

What is Proportionate Share?

Even with efficiency improvements, enhanced revenue management, government reform, pension reform and employee concessions, significant budget cuts are required. The problem is simply too big to be solved without service impacts.

Maintaining core public safety, quality of life, and legally required administrative functions is absolutely essential to a healthy and productive city. Over the past 12 years, budgeted General Fund expenditures for our public safety departments (Police and Fire) increased 38 percent, while budgeted expenditures for our other departments decreased by 13 percent. Two years ago, while developing the FY 11 Budget, it became evident we could not continue to increase the priority of public safety services without decimating other essential City services. Public safety services were on a long-term trend to be 100% of the City's budget, as is shown in Chart 6.

The solution was to maintain public safety services (and all services) at their current priority levels, which is the basis of the "proportionate share" approach.

The "proportionate share" approach assigns deficit reduction targets to departments to curtail their growth, primarily from negotiated salary increases and pension cost increases. This approach ensures that our public safety departments (Police and Fire) receive the majority of the General Fund resources each and every year (68 percent), while retaining funds to pay for all the other services our residents deserve such as parks, libraries, code enforcement, animal control, and support services. Chart 7 shows how the reduction targets for other departments would increase if public safety departments were exempted from budget reductions. Essentially, their reduction targets would triple if public safety departments did not participate. Chart 8 shows the percentage of the Proposed FY 13 General Fund Budget that is devoted to each department, or department group, with proportionate share.

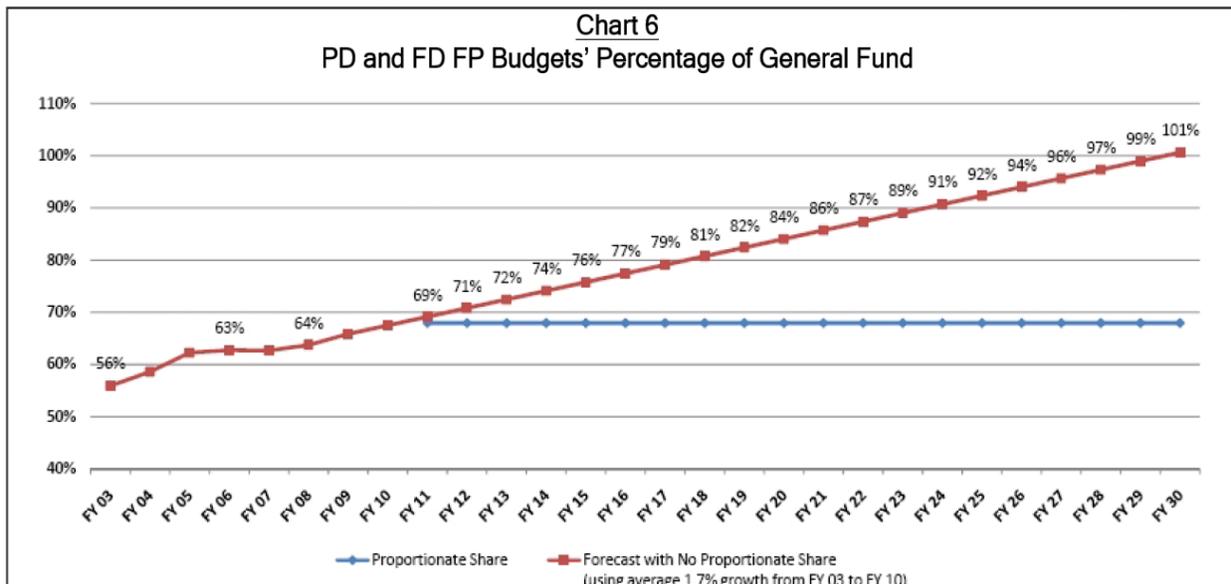


Chart 7
Reduction Targets From Exempting Public Safety:
FY 13 – FY 15

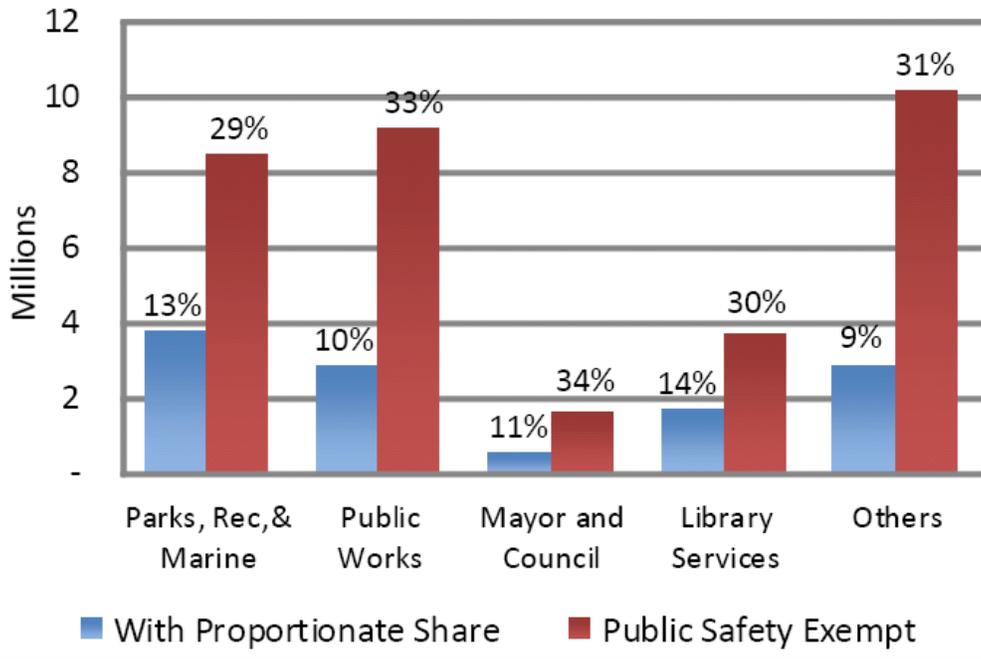
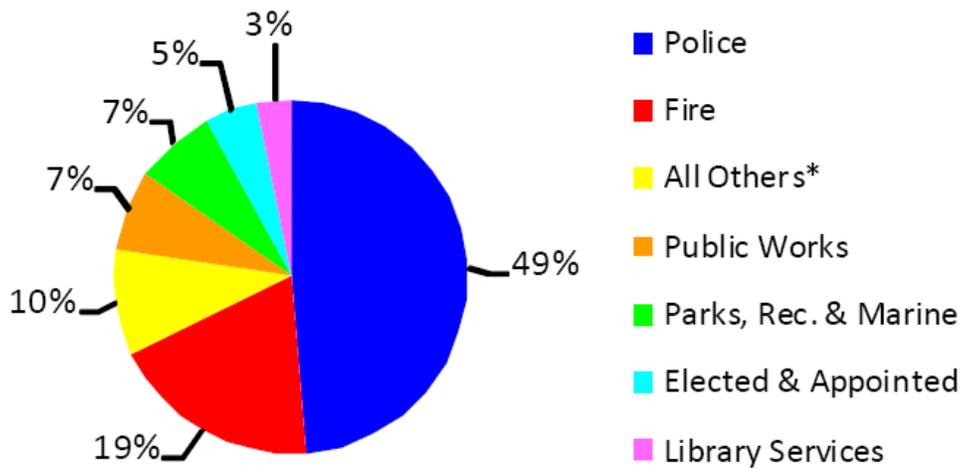


Chart 8
FY 13 Proposed General Fund Budget
\$395.4 Million



*Includes City Manager, Citywide Activities, Development Services, Human Resources, Financial Management, and Health & Human Services.