PUBLIC HEARING

SUBJECT: BUDGET ADOPTION FOR THE 2005-06 FISCAL YEAR

SOURCE: Administrative Services

COMMENT: On June 10, 2005, the City Council conducted a study session to review the proposed 2005-06 budget. At the study session, staff presented the budget message which is attached to this report. The budget message contained specific information regarding the assumptions upon which the document was created.

The message describes the deficit budget status in the 2005-2006 fiscal year, and the anticipated rebound and balanced budget in out years, baring any additional state take-a-ways. Also highlighted in the budget message is the focus on the growing demands for public safety services. With substantial growth in population based several annexations and new development, staffing levels in public safety are being challenged. The message describes the fact that the City Council is considering placing a Public Safety Sales Tax Measure on the November 2005 ballot to address these challenges. The impact on the budget to meet the challenges without the additional funding is also reflected.

Additional features in the 2005-06 draft document are departmental narratives and work efforts reports. These documents highlight the challenges facing all departments in 2005-06, and outline where staff efforts will be focused.

At the study session, Council directed staff to notice this date as a Public Hearing at which time public comment could be received.

RECOMMENDATION: (1) That the Council conduct a public hearing to receive comment on the proposed 2005-06 fiscal year budgets for both the General Fund and Enterprise and Internal Service Funds.

(2) That Council approve the attached resolution adopting the 2005-06 fiscal year budgets, as modified by the City Council.

ATTACHMENTS: Draft Budget Document