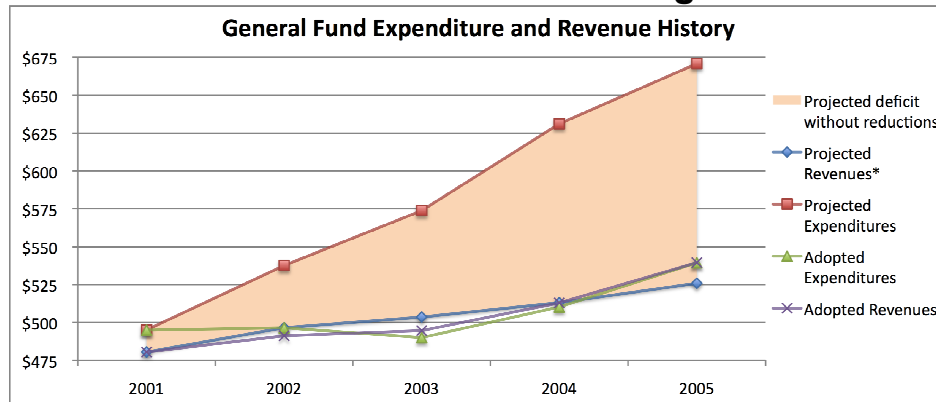


Closing the Gap: Efficiencies, Budget Reductions and New Revenues Closed the \$137 Million Deficit of 2002 – 2005 Earned AAA Bond Rating



*2002 Projected Revenues Includes \$5.4mm in 2001 fund balance carried forward
Projections made in early 2003 using 2002 adopted budget; adopted numbers reflect CX Financial Plans
2005 adopted Includes former CJ revenues and expenditures

- Consolidated Executive departments from 14 to 7, drastically reducing overhead
- Developed a parks business plan, which led to the passage of a property tax levy supporting County Parks operations. This reduced General Fund expenditures for parks by \$17 million annually while ensuring every park and pool stayed open to the public
- Instituted annual rent payments for the Cedar Hills Landfill, generating \$7 million in annual General Fund revenues
- Realized \$40.9 million in reductions and new revenues for the County's criminal justice system
- Reduced General Fund contributions to Health and Human Services programs by \$12.2 million
- Lowered salary costs by \$5.1 million through negotiations with labor unions
- Lowered benefits costs by \$8.4 million through renegotiated benefits packages
- Achieved \$5.6 million in retirement savings through lower state PERS retirement rates in 2002 – 2004
- Restructured debt service and CIP, saving \$4.5 million
- Closed the North Rehabilitation Facility (NRF), saving \$2.3 million
- Eliminated the Office of Cultural Resources, saving \$1.1 million, through the creation of 4Culture, a Public Development Authority