

OFFICE OF THE INDEPENDENT BUDGET ANALYST REPORT

Date Issued: March 22, 2007

IBA Report Number: 07-38

Budget and Finance Committee Docket Date: March 28, 2007

Item Number:

Subject: Progress Report on the IBA's 2007 Policy Matrix and City Council Position
Adds to the Fiscal Year 2007 Budget

OVERVIEW

In IBA Report 06-26, the IBA made specific recommendations for modifications to the Mayor's FY 2007 Proposed Budget. These changes were adopted by the City Council via Resolution 301515 as part of the final budget. In addition, the IBA provided a matrix of policy recommendations to be implemented over time to improve the City's financial stability and management. On October 13, 2006, the IBA issued Report 06-47 providing a progress report on these Council modifications, and the items identified in the IBA's policy matrix, following the first quarter of the fiscal year. This report provides additional updates to the matrix of policy recommendations, as well as the status of the filling of positions the City Council specifically directed be added to the Fiscal Year 2007 Budget.

FISCAL/POLICY DISCUSSION

Many actions have been taken and considerable progress has been made in several areas related to the policy recommendations made by this office. Significant **accomplishments** that have taken place since the October 2006 update include:

- The issuance of the Mayor's Five Year Financial Outlook in November 2006
- The City Council Strategic Budget Prioritization Process held in January 2007
- The introduction of the City Management Program on March 21, 2007.

These items signify positive movement in addressing the City's financial situation, identifying priorities, and putting programs in place to set goals and monitor performance citywide.

A number of other items are on the verge of coming forward to the City Council or to one of its committees for consideration in the months ahead, including:

- Revisions to the Debt Policy
- Revisions to the Reserves Policy
- Elimination of the "Waterfall" from Municipal Code
- Business Process Reengineering reports for several departments

Unfortunately, some policy items have seen less significant advancements during this time, and need considerable work, including:

- Police Department Recruitment and Retention
- Fire Department Constant Staffing
- Strategy for Storm Water Funding
- Long-term Strategy for Environmental Growth Funds

The IBA has also continued to monitor the status of the filling of new positions added by the City Council to various departments. Since our last update, five positions related to the Ethics Commission, Graffiti Control, and Planning have been filled. Updates related to a number of vacancies within Park and Recreation, and the thirty civilian positions added to the Police Department were not provided to our office by the time this report was issued, so their status is unknown.

As discussed in our last report on this topic, it is our expectation that all of the positions the City Council added to the final budget will be filled in a timely manner, and the Committee and the City Council are urged to communicate and reinforce those expectations.

CONCLUSION

Progress continues to be made in several significant policy areas, with several accomplishments taking place since our last update in October 2006. Many items are expected to continue to advance in the months ahead. While five additional positions have been filled from among the Council-directed additions totaling 60.68 full time equivalents since our last report, the Budget and Finance Committee and City Council are urged to communicate and reinforce expectations with regard to filling all positions added to the final budget. The IBA will continue to monitor progress on all items in order to strengthen accountability and provide significant public information on these topics.

[SIGNED]

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Attachments:

1. IBA Policy Recommendations FY 2007
2. City Council Modifications to Fiscal Year 2007 Budget – Position Summary