th-Sat</p> |
| San Francisco | 856,095 | \$522 million | <p>-Two-year agreement w/unions to institute 12 furlough days per year, saving an estimated \$200 million. Employees now cover all spouse and dependent health costs</p> <p>-\$30 million annual reduction in city contracts</p> <p>-June ballot measure (Prop D) to change pension rules by shifting more of the funding burden onto city workers. Proposed pension changes would apply only to new city employees hired after July 1, 2010; city workers already on the payroll would not be affected.</p> <p>Prop D would:</p> <p>*Change the way pensions are calculated. Current calculation uses pay earned during the last year on the job. New calculation would be based on the average pay during the final two years of employment</p> <p>*Increase the employee contribution to 9 percent – up from the current 7.5 percent - for public safety employees. All other employees would continue to pay 7.5 percent</p> <p>*In years when CalPERS investments do better than planned, take the reduced contribution amounts from the general fund, and stash the savings in a new fund to help cover the mounting costs of retiree health and pension benefits in future years</p> |

Note: Data reflected above has been obtained from both primary and secondary (e.g. media) sources and changes daily and, therefore, may not precisely reflect the most recent information.

OTHER CA CITIES' FY 11 BUDGET STRATEGIES

| City | Population | Estimated FY11 Deficit | Examples of Proposed Solutions |
|------------------|------------|------------------------|---|
| Fresno | 502,303 | \$30.6 million | <p>Mayor's Proposed Budget:</p> <ul style="list-style-type: none"> -Layoff 225 employees and leave 81 positions unfilled -City Council approved a declaration of financial emergency (unanimous 7-0 vote), allowing the city to tap into its \$17 million emergency reserve fund. The Mayor proposes to use about \$6.5 million of this money to pay for retirement incentives and other costs associated with her plan to lay off 225 employees -Outsource commercial solid waste collection, which could generate \$2 million annually in franchise fees from a vendor -Outsourcing the maintenance of parks and median islands -Developing partnerships with community-based organizations to operate the city's neighborhood centers |
| Oakland | 430,666 | \$42.6 million | <ul style="list-style-type: none"> -Cutting all city grants to the Chabot Space and Science Center, Cypress-Mandela Training Center, Oakland Asian Cultural Center and Vietnamese Senior Services -Two November ballot tax measures (\$20.6 mil): Parcel tax raising tax on single-family home \$180/year Temporary half-percent increase in the UUT |
| Santa Ana | 357,754 | \$25 million | <ul style="list-style-type: none"> -City has asked POA, FBA, PMA, and FMA to consider paying more toward their PERS |
| Glendale | 207,902 | \$8.1 million | <ul style="list-style-type: none"> -City Manager's Proposed Budget factors in \$3 million in employee salary and benefits concessions, though deals with unions are still pending -City officials are asking employee groups to pick up a larger share of the rising costs for retirement and health plans -Last year, three unions agreed to forgo pay increases, excluding the POA |
| Pasadena | 151,576 | \$5.7 million | <ul style="list-style-type: none"> -Eliminated 91 positions vacated when people left or retired -About 200 jobs being left vacant until the city's financial position improves -City plans to continue hiring freeze and furloughs in next fiscal year and also plans to freeze all salary increases -Layoffs still possible |

Note: Data reflected above has been obtained from both primary and secondary (e.g. media) sources and changes daily and, therefore, may not precisely reflect the most recent information.

OTHER CA CITIES' FY 11 BUDGET STRATEGIES

| City | Population | Estimated FY11 Deficit | Examples of Proposed Solutions |
|------------------|------------|------------------------|---|
| Huntington Beach | 203,484 | \$3 million | -Suspend a Police Department physical fitness program -Reducing Police Helicopter usage -Firefighters forgo raises for the next 18 months -Increased employees' contributions to retirement funds |
| Fremont | 218,128 | \$11.4 million | -City employees being asked to take six furlough days a year, which would save about \$1.8 million -Last year, city unions approved contracts that provided no raises over two years |
| Irvine | 217,686 | \$17 million | -Cut back on community concerts -Consolidate after-school and summer programs -Delay construction of new public facilities, including a new police headquarters adjacent to the Great Park -Dip into \$14 million in reserve funds |
| Newport Beach | 86,738 | \$8 million | -Firefighters Union agrees to forfeit a scheduled 3.5% pay increase in favor of having the raise go toward paying a portion of employee pension costs, saving \$500,000. Under the agreement, new hires would have to pay an additional 5.5% of their retirement costs for the first five years of service in addition to the forfeited 3.5% pay increase |
| Fullerton | 138,610 | \$5.5 million | -All of city employee unions except the Firefighters Association have agreed to contracts mandating 5 percent pay cuts retroactive to December 2009 -Bargaining units will take off Fridays unpaid to make up for the retroactive cut |
| Redding | 91,561 | \$2.3 million | -Unions declined to pay a portion of their pensions for at least two years -Council voted 3-2 to cut \$2.3 million from the general fund budget and to ask voters to curtail employee retirement benefits: * One initiative would impose pension concessions on workers permanently, requiring them to pick up a portion of PERS. Currently, the city picks up the full 9% for public safety and 7% for other workers * The other measure would require workers hired after a certain date to pay the full cost of city health insurance on retirement |

Note: Data reflected above has been obtained from both primary and secondary (e.g. media) sources and changes daily and, therefore, may not precisely reflect the most recent information.

OTHER CA CITIES' FY 11 BUDGET STRATEGIES

| City | Population | Estimated FY11 Deficit | Examples of Proposed Solutions |
|-------------------|------------|------------------------|--|
| Redding cont'd | | | <p>-RPOA offered to give up a 4 percent pay raise, but council +rejected the concession, saying the city needs to make permanent cuts</p> <p>-Four police officers will lose their jobs in late June, along with two parks workers and a clerk</p> |
| Stockton | 292,133 | \$23 million | <p>-Issued preliminary layoff notices to 114 full-time and 74 part-time employees. (Includes 48 police officers)</p> <p>-Stockton City Employees Association (represents 464 of the city's 1,600 employees) may offer furlough reductions and other concessions worth about \$2.5 million</p> |
| Santa Barbara | 90,893 | \$9 million | <p>-City asked for a 10-percent cut from public safety departments and 12-percent from other departments</p> <p>-City Council rejected POA's proposed 5-percent cut in pay and benefits as it is seeking a 10% cut</p> <p>-Possible elimination of 41 positions</p> <p>-City Administrator asking for \$2.6 million in wage and benefit concessions from labor unions. If not received, 17 more positions will be eliminated</p> <p>-Police Department will be forced to eliminate seven (vacant) sworn officers, three non-sworn employees, PAL, DARE, and funding for school crossing guards</p> |
| Signal Hill | 11,465 | | <p>-City Council voted to freeze salaries and require city employees to pay a portion of their retirement pension and retirement healthcare costs</p> |
| Torrance | 149,717 | \$9 million | <p>-\$5.8 million cuts made in June to balance this year's budget</p> <p>-Mayor says layoffs are not being considered to solve the FY 11 deficit</p> <p>-Last year, all city departments were ordered to cut costs by at least 2 percent to balance the budget</p> |
| Carlsbad | 106,804 | | <p>-Council approves two-tier pension system on its firefighters union. 3% @ 50 for current firefighters, 2% @ 50 for firefighters hired after October 4.</p> <p>-Council also voted to require all firefighters to pick up the full share of their pension obligation. The city had been paying 8% of the firefighters' 9% share</p> |

Note: Data reflected above has been obtained from both primary and secondary (e.g. media) sources and changes daily and, therefore, may not precisely reflect the most recent information.

OTHER CA CITIES' FY 11 BUDGET STRATEGIES

| City | Population | Estimated FY11 Deficit | Examples of Proposed Solutions |
|---------------------|------------|------------------------|--|
| Milpitas | 71,552 | \$11 million | Three-pronged approach: 1.) 3% UUT or a quarter cent sales tax (\$4 mil) 2.) Cost Savings Plan: Reduce employee costs by 7%. 12 furlough days (\$1.9 mil). Eliminate city-run programs that are not 100% cost recoverable (\$552k). A 2.5% increase in PERS pick-up (\$800k). Two-tiered retirement system. Total savings for cost savings plan: \$4.1 million 3.) Economic recovery/Increase revenue |
| San Clemente | 68,763 | \$2 million | -City staff detailed a list of all city programs that do not generate revenue equal to or greater than the program cost. Council then identified those programs which they are willing to consider for service reduction |
| San Carlos | 29,155 | \$3.5 million | Outsource police and fire protection services to San Mateo County, saving city \$3 to \$5.5 million |
| Corning | 7,409 | \$1 million | -Eliminate the Recreation Department -Consolidate dispatch services in the Fire and Police Departments -Public Works cut painting and repairs to the Library |

Note: Data reflected above has been obtained from both primary and secondary (e.g. media) sources and changes daily and, therefore, may not precisely reflect the most recent information.

OTHER US CITIES' FY 11 BUDGET STRATEGIES

| City | Population | Estimated FY11 Deficit | Examples of Proposed Solutions |
|----------------------|------------|------------------------|--|
| Phoenix, AZ | 1,567,924 | \$241 million | -Eliminate 1,310 of the city's 16,000 positions. Police Department would lose about 353 sworn positions. Fire Department would cut 144 sworn jobs. The cuts represent about 18 percent of the total sworn police and fire force -Reduce library hours of operation at all 15 branches by 8 hours per week by closing on either Mondays or Fridays |
| Dallas, TX | 1,279,910 | \$108 million | -No pay raises -Plans for 5 furlough days |
| Detroit, MI | 912,062 | \$300 million | -10% pay cuts on non-union workers -\$11 million in layoffs and 26 unpaid furlough days |
| Tucson, AZ | 541,811 | \$33 million | -Eliminated 400 positions -Proposed one percent sales tax hike |
| Charlotte, NC | 687,456 | \$8 million | -Close 12 county library branches and layoff a third of the staff (148 employees) |
| Jacksonville, FL | 807,815 | \$58 million | Reduce employee pay by 3%, increase workers' contribution toward healthcare, raise fees for various city services |
| Las Vegas, NV | 558,383 | \$80 million | -Council approved FY 11 budget that cuts the jobs of 200 city employees -Department cuts include reducing the amount of city marshals available to patrol city parks and trails by a dozen and 'brown outs' for three fire units -Mayor states that unions could still offer concession to help save jobs -City is asking unions to reopen their contracts and give up this year's automatic COLA, merit pay, longevity pay or step increases, plus take an 8 percent cut in salaries and benefits -Unions have come to the table with various offers, but none that have been willing to give the city the amount of concessions it needs |
| Kansas City, MO | 451,572 | | -35 layoffs (\$2 mil) Elimination of 100 vacant positions (\$5 mil) -Wage freezes (\$7.5 mil) -Reduced park and boulevard mowing cycles (\$250k) |
| Colorado Springs, CO | 380,307 | \$28 million | -City has turned off one-third of its 24,512 street lights. -Trying to get volunteers and the private sector to provide services the city can no longer afford: -Taxi drivers recruited to serve as second set of eyes for over-stretched police patrols -Residents can pay \$100 a year to adopt a street light -Volunteers are organizing to empty the garbage cans in 128 neighborhood parks -City is asking private swimming programs to operate its pools, and one of the city's four community centers will soon be run by a church |
| Gainesville, FL | 114,916 | \$7 million | Four-day work week |
| Flint, MI | 112,900 | \$8 million | -Pink slipped 57 police officers and 23 firefighters -City administration considering borrowing \$13 mil to stabilize budget |

Note: Data reflected above has been obtained from both primary and secondary (e.g. media) sources and changes daily and, therefore, may not precisely reflect the most recent information.

OTHER US CITIES' FY 11 BUDGET STRATEGIES

| | | | |
|---------------------|---------|-------------|---|
| Saginaw, MI | 55,620 | \$2 million | <p>-Reorganize government structure. Create a public safety director who would oversee the police and fire departments. Both the police and fire chief posts would remain. Savings achieved through clerical centralization.</p> <p>-Two public safety tax propositions will be on the August election ballot. If voters reject both, 31 officers and 20 firefighter positions will be eliminated</p> |
| Billings, MT | 103,994 | | <p>-City Council considering purchasing smaller fire trucks, which would be useful for stations that respond mostly to medical calls</p> |

Note: Data reflected above has been obtained from both primary and secondary (e.g. media) sources and changes daily and, therefore, may not precisely reflect the most recent information.