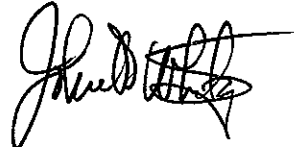


FOR CITY COUNCIL MEETING OF:
AGENDA ITEM NO.:

January 7, 2008
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TO: MAYOR AND CITY COUNCIL
FROM: CITY OF SALEM BUDGET COMMITTEE
SUBJECT: APPROVAL OF BUDGET PREPARATION GUIDELINES



ISSUE:

Should the City Council approve the FY 2008-09 budget preparation guidelines as recommended by the Budget Committee?

RECOMMENDATION:


That the City Council approve the Budget Committee recommended FY 2008-09 budget preparation guidelines.

BACKGROUND:

The Budget Committee reviewed the City of Salem FY 2008-09 through 2012-13 Five Year Forecast of the General Fund on December 10, 2007. The meeting included a Budget Committee recommendation to the City Council regarding the policies/guidelines that staff would use in preparing the FY 2008-09 General Fund budget.

FACTS AND FINDINGS:

On December 10, 2007, the Budget Committee reviewed the FY 2008-09 through 2012-13 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. The three guidelines are presented on Attachment I entitled *Recommended Financial Policy Guidelines For Preparing the FY 2008-07 General Fund Budget*.


Debra Neville
Budget Officer

**RECOMMENDED FINANCIAL POLICY GUIDELINES
FOR PREPARING THE FY 2008-09 GENERAL FUND BUDGET**

From Budget Committee meeting of December 10, 2007

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.