

FOR CITY COUNCIL MEETING OF: February 12, 2007  
AGENDA ITEM NO.: 4.3 (b) \_\_\_\_\_

TO: MAYOR AND CITY COUNCIL

FROM: CITY OF SALEM BUDGET COMMITTEE



SUBJECT: APPROVAL OF BUDGET PREPARATION GUIDELINES

ISSUE:

Should the City Council approve the 2007-08 budget preparation guidelines as recommended by the Budget Committee?

RECOMMENDATION:

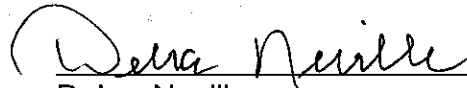
That the City Council approve the Budget Committee recommended 2007-08 budget preparation guidelines.

BACKGROUND:

The Budget Committee reviewed the City of Salem 2007-08 through 2011-12 Five Year Forecast of the General Fund on December 11, 2006. The meeting included a Budget Committee recommendation to the City Council regarding the policies/guidelines that staff would use in preparing the 2007-08 General Fund budget. The City Council has also reviewed their goals since the Budget Committee meeting. Both the Budget Committee recommendation and City Council goals are compatible.

FACTS AND FINDINGS:

On December 11, 2006, the Budget Committee reviewed the 2007-08 through 2011-12 Five Year Forecast of the General Fund. Action taken by the Budget Committee included approval of a motion to recommend that the City Council approve the budget preparation guidelines outlined in the forecast with one amendment. The four guidelines are presented on Attachment I entitled *Recommended Financial Policy Guidelines For Preparing the 2007-08 General Fund Budget*.



Debra Neville  
Budget Officer

**RECOMMENDED FINANCIAL POLICY GUIDELINES  
FOR PREPARING THE 2007-08 GENERAL FUND BUDGET**

*From Budget Committee meeting of December 11, 2006*

1. Balance the budget within existing resources.
2. Continue to augment funding for the street maintenance program in an effort to reach *adequate* standards as identified by the Save Our Streets Committee.
3. To the extent possible, fund programs in accordance with City Council goals including public safety and deferred maintenance of civic facilities.
4. Increase the police force to approach the goal of staffing at 1.5 officers per thousand population.