



MAYOR & COUNCIL MEMORANDUM

Subject: Fiscal Year 2016/17 General Fund Budget Update (City Wide) Page: 1 of 2

Issue – Opportunities to balance the Fiscal Year 2016/17 budget are being identified and will continue to be discussed and refined prior to submittal of the City Manager’s recommended budget on April 19, 2016.

City Manager's Office Recommendation – This report is for information and discussion. No action is requested or required.

Background – At the February 23 Study Session, Mayor and Council was informed of the \$25.6 million expected shortfall for Fiscal Year 2016/17. The Executive Leadership Team (ELT) has been meeting to come up with strategies for addressing the Fiscal Year 2016/17 budget shortfall. As a part of this exercise, a list of overarching goals was established to ultimately bring the city into structural balance.

- Create a structurally balanced budget
- Consideration of employees
- Challenge the way we do business
- Think long-term
- Compliance with City Charter and laws
- Maintain pride of public appearance
- Incorporation of Mayor & Council in the process.

Each department director was challenged to look at how they do business and provide our core services. This was an opportunity for a total review of the way we provide our fundamental services to ensure efficiency and effectiveness.

Initial ideas and thoughts have come from ELT’s efforts, with your involvement and engagement, and this is an opportunity to work together to achieve a structurally balanced budget. Our discussions will continue over the next few weeks prior to the recommended budget presentation scheduled for April 19, 2016.

Present Consideration –

Today, you will be provided with preliminary balancing strategies for the Fiscal Year 2016/17 budget. I would like to suggest we have a joint Mayor and Council and ELT budget retreat in early April where the details of the proposals can be vetted and discussed.

Plan Tucson Consideration(s) – This item relates to *Chapter Four, Plan Implementation & Administration*. Specifically, this item addresses the need to have the right foundational elements in place to support/foster the City's ability to implement Plan Tucson.

Financial Considerations – None

Respectfully submitted,

Michael J. Ortega
City Manager, P.E.

MJO/JG/sma

Attachment: A. Revenue Proposals
B. Expenditure Reduction Proposals

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