

Over the last several months city council has taken proactive measures to address the city's continued viability, vitality, and most importantly, its continued fiscal health. Recently, council voted to rollback an income tax credit, given when the economic times were much better, for a period of 18 months. Yes, on 31 December 2011, the rollback will expire. Hopefully and with some good fortune, we may be able to revisit the rollback as council monitors revenues and expenses of the city. The finance committee will be meeting monthly with our finance director to review the city's finances. All of these meetings are open to the public and we encourage you to attend.

There has been a lot of misinformation circulating recently regarding how the rollback was handled so I'd like to take a moment to highlight some facts. First, all of council meetings regarding the budget and rollback were open to the public; however, only a couple of residents attended. Input was sought through these meetings as well as other forms of communication.

Our city, like each and every other city in this region and for that fact, most of the cities in the United States are facing an unprecedented economic crisis which is not of our making but it is our responsibility to respond to. The Auditor's office has estimated that the loss of property tax revenue would be \$800,000 for this year. On top of that, there's an estimated loss of \$600,000 income tax revenue (1.4 million).

Dr. Martin Luther King, Jr. once said, "Cowardice asks the question - is it safe? Vanity asks the question - is it popular? Expediency asks the question - is it political? But conscience asks the question - is it right? There comes a time when one must take a position that is neither safe, popular, nor political; but because it is right." And council's vote on the rollback was right.

Without the rollback, the following options were on the table:

- \*Swimming pools and splash park closed;
- \*All parks closed at dusk and no lights for little league baseball and softball;
- \*Closing of the community center except for two days on which feeding of our area's seniors occurs;
- \*Summer Band Concerts cancelled;
- \*All services such as school & crossing guards, animal warden, kennel & recycling would be reviewed for elimination or reduction on a monthly basis;
- \*4 police officers laid off;
- \*4 service department employees (plus all part-time) laid off; and
- \*No general fund dollars appropriated for road work

And these reductions/eliminations are for this year, 2010.

Paraphrasing Frederick Douglas, "some want crops without plowing up the ground; some want rain without thunder and lightning and some want the ocean without the awful roar of its many waters." Many have wanted to know what the city and its various departments have done to help weather this current economic crisis as they have inquired about the rollback yet this information has been freely and publicly provided. So once again, here are some of the steps taken by your city employees and departments:

- \*All employees, bargaining and non-bargaining took a 3.85% cut in pay;
- \*Finance department has not rehired a person instead working with a short-staffed office;

\*The police department has not replaced an officer who retired last year, a dispatcher and two-part-time corrections officers;

\*The building department is down two employees;

\*Service Department has replaced 4 Laborer II with lower cost Laborer I's, replaced the arborist, instituted a yard waste preprogram, initiated the Sensible Salting Plan; and

\*No home days or fireworks for the 2<sup>nd</sup> year.

Several individuals have indicated the effect of the rollback on their family budget. I believe that members of council and the administration have taken a prudent and wise approach to maintaining the city's health, welfare and safety during this time of crisis. We are all in this boat together and together we'll see a better day for our community and most importantly we want this city to remain the place that truly says, "Welcome Home." I hope that this information will clarify why the rollback was instituted and it is only temporary. I invite all to attend our finance committee meetings that will be held on the last Monday of each month beginning in May.

Thank you.