

News Release

For Immediate Release

City Manager Greg Burris outlined to City Council today his recommendations for worst-case budget reductions if the Feb. 3 sales-tax proposal fails and the economy does not begin to show improvement by later this year.

Burris said that scenario, which assumes a decrease in sales-tax revenue of 1.5 percent for both the current and upcoming fiscal years, would require \$5.75 million in budget reductions. He also offered recommendations for a scenario in which the sales tax is not approved, but the economy begins to recover and shows a 0.75 percent increase for each of the two fiscal years. That would require a \$3.97 million budget reduction.

The budget recommendations are in addition to the \$5.2 million cut in the current fiscal year in order to make the City's full contribution to the Police/Fire Pension Fund. His budget memo recommends that the City again make the full contribution for the 2009-10 fiscal year regardless of the election outcome because the Pension Fund shortfall will escalate more severely if the City does not make the full contribution. The 2009-10 contribution would be more than \$13.03 million, a \$530,000 increase over 2008-09, or about 18 percent of the City's \$73 million General Fund budget.

Burris' complete budget letter and supporting documents are available at: [www.springfieldmo.gov/cityconnect](http://www.springfieldmo.gov/cityconnect) <<http://www.springfieldmo.gov/cityconnect>>. A video of the meeting also will be posted by 5 p.m. today on CityConnect.

"During the presentations I've been making to citizens, I've received a number of questions about what the potential impact would be on city services if the tax does not pass," Burris said. "I pledged early on in this process that I would make my recommendations to Council public well before the Feb. 3 vote so citizens can make their most informed decision."

Burris said that he has worked closely with the Leadership Team to develop the recommendations, which are based on several underlying goals:

- \* Retaining core services, including the highest priorities cited in the recent Citizen's Survey;

- \* Emphasizing "on-the-street" duty to maintain Police patrol efforts as much as possible and keep as many fire stations open as possible;

- \* Retaining as many full-time positions as possible, though a certain number of layoffs are likely;

- \* Retaining communication with citizens, though it will be affected by cutbacks;

\* Avoiding additional across-the-board budget cuts to prevent the overall service levels from becoming "anemic";

\* Focusing on ongoing costs rather than using one-time funding sources to address ongoing obligations. That includes not tapping into the City's "rainy-day" reserve fund for emergencies such as the 2007 ice storm.

The following is a summary of the proposed budget reductions:

Personnel reductions: \$1.65 million

\* For General Fund positions, the current hiring freeze on 30 positions implemented Jan. 1 would carry through the next budget year as well as the 36 positions frozen in the current budget. (Additional positions have been and would be frozen in Parks, Health and Transportation as the transfers from the General Fund are reduced.)

\* Future vacancies that occur during the budget year would be frozen unless approved for hiring by the City Manager.

\* A number of contract employees would not be renewed.

The Police and Fire departments comprise 56 percent of the General Fund. In the Police Department, remaining staff would be allocated to meet priority needs in uniformed patrol and investigative services. The remaining officers currently assigned to neighborhood services, downtown and Commercial Street would be reassigned, along with three traffic officers. Voluntary support for community races, charity events and special events would be eliminated.

General Fund Transfer Reductions to Parks, Health and Transportation:  
\$1 million Parks - \$500,000: Reduce maintenance/mowing schedule; reduce programs at Jordan Valley Park and Mediacom Ice Park; reduce exhibits and programs at Dickerson Park Zoo; eliminate school-parks summer playground program at Title 1 school-park areas.  
Transportation - \$250,000: Primary impact is further extension of the pavement preservation program for street maintenance. Earlier budget reductions and material cost increases have extended the preventive street maintenance from a 12-year to 26-year frequency.  
Health - \$250,000: Reduce animal-control services; eliminate multi-family housing safety inspections; eliminate the Phelps Grove and Rountree rental registration programs; institute an air-permit fee on 150 EPA-regulated businesses in Springfield consistent with St. Louis and Kansas City; eliminate the City's employee wellness program.

Elimination of contributions to Non-Profit organizations: \$587,177

In the current fiscal year, the City reduced its contributions to non-profit agencies that provide valuable services and quality-of-life amenities to Springfield. These contributions would be eliminated entirely for the 2009-10 fiscal year. These agencies include: Community Partnership of the Ozarks; Discovery Center of Springfield; History Museum of Springfield-Greene County; Mayor's Commission for Children; Mayor's Commission on Human Rights; Ozark Greenways, Inc.; Ozarks Fighting Back; Partnership for Prosperity; Springfield Sister Cities Association; Traffic Safety Alliance; Urban Districts Alliance; Urban Neighborhoods Alliance; Watershed Committee of the Ozarks.

Eliminations or reductions of other partnership programs and services:  
\$63,694

This includes funding the City provides for programs including: Downtown Springfield Community Improvement District; Downtown Wi-Fi; Ozarks Transportation Organization; Festival of Lights; Partners in Education; downtown parking enforcement; Springfield Area Chamber of Commerce programs.

Internal Employee Development, Functions and Services: \$1.56 million

\* Suspension of Merit Step increases for eligible employees, which would require a City Council ordinance change.

\* Suspension of deferred-compensation matching program for unclassified employees.

\* Reduction of employee and City Council professional development and travel, excluding training necessary to maintain required professional certifications.

\* Elimination of security system in the Busch Building and City Hall.

\* Elimination of internal services such as employee leadership and supervisory training, sick-leave minimization incentive; employee morale and the Police Department's citizen surveys; the remaining employee and family appreciation events; computer discount program and the employee service recognition program.

\* No cost-of-living increase for employees.

One-year suspension of Crime Lab payment: \$270,000

Burris said he is making this recommendation because the City made a larger contribution in the current budget year before knowing the amount of contribution from Greene County and its regional partners.

Adjustment in Overhead Rate to Grant and Enterprise Funds: \$500,000

This involves a third-party review of the appropriate costs to be charged to grant and enterprise funds for overhead services provided by the General Fund. This basically represents a transfer from these funds to the General Fund and will necessitate budget reductions for these funds.

Additional Departmental Reductions: \$114,000

\* Elimination of summer community concerts and activities at Jordan Valley Park, such as support for the annual free Springfield Symphony event for Artsfest weekend.

\* Elimination of Neighborhood Assessment Program.

\* Reduction of archived records storage costs by increasing electronic archiving.

\* Reduction of City Council mileage reimbursement.

If Council elects to develop the budget based on the scenario where the economy begins to improve later this year, Burris said he would recommend restoring part of the reductions to the transfers to Parks, Transportation and Health funds; reinstating merit-step increases for eligible employees; making a partial payment for the Crime Lab; and restoring part of the reduction for employee and City Council professional development.

For more information, contact: City Manager Greg Burris, 864-1001; or Louise Whall, Director of Public Information, 864-1010.