

City of Salinas

Annual Budget Message

Mayor Dennis Donohue



January 24, 2011

FY 2010- 11 Budget

Process

- **Blue Ribbon Committee**
 - Expertise
 - Work differently
 - Preserve services
 - Employee MOUs

- **FY 2010- 11 Budget Balanced**
 - Adopted June 8, 2010

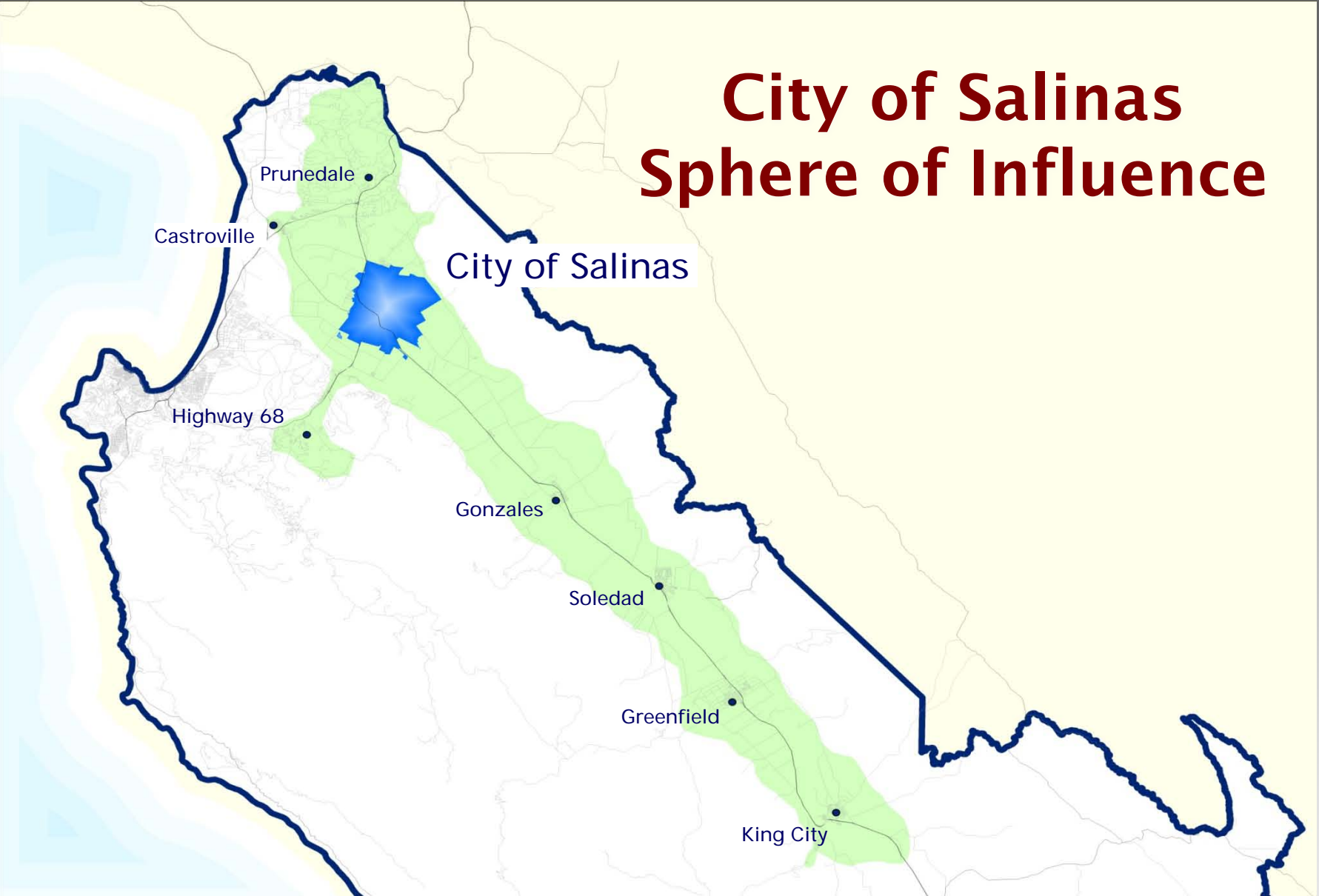
Restructuring/Organizational Assessment

- **Avery & Associates: Highlights**
 - Increase reserves
 - Invest in critical areas:
 - Economic Development
 - Training
 - Information systems
 - Neighborhood services/volunteerism
- **Complete five year forecast**
- **Negotiate salary and benefit reductions**

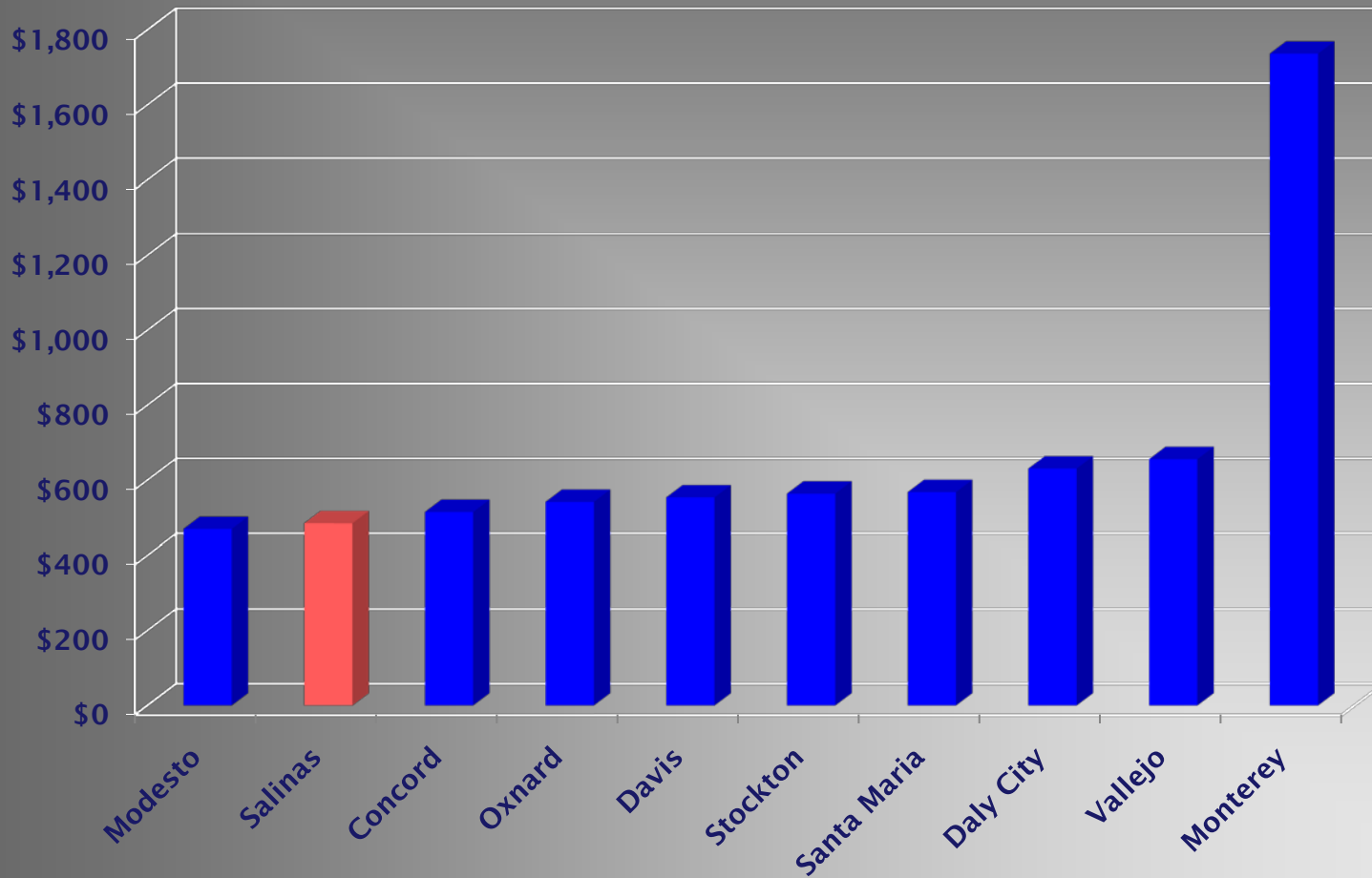
Long -Term Budget Issues

- **Not On Sustainable Public Safety Course**
- **Expiration of Measure V (March 2016)**
- **Low/Unpredictable Tax Base**
- **Services:**
 - **What levels?**
 - **What services?**
 - **How do we pay?**

City of Salinas Sphere of Influence

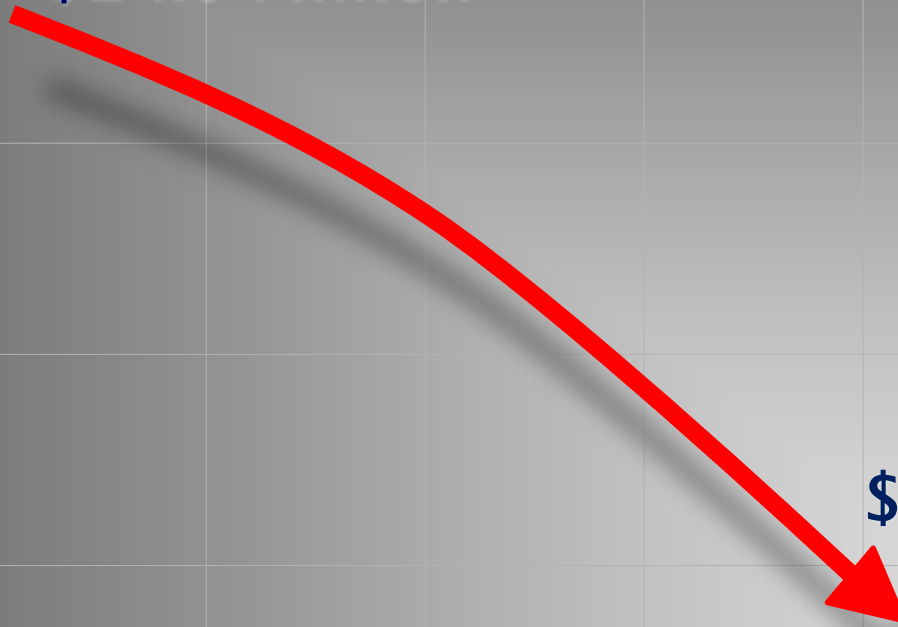


Per Capita Revenues: 2010/11



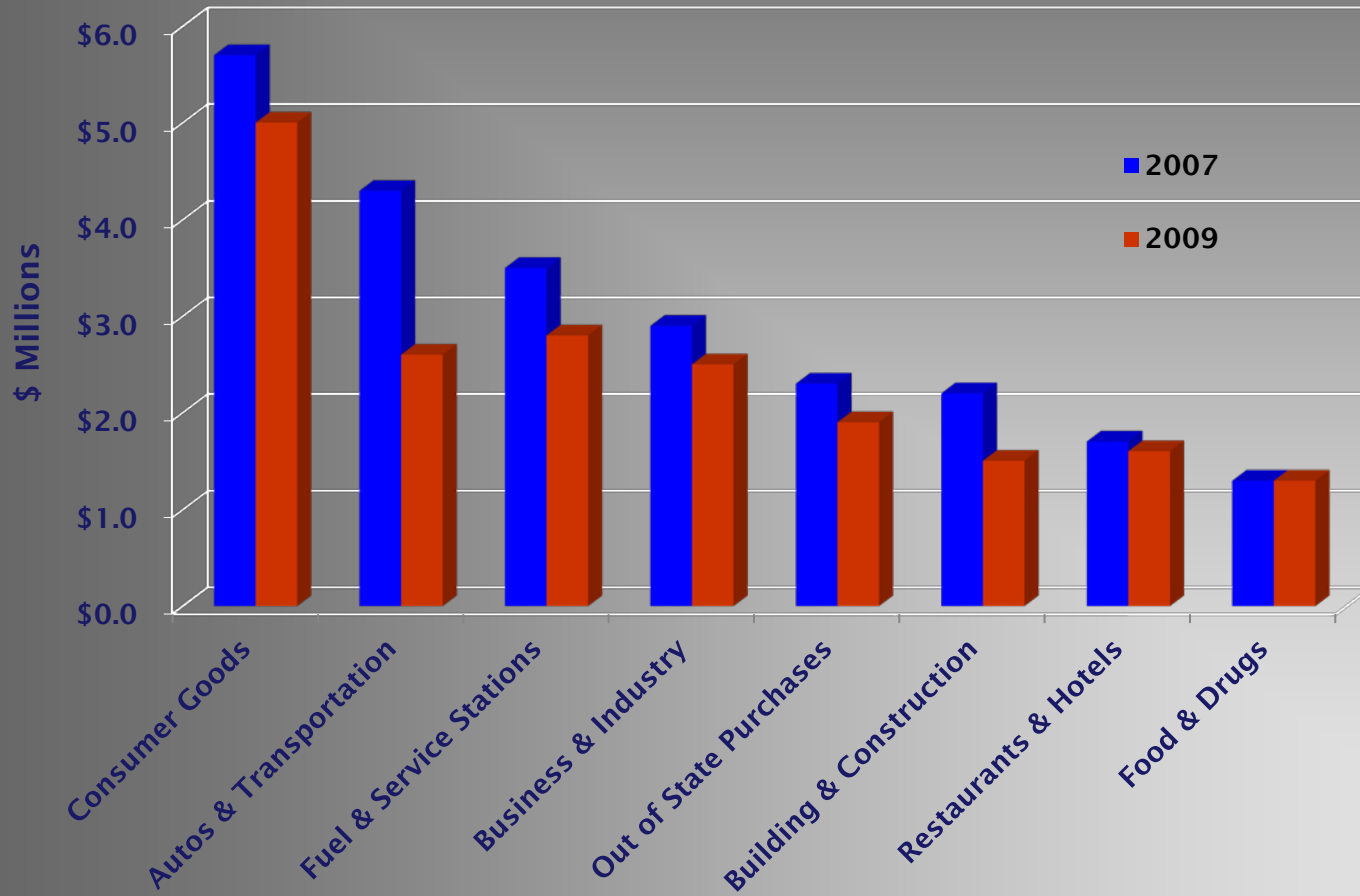
Sales Tax Decline: 2007 - 2009

\$24.0 Million

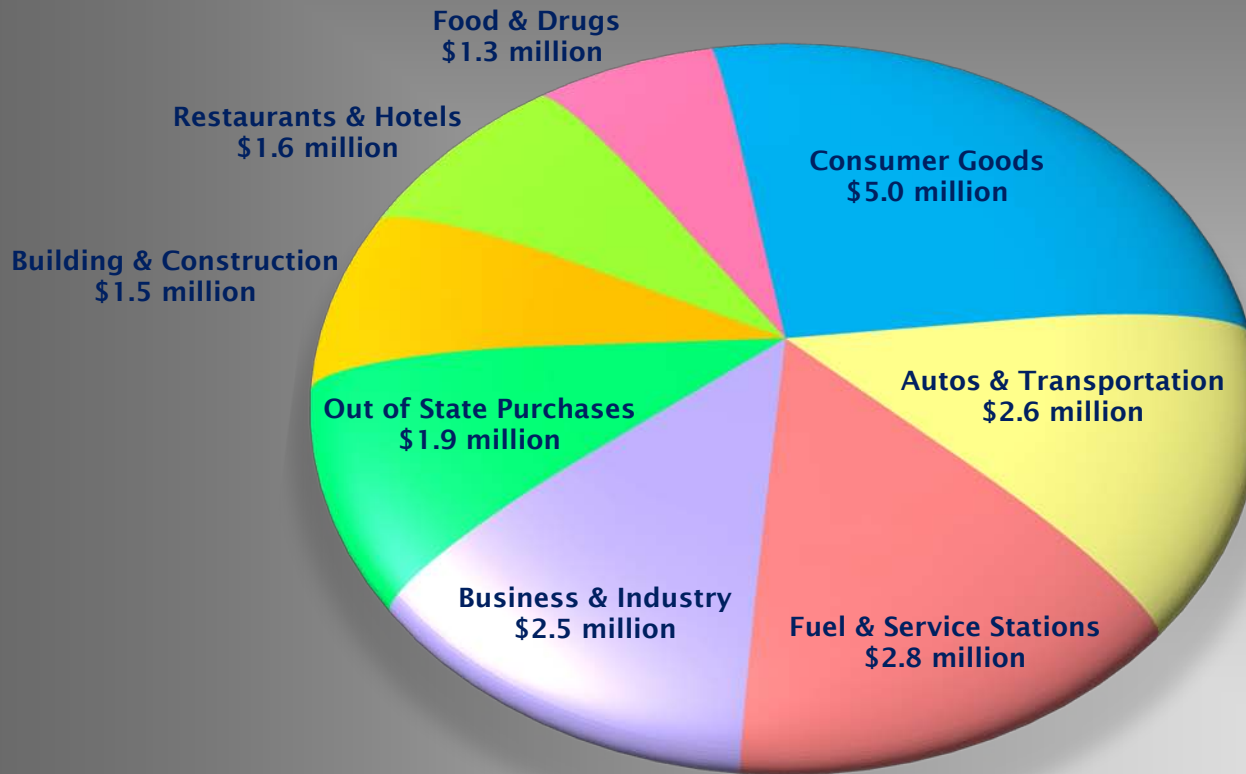


\$19.2 Million

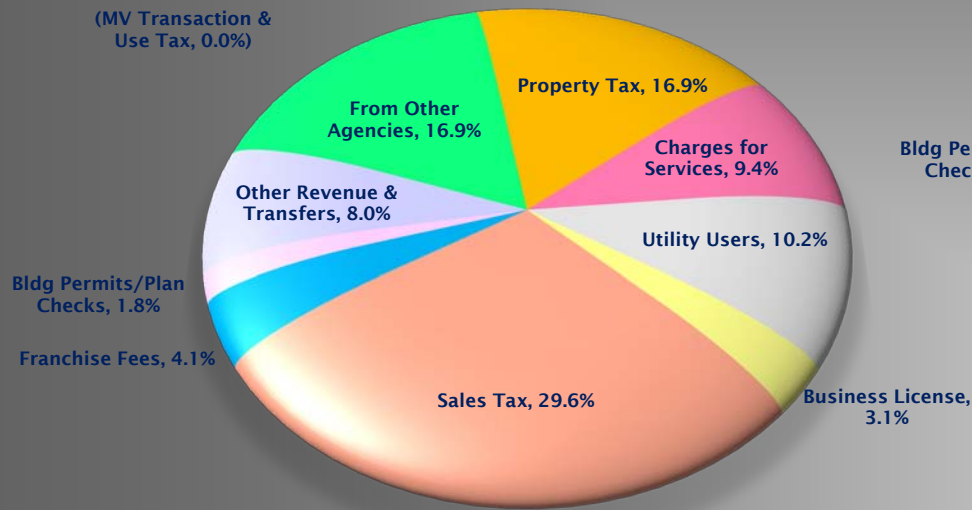
Sales Tax Changes 2007 - 2009



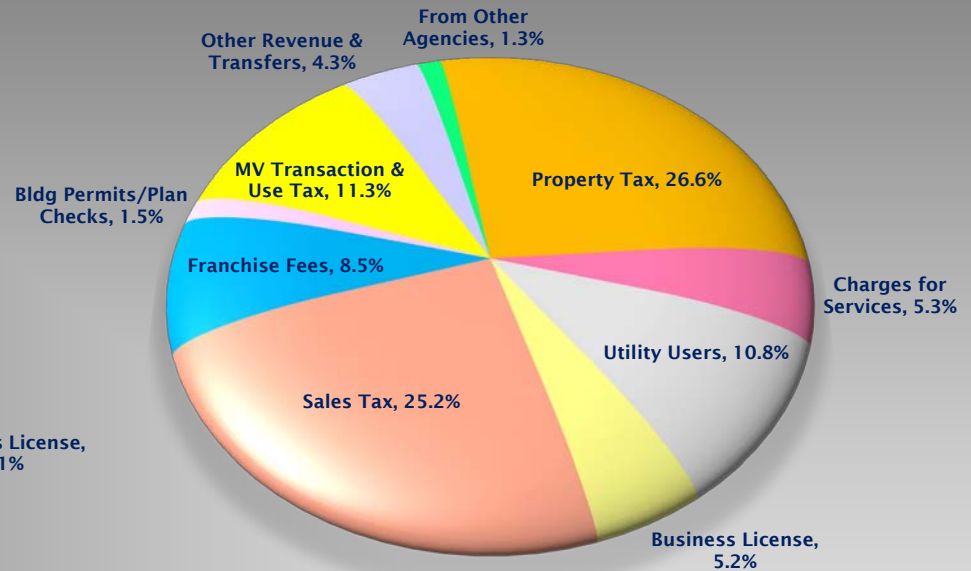
2009 Sales Tax: Major Business Groups



Changes in Revenue Sources: 1990/91 - Present

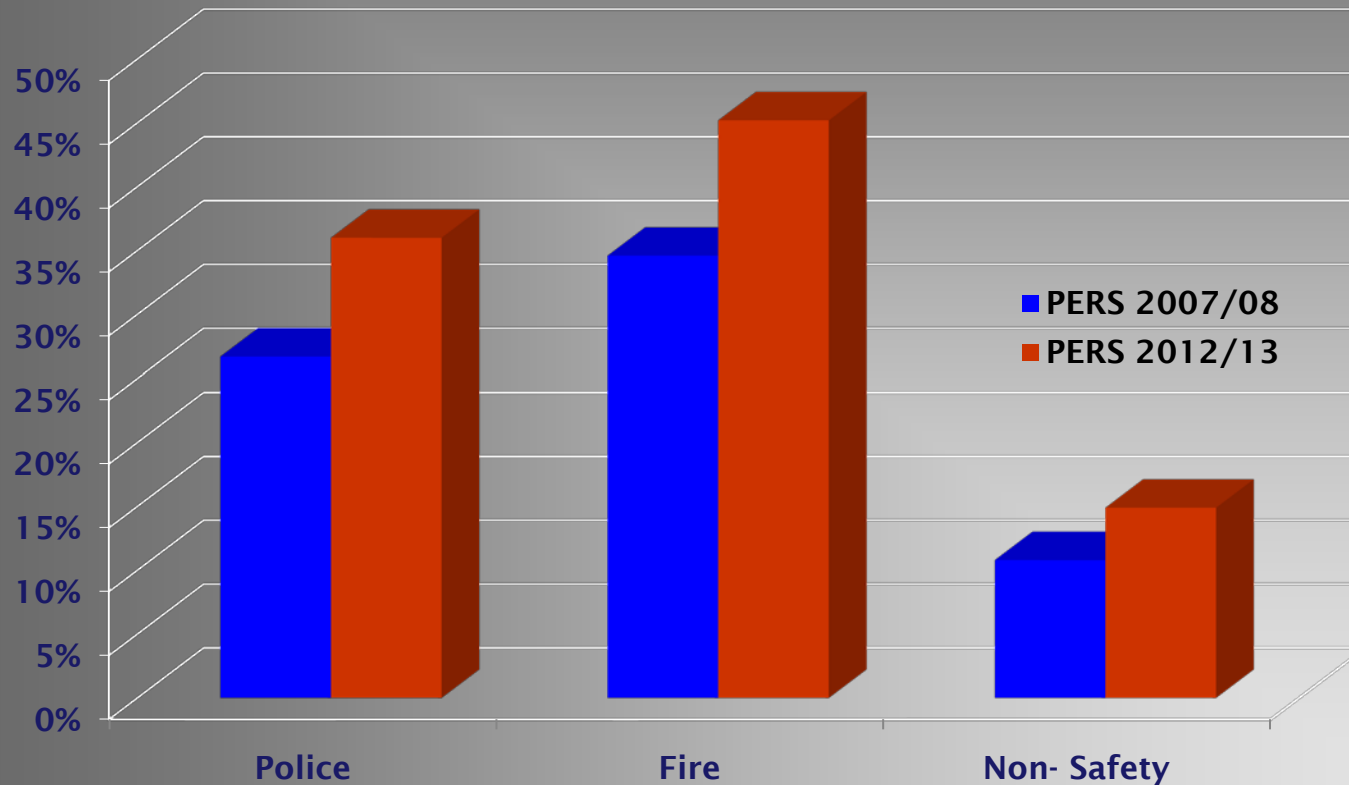


1990/91



Present

PERS Contribution Rates: 2007/08 - 2012/13



FY 2010-11 Budget

Process

- **Projected Shortfall: \$7 Million**

- **What Is Needed**

- Organizational assessment/complete work
- Implement changes
- Shared sacrifice today
- Reform moving forward
- City re- design

Core Issues

- **Must Address Core Issues**
 - How to become safe
 - How to provide customer oriented services
 - How to sustain services
 - 5- year forecast?

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END

