

The background of the slide is a collage of US dollar bills, including a prominent \$100 bill on the left and several \$20 bills scattered across the right side. The bills are rendered in a dark blue, semi-transparent style against a solid blue background.

City of Longview

2009 General Fund Financial Review
1st Quarter ending March 31, 2009

City Council Meeting
May 28, 2009

Agenda

- 2009 General Fund Review (1st Qtr)
- 2009 General Fund Forecast
- 2009 General Fund Summary
- 2009 Cost Cutting Measures
- 2010 General Fund Summary
- Recommended Next Steps

History of Assessed Value (billions)



Comment: "2009 assessed value of \$2.9 billion represents a 11.8% increase over 2008 assessed value of \$2.6 billion. The increase in assessed value resulted in a 16 cent/\$1,000 reduction in Longview's levy rate from \$2.88 to \$2.72 for the current year."

History of Property Taxes (in 000's)



2009 Budgeted Property Tax = \$7,330,940

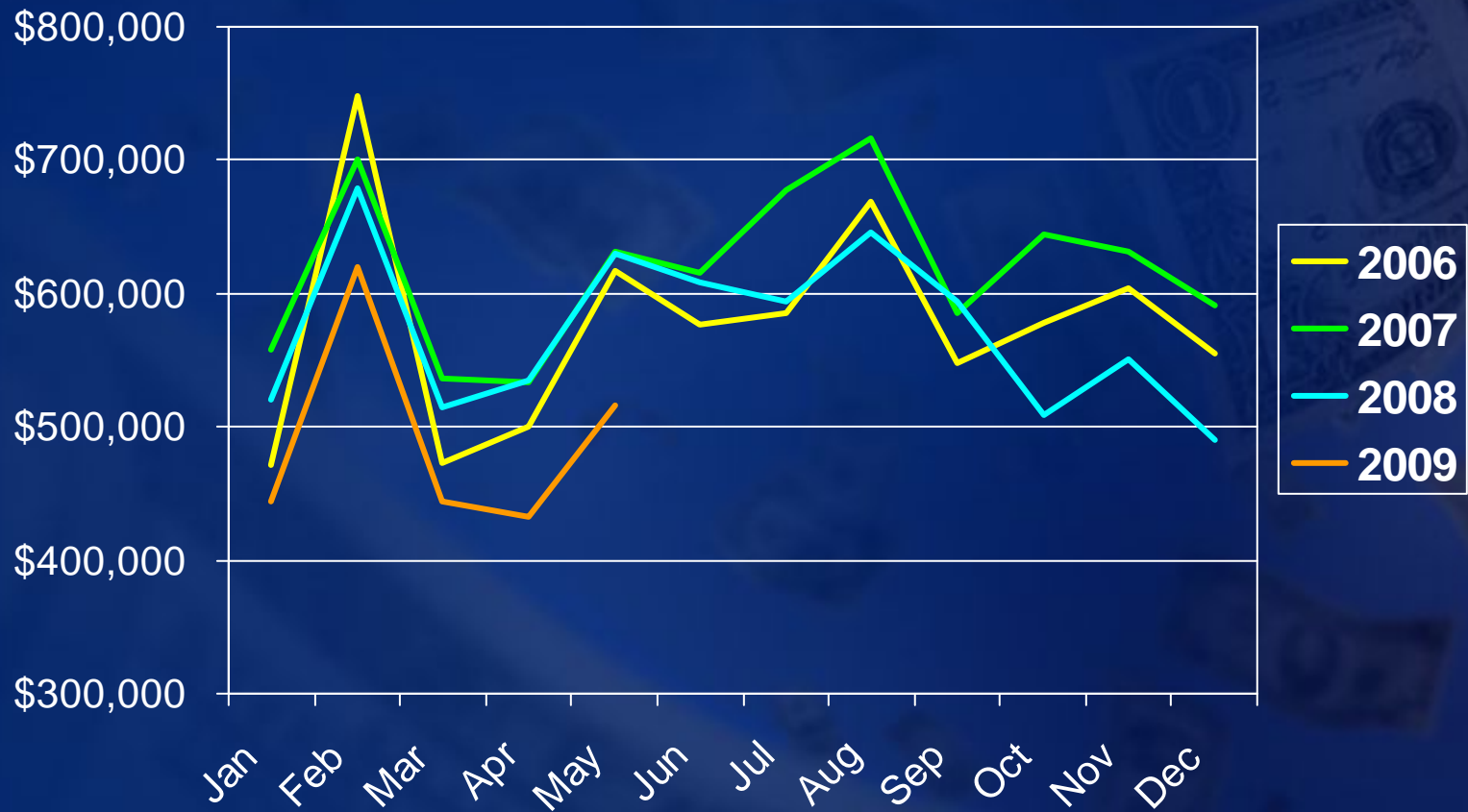
History of Sales Taxes (in 000's)



2009 Budgeted Sales Tax = \$7,343,310

Comment: "Projected 2009 sales tax revenue in the amount of \$6.08 m is \$1.26 m less than budget and represents a 11.5% decrease from 2008 sales tax revenue."

Sales Tax by Month



Sales Tax by Month

Month	2006	2007	2008	2009
Jan	471,940	558,450	520,880	444,430
Feb	748,570	701,920	678,340	620,120
Mar	473,010	536,450	515,350	443,730
Apr	500,720	533,650	535,360	432,105
May	616,280	631,750	629,350	516,249
Jun	577,240	615,520	608,600	507,780
Jul	585,770	678,250	593,290	522,560
Aug	669,130	716,940	646,480	599,600
Sep	548,030	585,940	593,490	503,040
Oct	578,500	644,780	508,340	542,800
Nov	603,770	630,840	551,200	564,620
Dec	554,790	591,530	489,720	495,720

History of B&O Taxes (in 000's)



2009 Budgeted B&O Tax = \$8,491,340

Comment: "Projected 2009 B&O taxes in the amount of \$8.0 m represent a 2.0% increase from 2008 B&O taxes of \$7.8 m. Projected 2009 B&O taxes are \$517 k less than budgeted."

2009 Projected Revenue (in 000's)



2009 Budgeted Revenue = \$30,610,280

Comment: Projected 2009 General Fund revenue in the amount of \$28.6 m is \$2.0 m less than budgeted and is 0.8% less than 2008 revenue.

2009 General Fund Revenue

Revenue:	Budget	Projected
Taxes	\$24,549,300	\$22,615,060
Licenses & Permits	853,170	936,013
Intergovernmental	1,559,520	1,546,164
Charges for Services	2,719,760	2,712,922
Fines & Forfeits	620,330	610,691
Miscellaneous	308,200	195,795
Other Fin Sources	0	0
Total Revenue	\$30,610,280	\$28,616,645

Comment: "Projected 2009 revenue shortfall is the result of declining sales and B&O tax revenue in addition to a significant drop in interest earnings."

2009 Projected Expenditures (in 000's)



2009 Budgeted Expenditures = \$31,038,680

Comment: "2009 projected expenditures of \$29.4 m are \$1.6 m under budget and 4.5% less than 2008 expenditures."

2009 General Fund Expenditures

Object:	Budget	Projected
Salaries	\$15,341,220	\$14,776,565
Benefits	5,649,400	5,485,372
Supplies	812,990	796,744
Services & Charges	5,475,470	4,700,143
Intergovernmental	2,446,430	2,321,360
Capital Outlay	89,650	89,650
Debt Service	328,430	328,430
Transfers	895,090	900,053
Total Expenses	\$31,038,680	\$29,398,317

Comment: "2009 projected expenditure savings in the amount of \$1.6 m are the result of salary freezes, furloughs, vacant positions, a reduction in employer pension contributions, fuel savings and suspending vehicle depreciation."

2009 General Fund Expenditures

Function:	Budget	Projected
General Government	\$3,522,730	\$3,341,779
Public Safety	16,609,030	15,928,530
Transportation	3,021,320	2,637,130
Community Develop	942,860	900,403
Culture & Recreation	5,427,370	5,066,786
Non-Departmental	1,515,370	1,523,689
Total Expenses	\$31,038,680	\$29,398,317

Comment: "2009 projected expenditures in the amount of \$29.4 m are 5.3% less than budgeted expenditures."

The background of the slide features a collage of US dollar bills. On the left side, there is a vertical strip showing a close-up of a bill with the number '9610' and the words 'FEDERAL RESERVE NOTE'. The rest of the background is a dark blue gradient with faint, overlapping images of various dollar bills, including a \$100 bill and a \$20 bill.

2009 General Fund Summary

2009 General Fund Overview

	2009 Budget	2009 Projected (Jan. 31, 2009)	2009 Projected (Mar. 31, 2009)
Beg Fund Balance	\$4,615,490	\$4,816,101	\$4,816,101
Revenue	30,610,280	28,970,808	28,616,645
Beg Cash Required	<u>428,400</u>	<u>1,967,872</u>	<u>781,672</u>
Total Revenue	31,038,680	30,938,680	29,398,317
Expenditures	31,038,680	30,938,680	29,398,317
Cont. to End Fund Bal	<u>0</u>	<u>0</u>	<u>0</u>
Total Expenditures	<u>31,038,680</u>	<u>30,938,680</u>	<u>29,398,317</u>
End Fund Balance	\$4,187,000	\$2,848,229	\$4,034,429
% of End Fund Bal	13.5%	9.2%	13.7%

2009 General Fund Budget

As of March 31, 2009, the 2009 General Fund balance is projected to result in Budget Prioritization - Stage 2 whereby, expenditures exceed revenues and projected ending fund balance is greater than 12%.

Cost Cutting Measures

- Freeze vacant positions
- Salary freeze
- Early retirements
- No new merit (M&S) step increases
- Furloughs
- Reduced employer paid pension contributions
- Reductions in labor force
- Suspend vehicle depreciation

Reducing the budget gap

Bargaining units assisting in narrowing the budget gap:

- EBA (Employees Bargaining Unit)
- AFSCME (Police Civilian Staff)
- IAFF 828 (International Association of Firefighters)
- Fire Chief Officers Association IAFF 3375
- Non-represented Employees

2009-10 General Fund Overview

	2009 Budget	2009 Projected (Mar. 31, 2009)	2010 Budget
Beg Fund Balance	\$4,615,490	\$4,816,101	\$4,034,429
Revenue	30,610,280	28,616,645	31,505,100
Beg Cash Required	<u>428,400</u>	<u>781,672</u>	<u>1,050,820</u>
Total Revenue	31,038,680	29,398,317	32,555,920
Expenditures	31,038,680	29,398,317	32,555,920
Cont. to End Fund Bal	<u>0</u>	<u>0</u>	<u>0</u>
Total Expenditures	<u>31,038,680</u>	<u>29,398,317</u>	<u>32,555,920</u>
End Fund Balance	\$4,187,000	\$4,034,429	\$2,983,609
% of End Fund Bal	13.5%	13.7%	9.2%

Recommended Next Steps

- Freeze vacant police captain's position and (2) police officer positions that are currently vacant due to military leave.
- Continue on-going monitoring and reporting of General Fund's financial condition and provide mid-year report August 13, 2009.
- Make final budget adjustments for calendar year 2009 and adopt formal budget amendment for 2009 on August 13, 2009.
- Present 2010 budget adjustments in December 2009.

General Fund Review

The end.