

December 21, 2005

TO: All Those with Budgets to Submit

FR: Jeffrey Kobrock

RE: FY 07 Budget

As we discussed at the last Management Team meeting it is budget time again! Remember that this year our timeline will be slightly compressed. No doubt this budget season will be exciting, challenging and enjoyable.

Below is the general schedule, which we discussed earlier.

- January 3, 2006 – Manager Requests Budgets
- January 19, 2006 – FY 07 Goal Statement
- February 10, 2006 – Budgets Submitted to Manager, no changes after submission, only worksheet format accepted.
- February 24, 2006 – Budget Memo Submitted to Manager/with Updated CIP
- March 15, 2006 – Manager Develops Rough Draft
- April 14, 2006 – Manager Submits Budget to Council
- May 2006 – Budget Workshops
- June 1, 2006 – Council Finalizes Expenses & Revenues
- June 15, 2006 – First Reading of Budget
- June 22, 2006 – Second Reading of Budget

Remember that we will be formally consulting with departmental staff as a step in budget preparation again this year. Pat Coty will distribute the budget worksheets that give you current and historical data, as well as dividing up the responsibilities for which accounting departments fall under which operational departments. Return these worksheets to Pat **NO LATER THAN FEBRUARY 10**. Earlier than this date would be appreciated. No format other than these worksheets will be accepted. No changes to these submissions can be made without consulting with me first.

Schedule a meeting with Molly for February 10, 13, 14. At this meeting please:

- Be ready to discuss what is in your budget, what is not but should be, and what is important both long term and short term in you department. Put those items in the form of a brief memo. That memo should be submitted to me by February 24. This year your memo should also provide a projection

of how you will end the FY 06 year. This could be as simple as “Department 120 on Budget” “Department 121 under budget \$10,000” etc.

Please budget in accordance with the Council FY 07 Goal Statement, but until then assume a flat bottom line exclusive of salary lines or other items contractually mandated or fixed costs such as fuel, electricity etc. If you cannot do this be ready to discuss the circumstances.

Additionally, please reflect upon the fact this will be an extremely challenging budget to develop. We need to think creatively about how we deliver services and what kinds of new approaches we might employ. Not only do we need keep lines flat – we need substantial savings to offset rapidly rising fixed costs. Please talk with your staff and sincerely try to find savings to propose in your budget submission.

Thank you very much for your help. Please feel free to talk with me about your budget preparation at any time in the process.