

General Fund Revenues:

REVENUE SOURCE	FY06 BUDGET	FY07 BUDGET
Property Tax	\$290.4 million	\$344.2 million
Sales Tax	\$144.1 million	\$234.9 million
T.O.T.	\$128.5 million	\$139.1 million
Other	\$301.0 million	\$267.8 million
Pension Obligation Bonds	\$0	\$374 million
<b>TOTAL ESTIMATE (AS OF 4/9/06) MAY BE FINE-TUNED FOR 4/14</b>	<b>\$864 MILLION</b>	<b>\$1,360 MILLION</b>

- Police and Fire Department overtime budgets will be fully funded.
- 270 General Fund Phantom or “supplemental” positions (as they are known in City parlance) will be incorporated into the budget. This will cost \$33.7 million.
- Funding deferred maintenance.
- Funding reserves.
- A requirement that enterprise and special funds be audited every three years to ensure all fees paid into those funds are used for the proper purpose, including personnel.
- And a reduction in the size of the annual budget report down to one volume so that the public can understand the document.

**Pension Funding Plan**

Over the course of the next three fiscal years (FY06, FY07 and FY08), the Mayor is proposing to infuse the Retirement System with **\$856.1 million in cash** in order to reduce the \$1.4 billion deficit.

FISCAL YEAR	FUNDING RECOMMENDATION	AMOUNT		
FY06	Tobacco Securitization	\$100 million		
	Remainder of Employee Pickup	\$7 million		
	<b>FY06 Sub-Total</b>	<b><u>\$107 million</u></b>	<b>\$107 million</b>	<b>68% funded</b>
FY07	Normal Costs	\$85.8 million		
	Pension Obligation Bonds	\$300 million		
	Employee Leverage POB	\$74 million		
	<b>FY07 Sub-Total</b>	<b><u>\$459.8 million</u></b>	<b>\$459.8 million</b>	<b>79.15% funded</b>
FY08	Normal Costs (estimated)	\$89.3 million		
	Pension Obligation Bonds	\$200 million		
	<b>FY08 Sub-Total</b>	<b><u>\$289.3 million</u></b>	<b>\$289.3 million</b>	<b>83.72% funded</b>
	<b>TOTAL</b>	<b><u>\$856.1 million</u></b>	<b>\$856.1 million</b>	

**The Mayor will establish 85% as the funding ratio goal for his administration.**

Mayor Sanders believes that the City’s true pension obligation, including the **Actuarially Required Contribution (ARC)** should be fully disclosed to the citizens of this community. Because the City has ultimate responsibility for the numbers that appear in its financial