



To: Mayor Sarno, Lee Erdmann
From: TJ Plante
Date: July 1, 2011
Re: FY12 Adopted Budget – Impact of City Council Reductions

Purpose: The purpose of this memo is to provide impact statements for the additional reductions taken by the City Council on June 22, 2011.

Background: The FY12 budget process began earlier this fiscal year with a projected gap of \$49.4 million. This gap was based on level service requests from departments and revenue assumptions made based on the state budget and property tax assumptions. The Mayor’s recommended budget included reductions to all departments ranging from 4 to 29% below their requested budgets. The Mayor made specific reductions within budgets and did not take an across the board approach in light of the specific needs for fixed costs and his own strategic priorities. The overall changes in the budget are shown below:

	FY11 Adopted	FY11 Projected	FY12 Recommended	FY12 Adopted*	% Change from FY11 Adopted	% Change from FY11 Projected
City	223,451,854	228,413,573	214,050,242	211,368,692	-5.4%	-7.5%
Schools	310,011,601	320,358,701	330,834,330	330,834,330	6.7%	3.3%
TOTAL	533,463,456	548,772,274	544,884,572	542,203,022	1.6%	-1.2%

**The Council Adopted a budget that did not take into account the impact of Schedule 19. Some of the cuts made will increase funding for the school department.*

The actions taken by the City Council for additional budget reductions will have varying impacts across departments. Even though 5% across the board reductions were taken for all departments, this will impact each department differently. Many departments have fixed costs such as leases, energy and other items that must be funded, therefore deeper cuts to other areas will be needed.

In addition, the Council voted to reduce funding for departments that are eligible for Schedule 19 under the requirements of Net School Spending. Schedule 19 is a technical term that allows the City to offset some of its costs to the School Department, therefore, the cuts taken by the Council will not have the desired impact. In fact, they will end up increasing the appropriation to the School Department. For example, the reduction of \$100K to the Finance Department only achieves \$40K in savings because 60% of the Finance Department’s costs are allocated to the School Department through Schedule 19. Below is a chart that illustrates the cuts impacts on all of the departments included in Schedule 19. It is important to note this because the amount needed from Stabilization will need to address the Schedule 19 impacts.

Department	Council Cut	% Schedule 19 Eligible	School Dept Offset	Actual Cut
CitiStat	240,241	40.00%	96,096	144,145
~311	270	20.00%	54	216
CAFO	3,334	61.02%	2,034	1,300
Treasurer	136,666	61.02%	83,389	53,277
Comptroller	580	61.02%	354	226
Internal Audit	55,248	61.02%	33,711	21,537
Law	28,228	40.00%	11,291	16,937
Purchasing	63,345	61.02%	38,651	24,694
ITD	187,568	20.00%	37,514	150,054
Finance	101,863	61.02%	62,154	39,710
HR	29,202	61.02%	17,818	11,384
Labor Relations		40.00%	-	-
Payroll	2,689	61.02%	1,641	1,048
Park Admin	-	50.00%	-	-
Facilities Salaries	-	80.00%	-	-
TOTAL	849,233		384,706	464,527

The Finance department has asked each department to clearly describe the impacts of each reduction and has included those statements in this report. The reductions will need to be implemented immediately to ensure that departments will not overspend their adopted budgets for FY12.

Non-Mayoral Division

The mission of the Non-Mayoral Division is to carry out the policy decisions and services of the City as elected by the people or as an independent source to verify the legitimacy of the City’s programs, services and finances.

The Mayor’s recommended budget reduced the Non-Mayoral Division by 6.9% from the FY11 Adopted Budget. These reductions included non-bargaining concessions, elimination of 1 vacant position, reductions to overtime, professional services, office supplies, and dues and memberships.

Additional reductions implemented by the council will have the following impacts as described by the departments:

City Council:

An additional 5% cut to OTPS will directly impact information provided to City Councilors and the office will violate Massachusetts General Laws because it will not be able to pay for all of its legal advertisements. The City Council did however preserve their salary increase of 11% above FY11.

City Clerk:

The office will violate Massachusetts General Law because it will not be able to pay The Republican newspaper to post its legal advertisements.

Office of Internal Audit:

The additional cut of the vacant position reduces the Office Internal Audit (OIA) staff by 33% leaving only 2 employees. According to industry standards, ideal staffing for this department is 5-6 employees for an organization the size of Springfield. The cut to the OIA expenditure budget eliminates funding for an external technology audit to address areas of exposure in disaster recovery, data backup, and hardware and software replacement policies.

General Government Division

The mission of the General Government Division is to provide core services to support the City Departments as well as the constituents of the City.

The Mayor's Recommended Budget reduced the General Government Division by 1.9% from the FY11 Adopted Budget. These reductions included non-bargaining concessions, elimination of 1 vacant position, and reductions to office supplies, seminars, advertising, settlement claims, and travel.

Additional reductions implemented by the council will have the following impacts as described by the departments:

Law Department:

The Law Department saw its staffing levels reduced by 2 employees from FY11 to FY12. In addition, funding for the Law Department's operating expenses was cut by \$28,288, even though their FY12 budget request was already 9% below the amount approved in FY11. This cut amount includes a reduction to the City's settlements account, the line item that pays for court rulings, arbitrations, and other binding legal settlements. Also impacted by this cut is legal services provided to the Code Enforcement departments. These services include serving court summons to derelict property owners and those in violation of the City's health and safety codes and will have a direct impact on the health of City neighborhoods.

Elections Commission:

The Elections Commission's staff has been reduced from 5 to 4 full-time employees in FY12, placing additional duties on every employee in the department. The Council's 5% cut to the OTPS budget will result in the City's inability to mail updated polling locations to affected voters, reduced foreign language printed materials, and inadequate funding to maintain the City's aging voting machines.

Administration & Finance Division

The Division is responsible for the overall financial, human capital and technology management of the City of Springfield.

The Mayor's Recommended Budget reduced the Administrative and Finance Division by 9.3% from the FY11 Adopted Budget. These reductions included the elimination of 15 vacant positions and 4 layoffs across several departments. In addition reductions to supplies, professional services, professional development, and computer hardware. The A&F departments serve all City departments and the public therefore based on these reductions there will be a delay in processing requests, reviewing needs, responding to help desk needs, answering calls, processing payments and releasing and reviewing bids.

Additional reductions implemented by the council will have the following impacts as described by the departments:

Chief Administrative and Financial Officer:

In FY12, the CAFO's department will not be backfilling a vacant position, leaving only 2 employees. The cut to OTPS of \$3,334 is in addition to \$58,000 in OTPS cuts taken during the budget development process. This cut will eliminate front-line customer service training for all departments, as well as, a second citywide training opportunity that would have partnered the City with Westfield State University.

Finance Department:

The City Council's cut of \$100,000 to the Finance Department required the loss 1 position. In addition, the Finance Department eliminated 1 vacant position from their budget in FY12. This leaves the Finance Department with 7 full time employees, 3.5 employees fewer than in FY10. This additional position lost was 1 of 2 positions responsible for a unit that oversees the compliance and reporting for \$17 million in grants, and researches and submits applications for new grant opportunities. Of this amount, \$1.8 million was brand new competitive funding received in FY11. This cut exposes the city to the loss of grant funding opportunities future years, and will decrease the unit's ability to assist department's in charging back their grants and negotiating with funding agencies when needing time extensions and repurposing of funds – a savings that saved the city's general fund more than \$300,000 in FY11.

CitiStat:

As a result of the City Council's defunding of the department, 3 employees will be laid off. Despite the CitiStat concept being embraced by Governor Deval Patrick, as well as, other communities across the country ranging from Boston, Irving, TX, Coral Springs, FL, Charlotte, NC, Miami-Dade County, FL, and Orange County, CA, and Erie County, NY, this department was eliminated. Due to this cut, the FY12 work plan that would have yielded \$1.3 million in cash and ongoing efficiency savings across all City departments will not be implemented. Instead, the City will realize a 1-time savings of \$240,241, a savings of less than 18 cents on the dollar. In addition, the City will lose at least \$25,000 annually in grant opportunities that assisted CitiStat in carrying out its mission of continually improving the quality of services offered to the residents of Springfield. Longer term, the City loses its capability to continually improve itself. In

the face of our need to wean ourselves off of the substantial use of reserves in the future years, this means significant future service reductions.

Comptroller:

The City Comptroller's budget includes funding for 11 employees, 2.5 fewer than in FY09. The requested OTPS budget for FY12 was 31% lower than the adopted OTPS budget for FY11. The additional 5% reduction will reduce the Comptroller's ability to provide continuing education regarding decrees from the Governmental Accounting Standards Board and MA Department of Revenue.

Procurement:

The Office of Procurement will have only 6 full time employees in FY12. This is a result of 2 vacancies that are not being backfilled, 2 layoffs, and the cut of funding for 1 highly-skilled vacant position. These cuts, coupled with a 5% cut in OTPS funding, will result in longer wait times for contract review and approval and the lost ability to engage with the Commonwealth of MA to pilot a *free* online procurement system. Construction procurements for road reconstructions and building improvements (including services for tornado-recovery) will be significantly delayed. Departments providing front-line services to residents (Police, Fire, Public Works, Parks, etc.) will wait longer to receive their goods and services that directly affect residents.

Assessors:

The planned layoff coupled with a 5% cut to OTPS will directly impact the Assessor's ability to defend their assessments in front of the Appellate Tax Board. The ability to defend is extremely important in a community that is up against its levy ceiling because each case directly impacts the overall valuation and tax levy for the City and cannot be made up by shifting the tax burden. Personal property tax revenue assessments will also fall due to the City's inability to properly fund the assessment services of an outside vendor. The cost of this outside vendor (paid for through a professional service contact) is less than the cost of hiring additional employees to perform this task.

Treasurer/Collector:

The Treasurer's Office contains several line items that are required to be budgeted there legally: the City's employer share of Medicare tax as federally mandated, the cost of check stock for printing paychecks, vendor checks, and tax title expenditures. The cut amount, \$143,519, is greater than the sum total of all discretionary line items in the Treasurer's budget, forcing the Treasurer to reduce his Professional Services budget that is used for the administration, maintenance and collection of tax title properties. An outside vendor, Revenue Services, assists the City in providing payoffs to taxpayers on foreclosed properties, and assists with public auctions of foreclosed properties. The City is expected to lose approximately \$340,000 in tax title revenue (\$2.50 for every dollar cut). This results in a net *cost* to the City of approximately \$204,000 instead of \$136K in savings.

HR / Labor Relations:

In FY12, all of the City's collective bargaining agreements will expire. Beginning on July 1, 2011 the HR/LR Department will need to conduct over 20 separate negotiations with 1 fewer employee (an eliminated vacancy) and \$29,202 less in funding for outside

legal counsel, resulting in delays in contract settlements and potential losses to the city in employee concessions.

Payroll:

In previous fiscal years, the City Council urged City leadership to eliminate high-priced outside vendors that managed payroll and bring the task back in-house. Despite having achieved this task and cutting \$293,000 from their budget, the City Council cut the Payroll Department and by doing so risks not having enough funding to pay for W2s and 1099s for its employees and retirees, and also exposes the city to non-compliance with the Federal and State tax codes because continuing education will be eliminated.

Information Technology Department:

In FY09, the ITD had 22.6 full time employees; the recommended budget for FY12 was for 16.0 employees. Despite having undergone a 30% staff reduction over the past three years while at the same time implementing and managing additional technological services in house (Intelligov, Kronos, additional MUNIS modules, Accela, etc.) the City Council cut \$100,000 from the ITD's salary line item. This cut will result in additional layoffs and eliminate the City's transition to VoIP, a new telephone initiative that would have saved the City over \$200,000 on an annual basis. In addition to this cut, 5% was cut from ITD's FY12 OTPS budget. This budget includes the user licenses for all Microsoft Office programs, maintenance agreements for all of the City's software, and telephone and internet services for all City departments. The \$87,568 lost by ITD will result in the shutdown of computer programs that allow employees to perform their normal job duties.

Capital Asset Construction:

The Department of Capital Asset Construction (DCAC) currently manages in excess of 50 capital projects, including construction of the new Putnam Technical High School and Forest Park Middle School renovation with only three (3) employees supplemented by an outside vendor. Despite a thorough review of the vacant position request proving that hiring an additional employee at \$42,000 (plus benefits) would save the City over \$20,000 in expenditures to an outside vendor, the Council cut funding for this position. In addition, they cut the OTPS budget by an additional \$11,300, funding that is used to pay this particular outside vendor and others for services that are not eligible to be paid from bond-funded projects.

Development Services Division

The Development Services Division integrates the resources of each department to enhance the quality of life in our City, to facilitate growth and development and to ensure appropriate planning and enforcement of regulatory standards and to oversee and facilitate the revitalization of each neighborhood of the City.

Based on the Mayor's recommended budget, the Development Services Division was reduced 11.7% from the FY11 Adopted Budget. These reductions included non-bargaining concessions, the elimination of 2 vacant positions, the elimination of the City's marketing program and reductions to professional services for property maintenance.

Additional reductions implemented by the council will have the following impacts as described by the departments:

Planning/Economic Development:

Planning and Economic Development will be reducing their Professional Services line item as a result of the Council's 5% OTPS cut equaling \$19,034. This cut will result in delayed development of vacant and derelict properties in Springfield. Vacant properties not developed in a timely manner cost the City in 2 ways: the City will spend money to maintain those parcels instead of collecting tax revenue from prospective property owners. In addition, the City's award-winning *Buy Springfield Now* program will be cut, offering fewer incentives to prospective Springfield home buyers.

Building & Housing Code Enforcement:

The daily functions of the two Code Enforcement departments directly affect residents' quality of life by enforcing health, sanitary, and safety codes in the City of Springfield. In addition, these departments partner with the Parks Department's *Mayor's Clean City* initiative to clean and maintain illegal dumping sites throughout the City. The City Council's 5% cut to OTPS will result in fewer cleanups at vacant properties and illegal dumping sites in addition to longer response times to citizen complaints.

Public Safety Division

The Public Safety departments' mission is to keep the citizens of Springfield safe.

The Mayor's recommended budget reduced the Public Safety Division by 1.3% from the FY11 Adopted Budget. These reductions included non-bargaining concessions, the elimination of 11 vacant firefighter positions, shifting eligible costs to the E-911 grant, reduction to overtime for both police and fire, and reductions to supplies and materials for each department.

Additional reductions implemented by the council will have the following impacts as described by the departments:

Police:

The Mayor's recommended FY12 budget for the Springfield Police Department was 0.8% below the adopted FY11 budget and led the department to absorb all of their contractual salary increases, higher utility costs, and additional software maintenance costs no longer covered by grants into a lower budget figure than the previous year.

The City Council's personal services cut effectively eliminates \$101,375 from the SPD's salary line item budget which will result in the layoff of 4 cadets. The SPD's FY12 budget already contained a turnover savings offset of over \$800,000, but this additional amount would not be able to be absorbed based on historical departmental turnover. The loss of these positions means taking police officers off of active patrol to fill the duties and functions that a Cadet would normally perform.

The balance of the 5% reduction to the department's OTPS budget amounts to \$103,019 which means that the SPD's contract with ShotSpotter® gunshot detection system will be eliminated. This cut will lead directly to increased response times to violent gun crime

and fewer solved cases. In addition, the SPD will no longer be able to purchase an adequate supply of crime prevention supplies including DNA test kits, gunshot residue tests, blood and saliva tests, and fingerprint kits. Many of these kits have a shelf life and, if not used in a timely manner, need to be discarded. Lastly, the Police Department will be unable to provide extra support through staffing and materials for special events as they have provided in the past.

Fire:

The Fire Department received a \$70,651 cut to their OTPS budget. Over 58% of the department's total OTPS budget is non-discretionary and pays for fixed costs such as natural gas, heating oil, and electricity for 9 firehouses, mandatory first-responder training for all employees, vehicle fuel, apparatus financing costs, collective bargaining required uniforms and equipment, medical waste disposal, and software maintenance agreements. This means that the 5% cut needs to be spread over the remaining 42% of the OTPS budget, equating to a 12% cut to safety supplies, materials and other gear that firefighters need to safely do their jobs.

Dispatch:

Despite being informed that the Dispatch Department's vacant positions were funded from a State grant, the City Council reduced the *general fund* salary line item by \$125,000. This cut jeopardizes the ability of the City's Police and Fire dispatch centers to be fully staffed on occasions where employees are on vacation or out sick, directly impacting the service provided to the public when they call for help, and the Police and Fire personnel when they are responding in the community. In addition, these cuts eliminate necessary funding for critical management positions in the actual dispatch centers. Once the two dispatch functions are combined (a staff of 41 Telecommunicators working 24/7), there will be no direct supervision available from the Police and Fire departments when the sole manager, the Dispatch Director, is unavailable. In addition to directly affecting public safety, these cuts jeopardize the City's eligibility for increased state funding for a centralized and regionalized dispatch center. These cuts in management staff keep the department from reaching State required mandates set by CMR 560: Statewide Emergency Telecommunications Board Standards for Enhanced 911, which will result in the State withholding future annual, non-competitive grant funding (FY12= \$828,258). This one time cut of \$125,000 will greatly increase the general fund burden on the City for many years to come.

Department of Public Works Division

The mission of the DPW is to maintain, preserve and improve the City of Springfield's public way infrastructure.

The Mayor's FY12 Recommended Budget increased the Public Works Division by 10.7%. The increase was driven by the street light account that increased by over \$500,000 for FY12 based on rates. The DPW took other reductions included in the Mayor's recommended budget which included non-bargaining concessions, the elimination of 5 vacant positions, and reductions to office equipment, overtime, waste removal services, repair and maintenance of vehicles, printing and binding and all other supplies and materials.

Additional reductions implemented by the council will have the following impacts as described by the departments:

DPW General Fund:

Overall, the reduction to the DPW General Fund accounts is \$489,231. In order to absorb the City Council 5% cut to OTPS, which equates to \$347,515, the DPW will be reducing or eliminating programs across the department. Certain programs, such as Snow & Ice, Street Lights, and Traffic will remain intact in order to preserve public safety. Street maintenance functions, however, will be reduced to pothole patching, street sweeping, and asphalt-patching of concrete sidewalks. No street paving will occur unless it is a large-scale project funded by the State.

Maintenance of the City's storm drain system is required by the EPA in order to maintain our National Pollution Discharge Elimination System (NPDES) permit. Without proper maintenance and upkeep and as a result of the recent tornado, several water bodies could experience flooding and channel erosion if the debris is not removed

In addition to service reductions in Streets and Storm Drains, the DPW's Fleet Maintenance Division will be reduced. The City Council voted to eliminate 1 vacant mechanic position, thus putting the DPW farther behind in its preventative maintenance program and decreasing the department's ability to provide timely and efficient repairs to City vehicles and equipment. All departments will be affected by this cut and service to residents will suffer due to lack of functioning equipment in Parks, Code Enforcement, Elder Affairs, Animal Control, and the DPW itself.

Lastly, the DPW will be unable to provide extra support through staffing and materials for special events as they have provided in the past.

DPW Solid Waste Enterprise Fund:

The reduction to the Enterprise Fund is \$239,410. This cut will affect the Solid Waste Division's ability to collect and dispose of all streams of waste. In order to maintain the regular pickup schedules for solid waste, recycling, and yard waste, the bulk waste program and household hazardous waste programs have been eliminated. Residents wishing to dispose of large items such as furniture, tires, and appliances will be required to bring them directly to Bondi's Island. The elimination of this program will be a major inconvenience to residents and increases the likelihood of illegal dumping. In addition, this cut will result in the loss of approximately \$100,000 in revenue in FY12.

Household hazardous waste drop-off days (previously offered at no cost to City residents) will be cancelled in FY12. Residents wishing to dispose of corrosive, flammable, reactive, or toxic substances such as insecticides, oven cleaners, solvents, pool chemicals, lawn chemicals, fertilizer, metal polish, floor cleaners, and wood strippers will be required to contract with a licensed hazardous material disposal company. The elimination of this program increases the likelihood of illegal dumping and contamination of the City's rivers, ponds, lakes, streams, and groundwater.

Health and Human Services Division

The HHS Division serves to provide awareness of contemporary health issues as well as advocate for and provide health services to the citizens of Springfield.

The Mayor's FY12 Recommended Budget increased the HHS Division by 7.0%. The increase was driven by a lease agreement for the animal shelter, as well as a surge in Veterans benefits based on current caseload. HHS did take reductions based on the Mayor's recommended budget which included the elimination of 5 vacant positions and 3 layoffs. In addition, other reductions include non-bargaining concessions, reductions to staff training, reducing supplies and materials, reducing overtime and reducing library branch hours.

Additional reductions implemented by the council will have the following impacts as described by the departments:

Health and Human Services:

This department received an 8.1% reduction below FY11 in the Mayor's recommended budget. That included non-bargaining concessions and shifting costs to grants. In addition, the reductions taken eliminated vacancies for the HIV/AIDS coordinator and the homeless case manager. Given the high rates of HIV/AIDS and homelessness in the City of Springfield, this is a very difficult decision and will have a major community impact. The additional reduction taken by Council will be absorbed through a lower negotiated lease amount for FY12 for the department leased space on State Street.

TJO Animal Control:

TJO provides 24/7 animal control services to Springfield, as well as the cities of Chicopee, and Holyoke. The City Council eliminated the department's 1 vacant position which will mean that the city is no longer able to meet the required staffing levels in the contracts with its partner cities and, as a result, the City is at risk of losing Chicopee and Holyoke, who are projected to provide \$299,811 in revenue FY12.

The OTPS budget \$952,166 is, but \$676,484 is fixed costs of the building lease, electricity, natural gas, insurance, taxes, and water/sewer. This 5% cut is akin to a 17% in "discretionary" costs, which includes food, spay & neuter services, and vaccinations for all animals passing through TJO.

Elder Affairs:

The 5% reduction in OTPS will directly affect the number of events that can be held at Senior Centers throughout the City and the cleanliness and upkeep to our facilities will be compromised.

Veterans Services:

The Veterans Services Department was cut \$107,586 by the City Council. The calculation that produced this cut amount includes \$2,142,055 in veterans benefits that will be paid to our area veterans for funerals, heating oil, natural gas, medical expenses, dental costs, medicine, nursing home costs, food, shelter, and ordinary living expenses. The only other costs in the Veterans Services' OTPS budget is \$9,674 for operating expenses such as a copier lease, employee continuing education, and office supplies. As a result of this decision, veterans will have longer wait times when picking up their

benefit checks and veterans' gravesites will not be marked with flags on Memorial Day or Veterans Day.

Public Libraries:

With this latest reduction, the General Fund budget for materials for FY12 is a reduction of 28% since the start of FY09. The library's GF appropriation for library materials is now \$142,754.95 short of meeting the State's Minimum Materials Expenditure Requirement. If Springfield is not certified in the State Aid to Public Libraries program, we will lose additional funding from the State, will be ineligible to apply for certain grants, and our residents' borrowing privileges at other libraries will be jeopardized.

Fewer new titles will be available on our shelves. People will wait longer for popular new items. The number of print reference materials, children's early literacy and curriculum support materials will be reduced. Online databases that are available to the public will be eliminated.

There will be a reduction of about 27 guard hours per week at branch libraries. Central Library security will also be reduced, primarily through elimination of security coverage at the State Street parking lot.

The library will work with the city Law Department to review options to end the lease of the East Forest Park Branch Library. It is not good fiscal management to pay an annual lease price of \$55,000 for a branch that will only be open 14 hours to the public due to budget reductions. That \$55,000 offers an opportunity to purchase more much-needed library materials to support the City's Education priority and restore security coverage to support the City's Public Safety priority.

Parks and Facilities Division

The Parks and Facilities mission is to improve residents' quality of life by maintaining and improving the City's parks and open space, offering a diverse range of recreation programs, as well as maintaining and improving all municipal facilities including Schools.

The Mayor's FY12 Recommended Budget reduced the Parks & Facilities Division by 5.4% from the FY11 Adopted Budget. These reductions included non-bargaining concessions, the elimination of 11 vacant positions, 7 layoffs and concessions by the tradesmen union. In addition, reductions were taken for repair and maintenance, fertilizer, supplies, professional services and all supplies.

Additional reductions implemented by the council will have the following impacts as described by the departments:

Parks Department:

Since the OTPS funding for this division is 59% fixed costs, the elimination of programs and services has to be implemented to live within this additional reduction. Due to a cut of \$193,710, the Parks Department will eliminate all ground maintenance, including mowing, trimming and cleanup, of all the City terraces. A properly maintained terrace sends a message to potential home buyers that the city cares for its open space and

residential property. These cuts will prevent these neighborhoods to be properly maintained.

Lastly, the Parks Department will be unable to provide extra support through staffing and materials for special events as they have provided in the past.

Facilities Maintenance:

The Facilities Maintenance department was cut by the City Council in the amount of \$130,708. This cut will directly affect City buildings only; the School Department's facilities budget remains intact. In FY12, this means:

- The elimination of ground maintenance which includes mowing, trimmings, and cleanups of all the City Municipal Buildings. The police station and libraries will become a nuisance to the neighborhoods due to the inability to maintain these sites.
- Elimination of all fertilizer programs and over-seeding of Municipal Buildings. The department always prided itself in upkeep of the libraries and other municipal as if they were a home within that neighborhood.
- This will affect department ability to coordinate repairs that require the advice of an outside architect/engineer. Example of projects includes plumbing and HVAC, roofs, and window repairs etc.

Steps Taken to Date: The following steps have been taken to date as a result of the budget adoption:

1. Ten (10) additional employees have been laid off.
 - a. 1 – Finance
 - b. 1 – Law
 - c. 3 – CitiStat
 - d. 4 – Police
 - e. 1 - IT
2. One (1) additional employee has accepted the retirement incentive plan.
3. All non-union employees are not receiving raises for FY12 and have had their salaries reduced by 4.6% to absorb the 12 furlough days.
4. The School-Stat analyst in the CitiStat Department has been moved to the School Department as approved by the School Committee.
5. Part of the Finance Director's salary is being charged directly to the School Department.

Next Steps: The following are the recommended next steps for implementing the FY12 budget:

- Load budgets as impacted into MUNIS
- Consider other transfers (from other departments, from Stabilization) to address departments with significant impact statements
- Prepare and submit a stabilization transfer to Council to balance the budget at the time or before the tax rate is set. Below is a quick analysis of the minimum transfer needed based on the action or inaction taken to date:

Stabilization Transfer Impact		
Mayor's Recommended Stab xfer	10,500,000	
Council Cuts	(2,681,549)	
Council Inaction on Hotel / Motel Tax	400,000	*
Council Inaction on Demand Fee	350,000	*
Schedule 19 Impacts	385,000	*
Minimum Stab Recommendation	8,953,451	

*These three items total \$1,135,000. If the City Council does not approve these items or alternatively a transfer, an estimated 25 layoffs would have to be made.